ROTORUA LAKES COUNCIL

Te Kaunihera o ngā Roto o Rotorua

Asset Management Policy 2024

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SECTION 1: Introduction

1.1 Our role

Rotorua Lakes Council (RLC / Council) is responsible for the provision of key assets and services that support the daily life of the Rotorua community. Our physical infrastructure needs to be adequate to meet the community demand now and the projected future demand as our city grows.

Our infrastructure must be safe, reliable and in a stable condition to meet future demand and our levels of service. We want no shocks or surprises, so we aim to understand what we have and ensure that it is fit for purpose. To do this we need to understand and plan for how our infrastructure needs will change.

We need to consider how our population is changing and what impact this may have on demand for our infrastructure. We need to consider current and emerging trends and the changing national and world context within which we operate.

What are the possible future scenarios? Where do we need to provide new capacity? Where and how might we redevelop redundant capacity or transform our infrastructure? How can we remain agile in our infrastructure planning? What are the investment decisions that will support us in achieving the preferred future for our Rotorua community?

Through developing a comprehensive asset management framework, we can be confident we are making good infrastructure decisions. We can ensure we are meeting our legislative obligations, maintaining service levels to our communities, stimulating our local economy and supporting future changes in our community.

1.2 Strategic context

1.2.1 National context

Local authorities play a broader role in promoting the social, economic, environmental and cultural well-being of their communities, taking a sustainable development approach.

There are various sector changes that will impact long-term planning for Council's assets. These include:

- Government's three water proposals - The new Government's three water proposals are still uncertain. Alternative models include regional / sub regional Council Controlled Organisations. This policy will be updated as required as the Government implements its repeals of the legislation and preferred model for three waters. Our Asset Management Policy includes three water assets so RLC's long term aspirations are formally documented regardless of the preferred model.
- Resource management system reforms - The Resource Management Act is replaced with two new Acts implemented in a staged approach by 2033. The Spatial Planning Act and the Natural and Built Environment Act began coming into effect on 24 August 2023.
- Waste management changes - The Government released its new NZ Waste Strategy in April 2023 along with changes to kerbside recycling services. The changes particularly impact local government as it sets national targets to be met by 2030. Councils will need to show how they will action these in their Waste Management and Minimisation Plans and Long-Term Plans.
- Future for Local Government - The Future for Local Government Panel released its final report in June 2023. It has made 17 recommendations for the incoming government to decide after the general elections in October 2023. The report presents an opportunity for councils to better position themselves to deliver community aspirations.
- Infrastructure Action Plan (2023) - The Action Plan sets out what the Government is doing, and will do, to address the challenges and opportunities identified in the New Zealand Infrastructure Strategy. The Strategy identified the key Government work programmes to achieve the strategic objectives.

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Changing expectations of local government places further pressure on already constrained budgets. Many councils, like RLC, are facing issues maintaining their current service levels, renewing ageing assets, and future proofing for growth, prudently while managing the impact on rates and debt levels.

1.2.2 Rotorua context

The Rotorua Lakes district is home to approximately 76,800 people (estimated as at 30 June 2022). Our population is projected to continue growing, reaching approximately 90,800 by 2051 (under the baseline scenario).

Our population is aging. Currently, 15% of our population is aged 65 years or above, which is projected to increase to 23% by 2051 (under the baseline scenario). While we have many young people, 22% of our population is under 14, this is expected to decline to 18% by 2051.

Approximately one third of our district's population identifies as Māori at 31% and this is projected to fall to 29% by 2051 (under the baseline scenario).

Housing is one of the biggest issues already facing our community and a Council priority to focus on. Social housing is the urgent priority, impacting the most disadvantaged in our community. We are partnering with Te Arawa to deliver safe, secure housing for all our people to ensure our community thrives.

Te Arawa and RLC have developed the He Papakáinga, He Hápori Taurikura Homes and Thriving Communities Strategic Framework (2020). The strategy describes the challenges the district faces and the strategies that will be used to ensure everyone can enjoy a good quality of life, now and into the future. This strategy belongs to the communities of the Rotorua district, and is overseen by the critical partnership between Te Arawa, the wider community and RLC.

We have taken a long term view to respond to the current shortfall in housing and to better plan for growth through two strategic planning initiatives:

- The draft Rotorua Future Development Strategy (2023) is a long term strategy and provides direction on how and where growth will happen over the next 30 years. It has been estimated that we need more than 9,700 additional homes and more spaces for businesses in the next 30 years. There will be a mix of housing choices with 57% delivered through intensification in existing urban areas and 29% delivered through new greenfields.
- Housing for Everyone – Plan Change 9 is a change that we are making to the Rotorua District Plan to encourage greater development and housing choice. It proposes changes to the current rules to better support intensification. This will enable medium density living across most of our urban area, and high density living close to and in the city centre and in our commercial centres.

Rotorua was established over one hundred years ago, with the signing of the Fenton agreement between the Crown and Ngāti Whakaue on 25 November 1880.

According to oral history, many of Rotorua's Māori residents trace their ancestry to Tamatekapua, the captain of the Arawa canoe that is believed to have arrived in New Zealand six centuries ago. Today, Rotorua continues to have a strong Te Arawa culture and manaakitanga (hospitality) which underpins the experience sought by many tourists to the district. We are considered a centre for Māori culture and expression.

Embedding cultural values into the way we manage our infrastructure is the Rotorua way. Incorporating cultural well beings is our new normal to ensure we are safeguarding the life-supporting capacity of air, water, soil and ecosystems. This is reinforced in our engineering standards.

We work closely with iwi through a co-governance board on all significant infrastructure projects. Cultural impact assessments are undertaken to ensure that significant infrastructure projects do not adversely affect any taonga and identify steps to avoid, remedy or mitigate any effects. We work closely with iwi to include them early in the process at the project planning stage to collaboratively develop and find long term sustainable solutions.

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Within New Zealand, Rotorua's volcanic landscape of lakes, calderas and geothermal features is unique. The compact size of the city, the geothermal features and the ready access to parkland, lakes, forests, and rural landscapes, are attractive for residents and visitors alike. The total size of the Rotorua district is 261,906 hectares. This consists of 41% forest, 43% agriculture and 8% lakes. The region includes 18 lakes, three major rivers and seven geothermal fields.

Our lakes are considered the jewels in the crown. They are of great significance to iwi and a key attractor bringing wealth into the region. We are developing a co-management approach with Te Arawa Lakes Trust and Bay of Plenty Regional Council to ensure holistic and integrated management of our lakes.

1.3 Strategic infrastructure linkages

RLC's Vision seeks to continue developing the Rotorua district in a way that responds to growth but at the same time retains and works to enhance the unique character of our place that is special to us all. Supporting this vision are nine Community Outcomes.

	Active	The accessibility of our lakes, forests, open space networks and the quality of our facilities create opportunities for everyone to be active throughout their lives.
	Safety	Our communities, businesses and visitors feel safe across our district.
	Tangata whenua aspirations	We recognise and support the aspirations of Tangata Whenua and Mana Whenua and partner to grow economic and social opportunities and benefits for everyone.
	Housing	All residents have access to a range of housing options that ensures they can live in quality, homes that are safe and healthy.
	Employment and economy	We enable businesses to grow with confidence through increasing investment opportunities. There are employment options across a range of sectors.
	Tourism	We are a world class destination, with a vibrant inner city and a positive reputation.
	Environment – mauri taiao	We are committed to protecting and improving our lakes, waterways, forest and green space environments.
	Connected and resilient	Our communities are cohesive and prepared for the effects of climate change and natural hazards and we invest in safe and reliable infrastructure.
	Arts and culture	Rotorua's unique cultural identity is the foundation for attracting and delivering a diverse range of events, increasing activity and vibrancy and driving economic benefits within our facilities and for our district.

The link between our strategic vision and Community Outcomes and our asset management framework are illustrated in Figure 1. Importantly, this link is in two directions. Our strategic documents direct our infrastructure planning, the nature and level of our asset management investment, and our asset management system provides key information and inputs that inform our strategic thinking.

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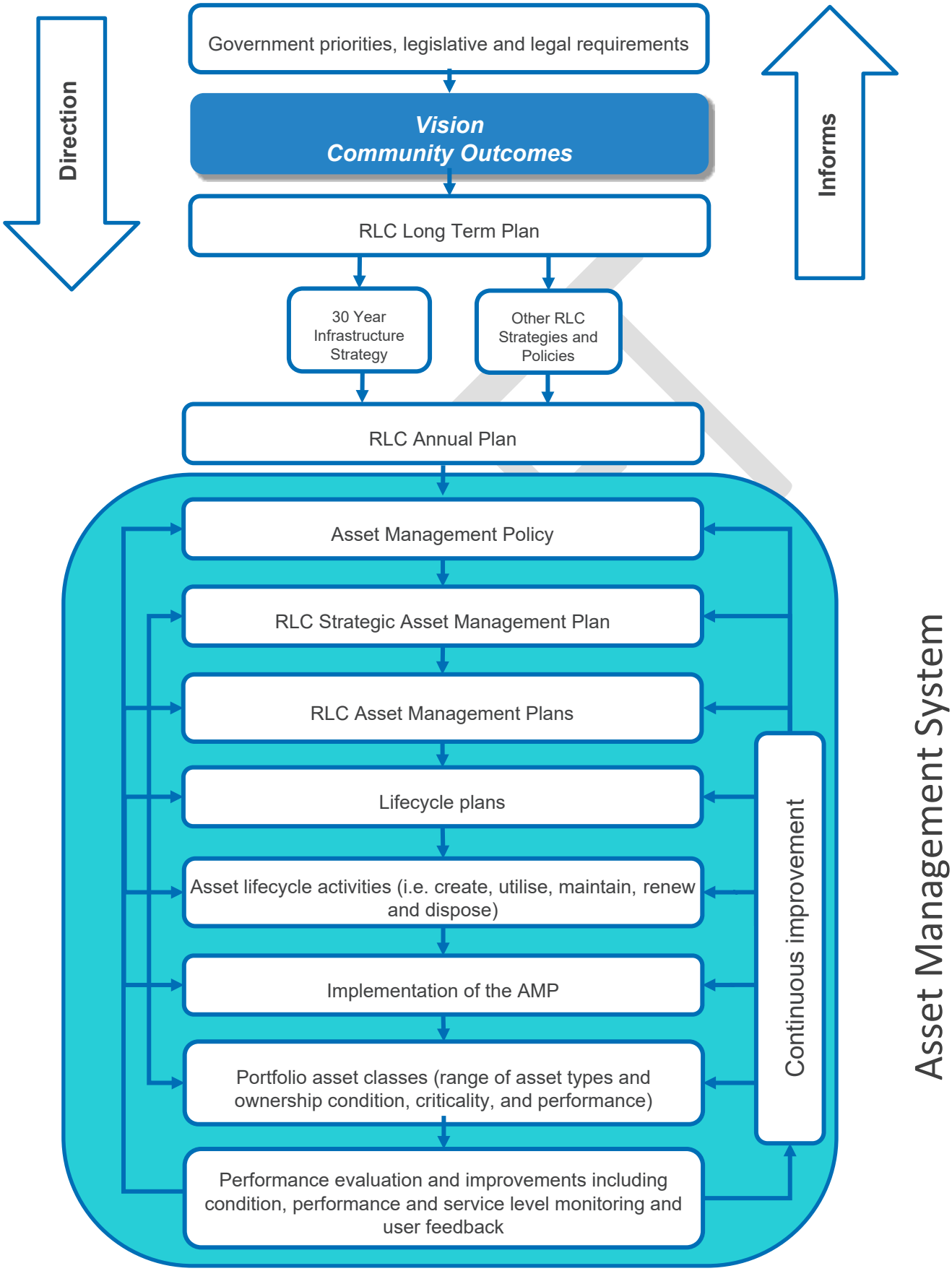
Figure 1 The relationship between RLC's strategic documents and the Asset Management System



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1.4 Assets at a glance

RLC owns and manages a diverse range of infrastructure assets $2.5 billion in value (replacement value as at 2022). This AM Policy covers the following infrastructure assets:

- Three waters (detention dams and wetlands not included in this value)
- Land transport
- Waste services (transfer stations not included in this value)
- Facilities (major facilities such as Sir Howard Morrison Centre, Rotorua Museum, community halls and pensioner housing are not included in this value)
- Sports Recreation and Environment (parks buildings are not included in this value).

A snapshot of the assets is shown in the following table.

Table 1 Asset summary

Activities	Description
Water supply	• Ten defined supply areas including three urban areas • Eleven water sources • Nine water supply treatment plants • Approximately 761km of pipelines • 15 water pump stations
Wastewater	• 410 km of gravity pipelines and 164km rising / pressure mains • Services three urban areas of Rotorua (Ngongotahā, city and eastern suburbs) and some rural lakeside communities • Two wastewater treatment plants • 81 wastewater pump stations
Stormwater	• 244km urban reticulated pipelines • 154km of open drains • Detention dams and wetlands • Service three urban areas of Rotorua (Ngongotahā, city and eastern suburbs) • Reporoa land drainage scheme
Land transport	• 1,007 km of roads (889 km sealed and 118 km unsealed) • 80 road bridges • 28 major culverts • 383 km of footpaths • 52km cycling routes (includes shared path, cycle lane and cycle path) • 144 bus shelters
Waste services	• Rotorua Recycling Centre • Four transfer stations (Mamaku, Okere, Reporoa and Tarawera) • One closed consented landfill - Rotorua Landfill on SH30
Facilties	• Arts and culture buildings including Energy Events Centre, Rotorua Library, Museum, Sir Howard Morrison Centre, Government Gardens • Council building including Civic Centre and offices • 152 pensioner housing units over 5 locations • 10 community halls • I-Site Tourism Centre • 1 animal pound
Sports, Recreation and Environment	Open spaces: • 800 ha of reserve land (excluding Tokorangi Forest) • 2.05 ha civic space • 46.24 ha destination parks • 285.8 ha green space Assets:

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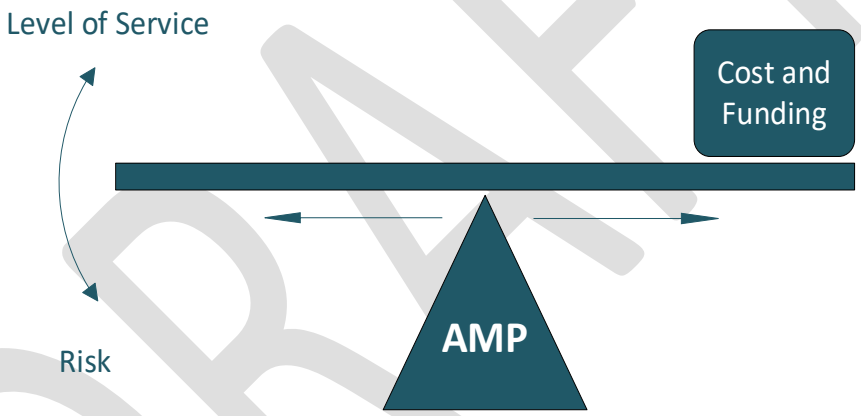
Activities	Description
	• Rotorua Aquatic Centre • Rotorua International Stadium • Five cemeteries and Rotorua Crematorium • The Arts Village and Rotorua Community Youth Centre • 70 public toilets • 54 jetties and 3 pontoons • 79 playgrounds

1.5 RLC's approach to asset management

Our Asset Management Policy provides a framework for undertaking asset management in a structured, coordinated and consistent way across our district's assets and services. It defines our objectives and principles in applying asset management. This ensures we provide and manage our infrastructure in a safe, reliable and stable condition to meet existing and future demand, maintain the levels of service agreed with our community, and meet our legislative obligations.

The asset management approach is to apply the principles defined in the Asset Management Policy to achieve the objectives. Figure 2 shows that asset management is the balance between levels of service, risk and cost. This balancing act applies to all infrastructure assets and services.

Figure 2 Asset management balancing act



It is recognised that effective investment decision making is based on high quality information to ensure the investment process is transparent, evidence based, and priority is given to critical assets. Our adopted approach for renewal planning to ensure resilient infrastructure is:

- Our critical assets are the priority for our renewal programmes
- Non-critical assets are managed on reactive repairs / replacement. We renew our assets with a risk based approach as follows:
  - Public safety renewals are implemented with shortened timeframes using the best information available
  - Renew assets classified as critical before the end of their effective life
  - Run to failure non-critical assets and replace reactively.

Our Asset Management Policy and Asset Management Plans have been developed to provide the information required for good asset management planning as set out in:

- International Infrastructure Management Manual (IIMM) / Āpōpō
- ISO 55000 (international standard covering management of physical assets)
- Office of the Auditor General industry advice notes and reports.

We recognise that continuous improvement is part of our asset management framework and we benchmark with the relevant industry sectors including:

- Te Ringa Maimoa (formerly Road Efficiency Group) various performance reviews

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- Yardstick Parks benchmarking.

1.6 Current asset management maturity

A key element of effective asset management is the process of continuous improvement. Through the development of our Asset Management Policy, we are actively improving our asset management practices, processes and tools.

We have self-assessed our current asset management maturity for our infrastructure (based on Morrison Low's high level review in 2024), and we have defined our target asset management maturity (refer to Table 2). The improvement plans in the Asset Management Plans for each activity identify how we will close the gaps identified between our current and target asset management maturity.

Table 2 Summary of asset management maturity

Activities	Current estimated maturity (high level assessment)	Target maturity status	Continuous improvement activity (high level)

Water supply	Higher level of Core	Intermediate	• Asset condition –Continue with asset condition surveys of the critical above ground assets and take samples of critical below ground assets. Use this data collected on our critical assets to inform the development of risk-based renewal programmes.
			• Asset performance:
			  ◦ Start analysing breaks of the underground pipes.
			  ◦ Start implementing demand management programme over the next three years. This includes increasing the renewal budget to replace leaky rider mains.
			• Capital works planning:
			  ◦ Develop a sound risk-based renewal programme as evidence is gathered including condition and taking into account criticality.
			  ◦ Continue to update the programme to reflect the required capital works investment to enable the projected growth.

Wastewater	Higher level of Core	Intermediate	• Asset condition:
			  ◦ Survey our critical below ground wastewater assets in the short to medium term accelerated through our long term contractor. This will inform the renewal programme and a significant capital investment programme is expected.
			  ◦ Assess the asset condition of our above ground assets (such as treatment plants, rising mains, and pump stations) as these are our critical assets.
			• Asset performance – Implement an effective inflow and infiltration management through ongoing detection and reduction strategies employed by our long term contractor.
			• Capital works planning:
			  ◦ Develop a sound risk-based renewal programme as evidence is gathered including condition, and taking into account criticality.
			  ◦ Continue to update the programme to reflect the required capital works investment to enable the projected growth.
			• Environmental management - Explore options to increase nitrogen discharge allocations in future.

Stormwater	Higher level of Core	Core to Intermediate	• Asset condition – Undertake planned condition surveys of the stormwater network with focus on critical assets. This will help us better understand the state of our stormwater assets.

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Activities	Current estimated maturity (high level assessment)	Target maturity status	Continuous improvement activity (high level)
			• Capital works planning – Use the Stormwater Master Plans to guide long term planning and the capital works programme. The plan has considered the implication of the Future Development Strategy which has an impact on intensification.

Land transport	Intermediate	Intermediate to advanced depending upon criticality	• Policy - Align RLC's investment programmes and supporting Activity Management Plan (2027) to the strategic priorities in the new Government Policy Statement on Land Transport once adopted in 2024.
			• Forecasting demand - Assess the future projected growth on the land transport network over 30 years based on the Draft Rotorua Future Development Strategy 2023. Identify any transport infrastructure capacity constraints and options to address these.
			• Asset data - Implement the various asset data improvements identified with the Te Ringa Maimoa Data Quality Reports. This will ensure there is sound data to make investment decisions.
			• Network resilience - Complete the survey of large culverts and replace the assets assessed in very poor condition. This will contribute to strengthening our transport network resilience.
			• Decision making:
			  ◦ Strengthen the linkages between risk, investment levels and LOS.
			  ◦ Expand the current approaches for managing resilience. Identify the financial and community risks and strategies for non-funded programmes.
			  ◦ Update the 2024 Activity Management Plan with the One Network Framework concepts as it is implemented nationally.

Waste	Core	Core	• Levels of service – Develop meaningful performance measures and targets to align to the Government's proposed national targets for kerbside recycling services, and to reduce waste to landfills and encourage recycling. • Managing demand – Revise the community education programmes to support the waste minimisation targets.
Facilities	Basic	Core for buildings depending upon risk and criticality. Basic for land.	• AM roles – Undertake a strategic review of the roles and responsibilities for managing building assets at RLC as currently under three management groups. A holistic view is required so building assets are managed effectively and efficiently. • Capability and capacity – Review the required people capability and capacity to manage the building asset portfolio once the strategic review of the roles and responsibilities is completed. • Strategic planning – Complete the draft Facilities Strategy to provide long term direction on the current (and future) asset portfolio (i.e. retain or divest). • AMP – Develop a Facilities AMP (overarching or per facility) as the technical plan for the asset portfolio once the draft Facilities Strategy has been completed. Asset valuation – Value the complete facilities portfolio as currently missing major assets. • Asset condition – Develop a suitable asset condition survey to assess the current state of the facilities (community halls are underway). Building priority / criticality needs to be considered in the survey development.

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Activities	Current estimated maturity (high level assessment)	Target maturity status	Continuous improvement activity (high level)
			• Managing risk – Develop an energy efficiency programme to improve building resilience. The programme will include current initiatives and consider the identified future climate change actions. • Operational Planning - Develop a planned maintenance programme for the buildings with focus on critical facilities to Council's operations. This will ensure that the buildings are well maintained, and operational risks are managed.
Sport, Recreation, and Environment:			
Facilities (stadium, aquatic centre, crematorium, public toilets)	Core	Core to intermediate	• AM Policy and Strategy - Update the existing policies for this activity so they are useful and aligned to the latest legislation. Then update the Reserve Management Plans (except for Waikawau) to be consistent with the updated policies. • Trails and buildings asset register data – Compile trails and building asset registers so there are complete inventories and one source of the truth to manage these asset classes. • Lakes structures - The condition assessment of lakes structures is still to be undertaken. • Buildings asset condition – Develop a suitable asset condition survey to assess the current state of the parks buildings (there is good condition data for parks assets). Building priority / criticality needs to be considered in the survey development. • Asset Management System – Identify a suitable system for the building asset register (asset data currently not stored in any system). This will apply to facilities above.
Trees	Core	Core	
Structures (lake structures, playgrounds, bridges, BBQs, sportfield lighting, buildings)	Core	Core	
Other outdoor assets (fences, signs, walkways, green assets)	Basic	Basic	

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SECTION 2: Asset Management Policy

2.1 Purpose

The purpose of this Asset Management Policy (policy) is to define the principles and responsibilities that RLC applies when managing our infrastructure assets. This policy underpins and gives effect to our Vision and 2024-2034 Long Term Plan.

The policy provides the overarching framework for our 30 Year Infrastructure Strategy and our infrastructure Asset Management Plans. It sets the strategic objectives for the management of our core assets and outlines the Council's commitment to continually improving the way we manage our infrastructure.

Our policy has been developed in accordance with ISO 55000 and the IIMM / Āpōpō asset management framework.

2.2 Commitment

We are committed to implementing a systematic asset management methodology so that we provide appropriate practices across all our assets. We will ensure our assets are planned, created, operated, maintained, renewed, repurposed and disposed of in a way that means we consistently deliver core infrastructure that is safe, reliable and in a stable condition to meet future demand and our levels of service.

RLC is committed to managing infrastructure assets effectively to deliver services that improve the wellbeing of its community and contribute to the Community Outcomes as set out in the Rotorua's Vision Statement.

Council is committed to:

> **"Delivering sound infrastructure and sustainable community services that improve the quality of life for residents and ensure a world-class experience for visitors."**

RLC's assets are an essential element in delivering services for our community. Prudent management of these assets and facilities is a core Council function and critical to maximising the quality of life and financial sustainability of Council and its community. Sound management of assets is paramount to enable Council to meet its responsibility under various statutory regulations for stewardship of infrastructure to:

- Ensure that infrastructure assets serve the community for current and future generations.
- Provide sustainable management of community infrastructure.
- Encourage and support the sustainable social, economic, environmental and cultural well- being development of the district.
- Supports key outcomes of social wellbeing, equity and safety, economic resilience, and climate adaptation.
- Ensure that asset management practices in Council establish the Long Term Plan and the Infrastructure Strategy.
- Aligns with Te Arawa's Vision and Mauri Well Being Compass.
- Ensure that the needs and expectations of stakeholders are considered.

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2.3 Scope of policy

Our Asset Management Policy covers the following assets:

Table 3 Activities covered by Asset Management Policy

Activities	Descriptor
Water supply	Treatment plants, pipelines, and pump stations
Wastewater	Treatment plants, gravity pipelines, rising mains, and pump stations
Stormwater	Pipelines, open drains, detention dams, wetlands and land drainage scheme (Reporoa)
Land transport	Roads, bridges, culverts, footpaths, kerb and channels, cycling routes, streetlights, signs, traffic signals, road markings and bus shelters
Waste	Closed landfill and transfer stations
Facilities	All land and buildings (not considered Sports, Recreation, and Environment) including arts and culture buildings, Council buildings, community halls and pensioner housing
Sports, Recreation, and Environment	Public open space, street and park trees, stadium, crematorium, cemeteries, aquatic centre, playgrounds, lakes structures and public toilets

2.4 Objectives

Our overarching policy objectives for managing our assets responsibly are as follows:

- Provide our community with safe, reliable, and stable core infrastructure.
- Understand the condition of our critical assets better so that we can make robust and risk-based investment decisions for the next thirty years.
- In partnership with mana whenua, provide culturally appropriate and environmentally sustainable infrastructure solutions.
- Provide good stewardship of our assets in accordance with legislation and industry best practice.
- Understand the long-term impacts of the trade-offs required in managing our infrastructure assets within fiscal constraints.
- Identify and manage risk in relation to our critical assets.
- Achieve the asset management maturity target for each activity within a reasonable timeframe (as defined in Table 2).

2.5 Guiding principles

Our asset management principles to ensure adequate provision is made for the long-term management of our infrastructure assets are:

2.5.1 Our people, our community

- We build our resilience by developing and strengthening the capability of our people.
- In collaboration with mana whenua, we embed Te Tūāpapa o ngā Wai o Te Arawa - Te Arawa's Cultural Values Framework in the way we manage our infrastructure, safeguarding the life supporting capacity of air, water, soil and ecosystems.
- We co-govern, co-design and manage with mana whenua our long-term infrastructure solutions.
- We engage with iwi, community and stakeholders to ensure our levels of service and long-term planning reflect their needs and expectations.
- We work within the financial parameters our community can afford.
- We manage our assets with focus on community safety.

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2.5.2 Our strategic context

- We comply with all relevant legislation.
- Our asset management practices support improved social, economic, environmental, and cultural well-being for our community.
- We will take a long term view to plan on how and where growth will happen in our district.
- We plan for the impacts of climate change on our infrastructure assets, supporting the sustainable growth of our city.

2.5.3 Our practices

- Asset management principles are integrated within our existing planning and operational processes.
- We collect and manage comprehensive, quality data and information on our critical infrastructure assets to inform our strategic decision making.
- Our asset management planning informs the Long Term Plan and forms the basis for the Infrastructure Strategy.
- We have no unforeseen critical asset failures.
- We integrate optimised decision making into our infrastructure planning so that it is agile and responsive.
- We use whole of life costs as the basis of our long-term decisions to ensure we deliver value for money.
- We keep our infrastructure within acceptable industry benchmarks to ensure sustainable future investment.
- Asset-based risk is effectively balanced with financial trade-offs to ensure the ongoing resilience of our core infrastructure to meet our agreed levels of service.
- We seek continuous improvement in our asset management activities whilst keeping abreast of trends.

2.6 Asset lifecycle management

Our infrastructure assets and services are managed across the complete lifecycle in an effective and affordable way that keeps pace with demand and the changing face of our city, as detailed in Table 4.

Table 4 Asset lifecycle stages

Lifecycle stages	Lifecycle activities
Planning	The planning phase includes defining the need for an asset, the technical requirements and solution options. Planning activities may include defining the asset management strategy, planning for uncertainties, documenting business cases, and performing a cost-benefit analysis.
Acquisition	The acquisition phase is the process by which we plan and manage the procurement process for new assets or asset renewals and upgrades.
Management	The management phase covers the useful life of the asset. It involves the operation and maintenance of the asset, including continually assessing the asset's use and functionality, and meeting compliance requirements.
Disposal, renewal or repurposing	The disposal, renewal or repurposing phase of an asset occurs when it has reached or is close to the end of its useful life. Our critical assets are renewed before the end of their useful life, whereas our non-critical assets we renew or replace reactively when they fail. Our optimised decision-making process determines when an asset is no longer required and should be disposed of, rather than renewed. Alternatively, the asset may be repurposed to fit a new or emerging community need.

2.7 Roles and responsibilities

The asset management roles and responsibilities for RLC are summarised in Table 5.

Table 5 Asset management roles and responsibilities

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Role	Responsibility
Council elected members	• Represent the interests of the community. • Review, approve and / or Adopt Annual Report, Annual Plan, Long-Term Plan, Infrastructure Strategy and Asset Management Plans. • Strategic governance oversight of operational and capital expenditure.
Executive Leadership Team	• Agree RLC's Asset Management Policy, Strategy, and tactical Asset Management Plans, ensuring alignment with Long Term Plan, and present them to Council for approval. • Provide strategic oversight, and monitor and review the operational performance against the Strategy and improvement plans. • Implement the Asset Management Policy and Strategy, within the financial resources. • Ensure Te Arawa's Cultural Values Framework are embedded in asset management practices and co-governance/co-design is business as usual. • Ensure appropriate asset management capability and capacity is developed to meet current and future needs. • Maintain accountability mechanisms.
RLC's Asset Managers / Senior Managers	• Implement the Asset Management Policy, Strategy, Asset Management Plans, and the improvement plans. • Work collaboratively with mana whenua on co-planning and co-design for infrastructure. • Develop and implement maintenance, renewal, and capital works programmes, in accordance with the Asset Management Policy, Strategy and Plans. • Engage with iwi, community, and stakeholders on long term asset planning. • Deliver levels of service to agreed acceptable risk and within approved financial parameters. • Provide quality asset data and trend information to support strategic decision making. • Lead the integration of asset management principles into operational and planning practices and processes.

2.8 Adoption of policy

It is intended that RLC's Asset Management Policy will be adopted by Council in July 2024 (as part of the 2024-2034 Long Term Plan process).

2.9 Review of policy

Once adopted, our Asset Management Policy will be reviewed every three years in conjunction with a review of the Long-Term Plan, Strategic Asset Management Plan, and Asset Management Plans (for the activities).

2.10 Stakeholder communication

Our asset management framework outlines the trade-offs we are making between risk, cost, and levels of service. Engagement and ongoing communication with iwi, community, internal and external stakeholders and councillors is essential in ensuring we continue to get the balance right.

Through co-governance arrangements with iwi, we ensure mana whenua's voice and perspective is embedded in our infrastructure planning from the outset. Other key stakeholders that we intend to communicate this policy with are:

- Bay of Plenty Regional Council
- Waka Kotahi New Zealand Transport Agency
- Taumata Arowai
- Audit New Zealand
- Long term service providers.

2.11 Alignment with other policies and strategies

Our Asset Management Policy is aligned with the following RLC policies and strategies:

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Table 6 Aligned RLC policies and strategies

Activity	Policies and strategies
Overarching	• Vision • 2024-2034 Long Term Plan • 30-year Infrastructure Strategy • Draft Rotorua Future Development Strategy 2023 • Enterprise Risk Management Policy (2023) • Sustainable Living Strategy (2020) • Climate Action Plan (2020) • He Papakáinga, He Hápori Taurikura Homes and Thriving Communities Strategic Framework (2020)
Water supply	• Water Services and Trade Waste Bylaw (2017) • Water Supplies Policy (2016) • Metered Water Supply Policy (2016) • Water Conservation Strategy (2020) • Water Supplies Boundary Backflow Policy (2018) • Water Supply Master Plan (2023)
Wastewater	• Wastewater Treatment and Disposal Policy (2016) • Wastewater Master Plan (2023)
Stormwater	• Stormwater and Land Drainage Policy (2016) • Stormwater Master Plan (2023 draft)
Land transport	• New Zealand Policy Framework on Walking and Cycling • Draft Speed Management Plan (2023) • Rotorua District Council Signs on Roads Bylaw 2015
Waste	• Waste Management and Minimisation Plan (2022-2028)
Facilities	• Property Disposal Policy (2020) • Dangerous, Affected and Insanitary Buildings Policy (2020) • Pensioner Housing Policy (under review)
Sports, Recreation and Environment	• Activities on Open Public Places Policy • Administration of Reserves Policy • Leases, Concessions, Licences and Reserve Hire Policy • Reserve Structures Policy • Public Toilet Policy 2012 • Cemeteries and Crematorium Policy 2013 • Sports Grounds and Facilities Policy 2012 • Rotorua Sport and Recreation Strategy 2015 • Rotorua Township Reserves Management Plan 2006 • Rotorua Rural Reserves Management Plan • Rotorua Urban Reserves Management Plan • Tarawera Landing Recreation Reserve Management Plan 2008 • Waikawau Reserve Hannahs Bay Reserve Management Plan 2019 • Drone Guidelines • Sports Facilities Review 2021 • Parks and Recreational Strategy 2022.

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SECTION 3: Appendices

3.1 Definitions

The following definitions or terms are used throughout this document:

Term	Description
Asset	An item, thing or entity that has potential or actual value to an organisation.
Asset management	The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.
Asset management framework	The overarching AM hierarchy including the AM Policy, Objectives, Strategy, and the AM Plan.
Asset Management Policy	A high-level statement of an organisation's principles and approach to asset management.
Asset management practices	The AM processes and techniques that an organisation undertakes, as outlined in the IIMM / Āpōpō manual, such as demand forecasting, developing, and monitoring levels of service, and risk management.
Critical assets	Those assets that are likely to result in a more significant financial, environment and social cost in terms of impact on organisational objectives.
Optimised decision making	Two definitions: 1. A formal process to identify and prioritise all potential solutions with consideration of financial viability, social and environmental responsibility, and cultural outcomes. 2. An optimisation process for considering and prioritising all options to rectify existing or potential performance failure of assets. The process encompasses NPV analysis and risk assessment.
Sustainability	Sustainability is the capacity to endure; in the context of AM it is about meeting the needs of the future by balancing social, economic, cultural and environmental outcomes or needs when making decisions today.
Useful life	Either: The period over which an asset or component is expected to be available for use by an entity Or: The number of production or similar units expected to be obtained from the asset or component by the entity.

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