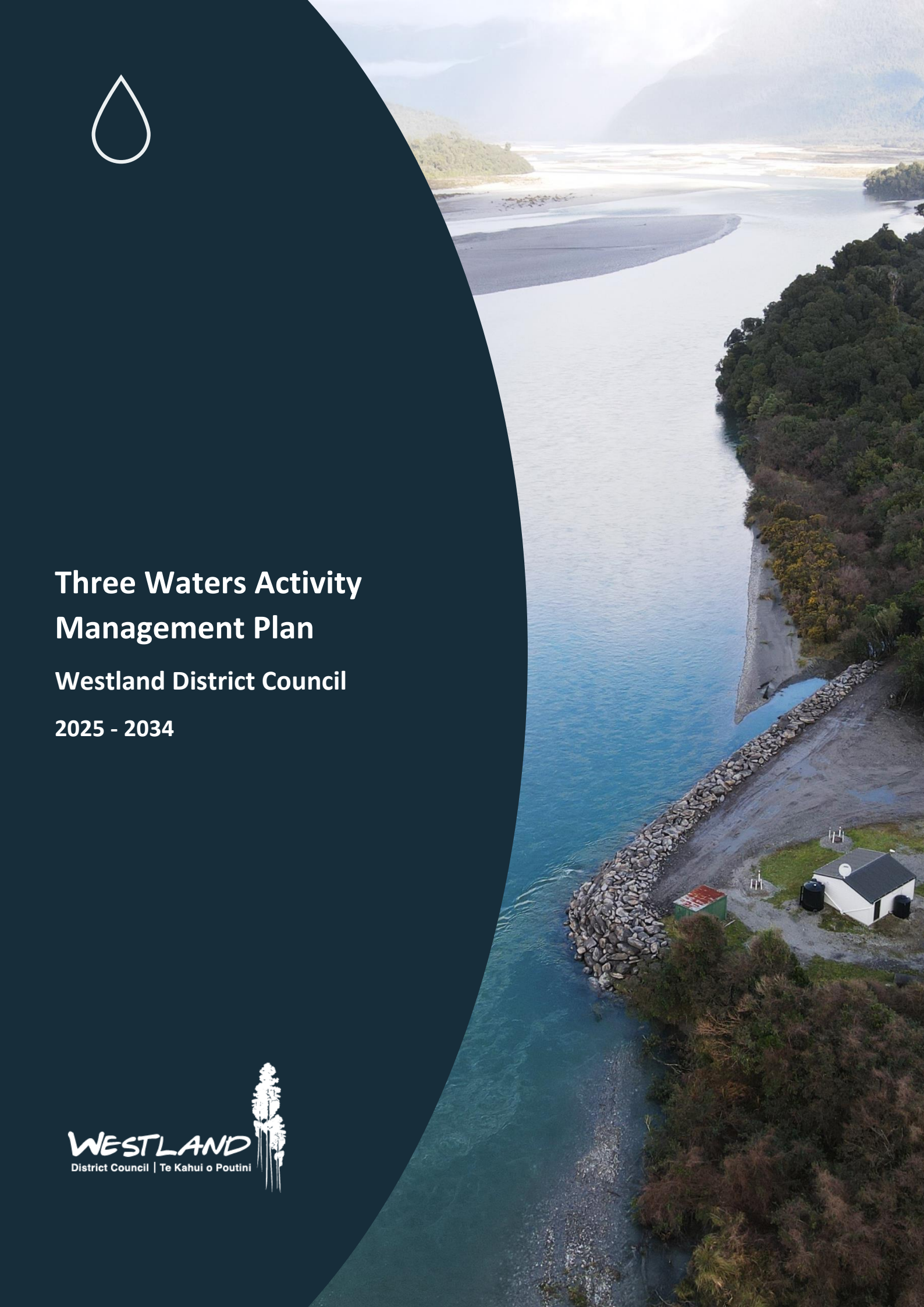
Three Waters Activity Management Plan

Westland District Council

2025 - 2034



WESTLAND
District Council | Te Kahui o Poutini

Document Control

The following revisions have been made to this document since its initial publication.

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1.0	19 Mar 2025	Draft for LTP Consultation	WD	AP	AP

Cover photo: Haast Water Treatment Plant

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1. Introduction

Westland District Council (Council) provides 3 Waters services to its ratepayers, these are Water Supply, Wastewater and Stormwater. These activities are considered to be 'core' activities of Council.

This document sets out the purpose of the Activity Management Plan (AcMP), indicates the intended level of service, summarises the districts assets and recognises the key challenges the district will face over the next nine years.

1.1. Purpose of the Plan

The purpose of this AcMP is to outline and summarise the Council's long-term asset management approach for the provision and intergenerational management of 3 Waters throughout the District. This may also be considered the overall objective of asset management.

The AcMP is intended to be read in conjunction with the Long-Term Plan and fulfils requirements of the Local Government Act 2002 (and amendments), - Schedule 10.

The purpose of the plan is to outline:

- The services provided now and in the future;
- The linkages between agreed community outcomes and levels of service;
- Acquisition, operation, maintenance, renewal and disposal of assets;
- Assessment and mitigation of risk;
- Funding of services; and
- Proactive knowledge improvement.

1.2. Structure and Format

The AcMP document structure is summarised below in Table 1-1.

Table 1-1. AcMP Structure

AcMP Section	Description
Section 1 Introduction	Sets out the purpose of the activity management plan, indicates the key stakeholders and shows the plans framework.
Section 0 Strategies, Objectives and Legislation	Illustrates the linkages between Councils strategic documents and objectives and the legislation that is relevant to the activity.
Section 3 Activity Areas	Describes the separate service areas within the activity and describes the assets managed in this plan.
Section 4 Management and Organisational Structure	Sets out the organisational structure of district assets, the consultation procedures that are adhered to and relationships with key stakeholders of the Council.
Section 0 Levels of Service	Defines the level of services for the activities and the performance measures by which the service levels are assessed,
Section 6 Growth and Demand	Provides details of growth forecasts which affect the management and use of the assets.
Section 7 Lifecycle Management	Outlines what is planned to manage and operate the assets at the agreed level of service while optimising lifecycle costs.
Section 8 Infrastructure Sustainability	Details the management of sustainability and the impacts of climate cycles and trends on the district.
Section 9 Risk Management	Details the risk management process utilised for assessing and managing risk as well as highlighting critical assets.
Section 10 Asset Management Processes and Practices	Outlines the information available and the systems used to make decisions on how these assets will be managed.
Section 11 Financial Summary	Identified the financial requirements resulting from all the information provided in the sections prior.
Section 12 Improvement Plan	Details the improvement to asset management and the activity management plans which are planned over the next three years.

1.3. Summary of Assets

Council provides drinking water to nine communities throughout the district with wastewater disposal in four of those communities. Reticulated Stormwater is provided in Hokitika only. The services are in place to provide an effective way to protect public health and to protect the natural environment.

The Local Government Act (LGA) and Health Act require Council to provide reticulated water supply and wastewater services and maintain their capacity.

The total optimised replacement value[1] (replacement value) of the 3 Waters activity is $180,244,265 as valued at 30 June 2024[2].

1.3.1. Water Supply

Council operates nine water supplies throughout the district. These are Kumara, Arahura, Hokitika (incl. Kaniere), Ross, Harihari, Whataroa, Franz Josef, Fox Glacier and Haast. The total replacement value of water supply assets is $81,381,303.

The water supply assets include;

- 9 Treatment Plants,
- 3 Pump Stations (2 Raw Water, 1 Booster),
- 10 drinking water abstraction points (4 instream intakes, 4 wells, 2 surface intakes),
- 45 reservoirs (3 non-operational),
- 134km pipelines (excl. service laterals).

There is a range of Treatment Processes that have been implemented across the nine water supply schemes. These include, Chlorination, Membrane Filters, rapid sand filtration, UV disinfection and/or multimedia and cartridge filtration.

1.3.2. Wastewater

Council provides four wastewater schemes throughout the district. These are Hokitika (incl Kaniere), Franz Josef, Fox Glacier and Haast. The total replacement value of the wastewater assets is $50,996,207. The wastewater assets include;

- 4 Treatment Plants,
- 10 pump stations,
- 52km pipelines (excl. service laterals),
- 6 oxidation ponds and 2 maturation ponds.

1.3.3. Stormwater

Hokitika is the only township with a purpose-built reticulation system while other townships are less developed and provide mostly road drainage. The total replacement value of the stormwater assets is $47,866,755. The stormwater assets in Hokitika include;

- 6 pump stations,
- 46km pipelines (excl. service laterals),
- 629 sumps.

[1] Optimised Replacement Cost (ORC) is a method of calculating the cost of replacing an asset with a modern equivalent.
[2] All Replacement costs referenced in this document are to 30 June 2024.

1.4. Levels of Service

There are four objectives for the 3 Waters activity that have been developed to reflect the expectation of the community and regulators.

The objectives for 3 Waters are:

- The community is provided with 3 Waters services to a standard that protects their health and property,
- Issue with water services are addressed in a timely manner and prioritised according to risk and need,
- Disruptive effects of water services are minimised,
- Adverse effect of water services on the environment are minimised.

The objective is applied to the activity to ensure there is correct focus of resources and to ensure that a high level of service is delivered.

1.5. Key Challenges

The key challenges facing Councils infrastructure have been identified as the following.

Rates Affordability

Renewal of Aging Infrastructure

Responding to Legislative Reform

Resilience of Infrastructure

Collaboration across the Region

Providing for Tourism

The key challenges relating to the delivery of the 3 Waters Activity have been assessed in relation to the above key challenges and are listed below in Table 1-2.

Table 1-2: Key Challenges for the 3 Waters Activity.

Theme	Key Issues	Discussion/Response
	The increasing cost of 3 Waters operations.	Driven by increasing costs of contractors and compliance.
	Balancing of OPEX and Operations and Maintenance (O&M)	
	Cost of new compliance requirements.	Cost of compliance will be funded out of rates.
	Internal resourcing issues and under delivery of Capital projects.	Additional team members being sought.
	Aging of 3 Waters assets resulting in a significant renewal programme.	Assets are reaching the end of their life at the same time resulting in a high level of investment required in a short period of time.
	Staff uncertainty about the Local Water Done Well Bill.	Staff should be kept up to date with changes forecasted from Central Government. Encouragement to attend network opportunities.
	Resilience of infrastructure (climate change and natural hazards)	Focus on strengthening critical assets and building community resilience to supply disruptions.
	Lack of development engineer overseeing subdivision infrastructure plans and as-builts.	Requires outsourcing to ensure sub-division infrastructure planned correctly and project any capacity issues.
	Increasing pressure of collaboration across the West Coast.	Implementation of Local Water Done Well may require Councils to consider Regional CCO's.
	Sizing of infrastructure for tourism.	Infrastructure is currently sufficient for meeting tourism demand; however, this means infrastructure is oversized for the resident population.

1.6. Current Asset Management and Performance

The Councils Asset Management Policy sets the appropriate level of asset management practice for delivery of infrastructure services. Council has adopted a 'core' level of asset management practice.

An Asset Management Maturity Assessment was undertaken internally by staff in February 2025. This assessment was completed for the 3 Waters activity. A summary of the results is show below in Figure 1-1.

The improvement plan across all AcMPs will address the gaps in asset management maturity.

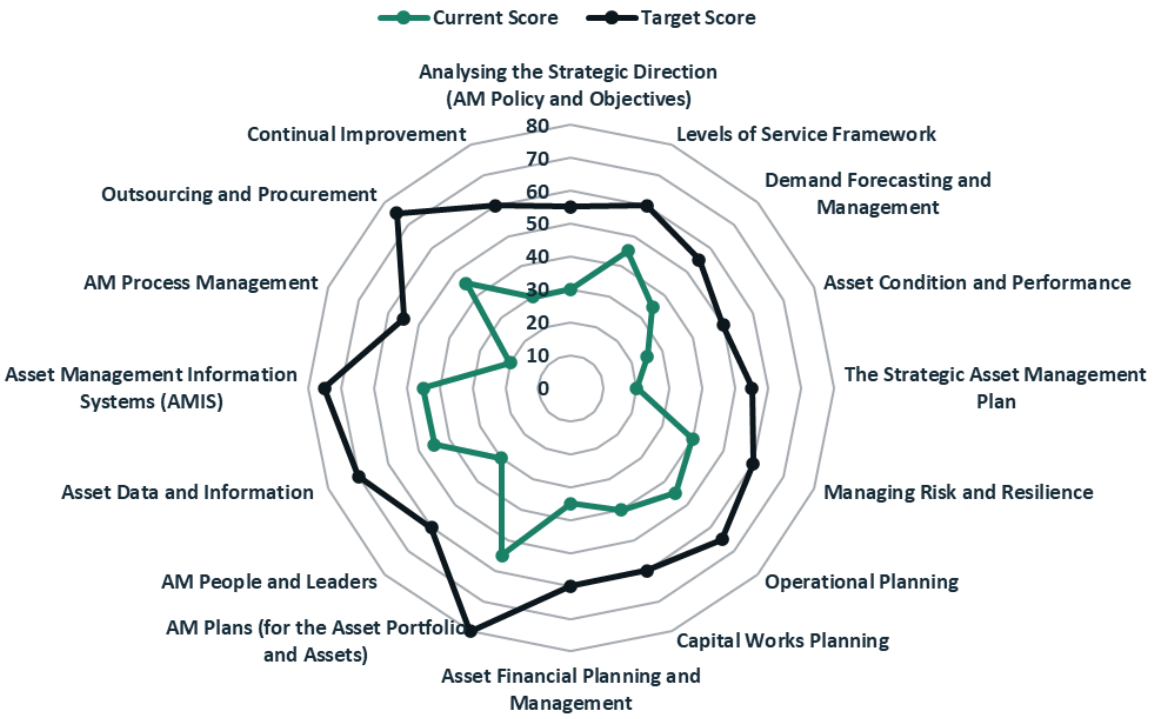

Figure 1-1: Asset Management Maturity Rating.

2. Strategies, Objectives and Legislation

The Councils operation and delivery of all activities is constrained and shaped by legislation, statutory plans, processes and other documents. This section describes the combination of directives in place and their impact on the activity.

This section details:

- Legislation;
- National Policies, Regional Policies and Plans;
- Councils Policies, Bylaws and Standards; and
- Councils Strategies and Plans.

2.1. Role of Strategies and Plans

Central government provide a high level of direction and regulation in the 3 Waters industry through Strategies, Plans, Policy Statements and Legislation.

Council has developed a broad range of documents including strategies to define the broad scope and direction of its activities. Once adopted by Council, no process or action should be inconsistent with it.

2.2. Government and Industry Direction

In providing services to the community, Council needs to be cognisant of Central Government and industry direction for infrastructure assets and public service provision. This is done through attending webinars, conferences, receiving reports from Central Government Agencies and membership of industry organisations. They key documents that are followed are outlined in Table 2-1 below.

Table 2-1: Industry Standards & Strategic Studies.

Industry Standard / Guidelines	Relevance/Implication
International Infrastructure Management Manual (IIMM)	Builds on previous versions of the IIMM and integrates with ISO 55000 standards to provide guidance on asset management.
ISO 55000: 2014	Provides an overview of asset management, its principles and terminology, and the expected benefits from adopting asset management. It can be applied to all types of assets and by all types and sizes of organisations.
New Zealand Infrastructure Asset Valuation and Depreciation Guidelines	Provides an agreed and consistent approach for the valuation and depreciation of infrastructure assets including; roads, water supply, sewerage, storm water, parks and recreation, land drainage, property, cultural and heritage assets. While specifically written to New Zealand conditions and legislative requirements the manual does provide a framework and methodology that is applicable worldwide.
National Climate Change Risk Assessment for New Zealand 2020	Provides and risk assessment for a national picture of how New Zealand may be affected by climate change-related hazards.

Industry Standard / Guidelines	Relevance/Implication
Water New Zealand Best Practice Guidelines and Technical Documents	Water New Zealand is a national not-for-profit sector organisation that provides best practice guidelines in the provision of water supply. The guidelines include (but are not limited to) modelling, standards for treatment plants and water loss calculations, guides for occupational health and safety and underground utilities-seismic assessment and design guidelines. They also coordinate national performance benchmarking on an annual basis. Council may consider participating in the annual benchmarking to allow it to compare its performance with other small District Councils in its peer group.
Engineering Standards	Council uses the NZS 4404 as its engineering standard. This document has not been formally adopted as Council's formal engineering standard rather than the existing Council engineering standard (1999).
Fire Fighting Standards (SNZ PAS 4509:2008)	This Code of Practice was developed to provide direction on what constitutes a sufficient supply of water for firefighting in urban fire districts. Refer to Section 8.4 Asset Condition and Performance on firefighting capability.
Conservation Management Strategy	Implements general policies and establish objectives for the integrated management of conservation resources and activities in a region. It applied to all public conservation lands and water within a region including national parks.

2.3. Legislation

Legislation is established by Central Government and must be complied with at a Local Government Level. Significant legislation and regulations affecting this activity are listed in Table 2-2. For brevity, only the original version of currently enacted legislation is listed, however, all subsequent Amendment Acts should be considered in conjunction. Different legislation has differing levels of impact on this activity which indicated under impact range (Broad, Moderate or Limited).

Table 2-2: Legislative Requirements.

Legislation	Requirement	Impact
Local Government Act 2002	This Act requires local authorities to: • Describe the activities of the local authority, • Provide a long-term focus for the decisions and activities, • Prepare an LTP, at least every three years. A key purpose of LGA is the role of local authorities in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost effective for households and businesses. AMPs are the main method of demonstrating Schedule 10 requirements.	Broad
Health Act 1956 and Health (Drinking Water) Amendment Act 2019	The Health Act focuses on improving, promoting, and protecting public health. The Drinking Water Amendment Act requires drinking-water suppliers to take all practicable steps to ensure they provide an adequate supply of drinking-water that complies with the New Zealand Drinking-Water Standards (DWSNZ). Suppliers must introduce and implement Drinking Water Safety Plans (DWSP) and Source Water Risk Management Plans (SWRMP) for the water supply. It is a written document that helps identify and eliminate potential	Broad

Legislation	Requirement	Impact
	water contaminants which could cause water quality to deteriorate and become unsafe to drink. Water Safety Plans encourage the use of risk-management principles during treatment and distribution to reduce the risk of contamination.	
Local Government (Water Services) Bill	The bill is the third piece of legislation in the Governments three-stage process for implementation Local Water Done Well. The Bill provides • Arrangements for the new water services delivery system; • A new economic regulation and consumer protection regime for water services; and • Changes to the water quality regulatory framework and the water services regulator.	Broad
Taumata Arowai – the Water Services Regulator Act 2020	The standalone Crown entity Water Services Authority - Taumata Arowai has been created to regulate water, wastewater and stormwater. The objectives of Taumata Arowai are to: • Protect people and communities from serious risk to their health due to quality or quantity of drinking water being supplied • Support the water services sector to improve its performance and environmental outcomes. • Effectively administer the waters regulatory system (all 3 waters) • Maintain capability among drinking water suppliers across the wider industry i.e. 'duty of care' responsibilities. • Provide oversight of, and advice on, the regulation, management, and environmental performance of wastewater and stormwater networks.	Broad
Resource Management Act 1991	Describes Councils responsibility to protect natural resources, including land, air water, plants, ecology, and stream health. This involves avoiding, remedying, or mitigating any adverse effect on the environment.	Broad
Health and Safety Act 2015	Health and Safety legislation and associated regulations require that the PCBU has an obligation to ensure that staff and contractors are kept safe at work. This responsibility is shared as staff and contractors have a duty of care. Ongoing changes the Act and associated new regulations means that health and safety measures will need continual improvement and monitoring.	Moderate
Te Tiriti o Waitangi – Treaty of Waitangi	The agreement between Māori and Crown signed in 1840. Section 4 of the Local Government Act 2022 requires local authorities to 'recognise and respect…the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local government decision-making processes.' Sections 77 and 81 outline in more detail the expectations in seeking contribution and involvement for Māori in consultation and decision-making processes.	Moderate
Utilities Access Act 2010	Outlines the processes and rules for coordinating infrastructure work being undertaken within road corridors by utility operators or where the works will affect the assets of utility operators.	Broad
Civil Defence Emergency Management Act 2002	Sets the expectation that Council services must continue to function at the fullest extent possible, during and after an emergency, while noting that this may represent a reduced level of service for a period of time.	Moderate

Legislation	Requirement	Impact
Fire and Emergency New Zealand Act 2017	Section 195A sets out the legal obligation for local authorities to supply firefighting water within urban areas. Also outlines the flow, storage and volume requirements.	Limited
Public Works Act 1981	Gives Council the statutory mandate to acquire necessary land for public infrastructure.	Limited
National Policy Statement for Freshwater Management 2020	The National Policy Statement (NPS) for Freshwater Management 2020 directs local authorities how to carry out their responsibilities under the RMA for managing freshwater. Specifically, it requires regional councils to set objectives for the state of freshwater bodies in their regions and to set limits to meet these objectives. The Government is proposing a suite of legislative and regulation changes to improve the current management of freshwater. It is proposing amendments to the RMA, an updated NPS for Freshwater Management, an updated National Environmental Standard (NES) for Sources of Human Drinking Water, and new NES for Freshwater and Wastewater. This may mean that environmental protection will have priority over water intakes for public drinking water purposes. The potential reduction in water intakes may impact the existing treatment plant capacity.	Broad
Climate Change Response (Zero Carbon) Amendment Act	This Act allows the Minister to require specific central and local government organisations and 'lifeline utility providers' to produce an adaptation report covering climate change responses for essential services to the community, such as water, wastewater, transport, energy and telecommunications. The Climate Change Response (Zero Carbon) Amendment Act includes a target of reducing methane emissions by 24 to 74% below 2017 levels by 2050, and an interim target of 10% by 2030. It also has a target of reducing net emissions of all other greenhouse gases to zero by 2050.	Broad

2.4. National Strategies and Plans

National policy statements are issued by the government to provide direction to regional and local government about matters of national significant which contribute to meeting the purposes of the Resource Management Act 1991.

2.4.1. National Infrastructure Plan

A National Infrastructure Plan is being developed by New Zealand Infrastructure Commission. The plan will help guide decision-making by both central and local government and give the infrastructure industry more confidence to invest in the people, technology and equipment they need to build more efficiently. It can also give all New Zealanders greater confidence that the infrastructure they rely on is well planned, provides value for money, and meets the needs of today and tomorrow.

The plan will address three questions:

- What's needed and what should we be spending over the next 30 years?
- What's our planned investment over the next 9 years?
- What's the gap between long-term infrastructure need and planned investment? How do we address that gap?

The key components underway that will inform the plan are:

- **Policy and System Reforms Review.** Looking at institutional and policy settings that need to change or be better calibrated to improve infrastructure system over the next 5-30 years. Some of the areas including road transport investment, accurate project costing, asset management, and digital technology.
- **Infrastructure Needs Analysis.** This will identify long-term needs, the factors that will affect the demand for infrastructure over the next 5-30 years, and the ability to pay. It will help identify changes needed to make to deliver New Zealand's infrastructure well.
- **Continuing to build the National Infrastructure Pipeline.** The Pipeline already provides information on current or planned infrastructure projects, but this will be enhanced to create a more complete picture and give greater insight into how achievable these projects are in their current timeframes and budgets, as well as the factors that mark successful projects.
- **Infrastructure Priorities Programme (IPP).** The IPP uses a standardised criteria to make sure proposals are of national importance, offers value for money and can realistically be delivered. This will then give decision-makers a menu of high-quality projects that can be considered for investment.

2.4.2. Local Water Done Well

Local Water Done Well replaces the previous Labour Governments 3 Waters Reform. It is the Coalition Government's plan to address New Zealand's long-standing water infrastructure challenges. It recognises the importance of local decision-making and flexibility for communities and councils to determine how their water services will be delivered in the future.

With the Local Government (Water Services Preliminary Arrangements) Bill enacted in the month of August 2024, Councils now have until September 2025 to submit their Water Service Delivery Plans. These plans will mirror the LTP and updated Asset Management Plans.

- Tonkin + Taylor have produced a report which outlines Councils options in response to the Bill. Council adopted on 27 February 2025 to progress with establishment of an internal business unit for the delivery of Water Services.
- Tonkin + Taylor have been engaged to assist with the development of the plan. This is externally funded under the Local Water Done Well Support Package.
- The key principles of the plans are:
    - Fit-for-purpose service delivery models and financing tools,
    - Ensuring water services are financially sustainable,
    - Meeting regulatory quality standards for water network infrastructure and water quality,
    - Unlock housing growth.

2.5. Council Strategies, Plans and Bylaws

Planning within this activity is completed within the planning framework in Figure 2-1. The strategy drives the work in the Long-Term Plan work programme. This 9-year plan process is described in this activity management plan. Any infrastructure constructed within the Long-Term Plan is done so in accordance with the strategies 50-100 year vision.

Figure 2-1: Planning Framework.

The plan requirements that impact the delivery of this activity are outlined in Table 2-3.

Table 2-3: Key Planning Documents

Plan	Description
WDC District Plan (Operative)	Section 73 of the Resource Management Act 1991 requires the Council to have a District Plan. The plan sets out in a systematic way the manner in which the Council intends to deal with its function under the Act. It specifies objectives, policies, methods, in relation to resource management issues in the District to achieve the integrated and sustainable management of the District's resources. To achieve the objectives and policies of the plan, rules are included which prohibit, regulate or allow activities. The Council has adopted the principle of zoning. This technique recognises that different areas of the District will have difference resources, character and levels of amenity and that the community will seek different environmental results for these areas. The Westland District Plan was made operative in 2002 and will remain so until the process for implementing the Proposed TTPP has been completed.
Proposed Te Tai o Poutini Plan (TTPP)	The TTPP is the proposed combined District Plan for the Buller, Grey and Westland District Councils. It will replace the current individual district plans. TTPP sets out the objectives, policies, rules and method to manage land use activity and subdivision across the district. The plan is expected to be operative late 2025.

Plan	Description
WDC Long Term Plan	Required under the Local Government Act 2002, this sets Councils intentions over a ten-year period. The plan provides information on all Council activities, how these will be delivered, how much they will cost and how they will be paid for. The LTP is reviewed by Council every three years. The first year of the plan is also an Annual Plan for the and as a result there is no separate Annual Plan process for that year.
WDC Annual Plan	Required under the Local Government Act 2002, local authorities must prepare and adopt an Annual Plan for each financial year. The plan must support the Long-Term Plan in providing integrated decision making and coordination. The Annual Plan process provides an opportunity to adjust the direction of Council and the community for the following twelve months. It also provides an opportunity for Council to highlight the key issues it faces and update the community on achievements and plans for the following year.
WDC Infrastructure Strategy	Required under the Local Government Act 2002, following a change in 2014, a local authority must prepare and adopt a infrastructure strategy for a period of 30 consecutive financial years. This discusses current and expected key infrastructure issues and significant projects and expenditure for the next 30 years.
Delivery of Services Review	Section 17A of the Local Government Amendment Act 2014 requires that a local authority must review the cost-effectiveness of the current arrangements for meeting the needs of communities within its districts for good quality infrastructure, local public services, and performance of regulatory functions. This review is integral to demonstration efficient, effective services that represent value for money.
Drinking Water Safety Plans	Prepared to meet the requirements of the water regulator in accordance with their guidance. The Drinking Water Safety Plans cover the following: • Description of the supply, including the existing barriers to contamination and critical control points • Risk identification • Improvement schedule • Contingency plans to follow in event of failure of supply element • Plan for assessing water supply performance.
Water Services Delivery Plan	This plan is currently being written by Tokin & Taylor and is due to be submitted by September 2025, it will be consistent with Councils AcMP and Infrastructure Strategy. Under the Local Government Water Services Bill Councils (individually or jointly) are required to submit a Water Service Delivery Plan to publicly demonstrate their intention and commitment to deliver water services in ways that are financially sustainable, meet regulatory quality standards for water (all 3 waters) network infrastructure and water quality, and unlock housing growth.

Over time Council has established a broad suite of policies. These state Council's position on specific issues and detail the management approach to be implemented by staff. The plan requirements that impact the delivery of this activity are outlined in Table 2-4.

Table 2-4. Key Policies Documents

Policy	Description
WDC Asset Management Policy	Provides a clear direction as to the appropriate focus and level of asset management practice expected. The current policy sets the appropriate level of asset management practice for Council as 'core' across all activities.
WDC Significance and Engagement Policy	Lists Councils strategic assets and contains a framework for defining what decisions are 'significant' so the appropriate level of community engagement and/or consultation can be undertaken.
WDC Consultation and Engagement Policy	Ensure a consistent approach to consultation and engagement with the community.
WDC Risk Management Policy	Establishes the process for the management of risks.
WDC Procurement Policy and Procurement Strategy	Defines the approach to the procurement of good and services to support the community in an affordable and efficient manner and provides a standardised approach to procurement for all departments. Developed to meet the requirements of NZTA, this strategy details the approach to procurement across transportation, 3Waters, parks and reserves, cemeteries and waste management.
WDC Asset Capitalisation Policy	Defines whether the purchase of an asset or component of an asset should be capitalised or expensed.
Land Acquisition and Disposal Policy	Outlines Council's approach to acquisition and disposal of land. Defines the general methods and criteria for land.
Revenue and Financing Policy	Provides predictability and certainty about sources and levels of funding for Councils.

2.5.1. Bylaws

Section 155 of the Local Government Act 2002 requires every local authority, before making a bylaw, to determine whether a bylaw is the most appropriate way of addressing the perceived problem. A new bylaw must be reviewed every five years and following that bylaws can be reviewed every ten years.

When reviewing a bylaw consideration is given to whether:

- A bylaw is the most appropriate way of addressing the particular problem or issue
- The bylaw is in the most appropriate form, and
- The bylaw has implications under the New Zealand Bill of Rights Act 2002.

Table 2-5 lists the bylaws and their impacts on this activity which indicated under impact range (Broad, Moderate or Limited). The current bylaws are overdue for review, the review will begin following adoption of the LTP.

Table 2-5. Council Bylaws

Bylaw	Description	Impact
Water Supply Bylaw 2016	This Bylaw is now overdue for review. The water supply bylaw sets out conditions for drinking water connections and outlines the responsibilities of Council and anybody connecting to the scheme for protection of water supply assets. It is recommended that the Water Supply Bylaw is updated to include catchment maps.	Broad
Wastewater Bylaw 2018	This Bylaw is now overdue for review. The wastewater bylaw sets out requirements around connections and discharges to the wastewater system.	Broad

2.6. Improvement Planning

The improvement tasks and actions that have been identified for the Strategies, Objectives and Legislation Section of the AcMP are listed below in Table 2-6.

Table 2-6: Strategies, Objectives and Legislation Improvement Actions.

Task No	Task	Description	Priority	Timeline
2.1	Develop a 3 Waters Strategy	To define the broad scope and direction of the 3 Waters Activity.	Medium	2026/27
2.2	Review of Water Supply and Wastewater Bylaws.	Required to protect the relevant schemes and set out requirement around connections.	High	2025/26
2.3	Creation Trade Waste Bylaw	Allows Council to set out requirements for discharge and enables introduction of a fair charging policy.	High	2025/26
2.4	Monitor Government Legislation	Monitor changing government legislation.	Medium	Ongoing

3. Activity Areas

Council is a provider of 'core' services, of which, include water supply, wastewater and stormwater. The 3 Waters that Council provides are summarised below in Table 3-1.

Table 3-1: Summary of the 3 Waters Services.

Services	Schemes	Serviced Properties	Operating Costs	Replacement Value
Water Supply	9	2,735	$2,266,816	$81,381,303
Wastewater	4	2,122	$674,982	$50,996,207
Stormwater	1	556	$104,704	$47,866,755
TOTAL	**14**	**5,413**	**$3,046,502**	**$180,244,265**

3.1. Water Supply

This section describes the Water Supply Activity. Further detail for this activity is provided in the Water Supply AcMP.

3.1.1. Description of the Activity

Council provides and manages nine reticulated water supplies located throughout the district from Kumara to Haast. Potable water is supplied for household and commercial purposes.

The Westland District, and particularly the Te Wāhipounamu World Heritage Area, is a well-known tourist destination which results in high seasonal demand for water compared to the residing population. Overall, there are:

- 9 Treatment Plants,
- 3 Pump Stations (2 Raw Water, 1 Booster),
- 10 drinking water abstraction points (4 instream intakes, 4 groundwater bores, 2 surface intakes),
- 45 reservoirs (3 non-operational),
- 134km pipelines (excl. service laterals).

A summary of the water supplies is provided below in Table 3-2.

Table 3-2: Summary of Water Supply Schemes.

Scheme	Charges	Replacement Cost	Budgeted Maintenance	Average Daily Demand (m^3)
Kumara	160	$2,909,975	$120,694	204
Arahura	24	$1,642,354	$87,879	27
Hokitika incl Kaniere	1,916	$52,328,002	$850,520	8,713
Ross	149	$4,344,754	$168,907	179
Harihari incl Harold Creek	120	$4,798,083	$177,437	261
Whataroa	62	$2,118,946	$198,986	89
Franz Josef	110	$6,709,806	$282,642	540
Fox Glacier	118	$3,708,009	$197,683	223
Haast	76	$2,722,649	$182,066	123
TOTAL	**2,735**	**$81,381,303**	**$2,266,815**	**10,359**

3.1.2. Key Issues

The key issues have been identified across the Councils water schemes. Issues within each individual scheme are provided within the Water Supply AcMP. Common issues are included below in Table 3-3.

Table 3-3: Key Issues for Water Supply.

Common Issues	Response
Water upgrades and renewals and the associated capital burden on communities.	Assets are reaching the end of their life at the same time resulting in a high level of investment required in a short period of time.
Increasing costs of operations and maintenance.	Driven by increasing costs of contractors and compliance.
Reporting on mandatory performance measures.	Council do not report on the network water loss due to the unreasonable cost it will impose. However, it is monitored via telemetry, water meters, repair and replacement programme and pressure management.
Increased disruption to water services by extreme storm events (i.e. climate change).	Focus on strengthening critical assets and building community resilience to supply disruptions.
Internal resourcing.	Limited resources are available for asset planning, reporting and capital projects.
Long travel times.	Significant issue caused by the remote and isolated nature of the district.

3.1.3. Demand and Capacity

The demand and capacity of the water supply networks is shown below in Figure 3-1. The peak daily demand is an instantaneous reading and may be an outlier on the average peak. Capacity across all schemes remains sufficient to meet demand as there is sufficient storage capacity. The peak volume for Harihari, Fox Glacier and Haast has not be recorded.

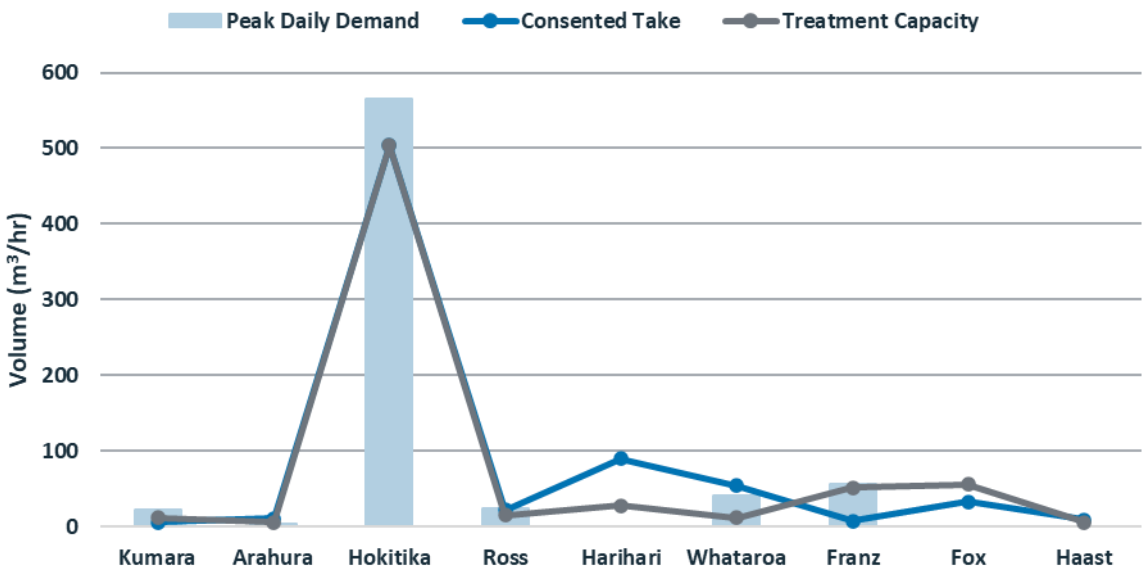

Figure 3-1: Water Supply Demand vs Capacity.

Future demand considerations include:

- Existing resource consents and their flow rate limitations,
- Existing pumping capacity,
- Existing peak flow and future flow requirements, and
- Increase or decrease in population/number of dwellings.

3.1.4. Resource Consents

The majority of consents that Council hold for water takes do not specify a maximum per day consented volume. However, they do specify a maximum flow rate per second which is shown below in Figure 3-2.

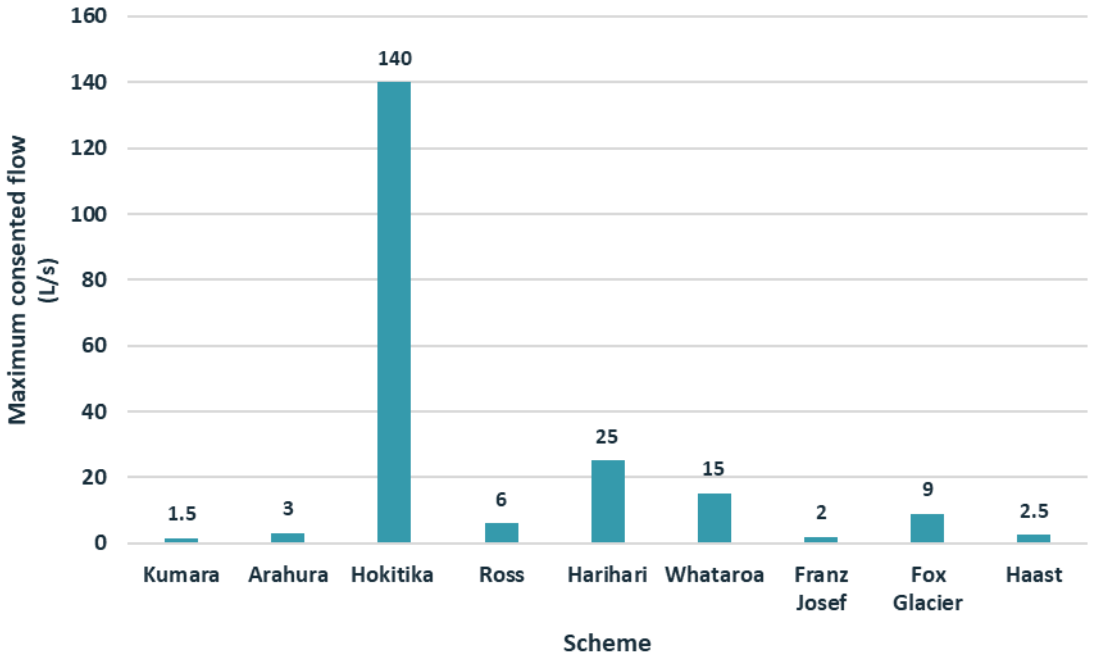

Figure 3-2: Water Supply Scheme Maximum Consented Flow.

The Schemes that do have a specified maximum daily volume are listed below in Table 3-4.

Table 3-4: Maximum Daily Consented Flow.

Scheme	Maximum Consented Volume (m^3/day)
Kumara	130
Hokitika	12,100
Franz Josef	200
Fox Glacier	750

3.1.5. Water Quality

There were some issues with compliance with DWQAR's relating to chlorination of supply for the supplies that did not already have chlorination equipment prior to the standard changes. The non-compliant supplies were chlorinated in late 2023 and are now fully compliant with the DWQAR's. All Council schemes are now fully compliant with the DWQAR's.

During the 23/24 financial year there were two temporary boil water notices in Franz Josef due failure of the UV unit. A permanent boil water notice in Fox Glacier was lifted in December 2023 as the new treatment plant was commissioned and complied with the DWQAR's.

3.1.6. Treatment Plant Summary

Council has nine water treatment plants operating across the nine schemes. The water abstraction points are varied with four instream intakes, four bores and two surface intakes.

All drinking water supplies have had chlorination introduced to ensure compliance with the current NZDWS. A summary of treatment devices is included below in Table 3-5.

Table 3-5: Water Supply Treatment Devices.

Scheme	Water Treatment / Barriers			
	Turbidity Monitoring	Filtration / Flocculation	Ultraviolet Light	Chlorination
Surface Intake				
Kumara	☑	☑	☑	☑
Hokitika	☑	☑		☑
Ross	☑	☑	☑	☑
Franz Josef	☑	☑	☑	☑
Fox Glacier	☑	☑		☑
Groundwater Supply				
Arahura	☑	☑	☑	☑
Harihari	☑	☑	☑	☑
Whataroa	☑	☑	☑	☑
Haast	☑	☑	☑	☑

3.1.7. Water Reticulation

A summary of the material and diameter of the pipes within the reticulation as well as more information about the types of assets for water can be found in Section 7.

3.1.8. Funding Programme

The funding programme for Water Supply is summarised below in Table 3-6. The programme is further elaborated in the Water Supply AcMP.

Table 3-6: Summary Funding Programme for Water Supply[3].

	Operations	Renewals	LOS	Growth
Year 1	$1,813,300	$1,260,000	$0	$5,000
Year 2	$1,856,400	$1,742,000	$0	$5,000
Year 3	$1,867,000	$1,500,000	$0	$5,000
Years 4 - 9	$11,452,000	$6,460,200	$635,000	$30,000
TOTAL	**$16,988,700**	**$10,962,200**	**$635,000**	**$45,000**

3.2. Wastewater

This section describes the Wastewater Activity. Further detail for this activity is provided in the Wastewater AcMP.

3.2.1. Description of the Activity

Council provides and manages four reticulated wastewater systems throughout the district including Hokitika, Franz Josef, Fox Glacier and Haast. The Wastewater schemes include assets such as:

- 4 Treatment Plants,
- 10 pump stations,
- 56km pipelines (excl. service laterals),
- 6 oxidation ponds and 2 maturation ponds.

A summary of the wastewater schemes is provided below in Table 3-7.

Table 3-7: Summary of Wastewater Schemes.

Scheme	Charges	Replacement Cost	Budgeted Maintenance
Hokitika	1837	$31,788,568	$323,957
Franz Josef	112	$9,029,928	$202,388
Fox Glacier	93	$4,075,325	$57,422
Haast	80	$2,552,448	$91,215
TOTAL	**2,122**	**$50,996,207**	**$674,982**

[3] Throughout the document, the classification of renewals, levels of service and growth may differ from the financial model.

3.2.2. Key Issues

The key issues have been identified across the Councils wastewater schemes. Issues within each individual scheme are provided within the Wastewater AcMP. Common issues are included below in Table 3-8.

Table 3-8: Key Issues for Wastewater.

Common Issues	Response
Water upgrades and renewals and the associated capital burden on communities.	Assets are reaching the end of their life at the same time resulting in a high level of investment required in a short period of time.
Increasing costs of operations and maintenance.	Driven by increasing costs of contractors and compliance.
Internal resourcing.	Limited resources are available for asset planning, reporting and capital projects.
Expiry of Resource Consents within next 10-12 years	Investigation into options for replacement.
Trade Waste impact on capacity.	Trade waste to be monitored and a fair charging policy and bylaw implemented.
Potential Inflow and infiltration issues in some catchments which may result in non-compliance.	Smoke and dye-testing and CCTV has been completed but there are insufficient resources to process these results.
Poor quality of asset information available for AM planning and decision making.	Improvement of Asset Information System to enable data improvement.
Increased disruption to water services by extreme storm events (i.e. climate change).	Focus on strengthening critical assets and building community resilience to supply disruptions.
Long travel times.	Significant issue caused by the remote and isolated nature of the district.

3.2.3. Demand and Capacity

Council does not record demand or capacity information for Wastewater.

3.2.4. Resource Consents

Council holds discharge consents for the four wastewater treatment plants. The Hokitika and Franz Josef discharge consents are due to expire during the 9-year planning period is 2026 and 2034 respectively. The maximum consented discharge for each scheme is shown below in Figure 3-3.

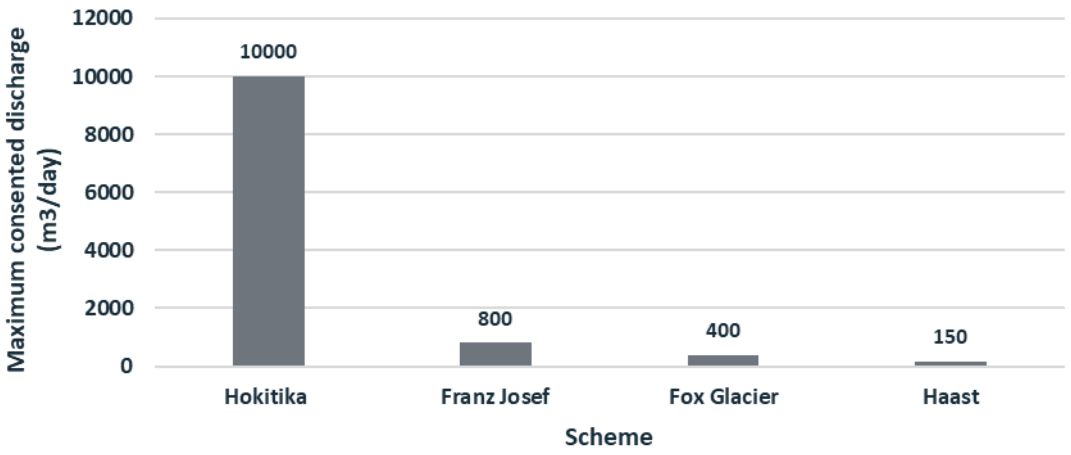

Figure 3-3: Wastewater Treatment Plants Maximum Consented Discharge.

3.2.5. Treatment Plant Summary

Council's wastewater is either pumped or gravity fed to the wastewater treatment plants within each system. The treatment plants consist of one or more oxidations ponds with treated wastewater discharge via riverbeds or ocean outfall.

3.2.6. Wastewater Reticulation

A summary of the material and diameter of the pipes within the reticulation as well as more information about the types of assets for wastewater can be found in Section 7.

3.2.7. Funding Programme

The funding programme for Wastewater is summarised below in Table 3-9. The programme is further elaborated in the Wastewater AcMP.

Table 3-9: Summary Funding Programme for Wastewater.

	Operational	Renewals	LOS	Growth
Year 1	$613,020	$2,725,000	$202,500	$10,000
Year 2	$617,750	$13,291,750	$290,000	$10,000
Year 3	$617,750	$11,076,751	$0	$10,000
Years 4 - 9	$3,856,500	$20,686,000	$0	$60,000
TOTAL	**$5,705,020**	**$47,779,501**	**$492,500**	**$90,000**

3.3. Stormwater

This section describes the Stormwater Activity. Further detail for this activity is provided in the Stormwater AcMP.

3.3.1. Description of the Activity

The Hokitika stormwater system is Council's only reticulated stormwater system. The infrastructure provides the ability to collect, convey and dispose of surface water to minimise the risk to public health and safety and damage to property.

Due to its geography the Westland District receives a high volume of annual rainfall. The ranges in the Hokitika river catchment area receives approximately 6,000mm of rainfall per year. Whereas Council's Hokitika stormwater catchment receives an average of 2,865mm/year.

The assets that Council provides in Hokitika include:

- 6 pump stations,
- 46km pipelines (excl. service laterals),
- 629 sumps.

A summary of the stormwater schemes is provided below in Table 3-10.

Table 3-10: Summary of Stormwater Schemes.

Scheme	Full Charges	Replacement Cost	Budgeted Maintenance
Hokitika	-	$39,152,976	$98,442
Rural Drainage	-	$8,713,779	$6,262
TOTAL	**-**	**$47,866,755**	**$104,704**

3.3.2. Key Issues

The key issues have been identified across the Councils stormwater schemes. Issues within each individual scheme are provided within the Stormwater AcMP. Common issues are included below in Table 3-11.

Table 3-11: Key Issues for Stormwater.

Common Issues	Response
Water upgrades and renewals and the associated capital burden on communities.	Assets are reaching the end of their life at the same time resulting in a high level of investment required in a short period of time.
Higher intensity rainfall with shorter duration.	Allow for increase in rainfall intensity when designing new infrastructure.
The implications of the National Policy Statement for Freshwater Management.	Develop evidence-based strategy and programmes to be more proactive in stormwater quality than our current practices.
Increasing costs of operations and maintenance.	Driven by increasing costs of contractors and compliance.
Internal resourcing.	Limited resources are available for asset planning and reporting.
Poor quality of asset information available for AM planning and decision making.	Improvement of Asset Information System to enable data improvement.
Increased disruption to water services by extreme storm events (i.e. climate change).	Focus on strengthening critical assets and building community resilience to supply disruptions.

3.3.3. Demand and Capacity

Council does not record demand or capacity information for Stormwater.

3.3.4. Resource Consents

The Stormwater activity has two active resource consents relating to discharge of stormwater within the Hokitika River and coastal marine area. The consent has no maximum consented discharge and expires in 2046.

3.3.5. Stormwater Assets

Council manages stormwater reticulation assets which includes assets such as pipes, manholes and sumps. There are also small number of open drains that feed into the reticulation network. Once collected in the reticulation network the stormwater is pumped into the river from various pump stations.

Rural drainage is provided in the other Westland township which predominately includes roadside drainage systems.

Council does not undertake any passive stormwater management.

3.3.6. Stormwater Reticulation

A summary of the material and diameter of the pipes within the reticulation as well as more information about the types of assets for stormwater can be found in Section 7.

3.3.7. Funding Programme

The funding programme for Stormwater is summarised below in Table 3-12. The programme is further elaborated in the Stormwater AcMP.

Table 3-12: Summary Funding Programme for Stormwater.

	Operational	Renewals	LOS	Growth
Year 1	$132,550	$785,000	$57,000	$5,000
Year 2	$133,550	$1,055,000	$76,000	$5,000
Year 3	$138,550	$743,000	$0	$5,000
Years 4 - 9	$889,800	$3,135,000	$0	$30,000
TOTAL	**$1,294,450**	**$5,718,000**	**$133,000**	**$45,000**

3.4. Improvement Planning

The improvement tasks and actions that have been identified for the Activity Areas Section of the AcMP are listed below in Table 3-13.

Table 3-13: Activity Areas Improvement Actions.

Task No	Task	Description	Priority	Timeline
3.1	Recording demand for supplies not currently monitored	Installing SCADA to enable demand to be monitored for demand management.	High	2025/26
3.2	Define management boundary for Stormwater	Define what stormwater assets should be classified as roading or stormwater.	High	2025/26

4. Management and Organisational Structure

This section sets out the organisational structure of the District Assets department, the consultation procedures and relationships with key stakeholders.

4.1. Organisational Structure

The organisational structure relating to the delivery of services for 3 Waters is shown below in Figure 4-1.

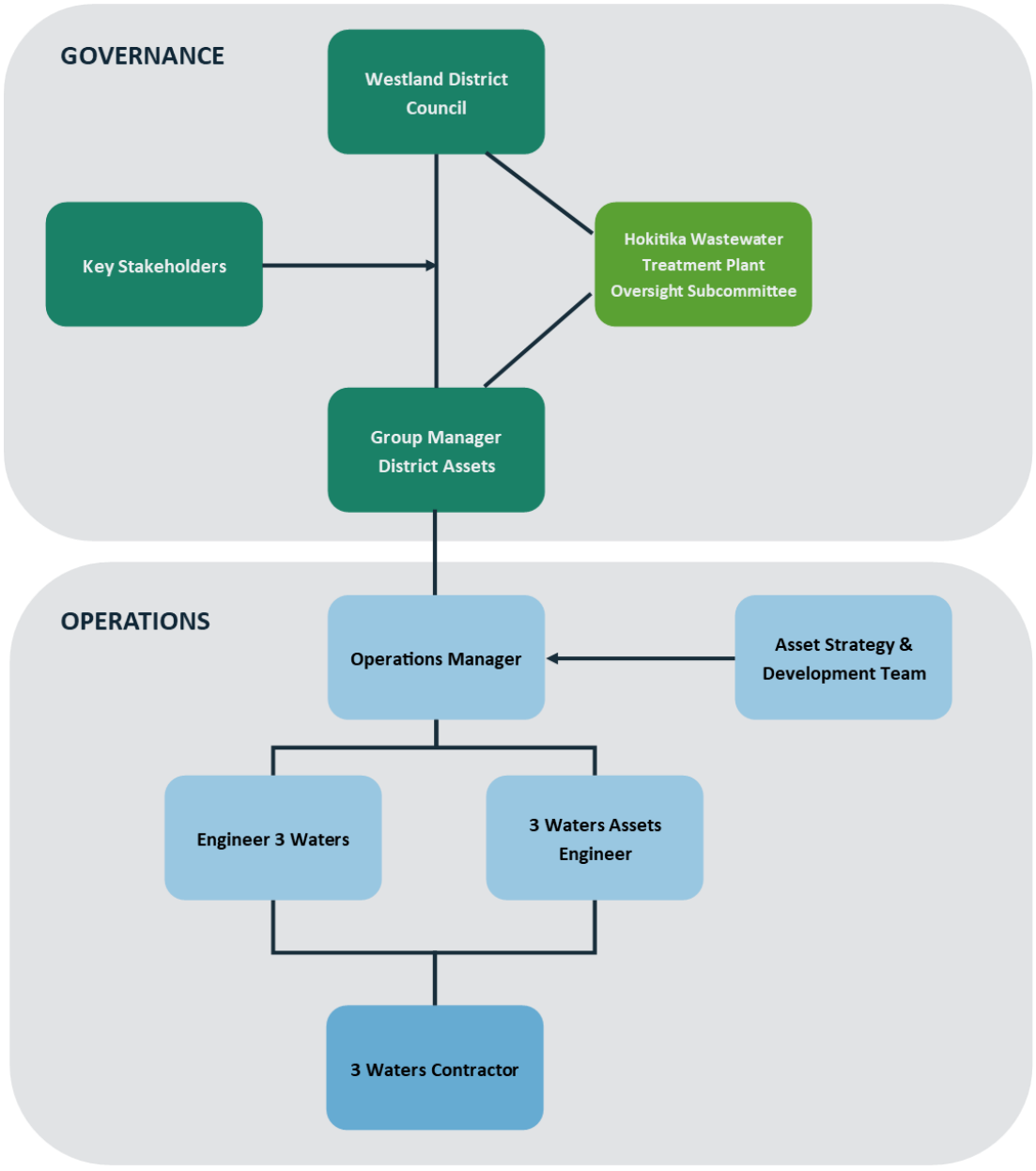

Figure 4-1: Organisational Structure.

The current organisational structure separates the asset management team from the service delivery team. The key responsibilities of the two teams are outlined below in Table 4-1.

Table 4-1: Key Responsibilities of Teams.

Team	Responsibility
Asset Management Team	Sets strategic direction, Determines and prepares policy, Decides level of service, Prepares AcMPs.
Service Delivery Team	Manages maintenance and development works, Collect AM information, Responsible for contractor performance, Ensure compliance.
Operator/Contractor	Maintains and operates assets.

The asset management function of Council is managed by the Asset Management Team who are responsible for the following:

- Adhering to Asset Management practices,
- Budgeting and long-term forecasting,
- Identifying and managing asset and service level related risks,

The 3 Waters delivery team manages the day-to-day operations of the 3 Waters and are responsible for the following:

- Management of the maintenance and operations contractors,
- Associated liaison with the public,
- Ensuring assets are adequately maintained,
- Asset data collection, Condition monitoring,
- Project and Contract Management.

Council also utilises external consults to provide additional expertise where there is no in-house capability. These consults may provide support for services such as engineering design, structure inspections and asset valuation.

4.2. Human Resources Management

Currently the District Assets department has approximately 13 full-time equivalent employees. Two of these staff members are dedicated to the operations of the 3 Waters activity. The asset management team works across the entire department and work alongside each team as required.

It has been identified that the 3 Waters activity is currently understaffed. This is due to an increase in reporting requirements and large capital programme. This issue was identified in the 2021 AMP's and had not been rectified. Previously there were significant issues with poor delivery of capital projects which was rectified by outsourcing project management, particularly for delivery of the 3 Waters Reform projects. An additional role to assist with service delivery is currently being scoped for advertisement.

Significant changes in legislation for this activity is currently occurring. Because of this, an assessment of staff requirements will be required on an annual basis to ascertain the appropriate requirements for the increasing workload. The assessment needs to consider the level of staffs required to implement all the functions including internal management, information systems management, project management, design,

construction, operations and maintenance. In addition to staff numbers, an assessment of staffing levels needs to consider the skill requirements to meet the demands of the infrastructure that Council does and will own and operation.

Training of staff is presently on an ad-hoc basis with no structured long term development plans for individual staff members. The link between asset life, and the ability to deliver levels of service with the skills of the people who plan, design, install, operate and maintain the assets is inevitable. It is crucial that the skill gaps of staff, contractors and service providers are identified and there are structured training programmes to close these gaps. The impact of the training provided should also be evaluated.

Succession planning is considered necessary to reduce the risk associated with staff leaving the organisation leaving resource gaps and 'taking' knowledge with them. Succession planning allows institutional knowledge to be passed on and assists in ensuring continuity within the organisational culture. Succession planning is something that the Council needs to prioritise.

External consultant and contractor services are procured where Council expertise or resources are not available, either in the required time or to the required degree. Procurement of consultants is via a professional services brief. Procurement of contractors is by contract conditions of engagement.

4.3. Procurement

A Procurement Strategy is a plan that outlines how a Council buys goods and services. Council's Procurement Strategy was adopted by Council in May 2021. It was extended in 2024 and is now due for renewal in July 2025. The purpose of the extension was to align Council's procurement strategy with Grey and Buller District Council's strategies. This was to allow the West Coast Councils to create a joint procurement strategy which has the potential to create significant cost savings through the power of joint procurement for maintenance, renewal and capital projects. Council already has approved joint procurement within the Transportation and Waste activities. The joint procurement strategy will replace Councils own procurement strategy when it expires in July 2025.

The objectives of the 2021 procurement strategy are:

- To ensure purchasing decisions are consistent, transparent, fair and lawful;
- To deliver procurement outcomes that meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- To ensure products, services and works are fit for purpose and are bought using commercially astute and appropriate processes;
- Support sound environmental procurement and sustainability where feasible to do so.

The procurement policy sits alongside the procurement strategy and was updated in September 2024. The policy outlines the approach Council will take for planning, sourcing and managing its procurement activities.

4.4. Consultation Procedures and Processes

The Council carries out the majority of its consultation through the LTP. This includes establishing community outcomes which are reviewed during the LTP process. Other statutes that include consultation are: Local Government Act, Resource Management Act, Land Transport Management Act and Reserves Act.

Under the LGA 2002, each Council is required to have a Policy of Significance. The requirements for the policy can be seen as being a means for ensuring that in making decisions that Council is:

- Clear about why it is addressing a matter;
- Has considered and evaluated the options and alternatives; and
- Has information on the community views about the matter and the options for addressing it. Particularly, it has an understanding of the views and preferences of those persons likely to be affected by, or have an interest in the matter.

A significant activity is one that has a high degree of significance in terms of its impact on either:

- The well-being of the people and environment of Westland District; and/or
- Persons likely to be affected by or with an interest in that activity; and/or
- Capacity of the Westland District Council to provide for the well-being of the district.

Infrastructure is considered Westland District Council as a "Significant Activity" therefore, some decisions require consultation.

There are several instances where the Council will undertake consultation at a District wide or comprehensive level. This generally occurs when there is a requirement to use the Special Consultative Procedure as prescribed in the LGA2002 section 83. This occurs in the following situations:

- Adopting or amending the Activity Management Plan. The long-term plan is reviewed every three years with the Annual Plan giving effect to that Plan in the intervening years;
- Adopting the Annual Budget;
- Adopting, amending or reviewing a Bylaw;
- Proposing a change in the way a significant activity is undertaken;
- Significant decisions not already provided for in the Activity Management Plan; and
- Termination of a service.

The Council will decide that some decisions are significant and will therefore require a more rigorous assessment of options and a more robust consultative process. Those decisions are treated as amendments to the LTP and can be dealt with either separately or as part of the Annual Plan process. The level of consultation required will be determined in-line with the Policy on Significance and Policy on Engagement and Consultation.

4.5. Key Stakeholders

The 3 Waters activity has many key stakeholders both internal and external. The key stakeholders for this activity are listed below in Table 4-2. The impact of these stakeholders on the activity differs depending on the situation and consultation required, however, the stakeholder's interest has been identified as broad, moderate or limited.

Table 4-2: Key Stakeholders

Type	Key Stakeholder	Range	Interest in Activity
External	**WDC Community, residents, local businesses**	Broad	Users of facilities, Contribute rates towards the cost of services.
	Te Rūnanga o Makaawhio	Moderate	Special status as mana whenua and kaitiaki of the natural environment, Consultation on matters relating to land, waterways and cultural or environmental impacts and issues, Co-governance role as members of Council and its committees (no voting rights).
	Te Rūnanga o Ngāti Waewae		
	West Coast Regional Council	Broad	Compliance with statutory obligations under the RMA and resource consents, Site sampling, monitoring and filing of annual reports, Co-operation and sharing of information.
	Department of Conservation	Moderate	Landowner of sites where 3 Waters assets are located.
	Westland Milk Products	Limited	Largest individual user of water from the Hokitika Supply.
	Silver Fern Farms	Limited	Wastewater Disposal and Trade Waste Agreement
	Septage Removal Contractors		
	Various Government Agencies	Broad	Regulating Authorities such as Ministry of Health, Taumata Arowai, Department of Internal Affairs and funding agencies such as Ministry of Business, Innovation and Employment (MBIE), Department of Internal Affairs, Crown Infrastructure Partners.
	Service providers and contractors	Limited	Provide maintenance and management of contract services.
Internal	**Elected Members**	Broad	Owner of Council assets. Responsible for sustainable service levels and decision making.
	Council Executives	Broad	Ensure compliance with regulations, service reliability, quality, economy and risk management.
	Council Committees	Limited	Specific to the TOR of the committee.
	Asset Managers	Limited	Ensure compliance with regulations, service reliability, quality, economy and risk management. Policy, Planning and implementation of infrastructure and service management activities.
	Contract Managers	Moderate	Responsible for implementation of infrastructure and service management activities. Day-to-day maintenance and operations.
	Finance	Limited	Accounting for assets and for services consumed by asset management activities.
	Customer Services	Limited	Systems which minimise and resolve complaints/enquiries about service.
	Information Services	Limited	Clarity of technical and budget requirements for systems and support.

4.5.1. Engagement with Mana Whenua

Te Rūnanga o Makaawhio and Te Rūnanga o Ngāti Waewae, known together as Poutini Ngāi Tahu, are the mana whenua of Westland District. Poutini Ngāi Tahu represent the first inhabitants of the lands several hundred years ago and, as such, have a deep connection and commitment to the environment, economy, people and communities of the district.

The Manatu Whakaaetanga Partnership Agreement fosters Māori contribution to local decision-making processes and is embedded in the way Council works. Major infrastructure projects require significant input from mana whenua to ensure that cultural considerations are understood and provided for, alongside other factors. Council's aim is to collectively agree what and how our new infrastructure is constructed to ensure our growth is sustainable and we protect the values and taonga that make our district special. The Chairs of Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio are full members of Council Committees and participate without voting rights in Council meetings.

4.6. Other Committees

Council may establish committees or Project Working Groups for specific tasks. The 3 Waters Activity has one active committee.

The current Hokitika Wastewater Treatment Plant discharge consent will expire in April 2026. A project is underway to identify the best way to manage Hokitika's wastewater into the future. Council is committed to developing a fit-for-purpose resilient wastewater treatment solution that is sensitive to cultural and environmental concerns and meets the needs of the community.

The Hokitika Wastewater Treatment Plant Project Oversight Subcommittee. The purpose of the Subcommittee is to oversee the governance of the Hokitika Wastewater Treatment Plant Project. This subcommittee honours the MOU Manatu Whakaaetanga Partnership Agreement with Poutini Ngāi Tahu.

The project will identify possible options for receiving, transporting, treating and discharging Hokitika's wastewater, assess the options against project criteria, identify a preferred wastewater scheme option, and then take that forward through the consenting, construction and commissioning processes.

4.7. Access to Councils Infrastructure

Councils' infrastructure access is primarily controlled by the LGA. However, Council may enter private land to inspect, alter, renew, repair or clean provided that the infrastructure was constructed with the landowners' permissions.

4.8. Improvement Planning

The improvement tasks and actions that have been identified for the Management and Organisational Structure Section of the AcMP are listed below in Table 4-3.

Table 4-3: Management and Organisational Structure Improvement Actions.

Task No	Task	Rationale & Actions	Priority	Timeline
4.1	Update Procurement Strategy	Joint Procurement Strategy with Grey and Buller which has the potential to create cost savings through joint procurement.	High	2025/26
4.2	Additional Resource for 3 Waters Activity	3 Waters requires additional resource to provide the service and meet legislative requirements.	High	2025/26

5. Levels of Service

The Levels of Service for the 3 Waters activities are defined in this section and the performance measures by which the service levels will be addressed. The levels of service statements are aimed to support the community outcomes and councils' strategic goals. The current linkages between current legislation, community outcomes, 3 Waters objectives and key performance indicators are below in Figure 5-1.

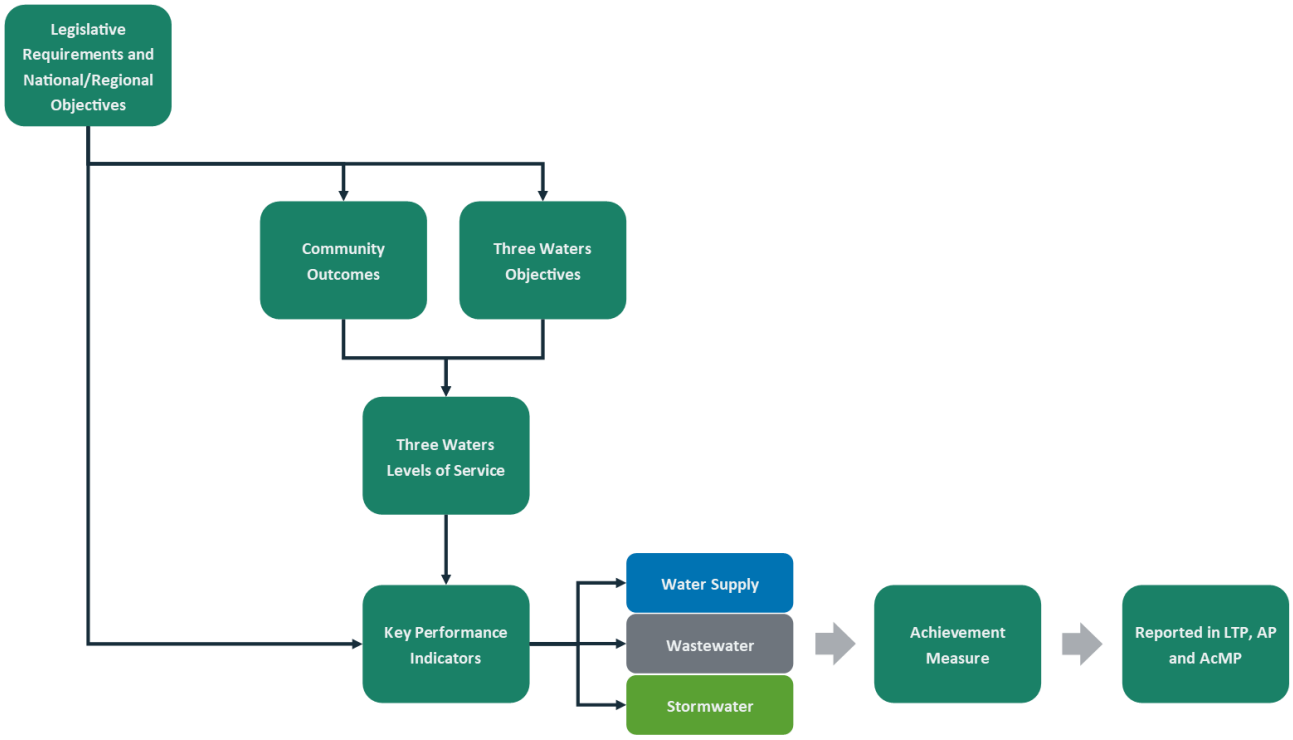

Figure 5-1: Level of Service Linkages.

5.1. Objectives

Objectives and levels of service are developed to reflect the expectations of the community and regulators. The objectives are broad and apply to all activities within the Solid Waste activity, while the Level of Service statements are specific to each activity.

The objectives for 3 Waters are:

- The community is provided with 3 Waters services to a standard that protects their health and property,
- Issue with water services are addressed in a timely manner and prioritised according to risk and need,
- Disruptive effects of water services are minimised,
- Adverse effect of water services on the environment are minimised.

5.2. Community Outcomes

This plan is prepared under the direction of Council's vision, mission, goals and objectives.

Our vision is:

By investing in our people, caring for the environment, respecting the Mana Whenua cultural heritage, and enabling investment, growth, and development we will enrich our district and the people that reside here.

Our community outcomes are:

Sustainable Environment, Diverse Economy, Embracing our Culture, Live and Play,

Resilient Infrastructure.

Strategic goals have been set by Council. The relevant goals and objectives and how these are addressed in this AM Plan are summarised in Table 5-1.

Table 5-1: How the activity addresses the Community Outcomes.

Outcome	Objective	How the activity addresses the Outcomes and Objectives
Sustainable Environment	Reduce the human impact on the environment, while enhancing and protecting the unique natural environment of the Westland District. This outcome seeks to improve environmental outcomes and support the community to embrace a culture of sustainability.	Managing the 3 Waters activities so that the potential impact on the environment is minimised.
Diverse Economy	Enable a prosperous economy that supports and celebrates local businesses success, encouraging both traditional and innovative businesses so that our community thrives. This outcome seeks to support a thriving community and economy for the security of future generations.	Providing water, wastewater and stormwater services which are a necessity to support our communities and public health.
Embracing our Culture	Enabling a rich cultural life for our citizens where people feel welcomed and have civic engagement. This outcome seeks to ensure that all voices are enabled and heard, power is more evenly distributed and, and the community can share its strengths.	
Live and Play	Westland is a place where community are safe and healthy; a unique and enjoyable place to live with affordable, accessible social and cultural facilities. This outcome seeks to ensure that we provide the infrastructure and opportunities that support our communities and enhance people's health and wellbeing.	

Outcome	Objective	How the activity addresses the Outcomes and Objectives
Resilient Infrastructure	Investing in the future with careful, considered planning of projects which support the growth, development and wellbeing of our communities and environment. This outcome seeks to ensure that communities are less vulnerable to natural hazards and climate change and critical transitions are considered for longevity.	Providing safe access to drinking water and effective wastewater and stormwater removal.

5.3. Levels of Service

Council's community outcomes are achieved by providing an agreed level of service to the community. The Levels of Service are driven by:

- Customer expectation,
- Legislative requirements,
- Council strategic objectives.

The levels of Service statements for 3 Waters are provided below in Table 5-2.

Table 5-2: 3 Waters Levels of Service.

Activity Area	Objectives	Levels of Service
 Water Supply	The community is provided with 3 Waters services to a standard that protects their health and property.	**Safety of Drinking Water** Water is safe to drink and complies with the Drinking Water Standards of NZ.
		Maintenance of the reticulation network The water supply network is managed to minimise the leakage or loss from the system.
		Demand Management There is enough water suppled to meet customer needs.
	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Fault Response Times** Water system faults or issues are attended to promptly by contractors and/or staff.
	Disruptive effects of water services are minimised.	**Customer Satisfaction** The water supply network is managed to give a good quality service.
		Customer Satisfaction Residents are satisfied with the water supply provided.
	Adverse effect of water services on the environment are minimised.	**Water Take Compliance** The water supply network us managed in accordance with resource consent conditions.

Activity Area	Objectives	Levels of Service
 Wastewater	The community is provided with 3 Waters services to a standard that protects their health and property.	**System Adequacy** The wastewater network is managed to give a good quality service.
	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Fault Response Times** Wastewater system faults or issues are attended to promptly by contractors and/or staff.
	Disruptive effects of water services are minimised.	**Customer Satisfaction** Residents are satisfied with the wastewater network provided.
	Adverse effect of water services on the environment are minimised.	**Discharge Compliance** The wastewater network is managed in accordance with resource consent conditions.
 Stormwater	The community is provided with 3 Waters services to a standard that protects their health and property.	**System Adequacy** The stormwater network is managed to give a good quality service.
	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Response Times** Flooding events are attended to promptly by contractors and/or staff.
	Disruptive effects of water services are minimised.	**Customer Satisfaction** The stormwater network is managed to give a good quality service.
		Customer Satisfaction Residents are satisfied with the stormwater network provided.
	Adverse effect of water services on the environment are minimised.	**Discharge Compliance** The stormwater network is managed in accordance with resource consent conditions.

5.3.1. Key Performance Indicators

The key performance indicators for 3 waters have been derived from DIA's mandatory non-financial performance measures and new measures. They are aligned with the current DIA mandatory measures.

Table 5-3: 3 Waters Key Performance Indicators.

Activity Area	Objective	Levels of Service	Key Performance Indicator	Implemented
 Water Supply	The community is provided with 3 Waters services to a standard that protects their health and property.	**Safety of Drinking Water** Water is safe to drink and complies with the Drinking Water Standards of NZ.	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules: a. 4.4 T1 Treatment Rules; b. 4.5 D1.1 Distribution System Rule; c. 4.7.1 T2 Treatment Monitoring Rules; d. 4.7.2 T2 Filtration Rules; e. 4.7.3 T2 UV Rules; f. 4.7.4 T2 Chlorine Rules; g. 4.8 D2.1 Distribution System Rule; h. 4.10.1 T3 Bacterial Rules; i. 4.10.2 T3 Protozoal Rules; and j. 4.11.5 D3.29 Microbiological Monitoring Rule.	LTP 2025 -2034 Year 1
		Maintenance of the reticulation network The water supply network is managed to minimise the leakage or loss from the system.	The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).	LTP 2025 -2034 Year 1
		Demand Management There is enough water suppled to meet customer needs.	The average consumption of drinking water per day per resident within the territorial authority district.	LTP 2025 -2034 Year 1

Activity Area	Objective	Levels of Service	Key Performance Indicator	Implemented
 Water Supply	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Fault Response Times** Water system faults or issues are attended to promptly by contractors and/or staff.	Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: a. attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and b. resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. c. attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and d. resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	LTP 2025 -2034 Year 1
	Disruptive effects of water services are minimised.	**Customer Satisfaction** The water supply network is managed to give a good quality service.	The total number of complaints received by the local authority about any of the following: a. drinking water clarity b. drinking water taste c. drinking water odour d. drinking water pressure or flow e. continuity of supply, and the local authority's response to any of these issues. Expressed per 1000 connections to the local authority's networked reticulation system.	LTP 2025 -2034 Year 1
		Customer Satisfaction Residents are satisfied with the water supply provided.	*Proportion of residents rating the water supply good or very good.*	*LTP 2025 -2034 Year 2*

Activity Area	Objective	Levels of Service	Key Performance Indicator	Implemented
 Water Supply	Adverse effect of water services on the environment are minimised.	**Water Take Compliance** The water supply network us managed in accordance with resource consent conditions.	*Compliance with the territorial authority's resource consents for water takes for water supplies, measured by the number of:* *a. Abatement notices,* *b. Infringement notices, Enforcement orders; and,* *c. Convictions* *received by the territorial authority in relation to those resource consents.*	*LTP 2025 -2034 Year 1*
 Wastewater	The community is provided with 3 Waters services to a standard that protects their health and property.	**System Adequacy** The wastewater network is managed to give a good quality service.	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	LTP 2025 -2034 Year 1
		Customer Satisfaction The wastewater network is managed to give a good quality service.	The total number of complaints received by the territorial authority about any of the following: a. Sewage odour, b. Sewerage system faults, c. Sewerage system blockages, and, d. The territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system.	LTP 2025 -2034 Year 1
	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Fault Response Times** Wastewater system faults or issues are attended to promptly by contractors and/or staff.	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: a. attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site; and b. resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	LTP 2025 -2034 Year 1

Activity Area	Objective	Levels of Service	Key Performance Indicator	Implemented
Wastewater	Disruptive effects of water services are minimised.	**Customer Satisfaction** Residents are satisfied with the wastewater network provided.	*Proportion of residents rating the wastewater system good or very good.*	*LTP 2025 -2034 Year 2*
	Adverse effect of water services on the environment are minimised.	**Discharge Compliance** The wastewater network is managed in accordance with resource consent conditions.	Compliance with the territorial authority's resource consents for discharges from its sewerage system, measured by the number of: a. Abatement notices, b. Infringement notices, Enforcement orders; and, c. Convictions received by the territorial authority in relation to those resource consents.	LTP 2025 -2034 Year 1
Stormwater	The community is provided with 3 Waters services to a standard that protects their health and property.	**System Adequacy** The stormwater network is managed to give a good quality service.	The number of flooding events that occur in a territorial authority district. For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	LTP 2025 -2034 Year 1
	Issues with water services are addressed in a timely manner and prioritised according to risk and need.	**Response Times** Flooding events are attended to promptly by contractors and/or staff.	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	LTP 2025 -2034 Year 1
	Disruptive effects of water services are minimised.	**Customer Satisfaction** The stormwater network is managed to give a good quality service.	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	LTP 2025 -2034 Year 1
		Customer Satisfaction Residents are satisfied with the stormwater network provided.	*Proportion of residents rating the stormwater system good or very good.*	*LTP 2025 -2034 Year 2*

Activity Area	Objective	Levels of Service	Key Performance Indicator	Implemented
 **Stormwater**	Adverse effect of water services on the environment are minimised.	**Discharge Compliance** The stormwater network is managed in accordance with resource consent conditions.	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a. Abatement notices, b. Infringement notices, Enforcement orders; and, c. Convictions received by the territorial authority in relation to those resource consents.	LTP 2025 -2034 Year 1

5.4. Improvement Planning

The improvement tasks and actions that have been identified for the Levels of Service Section of the AcMP are listed below in Table 5-4.

Table 5-4: Levels of Service Improvement Actions.

Task No	Task	Description	Priority	Timeline
5.1	Improve Capture of KPI information.	Capture of KPI information through AMIS and Lutra	High	2025/26
5.2	Implement Satisfaction recording	Record satisfaction of residents and users.	Medium	2025/26

6. Growth and Demand

This section provides details of growth forecasts and demand drivers, which affect the management and utilisation of the 3 Waters assets.

The future demand for services changes over time in response to a wide range of influences including:

- Population Trends,
- Economic Trends,
- Tourism,
- Land use change,
- Changing legislative requirements and,
- Climate change.

Increasing demand for services over time generates a requirement for an increase in scope of services and for the development of additional infrastructure. Expenditure programmes need to be planned to fund the capital works and associated on-going operational expenditure. Alternatively, it may be possible to manage demand within the existing system capacity or through the use of non-asset solutions.

6.1. Population Projections

The district's resident population (2022) is estimated at 8,810 with 6,573 ratepayers (rateable assessments as at 30 June 2023). The district's population (2001 to 2022) has experienced slow but steady growth with an overall increase of 10.4%.

Based on Stats NZ's medium population growth forecast, Westland's population is expected to decline by 500 people between 2023 and 2048. The median age is expected to increase to 52.2 years, with 30% of Westland's population aged over 65 by 2048. The medium growth scenario and resulting age breakdown is shown below in Figure 6-1.

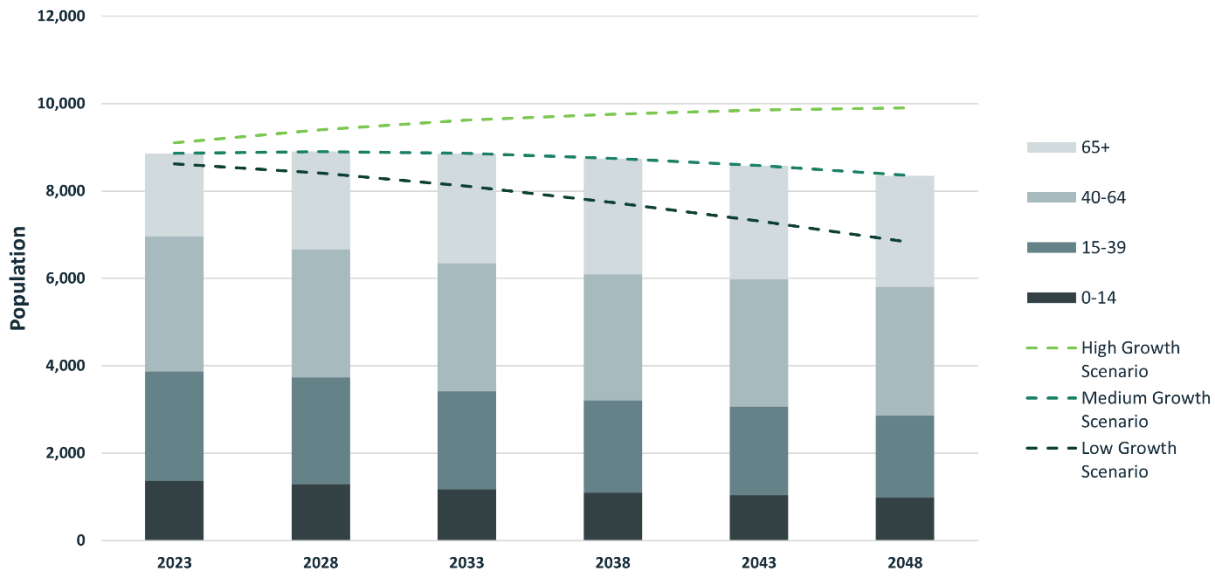

Figure 6-1: Population projects (2023 to 2048), Statistics New Zealand[4].

[4] Stats NZ, Subnational population projections: 2018(base)-2048.

Population projection scenarios are defined as:

- The low projection uses low fertility, high mortality, and low net migration for each area.
- The high projection uses high fertility, low mortality, and high net migration for each area.
- The low and high projections are independent of the national population projections as they represent plausible alternative scenarios for each area.

Significant shortages in rental stock, particularly due to seasonal workers and short-stay rentals, has provided challenges for those wanting to move to the district. Due to the migration of domestic and international residents, the district's population is diversifying, with an expected increase in Māori, Asian and Pasifika populations.

Residents have been attracted to the district for the lifestyle change, the tourism and diary industries and low house prices. There has been a significant shortage in rental properties within the district which provides challenges for those who want to move to the district.

The number of new dwelling consents had increased by 50% in the last two years, where it had previously stayed constant at around 40 new dwellings per year.

Within the last three years, there have been 24 consent applications for subdivisions totalling approximately 260 new residential lots, though not all applications have come to fruition. Majority of these applications are for subdivisions located in Hokitika or the northern ward area between Ross and Kumara. Council is currently in the process of installing trunkline infrastructure for a 100+ lot subdivision on Hokitika Racecourse land through Kāinga Ora Acceleration Funding.

6.2. District Plan Review

In 2015 some members of the West Coast community asked the Local Government Commission to look at options for streamlining the local councils. In 2018 the Local Government Commission released its proposal for local government reorganisation on the West Coast. The Local Government Commission recommended:

- Transferring the statutory obligations for preparing district plans from the three West Coast district councils to the West Coast Regional Council,
- Delegating these obligations to a joint committee comprising all four councils and local iwi, with an independent chair.

The Te Tai o Poutini Plan (TTPP) is the combined District Plan for the Buller, Grey and Westland District Councils. It replaces the current individual district plans. The TTPP sets out the objectives, policies, rules and methods to manage land use activities and subdivision across the districts. The plan is expected to be operative in late 2025.

6.3. Influences on Growth and Demand

The future demand for 3 Waters may be influenced by a number of factors:

- Legislative requirements and compliance,
- Population growth,
- Township growth,
- Industrial and Commercial usage patterns,
- Tourism trends and seasonal peaks,
- Climate change,
- Public Expectation.

6.3.1. Industrial & Commercial Usage Patterns

Industrial and commercial usage patterns can influence the demand for services. The district's top industries are shown below in Figure 6-2.

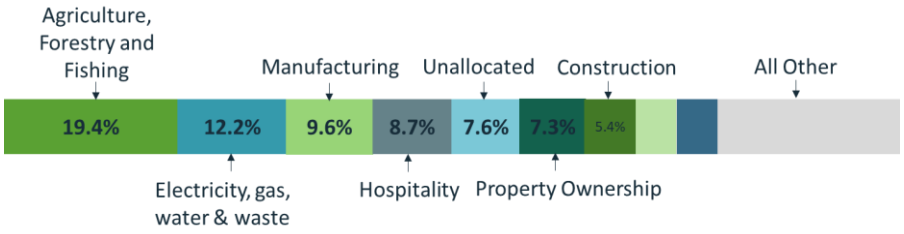

Figure 6-2: Main Industries as GDP[5].

While there may be changes in the local industrial section in the future, it is not expected that these will have a significant impact on the 3 Waters Schemes, as most are adequately sized to absorb minor water demands from small to medium sized industrial activities.

6.3.2. Tourism

The Westland District is heavily reliant on the tourism sector, with 25% of the District's employment directly related to the tourism sector. Employment within the tourism sector in Westland increased 56.8%.

In the first quarter of 2023, the sector contributed $95.6m or 12.2% towards the District's GDP, which had previously peaked at 23.3% in 2018. This is compared to the West Coast region where tourism contributed only 5.4% to the GDP[6].

The New Zealand borders reopened in July 2022 following the pandemic. Tourism spending and international visitor arrivals in the year ending September 2024 were approximately 87% of pre-pandemic levels. The total annual guest nights to September 2024 in Westland was 733,700. These changes compared to the national figures are shown below in Figure 6-3.

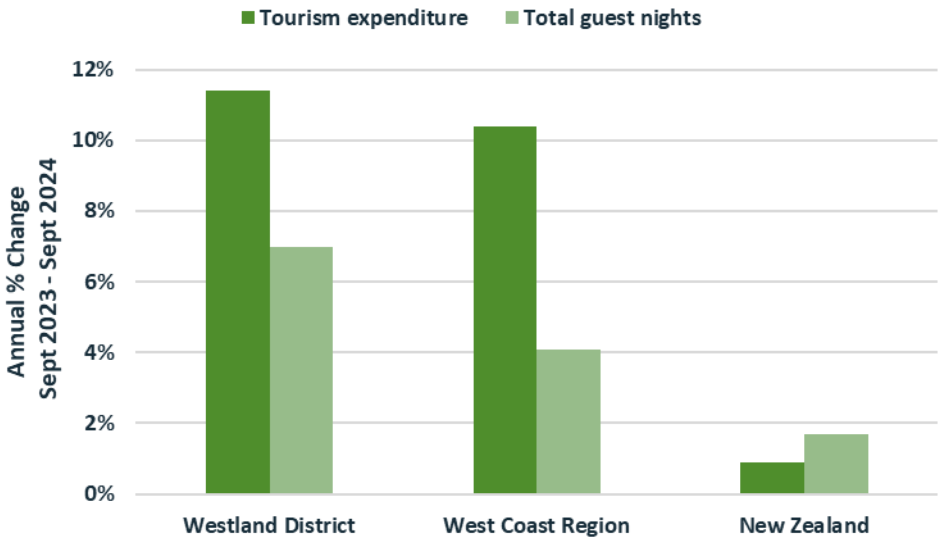

Figure 6-3: Tourism Trends[7].

[5] Infometrics Quarterly Economic Monitor (September 2024)
[6] Infometrics Regional Economic Profile (to March 2023)
[7] Infometrics Quarterly Economic Monitor (September 2024)

6.3.3. Climate Change and Weather Patterns

A detailed discussion of climate change prediction is provided in Section 0. Climatic factors including rainfall, temperature and evaporation have the potential to affect the 3 Waters schemes supply and demand. The detailed implications of climate change are not clear but could impact security of supply in the future.

6.4. Development Contributions

Currently Council has no development contributions policy. Instead, Council collects financial contributions as detailed in the Operative District Plan. Historically this was due to the limited growth occurring on the West Coast. However recent population estimates and housing developments in Hokitika suggest that Westland District is growing incrementally each year. Council is looking to implement a development contributions policy to ensure that future developments costs are not borne by ratepayers.

6.5. Demand Management

Demand for new services will be manged through a combination of managing existing assets, upgrading of existing assets and providing of new assets to meet demand and demand management. If increased demand cannot be accommodated, a decline in level of service will be experienced. Demand management practises can include non-asset solutions, insuring against risks and managing

Employing demand management strategies to mitigate risk caused by increased/decreased demand has many benefits, including the following:

- Deferral of capital investment,
- Maintaining levels of service,
- Complying with consenting authorities' requirements,
- Reducing operational and maintenance costs,
- Conserving resources and
- Minimising adverse impacts.

Council has no formal Demand Management Plan for the activity, further opportunities will be developed in future revisions.

6.5.1. Water Supply

There are currently no capacity issues with Council's water treatment plants as most have been recently upgraded for compliance with the DWQAR's. The 3 Waters Stimulus Funding allowed an additional reserve at Hokitika and replacement reservoirs (with additional capacity) at Franz Josef and Harihari.

Approximately 80% of the average daily volume of treated water produced by the Hokitika WTP is consumed by Westland Milk Products, which is a major contributor to the Gross Domestic Product (GDP) of the District. Westland Milk Products have a dedicated supply pipeline and on-site storage reservoirs to ensure sufficient water is available.

The use of Council's e-TXT system allows staff to send text messages to consumers to alert of the water conservation status at times of high demand or water shortage.

Council's current demand management strategies are:

- Metering commercial and extraordinary consumers' properties
- Advertising need for water conservation at times of high demand or water shortage
- Maintaining a close working relationship with Westland Milk Products Ltd on their water use, particularly at times when demand exceeds supply.

6.5.2. Wastewater

There are various methods for assessing demand. The primary methods Council uses to assess and analyse demand are averages based on manually read outflow meters. These meters are read once a month.

All wastewater treatment plants now have power to site, which can enable telemetry measures to be put in place which will allow Council to monitor various parameters to assist with assessing demand on this service.

Demographic changes such as an increase in population impacts the demand for wastewater services. More people create a higher volume of wastewater to treat. The geographic spread of population and residential growth can also necessitate wastewater boundary extensions to minimise the environmental impacts of too many septic tank systems in a concentrated area.

Westland District is a popular tourist destination and numbers have been steadily increasing over time to equal numbers that the District saw pre COVID-19. As a result, there is increased seasonal demand for our wastewater schemes, most prominently Franz Josef and Fox Glacier followed by Hokitika. The seasonal impact on Haast is potentially less than the other schemes since some of the major accommodation providers in Haast area are outside of the catchment scheme area.

The industry type determines the composition and amount of trade waste that enters the network. For example, trade waste associated with meat processing at the Silver Ferns Farms factory on the northern entranceway of Hokitika has a significant effect on the biological loading of the Hokitika Wastewater Treatment Plant. Council currently has a Trade Waste agreement with Silver Fern Farms, along with a basic fee agreement with septage disposal companies.

6.5.3. Stormwater

The District Plan is the legal framework that Council uses for land use planning. The management of imperviousness areas is promoted along with appropriate stormwater management. It contains provisions governing stormwater and flood protection management, including implementing planning controls to limit future development in known problem areas that are too costly to solve.

Our response to climate change includes building our knowledge based on latest thinking nationally and participating in forums where appropriate. We will continue to monitor trends in wet weather overflows as these may increase with more intense and frequent storms.

Climate change directly impacts the stormwater activity in the following ways:

- More frequent and intense rainfall events which the primary stormwater network may not be able to cope with
- Flooding may occur when high rainfall coincides with high tide levels and outlets are blocked

To identify future stormwater demands, Council uses the following tools:

- LiDAR data from West Coast Regional Council, when available.
- Records of flooding events.

There is a need to develop Catchment Management Plans to assist Council in identifying integrated solutions and manage competing needs.

6.6. Water and Sanitary Assessment

The Water and Sanitary Assessment is required under the Local Government Act. Water services include drinking water, wastewater, stormwater whilst sanitary services include cemeteries, solid waste and public toilets. These services are considered vital to public health and the environment. Council is required to assess its role in providing these services and assess the adequacy for current and future demand.

The last review was undertaken in 2014. Many of the demand themes in the assessment remain relevant.

6.7. Improvement Planning

The improvement tasks and actions that have been identified for the Growth and Demand Section of the AcMP are listed below in Table 6-1.

Table 6-1: Growth and Demand Improvement Actions.

Task No	Task	Rationale & Actions	Priority	Timeline
6.1	Catchment Management Plans	Assist with identifying integrated solutions and managing competing needs.	Medium	2027/28
6.2	Development Contributions Policy	Allow Council to charge for growth to provide further fundings for schemes.	High	2026/27
6.3	Demand Management Plan	To include trigger points for further investment.	Medium	2027/28

7. Lifecycle Management

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (Refer to Section 0) while minimising risk and managing lifecycle costs. This process is conceptually shown below in Figure 7-1. The five main stages of the lifecycle process are Acquire, Operate, Maintain, Renew and Dispose. These stages are covered in detail throughout this section of the document.

Figure 7-1: Asset lifecycle Planning Process.

Lifecycle asset management focuses on management options and strategies considering all relevant economic and physical consequences. A well-structured lifecycle management plan will reduce the long-term costs of ownership and therefore, reduce the service cost.

7.1. Asset Types

The water supply, wastewater and stormwater supplies are provided by a range of assets. The two main groups of assets are reticulation assets and plant assets:

- **Reticulation Assets**
  - **Water Supply –** Includes pipes, service laterals, valves, hydrants, supply points and chambers.
  - **Wastewater –** Includes pipes, service laterals, valves, manholes and chambers.
  - **Stormwater –** Includes inlets, pipes, service laterals, valves, manholes, chambers, outlet structures.
- **Plant Assets**
  - **Water Supply –** All assets contained within a water facility such as pumpstations, reservoirs, chambers, bores, water treatment and control assets.
  - **Wastewater –** All assets contained within a wastewater facility including pump stations, chambers, wastewater treatment, disposal and control assets.
  - **Stormwater –** All assets contained within a stormwater facility including pump stations.

A summary of the diameter of pipes across the 3 Waters activity is shown below in Figure 7-2.

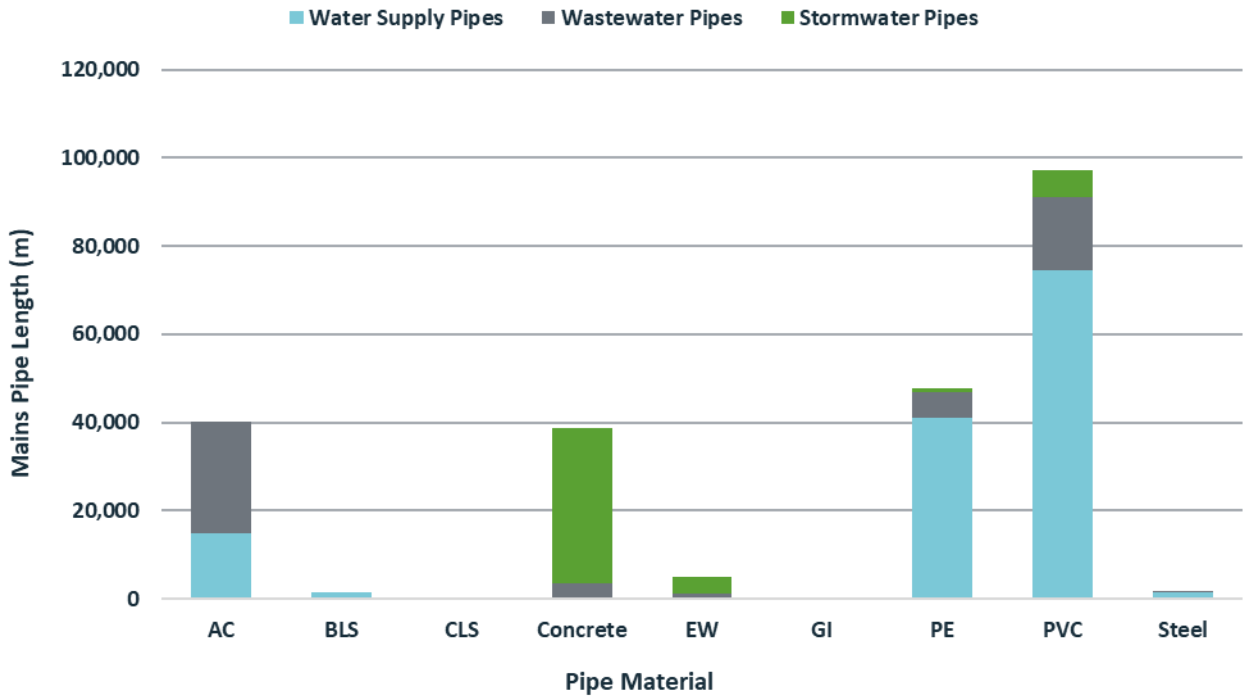

Figure 7-2: Pipe Main Material.

A summary of the diameter of pipes across the 3 Waters activity is shown below in Figure 7-3.

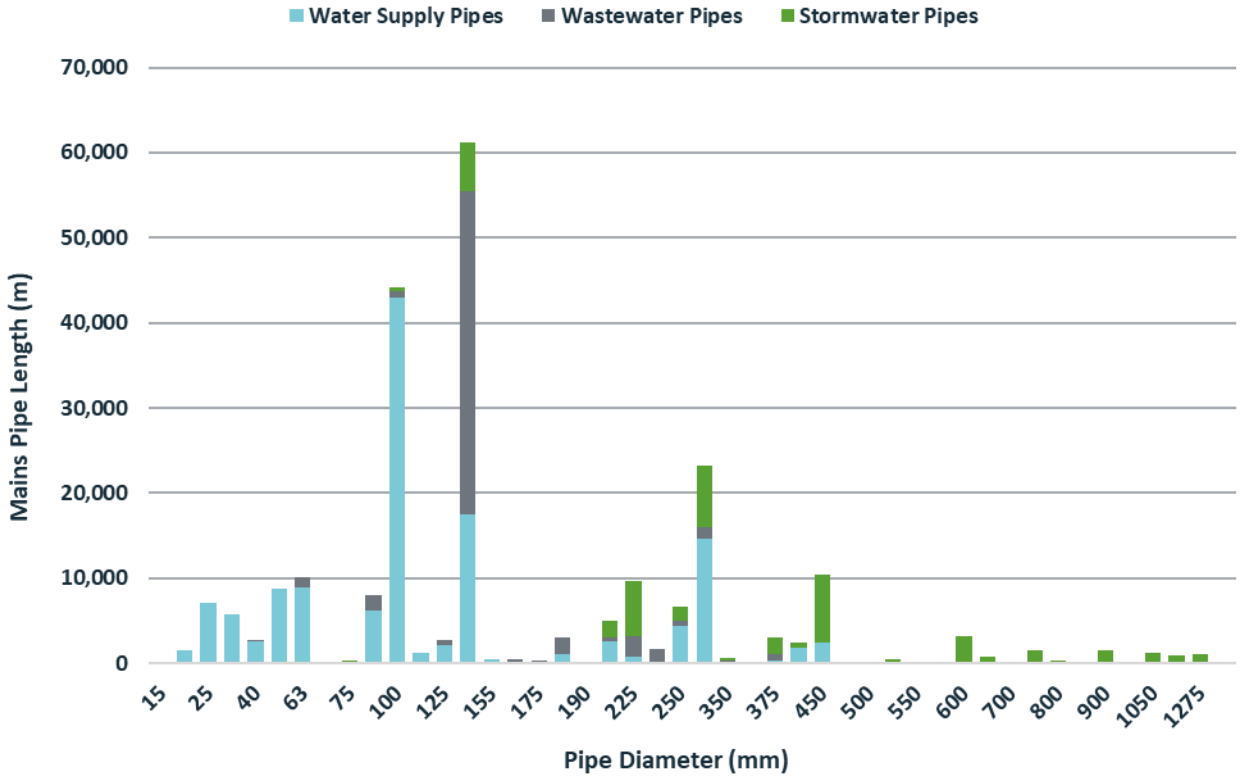

Figure 7-3: Pipe Mains Diameter.

A summary of the age of pipes across the 3 Waters activity is shown below in Figure 7-4.

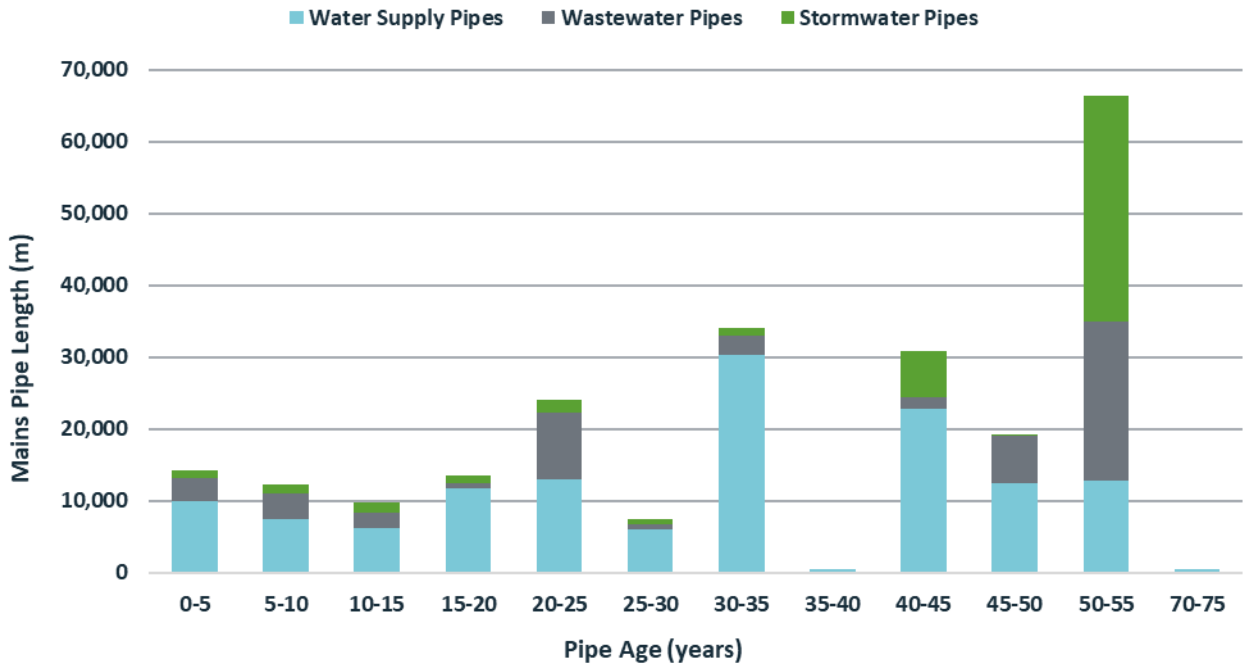

Figure 7-4: Pipe Mains Age.

7.2. Asset Capacity and Performance

Council has minimal information on asset capacity and performance. The Asset Management Information System has performance ratings assigned to assets. However, it is unknown of the origin of these ratings. This has been listed as an improvement item.

7.3. Asset Condition

The condition ratings of assets that are recorded in the asset information system are based on age and are not a physical site assessment. These are updated in the asset management system annually. Good industry practice is to survey asset condition every three to five years. The condition ratings for pipes in the 3 Waters activity are shown below in Figure 7-5.

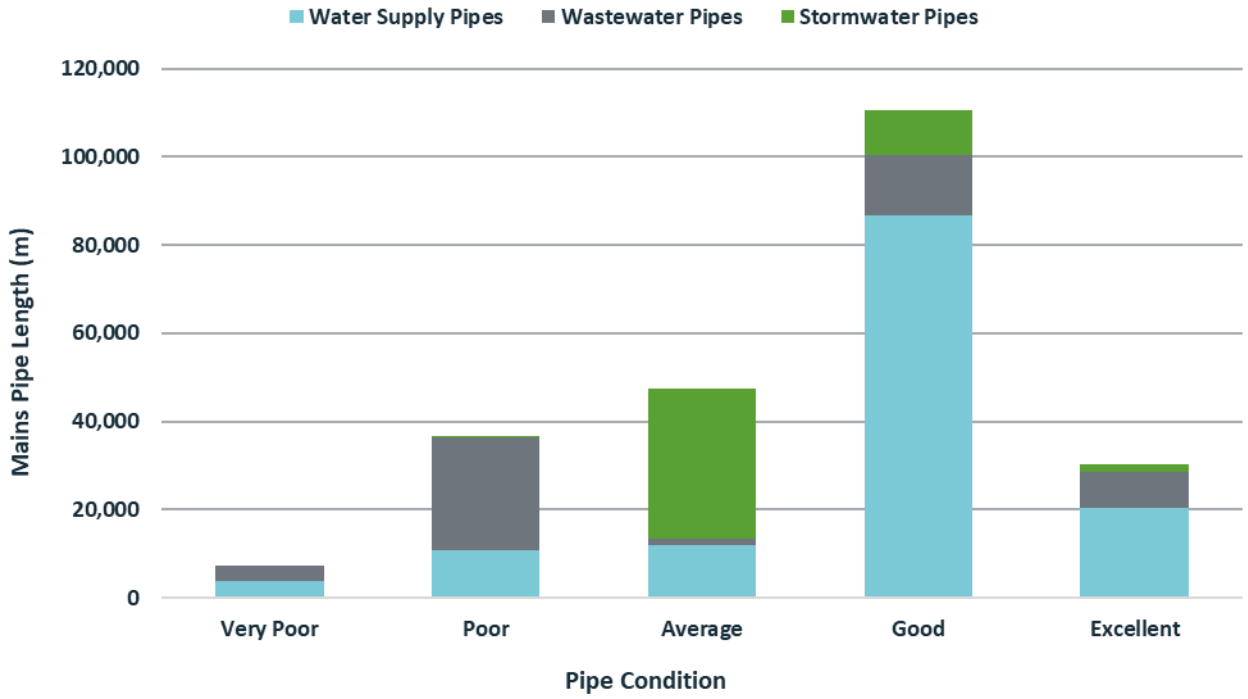

Figure 7-5: Pipe Mains Condition.

Extensive CCTV work was undertaken in 2022 (with additional minor CCTV on the wastewater network in 2024) on the Districts wastewater network. Approximately 80% of the wastewater network was and 40% of the stormwater network has had some form of CCTV footage undertaken on it.

Due to a lack of resources in house to review the footage and prioritise areas requiring cleaning and / or replacement, 90% of the condition rating is still based on age and useful life left of the asset. In 2024, the CCTV company offered an AI priority rating web-based tool to assist with programming of works. Subsequent reviews of this tool have seen several anomalies which need to be resolved before the programme can be relied upon with certainty. To date, due to resourcing issues, this has not been resolved.

7.4. Asset Criticality

Critical assets are defined as assets that have a high consequence of failure but not necessarily a high probability of failure. These are typically the most important to ensuring the continual supply of service. Asset criticality allows for prioritisation so that they can be managed in order to mitigate any associated risks. The resource that may need to be prioritised include:

- Prioritising/deferring renewals,
- Prioritising expenditure,
- Operation and maintenance planning,
- Collecting asset information and undertaking condition assessments.

The criteria for critical assets, detailed below in Table 7-1, has been developed based on asset type and was determined through professional engineering advice and in-house knowledge.

Table 7-1: Criticality ranking for 3 Waters.

Criticality Ranking	Water Supply		Wastewater		Stormwater	
Very High	Major watermain ≥ 300mm dia	Treatment plants	Mains directly to treatment plant	Treatment plants, outlets	Main ≥ 900mm dia	Outlets ≥ 900mm dia
High	Main 100-300mm dia	Reservoirs	Wastewater feed/pumping mains	Pump stations	Main 450-900mm dia	Pump stations, Maxpit/Megapit, outlets 450-900mm dia
Medium	Main 100mm dia	Valves, fire hydrants, backflow preventer	Main 150mm dia	Manholes, flow meters	Main 150-450mm dia	Inlets, manholes, sumps, outlets 150-450mm dia
Low	Ring/ridermain 50mm dia			Inspection chamber	Main 100-150mm dia	
Very Low	Service Lateral	Blank cap, dummy node	Service Lateral	Blank cap, dummy node, flush tanks	Service Lateral	Blank cap, dummy node

A profile of the pipe mains criticality is shown below in Figure 7-6.

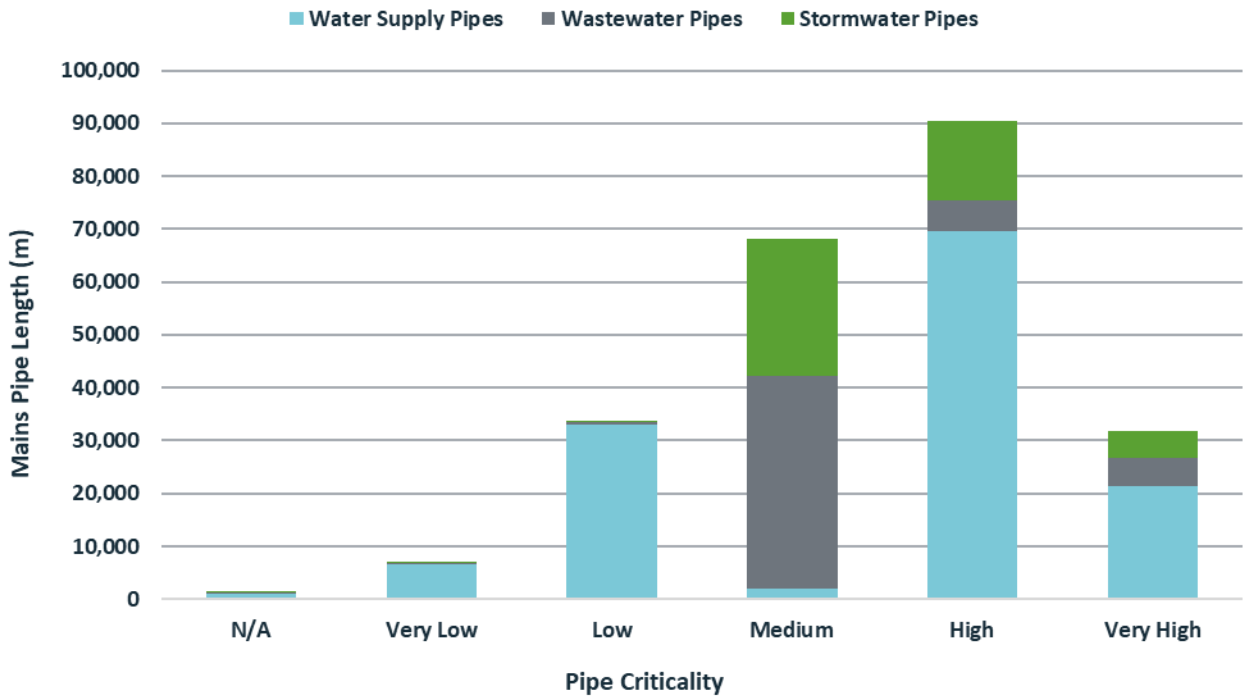

Figure 7-6: Pipe Mains Criticality.

7.5. Asset Valuations

The 3 Waters assets are revalued every three years using the Optimised Replacement Cost methodology to determine the fair value of the assets. This methodology is used to value specialised assets which are deemed to be seldom traded on an open market or have a restricted market for the use of the asset. Depreciation is provided on a straight-line basis to the value of the asset with adjusted remaining useful life. The valuations are completed through the asset information system Univerus Assets (previously Assetfinda).

The last re-valuation was completed internally in July 2024 and was peer reviewed by Beca. The Asset Valuation Summary as at 30 June 2024 is shown below in Table 7-2.

Table 7-2: 3 Waters Valuation Summary.

Activity	Optimised Replacement Cost (ORC)	Depreciated Replacement Cost (DRC)	Annual Financial Depreciation (AFD)
Water Supply	$81,381,303	$48,872,360	$1,770,762
Wastewater	$50,996,207	$27,136,127	$778,308
Stormwater	$47,866,755	$22,556,625	$631,954
TOTAL	**$180,244,265**	**$98,565,112**	**$3,181,024**

The Accumulated Depreciation was $81,679,153.

7.5.1. Data Confidence

The confidence level of data is assets as part of the peer review by Beca. The 3 Waters base data used in the valuation have been assessed as **B** confidence which is defines as 'reliable with minor inaccuracies'. The following improvements have been identified to improve data confidence:

- Confirm manhole depths,
- Confirm asset line lengths,
- Complete condition assessments.

7.5.2. Non-Depreciable Assets

The following asset components have been identified as non-depreciable as outlined in the NZ Infrastructure Assets Valuation and Depreciation Guidelines:

- Open Drains,
- Stopbanks and,
- Earthworks.

7.6. Complying with Resource Consents

The West Coast Regional Council sets out mandatory environmental standards as part of the RMA that Council must adhere to. Resource consents are held for activities related to 3 Waters including abstraction and disposal. The expiry of current resource consents is shown below in Figure 7-7.

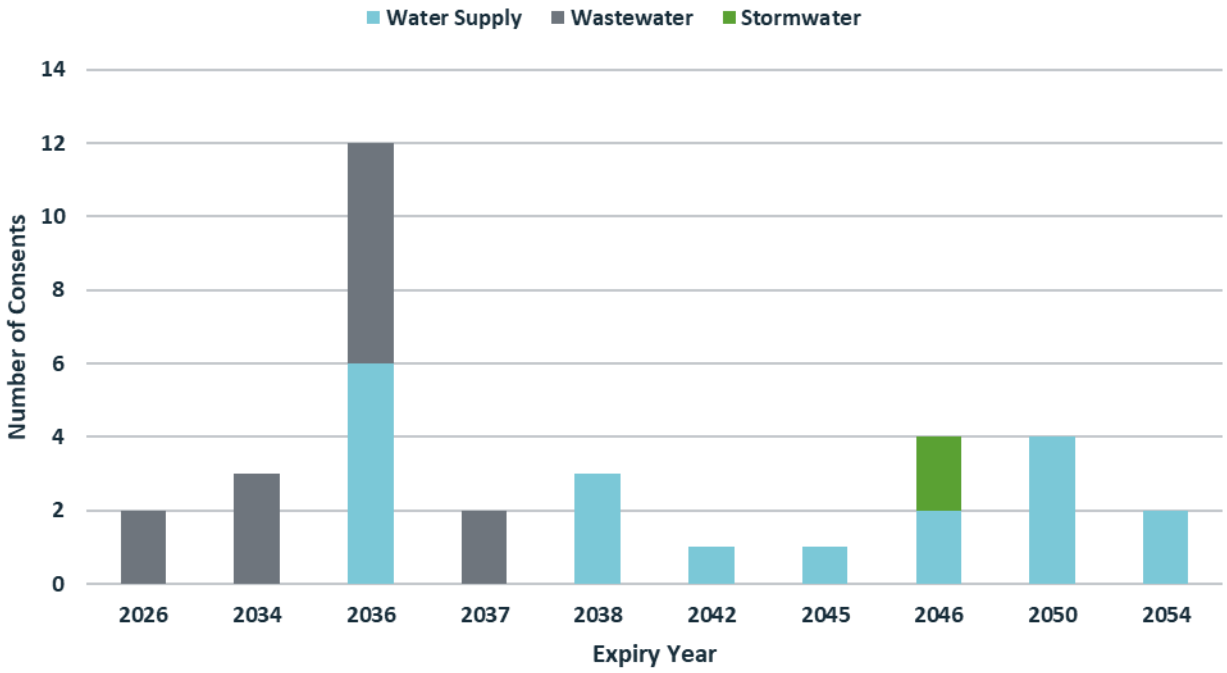

Figure 7-7: Expiry Year of Resource Consents.

There two consents that will expire during the three-year LTP period, these are related to Wastewater and the Hokitika Wastewater Treatment Plant. If enacted, new legislation as part of the Government's Local Water Done Well along with new quality standards for Wastewater, may grant an additional two years for expiring wastewater consents to allow for upgrades in-line with the new standards.

Consent monitoring is completed in accordance with the resource consents across the activity. They are regularly reported on, and all consents are compliant with consent conditions.

7.7. Operations and Maintenance Plan

Councils' operations and maintenance plan ensures that the risk of asset failure is minimum. Failed assets are repaired with minimal disruptions to the level of service and ensuring compliance. Operations are defined as activities designed to ensure efficient utilisation of the assets, and therefore, that the assets achieve their service potential. For the 3 Waters Activity this includes:

- **Compliance** – This involves water sampling, monitoring and testing to the conditions of DWSNZ and resource consents.
- **Operation of treatment Plants** – Treatment planted are operation by Council's maintenance contractor. All treatment plants are essentially un-manned but can be monitoring remotely via SCADA/Telemetry.
- **Sampling** – A significant proportion of contractors' operational activities for wastewater is conducting sampling activities to fulfil the requirements of the resource consent conditions.
- **Response to storm events and flooding**

Maintenance works can be classified into two types, Reactive and Routine which include the following:

- **Reactive Maintenance** – Includes work carried out in response to customer queries, stakeholder demands and reported problems and defects on the network. This may include Water Supply main breaks, Wastewater rising pressure main breaks and Wastewater Blockages.
- **Routine Maintenance** – Includes routine inspection and maintenance of selected assets.

Routine maintenance is generally more proactive in nature and are captured below in Table 7-3. The frequencies are indicative and specific instruction in the maintenance contract can vary by locality.

7.7.1. Operations and Maintenance Contract

The operation and maintenance of Councils 3 Water networks are governed by the Utilities Maintenance Contract. The works undertaken under the contract are manually scheduled and recorded by the contractor. The latest contract was set up with provision for a work management software once Council set one up to ensure that the contract works can be live scheduled, recorded and audited. This will increase the level of confidence that works are being carried out to the appropriate standard within the reporting timeframes.

In July 2025, Council will roll out the use of Thinkproject's Asset and Work Manager for Work management and monitoring of the maintenance contract.

The Utilities Maintenance Contract (22-23-03) was awarded to Westroads Ltd on 22nd September 2022. The contract has a projected end date of October 2027 if the initial three year and 1+1 extensions are delivered. The contract is a measure & value and lump sum contract.

Treatment plants are operated by Council's maintenance contractor. All treatment plants are essentially un-manned, but all nine Water Treatment Plants can be monitored remotely via SCADA/Telemetry. Further work is required to have this remote access to wastewater and stormwater facilities. Both Contractors and Council Engineers have access to this. The plants are visited regularly throughout the week to ensure correct operation.

Water sampling is carried out to achieve compliance with the DQWAR, and wastewater and stormwater sampling to meet the resource consent requirements.

Preventive maintenance checks include operating generators and standby equipment. Council's contractor also undertakes water meter reading.

Table 7-3: Key Operational Processes and Asset Maintenance.

Network	Weekly	Monthly	Quarterly	6 Monthly	Annually	Biennial
Water Supply	• All pumps – checks, • Inflow and Outflow meter, • Reservoir levels, • Membrane checks, • Chlorinator and chemicals, • UV calibration, • Check SCADA operational, • Filtration checks, • pH & Turbidity meter checks, • Sampling as per schedule.	• Inspect and clean intakes, • Generator operation, • Flush all dead-end lines, • UV clean sensor, • Reporting to Council, • Record outflow meter, • Clean exterior and interior of buildings, • Sampling as per schedule.	• Sampling as per schedule.	• Vegetation clearing along Lakeline, • Check operation of air valves, • Drain and clean raw water reservoirs, • Check all raw water intake lines, • Sampling as per schedule.	• Check hydrant markers, • Full electrical check by qualified electrician, • Visual check for leaks in reticulation & functionality of valves, • Test, check, repair and paint all hydrants, • 'Pig' Hokitika lakeline, • WTP and Pump Stations building check, • Check operation of all PRV's, • Check operation of all Burst Control Valves, • Sampling as per schedule.	• Drain and clean reservoirs.
Wastewater	• Checking and recording run times of pumps, • Check operation of Aerators and other mechanical equipment where necessary, • Check oxidation ponds, • Inspect stock and camper van effluent disposal sites for vandalism, odour, blockages and other nuisance and tidy/clean accordingly, • Inspect holding tank level of stock truck effluent site.	• Clear wave bands (including floating material) of vegetation, • Mow and tidy vegetation around ponds, • Read and record manual outflow meter, • Check outfall structure, • Empty solids from stock truck effluent site holding tank, • Compliance sampling at inlet, outlet and other points for parameters required under each ponds' resource consent.		• Clean out pump chambers.	• Full electrical check of pump stations for safety and compliance by qualified electrician, • Change oil and grease pumps as recommended by manufacturer, • Replace bearing packings, • Check flush tanks and flush into system.	• Inspecting and cleaning manholes, • Inspect integrity of stock truck effluent site holding tank.
Stormwater	• Pump station checks (3x weekly), • Inspect & clear blockages at beach outlets.		• Check and clean flap gates, • Clean inlet screens.	• Inspect and clear open drains as listed in Contract, • Clean all pump stations.	• Electrical checks on pump stations, • Clean out pump chambers, • Inspect and clean all sumps, • Inspect and clean all manholes.	

7.8. Renewal Replacement Plan

Asset are considered to need replacement when:

- There are Health and Safety concerns,
- The asset is near the end of its effective useful life,
- Cost of maintenance becomes economic, and it would cost less to the renew the asset and,
- Risk of failure of critical assets is unacceptable.

Councils' current renewal strategy is based on:

- Asset failures,
- Undersized reticulation,
- Improving network resilience (LOS driven) and,
- Operational knowledge based on inhouse staff and contractor feedback.

Council wishes to move to a risk-based renewal programme based on analysis of repair histories and taking into account criticality, material type, condition, resilience and other factors, to be consistent with good industry practice.

Council is in the process of making a stepped change from ad-hoc to proactive renewals and is continuing to improve its asset data practices allowing for better information to drive the renewals forecasts. This new approach requires internal capability and better information to make decisions. It is recognised that this step up in maturity will take time and additional resources. Council's intention to use Thinkproject's Asset and Work Management for management and monitoring of the maintenance contract is the first step towards this improvement in data practices. It will allow all work completed on the assets including asset failures and expenditure to be recorded against the asset record and allow for more informed decisions.

7.8.1. Renewal Profile

The renewal profile is generated by the AMIS for all assets within the valuation period. Those assets that are due to expire within three years or have expired but are still being utilised are given an extended life of 3 years. The renewal profile is based on an asset's expiry date and valuation.

Council does not currently account for criticality and condition in the renewal profiles.

A summary of renewals is provided below in Figure 7-8, Figure 7-9 and Figure 7-10.

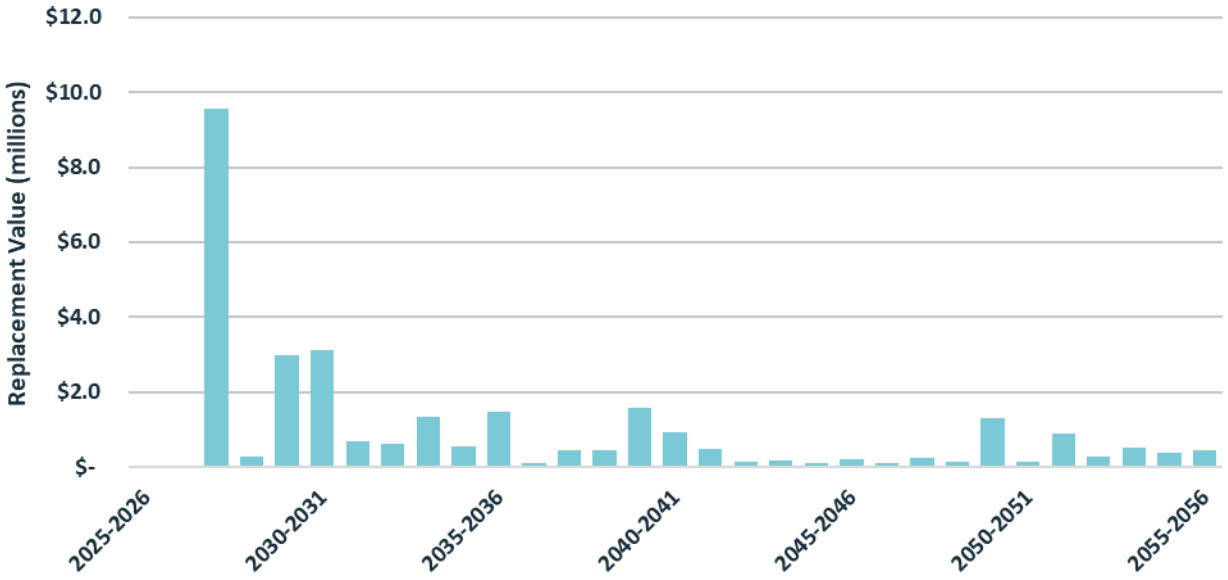

Figure 7-8: Renewal Profile for Water Supply.

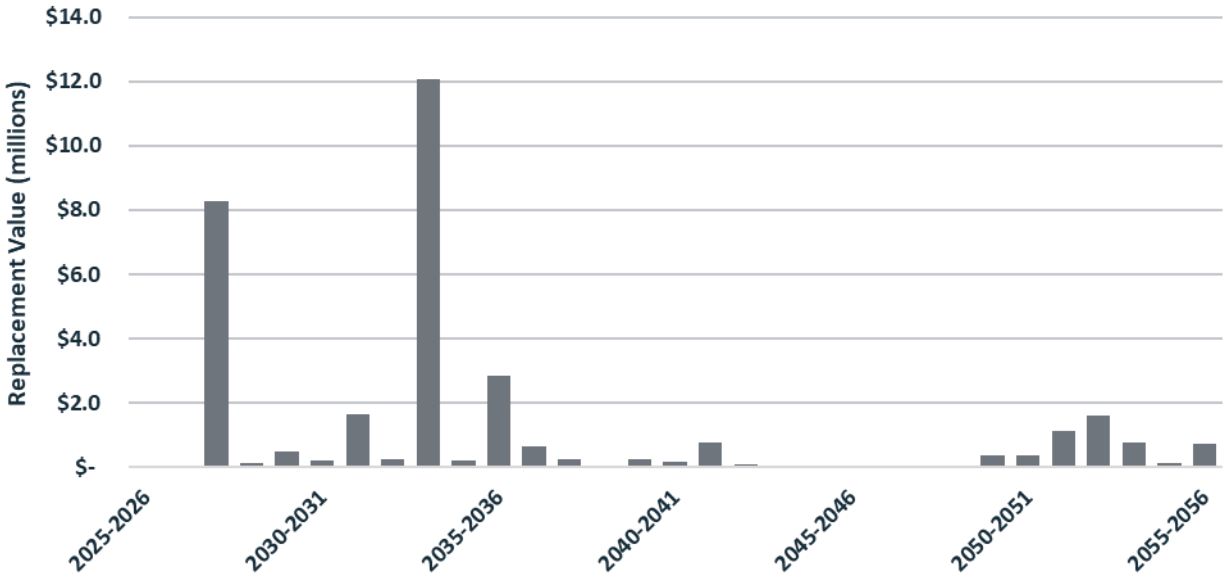

Figure 7-9: Renewal Profile for Wastewater.

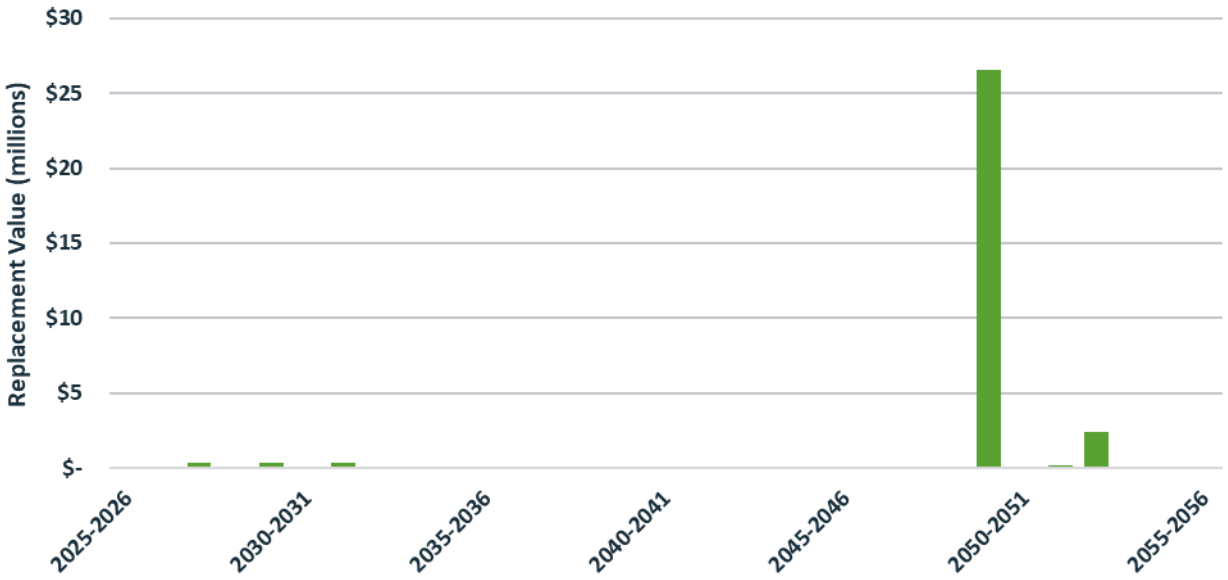

Figure 7-10: Renewal Profile for Stormwater.

For Stormwater, majority of assets have an assumed install date of 1970. Therefore, assets with an 80-year useful life are due for renewal in 2049/50. This is causing the large spike in the renewal graph which is likely not accurate in practice.

7.9. Asset Acquisition and Development Plan

Acquisition reflects are new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

As discussed in Section 6, the district is not experiencing any significant growth in resident population. Council plans to predominantly accommodate growth within the existing infrastructure. New assets may be acquired at no direct costs to the organisation (i.e. land gifted to Council from subdivision developments in lieu of a development contribution).

7.9.1. Selection Criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works are reviewed to verify that they are essential to the Council's needs. Proposed upgrade and new work analysis is also to include the development of a preliminary renewal estimate and operational/maintenance costs to ensure that the services are sustainable over the longer term. Proposals can then be ranked by priority and scheduled in future works programmes as funds become available.

Council does not have a formal priority ranking criteria or weighting for acquisitions; however, planning considers factors relating to the asset such as:

- Benefits & Risks,
- Compliance with Best Practice,
- Co-funding opportunities,
- Public Health & Safety and,
- Demand.

The development of a formal priority ranking criteria will be included in further iterations of the AcMP.

7.10. Asset Disposal Plan

Assets within the networks that are replaced or made redundant following renewal or upgrade projects are either abandoned, disposed of, or held in stock as spare.

Council has no plans to abandon any of the 3 Waters schemes in totality.

Generally, it is not practical to extract buried pipelines, so these are capped and abandoned in situ. Most obsolete assets are removed or demolished to clear the site for their replacement or other use. Given the specialist nature of the equipment and the fact that assets are generally not replaced until they reach the end of their serviceable life, it is not common for Council to have a redundant asset with a significant residual value. In the unlikely event that a redundant asset is available for sale, it is disposed of in accordance with Council policy. Most redundant assets are either disposed of to landfill or via recycling.

7.11. Funding Renewals

It is critical that equity of funding for renewals between current and future users occurs. Council funds depreciation to ensure that funding for renewal occurs between current and future users. Higher cost and long-life assets such as pipes, reservoirs and wells would be renewal funded through depreciation.

7.12. Improvement Planning

The improvement tasks and actions that have been identified for the Lifecycle Management Section of the AcMP are listed below in Table 7-4.

Table 7-4: Lifecycle Management Improvement Actions.

Task No	Task	Description	Priority	Timeline
7.1	Process CCTV recording	Process data to improve condition information and provide further information for planning and prioritisation of renewals.	High	2025/26
7.2	Renewal Profiling	Account for criticality and condition in renewal profiling.	High	Ongoing
7.3	Contract Management through AMIS	Enable tracking of maintenance expenditure and provide better oversight over contracts.	Medium	2025/26
7.4	Performance Monitoring	Monitor performance of supplies and assets to identify service deficiencies and prioritisation of renewals.	Medium	Ongoing
7.5	Asset Valuation Improvements	The new AMIS allows further automation of the Valuation module and more flexibility assigning unit rates and base lives.	High	2025/26
7.6	Asset Criticality	Defining the asset criticality within the AMIS so it is automatically updated	Medium	2026/27

8. Infrastructure Sustainability

This section describes the processes used by Council for assessing and managing sustainability for 3 Waters Activity. This section also addressed the possible implications of climate change and energy requirements relating to the 3 Waters Activity.

8.1. Sustainable Development

Sustainable development focuses on the concept of intergenerational equity whereby the decisions and actions of an entity need to balance the needs of present and future generations. Consideration of four well-beings (economic, social, environmental and cultural) is essential in a sustainable development approach. From an asset management perspective, taking a sustainable approach is critical as many assets have long service life, therefore, maintaining or future proofing these assets to meet the needs of current and future generations is necessary.

Sustainability will be incorporated in strategic planning by both aligning strategic goals with sustainability concepts. Currently the Councils asset management policy reflects this approach through two of the policy principles:

- Incorporate lifecycle management, from planning to disposal, in decision making and,
- Making decisions with a long term, inter-generational approach.

Sustainable concepts will also need to be incorporated into operational processes.

8.2. Natural Hazards and Climate Change

8.2.1. Natural Hazards

Natural Hazards impact on amenities and impose a significant threat to buildings and infrastructure. Westland District is subject to a range of natural hazards including coastal, flooding, earthquake and land instability. The District's topography and climate accentuates the flood and erosion risk with rivers rising and falling rapidly.

Earthquakes are potentially the most devastating natural hazard to Westland District. The Alpine Fault Line, one of the largest faults in the world, runs through the Westland Districts entire length. While scientific research cannot predict when earthquakes will occur, there is a 75% probability of an Alpine Fault earthquake occurring in the next 50 years with a 4 out of 5 chance that it will be a magnitude 8+ event[8]. Perhaps the most damaging features of the earthquake hazard is the potential secondary hazards, such as landslides and tsunami, which could potentially destroy Westland's communities and transport access routes.

Council is preparing and adapting for the impact of natural hazards with a multi-faceted approach. This includes building knowledge through scientific modelling and natural hazard mapping to inform investment decisions. Council participates in the Alpine Fault magnitude 8 (AF8) Programme through the Emergency Management Group to build and coordinate readiness and response capability. Natural hazards are mapped through overlays in the proposed Te Tai o Poutini Plan (combined District Plan for the West Coast) to assist Council planning.

One of the main resilience issues that the district faces is due to the vulnerability of the transport network. Westland is 350km long and serviced by only one major road, State Highway 6. This leaves the district

[8] Alpine Fault magnitude 8

vulnerable in the event of road closures. The most recent closure event, in November 2024, was at the Epitaph Slip between Fox Glacier and Haast which was closed for approximately 2 weeks. The road closures affect Council and contractors' ability to access southern supplies. This has caused issues, particularly for water supplies, with Council failing to meet compliance and testing requirements due to road closures. This is out of Council control as there are no bypass roads and the state highway is controlled by Waka Kotahi.

In general, Council have been investing in equipment such standby power generators at 3 Waters plants to ensure plants can remain operational during power outages.

In 2024, Council undertook emergency works extending the flood protection stop bank to protect the Franz Josef WWTP.

Council's principles for building resilience are summarised below in Table 8-1.

Table 8-1: Building Asset Resilience to Natural Hazards.

Natural Hazard	Principles of Building Resilience
Coastal Hazards	Installing rock protection work and planning for long-term relocation of infrastructure.
Flooding Hazards	
Landslide Hazards	
Earthquake Hazards	Renewing pipelines with PE pipes and welded joints. This offers greater likelihood of being structurally resilient in the event of an earthquake. Seismic valves have been installed in water supply network and reservoirs. Investigation into long-term relocation of infrastructure particularly in Franz Josef.

8.2.2. Climate Change

In the context of Asset Management Planning, climate change can be considered as both a future demand and a risk. Climate change is expected to exacerbate the District's natural hazards as we expect to experience increases in temperature, rainfall, wind, and storm frequency and intensity.[9] How climate change impacts on assets will vary depending on the location and type of services provided. The proposed Te Tai Poutini Plan hazard overlays provide some context as to which locations are likely to be affected by flooding and coastal hazards which will be impacted by climate change.

How Council plans to manage the impact of climate change on Westland's 3 Waters assets is outlined in Table 8-2.

[9] Ministry for the Environment Climate Change projects for the West Coast region.

Table 8-2: Managing the Impact of Climate Change on Assets and Services.

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
 RAINFALL	Increase in rainfall (particularly in winter and spring) with more frequent extreme rainy days.	Capacity issues with Stormwater and Wastewater schemes. Compliance issues. Potential contamination of Water Supply intakes.	Stormwater catchment management plan, Wastewater I&I investigations and renewal planning to prevent overloading the network, Alternative Water Supplies
 RIVERS	Mean annual flood occurrence slightly increases.	Risk of inundation of infrastructure near rivers. Inability for stormwater pumps to pump into rivers.	Plan for long-term protection or relocation of infrastructure.
 COASTAL	Increased mean Sea-level rise and storms may see increase of coastal erosion and inundation.	Inundation of infrastructure near coast.	Hokitika Wastewater Treatment Plant location and resilience is being investigated and addressed as part of the upgrade.
 TEMPERATURE	Higher mean temperatures in air and water.	May effect resource consent compliance for discharge to air permits. Impact on Water Supply and Demand.	Work with WCRC to ensure consents are suitable for the changing situation, however consents are due to expire during the next ten years so it is likely this will be included in renewal planning.
 WIND	Increase in extreme windy days, particularly westerly winds.		

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

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

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

8.3. Improvement Planning

The improvement tasks and actions that have been identified for the Infrastructure Sustainability Section of the AcMP are listed below in Table 8-3.

Table 8-3: Infrastructure Sustainability Improvement Actions.

Task No	Task	Description	Priority	Timeline
8.1	Develop Climate Change Policy	Allow Council to determine the focus on investment actions to help mitigate the effects of climate change.	High	2027/28
8.2	Develop Climate Change Strategy		High	2027/28
8.3	Natural Hazard & Climate Change assessment	Use Hazard overlays from TTPP to determine risk to assets	Medium	2027/28

9. Risk Management

This section outlines the risks and process of identifying risks that may affect the on-going delivery of services from infrastructure. It covers business risk, the risk management approach and emergency management and civil defence.

9.1. Business Risk Management Processes

A corporate Risk Management Policy aligned with AS/NZS 4360:2004 was formally adopted by Council in September 2011.

In general, there are four broad categories of risk:

- Strategic – Risks associated with the high-level goals that align to Councils strategic direction and Long-Term Plan
- Operational – Risks associated with departmental functions and daily operations
- Project – Risks associated with project management
- Compliance – Risks associated with regulatory/legislative requirements.

This framework has been applied to all infrastructure activities.

Application of a systematic and consistent approach to risk assessment improves Council's ability to manage its assets within resource limitations and to prioritise expenditure and actions that can avoid or mitigate the effects of any event. The risks identified might be relevant to many activities and be of concern at corporate level, or they might be localised, at an asset specific level.

9.2. Risk Management Approach

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

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

9.2.1. Consequences

Consequences are the potential outcomes of a risk occurring. Council has classified the consequences as:

- Safety,
- Environmental,
- Financial,
- Reputation.

The risk consequences are detailed below in Table 9-1.

Table 9-1: Risk Consequence.

	Consequence				
Impact Type	**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Safety	First Aid Injury (FA); Injury requiring first aid treatment or less	Medical Aid Injury (MA); Injury requiring medical treatment	Lost Time Injury (LT)/Serious Harm; Injury requiring hospitalisation; or a lost time injury	Single Fatality (SF); or serious permanent disability	Multiple Fatality (MF)
Environment	Small amount of environmental damage controlled within the site	Limited environmental damage to significant area without permanent effect; or exceed statutory or prescribed limit	Limited environmental damage recoverable within one year; or exceed statutory or prescribed limit	Severe environmental damage requiring extensive rehabilitation; or exceeded a statutory or prescribed limit over 2-5 years.	Persistent severe environmental damage; the damage will require >5years to rehabilitate; or damage cannot be rehabilitated.
Financial	Less than $5,000 loss; or less than 4 hours lost production	$5,000 - $50,000 loss; or 4 hours - 2 days lost production	$50,000 - $500,000 loss; or 2 days - 1-week lost production	$500,000 - $2M loss; or 1 week - 2 weeks lost production	Greater than $2 million loss; or 2 weeks - 1 month lost production
Reputation	Little internal or external attention; or customer issue raised	Workforce attention; limited external attention; or a customer complaint	Repeated complaints; Regulatory notification; or negative stakeholder, media or customer attention	Negative national media coverage; significant negative perception by shareholder or key stakeholder; or a customer disruption	Negative international media coverage; shareholder or key shareholder outage; loss of a key customer

9.2.2. Likelihood

Likelihood is the probability of occurrence of an event occurring ranging from rare to almost certain. The risk likelihood is detailed below in Table 9-2.

Table 9-2: Risk Likelihood.

Descriptor	Rating	Likelihood
Rare	1	- May occur at any time or at least once per year - Expected to occur under normal circumstances - Over 90% chance of happening under these conditions
Unlikely	2	- Could occur several times in 5-10 years - Likely to occur under normal circumstances - Over 75% chance of happening under these conditions
Possible	3	- Could occur once in 10 years - Could reasonably be expected to occur under normal circumstances - Around 50% chance of happening under these conditions
Likely	4	- Could occur in your working life (1 in 33) - Unlikely to occur under normal circumstances - Around 10% chance of happening under these conditions
Almost Certain	5	- May occur at any time or at least once per year - Expected to occur under normal circumstances - Over 90% chance of happening under these conditions

9.2.3. Risk Matrix

Consequences and likelihood scores are multiplied together to arrive at a combine risk score relative to the risk matrix as shown in Table 9-3.

Table 9-3: Risk Matrix.

	Consequence				
Likelihood	**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Almost Certain	Medium	Medium	High	Very High	Very High
Likely	Medium	Medium	High	High	Very High
Possible	Low	Medium	Medium	High	High
Unlikely	Very Low	Low	Medium	Medium	High
Rare	Very Low	Very Low	Low	Medium	Medium

9.3. Resilience Infrastructure to Natural Disasters

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

Resilience of Councils infrastructure has been detailed in Section 8.2.

9.4. Drinking Water Safety Plans

Drinking Water Safety Plans (DWSP) is a risk management process that aims to ensure a safe, reliable and resilient supply of drinking water for consumers. DWSPs have a public health consequence focus and include improvement actions for maintenance and capital budgets. They are important documents that guide and inform priorities for maintaining and improving water supply schemes. The documents are reviewed every five years or when a factor may affect the status of the plans.

The DWSP covers the following:

- Source Water Risk Management Plan (SWRMP),
- Description of the supply, including the existing barriers to contamination,
- Risk Assessment,
- Improvement schedule based on the level of risk identified, availability of financial and physical resources, and level of work involved; and,
- Incident response procedures.

9.5. Summary of Key Risks

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks. Critical risks are those assessed with 'Very High' or 'High' risk ratings identified in risk assessment. The inherent and residual risks specific to the 3 Waters Activity are shown below in Table 9-4.

Table 9-4: 3 Waters Critical Risks.

Description of Risk	Consequence or Outcome	Inherent Risk Rating	Controls	Residual Risk Rating
Natural hazards causing damage to assets	Disruption of operations.	H	Protection of sites subject to inundation/erosion and addition of generators to ensure power supply.	M
Insufficient funding for renewals	Potential non-compliance of water supplies and disruption of service due to asset failures.	H	Improve renewal modelling and prioritise critical projects.	M
Data inaccuracies	Assets failing before renewals causing short term reduction of service delivery.	H	Improvement of data including condition and criticality information to improve renewal modelling. Design systems to ensure system redundancy.	M
Coastal inundation risk to the Hokitika WWTP	Capacity issues for WW plant and environmental impacts and non-compliance which may result in prosecution.	H	Construct stopbank to protect the WWTP, however, plan for the long-term relocation of the WWTP during upgrade project.	M
Flooding due to insufficient pipe capacity	Damage to public and private property.	H	Complete catchment management plans and plan for upgrades to critical infrastructure.	M
Failure of Franz Josef WWTP with riverbed aggradation	Service failure, environmental impacts and financial penalties.	H	Construct stopbank to protect the WWTP, however, plan for the long-term relocation of the WWTP.	M
Local Water Done Well	Potential changes to governance and ownership for the 3Waters activity.	H	Monitor government legislation and implement changes as required.	M
Climate Change Impacts	Sea level rise, temperature changes and extreme rainfall effecting usability of assets or complete loss of assets. May lead to breach of resource consent conditions and surface water intakes drying up.	H	Monitor impacts and create a Council policy or strategy to deal with the long-term impacts of climate change. Monitor water supply and demand. Plan for an alternative source if required.	M

9.6. Risk Management Strategy

The risk evaluation process provides a mechanism to derive projects for potential inclusion in the works programme. Council is working towards having a more comprehensive risk approach which would include actions, treatment costs and prioritisation of projects from the risk assessment.

Lifecycle Management considerations relating to critical assets were discussed in Section 7.4. Typically, assets are replaced when there is an unacceptable risk to levels of service because of:

- Asset condition,
- Operational issues,
- Vulnerability to natural hazards.

Priority for expenditure decisions needs to be given for risks affecting critical assets, therefore, considering the risk of disruption or loss of service delivery.

9.7. Civil Defence Emergency Management

The Civil Defence Emergency Management (CDEM) Act 2002 requires local authorities to coordinate plans, programmes and activities related to CDEM across the area of risk reduction, readiness, response and recovery.

Council is a member of the West Coast Lifelines Group along the other West Coast local authorise and other service providers. In the event of an emergency, all Lifelines utilities providers, emergency services and welfare agencies work together to ensure essential services are restored as soon as possible. Organisations may call upon resources from within our outside of the region.

The 2017 report on improving resilience to natural disasters, title the “West Coast Lifelines Vulnerability and Interdependency Assessment” outlines the risks and vulnerabilities to many of Councils Transportation and 3 Waters assets.

Council does not have a current Lifelines Response Plan.

9.8. Monitoring, Review and Improvement

The improvement tasks and actions that have been identified for the Risk Management Section of the AcMP are listed below in Table 9-5.

Table 9-5: Risk Management Improvement Actions.

Task No	Task	Description	Priority	Timeline
9.1	Lifelines Response Plan	A set of procedures that help Council maintain services during emergencies.	High	2027/28
9.2	Risk Management Strategy	Develop comprehensive risk plan which details actions, treatment costs and prioritisation from the risk assessment.	High	2027/28

10. Asset Management Processes and Practices

This section outlines the information available, and the systems and processes used to make decisions on how the assets are managed. It also provides details on planning for monitoring the performance of the AcMP.

10.1. Information and Data Systems

The information and data systems available to Council staff are shown below in Figure 10-1 and discussed in greater detail within this section.

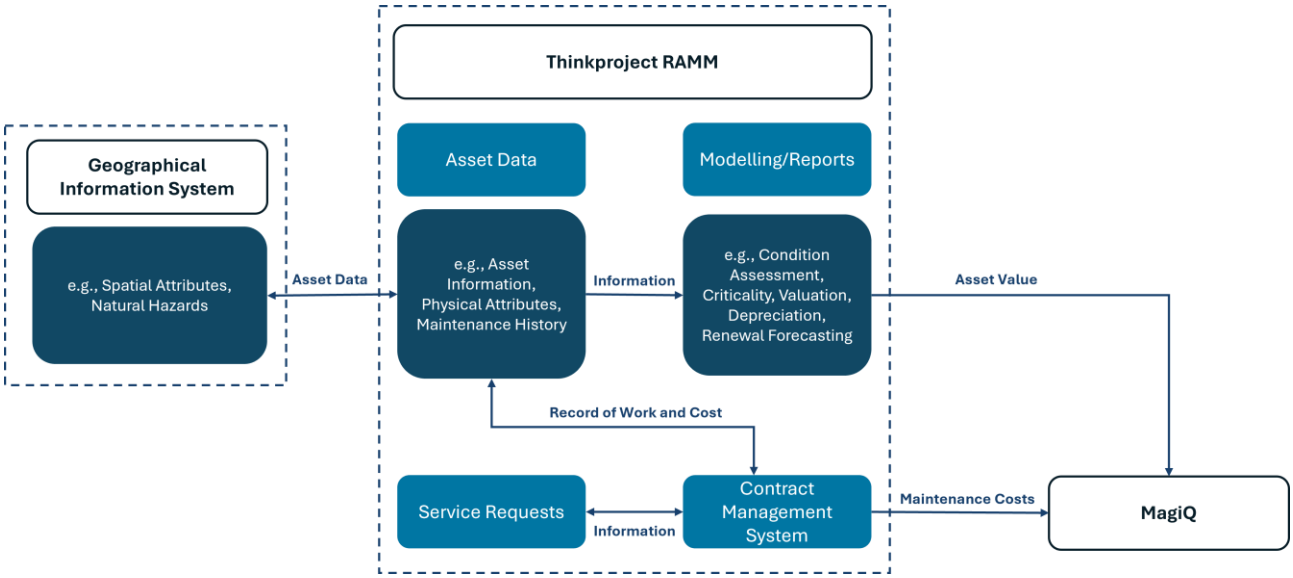

Figure 10-1: Council Data Systems.

10.1.1. Asset Management Data Sources

The Asset Management Information System (AMIS) provides Council staff with the ability to obtain, store, analyse and report on data for all activities.

Council currently uses **Asset & Work Manager (RAMM)** by Thinkproject as its AMIS. RAMM has been recently implemented across all activities. The AMS is currently used for the asset register and asset valuation.

The use of AMS will increase significantly over the coming years as Council staff become more familiar with its capabilities and processes through training and practical use. As part of the migration process practises and process associated with data management are being documented and will continue to evolve.

In 2025 the AMS will be implemented for the following:

- Key performance indicator measurement;
- Maintenance contract reporting;
- Cost claim processing;
- Service requests; and
- Resource consent monitoring.

10.1.3. Accounting and Financial Data Sources

This AcMP utilises accounting and financial data, this data is sourced from:

- **MAGIQ** software contains financial transaction information such as payment to creditors and debtors.
- **IBIS** software for financial budgeting and reporting. This imports transactional information from the MAGIQ ERP system and makes sense of figures to produce various reports.
- **Quantate** software is used for Councils organisational risk register including governance and compliance risks.

10.1.4. Geographic Information Systems

Council uses QGIS as its GIS system. GIS is an important tool for asset management and used for spatial mapping and analysis. GIS is not fully integrated with RAMM. Implementation of ArcGIS has been proposed and scheduled for 2025.

10.1.5. Monitoring and Compliance Systems

Council also utilises SCADA for live monitoring and remote control of 3 Waters plants and Lutra ID for recording compliance of continuous monitoring. The SCADA system Council currently uses is due to be phased out so there has been allowance made to ensure they can be replaced.

10.2. Data Management and Quality

Accurate asset information is central to asset management. However, maintaining asset information is a constant task.

The valuation report rated the integrity of asset data as B. Where B is defined as 'Reliable with Minor Inaccuracies'. With continuous capture to confirm all manhole depths, confirm all asset line length and complete condition assessments, especially for asset needing replacement, there is potential to lift the confidence level to an A.

An improvement programme to update data quality will be established in 2025 to:

- Update historical asset information;
- Establish business rules for data entry; and
- Create processes to update asset records as maintenance occurs.

In 2024 a restructure of asset data, in particular asset classes, occurred when the migration from Assetfinda to RAMM occurred. This has improved data management. Standardisation of asset data within these asset classes is now being worked on.

10.3. IT Responsibility

The responsibility for asset information security rests with the IT department. The data is backed up at regular intervals.

10.4. AcMP Preparation

This AcMP was prepared by the Asset Strategy and Development Team. Council staff from District Assets were involved in providing information for this AcMP.

10.5. Quality Assurance

The Local Government Act requires that independent annual financial audits be undertaken on the operations of Council – such audits may include all significant activities such as asset management planning. Audits are undertaken by Ernst and Young as part of the Long-Term Plan process.

Peer reviews will be undertaken at regular intervals to access and identity compliance with statutory requirements. These will include:

- The quality of the plan in terms of completeness, technical content and presentation;
- Perceived strengths and weaknesses for plan improvement; and
- Recommended specific areas for plan improvement.

This will be undertaken internally.

Performance audits will establish whether the objectives of this activity have been achieved. This will be assessed using the results of:

- Customer satisfaction surveys;
- Residents' surveys; and
- Benchmarking surveys.

These measurements will determine the public view of how well the levels of service have been achieved. They will also be used in on-going customer consultation regarding future standards and requirements of the customers in the provision of service.

10.6. Improvement Planning

The improvement tasks and actions that have been identified for the Asset Management Process and Practices Section of the AcMP are listed below in Table 10-1.

Table 10-1: Asset Management Process and Practices Improvement Actions.

Task No	Task	Description	Priority	Timeline
10.1	Continuous Data Improvement	Develop and maintain improvement programme to update asset data	High	2025/26
10.2	Replacement of SCADA	Current SCADA is going to be shut down, migration to new system required.	High	2025/26
10.3	Resource Consent Information	Recording of Resource Consents and monitoring through AMIS	Medium	2025/26
10.4	Implementation of ArcGIS	Allow for spatial planning and analysis	Medium	2025/26

11. Financial Summary

This section outlines the financial projections and funding requirements for managing the 3 Waters activity for the next 9 years. Managing and allocating funding determines the provision of infrastructure within the 3 Waters activity. This section also addresses the key assumptions and asset insurance.

11.1. Financial Trends

The financial trends for the previous six financial years are shown below in Figure 11-1, Figure 11-2 and Figure 11-3.

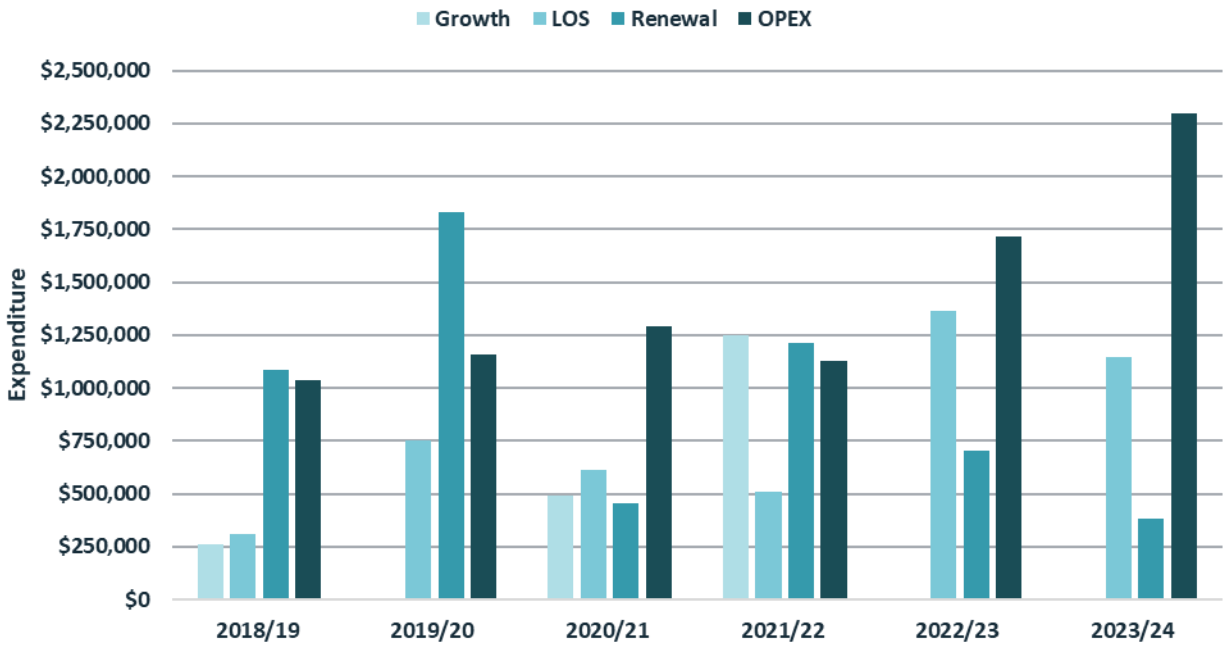

Figure 11-1: Financial Trends for Water Supply.

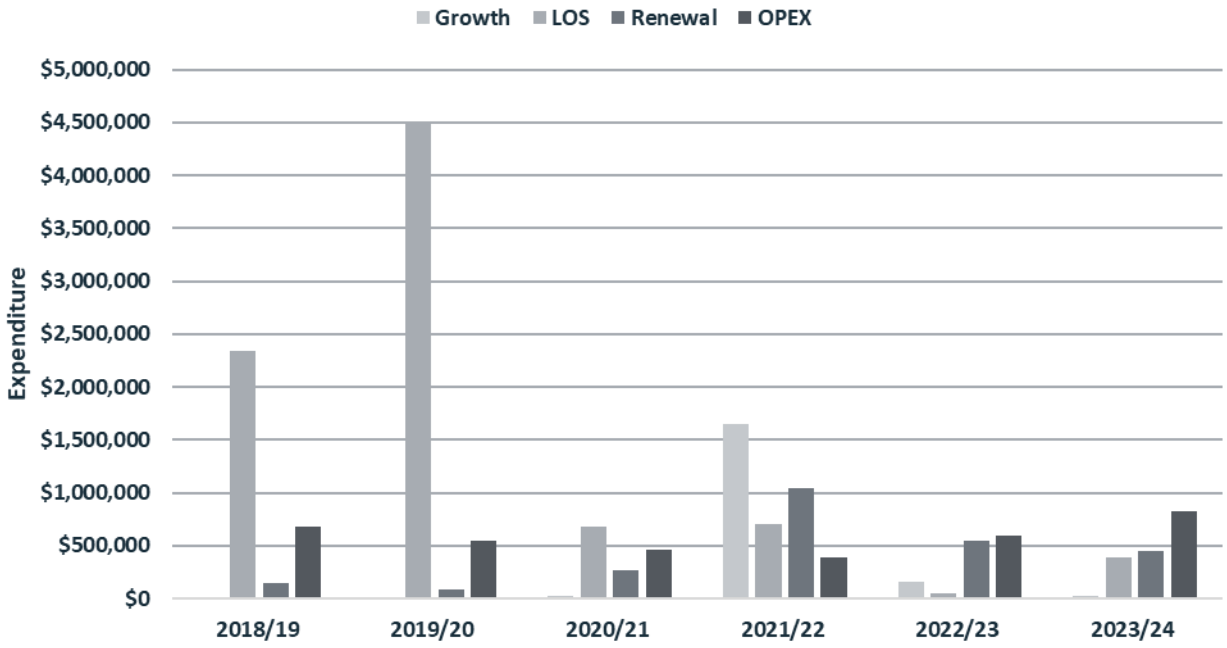

Figure 11-2: Financial Trends for Wastewater.

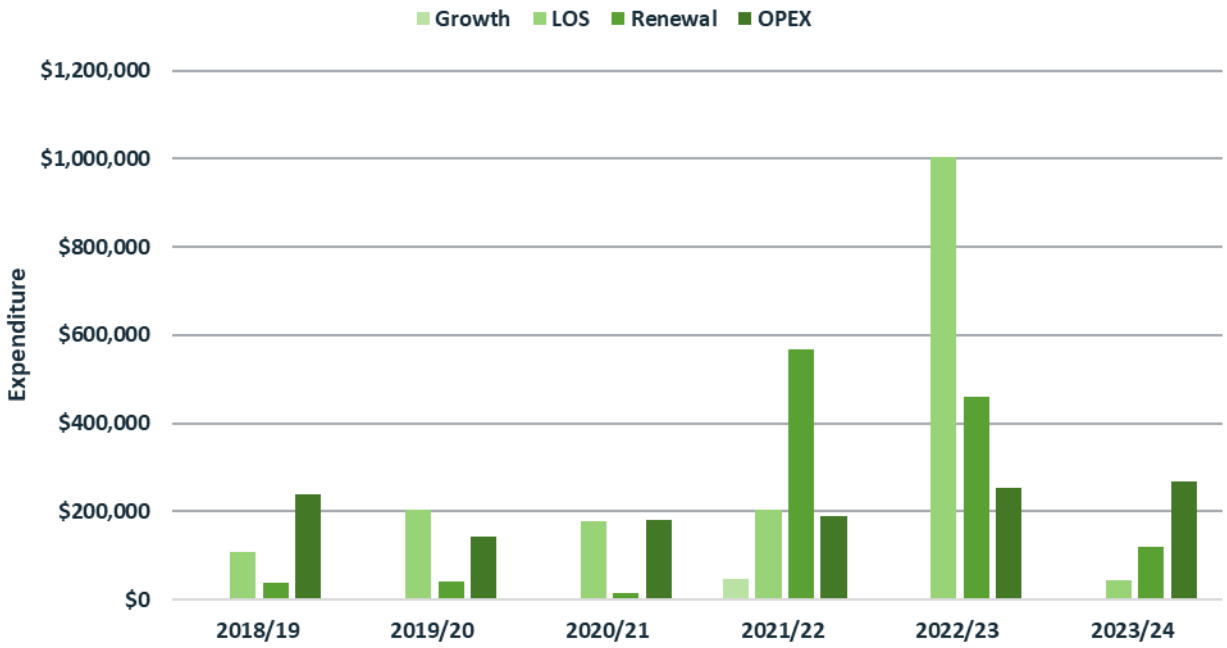

Figure 11-3: Financial Trends for Stormwater.

11.2. Financial Statements and Projections

The financial summaries presented should be viewed noting that:

- **Allowance for CPI** – Consumer price index adjustments 'inflation' has not been included; and
- **All data is held in IBIS** – the database which Council conducts the majority of its financial rates storage and reporting.

The 9-year financial programme for 3 Waters activity is divided into the following categories:

- Operations and Maintenance
- Renewals – Replacement of assets on a like for like basis
- Level of Service – Projects resulting in new assets that improve the LOS
- Growth – Projects resulting in new assets in response to increased demand

The 9-year funding program for the 3 Waters activity is shown below in Figure 11-4.

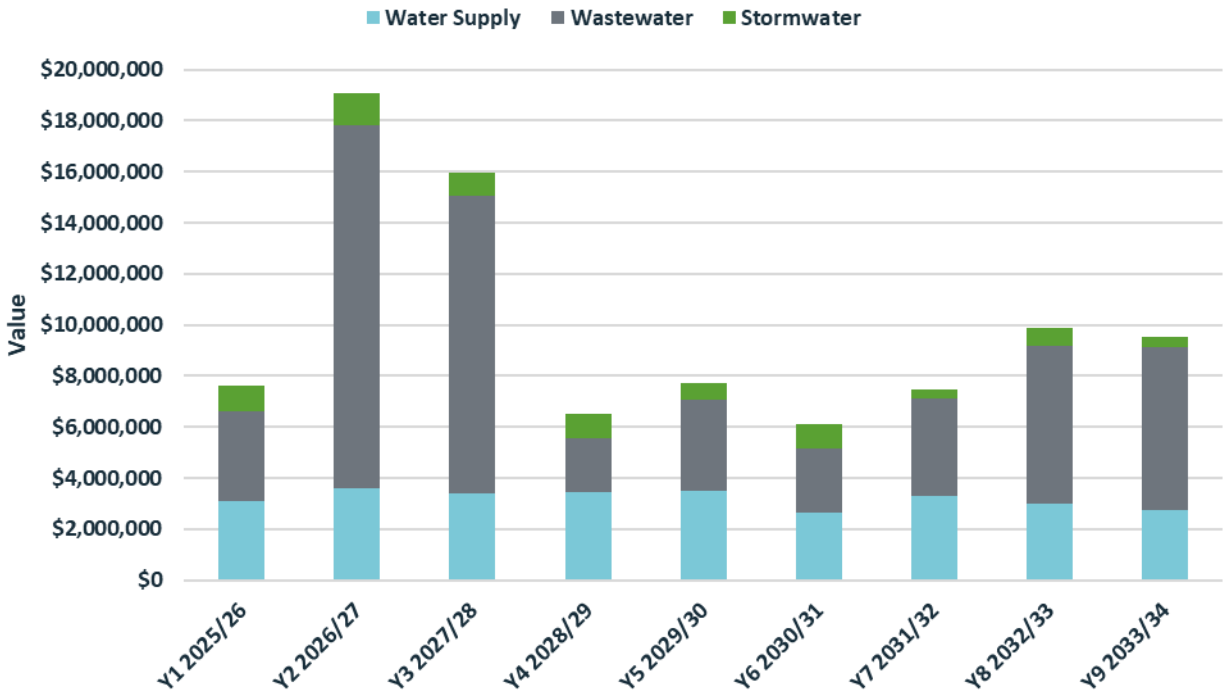

Figure 11-4: Funding Program for 3 Waters.

The breakdown of expenditure by category for the 3 Waters activities is shown below in Figure 11-5.

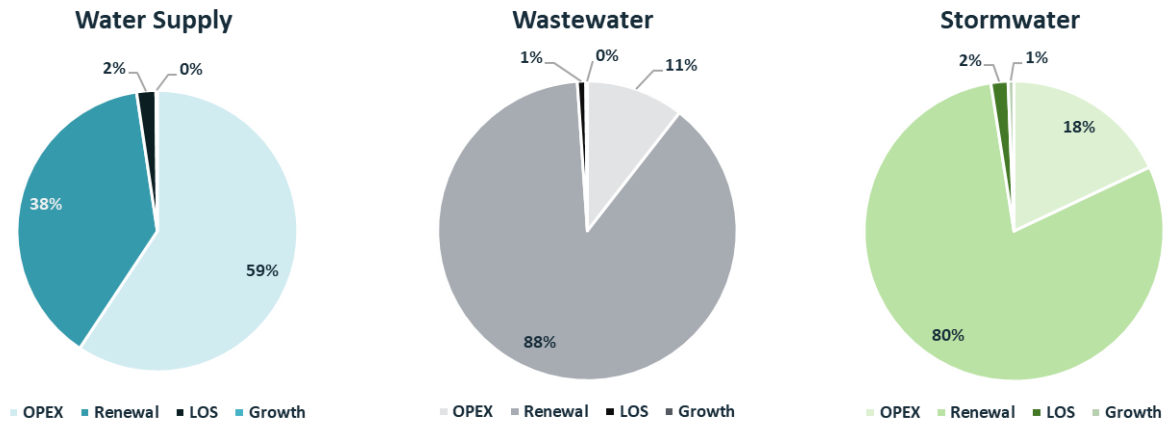

Figure 11-5: Proportion of Expenditure Category for 3 Waters.

11.2.1. Summary of Operations & Maintenance Expenditure

The majority of Operations & Maintenance expenditure is related to reactive and scheduled works undertaken under the Utilities Maintenance Contract. Other operating expenditure relates to electricity and contractors and rental expenses.

Staff review the claim (consisting of water, wastewater and stormwater activities) on a monthly basis. Claim items or "jobs" are accepted or queried and amended before being accepted for payment. This enables staff to ensure that the contractor has provided all necessary information and data attributes. Council plans to implement work management through the AMIS which will provide further evidence for payment of claims.

A summary of the forecast expenditure for operations and maintenance is provided below in Figure 11-6.

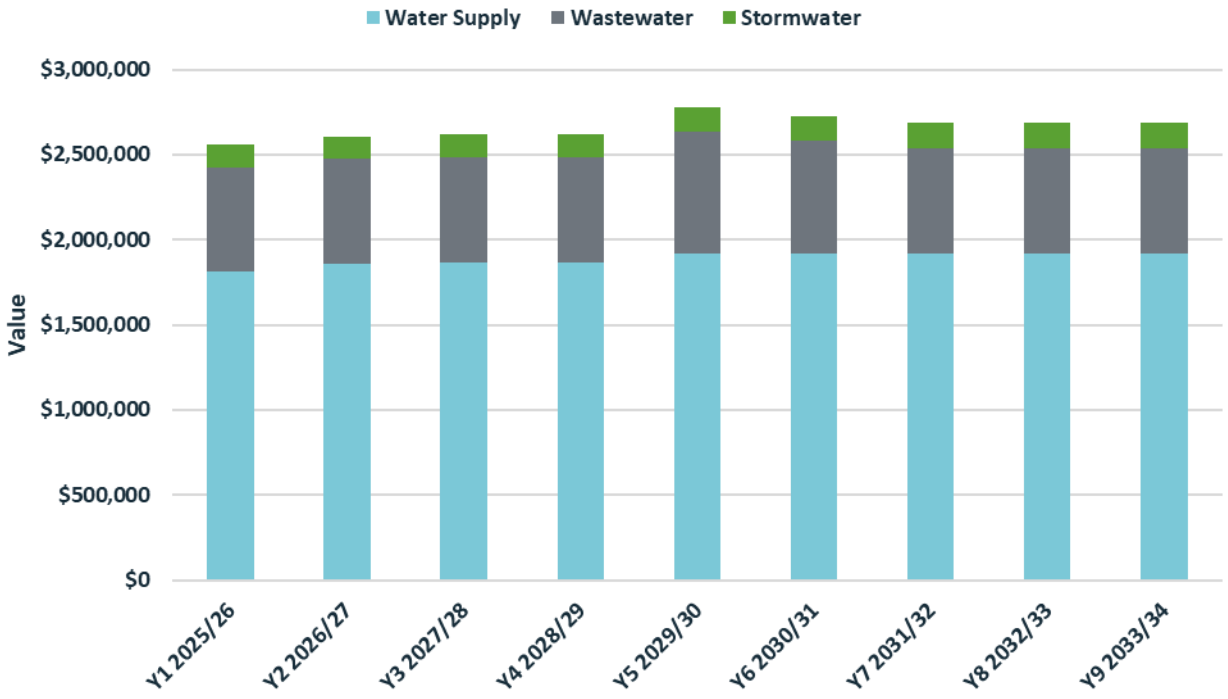

Figure 11-6: Operations and Maintenance Program for 3 Waters.

11.2.2. Summary of Renewals

Renewals are the replacement of assets which are nearing or have exceeded their useful life as detailed in Section 7.8. Renewals accounts for 98% of capital expenditure within the LTP period. A summary of the forecast expenditure for renewals is provided below Figure 11-7.

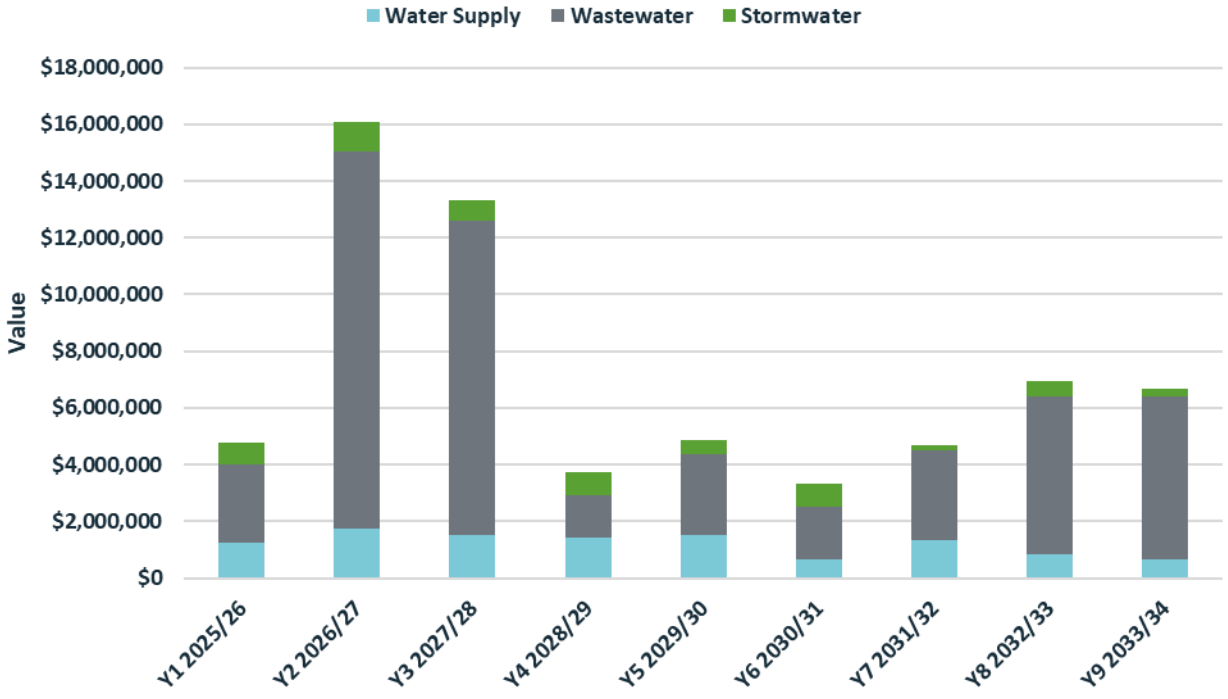

Figure 11-7: Renewal Program for 3 Waters.

11.2.3. Summary of LOS and Growth Expenditure

Capital works are divided into growth and levels of service categories. These can involve physical works or investigations and planning for infrastructure. A summary of the forecast expenditure for LOS and Growth projects is provided below Figure 11-8.

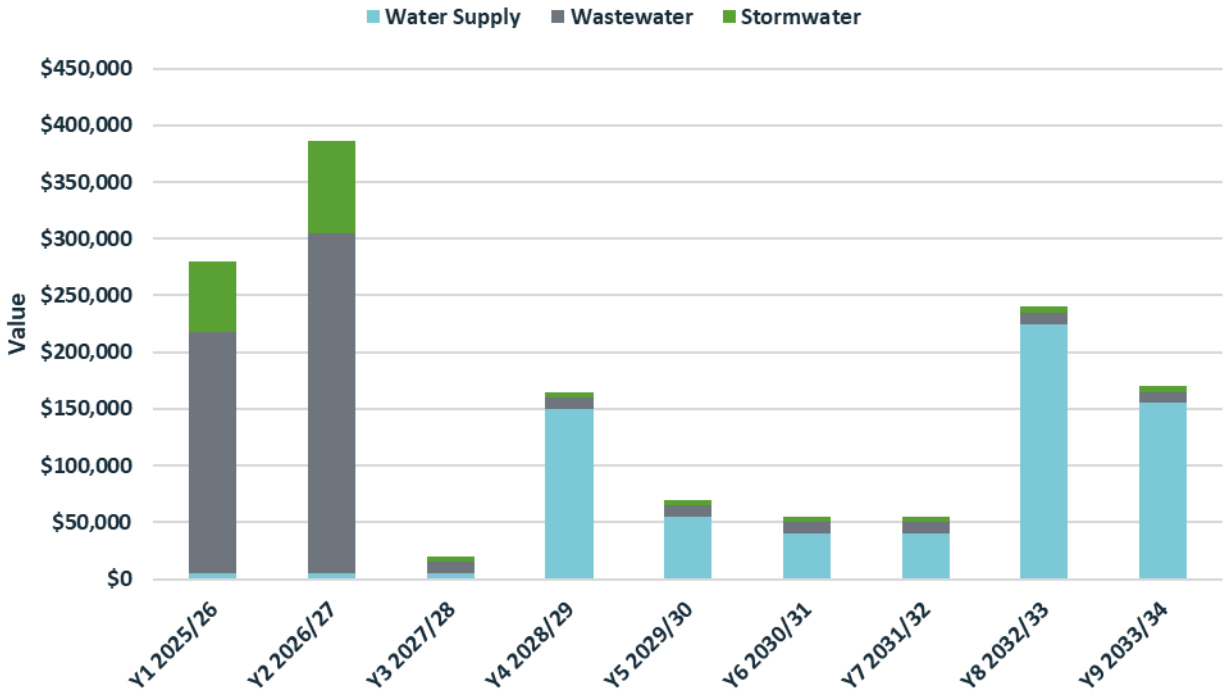

Figure 11-8: LOS and Growth Program for 3 Waters.

11.3. Funding Strategy

Council uses a mix of funding mechanisms to fund the 3 Waters Activity. In general, only residents directly using water and wastewater services pay for them with their rates. However, stormwater is charged through general rates. The general funding mechanism are provided below in Table 11-1.

Where financial assistance (including funded depreciation or central government funding) is not available, capital projects are generally loan-funded to spread the costs more effectively over the life of the asset and provide better intergenerational equity.

Council may need to start charging a targeted rate for stormwater in response to the Government's Local Water Done Well Legislation. However, this is dependent on how Council approaches its 3 Waters service delivery.

Table 11-1: 3 Waters Funding Mechanisms.

Activity Area	Operational	Renewal	Level of Service	Growth
Water Supply	Targeted rates and billing of metered water connections	Provided through depreciation reserves	Loan funded	Recovered through development contributions
Wastewater	Targeted rates			
Stormwater	General Rates			

Council has limited depreciation reserves due to a depreciation austerity policy which was in place from 2013-2018 which incrementally reduced depreciation of 3 waters from 50 – 0% over the five-year period. This policy was removed for the 2018-28 LTP. However, this means Council is still building its depreciation reserves.

Council did not fund depreciation for the 2023/24 financial year as it was indicated by the government that under the Three Waters Reform three waters assets would be transferred to the Water Services Entity by 1 July 2026. However, this transfer of assets did not go ahead.

11.3.1. Water Supply Targeted Rates

Council's nine community drinking water schemes and the Harold Creek raw water supply in Harihari are divided into different water rating classifications. The levels that rates are set at depend on the location of the rateable property, whether the property is connected or unconnected to the available water supply scheme, whether the water is treated or untreated, and the property use type.

The water rates are broken down by locations as follows:

- Hokitika and Kaniere treated water
- Rural Townships treated water
- Rural Townships (raw, untreated supply

The different rating categories for Water Supply are:

- **Domestic Water** – Water rates are set and assessed as a fixed amount per connection for connected rating units.
- **Commercial Water** – Commercial properties generally have a higher water rate per location than domestic properties. Commercial water rates are differentially applied, where they are not subject to a water meter.
- **Unconnected Water** – An unconnected rate of 50% of the connected charge is levied on a property where a Council water supply service is available but is not connected.
- **Hannahs Clearing Capital Repayment** – Hannahs Clearing was a small community water supply that Council divested in the 2011-2012 financial year by installing self-sufficient rainwater tanks for the small number of properties previously connected to the scheme. The capital repayment rate is levied on households who elected not to pay for their rainwater tank by way of a singular invoice. Instead, they repay the capital costs of their individual rainwater tank via rates (including interest) over a maximum term of 21 years.

11.3.2. Wastewater Targeted Rates

The different rating categories for Wastewater are:

- **Domestic Wastewater** – The rate is charged on each separately occupied portion of a property connected to the sewerage disposal system provided by Council.
- **Commercial Wastewater** – Commercial properties are charged per pan (i.e. urinal or water closet). For example, if a hotel has 18 toilets, it will be charged for 18 pans. Each pan has a set rate that is the same across all schemes.
- **Unconnected Wastewater** – An unconnected rate of 50% of the connected charge is levied on a property where a Council sewerage system is available but is not connected.
- **Kaniere Sewerage Capital Contributions** – In addition, a targeted rate is levied to recover the capital costs for Kaniere Sewerage scheme. The rate is charged on each property able to be connected to the Kaniere Sewerage system that has not already completed payment of their proportion of the capital contribution. This scheme was constructed in 2000 and is an extension of the Hokitika wastewater scheme.

Industrial users in Hokitika and Haast are charges set trade waste fees on a quarterly basis. Septage operators provide data to Council regarding their volumes on a voluntary “honesty policy” basis at this stage. An overhaul of this charging scheme is needed. It has been recommended that:

- Trade Waste Bylaw introduced to ensure a clear and transparent pricing methodology,
- Levies be imposed for waste that impacts the biological loading of the oxidation ponds,
- Septage operators have volumes measured and audited.

11.4. Key Assumptions

Table 11-2 below documents the general assumptions and uncertainties that Council considers could have a significant effect on financial forecasts and discusses the potential risks this creates.

Table 11-2: Significant Assumptions and Uncertainties.

Activity Area	Assumption Area	Stated Assumption	Risk	Level of Uncertainty	Potential Impact/Consequence if assumption wrong	Consequence Rating
All	**Natural Hazards and Major Adverse Events**	It is assumed that there will be no major impact from an adverse event, should one occur during the period covered by the Long-Term Plan, for example, earthquake, pandemic or significant flood. While events may occur at any time, Council's planning will focus on operational resilience and Emergency Management.	There is a risk that a major adverse event will occur and result in damage to assets and additional costs to the Council.	High	The Council will assess the availability of funds as part of the budget process and may revise its programme that is set out in the Long-Term Plan. This may include deciding to defer activities or include caveats for projects to proceed only if external funding is pursued and awarded.	High
	Climate Change	Changes in the climate will generally follow the published Ministry for the Environment projections which were downscaled from the Intergovernmental Panel for Climate Change Sixth Assessment Report by the National Institute of Water and Atmospheric Research.	Despite forecasts, adaption and mitigation strategies there is risk of extreme events which cannot be predicted.	Moderate	If projects do not occur as planned, expenditure in any year may differ from that forecast and delay may also change the cost of individual projects. The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.	Moderate

Activity Area	Assumption Area	Stated Assumption	Risk	Level of Uncertainty	Potential Impact/Consequence if assumption wrong	Consequence Rating
All	**Asset Lives and Depreciation**	It is assumed that asset lives will follow those set out in the asset valuation and statement of accounting policies.	There is a risk that assets will wear out more quickly than forecast and require replacement earlier than planned.	Moderate	Any increase or decrease in costs will need to be resourced differently to the planned approach.	Moderate
	Asset Values	The Council revalue its assets so that carrying values are maintained at fair value. It is assumed that revaluations will take place a minimum of every three years and that replacement value of the assets will reflect construction costs.	There is a risk that price level changes will be greater or lower than those assumed and that revaluation movements will be higher or lower than forecast.	Moderate	Projects will cost more if compliance requirements change or may not proceed as planned if consents are not obtained. Environmental and technological advancements may also require significant upgrades to plant and equipment further increasing costs to Council.	Moderate
	Timing and Level of Capital Expenditure	The Long-Term Plan assumes that the timing and cost of capital projects and associated operating costs are determined through the Councils activity management planning process.	There is a risk that capital projects may not occur as planned. This may have an impact on the costs of the project especially in periods of high inflation and cost escalations.	High	If projects do not occur as planned, capital expenditure in any year may differ from that forecast and delay may also change the cost of individual projects. The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.	High
	External Funding	Council will continue to receive external funding to top up infrastructure activities.	There is a risk that Council may receive less external funding than the previous LTP period.	High	The Council will assess the availability of funds as part of the budget process and may revise its programme that is set out in the Long-Term Plan. This may include deciding to defer activities or include caveats for projects to proceed only if external funding is pursued and awarded.	High
	Availability of Contractors	It is assumed that contractors and materials will be available to undertaken operations and capital projects agreed in the Long-Term Plan.	There is a risk that resources may not be available to complete budgeted works. This may have an impact on project timeframes and costs.	Moderate	If projects do not occur as planned, expenditure in any year may differ from that forecast and delay may also change the cost of individual projects. The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.	Moderate

Activity Area	Assumption Area	Stated Assumption	Risk	Level of Uncertainty	Potential Impact/Consequence if assumption wrong	Consequence Rating
All	**Availability of Contractors**	It is assumed that staff will be able to complete all operations and capital projects agreed in the Long Term Plan.	There is a risk that staff workloads may be too high, and not all work will be completed.	High	If projects do not occur as planned, expenditure in any year may differ from that forecast and delay may also change the cost of individual projects. The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.	High
	Emissions Trading Scheme	It is assumed that any costs or actions required in regard to the Emissions Trading Scheme are adequately incorporated into the relevant AcMPs and Long-Term Plan.	There is a risk that costs may change and/or targets may not be met.	Low	Any increase or decrease in costs will need to be resourced differently to the planned approach.	Low
	Resource Consents	It is assumed that the conditions of resource consents held by Council will not be changed significantly and that Council will be able to renew and obtain necessary resource consents for its planned projects.	There is a risk that resource consent conditions are changed through review or renewal.	Moderate	Projects will cost more if compliance requirements change or may not proceed as planned if consents are not obtained. Environmental and technological advancements may also require significant upgrades to plant and equipment further increasing costs to Council.	Moderate
Three Waters	**Water Reform**	Council will continue to operate Water Supply, Wastewater and Stormwater services.	Council has chosen to progress with an internal business unit. This is not Central Governments preferred delivery option. Council is currently working through the 'The Local Water Done Well' requirements. We foresee that there is a risk that there could be significant change in direction resulting from a change in government during the next election.	High	A change in delivery models will mean financial forecasts and capital programmes could be delivered by a new body. Assets and liabilities associated with 3Waters could be transferred as well. If assets and debt are not transferred, there will be higher debt servicing costs for Council. Planning for management of these services will be unnecessary. Planning can be updated as part of future Long-Term Plans or Annual Plans.	High

11.5. Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[10] in accordance with Table 11-3.

Table 11-3 Data Confidence Grading System

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

The estimated confidence level for and reliability of data used in this document is shown in Table 11-4.

Table 11-4 Data Confidence Assessment for Data used in the AcMP

Data	Confidence Assessment	Comment
Demand drivers	B	Based on data most recent data.
Growth projections	B	Minimal growth expected within the schemes.
Acquisition forecast	B	Costs are based on previous contracts and on advice from external consultants.
Operation & Maintenance forecast	B	Based on previous contracts and accounting for increase in compliance.
Renewal forecast - Asset values	B	Asset values based on previous contracts where available.
- Asset useful lives	C	A proportion of install dates have been assumed/estimated.
- Condition modelling	D	Condition ratings are age based. Insufficient resources to process CCTV data for Wastewater and Stormwater.
Disposal forecast	N/A	No disposals planned for the planning period.

The estimated confidence level for and reliability of data used in this Plan is considered at a B level.

[10] IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

11.6. Improvement Planning

The improvement tasks and actions that have been identified for the Financial Summary Section of the AcMP are listed below in Table 11-5.

Table 11-5: Financial Summary Improvement Actions.

Task No	Task	Description	Priority	Timeline
11.1	Implement a form of budget editing software.	Allow for editing and tracking of budget changes	Medium	2025/26

12. Improvement Plan

There is continuous improvement being made towards better Asset Management and the AcMPs. This section outlines current and future asset management practises and provides the details of future improvements to be made over the next two years. These improvements will increase the confidence level of the Activity Management Plan.

Asset Management in New Zealand has developed over the last 20-years in response to the requirement to justify and improve the level of investment in and management of community focussed infrastructure. Asset Management international standards are considered to be a key driver for change.

The objectives of this improvement plan are:

- Alignment to asset management policy;
- Adherence to government legislation;
- An adequate program to match funding budgeted;
- Prioritisation of improvement; and,
- Achievable program to improvement infrastructure planning overall.

The development of this Plan is based on existing levels of service, the best available most current information and the knowledge of Council Staff. This AcMP will be the subject of annual updating and incremental improvement over time.

12.1. AcMP Compliance Status

Activity Management Plans must comply with the Local Government Act. Asset management guidance is followed in the development of these plans. The guidance includes the International Infrastructure Management Manual (IIMM), Āpōpō Guide and ISO 55000 series of asset management standards.

In 2025, a self-assessment of the AcMP using the asset management maturity assessment matrix produced by the treasury was undertaken. This matrix forms part of the Treasury Investor Confidence Rating system for asset intensive government agencies. The matrix, which is based on the International Infrastructure Management Manual (IIMM), was first produced by Treasury in 2011 and is being continually refreshed. The results of this are shown below in Figure 12-1.

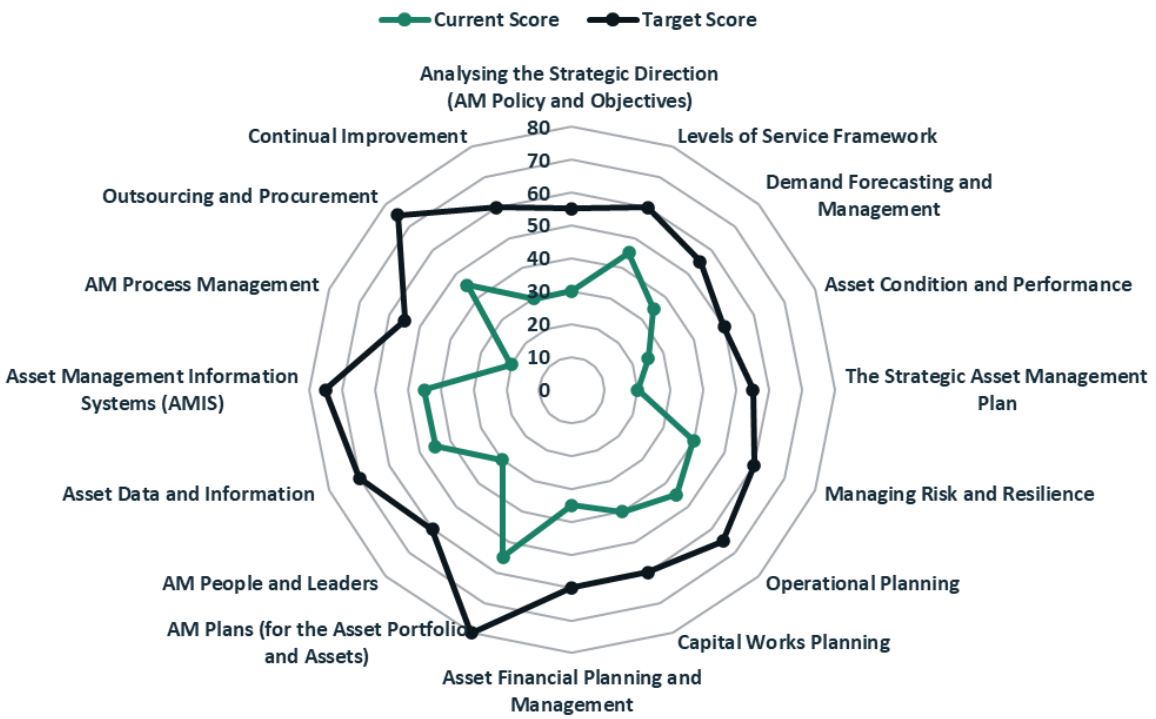

Figure 12-1: 3 Waters Asset Management Maturity Assessment Results.

External reviews have not been undertaken but will be completed once this LTP process is completed. These reviews will help inform our improvement plan for the next activity management plans. Council will continue to aim to achieve a 'core' level of asset management maturity (rating 41-60) during this LTP.

12.2. Improvement Programme

This AcMP has been prepared using the information contained in the 2021 Asset Management Plans for 3 Waters, 2024 asset valuation and knowledge of current asset management practices. Throughout this AcMP a number of specific actions to improve the way in which Council identifies and manages assets were identified for the 3 Waters Activity. These actions have been summarised below in Table 12-1.

Table 12-1: Improvement Plan.

AcMP Section	Task No	Task	Rationale & Actions	Priority	Timeline	Responsibility
Section 2: Strategies, Objectives & Legislation	2.1	Develop a 3 Waters Strategy	To define the broad scope and direction of the 3 Waters Activity.	Medium	2026/27	AM Team
	2.2	Review of Water Supply and Wastewater Bylaws.	Required to protect the relevant schemes and set out requirement around connections.	High	2025/26	
	2.3	Creation Trade Waste Bylaw	Allows Council to set out requirements for discharge and enables introduction of a fair charging policy.	High	2025/26	
	2.4	Monitor Government Legislation	Monitor changing government legislation.	Medium	Ongoing	DA
Section 3: Activity Areas	3.1	Recording demand for supplies not currently monitored	Installing SCADA to enable demand to be monitored for demand management.	High	2025/26	3W Team
	3.2	Define management boundary for Stormwater	Define what stormwater assets should be classified as roading or stormwater.	High	2025/26	AM Team
Section 4: Management & Organisational Structure	4.1	Update Procurement Strategy	Joint Procurement Strategy with Grey and Buller which has the potential to create cost savings through joint procurement.	High	2025/26	DA
	4.2	Additional Resource for 3 Waters Activity	3 Waters requires additional resource to provide the service and meet legislative requirements.	High	2025/26	GM: DA
Section 5: Levels of Service	5.1	Improve Capture of KPI information.	Capture of KPI information through AMIS and Lutra.	High	2025/26	AM Team / 3W Team
	5.2	Implement Satisfaction recording	Record satisfaction of residents and users.	Medium	2025/26	AM Team
Section 6: Growth and Demand	6.1	Catchment Management Plans	Assist with identifying integrated solutions and managing competing needs.	Medium	2027/28	3W Team
	6.2	Development Contributions Policy	Allow Council to charge for growth to provide further fundings for schemes.	High	2026/27	AM Team

AcMP Section	Task No	Task	Rationale & Actions	Priority	Timeline	Responsibility
	6.3	Demand Management Plan	To include trigger points for further investment.	Medium	2027/28	AM Team
Section 7: Lifecycle Management	7.1	Process CCTV recording	Process data to improve condition information and provide further information for planning and prioritisation of renewals.	High	2025/26	3W Team
	7.2	Renewal Profiling	Account for criticality and condition in renewal profiling.	High	Ongoing	AM Team
	7.3	Contract Management through AMIS	Enable tracking of maintenance expenditure and provide better oversight over contracts.	Medium	2025/26	AM Team
	7.4	Performance Monitoring	Monitor performance of supplies and assets to identify service deficiencies and prioritisation of renewals.	Medium	Ongoing	3W Team
	7.5	Asset Valuation Improvements	The new AMIS allows further automation of the Valuation module and more flexibility assigning unit rates and base lives.	High	2025/26	AM Team
	7.6	Asset Criticality	Defining the asset criticality within the AMIS so it is automatically updated	Medium	2026/27	AM Team
Section 8: Infrastructure Sustainability	8.1	Develop Climate Change Policy	Allow Council to determine the focus on investment actions to help mitigate the effects of climate change.	High	2027/28	GM: DA
	8.2	Develop Climate Change Strategy		High	2027/28	GM: DA
	8.3	Natural Hazard & Climate Change assessment	Use Hazard overlays from TTPP to determine risk to assets	Medium	2027/2028	AM Team
Section 9: Risk Management	9.1	Lifelines Response Plan	A set of procedures that help Council maintain services during emergencies.	High	2027/28	DA / EMO
	9.2	Risk Management Strategy	Develop comprehensive risk plan which details actions, treatment costs and prioritisation from the risk assessment.	High	2027/28	AM Team
Section 10: Asset Management Processes & Practices	10.1	Continuous Data Improvement	Develop and maintain improvement programme to update asset data	High	2025/26	3W Team / AM Team
	10.2	Replacement of SCADA	Current SCADA is going to be shut down, migration to new system required.	High	2025/26	3W Team

AcMP Section	Task No	Task	Rationale & Actions	Priority	Timeline	Responsibility
	10.3	Resource Consent Information	Recording of Resource Consents and monitoring through AMIS	Medium	2025/26	AM Team
	10.4	Implementation of ArcGIS	Allow for spatial planning and analysis	Medium	2025/26	IT
Section 11: Financial Summary	11.1	Implement a form of budget editing software.	Allow for editing and tracking of budget changes	Medium	2025/26	AM Team / Finance

12.3. Funding Asset Management Improvements

The improvements identified in the Section relate to practises and processes used within Council. While many improvements will occur through improvements to the delivery of services, for example improved data collection within maintenance contracts, others are specific to asset management.

The 3 Waters AcMP is mainly implemented through projects. These projects have been gathered during the plans development and approved from 1 July 2025.

12.4. AcMP Review and Monitoring

This AcMP will continue to be developed over time to incorporate further advanced asset management technique, make use of improved data collection and management systems, respond to legislative and policy changes and address evolving issues.

This Plan will be reviewed periodically as circumstances change and will be comprehensive review at three-year intervals in line with the Long-Term Plan.