Bayside 2023
Resourcing Strategy
2022/23

Asset Management Plan

Bayside Council
Serving Our Community

Document status

Job #	Version	Approving Director	Date
7473	1	T McCarthy	October 2020
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1   Executive summary

This Strategic Asset Management Plan (SAMP) states the approach to implementing the principles and the objectives set out in the Asset Management Policy. It includes specific requirements to outline the processes, resources, structures, roles and responsibilities necessary to establish and maintain the asset management (AM) system. The asset groups covered by this SAMP are Buildings, Other Structures, Roads Infrastructure, Bridges, Footpaths and Other Road Assets, Stormwater, Swimming Pools and Open Space assets.

The SAMP highlights major issues which need to be addressed for each of the asset classes over the next 10 years. The strategy also highlights the necessary actions for Bayside Council (Council) to help close the gap between current asset management practice and move towards a 'best appropriate practice' position in the future.

Both the SAMP and the asset management plans (AMPs) have been prepared in accordance with the International Infrastructure Management Manual (IIMM) and the Institute of Public Works Engineering Australasia (IPWEA) National Asset Management Strategy (NAMS) guidelines. Development of Asset Management Strategy and plans for council infrastructure assets is a mandatory requirement for NSW local governments. The key findings for each asset class are included in the asset management plans section of this strategy and are covered in a concise but detailed manner.

This strategy includes Council's Asset Management Policy. The policy provides a framework for managing infrastructure assets to support the delivery needs of the community.

1.1   Asset values

In preparing this SAMP, it has been identified that Bayside Council has an infrastructure and asset portfolio with a current replacement cost of approximately $1.4 billion. The asset values are estimates of the value of assets, as at the 30th of June 2021, based on our best estimate of asset values, taking into account recent asset revaluations. These values should be updated on an annual basis in line with the annual financial statements once completed.

Table 1 Six asset classes and values

Asset class	Gross Replacement Cost (CRC $,000)	Written Down Value (WDV $,000)	Annual Depreciation Expense ($,000)
Buildings	$270,420	$170,681	$4,726
Other Structures	$6,681	$4,513	$158
Roads Infrastructure	$507,380	$355,893	$7,752
Bridges	$9,281	$7,666	$96
Footpaths and Other Road Assets (Inc. Bulk Earthworks)	$254,775	$171,511	$2,824
Stormwater	$166,705	$102,055	$1,678
Open Space	$125,312	$84,086	$4,863
Total	**$1,340,554**	**$887,075**	**$22,192**

1.2   Asset backlog

As per the 2020/21 Special Schedule 7 analysis, Council has a combined asset backlog of $20 million, with this being the estimated cost to bring assets to a satisfactory standard. The satisfactory standard is currently taken as condition 3. It is estimated that as of 30 June 2022, the backlog has reduced to $12.5 million. The breakdown of backlog per asset class as of 30 June 2022 is shown in the following table.

Table 2 Asset backlog summary

Estimated cost to satisfactory	Backlog ($,000)	Backlog ratio % (backlog / WDV)
Buildings	$7,086	4.15%
Other Structures	$108	2.40%
Roads Infrastructure	$0	0.00%
Bridges	$9	0.11%
Footpaths and Other Road Assets	$2,548	1.49%
Stormwater	$933	0.92%
Swimming Pools	$0	0.00%
Open Space	$1,817	2.33%
Total	**$12,502**	**1.39%**

1.3   Asset condition

Reviewing asset condition data shows that the most of Council's assets are in a satisfactory or better condition, except for 13% of Council's Buildings assets which are currently in condition 4 (poor) and 5 (failed). The reliability of Council's condition data varies between the asset classes with most data being reliable, or highly reliable. Details of Council's current asset condition are shown in the table below. The condition is represented as a percentage of the replacement cost of Council's assets.

Table 3 Asset condition

Asset class	Asset condition (% of CRC)				
	1	2	3	4	5
Buildings	17.41%	20.98%	48.66%	12.05%	0.89%
Other Structures	29.00%	33.00%	31.00%	6.00%	1.00%
Roads Infrastructure	28.00%	37.00%	35.00%	0.00%	0.00%
Bridges	48.70%	50.35%	0.43%	0.53%	0.00%
Footpaths and Other Road Assets	31.5%	13.6%	47.9%	6.8%	0.2%
Stormwater	6.00%	32.28%	60.00%	1.07%	0.64%
Swimming Pools	74.4%	25.0%	0.6%	0.0%	0.0%
Open Space	26.6%	36.9%	24.2%	10.9%	1.5%
Total	**24.12%**	**29.65%**	**41.77%**	**4.03%**	**0.40%**

1.4 Expenditure and reporting

The base case expenditure forecast is based on Council's historic asset expenditure and delivery of approximately 70% of the Delivery Plan each year. Based on this expenditure pattern, the average capital and maintenance expenditure on Council assets over the ten-year forecast period is approximately $48 million per year. This compares to the expenditure which is required to maintain, operate, and renew the asset network as required being $67 million per year. This represents an average annual shortfall of $19 million per year of which $8 million is attributable to a shortfall in Operations and Maintenance funding and $11 million average shortfall in renewal funding.

Table 4 Combined asset expenditure projections – base case

Expenditure projections ($000) – combined assets		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032
Actual	Renewal	$10,280	$14,731	$15,229	$18,755	$18,755	$15,737	$16,115	$16,518	$16,931	$17,354	$17,788	$18,233
	New and expanded assets	$19,183	$15,903	$13,776	$10,903	$10,903	$10,686	$10,943	$11,216	$11,497	$11,784	$12,079	$12,381
	Maintenance and operational	$19,722	$16,885	$17,223	$17,567	$17,918	$18,331	$18,771	$19,240	$19,721	$20,214	$20,719	$21,237
	Total expenditure	**$49,185**	**$47,519**	**$46,228**	**$47,225**	**$47,576**	**$44,754**	**$45,828**	**$46,974**	**$48,148**	**$49,352**	**$50,586**	**$51,850**
Required	Required renewal (depreciation)	$24,408	$23,378	$24,023	$24,729	$25,523	$26,349	$27,227	$28,132	$29,065	$30,027	$31,019	$32,042
	New and expanded assets	$19,183	$15,903	$13,776	$10,903	$10,903	$10,686	$10,943	$11,216	$11,497	$11,784	$12,079	$12,381
	Required O&M	$20,742	$23,236	$23,891	$24,660	$25,518	$26,401	$27,339	$28,306	$29,305	$30,337	$31,401	$32,500
	Total	**$64,334**	**$62,517**	**$61,690**	**$60,291**	**$61,943**	**$63,436**	**$65,508**	**$67,654**	**$69,867**	**$72,148**	**$74,499**	**$76,923**
	Overall (GAP)	-$15,149	-$14,998	-$15,462	-$13,066	-$14,367	-$18,683	-$19,680	-$20,680	-$21,719	-$22,796	-$23,914	-$25,073
	Maintenance gap	-$1,020	-$6,351	-$6,668	-$7,092	-$7,599	-$8,070	-$8,568	-$9,067	-$9,585	-$10,123	-$10,682	-$11,263
	Renewals gap	-$14,129	-$8,647	-$8,794	-$5,974	-$6,768	-$10,612	-$11,112	-$11,614	-$12,134	-$12,673	-$13,231	-$13,810

1.5　Levels of service

The objective of asset management is to enable assets to be managed in the most cost-effective way, based on an understanding of customer needs, expectations, preferences and their willingness to pay for any increase in the level of service.

A level of service is a measurable description of what Council delivers (or intends to deliver) in an activity which relates to something that can be controlled. Council has prepared specific community and technical levels of service which cover the accessibility, quality, responsiveness, affordability, customer satisfaction, sustainability, health and safety and financial performance regarding the delivery of their infrastructure assets.

These have been developed for all asset classes and are detailed in the respective AMPs and address the adopted lifecycle management of assets. The overarching SAMP establishes a basic framework to measure service level outcomes. It is important to note that while service levels have been developed and are informed by Council's Community Strategic Plan, Council is yet to undertake community and stakeholder consultation to 'accept' the service levels.

1.6　High level strategic actions

Table 5 High level strategic actions

Ref	Task
	Asset knowledge - data
1.1	Develop and implement a plan to harmonise the classification structure of assets, asset attributes, and asset rating systems for condition, performance, utilisation and capacity data of Road, Building, Drainage and Open Space infrastructure.
	Asset knowledge - processes
2.1	Document the assumptions and methodology used to determine the current depreciation values of all assets but in particular the Road assets. Special consideration should be given to the determination of useful life, remaining life and asset condition.
	Strategic asset planning
3.1	Develop clear and concise service levels for each asset group. These service levels should drive asset expenditure and service delivery improvements.
3.2	Develop and implement a plan to review infrastructure strategies, including Community Facilities strategy, Transport strategy, and Open Space and Recreation strategy.
3.3	Continue towards the integration of the Long Term Financial Plan (LTFP) and BAMS/Asset Management Plan(s).
	Operations and maintenance work practices
4.1	Develop and implement a plan to harmonise the operation and maintenance work practices for Road, Building, Drainage and Open Space assets.
4.2	Improve work order management practices to identify accurate operational and maintenance costs for above asset groups.
4.3	Develop inspection and maintenance strategies around critical assets and highlight emergency response plans should there be a major service disruption within the assets.
	Information systems
5.1	Continue work towards the implementation of a corporate asset management system. This includes the establishment of a working group to oversee the implementation. The group should scope and manage the implementation program for the system road map.
	Organisational context
6.1	Reconstitute the Asset Management Steering Group to ensure that the asset management improvement plan is being implemented, however the steering committee should have a wider charter and be utilised to consider a wide range of asset management matters.
6.2	Review the range of asset management roles and responsibilities to ensure there is a consistent framework of roles and responsibilities across all asset classes.

2 Introduction

2.1 Asset planning

Development of AMPs for Council's infrastructure is a mandatory requirement for NSW councils, as per the NSW Local Government Act 1993 and its subsequent amendments. As such, Bayside Council has developed the following SAMP to cover the period 2021 – 2031. The key findings for each asset class are included in the asset management plans section of this strategy and are covered in a concise but detailed manner.

The provision of infrastructure is one of the most important roles of Council, as assets support the delivery of services that deliver on Council's long-term objectives. A formal approach to asset management is essential to ensure that services are provided in the most cost-effective and value-driven manner. To ensure this, it is essential that asset management is fully aligned and integrated with Council's Community Strategy and Long Term Financial Plan. This ensures that community needs, and expectations are well understood, and that funding requirements and consequences are understood and available.

Council's current planning framework is based on the 'Local Government Financial Asset Sustainability Framework'.

Figure 1 Bayside Council Asset Management Planning Framework

Council has adopted a 'whole of council' approach beyond just a 'lifecycle' approach and is committed to delivering value for money to the current and future generations of the community. The Strategic Asset Management Plan is underpinned by Council's Community Strategic Plan which was developed using the guiding principles of:

- Social justice
    - Access – there is fairness in the distribution of resources.

- Rights are recognised and promoted.

- People have fairer access to the economic resources and services essential to meet their basic needs and improve their quality of life.

- People have better opportunities for genuine participation and consultation on decisions that affect their everyday lives.

- Resilient cities

  - The processes that promote effective leadership, inclusive decision-making, empowered stakeholders and integrated planning.

  - Everyone living and working in the city has access to what they need to survive and thrive.

  - The social and financial systems that enable urban populations to live peacefully, and act collectively.

  - The man-made and natural systems that provide critical services, protect, and connect urban assets enabling the flow of goods, services, and knowledge.

- Good governance

  - Accountability is a fundamental requirement of good governance. Local government has an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the community it represents.

  - People should be able to follow and understand the decision-making process. This means that they will be able to clearly see how and why a decision was made – what information, advice and consultation Council considered, and which legislative requirements (when relevant) Council followed.

  - Local government should always try to serve the needs of the entire community while balancing competing interests in a timely, appropriate and responsive manner.

  - A community's wellbeing results from all of its members feeling their interests have been considered by Council in the decision-making process. This means that all groups, particularly the most vulnerable, should have opportunities to participate in the process.

  - Local government should implement decisions and follow processes that make the best use of the available people, resources and time to ensure the best possible results for their community.

  - Anyone affected by, or interested in, a decision should have the opportunity to participate in the process for making that decision. This can happen in several ways – community members may be provided with information, asked for their opinion, given the opportunity to make recommendations or, in some cases, be part of the actual decision-making process.

Council's framework has been developed in line with the legislated planning framework from the 'Integrated Planning and Reporting (IP&R) Guidelines for local government in NSW'.

Figure 2 Relationship between Council's plans and resourcing strategies
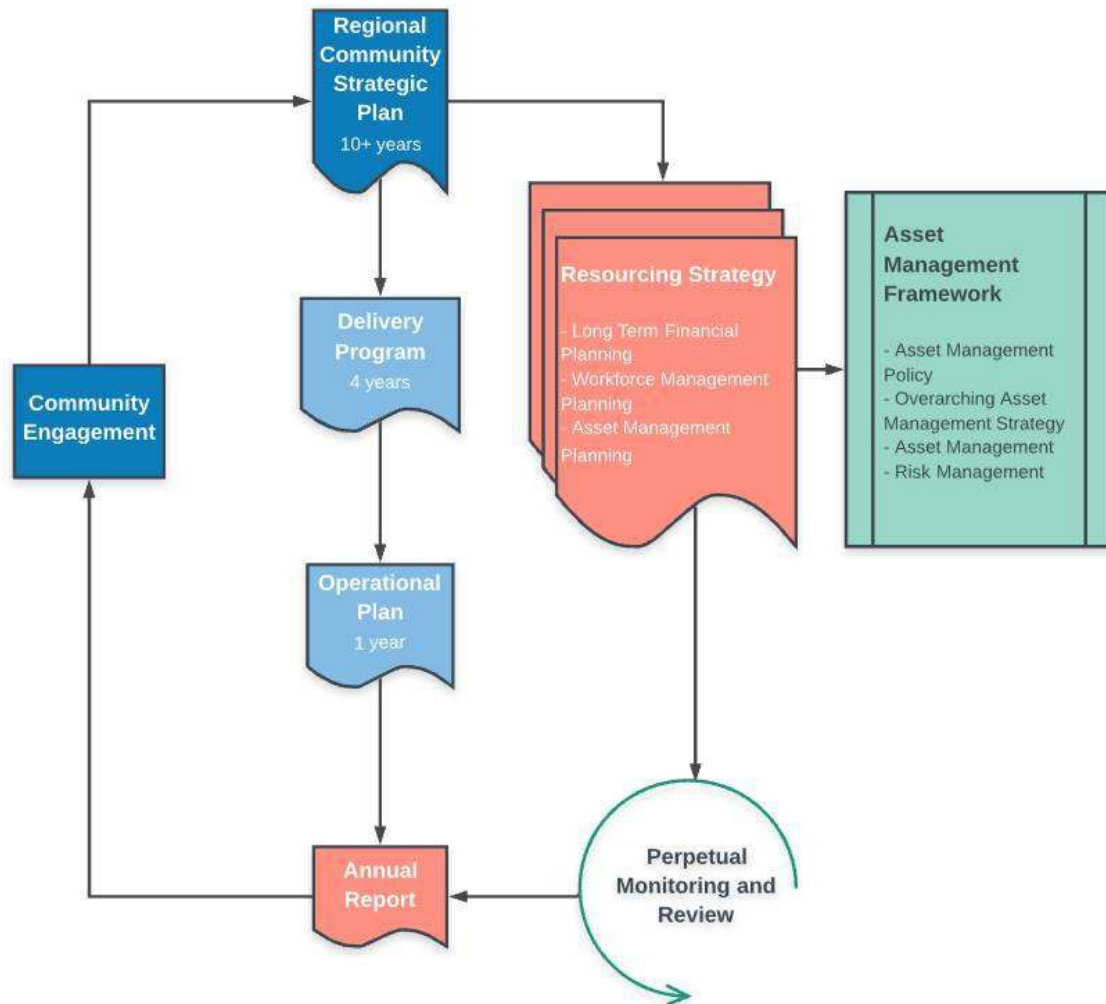
- **Community Strategic Plan** - outlines what the community wants; the objectives of the community and strategies to achieve those objectives.

- **Resourcing Strategy** - details the resources available to Council to deliver the Community Strategic Plan.

- **Delivery Program/Operational Plan** - details how Council will use the resources that it has, to meet the objectives in the Community Strategic Plan, specifically where Council has been identified as responsible or as a supporting partner in the identified strategies.

- **Annual Report** - is the reporting mechanism used by Council to report on those activities and actions that Council proposed in its Delivery Program and Operational Plan.

This SAMP establishes a framework to enable the prioritisation of asset groups through planning, construction, maintenance and operation of infrastructure necessary to achieve the goals and objectives as set out in:

- Bayside Council Resourcing Strategy 2030

- NSW State Plan

- Greater Sydney Commission – Eastern District Plan.

2.2   Scope of this Asset Management Strategy

This SAMP has been developed to provide the framework to ensure that Council's infrastructure assets are operated, maintained, renewed and upgraded to ensure that the levels of service are achieved in the most cost effective and sustainable way. It meets Council's commitments under the IP&R Framework in that all Council's infrastructure assets are fully accounted for. Details on each asset class, including the inventory, condition, predicted and required expenditure are included in the appendices.

The audience for this SAMP is Council staff, the Council executive management team, elected representatives (councillors), interest groups, stakeholders and other interested members of the general community.

The specific objectives of this strategy are:

- to ensure a sustainable service offering to the community by evolving and embedding a culture of asset management
- to ensure decision-making reflects community value for this generation and the next
- to develop clearly defined and agreed service levels, to inform asset investment, to support the community's quality of life
- to drive quality service outcomes by taking a risk-based approach to the way assets are managed
- to ensure availability of resources to maintain assets over the longer term.

The strategy identifies the future funding requirements and service delivery in the context of:

- current asset condition and performance
- levels of service
- forecasted demand for infrastructure and services
- funding constraints.

This strategy supports Council's aim to have 'best value' asset management strategies and practices. This is achieved by continually developing and improving the whole of Council's knowledge, systems, processes and strategies. This will ensure that Council is providing the level of asset management necessary to competently, responsibly and sustainably manage the community assets for current and future generations.

This SAMP has been prepared using a 'top down' approach whereby analysis is applied at the 'system' or 'network' level. The focus is on current levels of service and current practices. It includes expenditure forecasts for asset maintenance, renewal and replacement based on local knowledge of assets and options for meeting current levels of service.

Future revisions of this SAMP will use a 'bottom up' approach for gathering information for individual assets to support the optimisation of activities and programs to meet the levels of service. The focus of future plans developed in this manner will include risk and performance optimisation, risk-based strategies, use of predictive methods and optimised decision-making techniques.

The format of this SAMP is outlined in the table below.

Table 6 Asset Management Plan structure

Sections	Guidelines
1. Executive summary	Provides a high-level summary of the combined asset management plans and highlights the main issues for consideration.
2. Introduction	Outline of the purpose and scope of the plan and how the plan relates to other key policies and strategies.
3. Asset Management Policy	Excerpt from Council's adopted Asset Management Policy outlining the principles guiding Council's asset management practices.
4. Asset management practices	Provision of a comprehensive strategic asset management gap analysis process for asset management.
5. Levels of service	Outline of levels of service and asset performance standards and customer/community expectations and feedback regarding levels of service.
6. Future demand	Identification of demand trends, factors which may influence demand, forecast changes in demand, impacts and implications of future demand and effects on future planning.
7. Risk management plan	Provision of an asset-based risk management plan.
8. Overarching Asset Management Strategy	Provision of a summary of Council's overall Asset Strategy including Asset Management Policy and identification of critical assets.

2.3   Council's assets

Council uses infrastructure assets to provide services to the community. An outline of the range of infrastructure assets and the services provided from the assets is shown below:

Table 7 Range of infrastructure assets and services

Asset class	Description	Services provided
Buildings	This includes libraries, amenities, commercial/residential buildings, indoor sports stadium, council office and administration, Council's works depot and public halls.	• Administration • Recreation • Community interaction and development
Other Structures	This includes foreshore facilities (wharves and pontoons), miscellaneous structures such as monuments and community art assets.	• Foreshore protection • Miscellaneous services
Roads Infrastructure	This includes roads, kerb and guttering, bridges, footpaths and cycleways.	• Transportation of goods and services from production to market and to consumers. Movement of people around the council area for business, education, recreation, and leisure.

Asset class	Description	Services provided
Stormwater Drainage	This includes underground pipe and pit network, open channels, detention basins and flood mitigation devices.	• Collection of stormwater drainage runoff, conveyance and return to the environment to allow continued and safe use of private and public property.
Swimming Pools and Open Space	This includes aquatic centres, Open Space assets including sporting fields, play equipment, irrigation systems etc.	• Recreation, social and health activities.

Full details of Council's assets are covered in the individual asset management plans found in the appendices.

2.4 About Bayside Council

Bayside is a city with a newly emerging identity and a future filled with promise. Bayside Council was formed in September 2016, following the amalgamation of Botany Bay City Council and Rockdale City Council.

The local government area (LGA) stretches from Bexley, Kingsgrove and Carlton in the west to Banksmeadow, Hillsdale, Pagewood, Daceyville and Rosebery in the east. It also encompasses Wolli Creek and Turrella in the north, Rockdale, Mascot, Botany, Sydney Airport and Port Botany down to the coastal communities of Brighton Le Sands, Ramsgate, Dolls Point and Sandringham in the south.

The Council has five wards - Botany Bay, Bexley, Rockdale, Mascot and Port Botany.

Central to the area is the logistics hub of NSW. The area is of international significance as key infrastructure located within Bayside enables people to travel around the globe and to Australia. Goods arriving at our ports are transported right around the country. Our local economy will mature as innovation and growth occurs as part of the state's economy.

Our city surrounds Botany Bay with eight kilometres of beach and parkland open for passive recreation to locals and visitors alike.

The city is well served with public transport with two main train lines and several busy bus routes.

Our significant wetlands provide important corridors for native flora and fauna, as well as places for our community to engage with natural surroundings.

Bayside Council has significant sporting and recreation facilities across the LGA and provides access to a wide range of sporting clubs and associations.

Figure 3 Bayside Council LGA
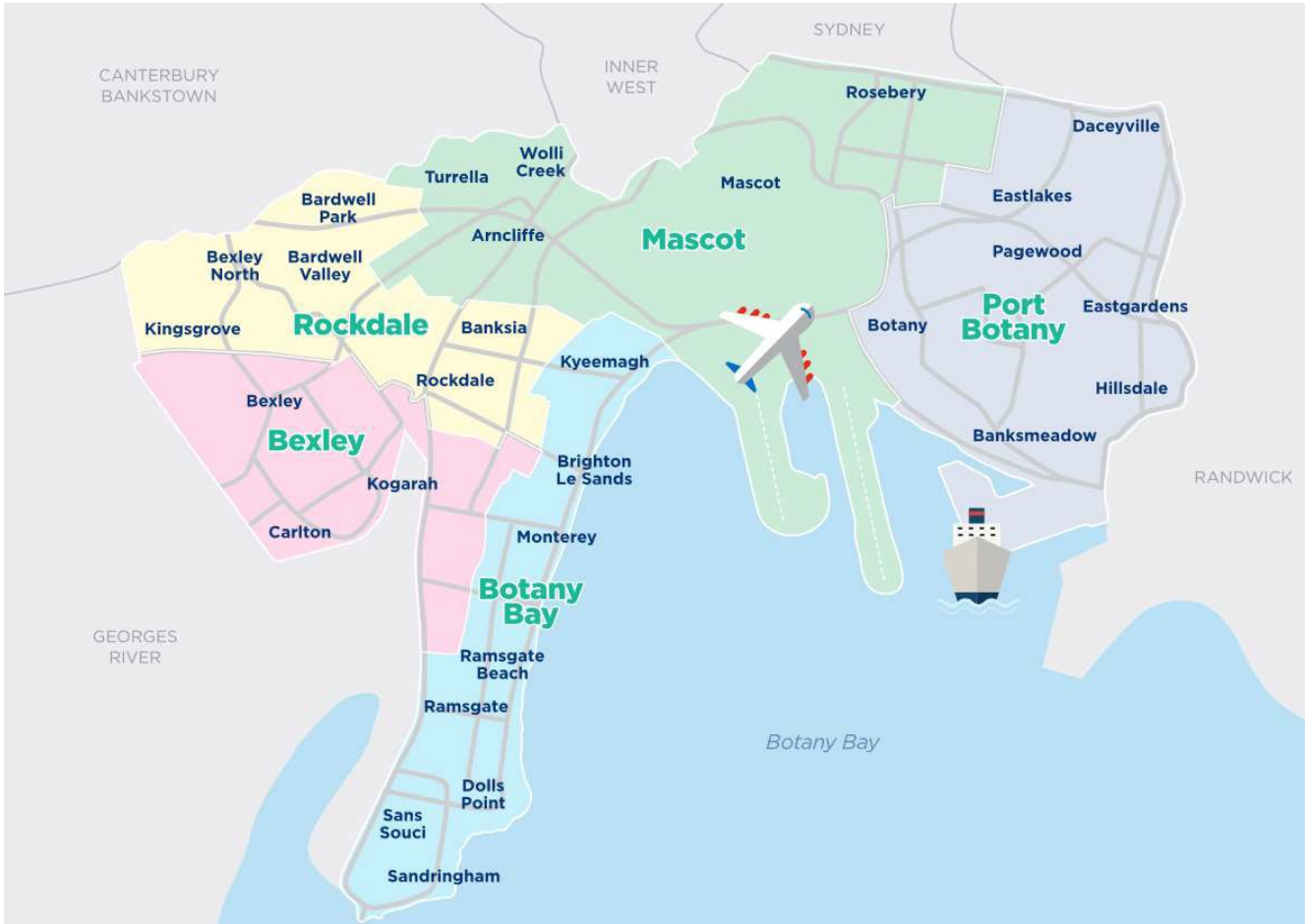
2.5 Links to Council plans and strategies

The Strategic Asset Management Plan and asset management plans have been prepared in line with the vision and strategy outlined in the 'Bayside Community Strategic Plan 2018-2030' (CSP).

Infrastructure assets will play both a direct and indirect role in achieving the strategic objectives of the CSP. The following table indicates how Council's assets play a role in the delivery of the key strategies outlined in the CSP.

Table 8 Linkages to the Corporate Strategic Plan

Reference	Strategy	Buildings & Other Structures	Roads & Transport Assets	Stormwater	Pools & open Space
Theme 1	**In 2030 Bayside will be a vibrant place**				
1.1	**Our places are people focussed**				
1.1.1	Local areas are activated with cafes, restaurants, and cultural events	x	x	x	
1.1.2	Places have their own village atmosphere and sense of identity		x		
1.1.4	The public spaces I use are innovative and put people first	x	x	x	x
1.2	**Our places connect people**				
1.2.1	Walking and cycling is easy in the City and is located in open space where possible		x		x
1.2.3	Our heritage and history is valued and respected	x	x	x	x
1.3	**Our places are accessible to all**				
1.3.1	Open space is accessible and provides a range of active and passive recreation opportunities to match our growing community			x	x
1.3.2	SMART Cities – making life better through smart use of technologies	x	x	x	x
1.3.3	Assets meet community expectations	x	x	x	x
1.3.4	Bayside provides safe and engaging spaces, places and interactions	x	x	x	x
1.3.5	People who need to can access affordable housing	x			
1.3.6	We welcome visitors and tourists to our City				x
1.4	**My place will be special to me**				
1.4.1	Local developments reflect innovative, good design and incorporate open space and consider vertical families	x	x		x
1.4.2	Bayside will be a 30 minute City – residents work locally or work off-site – no one has to travel for more than 30 minutes to work		x		x
1.4.3	Traffic and parking issues are a thing of the past	x	x		
1.4.4	Roads rates and rubbish are not forgotten		x	x	
1.4.5	Gateway sites are welcoming and attractive		x		x

Reference	Strategy	Buildings & Other Structures	Roads & Transport Assets	Stormwater	Pools & open Space
Theme 2	**In 2030 our people will be connected in a smart City**				
2.1	**We benefit from technology**				
2.1.2	We can access information and services online and through social media	x			
2.1.3	We are a digital community	x	x		
2.1.4	Technological change has been harnessed and we are sharing the benefits	x			x
2.2	**We are unified and excited about out future**				
2.2.4	We are proud of where we live	x	x		x
2.3	**The community is valued**				
2.3.2	We are a healthy community with access to active recreation and health education	x	x		x
2.3.3	All segments of our community are catered for – children, families, young people and seniors				x
2.3.4	Opportunities for passive and active activities are available to community members, including people with pets		x		x
2.3.5	The value of pets in the community is recognised and they are welcomed across the City				x
2.4	**We treat each other with dignity and respect**				
2.4.1	We can participate in cultural and arts events which reflect and involve the community				x
2.4.2	Flexible care/support arrangements for seniors, children and people with disabilities are available across the LGA	x			x
2.4.3	Cultural diversity is reflected and celebrated in the City's activities				x
2.4.4	Our public buildings are important community hubs and are well maintained and accessible	x			
Theme 3	**In 2030 Bayside will be green, leafy and sustainable**				
3.1	**Our waste is well managed**				
3.1.1	I can reduce my waste through recycling and community education	X	x	x	x
3.1.2	Illegal dumping is a thing of the past		x		x
3.2	**We are prepared for climate change**				

Reference	Strategy	Buildings & Other Structures	Roads & Transport Assets	Stormwater	Pools & open Space
3.2.1	We understand climate change, and are prepared for the impacts	x	x	x	x
3.2.2	Our City is prepared for/able to cope with severe weather events		x	x	
3.2.3	Our streetscapes are green and welcoming	x	x		x
3.3	**We increase our use of renewable energy**				
3.3.1	Our City promotes the use of renewable energy through community education	x	x		x
3.3.2	Our City models use of renewable energy and reports gains benefits to the community	x	x		x
3.4	**Waterways and green corridors are regenerated and preserved**				
3.4.1	Water is recycled and re-used		x	x	x
3.4.2	The community are involved in the preservation of our natural areas			x	x
3.4.3	We have an enhanced green grid/tree canopy	x	x		x
Theme 4	**In 2030 we will be a prosperous community**				
4.1	**Opportunities for economic development are recognised**				
4.1.2	We are an international hub for transport and logistics related business		x		
4.2	**Local housing, employment and business opportunities are generated**				
4.2.1	Bayside will be a 30 minute City – residents work locally or work off-site – no one has to travel for more than 30 minutes to work	x	x		
4.2.3	People who need to can access affordable housing	x			
4.3	**The transport system works**				
4.3.1	We can easily travel around the LGA – traffic problems/gridlock are a thing of the past		X		X
4.3.2	We can easily travel to work by accessible, reliable public transport		X		X
4.4	**We are prepared for a sharing economy**				
4.4.2	Local Plans and regulations have kept pace with the sharing economy	X	X		X

3 Asset Management Policy

3.1 Purpose

The purpose of this policy is to:

- provide a framework for the management of assets for which Council is the custodian
- maintain the city's assets for current and future generations
- ensure the city's assets continue to meet community needs as the area changes over time
- embed a continuous improvement approach to asset management
- ensure the city's assets are managed in a financially sustainable manner
- ensure the city meets legislative requirements for asset management.

3.2 Policy goals and objectives

The goal of asset management is to meet a required level of service in the most cost-effective way through the planning, creation, acquisition, maintenance, operation, rehabilitation and disposal of assets to provide for present and future customers. The principles to guide asset management planning and decision-making focus on:

- ensuring service delivery needs based on consumer demand forms the basis of asset management
- integrating asset management with corporate governance, strategic, financial, business and budgetary planning
- informed decision making, incorporating a lifecycle approach to asset management
- establishing accountability and responsibility for asset condition, use and performance
- sustainability, providing for present needs while sustaining resources for future generations
- maintaining the balance between Council's community service obligation and the commercial aspects of the management of the assets.

3.3 Accountability and responsibility

Sustainable asset management is the responsibility of all elected representatives and employees within Council. Accountability and responsibility are as follows:

Councillors

Are primarily responsible for ensuring that their decisions represent and reflect the needs of the wider community. Council will engage with the community to determine their main priorities and expectations for the future and, through the Community Strategic Plan and Delivery Program, will detail the strategies and resources that will be used to achieve these goals.

General Manager

Primarily responsible for ensuring the development and resourcing of Council's SAMPs, processes and systems to ensure they comply with all requirements of the IP&R Framework under the Local Government Act.

Council officers

Have specific responsibility for asset management development, planning and implementation in accordance with the BAMS. Officers will continuously seek opportunities to improve adherence to the BAMS, by establishing specific asset monitoring, auditing and review mechanisms. The end purpose is to deliver the services and expectations of the community through Council's assets in the most efficient and cost-effective manner.

3.4 Policy, practice and procedures

Council aims to put in place asset management strategies and practices. This means that Council will continually be developing and improving its knowledge, systems and processes and strategies to ensure it is providing the level of asset management necessary to competently, responsibly and sustainably manage the community's assets now and into the future.

3-year goal

Council's goal is to achieve a "high level of competent" asset management practice, with some "advanced" elements, across all of the asset groups within three (3) years. ("Advanced" elements include some elements of asset knowledge, i.e. attribute and condition data, and some strategic asset planning processes, i.e. lifecycle planning/costing and elements of optimised decision making.)

Long-term goal

Council's long-term goal is to achieve "advanced" asset management practice across all of the asset groups as appropriate. Council may seek to achieve industry "best practice" at some time in the future however the cost and effort needed to achieve this level against potential benefits will be carefully considered.

3.5 Audit and review procedures

As a minimum there will be annual internal reviews of the Asset Management Policy, BAMS, systems, practices and plans.

External reviews and audits will be conducted at least every four (4) years to coincide with the mandatory review period for the Community Strategic Plan.

3.6 Adoption of policy

Council's Asset Management Policy is currently in draft form and will be adopted with the adoption of the Asset Management Strategy.

4 Asset management practices

4.1 Asset management information systems

Bayside Council Council's asset knowledge, information and data are corporate assets and are managed as part of the asset management framework. The current applications used by Council include:

- Financial and Asset Register – Technology One (to be fully implemented by September 2020)
- Pavement Management System for Roads – SMEC (Roads Infrastructure Data).

4.2 Data collection and validation

In the preparation of this Asset Management Strategy and plans, Council has used the most current and up to date information available from Council's corporate finance system.

As part of Council's asset management improvement plan, Council aims to foster a culture of continuous improvement in service delivery to ensure best value in service provision for the community. This will be supported by the asset management plans including ongoing monitoring, audit and improvement practices which are to be used to optimise Council's operational and renewal expenditure.

As part of that process, Council will implement a process of continually improving its asset data. Council will aim to inspect at least 1% of its stormwater drainage network each year and will formally undertake condition inspections of all other assets in conjunction with the revaluation of assets cycle.

4.3 Monitoring and review procedures

Council utilises a performance management framework to track the achievement of the CSP, Delivery Program, Operational Plan and asset management improvement plan outcomes. This will be reviewed and reported on annually by the executive team.

4.4 Confidence in data

The confidence in the asset data used as a basis for the financial forecasts has been assessed using the following grading system, as outlined in the table below.

Table 9 Asset data confidence scale

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

Summary of confidence in asset data for all asset classes is detailed in the table below.

Table 10 Asset data confidence rating

Asset class	Inventory	Condition	Age	Overall
Buildings	Highly Reliable	Highly Reliable	Reliable	Highly Reliable
Other Structures	Highly reliable	Highly reliable	Uncertain	Reliable
Roads Infrastructure	Highly reliable	Highly reliable	Reliable	Highly reliable
Stormwater	Reliable	Reliable	Acceptable	Reliable
Leisure Facilities	Highly reliable	Highly reliable	Reliable	Highly reliable

4.5   Funding strategy

Council's funding strategy aims to align Council's Long Term Financial Plan, asset management plans and annual budget to accommodate the lifecycle requirements of its assets. By having a unified process, all decision-making numbers can be traced back to the AMPs, thereby informing the annual budgets and forward programs providing a degree of certainty for delivery timeframes and resourcing requirements.

In order to ensure value, Council will plan capital upgrade and new projects to meet level of service objectives by:

- planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner
- undertaking project scoping for all capital upgrade/new projects to identify:
  - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset
  - the project objectives to rectify the deficiency including value management for major projects
  - the range of options, estimated capital and lifecycle costs for each option that could address the service deficiency
  - management of risks associated with alternative options
  - evaluate the options against evaluation criteria adopted by Council
  - select the best option to be included in capital upgrade/new programs
- reviewing current and required skills base and implement training and development to meet required construction and project management needs
- reviewing management of capital project management activities to ensure Council is obtaining best value for resources used.

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal, as shown in the appendices.

5 Levels of service

5.1 Defining levels of service

There are a variety of ways to describe levels of service (also known as service level). The concept adopted in this plan is that

> "*Levels of service are output descriptions supported by quantifiable performance measures.*"

A level of service is a measurable description of what Council delivers (or intends to deliver) in an activity which relates to something that can be controlled. Service levels may relate to:

- the reliability of an asset
- the quality of an asset
- having the right quantity of assets
- the safety/risk/security of the assets.

The objective of asset management is to enable assets to be managed in the most cost-effective way based on an understanding of customer needs, expectations, preferences and their willingness to pay for any increase in the levels of service.

5.2 Performance measures

The level of service statement is supported by performance measure(s), also referred to as performance indicator(s), that indicate how the organisation is performing in relation to that level of service. The performance measure includes targets that are made up of community and technical measures. The customer measure relates to how the community receives the service, whereas technical measures support customer measures to ensure all aspects of organisational performance are being monitored, even those that may not be understood by customers.

In this plan, the level of services is prepared so that they are clearly and directly linked with the performance measures. For some performance measures in this plan, Council will have full control over the outcome, for example 'respond to service requests within seven days'. However, it is important to recognise that some performance measures may be influenced by external factors. For example, the number of fatalities can be influenced by road management, but driver behaviours, police enforcement and a number of other factors also strongly contribute to the overall outcome.

5.3 Service level outcomes

The levels of service in this plan have been developed with a customer focus and are grouped into core customer value areas that are referred to as 'service level outcomes'. These service level outcomes (sometimes referred to as service criteria) encompass:

- condition
    - accessibility and/or availability
    - quality/condition
- functionality
    - reliability/responsiveness

- sustainability
- customer satisfaction
- capacity
  - affordability
  - health and safety.

5.3.1 Condition

Accessibility

To ensure the asset base performs as required, it is essential that the asset, no matter which type of asset, is generally available to the community as required. As a service outcome, the Council's customers will require assets that are accessible and can be relied upon to deliver the services that are not only expected, but the services that are required.

Quality/condition

Asset quality is also very important. In this regard, Council should determine the quality of the assets required. Quality will have more to do with manner and type of the asset rather than its condition. An asset may be poor in quality yet have a condition which is described as good.

Condition is a measure of an asset's physical condition relative to its condition when first constructed. When rating asset condition, Council uses a scale of 0 - 5, where 0 = new and 5 = totally failed. A copy of a typical condition rating matrix is detailed below.

Table 11 Asset condition rating matrix

Condition rating	Condition	Descriptor	Guide	Residual life as a % of total life	Mean percentage residual life
1	Excellent	An asset in excellent overall condition, however, is not new and providing its intended level of service.	Normal maintenance required	>86	95
2	Good	An asset in good overall condition with some possible early stages of slight deterioration evident, minor in nature and causing no serviceability issues. No indicators of any future obsolescence and providing a good level of service.	Normal maintenance plus minor repairs required (to 5% or less of the asset)	65 to 85	80
3	Satisfactory	An asset in fair overall condition with some deterioration evident, which may be slight or minor in nature and causing some serviceability issues. Providing an adequate level of service with no signs of immediate or short-term obsolescence.	Significant maintenance and/or repairs required (to 10 - 20% of the asset)	41 to 64	55

Condition rating	Condition	Descriptor	Guide	Residual life as a % of total life	Mean percentage residual life
4	Poor	An asset in poor overall condition, moderate to high deterioration evident. Substantial maintenance required to keep the asset serviceable. Will need to be renewed, upgraded or disposed of in near future. Is reflected via inclusion in the Ten-Year Capital Works Plan.	Significant renewal required (to 20 - 40% of the asset)	10 to 40	35
5	Very poor	An asset in extremely poor condition or obsolete. The asset no longer provides an adequate level of service and/or immediate remedial action required to keep the asset in service in the near future.	Over 50% of the asset requires renewal	<10	5

5.3.2   Function

Responsiveness

Council will maintain assets in a diligent manner and be responsive to the needs of the community now and into the future. Whilst this may be difficult in some instances, Council places a high emphasis on customer service and its responsiveness to customer enquiries. Strategies will be implemented to ensure that Council maintains a high level of customer support.

Customer satisfaction

Council will continue to provide services to the community in a manner that is efficient and effective. Council will continue to monitor community satisfaction with its current services and strive to improve community satisfaction where possible.

Sustainability

Council will ensure that its assets are maintained in a manner that will ensure the long-term financial sustainability for current and future generations. This will be achieved by ensuring efficient and effective service delivery and ensuring appropriate funds are allocated to maintain and renew infrastructure assets.

5.3.3   Capacity

Affordability

Council will maintain its infrastructure assets in a cost-effective, affordable manner in accordance with responsible economic and financial management. In order for Council's assets to assist in meeting the strategic goals and in attaining optimum asset expenditure, Council will need to continually review its current operational strategies and adopt new and proven techniques to ensure that assets are maintained in their current condition.

Health and safety

Council will endeavour to identify and mitigate all key health and safety risks created by the provision of services. Examples of level of service based on safety might include the following:

- services do not cause a hazard to people

none- water is safe for swimming.

Each of the service level outcomes is related directly to the Council's Community Strategic Plan by the way each asset class helps deliver the services required by the community. These service level outcomes are essential to ensure the asset portfolio is not only maintained to a satisfactory level but also caters for the future demands of the community whilst balancing the potential risks to the community and the Council.

5.4 Financial based service levels

The premise of asset management is that asset requirements and asset management strategies should be driven by defined and acceptable service levels and performance standards. This section defines the various factors that are considered relevant in determining the levels of service for Council's assets that have been used to provide the basis for the lifecycle management strategies and works programme identified within this Asset Management Strategy.

5.4.1 Asset backlog ratio

This ratio shows what proportion the infrastructure backlog is against the total value of a Council's infrastructure. The benchmark is less than 2%. The ratio is determined by dividing the estimated cost to bring assets to a satisfactory condition by the carrying value of infrastructure, building, other structures and depreciable land improvement assets.

5.4.2 Asset consumption ratio

The average proportion of 'as new' condition remaining for assets. This ratio shows the written down current value of the local government's depreciable assets relative to their 'as new' value. It highlights the aged condition of a local government's stock of physical assets and the potential magnitude of capital outlays required in the future to preserve their service potential. It is also a measure of Council's past commitment to renewal of the asset class. A consumption ratio of less than 50% would suggest that past renewal funding has been inadequate or that the asset could expect to decay more rapidly.

5.4.3 Asset sustainability ratio

Are assets being replaced at the rate they are wearing out? This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out. It is calculated by measuring capital expenditure on renewal or replacement of assets relative to the rate of depreciation of assets for the same period. A local government would need to understand and be measuring its renewal expenditure to be able to determine this ratio.

5.4.4 Asset renewal and renewals funding ratio

Is there sufficient future funding for renewal and replacement of assets? This ratio indicates whether Council is allocating sufficient funds in its long-term financial plan to adequately fund asset renewals.

5.4.5 Asset maintenance ratio

This ratio compares actual versus required annual asset maintenance for each asset class. A ratio of above 100% indicates that Council is investing enough funds that year to halt the infrastructure backlog from growing. The benchmark is greater than 100%.

6 Future demand

6.1 Demand forecast

The future infrastructure demand for community infrastructure and facilities is driven by changes and trends in:

- population growth
- changes in the demography of the community
- urban planning
- residential occupancy levels
- commercial/industrial demand
- technological changes which impact the asset
- the economic situation
- government policy
- the environment.

Table 12 Future demand impacts

Demand drivers	Issue	Impact on services
Population growth and residential development	• Current estimated resident population: 164,550 (NSW Planning 2016). • Projected to be 234,600 by 2041 (forecast provided by NSW Planning).	• Increased users of roads and footpaths, causing greater deterioration rates and more traffic. • Increased pressure on ageing stormwater network. • Increased demand and use of sports grounds and ovals. • Increased demand and use of foreshore structures. • Greater demand for public space and community services. • More people using libraries, swimming pools and other recreational infrastructure. • More waste and recyclable materials to be collected.

Demand drivers	Issue	Impact on services
Population and demographics	• Increase in aging population. • Increase in migration. • Changing cultural diversity. • Changing socio demographic makeup.	• Increased demand for footpaths and bike paths that link to public transport, shops and other services. • Change in park usage to suit older residents. • Change in types of sports usage. • Need for greater accessibility to all parks, amenities and open spaces. • Increased demand for quantity and flexibility in child-care facilities. • Increased demand for adaptable housing.
Economy	• Increasing costs of service delivery as well cost sharing with other levels of government.	• Requirement to continue to maximise service delivery within the funding limitations.
Urban planning	• Trend to higher density living around transport nodes and town centres.	• Increased pressure on roads due to heavy vehicles at construction sites. • Greater impervious surfaces impacting on stormwater run-off. • Less personal outdoor space and therefore greater reliance on public spaces. • Less personal entertaining spaces and therefore greater need for halls for hire.
Environment and climate	• Climate change impacts and increasing pressure on bushland.	• Potential for increased bushfires and subsequent impact on bushland. • Expanding development which then encroaches on bushland. • Potential for sea level rises and impact on foreshore structures. • Increased consumption resulting in increased waste and landfill sites.

6.2　Demand management strategies

Demand management strategies have been developed to effectively manage the growth of Bayside Council. These strategies will need to be monitored to ensure that they capture and are responsive to changing community expectations and demographic profile as the region develops.

Table 13 Demand management strategies

Demand	Management strategy
Buildings	
• The increasing population will place higher expectations for an increased number of community service-related buildings to be in place. The changing demographic profile will demand changes to existing buildings to adapt to different needs. Higher density development will limit privately owned recreational space, placing more demand on community facilities	• Demand management will include a move from single use to multi-use facilities. Specific buildings may require upgrades and augmentation to meet contemporary user needs.
Roads	
• The increasing population will mean the road network needs to carry more vehicles. The network's use for transit will impact demand. Particular roads may need to change classification, and, in some places, footpaths may be upgraded to shared-use paths.	• Demand will be managed through regular monitoring and maintenance/renewal/upgrade of the network. This will be influenced by funding availability. • Smart, multi-modal roads solutions will be required to keep up with the growth and provide cheap, efficient and sustainable means of road construction and upkeep.
Other Structures	
• Trends are towards more personalised activities. Ageing demographics will affect the types of facilities provided. Other issues are age and location of playground equipment, safety/cleanliness, higher maintenance standards and shade. Current demand on open spaces is substantial. • Impacting trends include population growth, density and demographic change, climate change with associated predictions of changes in weather, and increased emphasis on biodiversity and environmental needs.	• Demand management is focused on equity, accessibility and linkages to permit a wide range of activities to occur and reduce duplication. • Demand is managed by regular monitoring and maintenance. Periodic major repairs will be required for wharves and seawalls.
Stormwater Drainage	
• Impacting trends include population growth, density and demographic change, climate change with associated predictions of changes in weather, and increased emphasis on biodiversity and environmental needs. Current issues include flood protection in some locations, a focus on water quality and water harvesting and preparation for climate change. Customer expectations have changed following significant drought.	• The management of stormwater is tied to the changing perceptions of stormwater as a harvestable product rather than waste. Large water harvesting projects for parks and ovals are underway. Amplification of the stormwater network is costly and flood mitigation strategies are being considered to lessen the impact of stormwater inundation upon properties.

7 Risk management

Council implements a holistic and comprehensive framework to risk management, focusing on an informed approach to risk which is detailed in Council's Risk Management Strategy. The strategy outlines the ongoing operation of a holistic risk reporting and review process, providing guidance for business units at all levels and fostering their knowledge of risk management within the parameters of the International Standard for Risk Management ISO 31000:2009.

Figure 4 Risk management parameters – ISO 31000:2009
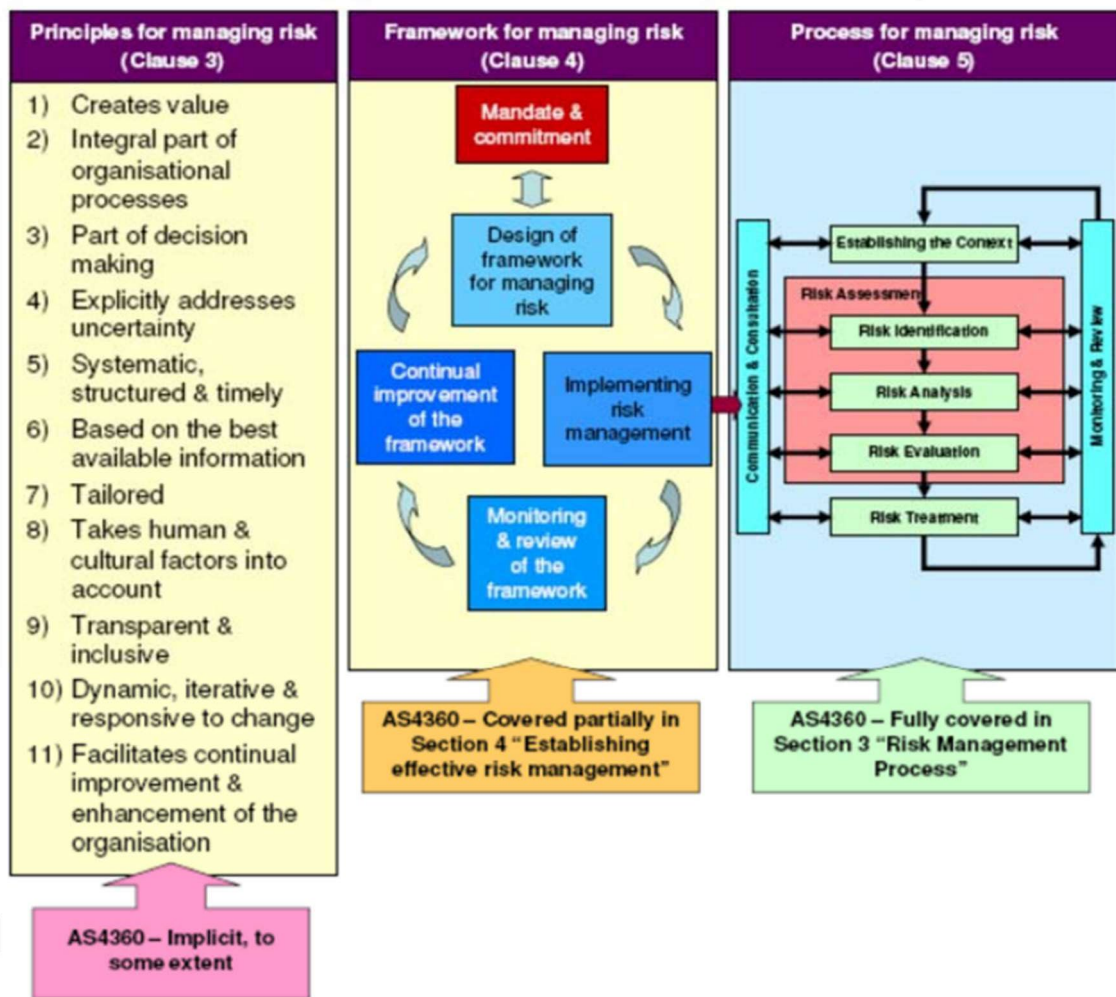
This is a structured, best-practice and proven approach that is to be applied Council-wide to support the management of strategic, operational, financial, regulatory, and other risk. Under this approach, there are five key stages to the risk management process:

- communicate and consult - with internal and external stakeholders
- establish context - the boundaries
- risk assessment - identify, analyse and evaluate risks
- treat risks - implement and assess controls to address risk
- monitoring and review - risks reviews and audit.

These stages are further detailed in Council's Risk Management Strategy.

7.2 Core infrastructure risk management framework

Council is currently developing 'core infrastructure risk management plans' for each of its asset classes. These plans provide greater detail on Council's risk management approach for each of its infrastructure assets, including the risk analysis (likelihood and consequence) and treatment criteria specific to each asset class.

In general, risks are evaluated in the following way in Council's asset risk registers:

- risk identification
    - which asset is at risk?
    - what can happen?
    - when can it occur?
    - what are the possible causes?
    - what are the existing controls?
    - is the risk credible?
- risk analysis
    - what is the likelihood of occurrence?
    - what are the consequences of occurrence?
    - risk rating
    - what action is required?
    - is the risk acceptable?
- risk treatment
    - what treatment options are available?
    - what is the plan to treat the risk?
    - what is the residual risk?
- risk treatment plan
    - actions
    - responsibility
    - resource
    - budget
    - due date.

7.3 Strategic infrastructure risks

Using Council's Risk Management Framework, some high-level infrastructure-based risks have been identified that are associated with the management of the assets. These strategic risks are identified in following table.

Table 14 Risk identification table

Asset at risk	What can happen?	Possible cause	Risk rating	Treatment option(s)
Urban road	Unserviceable, water over road due to flooding	Flooding/damage caused by under capacity	Very high	Communications/community awareness of Council policies
Road base (pavement)	Asset failure	Inadequate funding leading to continued deterioration of asset condition	Very high	Ensure renewal funding is optimised and available; develop and coordinate long term capital investment plan to fund renewal
Footpath or shared path	Asset failure	Inadequate funding leading to continued deterioration of asset condition	Very high	Ensure renewal funding is optimised and available; develop and coordinate long term capital investment plan to fund renewal
Kerb and gutter	Asset failure	Inadequate funding leading to continued deterioration of asset condition	Very high	Ensure renewal funding is optimised and available; develop and coordinate long term capital investment plan to fund renewal
All assets	Defect inspection program not implemented	Lack of resources; responsibility not clearly defined	Very high	Resolve asset management role and responsibility
Urban road	Unserviceable, due to major damage by developer	Inappropriate construction management by developers for high risk work	High	Proactive public domain inspections
Urban road	Unserviceable, due to damage by utility provider or their contractor	Inappropriate construction management by utility providers and their contractors	High	Review utility provider work management practices; proactive precinct inspections
Urban road	Unserviceable, road blocked/water over road due to flooding	Due to defects of stormwater pit/pipe on/under a road	High	Proactive precinct inspections
Urban road	Unserviceable, road blocked/water over road due to flooding	Due to condition of stormwater pit/pipe on/under a road	High	Proactive condition inspection process
Urban road	Unserviceable, oil/chemical spill	As a result of a vehicular or industrial accident	High	Critical assets
Urban road	Unserviceable, water over road due to flooding	Flooding caused by trunk stormwater drainage asset failure	High	Critical assets

Asset at risk	What can happen?	Possible cause	Risk rating	Treatment option(s)
Urban road	Unserviceable, water over road due to flooding	Illegal dumping causing trunk drainage blockage	High	Critical assets
Urban road	Waste containers causing hazards and sight distance problems	Skip bins placed inappropriately on roads, not compliant to conditions	High	Continue existing regulatory controls; proactive precinct inspections
Road base (pavement)	Asset failure	Pavement condition due to poor wearing surface condition	High	Proactive precinct inspections; proactive condition inspection process
Bridge or culvert	Asset failure	Structural fatigue; traffic loads	High	Proactive precinct inspections; proactive condition inspection process
Bridge or culvert	Structural flood or storm damage	Severe storms	High	Proactive precinct inspections; proactive condition inspection process
Bridge or culvert	Structure deterioration	Lack of planned or reactive maintenance	High	Proactive precinct inspections; maintenance program
Footpath or shared path	Unserviceable, due to damage by utility provider or their contractor	Inappropriate construction management by utility providers and their contractors	High	Review utility provider work management practices; proactive precinct inspections
Footpath or shared path	Trip or fall	Service pits	High	Review utility provider work management practices; proactive precinct inspections
Footpath or shared path	Trip or fall	Surface	High	Proactive precinct inspections; maintenance program
Footpath or shared path	Trip or fall	Tree roots/slab lift or tilt	High	Proactive precinct inspections; maintenance program
Footpath or shared path	Waste containers/materials on footpath causing obstruction	Skip bins placed in inappropriate location	High	Continue existing regulatory controls; proactive precinct inspections
Kerb and gutter	Cyclists crash/collision, due to stormwater grate	Stormwater grate missing	High	Proactive precinct inspections
Kerb and gutter	Poor condition causing injury	Slip, trip and fall from pedestrians crossing roads	High	Proactive precinct inspections
Traffic facility/ pedestrian crossing	Collision - motor vehicle and pedestrian	Facilities not maintained to appropriate condition	High	Proactive precinct inspections; maintenance program
All assets	Unserviceable, due to damage caused by natural disaster	Natural disaster emergency	High	Review critical assets and disaster management responsibilities

7.4   Critical assets

Critical assets are those assets that are likely to result in a more significant financial, environmental and social cost in terms of impact on organisational objectives. By identifying critical assets and critical failure modes, organisations can target and refine investigative activities, maintenance plans and capital expenditure plans at critical areas.

ISO 55001 Cl 6.2.1.2b requires organisations to "review the importance of assets related to their intended outcomes, objectives and product or service requirements." ISO 55002 Cl 6.2.2.1 suggests that "a key aspect of planning is the identification of events in which the functionality of assets is compromised, including potentially catastrophic events in which function is completely lost". Council determines the criticality of assets based upon the following criteria:

- complexity
- impact of loss of service
- environmental impact
- health and safety impact
- cost of failure.

Critical assets for each asset class have been identified in their respective asset management plans.

8   Expenditure projections

8.1   Asset values

In preparing this SAMP, it has been identified that Bayside Council has an infrastructure assets portfolio valued with a current replacement cost of just under $1.4 billion. The major asset classes included in this strategy and their values are detailed in the table below.

Table 15 Summary of combined infrastructure assets values

Asset class	Gross Replacement Cost (CRC $,000)	Written Down Value (WDV $,000)	Annual Depreciation Expense ($,000)
Buildings	$270,420	$170,681	$4,726
Other Structures	$6,665	$4,505	$158
Roads Infrastructure	$569,722	$417,929	$7,752
Bridges	$9,281	$7,665	$96
Footpaths and Other Road Assets	$254,256	$171,323	$2,824
Stormwater	$166,705	$101,141	$1,678
Swimming Pools	$6,988	$6,233	$95
Open Space	$118,122	$78,754	$4,863
Total	**$1,402,159**	**$958,231**	**$22,192**

8.2   Asset backlog

As per the 2020/21 Special Schedule 7 analysis, Council has a combined asset backlog of $12 million (1.39% backlog ratio) to bring assets to a satisfactory standard - which is currently taken as condition 3. The breakdown of backlog per asset class is shown in table below.

Table 16 Asset backlog

Estimated cost to satisfactory	Backlog ($,000)	Backlog ratio % (backlog / WDV)
Buildings	$7,086	4.15%
Other Structures	$108	2.40%
Roads Infrastructure	$0	0.00%
Bridges	$9	0.11%
Footpaths and Other Road Assets	$2,548	1.49%
Stormwater	$933	0.92%
Swimming Pools	$0	0.00%
Open Space	$1,817	2.33%
Total	**$12,502**	**1.39%**

8.3 Asset condition

Reviewing asset condition data shows that the most of Council's assets are in a satisfactory or better condition, except for 13% of Council's Buildings assets which are currently in condition 4 (poor) and 5 (failed). The reliability of Council's condition data varies between the asset classes with most data being reliable, or highly reliable. Details of Council's current asset condition are shown in the table below. The condition is represented as a percentage of the replacement cost of Council's assets.

Table 17 Asset condition

Asset class	Asset condition (% of CRC)				
	1	2	3	4	5
Buildings	17.41%	20.98%	48.66%	12.05%	0.89%
Other Structures	29.00%	33.00%	31.00%	6.00%	1.00%
Roads Infrastructure	28.00%	37.00%	35.00%	0.00%	0.00%
Bridges	48.70%	50.35%	0.43%	0.53%	0.00%
Footpaths and Other Road Assets	31.5%	13.6%	47.9%	6.8%	0.2%
Stormwater	6.00%	32.28%	60.00%	1.07%	0.64%
Swimming Pools	74.4%	25.0%	0.6%	0.0%	0.0%
Open Space	26.6%	36.9%	24.2%	10.9%	1.5%
Total	**24.12%**	**29.65%**	**41.77%**	**4.03%**	**0.40%**

8.4 Expenditure and reporting

The average capital and maintenance expenditure on Council assets over the ten-year forecast period is approximately $57 million per year. This compares to the expenditure which is required to maintain, operate, and renew the asset network as required being $69 million per year. This represents an average annual shortfall $11.9 million per year, of which $4.8 million is attributable to a shortfall in operations and maintenance funding and a $7.1 million average shortfall in renewal funding.

 A summary of the projected expenditure requirements can be found in the following table.

Table 18 Combined asset expenditure projections

Expenditure projections ($000) – combined assets		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032
Actual	Renewal	$10,280	$14,731	$15,229	$18,755	$18,755	$15,737	$16,115	$16,518	$16,931	$17,354	$17,788	$18,233
	New and expanded assets	$19,183	$15,903	$13,776	$10,903	$10,903	$10,686	$10,943	$11,216	$11,497	$11,784	$12,079	$12,381
	Maintenance and operational	$19,722	$16,885	$17,223	$17,567	$17,918	$18,331	$18,771	$19,240	$19,721	$20,214	$20,719	$21,237
	Total expenditure	**$49,185**	**$47,519**	**$46,228**	**$47,225**	**$47,576**	**$44,754**	**$45,828**	**$46,974**	**$48,148**	**$49,352**	**$50,586**	**$51,850**
Required	Required renewal (depreciation)	$24,408	$23,378	$24,023	$24,729	$25,523	$26,349	$27,227	$28,132	$29,065	$30,027	$31,019	$32,042
	New and expanded assets	$19,183	$15,903	$13,776	$10,903	$10,903	$10,686	$10,943	$11,216	$11,497	$11,784	$12,079	$12,381
	Required O&M	$20,742	$23,236	$23,891	$24,660	$25,518	$26,401	$27,339	$28,306	$29,305	$30,337	$31,401	$32,500
	Total	**$64,334**	**$62,517**	**$61,690**	**$60,291**	**$61,943**	**$63,436**	**$65,508**	**$67,654**	**$69,867**	**$72,148**	**$74,499**	**$76,923**
	Overall (GAP)	-$15,149	-$14,998	-$15,462	-$13,066	-$14,367	-$18,683	-$19,680	-$20,680	-$21,719	-$22,796	-$23,914	-$25,073
	Maintenance gap	-$1,020	-$6,351	-$6,668	-$7,092	-$7,599	-$8,070	-$8,568	-$9,067	-$9,585	-$10,123	-$10,682	-$11,263
	Renewals gap	-$14,129	-$8,647	-$8,794	-$5,974	-$6,768	-$10,612	-$11,112	-$11,614	-$12,134	-$12,673	-$13,231	-$13,810

8.5 Financial performance

The Office of Local Government has established financial benchmarks for councils to strive towards and adhere to. The charts below showcase Council's current financial service levels and the impacts of Council's projected expenditure upon these service levels

Figure 5 Portfolio overview 1

Portfolio Overview

Gross Replacement Cost	Written Down Value
$1.4bn	**$958.23M**

Consumption Ratio	Average Annual Funding Surplus/Gap
68.34%	**($20.32M)**

Backlog Ratio	Portfolio Below Satisfactory
1.60%	**5.22%**

Portfolio Value

Open Space $118.12M (8.42%)
Swimming Pools $6.99M (0.5%)
Bridges $9.28M (0.66%)
Other Structures $6.67M (0.48%)
Stormwater $166.71M (11.89%)
Roads Infrastructure $569.72M (40.63%)
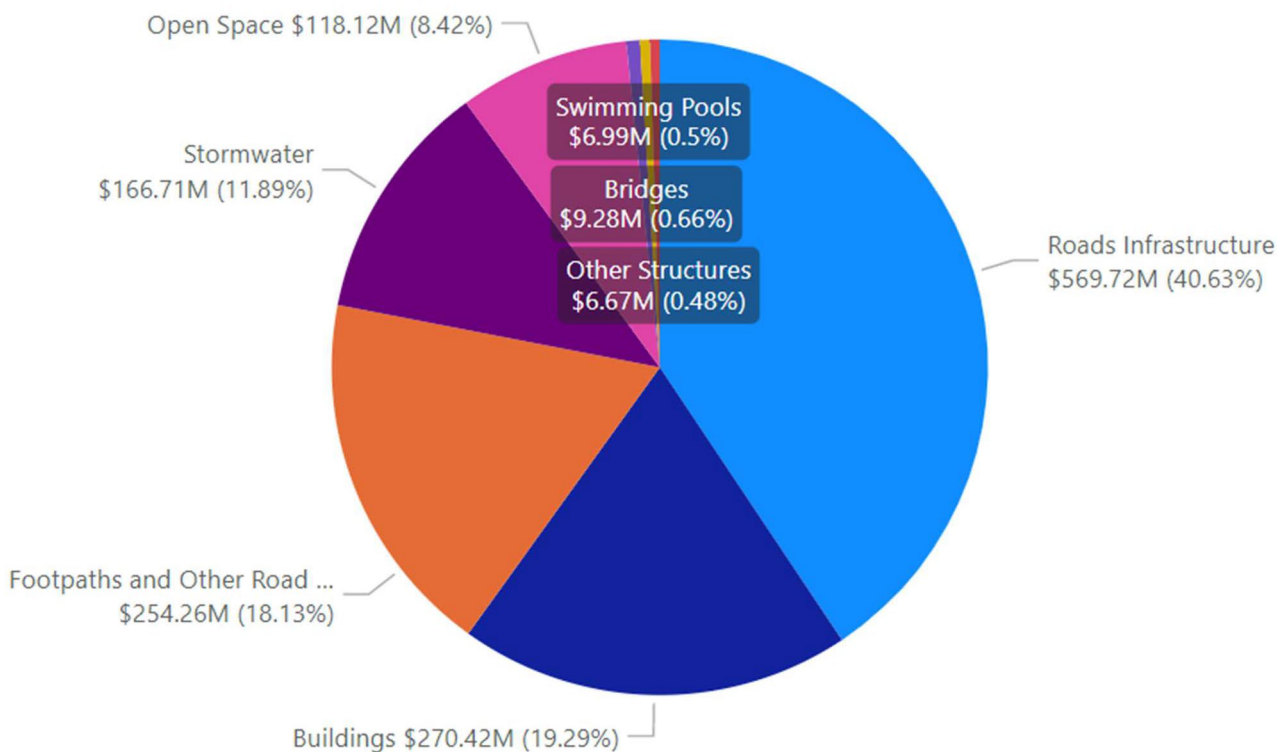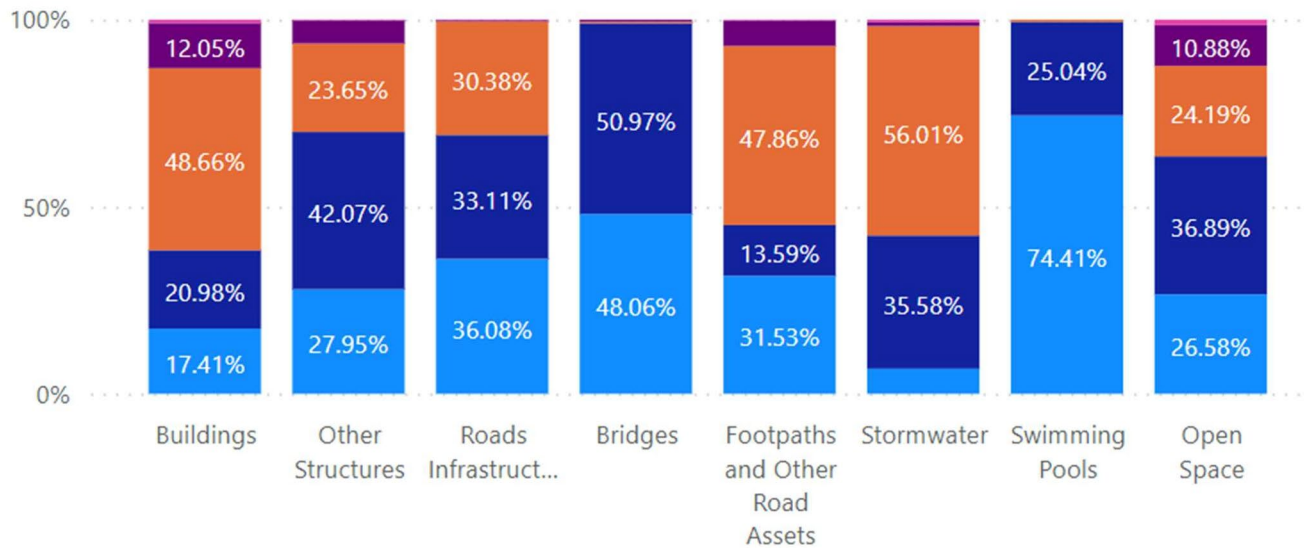Footpaths and Other Road ... $254.26M (18.13%)
Buildings $270.42M (19.29%)

Figure 6 Portfolio overview 2

Condition Profile

● Condition 1 ● Condition 2 ● Condition 3 ● Condition 4 ● Condition 5

	Buildings	Other Structures	Roads Infrastruct...	Bridges	Footpaths and Other Road Assets	Stormwater	Swimming Pools	Open Space
Condition 4/5	12.05%	23.65%	30.38%					10.88%
Condition 3	48.66%			50.97%	47.86%	56.01%	25.04%	24.19%
Condition 2	20.98%	42.07%	33.11%		13.59%	35.58%		36.89%
Condition 1	17.41%	27.95%	36.08%	48.06%	31.53%		74.41%	26.58%

Actual Vs. Required Asset Expenditure

● Maintenance ● Renewal ● New / Expanded ● Required Exp

Required Exp values by year: $64M, $63M, $79M, $62M, $63M, $65M, $67M, $69M, $71M, $74M, $76M, $81M
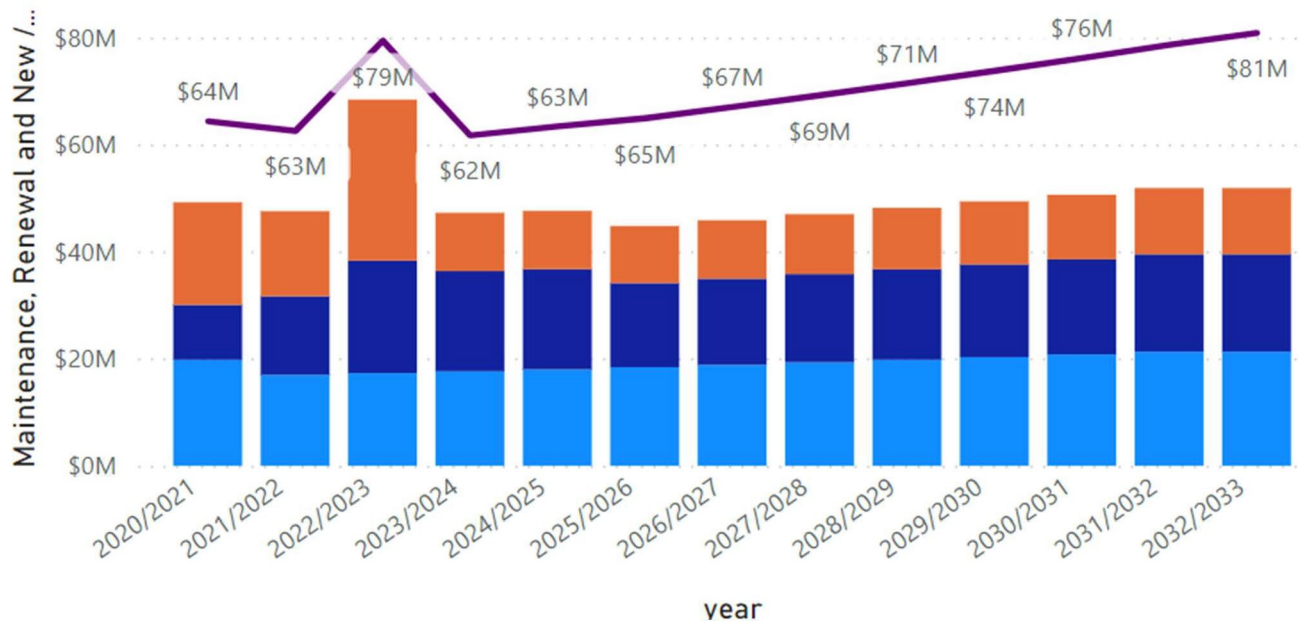
Figure 7 Portfolio expenditure summary

Asset class

All

Average Annual Maintenance Gap

Average Annual Renewal Gap

-9.13M

-11.19M

Expenditure Gap
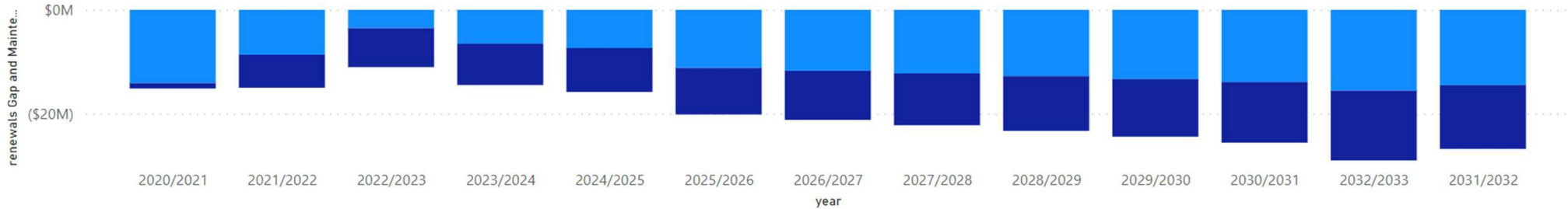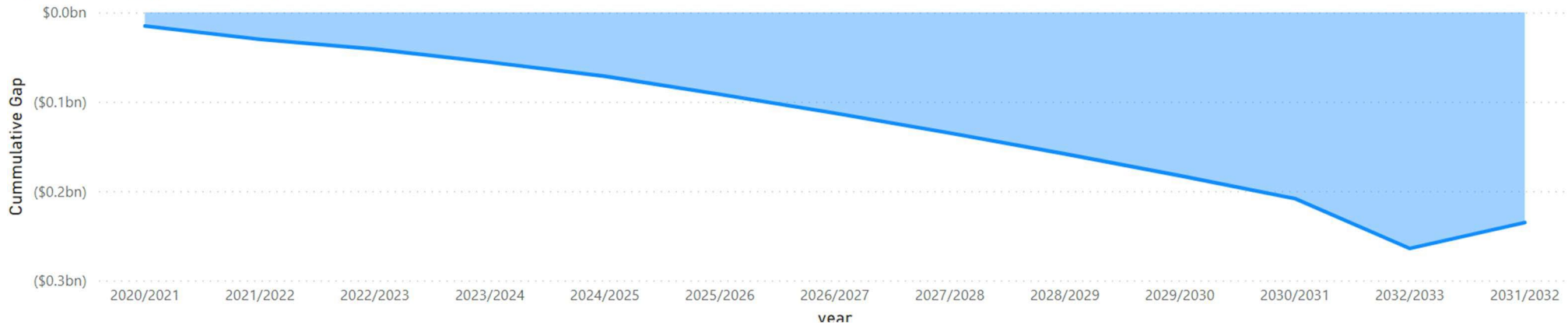

Cummulative Expenditure Gap

Figure 8 OLG asset expenditure ratios

Asset class

All

Asset Expenditure Ratios

● Infrastructure Renewals Ratio ● Maintenance Expenditure Ratio ● Ratio Benchmark
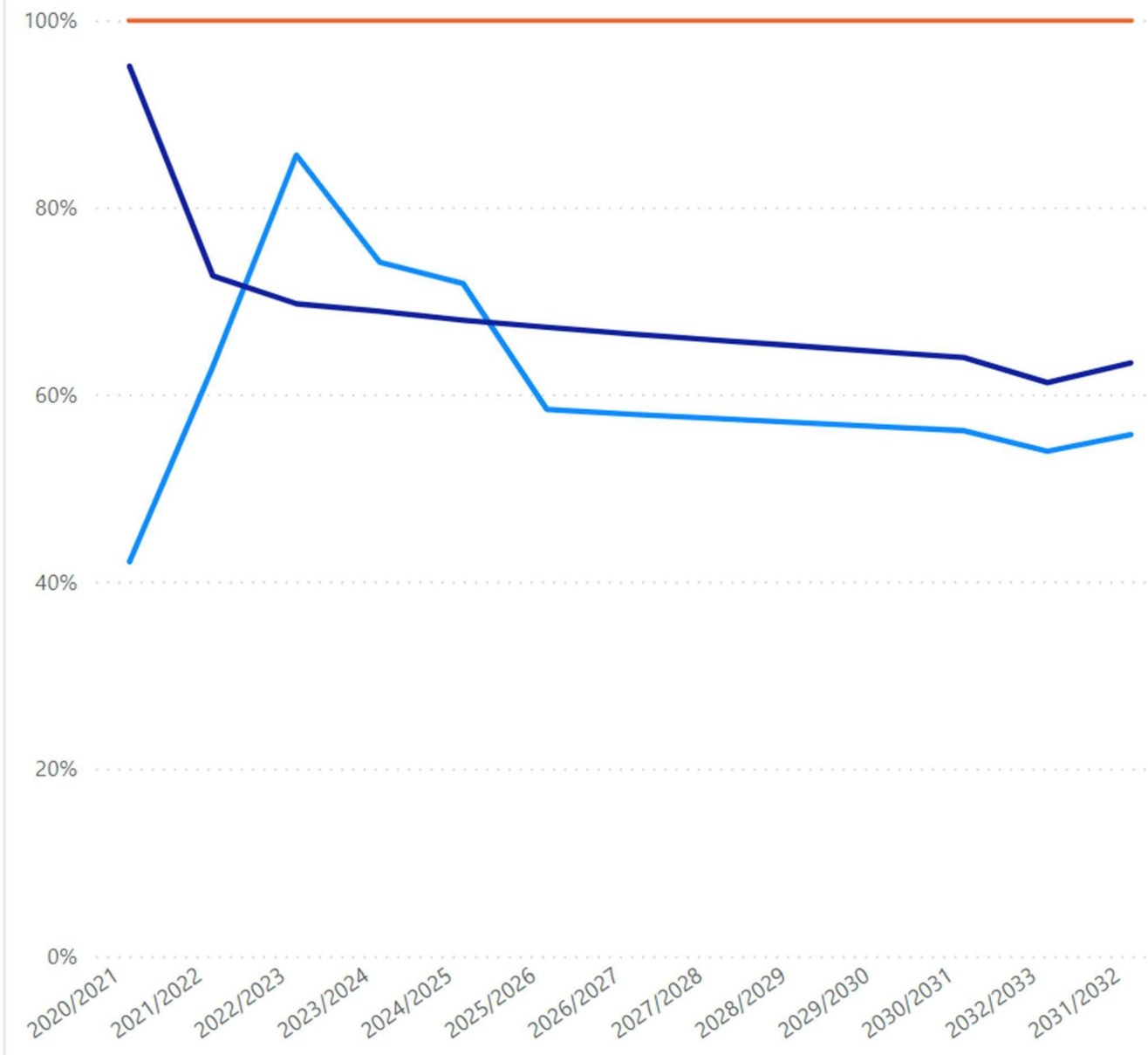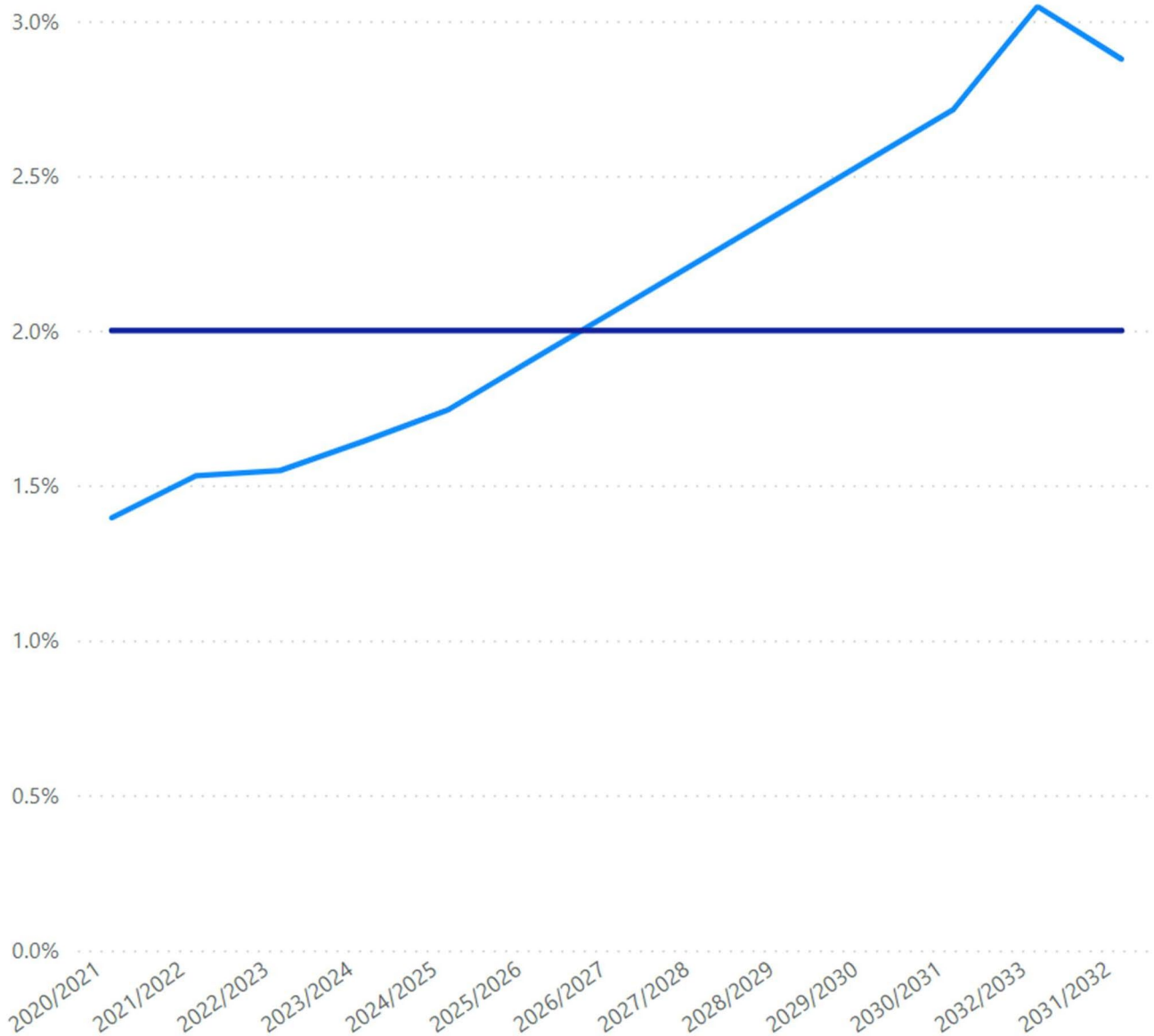
Figure 9 OLG backlog ratio

Backlog Ratio

● Infrastructure Backlog Ratio   ● Backlog Benchmark

9   Asset management strategic actions

The Asset Management Strategy is to enable Council to:

- demonstrate how its asset portfolio will meet the service delivery needs of its community into the future
- ensure the integration of Council's asset management with its Community Strategic Plan.

The Asset Management Strategy proposes the following strategies to enable the objectives of the Community Strategic Plan to be achieved.

Table 19 Asset management strategic actions

Ref	Task	Responsibility	Target date
Asset knowledge - data			
1.1	Develop and implement a plan to harmonise the classification structure of assets, asset attributes, and asset rating systems for condition, performance, utilisation, and capacity data of Active - Open Space infrastructure.	Manager City Infrastructure	2022
Asset knowledge - processes			
Strategic asset planning			
3.1	Develop clear and concise service levels for each asset group. These service levels should drive asset expenditure and service delivery improvements.	Manager Strategic Planning	2025
3.2	Develop and implement a plan to review infrastructure strategies, including community facilities strategy, transport strategy, and open space and recreation strategy.	Manager Strategic Planning	2025
3.3	Continue towards the integration of the Long Term Financial Plan (LTFP) and BAMS/asset management plan(s).	Manager Finance/Manager City Infrastructure	2025
Operations and maintenance work practices			
4.1	Develop and implement a plan to harmonise the operation and maintenance work practices for Road, Building, Drainage and Open Space assets.	Manager City Works/Manager Parks & Open Space	2022
4.3	Develop inspection and maintenance strategies around critical assets and highlight emergency response plans should there be a major service disruption within the assets.	Manager City Works/Manager Parks & Open Space/Manager Information Technology	2025
Information systems			

Ref	Task	Responsibility	Target date
5.1	Development and implementation of Corporate Asset Management System Improvement Roadmap	Manager Strategic Planning/Manager Information Technology	2025
Organisational context			
6.2	Review the range of asset management roles and responsibilities to ensure there is a consistent framework of roles and responsibilities across all asset classes.	Manager Strategic Planning	2025

10   Overarching asset management improvement plan

Table 20 Overarching improvement plan

No	Strategy	Desired outcome
A. Asset knowledge - data		
A.1	The identification, collection and storage of asset data has a logical structure of asset classification and hierarchy.	Assets are identified by unique identification numbers. Asset register(s) are segmented into appropriate classification levels.
A.2	The asset register contains asset attribute data, relevant to the asset classification, and assets are able to be represented spatially where applicable.	Assets are identified with appropriate information for location, size, material and type.
A.3	The survey and rating of assets is completed under written guidelines and processes.	A consistent rating system is applied to survey and rating of assets, and historical data is available in a consistent format.
A.4	Expenditure categories for assets are clearly defined, and separately recorded.	Lifecycle data is collected and used for decision making on the treatment of assets.
B. Asset knowledge – processes		
B.1	Guidelines and procedures are clearly defined for asset lifecycle processing activities, including recognition, valuation, depreciation, and impairment. Annual reviews of assets are completed in accordance with guidelines. Responsibilities for processes are clearly defined. Audit and validation procedures developed and implemented.	A consistent approach is established and maintained for the recognition, valuation, depreciation, impairment and annual review of assets, meeting asset accounting standards.
C. Strategic asset planning processes		
C.1	Levels of service clearly defined and aligned to strategic objectives and legislative requirements, taking community input into account. Community and technical levels of service separately identified and monitored, with the latter incorporated into service level agreements for operation, maintenance and renewal processes.	Long term asset objectives and developed in conjunction with the community and incorporated into service planning.
C.2	Infrastructure asset risk management plans developed for asset networks and critical assets, addressing risk mitigation strategies and measures.	Council understands asset risks and risk treatment, including emergency response and business continuity.
C.3	Move from annual budgeting to long-term financial planning.	The long-term implications of Council services are considered in annual budget deliberations.
C.4	Develop Long Term Financial Plan covering 10 years, incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.
C.5	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
C.6	All asset groups are covered by an asset management plan(s) covering a period of at least 10 years.	Identification of services needed by the community and required funding to optimise 'whole of life' costs.

No	Strategy	Desired outcome
C.7	Review and update asset management plans and Long Term Financial Plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
D. Operation and maintenance work practices		
D.1	Operation and maintenance planning for assets is clearly derived from operation and maintenance strategies.	Planned and reactive maintenance is delivered in line with clear service delivery outcomes.
D.2	Critical assets are identified, and plans are in place for the inspection, maintenance, and emergency response planning.	Council plans for, and is able to respond to, risks associated with major service disruptions.
E. Information systems		
E.1	Harmonise the asset registers of the former councils into the corporate asset management system.	All processes and decision making related to assets are derived from a single source of truth for assets.
E.2	Ensure direct linkages from Council's corporate asset management system to other core applications.	Council maintains a single source of truth for assets and does not replicate asset information into other core applications or off-line documents.
F. Organisational context		
F.1	Report six monthly to Council by Audit Committee on development and implementation of BAMS, AM plans and Long Term Financial Plans.	Oversight of resource allocation and performance.
F.2	Implement an improvement plan to realise 'intermediate' maturity, with advanced elements, for the financial and asset management competencies within three (3) years.	Improved financial and asset management capacity within Council.
F.3	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.

Appendix 1   Asset Management Plan – Structures

Council owns a large portfolio of structures that deliver a wide range of services to the community. These services include childcare, libraries, entertainment venues, rooms and halls for hire as well as public amenities such as showers and toilets. In addition, Council owns its administration buildings and depots which are critical to the delivery of services.

As the owner and operator of building and other structural assets, Council has a responsibility for a number of functions including:

- maintenance
- renewal and refurbishment
- upgrades and improvements
- rationalisation of assets.

The planning of these functions is outlined in this Asset Management Plan.

A1.1   Purpose of this plan

The purpose of this Asset Management Plan is to develop a strategic framework for the maintenance and renewal of buildings and other structures and to provide an agreed level of service in the most effective manner.

This plan includes the following scope of management:

- asset inventory, values and condition
- asset based levels of service
- demand and service management
- risk management
- development of the Long-Term Financial Plan (LTFP) for the maintenance and renewal of buildings and other structures.

A1.2   Introduction

A1.2.1   Stakeholders

Key stakeholders must be considered in the preparation and implementation of this Asset Management Plan to ensure the value of services justifies investment in the assets. It also ensures there is a greater understanding of stakeholders' expectations with regards to the facilities and services provided by Council.

Key stakeholders in preparation of this asset management plan are:

- **Councillors** - adopt the plan and ensure enough resources are applied to manage the assets and stewardship responsibility for the control and care of Council's buildings.
- **Executive Committee (Exco)** - report on the status and effectiveness of current asset management processes at Council.

- **Asset Management Team** - coordinate development and implementation of Asset Management Plans and asset management related matters.

- **Asset managers** - implementation of Asset Management Plans and management of assets under their direct control.

- **Federal and State Government authorities and agencies** - regulate practice and requirements through legislation.

- **Council staff** - responsible for the timely completion of tasks allocated to them from within the plans.

- **Community** - core users of Council's assets. Their needs and aspirations are conveyed to Council through community engagement informing Council's Community Strategic Plan and will be reflected in the levels of service of Council's assets.

A1.2.2   Legislative requirements

This Asset Management Plan was made in accordance with the following documents and legislative requirements.

Table 1 Buildings legislative requirements

Legislation	Requirement
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects Council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.
Disability Discrimination Act 1992	The Federal Disability Discrimination Act 1992 (D.D.A.) provides protection for everyone in Australia against discrimination based on disability.
Environmental Planning and Assessment Act 1979; Environmental Protection Act 1994; Protection of the Environment Operations Act 1997; National Parks & Wildlife Act 1974; Threatened Species Conservation Act 1995; Native Vegetation Act 2003	Sets out the role, purpose, responsibilities and powers of Council relating to protection and preservation of the environment.
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a Long-Term Financial Plan supported by asset management plans for sustainable service delivery.
WH&S Act 2011 & regulations	Sets out Council's responsibility to ensure health, safety and welfare of employees and others at places of work.
Libraries Act 1939	Sets out role of local governments in providing residents with access to information services.
Crown Lands Act 2016	Is an act to provide for the administration and management of Crown land in the Eastern and Central Division of the state of NSW. Council has a large holding of Crown land under its care, control and management.

Legislation	Requirement
Heritage Act 1977	Is an act to conserve the environmental heritage of the state. Several properties are listed under the terms of the act and attract a high level of maintenance cost, approvals and monitoring. The possible acquisition of Hungry Point is affected by this act.
Building Code of Australia	To meet all BCA requirements to meet the minimum necessary standards of relevant, health, safety (including structural and fire services), amenities and access to AS 1428.2.

A1.2.3   Links to Council policy, plans and strategies

This Asset Management Plan has been informed by the following Council plans and strategies:

- Bayside 2030 – Community Strategic Plan
- Bayside 2030 – Resourcing Strategy
- Asset Management Policy
- Risk Management Policy
- Waste Avoidance and Resource Recovery Policy.

A1.3 Buildings portfolio overview

Asset Class Overview

Asset class
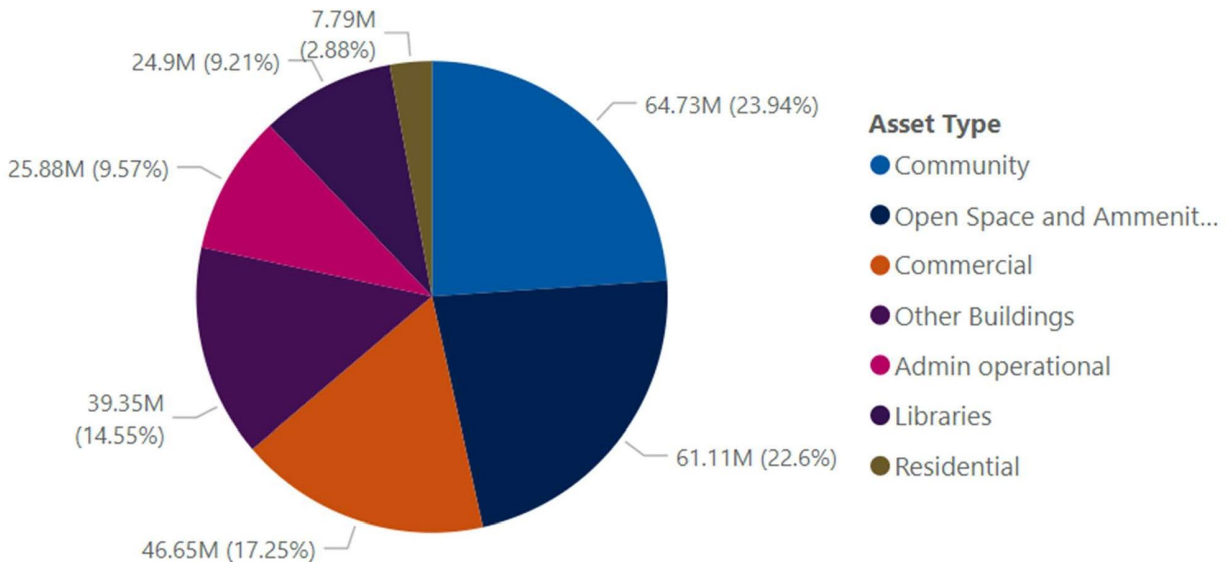
Buildings

Gross Replacement Cost	Written Down Value
$270.42M	**$170.68M**

Consumption Ratio	Average Annual Funding Surplus/Gap
63.12%	**($868.19K)**

Backlog Ratio	Portfolio Below Satisfactory
4.16%	**12.95%**

Total by Asset Type

Pie chart values:
- 64.73M (23.94%) — Community
- 61.11M (22.6%) — Open Space and Ammenit...
- 46.65M (17.25%) — Commercial
- 39.35M (14.55%) — Other Buildings
- 25.88M (9.57%) — Admin operational
- 24.9M (9.21%) — Libraries
- 7.79M (2.88%) — Residential

Asset Type
- Community
- Open Space and Ammenit...
- Commercial
- Other Buildings
- Admin operational
- Libraries
- Residential

Asset Type
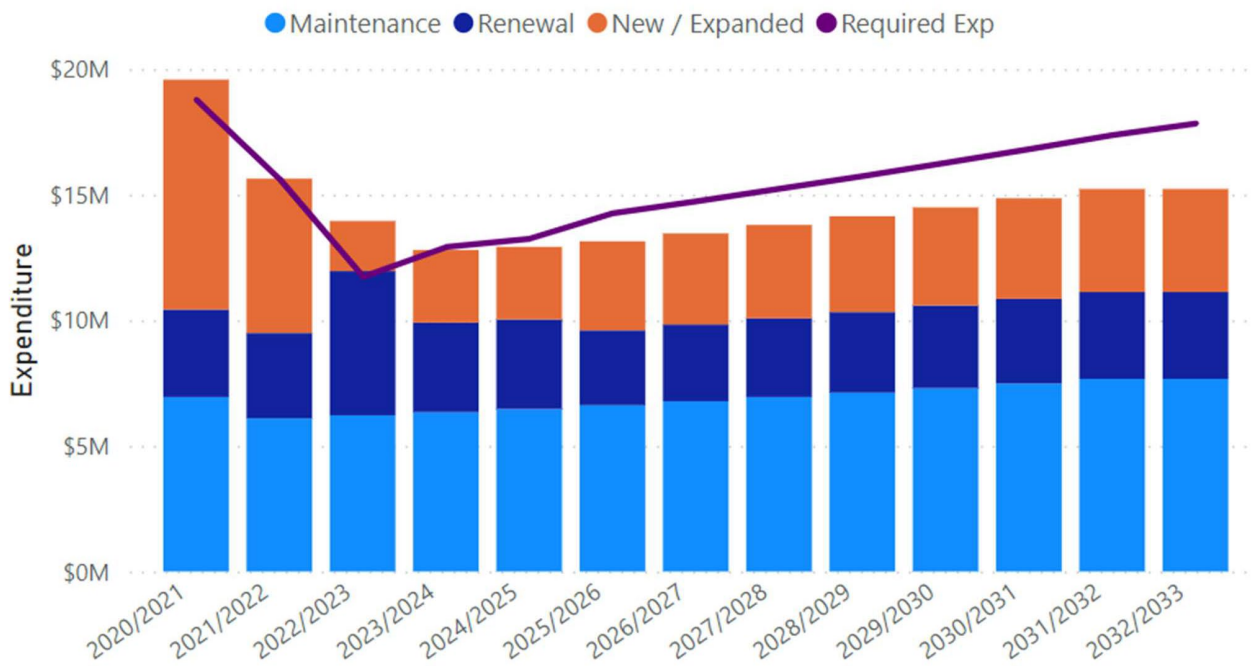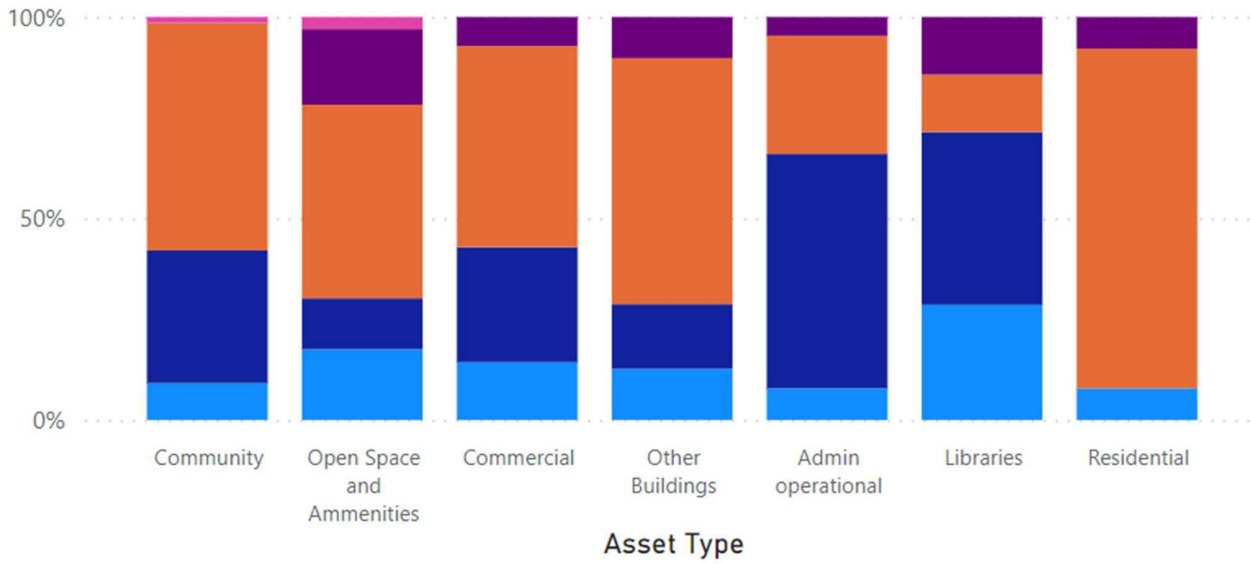
A1.4   Other structures portfolio overview

Asset Class Overview

Asset class   ⌄

| Other Structures | ⌄ |

Gross Replacement Cost
$6.67M

Written Down Value
$4.51M

Consumption Ratio
67.59%

Average Annual Funding Surplus/Gap
($220.09K)
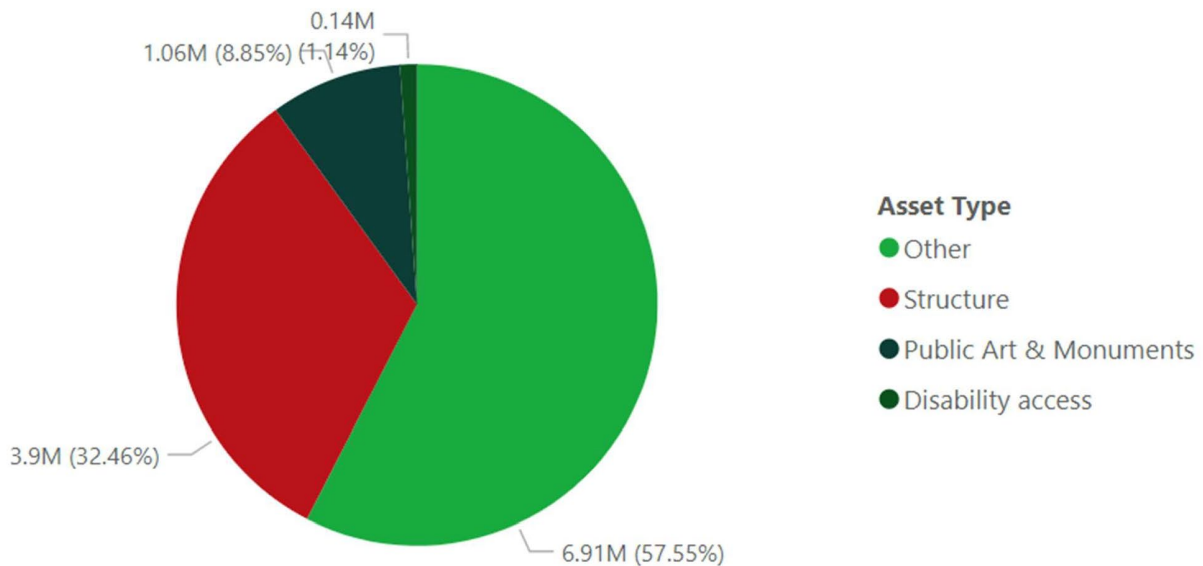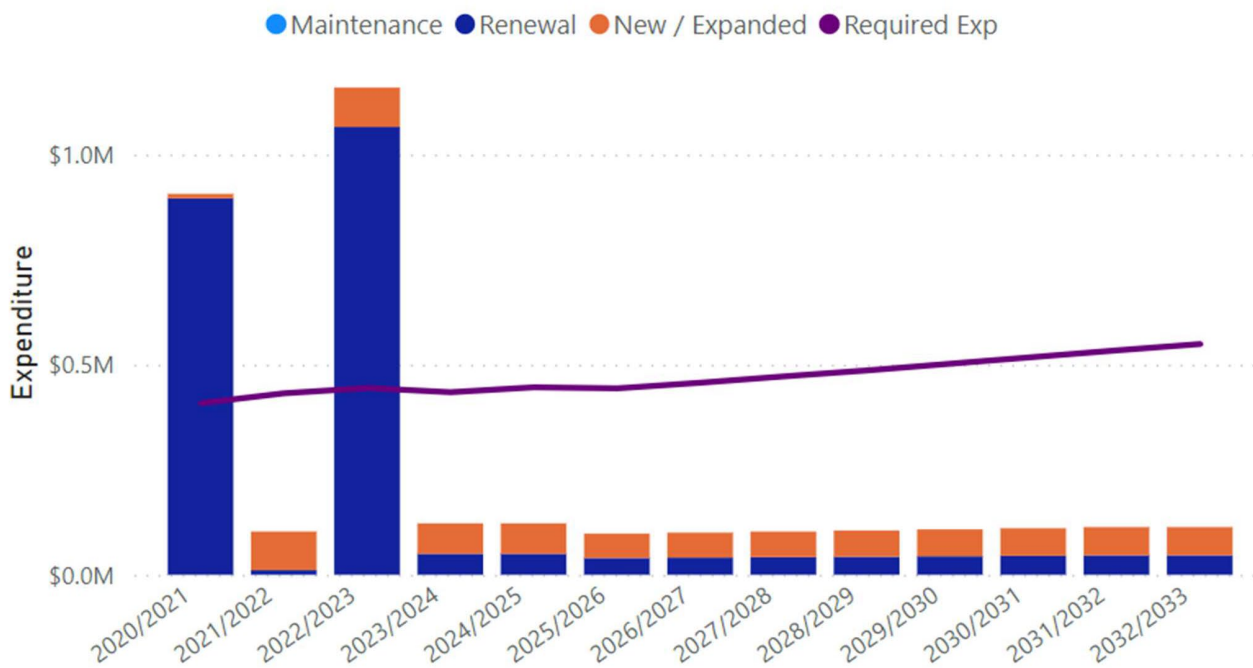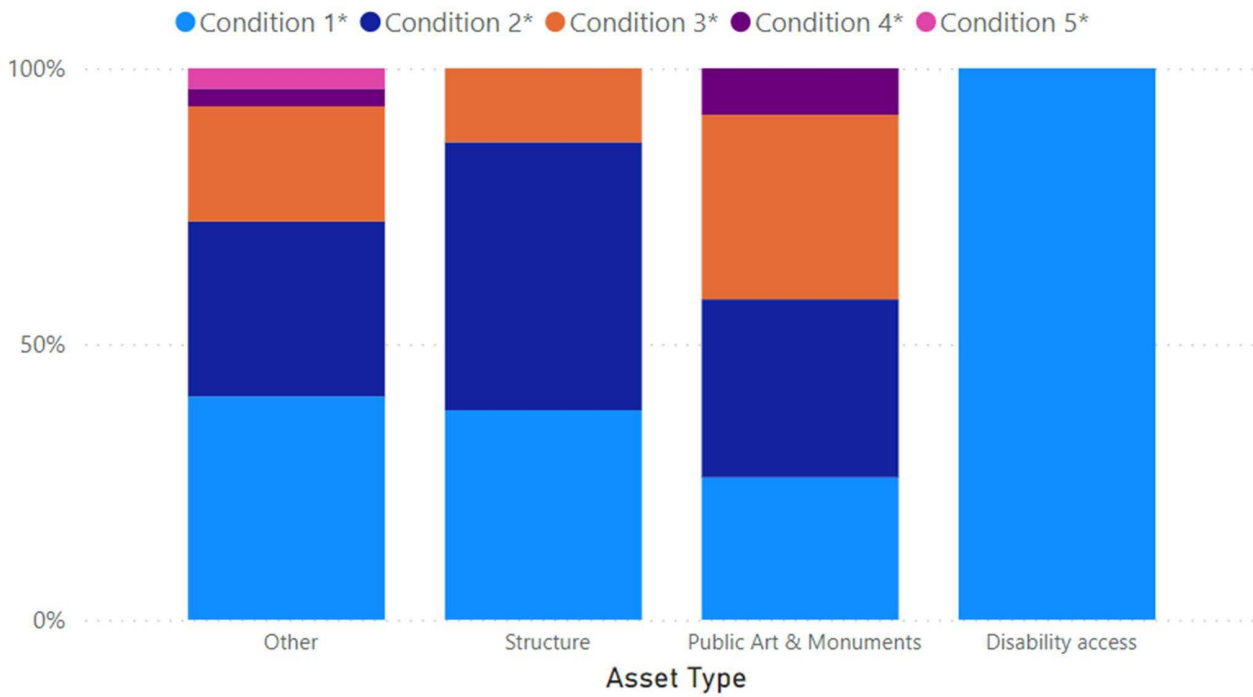
Backlog Ratio
1.74%

Portfolio Below Satisfactory
6.33%

Total by Asset Type

0.14M
1.06M (8.85%) (1.14%)

3.9M (32.46%)

6.91M (57.55%)

Asset Type
- Other
- Structure
- Public Art & Monuments
- Disability access

A1.5 Asset inventory, values and condition

Council's structure assets data is comprehensive and up to date, with its building assets having been revalued as of the 30 June 2021 and other structure assets having been revalued as of the 30 June 2019. Council will continue to ensure the integrity of its asset data through continuous monitoring of its assets and planned revaluations in accordance with Council's Revaluation Policy. The table below provides a summary of the value and condition of Council's buildings and other structure assets.

Table 2 Structures – inventory and condition

Asset group	Asset category	No	Gross replacement cost (CRC) $ 000's	Written down value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
						1	2	3	4	5
Buildings										
	Admin operational	42	$25,884.60	$15,162.95	$458.79	7.8%	58.2%	29.3%	0.0%	4.6%
	Community	34	$64,730.65	$39,990.32	$1,138.13	9.1%	32.9%	56.5%	0.0%	0.0%
	Residential	6	$7,791.70	$3,409.65	$136.53	7.9%	0.0%	84.3%	0.0%	7.9%
	Open Space and Amenities	98	$61,111.90	$33,956.76	$1,011.87	17.6%	12.6%	48.1%	0.0%	18.7%
	Commercial	14	$46,649.59	$26,307.91	$796.15	14.3%	28.5%	49.9%	0.0%	7.2%
	Other Buildings	24	$39,354.05	$30,189.91	$722.32	12.7%	16.1%	61.0%	0.0%	10.2%
	Libraries	7	$24,897.60	$21,663.17	$461.93	28.6%	42.9%	14.3%	0.0%	14.3%
	Sub total		**$270,420.09**	**$170,680.66**	**$4,725.74**	**17.41%**	**20.98%**	**48.66%**	**12.05%**	**0.89%**
Other structures										
	Other	35	$1,695.82	$913.26	$44.94	6.32%	32.89%	41.16%	18.97%	0.65%
	Public art and monuments	115	$1,070.98	$695.55	$16.68	25.62%	32.80%	33.22%	8.36%	0.00%
	Structure	35	$3,898.68	$2,896.38	$96.64	37.99%	48.61%	13.40%	0.00%	0.00%
	Sub total		**$6,665.47**	**$4,505.19**	**$158.26**	**27.95%**	**42.07%**	**23.65%**	**6.17%**	**0.16%**
Grand total			**$277,085.56**	**$175,185.85**	**$4,884.00**	**17.66%**	**21.49%**	**48.06%**	**11.91%**	**0.87%**

A1.6 Asset based level of service

Bayside Council's structures portfolio provides facilities so that the local community and visitors can participate in a wide variety of recreational, cultural, educational and social activities. The Council's administration building and depots are the base for Council's employees who deliver essential services to the community.

Table 3 Buildings assets – service levels

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Accessibility	Provision of sufficient facilities to meet needs.	Customer complaints		
	Residents are aware of the range of facilities available and how to access them.	Customer satisfaction survey or consultations	• 80% of the community are aware of the facilities available to them.	
	Provide adequate physical access to facilities.	Disability Discrimination Act (DDA) compliance	• 80% of public facilities are DDA compliant. • Less than 5 complaints per year about problems with access for disabled people.	
Quality/condition	Facilities provide a good quality experience for all users and customers.	Customer complaints	• User groups consulted once a year on their current and future facilities needs. • High level of compliance with key performance indicators for maintenance and cleanliness as measured through cleaning diary audits. • 80% of people agree that facilities are well appointed and comfortable.	
	Percent of physical assets in condition 3 or better.	Condition assessment	• 90% for all assets (by value).	
Reliability/responsiveness	Ensure services are reliable.	Community satisfaction survey	• 80% of the occupiers are satisfied with maintenance response times and security of tenure. • Tenants and users are advised at least 24 hours prior to any scheduled shut down. • Urgent maintenance requests resolved within 48 hours.	

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Community satisfaction and involvement	Opportunity for community involvement in decision making are provided.	Asset Management Plan	• The Structures Asset Management Plan is available on the website and for circulation to the public.	
	Service provide social benefit to the whole community.	Community satisfaction report	• At least 70% of the community agree that they have average or better facilities.	
Affordability	The services are affordable and managed using the most cost-effective methods for the required level of service.	Review of service agreements and benchmark with other councils	• Total operating and maintenance are not greater than benchmarking against comparable regional councils. • All new and upgrade projects are planned and managed effectively and delivered on time, within scope and approved budget.	
Sustainability	Assets are managed with respect for future generations.	Lifecycle approach to managing assets	• Prepare a ten-year asset condition and age-based renewals plan. Ensure the plan is approved by Council and updated every 4 years.	
	Assets meet financial sustainability ratios.	Consumption ratio	• Between 50% and 75%.	
		Renewal funding ratio	• Between 90% and 110%.	
		Long term funding ratio	• Between 95% and 105%.	
Health and safety	Ensure buildings/facilities are safe and do not cause a hazard to people.	Quarterly inspections, operational reports and safety audits	• Fewer than five reported incidents which can be attributed to poorly maintained facilities. • Annual Fire Safety Statements are certified for each facility requiring it. • Quarterly safety inspections are carried out for each facility. • Fewer than five injury accidents as a result of building hazards reported per building per year.	
	A safe working environment provided for people involved in providing the service.	WH&S reported incidents	• The number of lost time injuries is less than 12 per year. • The number of Workers Compensation claims is less than six per year.	

☐ Morrison Low

A1.7   Future demand/demand management plan

Council evaluates the demand for services and the assets required to deliver them. Bayside's demand for new services will be managed through a combination of:

- managing existing assets
- upgrading of existing assets
- provision of new assets.

Demand management practices include non-asset solutions, insuring against risks and managing failures.

Council will continue to engage the community to monitor community priorities, needs and expectations regarding its buildings and other structure assets and services, to ensure that increased demand is met with sensible, sustainable and community driven planning.

Table 4 Structures assets – future demand impacts

Demand factor	Impact on assets	Demand management plan
Population	Places pressure on existing Council facilities particularly around areas of high density.	Ensure that capacity and functionality of Council's assets is monitored and forms part of the decision-making process regarding Council's capital works program.
Demographics	As the population ages, buildings and their surrounds (such as footpaths, car parks) and furniture may need to be upgraded to cater to a slower and less mobile population.	Modify or upgrade the facilities to meet the age ratios within the areas. multi age suitable premises to be included in design briefs for new buildings.

A1.8   Current practices

A1.8.1   Maintenance strategies

Council's buildings and facilities are continuously monitored and maintained to a safe standard that will maximise their long-term benefit to the community and in accordance with priorities set through comprehensive asset management planning. Monitoring and maintenance is prioritised based upon the criticality of Council's Structures assets.

A1.8.2   Renewal strategies

Renewals are forecast based upon the lifecycle stage of the assets in conjunction with condition assessments. The condition of the renewable components of buildings assets are assessed in conjunction with the revaluation cycle and are updated accordingly in the Council asset management register.

Generally, renewals relating to buildings will take place on a component by component basis, e.g. kitchen, rather than whole of building renewal. In certain circumstances the service offering of the building, even when renewed on a component basis, will not meet community's expectations on service delivery. In these cases, renewal may occur by building replacement. This is usually triggered when the building lacks capacity to meet a changed need or that demand has changed to such a degree that the functionality of the existing building is no longer adequate.

A1.9 Expenditure projections ($, 000s)

Asset lifecycle costs are the average costs required to sustain an asset over its useful life. These costs have been projected forward for the next ten years to inform Council's Long-Term Financial Plan. The table below compares Council's planned expenditure against the expenditure required to sustain its current levels of service.

Table 5 Buildings assets – expenditure projections

Budget gap by asset group	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032
Actual												
Renewal	$3,482	$3,400	$5,718	$3,565	$3,565	$2,984	$3,056	$3,132	$3,211	$3,291	$3,373	$3,457
New and expanded assets	$9,152	$6,141	$1,835	$2,889	$2,889	$3,541	$3,626	$3,717	$3,810	$3,905	$4,003	$4,103
Operations and maintenance	$6,946	$6,096	$6,218	$6,342	$6,469	$6,618	$6,777	$6,946	$7,120	$7,298	$7,480	$7,667
Total expenditure	**$19,580**	**$15,637**	**$13,771**	**$12,797**	**$12,924**	**$13,144**	**$13,459**	**$13,796**	**$14,140**	**$14,494**	**$14,856**	**$15,228**
Required												
Required renewal (depreciation)	$4,726	$4,359	$4,474	$4,609	$4,759	$4,928	$5,107	$5,293	$5,484	$5,681	$5,885	$6,096
New and expanded assets	$9,152	$6,141	$1,835	$2,889	$2,889	$3,541	$3,626	$3,717	$3,810	$3,905	$4,003	$4,103
Required O&M	$4,895	$5,119	$5,255	$5,412	$5,589	$5,788	$5,998	$6,216	$6,440	$6,672	$6,912	$7,159
Total	**$18,773**	**$15,619**	**$11,564**	**$12,910**	**$13,238**	**$14,257**	**$14,732**	**$15,225**	**$15,734**	**$16,259**	**$16,800**	**$17,358**
Overall GAP (surplus)	**$808**	**$18**	**$2,207**	**-$113**	**-$314**	**-$1,114**	**-$1,273**	**-$1,430**	**-$1,594**	**-$1,765**	**-$1,943**	**-$2,130**

Table 6 Other structures - expenditure projections

Budget gap by asset group	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032
Actual												
Renewal	$896	$11	$529	$50	$50	$40	$41	$42	$43	$44	$45	$46
New and expanded assets	$11	$92	$0	$73	$73	$58	$59	$61	$62	$64	$66	$67
Operations and maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total expenditure	**$907**	**$103**	**$529**	**$123**	**$123**	**$98**	**$100**	**$103**	**$105**	**$108**	**$111**	**$114**
Required												
Required renewal (depreciation)	$161	$95	$97	$99	$103	$106	$109	$113	$117	$120	$124	$128
New and expanded assets	$11	$92	$0	$73	$73	$58	$59	$61	$62	$64	$66	$67
Required O&M	$237	$245	$250	$258	$266	$275	$284	$293	$302	$312	$322	$333
Total	**$409**	**$432**	**$347**	**$430**	**$441**	**$439**	**$452**	**$467**	**$481**	**$497**	**$512**	**$528**
Overall GAP (surplus)	**$498**	**-$329**	**$182**	**-$307**	**-$319**	**-$341**	**-$352**	**-$364**	**-$376**	**-$389**	**-$401**	**-$415**

Table 7 Consolidated buildings and other structures assets – expenditure projections

Budget gap by asset group	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032
Budgeted expenditure	$20,487	$15,740	$14,300	$12,919	$13,046	$13,242	$13,559	$13,898	$14,246	$14,602	$14,967	$15,341
Required expenditure	$19,181	$16,051	$11,911	$13,340	$13,679	$14,696	$15,184	$15,692	$16,215	$16,755	$17,312	$17,886
Overall GAP (surplus)	**$1,305**	**-$311**	**$2,389**	**-$420**	**-$633**	**-$1,454**	**-$1,625**	**-$1,794**	**-$1,970**	**-$2,153**	**-$2,345**	**-$2,545**

Figure 1 Building's expenditure summary

Asset class

Buildings

Average Annual Maintenance Gap

826.20K

Average Annual Renewal Gap

-1.69M

Expenditure Gap

● renewals Gap ● Maintenance Gap
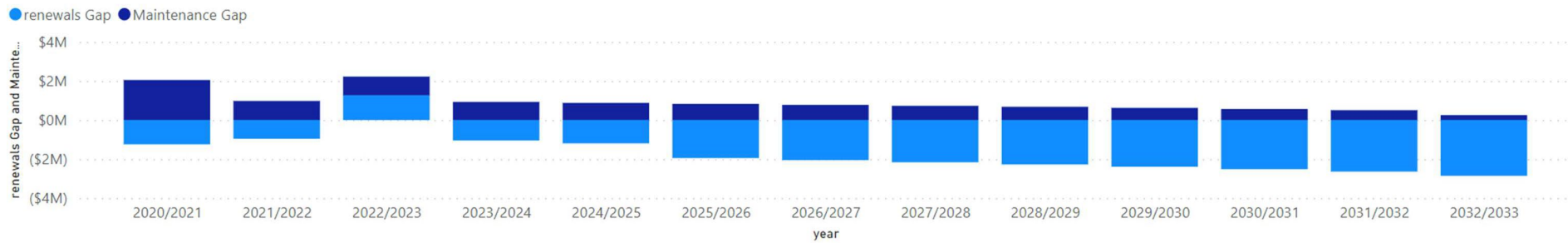
Cummulative Expenditure Gap

Figure 2 Other structures expenditure summary

Asset class ⌄

Other Structures ⌄

Average Annual Maintenance Gap

-289.28K

Average Annual Renewal Gap

69.19K

Expenditure Gap

● renewals Gap ● Maintenance Gap

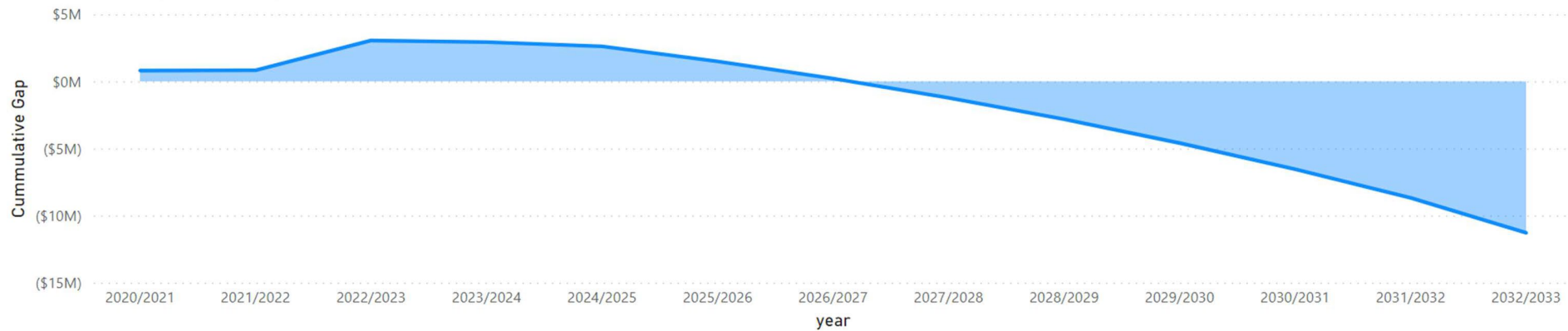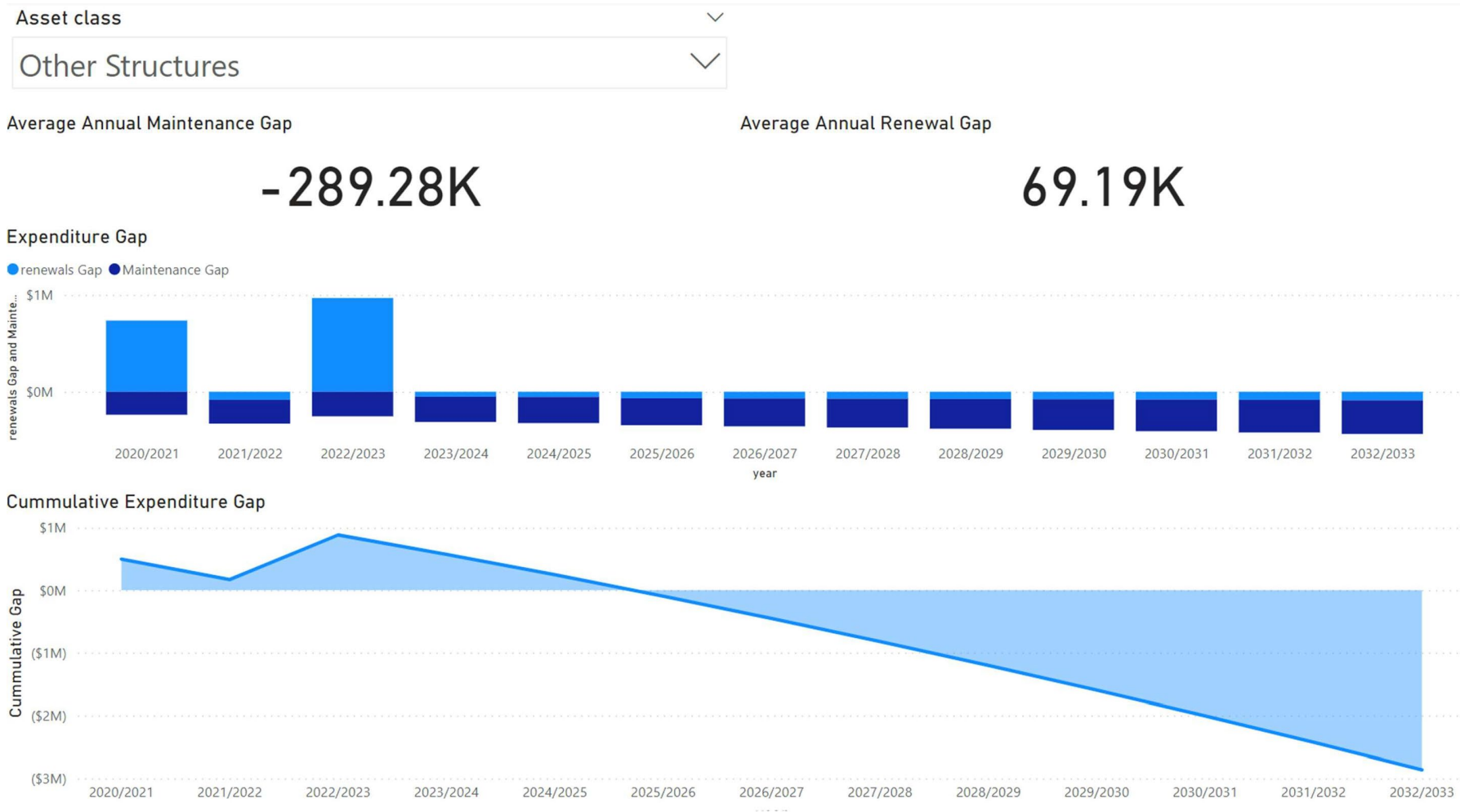**Cummulative Expenditure Gap**

Figure 3 Consolidated structures expenditure summary

Asset class

Multiple selections ∨

Average Annual Maintenance Gap
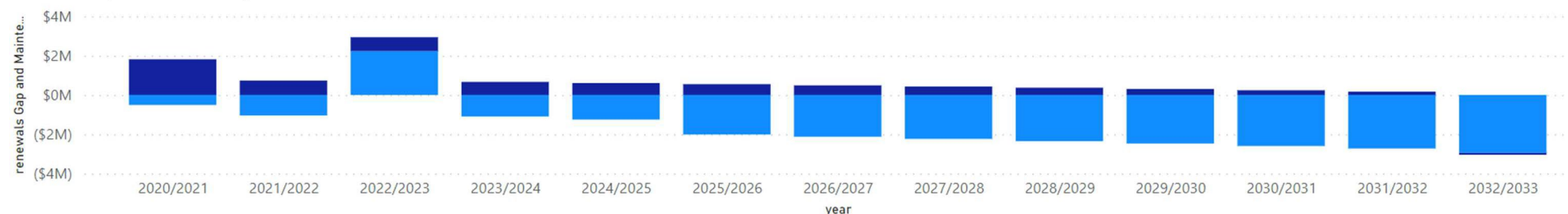
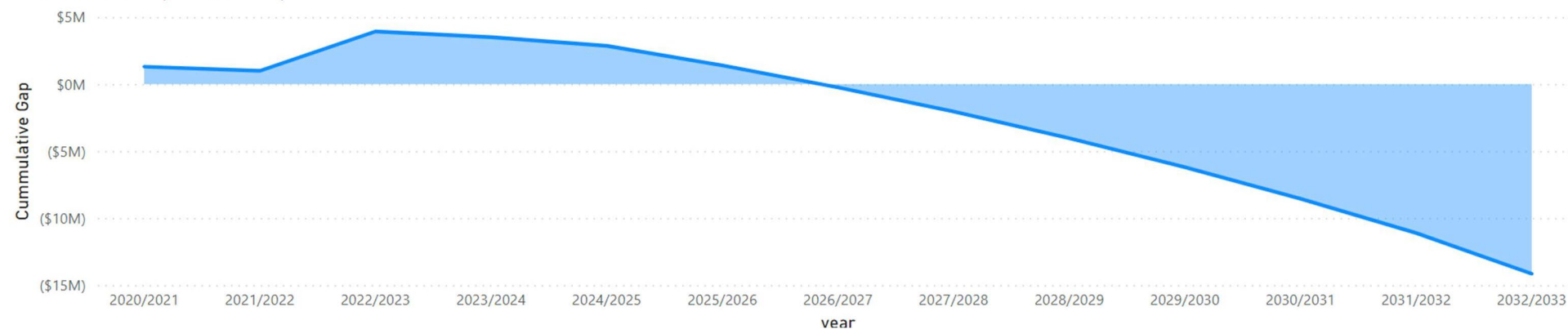# 536.92K

Average Annual Renewal Gap

-1.63M

Expenditure Gap

● renewals Gap ● Maintenance Gap

Cummulative Expenditure Gap

A1.10   Financial ratios

The Office of Local Government has established financial benchmarks for councils to strive towards and adhere to. The charts below showcase Council's current financial service levels and the impacts of Council's projected expenditure upon these service levels.

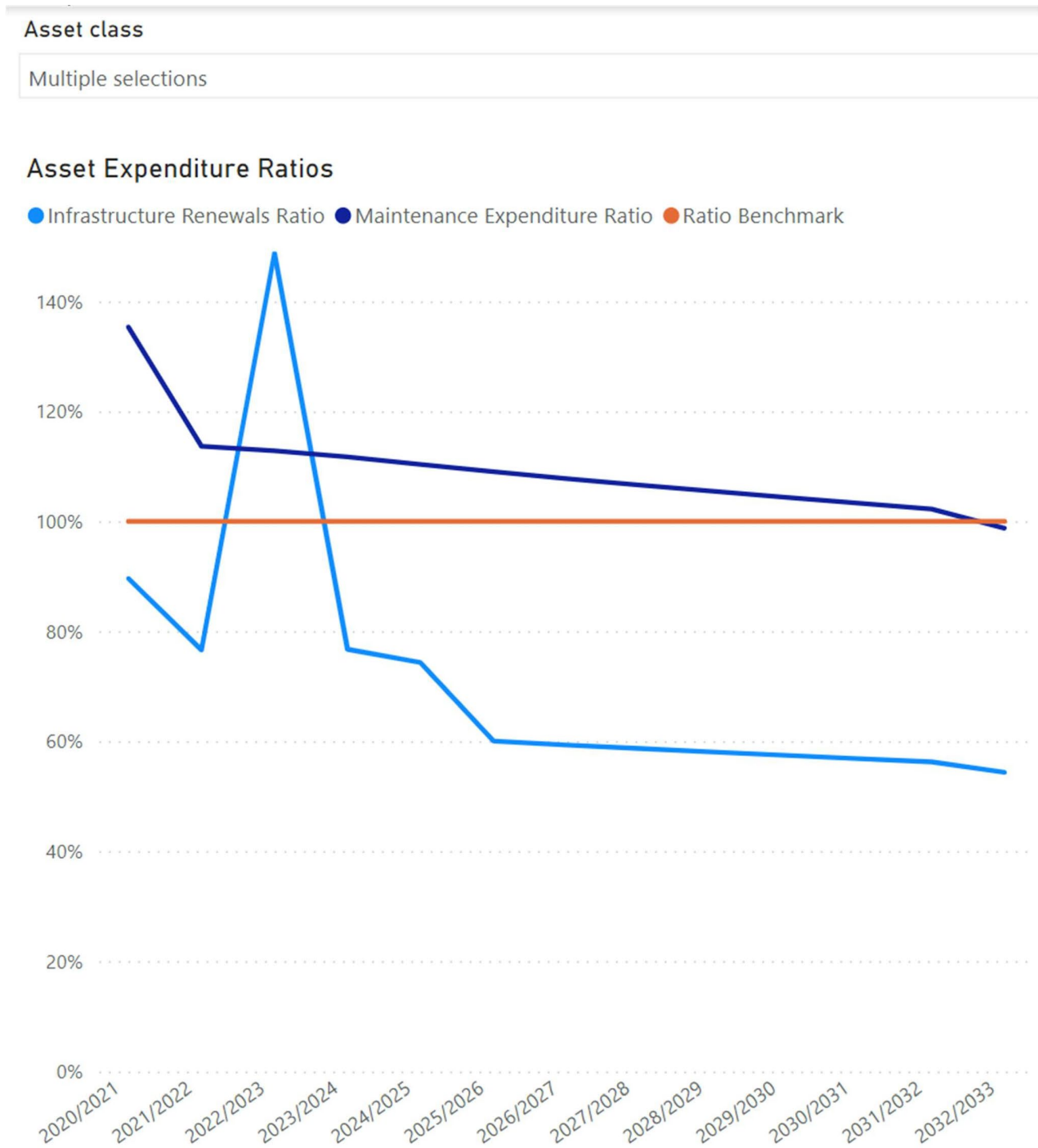**Figure 4 Buildings and other structures OLG expenditure ratios**

Asset class

Multiple selections

Asset Expenditure Ratios

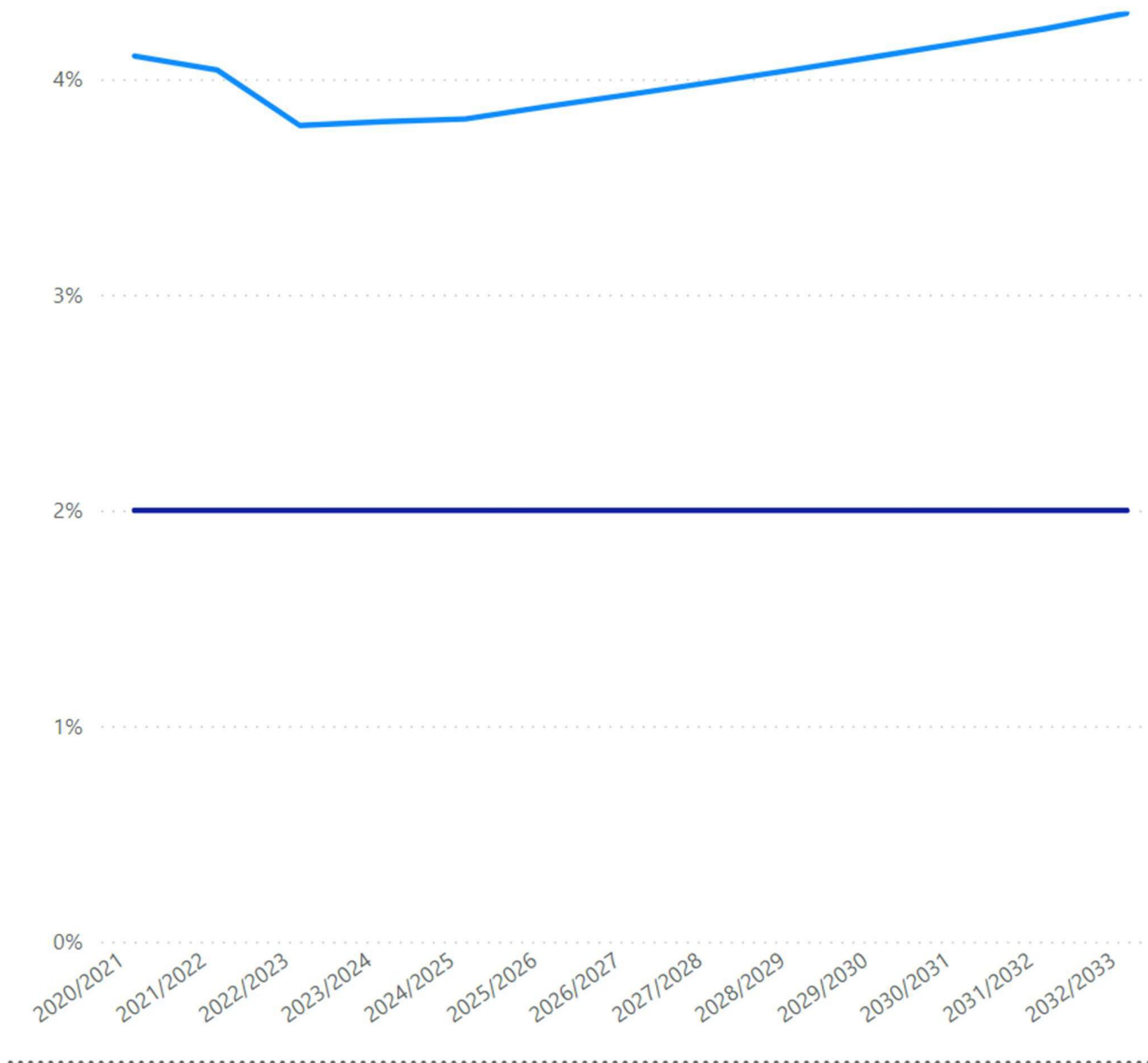● Infrastructure Renewals Ratio ● Maintenance Expenditure Ratio ● Ratio Benchmark

Figure 5 Buildings and other structures OLG backlog ratios

Backlog Ratio

● Infrastructure Backlog Ratio ● Backlog Benchmark

(Y-axis: 0%, 1%, 2%, 3%, 4%)

(X-axis: 2020/2021, 2021/2022, 2022/2023, 2023/2024, 2024/2025, 2025/2026, 2026/2027, 2027/2028, 2028/2029, 2029/2030, 2030/2031, 2031/2032, 2032/2033)

A1.11   Risk

A1.11.1   Critical assets

The following attributes of an asset were considered when looking at critical building assets.

Table 8 Building assets – criticality factors

Confidence grade	High (score = 9)	Medium (score = 6)	Low (score = 3)
Civic purpose	Yes		
Size	Large (1000sqm approx.)	Medium (300sq approx.)	Small (<300sqm)
Multipurpose	>5 users	5 -2 users	1 additional user
Leased (involving commercial component, market terms or residential occupancy)	Commercial	Residential	
Frequency of use	Daily	2 - 4 time per week	1 time per week
Capacity	>100	50 - 100	<50
Hazardous materials stored on site	Yes		
Historical significance	Yes		
Emergency service/management use	Yes		

Based on the criticality scoring matrix above, Council has identified critical assets from the former Rockdale LGA. These include:

- Rockdale Town Hall/Rockdale Library and Community Centre
- Rockdale Administration Building
- Brighton Baths
- Depena Reserve Restaurant
- Bexley Depot
- Bexley Aquatic Centre
- 1 Market St - Council Carpark and Commercial Centre
- Muddy Creek Reserve Community Centre
- Bexley Golf Club House
- Syd Frost Memorial Hall
- Ramsgate SLSC
- Arncliffe Library
- Kogarah Disability Service Centre.

A1.11.2   Risk management

As an owner of property that is available for Council and community use. Council must manage its property portfolio in a manner that reduces risk and meets community expectations.

A1.12   Confidence levels

The confidence in the asset data used as a basis for the forecasts has been assessed using the following grading system.

Table 9 Building assets – data confidence rating

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

The overall confidence level of the plan is reliable**.**

A1.13   Main findings

While Council's buildings and other structures asset data is comprehensive and of high quality allowing for effective condition-based lifecycle planning, further work is required with respect of Council's levels of service. While levels of service currently exist, it is unclear whether they are being tracked and reported on and whether they were developed with community consultation. To ensure effective lifecycle planning, capacity and functionality should be a key consideration in conjunction with condition data and this should be captured as part of Council's levels of service.

A1.14   Improvement plan

Table 10 Buildings and other structures assets – improvement plan

Improvement action	Effect on AMPs	Priority
Engage community with respect to levels of service.	Lifecycle planning will be aligned with community expectations.	Medium
Review functionality and capacity needs of assets.	Lifecycle planning will be aligned with community needs.	Medium
Identify 10-year planned expenditure and budget.	Financial sustainability modelling reflective of Council capacity and needs.	High
Identify critical assets for the former Botany LGA.	Risk adequately identified and managed for Council's assets.	High
Develop core infrastructure risk management plans for Council's structures assets.	Risk adequately identified and managed for Council's assets.	Medium

Appendix 2   Asset Management Plan – Transport

The provision of well maintained, safe and integrated transport infrastructure is critical to supporting Council's community in their residential, business and leisure activities. It facilitates the provision of multiple services by enabling the transportation of goods, materials and people and therefore can be considered a 'core' service of Council. Council's transport portfolio includes roads, kerb and gutter, footpaths, bridges and culverts, as well as other roads infrastructure assets.

A2.1   Purpose of this plan

The purpose of this Asset Management Plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a ten year planning period.

The Asset Management Plan provides a long-term assessment of the activities and actions required to deliver services related to transport infrastructure assets. This Asset Management Plan documents the levels of service currently provided, future demands on assets, as well as planned improvements. They take a 'whole of life' approach to managing transport infrastructure assets.

This Asset Management Plan details the methods Council uses to operate and maintain the transport infrastructure asset network to achieve the following objectives:

- ensure the assets are maintained at a safe and functional standard
- ensure that all future asset financial commitments are identified and planned for in future operating budgets
- ensure that all assets are assessed, maintained, and serviced to the highest possible standard
- ensure that service levels are matched as closely as possible to the Council's ability to fund the service in a sustainable way
- develop cost-effective asset management strategies for the long term.

A2.2   Introduction

A2.2.1   Stakeholders

Key stakeholders must be considered in the preparation and implementation of this Asset Management Plan to ensure the value of services justifies investment in the assets. It also ensures there is a greater understanding of stakeholders' expectations with regards to the facilities and services provided by Council.

Key stakeholders in preparation of this Asset Management Plan are:

- **Councillors** – adopt the plan and ensure enough resources are applied to manage the assets and stewardship responsibility for the control and care of Council's transport infrastructure.
- **Executive Committee (Exco) –** report on the status and effectiveness of current asset management processes at Council.
- **Asset Management Team** – coordinate development and implementation of Asset Management Plans and asset management related matters.

- **Asset managers –** implementation of Asset Management Plans and management of assets under their direct control.
- **Federal and state government authorities and agencies –** regulate practice and requirements through legislation.
- **Council staff -** responsible for the timely completion of tasks allocated to them from within the plans.
- **Community -** core users of Council's assets. Their needs and aspirations are conveyed to Council through community engagement informing Council's Community Strategic Plan and will be reflected in the levels of service of Council's assets.

A2.2.2   Legislative requirements

This Asset Management Plan was made in accordance with the following documents and legislative requirements.

Table 1 Transport Legislative requirements

Legislation	Requirement
Local Government Act (1993)	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a Long-Term Financial Plan supported by asset management plans for sustainable service delivery.
Road Act 1993	Sets out the rights of members of the public to pass along public roads, the rights of persons who own land adjoining a public road to have access to the public road, and to establish the procedures for the opening and closing of a public road, to provide for the classification of roads, to provide for the declaration public authorities as roads authorities for both classified and unclassified roads, to confer certain functions (in particular, the function of carrying out road work), and to regulate the carrying out of various activities on public roads.
Environment Planning and Assessment Act 1979	Sets out to encourage the proper management, development and conservation of natural and artificial resources for the purpose of promoting the social and economic welfare of the community and a better environment and the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats.
Workplace Health and Safety Act 2011	Protecting workers and other persons against harm to their health, safety and welfare through the elimination or minimisation of risks arising from work.
Disability Discrimination Act 1992	To eliminate, as far as possible, discrimination against persons on the grounds of disability in the areas of the provision of goods, facilities, services and land.
Australian Accounting Standard AASB116	Reporting on asset condition and consumption to councillors, management and the community.

Legislation	Requirement
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects the council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.

A2.2.3 Links to Council policy, plans and strategies

This Asset Management Plan has been informed by the following Council plans and strategies.

- Bayside 2030 – Community Strategic Plan
- Bayside 2030 – Resourcing Strategy
- Asset Management Policy
- Risk Management Policy
- 'Core' Infrastructure Risk Management Plan - Transport Assets.

A2.3 Roads and kerb and gutter portfolio overview

Asset Class Overview

Asset class

Roads Infrastructure ⌄

Gross Replacement Cost
$569.72M

Written Down Value
$417.93M

Consumption Ratio
73.36%

Average Annual Funding Surplus/Gap
($6.97M)

Backlog Ratio
0.15%

Portfolio Below Satisfactory
0.44%

Total by Asset Type
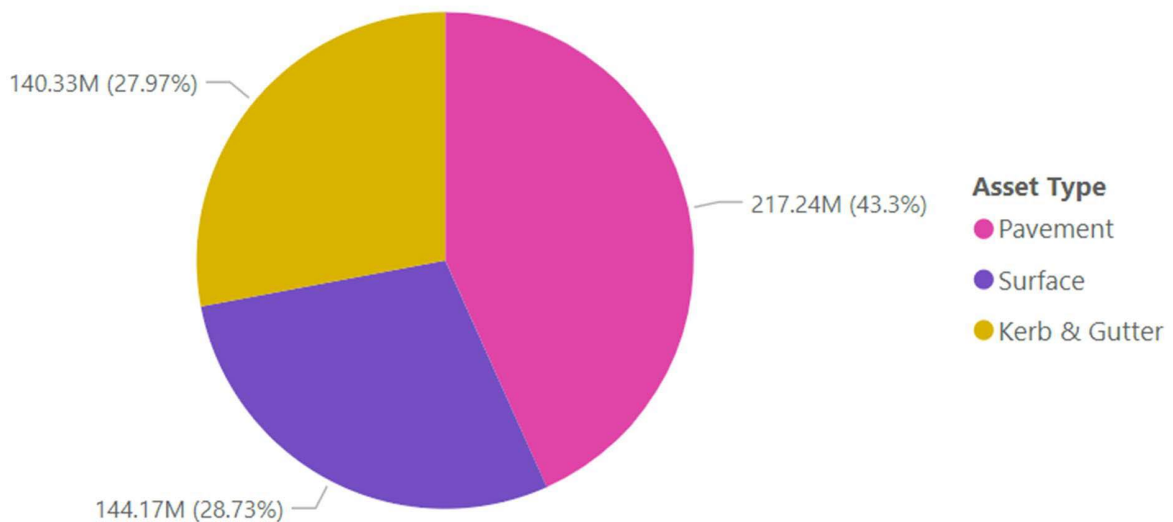
140.33M (27.97%)

217.24M (43.3%)

144.17M (28.73%)

Asset Type
- Pavement
- Surface
- Kerb & Gutter
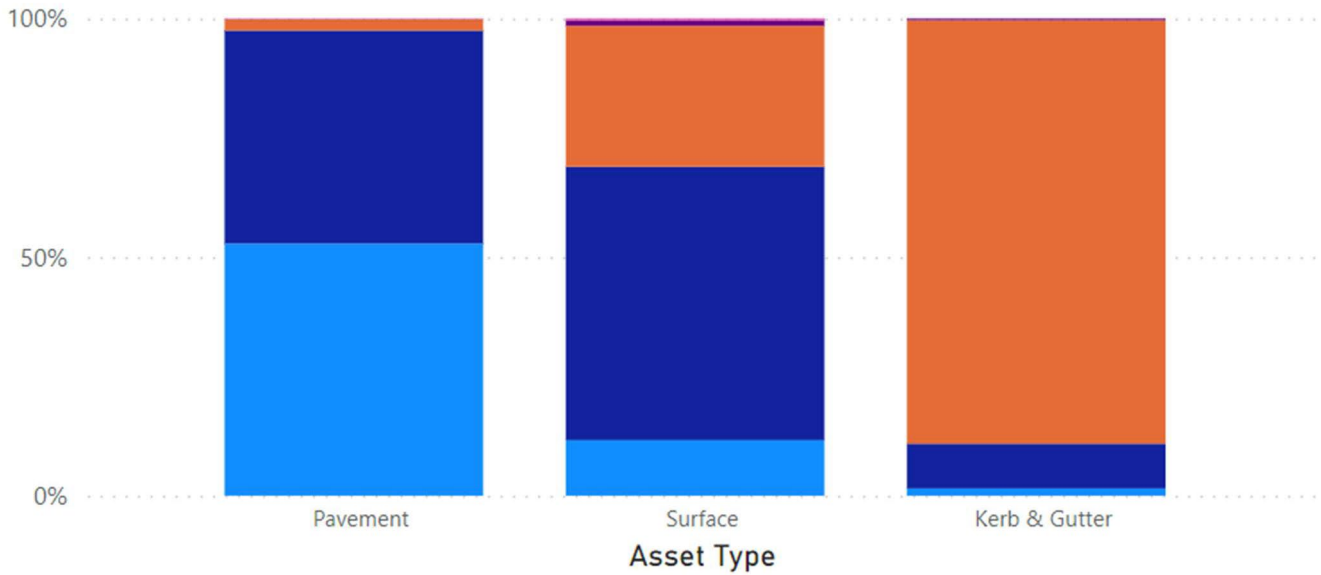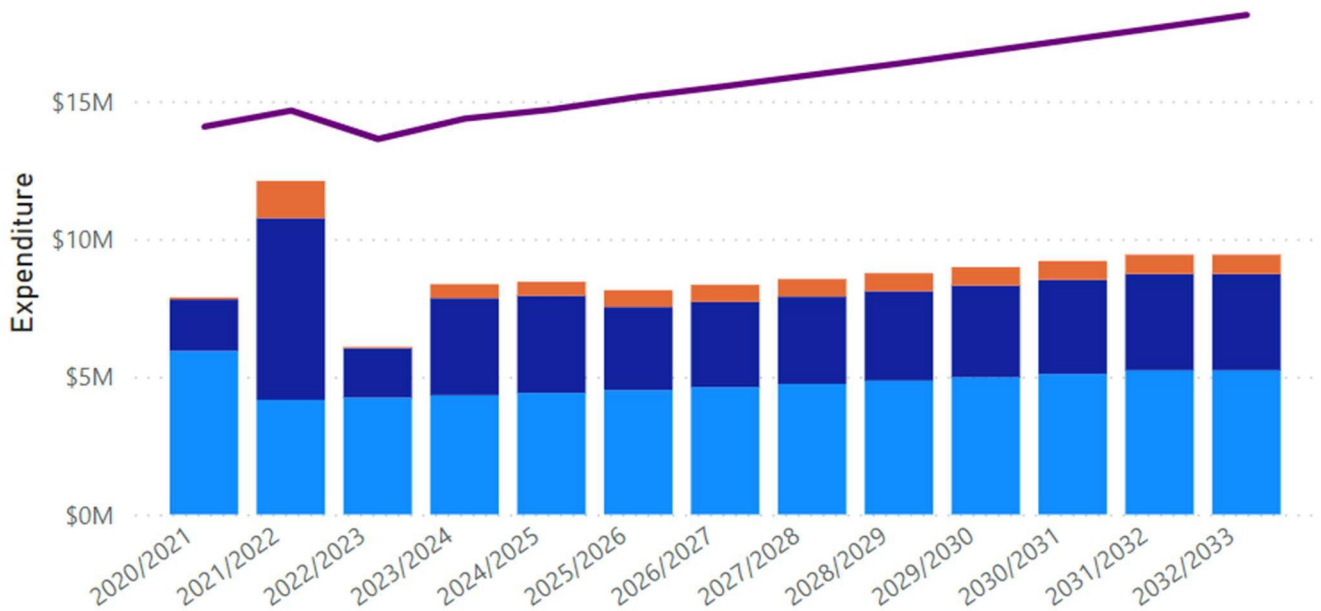
A2.4   Bridges portfolio overview

Asset Class Overview

Asset class

Bridges	∨

Gross Replacement Cost
$9.28M

Written Down Value
$7.67M

Consumption Ratio
82.59%

Average Annual Funding Surplus/Gap
$30.46K

Backlog Ratio
0.11%

Portfolio Below Satisfactory
0.54%

Total by Asset Type

4.52M (48.13%)

4.87M (51.87%)

Asset Type
- ● Foot Bridge
- ● Road Bridge
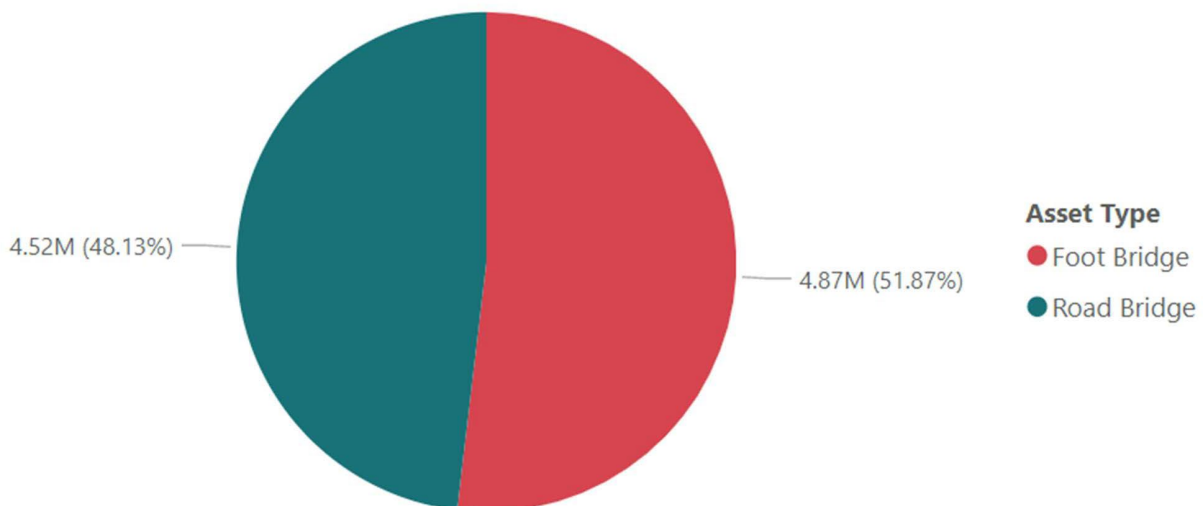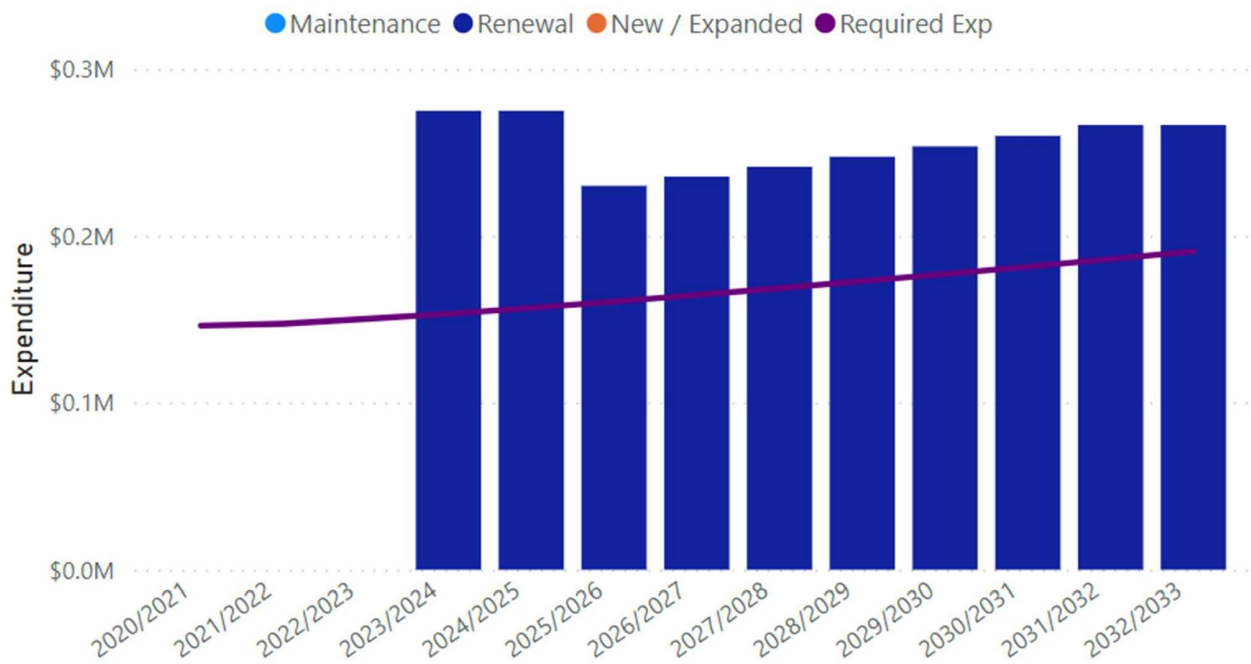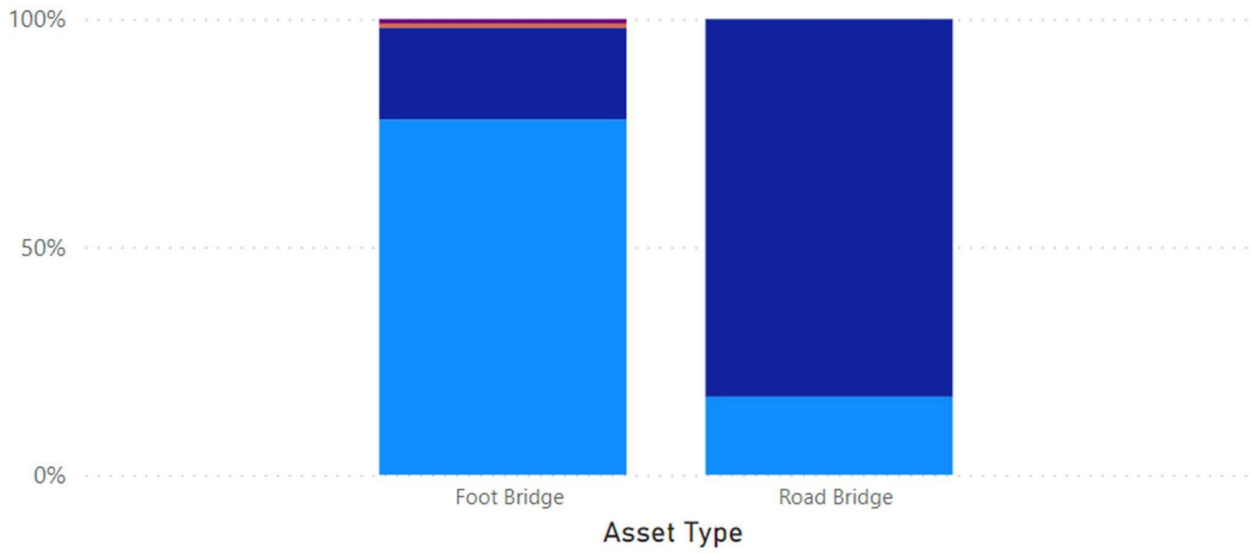
A2.5   Footpaths and other roads assets portfolio overview

Asset Class Overview

Asset class

Footpaths and Other Road Assets ⌄

Gross Replacement Cost	Written Down Value
$254.26M	**$171.32M**

Consumption Ratio	Average Annual Funding Surplus/Gap
67.38%	**($6.57M)**

Backlog Ratio	Portfolio Below Satisfactory
1.95%	**7.02%**

Total by Asset Type

- 2.04M (0.83%)
- 4.29M (1.74%)
- 6.59M (2.67%)
- 14.15M (5.74%)
- 18.92M (7.67%)
- 61.82M (25.08%)
- 116.68M (47.34%)

Asset Type
- ● Concrete Footpath
- ● Bulk Earthworks
- ● Paved Footpath
- ● Car Park
- ● Retaining Wall - Road
- ● Pedestrian Refuge
- ● Traffic Calming Device
- ● Centre Median
- ● Roundabout
- ● Speed Humps & Thresholds
- ● Asphalt Footpath

▼

Condition 1* ● **Condition 2*** ● **Condition 3*** ● **Condition 4*** ● **Condition 5***

Asset Type

● Maintenance ● Renewal ● New / Expanded ● Required Exp

A2.6 Asset inventory, values and condition

Council's transport assets data is comprehensive and up to date, with transport assets having been revalued as of 30 June 2020. Council will continue to ensure the integrity of its asset data through continuous monitoring of its assets and planned revaluations in accordance with Council's Revaluation Policy. The table below provides a summary of the value and condition of Council's transport assets.

Table 2 Transport – inventory and condition

Asset group	Asset category	Gross replacement cost (CRC) $ 000's	Written down value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
					1	2	3	4	5
Roads									
	Surface	$145,649.87	$99,089.66	$3,863.38	11.6%	57.3%	29.5%	1.1%	0.4%
	Pavement	$220,080.55	$181,700.71	$2,472.57	52.8%	44.7%	2.3%	0.1%	0.1%
	Kerb and gutter	$141,649.85	$74,797.14	$1,416.43	1.5%	9.4%	88.8%	0.3%	0.0%
	Sub total	$507,380.27	$355,587.50	$7,752.37	**26.7%**	**38.4%**	**34.3%**	**0.4%**	**0.2%**
Bridges									
	Road bridge	$4,406.56	$3,444.08	$44.07	17.2%	82.8%	0.0%	0.0%	0.0%
	Foot bridge	$4,873.99	$4,221.02	$51.86	78.0%	20.2%	0.8%	1.0%	0.0%
	Sub total	$9,280.55	$7,665.11	$95.93	**48.7%**	**50.3%**	**0.4%**	**0.5%**	**0.0%**
Footpaths and other roads assets									
	Asphalt footpath	$19,029.07	$12,402.87	$475.73	13.6%	37.3%	44.5%	4.7%	0.0%
	Concrete footpath	$2,053.38	$1,244.29	$41.07	11.6%	24.9%	52.0%	11.2%	0.4%
	Paved footpath	$120,601.20	$65,120.05	$1,507.52	6.8%	11.6%	70.1%	11.4%	0.0%
	Stairs	$616.18	$319.17	$7.70	8.2%	9.7%	71.7%	6.2%	4.2%
	Bulk Earthworks	$62,341.59	$62,341.59	$0.00	100.0%	0.0%	0.0%	0.0%	0.0%

Asset group	Asset category	Gross replacement cost (CRC) $ 000's	Written down value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
					1	2	3	4	5
	Bus Shelter	$2,013.02	$1,286.56	$48.35	23.2%	32.6%	34.6%	8.9%	0.7%
	Car Park	$14,579.13	$9,693.04	$243.37	20.5%	44.7%	28.1%	5.4%	1.3%
	Centre Median	$4,339.82	$2,303.03	$57.34	3.2%	11.3%	80.1%	5.2%	0.2%
	Crash Barriers	$1,483.19	$816.88	$23.98	7.5%	15.9%	70.6%	4.3%	1.6%
	Fence	$1,022.85	$645.36	$19.88	19.2%	30.2%	40.8%	9.6%	0.2%
	Pedestrian Crossing	$113.02	$112.94	$1.51	100.0%	0.0%	0.0%	0.0%	0.0%
	Pedestrian Refuge	$4,824.78	$2,686.50	$64.33	4.1%	20.2%	72.1%	2.3%	1.3%
	Planters	$1,526.65	$927.88	$30.47	15.2%	37.1%	36.1%	10.5%	1.2%
	Retaining Wall - Road	$7,931.82	$4,851.27	$100.33	17.8%	14.0%	64.9%	2.9%	0.4%
	Roundabout	$2,811.93	$1,606.02	$37.49	5.7%	17.5%	76.1%	0.7%	0.0%
	Speed Humps & Thresholds	$2,309.40	$1,368.32	$36.12	14.3%	13.7%	67.9%	4.0%	0.0%
	Street Banner Pole	$193.20	$120.20	$3.86	20.7%	21.7%	55.4%	1.1%	1.1%
	Street Lighting	$1,166.22	$888.01	$46.65	48.4%	29.0%	20.7%	1.6%	0.3%
	Traffic Calming Device	$4,251.96	$2,232.58	$56.69	2.4%	15.3%	73.4%	8.0%	0.8%
	Traffic Island	$1,545.47	$865.29	$20.61	11.1%	15.4%	66.4%	2.8%	4.4%
	Traffic Management Devices	$21.03	$9.74	$0.59	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub Total	**$254,774.91**	**$171,841.57**	**$2,823.60**	**9.5%**	**18.0%**	**63.2%**	**9.0%**	**0.3%**
Grand total		**$771,435,737**	**$535,094,182**	**$10,671,896**	**29.6%**	**29.5%**	**38.2%**	**2.5%**	**0.1%**

A2.7   Asset based level of service

Bayside Council provides infrastructure to underpin a service to the community. Consequently, Council has based service level planning around the infrastructure required to provide a desired service, then the operational requirements required to maintain the service.

Table 3 Transport assets – service levels

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Accessibility	The road network is convenient, offers choices of travel, and is available to the whole community.	Continuous monitoring as part of operational activities	80% of residents and businesses think that the network is adequate to carry the vehicles and loadings required.	
Quality/condition	The local road network is strategically and efficiently maintained, renewed and upgraded.	Compliance with road management targets	Maintenance, renewals and upgrades of all roads complies 100% with the road management targets.	
	Footpaths and cycle assets are in good condition and are fit for purpose.	Condition assessment and operational reviews	90% of assets are in condition 3 or better. 90% of the footpaths are within acceptable defect level (less than 10%).	
	Kerb and gutter and traffic assets are in good condition and are fit for purpose.	Condition assessment and operational reviews	90% of assets are in condition 3 or better. 90% of the assets are within acceptable defect level (less than 10%).	
	Business district and residential streets and sumps are cleaned, and litter is removed, so that the streets are tidy and visually appealing.	Customer satisfaction survey	Sweep streets and kerb and gutter in residential streets once every month.	
Reliability/responsiveness	Traffic control systems are designed to improve traffic flow.	Compliance with standards	100% compliance with AS 1348:1 Road and Traffic Engineering and Australian Road Rules legislations.	
Community satisfaction and involvement	Opportunity for community involvement in decision making are provided.	Asset Management Plan	The Transport Asset Management Plan is available on the website and for circulation to the public.	
	Road facilities are provided that meet community demand.	Community satisfaction survey	Satisfaction rating is "satisfactory" or above.	
	Service provide social benefit to the whole community.	Community satisfaction report	Parking occupancy rates do not exceed 80% at times of peak demand.	

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Sustainability	Assets are managed with respect for current and future generations.	Consumption ratio	Between 50% and 75%.	
	Roads assets meet financial sustainability ratios.	Renewal funding ratio	Between 90% and 110%.	
		Long term funding ratio	Between 95% and 105%.	
Health and safety	The network feels safe to use and is regarded safe in comparison to other similar networks.	Annual inspections, operational reports and safety audits	Fewer than five reported safety incidents resulting from road design as factor. Ensure Council complies with the delineation standards for local roads where line marking is provided.	
	Traffic signs and marking are easy to understand.	Routine safety inspections	Less than 10% traffic signs found missing or damaged.	
	Roadworks sites are safely managed.	Routine safety inspections and independent audits	All active roadwork sites are audited at least once per month. 100% compliance achieved at all sites. 60% of residents think that roadwork sites are well managed, signage is clear, and they are safe to pass through.	
	Lighting is provided to enhance safety for all road users and to aid navigation and security.	Compliance and customer surveys	Lighting installations and upgrades comply with AS 1158 for Council owned lighting. Fewer than 10 complaints per year from residents about poor lit areas for Council owned lighting.	
	A safe working environment provided for people involved in providing the service.	H&S reported incidents	The number of lost time injuries is less than 12 per year. The number of Workers Compensation claims is less than 6 per year.	
Affordability	Access to facilities and services is affordable and cost effective.	Review of service agreements and benchmark with other councils	Total maintaining and operating cost per km is maintained in line with benchmarking against comparable metro councils.	

A2.8 Future demand/demand management plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices include non-asset solutions, insuring against risks and managing failures.

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset condition. Examples of non-asset solutions include encouraging community title in development, so the strata body owns the roads and footpaths, but they are available for the public use.

Demand for new services will be managed through a number of strategies:

- supply side - a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand
- regulation - restrict time of use and type of use
- incentives - pricing and subsidies.

Table 4 Transport assets – future demand impacts

Demand factor	Impact on assets	Demand management plan
Population	Roads will become more congested with the increase in population, putting greater strain and usage on transport infrastructure.	Regulatory - heavy vehicle restriction, speed restrictions and local area traffic management. Promote low cost alternatives to road finishes.
Demographics	Increased need for footpath facilitation to accommodate walking frames and mobile scooters in built up areas.	Supply - modification of access to asset, for example in local area traffic management schemes.
Socio-economic	Higher expectation of services and presentation of roads assets, and the way we deliver them.	Operations - consider new technology for maintaining and managing traffic infrastructure.

A2.9 Current practices

A2.9.1 Maintenance strategies

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets functioning, e.g. footpath repair, pothole patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

Condition assessment

Council undertakes complete condition assessments of its transport infrastructure network in five-year cycles. With regards to road pavement, this involves recording the type and extent of cracking, ravelling, surface texture, potholing, road roughness and rutting. A Network Survey Vehicle (NSV) is mounted with a digital laser profiler and digital imaging system to complete the road condition survey. Going forward, it is proposed that condition assessments will be undertaken annually, targeting 20% of the network per year. This should assist in minimising financial modelling issues due to the reliance on one in five-year assessments.

Defect inspection

Council undertakes proactive defect inspections of its transport Infrastructure assets every three months for high use areas and every 12 months for general use areas.

Reactive inspection is undertaken in response to CRMS complaints and is to be resolved within the timelines noted in the levels of service.

Development works inspection and quality testing is undertaken prior to handover of assets from developers to Council. This ensures works have been completed as per Council's technical specifications and standards.

Service level agreement – maintenance of transport assets

A key element of advanced asset management planning is determining the most cost-effective mix of planned and unplanned maintenance. Council is currently in the processes of developing a service level agreement for its transport assets.

The service level agreement defines:

- the inspection frequency for transport infrastructure assets
- the response times for attention to defects identified by inspection
- the works to be performed to address defects identified by inspection
- identify road assets in poor condition to include in Renewal Program.

Standards and specifications for maintenance

Maintenance work is generally carried out in accordance with industry standards and specifications. Further work in developing maintenance service specifications is considered necessary. A comprehensive maintenance specification is currently being developed with works to be included in Council's Improvement Plan.

A2.9.2   Renewal strategies

Council will plan capital renewal and replacement projects to meet service level objectives and minimise infrastructure service risks. The capital program has been primarily driven by asset condition and works are prioritised on the following factors:

- safety risk – accident potential
- heavy vehicle use
- network significance
- cost/benefit
- environmental factors.

A2.10 Expenditure projections ($,000s)

Asset lifecycle costs are the average costs required to sustain an asset over its useful life. These costs have been projected forward for the next ten years to inform Council's Long-Term Financial Plan. The table below compares Council's planned expenditure against the expenditure required to sustain its current levels of service.

Table 5 Roads assets – expenditure projections

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Actual												
Renewal	$1,871	$6,600	$1,756	$3,527	$3,527	$3,022	$3,094	$3,172	$3,251	$3,332	$3,415	$3,501
New and expanded assets	$72	$1,348	$359	$507	$507	$606	$620	$636	$652	$668	$685	$702
Operations and maintenance	$5,935	$4,157	$4,240	$4,325	$4,411	$4,513	$4,621	$4,737	$4,855	$4,977	$5,101	$5,228
Total expenditure	**$7,878**	**$12,105**	**$6,355**	**$8,359**	**$8,446**	**$8,141**	**$8,336**	**$8,544**	**$8,758**	**$8,977**	**$9,201**	**$9,431**
Required												
Required renewal (depreciation)	$8,775	$8,581	$8,759	$8,942	$9,156	$9,386	$9,631	$9,882	$10,140	$10,404	$10,676	$10,954
New and expanded assets	$72	$1,348	$359	$507	$507	$606	$620	$636	$652	$668	$685	$702
Required O&M	$5,226	$4,731	$4,829	$4,930	$5,048	$5,175	$5,310	$5,449	$5,591	$5,737	$5,886	$6,040
Total	**$14,073**	**$14,660**	**$13,946**	**$14,380**	**$14,712**	**$15,167**	**$15,561**	**$15,967**	**$16,382**	**$16,809**	**$17,247**	**$17,696**
Overall GAP (surplus)	-$6,195	-$2,555	-$7,591	-$6,020	-$6,266	-$7,026	-$7,225	-$7,422	-$7,625	-$7,832	-$8,046	-$8,265

Table 6 Bridges - expenditure projections

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Actual												
Renewal	$0	$0	$675	$275	$275	$230	$236	$241	$247	$254	$260	$266
New and expanded assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Operations and maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total expenditure	**$0**	**$0**	**$675**	**$275**	**$275**	**$230**	**$236**	**$241**	**$247**	**$254**	**$260**	**$266**
Required												
Required renewal (depreciation)	$96	$96	$98	$100	$102	$105	$107	$110	$113	$116	$118	$121
New and expanded assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Required O&M	$50	$51	$52	$53	$54	$56	$57	$59	$60	$61	$63	$65
Total	$146	$147	$150	$153	$157	$160	$164	$169	$173	$177	$182	$186
Overall GAP (surplus)	**-$146**	**-$147**	**$525**	**$122**	**$118**	**$70**	**$71**	**$73**	**$75**	**$77**	**$78**	**$80**

Table 7 Footpaths and other roads assets – expenditure projections

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Actual												
Renewal	$1,823	$3,585	$6,303	$2,004	$2,004	$1,693	$1,733	$1,777	$1,821	$1,866	$1,913	$1,961
New and expanded assets	$2,027	$4,040	$6,520	$2,521	$2,521	$2,145	$2,196	$2,251	$2,307	$2,365	$2,424	$2,485
Operations and maintenance	$2,176	$1,690	$1,724	$1,758	$1,793	$1,835	$1,879	$1,926	$1,974	$2,023	$2,074	$2,126
Total expenditure	**$6,027**	**$9,315**	**$14,547**	**$6,283**	**$6,318**	**$5,672**	**$5,808**	**$5,953**	**$6,102**	**$6,255**	**$6,411**	**$6,571**
Required												
Required renewal (depreciation)	$3,314	$3,782	$3,951	$4,067	$4,196	$4,328	$4,467	$4,611	$4,760	$4,913	$5,070	$5,233
New and expanded assets	$2,027	$4,040	$6,520	$2,521	$2,521	$2,145	$2,196	$2,251	$2,307	$2,365	$2,424	$2,485
Required O&M	$3,362	$5,261	$5,497	$5,657	$5,837	$6,020	$6,215	$6,415	$6,621	$6,834	$7,053	$7,279
Total	**$8,703**	**$13,083**	**$15,968**	**$12,245**	**$12,555**	**$12,493**	**$12,878**	**$13,277**	**$13,689**	**$14,112**	**$14,548**	**$14,997**
Overall GAP (surplus)	**-$2,677**	**-$3,768**	**-$1,421**	**-$5,961**	**-$6,236**	**-$6,821**	**-$7,070**	**-$7,324**	**-$7,586**	**-$7,857**	**-$8,137**	**-$8,425**

Table 8 Consolidated transport assets – expenditure projections

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Budgeted expenditure	$13,905	$21,420	$21,577	$14,918	$15,039	$14,043	$14,380	$14,739	$15,108	$15,485	$15,872	$16,269
Required expenditure	$22,922	$27,891	$30,065	$26,777	$27,423	$27,820	$28,604	$29,413	$30,244	$31,098	$31,976	$32,879
Overall GAP (surplus)	**-$9,017**	**-$6,471**	**-$8,487**	**-$11,860**	**-$12,384**	**-$13,777**	**-$14,224**	**-$14,674**	**-$15,136**	**-$15,613**	**-$16,104**	**-$16,610**

Figure 1 Roads expenditure summary

Average Annual Maintenance Gap

-598.84K

Average Annual Renewal Gap

-6.37M

Expenditure Gap
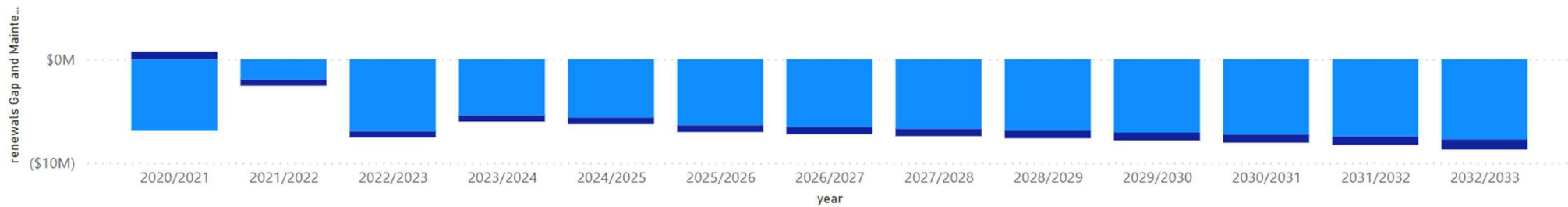
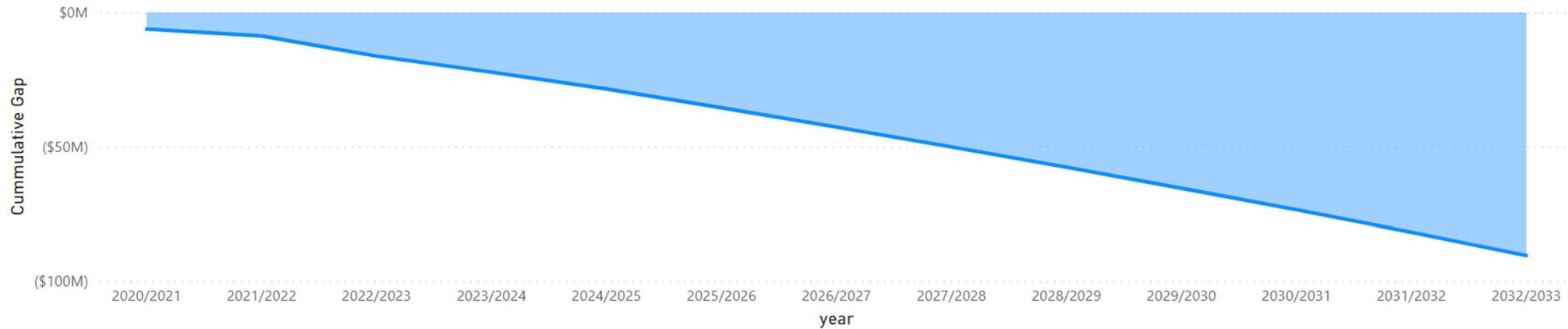● renewals Gap ● Maintenance Gap
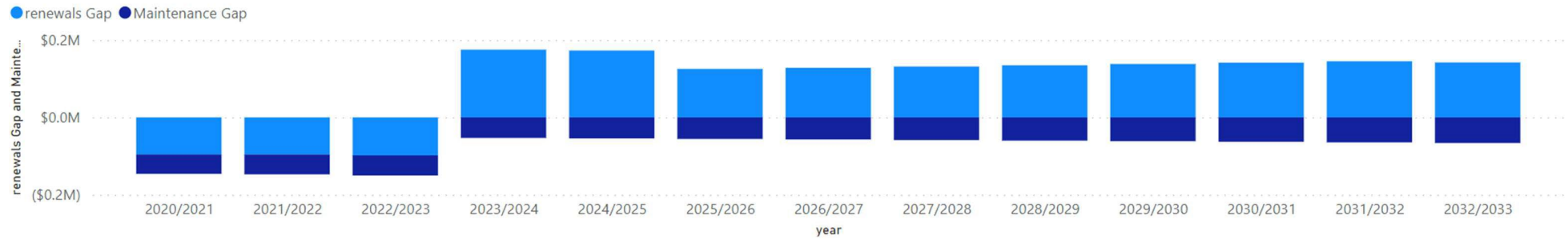
Figure 2 Bridges expenditure summary

Average Annual Maintenance Gap

-57.50K

Average Annual Renewal Gap

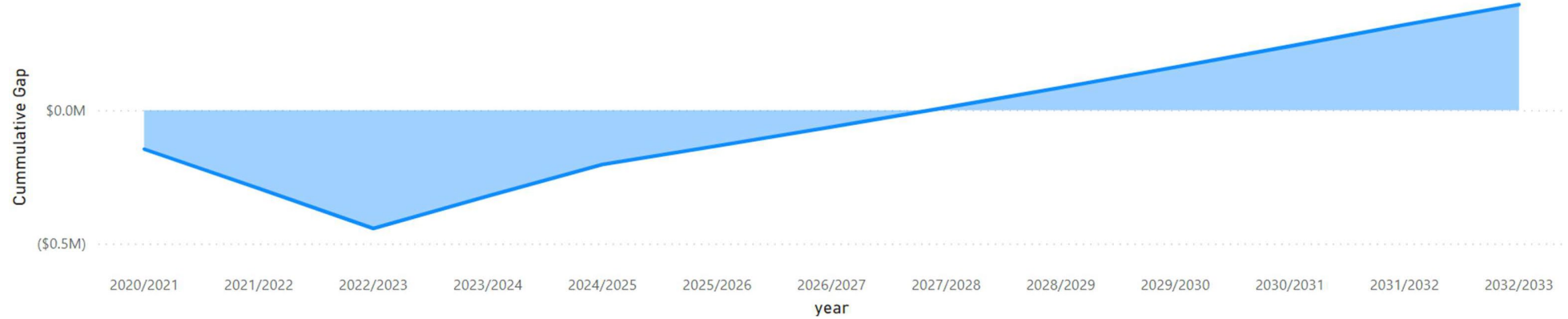## 87.97K

Expenditure Gap

Cummulative Expenditure Gap

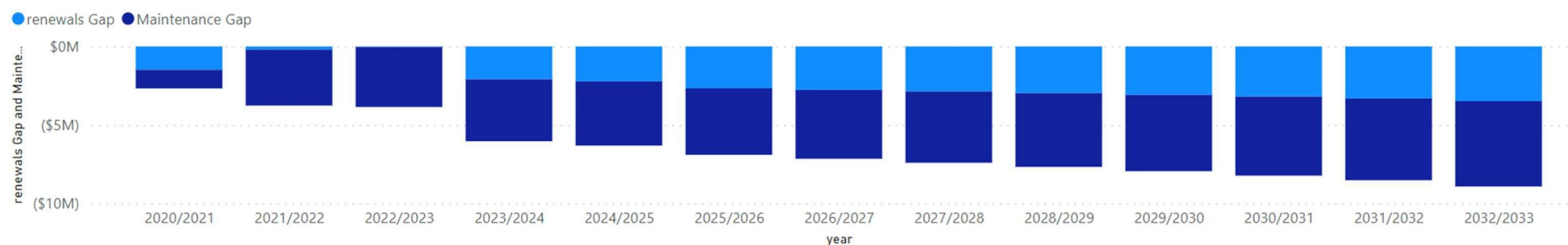**Figure 3 Footpaths and other roads assets expenditure summary**

Average Annual Maintenance Gap

-4.23M

Average Annual Renewal Gap

-2.34M

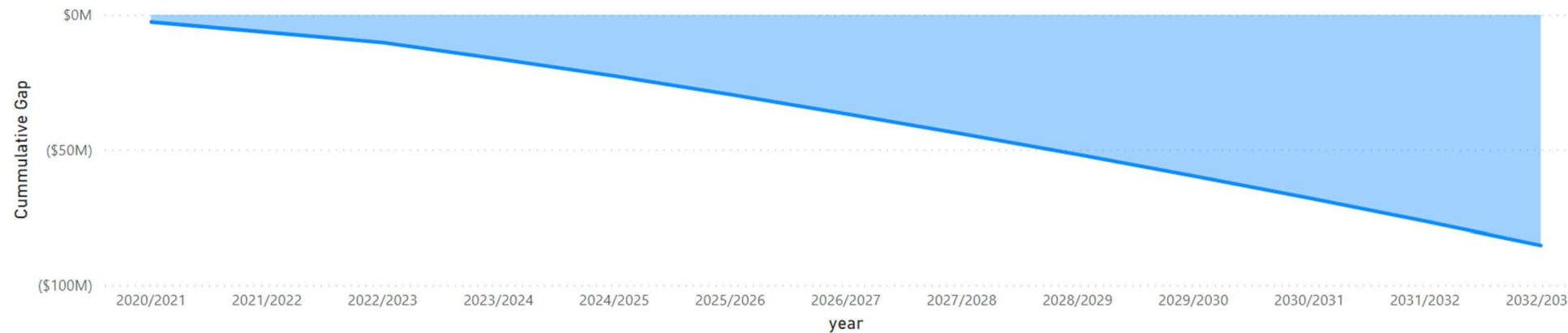**Figure 4 Consolidated transport expenditure summary**

Average Annual Maintenance Gap

-4.89M

Average Annual Renewal Gap

-8.62M

Expenditure Gap
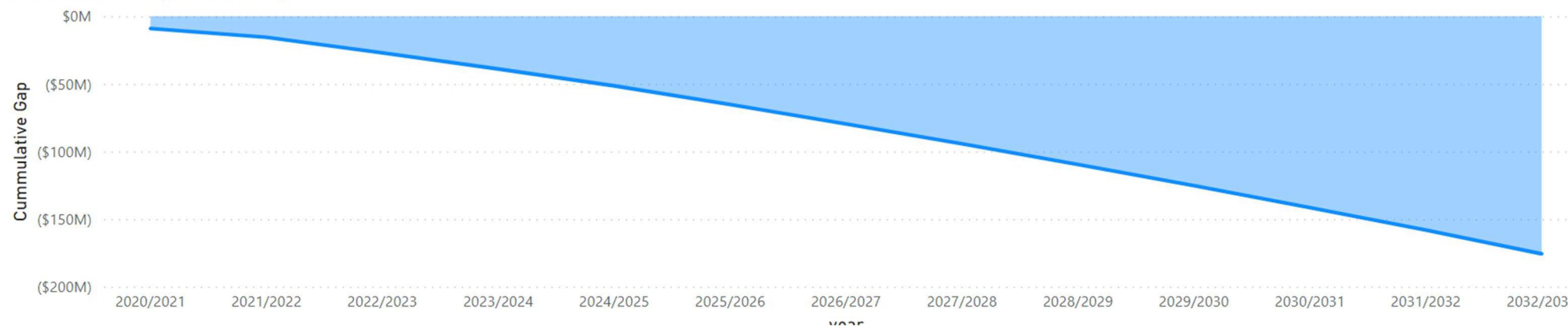
● renewals Gap ● Maintenance Gap
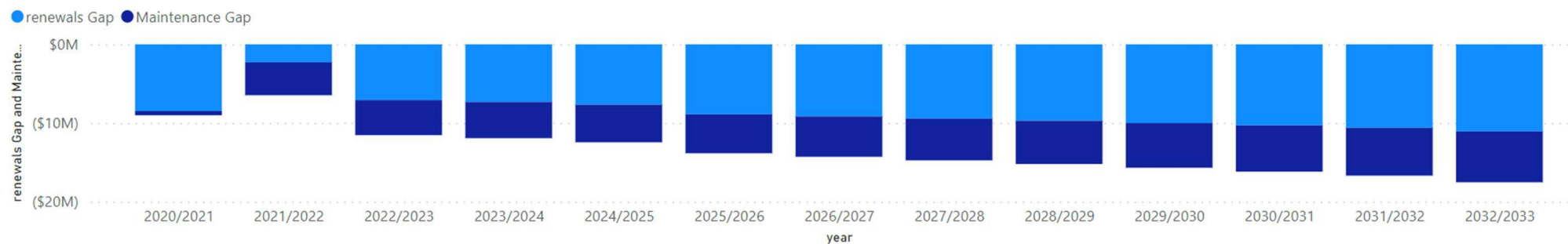
Cummulative Expenditure Gap

A2.11   Financial ratios

The Office of Local Government has established financial benchmarks for councils to strive towards and adhere to. The charts below showcase Council's current financial service levels and the impacts of Council's projected expenditure upon these service levels.

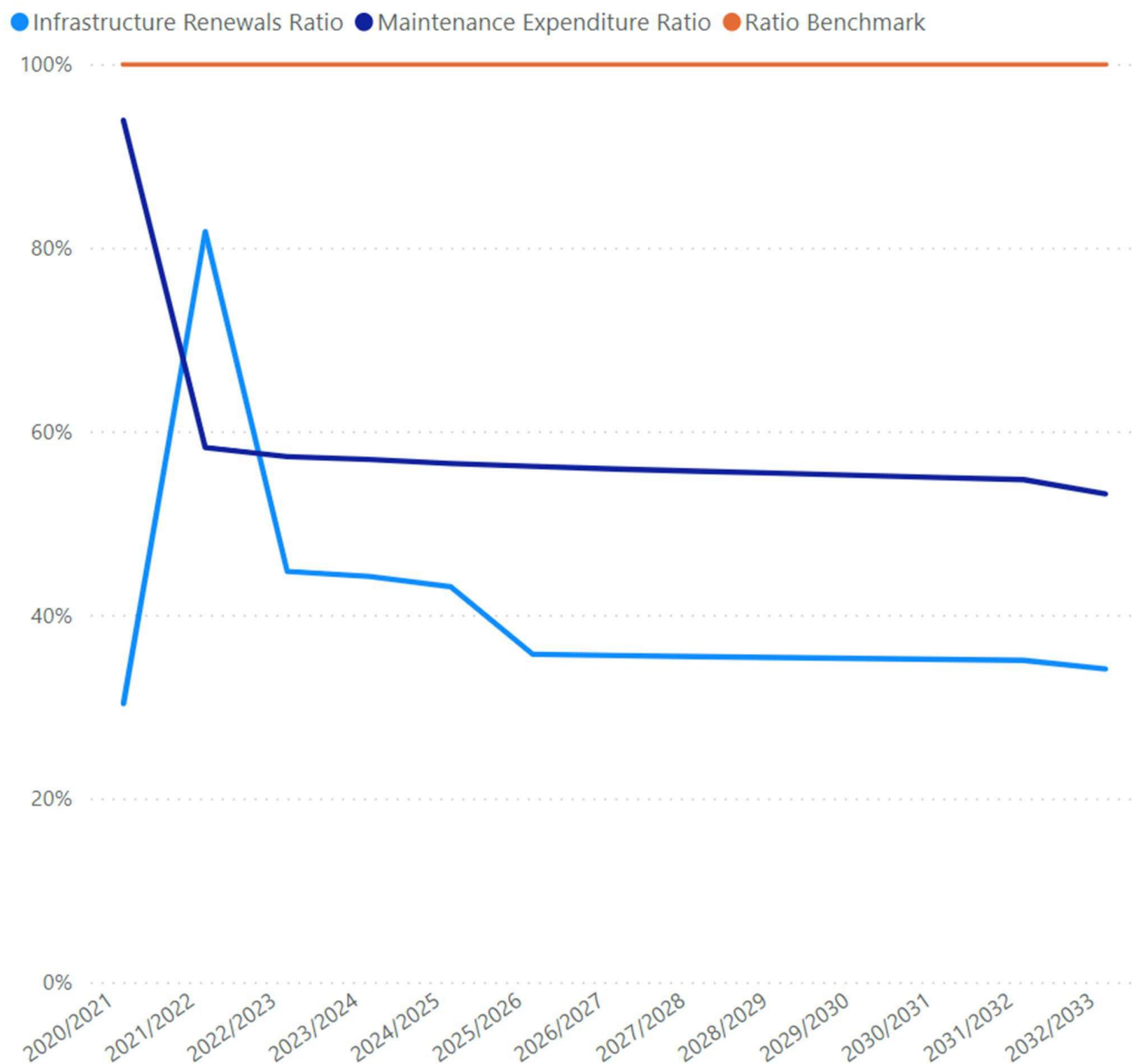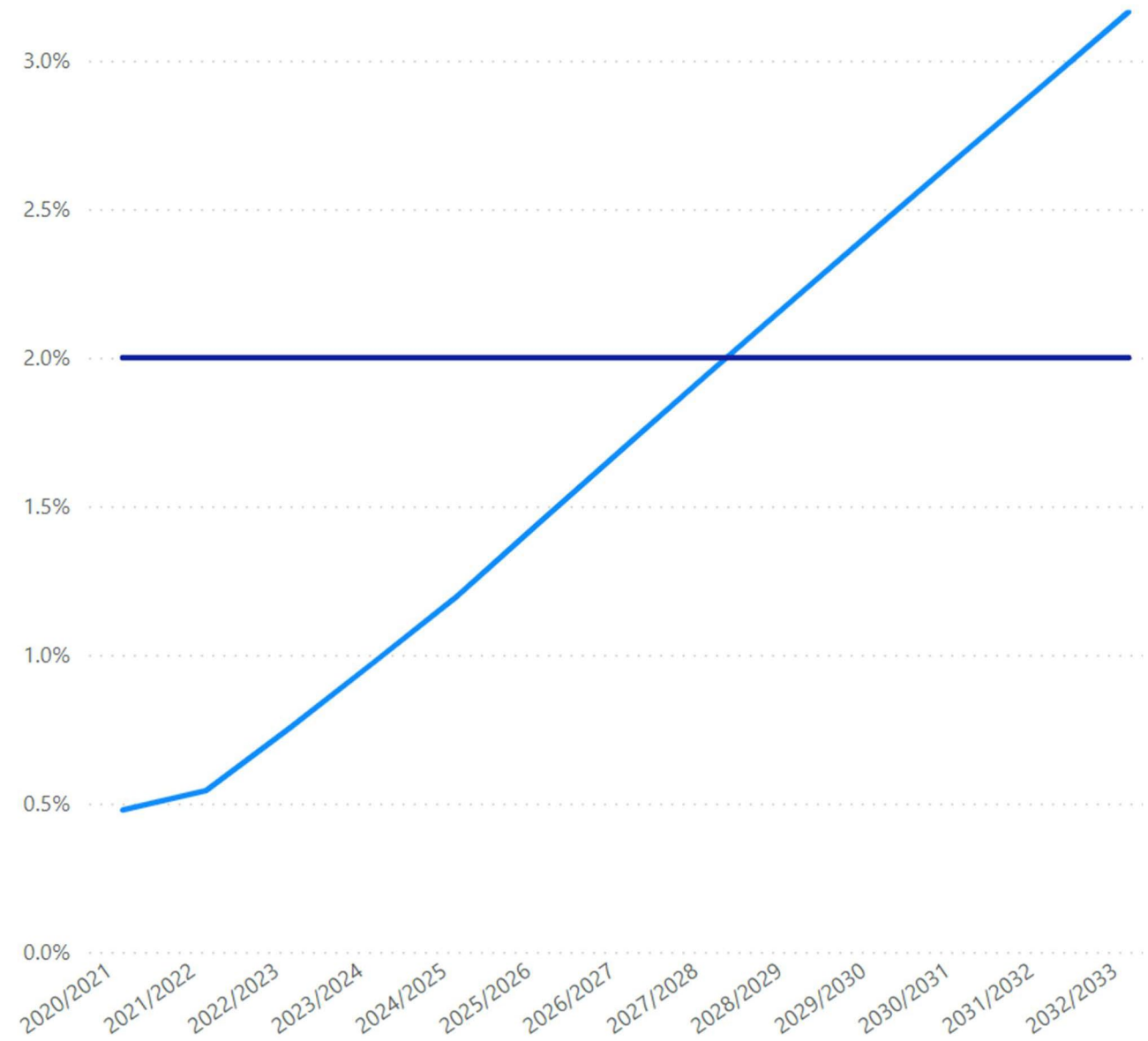**Figure 3 Transport assets OLG expenditure ratios**

Asset Expenditure Ratios

●Infrastructure Renewals Ratio ●Maintenance Expenditure Ratio ●Ratio Benchmark

Figure 4 Transport assets OLG backlog ratios

A2.12 Risk

A2.12.1 Critical assets

The following attributes of an asset were considered when looking at critical transport assets.

Table 7 Transport assets – criticality factors

Factor	High (score = 9)	Medium (score = 6)	Low (score = 3)
AADT	> 4000 VPD	2000 – 4000 VPD	< 4000 VPD
Adjacent to waterway	Asset parallel	Asset perpendicular	
Emergency services	Located within road segment		
Schools	Road segment adjacent to school		
Bus routes	Road segment located on bus route		
Accident history (past 5 years)	Fatal accident	> 20 injury accidents	5 – 20 injury accidents
% of heavy vehicles	> 4%	1 – 4%	< 1%

Based on the criticality scoring matrix above, Council has identified critical assets within its LGA. These include:

- Bay St Brighton Le Sands
- Bay St Rockdale
- Bestic St Brighton Le Sands
- Bexley Rd Bexley
- Bexley Rd Bexley Nth
- Botany Rd Mascot
- Botany Rd Botany
- Botany Rd Banksmeadow
- Bourke Rd Mascot
- Bourke St Mascot
- Bunnerong Rd Daceyville
- Bunnerong Rd Pagewood
- Bunnerong Rd Eastgardens
- Bunnerong Rd Hillsdale
- Chuter Ave Ramsgate Beach
- Coward St Mascot
- Croydon Rd Bexley

- Croydon Rd Bexley
- Forest Rd Arncliffe
- Forest Rd Bexley
- Frederick St (7 Ways) Watkins Ave Rockdale
- Gardeners Rd Mascot
- Gardeners Rd Rosebery
- Gardeners Rd Eastlake
- Gardeners Rd Daceyville
- General Holmes Dr Kyeemah
- General Holmes Dr Brighton Le Sands
- General Holmes Dr Mascot
- Harrow Rd Bexley
- Harrow Rd Kogarah
- Hartill-Law Ave Bardwell Park
- Kent Road Mascot
- Kingsgrove Rd Kingsgrove
- Marsh St Arncliffe

- O'Riordan St Mascot
- Page St / Heffron Rd Eastgardens
- President Ave Kogarah
- Princes Highway Arncliffe
- Princes Highway Rockdale
- Princes Highway Kogarah
- Ricketty St Mascot
- Robey St Mascot
- Rocky Pt Rd Kogarah
- Rocky Pt Rd Ramsgate
- Rocky Pt Rd Sans Souci
- Sandringham St Sans Souci
- Southern Cross Dr Mascot
- Southern Cross Dr Eastlakes
- Stephen Rd / Page St Pagewood

- Stoney Ck Rd Bexley
- Sutherland St Mascot
- The Grand Pd Brighton Le Sands
- The Grand Pd Monterey
- The Grand Pd Ramsgate Beach
- The Grand Pd Sans Souci
- Wentworth Ave Mascot
- Wentworth Ave Pagewood
- Wentworth Ave Eastgardens
- West Botany St Arncliffe
- West Botany St Banksia
- West Botany St Rockdale
- Wickham St / West Botany St Arncliffe
- Wollongong St Arncliffe

A2.12.3   Risk management

Bayside Council is in the process of aligning its risk management processes to ISO 31000:2009. Council's risk management processes and risk register for transport infrastructure assets have been detailed in Council's 'Core Infrastructure Risk Management Plan - Transport Assets'.

A2.13   Confidence levels

The confidence in the asset data used as a basis for the forecasts has been assessed using the following grading system.

Table 8 Transport assets – data confidence rating

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

The overall confidence level of the plan is highly reliable**.**

A2.14   Main findings

Bayside Council's transport infrastructure makes up a significant portion (58.33%) of its total asset portfolio with a gross replacement cost of $760 million. The network is overall in good condition with only 2.2% of all assets in unsatisfactory condition. Council's asset expenditure projections show that there is a significant shortfall in renewal funding for its transport assets with an average annual gap of $8.82m of which $7.17m is a shortfall in renewals, this is likely to cause a degradation in the condition of the network in the medium to long term. Further, while Council's transport asset data is comprehensive and of high quality, allowing for effective condition-based lifecycle planning, further work is required with respect of Council's levels of service. While levels of service currently exist, it is unclear whether they are being tracked and reported on and whether they were developed with community consultation.

A2.15   Improvement plan

Table 9 Transport assets – improvement plan

Improvement action	Effect on AMPs	Priority
Engage community with respect to levels of service.	Lifecycle planning will be aligned with community expectations.	Medium

Review functionality and capacity needs of assets.	Lifecycle planning will be aligned with community needs.	Medium
Identify 10-year planned expenditure and budget.	Financial sustainability modelling reflective of Council capacity and needs.	High
Identify critical assets for the former Botany LGA.	Risk adequately identified and managed for Council's assets.	High

Appendix 3   Asset Management Plan – Stormwater

Bayside Council manages an extensive work of stormwater and waterway assets across the LGA. These assets include pipes, pits, culverts, channels, and GPTs throughout the council-area, that enable people to protect both life and property from larger storm events and minimise disturbances from minor storms.

A3.1   Purpose of this plan

This Asset Management Plan aims to demonstrate how stormwater assets can be provided and sustainably managed to meet the expectations and aspirations of the local community. Stormwater drainage assets are designed, installed and managed to help meet the following key objectives that will ensure Bayside Council is a water sensitive and conscious community:

- minimise risk for and impact of flooding
- ensure waterways are ecologically healthy
- minimise risk from stormwater infrastructure
- conserve potable water.

The outcomes of the Asset Management Plan have helped inform the development of Council's Strategic Asset Management Plan and Long-Term Financial Plan.

A3.2   Introduction

A3.2.1   Stakeholders

Key stakeholders must be considered in the preparation and implementation of this Asset Management Plan to ensure the value of services justifies investment in the assets. It also ensures there is a greater understanding of stakeholders' expectations with regards to the facilities and services provided by Council.

Key stakeholders in preparation of this asset management plan are:

- **Councillors** - adopt the plan and ensure enough resources are applied to manage the assets and stewardship responsibility for the control and care of Council's stormwater assets.

- **Executive Committee (Exco)** - report on the status and effectiveness of current asset management processes at Council.

- **Asset Management Team** - coordinate development and implementation of Asset Management Plans and asset management related matters.

- **Asset managers** - implementation of Asset Management Plans and management of assets under their direct control.

- **Federal and State Government authorities and agencies** - regulate practice and requirements through legislation.

- **Council staff** - responsible for the timely completion of tasks allocated to them from within the plans.

- **Community** - core users of Council's assets. Their needs and aspirations are conveyed to Council through community engagement, informing Council's Community Strategic Plan and will be reflected in the levels of service of Council's assets.

A3.2.2   Legislative requirements

This Asset Management Plan was made in accordance with the following documents and legislative requirements.

Table 1 Stormwater legislative requirements

Legislation	Requirement
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects Council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.
Disability Discrimination Act 1992	The Federal Disability Discrimination Act 1992 (D.D.A.) provides protection for everyone in Australia against discrimination based on disability.
Environmental Planning and Assessment Act 1979; Environmental Protection Act 1994; Protection of the Environment Operations Act 1997; National Parks & Wildlife Act 1974; Threatened Species Conservation Act 1995; Native Vegetation Act 2003	Sets out the role, purpose, responsibilities and powers of Council relating to protection and preservation of the environment.
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a Long Term Financial Plan supported by Asset Management Plans for sustainable service delivery.
WH&S Act 2011 & regulations	Sets out Council's responsibility to ensure health, safety and welfare of employees and others at places of work.
Crown Lands Act 2016	Is an act to provide for the administration and management of Crown land in the Eastern and Central Division of the State of NSW. Council has a large holding of Crown land under its care, control and management.

A3.2.3   Links to Council policy, plans and strategies

This Asset Management Plan has been informed by the following Council plans and strategies.

- Bayside 2030 – Community Strategic Plan
- Bayside 2030 – Resourcing Strategy
- Asset Management Policy
- Risk Management Policy
- Bayside Water Management Strategy.

A3.3 Stormwater portfolio overview
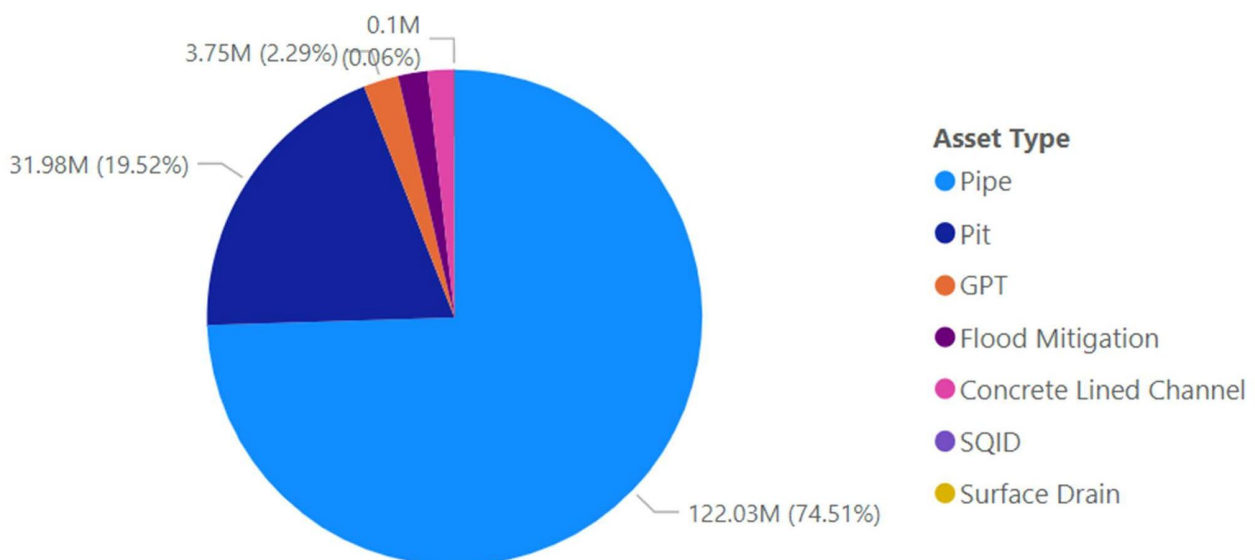
Gross Replacement Cost
$166.71M

Written Down Value
$101.14M

Consumption Ratio
60.67%

Average Annual Funding Surplus/Gap
($769.19K)

Backlog Ratio
0.90%

Portfolio Below Satisfactory
1.69%

Total by Asset Type

- 0.1M (0.06%)
- 3.75M (2.29%)
- 31.98M (19.52%)
- 122.03M (74.51%)

Asset Type
- Pipe
- Pit
- GPT
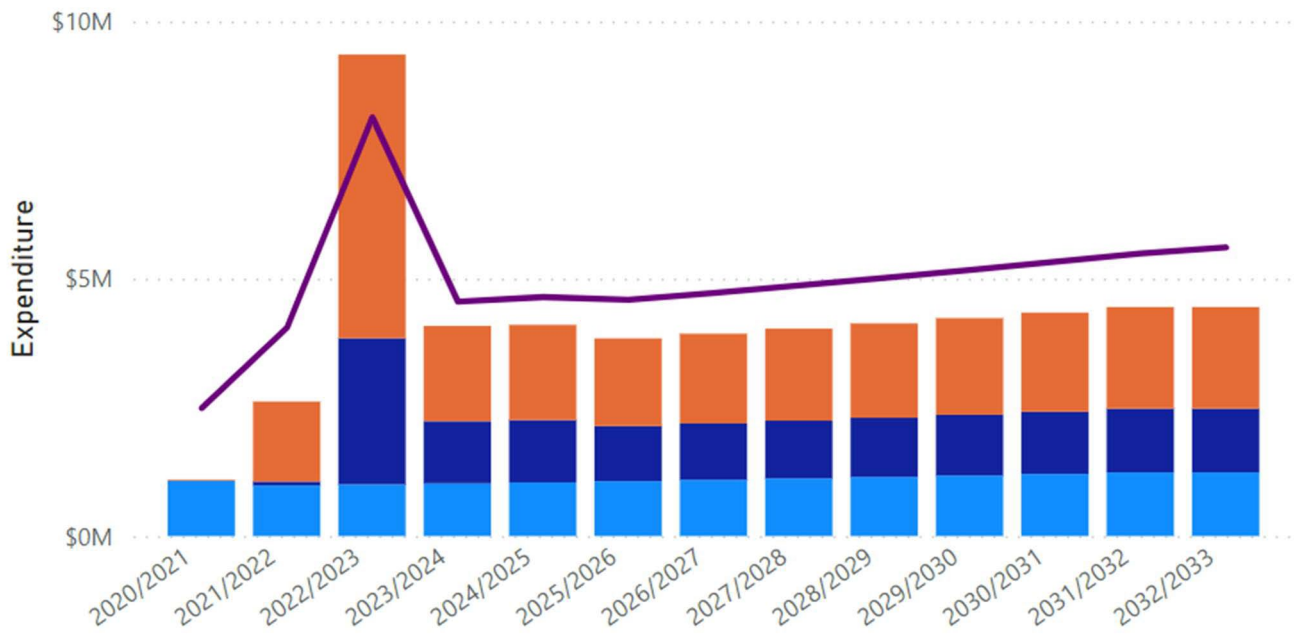- Flood Mitigation
- Concrete Lined Channel
- SQID
- Surface Drain

Condition ● Condition 1* ● Condition 2* ● Condition 3* ● Condition 4* ● Condition 5*

Asset Type
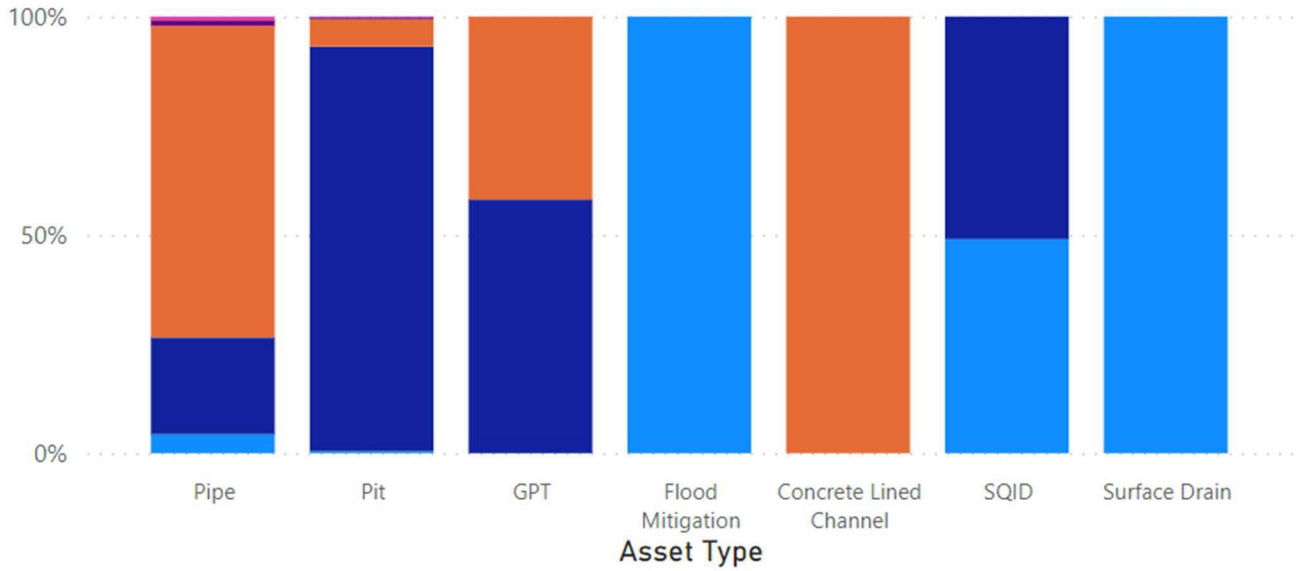
● Maintenance ● Renewal ● New / Expanded ● Required Exp

A3.4 Asset inventory, values and condition

Council's stormwater assets data is comprehensive and up to date, with stormwater assets having been revalued as of 1st July 2020. Council will continue to ensure the integrity of its asset data through continuous monitoring of its assets and planned revaluations in accordance with Council's Revaluation Policy. The table below provides a summary of the value and condition of Council's stormwater assets.

Table 2 Stormwater – inventory and condition

Asset group	Asset category	Gross Replacement Cost (CRC) $ 000's	Written Down Value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
					1	2	3	4	5
Stormwater									
	Concrete lined channel	$2,771.0	$1,385.5	$27.7	0.0%	0.0%	100.0%	0.0%	0.0%
	Flood mitigation	$3,133.2	$2,858.9	$31.3	83.7%	16.3%	0.0%	0.0%	0.0%
	GPT	$3,705.1	$2,460.1	$37.1	0.0%	58.7%	41.3%	0.0%	0.0%
	Node	$149.7	$149.2	$1.5	100.0%	0.0%	0.0%	0.0%	0.0%
	Pipe	$123,710.5	$70,271.5	$1,237.3	5.8%	21.8%	70.3%	1.3%	0.8%
	Pit	$32,580.1	$23,380.8	$325.8	2.1%	91.0%	6.3%	0.4%	0.1%
	SQID	$644.9	$625.0	$17.1	95.3%	0.0%	4.7%	0.0%	0.0%
	Surface drain	$10.4	$10.1	$0.1	100.0%	0.0%	0.0%	0.0%	0.0%
Grand total		**$166,705.0**	**$101,141.1**	**$1,677.9**	**6.7%**	**35.6%**	**56.0%**	**1.1%**	**0.6%**

A3.5 Asset based level of service

Bayside Council provides infrastructure to underpin a service to the community. Consequently, Council has based service level planning around the infrastructure required to provide a desired service, then the operational requirements required to maintain the service. Council is currently in the process of developing levels of service for its stormwater infrastructure, the table below showcases a range of technical criteria for Council's consideration.

Table 3 Stormwater assets – service levels

Service	Objective	Proposed indicator
Primary and secondary contact recreation, and amenity	Reduce gross pollutant and sediment loads exported from catchments	• Gross pollutants • Total suspended solids
		• GPT serviceability rating • GPT structural condition rating
	Reduce nutrient and bacteriological loads exported from catchment	• Total phosphorus • Total nitrogen • Annual volume of sewer overflows/total volume of sewage
		• SQID serviceability rating • SQID structural/ecological condition rating
	Maintain navigable depths for selected waterways	• Intervention depth
	Sustainably manage waterways to minimise odours	• H_2S concentration
Stability and integrity of drainage infrastructure	Manage catchment runoff to minimise critical discharges in waterway	• Critical discharge/50% AEP discharge
	Protect at-risk waterways	• Waterway serviceability rating • Ecological / geomorphologic/structural condition rating of waterway
	Ensure structural integrity of built assets	• Asset structural class is suitable for level of risk
		• Serviceability rating • Structural condition rating

Service	Objective	Proposed indicator
Nuisance flooding	Minor stormwater drainage network designed to safely convey minor flows	• % length of minor network with surcharge in > 10% AEP events • % length of network with high hydraulic hazard • Estimated flood-related property damage in minor flood events
		• % length of minor network with minimum serviceability rating • % length of minor network with minimum condition rating
Major flooding	Trunk stormwater drainage network and overland flow paths safely convey major flows	• % length of trunk network with uncontrolled surcharge in > 1% AEP event • Number of properties with above floor-flooding in 1% AEP event • Estimated property damage in 1% AEP event
		• % length of trunk network with minimum serviceability rating • % length of trunk network with minimum structural condition rating

A3.6 Future demand/demand management plan

Demand for services provided by stormwater and waterway assets is expected to increase. Much of this will be driven by gradual development in the LGA, growing community expectations and awareness, and regulatory change.

Table 4 Stormwater assets – future demand impacts

Demand factor	Impact on services
Urban growth and development	Increased growth and development will have a two-fold effect. Firstly, development is likely to increase hard-surface areas and therefore increasing the run-off rates and the size/concentration of flow into Council's existing assets. Secondly additional stormwater infrastructure capacity will be required to accommodate growth in rural residential households.
Climate change	Climate change and long and short-term weather patterns, are expected to change such that storm events are more intense and the burden on stormwater assets is greater, making levels of service difficult to achieve.
Regulatory control	NSW planning reforms are likely to be a regulatory driver for protecting water quality and stability within urban waterways. This will require a refinement of Council's current regulatory controls and may require the upgrade of both public and private infrastructure.

Council will continuously monitor its stormwater network to ensure that the current network has the capacity to accommodate growth and meet the needs of future demand.

A3.7 Current practices

A3.7.1 Maintenance strategies

Assets are operated and maintained to ensure the correct ongoing performance of the asset and to retain the condition and useful life of the asset. Asset operation and maintenance demands typically increase with declining asset quality for stormwater drainage assets. Assets with higher risk ratings will generally be prioritised for more frequent and/or more intensive operation and maintenance effort to meet agreed technical levels of service. The ratio of proactive to reactive maintenance activity is expected to increase as risk ratings are progressively confirmed.

A3.7.2 Renewal strategies

Most of Council's stormwater assets, primarily stormwater pipes, are renewed reactively in response to customer requests. Some assets, such as stormwater pits and open channels, may however be identified for renewal following regular, proactive visual inspection. A key action in Council's Water Management Strategy is to undertake a condition assessment across the LGA including SQUID and WSUD devices and to develop a prioritised maintenance and renewals program.

A3.8 Expenditure projections ($,000s)

Asset lifecycle costs are the average costs required to sustain an asset over its useful life. These costs have been projected forward for the next ten years to inform Council's Long-Term Financial Plan. The table below compares Council's planned expenditure against the expenditure required to sustain its current levels of service.

Table 5 Stormwater assets – expenditure projections

Budget gap by asset group			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
		Actual												
	Renewal		$0	$76	$247	$1,209	$1,209	$1,069	$1,095	$1,122	$1,150	$1,179	$1,208	$1,239
	New and expanded assets		$21	$1,555	$5,063	$1,851	$1,851	$1,704	$1,745	$1,789	$1,833	$1,879	$1,926	$1,974
	Operations and maintenance		$1,074	$983	$1,003	$1,023	$1,043	$1,067	$1,093	$1,120	$1,148	$1,177	$1,206	$1,236
	Total expenditure		**$1,095**	**$2,614**	**$6,313**	**$4,083**	**$4,103**	**$3,840**	**$3,932**	**$4,031**	**$4,132**	**$4,235**	**$4,341**	**$4,449**
		Required												
	Required renewal (depreciation)		$1,699	$1,709	$1,793	$1,847	$1,908	$1,971	$2,037	$2,106	$2,177	$2,250	$2,325	$2,403
	New and expanded assets		$21	$1,555	$5,063	$1,851	$1,851	$1,704	$1,745	$1,789	$1,833	$1,879	$1,926	$1,974
	Required O&M		$767	$785	$824	$849	$877	$905	$936	$968	$1,000	$1,034	$1,068	$1,104
	Total		**$2,487**	**$4,049**	**$7,679**	**$4,547**	**$4,635**	**$4,580**	**$4,718**	**$4,862**	**$5,010**	**$5,162**	**$5,319**	**$5,481**
Overall GAP (surplus)			**-$1,392**	**-$1,435**	**-$1,367**	**-$464**	**-$532**	**-$740**	**-$786**	**-$831**	**-$879**	**-$928**	**-$979**	**-$1,032**

Figure 1 Stormwater expenditure summary

Average Annual Maintenance Gap

163.65K

Average Annual Renewal Gap

-932.83K

Expenditure Gap
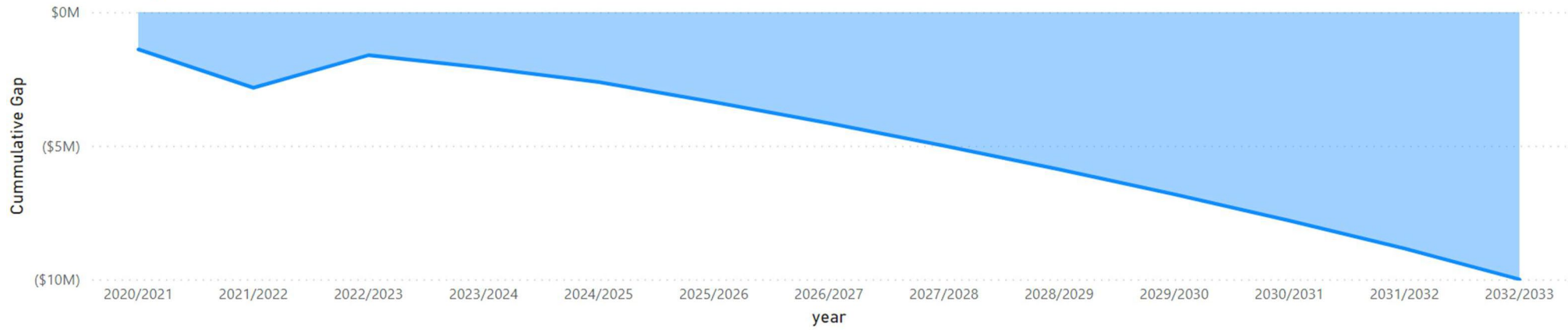
● renewals Gap ● Maintenance Gap
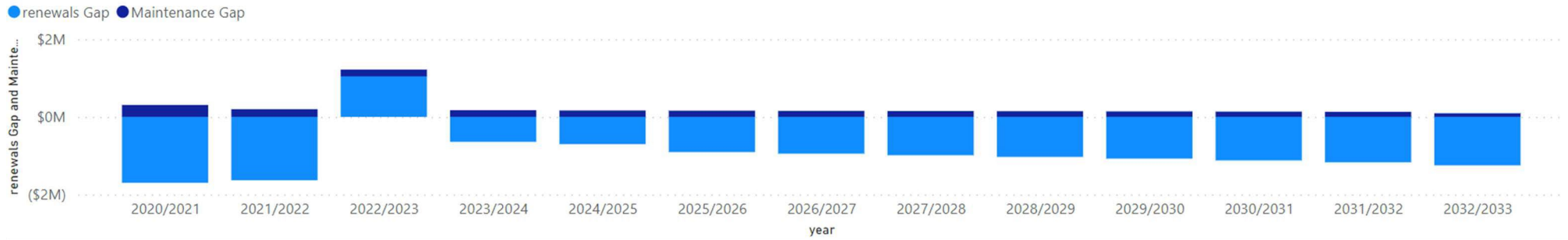
Cummulative Expenditure Gap

A3.9 Financial ratios

The Office of Local Government has established financial benchmarks for councils to strive towards and adhere to. The charts below showcase Council's current financial service levels and the impacts of Council's projected expenditure upon these service levels.

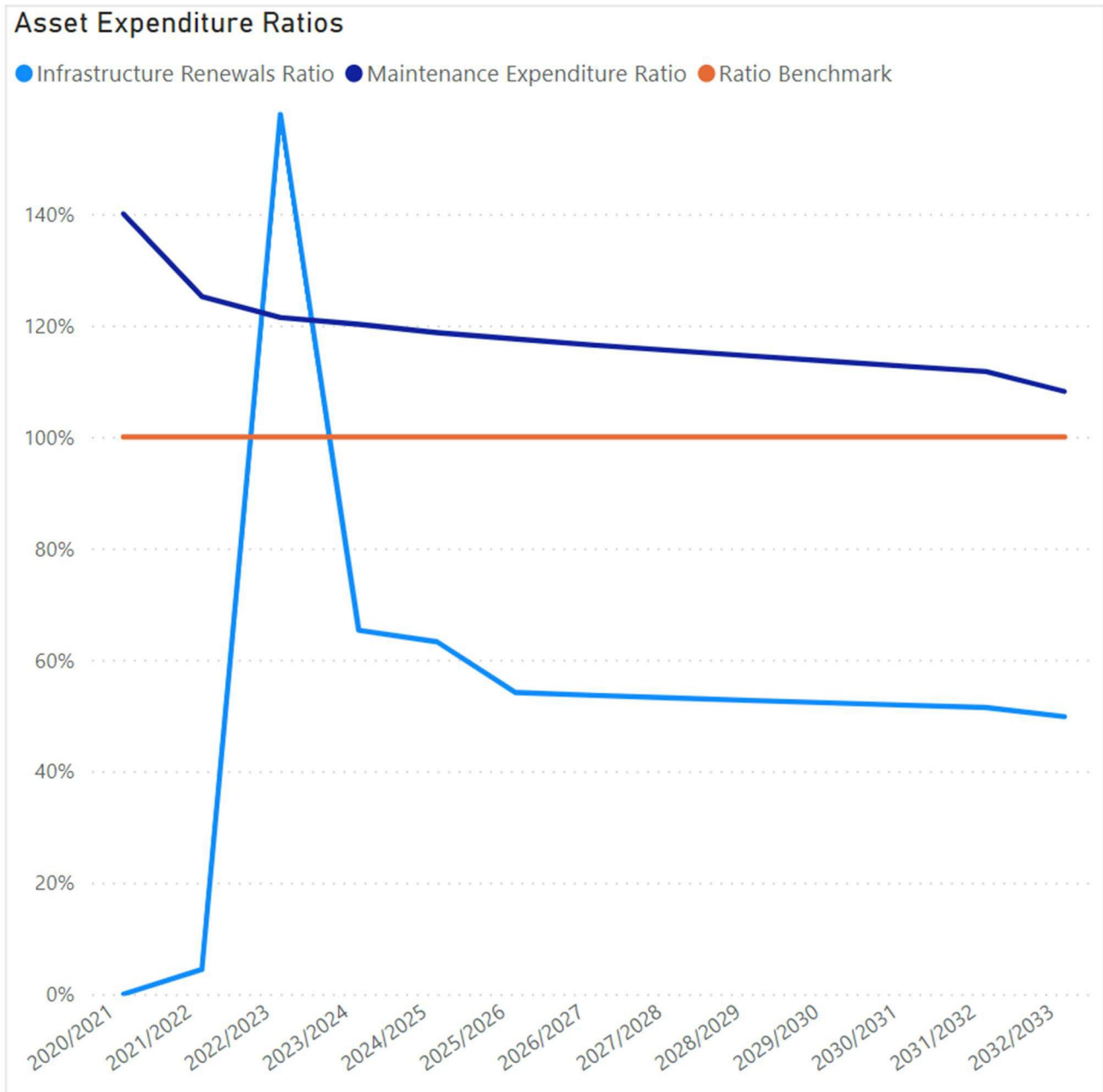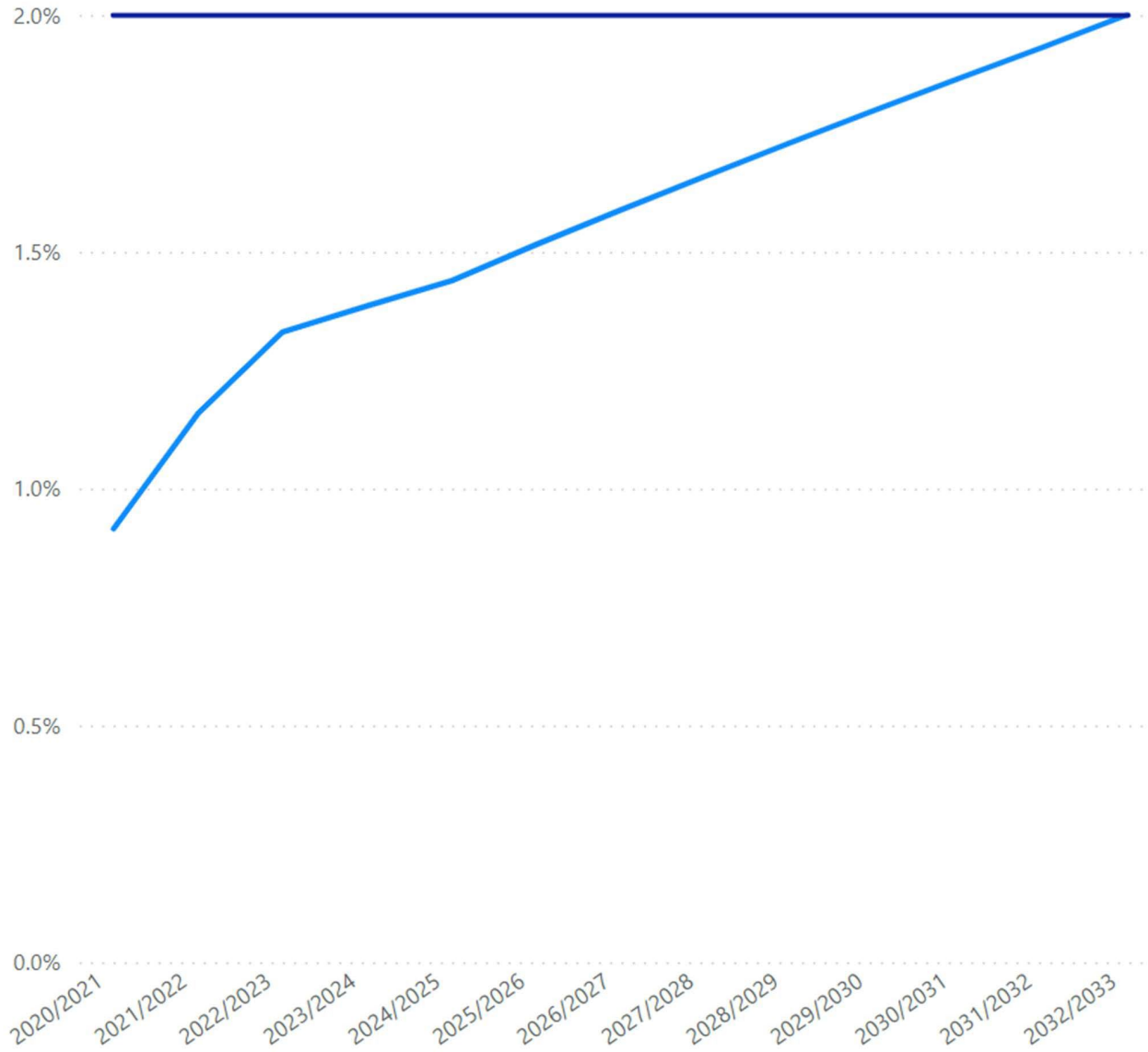**Figure 2 Stormwater Assets OLG Expenditure Ratios**

Figure 3 Stormwater assets OLG backlog ratios

Backlog Ratio

● Infrastructure Backlog Ratio ● Backlog Benchmark

A3.10   Risk

A3.10.1   Critical assets

The following attributes of an asset were considered when looking at critical stormwater assets.

Table 6 Stormwater assets – criticality factors

Factor	High (score = 9)	Medium (score = 6)	Low (score = 3)
Sub-catchment size	Large	Medium	Small
Box culvert	Yes		
Environmental protection	> 50%	30 – 50%	
Sub-catchment subject to tidal inundation	Yes		
Pipes with sub-catchment run beneath private structures of major roads	Yes		
Sub-catchment contains discharge point	Yes		
Emergency management use	Yes		
Historical building	Yes		
Hazardous materials stored on site	Yes		

Council is currently in the process of identifying its critical assets across the LGA.

A3.10.2   Risk management

Bayside Council is in the process of aligning its risk management processes to ISO 31000:2009. Council's risk management processes and Risk Register for stormwater infrastructure assets are currently being developed in Council's 'Core' Infrastructure Risk Management Plan - Stormwater Assets'.

A3.11   Confidence levels

The confidence in the asset data used as a basis for the forecasts has been assessed using the following grading system.

Table 7 Stormwater assets – data confidence rating

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.

Confidence grade	General meaning
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

The overall confidence level of the plan is reliable.

A3.12   Main findings

Bayside Council's stormwater assets make up 12.6% of the total asset portfolio, with a gross replacement cost of $164 million. Relative to the useful lives of stormwater assets, Council's portfolio is relatively young, with an average age of 39 years across all stormwater assets (average useful life of 100 years), this is reflected in the condition of Council's network, with 98.3% of assets being in satisfactory condition. However, a significant portion of stormwater assets (57.06%) are in condition 3 and as such Council should ensure appropriate funding in the medium – long term. The average annual funding gap is $430,000 which is likely to result in a gradual degradation of the network in the long term. Further work is required with respect to service levels and risk for Council's stormwater assets.

A3.13   Improvement plan

Table 8 Stormwater assets – improvement plan

Improvement action	Effect on AMPs	Priority
Engage community with respect to levels of service.	Lifecycle planning will be aligned with community expectations.	Medium
Review functionality and capacity needs of assets.	Lifecycle planning will be aligned with community needs.	Medium
Identify 10-year planned expenditure and budget.	Financial sustainability modelling reflective of Council capacity and needs.	High
Identify critical assets.	Risk adequately identified and managed for Council's assets.	High
Develop Core Infrastructure Risk Management Plan for Stormwater assets.	Risk adequately identified and managed for Council's assets.	High
Develop maintenance and renewal program based upon condition, capacity, and performance of current network.	Lifecycle planning will be aligned with community needs.	Medium

Appendix 4   Asset Management Plan – Leisure Facilities

Bayside Council's leisure facilities provide many functions for the benefit of the community and the environment. Council's role as custodian is to balance the needs of the community with the needs of the environment for current and future generations.

Council's Leisure Facilities Asset Management Plan covers a broad spectrum of assets including:

- parks
- playgrounds
- sports assets
- aquatic centres.

Council as the owner and operator of leisure assets has the responsibility for a number of functions including:

- maintenance and operations
- renewal and refurbishment
- upgrade/improvement
- rationalisation, decommissioning and disposal of assets.

The planning of these functions is outlined in this Asset Management Plan.

A4.1   Purpose of this plan

The purpose of this Asset Management Plan is to develop a strategic framework for the maintenance and renewal of leisure facilities and to provide an agreed level of service in the most effective manner.

This plan includes the following scope of management:

- asset inventory, values and condition
- asset based levels of service
- demand and service management
- risk management
- development of the Long-Term Financial Plan (LTFP) for the maintenance and renewal of leisure facilities.

A4.2   Introduction

A4.2.1   Stakeholders

Key stakeholders must be considered in the preparation and implementation of this Asset Management Plan to ensure the value of services justifies investment in the assets. It also ensures there is a greater understanding of stakeholders' expectations with regards to the facilities and services provided by Council.

Key stakeholders in preparation of this asset management plan are:

- **Councillors** - adopt the plan and ensure enough resources are applied to manage the assets and stewardship responsibility for the control and care of Council's leisure facilities.

- **Executive Committee (Exco)** - report on the status and effectiveness of current asset management processes at Council.

- **Asset Management Team** - coordinate development and implementation of Asset Management Plans and asset management related matters.

- **Asset managers** - implementation of Asset Management Plans and management of assets under their direct control.

- **Federal and State Government authorities and agencies** - regulate practice and requirements through legislation.

- **Council staff** - responsible for the timely completion of tasks allocated to them from within the plans.

- **Community** - core users of Council's assets. Their needs and aspirations are conveyed to Council through community engagement informing Council's Community Strategic Plan and will be reflected in the levels of service of Council's assets.

A4.2.2   Legislative requirements

This Asset Management Plan was made in accordance with the following documents and legislative requirements.

Table 1 Leisure facilities legislative requirements

Legislation	Requirement
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects Council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.
Disability Discrimination Act 1992	The Federal Disability Discrimination Act 1992 (D.D.A.) provides protection for everyone in Australia against discrimination based on disability.
Environmental Planning and Assessment Act 1979; Environmental Protection Act 1994; Protection of the Environment Operations Act 1997; National Parks & Wildlife Act 1974; Threatened Species Conservation Act 1995; Native Vegetation Act 2003	Sets out the role, purpose, responsibilities and powers of Council relating to protection and preservation of the environment.
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a Long-Term Financial Plan supported by asset management plans for sustainable service delivery.
WH&S Act 2011 & regulations	Sets out Council's responsibility to ensure health, safety and welfare of employees and others at places of work.
Crown Lands Act 2016	Is an act to provide for the administration and management of Crown land in the Eastern and Central Division of the state of NSW. Council has a large holding of Crown land under its care, control and management.

A4.2.3   Links to Council policy, plans and strategies

This Asset Management Plan has been informed by the following Council plans and strategies:

- Bayside 2030 – Community Strategic Plan
- Bayside 2030 – Resourcing Strategy
- Asset Management Policy
- Risk Management Policy
- Waste Avoidance and Resource Recovery Policy.

A4.3   Leisure Facilities portfolio overview – open space assets
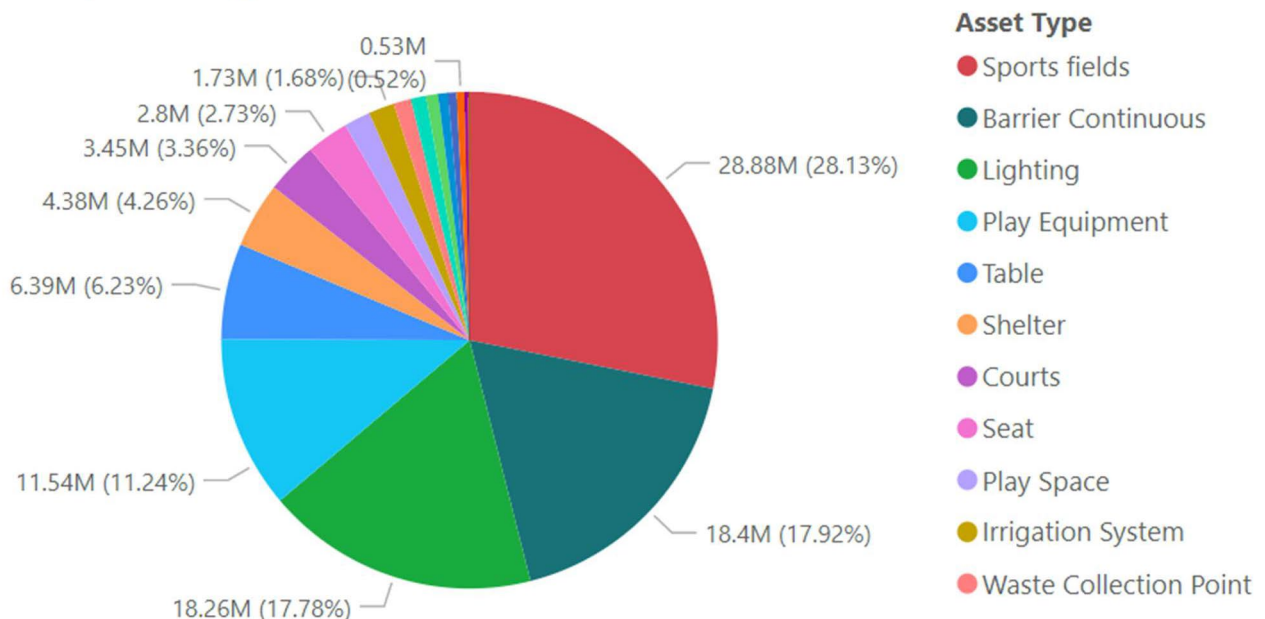
Gross Replacement Cost
$118.12M

Written Down Value
$78.75M

Consumption Ratio
66.67%

Average Annual Funding Surplus/Gap
($4.97M)

Backlog Ratio
4.12%

Portfolio Below Satisfactory
12.34%

Total by Asset Type

Pie chart values:
- 28.88M (28.13%) — Sports fields
- 18.4M (17.92%) — Barrier Continuous
- 18.26M (17.78%) — Lighting
- 11.54M (11.24%) — Play Equipment
- 6.39M (6.23%) — Table
- 4.38M (4.26%) — Shelter
- 3.45M (3.36%) — Courts
- 2.8M (2.73%) — Seat
- 1.73M (1.68%) — Play Space
- 0.53M (0.52%) — Irrigation System
- Waste Collection Point

Asset Type
- Sports fields
- Barrier Continuous
- Lighting
- Play Equipment
- Table
- Shelter
- Courts
- Seat
- Play Space
- Irrigation System
- Waste Collection Point

A4.4 Leisure facilities portfolio overview – aquatic centres

Gross Replacement Cost
$6.99M

Written Down Value
$6.23M

Consumption Ratio
89.19%

Average Annual Funding Surplus/Gap
$22.8K

Backlog Ratio
0.00%

Portfolio Below Satisfactory
(Blank)

Total by Asset Type

0.13M (1.87%)

1.66M (23.8%)

5.19M (74.33%)

Asset Type
- Bexley Aquatic
- Botany Aquatic
- Angelo Anestis Aquatic

Condition 1* ● Condition 2* ● Condition 3* ● Condition 4* ● Condition 5*

Maintenance ● Renewal ● New / Expanded ● Required Exp
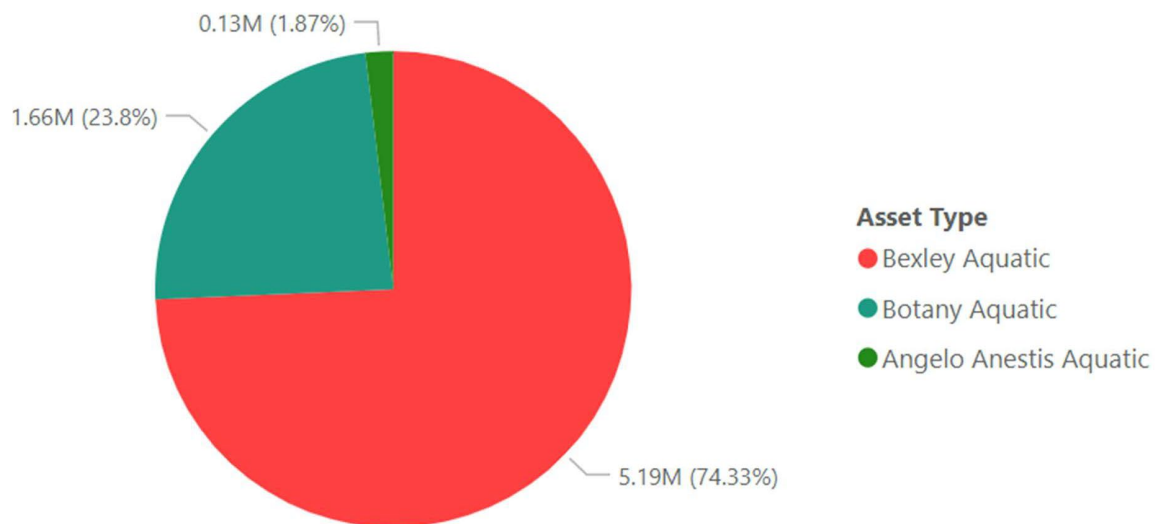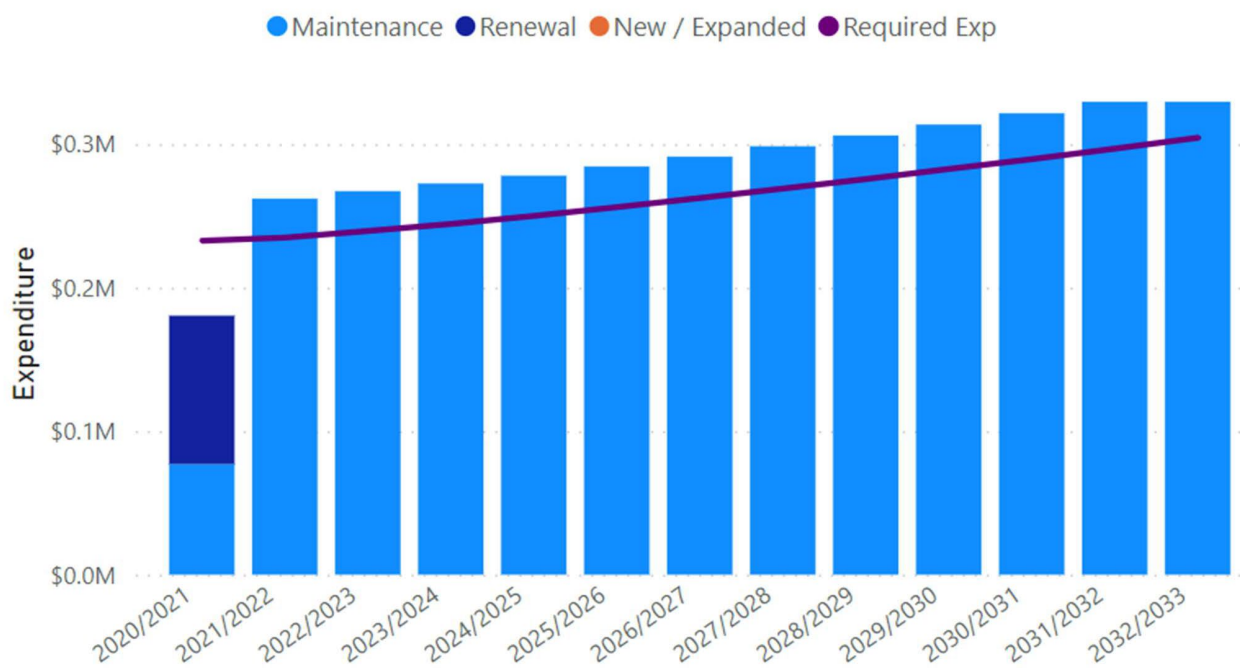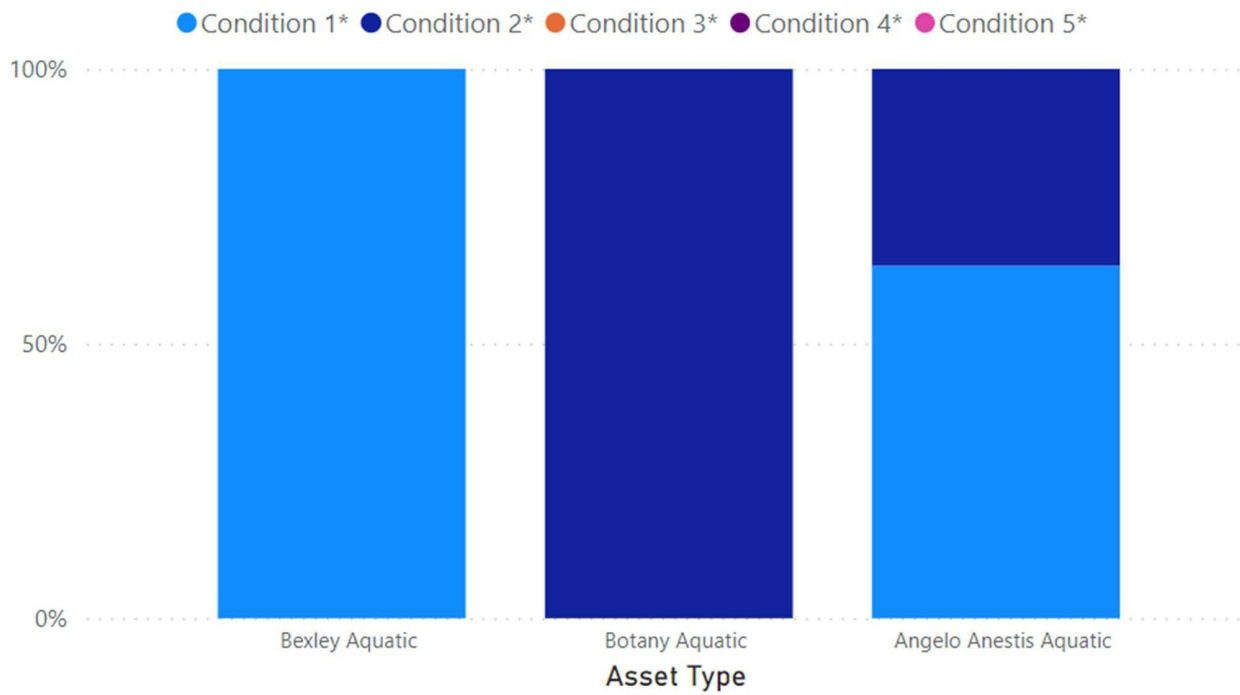
A4.5 Asset inventory, values, and condition

Council's leisure facilities assets data is comprehensive and up to date, with its open space assets having been revalued as of the 2019. Council will continue to ensure the integrity of its asset data through continuous monitoring of its assets and planned revaluations in accordance with Council's Revaluation Policy. The table below provides a summary of the value and condition of Council's leisure facilities.

Table 2 Leisure facilities – inventory and condition

Asset group	Asset category	Gross Replacement Cost (CRC) $ 000's	Written Down Value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
					1	2	3	4	5
Open space									
	Barbeque	$810	$573	$40	12.9%	64.7%	10.6%	11.8%	0.0%
	Barrier Continuous	$18,796	$11,913	$652	30.6%	33.5%	18.6%	16.5%	0.9%
	Barrier Point	$25	$20	$0	37.6%	62.4%	0.0%	0.0%	0.0%
	Bicycle Fitting	$61	$58	$3	81.1%	18.9%	0.0%	0.0%	0.0%
	Courts	$5,084	$3,937	$173	52.9%	21.5%	9.7%	15.9%	0.0%
	General Fixture	$1,039	$701	$65	15.4%	37.9%	27.1%	18.8%	0.7%
	Irrigation System	$2,096	$1,298	$72	29.7%	11.4%	55.7%	3.2%	0.0%
	Landscape Edge	$647	$424	$26	37.5%	21.0%	27.5%	13.3%	0.7%
	Lighting	$18,078	$12,675	$603	30.7%	48.5%	18.0%	2.8%	0.1%
	Other Electrical	$425	$335	$19	64.4%	15.7%	18.4%	1.5%	0.0%
	Play Equipment	$11,323	$7,263	$752	15.9%	22.2%	39.8%	21.3%	0.8%
	Play Space	$2,591	$1,524	$324	13.9%	25.9%	37.1%	18.5%	4.6%
	Seat	$3,034	$2,056	$148	24.8%	25.8%	22.0%	26.7%	0.8%
	Shelter	$4,567	$3,139	$118	36.8%	30.0%	28.5%	4.0%	0.7%
	Sign	$576	$512	$23	83.4%	7.8%	2.9%	5.9%	0.0%
	Sports Equipment	$913	$686	$58	31.0%	29.5%	30.2%	9.3%	0.0%

Asset group	Asset category	Gross Replacement Cost (CRC) $ 000's	Written Down Value (WDV) $ 000's	Annual depreciation expense $ 000's	Condition				
					1	2	3	4	5
	Sports fields	$26,107	$18,105	$1,072	29.9%	48.4%	15.1%	2.8%	3.9%
	Table	$6,390	$4,277	$320	5.1%	47.1%	27.9%	20.0%	0.0%
	Tidal Enclosures	$353	$168	$110	15.5%	0.0%	0.0%	84.5%	0.0%
	Waste Collection Point	$1,205	$788	$80	11.5%	27.3%	42.8%	17.6%	0.8%
	Water Meter	$27	$26	$1	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub total	**$104,148**	**$70,479**	**$4,663**	**28.0%**	**37.6%**	**22.1%**	**10.9%**	**1.4%**
Aquatic centres									
	Botany aquatic	$1,663	$1,369	$21	0.0%	100.0%	0.0%	0.0%	0.0%
	Angelo Anestis aquatic	$131	$106	$9	4.3%	66.3%	29.4%	4.3%	66.3%
	Bexley aquatic	$5,194	$4,853	$65	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub total	**$6,988**	**$6,327**	**$95**	**74.4%**	**25.0%**	**0.6%**	**0.0%**	**0.0%**
Grand total		**$109,660**	**$77,404**	**$4,613**	**30.9%**	**36.8%**	**20.7%**	**10.2%**	**1.3%**

A4.6   Asset based level of service

Bayside Council's leisure facilities portfolio provides facilities so that the local community and visitors can participate in a wide variety of recreational, cultural, educational and social activities.

Table 3 Leisure facilities assets – service levels

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Accessibility	Leisure facilities are accessible to everyone.	Continuous monitoring as part of operational activities	Parks are open and accessible to community 365 days/year.	

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Quality/condition	Percent of assets in condition 3.	Condition assessment	93% for all assets.	
	Reduction in number of defects.	Annual inspection	Maintain defect at less than 10% for parks.	
Reliability/responsiveness	Percent compliance with Council's documented response time.	Council's complaints register	90%	
	Compliance with maintenance servicing frequencies.	Servicing frequency	Meet at least 90% of frequency requirements for all asset categories.	
Community satisfaction and involvement	Opportunity for community involvement in decision making are provided.	Asset Management Plan	The Leisure Facilities Infrastructure Asset Management Plan is available on the website and for circulation to the public.	
	Leisure facilities are provided that meet community demand.	Community satisfaction survey	Satisfaction rating is 'high'. Fewer than 10 complaints received per annum regarding overcrowding of facilities.	
Sustainability	Facilities are managed for future generations.	Lifecycle approach to managing assets	Prepare a ten-year asset condition and age-based renewals plan. Ensure the plan is approved by authorities and updated every four years.	
	Facilities meet financial sustainability ratios.	Consumption ratio	Between 50% and 75%	
		Renewal funding ratio	Between 90% and 110%	
		Long term funding ratio	Between 95% and 105%	
Health and safety	Safe leisure facilities are provided.	Annual inspections, operational reports and safety audits	Fewer than five reported safety incidents per year in parks and reserves. Ensure Council complies with the insurance industry's requirement to have a policy on 'signage as remote supervision'. Reduction in number of safety issues identified through audits. Ensure new playground equipment is installed, maintained and operated as per AS 4685.0:2017 'Playground equipment and surfacing development, installation, inspection, maintenance and operation'.	

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
	A safe working environment provided for people involved in providing the service.	H&S reported incidents	The number of lost time injuries is less than 12 per year. The number of Workers Compensation claims is less than six per year.	
Affordability	Access to facilities and services is affordable and cost effective.	Review of service agreements and benchmark with other councils.	Total operating cost per hectare of park is in line with benchmarking against comparable councils.	

A4.7   Future demand/demand management plan

The services provided by Council's leisure facilities infrastructure are subjected to continual change and will vary depending on a number of factors. Planning for services from infrastructure requires Council to develop plans to accommodate any new services or the expansion/reduction of any existing services. Demand management plans enable this by minimising the impact of demand for new services on Council.

Council has identified the primary drivers of demand affecting its leisure facilities assets and has prepared a demand management plan accordingly.

Table 4 Leisure facilities demand management plan

Demand drivers	Impact on services	Demand management plan
Population and migration change	Places pressure on existing active open space particularly in areas of high density.	Identify areas of growth and establish plan for facility renewals.
Demographics	Changing service needs affect the design and scope of facilities.	Understand the needs of the ageing population and design accordingly (i.e. equal access design for mobility impaired).
Economic factors	Changing service needs and hence changing foreshore and open space asset requirements. Advantaged households more likely to participate and have capacity to pay, less advantaged households may lack capacity to pay/participate.	Factor economic trends into the provision of new services and the design of new facilities. Management practices to ensure that active open space is accessible to all.
Housing trends	The demand for passive versus active open space may increase. Increased density close to active open space may create conflict with residents, e.g. floodlighting, high impact of traffic during peak times. 'Ownership' of leisure facilities by residents leading to potential conflict with sporting groups.	Greater understanding of active versus passive needs, via a community consultation and development of a Recreation Strategy. Condition assessment of floodlighting assets to be undertaken to ensure meeting with AUS standards. Operational plans of management to be developed in areas with highly residential numbers including a good neighbours policy.
Sports industry trends	The majority of sports fields are already at capacity. Greater demand for sports facility space by personal users/demand for road/public domain space for events.	Strategic allocation practices. Consultation with clubs and schools about how much use is sustainable. Improved field management, maintenance, renovation and rehabilitation processes. New sporting developments to be focused on multi-use rather than one sporting code.

Demand drivers	Impact on services	Demand management plan
		Gather data on current usage patterns of existing assets to determine where multi-purpose opportunities exist.

A4.8 Current practices

A4.8.1 Maintenance strategies

Routine operations and maintenance activities are required to preserve the functionality and condition of Council's leisure facilities assets. Existing proactive practices are undertaken in accordance with Council's adopted service criticality with the number of asset inspection undertaken for each asset dependant on the criticality of the asset. Reactive maintenance procedures arise from Council's CRMS system and are addressed within the standard response window.

A4.8.2 Renewal strategies

Renewal actions are works to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability. Council has determined a satisfactory condition level of 4 with assets falling below this being recommended for renewal. Leisure facilities assets are likely to be renewed due to functionality and or regulatory obsolescence rather than condition. Council considers these factors as key determinants in conjunction with asset condition in developing its capital program.

A4.9 Expenditure projections ($,000s)

Asset lifecycle costs are the average costs required to sustain an asset over its useful life. These costs have been projected forward for the next ten years to inform Council's Long-Term Financial Plan. The table below compares Council's planned expenditure against the expenditure required to sustain its current levels of service.

Table 5 Open space – expenditure projections.

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Actual												
Renewal	$2,103	$1,059	$0	$8,124	$8,124	$6,700	$6,860	$7,032	$7,208	$7,388	$7,573	$7,762
New and expanded assets	$7,901	$2,727	$0	$3,062	$3,062	$2,632	$2,695	$2,763	$2,832	$2,902	$2,975	$3,049
Operations and maintenance	$3,514	$3,697	$3,771	$3,846	$3,923	$4,014	$4,110	$4,213	$4,318	$4,426	$4,537	$4,650
Total expenditure	**$13,518**	**$7,483**	**$3,771**	**$15,032**	**$15,109**	**$13,345**	**$13,665**	**$14,007**	**$14,357**	**$14,716**	**$15,084**	**$15,461**
Required												
Required renewal (depreciation)	$5,543	$4,667	$4,760	$4,972	$5,203	$5,429	$5,667	$5,914	$6,170	$6,435	$6,710	$6,994
New and expanded assets	$7,901	$2,727	$0	$3,062	$3,062	$2,632	$2,695	$2,763	$2,832	$2,902	$2,975	$3,049
Required O&M	$6,067	$6,898	$7,036	$7,349	$7,691	$8,024	$8,376	$8,742	$9,120	$9,512	$9,917	$10,337
Total	**$19,511**	**$14,291**	**$11,796**	**$15,383**	**$15,956**	**$16,084**	**$16,739**	**$17,419**	**$18,122**	**$18,849**	**$19,602**	**$20,380**
Overall GAP (surplus)	**-$5,993**	**-$6,808**	**-$8,025**	**-$350**	**-$846**	**-$2,739**	**-$3,073**	**-$3,411**	**-$3,765**	**-$4,133**	**-$4,518**	**-$4,919**

Table 6 Aquatic centres – expenditure projections.

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Actual												
Renewal	$104	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
New and expanded assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Operations and maintenance	$77	$262	$267	$273	$278	$284	$291	$299	$306	$314	$321	$330
Total expenditure	**$181**	**$262**	**$267**	**$273**	**$278**	**$284**	**$291**	**$299**	**$306**	**$314**	**$321**	**$330**
Required												
Required renewal (depreciation)	$95	$89	$91	$93	$95	$97	$100	$102	$105	$108	$110	$113
New and expanded assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Required O&M	$138	$146	$148	$151	$155	$159	$163	$167	$171	$175	$179	$184
Total	**$233**	**$235**	**$240**	**$244**	**$250**	**$256**	**$262**	**$269**	**$276**	**$283**	**$290**	**$297**
Overall GAP (surplus)	**-$52**	**$27**	**$28**	**$28**	**$28**	**$28**	**$29**	**$30**	**$30**	**$31**	**$32**	**$33**

Table 7 Consolidated leisure facilities assets – expenditure projections.

Budget gap by asset group	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Budgeted expenditure	$13,699	$7,745	$4,038	$15,305	$15,387	$13,630	$13,957	$14,306	$14,663	$15,030	$15,406	$15,791
Required expenditure	$19,744	$14,526	$12,035	$15,627	$16,206	$16,340	$17,001	$17,688	$18,397	$19,132	$19,892	$20,677
Overall GAP (surplus)	**-$6,045**	**-$6,781**	**-$7,997**	**-$322**	**-$818**	**-$2,711**	**-$3,045**	**-$3,382**	**-$3,734**	**-$4,102**	**-$4,486**	**-$4,887**

Figure 1 Open space expenditure summary
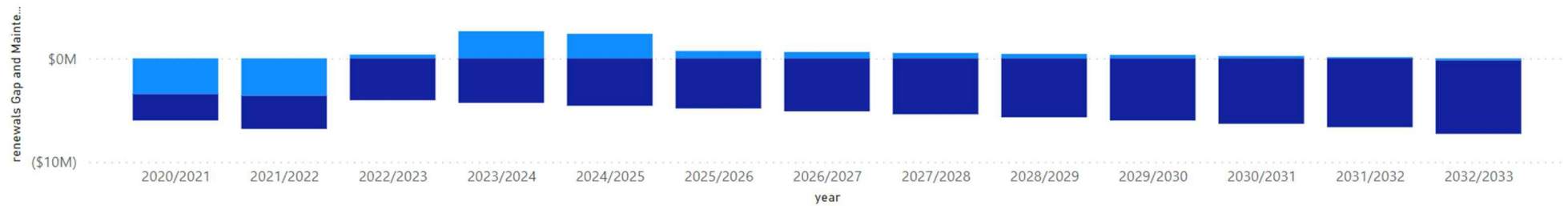
Average Annual Maintenance Gap

−5.06M

Average Annual Renewal Gap

86.15K

Expenditure Gap

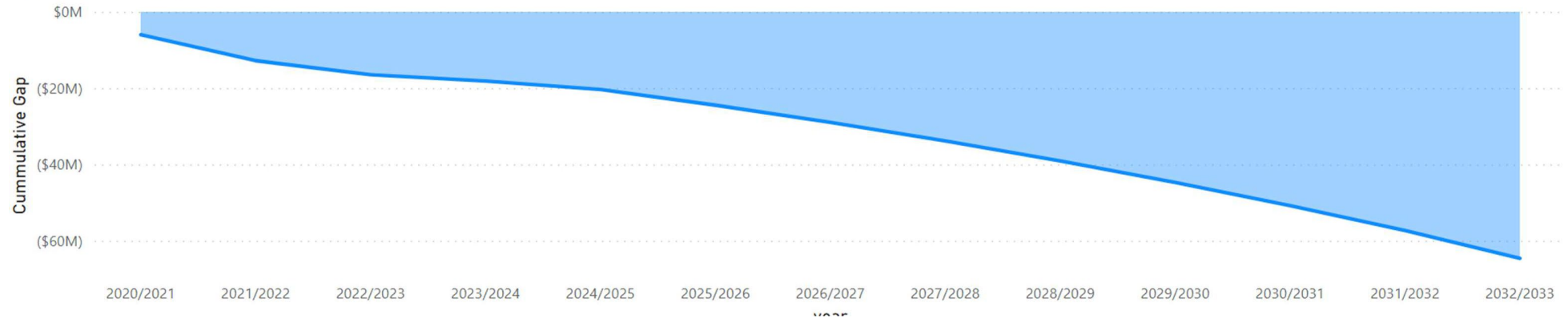● renewals Gap ● Maintenance Gap

Cummulative Expenditure Gap

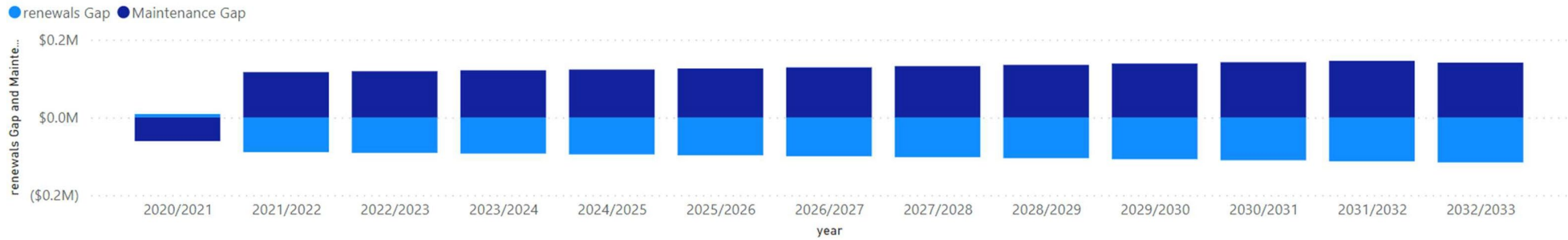**Figure 2 Aquatic centres expenditure summary**

Average Annual Maintenance Gap

115.96K

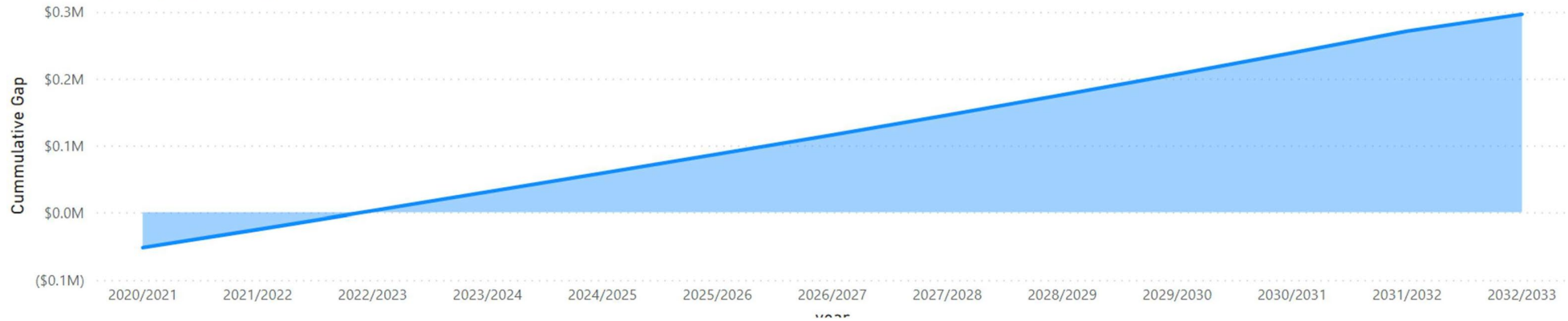Average Annual Renewal Gap

-93.16K

Expenditure Gap

● renewals Gap ● Maintenance Gap

Cummulative Expenditure Gap

Figure 3 Consolidated leisure facilities expenditure summary
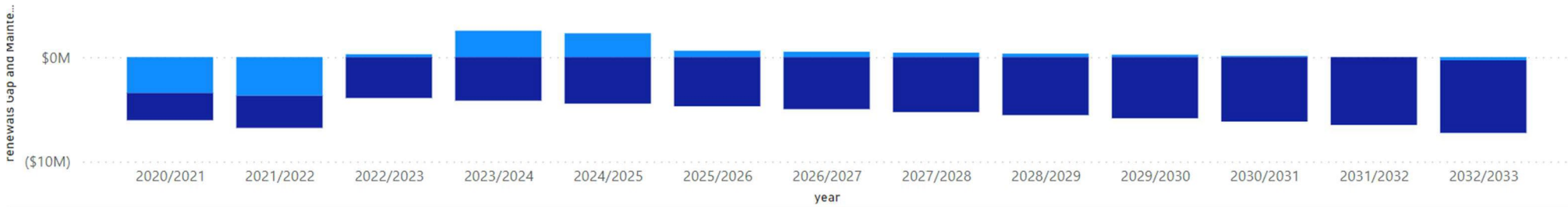

Average Annual Maintenance Gap

-4.94M

Average Annual Renewal Gap

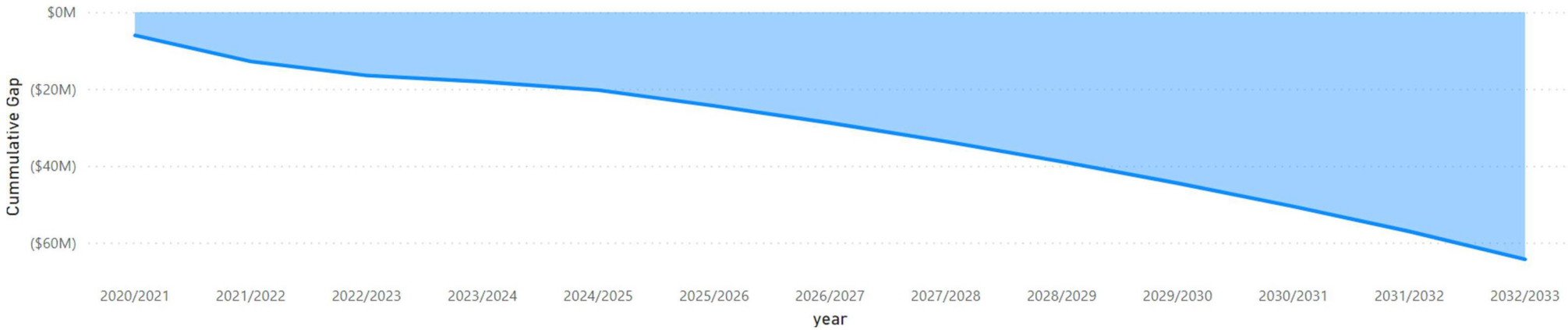# -7.01K

Expenditure Gap

● renewals Gap ● Maintenance Gap

Cummulative Expenditure Gap

A4.10 Financial ratios

The Office of Local Government has established financial benchmarks for councils to strive towards and adhere to. The charts below showcase Council's current financial service levels and the impacts of Council's projected expenditure upon these service levels.

Figure 4 Leisure facilities OLG expenditure ratios
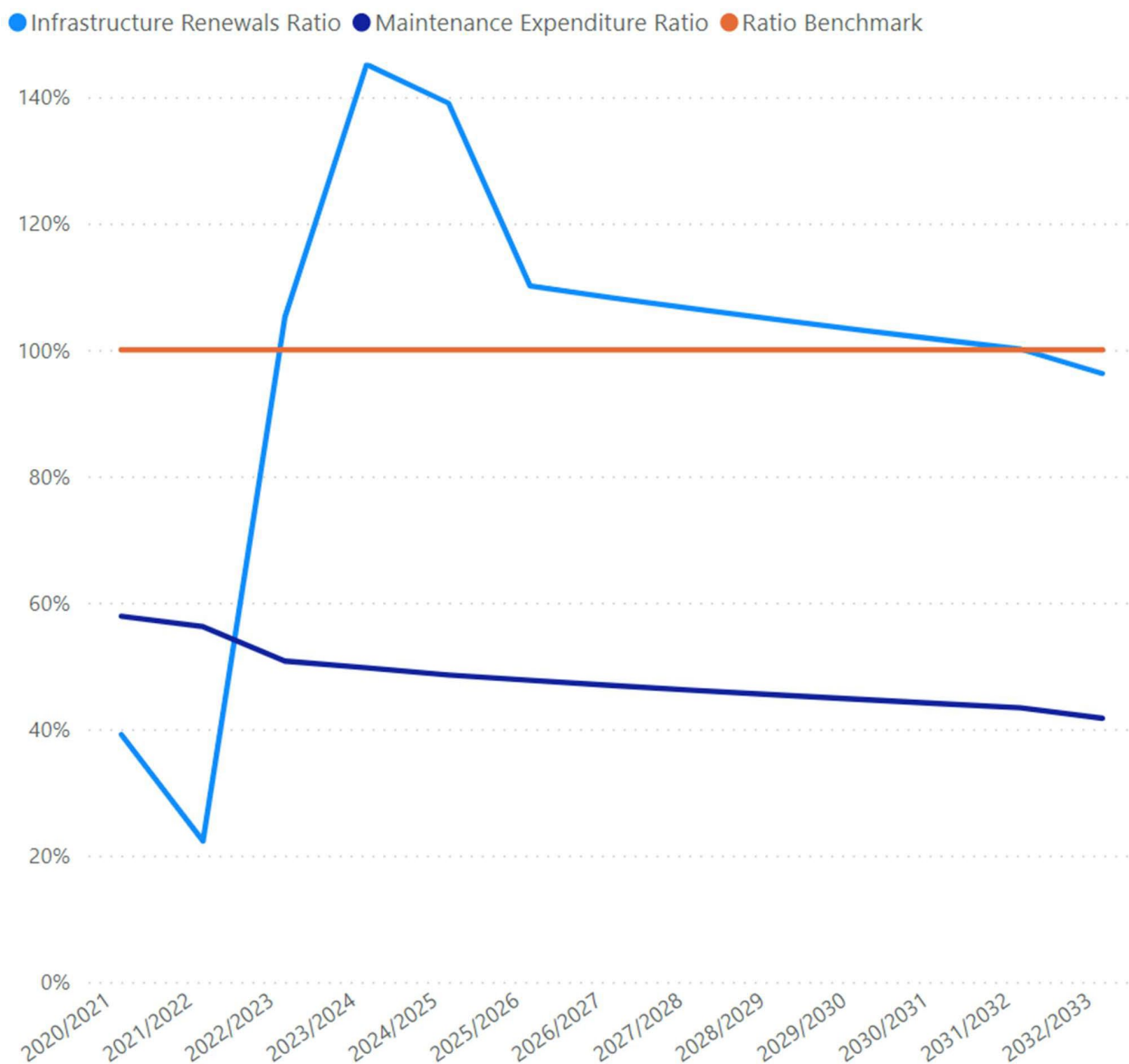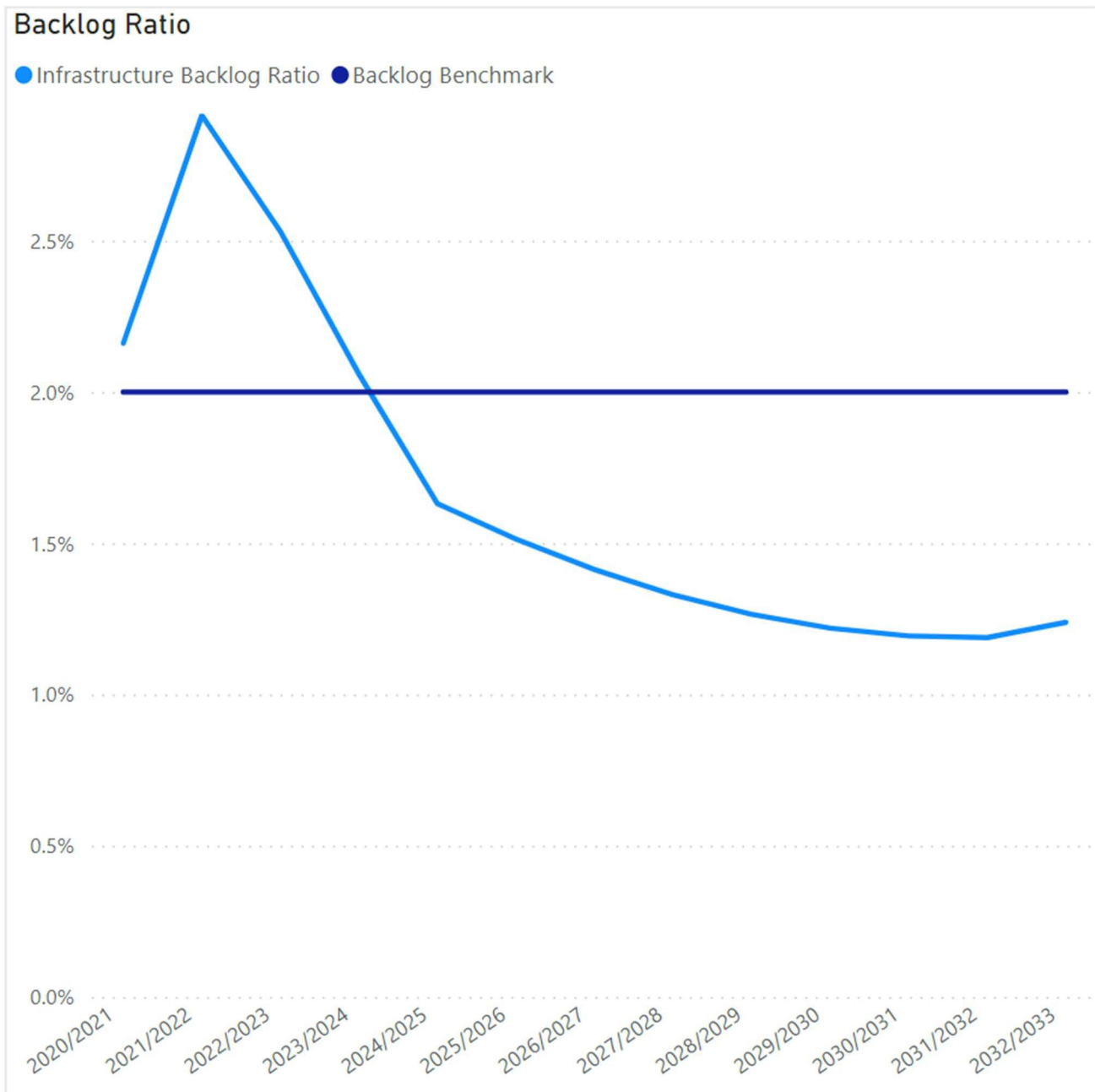

Asset Expenditure Ratios

● Infrastructure Renewals Ratio ● Maintenance Expenditure Ratio ● Ratio Benchmark

Figure 5 Leisure facilities OLG backlog ratios

A4.11　Risk

A4.11.1　Critical assets

The following attributes of an asset were considered when looking at critical leisure facilities assets.

Table 8 Leisure facilities assets – criticality factors

Attribute	High (score = 9)	Medium (score = 6)	Low (score = 3)
Park size	Large	Medium	Small
Number of playgrounds	> 1	1	
Amenities buildings	> 2	1 - 2	
Adjacent to waterway	Yes		
Typical use	Sporting facility	Passive recreation	Civic garden/pocket park
Off-leash dog facility	Yes		
Does the park contain significant bushland	Yes		

Based on the criticality scoring matrix above, Council has identified critical assets from the former Rockdale LGA. These include:

- Cook Park
- Scarborough Park
- Bardwell Creek Reserve
- Bicentennial Park
- Kingsgrove Avenue Reserve
- Kyeemagh Boat Ramp Reserve
- Scott Park
- Brighton Memorial
- Rock Netball Sports
- Arncliffe Park
- Gardiner Park
- Rockdale Park
- Barton Park
- Bexley Oval
- Cahill Park
- Frys Reserve

- Gilchrist Park
- Peter Depena Reserve
- Tonbridge Street Reserve
- Whiteoak Reserve
- Spring Creek Ponds Wetlands
- A S Tanner Reserve
- Bexley Swimming Centre
- Binnamittalong Reserve
- Broadford Street Reserve.
- Botany Pool
- Angelo Anestis Aquatic Centre

A4.11.2   Risk management

As an owner of assets that are available for Council and community use. Council must manage its leisure facilities in a manner that reduces risk and meets community expectations. Council is currently developing its Core Infrastructure Risk Management Plan for its leisure facilities assets, which details Council's risk management processes and risk register for leisure facilities assets.

A4.12   Confidence levels

The confidence in the asset data used as a basis for the forecasts has been assessed using the following grading system.

Table 9 Leisure facilities assets – data confidence rating

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

The overall confidence level of the plan is highly reliable**.**

A4.13   Main findings

While Council's leisure facilities asset data is comprehensive and of high quality, allowing for effective condition-based lifecycle planning, further work is required with respect to Council's levels of service. While levels of service exist, it is unclear whether they are being tracked and reported on and whether they were developed with community consultation. To ensure effective lifecycle planning, capacity and functionality should be a key consideration in conjunction with condition data and this should be captured as part of Council's levels of service. Further, Council should continue with the development of the 'Core Infrastructure Risk Management Plan' for its leisure facilities assets and incorporate asset risk into their future works planning in conjunction with condition, functionality and performance.

Also, of note, is that Council is currently determining the extent of upgrade works to the Botany Aquatic Centre. At present, $40m worth of upgrade works have been budgeted for in this plan which will have significant on-going maintenance, depreciation and service delivery cost implications for Council going forward. Council should ensure that lifecycle costs are fully understood and incorporated, in conjunction with community needs and expectations, into the decision-making process.

A4.14   Improvement plan

Table 10 Leisure facilities assets – improvement plan

Improvement action	Effect on AMPs	Priority
Engage community with respect to levels of service.	Lifecycle planning will be aligned with community expectations.	Medium
Review functionality and capacity needs of assets.	Lifecycle planning will be aligned with community needs.	Medium
Identify 10-year planned expenditure and budget.	Financial sustainability modelling reflective of Council capacity and needs.	High
Identify critical assets for the former Botany LGA.	Risk adequately identified and managed for Council's assets.	High
Develop Core Infrastructure Risk Management Plans for Council's leisure facilities assets.	Risk adequately identified and managed for Council's assets	Medium