

Flood Protection

Western Rivers Asset Management Plan Summary

1. Background

The Flood Protection Group manages flood protection assets of the Western Region; located on the Hutt, Otaki, Waikanae, and Wainuiomata Rivers and the Porirua Stream.

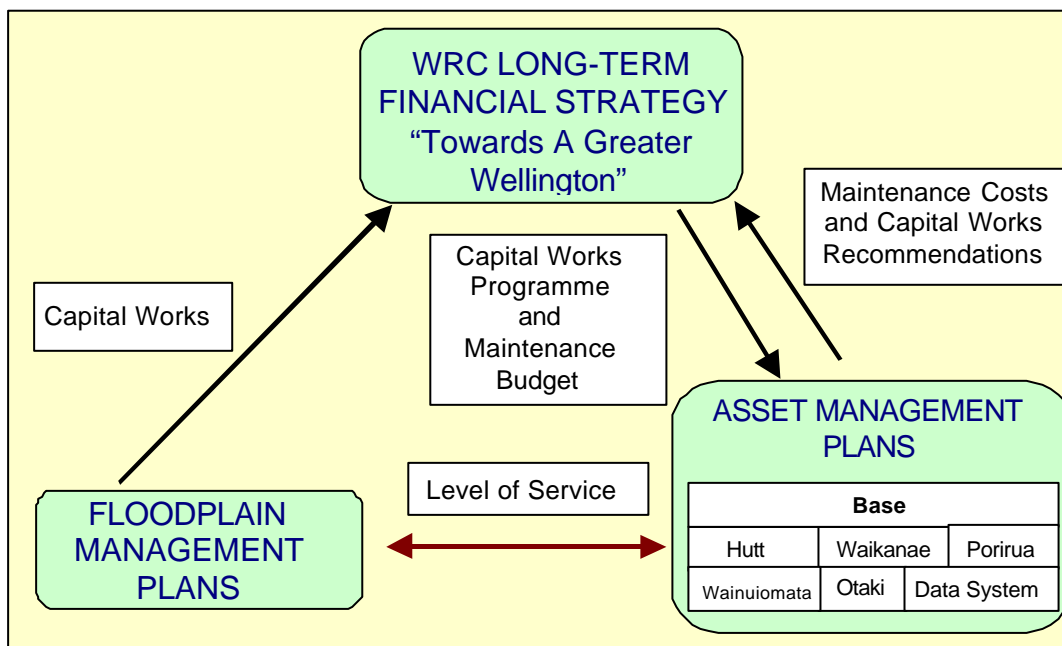
A total interim valuation of the assets maintained by the Flood Protection Group as at 30 June 1999, is \$50,898,200 made up as shown in the Table 1 below.

Table 1 : Asset Valuation Summary at 30 June 1999

River	Asset Value
Hutt River	\$37,033,500
Otaki River	\$6,301,700
Waikanae River	\$1,285,500
Wainuiomata River	\$1,319,000
Porirua Stream	\$4,958,500
TOTAL	\$50,898,200

Asset Management has direct relationships with other Flood Protection and Council planning processes as shown in Figure 1.

Figure 1 : Document Relationship with Others



The Floodplain Management Plans (FMPs) establish current Levels of Service provided and determines, through community consultation, the Levels of Service desired. The FMPs also determine a priority schedule of capital works and their costs to provide the agreed or desired Level of Service. The Asset Management Plans (AMPs) use the outcomes of the FMPs to record current and desired Levels of Service, which in turn determine maintenance and capital works budget recommendations for consideration in the LTFS process. The LTFS process confirms maintenance budgets and capital works programmes.

If gaps remain after the LTFS process is complete, then the community is consulted through the FMP to review current and desired Levels of Service. This is not the case for the 2000-2010 planning cycle.

2. Asset Management Plan Development

The Flood Protection Group has developed asset management processes over the previous two and a half years. The first versions of AMPs for the Hutt, Otaki, and Waikanae Rivers were presented to the Landcare Committee on 16 June 1998 (Report 98.237). The Landcare Committee endorsed the Asset Management processes used and approved the improvement plans contained within each of the AMPs.

A shortfall in the asset maintenance budgets was identified and quantified by determining zero-based maintenance requirements. Draft AMP outcomes were presented to the Landcare Committee on the 12 October 1999 (Report 99.581) and which identified the asset maintenance funding gaps. The Committee recommended to the Policy and Finance Committee that these asset maintenance funding gaps be considered along with other Council priorities through the LTFS.

Through the LTFS process, the Council approved the maintenance budgets and provided strong guidance to ensure that the Flood Protection Group maintain existing assets that ensure the current Levels of Service are delivered.

The draft AMPs further identified the strong link between Council documents as shown in Figure 1.

3. Progress through 1999/00

AMPs have been rewritten to record the processes and philosophies that have been developed, culminating in seven volumes of work for use as internal management tools. The document structure consists of:

- **Volume One – “Base Plan”**, - a generic document, containing background information and asset management principles and philosophies.
- **Volumes Two to Six – “River Specific Plans”** – contain detailed Asset Descriptions, Levels of Service, Performance Measures, Condition, and financial information details for each river.
- **Volume Seven** – provides detail of the Data Management System.

AMPs are evolving documents that will be updated three yearly. The plans currently record the maintenance budgets that are approved, as shown in the Table 2 below, for the next ten years.

Table 2 : Maintenance Budget

River	Maintenance Budget Provided
Hutt River	\$1,045,000
Otaki River	\$410,000
Waikanae River	\$84,000
Wainuiomata River	\$15,700
Porirua Stream	\$80,500
TOTALS	\$1,635,200

A capital works programme has been determined and the budgets approved as shown in the Table 3 below.

Table 3 : Capital Works Budget¹

River	Year									
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	(\$000)									
Hutt River	1059	1124	2012	2953	3257	3070	1901	1820	1798	1741
Otaki River	200	170	145	230		100	250	200	300	350
Waikanae River	173	140	184	70	300	250	100	100	50	
Wainuiomata River										
Porirua Stream	373									
TOTALS	1805	1434	2341	3253	3557	3420	2251	2120	2148	2091

Asset Maintenance Plans detailed within each of the river specific plans are a key development for asset management, providing a guide to how the assets are maintained.

4. Issues

Revaluation processes for Flood Protection assets need development. The asset valuation methodology has been approved in principle by Audit NZ however the process used to determine unit rates and a peer review are still required. The valuation determined will then be reconciled with the asset value held in the Corporate financial system. Further revaluations and reconciliation with corporate valuations are required three yearly, with the procedures for this to be determined.

¹ The Capital Works Budget excludes planning expenditure but includes works that will not result in Council owned assets, e.g. house raising and property purchase.

Land is not recognised as an asset within the current AMPs. The Council is currently developing a land ownership database which when complete will provide a schedule of Council land holdings. Valuation of land that is the responsibility of the Flood Protection Group needs to be determined and a policy of how the land valuation is presented in the accounts developed. Land may well be considered separate from the flood protection infrastructural assets.

Further study is required in the risk management area for each of the river specific plans to determine what risks the assets may be subjected to and the consequences of that risk. Risk categories that will be considered are, earthquake (Particularly for the Hutt River), gravel management and biosecurity hazards.

There is a need to determine if environmental and amenity assets that are currently not considered as assets should be included in the asset registers. If environmental and amenity assets are to be included then a method is required to determine their valuation.

5. Proposed 2000/03 Improvement Programme

The principal improvement activities for the 2000/01 financial year are to resolve or establish policies for the issues described above. Improvements will result by:

- completing the revaluation processes – by reviewing the asset valuation methodology and the relationship the valuations (determined from the asset registers) have with the valuations held in the balance sheet; by June 2001. Another regional council will complete a peer review of the valuation methodology;
- determining a policy for the valuation of land owned by Council for flood protection purposes;
- scope the investigations required to refine the extent of risks that flood protection assets may be subjected to. The probability and consequence of each risk needs to be determined and strategies developed that will deal with the risk. Investigations will be limited to completing scoping reports that will identify costs of the studies.
- Review non-asset status of Environmental Enhancement assets.

In addition to the above development areas of asset management, the following routine tasks will be completed to provide and refine the current asset database. These activities will be completed over the next three years.

- Final refinement and implementation of the Asset Management System.
- Confirmation and refinement of Levels of Service including methods to monitor Levels of Service. Channel management Levels of Service will be further refined.
- Confirmation and refinement of the Asset Condition Rating process to ensure repeatability
- Confirmation and implementation of monitoring and reporting procedures for maintenance, flood damage, condition rating, asset performance and expenditure.

- Reviewing Levels of Service and Capital Improvement works against Performance Measures and reporting completion of capital works based on floodplain management plans priority schedules.
- Development of reporting procedures and templates to record and disseminate information to the Flood Protection Group, Landcare Division, Council and Audit NZ.

6. Implementing Asset Management 2000/01

Asset management processes will be implemented during the 2000/01 year by monitoring the activities shown in the flow chart on the next page.

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