

11. PROPERTY

11.1. What is property?

The property portfolio involves maintaining Council owned buildings to an appropriate standard and also strategic management of land.

Council owned buildings include our pensioner housing portfolio, libraries and halls. There are enhancements planned for many of our buildings, and others will be reviewed for demolition.

There is also a number of Council owned land properties that will be utilised over the coming years to support outcomes aligned with Council's strategic direction. Planning for the use of strategic land will be undertaken during the LTP process and community engagement will be undertaken where appropriate.

11.2. Why do we do property?

So that our properties are maintained appropriately to prevent unreasonable repair costs. We provide community housing so that there are affordable housing options for our older people. Ownership of strategic land is important especially now we are in a time of growth, it helps Council enable growth and development in key locations when and where required.

The property activity contributes to the following outcomes and strategies:

Council Outcome	Council Strategy
Growth	<p>Sustainable growth: Council will assess the nature of the growth we undertake and evaluate the quality and risks of our decisions.</p> <p>Growth and preservation: Council will ensure that ongoing district landscaping is mindful of the historical characteristics of our district.</p>
Resilience	<p>Town development: It is critical that Council is able to influence the projected growth and development of our district, in order to ensure that it aligns with the needs of the communities we serve.</p> <p>Progressive development: Developments will allow for a level of flexibility that encourages the community to evolve and adapt during the district's peaks and ebbs.</p>
Relationships	<p>Community culture: Council understands the unique culture of our district and the importance of maintaining the strong community relationships and culture that exists.</p> <p>Relationship with environment: Council will enable mindful growth of the community fabric that considers the significant cultural diversity and character of our towns.</p>

11.3. What is planned for property?

Over the next 10 years, Council has the following major projects (over \$100,000) planned for property:

Activity	Major Project	Year/s delivered	Cost \$000	Type of work
Tokoroa Airport	Reseal runway	2022	321	Renewal
Pensioner Housing	Interior redecoration including floor coverings	2019-2028	650	Renewal
Property Management	CCTV replacement for Council properties	2019-2028	167	Renewal
Tokoroa Office	Renovation	2019-2028	178	Level of service

Activity	Major Project	Year/s delivered	Cost \$000	Type of work
Tokoroa Office	Tokoroa Office utilisation improvement	2019 and 2022	480	Renewal
Property Administration	Full condition assessment of all Council owned buildings	2019-2021	153	Renewal
Property Administration	Council buildings - water tightness, compliance and HVAC	2019	150	Renewal

For more in-depth discussion on the topics above please refer to the following sections of the LTP Chapter 1: Section 2.4 Key Issues for the Long Term Plan 2018-28.

11.4. Significant negative effects

The Property activities have the potential to impact negatively on our community and environment. These potential effects, and how Council mitigates them are described below.

Potential negative effect	How it will be mitigated
Staff and the public may experience accidents when using the facilities.	Regular inspections of buildings are conducted to make sure that they are safe. Respond quickly when members of the public advise that there is a safety concern at our facilities. Buildings are regularly inspected to ensure compliance with the Building Code.

11.5. How is property funded?

Rates	60%
Subsidies & Grants	0%
User Charges	33%
Reserves	7%

11.6. What you can expect from us

This section describes what level of service you can expect Council to deliver and how we are going to measure our performance. Unfortunately no baseline data for our performance measures is included in this Long Term Plan because most of our performance measures have been updated and we do not hold any baseline data. We will report on our performance towards achieving these standards in upcoming Annual Reports and Annual Plans.

11.6.1. Public toilets

Level of service

Council provides conventional public toilet facilities that are clean and well maintained throughout the district, in town centres, along the major travelling routes and in recreational locations.

11.6.2. Pensioner housing

Level of service

Council's pensioner flats located in Putaruru, Tirau and Tokoroa are maintained at an average to good standard, with rentals set to recover the cost of operation.

11.7. How you can measure our performance.

The Following Key Performance Indicators (KPIs) relate to the Property team and are applicable for the 10 years of this LTP:

- Public toilets: Property - 90% of enquiries and service requests relating to public toilets are responded to within two working days of notice.
- Pensioner housing: Property - The occupancy of Council's pensioner housing units is at least 95% on an annual basis.

From Year 2 onwards, we will introduce a new KPI: this will capture when service requests were completed and closed.

- Public toilets: Property - 90% of enquiries and service requests relating to public toilets are fully resolved within three working days of notice.

11.8. The financials

Funding Impact Statement - Property

For the year commencing 1 July

Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
SOURCES OF OPERATING FUNDING											
Rates Revenue:											
General Rates, Uniform Annual General Charges, rates penalties	646	822	859	795	812	800	822	830	842	860	864
Targeted Rates	29	45	48	49	50	51	52	54	55	56	58
Other Revenue:											
Fees, charges & targeted rates for water supply	423	475	484	496	507	519	533	545	559	573	589
TOTAL OPERATING FUNDING (A)	1,098	1,342	1,391	1,340	1,369	1,370	1,407	1,429	1,456	1,489	1,511
APPLICATION OF OPERATING FUNDING											
Payments of staff & suppliers	537	548	551	568	578	592	606	622	636	654	667
Finance Costs	110	94	90	84	78	71	65	58	51	43	35
Internal charges & overheads applied	313	410	432	451	458	432	445	450	458	471	465
Other operating funding applications	1	1	1	1	1	1	1	1	1	1	1
TOTAL APPLICATIONS OF OPERATING FUNDING (B)	961	1,053	1,074	1,104	1,115	1,096	1,117	1,131	1,146	1,169	1,168
SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)	137	289	317	236	254	274	290	298	310	320	343
SOURCES OF CAPITAL FUNDING											
Increase (decrease) in debt	(106)	(106)	(113)	(119)	(125)	(131)	(138)	(136)	(144)	(151)	(157)
TOTAL SOURCES OF CAPITAL FUNDING (C)	(106)	(106)	(113)	(119)	(125)	(131)	(138)	(136)	(144)	(151)	(157)
APPLICATION OF CAPITAL FUNDING											
Capital expenditure:											
- to replace existing assets	163	1,015	306	601	233	140	143	141	152	146	144
Increase (decrease) in reserves	(223)	(108)	(76)	(79)	(66)	(25)	(21)	(6)	(26)	(5)	1
Increase (decrease) in investments	91	(724)	(26)	(405)	(38)	28	30	27	40	28	41
TOTAL APPLICATIONS OF CAPITAL FUNDING (D)	31	183	204	117	129	143	152	162	166	169	186
SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)	(137)	(289)	(317)	(236)	(254)	(274)	(290)	(298)	(310)	(320)	(343)
FUNDING BALANCE ((A-B)+(C-D))	-	-	-	-	-	-	-	-	-	-	-