

Blayney Shire Council





BUILDINGS

Asset Management Plan



Version 2.0

May 2018

Document Control		Asset Management Plan  			
Document ID : NAMSPLUS Concise Asset Management Plan Template_V2_170508					
Rev No	Date	Revision Details	Author	Reviewer	Approver
1.0	March 2012	Initial Draft	GP	GB	GW
2.0	May 2018	2018 Building Revaluation	SD	GP	RR

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The Institute of Public Works Engineering Australasia.
www.ipwea.org/namsplus

Published by Blayney Shire Council

Blayney Shire Community Strategic Plan 2018-2028

First published May 2018

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1. EXECUTIVE SUMMARY

Blayney – At a glance

Blayney Shire has an area of 1,525 square kilometres, is located at an altitude of 850m above sea level, in the Central Tablelands of New South Wales, and has a population of approximately 7,380 (ABS 2016).

The Shire area is considered reasonably compact, with the main administrative centre, and largest population base being the town of Blayney.

Being located only 24km from the regional centre of Orange, the village of Millthorpe is the largest of a number of village and localities dispersed across the Shire, including Carcoar, Mandurama, Lyndhurst, Neville, Newbridge, Hobbys Yards and Barry.

The size and distribution of the population across the villages raises some challenges for Council and the community. Despite these challenges Council is committed to providing a range of building facilities to meet the needs of its residents.

1.1 The Purpose of the Plan

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

An Asset Management Plan (AMP) is a plan developed for the management of infrastructure assets, that combines multi-disciplinary techniques (including technical and financial) over the life cycle of the asset in the most cost effective manner to provide a specific level of service.¹

The objective of the AMP is to inform the community of the costs and benefits associated with providing the agreed level of service, and to minimise the whole of life cost, including the operation, maintenance and replacement, or disposal of the asset. This enables the Council, community and other stakeholders to make informed decisions on where to focus efforts in renewing assets, and providing for new assets identified within the AMP.

This asset management plan details information about infrastructure assets across Blayney Shire, and includes actions required to provide an agreed level of service in the most cost effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services over a 20-year planning period.

¹ IPWEA, 2015, IIMM.

1.2 Asset Description

These building assets are spread across the Shire in the Villages, with a concentration in the main town of Blayney, and include:

- 1 Administration/ Council Office
- 18 Amenities/Toilets
- 1 Animal Control
- 1 Aquatic Centre, Plant
- 12 Community Facilities
- 16 Depot
- 11 Emergency Services
- 8 Recreational
- 5 Saleyards
- 6 Sheds
- 33 Shelters
- 7 Site Improvements, Sporting grounds

These infrastructure assets have significant replacement value, at \$29,187,000.

1.3 Levels of Service

Our present funding levels are insufficient to continue to provide existing services at current levels in the medium term.

The main services consequences are:

- Reduced maintenance of assets,
- Delayed renewal activities, and
- Limited capacity to provide additional facilities, except where external funding is obtained

1.4 Future Demand

The main demands for new services are created by:

- Ageing population and the shifting needs of the community,
- Increasing numbers of females playing previously male focussed team sports, creating demand for female amenities on sporting fields, and
- Increasing demand for Council provided facilities in villages.

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.

Demand management

Practices include non-asset solutions, insuring against risks and managing failures.

Demand management can include:

- Review service levels,
- Encourage shared use of existing facilities (especially sporting facilities), and
- Community engagement to develop a prioritised list of projects.

1.5 Lifecycle Management Plan

What does it Cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AMP) includes operations, maintenance, renewal and upgrade of existing assets over the 10-year planning period is \$34,618,000 or \$3,462,000 on average per year.

1.6 Financial Summary

What we will do

Estimated available funding for this period is \$30,512,000 or \$3,051,000 on average per year as per the Long Term Financial Plan (LTFP) or budget forecast. This is 88% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the LTFP can be provided, except for one off contributions from external funding sources, including State and Federal government Grants. The emphasis of this Asset Management Plan is to communicate the consequences that this will have on the service provided and risks, so that decision making is “informed”.

The allocated funding leaves a shortfall of \$-411,000 on average per year of the projected expenditure required to provide services in the AMP compared with planned expenditure currently included in the LTFP. This is shown in the figure below.

Projected Operating and Capital Expenditure

Blayney SC - Projected Operating and Capital Expenditure (Building_S1_V3)

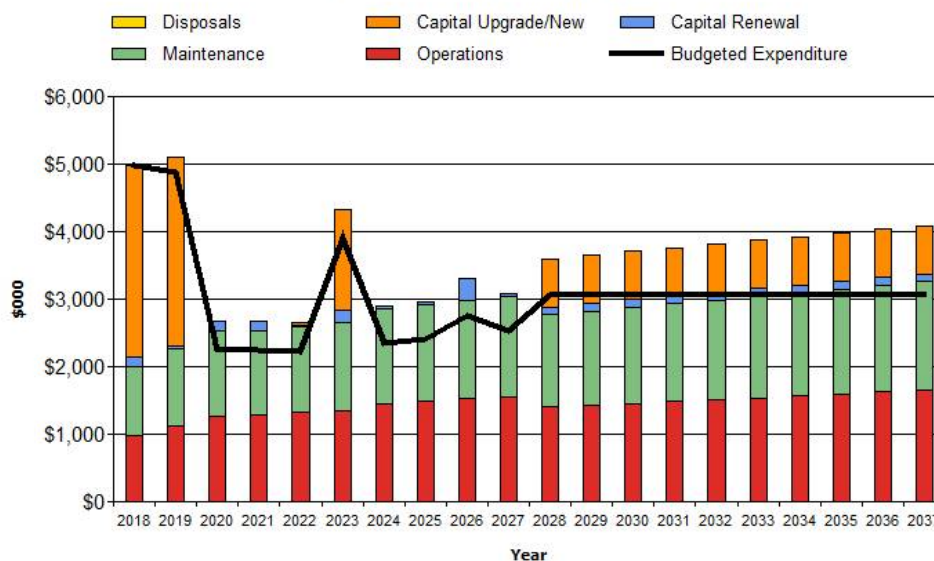


Figure Values are in current (real) dollars.

We plan to provide Building services for the following:

- Operation, maintenance, renewal and upgrade of amenity buildings, kiosks, sporting field structures, halls, and CenterPoint Sport and Leisure Centre to meet service levels set in annual budgets (which may be less than community expectations).
- Continue to seek external funding for the construction of new assets, including the Covered Equestrian Arena at Blayney Showground and the new Blayney Cultural Centre,
- Continue to seek external funding for renewal and upgrade works on the CenterPoint Sport & Leisure Centre,
- Develop and implement existing plans for the long term development of sporting precincts, including associated building additions (and demolitions), and
- Planning for the demolition of obsolete and poor standard buildings (including the disused saleyards) within the 10-year planning period.

What we cannot do

Council **does not** have enough own source funding to allocate sufficient funding to sustain these services at the desired standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Renewal and upgrade of the CentrePoint Sport & Leisure Centre,
- Planning and construction of a new multipurpose Cultural Centre (incorporating a new Library),
- Provision of an amenities building on Dakers Oval,
- Additional female change rooms at King George Oval,
- Demolition and replacement of the Amenities and Change Room buildings on Carcoar Sportsground, and
- Demolition and replacement of village Amenities buildings in various villages.

Managing the Risks

Our present funding levels are insufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Reduced usage of buildings, as not able to offer modern facilities,
- Increased risk of component failure due to extended life, and
- Building condition reaching 4 or 5, requiring replacement at greater cost.

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

- Improved maintenance and renewal planning
- Develop and Implement master plans for major sporting and cultural precincts.

1.7 Asset Management Practices

Our systems to manage assets include:

- Council's corporate system - ITVision Synergyssoft enterprise suite.
- Council's asset management system is provided by AssetFinda.
- Routine safety inspections by Council's Carpenter and Assets Officer.

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average network renewals plus defect repairs in the Renewal Plan and Defect Repair Plan worksheets on the 'Expenditure template'.

Method 2 was used for this asset management plan.

1.8 Monitoring and Improvement Program

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

- Review service levels.
- Review renewal models.
- Analysis of the 2018 Community Satisfaction Survey.
- Review General Ledger structure to split operational and maintenance costs for reporting purposes.
- Review asset sub-categories and the attributed assets.
- Develop priority-ranking criteria for renewal and upgrade/new projects.
- Development of renewal plans for major buildings and cultural and sporting precincts.
- Fully implement findings from the Energy Audit to develop Councils Renewable Energy Plan.



2. INTRODUCTION

2.1 Background

This asset management plan communicates the actions required for the responsive management of assets (and services provided from assets), compliance with regulatory requirements, and funding needed to provide the required levels of service over a 20-year planning period.

The asset management plan is to be read with the Blayney Shire Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, along with other key planning documents:

- Blayney Shire Community Strategic Plan 2018-28.
- Blayney Shire Long Term Financial Plan (LTFP) 2018-2028
- Blayney Shire Council – Village Enhancement Program
- Blayney Village Associations - Various Community Plans
- Blayney Shire Sport and Recreation Plan (2107)
- Blayney Shire Council – Risk Management Register and Plan

The infrastructure assets covered by this asset management plan are shown in Table 2.1. These assets are used to provide a broad range of community services including; CentrePoint Sport and Leisure Centre (pools and indoor courts); library facilities; Visitor Information Centre; community halls; sporting facilities (toilets / change rooms, clubhouses, kiosks, grandstands and commentators boxes); bus and picnic shelters; Rural Fire Service (RFS) and State Emergency Services (SES) buildings; and a range of Council administrative and works delivery functions.

These assets are critical to provide social, health and wellbeing, and economic benefits to the Blayney Shire community, either directly to the public, or through the facilitation of Councils civic and asset delivery functions.

Table 2.1: Assets covered by this Plan

Asset Category	Number of Assets	Replacement Cost (\$)
Administration/ Council Office	1	2,144,500
Amenities/Toilets	18	2,560,200
Animal Control	1	243,050
Aquatic Centre, Plant	1	131,850
Community Facilities	12	15,138,772
Depot	16	2,211,150
Emergency Services	11	2,036,150
Recreational	8	726,750
Saleyards (Closed)	5	414,650
Sheds	6	118,250
Shelters	33	620,900
Site Improvements, Sporting	7	2,840,450

2018 TOTALS	120	29,187,000
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2.2 Goals and Objectives of Asset Ownership

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. 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 for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Linking to a LTFP which identifies required, affordable expenditure and how it will be allocated.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 ²
- ISO 55000³

2.3 Core and Advanced Asset Management

This AMP is prepared as a ‘core’ asset management plan over a 20 year planning period in accordance with the International Infrastructure Management Manual⁴. Core asset management is a ‘top down’ approach where analysis is applied at the system or network level. An ‘advanced’ asset management approach uses a ‘bottom up’ approach for gathering detailed asset information for individual assets.

3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

This ‘core’ AMP is prepared to facilitate consultation prior to adoption by the Blayney Shire Council. Future revisions of the AMP will incorporate community consultation on service levels and costs of providing the service. This will assist the Blayney Shire 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.

Community engagement has previously been undertaken including:

- Facilitated workshops to develop Local Community Plans (2016).
- Community sessions for a Special Rate Variation (2013), and
- Community Survey – “Future delivery of services in Blayney Shire” (2018).

² Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2| 13

³ ISO 55000 Overview, principles and terminology

⁴ IPWEA, 2015, IIMM.

Results from the Community Survey included are shown in Tables 3.1a and age of respondents is shown in Table 3.1b.

Whilst some of these categories are not solely related to the assets being considered in this Building AMP, they do relate to the broader facility and give an indication of the level of community satisfaction and importance for the individual assets.

Results from the Community Survey included are shown in Tables 3.1a – Community Satisfaction Survey Levels

Performance Measure	Satisfaction Level						Count (n)
	Low		Somewhat		High		
	2018	% Change from 2012	2018	% Change from 2012	2018	% Change from 2012	
Sports Facilities							
How important is this service to you?	3	-24	26	-14	66	33	95
How satisfied are you with this service?	18	6	43	-14	34	3	95
CenterPoint Sport & Leisure Centre							
How important is this service to you?	7	-19	26	-9	62	23	95
How satisfied are you with this service?	14	2	46	-7	36	1	96
Library							
How important is this service to you?	13	-7	43	7	38	-6	94
How satisfied are you with this service?	8	-3	59	7	27	-10	94
Public Toilets							
How important is this service to you?	3	-2	11	-15	72	3	86
How satisfied are you with this service?	19	-4	33	-21	34	11	86
Visitor Information Centre							
How important is this service to you?	2		16		66		84
How satisfied are you with this service?	7		37		40		84

Table 3.1(b): Community Satisfaction Survey Demographic (age)

Age	Respondents (%)
18 - 34	6.3
35 - 50	19.7
51 - 64	37
65 +	37
Total	100

Community satisfaction information is used in developing the Community Strategic Plan and in the allocation of resources in the budget.

Table 3.1 (b) has been included as it provides an understanding of those who completed the survey and this correlates with discussion on demand presented in Chapter 4.

3.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the Blayney Shire Council vision, mission, goals and objectives.

A busy, vibrant and thriving rural shire – a friendly and open place where people choose to live with a strong sense of community spirit and cohesiveness.

With positive population growth, employment opportunities, increased diversity of industry and economic growth, Blayney Shire’s township, villages and settlements will be dynamic and prosperous, welcoming those who live here and also those who visit.

Our families and homes will continue to be safe within our caring and inclusive communities.

Irrespective of ability we will all enjoy the outdoors and facilities, improving our health and lifestyle whilst participating in a range of sporting and recreational activities.

Growth will be achieved in a sustainable manner with industry, coexisting with the productive farming land, open space, protecting the environment and restoring as a feature our built and natural heritage.

As the quintessential rural shire with Indigenous and European settlers influencing our architecture, agricultural and mining heritage we will celebrate our history, culture and rural lifestyle in style.

As a picturesque, conveniently located area of the beautiful central west of NSW we are a significant contributor to the visitor economy of the region; with a creative and artistic culture, food and wine, historic villages and four seasons.

Blayney Shire will be engaged, proactive and acknowledged for undertaking major projects and delivering valuable services, collaborating at a regional, state and national level.

Our Values (The values that will guide our future choices and the way we work together as a community) are:

The people who live in Blayney Shire are friendly, hardworking, loyal and very community focused.

With a generosity of spirit and willingness to welcome visitors and new residents, the residents, business and industry will unite and rally together to assist families in need.

We support diversity of interests, backgrounds and access to public amenities and services for all residents on an equitable and shared basis.

We are resourceful; our innovative thinking and competitive spirit supported by the contribution of volunteers working together collaboratively and sharing resources has produced great outcomes.

We back ourselves and look forward positively and strategically with a can do attitude. We ask questions and expect transparency, balance, equity and accountability of our local, state and federal governments.

Most importantly we value honesty and respect for each other, our natural and built heritage and our valuable resources as we strive to achieve our future directions for our local villages and town within the shire and the whole region.

We will make informed decisions by consulting and engaging with stakeholders and consider the environment, social and economic impacts.

Any future development will be built for the long term and intergenerational benefit.



Relevant goals and objectives and how these are addressed in this asset management plan are:

Table 3.2: Goals and how these are addressed in this Plan

Future Direction (Goal)	Strategic Outcome (Objective)	How Goal and Objectives are addressed in AMP
1. Maintain and Improve Public Infrastructure and Services		
CSP 1.1	All levels of government need to work together to plan for ongoing works and capital projects that will improve the Blayney Shire road network and other assets.	Maintenance, renewal and strategic upgrading of buildings (including CentrePoint and toilet facilities) within the Shire parks for tourists.
2. Build the Capacity and Capability of Local Governance and Finance		
CSP 2.1	Build on the strength of the individual Town Association and Village Committees so that they are capable, self-sufficient communities involved in decision making about issues that affect their own community.	Improved prioritisation of upgrade / new and renewal planning.
CSP 2.5	A well-run Council organisation that is flexible enough to take advantage of capital grant opportunities to undertake major projects whilst delivering effective Council services in a sustainable manner.	Whole of life costs considered in any upgrade / new and renewal activities.
4. Enhance facilities and networks that supports Community, Sport, Heritage and Culture		
CSP 4.3	Blayney Shire is a centre for cultural interest, heritage and history, arts, performance and entertainment.	Maintenance and renewal activities for community and historic buildings, including the Blayney Shire Community Centre, Village Community Halls, the Visitor Information Centre and Historic Band Rotundas etc.
CSP 4.4	Implementation of the Blayney Shire Sports and Recreation Masterplan priorities and strategies will realise opportunities for improved healthy lifestyle for our community.	Maintenance, renewal and upgrade / new activities for sporting and recreational buildings, including Amenities facilities, kiosks, grandstands etc.

The Blayney Shire Council will exercise its duty of care to ensure public safety in accordance with the Blayney Shire Council Risk Management Register and Plan prepared in conjunction with this AMP. Management of infrastructure risks is covered in Section 6.

3.3 Legislative Requirements

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

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act (1993), and Regulation (2005)	Sets out the responsibilities and powers of local government. Facilitates the engagement with the community, and provides for an accountable, sustainable, flexible and effective system of local government. This includes the preparation of a LTFP supported by AMPs.
Disability Inclusion Act (2014)	To protect the human rights of, and promote the independence and inclusion of people with disability.
National Construction Code and associated standards	Sets out acceptable building standards for all buildings
Child Protection Act	Provides requirements in relation to the protection of children in public spaces
Heritage Act (1977)	To promote understanding of heritage issues and conservation of items of heritage significance
Crown Lands Act (2009)	Sets out the objectives and principles for Crown Land management
Liquor Act	Sets out the responsibilities of those serving liquor and what must be done before service can commence
Food Act	Sets out the issues and standards required for food, the handling, preparation and storage of food products
Work Health and Safety Act (2011)	Sets out the responsibilities of Council to secure and promote the health, safety and welfare of people at work
NSW Environmental Planning and Assessment Act (1979)	The Principal planning instrument in NSW. Encourages :- <ul style="list-style-type: none"> • the provision and co-ordination of community services and facilities, and • the protection of the environment.

3.4 Customer Levels of Service

Service levels are defined service levels in two terms, 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?*

The current and expected customer service levels are detailed in Table 3.4. Table 3.4 shows the expected levels of service based on resource levels in the current LTFP.

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.

These Organisational measures provide a balance in comparison to the customer perception that may be more subjective.



Table 3.4: Customer Level of Service

	Expectation	Performance Measure Used	Current Performance	Expected Position in 10 Years based on the current budget.
Service Objective: Building facilities meet users needs and are clean and appropriate				
Quality	Building facilities are maintained to an acceptable standard and fit for purpose	Percent of assets (by value) in Condition 3 or better	89%	90%
	Organisational measure	Number of Customer Service requests related to the quality of facilities	<2 / month	<4 / month
	Confidence levels		Medium	High
Function	Facilities are available and meet user needs	Customer satisfaction	% of customers somewhat and highly satisfied: Toilets – 77% Library – 89%	% of customers somewhat and highly satisfied: Toilets – 80% Library – 90%
	Organisational measure	Number of Customer Service requests related to availability of facilities	<1 / month request not able to be met	<1 / month request not able to be met
	Confidence levels		Medium	High
Capacity and Use	Building facilities are well used by a range of user groups	Level of user satisfaction	Included in Function measure. Needs expanding to other Building categories.	
	Organisational measure	Various Usage measures	Number of days per month / year that the Community Centre is booked (multiple bookings on a day are counted as separate day bookings) – 31	>31
	Confidence levels		High	High

3.5 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, 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. roof repairs, minor building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. building component replacement, such as whole roof replacement),
- Upgrade/New – 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.⁵

Table 3.5 shows the technical levels of service expected to be provided under this AMP. The 'Desired' position in the table documents the position being recommended in this AMP.



⁵ IPWEA, 2015, IIMM, p 2|28.

Table 3.5: Technical Levels of Service

Service Attribute	Service Activity Objective	Activity Measure Process	Current Performance *	Desired for Optimum Lifecycle Cost **
TECHNICAL LEVELS OF SERVICE				
Operations & Maintenance	Building facilities meet users needs	Annual condition & defect inspections	Buildings assessed as Condition: <ul style="list-style-type: none"> • 4 – 3.5% • 5 – 2.5% 	Buildings assessed as Condition: <ul style="list-style-type: none"> • 4 – < 4.0% • 5 – < 3.0%
Renewal	Facilities meet users' needs	Useful life of facilities	Some facilities have exceeded their useful lives	Maintenance is provided or facilities replaced to ensure they do not exceed their useful lives
Upgrade/New				
	Facilities meet users' needs	Replace facilities in condition 5, or no longer meeting needs	Buildings assessed as Condition: <ul style="list-style-type: none"> • 5 – 5.7% 	Buildings assessed as Condition: <ul style="list-style-type: none"> • 5 – < 3.0%
		Budget	\$3,051,000	\$3,462,000

Note: * Current activities and costs (currently funded).

** Desired activities and costs to sustain current service levels and achieve minimum life cycle costs (not currently funded).

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.

Recommendation:

Review service levels and renewal models.

4. FUTURE DEMAND

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets were identified and are documented in Table 4.3.

4.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

Table 4.3: Demand Drivers, Projections and Impact on Services

Demand drivers	Present position	Projection	Impact on services
Population change	7,380 (ABS 2016)	8,000 (2036) NSW Planning & Environment	Increased usage may require upgrades to existing facilities.
Median age	40 (ABS 2016)	46 (2036) Blayney Shire Settlement Strategy	Minimal, some potential shift in usage type
Demographic change			
Age Proportion: 5 – 19 yr	1,650	1,700 Increase of 3% by 2036	Minimal
Age Proportion: 20 – 44 yr	2,000	2,000	Stable
Age Proportion: 45 – 64 yr	1,950	1,800 Decrease of 8% by 2036	Nil
Age Proportion: 65+ yr	1,400	1,900 Increase of 35% by 2036	Increased demand for halls.
		Increase in demand for more passive recreation	Demand for Blayney Cultural Centre, incorporating an upgraded library
Change in sporting preference demand.		Increase in female teams in previously male dominated sports.	Demand for female facilities at King George Oval and other major sporting precincts.
		Increased participation in equestrian activities	Demand for covered equestrian arena at Showground

Demand drivers	Present position	Projection	Impact on services
Design standards and Disability Inclusion Act	Council design standards are based on National Construction Code.	Higher standards over time.	New infrastructure constructed to current contemporary standard. Minor works carried out on older assets of lower standard may require upgrade to current contemporary standard, increasing costs.

4.4 Demand Management Plan

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

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this asset management plan.

Table 4.4: Demand Management Plan Summary

Demand Driver	Impact on Services	Demand Management Plan
Population	Increased demand for facility upgrades, and additional building facilities.	Preparation of master plans for major building assets.
Make up of sporting teams	Construction of female facilities at King George Oval.	Preparation of King George Oval master plan.
Design Standards	New infrastructure constructed to current contemporary standard. Minor works carried out on older assets may require upgrade to current standard, increasing costs.	Review service levels and incorporate new standards on existing assets, particularly during renewal works.
Usage levels	Increased energy consumption	Identify and investigate opportunities for energy efficient lighting with smart controls, and consider future inclusion in Capital Works Program.
	Renewal works	Increase useful life and therefore utilisation levels by renewing facilities.

Recommendation:

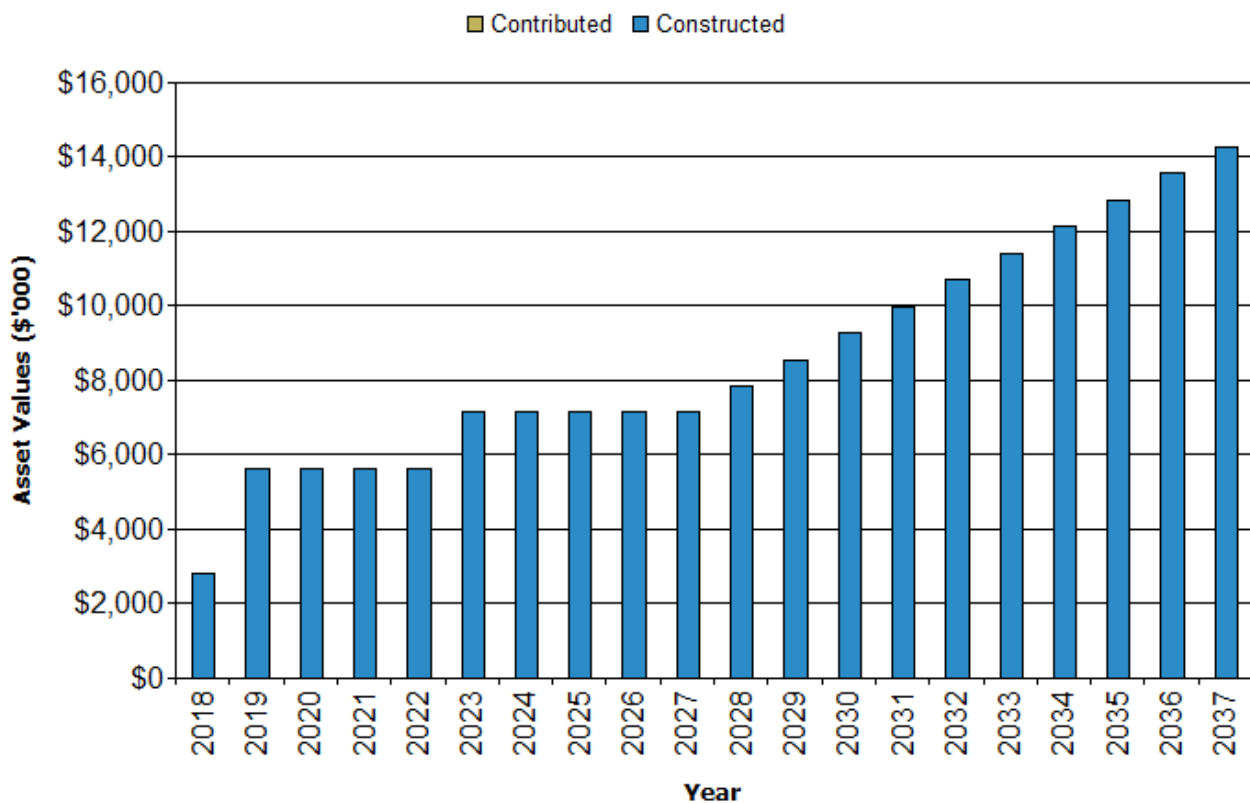
Develop Master Plans for major sporting and cultural precincts.

4.5 Asset Programs to meet Demand

The new assets required to meet demand can be acquired, donated or constructed. Additional assets proposed over the 20 year planning period are only able to be funded with external funding sources, including State and Federal Government grants, or by Council applying for commercial loans. These include the Blayney Cultural Centre, Covered Equestrian Centre, Women’s change room at King George Oval and upgrades to the CentrePoint Sport and Leisure Centre. Some minor upgrade works may be required when undertaking major renewal works to comply with contemporary standards (e.g. Disability Inclusion Act).

Figure 1: Upgrade and New Assets to meet Demand – (Cumulative)

Blayney SC - Upgrade & New Assets to meet Demand (Building_S1_V3)



Acquiring new assets will commit ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. The major additions included in this plan are the Blayney Shire Cultural Centre (2021 – 2023), the Blayney Showground Covered Equestrian Arena (2019 – 2021), and the upgrade of the CentrePoint Sport and Leisure Centre (2018 – 2019). These future costs must be

considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the LTFP in Section 5. This has not been done in this AMP.

5. 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.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this asset management plan are shown in Table 2.1. These assets range from basic shelters at bus stops and picnic areas, through toilet facilities, minor and major community halls, sporting facilities (including kiosks, grandstands, change rooms, and commentators boxes), the CentrePoint Sport and Leisure Centre, Emergency Services facilities for the RFS and SES, Waste management structures and administrative and operational buildings to support Councils service delivery activities.

These buildings are spread across the Shire, with a concentration in the main town of Blayney. They range in condition and function from the Blayney Shire Community Centre, with adequate capacity and good facilities to old run down facilities, with poor standards in some village recreational grounds.

The age profile of the majority of assets included in this AMP are shown in Figure 2. For some building assets, Council has yet to develop an estimate of their age.

Figure 2: Asset Age Profile

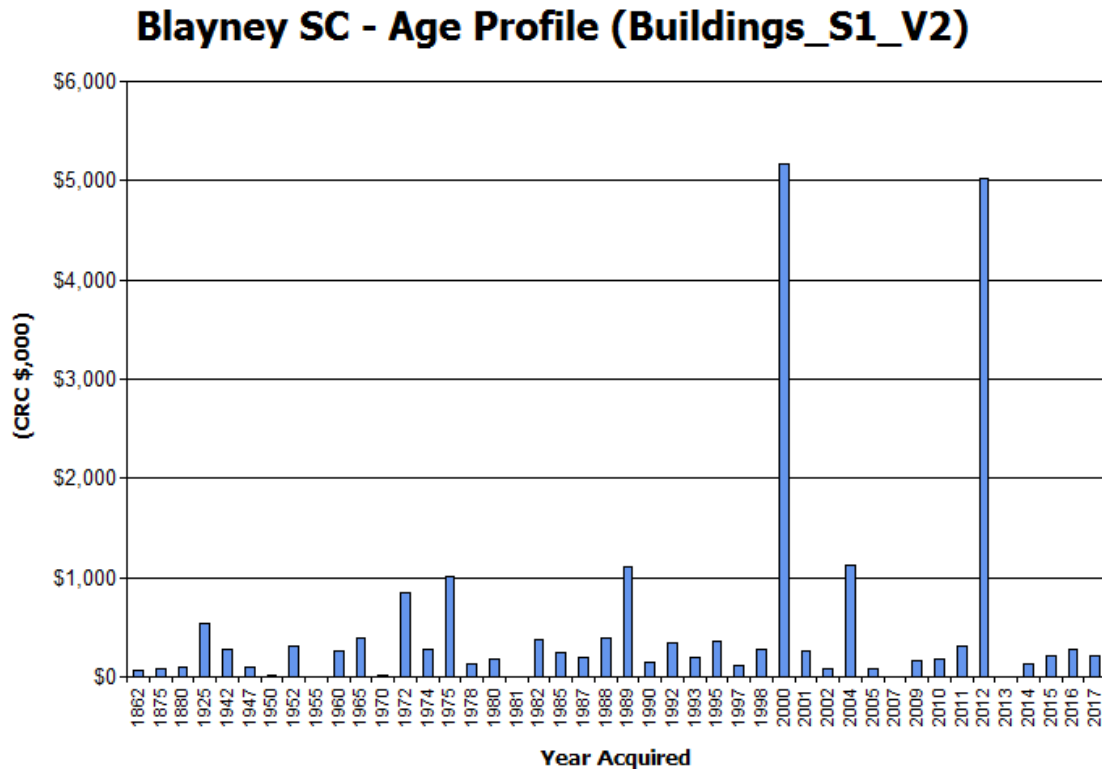


Figure Values are in current (real) dollars.

These dates represent the acquisition date (known or estimated) and will generally need renewal after expiration of their useful lives, however, good maintenance and renewal

planning will ensure the useful lives are extended well beyond the initial useful life. The peaks in 2000 and 2012 are CentrePoint Sport and Leisure Centre and the Community Centre, respectively.

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available.

Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

Table 5.1.2: Known Service Performance Deficiencies

Location	Service Deficiency
CenterPoint Sport and Leisure Centre	<ul style="list-style-type: none"> • Air-conditioning system has failed and requires immediate replacement. • Foyer, office and other places – water damage. • Roof Leaks • Pool heating not adequate
Various Storage sheds – Council Depot	Require replacement and upgrade to contemporary standards.
King George Oval Amenities	Demand for Female change rooms and disabled facilities
Various Village Amenities	Toilets are not accessible

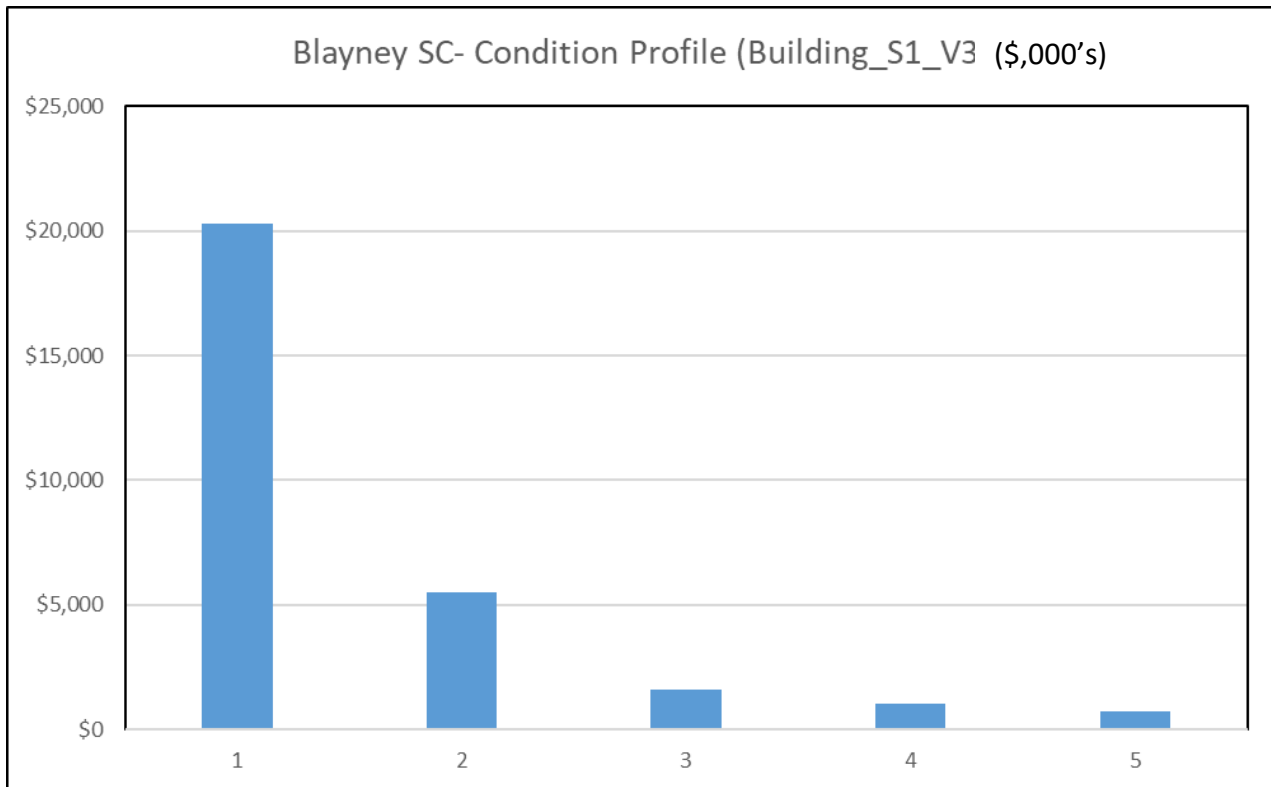
The above service deficiencies were identified from internal and external assessments / reviews, from individual community plans, and from the Blayney Shire Sport and Recreation Plan.

5.1.3 Asset condition

Condition is monitored at a minimum of every five years, as required by Australian Accounting Standards for the revaluation of Building and other structure assets. A requirement of the Accounting Standards is that Buildings must be valued by a Registered Valuer. Council also monitors buildings for basic maintenance and renewal works, which are funded in the maintenance and operations budget.

There are only about 7% of Councils Building assets considered to be in condition 4 or 5, with over 90% of buildings in condition 3 or better. Buildings to be disposed over the planning period of this AMP are discussed in section 5.5.

The condition profile of our assets is shown in Figure 3.

Fig 3: Asset Condition Profile

Condition is measured using a 1 – 5 grading system⁶ as detailed in Table 5.1.3.

Table 5.1.3: Simple Condition Grading Model

Condition Grading	Description of Condition
1	Very Good: only planned maintenance required
2	Good: minor maintenance required plus planned maintenance
3	Fair: significant maintenance required
4	Poor: significant renewal/rehabilitation required
5	Very Poor: physically unsound and/or beyond rehabilitation

5.2 Operations and Maintenance Plan

Operations include regular activities to provide services such as public health, safety and amenity, e.g. cleaning, and utilities costs.

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again, e.g. Repairing a leaking tap.

⁶ IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating.

Maintenance expenditure is shown in Table 5.2.1.

Table 5.2.1: Maintenance Expenditure Trends

Year	Maintenance Budget (\$)
2017/18	\$1,012,000

Maintenance expenditure levels are considered to be inadequate over the full life of the AMP to meet projected service levels, which may be less than or equal to current service levels. Where maintenance expenditure levels are such that they will result in a lesser level of service, the service consequences and service risks have been identified and highlighted in this AMP and service risks considered in the Infrastructure Risk Management Plan.

Recommendation:

Separate Operations and Maintenance expenditure within Council’s General Ledger structure, for planning and reporting purposes.

Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in current 2018 dollar values (i.e. real values).



Figure 4: Projected Operations and Maintenance Expenditure

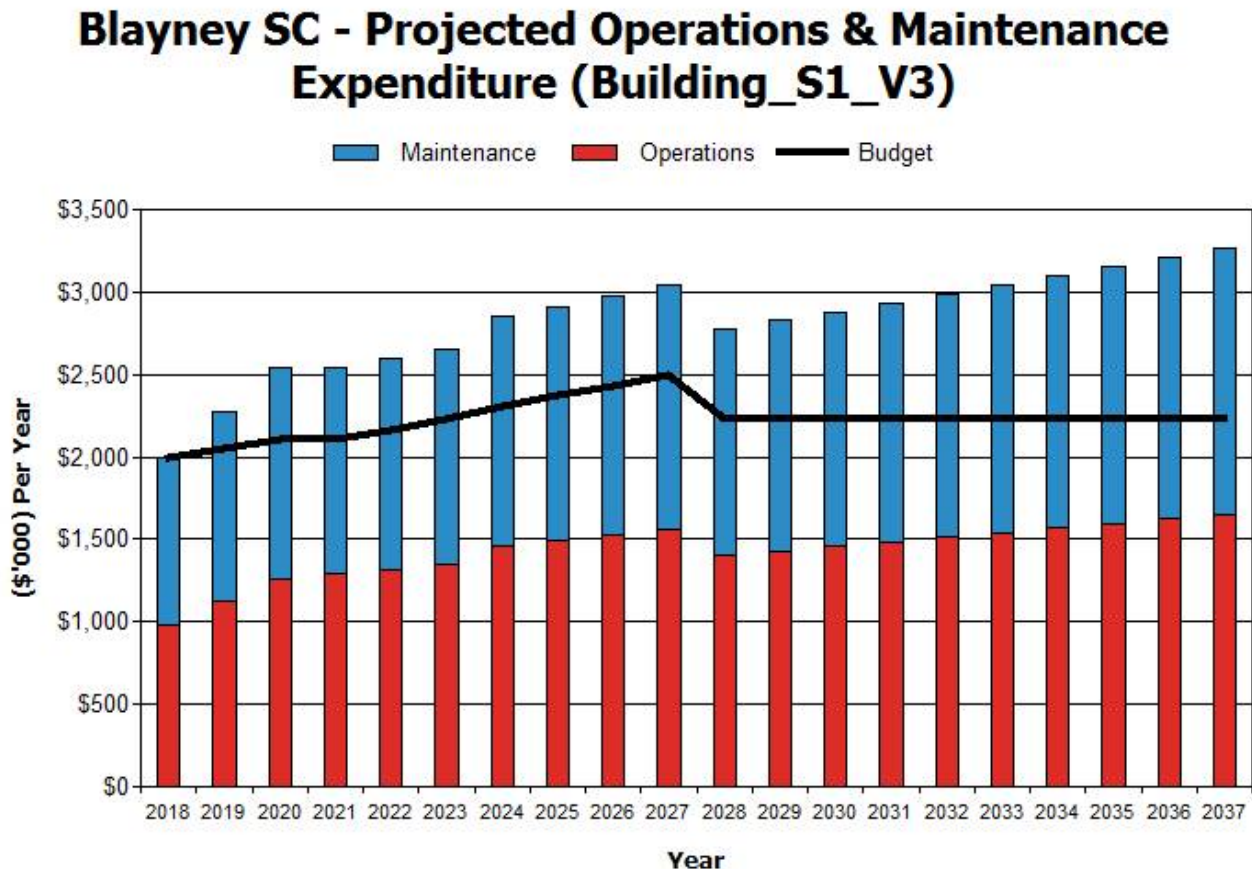


Figure Values are in current (real) dollars.

Figure 4. indicates that the operational/maintenance budget provides adequate funding compared to the projected costs in the first year of the plan, however a funding shortfall will be present from year 2 of the plan and is not addressed over the 20 year planning period.

Deferred maintenance, i.e. works that are identified for maintenance and unable to be funded are to be included in the risk assessment and analysis in the infrastructure risk management plan.

Maintenance is funded from the operating budget where available. This is further discussed in Section 7.

5.3 Renewal/Replacement Plan

Renewal and replacement 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 considered to be an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average network renewals plus defect repairs in the Renewal Plan and Defect Repair Plan worksheets on the 'Expenditure template'.

Method 2 was used for this AMP, as a Buildings renewal plan has not been finalised and the knowledge of defects and conditions for buildings is unreliable due to significant works undertaken in the last 3 years.

5.3.1 Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a leaking roof), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. attractive appearance of buildings to continue to attract customers).⁷

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 AMP as key cost factors,
- Have high operational or maintenance costs, and
- Have replacement with a modern equivalent asset that would provide the equivalent service at a savings.⁸

Council currently does not have any formal priority ranking criteria. Renewal project selection is currently determined on an informal basis, based upon hazard reports raised by staff and stakeholders, followed by a technical review by Infrastructure Services Department staff with referral to the management team. Subject to the scope of works and budget limitations, the project may then be raised for discussion with Councillors during Councillor Workshop sessions, in preparation for the annual operational plan.

Recommendation:

Develop Priority Ranking Criteria for Renewal Projects to provide for informed decision making by the management team and Council

⁷ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

⁸ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

5.3.2 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time when the asset stock increases. The expenditure required is shown in Fig 5. Note that all amounts are shown in current (real) dollars.

The projected capital renewal and replacement program is shown in Appendix A.

Fig 5: Projected Capital Renewal and Replacement Expenditure

Blayney SC - Projected Capital Renewal Expenditure (Building_S1_V3)

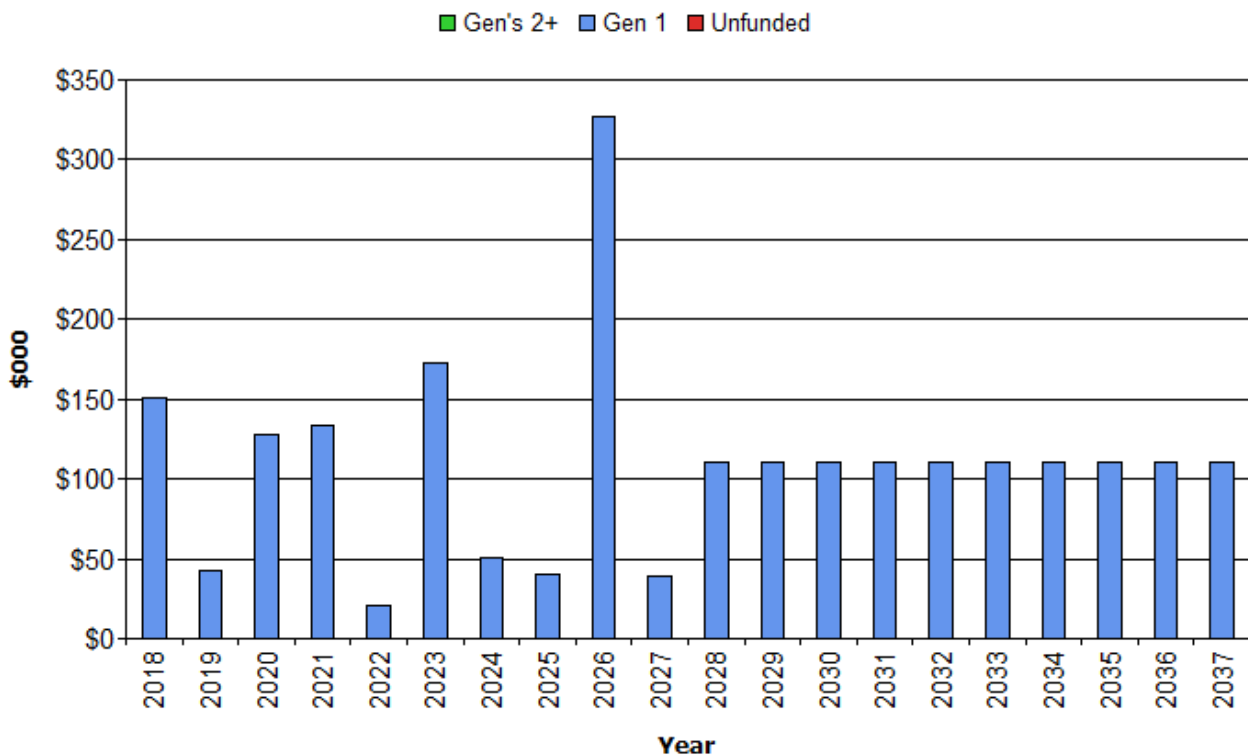


Figure Values are in current (real) dollars.

Further, a number of the renewals (especially where there is an upgrade element) identified in this AMP will only be funded through external funding sources, e.g. State and Federal Grants.

Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

Renewals and replacement expenditure in the capital works program will be accommodated in the LTFP. This is further discussed in Section 7.

5.4 Creation/Acquisition/Upgrade Plan

New works are those that create a new asset that did not previously exist, or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost. These additional assets are considered in Section 4.4.

5.4.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate.

Council currently does not have any formal priority ranking criteria. Upon new projects being identified, Council staff will investigate the proposal, and provide Council and the management team with information related to scope, cost, opportunities, and risks associated with the project. Council is then able to make an informed decision in preparation for the annual operational plan.

Recommendation:

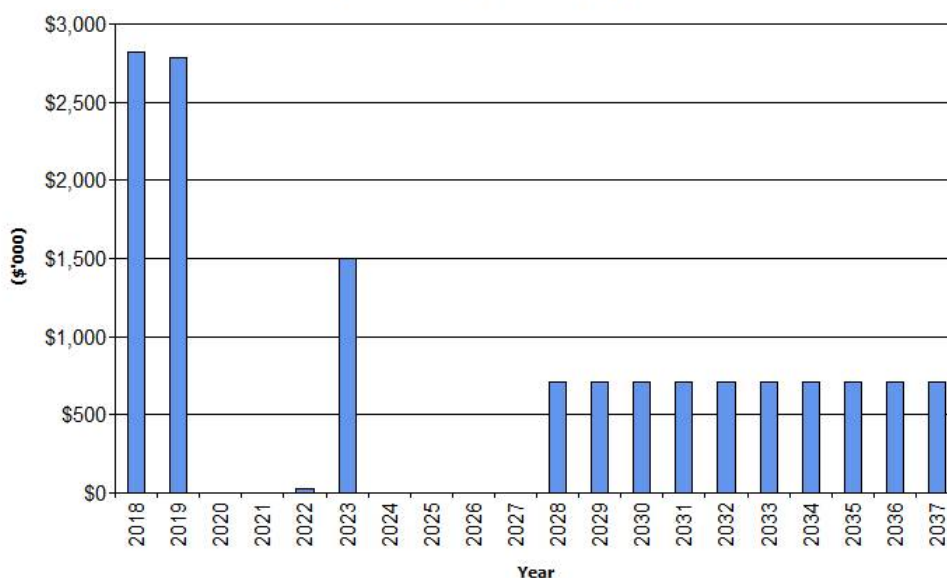
Develop Priority Ranking Criteria for upgrade / New Asset Projects

5.4.2 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Fig 6. The projected upgrade/new capital works program is shown in Appendix C. All amounts are shown in real values.

Fig 6: Projected Capital Upgrade/New Asset Expenditure

Blayney SC - Projected Capital Upgrade/New Expenditure (Building_S1_V3)



Expenditure on new assets and services in the capital works program will be accommodated in the LTFP but only to the extent of the available funds. Other expenditure on new items may be included in the LTFP on the basis that they are funded externally, through State or Federal Government Grants, or as contributed assets.

There are no council funded new assets and services identified in this AMP, as it is focussed on funding the maintenance, operations and renewal of the existing portfolio of Building assets.

The significant upgrade and new works shown in Figure 6 relate to the proposed upgrade works for CentrePoint Sport and Leisure Centre, the Multi-purpose Covered Arena and the Blayney Cultural Centre. These works will only occur if external funding is obtained and they will result in a significant increase in the operations and maintenance expenditure incurred by council over the 20 years of this plan, which results in a significant funding gap from year 2 of the plan.

5.4.3 Summary of asset expenditure requirements

The financial projections from this asset plan are shown in Fig 7 for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

The bars in the graphs represent the anticipated budget needs required to achieve lowest lifecycle costs, the budget line indicates what is currently available. The gap between these informs the discussion on achieving the balance between services, costs and risk to achieve the best value outcome.

Fig 7: Projected Operating and Capital Expenditure

Blayney SC - Projected Operating and Capital Expenditure (Building_S1_V3)

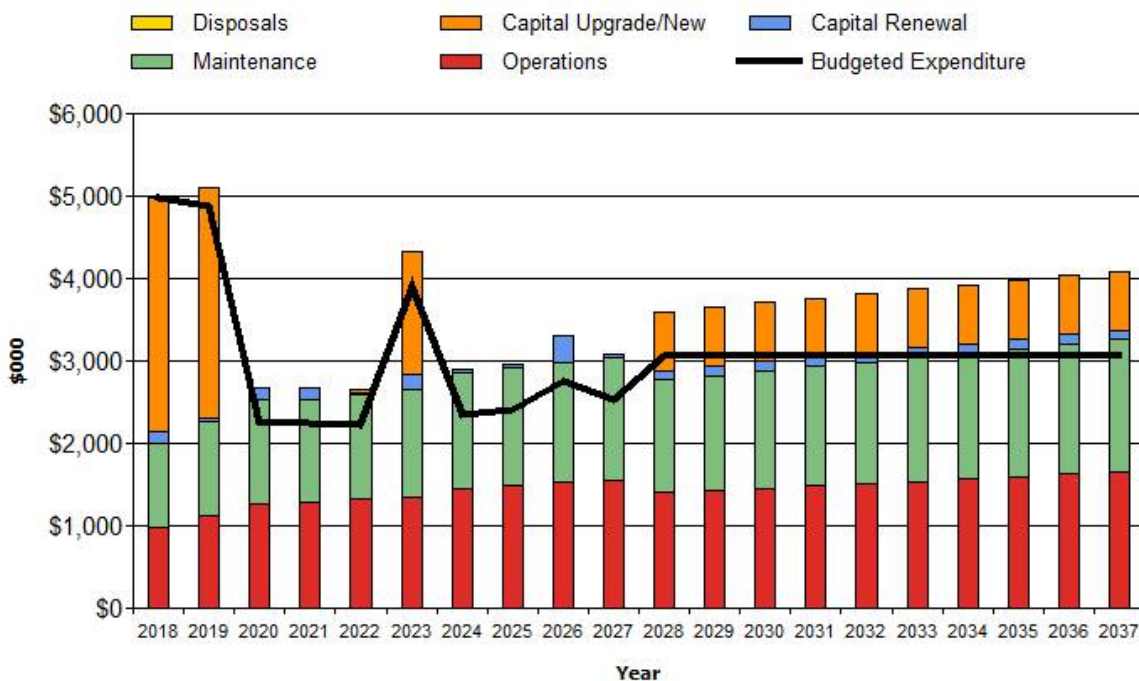


Figure Values are in current (real) dollars.

Council's current budget allocation covers the majority of maintenance and operations costs for the life of this AMP. Over the 20 year life of this AMP, Capital renewal costs exceed the allocated budget for a number of years, including a large number of renewals already due.

The largest renewal and upgrade / new asset costs are associated with the CentrePoint Sport and Leisure Centre (2018 – 2019), the Covered Equestrian Arena (2020 – 2021) and the Blayney Cultural Centre (2022 – 2023), which are currently unfunded. Council is actively seeking State, Federal government grant contributions to fund renewal, and minor upgrade works at the centre.

5.5 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.5, together with estimated annual savings from not having to fund operations and maintenance of the assets. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any. Any costs or revenue gained from asset disposals is accommodated in the long term financial plan.

Table 5.5: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Expenditure	Operations & Maintenance Annual Savings
Bus Shelter – Mid Western Highway, Lyndhurst	Obsolete	2018	\$1,000	nil
Various buildings, Old Sale Yards, Blayney	Obsolete	2020	\$40,000 (includes Asbestos removal)	nil

6. RISK MANAGEMENT PLAN

The purpose of infrastructure risk management is to document the results and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2009 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2009 as: ‘coordinated activities to direct and control with regard to risk’⁹.

An assessment of risks¹⁰ associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a ‘financial shock’. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Similarly, critical failure modes are those which have the highest consequences.

Critical assets have been identified and their typical failure mode and the impact on service delivery are as follows:

Table 6.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact
CentrePoint Sport and Leisure Centre	Failure of structural building components due to corrosive environment	Serious injury and reputation damage through closure of facility

By identifying critical assets and failure modes investigative activities, condition inspection programs, maintenance and capital expenditure plans can be targeted at the critical areas.

6.2 Risk Assessment

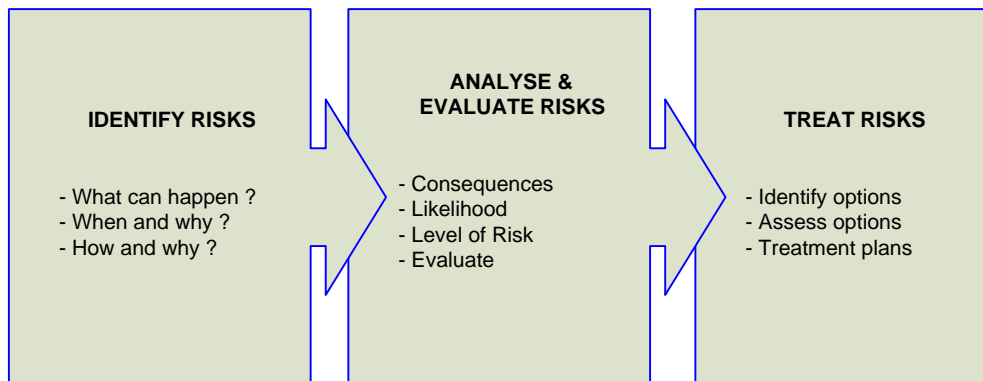
The risk management process used in this project is shown in Figure 6.2 below.

It is an analysis and problem solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of the ISO risk assessment standard ISO 31000:2009.

⁹ ISO 31000:2009, p 2

¹⁰ Blayney Shire Council, 2016, ‘Risk Management Register and Plan’, Blayney Shire Council

Fig 6.2 Risk Management Process – Abridged

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

An assessment of risks¹¹ associated with service delivery from infrastructure assets has identified the critical risks that will result in significant loss, ‘financial shock’ or a reduction in service.

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action) and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Blayney Shire Risk Management Register and Plan. The residual risk and treatment cost after the selected treatment plan is implemented is shown in Table 6.2. These risks and costs are reported to management and Audit and Risk Committee.



¹¹ Blayney Shire Council, 2016, ‘Risk Management Register and Plan’, Blayney Shire Council

Table 6.2: Critical Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
All	Collapse or major failure of building structure resulting in injury or loss of service	H	Improved maintenance and renewal planning	Low	\$0
All	Unplanned expansion of asset inventory	H	Develop and Implement master plans.	Low	\$100,000
All	Low asset usage or inequity of facility provision	H	Implement master plans. E.g. Village Plans	Medium	\$0
All	Unauthorised entry/vandalism to buildings	H	Supply and Install new key system (As per Parks and Recreation AMP)	Medium	\$5,000
All	Injuries and Insurance Claims	H	Improved signage and compliance. E.g. Non Potable Water Signage	Medium	\$5,000

Note * The residual risk is the risk remaining after the selected risk treatment plan is operational.

Recommendation:

Undertake development of Master Plans for major precincts (sporting and cultural) to identify current and projected demand and how to manage that.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to our customers and the services we provide. To adapt to changing conditions and grow over time we need to understand our capacity to respond to possible disruptions and be positioned to absorb disturbance and act effectively in a crisis to ensure continuity of service.

Resilience is built on aspects such as response and recovery planning, financial capacity and crisis leadership.

Our current measure of resilience is shown in Table 6.4 which includes the type of threats and hazards, resilience assessment and identified improvements and/or interventions.

Table 6.4: Resilience

Threat / Hazard	Resilience LMH	Improvements / Interventions
Increasing electricity charges	Medium	Undertake energy efficiency audit to investigate opportunities to reduce electricity usage.

Recommendation:

Implement the findings of the energy audit as part of Councils Renewable Energy Plan.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AMP are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Major renewal and upgrade of the CentrePoint Sport & Leisure Centre,
- Planning and construction of a new multipurpose Cultural Centre (incorporating a new Library),
- Provision of an amenities building on Dakers Oval,
- Demolition and replacement of the Amenities and Change Room buildings on Carcoar Sportsground, and
- Demolition and replacement of village Amenities buildings in various villages.

6.4.2 Service trade-off

Operations and maintenance activities and capital projects that cannot be undertaken will maintain or create service consequences for users. These include:

- Inability to maintain full compliance with current and future standards. E.g. Disability Inclusion Act 2014, and
- Less attractive venues, leading to a reduction in usage.

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may maintain or create risk consequences. These include:

- Reduced usage of buildings, as not able to offer modern facilities,
- Increased risk of component failure due to extended life, and
- Building condition reaching 4 or 5, requiring replacement at greater cost.

These actions and expenditures are considered in the projected expenditures, and where developed are included in the Risk Management Plan.

7. FINANCIAL SUMMARY

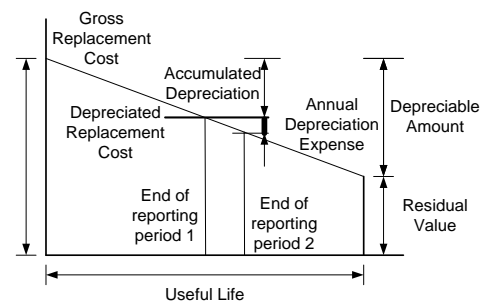
This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

7.1 Financial Statements and Projections

7.1.1 Asset valuations

The best available estimate of the value of assets included in this Asset Management Plan are shown below. Assets are valued at fair value.

Gross Replacement Cost	\$29,187,000
Depreciable Amount	\$29,187,000
Depreciated Replacement Cost ¹²	\$18,042,000
Annual Average Asset Consumption	\$612,000



7.1.1 Sustainability of service delivery

Two key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the:

- asset renewal funding ratio, and
- medium term budgeted expenditures/projected expenditure (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹³ 100%

The Asset Renewal Funding Ratio is the most important indicator and indicates that over the next 10 years of the forecasting that we expect to have 19% of the funds required for the optimal renewal and replacement of assets.

Medium term – 10 year financial planning period

This asset management plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

¹² Also reported as Written Down Value, Carrying or Net Book Value.

¹³ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

The projected operations, maintenance and capital renewal expenditure required over the 10 year planning period is \$2,748,000 on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is \$2,338,000 on average per year giving a 10 year funding shortfall of \$-411,000 per year. This indicates 85% of the projected expenditures needed to provide the services documented in the asset management plan. This excludes upgrade/new assets.

Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the asset management plan and ideally over the 10-year life of the Long Term Financial Plan.

7.1.2 Projected expenditures for long term financial plan

Table 7.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2017 real values.

Table 7.1.2: Projected Expenditures for Long Term Financial Plan (\$000)

Year	Operations (\$000)	Maintenance (\$000)	Projected Capital Renewal (\$000)	Capital Upgrade/ New (\$000)	Disposals (\$000)
2018	\$985	\$1,012	\$151	\$2,824	\$0
2019	\$1,122	\$1,146	\$43	\$2,782	\$0
2020	\$1,258	\$1,279	\$128	\$0	\$0
2021	\$1,292	\$1,246	\$134	\$0	\$0
2022	\$1,321	\$1,274	\$21	\$30	\$0
2023	\$1,353	\$1,303	\$173	\$1,500	\$0
2024	\$1,456	\$1,395	\$51	\$0	\$0
2025	\$1,489	\$1,425	\$40	\$0	\$0
2026	\$1,522	\$1,456	\$327	\$0	\$0
2027	\$1,557	\$1,487	\$39	\$0	\$0
2028	\$1,403	\$1,368	\$111	\$714	\$0
2029	\$1,430	\$1,395	\$111	\$714	\$0
2030	\$1,458	\$1,422	\$111	\$714	\$0

Year	Operations (\$000)	Maintenance (\$000)	Projected Capital Renewal (\$000)	Capital Upgrade/ New (\$000)	Disposals (\$000)
2031	\$1,486	\$1,449	\$111	\$714	\$0
2032	\$1,513	\$1,476	\$111	\$714	\$0
2033	\$1,541	\$1,503	\$111	\$714	\$0
2034	\$1,568	\$1,530	\$111	\$714	\$0
2035	\$1,596	\$1,557	\$111	\$714	\$0
2036	\$1,623	\$1,584	\$111	\$714	\$0
2037	\$1,651	\$1,610	\$111	\$714	\$0

7.2 Funding Strategy

Funding for assets is provided from the budget and long term financial plan.

The financial strategy of the entity 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.

7.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to service, through external funding. E.g. State and Federal Government grants.

Additional assets will generally add to the operations and maintenance needs in the longer term, as well as the need for future renewal. Additional assets will also add to future depreciation forecasts.

Council will actively seek funding grants during the period of this plan, with a focus on renewal for major facilities like Centrepont Sport and Leisure Centre and for new assets like the Blayney Shire Cultural Centre.

7.4 Key Assumptions Made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- External funding for renewal, upgrade or new assets has been assumed in the plan. Council will be actively seeking grant funding for major renewal and upgrade works.
- Interpretation is based on current knowledge only. The results of current or future surveys or their impact on future projections have not been considered.

7.5 Forecast Reliability and Confidence

The expenditure and valuations projections in this AMP are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale¹⁴ in accordance with Table 7.5.

Table 7.5: Data Confidence Grading System

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E Unknown	None or very little data held.

The estimated confidence level for, and reliability of data used in this AMP is considered to be Uncertain.

¹⁴ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

8. PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices¹⁵

8.1.1 Accounting and financial data sources

- Long Term Financial Plan (LTFP) 2016-2026
- SYNERGYSOFT Corporate Financial System

8.1.2 Asset management data sources

AssetFinda – Asset Register
Infrastructure Services Capital Works Program

8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 8.1.

Table 8.1: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Develop Master Plans for major sporting and cultural precincts	General Manager	Manex	August 2018
2	Review service levels	General Manager	Manex	August 2018
3	Review renewal models	Manager Infrastructure	Asset Systems Officer	May 2018
4	Separate Operations and Maintenance expenditure within Councils General Ledger	Chief Financial Officer	Manager Infrastructure, Accounting Officer	June 2019
5	Develop Priority Ranking Criteria for Renewal Projects and new/upgrade projects	Manager Infrastructure	Asset Systems Officer	August 2018
6	Undertake development of Master Plans for major precincts (sporting and cultural) to identify current and projected demand and how to manage that. E.g. Sport and Recreation Plan	Director Infrastructure Services & Director Planning and Environmental Services	Manager Infrastructure, Asset Systems Officer, Senior Health and Building Surveyor	December 2018
7	Implement findings from energy	Director	Manager	June 2018

¹⁵ ISO 55000 Refers to this the Asset Management System

Task No	Task	Responsibility	Resources Required	Timeline
	audit as part of Councils Renewable Energy Plan	Infrastructure Services	Water and Wastewater	

8.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget planning processes and amended to show any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The AMP will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the long term financial plan.

The AMP has a life of 4 years and is due for complete revision and updating within 12 months of each Blayney Shire Council election.

8.4 Performance Measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this asset management plan are incorporated into the long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and corporate structures take into account the 'global' works program trends provided by the asset management plan,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Strategic Plan and associated plans,
- The Asset Renewal Funding Ratio achieving the target of 1.0.

9. REFERENCES

- IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
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- IPWEA, 2015, 2nd edn., 'Australian Infrastructure Financial Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/AIFMM.
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- IPWEA, 2012 LTFP Practice Note 6 PN Long Term Financial Plan, Institute of Public Works Engineering Australasia, Sydney
- Blayney Shire Council, 2012, '2025 – All the pieces together. Blayney Shire Community Strategic Plan', Blayney Shire Council
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- Blayney Shire Council, 2013, 'Draft Village Enhancement Program', Blayney Shire Council
- Blayney Shire Council, 2016, 'Risk Management Register and Plan', Blayney Shire Council
- Blayney Shire Sports Council, 2017 Blayney Sport and Recreation Plan, Place Design Group
- Blayney Village Associations, 2016 'Various Community Plans', Blayney Shire Council and Village Associations

10. APPENDICES

Appendix A Projected 10 year Capital Renewal and Replacement Works Program

Appendix B Projected 10 year Capital Upgrade/New Works Program

Appendix C LTFP Budgeted Expenditures Accommodated in AMP

Appendix A Projected 10 year Capital Renewal and Replacement Works Program

Blayney SC

Projected Capital Renewal Works Program - Building_S1_V3

(\$000)

Year	Item	Description	Estimate
2018		Network Renewals	
	1	Carcoar dam road (Shouthern end -closed) Toilet Block (roof, finishes, fittings, services)	\$105
	2	Blayney - Heritage Park - Adelaide St	\$10
	3	Blayney - Library - Adelaide St	\$7
	4	Blayney - Community Centre - ChurchSt	\$5
	5	Carcoar - CarcoarDam Viewing Shelter - Demolish	\$4
	6	Blayney - Showground Pavilion - MarshallsLn	\$20
2018		Total	\$151

2019		Network Renewals	
	1	Blayney - Library - Adelaide St	\$7
	2	Blayney - Community Centre - ChurchSt	\$36
2019		Total	\$43

(\$000)

Year	Item	Description	Estimate
2020		Network Renewals	
	1	CWA Hall, Finishes	\$9
	2	Naylor st Toilet Block, Fitting, Services	\$35
	3	Heritage park Rest Room, Fittings & services	\$40
	4	Newbridge Community Hall, Envelope	\$10
	5	Newbridge, sportsground Toilet Block, Roof Cladding	\$2
	6	Carcoar - CarcoarDam - Toilet Block	\$7
	7	Blayney - Library - Adelaide St	\$7
	8	Blayney - Community Centre - ChurchSt	\$6
	9	Swimming Pools fittings	\$12
2020		Total	\$128

2021		Network Renewals	Estimate
	1	Naylor st Toilet Block, Envelope, Roof Cladding	\$48
	2	Heritage park Rest Room, Fittings & services	\$48
	3	Hobbys yards community Hall	\$5
	4	Depot - Painting Internal & External	\$20
	5	Blayney - Library - Adelaide St	\$7
	6	Blayney - Community Centre - ChurchSt	\$6
2021		Total	\$134

(\$000)

Year	Item	Description	Estimate
2022		Network Renewals	
	1	Depot Store, Services	\$3
	2	Blayney - Showground - MarshallsLn	\$5
	3	Blayney - Library - Adelaide St	\$7
	4	Blayney - Community Centre - ChurchSt	\$6
2022		Total	\$21

2023		Network Renewals	
	1	Depot Store, Envelope, Roof Cladding	\$86
	2	Council Administration Building	\$10
	3	SES Office	\$6
	4	Blayney - KingGeorgeOval - CarcoarSt	\$30
	5	Blayney - Library - Adelaide St	\$7
	6	Barry - Hall - SelwynSt	\$15
	7	Blayney - Community Centre - ChurchSt	\$6
	8	Millthorpe - Redmond Oval Rotunda - ParkSt	\$8
	9	Blayney - Carrington Park Rotunda - ChurchSt	\$5
2023		Total	\$173

(\$000)

Year	Item	Description	Estimate
2024		Network Renewals	
	1	Depot/Pound, Fittings (Barry Road)	\$15
	2	Carcoar - Sportsground - NaylorSt	\$4
	3	Lyndhurst - Capital Park - MtMcdonaldRd	\$2
	4	Lyndhurst - Recreation Ground - HarrowSt	\$2
	5	Blayney - Library - Adelaide St	\$7
	6	Blayney - Community Centre - ChurchSt	\$6
	7	Millthorpe - Redmond Oval Kitchen - ParkSt	\$10
	8	Blayney - Carrington Park Rotunda - ChurchSt	\$5
2024		Total	\$51

2025		Network Renewals	
	1	Blayney - Carrington Park - OsmanSt	\$4
	2	Blayney - Library - Adelaide St	\$7
	3	Blayney - Community Centre - ChurchSt	\$6
	4	Blayney - Napier Oval Kiosk - NapierSt	\$3
	5	Blayney - Showground Pavilion - MarshallsLn	\$20
2025		Total	\$40

(\$000)

Year	Item	Description	Estimate
2026		Network Renewals	
	1	Depot/Pound, Services (barry road)	\$12
	2	Community Centre & Pavilion, Finishes	\$245
	3	Workshop/Store, Services (Depot Lawson st)	\$19
	4	Blayney - Tennis Centre Amenities - AdelaideSt	\$2
	5	Blayney - Library - Adelaide St	\$7
	6	Blayney - Community Centre - ChurchSt	\$37
	7	Blayney - Tennis Centre Clubhouse - AdelaideSt	\$5
2026		Total	\$327

2027		Network Renewals	
	1	Toilet Block, Fittings(caravan park, Carcoar dam road)	\$4
	2	CWA Building, Fittings	\$21
	3	Blayney - Library - Adelaide St	\$7
	4	Blayney - Community Centre - ChurchSt	\$7
2027		Total	\$39

Appendix B Projected Upgrade/Exp/New 10-year Capital Works Program

Blayney SC Projected Capital Upgrade/New Works Program - Building_S1_V3

(\$000)

Year	Item	Description	Estimate
2018	1	Public Conveniences Upgrade - Barry	\$29
	2	Public Conveniences Upgrade - Neville	\$55
	3	Public Conveniences Upgrade - Lyndhurst	\$56
	4	CentrePoint Sport & Leisure Centre	\$1,858
	5	Mandurama - Recreation Ground Shelter	\$76
	6	Blayney - Showground Equestrian Covered Arena - MarshallsLn	\$750
2018		Total	\$2,824

(\$000)

Year	Item	Description	Estimate
2019	1	CentrePoint Sport & Leisure Centre	\$2,032
	2	Blayney - Showground Equestrian Covered Arena - MarshallsLn	\$750
2019		Total	\$2,782

(\$000)

Year	Item	Description	Estimate
2020	1		
2020		Total	\$0

(\$000)

Year	Item	Description	Estimate
2021	1		
2021		Total	\$0

(\$000)

Year	Item	Description	Estimate
2022	1	Blayney - Cultural Centre - AdelaideSt	\$30
2022		Total	\$30

(\$000)

Year	Item	Description	Estimate
2023	1	Blayney - Cultural Centre - AdelaideSt	\$1,500
2023		Total	\$1,500

(\$000)

Year	Item	Description	Estimate
2024	1		
2024		Total	\$0

(\$000)

Year	Item	Description	Estimate
2025	1		
2025		Total	\$0



(\$000)

Year	Item	Description	Estimate
2026	1		
2026		Total	\$0

(\$000)

Year	Item	Description	Estimate
2027	1		
2027		Total	\$0

Appendix C Budgeted Expenditures Accommodated in AMP

NAMS.PLUS3 Asset Management Blayney SC										
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Building_S1_V3 Asset Management Plan										
 										
First year of expenditure projections 2018 (financial yr ending)										
Building										
Asset values at start of planning period										
Current replacement cost	\$29,187	(000)	Calc CRC from Asset Register							
Depreciable amount	\$29,187	(000)	This is a check for you.							
Depreciated replacement cost	\$18,042	(000)								
Annual depreciation expense	\$612	(000)								
Operations and Maintenance Costs for New Assets										
Additional operations costs			% of asset value							
Additional maintenance			3.86%							
Additional depreciation			3.77%							
Planned renewal budget (information only)			2.10%							
You may use these values calculated from your data or overwrite the links.										
Planned Expenditures from LTFP										
20 Year Expenditure Projections Note: Enter all values in current 2018 values										
Financial year ending	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expenditure Outlays included in Long Term Financial Plan (in current \$ values)										
Operations										
Operations budget	\$985	\$1,013	\$1,041	\$1,075	\$1,104	\$1,135	\$1,180	\$1,213	\$1,246	\$1,281
Management budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AM systems budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total operations	\$985	\$1,013	\$1,041	\$1,075	\$1,104	\$1,135	\$1,180	\$1,213	\$1,246	\$1,281
Maintenance										
Reactive maintenance budget	\$1,012	\$1,040	\$1,068	\$1,035	\$1,063	\$1,091	\$1,126	\$1,156	\$1,187	\$1,218
Planned maintenance budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Specific maintenance items budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total maintenance	\$1,012	\$1,040	\$1,068	\$1,035	\$1,063	\$1,091	\$1,126	\$1,156	\$1,187	\$1,218
Capital										
Planned renewal budget	\$151	\$43	\$128	\$134	\$21	\$173	\$51	\$40	\$327	\$39
Planned upgrade/new budget	\$2,824	\$2,782	\$0	\$0	\$30	\$1,500	\$0	\$0	\$0	\$0
Non-growth contributed asset val	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Disposals										
Est Cost to dispose of assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carrying value (DRC) of disposed ass	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional Expenditure Outlays Requirements (e.g from Infrastructure Risk Management Plan)										
Additional Expenditure Outlays required and not included above	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Renewal	to be incorporated into Forms 2 & 2.1 (where Method 1 is used) OR Form 2B Defect Repairs (where Method 2 or 3 is used)									
Capital Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
User Comments #2										
Forecasts for Capital Renewal using Methods 2 & 3 (Form 2A & 2B) & Capital Upgrade (Form 2C)										
Forecast Capital Renewal from Forms 2A & 2B	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
	\$151	\$43	\$128	\$134	\$21	\$173	\$51	\$40	\$327	\$39
Forecast Capital Upgrade from Form 2C	\$2,824	\$2,782	\$0	\$0	\$30	\$1,500	\$0	\$0	\$0	\$0