RECREATION, LEISURE AND COMMUNITY FACILITIES ASSET MANAGEMENT PLAN

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This document is available in alternative formats (e.g. larger font) if requested.

ACKNOWLEDGEMENT OF COUNTRY

Loddon Shire Council acknowledges the Traditional Custodians of the land comprising the Loddon Shire Council area. Council would like to pay respect to their Elders both past and present.

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This asset management plan has been developed in accordance with Council's Asset Management Policy and principles of the Asset Management Strategy (Objectives).

This asset management plan details information about Council's recreational, leisure and community facilities assets. The plan outlines the management approach to:

- describing and aligning the assets to services (as informed by corporate and service planning)
- managing the future demand for assets to achieve and maintain financial sustainability
- optimising the lifecycle management of assets (achieving service demand at lowest lifecycle cost)
- identifying and managing risks associated with the relevant asset (including criticality and condition)
- continual improvement in the management of the assets and performance monitoring.

1.2   Asset description

Council's recreational, leisure and community facilities contribute to the community through:

- providing a diverse range of recreation opportunities
- improving local amenity
- providing recreational community services.

Recreational, leisure and community facilities covered in this plan are listed below.

Asset description	Asset quantity	Units
Swimming pools	5	No
Swimming hole	1	No
Major recreation reserves	4	No
Minor recreation reserves	1	No

Asset description	Asset quantity	Units
Active reserves	6	No
Aerodromes	2	No

Council will need to conduct a valuation on these infrastructure assets to further its understanding of the asset portfolio.

1.3   Levels of service

Council is in the process of developing comprehensive levels of service for our Council's Recreational, Leisure and Community facilities assets. In time, this will include deliberative consultation with the community.

At present, management of assets, including intervention points and chosen treatment methods, is based upon:

- available budget and resource allocations
- feedback from the community
- active monitoring of the performance of the recreational, leisure and community facilities assets network.

At present it is difficult to understand if funding levels are sufficient to continue to provide existing services at the current levels in the short to medium term.

Future revisions of this plan will inform the financial planning to fund the future renewal and upgrades necessary to meet the capacity demand and levels of service.

1.4   Future demand

The main demands for new services are created by:

- population and demographic change
- ageing infrastructure
- increased participation and use of Council's built and natural infrastructure.

These will be managed through a combination of managing existing assets, upgrading of existing assets and providing

new assets to meet demand and demand management.

1.5 Lifecycle management plan

Lifecycle planning describes the approach to maintaining an asset from construction to disposal. It involves the prediction of future performance of an asset, or a group of assets, based on investment scenarios and maintenance strategies.

Our current approach to managing and operating our recreational, leisure and community facilities assets is predominantly reactive with only limited planning. We are striving to improve our approach to lifecycle management to make sure that we deliver on our service commitments in the most cost effective and efficient manner.

1.6 Financial summary

Council is yet to undertake a full valuation and condition assessment of its recreational, leisure and community facilities portfolio. As Council improves its understanding of current asset performance and required levels of service, it will provide Council with the ability to make informed financial decisions.

1.7 Risk management

There are risks associated with providing the service and not being able to complete all identified activities and projects.

The main risks are:

- injuries on sports grounds and surfaces
- decline in condition and reduced effective life of infrastructure
- recreational, leisure and community facilities asset lives not being maximised.

We will endeavour to manage these risks within available funding by:

- routine inspections
- ensure that changes in standards and legislation are reviewed and implemented as soon as practicable

- conducting a full condition inspection of the portfolio
- undertaking asset planning processes to inform budgets
- engaging with the community where required to understand consumer expectations

Council's asset management framework provides a structured approach for the development, coordination, and control of our activities on assets over their life cycle, and for aligning these activities with our vision and strategic objectives.

Council's asset management planning is supported by three key documents:

- Asset Management Policy
- Asset Management Strategy
- asset management plans

Assets requiring renewal/replacement are identified using a combination of an analysis of the long-term financial needs at a network level and Council's asset information to identify specific assets requiring renewal at a project.

1.8 Monitoring and improvement program

The next steps resulting from this asset management plan to improve asset management practices are:

- conduct formal condition assessment and valuation of the recreational, leisure and community facilities portfolio
- confirming community levels of service related to recreational, leisure and community facilities; and establishing mechanisms to measure community satisfaction
- developing an integrated database of the recreational, leisure and community facilities portfolio
- establish asset register and data capturing recreational, leisure and community facilities.

2   PURPOSE

This asset management plan has been developed in accordance with Council's Asset Management Policy and principles of the Asset Management Strategy (Objectives).

This asset management plan details information about Council's recreational, leisure and community facility assets. The plan outlines the management approach to:

- describing and aligning the assets to services (as informed by corporate and service planning)
- managing the future demand for assets to achieve and maintain financial sustainability
- optimising the lifecycle management of assets (achieving service demand at lowest lifecycle cost)
- identifying and managing risks associated with the relevant asset (including criticality and condition)
- what funds (operating and capital) are required to operate the asset portfolio in alignment with the asset management plan over a 10-year planning period
- continual improvement in the management of the assets and performance monitoring.

3   BUDGET IMPLICATIONS

The projected outlays necessary to provide the services covered by this plan, including operations, maintenance, renewal, upgrade and new assets over the 10-year planning period are not able to be determined in this plan due to the lack of collated and financial and asset information for recreational, leisure and community facilities assets.

Section 11.2 Improvement Plan identifies projects that will be undertaken to allow financial projections over a 10 year planning period to be undertaken.

4   RISK ANALYSIS

There are risks associated with providing the service and not being able to complete all identified activities and projects.

The main risks are:

- injury to users on sports grounds
- damage to recreational, leisure and community facilities assets
- decline in condition and reduced effective life of recreational, leisure and community facilities assets
- injury to users of swimming pools

We will endeavour to manage these risks within available funding by continuing to implement our inspection, maintenance and renewal programs to keep our recreational, leisure and community facilities in a safe and serviceable condition.

5   INTRODUCTION

5.1   Background

This asset management plan outlines the required management approach to:

- describing and aligning the assets to services (as informed by corporate and service planning)
- managing the future demand for assets to achieve and maintain financial sustainability
- optimising the lifecycle management of assets (achieving service demand at lowest lifecycle cost)
- identifying and managing risks associated with the relevant asset (including criticality and condition)

- what funds (operating and capital) are required to operate the asset portfolio in alignment with the asset management plan over a 10-year planning period
- continual improvement in the management of the assets and performance monitoring.

This asset management plan is to be read with Council's Asset Management Policy and Asset Management Strategy along with Council's Community Vision and Council Plan.

Figure 1 shows the different documents that influence and inform this asset management plan.

Figure 1 - Asset management document relationship
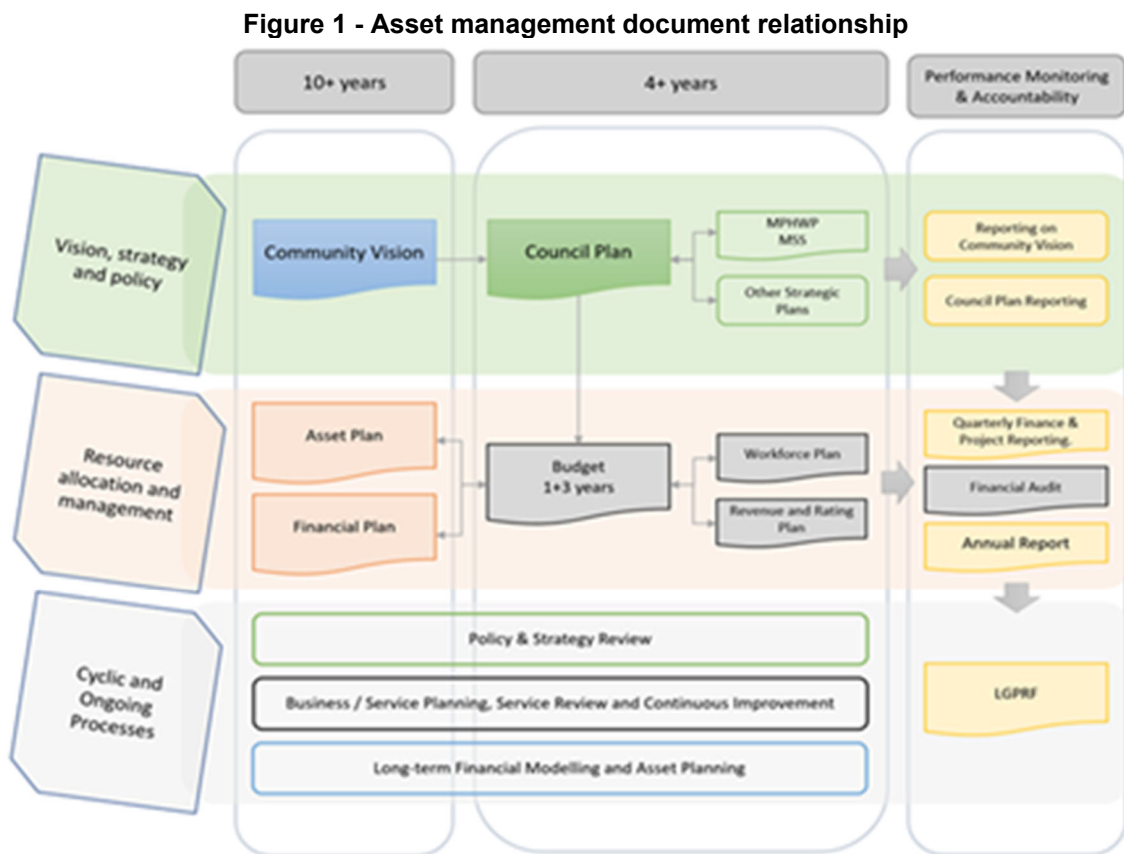
The infrastructure assets covered by this asset management plan are shown Table 1.

Council's recreational, leisure and community facilities assets are infrastructure provided to a broad cross section of the community providing a diverse range of recreation opportunities to build towards a healthy, vibrant, and engaged Loddon community.

Table 1 - Assets covered by this plan

Asset category	Asset group	Quantity	Unit	Current replacement value ($)	Accumulated depreciation ($)	Depreciated replacement cost ($)	Useful life (Years)
Recreational, leisure and community facilities	Swimming pools	5	No	To be determined (TBD)	TBD	TBD	Various
	Swimming hole	1	No	TBD	TBD	TBD	Various
	Major Recreation Reserves	4	No	TBD	TBD	TBD	Various
	Minor Recreation Reserves	1	No	TBD	TBD	TBD	Various
	Active Recreation Reserves	6	No	TBD	TBD	TBD	Various
	Aerodromes	2	No	TBD	TBD	TBD	Various
Total		19					

See Appendix A for full list of facilities.

Note: Replacement values are not collated specifically at this time for recreational, leisure and community facilities assets. Valuations for these assets are undertaken annually as part of land and building valuations but have not been separated in to the required categories for this asset management plan. Projects identified in 11.2 Improvement Plan will be undertaken to allow values, depreciation, etc. to be evaluated by category.

Note (2): Some buildings at recreational, leisure and community facility sites are managed and maintained in accordance with the Building Asset Management Plan

5.2 Plan framework

This asset management plan has been prepared using good practice guidance from the *ISO55000 - Asset Management standard, International Infrastructure Management Manual* and has been developed based on existing processes, practices, data, and standards.

Council is committed to striving towards best appropriate asset management practices and it is recognised that this asset management plan will need to be updated periodically to reflect changes to management of Council's assets.

It is intended that Council's asset management plans should always reflect as closely as practicable actual practices used in managing its assets. Only in this way will Council be best able to ascertain its long-term financial needs for delivering sustainable assets and services.

5.3 Key stakeholders

Our assets are utilised by a broad cross-section of the community.

The stakeholders in the management of Council's recreational, leisure and community facilities assets are many and often their needs are wide-ranging. The relevant key stakeholders are:

- Councillors
- local residents
- visitors to the Shire
- sporting clubs
- utility agencies
- developers
- neighbouring councils
- government departments
- Council's insurers.

The community's needs and expectations are subject to change frequently and are becoming more demanding manifested by demands for services that provide better quality, value for money, environmental awareness and relevant value adding.

This plan will demonstrate to the various stakeholders that Council is managing its recreational, leisure and community facilities assets in a responsible manner.

5.4 Goals and objectives of asset ownership

Our goal in managing infrastructure assets is to meet the defined range and levels of service in the most cost-effective manner for present and future consumers.

By achieving the most cost-effective approach, we will contribute to affordability and liveability contributing to a vibrant, growing, and connected community.

The key elements of infrastructure asset management are:

- providing a defined level of service and monitoring performance
- managing the impact of growth through demand management and infrastructure investment
- taking a lifecycle approach to developing cost-effective management strategies that meet the defined levels of service
- identifying, assessing, and appropriately controlling risks
- linking to a financial plan which identifies required, affordable expenditure and how it will be allocated.

6   LEVELS OF SERVICE

This section defines the level of service or performance criteria that are required and the basis of the decision behind their adoption. The levels of service support Council's strategic goals and are based on customer expectation and statutory requirements.

6.1   Strategic and corporate goals

This asset management plan is prepared under the direction of Council's strategic objectives.

Our Community Vision is:

> *Creating a community where everyone is welcome and has the opportunity to live, work and thrive.*

Relevant Council strategies and Council's role are:

Table 2 - Link to Council strategies

Strategy	Council's role
1.1 We will implement financially and environmentally sustainable infrastructure that supports our social and economic needs	
1.1.1 Plan for future facilities and infrastructure that meet community need Finalise asset management plans and long term strategies for Council assets ▪ We will do this by reviewing and implementing asset management plans across all asset classes to ensure they reflect the current environment	**Deliver**

Council will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this Asset Management Plan.

6.2   Functional hierarchy

Council currently does not have a documented hierarchy in terms of their specific function, demand, capacity, use patterns, and potential risk. The hierarchy classification is used to assist in prioritising works programs and intervention responses to remedy defects.

6.3   Levels of service

Service levels can be defined in two interconnected ways, customer levels of service and technical levels of service. These are supplemented by organisational measures which are the Community Vision, Council Plan, and the Annual Budget. Service performance results are reported through Council's Annual Reports.

At present, indications of current and target levels of service are obtained from various sources including:

- community satisfaction surveys
- residents' feedback to Council and staff

- operations staff feedback to management
- feedback from other stakeholders
- service requests and related correspondence entered in Council's Customer Request System
- physical measurements of quality standards
- legislative standards (minimum requirements).

In future, it is also expected that Council will undertake deliberative community engagement to validate these levels of service.

6.3.1 Customer levels of service

Levels of service are defined service levels in two different types, customer levels of service and technical levels of service. These are supplemented by organisational measures.

Customer levels of service measure how the customer receives the service and whether value to the customer is provided.

Customer levels of service measures used in the asset management plan are:

Quality	How good is the service … what is the condition or quality of the service?
Function	Is it suitable for its intended purpose … *Is it the right service?*
Capacity/use	Is the service over or under used … do we need more or less of these assets?

Levels of service have not yet been adopted for recreational, leisure and community facilities assets by Council. The following are an initial set of measures recognising that recreational, leisure and community facilities are subject to a number of regulations and standards as need to be functional and meeting a required service need. The current and expected customer service levels are detailed in Table 3.

Organisational measures are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available, condition %s of Very Poor, Poor/Average/Good, Very Good).

The organisational measures below provide a balance in comparison to the customer perception that may be more subjective.

Table 3 - Customer level of service

Key performance measure	Level of service objective	Performance measure process	Current performance	Target performance
Quality	Providing recreation, leisure and community facilities of an appropriate condition and standard	Annual community* satisfaction survey	71	69^
	Health inspections of aquatic facilities	Council performance summary (LGPRF)	1.40	1.0

Key performance measure	Level of service objective	Performance measure process	Current performance	Target performance
	Maintenance works carried out efficiently and effectively	Customer service request response times	To be determined	To be determined
Function	Facilities are fit for purpose and maintained	Annual Community Satisfaction Survey	To be determined	To be determined
Capacity/ Utilisation	Sportsgrounds available and suitable for a range of sporting activities and events	Use of ovals/availability of facilities	To be determined	To be determined
	Visits to aquatic facilities per head of municipal population	Council Performance summary (LGPRF)	2.60	To be determined
	Direct cost to council of providing aquatic facilities per visit	Council Performance summary (LGPRF)	$28.98	To be determined

Notes
* Results taken from the DEWLP's Local Government Community Satisfaction Survey conducted in 2020
^ Average community satisfaction for small rural councils group

6.4   Technical levels of service

Technical levels of service - Supporting the customer service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

Operations	The regular activities to provide services (e.g. opening hours, cleaning, mowing grass, energy, inspections, etc.)
Maintenance	The activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading, building and structure repairs).
Renewal	The activities that return the service capability of an asset up to that which it had originally (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement).
Asset improvements	The activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).

Service and asset managers plan, implement and control technical service levels to influence the customer service levels.

Table 4 shows the technical levels of service expected to be provided under this asset management plan. Council does not have a well-documented technical level of service currently.

Table 4 - Technical levels of service

Key performance measure	Level of service objective	Performance measure process	Current performance	Target performance
Operations and maintenance	Maintaining the safety, functionality, and serviceability	Planned maintenance	To be determined	To be determined
		Reactive maintenance	To be determined	To be determined
		Inspections	To be determined	To be determined
Asset renewal	Preserving the condition of infrastructure	Annual renewal program	To be determined	100% of scheduled program delivered
Asset improvements	Improving the amenity and service to meet community needs	Annual upgrade program	To be determined	To be determined

It is important to monitor the service levels provided regularly as these will change. The current performance is influenced by work efficiencies and technology, and customer priorities will change over time.

Review and establishment of the agreed position which achieves the best balance between service, risk and cost is essential.

6.4.1   Actual levels of service

Council recognises the importance that levels of service play in optimising the lifecycle management of infrastructure assets. For the assets covered by this plan, Council continues to work towards achieving the required service levels in practice.

The development and monitoring of actual service level will be one of the foundations of future improvement through the asset management planning process.

6.5   Customer research and expectations

6.5.1   Community consultation

At this stage, target customer research has not been undertaken for Council's recreational, leisure and community facilities asset portfolio. Council is committed to transparent and informed decision making in relation to the management of its assets and services through engagement with the community.

Once service levels and budget funding issues have been properly reconciled, it is appropriate that Council should consult with the community to ensure that these service levels are meeting community expectations.

6.5.2 Community satisfaction

This 'core' asset management plan has been prepared to facilitate consultation and for adoption by Council. Future revisions of this asset management plan will aim to incorporate more community consultation on service levels and costs of providing the service. This will assist the Council and stakeholders in matching the level of service required, service risks and consequences with the community's ability and willingness to pay for the service.

6.6   Legislative requirements

There are many legislative requirements relating to the management of assets. These include:

Table 5 - Legislative requirements

Legislation	Requirement
Local Government Act 2020	Sets out role, purpose, responsibilities and powers of Council including the preparation of a financial plan supported by asset management plans for sustainable service delivery.
Local Government Act 1989	Sets out role, purpose, responsibilities and powers of Council including the preparation of a financial plan supported by asset management plans for sustainable service delivery.
Planning and Environment Act 1987	The purpose of this Act is to establish a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians.
Occupational Health and Safety Act 2004	Includes Asbestos 2003; Manual Handling 1999; Noise 2004; Prevention of Falls 2003; and Lead 2000.
Building Act 1993	The Building Act 1993 governs building activity in Victoria. It sets out the legislation framework for the regulation of building construction, building standards and the maintenance of specific building safety features.
Public Health Act and Wellbeing Act 2008	The purpose of this Act is to enact a new legislative scheme which promotes and protects public health and wellbeing in Victoria.
Wrongs Act 1958	Applies to common law claims for damages for personal injury in public places and medical negligence. The Act excludes workplace or transport accidents.
Heritage Act 1995	Provides for the protection and conservation of places and objects of cultural heritage significance and the registration of such places and objects.
Environment Protection Act 2019	A framework for the protection of the environment in Victoria, in accordance with the principals of environmental protection. Includes the establishment of environmental objectives and programs to prevent pollution and environmental damage.
State Sporting Association Guidelines	Guidelines from state sporting bodies that outline facility requirements.

7 FUTURE DEMANDS

The objective of asset management is to create, operate, maintain, rehabilitate, and replace assets at the required level of service for present and future customers in a cost effective and environmentally sustainable manner. The asset management plan must therefore forecast the needs and demands of the community in the future and outline strategies to develop the assets to meet these needs.

7.1 Demand forecasts and impact on assets

The present position and projections for demand drivers, and their potential impacts on future service delivery and use of assets is identified and documented in Table 6.

Table 6 - Demand drivers, projections, and impact on services

Demand factor	Projection	Impact on assets
Population change	Census figures estimate the population of Loddon Shire is currently stable.	▪ Population stability reduces the capacity of Council to raise revenue through rates and increases the per capita cost of services and maintaining infrastructure. ▪ Stability of population reduces need for new recreational facilities.
Demographics	The population of Loddon Shire is increasing in age. Between 2011 and 2016, there was an 8% increase in the number of residents over the age of 60. This trend is expected to continue.	▪ Movement away from many traditional organised sports such as football, cricket, netball and tennis to more individual or small group non-organised activities, e.g. walking, aerobics, fitness classes, cycling, swimming, running, etc. ▪ Greater use of facilities by personal fitness trainers and their clients.
Ageing infrastructure	Ageing infrastructure in Council's recreational, leisure and community facilities.	▪ Without adequate funding, the declining condition of Council's assets will result in reduced levels of service and increased risk of failure.
Increased health awareness	Loddon Shire has a high participation rate for its natural and built recreational assets.	▪ High participation rates create demand for assets

8 LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while managing life cycle costs.

8.1.1 Asset condition

Asset condition is a measure of the health of an asset and is a key consideration in determining remaining useful life, as well as predicting how long it will be before an asset needs to be repaired, renewed or replaced. Asset condition is also an indicator of how well it can perform its function. Condition data is valuable for developing long term funding scenarios for strategic planning of Council's budget.

Council measures the condition of its assets using a standardised 0 to 10 grading system.

A summary of the condition rating scale used for the assets covered by this asset management plan is detailed in Table 7. Council's condition grading system follows good practice guidance as provided by various industry standards including the *International Infrastructure Management Manual.*

Table 7 - Condition rating system

Score	Condition rating	Description
0	New	New or an asset recently rehabilitated back to new condition.
1	Near new	Near new no visible signs of deterioration often based upon the time since construction rather than observed condition decline.
2	Excellent	Excellent. Very slight condition decline. Obvious no longer in new condition.
3	Very good	Very good early stages of deterioration minor no serviceability problems.
4	Good	Good some obvious deterioration evident slightly impaired serviceability.
5	Fair	Fair obvious deterioration some serviceability loss.
6	Fair to poor	Fair to poor. Quite obvious deterioration serviceability would be affected and rising maintenance cost.
7	Poor	Poor severe deterioration serviceability limited high maintenance cost.
8	Very poor	Very poor serviceability heavily impacted. Very high maintenance cost needed to be rehabilitated.
9	Extremely poor	Extremely poor severe serviceability problems needing rehabilitation immediately. Could also be a risk to remain in service.
10	Failed	Failed no longer serviceable and should not remain in service extreme risk.

In future revisions of this asset management plan Council will apply the condition rating system to its recreational, leisure and community facilities, and utilise the data for the next round of comprehensive revaluations as well as utilising the data to drive the future maintenance planning assets.

8.2   Routine operations and maintenance plan

Effective maintenance strategies are essential to ensure that an asset performs at the desired service level on a day-to-day basis.

Operations	Regular activities to provide public health, safety, and amenity (e.g. street sweeping, grass mowing, street lighting, cleaning pipes, etc).
Maintenance	Regular ongoing day-to-day work necessary to ensure asset achieves its defined useful life (e.g. pothole patching, replacement of a window, footpath grinding, etc).

8.2.1   Maintenance and operations strategies

The following general maintenance and operations strategies are applied to recreational, leisure and community facilities.

Table 8 - Maintenance strategy summary

	Use and manage the assets in a manner that minimises the long term overall total cost. Undertake scheduled inspections as justified by the consequences of failure on levels of service, costs, public health, or safety.
Operations	
Reactive maintenance	A suitable level of preparedness for prompt and effective response to service requests or asset failures is maintained.
Planned or preventative maintenance	Undertake planned asset maintenance activities to minimise the risk of critical asset failure and to maintain assets in a manner that minimises ongoing lifecycle costs.

8.2.2 Maintenance and operations arrangements

Recreational, leisure and community facilities maintenance and operation is undertaken by Council's Works Department, contractors and community groups.

Appendix A details the maintenance and operations arrangement for each site. Swimming pools are maintained by Council but operated by contractors; other sites are either maintained and operated by Council, or maintained and operated by community groups under a management agreement or Section 65 Community Asset Committee agreement.

8.2.3 Maintenance standards

The standard of work for repair and maintenance of Council's recreational, leisure and community facilities assets will be that typically provided to ensure that the works carried out are suitable for purpose. All materials used in the maintenance and repair of Council's recreational, leisure and community facilities assets will comply with all relevant technical standards.

8.2.4 Inspections

For Council to carry out effective planning and competent management of its assets, both in a strategic and operational sense, it is essential that maintenance and performance related information is collected through disciplined and regular inspections of the whole portfolio.

Council's inspection activities can be grouped into the following categories based on definition and purpose:

Table 9 - Asset inspection type summary

Inspection type	Description	Current status	Inspection frequency
Cyclic inspections	Cyclic inspections involve a visual investigation to assess for hazards or maintenance issues that do not meet Council's levels of service or risk management objectives. These inspections provide a basis for urgent, preventative, and recurrent maintenance needs.	Cyclic inspections are coordinated by the Manager Community Support, Manager Assets & Infrastructure, Maintenance Management Agreement groups and Community Asset Committees.	Essential safety measures are undertaken as cyclical inspections. Council will investigate formalising an inspection program.
Reactive inspections	Reactive inspections are initiated generally by requests for maintenance received from asset users. Council's objective in relation to maintenance requests is to inspect and prioritise the work requests within specific timeframes.	Inspections or site assessments are undertaken in response to customer requests by Council's Works Department and Manager Community Support. Community Asset Committees and	Reactive inspections are undertaken as required in accordance with relevant standards and community expectations.

Inspection type	Description	Current status	Inspection frequency
		Maintenance Management Agreement groups undertake reactive inspections at their respective sites.	
Condition inspections	A condition audit is a systematic inspection and identification and recording of the physical and functional adequacy of assets. The purpose of these inspections is to provide an input for life-cycle cost analysis, and asset planning purposes. This level of inspection does not identify detailed maintenance requirements but provides a basis for managing the asset portfolio from a strategic perspective.	Condition inspections are coordinated by the Manager Assets & Infrastructure.	There is presently no formal schedule for condition audits of these assets. Council should formalise an inspection schedule to align with its financial reporting requirements and overall asset planning needs.

8.3 Renewal/replacement plan

Renewal expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential.

Work over and above restoring an asset to original service potential is an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified using a combination of an analysis of the long term financial needs at a network level and Council's asset information to identify specific assets requiring renewal at a project level.

8.3.1 Renewal strategy

Renewal strategies are based on assessing a range of factors to ensure the appropriate level of investment is targeted at the optimum time to ensure assets remain fit for purpose and that renewal plans are efficient and effective. The factors considered include the following:

- criticality
- maintenance and/or failure history (i.e., when do ongoing maintenance works become uneconomic)
- age
- expected life
- remaining useful life
- condition (where known)
- condition prediction
- geographical grouping
- timing in relation to linked asset renewal plans.

As a general principle the number and cost of repairs will determine the optimum timing to invest in the renewal of assets. Every time an asset is repaired it provides information about its performance, rate of deterioration, and a prediction of the optimum time to renew.

As the rate of repairs increase, a prediction can be made about the optimum time to renew an asset to keep the cost of ownership at the optimum level.

8.3.2 Renewal standards

Council's construction standards are based on various standards necessary to accommodate the demands and technical requirements placed on our assets.

These standards take into consideration the extensive work previously undertaken by the various professional and industry bodies such as:

- Building Code of Australia
- Commonwealth Disability Standards
- Australian Standards

All renewal works shall comply with Council's engineering standards and specifications for design and construction that apply at the time. The design of recreational, leisure and community facilities renewal works is in all cases undertaken by suitably qualified and experienced practitioners where necessary.

8.3.3 Renewal ranking criteria

In general, renewal works are prioritised and planned by assessing the following considerations:

- safety issues
- physical condition
- risk and asset criticality
- community/user feedback; and
- location and use type and patterns.

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- have a high consequence of failure
- have high use and subsequent impact on users would be greatest
- have a total value representing the greatest net value
- have the highest average age relative to their expected lives
- are identified in the asset management plan as key cost factors
- have high operational or maintenance costs
- have replacement with a modern equivalent asset that would provide the equivalent service at a savings.

8.4 Creation/acquisition/upgrade plan

New works are those works that create a new asset that did not previously exist or works that upgrade or improve an asset beyond its existing capacity or performance in response to changes in supply needs or customer expectations.

There are occasions when Council is required to upgrade an asset because of changing demand or use requirements. In such instances, the project is scrutinised closely by officers and is considered as part of the annual budget planning process.

In accordance with Council's budget development framework, when Council considers its discretionary capital expenditures for new or upgraded assets it is essential to establish the consequential recurring operational and maintenance costs that will occur once the new or upgraded asset becomes operational.

This consequential additional cost is 'non-discretionary' as it will be incurred if the new asset is provided.

As new projects are brought forward for consideration with the annual budget, they will also have an assessment of these ongoing operational (recurrent) costs presented to Council as part of the overall project cost projections.

8.4.1 Standards and specifications

As with replacements where new assets are created, they are designed using all relevant design codes and Australian Standards and by using materials to achieve the greatest asset life while trying to minimise maintenance costs.

8.5 Disposal plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Any revenue gained from asset disposals is accommodated in Council's long term financial plan.

9 RISK MANAGEMENT PLAN

The purpose of this section is to describe the basis of Council's strategic risk and investment policies and the way it will manage risk associated with Council's transport assets.

9.1 Risk management process

Council's risk management framework and processes are in accordance with AS/NZS ISO 31000:2009 – Risk Management – Principles and Guidelines and HB 436:2013 – Risk Management Guidelines.

The framework is designed to provide the architecture for a common platform for all risk management activities undertaken by Council and is used to identify specific risks associated with Council's delivery of services and management of assets.

The objective of the risk management process with regard to Council's assets is to ensure that:

- all significant operational and organisational risks are understood and identified
- the highest risks that need to be addressed in the short to medium term are identified and
- strategies and treatments to address risks are identified and applied.

An assessment of risks associated with service delivery from infrastructure assets has identified the most critical risks to Council. The risk assessment process identifies and assesses risks, develops a risk rating and develops a risk treatment plan for non-acceptable risks.

9.1.1 Risk assessment

Network or system risks assessed 'High' – requiring prioritised corrective action and "Medium" – take reasonable steps to mitigate the risk identified by Council's asset risk assessment process are summarised in the

Table 10. Refer to Appendix B for details of the risk assessments.

Table 10 - Infrastructure risk register

Risk event	Cause	Risk rating	Risk mitigation plan
Sports grounds injury	Unsafe sports facility surfaces	Medium	▪ Review sports grounds through routine inspections. Ensure that changes in standards and legislation are reviewed and implemented as soon as practicable.
Personal injury	Sports grounds uneven or damaged playing surfaces	Medium	▪ Program of inspections and work processes to follow up on any complaints to intervene early to ensure assets remain in good serviceable condition.
Damage to recreational, leisure and community facilities as a result of natural disaster.	Natural disaster (e.g., weather, environment) damages open space assets or exposes users to risk	High	▪ Manage through existing systems and consideration of natural disaster risks. Ensure assets are insured to repair/ replace assets due to damaging activities.
Assets allowed to deteriorate.	Asset renewals become unsustainable due to changes in demand	Medium	▪ Undertake asset planning processes to inform budgets. Engage with community where required to understand consumer expectation.
Injury to users of swimming pool surfaces.	Injury to users of equipment due to asset failure	Medium	▪ Maintenance and condition inspections on assets undertaken through program.
Recreational, leisure and community facilities asset lives not being maximised.	Asset failure prior to expected end of life	High	▪ Undertake regular inspections of assets. Conduct regular maintenance on assets to prevent early failure.

9.2 Critical assets

Critical assets are defined as those which have a high consequence of failure or reduction in service.

It is important to identify critical assets as well as the critical failure modes. This makes it possible to target and refine maintenance plans, capital expenditure plans, and investigative activities at the critical areas.

Criticality should be applied to recreational, leisure and community facilities based on importance and function and should be reflected in the asset hierarchy.

A known critical asset is Council's pool shells. The large financial liability associated with replacing these assets requires Council to undertake regular maintenance to extend their life as much as possible. If they require replacement, Council will most likely require grant funding to replace each pool shell.

10 FINANCIAL SUMMARY

Council is yet to undertake a full valuation and condition assessment of its recreational, leisure and community facilities portfolio. As Council improves its understanding of current asset performance and required levels of service, it will then feed into this section of the financial summary. This will allow Council to project financial requirements for maintenance, operations, renewal, and capital improvement expenditure.

10.1 Funding sources

Funding for assets is provided from Council's annual budget and Financial Plan.

Council's financial strategy determines how funding will be provided, whereas the asset management plan communicates how and when this will be spent, along with the service and risk consequences of differing options.

Council uses several different funding sources to maintain, renew and improve its recreational, leisure and community facilities. These are:

Table 11 - Funding sources

Activity	Funding source
Maintenance and operations	- Council's hall and recreation allocations - Council funded building insurance - Community grants - Funding raised through clubs - Community Asset Committee income
Renewal	- Council's strategic fund - Council's hall and recreation allocations - Council's community planning allocation - Council's community grants - External grant opportunities - Funding raised through clubs
Capital improvement (i.e. new, upgrade, and expansion	- Council's strategic fund - Council's hall and recreation allocations - Council's community planning allocation - Council's community grants - External grant opportunities - Funding raised through clubs

Swimming pools have an ongoing allocation, detailed in the following table:

Table 12 – Swimming pool funding

Year	Maintenance and operations
2020/21	$864,638
2021/22	$610,000
2022/23	$622,552
2023/24	$635,674
2024/25	$648,838
2025/26	$662,606
2026/27	$676,754
2027/28	$691,476
2028/29	$706,612
2029/30	$722,247
Total	**$6,841,396**

11 PLANNED IMPROVEMENT AND MONITORING

11.1 Status of asset management practices

Council currently uses the following corporate information systems for recording relevant asset data and information:

Table 13 - Overview of corporate systems

Module	System
Customer request management	▪ Merit
Financial/accounting	▪ Attache ▪ Magiq
Records management	▪ LCM
Mapping (GIS)	▪ QGIS ▪ Pozi
Asset register	
Strategic asset management	
Mobile solutions	
Works management	

The asset management system underpins asset management capacity and capabilities and is a key source of information for decision making, coordination of operations, and performance reporting.

11.2 Improvement plan

The asset management improvement plan generated from this asset management plan is shown in Table 14.

Table 14 - Improvement plan

Task	Responsible person	Resource type	Timeline
Determine if asset group condition and valuation should be undertaken to allow Council to plan the replacement of recreational leisure and community facilities.	Manager Assets and Infrastructure	Internal	As Resources Permit
Define customer and technical levels of service.	Manager Community Support & Manager Assets and Infrastructure	Internal	As Resources Permit
Develop an asset list for recreational, leisure and community facilities	Asset Management Coordinator	Internal	As Resources Permit
If required, conduct formal condition assessment and valuation of the recreational, leisure and community facilities.	Asset Management Coordinator	Internal	As Resources Permit
Develop functional hierarchy of recreational, leisure and community facilities	Asset Management Coordinator	Internal	As Resources Permit
Review current funding allocations made to recreational, leisure and community facilities maintenance to ensure that it is sufficient to deliver current levels of service.	Manager Assets and Infrastructure	Internal	As Resources Permit
Develop a project-based three (3) year capital works program for renewals, upgrades and new works and integrate with Council's Financial Plan.	Asset Management Coordinator	Internal	As Resources Permit
Review and update asset useful (standard) lives to reflect their current performance and current levels of service.	Manager Assets and Infrastructure	Internal	As Resources Permit
Review critical risks and treatment Strategies.	Manager Community Support	Internal	As Resources Permit

Note: The priorities and timing of all improvement plan projects in Council's asset management plans will be re-evaluated together as part of the development of Council's Asset Plan.

Council's Manager Assets & Infrastructure will need to determine the priority of the actions in this improvement plan, allocate a responsible officer and identify resource needs. This is to ensure that the implementation of these improvement actions align with Council's overall asset program. This prioritisation and allocation of resources should be consistent with Council's Asset Management Strategy and overall asset management framework.

11.3 Monitoring and review procedures

This asset management plan will have a life of **4 years** and will be completely reviewed and updated in order to inform the development of the Community Vision, Council Plan, and the Financial Plan. This Asset Management Plan will be reviewed and update in accordance with Council's deliberative engagement practices as set out in its *Community Engagement Policy*.

11.4 Performance measures

Performance measures will be developed to ensure that work practices and this Asset Management Plan are reflective of each other.
The performance of this Asset Management Plan shall be monitored against the following criteria in accordance with the process detailed below.

- Maintenance and renewal programs - to confirm that allocated budget projects were delivered on time, within budget and to the specified level of service (see following item on delivery performance).
- Inspection programs - to confirm that they were undertaken as specified in the asset management plans and any other service level agreements which may be in operation.
- Scheduled condition surveys – to confirm that they were undertaken as required.
- Maintenance of asset information systems - to ensure that stored data is current and accurate.
- External factors - including legislative requirements, ongoing development of Council policies, plans, and other major system implementations.

12 APPENDICES

12.1 Appendix A – Council-owned or controlled recreational, leisure and community facilities

Category	Name	Land Owner	Management, Maintenance and Operations
Swimming pool	Boort Swimming Pool	Council	Council, operations contracted
Swimming pool	Pyramid Hill Swimming Pool	Council	Council, operations contracted
Swimming pool	Mitiamo Swimming Pool	Council	Council, operations contracted
Swimming pool	Wedderburn Swimming Pool	Council	Council, operations contracted
Swimming pool	Inglewood Swimming Pool	Council	Council, operations contracted
Swimming hole	Bridgewater Swimming Hole	NCCMA	Council
Major recreation reserve	Boort Park	Council	Section 65 Community Asset Committee
Major recreation reserve	Inglewood Recreation Reserve	Council	Section 65 Community Asset Committee
Major recreation reserve	Wedderburn Donaldson Park	Council	Section 65 Community Asset Committee
Major recreation reserve	Mitiamo Recreation Reserve	Council	Management Agreement
Minor recreation reserve	Korong Vale Community Recreation Reserve	Council	Council
Active reserve	Inglewood Riding Club	Council	Management Agreement
Active reserve	Pyramid Hill Tennis Courts	Council	Management Agreement
Active reserve	Serpentine Lawn Bowls	Council	Management Agreement
Active reserve	Serpentine Tennis Courts	Council	Management Agreement
Active reserve	Tarnagulla Golf Course (club house)	Council/DELWP	Management Agreement
Active reserve	Wedderburn Market Square	Council	Section 65 Community Asset Committee
Aerodrome	Boort Aerodrome	Council	Section 65 Community Asset Committee
Aerodrome	Pyramid Hill Aerodrome	DELWP	Council

12.2 Appendix B – Recreational, leisure and community facilities risk assessments

No	Risk	Likelihood	Consequence	Risk severity
1	Sports ground injury	Unlikely	Moderate	Medium
2	Personal injury	Possible	Moderate	Medium
3	Damage to recreational, leisure and community facilities as a reuslt of natural disaster	Possible	Major	High
4	Assets allowed to deteriorate	Possible	Moderate	Medium
5	Injury to users of swimming pool surfaces	Possible	Moderate	Medium
6	Recreational, lesiure and community facilities asset lives not being maximised	Likely	Moderate	High