Strategic Asset Management Plan

DRAFT SAMP 5 - April 2018

WAVERLEY COUNCIL

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2 Overview

2.1 Waverley at a Glance

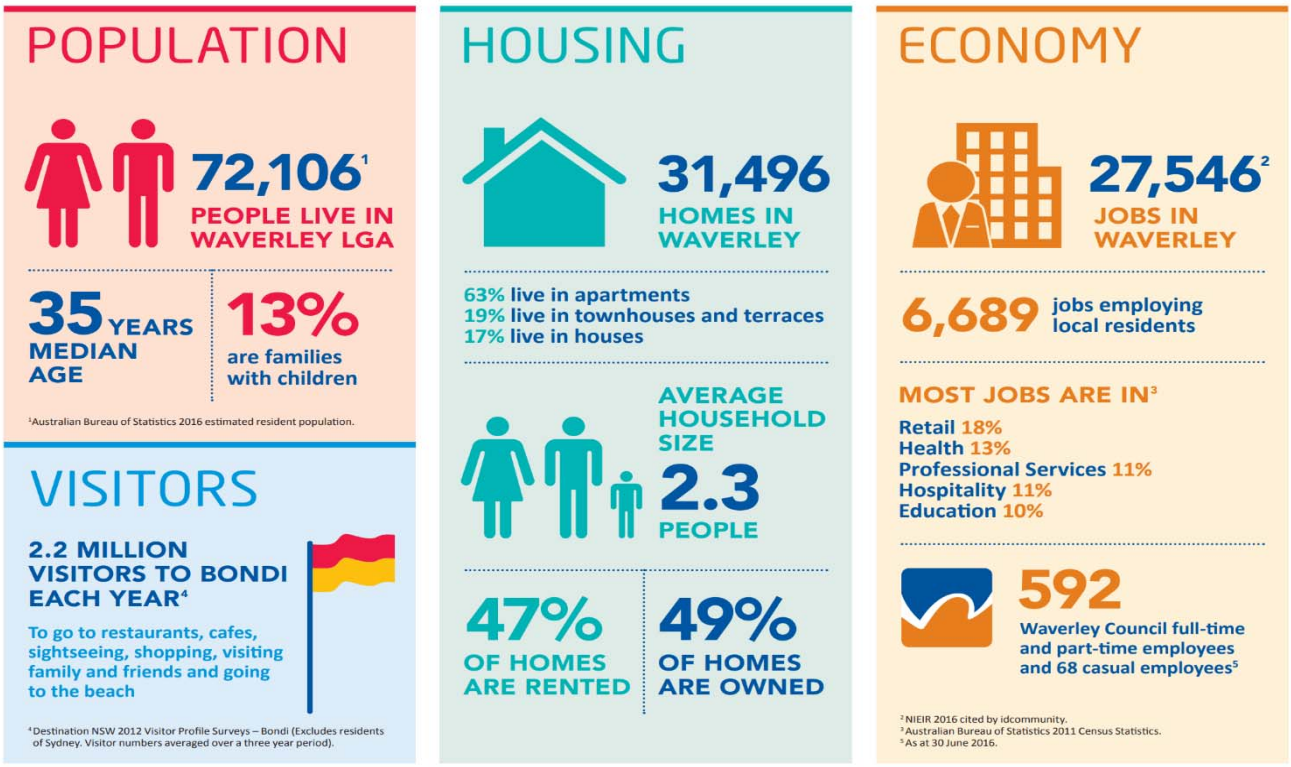
Positioned in the inner-eastern suburbs, seven kilometres out from Sydney CBD, the Waverley local government area covers 9.2sq km (924 hectares) and has one of the highest population densities within Australia at 68.42 people per hectare.

The Waverley area includes the beaches of Bondi, Bronte and Tamarama and includes the major retail centre of Bondi Junction. The area is predominantly residential with a mix of residential, retail, commercial, industrial, institutional and recreational centres.

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

- Population growth/reduction;
- Changes in the demography of the community;
- Lifestyle changes;
- Residential occupancy levels;
- Commercial/Industrial demand;
- Technological changes which impact the asset;
- The economic situation;
- Government policy;
- Environmental impacts and changes.

Currently the Waverley Local Government Area has the following characteristics.



Over the next ten years Waverley's population will increase by 10% placing increased pressure on its community assets.

2.2 Change in demographics

Waverley has the highest population density in Australia. Although the population growth of Waverley is lower than the rest of Greater Sydney, the proportion of children (age 5-19) and seniors (age 45+) is projected to grow significantly[1]. These age cohorts require good access to schools, services and healthcare, placing increasing pressure on public roads, transport means and services.

It is estimated that Waverley's population will increase by a further 5,000 people by 2036 placing increased pressure on Councils infrastructure.

2.3 Our Assets

Managing Councils assets is a complex task including the management of:

- 132km of Roads, 246km of Kerb & Gutter & 222km of footpaths;
- 66 Buildings & 9 investment properties;
- 3 Beaches;
- 14,000 Trees, 31 Recreational parks & 7 Sports parks.

3 Asset Management Strategy

3.1 Introduction

Waverley Council developed Asset Management Plans to identify required expenditure with respect to the management of its assets. These plans interact with Council's other strategic documentation like the Long Term Financial Plan (LTFP), Community Strategic Plan, Delivery Plan and the Environmental Action Plan.

Asset plans help Council with budgeting for the renewal, expansion, operating and maintenance costs of its assets over the period of the LTFP. They also assist with the needs of managing resources, systems, and planning for the delivery of works with an appropriate combination of contractors and internal staff.

3.1.1 Planning & Reporting

Waverley Council is following the guidelines that accompany the Local Government Amendment (Planning and Reporting) Act 2009 (LGA). Council is committed to meeting requirements under the IP&R framework and follows IIMM guidelines by ensuring that all Council's infrastructure assets are fully accounted for. The framework requires council to have:

- An asset management Policy;
- An asset management Strategy;
- An asset management Plan.

Development of asset management plans for Council's infrastructure assets is a mandatory requirement for NSW local governments. These plans need to account and report on the condition of assets, planning for the renewal & maintenance of assets for the adopted cycle.

Further details of planning and legislative requirements can be found in the Asset Management Manual.

3.1.2 Purpose of the plan

This asset management strategy has been developed to provide the framework to ensure that Waverley 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.

Council must account for and plan for all the existing assets under its ownership, and any new asset solutions proposed in its Community Strategic Plan and Delivery Program. Asset management must compliment Council's deliverables in the Long Term Financial Plan, Delivery Plan and Operational Plan to address the desired outcomes in the Community Strategic Plan.

The below figure shows the relationship between the various plans and resourcing strategies:

Resourcing strategy relationships

This strategy supports Council's aim to have the 'best value' asset management strategies and practices. This is achieved by continually developing and improving 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 all community assets now and into the future.

The specific objectives of this strategy are to:

- embed AM practices into the organisation where all Council employees will play an integral part in overall management of Council's assets;
- demonstrate responsible and sustainable stewardship of the community assets;
- define how Council's assets are, and will be, managed to achieve Levels of Service expectations;
- prioritise funding and resources between asset groups to safeguard our assets for current and future generations;
- assist the management of the environmental, financial and public risks related to the infrastructure assets;
- provide the basis for forward works programs;
- provide a framework to implement continuous improvement in asset management;
- foster transparent and responsible asset management practices that align with industry standards;
- provide the basis for optimising whole of life costs;

- support long term financial planning across all asset classes.

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

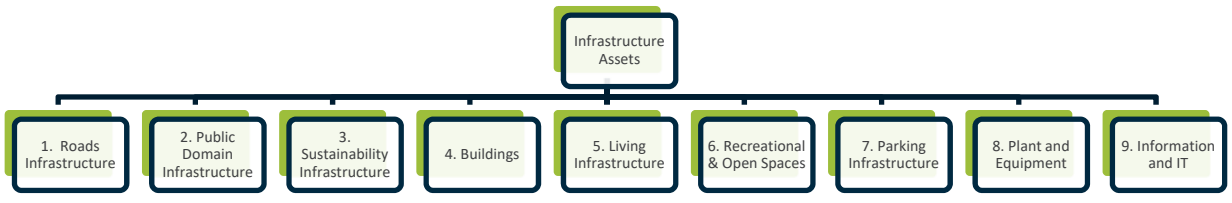
- current asset condition and performance;
- Levels of Service;
- forecast demand for infrastructure and services;
- critical assets and risks associated to their failure;
- funding constraints.

Details on each asset class including the inventory, current condition, financial expenditure and life cycle assessment are included in the asset management plan sections of this strategy.

3.1.3 Stakeholders & Responsibilities

The audience for this asset management strategy is Council staff, Council Executive Leadership Team, elected representatives (councillors), interest groups and all members of the Waverley community.

The Asset Management Policy outlines the key Roles and Responsibilities required to deliver sustainable management of all asset types. The Organisation has developed a new asset hierarchy which groups assets of similar characteristics together allowing clearer definition of the custodianship and delivery of diverse maintenance and renewal responsibilities.



Waverley Council asset hierarchy

3.1.4 Links to Council Community Strategic Plan

The Asset Management Strategy and Plans have been prepared in line with the vision and strategies outlined in the Community Strategic Plan. Infrastructure assets will play both a direct and an indirect role in achieving the strategic objectives. The following table indicates how Council's assets play a role in the delivering the key strategies linked to the Community Strategic Plan directions and goals.

Themes	Goal	Strategies	Roads Infrastructure	Public Domain Infrastructure	Sustainability Infrastructure	Buildings	Living Infrastructure	Recreational & Public Space	Parking Infrastructure	Plant & Equipment	Information & IT
Arts & Culture	Goal 1.1: Facilitate opportunities that recognise Waverley's unique place in the Australian contemporary cultural landscape	1.1.2. Deliver a dynamic library service that enriches lives by providing a means of social and cultural interaction				✓					
		1.1.3. Provide a diverse program of recreational and entertainment events that balance community and visitor expectations		✓	✓	✓	✓	✓			
	Goal 1.2: Preserve and interpret the unique cultural heritage of Waverley	1.2.1 Maintain the unique cultural value and heritage significance of key landmarks		✓	✓	✓	✓				
Community Services and Well-being	Goal 2.1: Create a resilient, caring and cohesive community	2.1.1 Provide a range of needs-based, flexible and accessible services, buildings and facilities		✓		✓		✓			
		2.1.2. Provide and manage social and affordable rental housing, community venues and facilities		✓		✓					
	Goal 2.2: Nurture a safe, healthy and well-connected community that has the capacity to embrace challenges and the resilience to adapt to change	2.2.1 Facilitate social inclusion and neighbourhood programs to strengthen community connections			✓			✓	✓		
		2.2.2. Manage and regulate public places to achieve safe and healthy lifestyles	✓	✓	✓	✓		✓			
Recreation and Open Spaces	Goal 3.1. Improve health and quality of life through a range of recreational opportunities and quality open spaces	3.1.1 Retain, protect, and improve the quality, capacity and accessibility of parks, open spaces, sporting and recreational facilities			✓		✓	✓	✓		
	Goal 3.2. Expand the diverse network of parks and open spaces, sporting and recreational facilities	3.2.1 Improve access to private and public recreation facilities and open spaces	✓	✓	✓	✓		✓	✓		
Local Economy	Goal 4.2: Ensure Bondi Junction and Waverley's villages continue to have a diverse range of businesses, local jobs and services for the Eastern Suburbs	4.2.1 Enhance the commercial core of Bondi Junction to increase employment		✓					✓		
	Goal 4.3: Encourage visitors to support the local economy	4.3.1. Ensure tourism contributes to natural and cultural attractions and local amenity is maintained or enhanced		✓	✓		✓	✓			
		4.3.2 Support and enhance the visitor economy		✓	✓	✓	✓	✓	✓		

Themes	Goal	Strategies	Roads Infrastructure	Public Domain Infrastructure	Sustainability Infrastructure	Buildings	Living Infrastructure	Recreational & Public Space	Parking Infrastructure	Plant & Equipment	Information & IT
Planning, Development and Heritage	Goal 5.1: Facilitate and deliver well-designed, accessible and sustainable buildings and places that improve the liveability of existing neighbourhoods	5.1.1 Facilitate and enable a diverse range of housing options and other land uses				✓					
		5.1.3. Encourage energy and water efficiency, best practice waste management and zero carbon buildings for all developments	✓	✓	✓	✓			✓		
	Goal 5.2: Value and embrace Waverley's heritage items and places	5.2.1 Protect, respect and conserve items and places of heritage significance within Waverley			✓	✓	✓		✓		
	Goal 5.3: Create high quality pedestrian-oriented, diverse and safe environments	5.3.1 Ensure development and construction in the public and private domain achieves excellence in design	✓	✓		✓		✓			
		5.3.2. Encourage creativity and innovation in the planning, design and delivery of new buildings and streetscape upgrades		✓		✓		✓	✓		
Transport, Pedestrians and Parking	Goal 6.1: Provide a wide range of transport options so people can easily travel within and beyond our local government area	6.1.1 Enable people to walk and cycle easily around the local area	✓	✓				✓	✓		
		6.1.2. Improve accessibility to public transport, on-demand and ride sharing	✓						✓		
		6.1.3. Reduce the need to own and travel by private motor vehicle									
	Goal 6.2. Build and maintain streetscapes that have a welcoming sense of place	6.2.1 Improve accessibility and convenience with new and upgraded roads and footpaths that balance the needs of pedestrians, bicycles and other users	✓	✓				✓			
		6.2.2. Deliver improved access to popular destinations such as Bondi Junction, Bondi Beach and local villages	✓	✓	✓	✓		✓	✓		
	Goal 6.3. Create safe streets and footpaths with fair access to parking	6.3.1 Build and maintain streets and footpaths that are safe for everybody	✓	✓							
		6.3.2. Prioritise residential access to car parking	✓			✓			✓		
		6.3.3. Ensure that on-street and off-street parking is fairly and effectively managed and financially sustainable	✓	✓							
Buildings and infrastructure	Goal 7.2. Construct and upgrade new buildings and infrastructure that meet current and future community needs	7.2.1 Work with the community to deliver long-term building and infrastructure plans	✓	✓	✓	✓	✓	✓	✓	✓	✓

Themes	Goal	Strategies	Roads Infrastructure	Public Domain Infrastructure	Sustainability Infrastructure	Buildings	Living Infrastructure	Recreational & Public Space	Parking Infrastructure	Plant & Equipment	Information & IT
Sustainable Environment	Goal 8.1. Reduce greenhouse gas emissions and prepare for the impacts of climate change	8.1.1. Improve energy efficiency of Council and community buildings and infrastructure	✓	✓		✓		✓			
		8.1.2 Increase uptake of renewable energy	✓	✓		✓			✓		
		8.1.3 Plan and respond to the impacts of climate change	✓	✓	✓	✓	✓	✓	✓	✓	
	Goal 8.2. Conserve water and improve water quality	8.2.1 Increase water harvesting through stormwater harvesting schemes and rainwater capture	✓	✓	✓	✓	✓	✓			
		8.2.2. Improve water efficiency of new and existing community and Council buildings and infrastructure	✓	✓		✓		✓			
		8.2.3. Reduce pollutants entering waterways	✓	✓		✓					
	Goal 8.3. Protect and increase our local bushland, parks, trees and habitat	8.3.1 Improve the condition and increase the extent of remnant bushland sites			✓		✓	✓			
		8.3.2 Develop and implement coastal bushland and habitat improvement plans			✓		✓				
		8.3.3 Increase the quantity of trees and plants in public spaces, parks and streets			✓		✓	✓			
Sustainable Waste	Goal 9.2. Facilitate best practise in waste management to increase recycling and recovery	9.2.1 Deliver engagement programs and services to increase waste diversion from landfill	✓			✓		✓			
		9.2.2. Provide efficient collection of Waverley's waste and recycling to minimise waste to landfill	✓	✓	✓	✓	✓	✓			
		9.2.3. Incorporate the most advanced waste management and treatment technologies to maximise diversion from landfill	✓	✓	✓	✓	✓	✓			
	Goal 9.3. Keep our streets, beaches and parks clean and free of litter, rubbish and pollution	9.3.1 Undertake programs and services to reduce litter and create clean and attractive public spaces	✓	✓	✓	✓	✓	✓			
Corporate Leadership and Engagement	Goal 10.2. Build the community's confidence in the integrity and capability of Waverley Council	10.2.1 Establish a strong governance framework that is transparent, accountable and employs evidence-based decision making									✓
	Goal 10.2. Build the community's confidence in the integrity and capability of Waverley Council	10.2.2. Deliver long-term financial and economic programs that improve financial sustainability									✓
		10.2.3. Strengthen capabilities and resources to deliver Waverley Community Strategic Plan 2018-2029 outcomes								✓	✓

Themes	Goal	Strategies	Roads Infrastructure	Public Domain Infrastructure	Sustainability Infrastructure	Buildings	Living Infrastructure	Recreational & Public Space	Parking Infrastructure	Plant & Equipment	Information & IT
	Goal 10.3. Build an organisation that places customers and the community at the heart of service delivery	10.3.1 Engage and partner with the community to provide services that meet its needs and expectations								✓	✓
		10.3.2. Use technology to streamline and enhance customer interactions with Council									✓
		10.3.3. Deliver efficient and effective services to increase value for money								✓	✓
Knowledge and Innovation	Goal 11.1. Enable our community to embrace economic opportunities using knowledge-based and other emerging technologies	11.1.1 Use smart city technology to improve the quality of life, optimise resources and economic sustainability									✓
		11.1.2. Expand opportunities for the community to access and use digital technology									✓
		11.1.3. Encourage knowledge-intensive and innovative industries	✓			✓				✓	
	Goal 11.2 Provide multi-purpose community spaces where innovation and collaboration can occur	11.2.1 Create innovative spaces for business incubation and knowledge transfer		✓		✓					
		11.2.2. Deliver and facilitate access to emerging technologies and library collections				✓					✓

3.2 Asset Management Practices

Waverley Council has a strategic approach in managing operational maintenance and renewal programs. To do so there are procedures in place to ensure that Council moves towards a more advanced level of asset management.

Council uses many tools and management techniques to delivery strategic asset management with a focus on using the lifecycle planning approach. Tools/techniques include:

- condition assessment;
- integrated decision making;
- performance measurement and monitoring;
- asset management systems;
- data validation (confidence in data);
- funding strategy;
- Levels of Service;
- future demand strategies;
- risk management including critical assets.

Further details of tools and management techniques can be found in the Asset Management Manual.

Future revisions of this asset management plan and strategy will move towards a more *advanced* level of asset management, using 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.

3.3 What is SAMP5?

SAMP5 is an abbreviation for Strategic Asset Management Plans, this is the fifth reiteration of Council's Asset Plans. The key changes and updates included in this new version of the plan consist of:

- Restructure of asset hierarchy to match functionality of asset group;
- Reduction of asset classes from 14 to 9;
- Increase knowledge of asset condition based on new condition inspection results;
- New valuation performed on all major asset categories;
- Updated backlog based on the new condition results;
- Organisational performance and progress.

SAMP5 is made up of:

- Asset Management Strategy (AMS)
- Nine individual Asset Management Plans (AMPs)
- Asset Management Policy

The plans follow the guidelines set out in the International Organisation for Standardisation Standard ISO 55000. Development of asset management plans for Council's infrastructure assets is a mandatory requirement for NSW local governments. The key findings for each asset class, which are covered in a concise but detailed manner, are included in the asset management plans section of this strategy.

Within this SAMP5, Council has an Asset Management Policy which will be adopted as part of SAMP5, and reviewed every four years. The policy sets out asset management principles and objectives for managing infrastructure assets to support the delivery needs of the community.

3.3.1 Purpose of the plan

The purpose of SAMP5 is:

- to provide framework, ensuring that Waverley Council's infrastructure assets are operated, maintained, renewed and upgraded to meet the Levels of Service set by the community;
- demonstrate Council compliance and commitment to IP&R framework and IIMM guidelines;
- reassess the cost required to meet service levels and integrate with the long term financial plan;
- ensure the SAMP5 supports the objectives set out in Community Strategic Plan – and other Council documents;
- to outline the processes, structures, roles and responsibilities necessary to establish and maintain *advanced* asset management practices.

3.3.2 Where are we now

Waverley Council engaged Morrison Low in 2017 to undertake an asset management maturity assessment as part of the SAMP5 project to gain an improved understanding of their current asset management capability in order to improve the overall performance of the Council and it operations. This report is a follow up report to measure the improvement in asset maturity since the last assessment in 2015.

The maturity assessment is based on the International Infrastructure Management Manual (IIMM). As such this assessment provides Council with the opportunity to understand how its asset management practices, systems and processes compare with industry standards and other councils and also to measure their improvement in various areas of asset management capability.

An assessment against a range of category based on an A – F scoring is provided as well as an overall weighted score again based on A – F.

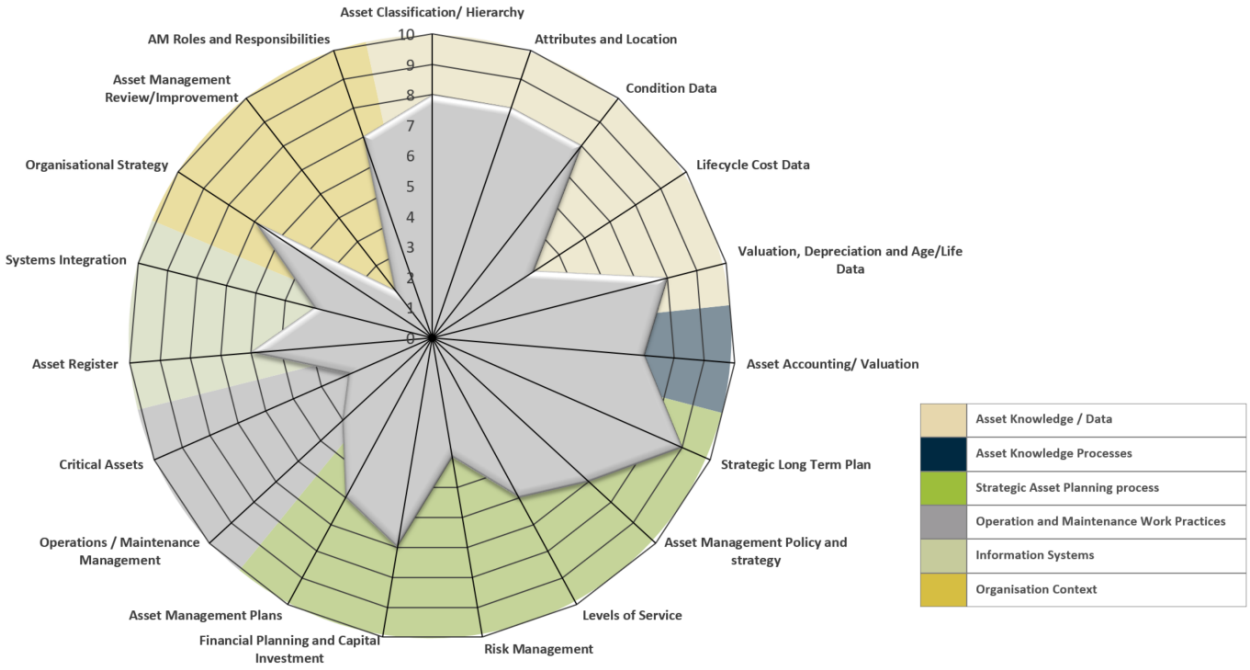
The table below sets out the ranking system.

Assessment	Description
A	At or near best practice
B	Advanced level of competence
C	Core level of competence
D	Basic level of competence
E	Awareness
F	Nothing/limited

As a minimum a council such as Waverley should be at “Core” maturity but preferably at an “advanced” level of competence. Waverley Councils score for each category is highlighted in the table below.

Category	2017 Assessment
Asset Knowledge / Data	**C**
Asset Knowledge Processes	**C**
Strategic Asset Planning Processes	**C**
Operations and Maintenance Work Practices	**D**
Information Systems	**D**
Organisational Context	**D**

The overall assessment of Councils asset maturity indicated that Waverley Council is at ***Core*** *or* level **"C"** of competence in asset management. The assessment highlighted gaps in Council's practices, this can be seen on the following diagram.



3.3.3 Addressing gaps

Since completing the maturity assessment in December 2017, Council has already addressed various high priority action items and improved its overall performance in asset management by undertaking the SAMP5 project. The maturity assessment actions completed and reflected in SAMP5 include the following

- development of asset hierarchies for each asset groups with roles & responsibilities;
- review existing service levels;
- identify critical assets in each asset class and develop high level risk mitigation plans as required;
- development of Asset Management Improvement Plan;
- review and update current asset management policy.

3.3.4 Where we want to be

Typically, Councils of the size of Waverley should be at a minimum of "Core" asset management maturity, Waverley has achieved this minimum standard. Given that Waverley is a high-profile area and manages a large range of complex assets, Council should be at or work to an "advanced" asset maturity.

In the case of Waverley, advanced maturity will provide good value for Councils investment and ensure good informed decision making is carried out.

Waverley Council aims to achieve sustainability in asset management by being at competence level ***"B"*** or ***"advanced"*** in asset maturity. Waverley Council is on track to achieving competence level B in most areas.

A high-level action plan has been developed to assist Council in its goal of reaching Advanced asset management maturity, by implementing actions identified in the Asset Management Improvement Plan and the development of individual asset class improvement plans will ensure that Council reaches its goal maturity.

3.4 Asset Valuation, Service Levels & Performance

3.4.1 Values and Conditions

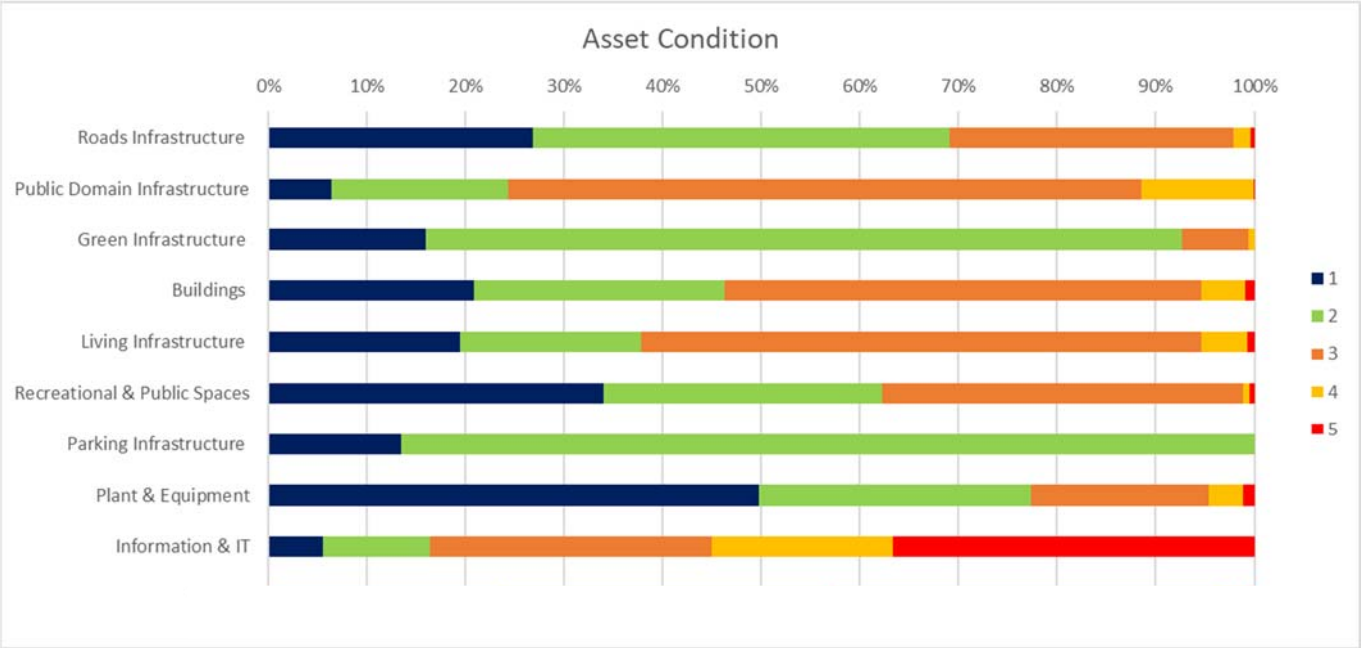
In preparing SAMP5, it has been identified that Waverley Council has combined infrastructure assets with current replacement cost of over $1 billion and carrying value of $685 million, generating annual depreciation of $15.5 million. The nine asset classes included in this plan and their values are detailed in the below.

Asset values for each asset class

Asset Class	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Roads Infrastructure	$ 542,666,087	$ 402,305,502	$ 5,471,048
Public Domain Infrastructure	$ 98,015,811	$ 57,214,320	$ 1,280,563
Sustainability Infrastructure	$ 4,157,978	$ 3,311,304	$ 164,558
Buildings	$ 229,817,000	$ 126,539,958	$ 3,854,177
Living Infrastructure	$ 93,113,290	$ 60,264,223	$ -
Recreational and Open Space	$ 20,123,087	$ 14,805,494	$ 717,837
Parking Infrastructure	$ 4,960,056	$ 4,101,665	$ 890,540
Plant and Equipment	$ 26,677,352	$ 15,283,704	$ 3,133,273
Information and IT	$ 2,363,107	$ 889,777	$ 35,447
Combined	$ 1,021,893,768	$ 684,715,949	$ 15,547,442

Based on the condition inspection results, most of Council's assets were found to be in *excellent* or *very good* condition. The condition is represented in 1 - 5, where 1 is *excellent* and 5 is *poor*. The nine asset classes' conditions, represented as a percentage of their current replacement cost are shown in the below.

Asset condition for each asset class



3.4.2 Difference between Cost to Satisfactory & Service Level

As part of Councils financial reporting, Council must report on a number of indicators relating to its infrastructure assets. These indicators are shown in special schedule 7 of Councils annual financial statements. These indicators can be used by Council and the community to get a better understanding of the condition of Councils infrastructure assets.

Two of these indicators relate directly to the condition of Councils infrastructure, namely the cost to bring assets to a satisfactory condition and the cost to bring assets to an agreed service level.

The cost to satisfactory is a theoretical calculation on the cost to bring assets to a satisfactory condition generally accepted as condition 3. This number is theoretical as in most cases councils will reinstate assets to a condition 1. This indicator assumes that all communities are happy with Condition 3 as a target condition.

The cost to an agreed service level is the full reinstatement cost of the assets below Councils target service level or intervention level. This is a more realistic indicator of the extent of the problems facing Council in meeting its community expectations.

Council as part of SAMP4 have clearly highlighted its target service levels and in many cases particularly in the road infrastructure area are significantly higher than condition 3.

3.4.3 Asset backlog

Using the new valuation and condition results, asset backlog has been calculated which is taken as 'cost to satisfactory', where satisfactory condition is condition 3. Council's current combined backlog, based on current knowledge is $7 million or 1%. Comparing to the industry benchmark of 2%, Waverley's backlog ratio appears to be within the healthy range. The breakdown of backlog for each asset class is shown in the table below.

Asset backlog for each asset class

Estimated cost to satisfactory	Backlog	Backlog Ratio %
Roads Infrastructure	$2m	0.7%
Public Domain Infrastructure	$2m	3%
Sustainability Infrastructure	$0	0%
Buildings	$3m	2%
Living Infrastructure	NA	NA
Recreational and Open Space	$81k	1%
Parking Infrastructure	NA	NA
Plant and Equipment	NA	NA
Information and IT	NA	NA
Combined	$7m	1.0%

In order to reduce the cost to satisfactory Council will need to improve the overall condition of its assets. This can be achieved by allocating renewals expenditure to maintain the assets in their current condition and allocating additional renewal expenditure to reduce the backlog over time.

Council as part of its asset renewal expenditure in the current LTFP is addressing the issue of both maintaining and improving overall asset condition. It is predicted that the cost to satisfactory (backlog) will reduce further over time. It should be noted that Council has a very high level of service and to maintain that level of service a higher than normal asset renewal expenditure is required.

3.4.4 Performance and progress measure

As part of SAMAP4 Council adopted a range of minimum conditions that it would like to keep its assets in. Generally, the basis for the target condition was based on maintaining the network in its current condition.

It should be noted that in assessing the performance against the SAMP4 targets, several activities have been undertaken that have impacted on the overall asset performance. These include a revaluation of some of the asset classes, an independent external inspection / condition assessment of some assets and a restructure of the assets into a more useable asset hierarchy.

It should also be noted that the external condition inspection of 20% of the assets indicated that Councils assets remain in very good condition. There has been a slight shift in condition of assets from condition 2 to condition 3 which would be expected, importantly however, Council has very few assets in condition 4 or 5.

This is highlighted by the very low backlog ratios for most asset classes.

Minimum condition targets set out in SAMP4 have been reviewed and maintained for most of the community asset categories. The table below shows asset types and discrepancy to meet service level agreements reclassified based on the new asset hierarchy.

The variation between SAMP5 and SAMP4 condition is a result of a number of factors including a revaluation of the assets and having external condition assessment carried out which provides a better comparison with industry standards

Asset types and discrepancy

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Sealed Roads – Wearing Course	79%		81%	76%	1.2%
Sealed Roads – Pavement		100%	NEW CATEGORY	99%	1%
Footpaths	80%		75%	79%	5.1%
Kerb & Gutter	73%		74%	71%	1.2%
Bridges		100%	NEW CATEGORY	100%	Nil
Stormwater drainage		88%	88%	98%	1.2%
Traffic Infrastructure		90%	NEW CATEGORY	74%	16%
Buildings		100%	93%	92%	1%
Lighting/Electrical Equipment		80%	NEW CATEGORY	99.8%	Nil
Water equipment		80%	NEW CATEGORY	99.3%	Nil
Street Furniture	80%		NEW CATEGORY	92.7%	Nil
Structures		90%	NEW CATEGORY	86.6%	Nil
Renewable Energy		100%	NEW CATEGORY	100%	Nil
Waste	90%		NEW CATEGORY	100%	Nil
Stormwater & Groundwater		80%	NEW CATEGORY	99%	Nil
Tanks & Pumps		90%	NEW CATEGORY	100%	Nil
Corridors		90%	NEW CATEGORY	75%	15%
Trees		90%	87%	97%	Nil
Amenity Landscape		90%	87%	90%	Nil
Turf		90%	NEW CATEGORY	97%	Nil
Recreational		90%	NEW CATEGORY	99.2	Nil
Cemeteries		90%	NEW CATEGORY	91.8%	Nil
Carparks	90%		NEW CATEGORY	100%	Nil
Vehicles		100%	NEW CATEGORY	96%	4%
Other Equipment		100%	NEW CATEGORY	95%	5%

Office Equipment & Furniture		100%	NEW CATEGORY	98%	2%
IT Infrastructure		100%	NEW CATEGORY	34%	66%
IT User Equipment		100%	NEW CATEGORY	41%	59%
Software Licences		100%	NEW CATEGORY	100%	Nil
Information & Data		100%	NEW CATEGORY	Nil	Nil
Public Facing Assets		100%	NEW CATEGORY	100%	Nil

3.5 Renewal of Assets

3.5.1 Level of Service

Council has amended specific Levels of Service to match the new asset hierarchy. The individual AMP chapters detail the Levels of Service specific for each individual asset class developed in order to address the lifecycle management of assets. A framework to measure service level outcome has been established, it includes: accessibility, quality / condition, responsiveness, customer satisfaction, affordability and sustainability.

Council has adopted a range of condition based service levels which equate to the Office of Local Governments (OLG's) new performance measure of Cost to Agreed service level. The cost to bring all Councils Assets to the agreed service level is detailed below for each asset category.

3.5.2 Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the OLG. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $23.5 Million.

Category	Cost to Agreed Servcie level
Roads Infrastructure	$5,063,042
Public Domain Infrastructure	$2,649,526
Sustainability Infrastructure	$3,874
Buildings	$12,322,000
Living Infrastructure	$1,334,078
Recreational & Public Spaces	$0
Parking Infrastructure	$0
Plant & Equipment	$830,624
Information & IT	$1,299,618
TOTAL	$23,502,762

3.5.3 Lifecycle Management Plan

Considering the backlog and level of service, the individual plans detail the life cycle requirements in the form of renewals and on-going operational and maintenance. These are detailed as 'required' budgets which are calculated using assets known condition/age and depreciation for renewals projections, and industry benchmarking rates for O&M projections.

The high level renewal requirements are summarised in the table below:

Renewals requirement for each asset class

Category ($000)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Roads Infrastructure	$9,011	$10,501	$10,893	$10,123	$9,185	$7,916	$7,883	$8,000	$10,482	$10,622
Public Domain Infrastructure	$1,488	$6,110	$3,817	$3,199	$3,962	$1,002	$3,912	$3,925	$5,243	$2,143
Sustainability Infrastructure	$0	$15	$59	$85	$47	$43	$64	$86	$137	$134
Buildings	$3,448	$8,036	$5,051	$3,532	$2,855	$5,611	$4,446	$4,713	$5,315	$7,291
Living Infrastructure	$1,489	$2,398	$2,648	$2,348	$2,395	$2,366	$2,433	$2,437	$2,486	$2,524
Recreational and Open Space	$267	$1,051	$2,905	$854	$657	$518	$615	$530	$806	$815
Parking Infrastructure	$0	$3,548	$524	$0	$0	$0	$3,956	$0	$0	$610
Plant and Equipment	$1,413	$1,746	$2,517	$4,101	$1,276	$4,685	$8,129	$989	$2,570	$4,172
Information and IT	$1,738	$1,962	$1,873	$1,759	$2,171	$2,010	$1,749	$1,452	$1,596	$0
Combined Total	$18,854	$35,368	$30,286	$26,002	$22,549	$24,152	$33,187	$22,131	$28,634	$28,311

3.5.4 Expenditure and Reporting

The known projected requirements are compared with current available budgets and where applicable, budgets are adjusted to ensure allocation of funds occur in the right areas. Ten year expenditures are created for integration and inclusion in the Long Term Financial Plan. In preparing SAMP5, it has been acknowledged that there are a few new asset classes which previously have never been accounted for, where before no budgets have traditionally been assigned to them. As such, SAMP5 has encouraged expenditure review of new categories and creation of budgets based on known requirements and practices.

A budget gap summary of combined assets over a ten year period is shown in the following table. It is important to note that renewal requirements fluctuate based on assets age and condition. These can be averaged out and standardised to produce a more gradual trend. Better understanding and planning of renewals work will allow for accurate allocation of funds in the correct area. There is sufficient funding towards asset renewal and maintenance overall to ensure that the condition of the assets can improve.

Budget gap over ten year period

Budget Gap ($000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Actual										
Renewal	$18,854	$35,368	$30,286	$26,002	$22,549	$24,152	$33,187	$22,131	$28,634	$28,311
New and Expanded Assets	$13,763	$32,236	$46,626	$30,126	$12,800	$12,229	$11,174	$7,721	$7,511	$8,892
Maintenance & Operational	$18,306	$18,496	$18,912	$19,376	$19,804	$20,402	$20,666	$21,672	$21,594	$22,125
Total Expenditure	$50,924	$86,100	$95,824	$75,504	$55,153	$56,783	$65,027	$51,523	$57,740	$59,328
Required										
Renewal	$16,710	$17,096	$17,842	$18,762	$19,537	$20,108	$20,722	$21,379	$21,934	$22,499
New and Expanded Assets	$13,763	$32,236	$46,626	$30,126	$12,800	$12,229	$11,174	$7,721	$7,511	$8,892
Maintenance & Operational	$17,044	$17,652	$18,581	$19,862	$20,815	$21,461	$22,225	$22,991	$23,586	$24,200
Total Expenditure	$47,517	$66,984	$83,048	$68,749	$53,152	$53,798	$54,121	$52,090	$53,031	$55,591
Overall (GAP)	$3,406	$19,116	$12,776	$6,755	$2,001	$2,985	$10,906	-$566	$4,709	$3,737

With the current allocation over the next ten years, it is expected that there will be additional asset expenditure of $6.5 million per annum, however it is anticipated that some expenditure allocated to asset renewal is in fact asset expansion or new asset expenditure as part of Major Capital Works Programs. This is also due to Councils high service levels needed to meet community expectations.

3.6 Asset Management Improvements Plan

Based on the observations and analysis of current asset management practices, a range of strategic actions have been developed that apply to all asset groups. These strategic actions are to ensure adequate provision is made for the long-term management of Council's infrastructure assets.

Ref No.	High Level Strategic Actions	Priority	Suggested Timeframe
1.	Clearly identify and separate all asset expenditure requirements into four categories; renewals, new, maintenance and operational for **all** asset classes. Establish clear budgets and reporting lines for each category	High	2018/19
2.	Using the 'Consolidated Register Master File', assign asset IDs to all new assets and update them in the Finance 1 system	High	2017/18
3.	Adapt an asset management system organisation wide which integrates asset knowledge with the Finance 1 system. Ensure asset inventory between finance and asset teams is consistent, with records available to demonstrate knowledge	High	2018/19
4.	Prepare asset data collection guidelines which set out the requirements for all asset registers. This guideline should specify the attributes required to be collected and stored for all asset classes, in line with financial reporting. This will ensure all asset registers are consistent and follow the same structure	High	2018/19
5.	Review all asset classes and their registers to ensure they follow consistent guidelines and naming conventions. Delete or hide any information not required or inconsistent with the guidelines	High	2018/19
6.	Review and adopt acceptable Level of Services in consultation with the community, update any changes and measure progress annually	High	2018/19
7.	Review backlog for each asset class against Council's infrastructure priorities, financial budgets and LTFP. Ensure renewals projects address assets contributing to backlog	Medium	2018/19
8.	Collect living infrastructure data suitable for the purpose of planning renewals and O&M. Plan and include budget requirements in the LTFP	Medium	2018/19
9.	Establish transparent and responsible asset management processes that align with best appropriate practice. This includes consistency between Asset Management Strategy and Long Term Financial Planning, Finance One systems, Level of Services for all asset groups, data collection, validation and reporting	Medium	2018/19
10.	Develop critical asset's emergency response plans, assign necessary budgets and resources, ensuring these are on high priority and regularly reviewed	Medium	2018/19
11.	Allocate and clarify roles, resources and responsibility for asset management, which includes good understanding of asset data, finance and budgets. Establish clear communication protocols with finance department and companywide	Medium	2018/19
12.	Prioritise and plan asset renewals to meet agreed service levels based on community's importance, infrastructure priority and site inspections	Medium	2018/19
13.	Extend asset inspection sample to get an *acceptable* range that is agreed by Council's executives. Plan and carry out condition inspections on a regular basis on diverse range of assets, ensuring to cover all asset classes	Medium	On-going
14.	Create an environment where Council employees take part in the overall management of Council assets by developing asset management awareness and capability throughout the Council	Medium	On-going
15.	Take an asset management maturity assessment in one year's time to review progress and refresh priorities	Low	2019/2020

3.7 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 for their 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 risk ranking process can determine which assets have a significant potential to impact on the achievement of AM objectives".

Waverley Council is working towards an advanced approach in identifying critical assets for each major asset class. The approach is using the 'Critical Asset Risk Matrix' by Morrison Low Consultants on Council owned assets that rates each asset from high to low in importance, significance and consequences. Having taken into account the critical risk matrices and based on the operational expertise and experience of Council officers, the following assets have been considered the most critical assets for the organisation as a whole.

Roads Infrastructure	All road reserve assets in: – Grafton Street, between Grosvenor St and Newland St; – Grosvenor St, between Oxford St and Grafton St; – Newland St between Oxford St and Grafton St.
Buildings	– SES building; – Works depot.
Plant and Equipment	Garbage truck fleet.
IT & Equipment	Computer server.

4 Asset Management Policy

4.1 Policy objectives and scope

Council is committed to the principles of sustainable asset management and to provide a framework in order to achieve asset management objectives in line with community expectations for infrastructure assets.

The aim of this policy is to

- establish an asset management framework to allow informed decision making by Council and staff;
- establish the stewardship of asset management by assigning responsibilities relating to asset management functions;
- allow the development of levels of service for our infrastructure assets in line with community expectations;
- seek review and adopt best practice in the undertaking of asset management functions;
- ensure resources and funding are allocated for the sustainable planning and delivery of infrastructure assets;
- ensure compliance with legislative requirements.

This policy applies to Council's infrastructure assets.

4.2 Definitions

Term	Meaning
Asset Management	The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost effective lifecycle management of assets.
Asset Management Framework	The overarching asset management hierarchy including the Asset Management Policy, Asset Management Strategy and the Asset Management Plans.
Asset Management Plan	Long term plan (over 10 years) that outlines the asset activities and programs for each service area and the resources applied to provide defined level of service in the most cost effective way.
Asset Management Strategy	A high level action plan that gives effect to an organisation's Asset Management Policy. Can also be in the form of a Strategic Asset Management Plan (SAMP).
Capital Expenditure	Expenditure used to create new assets, renew assets, expand or upgrade assets or to increase the capacity of existing assets beyond their original design capacity or service potential. Capital expenditure increases the value of asset stock.
Condition	The physical state of the asset.
Infrastructure Assets	Stationary systems forming a network or a portfolio of assets serving whole communities, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components.
Level of Service	The parameters or combination of parameters that reflect the social, political, economic and environmental outcomes that the organisation delivers.
Lifecycle Cost	The total cost of an asset throughout its life including planning, design, construction,

Term	Meaning
	acquisition, operation, maintenance, rehabilitation and disposal costs.
Maintenance	All actions necessary for retaining an asset as near as practicable to its original condition, but excluding rehabilitation or renewal. Maintenance does not increase the service potential of the asset or keep it in its original condition. Maintenance slows down the deterioration and delays when rehabilitation, renewal or replacement is necessary.
Rehabilitation	Works to rebuild or replace parts or components of an asset to restore it to a required functional condition and extend its life which may incorporate some modification. This involves repairing the asset to deliver its original level of service without resorting to significant upgrade or renewal, using available techniques and standards.
Renewal	Works to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability.
Replacement	The complete replacement of an asset that has reached the end of its useful life so as to provide a similar or agreed alternative level of service.
Risk	The effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.
Useful Life	The period over which an asset or component is expected to be available for use by an entity.
Asset Owner	This position takes ownership responsibility for the management of assets and is usually responsible for policy and overall asset strategy
Asset Custodian	This role is normally the technical expert and has responsibility for collecting and maintaining asset data, determining works programs and maintenance strategies etc

Source: International Infrastructure Management Manual

4.3 Policy content

Waverley Council is committed to implementing a systematic asset management methodology to the $930 million worth of infrastructure assets that are managed by Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed in accordance with best practice.

The asset management function will ensure that Waverley Council meets strategic and sustainable delivery objectives whilst delivering the highest appropriate level of service through its assets.

To ensure the objectives of this policy are met Council will undertake to

- consult with the community and key stakeholders to establish levels of service and appropriate intervention;
- implement an inspection regime to monitor asset condition and service delivery;
- use asset information to inform renewal priorities in line with agreed levels of service;
- ensure that risk to the community, the environment and Council is a key consideration in decision making;
- develop and commit to long term capital work plans and fund programs that support the needs of the community in accordance with Council's Delivery Plans and Operational Plans;
- allocate adequate resources for development and delivery of asset management functions in accordance with the asset management strategy, asset management plans, service level documents

and Council strategies;

- develop systems for the management of assets that are integrated across all areas of Council operations;
- ensure that asset management practice reviews are undertaken to achieve best practice in asset accounting, lifecycle costing and alternative delivery modes to ensure sustainability, value for money and social equity in asset service delivery;
- ensure that asset management practices conform to legislative requirements.

4.4 Responsibilities

In order to achieve the intent of this policy, the organisation must embrace the asset management philosophy and support its implementation by assigning responsibilities across the organisation.

Councillors

- To adopt strategic direction for Council in relation to asset management;
- To support the implementation of advanced asset management practices across the organisation;
- To ensure appropriate resources and funding for asset management activities.

Executive Management

- Provide professional advice to Council to enable informed asset management decisions;
- Promotion of asset management across the organisation;
- Ensure consultation occurs between staff, Council and the community as required;
- Monitor progress and performance in the implementation of asset management plans;
- Allocate appropriate resources to achieve asset management objectives;
- Ensure outcomes support Council's Community Strategic Plan.

Asset Management Team

- Implement asset management policies and strategies;
- Develop and implement asset management plans;
- Establish current levels of service for infrastructure assets, compare to benchmarks, assess against community needs and identify gaps or challenges;
- Manage asset systems and develop procedures to ensure compliance with standards, legislation and ensure consistent decision making;
- Ensure communication between staff and the Executive Management Team;
- Effectively and efficiently manage funds allocated for capital upgrades, renewal and maintenance;
- Develop forward operational programs in accordance with the long term financial plan;
- Promote and raise awareness of asset management in the organisation and the community.

Financial Accounting Team

- To report accurately on the status of Council's infrastructure assets in line with standards and statutory requirements;
- Coordinate asset accounting deliverables and initiatives with Council's asset management team;
- Work with Council's asset management team to establish best practice procedures for the delivery and reporting on asset service delivery.

Operational Teams

- Consider the impacts to the life of the asset and delivery of service when considering procedural changes and when planning operational activities;
- Communicate with the asset management team to ensure that operational procedures and administration align and support asset management objectives.

4.5 Related council policies and procedures

This asset management policy should be read in conjunction with the following Council documents:

Document Number	Document Name
	Community Strategic Plan
	Resourcing Strategy including Asset Management Planning, Long Term Financial Planning and Workforce Management Planning
	Asset Management Plans
	Risk Management Policy
	Local Government Code of Accounting Practice
	Environmental Action Plan 4

4.6 Legislative requirements

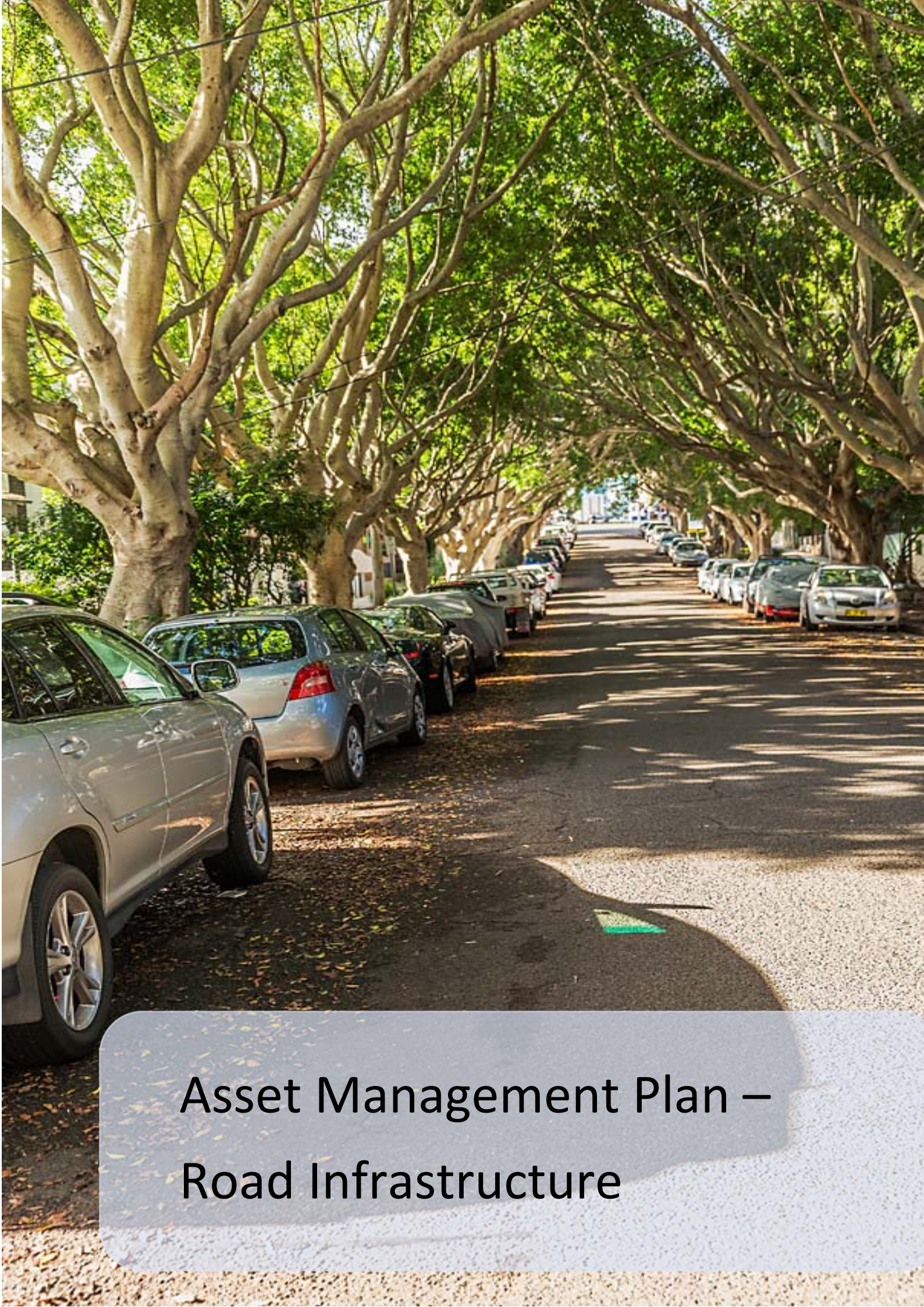
There are a number of legislative requirements that apply to the management of assets including:

- Local Government Act 1993
- Local Government (General) Regulation 1999
- Environmental Planning and Assessment Act 1979
- Environmental Planning Legislation Amendment Act 2006
- Protection of the Environment Administration Act 1991
- Protection of the Environment Operation Act 1991
- Civil Liability Act 2002
- Environmental Protection Act 1970
- Work, Health and Safety Act and Regulations

- Disability Discrimination legislation including:
- Commonwealth Disability Discrimination Act 1992 (DDA)
- NSW Anti-Discrimination Act 1997
- AS 1428 (Set) – 2003 Design for Access and Mobility
- AS/NZS 4360 – 2004 Risk Management
- Australian Accounting Standards
- Environmentally Hazardous Chemicals Act 1985
- Water Management Act 2000
- Heritage Act 1977
- Crown Lands Act
- Building Code of Australia
- Plus, other legislation relating to:
    - Working at Heights
    - Confined Spaces
    - Plant Regulations
    - Manual Handling
    - Noise Regulations
    - Planning Controls
    - Various other Australian Standards.

4.7 Review of policy

This policy will be reviewed every three to four years as per election cycle. The policy may also be changed as a result of other amendments that are to the advantage of Council and in the spirit of this policy. Any amendment to the policy must be by way of a Council Resolution or the approval of the General Manager.



Asset Management Plan – Road Infrastructure

Asset Management Plan – Roads Infrastructure

Councils road infrastructure represents more than 50% of Councils total asset base. These assets are essential in ensuring the residents; ratepayers and visitors to Waverley are able to move efficiently and effectively around and through the area.

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's transport needs, including roads, bridges, footpaths and cycleway, stormwater drainage, kerb and gutter and traffic infrastructure.

A considerable portion of this asset class (25%) is shown as bulk earthworks. Bulk earthworks have been shown separately, including a sub-base component of roads. These are taken as non-depreciable assets whereas all other asset group have annual depreciation shown below. As such non-depreciable earthworks have been deleted from our analysis. The asset inventory, values and condition are detailed below. The assets in this category are generally in good condition; however the overall condition of the assets is slightly below the adopted service levels. The main issue with this asset category is long term funding. The current modelling shows that Councils desired service levels can be met in the medium term however additional funding will be required to maintain and improve asset condition past the 10 year financial plan.

Asset Inventory and Values

The table below details the current value of Councils road infrastructure assets

Roads infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Sealed Roads	Sealed Roads	132.2	km	$170,061,805	$110,476,340	$2,291,735
	Earthworks	848,256	m2	$111,165,035	$111,165,035	
Kerb and Gutter	Kerb and Gutter	246	km	$45,157,119	$32,131,989	$461,695
Bridges	Pedestrian Bridges	2		$4,000,000	$2,200,000	$40,000
Footpaths	Pavements	222.5	km	$70,443,334	$52,624,127	$1,092,378
Stormwater Drainage	Inlet and Junction Pits	4,650	No	$25,474,574	$17,956,693	$262,968
	Stormwater Conduits (pipe)	86.6	km	$111,025,522	$73,104,587	$1,112,154
Traffic Infrastructure	Roundabouts	19	No	$1,132,566	$649,420	$28,314
	Speed Humps	105	No	$2,052,410	$1,057,457	$31,699
	Traffic Islands	183	No	$1,194,423	$621,444	$39,814
	Line marking (incl. external parking)			$493,200	$24,660	$98,640
	Pedestrian Islands	44	No	$466,099	$293,750	$11,652
Total (including Earthworks)				$542,666,087	$402,305,502	$5,471,048

Asset Condition

Council's assets have been inspected and condition rated in accordance with a 1 – 5 condition assessment process.

Roads infrastructure condition data

Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at Roads infrastructure asset class to create tailored measurable target performance measures. It is important to note that not all of these asset based levels of service have been consulted with the community due to changes in the asset hierarchy and are likely to be modified in time to fully match the community's expectations.

Roads infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance (SAMP5)
Quality / condition	The local road network is strategically and efficiently maintained, renewed and upgraded	Condition assessment %	Road wearing course 79% in condition 2 Footpath 80% in condition 2 Kerb & gutter 73% in condition 2	76.2% 78% 70.5%
Reliability / Responsiveness	Council is responsive to the needs of its residents and asset users	Councils Customer Request System	90% of requests are completed within Council's customer charter	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Transport assets meet financial sustainability ratios	Consumption ratio	Between 50% and 75%	69%
		Renewal funding ratio	Between 90% and 110%	165%
		Long term funding ratio	Between 95% and 105%	154%
		Backlog ratio	Less than 2%	1%
Safety	The network feels safe to use and is regarded safe in comparison to other similar networks	Annual Inspections, operational reports and safety audits	Three-year annual average traffic accidents are decreasing	
	Lighting is provided to enhance safety for all road users and to aid navigation and security	Compliance and customer surveys	100% of street Lighting installations at pedestrian crossings that comply with AS 1158	

Roads Infrastructure Community Service Levels

Quality / Condition Per Subclass	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Sealed Roads – Wearing Course	79%		81%	76%	1.2%
Sealed Roads – Pavement		100%	NEW CATEGORY	99%	1%
Footpaths	80%		75%	79%	5.1%
Kerb & Gutter	73%		74%	71%	1.2%
Bridges		100%	NEW CATEGORY	100%	Nil
Stormwater drainage		88%	88%	98%	1.2%
Traffic Infrastructure		90%	NEW CATEGORY	74%	16%

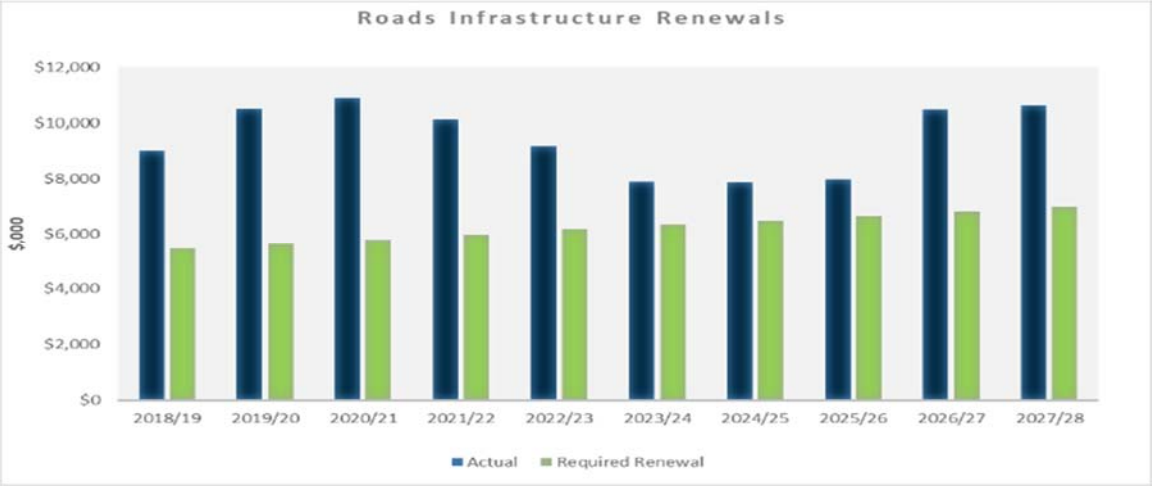
Expenditure Projections

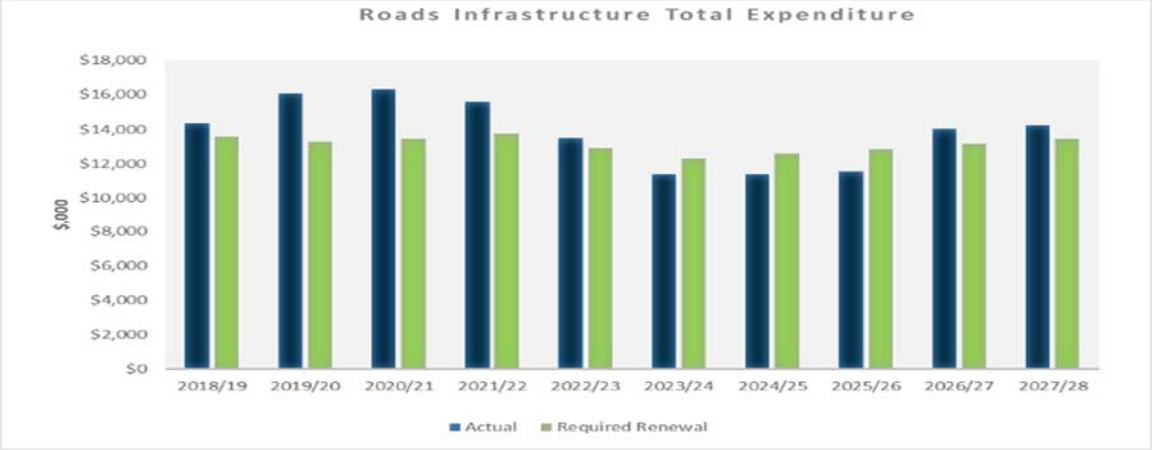
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, that has been calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of the asset's life cycle requirements.

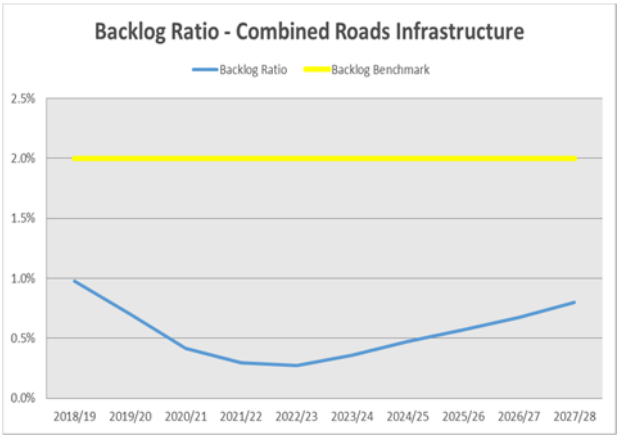
Budget Gap by Asset Group ($000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Combined	Actual	Renewal	$9,011	$10,501	$10,893	$10,123	$9,185	$7,916	$7,883	$8,000	$10,482	$10,622
		New and Expanded Assets	$3,340	$3,538	$3,333	$3,292	$2,136	$1,208	$1,196	$1,188	$1,185	$1,185
		Operational & Maintenance (O&M)	$2,008	$2,052	$2,097	$2,143	$2,190	$2,238	$2,287	$2,338	$2,389	$2,442
		Total Actual Expenditure	$14,358	$16,091	$16,322	$15,559	$13,512	$11,362	$11,367	$11,526	$14,056	$14,249
	Required	Renewal	$5,471	$5,628	$5,811	$5,995	$6,176	$6,343	$6,502	$6,666	$6,832	$7,002
		New and Expanded Assets	$3,340	$3,538	$3,333	$3,292	$2,136	$1,208	$1,196	$1,188	$1,185	$1,185
		Operational & Maintenance (O&M)	$4,774	$4,141	$4,298	$4,455	$4,608	$4,745	$4,871	$5,001	$5,132	$5,267
		Total Actual Expenditure	$13,585	$13,307	$13,442	$13,742	$12,920	$12,296	$12,570	$12,854	$13,149	$13,455
		Overall (GAP)	$773	$2,784	$2,880	$1,816	$592	-$934	-$1,203	-$1,329	$907	$794

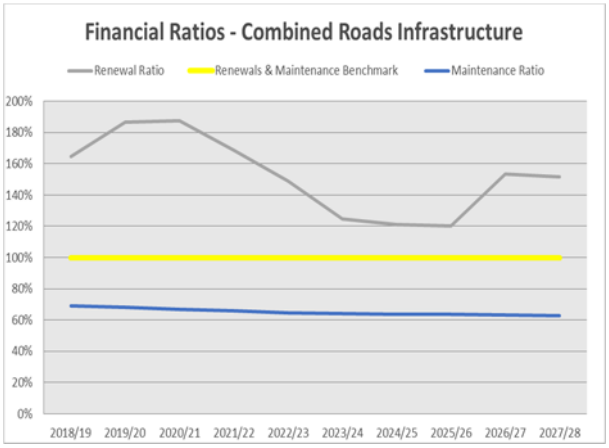
Financial Ratios

The following charts highlights the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.









Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $5.1 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Sealed Roads wearing surface	$52,310,034	$50,473,816	$1,836,218
Sealed Roads pavement	$103,846,572	$103,699,838	$146,734
Bridges	$4,000,000	$4,000,000	$0
Footpaths and Cycleway	$56,354,667	$55,232,544	$1,122,124
Kerb and Gutter	$32,964,697	$31,864,499	$1,100,198
Traffic Infrastructure	$4,804,828	$3,947,059	$857,769
Stormwater Drainage	$120,120,084	$135,089,735	$0
Combined			$5,063,042

Renewals Plan

In developing Councils asset renewal plan, consideration is taken to the target service levels in each asset category and the current condition of the asset base. Councils overall strategy for asset renewal is to initially ensure that there is no slippage in asset condition. This will be achieved by renewing assets at the optimum point of their lifecycle to maximise Councils renewal expenditure and achieving the desired service level. As such as Councils renewal strategy will be a bottom up approach to asset renewals.

Using asset's remaining useful life, condition, intervention level, and Councils overarching renewal strategy, Waverley Council has generated asset based renewals program for Roads Infrastructure. Renewal amount is specified for each asset class based on the optimal year of renewal.

It should be noted that Council is planning to spend more on asset renewals than the current depreciation amount for the combined asset class. The aim being to initially maintain asset condition and to then address the assets that currently do not meet the current service levels for the asset categories.

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Sealed Roads	$2,572,816	$2,853,120	$2,869,015	$2,612,496	$2,280,888	$2,214,008	$2,259,003	$2,305,078	$2,354,224	$2,404,598
Bridges	$0	$0	$0	$0	$0	$0	$150,000	$150,000	$0	$0
Footpaths and Cycleway	$3,835,105	$3,645,160	$3,875,300	$3,605,625	$3,723,985	$2,727,840	$2,467,080	$2,504,200	$5,051,000	$5,104,000
Kerb and Gutter	$1,473,222	$1,693,586	$1,622,631	$1,541,585	$1,315,555	$1,293,696	$1,318,325	$1,343,545	$1,370,446	$1,398,020
Traffic Infrastructure	$466,793	$791,153	$896,974	$871,628	$625,144	$480,331	$488,608	$497,102	$505,918	$514,966
Stormwater Drainage	$662,747	$1,518,107	$1,628,750	$1,492,125	$1,239,825	$1,200,232	$1,200,232	$1,200,232	$1,200,232	$1,200,232
Combined	$9,010,683	$10,501,127	$10,892,670	$10,123,459	$9,185,397	$7,916,107	$7,883,248	$8,000,157	$10,481,820	$10,621,818

Operational and Maintenance

Council is currently running a budget which is under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing a proactive long term renewal strategy to begin with, reallocating funds to short term maintenance tasks/ proactive maintenance in the longer term.

Council generally undertakes maintenance activities in both a planned and reactionary basis. Council's aim is to gradually move more of its maintenance activities to a planned cyclical maintenance however there is always a need to be responsive to the request by ratepayers and clients.

Critical Assets

The following assets have been identified as critical assets for roads infrastructure asset class:

- Grafton Street, between Grosvenor Street and Newland Street;
- Grosvenor St, between Oxford Street and Grafton Street;
- Newland St between Oxford Street and Grafton Street;
- Drainage assets within the North Rose Bay catchment area.

Mitigation plans fare currently in planning stage and will be developed as per the improvement actions of this plan.

Confidence Levels

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

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.
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 considered to be 'highly reliable'.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection strategy for Road assets to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	Consider the implementation and use of a Pavement Management System to optimise renewal expenditure.	2017/2018	Medium
	Update relevant asset registers and systems to include correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available.	2018/2019	Medium
	Gradually extend inspections of assets to cover a 40-60% range. Update conditions and values as necessary.	2019/2020	Ongoing
Asset valuation	Review asset lives on an annual based taking into account the actual life of assets achieved by Council.	2018/2019	Ongoing
Asset performance	Report on asset based service levels on an annual basis.	2018/2019	High
Renewal planning	Develop 10 yr. renewal plans that will ensure that Councils service levels are achieved.	2018/2019	Medium
Risk management	Prepare risk mitigation plan for the critical road assets identified in this plan.	2018/2019	Medium

Supporting Documentation on Road Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Public Domain Infrastructure

Asset Management Plan – Public Domain Infrastructure

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's public domain needs. This asset class covers a wide range of assets typically found in our public domain areas and specifically includes lighting, water equipment, street furniture and structures. This asset class is important as these areas are typically high profile and attract a lot of use by the general public. The asset inventory, values and conditions are detailed below:

Asset Inventory, Values and Condition

The table below details the current value of Councils public domain assets:

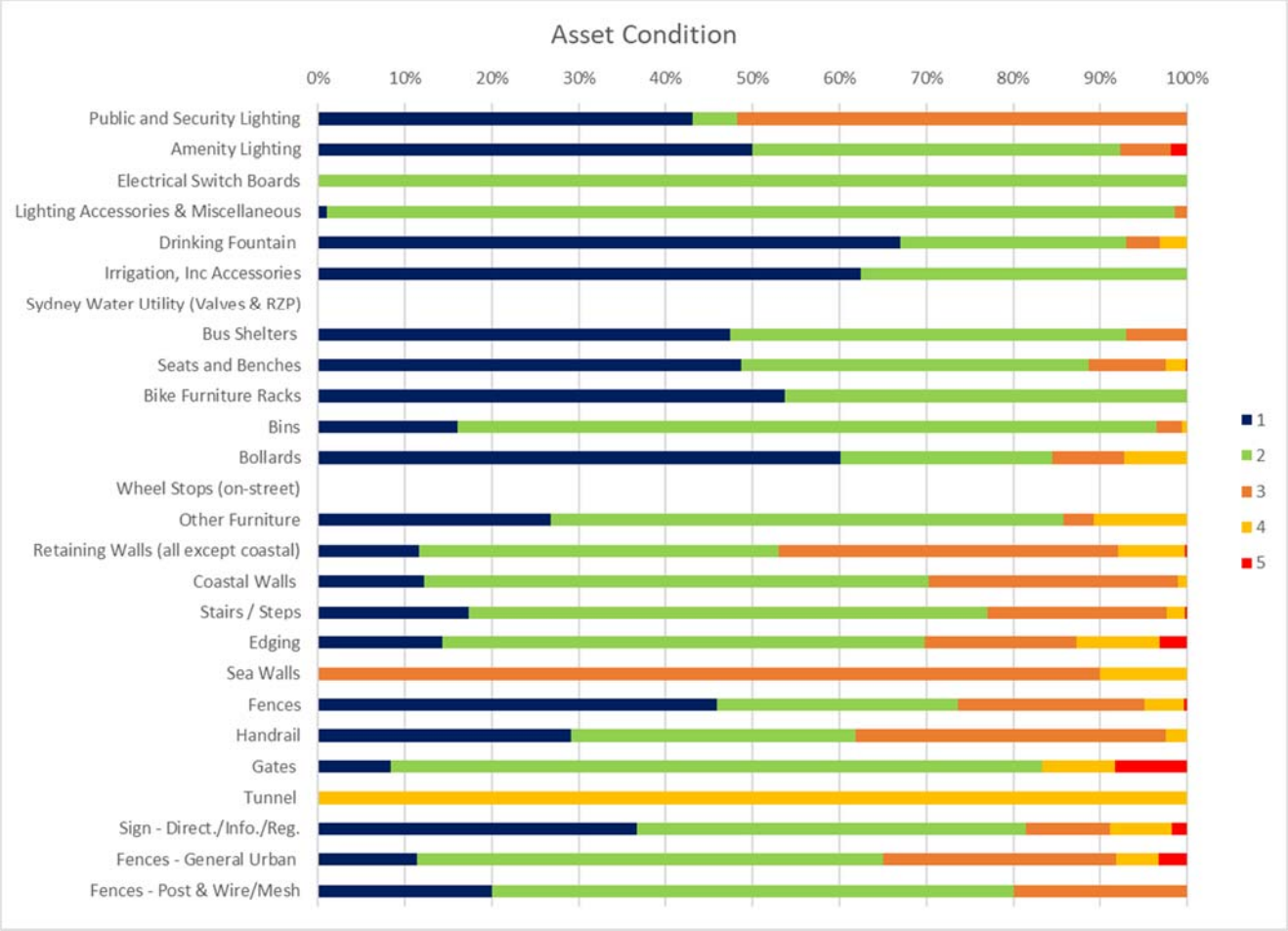
Public domain infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
1.2.1 Lighting / Electrical Equipment	Public and Security Lighting	58	no	$290,000	$207,000	$9,667
	Amenity Lighting	260	no	$1,040,000	$854,000	$34,667
	Electrical Switch Boards	2	no	$10,000	$8,000	$500
	Lighting Accessories & Miscellaneous	13	no	$7,260,334	$4,979,533	$0
1.2.2 Water Equipment	Drinking Fountain	32	no	$80,000	$65,500	$5,333
	Irrigation, Inc Accessories	8	no	$320,000	$276,000	$9,143
	Sydney Water Utility (Valves & RZP)					
1.2.3 Street Furniture	Bus Shelters	57	no	$855,000	$709,500	$34,200
	Seats and Benches	879	no	$1,933,800	$1,576,410	$128,920
	Bike Furniture Racks	175	no	$612,500	$522,900	$40,833
	Bins	787	no	$1,416,600	$880,830	$94,440
	Bollards	332	no	$36,150	$29,175	$1,345
	Wheel Stops (on-street)					
	Other Furniture	56	no	$280,000	$215,500	$11,200
1.2.4 Structures	Retaining Walls (all except coastal)	17562	m2	$16,117,621	$10,998,639	$201,470
	Coastal Walls	912	m2	$846,235	$594,823	$10,593
	Stairs / Steps	6,116	no	$111,750	$84,323	$2,235
	Edging	63	no	$315,000	$221,750	$12,600
	Sea Walls	4030	m2	$60,450,000	$32,032,500	$604,500
	Fences	18,567	m	$2,245,957	$1,724,237	$64,170
	Handrail	519.8	m	$129,699	$90,500	$5,188
	Gates	12	no	$2,400	$1,700	$69

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
	Tunnel	4	no	$3,511,405	$1,026,387	$0
	Sign - Direct./Info./Reg.	226	no	$135,600	$104,040	$9,040
	Fences - General Urban	123	m	$14,760	$10,302	$422
	Fences - Post and Wire/Mesh	10	no	$1,000	$770	$29
Grand Total				$98,015,811	$57,214,320	$1,280,563

Asset Condition

Public domain infrastructure condition data



Details of the asset component condition data can be found in the Asset Management Manual

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at Public Domain asset class to create tailored measurable target performance measures. It is important to note that not all of these asset based levels of service have been consulted with the community due to changes in the asset hierarchy and are likely be modified in time to fully match community's expectations.

Public domain infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in condition 2 or better (by value)	Condition assessment	80% Lighting/Electrical Equipment in condition 3 or better 80% water Equipment in condition 3 or better 80% street furniture in condition 2 or better 90% structures in condition 3 or better	99.8% 99.3% 92.7% 86.6%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	56%
	Renewal ratio		Between 90% and 110%	112%
	Long term funding ratio		Between 95% and 105%	210%
	Backlog ratio		Less than 2%	3%
Safety	Reduction number of incidences and accidents	Reports to Council	Reducing	
	Electrical isolation switches operational	Annual Inspections of all residential properties	100% compliance	

Public Domain Infrastructure Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Lighting/Electrical Equipment		80%	NEW CATEGORY	99.8%	NIL
Water equipment		80%	NEW CATEGORY	99.3%	NIL
Street Furniture	80%		NEW CATEGORY	92.7%	NIL
Structures		90%	NEW CATEGORY	86.6%	NIL

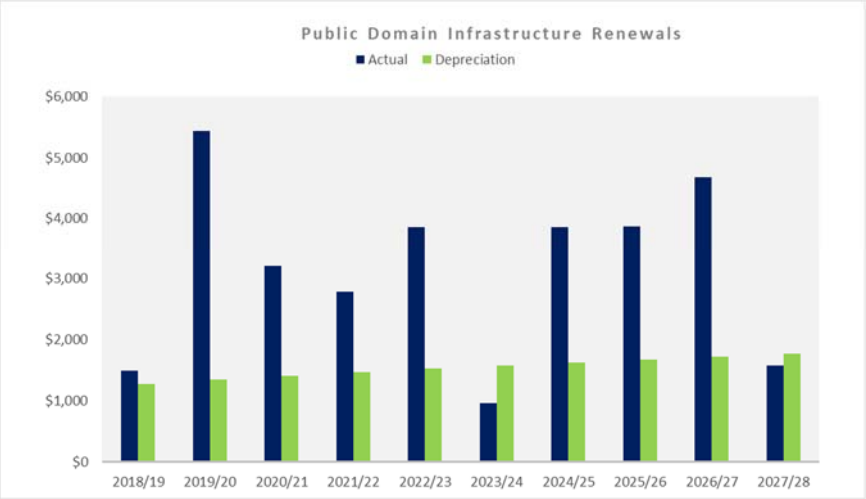
Expenditure Projections

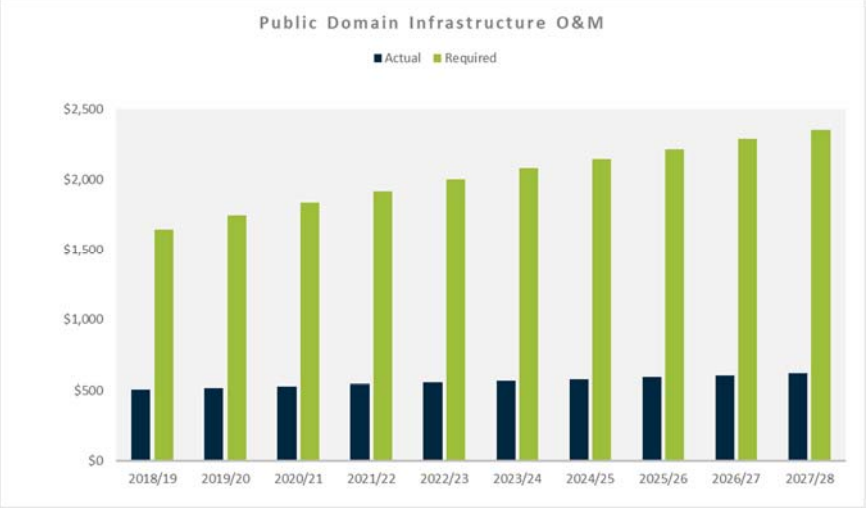
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements. Further under 'Renewals Plan' section, renewals plans have been developed which provide a renewals program that will maintain and enhance the public domain assets.

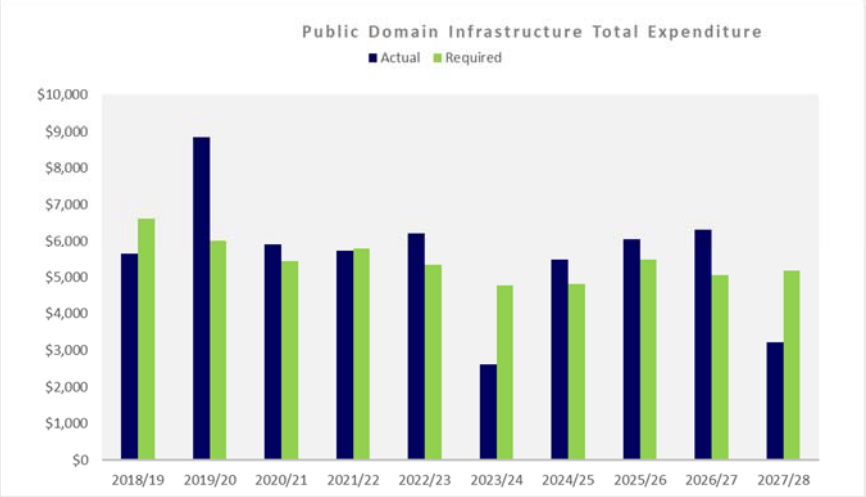
Budget Gap by Asset Group ('000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Combined	Actual	Renewal	$1,488	$5,435	$3,202	$2,789	$3,862	$957	$3,862	$3,870	$4,683	$1,578
		New and Expanded Assets	$3,634	$2,904	$2,182	$2,376	$1,805	$1,099	$1,038	$1,592	$1,032	$1,032
		Operational & Maintenance (O&M)	$507	$518	$529	$541	$553	$565	$577	$590	$603	$616
		Total Actual Expenditure	$5,629	$8,857	$5,913	$5,705	$6,219	$2,620	$5,477	$6,052	$6,318	$3,226
	Required	Required Renewal	$1,281	$1,349	$1,411	$1,466	$1,524	$1,578	$1,624	$1,672	$1,726	$1,775
		New and Expanded Assets	$3,682	$2,904	$2,182	$2,376	$1,805	$1,099	$1,038	$1,592	$1,032	$1,032
		Required O&M	$1,648	$1,749	$1,840	$1,920	$2,007	$2,085	$2,150	$2,216	$2,291	$2,360
		Total Required Expenditure	$6,610	$6,003	$5,433	$5,762	$5,336	$4,761	$4,812	$5,479	$5,049	$5,167
		Overall (GAP)	-$982	$2,854	$480	-$56	$883	-$2,141	$664	$573	$1,268	-$1,941

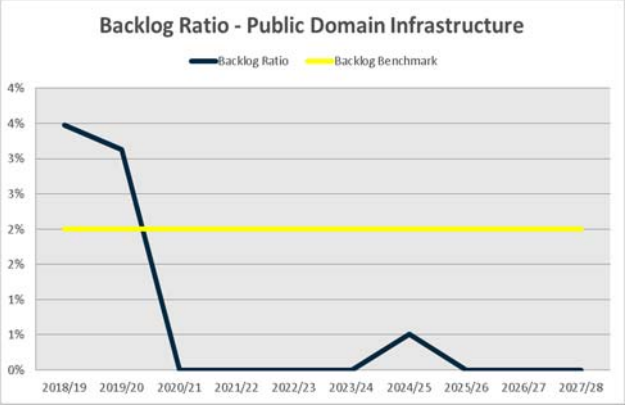
Financial Ratios

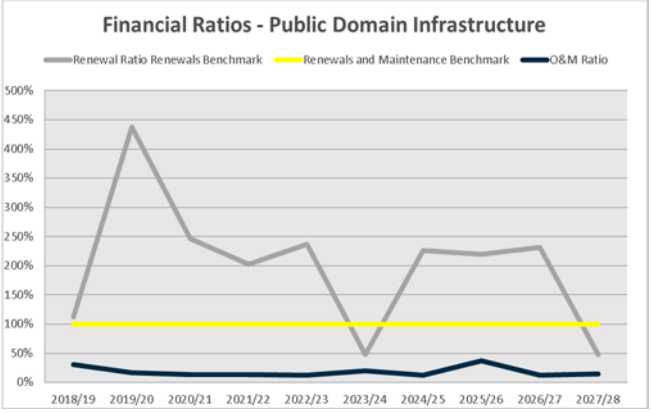
The following charts highlight the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.











Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $2.6 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Lighting / Electrical Equipment	$6,880,267	$8,580,334	$0
Water Equipment	$320,000	$397,520	$0
Street Furniture	$4,107,240	$4,761,611	$0
Structures	$75,493,284	$72,843,758	$2,649,526
Combined			$2,649,526

Renewals Plan

Using asset's remaining useful life, condition and intervention level, Waverley Council has generated asset based renewals for Public Domain Infrastructure. Renewal amount is specified for each asset based on the optimal year of renewal. This creates peaks and troughs due to various age and condition of assets. It is recommended that a ten year renewal plan term is reviewed against the planned capital renewal projects to establish a reliable renewals plan.

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Lighting / Electrical Equipment	$225,000	$675,000	$615,000	$410,000	$100,000	$45,000	$50,000	$55,000	$560,000	$565,000
Water Equipment	$106,530	$15,000	$20,000	$25,000	$30,000	$35,000	$35,000	$40,000	$45,000	$50,000
Street Furniture	$318,607	$574,073	$545,711	$487,652	$478,023	$314,710	$316,886	$317,165	$821,452	$828,012
Structures	$837,964	$4,846,125	$2,635,950	$2,276,223	$3,354,071	$606,995	$3,509,999	$3,513,084	$3,816,252	$699,505
Total	**$1,488,102**	**$6,110,198**	**$3,816,661**	**$3,198,875**	**$3,962,094**	**$1,001,705**	**$3,911,885**	**$3,925,249**	**$5,242,704**	**$2,142,517**

Operational and Maintenance

Council is currently running a budget which is under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing a proactive long term renewal strategy to beign with reallocating funds to short term maintenance tasks/proactive manintenance in the longer term. Further Council will work to get a better understanding of its actual expenditure on public domain assets, curently expenditure is split across a number of service areas. Better reporting on actual mainatence and operational expenditure will allow Council to make better long term decisions in relation to this asset class.

Critical Assets

Following assets have been identified as critical assets for public domain infrastructure asset class:

- Oxford Street Mall – all assets

Confidence Levels

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

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.
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 considered to be ‘Uncertain’.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all public domain assets are up to date and relevant.	2017/2018	High
Asset data Asset performance Renewal planning	Consolidate Public domain assets into a single asset register and allocate attributes that will identify assets as part of the new asset hierarchy.	2017/2018	High
	Consult Level of Service with community and adjust KPIs as required	2018/2019	High
	Review renewals plan against planned capital works and adjust to include assets making up backlog	2018/2019	Medium
	Identify all new public domain assets that are likely to be created as part of larger capital improvement projects on an annual basis	2018/2019	Ongoing
Risk management	Prepare risk mitigation plan for the critical assets identified in this plan	2018/2019	Medium

Supporting Documentation on Public Domain Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Sustainability Infrastructure

Asset Management Plan – Sustainability Infrastructure

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's Sustainability Infrastructure needs. These assets include renewable energy, waste, stormwater and ground water and tanks and pumps. The asset inventory, values and conditions are detailed below:

Asset Inventory, Values and Condition

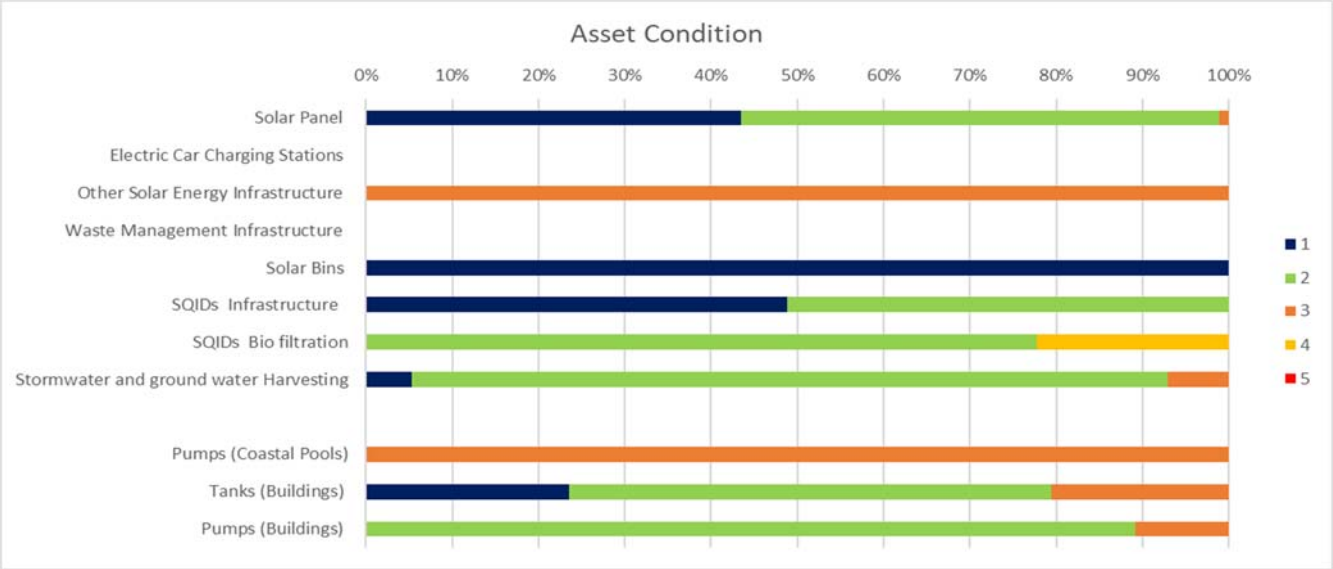
The table below details the current value of Councils public domain assets

Sustainability Infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Renewable Energy	Solar Panel	267	No	$347,503	$292,127	$23,167
	Electric Car Charging Stations					
	Other Solar Energy Infrastructure	6	No	$25,300	$13,915	$2,530
Waste	Waste Management Infrastructure					
	Solar Bins	42	No	$252,000	$226,800	$25,200
Stormwater and Groundwater	SQIDs Infrastructure (Stormwater quality improvement devices)	11	No	$143,764	$122,026	$2,174
	SQIDs Bio filtration (Raingardens and Tree Pits)	3	No	$103,500	$72,450	$5,175
	Stormwater and ground water Harvesting (Tanks and Pumps)	130	No	$3,049,056	$2,401,758	$90,499
Tanks and Pumps	Pumps (Coastal Pools)	1	No	$3,450	$1,898	$383
	Tanks (Buildings)	23	No	$122,200	$94,373	$9,197
	Pumps (Buildings)	31	No	$111,205	$85,958	$6,233
Grand Total				**$4,157,978**	**$3,311,304**	**$164,558**

Asset Condition

Sustainability Infrastructure condition data



Details of the asset component condition data can be found in the Asset Management Manual

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at Sustainability Infrastructure asset class to create tailored measurable target performance measure. It is important to note that not all of these asset based levels of service have been consulted with the community due to changes in the asset hierarchy and may likely be modified in time to fully match community's expectations.

Sustainability Infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in condition 2 /3 or better (by value)	Condition assessment	80% of stormwater & Groundwater In condition 3	99%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	80%
	Renewal funding ratio		Between 90% and 110%	0%
	Long term funding ratio		Between 95% and 105%	28%
	Backlog Ratio		Less than 2%	0.1%

Sustainability Infrastructure Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Renewable Energy		100%	NEW CATEGORY	100%	NIL
Waste	90%		NEW CATEGORY	100%	NIL
Stormwater & Groundwater		80%	NEW CATEGORY	99%	NIL
Tanks & Pumps		90%	NEW CATEGORY	100%	NIL

Expenditure Projections

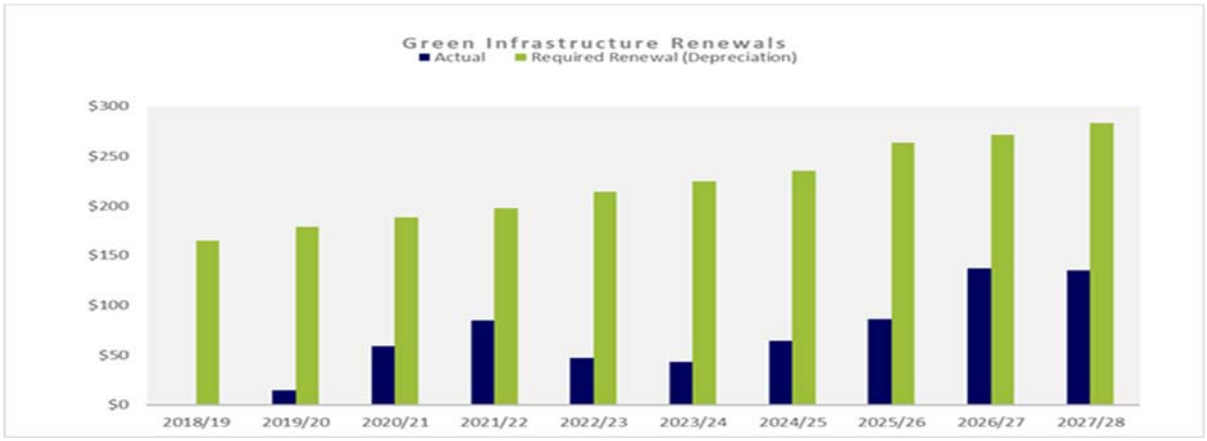
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements. Further under 'Renewals Plan' section, asset age and condition based renewals plans have been developed which provide a more realistic renewals pattern and renewals expenditure requirements.

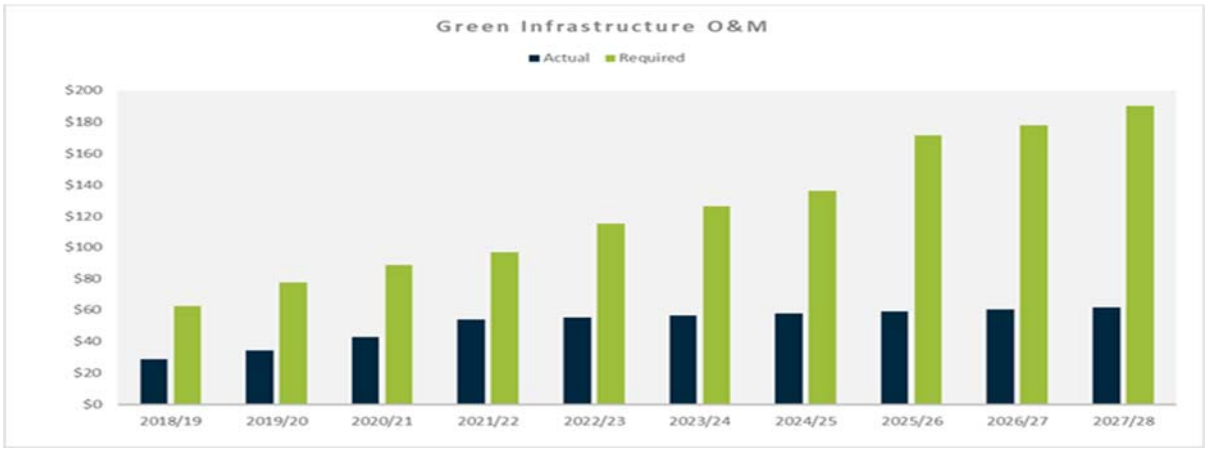
Currently there is an under expenditure in this area which will lead to an overall deteroration in the overall asset condition. However, this is reletively small value overall, and in preparation for future SAMP documentation there will be more data to assist with allocation of approporiate budgeting.

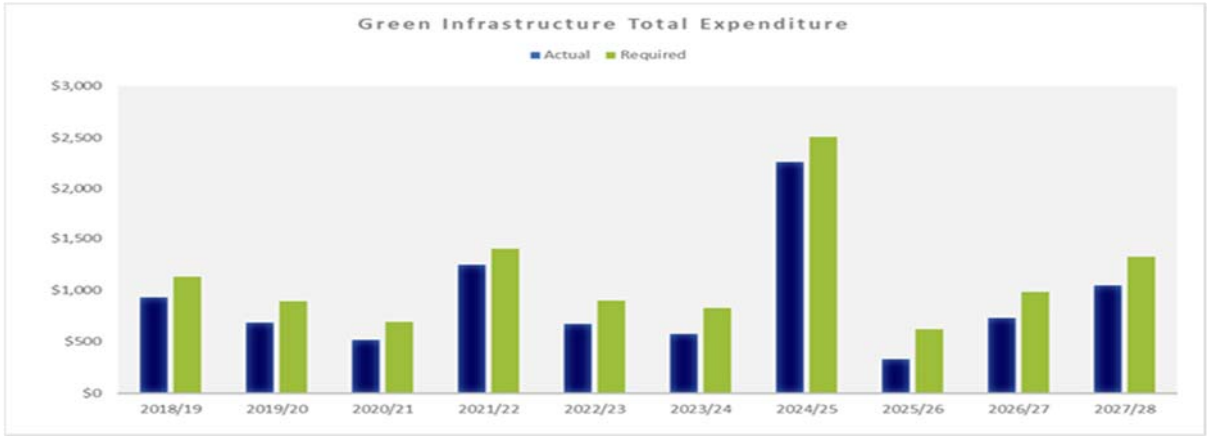
Budget Gap by Asset Group ($000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Combined	Actual	Renewal	$0	$15	$59	$85	$47	$43	$64	$86	$137	$134
		New and Expanded Assets	$905	$634	$413	$1,108	$571	$475	$2,137	$187	$531	$849
		Operational & Maintenance (O&M)	$29	$34	$43	$54	$55	$56	$58	$59	$60	$62
		Total Actual Expenditure	$934	$683	$516	$1,247	$674	$575	$2,258	$332	$728	$1,045
	Required	Required Renewal (Depreciation)	$165	$178	$189	$198	$214	$225	$235	$264	$272	$284
		New and Expanded Assets	$905	$634	$413	$1,108	$571	$475	$2,137	$187	$531	$849
		Required O&M	$62	$77	$89	$97	$115	$127	$136	$171	$178	$190
		Total Required Expenditure	$1,132	$890	$691	$1,403	$901	$827	$2,508	$623	$981	$1,323
		Overall (GAP)	-$198	-$206	-$175	-$156	-$227	-$252	-$250	-$291	-$253	-$278

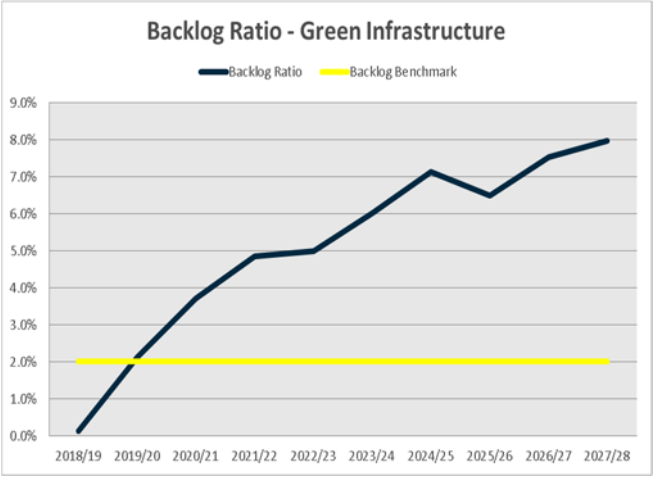
Financial Ratios

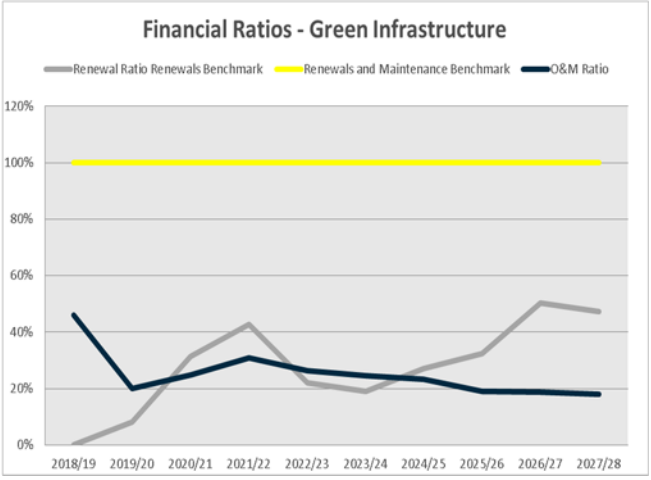
The following charts highlight the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.











Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $4000 dollars.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Renewable Energy	$347,503	$343,629	$3,874
Waste	$226,800	$252,000	$0
Stormwater & Groundwater	$2,637,056	$3,273,320	$0
Tanks and Pumps	$213,170	$236,855	$0
Total			$3,874

Renewals Plan

Using asset's remaining useful life, condition and intervention level, Waverley Council have generated asset based renewals for Sustainability Infrastructure. Renewal amount is specified for each asset based on the optimal year of renewal. This creates peaks and troughs due to various age and condition of assets. It is recommended that a 10 year renewal plan is reviewed against the planned capital renewal projects to establish a reliable renewals plan.

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Renewable Energy	$0	$5,000	$5,110	$5,222	$5,337	$34,785	$5,575	$5,697	$5,823	$5,951
Waste	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Stormwater and Groundwater	$0	$9,699	$37,699	$67,861	$39,006	$4,119	$37,282	$65,555	$130,880	$113,858
Tanks and Pumps	$0	$0	$16,336	$11,649	$2,826	$4,119	$21,215	$14,568	$0	$14,605
Total	**$0**	**$14,699**	**$59,145**	**$84,732**	**$47,169**	**$43,024**	**$64,072**	**$85,821**	**$136,702**	**$134,414**

Operational and Maintenance

Council is currently running a budget which is under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing a proactive long term renewal strategy to beign with reallocating funds to short term maintenance tasks/proactive manintenance in the longer term. Further Council will work to get a better understanding of its actual expenditure on Sustainability Infrastrucutre assets, curently expenditure is split across a number of service areas. Better reporting on actual mainatence and operational expenditure will allow Council to make better long term decisions in relation to this asset class.

Critical Assets

Council has identified no critical assets in this asset category

Confidence Levels

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

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.
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 considered to be ‘Uncertain’.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop an overarching strategic approach to the acquisition and renewal of Sustainability Infrastructure assets.	2019/2020	High
Asset data	Update relevant asset registers and systems to include correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available	2018/2019	Medium
	Develop an ongoing asset inspection strategy ensuring that all assets are inspected on an ongoing basis	2019/2020	Ongoing
Asset valuation	Ensure that all Sustainability Infrastructure assets are identified and included in asset future valuations where appropriate.	2019/2020	Ongoing
Renewal planning	Identify any new green assets created or renewed as part of larger Council wide projects	2018/2019	Medium
Risk management	Prepare risk management plans for Councils sustainability assets	2018/2019	Low

Supporting Documentation on Sustainability Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Buildings

Asset Management Plan – Buildings

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's public building needs. This asset group includes Council's operational buildings, cultural and public facilities and commercial buildings. The asset inventory, values and conditions are detailed below.

Asset Inventory, Values and Condition

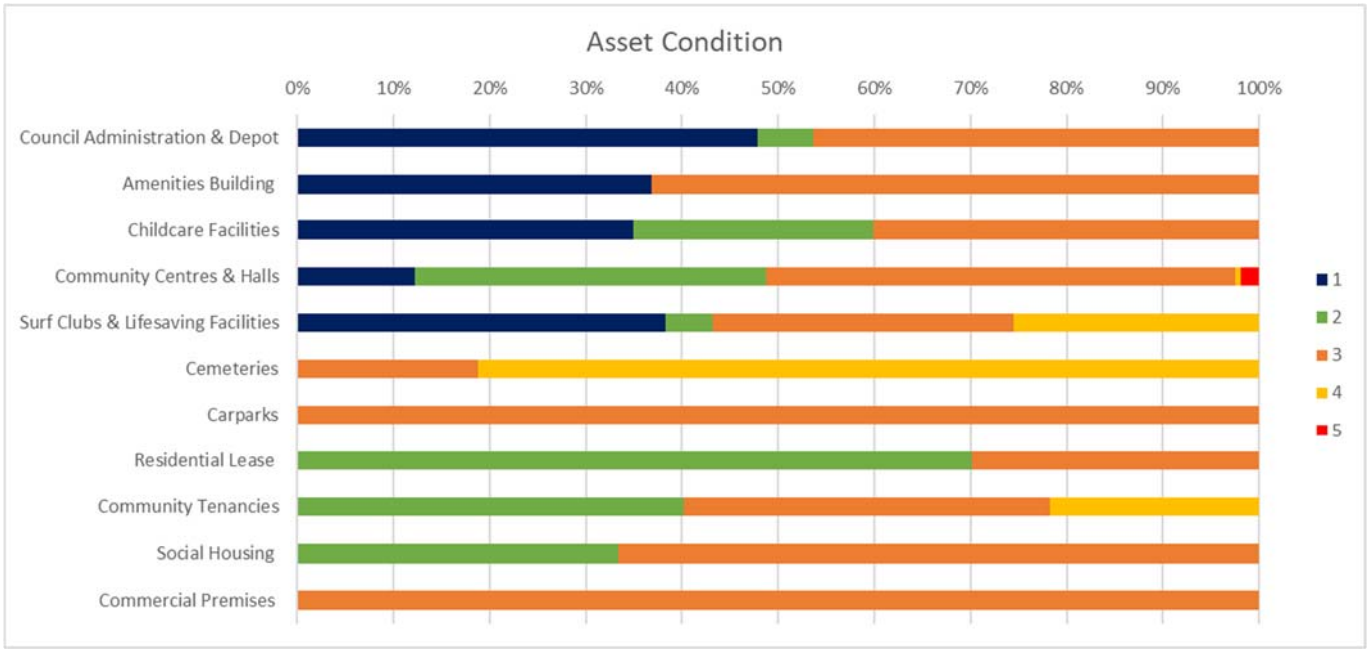
The table below details the current value of Councils building assets:

Table 1 Building asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Council Operational Buildings	Council Administration and Depot	6	No	$36,311,000	$25,736,294	$620,052
Cultural and Public Facilities	Amenities Building	7	No	$17,245,000	$10,228,809	$309,160
	Childcare Facilities	5	No	$9,523,000	$6,060,913	$158,717
	Community Centres and Halls	16	No	$109,823,000	$55,341,514	$1,828,018
	Surf Clubs and Lifesaving Facilities	6	No	$19,233,000	$11,426,778	$338,517
	Cemeteries	5	No	$3,834,000	$1,088,575	$49,125
	Carparks	1	No	$117,000	$35,100	$5,850
	Residential Lease	3	No	$4,398,000	$2,467,295	$57,404
	Community Tenancies	7	No	$7,229,000	$3,357,446	$118,471
	Social Housing	8	No	$21,081,000	$10,359,757	$351,350
Commercial Buildings	Commercial Premises	2	No	$1,023,000	$437,477	$17,513
	Investment Properties	9	No			
Grand Total		**75**	**No**	**$267,237,000**	**$126,539,958**	**$3,854,177**

Asset Condition

Buildings condition data (excluding investment properties)



Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at Buildings asset class to create tailored measurable target performance measure. It is important to note that not all of these asset based levels of service have been consulted with the community due to changes in the asset hierarchy and may likely be modified in time to fully match community's expectations.

Building service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Accessibility	Availability to the community as required	Monitor operating days	356 days/year	
Utilisation	No of patrons accessing the facility	Facility attendance reports	Increase annual total patronage by 5%	
Quality / condition	Percent of assets in preferred condition better (by value)	Condition assessment	100% of assets in condition 3 or better	93%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	55%
	Renewal funding ratio		Between 90% and 110%	89%
	Long term funding ratio		Between 95% and 105%	104%
	Backlog ratio		Less than 2%	2%
Safety	Compliance with Fire Safety regulation.	Annual Inspection	100% compliance	
	Electrical isolation switches operational	Annual Inspections of all residential properties	100% compliance	

Buildings Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Buildings		100%	93%	93%	1%

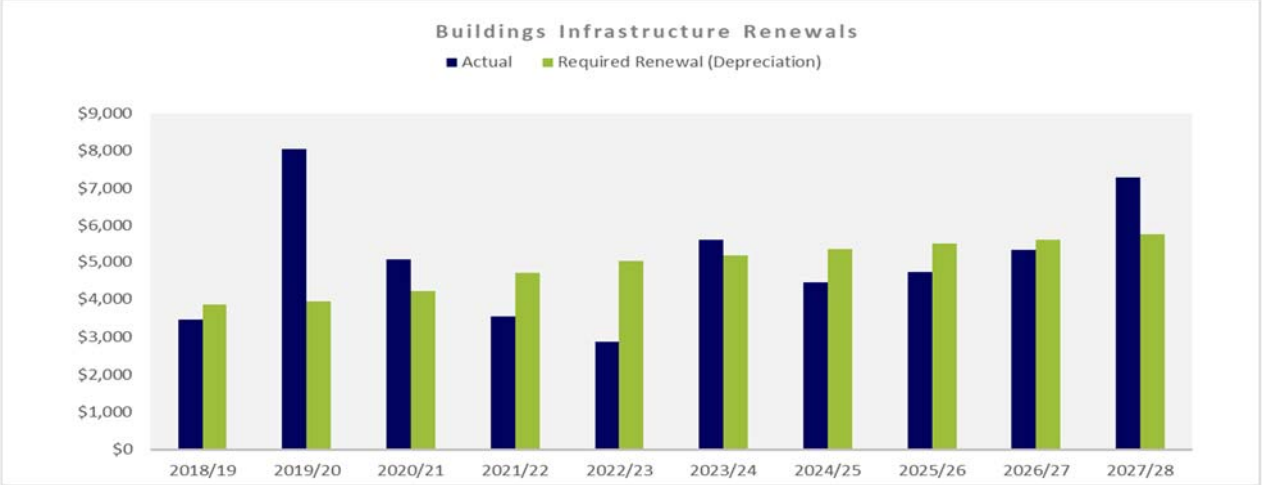
Expenditure Projections

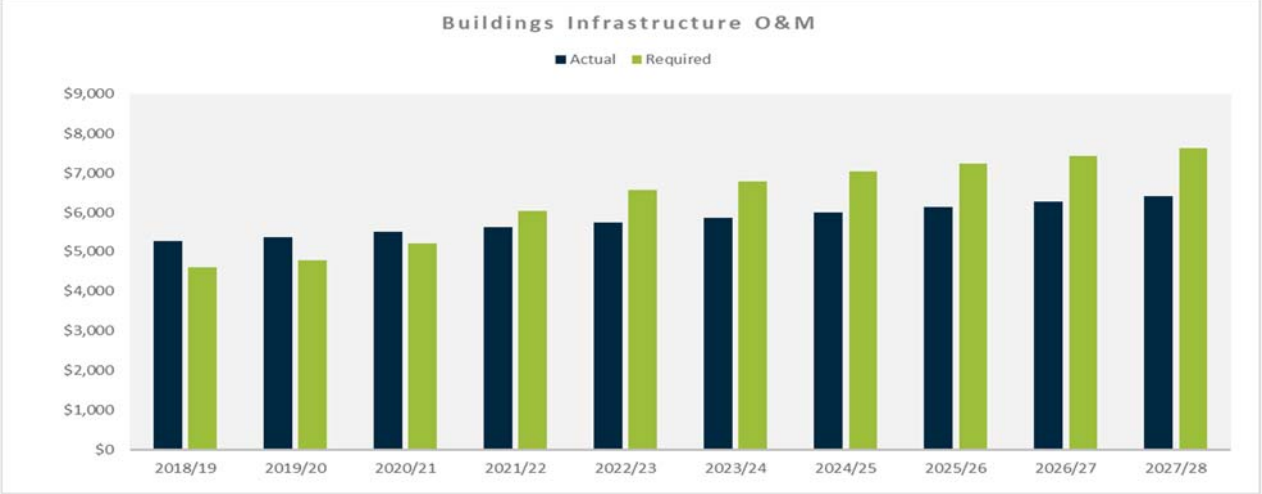
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of the asset's life cycle requirements. Further under 'Renewals Plan' section, asset age and condition based renewals plans have been developed which provide a more realistic renewals pattern and renewals expenditure requirements.

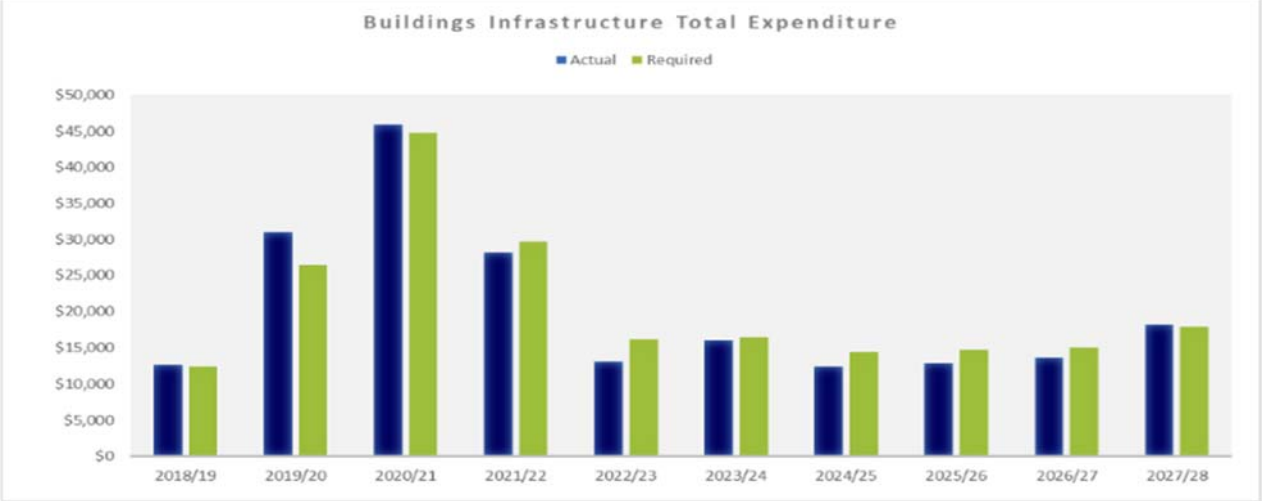
Budget Gap by Asset Group ('000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Buildings	Actual	Renewal	$3,448	$8,036	$5,051	$3,532	$2,855	$5,611	$4,446	$4,713	$5,315	$7,291
		New and Expanded Assets	$3,950	$17,601	$35,301	$19,000	$4,500	$4,500	$2,000	$2,000	$2,000	$4,480
		Operational & Maintenance (O&M)	$5,274	$5,390	$5,509	$5,630	$5,754	$5,880	$6,010	$6,142	$6,277	$6,415
		Total Actual Expenditure	$12,672	$31,027	$45,861	$28,162	$13,109	$15,992	$12,455	$12,854	$13,592	$18,186
	Required	Required Renewal (Depreciation)	$3,854	$3,939	$4,219	$4,700	$5,013	$5,173	$5,336	$5,475	$5,618	$5,763
		New and Expanded Assets	$3,950	$17,601	$35,301	$19,000	$4,500	$4,500	$2,000	$2,000	$2,000	$4,480
		Required O&M	$4,596	$4,776	$5,234	$6,055	$6,568	$6,802	$7,042	$7,237	$7,436	$7,640
		Total Required Expenditure	$12,401	$26,317	$44,754	$29,755	$16,081	$16,475	$14,378	$14,712	$15,054	$17,883
		Overall (GAP)	$272	$4,711	$1,107	-$1,593	-$2,972	-$483	-$1,923	-$1,858	-$1,462	$303

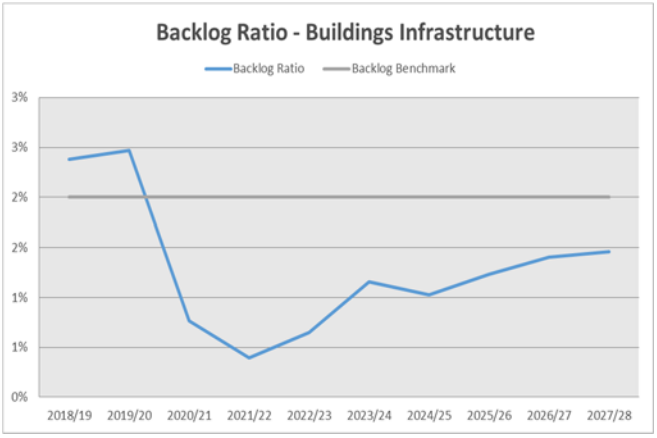
Financial Ratios

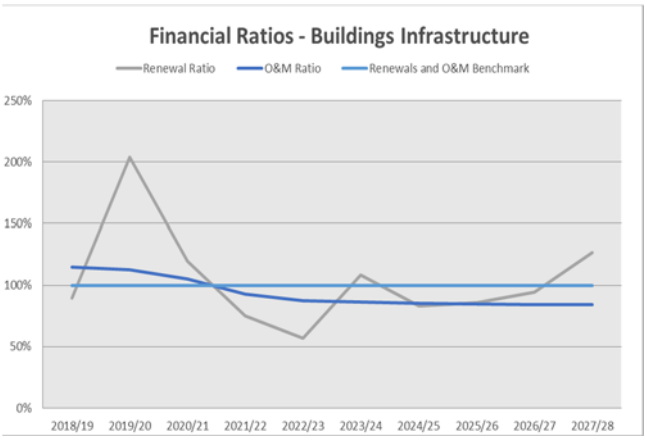
The following charts highlights the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels











Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $12.3 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Council Operational Buildings	$36,311,000	$36,311,000	$0
Cultural and Public Facilities	$192,483,000	$180,161,000	$12,322,000
Commercial Buildings	$1,023,000	$1,023,000	$0
			$0
Combined			$12,322,000

Renewals Plan

Renewals plan for buildings is taken from 'SFV Property Condition Assessment, Ten Year Program of Expenditure' and expected capital enhancement projects. Summary of renewals requirement are shown below.

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Buildings Combined	$3,448	$8,036	$5,050	$3,532	$2,854	$5,611	$4,445	$4,712	$5,315	$7,290

Operational and Maintenance

Council is currently running a maintenance budget which is slightly under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing proactive long term renewal and maintenance strategies. Further, Council will work to get a better understanding of its actual expenditure on building assets, currently expenditure is split across several service areas. Better reporting on actual maintenance and operational expenditure will allow Council to make better long term decision in relation to this asset class.

Council currently has no documented maintenance strategy for buildings maintenance. Council's maintenance is currently in two forms:

- Cyclical maintenance activities;
- Reactive maintenance activities.

Council's cyclical maintenance activities include pest control, fire safety inspections and ongoing cleaning. These are generally carried out under a periodic contact with suitably qualified contractors. The remainder of the maintenance activities are reactive in nature. Most of the defects are notified to staff via Councils customer request system.

Critical Assets

The following assets have been identified as critical assets for roads infrastructure asset class:

- SES Depot;
- Alexandria Integrated Facility – Depot.

Mitigation plans fare currently in planning stage and will be developed as per the improvement actions of this plan.

Confidence Levels

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

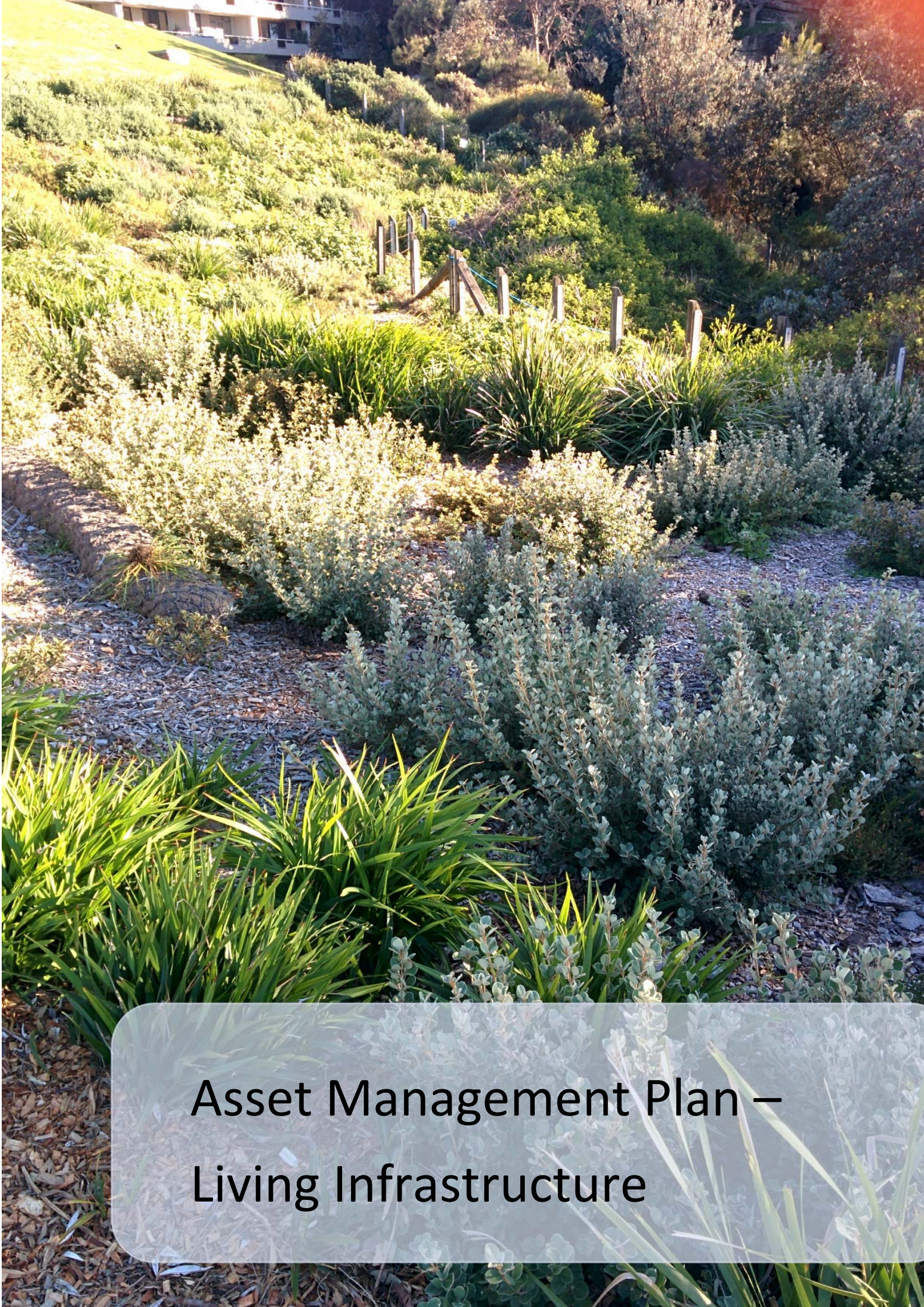
Confidence Grade	General Meaning
Highly Reliable	Data based on sound records, procedure, investigations, and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation.
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 considered to be 'Reliable'.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop an ongoing defect, condition and safety inspection strategy for all building assets.	2017/2018	High
Asset data	Consider the implementation of a maintenance / building management system to assist in the management of Councils building assets.	2019/2020	Medium
	Update relevant asset registers and systems to include correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available.	2018/2019	Medium
Asset valuation	New building valuation details to be included / updated in the current financial system.	2018/2019	High
Asset performance	Develop an ongoing planned maintenance program for all Councils buildings addressing high risk defects and improving overall building condition.	2018/2019	High
Renewal planning	Develop a comprehensive building renewal program based on improving overall asset condition and asset functionality.	2018/2019	Medium

Supporting Documentation on Buildings can be found in the Asset Management Manual.



Asset Management Plan – Living Infrastructure

Asset Management Plan – Living Infrastructure

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's living infrastructure needs. These assets include corridors, trees, amenity landscape and turf. The asset inventory, values and conditions are detailed below.

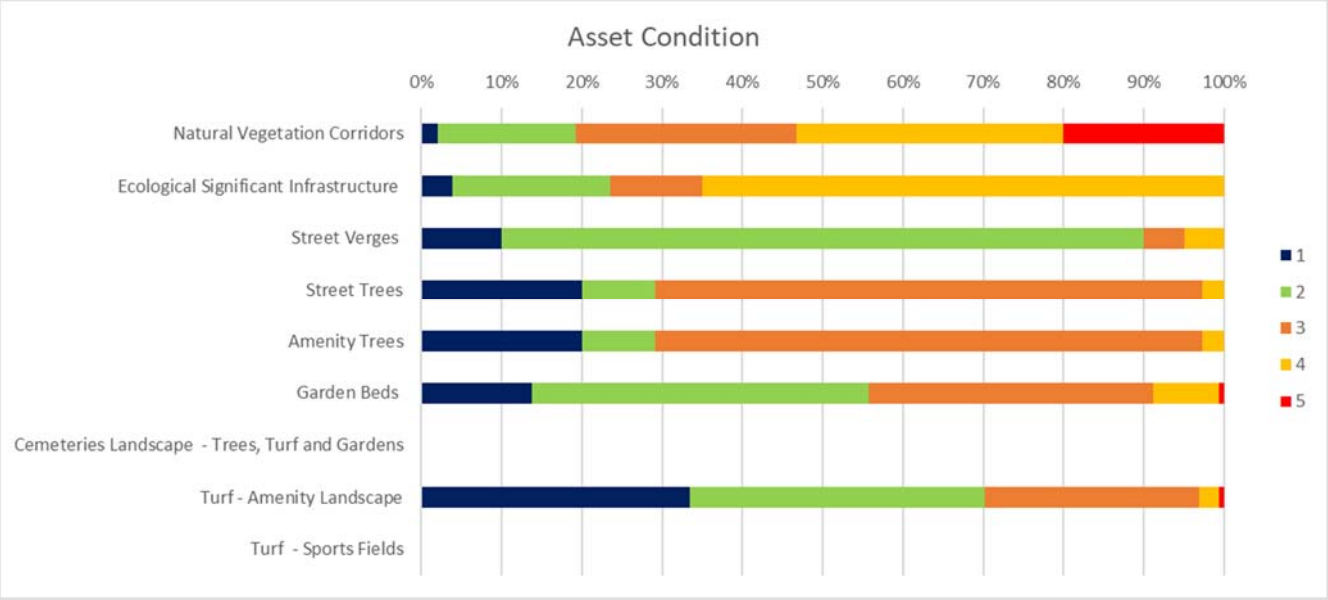
Asset Inventory, Values and Condition

Living Infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Corridors	Natural Vegetation Corridors	297720	m2	$2,977,200	1,291,063	
	Ecological Significant Infrastructure	59,912	m2	$599,120	289,165	
	Street Verges	569,131	m2	$5,691,310	4,410,765	
Trees	Street Trees	10494	No	$52,470,000	33,444,378	
	Amenity Trees	3498	No	$17,490,000	11,148,126	
Amenity Landscape	Garden Beds	66700	m2	$5,836,250	$3,756,491	
	Cemeteries Landscape - Trees, Turf and Gardens					
Turf	Turf - Amenity Landscape	735974	m2	$8,049,410	$5,924,234	
	Turf - Sports Fields					
Grand Total				**$93,113,290**	**$60,264,223**	**NA**

Asset Condition

Living Infrastructure Condition Data



Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at living Infrastructure asset class to create tailored measurable target performance measure. It is important to note that not all of these asset based level of service have been consulted with the community due to changes in the asset hierarchy and may likely be modified in time to fully match community's expectations.

living Infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in condition 2 or better (by value)	Condition assessment	90% In condition 3	94.6
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	66%
	Backlog ratio		Less than 2%	0%

Living Infrastructure Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Corridors		90%	NEW CATEGORY	75%	15%
Trees		90%	87%	97%	NIL
Amenity Landscape		90%	87%	90%	NIL
Turf		90%	NEW CATEGORY	97%	NIL

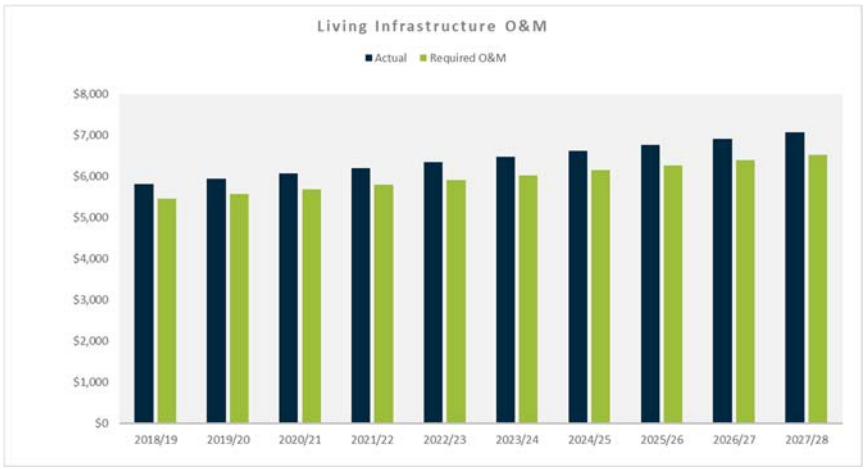
Expenditure Projections

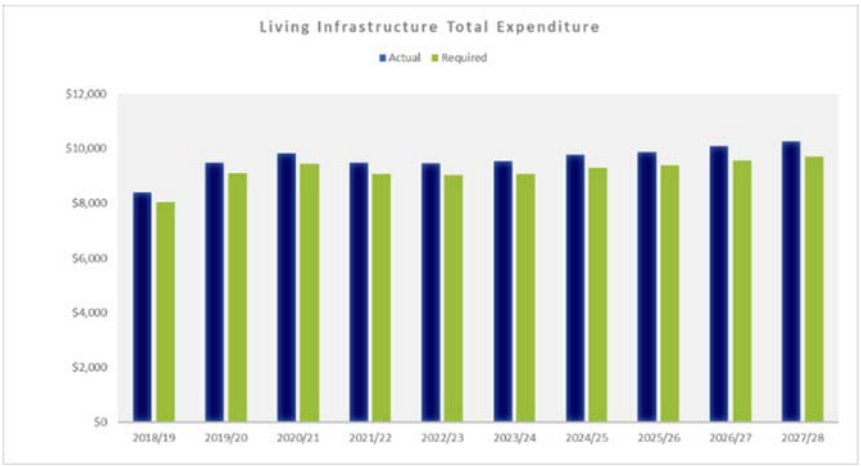
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements. Further under 'Renewals Plan' section, asset age and condition based renewals plans have been developed which provide a more realistic renewals pattern and renewals expenditure requirements.

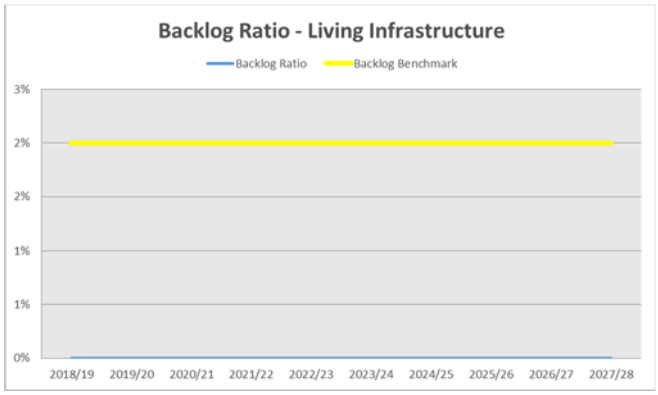
Budget Gap by Asset Group ($000)			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Combined	Actual	Renewal	$1,489	$2,373	$2,553	$2,269	$2,318	$2,118	$2,173	$2,189	$2,226	$2,276
		New and Expanded Assets	$1,091	$1,139	$1,100	$937	$724	$379	$379	$360	$353	$353
		Operational & Maintenance (O&M)	$5,815	$5,943	$6,074	$6,208	$6,344	$6,484	$6,626	$6,772	$6,921	$7,073
		Total Actual Expenditure	$8,395	$9,455	$9,727	$9,413	$9,387	$8,981	$9,179	$9,320	$9,500	$9,702
	Required	Required Renewal (Depreciation)	$1,489	$2,373	$2,553	$2,269	$2,318	$2,118	$2,173	$2,189	$2,226	$2,276
		New and Expanded Assets	$1,091	$1,139	$1,100	$937	$724	$379	$379	$360	$353	$353
		Required O&M	$5,462	$5,571	$5,683	$5,796	$5,912	$6,031	$6,151	$6,274	$6,400	$6,528
		Total Required Expenditure	$8,042	$9,083	$9,336	$9,002	$8,955	$8,528	$8,704	$8,822	$8,979	$9,156
		Overall (GAP)	$353	$372	$391	$411	$432	$453	$475	$498	$521	$546

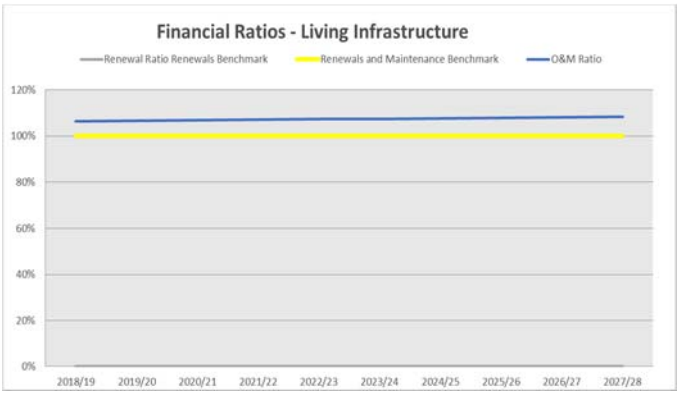
Financial Ratios

The following charts highlight the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.









Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $1.3 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Corridors	$8,340,867	$7,006,789	$1,334,078
Trees	$62,964,000	$68,001,120	$0
Amenity Landscape	$5,252,625	$5,307,250	$0
Turf	$7,244,469	$7,801,410	$0
Combined			$1,334,078

Renewals Plan

Using known capital renewals projects, Waverley Council has generated asset based renewals for Living Infrastructure. This is shown for each category below:

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Corridors	$322,000	$246,000	$260,000	$248,000	$260,000	$248,000	$260,000	$248,000	$260,000	$248,000
Trees	$254,000	$275,000	$262,500	$262,500	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Amenity Landscape	$532,871	$1,218,879	$1,397,613	$1,125,810	$958,487	$935,059	$966,310	$957,757	$969,813	$992,933
Turf	$380,000	$632,621	$632,621	$632,621	$900,000	$983,046	$1,006,639	$1,030,798	$1,056,568	$1,082,983
Combined	$1,488,871	$2,372,500	$2,552,734	$2,268,931	$2,318,487	$2,366,105	$2,432,949	$2,436,555	$2,486,381	$2,523,916

Operational and Maintenance

Council is currently running a budget which is under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing proactive long term renewal and maintenance strategies. Further, Council will work to get a better understanding of its actual expenditure on living infrastructure assets, currently expenditure is split across several service areas. Better reporting on actual maintenance and operational expenditure will allow Council to make better long term decision in relation to this asset class.

Council has a structured maintenance plan for its parks and living assets. Council's parks assets are maintained on a cyclical basis across the area based on Council's parks hierarchy and perceived need for various assets. Council also undertakes regular and ongoing inspections of its assets to mitigate the risk of injury to parks users and to guide maintenance activities across the portfolio.

Council is also reactive to the needs of the parks users by responding to maintenance and defects request in a timely manner

Critical Assets

Council has identified no critical assets in this asset category

Confidence Levels

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

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.
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 considered to be 'Uncertain'.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	Develop an overarching strategy on how to handle living infrastructure taking into account current and future accounting requirements and practical asset management requirements.	2019/2020	High
Asset performance	Consult Level of Service with community on service levels for living infrastructure assets understanding the full financial implications of the current portfolio.	2018/2019	High
Renewal planning	Identify the current and future renewals and expansion plans for living assets in particular how street trees and amenity trees will be managed from an operational and asset management perspective.	2018/2019	Medium

Supporting Documentation on Living Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Recreational Infrastructure

Asset Management Plan – Recreational and Open Space Infrastructure

This Asset Management Plan covers the infrastructure assets that serve the Waverley community's recreational and open space infrastructure needs. These assets include recreational and cemetery assets. The asset inventory, values and conditions are detailed below.

Asset Inventory, Values and Condition

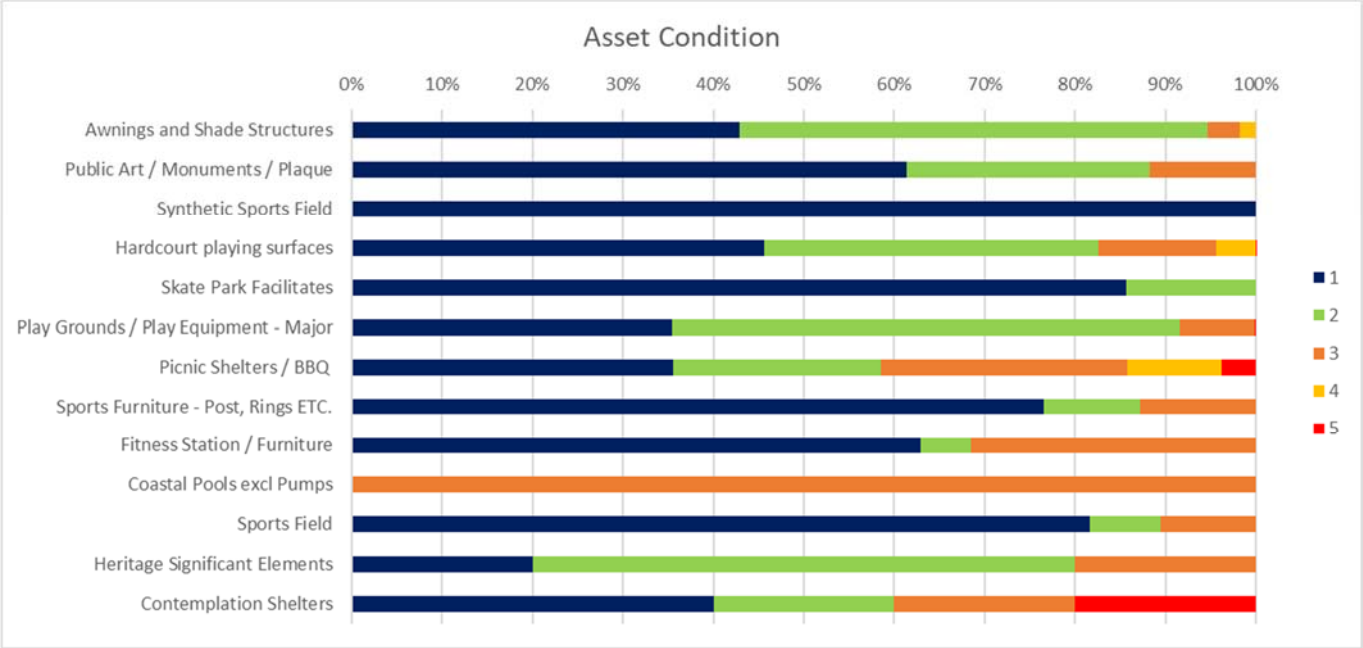
The table below details the current value of Councils recreational & open space assets:

Recreational & Open Space Infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Recreational	Awnings and Shade Structures	56	No	$840,000	$693,750	$33,600
	Public Art / Monuments / Plaque	36	No	$3,423,694	$2,848,955	$87,904
	Synthetic Sports Field	214	m2	$21,400	$19,260	$1,070
	Hardcourt playing surfaces	24	No	$460,240	$365,102	$22,138
	Skate Park Facilitates	7	No	$560,000	$496,000	$28,000
	Play Grounds / Play Equipment - Major	184	No	$6,060,000	$4,932,500	$404,000
	Picnic Shelters / BBQ	166	No	$789,000	$545,925	$44,400
	Sports Furniture - Post, Rings ETC.	33	No	$235,000	$198,500	$10,950
	Fitness Station / Furniture	10	No	$953,753	$748,002	$62,150
	Coastal Pools excl Pumps	2	No	$5,645,000	$3,104,750	$4,750
	Sports Field	38	No	$285,000	$243,750	$9,500
Cemeteries	Heritage Significant Elements	5	No	$500,000	$385,000	$5,000
	Contemplation Shelters	5	No	$350,000	$224,000	$4,375
Grand Total				**$20,123,087**	**$14,805,494**	**$717,837**

Asset Condition

Recreational & Open Space Infrastructure Condition Data



Details of the asset component condition data can be found in the Asset Management Manual

Asset Based Service Levels

The asset based Levels of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at recreational and open space infrastructure asset class to create tailored measurable target performance measure. It is important to note that not all of these asset based level of service have been consulted on as part of SAMP5 however based on other community feedback, goals were developed. This is likely be modified in time to fully match community expectations.

Recreational and Open Space Infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in preferred condition better (by value)	Condition assessment	90% of assets in condition 3 or better	98.9%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	74%
	Renewal funding ratio		Between 90% and 110%	37%

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
	Long term funding ratio		Between 95% and 105%	115%
	Backlog ratio		Less than 2%	1%
Safety	Compliance with playground safety inspections.	Annual Inspection	100% compliance	

Recreational & Open Space Infrastructure Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Recreational		90%	NEW CATEGORY	99.2	NIL
Cemeteries		90%	NEW CATEGORY	91.8%	NIL

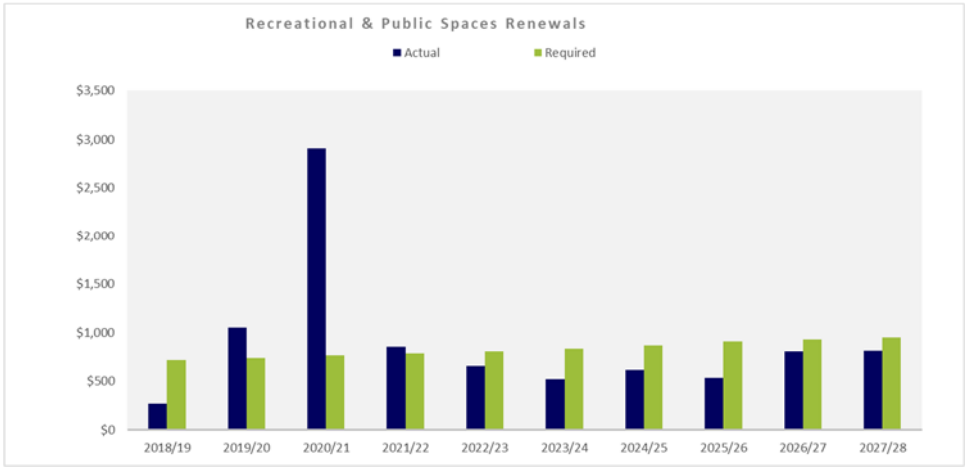
Expenditure Projections

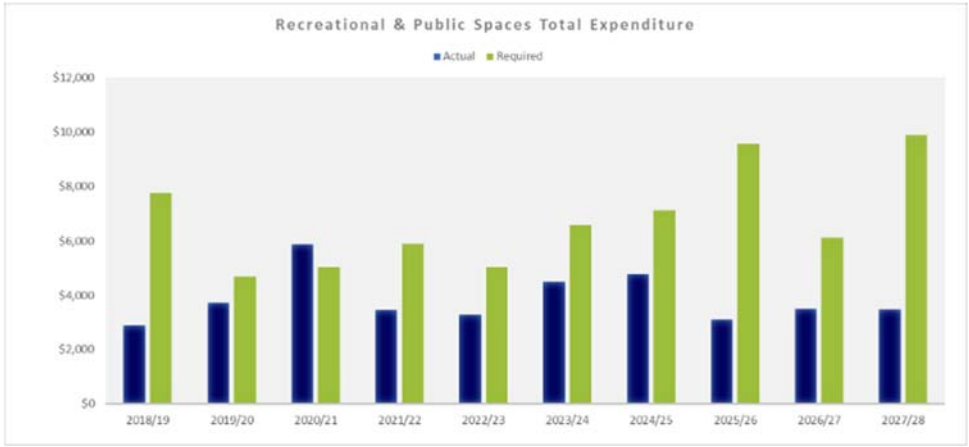
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements. Further under 'Renewals Plan' section, asset age and condition based renewals plans have been developed which provide a more realistic renewals pattern and renewals expenditure requirements.

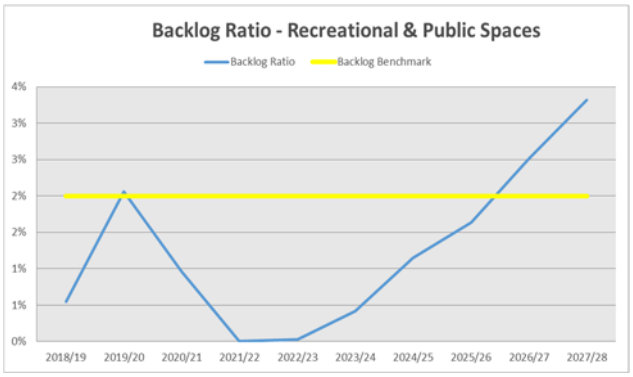
Budget Gap by Asset Group ($000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Combined	Actual	Renewal	$267	$1,051	$2,905	$854	$657	$518	$615	$530	$806	$815
		New and Expanded Assets	$522	$518	$768	$362	$325	$1,626	$1,782	$118	$196	$96
		Operational & Maintenance (O&M)	$2,108	$2,154	$2,202	$2,250	$2,300	$2,350	$2,402	$2,455	$2,509	$2,564
		Total Actual Expenditure	$2,896	$3,723	$5,874	$3,467	$3,281	$4,495	$4,799	$3,103	$3,510	$3,475
	Required	Required Renewal (Depreciation)	$718	$739	$761	$787	$808	$829	$865	$904	$925	$948
		New and Expanded Assets	$522	$518	$768	$362	$325	$1,626	$1,782	$118	$196	$96
		Required O&M	$1,944	$2,039	$2,136	$2,260	$2,346	$2,430	$2,646	$2,882	$2,957	$3,042
		Total Required Expenditure	$7,753	$4,701	$5,039	$5,899	$5,046	$6,578	$7,103	$9,543	$6,111	$9,863
		Overall (GAP)	-$4,857	-$978	$835	-$2,432	-$1,764	-$2,083	-$2,304	-$6,440	-$2,600	-$6,388

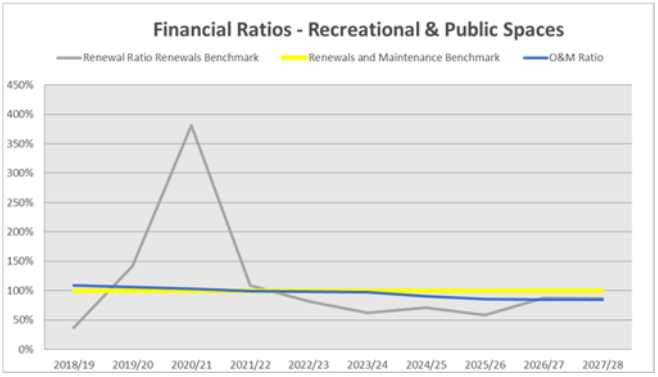
Financial Ratios

The following charts highlight the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.









Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $0 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Recreational	$17,345,778	$19,120,467	$0
Cemeteries	$765,000	$780,000	$0
Combined			$0

Renewals Plan

Using asset's remaining useful life, condition and intervention level, Waverley Council has generated asset based renewals for Recreational and Open Space Infrastructure. Renewal amount is specified for each asset based on the optimal year of renewal. This creates peaks and troughs due to various age and condition of assets. It is recommended that a ten year renewal plan term is reviewed against the planned capital renewal projects to establish a reliable renewals plan.

Category	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Recreational	$266,561	$951,280	$1,304,500	$854,419	$657,042	$518,456	$615,387	$529,601	$505,505	$515,266
Cemeteries	$0	$100,000	$1,600,000	$0	$0	$0	$0	$0	$300,000	$300,000
Combined	$266,561	$1,051,280	$2,904,500	$854,419	$657,042	$518,456	$615,387	$529,601	$805,505	$815,266

Operational and Maintenance

Council is currently running a maintenance budget which is slightly under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing proactive long term renewal and maintenance strategies. Further, Council will work to get a better understanding of its actual expenditure on recreational & open space assets, currently expenditure is split across several service areas. Better reporting on actual maintenance and operational expenditure will allow Council to make better long term decision in relation to this asset class.

Council has a structured maintenance plan for its parks and recreational assets. Council's parks assets are maintained on a cyclical basis across the area based on Council's parks hierarchy and perceived need for various assets. Council also undertakes regular and ongoing inspections of its assets to mitigate the risk of injury to parks users and to guide maintenance activities across the portfolio.

Council is also reactive to the needs of the parks users by responding to maintenance and defects request in a timely manner

Critical Assets

Council has identified no critical assets in this asset category.

Confidence Levels

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

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.
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 considered to be 'Uncertain'.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	Undertake a full asset data collection program for all Councils Parks and recreation assets.	2018/2019	High
	Develop an ongoing asset inspection strategy for all parks and recreation assets that ensure all assets are inspected on a regular and ongoing basis.	2019/2020	High / Ongoing
Asset valuation	Update asset valuation and condition following a full condition inspection of all parks and recreation assets.	2019/2020	Ongoing
Asset performance	Consult Level of Service with community on service levels for parks and recreation assets understanding the full financial implications of the current portfolio including maintenance and upgrade of the current assets.	2018/2019	High
Renewal planning	Develop a comprehensive asset renewal program based on improving overall asset condition and asset functionality.	2018/2019	Medium

Supporting Documentation on Recreational & Open Space Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Parking Infrastructure

Asset Management Plan – Parking Infrastructure

This Asset Management Plan covers the infrastructure assets that serve Waverley community's parking infrastructure needs. These assets include assets in carparks such as parking meters, parking systems, payment machines, parking guidance systems are more. The asset inventory, values and conditions are detailed below.

Asset Inventory, Values and Condition

The table below details the current value of Councils parking infrastructure assets:

Parking Infrastructure asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Carparks	Parking Meters/Sensors (External)	2110	No	$3,797,950	3,038,360	759,590
	Internal Parking Signs and Wayfinding	214	No	$12,415	12,415.00	1,035
	Parking Guidance System / Sensors (Internal & External)	1281	No	$576,683	576,683.00	48,057
	Internal Parking Infrastructure /Payment Machines	91	No	$494,003	395,202	70,572
	Line Marking (Internal Parking)	26002	L/M	$79,005	79,005.00	11,286
Grand Total				**$4,960,056**	**$4,101,665**	**$890,540**

Asset Condition

Parking Infrastructure Condition Data

Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at parking infrastructure asset class to create tailored measurable target performance measure. It is important to note that not all of these asset based level of service have been consulted with the community due to the new asset hierarchy and may likely be modified in time to fully match community's expectations.

Parking infrastructure service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in preferred condition better (by value)	Condition assessment	100% of assets in condition 3 or better	100%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	83%
	Renewal funding ratio		Between 90% and 110%	0%
	Long term funding ratio		Between 95% and 105%	71%
	Backlog ratio		Less tha n 2%	0%

Parking Infrastructure Community Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Carparks	90%		NEW CATEGORY	100%	NIL

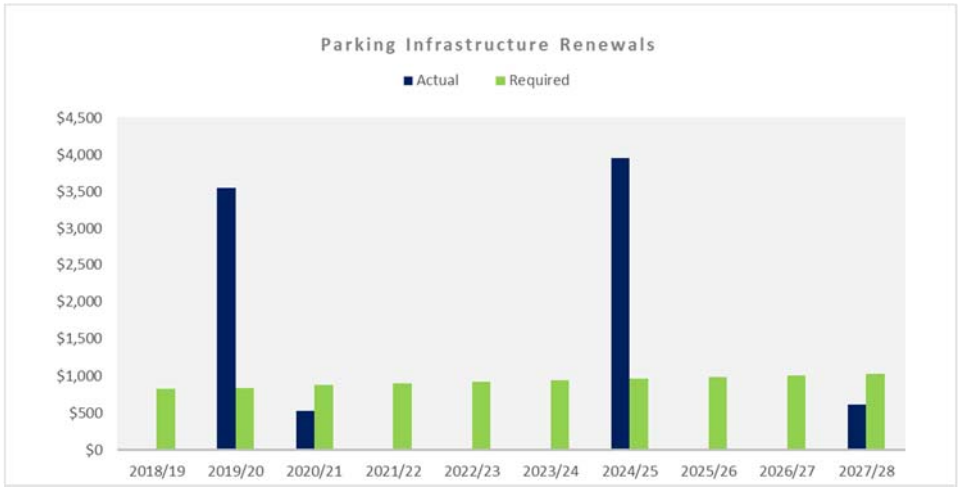
Expenditure Projections

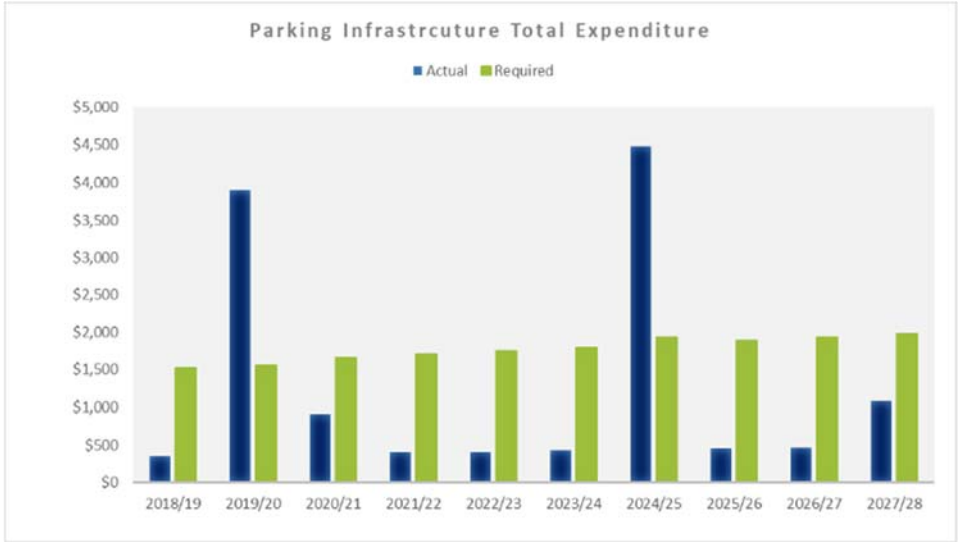
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements.

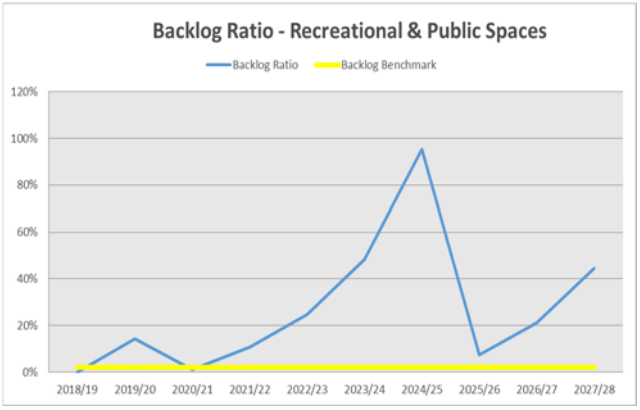
Budget Gap by Asset Group ($000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Parking Infrastructure	Actual	Renewal	$0	$3,548	$524	$0	$0	$0	$3,956	$0	$0	$610
		New and Expanded Assets	$0	$0	$0	$0	$0	$0	$92	$0	$0	$0
		Operational & Maintenance (O&M)	$350	$358	$393	$403	$415	$428	$442	$454	$467	$480
		Total Actual Expenditure	$350	$3,906	$917	$403	$415	$428	$4,490	$454	$467	$1,090
	Required	Required Renewal (Depreciation)	$820	$838	$878	$897	$917	$937	$958	$980	$1,001	$1,023
		New and Expanded Assets	$0	$0	$0	$0	$0	$0	$92	$0	$0	$0
		Required O&M	$698	$714	$783	$804	$827	$852	$882	$904	$930	$956
		Total Required Expenditure	$1,518	$1,552	$1,661	$1,702	$1,744	$1,789	$1,931	$1,884	$1,932	$1,980
		Overall (GAP)	-$1,168	$2,355	-$744	-$1,298	-$1,329	-$1,362	$2,559	-$1,431	-$1,465	-$890

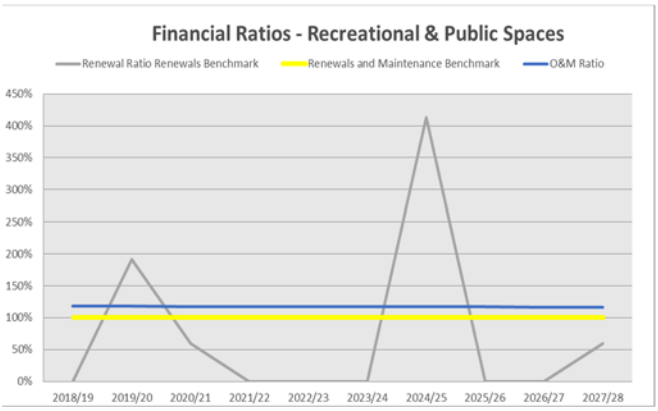
Financial Ratios

The following charts highlights the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.









Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $0 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Carparks	$4,464,051	$4,960,056	$0
Combined			$0

Renewals Plan

Renewals for parking infrastructure is taken as the annual depreciation sum for parking infrastructure category. Better knowledge of asset data will enable assessment of renewals per asset component. However, parking infrastructure is not one of Waverley Council's primary asset groups; therefore a high level assessment of renewals is adequate and provides good indication of what renewals budget should look like.

Category ($000)	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Parking	$0	$3,548	$524	$0	$0	$0	$3,956	$0	$0	$610

Operational and Maintenance

Council is currently running a maintenance budget which is slightly under funding asset maintenance. It should be noted that this is initially part of a wider asset management strategy to undertake asset renewals as a priority instead of asset maintenance activities.

Council will get greater long term benefits by implementing proactive long term renewal and maintenance strategies. Further, Council will work to get a better understanding of its actual expenditure on parking assets, currently expenditure is not traceable in existing financial reporting easily. Better reporting on actual maintenance and operational expenditure will allow Council to make better long term decision in relation to this asset class.

It should be noted however that Councils parking meter assets are currently on a cyclical renewal and maintenance contract and as such are fully funded.

Critical Assets

Council has identified no critical assets in this asset category.

Confidence Levels

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

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.
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 considered to be ‘Uncertain’.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	Develop and update relevant asset registers for parking assets that reflects the new asset hierarchy, and includes correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available.	2018/2019	Medium
Asset valuation	Ensure that guidelines and detailed methodology is developed for the valuation of parking related assets.	2018/2019	Ongoing
Renewal planning	Develop a business case model to ensure that best value is being achieved by the acquisition of new and expanded parking assets.	2020/2021	Medium
	Document the current renewals strategy for parking assets and ensure that the current renewals approach achieves best value for Council.	2018/2019	Medium

Supporting Documentation on Parking Infrastructure can be found in the Asset Management Manual.

Asset Management Plan – Plant & Equipment

Asset Management Plan – Plant and Equipment

This Asset Management Plan covers the infrastructure assets that serve Waverley community's plant and equipment needs. These assets include Council's vehicles and fleet, plant, office equipment and furniture. The asset inventory, values and conditions are detailed below:

Asset Inventory, Values and Condition

The table below details the current value of Councils plant & equipment assets

Plant and Equipment asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Vehicles	Passenger Vehicles	67	No	$2,034,933	1,443,785	256,401
	Truck fleet	40	No	$10,033,862	7,801,328	1,264,267
	Light commercial vehicle	43	No	$1,567,491	1,306,504	197,504
Other Equipment	Small plant	127	No	$135,179	117,674	17,033
	Specialised equipment	39	No	$2,270,327	1,778,801	286,061
Office Equipment and Furniture	Office Equipment and Furniture	2549	No	$10,635,560	$2,835,613	$1,112,007
Grand Total				**$26,677,352**	**$15,283,704**	**$3,133,272**

Asset Condition

Plant & Equipment Condition Data

Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at plant & equipment asset class to create tailored measurable target performance measure. It is important to note that these asset based level of service are only consulted with internally in Council and may be modified in time to fully match Councils operational needs.

Plant and equipment service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Utilisation	All plant items are fully utilised	Utilisation reports	Meet Benchmark usage	
Quality / condition	Percent of assets in preferred condition better (by value)	Condition assessment	100% of assets in condition 3 or better	97%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	58%
	Renewal funding ratio		Between 90% and 110%	45%
	Long term funding ratio		Between 95% and 105%	87%
	Backlog ratio		Less than 2%	0%
Safety	Compliance with Fire Safety regulation.	Annual Inspection	100% compliance	
	Electrical isolation switches operational	Annual Inspections of all residential properties	100% compliance	

Plant & Equipment Council Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
Vehicles		100%	NEW CATEGORY	96%	4%
Other Equipment		100%	NEW CATEGORY	95%	5%
Office Equipment & Furniture		100%	NEW CATEGORY	98%	2%

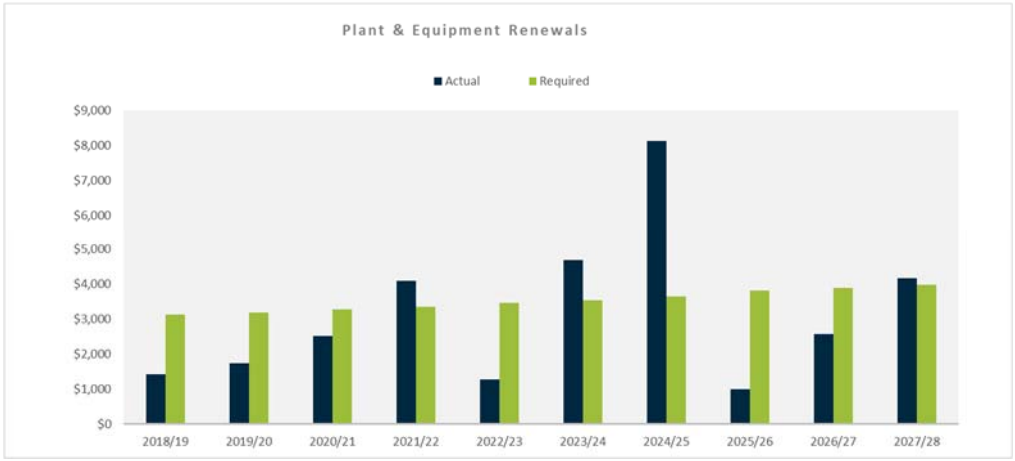
Expenditure Projections

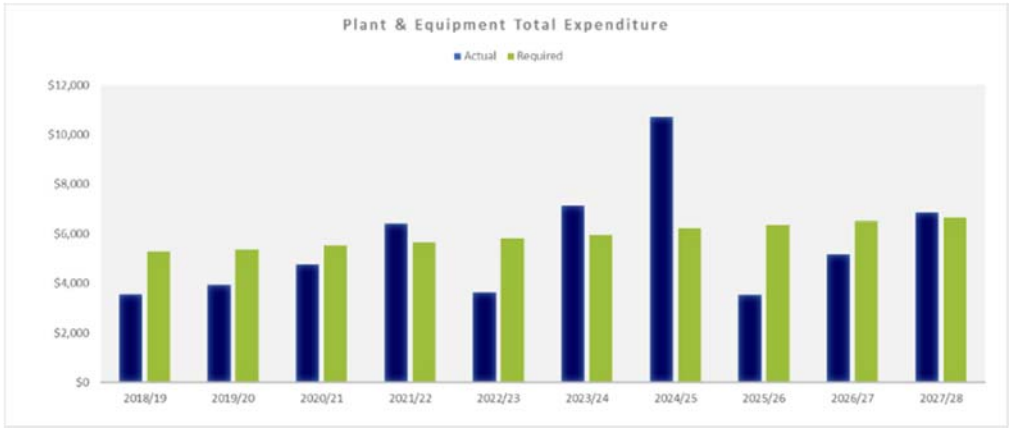
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements.

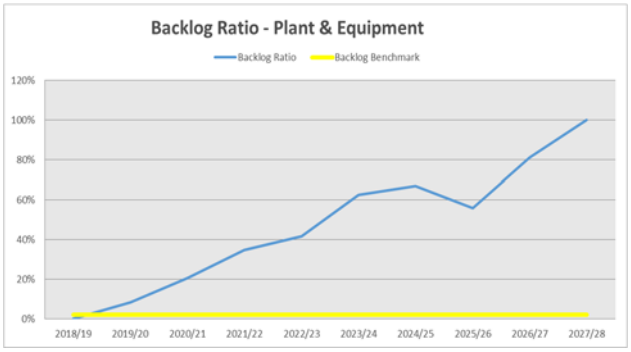
Budget Gap by Asset Group			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Plant & Equipment	Actual	Renewal	$1,413	$1,746	$2,517	$4,101	$1,276	$4,685	$8,129	$989	$2,570	$4,172
		New and Expanded Assets	$0	$0	$0	$0	$0	$0	$92	$0	$0	$0
		Operational & Maintenance (O&M)	$2,151	$2,198	$2,274	$2,326	$2,379	$2,435	$2,494	$2,550	$2,610	$2,670
		Total Actual Expenditure	$3,564	$3,945	$4,791	$6,427	$3,655	$7,120	$10,715	$3,540	$5,179	$6,842
	Required	Required Renewal (Depreciation)	$3,133	$3,185	$3,270	$3,356	$3,462	$3,538	$3,653	$3,812	$3,896	$3,981
		New and Expanded Assets	$0	$0	$0	$0	$0	$0	$92	$0	$0	$0
		Required O&M	$2,151	$2,198	$2,274	$2,326	$2,379	$2,435	$2,494	$2,550	$2,610	$2,670
		Total Required Expenditure	$5,284	$5,383	$5,543	$5,682	$5,841	$5,973	$6,239	$6,362	$6,505	$6,651
		Overall (GAP)	-$1,720	-$1,438	-$753	$745	-$2,186	$1,148	$4,476	-$2,823	-$1,326	$191

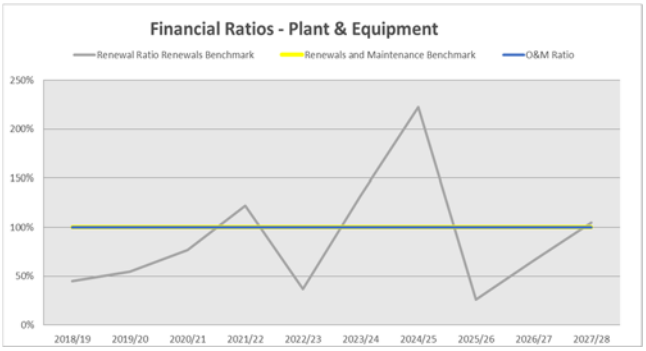
Financial Ratios

The following charts highlight the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.









Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $0.8 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Vehicles	$16,041,792	$15,423,879	$617,913
Other Equipment	$10,635,560	$10,422,849	$212,711
Combined			$830,624

Renewals Plan

Renewals for plant and equipment is taken as the annual depreciation sum for this category. Better knowledge of asset data will enable assessment of renewals per asset component. However, plant and equipment is not one of Waverley Council's major asset groups, therefore a high level assessment of renewals is adequate and provides good indication of what renewals budget should look like.

Category ('000)	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
Plant & Fleet	$1,413	$1,746	$2,517	$4,101	$1,276	$4,685	$8,129	$989	$2,570	$4,172

Operational and Maintenance

Plant and equipment are maintained on a cyclic maintenance schedule. The maintenance schedule is generally in line with manufacturer's specifications. Council's plant and fleet assets are managed in accordance with Council's policy. The policy outlines how Council's plant and vehicle fleet ("vehicles") are to be allocated, used and managed to best support Council's various programs, and the responsibilities of Council officers in the use of Council vehicles.

Critical Assets

The following assets have been identified as critical assets for roads infrastructure asset class:

1. Garbage truck fleet

Mitigation plans fare currently in planning stage and will be developed as per the improvement actions of this plan.

Confidence Levels

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

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.
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 considered to be 'Reliable'.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	As part of future It upgrades consider the implementation of a plant and fleet management system to ensure that plant and fleet assets are managed to achieve best value for Council.	2017/2018	High
	Update relevant asset registers and systems to include correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available.	2018/2019	Medium
	Ensure that a program of recording plant and fleet utilisation is recorded and reported on regularly.	2019/2020	Ongoing
Asset performance	Develop plant utilisation rates and benchmarks to ensure that Councils plant and fleet vehicles are being fully utilised and appropriately managed.	2018/2019	High
Renewal planning	Develop a 10yr plant replacement program that meets the operational needs of the Council.	2018/2019	Medium
Risk management	Prepare risk mitigation plan for the critical assets identified in this plan.	2018/2019	Medium

Supporting Documentation on Plant & Equipment can be found in the Asset Management Manual.

Asset Management Plan – Information & Information Technology (IT)

Asset Management Plan – Information and Information Technology (IT)

This Asset Management Plan covers the infrastructure assets that serve Waverley community's information and IT needs. These assets include Council's servers, IT systems, user equipment, software licences, security devices and more. The asset inventory, values and conditions are detailed below.

Asset Inventory, Values and Condition

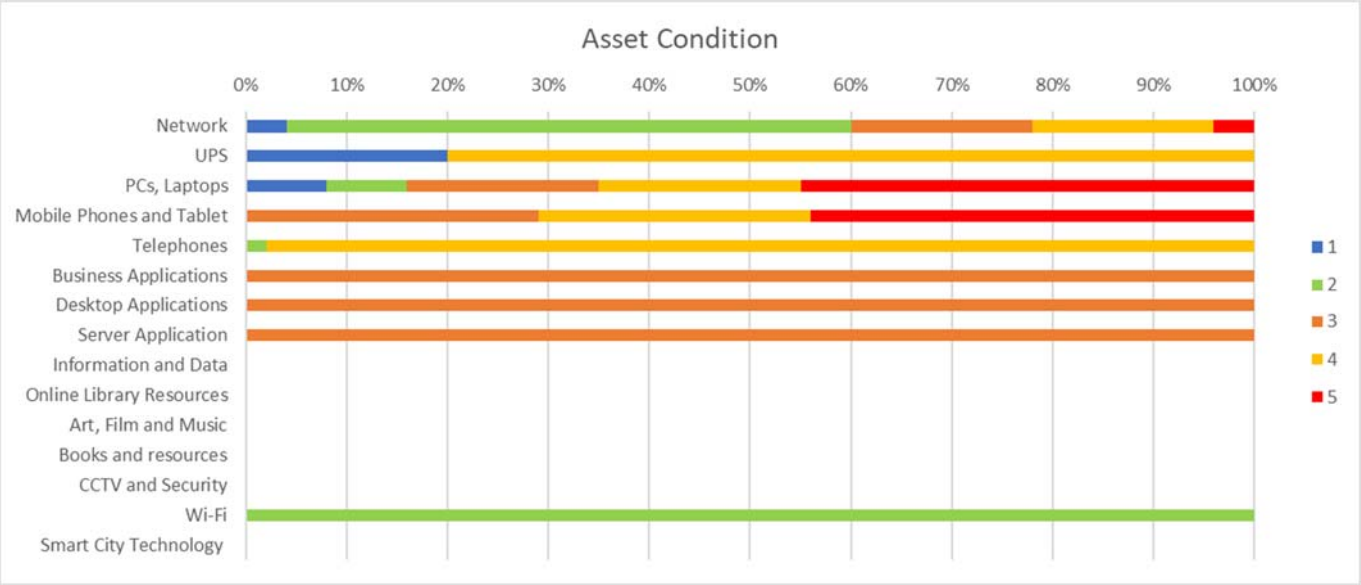
The table below details the current value of Councils Information & Information Technology assets:

Information and IT asset inventory

Asset Sub Class	Asset Component	No	Unit	Gross Replacement Cost (CRC)	Written Down Value (WDV)	Annual Depreciation Expense
Infrastructure	Servers and Storage	18		$251,944	$50,011	$3,779
	Network	128		$38,061	$24,664	$571
	UPS	5		$8,582	$3,948	$129
User Equipment	PCs, Laptops	689		$1,245,373	$415,332	$18,681
	Mobile Phones and Tablet	314		$243,000	$67,068	$3,645
	Telephones	360		$108,000	$38,772	$1,620
Software Licenses	Business Applications	20		$27,396	$15,068	$411
	Desktop Applications	5		$271,611	$149,386	$4,074
	Server Application	19		$36,640	$20,152	$550
	Information and Data				$-	$-
Information and Data	Online Library Resources				$-	$-
	Art, Film & Music				$-	$-
	Books and resources				$-	$-
Public Facing Assets	CCTV and Security				$-	$-
	Wi-Fi	53		$132,500	$106,000	$1,988
	Smart City Technology				$-	$-
Grand Total		**1611**		**$2,363,107**	**$889,777**	**$35,447**

Asset Condition

Information and IT Condition Data



Details of the asset component condition data can be found in the Asset Management Manual.

Asset Based Service Levels

The asset based Level of Service stated below are more specific measures as per the key service level outcomes described in the strategy. This section specifically looks at information and IT infrastructure asset class to create tailored measurable target performance measure. It is important to note that these asset based level of service are only consulted with internally in Council and may be modified in time to fully match Councils operational needs.

Information and IT service levels

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	Percent of assets in preferred condition better (by value)	Condition assessment	100% of assets in condition 3 or better	45%
Reliability / Responsiveness	Percent compliance with Council's documented response time	CRMS data	90%	
Customer Service	Percent satisfaction with service provision	Community satisfaction report (IRIS Research)	'High' satisfaction score	
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	
	Renewal funding ratio		Between 90% and 110%	38%
	Long term funding ratio		Between 95% and 105%	100%

Asset Level Outcome	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Safety	Compliance with Fire Safety regulation.	Annual Inspection	100% compliance	100%
	Electrical isolation switches operational	Annual Inspections of all residential properties	100% compliance	

Information & information Technology (IT) Council Service Levels

Asset Type	Preferred Minimum Condition 1 & 2	Preferred Minimum Condition 1, 2 & 3	SAMP4 SCORE	SAMP5 SCORE	Current Backlog Ratio
IT Infrastructure		100%	NEW CATEGORY	34%	66%
IT User Equipment		100%	NEW CATEGORY	41%	59%
Software Licences		100%	NEW CATEGORY	100%	NIL
Information & Data		100%	NEW CATEGORY		NIL
Public Facing Assets		100%	NEW CATEGORY	100%	NIL

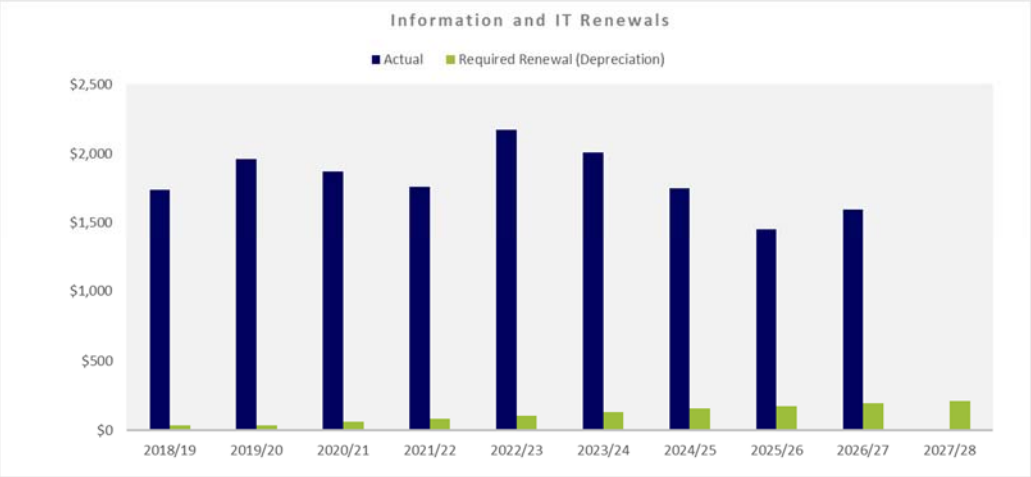
Expenditure Projections

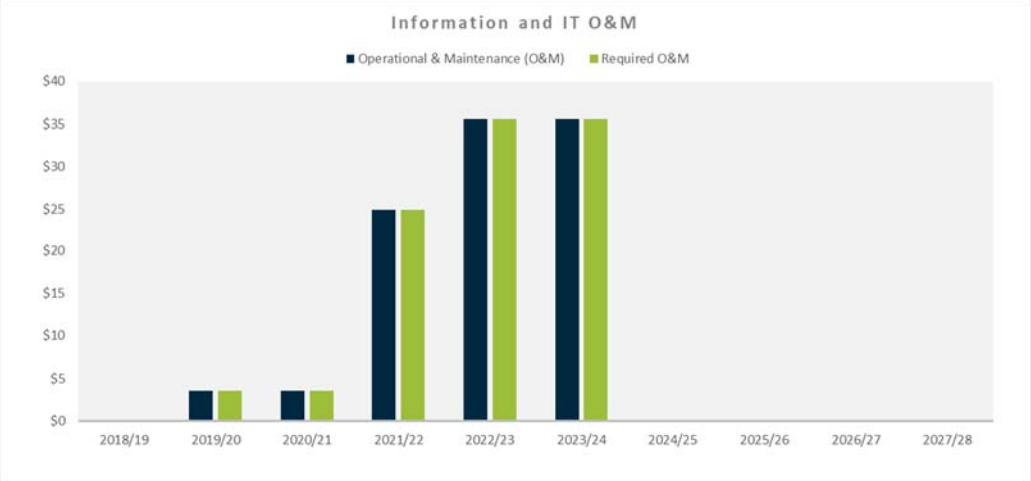
The projections below look at the annual expenditure gap by comparing planned budgets in the Long Term Financial Plan against the required expenditure, calculated based on best practices. The allocation of adequate budget in each budget category demonstrates Council's knowledge and understanding of asset's life cycle requirements

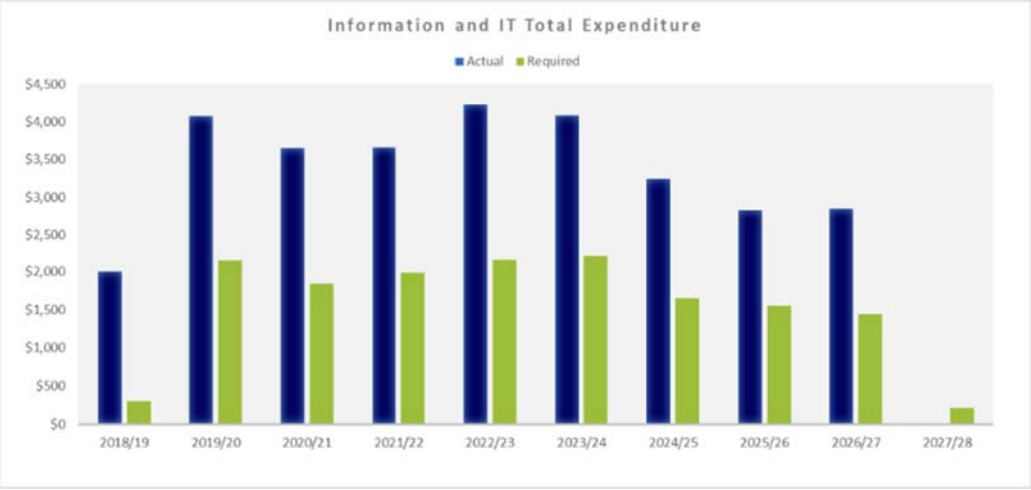
Budget Gap by Asset Group ($000)			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Information and IT	Actual	Renewal	$1,473	$87	$98	$118	$160	$207	$256	$309	$349	$0
		New and Expanded Assets	$274	$2,111	$1,776	$1,877	$2,022	$2,045	$1,494	$1,379	$1,249	$0
		Operational & Maintenance (O&M)	$0	$4	$4	$25	$36	$36	$0	$0	$0	$0
		Total Actual Expenditure	$1,746	$2,202	$1,878	$2,020	$2,218	$2,288	$1,751	$1,689	$1,598	$0
	Required	Required Renewal (Depreciation)	$35	$39	$63	$84	$107	$131	$157	$177	$196	$214
		New and Expanded Assets	$274	$2,111	$1,776	$1,877	$2,022	$2,045	$1,494	$1,379	$1,249	$0
		Required O&M	$0	$4	$4	$25	$36	$36	$0	$0	$0	$0
		Total Required Expenditure	$309	$2,154	$1,843	$1,987	$2,165	$2,212	$1,651	$1,556	$1,445	$214
		Overall (GAP)	$1,437	$48	$35	$34	$53	$76	$99	$133	$153	-$214

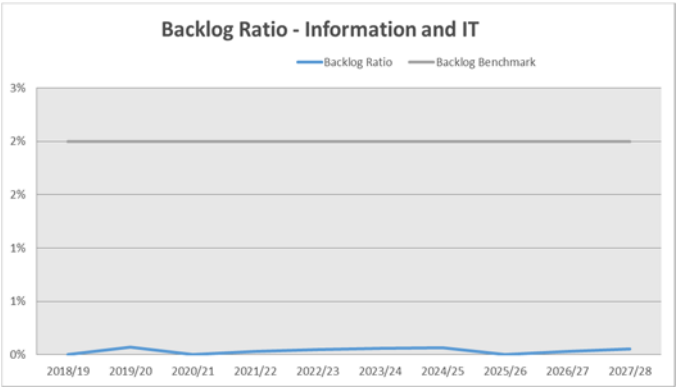
Financial Ratios

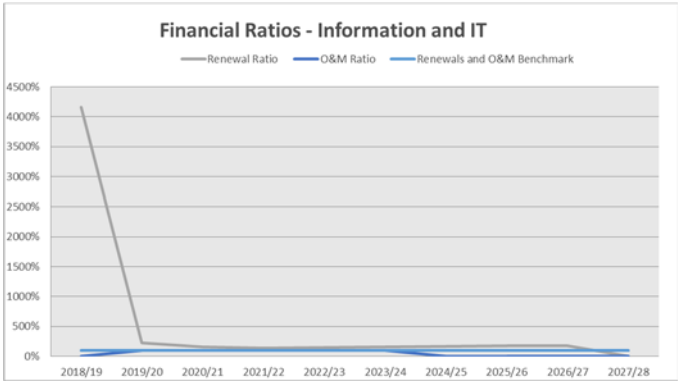
The following charts highlights the asset renewal, maintenance and operational expenditure and total asset expenditure for the asset category comparing with the required expenditure to maintain and improve the current asset portfolio in accordance with Councils agreed service levels.











Cost to Agreed Service Level

The cost to agreed service level is a new indicator introduced by the Office of Local Government. The indicator is calculated as the full cost of assets below the Councils target service level. The table below indicates the value of assets at or above Councils target condition, the current value of asset at the current condition and the gap being cost to required service level.

The table shows a cost to agreed service level of $0.8 Million.

Category	Required Value of Assets at target condition	Current value of Assets in target condition	Gap
Infrastructure	$298,587	$86,832	$211,755
User Equipment	$1,596,373	$508,511	$1,087,862
Software Licenses	$335,647	$335,647	$0
Information & Data	$-	$-	$0
Public Facing Assets	$132,500	$132,500	$0
Combined			$1,299,618

Renewals Plan

Renewals for information and IT is taken as the annual depreciation sum for this category. Better knowledge of asset data will enable assessment of renewals per asset component. However, information and IT is not one of Waverley Council's major asset groups, therefore a high level assessment of renewals is adequate and provides good indication of what renewals budget should look like.

Category ('000)	18/19	19/20	20/21	21/22	22/23	23/23	24/25	25/26	26/27	27/28
IT	$1,738	$1,962	$1,873	$1,759	$2,171	$2,010	$1,749	$1,452	$1,596	$0

Operational and Maintenance

Council will get greater long term benefits by implementing a proactive long term renewal strategy rather than concentrating on short term reactive replacements in IT infrastructure. Further Council will work to get a better understanding of its actual expenditure on information technology assets, currently expenditure is split across a number of service areas. Better reporting on actual maintenance and operational expenditure will allow Council to make better long term decision in relation to this asset class.

Critical Assets

The following assets have been identified as critical assets for roads infrastructure asset class:

1. Computer Server

Mitigation plans fare currently in planning stage and will be developed as per the improvement actions of this plan.

Confidence Levels

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

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.
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 considered to be ‘Uncertain’.

Improvement Plan

AM Improvement Area	Action	Indicative Timeframe	Priority
Strategic planning	Develop asset data collection guidelines to ensure data capture for all assets is consistent, useful and reliable for reporting.	2017/2018	High
Asset data	Update relevant asset registers and systems to include correct asset inventory, new valuation and condition data. Include any assets missed and delete any assets not available.	2018/2019	Medium
	Develop a costing lifecycle model that adequately and appropriately managed maintenance and operational cost for the IT infrastructure.		
Renewal planning	Develop a 10yr replacement / upgrade program that meets the operational needs of the Council.	2018/2019	Medium

Supporting Documentation on Information & Information Technology (IT) can be found in the Asset Management Manual.