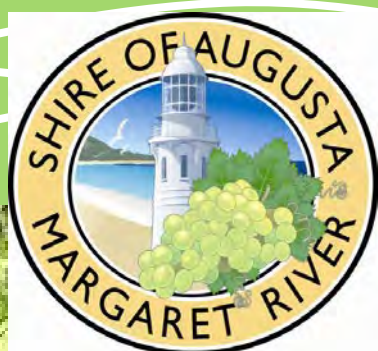


Asset Management Plan

2013-2023



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Acknowledgements

This overall Asset Management Plan is a first cut 'core' asset management plan in accordance with the provisions of the WA Government's integrated planning framework and associated guidelines and manuals. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Detail asset management planning is an ongoing practice within the Shire of Augusta-Margaret River and uses various resources and guidelines provided by Institute of Public Works Engineering Australia (IPWEA), Western Australian Local Government Association (WALGA) and associated modelling tools.

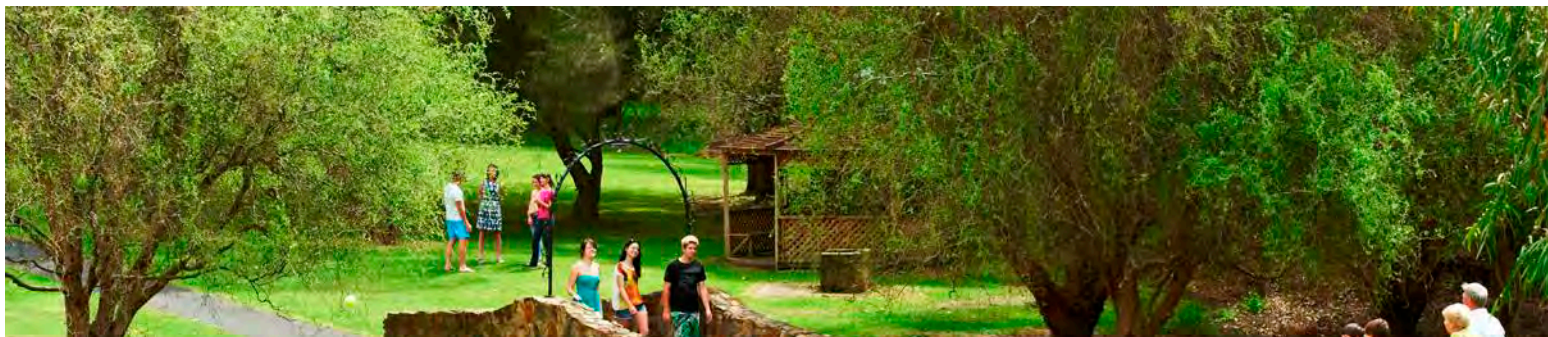
This plan is also supported by the Shire's Draft Asset Management Improvement Strategy (2013) compiled in collaboration with Core Business Australia as well as a range of other plans and guidelines listed in Appendix A.

This Asset Management Plan is one of the informing strategies that feed into the Long Term Financial Plan, Community Strategic Plan and Corporate Plan as part of the Shire's integrated planning.

Our vision

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The challenge

The State Government of Western Australia requires all local governments to plan for the future. Part of this planning involves considering how the local government will continue to deliver services to the community on a long term basis.

In the majority of cases service delivery is underpinned by infrastructure assets, for example to deliver recreational services, a building is needed to function as a recreation centre; for the community to be able to commute between various destinations road and footpath networks are required.

Local governments have care, control and responsibility for vast networks of differing assets.

Key issues facing the Shire of Augusta-Margaret River and local governments throughout Australia include:

- ◆ Ageing infrastructure requiring attention not previously needed or planned for;
- ◆ Long lived assets such as roads, drainage and buildings present challenges as their condition and longevity can be difficult to determine;
- ◆ Increased demand in terms of quality and standards and for higher levels of service, especially in relation to parks and open space provision; and
- ◆ Increasing cost of plant, material and labour required to operate, maintain and construct infrastructure assets.

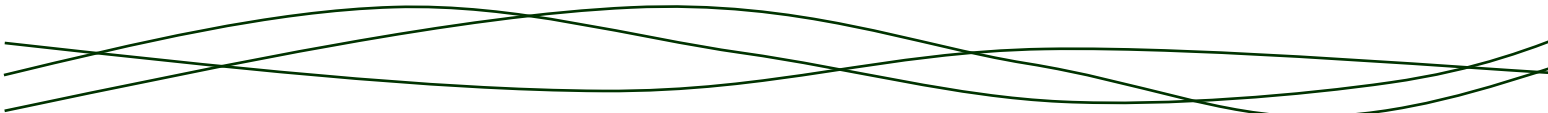
As assets are usually acquired during specific periods such as post war, periods of economic growth or economic stimulus, the financial burdens of renewing also appear in peaks and troughs.

The creation of new assets also presents challenges in terms of funding for initial construction but even more so for ongoing operation, maintenance and replacement costs over the whole of life of the asset.

Asset management is about ensuring that the local government has the necessary plans in place so that funds and resources are available at the appropriate time to address ageing assets that can threaten the ongoing delivery of the service.

To assist with reading this document it has been divided into 4 parts:

- ◆ Executive Summary
- ◆ Part A: Overview of asset management within the Shire
- ◆ Part B: Asset specific information
- ◆ Appendices



Executive summary

The Shire of Augusta-Margaret River provides a wide range of services from infrastructure assets acquired over many years. The Shire has a responsibility as steward of these assets to ensure they are maintained for future generations at an appropriate level deemed fit for purpose.

The infrastructure assets covered in this Asset Management Plan (AMP) comprise:

- ◆ Buildings;
- ◆ Parks and ovals, including a recycled water system;
- ◆ Transport infrastructure including roads, bridges, footpaths, drainage, car parks, airports, boat ramps, jetties, platforms/boardwalks/stairs, signs; and
- ◆ Waste management infrastructure.

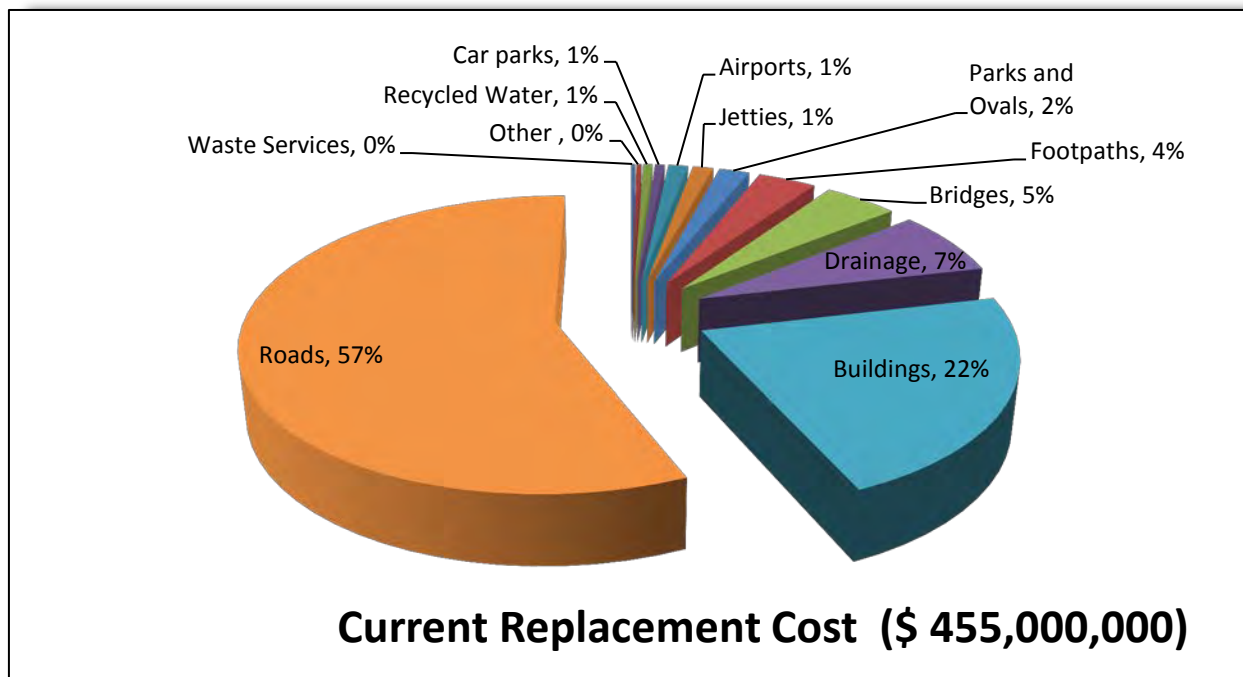
These infrastructure assets have an estimated total current replacement cost of approximately \$455,000,000. The breakdown of asset values by asset type is shown in Fig 1.1 below.

The whole of life cost of providing the Shire infrastructure services in the long term is estimated at \$15,133,000 per annum. As it is not sustainable to replace assets before it is required the cost in the medium term is slightly less due to the condition and age profile of the asset base.

The projected cost to continue delivering the current level of services to the community based on current technologies and practices will cost on average \$13,583,500 per year over the next 10 years.

The Shire's estimated available funding for this period is on average \$12,152,300 per year which will result in a funding shortfall of \$1,431,200 per year.

Figure 1.1 Current replacement cost by asset type



The Shire plans to provide infrastructure services within the 10 year planning period for the following:

- ◆ Operation, maintenance and renewal of infrastructure assets to meet service levels set by Council in annual budgets which might imply keeping the current levels of service or even reducing levels subject to funding availability. This does not mean the Shire will reduce expenditure but increases are not sufficient to keep up with growing cost and a growing asset base.
- ◆ New, upgraded or expanded assets that are donated through land development or obtained through external grant funding.

Based on current revenue and expenditure levels the Shire will be unable to afford the projected expenditure required to maintain the current level of service and sufficiently provide for the impacts of new and upgraded assets due to growth predicted for the region.

In line with available funding and based on current technologies and practices, the activities to sustain the Shire's infrastructure assets within the next 10 years will be impacted as follow:

- ◆ No significant increases in funding levels of operations and maintenance activities are planned;
- ◆ 83% of required building renewals activities are planned to be funded and implemented;
- ◆ 61% of required park and oval renewals activities are planned to be funded and implemented;
- ◆ 45% of required drainage renewals activities are planned to be funded and implemented;
- ◆ 74% of required road and other transport asset renewals activities are planned to be funded and implemented;
- ◆ Overall 71% of required renewal activities are planned to be funded and implemented; and
- ◆ Due to legislative requirements waste management services will require significant upgrades.

There are risks associated with provision of these services and not being able to complete all the identified maintenance and renewal activities such as:

- ◆ Asset failure can lead to disruption to the community as well as wider social and economic impacts due to disruption or discontinuing of service;

- ◆ Asset failure can result in injury to Shire employees or members of the public and damage to property;
- ◆ Asset failure may result in obligations or claims by third parties due to injuries or damaged property;
- ◆ Financial implications of unfunded and unplanned infrastructure failures requiring immediate or emergency replacement;
- ◆ Non-compliance with legislative requirements;
- ◆ Increased dissatisfaction of rate payers; and
- ◆ The Shire's reputation as a responsible local authority may be impacted.

The Shire will aim to manage these risks within available funding by:

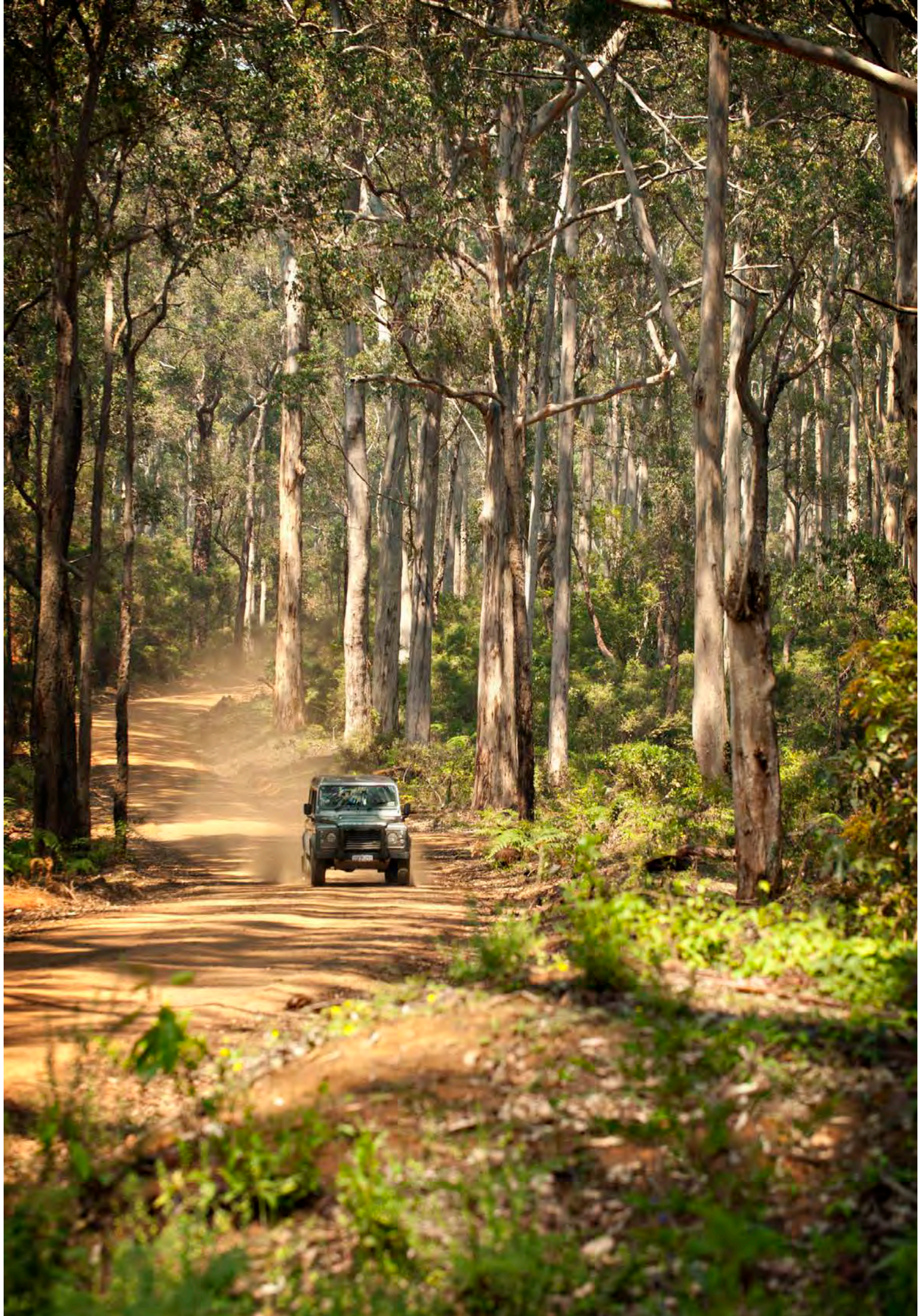
- ◆ Insuring against risk and potential third party claims;
- ◆ Monitoring condition and taking appropriate actions to minimise risks;
- ◆ Identifying challenges and implementing improvement plans;
- ◆ Accepting the risks associated with not being able to complete all identified activities and projects;
- ◆ Reducing the level of service and rationalising infrastructure assets; and
- ◆ Reviewing the Shire's current methodologies and practices for providing services.

This Asset Management Plan has identified some key outcomes to sustain service delivery such as:

- ◆ Improving operation, maintenance, renewal and new/upgrade planning for assets;
- ◆ Improving on prediction of future demand and growth on these activities;
- ◆ Improving whole of life cost estimates of current and new assets;
- ◆ Improving knowledge of assets and whole of life requirements;
- ◆ Reviewing and documenting level of service and community satisfaction with these services;
- ◆ Documenting challenges and improvement programs to ensure improved asset management; and
- ◆ Improved organisation wide approach to works programming, budgeting and long term financial planning.

The Shire's current asset management maturity is at a 'core' level and investment is needed to improve information management, lifecycle management, service management as well as accountability and direction.





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Part A: Overview of asset management

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Careful management of Shire assets is necessary to ensure they will meet service delivery needs of the community into the future.



1. Legislative requirements

The WA's Local Government (Administration) Regulations 1996 has been amended to require each local government to adopt a community strategic plan (CSP) and a corporate plan (CP).

The Integrated Planning and Reporting Framework has been developed by the WA's Department of Local Government as part of the State Government's Local Government Reform Program. The program seeks to improve the capacity in the local government sector to respond to community needs.

The Integrated Planning and Reporting Framework address the minimum requirements to meet the intent of the Local Government Act and outlines how local governments can produce a community strategic plan and a corporate plan. It also reflects a nationally consistent approach to integrated planning as expressed by the Council of Australian Governments' Local Government Planning Ministers' Council.

The Department has released an advisory standard for the key elements of integrated planning – the Community Strategic and Corporate Plans including Asset Management, Financial Management and Workforce Planning, which outlines the compliance requirements for local governments and how these will be measured.

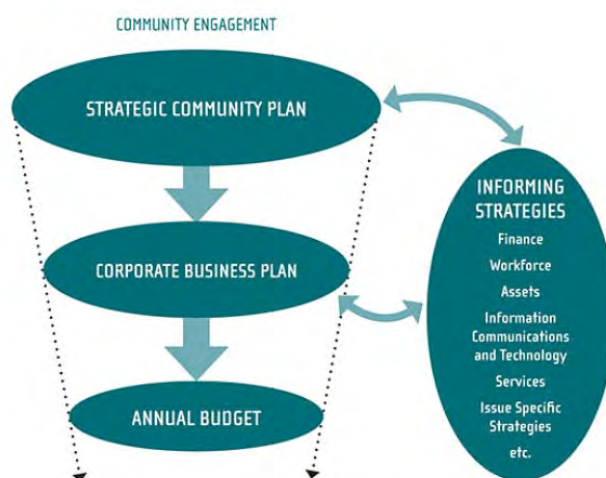
While local governments are required to meet the basic standard of planning by 30 June 2013, the underlying objective of the Department's approach to integrated planning and reporting is to create a process of continuous improvement.

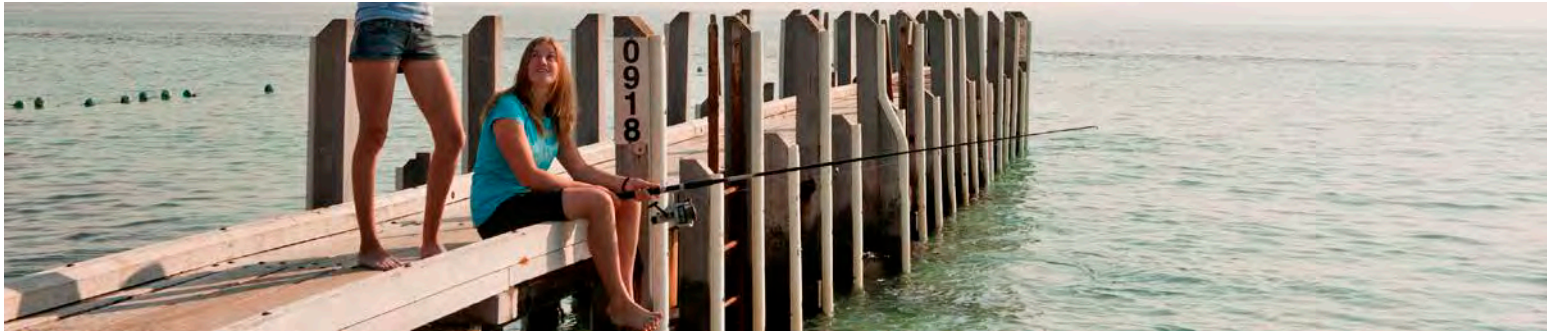
The Asset Management Plan is an informing strategy to the Community Strategic Plan, the Corporate Plan and other informing strategies. The Department has also prepared an Asset Management Framework that defines what local governments should strive to develop in order to have asset management policies, strategies and plans.

Data for the Key Performance Indicators will be collected by the Department in alignment with National Assessment Frameworks and the National Dataset being developed through the Australian Centre for Excellence in Local Governments (ACELG).

The advantages of the integrated planning and reporting process are that it:

- ◆ Recognises that planning for a local government is holistic in nature and driven by the community;
- ◆ Builds organisational and resource capability to meet community need;
- ◆ Optimises success by understanding the integration and interdependencies between the components; and
- ◆ Emphasises performance monitoring so that local governments can adapt and respond to changes in community needs and the business environment.





2. Our response

This Asset Management Plan is prepared in line with the direction of Council’s vision, mission, goals and objectives as set out in the Community Strategic Plan 2033.

Council’s vision is:

A prosperous and connected community that values its natural environment and character as it grows sustainably into the future.

Council’s mission is:

To protect the natural environment, strengthen our communities, foster local economic prosperity, and responsibly manage the community’s infrastructure and assets.

The Community Strategic Plan 2033 sets out the Shire’s commitment for the provision and management of infrastructure assets and includes the following:

Asset Management Objectives



Valuing the natural environment

The Shire has a responsibility to ensure a sustainable natural environment by applying an integrated approach to protecting the natural environment that safeguards biodiversity and provides a sustainable natural environment for future generations.

Infrastructure projects need to consider the environmental impacts. The Shire will employ an approach to ensure that appropriate infrastructure assets are constructed in appropriate locations using sustainable resources, such as recycled materials where appropriate.



Welcoming and inclusive communities

Strong communities are welcoming and safe, and enjoy quality, lifestyles that celebrate their local identity, diversity and culture. The Shire fosters community resilience and wellbeing through its social planning, recreation, safety, education and preventative health strategies.

Infrastructure projects need to consider the community-building effect of assets and need to balance community needs and their ability to pay for these services.



Managing growth sustainably

The community's cultural values and heritage are integral to the future and are to be considered when balancing the competing demands for growth, ensuring vibrant, sustainable townships which maintain their distinctive country character. The Shire will pursue careful and balanced planning of community facilities and services to meet the demands and expectations of the community.

Infrastructure projects need to consider whole of life cost. The Shire will incorporate appropriate provisions to ensure that assets donated by developers or constructed by the Shire are sustainable and adhere to standards and specifications.



Vibrant and diverse economy

The Shire's economic base has been built upon its natural environment, tourism, viticulture, agriculture and rural and retail sectors. Through regional economic strategies the Shire will promote a sustainable range of business and job opportunities.

Infrastructure projects need to consider the economic impact of assets over their whole life not only on the current and future community and their ability to pay for these services but also on the wider economy which may improve the community's ability to afford better services. Over servicing or the provision of high-cost-low-used services also needs to be addressed to ensure sustainable service delivery.



Effective leadership and governance

Council leadership is visionary, effective, transparent and trustworthy. The local government actively engages and consults the community to understand their aspirations for the future and drives positive change and diversity, and adds measurable value.

The Shire will work towards continuous improvement of its asset management practices and will monitor its performance against state and national frameworks to ensure responsible management of infrastructure assets into the future. The level of infrastructure provision needs to balance community aspirations and their willingness to pay through appropriate community engagement.



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OLD TOWN JETTY



3. Asset management framework

This Asset Management Framework is part of the Western Australian Government’s Local Government Reform Program and the Integrated Planning Framework.

The aims of the framework are to:

- ◆ Enhance the sustainable management of local government assets and financial resources by encouraging ‘whole of life’ and ‘whole of organisation’ approaches and the effective identification and management of risks associated with the use of assets;
- ◆ Encourages a long-term view of asset management and requires local governments to understand and then meet the impacts of social, economic and environmental change in ways that ensure sustainable use of physical and financial resources;
- ◆ Emphasise the importance of local governments developing robust asset management plans linked to rigorous long term financial and strategic planning as part of an integrated planning approach; and
- ◆ Enable local governments to develop a process of continuous improvement in their asset management practice to match the changing service delivery needs of their communities as well as the increasing integration of asset management with their strategic directions. In the context of this framework all local governments are required to develop:
 - ◆ An asset management policy;
 - ◆ An asset management strategy including developing an asset management plan for major asset classes; and
 - ◆ A link from the asset management plan to the annual report.

As a minimum asset management plans need to address:

- ◆ Processes that links the asset management plans to the long term financial plans;
- ◆ Defined levels of service and affordability;
- ◆ Governance and management arrangements;
- ◆ Data and systems to support asset management;
- ◆ Improvement of skills and processes; and
- ◆ Develop a process for evaluating asset management plans, processes and asset sustainability.

Asset management is critical to meeting local government strategic goals within an integrated planning approach. Asset management policies, asset management strategies and asset management plans are informed by, and in turn inform, the community aspirations and service requirements in the community strategic plan. They are also integral to developing and delivering the local government’s strategic direction, service plans, projects and operational plans in the corporate business plan.

Asset management ensures that robust long term financial plans and annual budgets are developed and that the Shire has the financial capacity to deliver their strategic priorities into the future.

How the documents link



3.1 Asset management policy

To ensure that there is organisation-wide commitment to asset management and these objectives are achieved, the Shire of Augusta-Margaret River has developed an asset management policy, which was adopted by Council in July 2010.

The Policy will be reviewed to ensure it complies with current best practice. See Appendix B for the complete policy. The Shire’s Asset Management Policy aims to:

- ◆ Establish objectives for asset management and service delivery from these assets;
- ◆ Integrate asset management into the Shire’s corporate and financial planning;
- ◆ Assign accountability and responsibility for service delivery together with asset management; and
- ◆ Take account of whole of life costs, service levels and financial options.

3.2 Asset management strategy

The Asset Management Strategy supports the implementation of the Asset Management Policy and shows how the Shire’s infrastructure assets will meet service delivery needs of the community into the future by addressing the following:

- ◆ Current infrastructure asset base or portfolio;
- ◆ Current status of Shire infrastructure assets and asset management;
- ◆ Desired status in 5 years’ time; and
- ◆ An improvement program including tasks, timeframes, responsibilities, resources.

The Shire’s Draft Asset Management Improvement Strategy supports this Asset Management Plan.

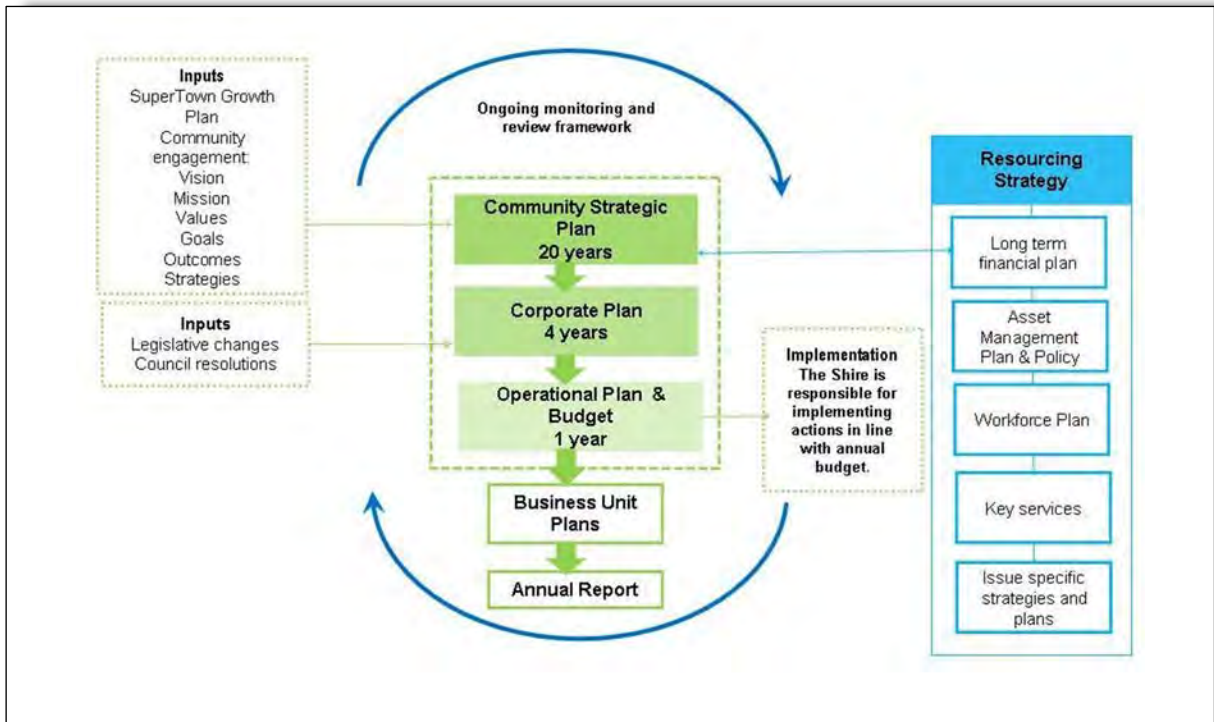
The program of tasks and resources required to achieve a minimum ‘core’ asset management maturity was developed in the Asset Management Improvement Strategy. The priority tasks are shown in Appendix C.

3.3 Asset management plan

The Asset Management Plan (AMP) is the tactical plan that ensures operations achieve strategic goals. The 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 customers. This Asset Management Plan comprises of two parts:

- ◆ Part A, which addresses an overview of asset management within the Shire; and
- ◆ Part B, which looks at each individual asset class in order to identify individual strengths, challenges and improvements.







4. Governance and management arrangements

There needs to be evidence of **good corporate governance and a 'whole of organisation' approach to asset management.**

This includes:

- ◆ Assigning roles and responsibilities for asset management between the CEO, the Council and senior managers/asset managers to demonstrate corporate support for sustainable asset management and to encourage corporate buy-in and responsibility;
- ◆ Having a mechanism in place to provide high level oversight on delivery of the Shire's Asset Management Strategy and Plan;
- ◆ Maintaining accountability mechanisms to ensure that resources are appropriately utilised to address the Shire's strategic plans and priorities to ensure sustainable asset management practices;
- ◆ Promote uniform asset management practices across the organisation, including information sharing across IT hardware and software, pooling of corporate expertise and championing of asset management processes; and
- ◆ Budget preparation and forward works programming focused on asset maintenance and renewal needs.

The Shire established an asset management working group in 2008 comprising key staff within the organisation. Its role was to support the implementation of asset management, to guide the development of asset management systems and processes and to provide advice on these matters to the executive management.

The specific terms of reference of the Asset Management Working Group will evolve as the organisation maturity increases and includes addressing:

- ◆ Strategy development and implementation of an asset management improvement program;
- ◆ Asset management plan development and implementation;
- ◆ Reviews of data accuracy, levels of service and systems plan development;
- ◆ Asset management plan operation;
- ◆ Evaluation and monitoring of asset management plan outputs; and
- ◆ Ongoing asset management plan reviews and continuous improvement of practices.



5. Asset portfolio

This Asset Management Plan covers infrastructure assets used to deliver services to the community including buildings, parks, transport assets and waste management assets.

This AMP is based on the current replacement cost of the Shire's assets (i.e. the cost to replace assets today with a new equivalent asset). For some assets the renewal value will be less than the current replacement cost if there are components that do not require renewal (such as roa formation/earthworks) and they are referred to as the residual value. Table 5.1 and Figure 5.1 present a summary of the Shire's infrastructure asset values at 30 June 2012.

Roads form the majority of assets followed by buildings and drainage, and together they make up 86% of the Shire's infrastructure assets. Although the three big asset classes are the Shire's priority, the remaining 14% of the asset base is still significant to the community and represents \$64,000,000 worth of assets.

Figure 5.1 Shire infrastructure asset portfolio compositions

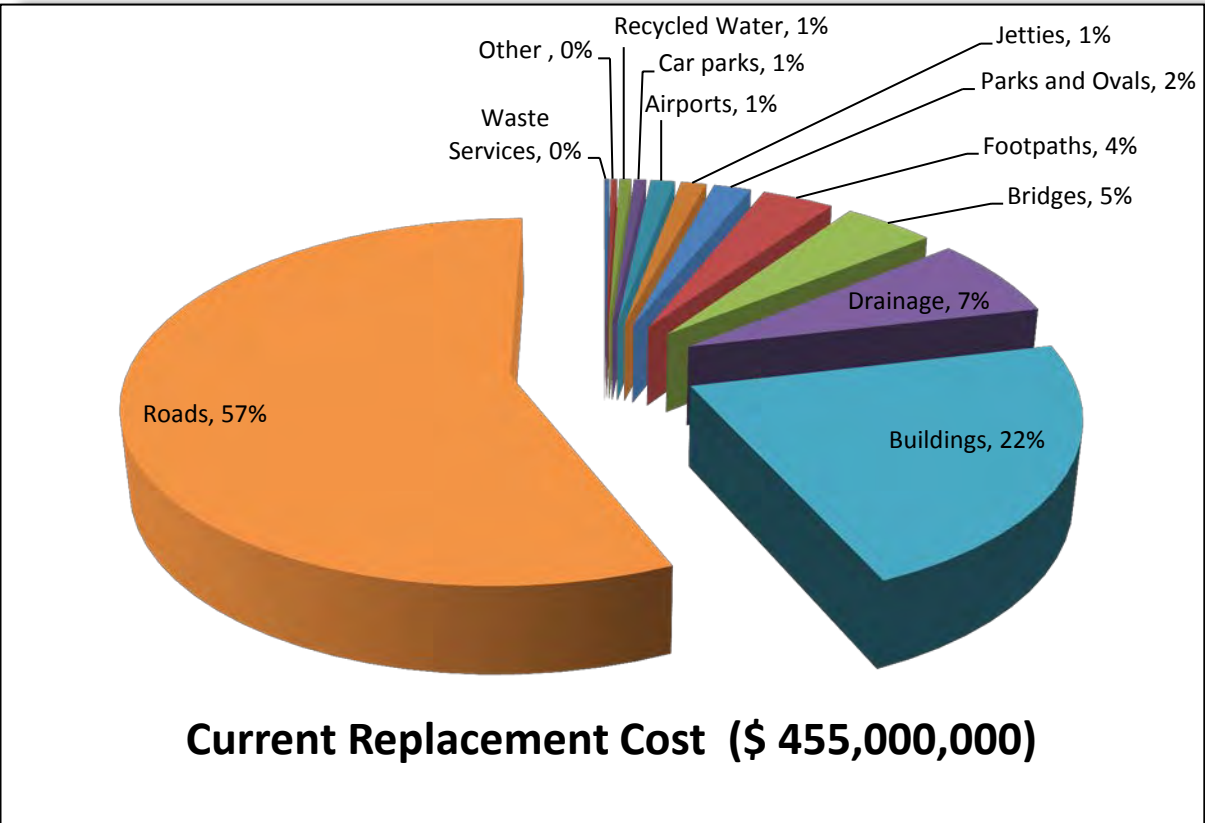


Table 5.1: Shire infrastructure asset portfolio value

Asset Class	Sub-group	Current Replacement Value	Residual value	Renewal value
Asset Group:	Buildings			
Buildings	Community, Recreation, Libraries, Caravan Parks, Waste Management Services	\$100,591,042		\$100,591,042
Asset Group:	Parks			
Park and Ovals	Play equipment, other park infrastructure such as shade/seating structures, manicured gardens, ovals, irrigation.	\$8,495,160		\$8,495,160
Recycled Water System	Pipes, pumps, tanks, treatment plant	\$2,650,000		\$2,650,000
Asset Group:	Transport			
Roads	Sealed and unsealed roads	\$257,411,088	\$112,202,806	\$145,208,282
Footpaths	Sealed and unsealed footpaths	\$16,342,357		\$16,342,357
Drainage	Culverts, pits, pipes	\$32,455,269		\$32,455,269
Bridges	Road bridge, pedestrian bridges	\$20,803,795		\$20,803,795
Car parks	Sealed and unsealed car parks	\$2,744,367		\$2,744,367
Jetties	Jetties, Boat ramps	\$5,775,000		\$5,775,000
Airports	Runway and airport infrastructure (excluding buildings)	\$5,500,000	\$1,000,000	\$4,500,000
Other	Boardwalks, stairs, signs	\$1,415,029		\$1,915,029
Asset Group	Waste Management Services			
Waste Management Services	Fixed plant, structures, internal roads and fencing (excluding mobile plant, equipment and earthworks)	\$1,097,850		\$1,097,850
Total		\$455,280,955	\$113,202,806	\$342,078,149



6. Asset condition

The condition of assets was assessed and rated on a 0-10 scale. Each rating level was associated with a combination of objective and subjective measures in order to obtain a condition profile for each asset class at a network level.

Figure 6.1 presents the overall condition profile for all Shire infrastructure assets included in this AMP. As an example the footpath rating scale is presented in Table 6.1

Figure 6.1 illustrates the following:

- ◆ Buildings were assessed based on a desktop review using local specialist knowledge but needs to be reviewed further. The high instance of Level 3 for buildings indicates that most buildings do not require major intervention within the next 10 years.
- ◆ The high percentage of Parks in level 0 is due to the recycled water system only being a few years old and still considered to be in “as new” condition.

- ◆ Transport assets are dominated by roads. Some data used is more than 5 years old and the rating system was converted from a previously used 1-5 visual rating system.
- ◆ Where condition information was not available (such as drainage), condition profiles were assumed based on the Moloney model condition profiles, which are used by many local governments throughout Australia.
- ◆ There is an increase in new park and road assets and some increase in buildings (due to the Shire’s new administration building) with a spread of assets in various stages of their life cycle.

Figure 6.1 considers all four asset groups of equal importance and does not compare the relative value of assets amongst asset groups

Figure 6.1: Condition profile of Shire assets

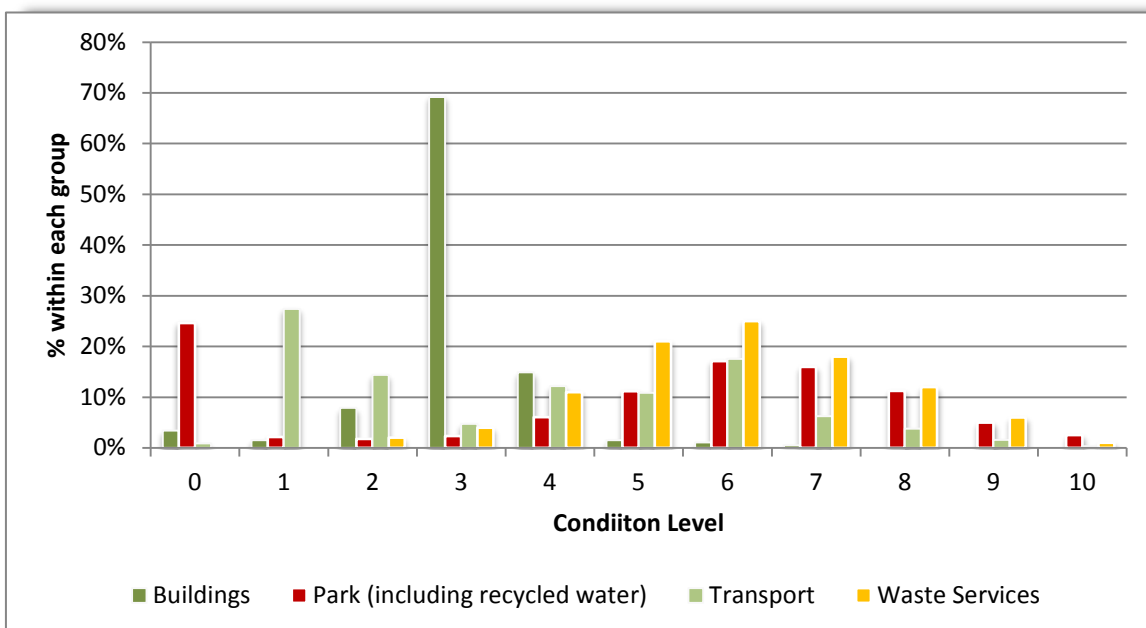









Table 6.1: Example of Footpaths Condition Rating Scale

Condition rating level	Description	Photographic example
0	A new footpath or recently rehabilitated back to new condition.	
1	A near new footpath with no visible signs of deterioration often moved to condition 1 based upon the time since construction rather than observed condition decline.	
2	A footpath in excellent overall condition. There would be only very slight condition decline but it would be obvious that the asset was no longer in new condition.	
3	A footpath in very good overall condition but with some early stages of deterioration evident, but the deterioration still minor in nature and causing no serviceability problems.	
4	A footpath in good overall condition but with some obvious deterioration evident, serviceability would be impaired very slightly.	
5	A footpath in fair overall condition. Deterioration in condition would be obvious and there would be some serviceability loss.	
6	A footpath in fair to poor overall condition. The condition deterioration would be quite obvious. Serviceability would now be affected and maintenance costs would be rising.	

7 A footpath in poor overall condition deterioration would be quite severe and would be starting to limit the serviceability of footpaths. Maintenance costs would be high.



8 A footpath in very poor overall condition with serviceability heavily impacted upon by the poor condition. Maintenance costs would be very high and the asset would be at a point where it needed renewal.



9 A footpath in extremely poor condition with severe serviceability problems and needing renewal immediately. Could also be a risk to public safety if it remains in service.



10 A footpath that has failed is no longer serviceable and should not be allowed to remain in service. There would be an extreme public safety risk in leaving the asset in service.





7. Level of service

Level of service describes the quality of the service provided by infrastructure assets for the benefit of customers. They are indicators that reflect the Shire's broader goals and can be measured.

The level of service determines the extent to what infrastructure assets will be provided, when and to what degree. This AMP reflects the current level of service for all asset groups at a network level.

The future level of service is determined by matching activities (such as operations, maintenance, renewal and new/upgraded assets) to future annual budgets.

The level of service is derived from two perspectives or views:

- ◆ The *customers' view* and their level of satisfaction with the services provided from infrastructure assets. How good is the service? Does it meet customers' needs? Is the service over or under utilised?
- ◆ The *organisation's view* of delivering the service expressed as technical measures such as condition of the infrastructure asset and budget limitations.

7.1. Customers' views

Community satisfaction ratings provide a guide to the level of service expected by customers and their satisfaction with current levels of service. Currently information is obtained from a biennial community satisfaction survey conducted by the Shire. The latest survey was conducted in 2013 and will be compared with the results from the 2010 survey. Figure 7.1 and Table 7.1 show the latest results.

Part B of the AMP considers the community satisfaction results in more detail for each asset class.

From Table 7.1 and Figure 7.1 it is evident that more than 80% of customers were satisfied with services involving the provision of buildings, parks and ovals. The lowest performing service involving infrastructure assets is that of engineering and traffic services (transport assets group) indicating that 75% of customers were satisfied with the services. Although planning and building services do not refer directly to infrastructure assets, it does indicate that 50% customers are not satisfied with how the Shire addresses growth, development and its impact on the social and natural environment.

7.2. Organisation's views

The Shire's ability to deliver a level of service is conditional upon its capacity to allocate resources to the various service activities it undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

From the organisation's view, the level of service is expressed in funds allocated to the various service activities.

Table 7.2 shows the various activities the Shire is currently undertaking to achieve the current level of service. These figures are only estimates based on average figures included in the current 10 year LTFP. These expenditure levels will be reviewed annually and incorporated in to the Shire's LTFP and annual budgets but provide an indication of the level of service provided.

7.3. Community consultation

This AMP is prepared to facilitate community consultation initially through reference to the community satisfaction survey. This survey will highlight where the potential gaps between the current level of service and a desired level of service is.

The Shire will investigate alternatives to address consultation with customers over level of service

options and associated costs, and implement service level agreements within the organisation (between service provider and asset manager, asset manager and maintenance provider, and service manager and operations provider).

In order to debate change in current levels of service, accurate service costs are needed to be available to compare the costs of increased levels with ratepayers' willingness to pay more.

Figure 7.1: Customer satisfaction survey results 2010 and 2013

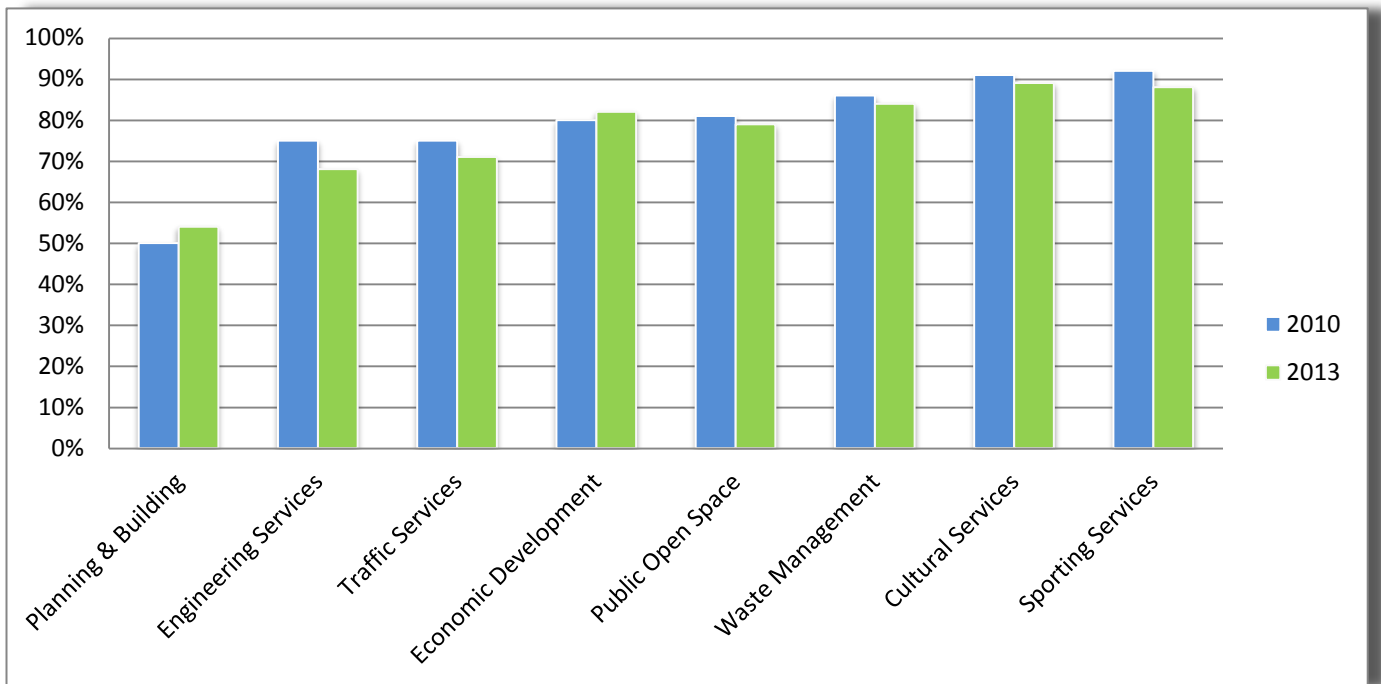


Table 7.1: Customer Satisfaction Survey results

Service Overall Rating	Customer satisfaction results		Asset Consideration Measured in Survey
	2010	2013	
Planning & Building	50%	54%	Survey questions did not refer to any specific infrastructure delivery, but included reference to protection of local character and heritage as well as planning for future growth.
Engineering Services	75%	68%	Drainage & stormwater, maintenance of parks and gardens, sealed roads, gravel road and public places.
Traffic Services	75%	71%	Footpaths, street lights and local traffic safety.
Economic Development	80%	82%	Support for local businesses, tourism and events, caravan parks.
Public Open Space	81%	79%	Neighbourhood and local parks, playgrounds, beaches and river foreshores.
Waste Management	86%	84%	Public tip, transfer stations and litter bins.
Cultural Services	91%	89%	Libraries, public halls and cultural centre.
Sporting Services	92%	88%	Sporting fields and recreation centres.

Table 7.2: Level of service

Asset Classes/Groups	Operation 	Maintenance 	Renewal 	Upgrade 	New 
	Regular activities to provide services (e.g. cleansing, mowing, utility costs)	Activities necessary to retain an assets as near as practicable to an appropriate service condition (e.g. road patching, grading of unsealed roads)	Activities that return the service capability to that which it had originally (e.g. road re-surfacing and pavement reconstruction, path replacements)	Activities to provide an higher level of service (e.g. widening a road, sealing an unsealed road, replacing a drainage pipeline with a larger size)	A new service that did not exist previously (e.g. a new car park, new skate park, new footpath)
Asset Group	Buildings				
Buildings	\$ 1,716,600	\$ 618,700	\$ 733,600	\$ 980,200	\$ 429,100
Asset Group	Parks				
Park and Ovals	\$ 1,347,900	\$ 250,300	\$185,000	\$ 198,300	\$ 354,200
Recycled Water System (Utilities)	\$ 20,800	\$ 31,100	\$ -	\$ 16,000	\$ -
Asset Group	Transport				
Roads	\$ 485,900	\$ 984,600	\$1,712,100	\$ 683,000	\$ 218,000
Footpaths	\$ 13,300	\$ 58,100	\$371,500	\$ 44,300	\$ 868,700
Drainage	\$29,700	\$225,600	\$182,100	\$ 78,700	\$ 70,000
Bridges	\$ 1,200	\$ 71,400	\$218,000	\$ -	\$ -
Car parks	\$ -	\$ 28,300	\$40,200	\$ 87,700	\$ 250,800
Jetties	\$ -	\$ 25,500	\$10,700	\$ 5,000	\$ 15,500
Airports	\$ -	\$ 24,400	\$35,900	\$ 18,000	\$ -
Other	\$ -	\$ 152,700	\$23,500	\$ 45,300	\$ 80,700
Asset Group	Waste Services				
Waste Services	\$2,508,600	\$25,000	\$20,000	\$ 43,700	\$ 964,300
Total	\$6,124,000	\$2,495,700	\$3,532,600	\$2,200,200	\$3,251,300





8. Future demand

Drivers affecting demand for infrastructure assets and services include population growth, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices and environmental awareness.

8.1. Demand management

Non-asset solutions to demand management focus on providing the required service without the need for the Shire to own the assets. Further demand management actions include reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures. Examples of non-asset solutions include providing services from existing infrastructure such as regional facilities that may be in another community area, or public toilets provided in commercial premises.

8.2. Growth planning

The Shire has prepared growth plans and various infrastructure development and management plans well in advance of constructing or accepting ownership of new assets. Planning for growth needs to acknowledge the need for sustaining current infrastructure.

Several studies have been conducted to identify demand drivers that are impacting the Shire and include the following:

- ◆ Local Planning Strategy;
- ◆ Townsite Strategies for Augusta and for Margaret River;
- ◆ Settlement Strategies for other towns sites and hamlets; and
- ◆ Margaret River SuperTown Growth Plan (adopted by Council on 29 February 2012).

The SuperTown Growth Plan is supported by a number of key studies and investigations undertaken through the SuperTowns process, including:

- ◆ An Integrated Transport Strategy for Margaret River (May 2012) that identifies parking issues and solutions, major improvements required to the transport network, pedestrian network improvements, and initiatives to encourage modal shift;
- ◆ A District Water Management Strategy for Margaret River that identifies water management for future growth areas, including preferred approaches for drainage, potable water supply and the extension of the treated wastewater scheme into new growth areas;
- ◆ Community facilities planning that identifies community recreation and social needs; and
- ◆ Concept planning for the Town Centre, Margaret River foreshore, Gloucester Park (currently being finalised), and redevelopment of the Margaret River Cultural Centre.

These plans all reviewed and consolidated several previous studies including:

- ◆ Community Facilities Plan 2008 (Syme Marmion & Co);
- ◆ Community Development Plan 2008-2013;
- ◆ Community Safety and Crime Prevention Plan 2007-2010;
- ◆ Disability Access and Inclusion Plan 2010-2012; and
- ◆ Age Friendly Community Study 2009.

These reports go as far as proposing priorities for future infrastructure and facilities. While some reports include cost estimates and potential delivery timeframes, they do not address funding, whole of life cost or affordability.

Various studies and reports have been compiled or are being compiled to facilitate upgrading and expansion of specific infrastructure assets at specific locations:

- ♦ River Mouth to Gas Bay Development Concept Plan;
- ♦ Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce);
- ♦ Capes Region Boating Strategy (CAPEROC);
- ♦ Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC);
- ♦ Capes Regional Arts and Cultural Facilities Needs Assessment (CAPEROC);
- ♦ Path Plan (2004) (to be reviewed in 2013/14); and
- ♦ Busselton to Flinders Bay Rail Trail Development Plan.

8.3. New future services and assets

Council has also committed to provide new services in the future including non-potable water supply and wastewater services to communities not serviced by traditional service providers. Further information can be obtained in the following plans:

- ♦ Gracetown Facilities Plan (LandCorp) including Gracetown Development Project: Phase 1 Sustainable Water and Wastewater Services (Aug 2007) by GHD; and
- ♦ Witchcliffe Water Services Business Plan (Jan 2011).

The impact of these future new services should be cost neutral to rate payers based on the principle of user paid services, but this should also address whole of life costs to operate, maintain and renew these services to ensure there are no additional burdens carried by current and future ratepayers.

Some of the new assets required to meet growth will be acquired free of cost from land developments/subdivisions. Sufficient contribution policies need to be in place to ensure these developments also contribute to regional and district

What is SuperTowns?

Margaret River is one of nine regional townships in the southern half of Western Australia to be designated for growth under the Regional Centres Development Plan (SuperTowns) initiative of the Western Australian State Government. The SuperTowns vision is to have balanced communities with lifestyle options, access to adequate infrastructure and services, quality housing and a diverse range of job opportunities.

As part of the planning for SuperTowns, the Margaret River Townsite Growth Plan was developed to provide a strategic outline to facilitate the continued and sustained growth of Margaret River as a regional centre. Population projections of the plan project aspirational growth with a Margaret River population projection of up to 11,100 people by 2031. This growth projection scenario targets a high population growth aligning with the SuperTown's target of a doubling of the population of the Margaret River Townsite by 2031 and continued historical trends for the remainder of the Shire, resulting in an average annual 2.8% expansion of the population. These projections are aspirational and are modelled on a high growth scenario as against the low scenario of the Department of Health and Ageing and the medium projection of the Western Australian Planning Commission.

The Margaret River Townsite Growth Plan is comprised of two components, the Growth Plan and the Implementation Schedule. The latter provides the proactive measures to drive economic growth in the SuperTown context and outlines the Shire's project priorities and as part of the Shire's Integrated Planning forms part of the Corporate Plan. The Implementation schedule is linked to population thresholds and it is necessary to be aware that project timeframes of the Implementation Schedule will be demand-driven and will be delivered at identified thresholds as the population grows and will be subject to funding constraints.

facilities and increased consumption of existing infrastructure. Acquiring these new assets will commit the Shire to fund ongoing operations, maintenance and renewal costs for the life of these assets.

8.4. Population growth

The estimated resident population of the Shire was 12,587 in 2012, an increase of 13% over the 2006 population of 11,143. The average annual growth rate between 2006 and 2012 was 2.05%. Table 8.1 summarises the estimated permanent resident population change between 1991 and 2012, with an average annual growth rate between 1991 and 2011 of 3.4%.

Table 8.2 summarises the Shire population projections prepared for the Australian Government Department of Health and Ageing by the ABS in 2008, and by the WA Planning Commission in 2012.

This indicates that the population of the Shire could increase to over 17,000 by 2026. The SuperTown program has even more ambitious growth targets.

Although it is difficult to project population change in growth areas, it is clear that the growth of the Shire over the next 20 years will be significant in view of the anticipated outcomes of the SuperTowns initiative, the Local Planning Strategy and adopted townsites strategies.

For the integrated planning process an average moderate growth rate of 2.2% has been assumed.

8.5. Growth in infrastructure asset portfolio

The Shire's infrastructure asset portfolio increases in value due to upgrade, expansion and new assets implemented by the Shire using various sources of funding. The asset portfolio also grows due to assets donated to the Shire as part of the land development/subdivision process.

Growth from upgrade, expansion and new projects implemented by the Shire and included in the Long Term Financial Plan are estimated to be \$76,262,000 over the next ten years. This is an annual average increase of 2.2% of the depreciable replacement cost of the infrastructure asset portfolio.

Some assumptions have been made on the rate of donated assets from land developments. Looking at trends over the last 5 years, the number of rateable properties has increased by approximately 140 properties per year. This is not a consistent trend as in one year the increase was only 13 properties.

Based on available information, growth from donated assets is estimated to be between \$32,000 and \$40,000 per property. Assuming a low growth scenario of 20 lots per year and high growth scenario of 140 lots per year, the Shire's asset portfolio could increase between \$800,000 and \$4,480,000 per year.

If donated assets are included with assets constructed by the Shire, the projected growth of the Shire's asset base can be between 2.4% and 3.5%. This is slightly more than the 2.2% assumed in the Integrated Planning Reports and Long Term Financial Plan.

The impact of this growth has not been considered in the projection of operation, maintenance and renewal expenditure levels due to the following reasons:

- ◆ Current renewal requirement predictions are estimated to have medium- to- low reliability due to the reliability of the information they were based on.
- ◆ The Shire has limited capacity to meet 100% of predicted renewal requirement (excluding growth). It can therefore be assumed that the Shire will also struggle to meet additional requirements due to the growth in the asset portfolio.
- ◆ Opportunities to review current operation, maintenance and renewal practices have not been explored within this AMP but will be addressed in future revisions.

Table 8.1: Estimated Resident Population 1991-2012

	1991	1996	2001	2006	2011 pr	2012 p
Shire of AMR	6,218	8,106	10,187	11,143	12,219	12,587
Change	-	+ 1,888	+ 2,081	+ 956	+ 1,076	+ 368
Inter-censal average annual growth rate	-	5.4%	4.7%	1.8%	1.9%	3.0%
Average annual growth rate 1991-2011	3.4%					-

Source: ABS Regional Population Growth (pr: preliminary rebased) and Shire of AMR (p: preliminary)

Table 8.2: Shire of Augusta-Margaret River - Population Projections 2011-2026

	2011	2016	2021	2026
Dept of Health & Ageing ¹	12,820	14,218	15,637	17,040
WA Tomorrow 2012 ²	13,000	14,400	15,800	17,200

Source:

1. Customised projections prepared for the Australian Government Department of Health and Ageing by the ABS. The projections are not official ABS data.
2. Band 'C' (median) projections. Western Australia Tomorrow, WAPC, 2012.



9. Whole of life asset management strategies

An integral part of asset management is service delivery and taking a long term view of forward planning with the use of forward works programs.

A forward works program will take into account the needs of assets over their whole of life. To have a successful forward works program, the Shire needs to understand the performance of its assets in the past to predict how they will perform in the future.

This is not an exact science and can only be improved by applying experience, knowledge and resources. With a history of reactive management of assets due to limited resources, this is one of the biggest challenges for the Shire and local governments in general.

The whole of life needs of assets are also impacted by the level of service provided, the demand for the service and the willingness of the Shire to accept risks.

9.1. Operations and maintenance strategies

Operations include regular activities to provide services such as public health, safety and amenity. These activities affect service levels including quality and function through, for example, street sweeping and grass mowing frequency, intensity and spacing of street lights, cleaning frequency and opening hours of building and other facilities.

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, e.g. road patching but excluding rehabilitation or renewal. Maintenance may be classified into routine, reactive, planned and specific maintenance work activities:

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. regular servicing of an air conditioner.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions, e.g. repair pathway damaged due to burst water main.

Planned maintenance is repair work that is identified and managed through a maintenance management program. These activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

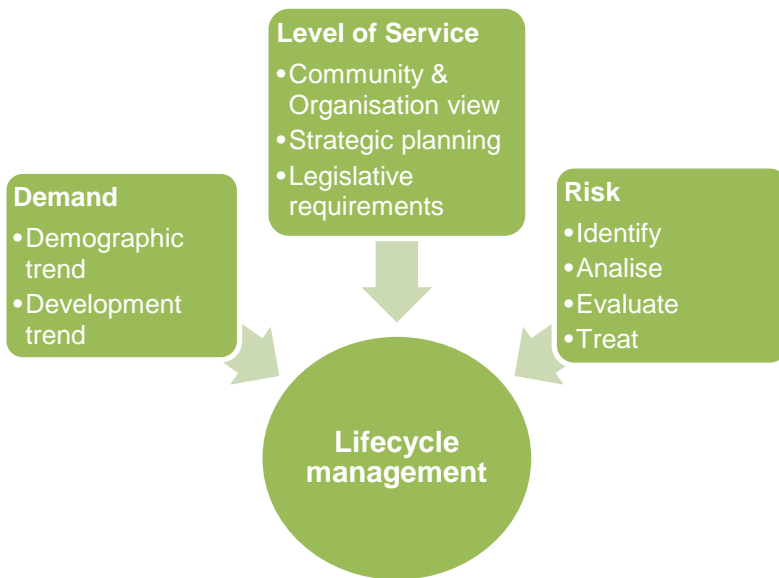
Specific maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, repairing air conditioning units, etc. This work falls below the capital/maintenance threshold but may require a specific budget allocation.

Deferred maintenance includes works that are identified for maintenance but unable to be funded.

Currently, the operations and maintenance level of Shire services is based on historical trends and determined via balancing of funding needs in the annual budget preparation process. To establish whether the current maintenance expenditure is sufficient, the level of service needs to be determined and monitored.

Current operations and maintenance expenditure levels are considered adequate in the short term as

Asset life cycle management



The various stages of the life cycle of an asset need to be managed through operations and maintenance strategies, renewal strategies, upgrade and new strategies and finally disposal strategies.

Whole of life management



The whole of life management plan details how the organisation plans to manage and operate its assets at the current levels of service while aiming to optimise whole of life costs.

indicated through the 2013 Community Satisfaction Survey.

Maintenance is funded from the operating budget and there are limited opportunities for grant funding.

9.2. Renewal and replacement strategies

Renewal and replacement expenditure is major work which does not increase an asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to its original service potential is referred to as upgrade/expansion expenditure.

Assets requiring renewal/replacement have been identified utilising a combination of the following methods:

- ◆ Using asset inventory data to project the renewal costs using acquisition year and useful life to determine the renewal year;
- ◆ Using capital renewal expenditure projections from condition modeling systems using available condition information (such as ROMAN II - pavement management systems, Moloney renewal model); and
- ◆ Using staff knowledge and expertise to identify defect repairs required.

The useful lives of assets and the condition intervention level used to develop projected asset renewal expenditures for each asset class are shown in the Table 9.1 below.

Renewal and replacement projects are prioritised according to the following factors:

- ◆ Safety/reliability/quality;
- ◆ Legislative/regulatory requirements;
- ◆ Usage or number of customers affected;
- ◆ Cost/funding; and
- ◆ Strategic importance/policy.

Renewal work is carried out in accordance with Shire standards and specifications.

Deferred renewal and replacement are those assets identified for renewal and/or replacement and not scheduled in capital works programs.

Renewal and replacement projects in the Shire's 10 year forward works program are determined in line with the Long Term Financial Plan.

Renewal is funded from the annual operating budget and grant funding where available.

9.3. New and upgrade strategies

New works are those works that create a new asset that did not previously exist. **Upgrade works** are those that 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 to the Shire from land development.

New assets and upgrade/expansion of existing assets are identified from various sources:

- ◆ Proposals identified by strategic plans such as the Margaret River SuperTown Growth Plan and other plans (refer to Section 8);
- ◆ Partnerships with other organisations (i.e. LandCorp); and
- ◆ Councillor or community requests.

Proposals for new assets and upgrade/expansion of existing assets are investigated to verify need and are prioritised taking into account the following factors:

- ◆ Safety/reliability/quality;
- ◆ Legislative/ regulatory requirements;
- ◆ Usage or number of customers affected;
- ◆ Cost/funding;
- ◆ Strategic importance/policy; and
- ◆ Ongoing whole of life cost.

New assets and upgrade/expansion of existing assets are implemented in accordance with Shire standards and specifications.

Expenditure on new assets and upgrade/expansion of existing assets and services in the Shire's 10 year forward works program are reflected in the Long Term Financial Plan and are predominantly funded through external sources.

Table 9.1 Useful lives and condition intervention levels

Asset Classes/Groups	Useful life (AMP)	Condition Intervention Level	
Buildings	Long life structures	65- 80 years	Between 7 and 8
	Short life structures	55-60 years	
	Roof	37-40 years	
	Mechanical Services	20-25 years	
	Fit out	27-30 years	
Park and Ovals	Play equipment	12-15 years	Between 7 and 8
	Park and oval assets	40-50 years	
Recycled Water System (Utilities)	Water Mains	57-70 years	Between 7 and 8
	Water Valves	49-60 years	
	Pump Station	41-50 years	
	Fencing	20-25 years	
	Water Tanks	32-40 years	
Roads	Sealed road pavement	56-70 years	Between 7 and 8
	Unsealed road pavement	31-35 years	
	Road seal	32-35 years	
	Kerbing	32-35 years	
Footpaths	Concrete	53-56 years	Between 7 and 8
	Bitumen	34-35 years	
	Brick Paving	53-56 years	
	Gravel	48-50 years	
	Other	53-56 years	
Drainage	Culverts, pipes and pits	73-90 years	Between 7 and 8
Bridges	Bridges	62-70 years	Between 7 and 8
Car parks	Sealed car parks	52-55 years	Between 7 and 8
	Unsealed car parks	52-55 years	
Jetties/Boat ramps	Jetties and boat ramps	74-80 years	Between 7 and 8
Airports	Runway, improvements	53-50 years	Between 7 and 8
Other	Platforms, Boardwalks, Stairs	41-50 years	Between 7 and 8
	Signs	39-40 years	
Waste Management Services	Waste management assets	46-50 years	Between 7 and 8

9.4. Disposal strategies

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. No disposal strategy has been developed for Shire infrastructure assets at this stage.

However, Council resolved in June 2012 to close the Cowaramup Transfer Station once arrangements can be made and replace the service with the extension of kerbside refuse collecti

on and recycling to properties within the Cowaramup area.

Any cash flow resulting from asset disposals will be accommodated in future revisions of the Shire's Long Term Financial Plan.

9.5. Risk management

An assessment of risks associated with service delivery from infrastructure assets must identify critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock to the organisation. 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 unacceptable risks.

The current risk management approach is to monitor condition and repair priority areas within budget and other limitation.

Key risks to the Shire resulting from the provision of infrastructure assets include:

- ◆ Safety: Customer and staff safety;
- ◆ Public Liability: Third party claims;
 - ◆ Natural Disasters: Fire, flood, extreme wind and storms, etc.;
- ◆ Physical Failure: Collapse of road, path or structure or part of collapse;
- ◆ Economic change: Affecting customers' and organisations' ability to pay for/afford the service;
- ◆ Legislative change: Adding/restricting responsibilities of the Shire or its customers;
- ◆ Resources: Availability or loss of staff, material, contractors, funding; and
- ◆ Growth: Not considering growth scenarios and their impact on infrastructure asset management

After identifying risk and risk priorities it is important to decide on mitigation required. Some of the more significant options available to reduce risk are a combination of the following:

- ◆ Invest capital and maintenance expenditure to reduce the likelihood of assets failing;
- ◆ Reduce the impact of the failure by producing contingency plans for dealing effectively with the failure;
- ◆ Insuring against the losses where appropriate; and
- ◆ After weighing up the likelihood and consequence of a failure, to accept the risk rather than applying mitigation strategies.



10. Financial assessment

Regular evaluations will be undertaken to align the asset register and the asset management inventory.

10.1. Valuation of infrastructure assets

The asset register used as part of the financial reporting system is currently separate to the asset management inventory used for asset management planning. Having separate and un-integrated systems is inefficient and can create problems. Therefore, the aim is to undertake regular re-valuations of all Shire assets in order to align the two registers/inventories. Currently the financial reporting system uses a historical cost method to reflect asset values. Over the next few years WA local governments are required to transition to Fair Value instead of historical cost. See Appendix D for a definition of Fair Value and its implications on infrastructure asset valuation.

The asset management inventory has valued assets at brownfield rates which means assets are valued at component level based on a unit replacement cost for each component.

Replacement cost is based on replacing an existing infrastructure asset with an “as new” or similar asset expressed in current dollar values (2012).

The asset values recorded in the asset management inventory at 30 June 2012 covered by this AMP are shown in Table 10.1 and summarised as follows:

Current Replacement Cost	\$455,281,000
Depreciable Amount	\$342,078,100
Depreciated Replacement Cost	\$333,143,100
Annual Depreciation Expense	\$ 64,912,500

10.2. Consumption of infrastructure assets

Consumption reflects the loss in value of an asset as a result of deterioration that occurs during the use and provision of services.

The **asset consumption ratio** compares the depreciated replacement cost with the current replacement cost and indicates the percentage (%) “as new” assets left for various asset classes. This is an indicator of age and condition showing that on 30 June 2012 an average 73.2% of asset life was still remaining in the Shire’s asset portfolio at that time.

Figure 10.1 shows the set consumption ratio for the assets in the Shire’s portfolio. The overall result is heavily influenced by the condition of high value assets (such as roads, buildings and drainage).

The Department of Local Government has set a target of 50% and greater to meet the basic standard. This means that the Shire has achieved the basic requirement but it also reflects that the Shire has a fairly young asset base in fair condition based on current available information.

Table 10.2 shows a number of other ratios of asset consumption and expenditure that assist in guiding and gauging asset management performance and trends over time.

In 2013/14 the Shire plans to renew assets at 56% of the rate they are being consumed and will be increasing its asset stock by between 2.4% and 3.5% during the year.

Table 10.1: Financial status of the Shire’s infrastructure assets

Asset Class	Replacement Cost	Residual Value	Depreciable Amount	Depreciated Replacement Cost (*)	Annual Depreciation Expense
Buildings	\$100,591,042		\$100,591,042	\$70,225,579	\$1,997,224
Park and Ovals	\$8,495,160		\$8,495,160	\$2,431,392	\$238,507
Recycled Water System (Utilities)	\$2,650,000		\$2,650,000	\$2,533,474	\$38,842
Roads	\$257,411,088	\$112,202,806	\$145,208,282	\$218,896,533	\$2,848,392
Footpaths	\$16,342,357		\$16,342,357	\$10,418,004	\$324,915
Drainage	\$32,455,269		\$32,455,269	\$12,949,652	\$360,614
Bridges	\$20,803,795		\$20,803,795	\$8,467,145	\$297,197
Car parks	\$2,744,367		\$2,744,367	\$1,112,993	\$49,897
Jetties	\$5,775,000		\$5,775,000	\$2,304,225	\$96,563
Airports	\$5,500,000	\$1,000,000	\$4,500,000	\$2,801,500	\$48,571
Other (boardwalk, platforms, signs)	\$1,415,029		\$1,415,029	\$564,597	\$190,528
Waste Management Services	\$1,097,850		\$1,097,850	\$438,042	\$21,957
Total	\$455,280,955	\$113,202,806	\$342,078,149	\$333,143,136	\$6,513,207

*Note: Depreciated replacement cost calculated at network level assuming straight line depreciation. Remaining useful life is assumed based on condition rating at a network level.

Figure 10.1: Asset consumption ratios

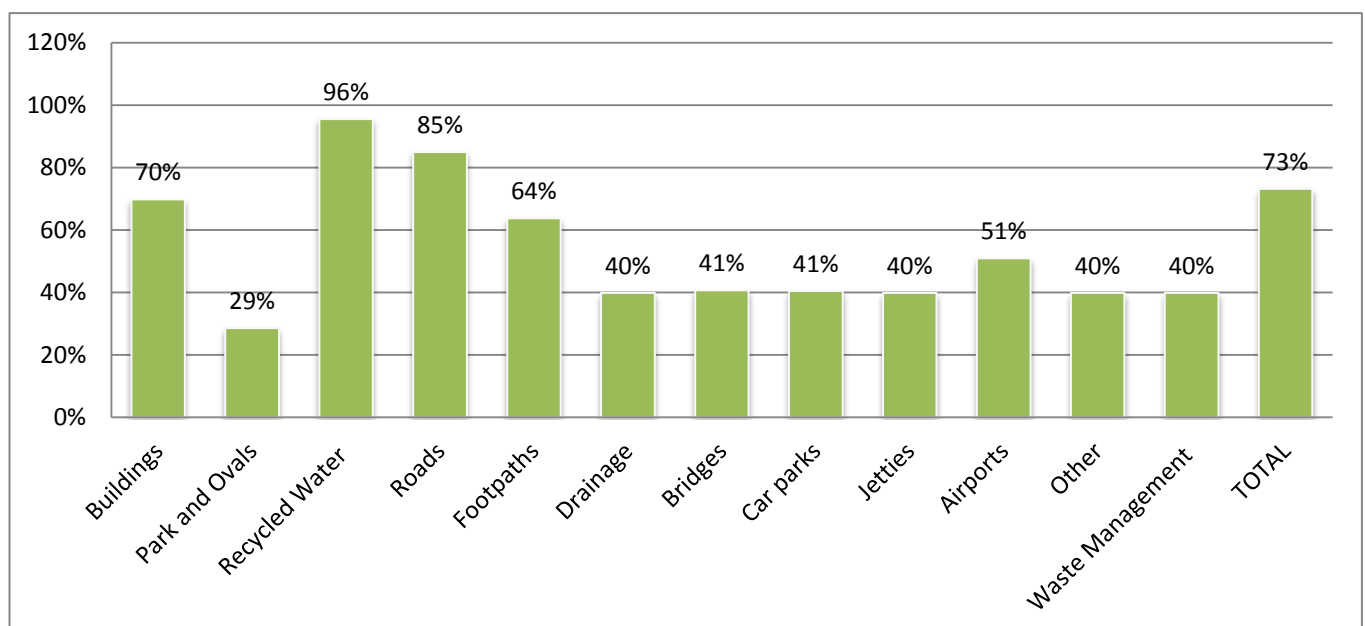


Table 10.2: Asset management performance ratios

Ratio	Description	Value
Rate of Annual Asset Consumption	Annual depreciation expense divided by depreciable amount – proportion of infrastructure consumed per year	1.9%
Rate of Annual Asset Renewal	Capital renewal expenditure provided for in LTFFP divided by depreciable amount as an average over 10 years – proportion of infrastructure renewed per year	1.1%
Rate of Annual Asset Upgrade/New	Capital upgrade & new expenditure provided for in LTFFP divided by depreciable amount as an average over 10 years - proportion of infrastructure added per year by the Shire	2.2%
Rate of Annual Asset Upgrade/New (including donated assets)	Capital upgrade & new expenditure including contributed assets divided by depreciable amount *	2.4% to 3.5%

Note: based on assuming development low rate of 20 lot subdivision contributing \$40,000 of asset per lot or high growth rate assuming 140 lots subdivision contributing \$32 000 per lot.

10.3. Whole of life expenditure gap

Whole of life costs are the average costs that are required to sustain the service levels over the longest asset life. Whole of life costs include operations and maintenance expenditure and asset consumption (depreciation) expense. The whole of life cost for the services covered in this AMP are shown in Table 10.3 below.

It is not necessary or sustainable to replace infrastructure assets if they do not require replacement. Therefore, Table 10.4 shows annual service costs in the medium term calculated by projecting actual required renewal activities.

Whole of life costs can be compared to whole of life expenditure to give an indicator of sustainability in service provision. **Whole of life expenditure** includes operations, maintenance and capital renewal expenditure provided for in the Shire's Long Term Financial Plan. Whole of life expenditure will vary depending on the timing of asset renewals. The planned whole of life expenditure provided for in the Long Term Financial Plan is shown in Table 10.5.

When the whole of life expenditure is less than the whole of life cost, it is most likely that expenditure will need to be increased to maintain current levels of service. Alternatively, levels of service can be reduced to match available funding.

Knowing the extent and timing of any required increase in expenditure and the service consequences if funding is not available will assist the Shire in providing services in a financially sustainable manner.

A shortfall between whole of life cost and whole of life expenditure gives an indication of the whole of life expenditure gap to be addressed in the AMP and the Long Term Financial Plan.

The whole of life expenditure gap and whole of life indicator for services covered by this AMP is summarised in Table 10.6.

10.4. Sustainability indicators

The Table 10.7 presents key performance indicators that will be submitted to the WA Department of Local Government.

10.5. Renewal shortfall

Table 10.8 and Figure 10.8 below shows the shortfall between projected renewal and replacement expenditures and expenditure accommodated in the Long Term Financial Plan.

Providing services in a sustainable manner will require matching of projected asset renewal and replacement expenditure to meet agreed service levels with the corresponding capital works program accommodated in the Long Term Financial Plan.

A gap between projected asset renewal/replacement expenditure and amounts accommodated in the

The LTFP indicates that further work is required to sustainability manage Shire assets.

The 'gap' will be managed by developing this and future Asset Management Plans to provide guidance on future service levels and resources required to provide these services, and review future services, service levels and costs in consultation with the community.

10.3: Annual whole of life cost for Shire services (long term)

Asset Class	Operations	Maintenance	Consumption or Depreciation Cost	Whole of life cost (\$/yr)
Buildings	\$1,716,600	\$618,700	\$1,997,200	\$4,332,500
Park and Ovals	\$1,347,900	\$250,300	\$238,500	\$1,836,700
Recycled Water System (Utilities)	\$20,800	\$31,100	\$38,800	\$90,700
Roads	\$485,900	\$984,600	\$2,848,400	\$4,318,900
Footpaths	\$13,300	\$58,100	\$324,900	\$396,300
Drainage	\$29,700	\$225,600	\$360,600	\$615,900
Bridges	\$1,200	\$71,400	\$297,200	\$369,800
Car parks	\$ -	\$28,300	\$49,900	\$78,200
Jetties/Boat ramps	\$ -	\$25,500	\$96,600	\$122,100
Airports	\$ -	\$24,400	\$48,600	\$73,000
Other (boardwalk, platforms, signs)	\$ -	\$152,700	\$190,600	\$343,300
Waste Management Services	\$2,508,600	\$25,000	\$22,000	\$2,555,600
Total	\$6,124,000	\$2,495,700	\$6,513,300	\$15,133,000

Table 10.4: Annual service cost (medium term)

Asset Class	Operations	Maintenance	Projected renewal requirement	Whole of life cost (\$/yr)
Buildings	\$1,716,600	\$618,700	\$885,900	\$3,221,200
Park and Ovals	\$1,347,900	\$250,300	\$305,400	\$1,903,600
Recycled Water System (Utilities)	\$20,800	\$31,100	\$ -	\$51,900
Roads	\$485,900	\$984,600	\$2,317,300	\$3,787,800
Footpaths	\$13,300	\$58,100	\$507,400	\$578,800
Drainage	\$29,700	\$225,600	\$405,700	\$661,000
Bridges	\$1,200	\$71,400	\$342,700	\$415,300
Car parks	\$ -	\$28,300	\$58,000	\$86,300
Jetties	\$ -	\$25,500	\$23,300	\$48,800
Airports	\$ -	\$24,400	\$47,800	\$72,200
Other (boardwalk, platforms, signs)	\$ -	\$152,700	\$48,500	\$201,200
Waste Management Services	\$2,508,600	\$25,000	\$21,800	\$2,555,400
Total	\$6,124,000	\$2,495,700	\$4,963,800	\$13,583,500

Table 10.5: Average annual whole of life expenditure for Shire infrastructure assets (included in Long Term Financial Plan)

Service	Operations	Maintenance	Renewal Expenditure (LTFP)	Whole of life Expenditure (\$/yr)
Buildings	\$1,716,600	\$618,700	\$733,600	\$3,068,900
Park and Ovals	\$1,347,900	\$250,300	\$185,000	\$1,783,200
Recycled Water System (Utilities)	\$20,800	\$31,100	\$ -	\$51,900
Roads	\$485,900	\$984,600	\$1,712,100	\$3,182,600
Footpaths	\$13,300	\$58,100	\$371,500	\$442,900
Drainage	\$29,700	\$225,600	\$182,100	\$437,400
Bridges	\$1,200	\$71,400	\$218,000	\$290,600
Car parks	\$ -	\$28,300	\$40,200	\$68,500
Jetties	\$ -	\$25,500	\$10,700	\$36,200
Airports	\$ -	\$24,400	\$35,900	\$60,300
Other-boardwalk, platforms, signs	\$ -	\$152,700	\$23,500	\$176,200
Waste Management Services	\$2,508,600	\$25,000	\$20,000	\$2,553,600
Total	\$6,124,000	\$2,495,700	\$3,532,600	\$12,152,300

Table 10.6: Whole of life indicators for each asset class

Asset Class	Whole of life Cost	Whole of life Expenditure	Whole of life Gap	Whole of life Indicator (Expenditure/Cost ratio)
Buildings	\$4,332,500	\$3,068,900	(\$1,263,600)	0.7
Park and Ovals	\$1,836,700	\$1,783,200	(\$53,500)	1.0
Recycled Water System (Utilities)	\$90,700	\$51,900	(\$38,800)	0.6
Roads	\$4,318,900	\$3,182,600	(\$1,136,300)	0.7
Footpaths	\$396,300	\$442,900	\$46,600	1.1 #
Drainage	\$615,900	\$437,400	(\$178,500)	0.7
Bridges	\$369,800	\$290,600	(\$79,200)	0.8
Car parks	\$78,200	\$68,500	(\$9,700)	0.9
Jetties	\$122,100	\$36,200	(\$85,900)	0.3
Airports	\$73,000	\$60,300	(\$12,700)	0.8
Other-boardwalk, platforms, signs	\$343,300	\$176,200	(\$167,100)	0.5
Waste Management Services	\$2,555,600	\$2,553,600	(\$2,000)	1.0
Total	\$15,133,000	\$12,152,300	(\$2,980,700)	0.8

Note: * A whole of life gap is reported as a negative value (\$) resulting in a ratio less than 1.0.

#Predicted medium term renewal requirement is higher than the long term renewal requirement which is not reflected in the Whole of life indicator.

Table 10.7 Key performance indicators

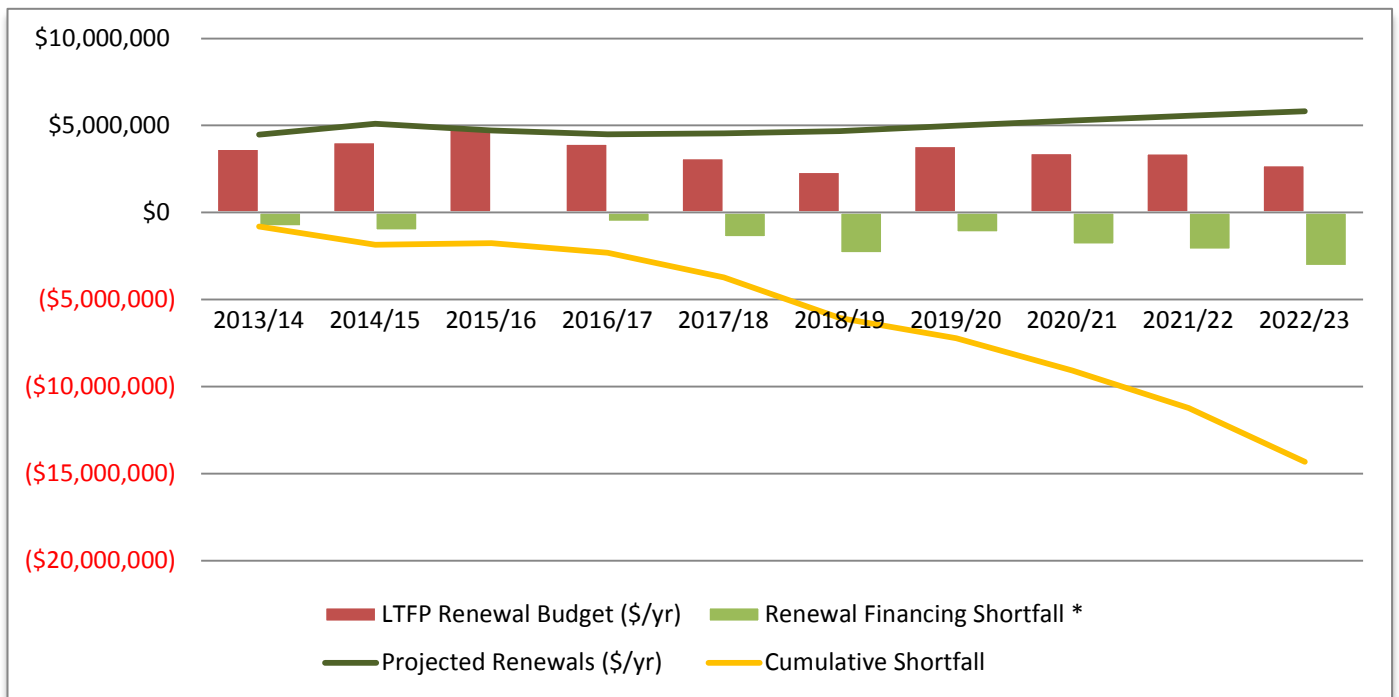
Indicator	AMRSC	Details
Asset Consumption ratio 30 June 2012	73.2%	<p>This ratio highlights the aged condition of the Shire's physical assets and shows depreciated replacement value of depreciable assets relative to their 'as new' value in up to date prices.</p> <p>This is measured using the depreciated replacement cost of assets divided by current replacement costs of depreciable assets.</p> <p>The target set by the WA Department of Local Government is 50% (to meet the basic standard).</p>
Asset Renewal Funding Ratio	71.2%	<p>The Asset Renewal Funding Ratio is an important indicator which compares required renewal expenditure projected in the AMP over funded renewal expenditure included in the Long Term Financial Plan. Over the next 10 years, the Shire is forecasting that it will have 71.2% of the funds required for the optimal renewal and replacement of its infrastructure assets. The target set by the WA Department of Local Government is 75-95% (to meet the basic standard).</p>
Asset Sustainability Ratio	54.2%	<p>Asset Sustainability Ratio is an indicator of the extent to which assets managed by the Shire are being renewed or replaced as they reach the end of their useful lives. It is measured by dividing the capital expenditure on replacement or renewal of assets by the depreciation expense.</p> <p>The target set by the WA Department of Local Government is 90% (to meet the basic standard).</p> <p>In striving to meet this target, consideration must be given to the relative age of the asset portfolio. It is not sustainable to replace assets if replacement is not required. For asset portfolios considered to be young or in good condition (as in the case of the Shire), then the ratio can be as low as 50%, but indicates an increase in renewal expenditure should be planned for in future.</p>

Table 10.8: Projected and LTFP budgeted renewals and financing shortfall

Year	Projected Renewals (\$/yr)	LTFP Renewal Budget (\$/yr)	Renewal Financing Shortfall *	Cumulative Shortfall
2013/14	\$4,471,000	\$3,662,063	(\$808,937)	(\$808,937)
2014/15	\$5,095,500	\$4,053,537	(\$1,041,963)	(\$1,850,900)
2015/16	\$4,714,800	\$4,799,657	\$84,857	(\$1,766,043)
2016/17	\$4,490,400	\$3,953,600	(\$536,800)	(\$2,302,843)
2017/18	\$4,546,200	\$3,127,400	(\$1,418,800)	(\$3,721,643)
2018/19	\$4,681,800	\$2,337,403	(\$2,344,397)	(\$6,066,040)
2019/20	\$4,981,000	\$3,829,157	(\$1,151,843)	(\$7,217,883)
2020/21	\$5,278,300	\$3,418,620	(\$1,859,680)	(\$9,077,563)
2021/22	\$5,560,200	\$3,411,484	(\$2,148,716)	(\$11,226,279)
2022/23	\$5,819,100	\$2,732,113	(\$3,086,987)	(\$14,313,266)

Note: A negative shortfall indicates a financing gap while a positive shortfall indicates a surplus for that year.

Figure 10.8: Projected required and LTFP funded renewal expenditure







11. Projected expenditures for the Long Term Financial Plan

The projected expenditures have been determined for the Shire's 10 year Long Term Financial Plan.

Expenditure projections are in 2012-2013 real values and are detailed in the table 11.1 and Figure 11.1.

Most of the organisation's infrastructure network was constructed by developers and from government grants, often provided and accepted without consideration of ongoing operations, maintenance and replacement needs.

Many of these assets are approaching the later years of their life and require replacement. The serviceability of these assets is decreasing and maintenance costs are increasing.

The Shire's present funding levels together with current methodologies and practices are insufficient to maintain existing service levels.

Resolving the funding shortfall involves several steps:

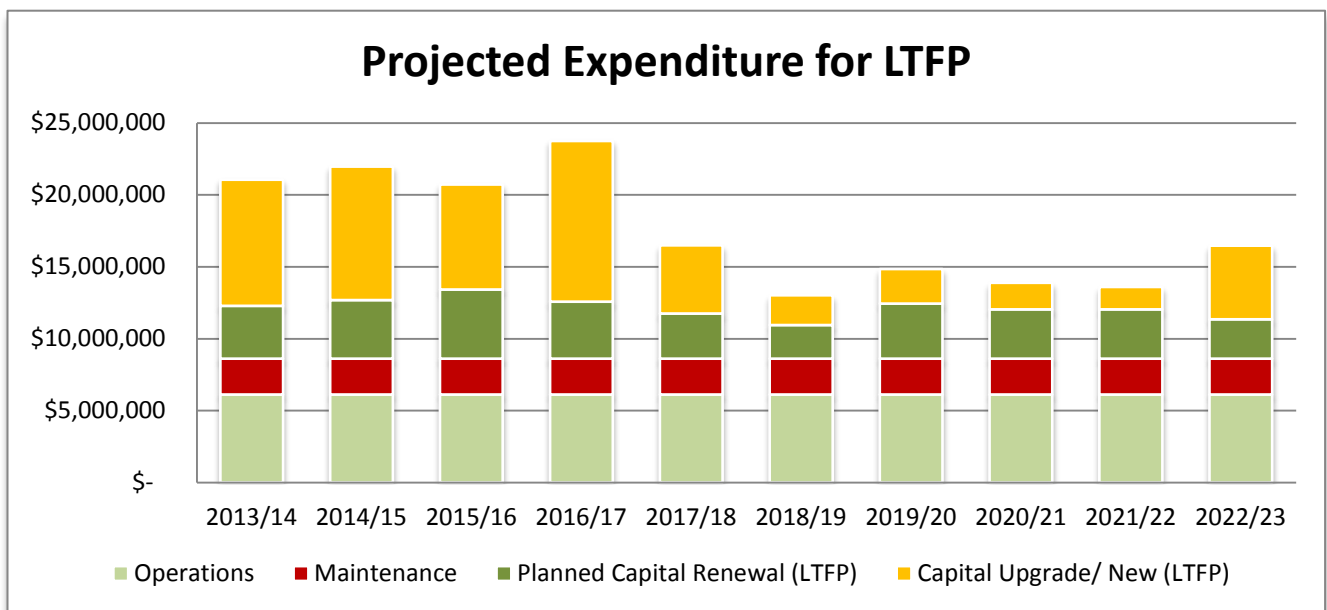
1. Improving the accuracy of data in the asset inventory, so it is possible to determine how assets are performing and when assets are not able to provide the required service levels;
2. Improving methodologies and practices used in operation, maintenance and renewal activities to optimise whole of life costs;
3. Identifying and managing risks associated with providing services from infrastructure assets;
4. Making trade-offs between service levels and costs to ensure that the community receives the best return from infrastructure assets;
5. Identifying assets surplus to needs and arranging for their disposal to make savings in future operations and maintenance costs;
6. Consulting with the community to ensure that infrastructure services and costs meet community needs and are affordable;
7. Developing partnerships with other bodies (where available) to provide services;
8. Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to infrastructure services; and
9. Reducing the Level of Service in some areas, unless new sources of revenue are found.

Table 11.1: Projected expenditures for the Long Term Financial Plan

Year	Operations*	Maintenance*	Planned Capital Renewal*	Capital Upgrade/ New *
2013/14	\$6,124,000	\$2,495,700	\$3,662,100	\$8,768,200
2014/15	\$6,124,000	\$2,495,700	\$4,053,500	\$9,281,700
2015/16	\$6,124,000	\$2,495,700	\$4,799,700	\$7,310,000
2016/17	\$6,124,000	\$2,495,700	\$3,953,600	\$11,164,900
2017/18	\$6,124,000	\$2,495,700	\$3,127,400	\$4,733,000
2018/19	\$6,124,000	\$2,495,700	\$2,337,400	\$2,059,700
2019/20	\$6,124,000	\$2,495,700	\$3,829,200	\$2,392,000
2020/21	\$6,124,000	\$2,495,700	\$3,418,600	\$1,855,000
2021/22	\$6,124,000	\$2,495,700	\$3,411,500	\$1,575,000
2022/23	\$6,124,000	\$2,495,700	\$2,732,100	\$5,120,000

Note: * Estimated value

Figure 11.1: Projected expenditure for LTFP





12. Key assumptions made in financial forecasts

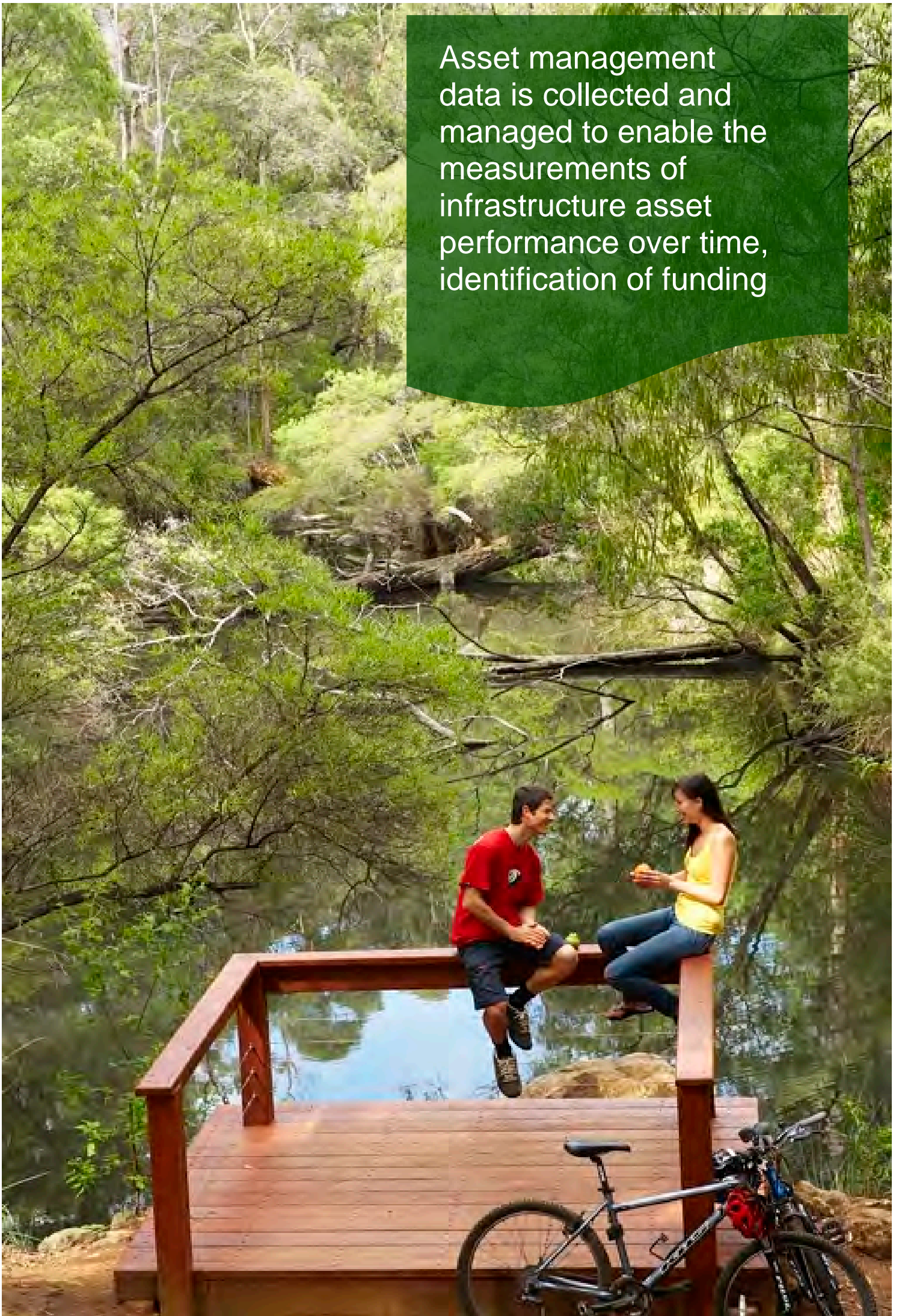
This section details the key assumptions made in preparing forecasts of required operations, maintenance and capital expenditure and asset values, depreciation expense and depreciated replacement cost estimates contained in this AMP.

The information 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 AMP and risks that these may change are shown in Table 12 below:

Table 12: Key assumption made in financial forecasts

Key Assumptions	Risk of change to assumptions
Valuations and cost estimates are based on 2012 unit rates.	This may result in under estimation of costs although it includes all elements of cost such as materials, labour and overheads.
Operations and maintenance level of expenditure was based on historical trends over the last two financial years. This is assuming optimum practices are conducted and current levels are sufficient to support the existing levels of service.	Indications are that although increases in productivity and low cost operations may reduce expenditure needs, keeping up with the increasing asset portfolio and increased costs may significantly increase the expenditure required. As all these factors have not been addressed in detail, there is a likely under estimation of costs .
Refining growth predictions and how this relates to value of infrastructure created and the consequential impact on operations and maintenance activities has not been addressed in detail.	Growth predictions have not been considered in detail and will result in under estimation of costs .
The useful life assigned to assets as well as the residual value has a major impact on forecast figures and should be monitored and reviewed.	Roads were reviewed in 2010 while for other asset classes staff determined useful lives using local knowledge compared with industry standards. The risk of under and over estimation can be reduced by undertaking regular formal assessments and monitoring assets over long periods of time.
Depreciated replacement cost was calculated at network level assuming straight line depreciation. Remaining useful life is assumed based on condition rating at a network level	The accuracy will depend on the reliability of the information used to calculate these figures such as useful life and residual values.
Ensuring the inventory used to base these calculations on is continuously improved through an ongoing asset condition inspection program.	Asset Management inventories at 30 June 2012 were used. It is vital that inventories are kept up to date. Incomplete inventories may result in under estimation of costs .
The interest rate and discount rate are not considered within this model as all values are reflected in 2012/13 dollar values.	No risk as this will be accounted for in the LTFP.

Asset management data is collected and managed to enable the measurements of infrastructure asset performance over time, identification of funding





13. Data and systems

Asset management data is collected and managed to enable the measurements of infrastructure asset performance over time, identification of funding gaps and benchmarking.

Currently the Shire has several asset registers including;

- ◆ SynergySoft – the corporate finance system that contains the financial asset register. It contains records and historic values on asset classes but is not componentised.
- ◆ Insurance Register – contains current building renewal values. This has been used to supply the replacement costs for the buildings for this report.
- ◆ Asset management inventories in spreadsheet format.

The asset management inventories are supported by the following systems that make up the asset management system:

- ◆ ROMAN II – contains inventory and condition information relating to roads and bridges. It contains renewal values, however the unit rates, inventory and condition data require updating. It is componentised.
- ◆ Geographic Information System (GIS) - contains spatial and other information on various assets, including drainage and footpaths.

- ◆ Asset Management Module of SynergySoft - recently implemented to manage buildings information.

The Shire is also a member of the A-Spec consortium which is aiming to standardise GIS and other information obtained from newly constructed local government infrastructure assets.

To assist with an assessment of existing data and systems, the Shire has utilised a confidence grade data matrix tool shown in Table 13.1 to determine the reliability of data held and to improve the quality of information stored in asset management systems.

Once core asset management practices are achieved, the overall confidence scores should all be rated at a 'B' or 'A'. A minimum score of "C" for the data is required before it can be used for reliable forecasting purposes.

Table 13.2 indicates that for all data sources, the data confidence level for data used in the preparation of this AMP is assessed as between C and D confidence. This will be improved in the next five years so that more accurate asset renewal forecasting can be undertaken.

Table 13.1 Confidence grade data matrix

Grade	Title	Details
A	Highly reliable	Quantity - 95 -100% complete Age - less that 12 months old Collection method - best practice and consistent within the asset group and between other asset groups Usage - can be used for accurate forecasting
B	Reliable	Quantity - 80-95% complete Age - 1 - 2 years old Collection method - consistent within the asset group but not with other asset groups Usage - must be qualified if used for forecasting
C	Unreliable	Quantity - 60-80% complete Age - 2-5 years old Collection method – ad hoc Usage - must be qualified if used for forecasting and possibly require other scenarios to be modelled
D	Highly unreliable	Quantity - less than 60% complete Age - more than 5 years old Collection method - unknown Usage - should not be used for forecasting or reporting

Table 13.2: The Shire’s data confidence table

Service	Data confidence rating		
	Inventory and valuation	Condition	Overall Rating
Buildings	B	D	C
Park and Ovals	D	D	D
Recycled Water System (Utilities)	B	A	B
Roads	C	D	C
Footpaths	B	B	B
Drainage	D	D	D
Bridges	B	B	B
Car parks	C	C	C
Jetties	B	C	C
Airports	B	B	B
Other (boardwalk, platforms, signs)	B	B	B
Waste Management Services	C	C	C
Total	C	D	C



14. Skills and processes

National guidelines and best practice requires continuous improvement in asset management.

Currently available national and state programs include:

- ◆ Providing the Shire with 'whole of organisation' perspective and a best practice framework to enable continuous improvement of their asset management practices; and
- ◆ Developing and providing ongoing training programs for Councillors, senior management and officers on key asset management topics in partnership with peak bodies and agencies.

The following processes have been identified which will contribute to improved management of assets:

- ◆ The Shire will develop and document a formal process to annually review and update the Asset Management Improvement Strategy. Asset Management Plans and the Asset Management Improvement Strategy will be reviewed and updated annually.
- ◆ A Risk Management Framework needs to be further developed as the first stage. This is a significant exercise in itself, therefore the Asset Management Working Group will oversee the process, break it down into small tasks and

prioritise this in future revisions of the Asset Management Improvement Strategy.

- ◆ A formal process will be developed in the Asset Management Improvement Strategy to annually revise the asset renewal demand projections in the AMP and to update the Long Term Financial Plan.
- ◆ A formal process will be developed in the Asset Management Improvement Strategy to annually revise the Roles and Responsibilities Matrix and update the skills assessment gap in order to refine the ongoing training program for staff and Councillors.
- ◆ Analysis will be carried out to determine useful lives of assets in order to refine the Renewal Demand Model for future updates of the AMP and the LTFFP. The Shire will also transition to fair value.
- ◆ The Shire will further develop and document a formal process to collect and record asset data from new or modified assets, both built and contributed, as well as a formal process for the handover of new assets to asset custodians.



15. Monitoring and evaluation

This AMP will be reviewed during annual budget planning processes and amended to recognise 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 levels, 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 in 2016/2017.

The Western Australian Asset Management Improvement (WAAMI) program has been developed by the Western Australian Local Government Association (WALGA) to assist its member local governments with strategic asset management. WAAMI is available to all local governments across the State on a voluntary basis. As of the date of this report, over 60 Western Australian local governments had commenced the program.

The National Asset Management Assessment Framework (NAMAF) is a methodology for assessing the maturity of asset management practices and processes. Capacity building programs in each State, such as WAAMI, have been aligned with NAMAF to allow participating local governments to have detailed understanding about what is required to achieve each

element at both “Core” and “Advanced” levels under the National Sustainability Frameworks.

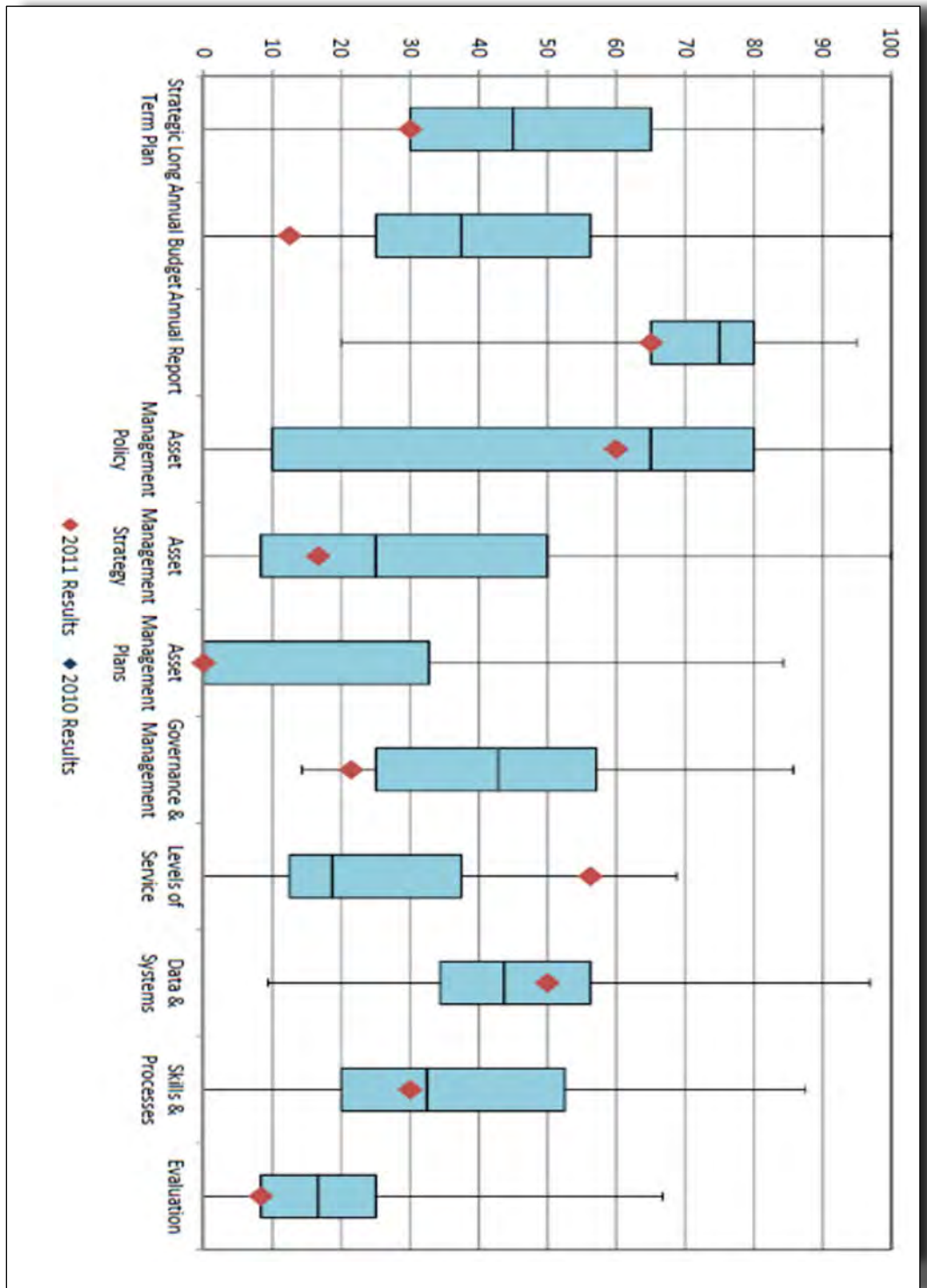
The Shire’s most recent NAMAF assessment was the starting point of the Asset Management Improvement Strategy.

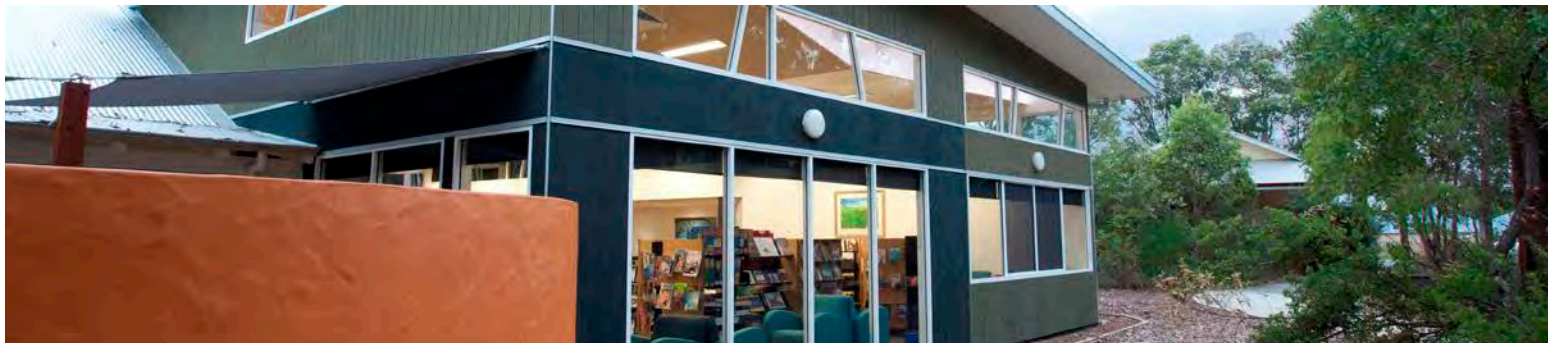
A system will be developed to evaluate and monitor asset management performance. This will include;

- ◆ Quarterly reporting to the Executive Leadership Team against progress of the Asset Management Improvement Strategy;
- ◆ Monitoring and reporting to the Executive Leadership Team in relation to Community and Technical levels of service; and
- ◆ Continued participation in the WAAMI Program with performance measured against the NAMAF Scorecard.

The Shire’s current status as measured against the NAMAF Scorecard in July 2012 is provided in Figure 15.1 Figure 15.1 illustrates the Shire’s position (red marker) in relation to the asset management elements inⁱⁱ comparison with similar local governments in WA (blue bars).

Figure 15.1: NAMA Scorecard





16. Improvement strategy and program

An overarching Asset Management Strategy has been developed to guide implementation of the Community Strategic Plan, Asset Management Policy and the Asset Management Plan.


An initial review of the Shire's asset management practices and systems will provide the future direction and guidance for improving asset management performance. Priority improvement areas involve the key asset management practice areas of:

- ◆ Risk management;
- ◆ Whole of life costs in investment decisions;
- ◆ Asset management plans;
- ◆ Long term financial planning;
- ◆ Risk management process;
- ◆ Sustainability reporting;
- ◆ Asset data maintenance;
- ◆ Service level definitions and delivery costs;
- ◆ Asset identification and recording;
- ◆ Asset management strategy;
- ◆ Asset management accountability and responsibilities;
- ◆ Future demand impacts;
- ◆ Asset condition data;
- ◆ Revaluation; and
- ◆ Reporting asset consumption.

No	Strategy	Desired outcome
1	Move from Annual Budgeting to Long Term Financial Planning	The long term implications of Council services are considered in annual budget deliberations.
2	Develop and annually review Asset Management Plans covering at least 10 years for all major asset classes.	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
3	Develop Long Term Financial Plan covering 10 years and incorporating AMP expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.
4	Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
5	Review and update the Asset Management Plan and the Long Term Financial Plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
6	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
7	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
8	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Services delivery is matched to available resources and operational capabilities.
9	Ensure responsibilities for asset management are identified and incorporated into employee position descriptions.	Responsibility for asset management is defined.
10	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies.	Improved financial and asset management capacity within Council.
11	Report six monthly to the Executive Leadership Team on development and implementation of the Asset Management Strategy, the Asset Management Plan and the Long Term Financial Plan.	Oversight of resource allocation and performance.

Part B: Current status of individual asset classes

Natural Connected Prosperous



“You cannot manage what you cannot measure”
Improving information about infrastructure assets will assist in improving the Shire’s infrastructure asset management.

1. Buildings

Objective	Ensure Shire building assets are maintained at an optimal safe and functional standard fit for purpose.																																																																
Asset Inventory	<table border="1"> <thead> <tr> <th></th> <th></th> <th>Number</th> </tr> </thead> <tbody> <tr> <td rowspan="14">Community Buildings</td> <td>Administration buildings</td> <td>2</td> </tr> <tr> <td>Works depot</td> <td>2</td> </tr> <tr> <td>Operational buildings</td> <td>15</td> </tr> <tr> <td>Libraries</td> <td>2</td> </tr> <tr> <td>Museum</td> <td>1</td> </tr> <tr> <td>Halls & clubs</td> <td>23</td> </tr> <tr> <td>Public amenities (Toilet blocks)</td> <td>23</td> </tr> <tr> <td>Emergency Services</td> <td>15</td> </tr> <tr> <td>Animal management facility</td> <td>1</td> </tr> <tr> <td>Other buildings</td> <td>21</td> </tr> <tr> <td>Bus shelters</td> <td>3</td> </tr> <tr> <td>Airport</td> <td>4</td> </tr> <tr> <td>Gloucester Park</td> <td>17</td> </tr> <tr> <td></td> <td>129</td> </tr> <tr> <td rowspan="3">Recreational Buildings</td> <td>Recreation centres</td> <td>2</td> </tr> <tr> <td>Aquatic Centres</td> <td>2</td> </tr> <tr> <td>Cultural Centre</td> <td>1</td> </tr> <tr> <td></td> <td>5</td> <td></td> </tr> <tr> <td rowspan="2">Waste Services Buildings</td> <td>Davis Road Tip</td> <td>5</td> </tr> <tr> <td>Transfer stations</td> <td>4</td> </tr> <tr> <td></td> <td>9</td> <td></td> </tr> <tr> <td rowspan="3">Caravan Park Buildings</td> <td>Turner Caravan Park</td> <td>7</td> </tr> <tr> <td>Flinders Bay Caravan Park</td> <td>5</td> </tr> <tr> <td>Alexandra Bridge Camping Ground</td> <td>1</td> </tr> <tr> <td></td> <td>13</td> <td></td> </tr> <tr> <td></td> <td colspan="2">Total number of Buildings = 156</td> </tr> </tbody> </table>				Number	Community Buildings	Administration buildings	2	Works depot	2	Operational buildings	15	Libraries	2	Museum	1	Halls & clubs	23	Public amenities (Toilet blocks)	23	Emergency Services	15	Animal management facility	1	Other buildings	21	Bus shelters	3	Airport	4	Gloucester Park	17		129	Recreational Buildings	Recreation centres	2	Aquatic Centres	2	Cultural Centre	1		5		Waste Services Buildings	Davis Road Tip	5	Transfer stations	4		9		Caravan Park Buildings	Turner Caravan Park	7	Flinders Bay Caravan Park	5	Alexandra Bridge Camping Ground	1		13			Total number of Buildings = 156	
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Waste Services Buildings	\$578,000																																																																
Total	\$100,591,042																																																																
Useful Life	<table border="1"> <tbody> <tr> <td>Long life structures</td> <td>65- 80 years</td> </tr> <tr> <td>Short life structures</td> <td>55-60 years</td> </tr> <tr> <td>Roof</td> <td>37-40 years</td> </tr> <tr> <td>Mechanical Services</td> <td>20-25 years</td> </tr> <tr> <td>Fit out</td> <td>27-30 years</td> </tr> </tbody> </table>		Long life structures	65- 80 years	Short life structures	55-60 years	Roof	37-40 years	Mechanical Services	20-25 years	Fit out	27-30 years																																																					
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Funding sources	Operations, maintenance and renewal activities are predominantly funded from general revenue with some opportunities for upgrades or new facilities from grant funding. Waste Services and Caravan Parks generate income to offset expenditure, while the Emergency Services Levy supports Emergency Services activities.																																																																



Level of Service

Community level of service

According to the 2010 and 2013 biannual survey the following percentage of customers were satisfied with Shire buildings:

Services	2010	2013
Public halls and meeting rooms	89.3%	90.1%
Public Amenities/toilets	57.7%	56.1%
Margaret River Cultural Centre	85.1%	83.0%
Margaret River & Augusta Libraries	91.2%	95.2%
Margaret River Recreation Centre	90.50%	90.0%
Augusta Recreation Centre	86.3%	83.5%
Caravan Parks – Turner, Flinders Bay and Alexandra Bridge	74.5%	77.2%

Technical level of service

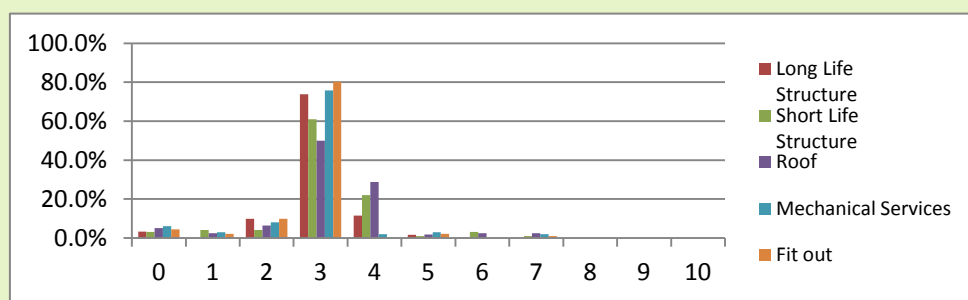
Activities	Annual average expenditure*
Operations	\$1,716,600
Maintenance	\$618,700
Renewal	\$733,600
New/Upgrade	\$1,409,200

*Estimates provided for in the LTFFP

Condition / Renewal Intervention

Long life structures and mechanics have been set at level 7 while short life structures, roof and fit out has been set to level 8. These intervention levels have to be revisited as they will differ depending on the importance of the building.

Current condition profile:



Forward works program

Operations and Maintenance Strategies

Operational activities include utilities, cleaning and security.

Maintenance activities include painting, servicing of air conditioners, fire extinguishers, pest control and repair work.

The Shire spends approximately \$1,716,600 on operations and \$618,700 on maintenance activities per year.

Renewal/ Replacement Strategies

Renewal includes refurbishment such as roof or fit out replacements.

The Shire spends approximately \$733,600 on renewal activities each year.

Over the next 4 years the following refurbishment projects may be considered:

- Public toilets at Colour patch
- Alexandra Bridge Hall
- Margaret River Scout Hall
- Margaret River Community Resource Centre
- Augusta Lesser Hall
- Witchcliffe CWA Hall
- Augusta Recreation Centre
- Duggan Pavilion, Cowaramup
- Pioneer Park and Cowaramup Hall public toilets
- Cowaramup Hall
- Ellis Street public toilets, Augusta
- Caravan Park Buildings
- Margaret River Recreation Centre
- Bushfire Brigade buildings

New and Upgrade Strategies	<p>Upgrading of buildings is necessary to address minimum legislative requirements and improve safety. The amount of work varies depending on grant funding but would be approximately \$1,409,200 annually.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Redevelopment of the Cultural Centre (Part renewal and part upgrade) • Animal Management Facility (Part renewal and part upgrade) • Augusta Library • Margaret River Recreation Centre(Part renewal and part upgrade) • Caravan Park Buildings • Shire Administration Offices, Augusta • Cowaramup Tennis Club • Ellis Street Public Toilets, Augusta • Margaret River Depot buildings • Gloucester Park Tennis Club Pavilion
Disposal Strategies	<p>No specific buildings have been identified for disposal. However, a full review of building utilisation is warranted.</p>
Funding ratio	<p>83% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$8,859,100 or \$885,900 per annum.</p> <p>Long term renewal requirement (indication of consumption) is \$1,997,200 per annum highlighting that the proposed level of service is not sustainable.</p>
Considerations	
Future Demand	<p>To be addressed in future revisions of the AMP.</p>
Challenges	<ul style="list-style-type: none"> • Detail assessment of the service is required to ensure services are sustainable as current practices are insufficient. • Improve inventory and condition information • Improve operations, maintenance and renewal strategies
Other plans to consider:	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • Community facilities' planning that identifies community recreation and social needs • Concept planning for the Town Centre, Margaret River foreshore, Gloucester Park (currently being finalised), and redevelopment of the Cultural Centre • Community Infrastructure Report (2013) • Community Facilities Plan 2008 (Syme Marmion & Co) • Community Development Plan 2008-2013 • Community Safety and Crime Prevention Plan 2007-2010 • Disability Access and Inclusion Plan 2010-2013 • Age Friendly Community Study 2009 • River Mouth to Gas Bay Foreshore Development Plan • Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) • Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC) • Capes Regional Arts and Cultural Facilities Needs Assessment (CAPEROC)
Data source and data rating assessment	<p>The Shire has been using several data sources but is now consolidating all building related information into the Synergy Soft Asset Management Module. Data confidence rating is an overall C with inventory rated at B due to recent valuations done by external valuers. Condition data is rated at a D. The Shire aims to conduct visual condition assessments of all its buildings in order to improve the information.</p>

2. Parks and Ovals

Objective	Ensure Shire parks and ovals are maintained at an optimal safe and functional standard fit for purpose.																																	
Asset Inventory	Park and Ovals inventory currently consists of infrastructure assets contained within a hierarchy of parks and ovals includes items such as courts, synthetic bowling greens, goal posts, cricket nets, cricket pitches, lighting, shade shelters, play equipment, skate parks, BBQ's, furniture, bins, water tanks, walls, paved areas, irrigation, drinking fountains and formal landscaping.																																	
Hierarchy	<table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> <th>Area (m2)</th> </tr> </thead> <tbody> <tr> <td>Play Equipment units</td> <td>94</td> <td></td> </tr> <tr> <td>Active Facilities: Gloucester Park grounds and fields, skate parks and other sport grounds.</td> <td>18</td> <td>628,818</td> </tr> <tr> <td>Other Facilities: Usually the grounds of Shire buildings that are maintained, such as Shire offices, library, halls, etc.</td> <td>35</td> <td>741,317</td> </tr> <tr> <td>Townsite Public Open Space: Higher order parks generally with an amenity block (e.g. Memorial Park, Rotary Park, Lions Park).</td> <td>18</td> <td>163,080</td> </tr> <tr> <td>Local Public Open Space (Play equipment): Manicured residential lower order parks with play equipment.</td> <td>16</td> <td>175,057</td> </tr> <tr> <td>Local Public Open Space (Developed): Manicured residential lower order parks without play equipment.</td> <td>38</td> <td>229,338</td> </tr> <tr> <td>Local Public Open Space (Undeveloped & Public Access Ways): Residential open space and Public access ways maintained at a lower level</td> <td>76</td> <td>800,177</td> </tr> <tr> <td>Rural Public Open Space: Usually larger parcels of land outside built up areas and may be roughly slashed, pruned or weed controlled if maintained at all</td> <td>26</td> <td>2,875,244</td> </tr> <tr> <td>Roadside Verges: Includes road verges, roundabouts and traffic islands maintained for amenity purposes and not for recreational purposes.</td> <td>58</td> <td>585,930</td> </tr> <tr> <td>Total parks and ovals</td> <td>285</td> <td>6,198,961</td> </tr> </tbody> </table> <p>The above does not account for undeveloped bush land that may require low levels of maintenance, such as slashing, pruning and weeding.</p> <p>A review of these categories is required to align with proposal of the Draft Public Open Space Strategy currently underway.</p>	Assets	Number	Area (m2)	Play Equipment units	94		Active Facilities: Gloucester Park grounds and fields, skate parks and other sport grounds.	18	628,818	Other Facilities: Usually the grounds of Shire buildings that are maintained, such as Shire offices, library, halls, etc.	35	741,317	Townsite Public Open Space: Higher order parks generally with an amenity block (e.g. Memorial Park, Rotary Park, Lions Park).	18	163,080	Local Public Open Space (Play equipment): Manicured residential lower order parks with play equipment.	16	175,057	Local Public Open Space (Developed): Manicured residential lower order parks without play equipment.	38	229,338	Local Public Open Space (Undeveloped & Public Access Ways): Residential open space and Public access ways maintained at a lower level	76	800,177	Rural Public Open Space: Usually larger parcels of land outside built up areas and may be roughly slashed, pruned or weed controlled if maintained at all	26	2,875,244	Roadside Verges: Includes road verges, roundabouts and traffic islands maintained for amenity purposes and not for recreational purposes.	58	585,930	Total parks and ovals	285	6,198,961
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Components	Parks and Ovals infrastructure assets are not currently divided into components.																																	
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Current Replacement Cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Play Equipment</td> <td>\$1,519,925</td> </tr> <tr> <td>Active Facilities/Grounds</td> <td>\$4,589,300</td> </tr> <tr> <td>Facilities</td> <td>\$1,189,222</td> </tr> <tr> <td>Townsite POS</td> <td>\$ 843,223</td> </tr> <tr> <td>Local POS (Play equipment)</td> <td>\$ 209,220</td> </tr> <tr> <td>Local POS (Developed)</td> <td>\$129,270</td> </tr> <tr> <td>Local POS (Undeveloped & PAWs)</td> <td>\$0</td> </tr> <tr> <td>Rural POS</td> <td>\$0</td> </tr> <tr> <td>Roadside Verges</td> <td>\$15,000</td> </tr> <tr> <td>Total Parks & Reserves</td> <td>\$8,495,160</td> </tr> </tbody> </table>	Assets	Replacement cost	Play Equipment	\$1,519,925	Active Facilities/Grounds	\$4,589,300	Facilities	\$1,189,222	Townsite POS	\$ 843,223	Local POS (Play equipment)	\$ 209,220	Local POS (Developed)	\$129,270	Local POS (Undeveloped & PAWs)	\$0	Rural POS	\$0	Roadside Verges	\$15,000	Total Parks & Reserves	\$8,495,160											
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Useful Life	Play equipment 12-15 years Other assets 40-50 years																																	
Funding sources	Operations, maintenance and renewal activities are predominantly funded through general revenue, while some opportunities exist for upgrade of assets through grant funding. The majority of new parks are provided through land developments and are donated to the Shire after a two year maintenance period.																																	



Level of Service

Community level of service

According to the 2010 and 2013 biannual survey, the following percentage of customers were satisfied with Shire parks and ovals:

Service	2010	2013
Maintenance of Parks/Gardens	83.3%	76.6%
Neighbourhood and local parks	81.5%	80.1%
Children's Playgrounds	81.8%	79.4%
Beaches and river foreshores	74.5%	76.0%
Sporting fields e.g. Gloucester Park, Cowaramup Oval, Augusta Oval etc.	92.0%	92.6%
Overall rating Public Open Space	80.9%	88.2%

Technical level of service

Activities	Average annual expenditure*
Operations	\$ 1,347,900
Maintenance	\$ 250,300
Renewal	\$ 185,000
New/Upgrade	\$ 345,000

*Estimates provided for in the LTFP

Condition / Renewal Intervention

Parks and assets	Intervention Level
Play Equipment	7
Active Facilities/Grounds	7
Other Facilities	7
Townsite POS	7
Local POS (Play equipment)	7.5
Local POS (Developed)	8
Local POS (Undeveloped & PAWs)	8
Rural POS	8
Roadside Verges	8

Due to limited information on parks and ovals asset condition information it was assumed that assets in this group have an average condition profile.

Forward works program	
Operations and Maintenance Strategies	<p>Operational activities include mowing, weeding, pruning and watering, utility costs, grave digging, fertilising, pest control, dead animal removal and litter control.</p> <p>Maintenance activities include repairs to irrigation, play equipment, fencing and turf maintenance.</p> <p>The Shire spends approximately \$1,347,900 on operations and \$250,300 on maintenance activities each year.</p>
Renewal/ Replacement Strategies	<p>Renewal includes rehabilitation or replacement of park infrastructure assets.</p> <p>The amount programmed for renewing parks are estimated to be \$185,000 on average over the next 10 years.</p> <p>Over the next 4 years the following projects are considered:</p> <ul style="list-style-type: none"> • Replacement of play equipment, shade structures and soffall • Replacement of park infrastructure at facilities, townsite POS and local POS • Renewal of Cemetery infrastructure
New and Upgrade Strategies	<p>Upgrade of parks is required to meet minimum standards and improve safety. Most new parks are provided by property developers through the land development process.</p> <p>The amount programmed for renewing parks is estimated to be \$ 345,000 on average over the next 10 years, but depends predominantly on grant funding.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Installing new irrigation systems • Installing new furniture and other infrastructure • Upgrade of playing fields and court • Upgrading and constructing new skate parks • Rationalising lawn areas and implementing water wise landscaping. • Upgrading of Margaret River Aquatic Centre's gardens • Tree planting • Completion of Surfer's Point project (part renewal) • Margaret River Town centre project (part renewal) • Implementation of Gloucester Park improvement program including expanding playing fields, upgrade of lighting, upgrading of main electricity supply and landscape improvements • Cemetery improvements • Ellis Street Reserve improvements
Disposal Strategies	No disposals are currently under consideration within the next 10 years.
Funding Ratio	<p>61% of projected renewals are currently funded in the LTFP.</p> <p>Projected renewal required over the next 10 years is \$3,054,000 or \$305,400 per annum.</p> <p>Long term renewal requirement (indication of consumption) is \$238,500.</p>
Considerations	
Future Demand	To be addressed in future revisions of the AMP after completion of the Public Open Space Strategy that is currently underway.
Challenges	<ul style="list-style-type: none"> • Improve inventory and condition information. • Documenting the level of service in order to manage the service sustainably.
Other plans to consider	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan. • Concept planning for the Town Centre, Foreshores of Margaret River, Gloucester Park (currently being finalised), and redevelopment of the Cultural Centre • Community Infrastructure Report (2013) • Community Safety and Crime Prevention Plan 2007-2010 • Disability Access and Inclusion Plan 2010-2013 • Age Friendly Community Study 2009 • River Mouth to Gas Bay Foreshore Development Concept Plan • Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) • Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC) • Various reserve management plans • AMRSC's Bushfire Risk Management Plan 2012-2017 and supporting documentation • Draft Public Open Space Strategy
Data source and data rating assessment	The Shire currently uses various data sources but a full inventory audit of park infrastructure is needed. Data confidence (inventory, valuation and condition information) for play equipment is rated B, while high order facilities are rated C, the remainder is rated D. Overall park information has a confidence rating of D.

3. Recycled Water System

Objective	Ensure Shire recycled water system assets are maintained at an optimal safe and functional standard fit for purpose.														
Asset Inventory	<p>The current inventory includes:</p> <table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Water Mains</td> <td>12.8 km</td> </tr> <tr> <td>Water Valves</td> <td>21</td> </tr> <tr> <td>Pump stations</td> <td>3</td> </tr> <tr> <td>Fencing</td> <td>140 m</td> </tr> <tr> <td>Water Tanks</td> <td>3</td> </tr> </tbody> </table>	Assets	Number	Water Mains	12.8 km	Water Valves	21	Pump stations	3	Fencing	140 m	Water Tanks	3		
Assets	Number														
Water Mains	12.8 km														
Water Valves	21														
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Hierarchy	N.A.														
Components	Recycled water system infrastructure assets are not currently divided into components.														
Financial summary															
Current Replacement Cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Water Mains</td> <td>\$2,520,050</td> </tr> <tr> <td>Water Valves</td> <td>\$15,750</td> </tr> <tr> <td>Pump stations</td> <td>\$68,000</td> </tr> <tr> <td>Fencing</td> <td>\$4,200</td> </tr> <tr> <td>Water Tanks</td> <td>\$42,000</td> </tr> <tr> <td>Total Recycled Water*</td> <td>\$2,650,000</td> </tr> </tbody> </table> <p>*Estimate based on GIS inventory and available unit rates.</p>	Assets	Replacement cost	Water Mains	\$2,520,050	Water Valves	\$15,750	Pump stations	\$68,000	Fencing	\$4,200	Water Tanks	\$42,000	Total Recycled Water*	\$2,650,000
Assets	Replacement cost														
Water Mains	\$2,520,050														
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Total Recycled Water*	\$2,650,000														
Useful Life	<p>Water Mains 57-70 years Water Valves 49-60 years Pump Station 41-50 years Fencing 20-25 years Water Tanks 32-40 years</p>														
Funding sources	Operations, maintenance and renewal activities are predominantly funded through general revenue, with some opportunities for new/upgrade activities funded through grants.														
Level of Service															
Community level of service	<p>According to the 2010 and 2013 biannual survey the following percentage of customers were satisfied with Shire parks and ovals:</p> <table border="1"> <thead> <tr> <th>Services</th> <th>2010</th> <th>2013</th> </tr> </thead> <tbody> <tr> <td>Water conservation & recycling</td> <td>79.8%</td> <td>72.0%</td> </tr> </tbody> </table>	Services	2010	2013	Water conservation & recycling	79.8%	72.0%								
Services	2010	2013													
Water conservation & recycling	79.8%	72.0%													
Technical level of service	<table border="1"> <thead> <tr> <th>Activities</th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>\$20,800</td> </tr> <tr> <td>Maintenance</td> <td>\$31,100</td> </tr> <tr> <td>Renewal</td> <td>0</td> </tr> <tr> <td>New/Upgrade</td> <td>\$16,000</td> </tr> </tbody> </table> <p>*Estimates provided for in the LTFP</p>	Activities	Annual average expenditure*	Operations	\$20,800	Maintenance	\$31,100	Renewal	0	New/Upgrade	\$16,000				
Activities	Annual average expenditure*														
Operations	\$20,800														
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New/Upgrade	\$16,000														
Condition / Renewal Intervention	Intervention is set at level 7 and all infrastructure is considered new (condition level 0). No renewals are projected to be required in the next 10 years.														
Forward works program															
Operations and Maintenance Strategies	<p>Operational activities include inspections, utilities and chemicals. Maintenance activities include servicing of pumps and repairs.</p> <p>The Shire spends approximately \$20,800 on operations and \$31,100 on maintenance activities each year.</p>														
Renewal/ Replacement Strategies	Renewal includes replacing parts of the system. As the system is less than 5 years old no renewals are planned over the next 4 years.														

Margaret River Water Recycling

A sustainable water supply, enhancing the quality of the Margaret River and the future amenity of parks, ovals and recreational facilities in Margaret River.



Scheme Facts

- Will deliver 11.1 million litres of water to the parks, ovals and golf course during the summer period.
- Saves the same amount of water being pumped from the Margaret River and ground water for irrigation, increasing environmental flows.
- With existing pumps and pipes the Scheme has the capacity to expand to 540 million litres per annum as the town grows.



This Park is Irrigated with Recycled Water. Avoid Contact. DO NOT DRINK.

Pipeline Facts

- There is 11.8km of pipeline from the Water Corporation treatment plant to irrigation sites.
- It ranges in diameter from 280mm down to 100mm.
- The pipe line is fitted with "piggybackers" which allow it to be cleaned by inserting a foam ball called a "pig" at the start of each section. The "pig" is then pushed through the pipe by water pressure and it scours clean the pipe as it travels along.

Irrigation Facts

- Each site has its own storage tank, ranging from 45,000 litres to 1,600,000 litres. There are seven storage tank sites.
- Each site has its own pumps and recirculation system to deliver a total of 6.6 million litres per week to the sites.
- Pumps operate automatically at night, only to minimise the risk of public contact with treated water.
- The Scheme will water 1 golf course, 7 ovals and 15 parks & gardens.

Water Quality Facts

- The water has primary, secondary and tertiary treatment before leaving the Waste water treatment system.
- Water is stored at the treatment plant site in a large dam for up to 1 year before being reused, further improving water quality.
- Water is dosed with chlorine before leaving site to ensure a health standard.
- The water meets Department of Health standards for irrigation water, which are less than potable quality but safe for use on lawns and gardens.
- Water has low nutrient levels and nutrients in the water are absorbed by plants, supplementing fertilizer application.



New and Upgrade Strategies	Over the next 4 years the installation of a new chlorination facility is proposed to allow the water to be used more widely. Currently the recycled water system delivers water to parks and reserves. Land developments in Witchcliffe and Gracetown will donate additional recycled water infrastructure that will deliver treated wastewater to residential properties. These remote systems will be operated on a user pay bases.
Disposal Strategies	No disposals are currently under consideration within the next 10 years.
Funding ratio	No renewal is projected for the next 10 years. Long term renewal requirement (indication of consumption) is \$38,800 per annum.
Considerations	
Future Demand	To be addressed in future revisions of the AMP.
Challenges	<ul style="list-style-type: none"> • Improve on inventory and condition information • Improve on renewal strategies • Document level of service
Other plans to consider	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • District Water Management Strategy for Margaret River - identifies water management for future growth areas, including preferred approaches for drainage, potable water supply and the extension of the treated wastewater scheme into new growth areas • Gracetown Facilities Plan (LandCorp) including Gracetown Development Project: Phase 1 Sustainable Water and Wastewater Services (Aug 2007) by GHD • Witchcliffe Water Services Business Plan (Jan 2011)
Data source and data rating assessment	The Shire currently uses various data sources but a full inventory audit of recycled waste water system infrastructure is required. The recycled water system is captured in a geographic information system (GIS). The confidence rating for information is overall rated at B.

4. Roads

Objective	Ensure Shire road assets are maintained at an optimal safe and functional standard fit for purpose.																																																										
Asset Inventory	The road network within the Shire is provided in partnership with Main Roads WA and the Department of Environment and Conservation. The roads under Shire control consist of 504 km of sealed roads and 394 km of unsealed roads. Main Roads WA manages Bussell Highway, Caves Road, Brockman Highway and Sues Road. The Department of Environment and Conservation (DEC) manages roads within National Parks and Forestry Reserves.																																																										
Hierarchy	Roads are classified according to their hierarchical function as regional distributors, local distributor or access roads.																																																										
	<table border="1"> <thead> <tr> <th>Assets</th> <th colspan="3">Length (km)</th> </tr> </thead> <tbody> <tr> <td>Sealed Roads</td> <td colspan="3"></td> </tr> <tr> <td>Regional Distributor</td> <td></td> <td></td> <td>66.6</td> </tr> <tr> <td>Local Distributor</td> <td></td> <td></td> <td>145.7</td> </tr> <tr> <td>Access Roads</td> <td></td> <td></td> <td>291.7</td> </tr> <tr> <td>Unsealed Roads</td> <td colspan="3"></td> </tr> <tr> <td>Regional Distributor</td> <td></td> <td></td> <td>0</td> </tr> <tr> <td>Local Distributor</td> <td></td> <td></td> <td>28.7</td> </tr> <tr> <td>Access Roads</td> <td></td> <td></td> <td>365.3</td> </tr> <tr> <td>Total road length</td> <td></td> <td></td> <td>898.0</td> </tr> </tbody> </table>				Assets	Length (km)			Sealed Roads				Regional Distributor			66.6	Local Distributor			145.7	Access Roads			291.7	Unsealed Roads				Regional Distributor			0	Local Distributor			28.7	Access Roads			365.3	Total road length			898.0															
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Forward works program	
Operations and Maintenance Strategies	<p>Operational activities include street sweeping, tree pruning, dangerous tree removal, verge spraying, storm damage clean-up and vehicle accident clean up.</p> <p>Maintenance activities include pothole patching, edge repairs and grading gravel roads.</p> <p>The Shire spends approximately \$485,900 on operations and \$984,600 on maintenance each year.</p>
Renewal/ Replacement Strategies	<p>Renewal includes resealing of spray sealed roads; asphalt overlays on urban roads; reshouldering of sealed roads and kerb replacements. On unsealed roads this would involve resheeting of roads.</p> <p>Full reconstruction of roads is only conducted if no low cost rehabilitation is possible.</p> <p>The Shire spends approximately \$1,712,100 on renewal activities each year. Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Fisher Road reseal • Scott River Road resheeting • Carters Road stabilisation and resurfacing • Rosa Brook Road stabilisation and resurfacing • Blackwood Avenue reconstruction • Leeuwin Road reconstruction • Osmington Road rehabilitation • Various other resealing • Various reshouldering • Various gravel road resheeting • Kerb replacement

New and Upgrade Strategies	<p>Upgrading of some roads is necessary to address minimum road standards and improve safety. Most new roads are provided by property developers through the land development process. The sealing of unsealed roads is also considered to be an upgrade of infrastructure.</p> <p>The amount of work varies depending on grant funding but would be approximately \$1,011,000 annually.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Reconstruction and widening of Fisher Road • Reconstruction and realignment of Leeuwin Road • Construction of John Archibald Road • Ellenbrook Road widening • Sealing of Wallis and Boronia Roads • Upgrading of Treeton Road/Clayton Road intersection • Wallcliffe Road upgrade/streetscape
Disposal Strategies	<p>Permanent road closures are conducted when required and are addressed on individual merits according to Council Policy. No disposals have been provided for in this AMP or in the LTFP.</p>
Funding ratio	<p>74% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$ 23,172,700 or \$ 2,317,300 per annum.</p> <p>Long term renewal requirement (indicator of consumption) is \$2,848,400 per annum highlighting that the proposed level of service is not sustainable.</p>
Considerations	
Future Demand	<p>Varying amounts of roads are donated to the Shire each year as a result of land developments.</p> <p>Future demand for road assets will come primarily from population growth and to promote economic growth of the region. Road infrastructure is provided in new subdivisions (residential, industrial or commercial) as a condition of the development process. . Future demand in new subdivisions is primarily a consideration for future maintenance and renewal programs. Future demand may also come from community expectations for improved services, such as sealing unsealed roads or increasing road maintenance. Roads provide a vital service within the community and the local economy and therefore it is important to provide and properly maintain the necessary infrastructure. As the Shire's road network grows, additional resources need to be allocated to maintain and renew the additional road length.</p>
Challenges	<ul style="list-style-type: none"> • Improving data confidence rating by improving inventory information and conducting regular condition assessments. • Improving renewal strategies and prioritise allocation of limited resources.
Other plans to consider:	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan. • An Integrated Transport Strategy for Margaret River (May 2012) that identifies parking issues and solutions, major improvements required to the transport network, pedestrian network improvements, and initiatives to encourage modal shift. • Roads 2025 Regional Road Development Strategy - South West (Currently under review) • Concept planning for the Town Centre, Margaret River foreshores, Gloucester Park (currently being finalised), and redevelopment of the Cultural Centre. • Community Safety and Crime Prevention Plan 2007-2010. • Disability Access and Inclusion Plan 2010-2013. • Age Friendly Community Study 2009.
Data source and data rating assessment	<p>The ROMAN II Road pavement management system used for road inventory is rated C while condition information is rated at a level D (not suitable for projections).</p> <p>The Shire aims to conduct visual condition assessments of 20% of its network each year in order to improve the information.</p>

5. Drainage

Objective	Ensure shire drainage infrastructure assets are maintained at an optimal safe and functional standard fit for purpose.		
Asset Inventory	The inventory currently consist of:		
	Assets	Number	
	Culverts	1,400	
	Pits	5,106	
	Pipes	127,027 m	
	Future inventories will include bio-retention basins and other drainage structures maintained as part of stormwater control.		
Hierarchy	N.A.		
Components	Components of drainage currently include culverts, pits and pipes.		
Financial summary			
Current Replacement Cost	Assets	Replacement cost	
	Culverts	\$7,000,000	
	Pits	\$10,212,000	
	Pipes	\$15,243,269	
	Total Drainage	\$32,455,269	
Useful Life	Culverts, pipes and pits	73-90 years	
Funding sources	Operation, maintenance and renewal activities are predominantly funded through general revenue, while some opportunities exist for upgrade of assets through grant funding.		
Level of Service			
Community level of service	According to the 2010 and 2013 biannual survey the following percentage of customers were satisfied with Shire drainage and stormwater control:		
	Service	2010	2013
	Drainage and stormwater control	77.0%	69.2%
Technical level of service	Activities	Annual average expenditure*	
	Operations	\$29,700	
	Maintenance	\$225,600	
	Renewal	\$182,100	
	New/Upgrade	\$148,700	
	*Estimates according to LTFP		
Condition / Renewal Intervention	Intervention is set at level 7 and an above average condition profile has been assumed.		
Forward works program			
Operations and Maintenance Strategies	Operational activities include gully eduction, while maintenance activities include urban and rural drainage repairs. The Shire spends approximately \$29,700 on operations and \$225,600 on maintenance of drainage each year.		
Renewal/ Replacement Strategies	The Shire spends approximately \$182,100 on renewal each year. Over the next 4 years the following projects are considered: <ul style="list-style-type: none"> • Rural Drainage renewal program : <ul style="list-style-type: none"> ○ Osmington Road - replace failed flush joint pipes ○ Warner Glenn Road - replace failed flush joint pipes and headwall replacement ○ Wallcliffe Road - replace failed flush joint pipes ○ Glenarty Road - replace failed flush joint pipes ○ Carters Road - replace failed flush joint pipes • Urban Drainage renewal program: <ul style="list-style-type: none"> ○ Margaret River CBD drainage ○ Margaret River Bioretention Basin ○ Local industrial areas, Ned Higgins Lane, flood prone areas 		

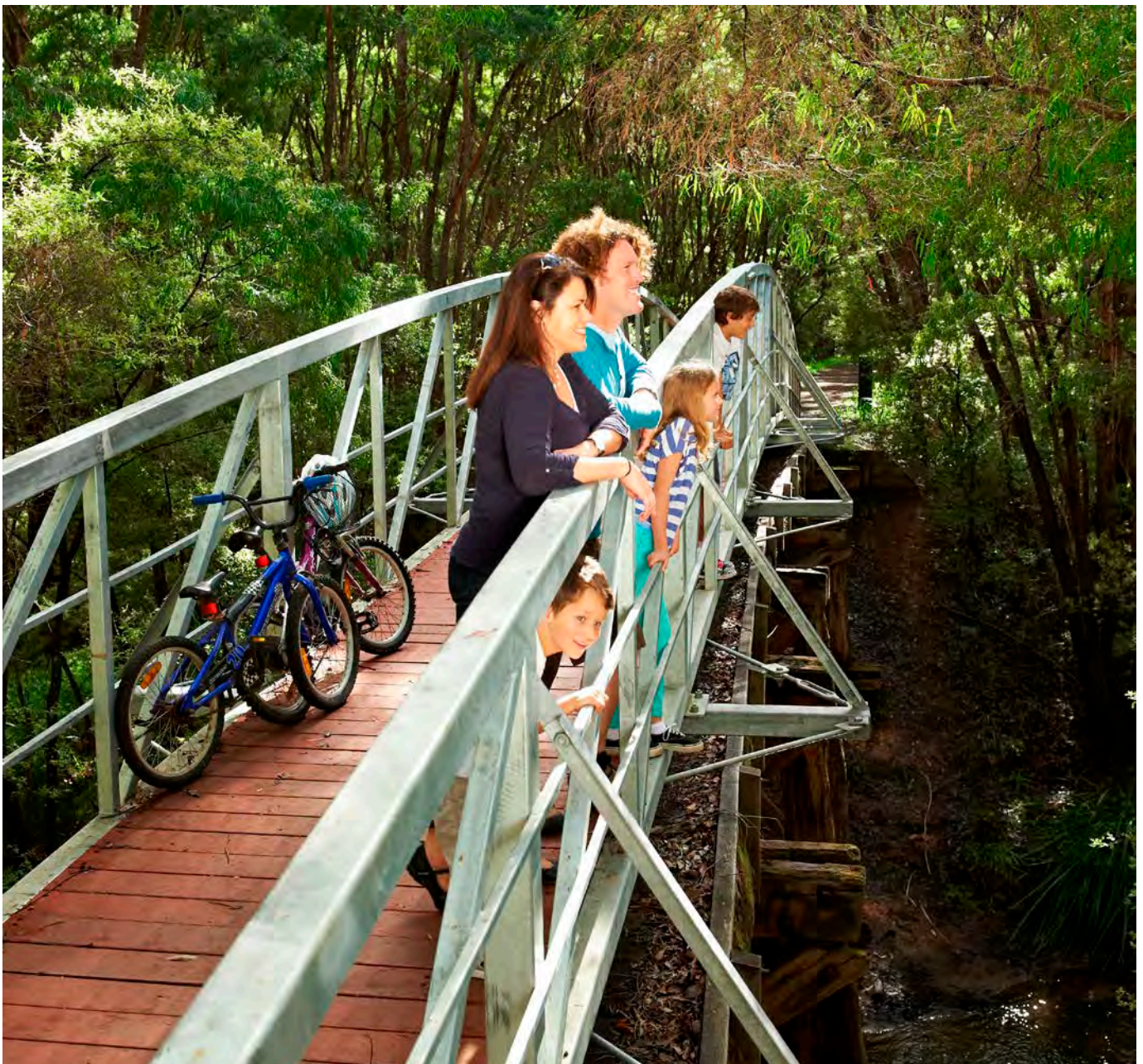


<p>New and Upgrade Strategies</p>	<p>Upgrade of drainage is required to address flooding issues. Most new drainage is provided through land developments by contributions from developers.</p> <p>The amount of new and upgrade work varies depending on funding but would be approximately \$148,700 annually.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Margaret River Town centre • Cowaramup main street drainage • Burton Road drainage upgrade (Margaret River local industrial areas) • LeSouef Street interallotment drainage (part land owner funded) • Gracetown - implement recommendations of future drainage study • Margaret River local industrial areas - implement recommendations of future drainage study • Prevelly - implement recommendations of future drainage study • Augusta townsite - implement recommendations of future drainage study. • Augusta local industrial areas - implement recommendations of future drainage study • Clarke Road (Margaret River) - culvert upgrade <p>Most of these projects also include a renewal component.</p>
<p>Disposal Strategies</p>	<p>No disposals are currently under consideration within the next 10 years.</p>
<p>Funding ratio</p>	<p>45% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$4,057,100 or \$405,700 per annum.</p> <p>Long term renewal requirement (indicator of consumption) is \$360,600 per annum highlighting that the proposed level of service is not sustainable.</p>
<p>Considerations</p>	
<p>Future Demand</p>	<p>To be addressed in future revisions of the AMP.</p>
<p>Challenges</p>	<ul style="list-style-type: none"> • Improve inventory information • Improve renewal strategies • Document level of services in order to prioritise limited resources
<p>Other plans to consider</p>	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • A District Water Management Strategy for Margaret River that identifies water management for future growth areas, including preferred approaches for drainage, potable water supply and the extension of the treated wastewater scheme into new growth areas
<p>Data source and data rating assessment</p>	<p>The confidence rating of the drainage inventory and condition information is rated D. The Shire is in the process of applying D-spec specifications in order to standardise its drainage inventory within its GIS. This will assist with updating information from donated and newly constructed infrastructure assets.</p>

6. Bridges

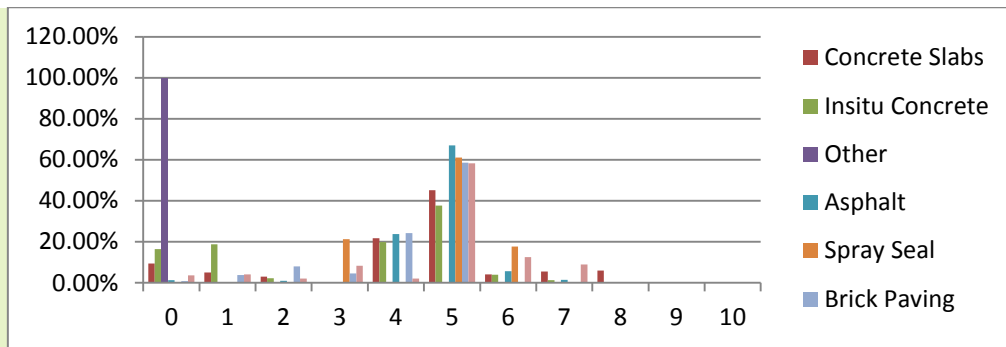
Objective	Ensure Shire bridges assets are maintained at an optimal safe and functional standard fit for purpose in partnership with Main Roads Western Australia (MRWA).												
Asset Inventory	The inventory comprises of: <table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> <th>Length (m)</th> <th>Area (m2)</th> </tr> </thead> <tbody> <tr> <td>Bridges Roads</td> <td>18</td> <td>348</td> <td>2266</td> </tr> <tr> <td>Bridges Pedestrian</td> <td>8</td> <td>187</td> <td>335</td> </tr> </tbody> </table>	Assets	Number	Length (m)	Area (m2)	Bridges Roads	18	348	2266	Bridges Pedestrian	8	187	335
Assets	Number	Length (m)	Area (m2)										
Bridges Roads	18	348	2266										
Bridges Pedestrian	8	187	335										
Hierarchy	Linked to the hierarchy of the road on which it is located.												
Components	Bridge infrastructure assets are not currently divided into components.												
Financial summary													
Current Replacement Cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Bridges Roads</td> <td>\$18,125,254</td> </tr> <tr> <td>Bridges Pedestrian</td> <td>\$ 2,678,541</td> </tr> <tr> <td>Total</td> <td>\$20,803,795</td> </tr> </tbody> </table>	Assets	Replacement cost	Bridges Roads	\$18,125,254	Bridges Pedestrian	\$ 2,678,541	Total	\$20,803,795				
Assets	Replacement cost												
Bridges Roads	\$18,125,254												
Bridges Pedestrian	\$ 2,678,541												
Total	\$20,803,795												
Useful Life	Bridges 62-70 years												
Funding sources	Operations and maintenance activities are predominantly funded from general revenue, while renewal and upgrade activities are funded with financial support from the federal government.												
Level of Service													
Community level of service	Not surveyed separately from roads – refer to information for roads.												
Technical level of service	<table border="1"> <thead> <tr> <th>Activities</th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>\$1,200</td> </tr> <tr> <td>Maintenance</td> <td>\$71,400</td> </tr> <tr> <td>Renewal</td> <td>\$218,000</td> </tr> <tr> <td>New/Upgrade</td> <td>0</td> </tr> </tbody> </table> <p>*Estimates according to LTFP.</p>	Activities	Annual average expenditure*	Operations	\$1,200	Maintenance	\$71,400	Renewal	\$218,000	New/Upgrade	0		
Activities	Annual average expenditure*												
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New/Upgrade	0												
Condition / Renewal Intervention	Intervention is set at level 7 and a good condition profile is assumed for road bridges, while an average condition profile is assumed for pedestrian bridges.												
Forward works program													
Operations and Maintenance Strategies	Operational activities include inspecting bridges, while maintenance activities include routine maintenance and repairs. The Shire spends approximately \$1,200 on operations and \$71,400 on maintenance each year. Maintenance strategies are determined in close consultation with MRWA.												
Renewal/ Replacement Strategies	Renewal includes replacing bridge components. The Shire spends approximately \$218,000 on renewal each year. Over the next 4 years the following projects are considered: <ul style="list-style-type: none"> • Treeton Road (Bridge 3228A) • Stevens Road (Bridge 3252A) • Carbunup South Road Bridge • Carters Road Bridge • Rail trail (Bridge 9293) over Margaret River Renewal strategies are determined in close consultation with MRWA.												
New and Upgrade Strategies	No upgrading of bridges is considered within the next 10 years.												
Disposal Strategies	No disposals are currently under consideration within the next 10 years.												
Funding ratio	64% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$3,426,500 or \$342,700 per annum. Long term renewal requirement (indicator of consumption) is \$297,200 per annum.												

	Considerations.
Future Demand	To be addressed in future revisions of the AMP.
Challenges	<ul style="list-style-type: none"> • Improve inventory • Document and record regular inspections • Improve renewal strategies in consultation with MRWA
Other plans to consider	<ul style="list-style-type: none"> • MRWA 10 year bridge program (updated annually) • Busselton to Flinders Bay Rail Trail Development Plan 2013
Data source and data rating assessment	Data confidence rating is an overall B. The majority of information is sourced from MRWA who undertake regular inspections of road bridges.



7. Footpaths

Objective	Ensure Shire footpaths are maintained at an optimal safe and functional standard fit for purpose.																													
Asset inventory	<table border="1"> <thead> <tr> <th>Footpath material</th> <th>Length (m)</th> <th>Area (m²)</th> </tr> </thead> <tbody> <tr> <td>Concrete Slabs/block pavers</td> <td>4,230</td> <td>8,656</td> </tr> <tr> <td>Concrete</td> <td>55,061</td> <td>113,224</td> </tr> <tr> <td>Asphalt</td> <td>15,099</td> <td>32,444</td> </tr> <tr> <td>Spray Seal</td> <td>531</td> <td>1,128</td> </tr> <tr> <td>Brick Paving</td> <td>4,945</td> <td>13,667</td> </tr> <tr> <td>Gravel</td> <td>28,752</td> <td>65,812</td> </tr> <tr> <td>Other</td> <td>187</td> <td>700</td> </tr> <tr> <td>Total Pathways</td> <td>108,805</td> <td>235,630</td> </tr> </tbody> </table>	Footpath material	Length (m)	Area (m ²)	Concrete Slabs/block pavers	4,230	8,656	Concrete	55,061	113,224	Asphalt	15,099	32,444	Spray Seal	531	1,128	Brick Paving	4,945	13,667	Gravel	28,752	65,812	Other	187	700	Total Pathways	108,805	235,630		
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Total Pathways	108,805	235,630																												
Hierarchy	Surrounding land use is used as an indicator of pedestrian traffic volume and the user profile to prioritise projects.																													
Components	Footpaths are not currently divided into components.																													
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Current replacement cost	<table border="1"> <thead> <tr> <th>Footpath material</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Concrete Slabs/block pavers</td> <td>\$722,501</td> </tr> <tr> <td>Concrete</td> <td>\$11,047,229</td> </tr> <tr> <td>Asphalt</td> <td>\$101,335</td> </tr> <tr> <td>Spray Seal</td> <td>\$1,376,259</td> </tr> <tr> <td>Brick Paving</td> <td>\$16,919</td> </tr> <tr> <td>Gravel</td> <td>\$1,383,129</td> </tr> <tr> <td>Other</td> <td>\$1,694,984</td> </tr> <tr> <td>Total Pathways</td> <td>\$16,342,356</td> </tr> </tbody> </table>	Footpath material	Replacement cost	Concrete Slabs/block pavers	\$722,501	Concrete	\$11,047,229	Asphalt	\$101,335	Spray Seal	\$1,376,259	Brick Paving	\$16,919	Gravel	\$1,383,129	Other	\$1,694,984	Total Pathways	\$16,342,356											
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	*Estimates according to LTFP																													
Condition / Renewal intervention	Intervention are set for the various material types:																													
	<table border="1"> <thead> <tr> <th>Footpath material</th> <th>Intervention level</th> </tr> </thead> <tbody> <tr> <td>Concrete Slabs/block pavers</td> <td>7.5</td> </tr> <tr> <td>Concrete</td> <td>7.5</td> </tr> <tr> <td>Asphalt</td> <td>7.5</td> </tr> <tr> <td>Spray Seal</td> <td>8</td> </tr> <tr> <td>Brick Paving</td> <td>7</td> </tr> <tr> <td>Gravel</td> <td>8</td> </tr> <tr> <td>Other</td> <td>8</td> </tr> <tr> <td>Total Pathways</td> <td>7.5</td> </tr> </tbody> </table>	Footpath material	Intervention level	Concrete Slabs/block pavers	7.5	Concrete	7.5	Asphalt	7.5	Spray Seal	8	Brick Paving	7	Gravel	8	Other	8	Total Pathways	7.5											
Footpath material	Intervention level																													
Concrete Slabs/block pavers	7.5																													
Concrete	7.5																													
Asphalt	7.5																													
Spray Seal	8																													
Brick Paving	7																													
Gravel	8																													
Other	8																													
Total Pathways	7.5																													
	Condition Profile:																													



Forward works program

Operations and maintenance strategies	<p>Operational activities include inspecting and sweeping footpaths. Maintenance activities include repairing footpaths.</p> <p>The Shire spends approximately \$13,300 on operations and \$58,100 on maintenance each year.</p>
Renewal/replacement strategies	<p>Renewal includes replacing sections of footpaths.</p> <p>The Shire spends approximately \$371,500 on renewal each year.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Wallcliffe Road - Farrelly Street to Fearn Avenue • Wallcliffe Road cycle path - From Railway Terrace to the coast • Forrest Avenue - Bussell Highway to Georgette Road on the south side • Blackwood Avenue, Augusta - various sections from Bussell Highway to Leeuwin Road • Mitchell Drive, Prevelly - Surfers Point Road to Wallcliffe Road • Bussell Highway, Cowaramup - town centre • Bayview Drive/Salter Street, Gracetown • Georgette Road on the west side - old spray seal path replacement • Townview Terrace - Willmott Avenue to Churchill Avenue
New and upgrade strategies	<p>The amount of new/upgrade work depends on grant funding but would be approximately \$932,600 annually when the Rail Trail project (valued at \$7.5 M over the next 10 years) is included. If this project is excluded the amount of new/upgrade work is estimated at \$182,600 annually.</p> <p>Over the next 4 years the following projects are considered:</p> <ul style="list-style-type: none"> • Bovell Avenue (Margaret River) • Bussell Hwy (Margaret River) - link to Education Centre • Path to Prevelly Beach (opposite Georgette) • Rails to Trails - Cowaramup to Augusta • Margaret River trail - Caves Road to River Mouth • Margaret River trail - Rotary Park to Caves Road • Allnut Terrace (Augusta) - adjacent to Primary School • Green Street (Augusta) - Bussell Highway to Ewing Street • Flinders Bay to Cape Leeuwin Lighthouse trail • Apex Park - universal access path • Colour Patch foreshore (Near Turner Caravan Park) - path link • Gloucester Park internal pathways • Rotary Trail south shore walkway
Disposal strategies	<p>No disposals are currently under consideration within the next 10 years.</p>
Funding ratio	<p>73% of projected renewals are currently funded in the LTFP.</p> <p>Projected renewal required over the next 10 years is or \$5,073,600 or \$507,400 per annum.</p> <p>Long term renewal requirement (indicator of consumption) is \$324,900 per annum.</p>

Considerations	
Future Demand	To be addressed in future revisions of the AMP after completion of the review of the 2004 Path Plan.
Challenges	<ul style="list-style-type: none"> • Improve inventory and condition information • Improve renewal strategies • Document level of services in more detail
Other plans to consider	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • An Integrated Transport Strategy for Margaret River (May 2012) that identifies parking issues and solutions, major improvements required to the transport network, pedestrian network improvements, and initiatives to encourage modal shift • Community Infrastructure Report (2013) • Concept planning for the Town Centre, Foreshores of Margaret River, Gloucester Park (currently being finalised), and redevelopment of the Cultural Centre • Community Facilities Plan 2008 (Syme Marmion & Co) • Community Development Plan 2008-2013 • Community Safety and Crime Prevention Plan 2007-2010 • Disability Access and Inclusion Plan 2010-2013 • Age Friendly Community Study 2009 • River Mouth to Gas Bay Foreshore Development Concept Plan • Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) • Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC) • Capes Regional Arts and Cultural Facilities Needs Assessment (CAPEROC) • Path Plan 2004 (to be reviewed in 2013/14) • Busselton to Flinders Bay Rail Trail Development Plan 2013
Data source and data rating assessment	<p>Data confidence rating is an overall B.</p> <p>The Shire aims to conduct visual condition assessments of all its footpaths in order to improve the information.</p>



8. Car parks

Objective	Ensure Shire car park assets are maintained at an optimal safe and functional standard fit for purpose.											
Asset inventory	<table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Car parks-sealed</td> <td>43</td> </tr> <tr> <td>Car parks-unsealed (Gravel)</td> <td>10</td> </tr> </tbody> </table>	Assets	Number	Car parks-sealed	43	Car parks-unsealed (Gravel)	10					
Assets	Number											
Car parks-sealed	43											
Car parks-unsealed (Gravel)	10											
Hierarchy	No hierarchy is currently applied.											
Components	Car parks are not currently divided into components.											
Financial summary												
Current replacement cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Car parks-sealed</td> <td>\$2,006,853</td> </tr> <tr> <td>Car parks-unsealed</td> <td>\$737,514</td> </tr> <tr> <td>Total</td> <td>\$2,744,367</td> </tr> </tbody> </table>	Assets	Replacement cost	Car parks-sealed	\$2,006,853	Car parks-unsealed	\$737,514	Total	\$2,744,367			
Assets	Replacement cost											
Car parks-sealed	\$2,006,853											
Car parks-unsealed	\$737,514											
Total	\$2,744,367											
Useful life	Sealed car parks	52-55 years										
	Unsealed car parks	52-55 years										
Funding sources	Operations, maintenance and renewal activities are predominantly funded from general revenue with some opportunities for upgrades or new facilities from grant funding.											
Level of Service												
Community level of service	Not surveyed separately. According to the 2010 biannual survey 77.4% of customers were satisfied with how the Shire controlled existing car parking. This decrease very slightly to 77.3% in the 2013 survey.											
Technical level of service	<table border="1"> <thead> <tr> <th>Activities</th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>0</td> </tr> <tr> <td>Maintenance</td> <td>\$28,300</td> </tr> <tr> <td>Renewal</td> <td>\$40,222</td> </tr> <tr> <td>New/Upgrade</td> <td>\$338,500</td> </tr> </tbody> </table>	Activities	Annual average expenditure*	Operations	0	Maintenance	\$28,300	Renewal	\$40,222	New/Upgrade	\$338,500	
Activities	Annual average expenditure*											
Operations	0											
Maintenance	\$28,300											
Renewal	\$40,222											
New/Upgrade	\$338,500											
	*Estimates according to LTFP											
Condition / renewal intervention	Intervention is set at level 8 and an above average condition profile is assumed for sealed car parks, while a good condition profile is assumed for unsealed car parks.											
Forward works program												
Operations and maintenance strategies	<p>No operational activities are currently associated with car parks. Maintenance activities include various repairs.</p> <p>The Shire spends approximately \$28,300 on maintenance each year.</p>											
Renewal/ replacement strategies	<p>Renewal includes resealing of sealed car parks; kerb replacements and resheeting of the gravel surface in unsealed car parks. In some cases a full reconstruction may be warranted.</p> <p>The Shire spends approximately \$40,222 on renewal each year.</p> <p>Over the next 4 years this will include the completion of the car park at Surfers Point and Rivermouth (part renewal and upgrade).</p>											
New and upgrade strategies	<p>The amount of work varies depending on grant funding but would be approximately \$338,500 each year.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Augusta streetscape improvements including parking bays • Wallcliffe Road car park (in front of Skate Park) • Gracetown Main Beach - seal and formalise car park • Surfers Point project completion • Gloucester Park – internal roads and car parking • Leeuwin Tourism Precinct - Ringbolt Bay and other car parks 											



Disposal strategies	No disposals are currently under consideration within the next 10 years.
Funding ratio	69% of projected renewals are currently funded in the LTTP. Projected renewal required over the next 10 years is \$580,400 or \$58,000 per annum. Long term renewal requirement (indicator of consumption) is \$49,900 per annum highlighting that the proposed level of service is not sustainable.
Considerations	
Future demand	To be addressed in future revisions of the AMP.
Challenges	<ul style="list-style-type: none"> • Improve inventory and condition information • Improve renewal strategies • Document level of services in more detail
Other plans to consider	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • An Integrated Transport Strategy for Margaret River (May 2012) that identifies parking issues and solutions, major improvements required to the transport network, pedestrian network improvements, and initiatives to encourage modal shift • Disability Access and Inclusion Plan 2010-2013 • Age Friendly Community Study 2009 • River Mouth to Gas Bay Foreshore Development Concept Plan • Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) • Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC) • Capes Regional Arts and Cultural Facilities Needs Assessment (CAPEROC)
Data source and data rating assessment	Data confidence rating is an overall C. The Shire aims to conduct visual condition assessments of all its car parks in order to improve the information.

9. Jetties & Boat Ramps

Objective	Ensure Shire jetties and boat ramp assets are maintained at an optimal safe and functional standard fit for purpose.											
Asset inventory	<table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Boat ramps</td> <td>9</td> </tr> <tr> <td>Jetties</td> <td>11</td> </tr> </tbody> </table>	Assets	Number	Boat ramps	9	Jetties	11					
Assets	Number											
Boat ramps	9											
Jetties	11											
Hierarchy	No hierarchy is currently applied.											
Components	Jetties and boat ramps are not currently divided into components.											
Financial summary												
Current replacement cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Boat ramps</td> <td>\$3,250,000</td> </tr> <tr> <td>Jetties</td> <td>\$2,525,000</td> </tr> <tr> <td>Total</td> <td>\$5,775,000</td> </tr> </tbody> </table>	Assets	Replacement cost	Boat ramps	\$3,250,000	Jetties	\$2,525,000	Total	\$5,775,000			
Assets	Replacement cost											
Boat ramps	\$3,250,000											
Jetties	\$2,525,000											
Total	\$5,775,000											
Useful life	Jetties and boat ramps	74-80 years										
Funding sources	Operations, maintenance and renewal activities are predominantly funded from general revenue with some opportunities for upgrades or new facilities from grant funding.											
Level of Service												
Community level of service	Not surveyed separately, but 74.5% of customers were satisfied with service provision along beaches and river foreshores. This increased to 76.0% in the 2013 survey.											
Technical level of service	<table border="1"> <thead> <tr> <th>Activities</th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>0</td> </tr> <tr> <td>Maintenance</td> <td>\$25,500</td> </tr> <tr> <td>Renewal</td> <td>\$10,700</td> </tr> <tr> <td>New/Upgrade</td> <td>\$20,500</td> </tr> </tbody> </table>	Activities	Annual average expenditure*	Operations	0	Maintenance	\$25,500	Renewal	\$10,700	New/Upgrade	\$20,500	
Activities	Annual average expenditure*											
Operations	0											
Maintenance	\$25,500											
Renewal	\$10,700											
New/Upgrade	\$20,500											
*Estimates according to LTFP												
Condition / renewal intervention	Intervention is set at level 8 and an above average condition profile is assumed for boat ramps, while a good condition profile is assumed for jetties.											
Forward works program												
Operations and maintenance strategies	<p>No operational activities are currently associated with jetties and boat ramps. Maintenance activities include various repairs.</p> <p>The Shire spends approximately \$25,500 on maintenance each year.</p>											
Renewal/ replacement strategies	<p>Renewal includes full or part replacement of boat ramps and jetties.</p> <p>The Shire spends approximately on average \$10,700 on renewal each year.</p> <p>Over the next 4 years the following projects are considered:</p> <ul style="list-style-type: none"> • Gracetown Boat Ramp - refurbish and replace ramp toe slab • Gnarabup Boat Ramp - refurbish and replace ramp toe slab 											
New and upgrade strategies	<p>The amount of new/upgrade work varies depending on grant funding but would be approximately \$20,500 each year.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Ellis Street boat ramp and finger jetty upgrade • Flinders Bay swimmers jetty stairs extension 											
Disposal strategies	Within the next 4 years the closure of the Flinders Bay boat ramp will be undertaken after the opening of the Augusta Boat Harbour.											
Funding ratio	<p>46% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$232,800 or \$23,300 per annum.</p> <p>Long term renewal requirement (indicator of consumption) is \$96,600 per annum.</p>											



Considerations	
Future demand	To be addressed in future revisions of the AMP.
Challenges	<ul style="list-style-type: none"> Improve inventory and condition information Improve renewal strategies Document level of services in more detail
Other plans to consider	<ul style="list-style-type: none"> Capes Region Boating Strategy (CAPEROC) Disability Access and Inclusion Plan 2010-2013 Age Friendly Community Study 2009 River Mouth to Gas Bay Foreshore Development Concept Plan Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC)
Data source and data rating assessment	Data confidence rating is an overall C with inventory rated at B due and condition data is rated at a C. The Shire aims to conduct visual condition assessments of all its jetties and boat ramps in order to improve the information.

10. Airports

Objective	Ensure Shire airport infrastructure assets are maintained at an optimal safe and functional standard fit for purpose.																				
Asset inventory	The Shire has two Aircraft Landing Areas: 1. Margaret River Airport 2. Tallinup Augusta Airport These airports have to comply with Civil Aviation Safety Authority (CASA) requirements.																				
Hierarchy	No hierarchy has been applied.																				
Components	<table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> <th>Length (m)</th> <th>Area (m2)</th> </tr> </thead> <tbody> <tr> <td>Runway Formation</td> <td>2</td> <td>2,500</td> <td>37,500</td> </tr> <tr> <td>Runway Pavement</td> <td>2</td> <td>2,500</td> <td>37,500</td> </tr> <tr> <td>Runway Seal</td> <td>2</td> <td>2,500</td> <td>37,500</td> </tr> <tr> <td>Airport Improvements</td> <td>2</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Assets	Number	Length (m)	Area (m2)	Runway Formation	2	2,500	37,500	Runway Pavement	2	2,500	37,500	Runway Seal	2	2,500	37,500	Airport Improvements	2	-	-
Assets	Number	Length (m)	Area (m2)																		
Runway Formation	2	2,500	37,500																		
Runway Pavement	2	2,500	37,500																		
Runway Seal	2	2,500	37,500																		
Airport Improvements	2	-	-																		
Financial summary																					
Current replacement cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Runway Formation (Residual value)</td> <td>\$1,000,000</td> </tr> <tr> <td>Runway Pavement</td> <td>\$2,600,000</td> </tr> <tr> <td>Runway Seal</td> <td>\$1,400,000</td> </tr> <tr> <td>Airport Improvements</td> <td>\$500,000</td> </tr> <tr> <td>Total</td> <td>\$5,500,000</td> </tr> <tr> <td>Less Residual value</td> <td>\$1,000,000</td> </tr> <tr> <td>Total Renewal value</td> <td>\$4,500,000</td> </tr> </tbody> </table>	Assets	Replacement cost	Runway Formation (Residual value)	\$1,000,000	Runway Pavement	\$2,600,000	Runway Seal	\$1,400,000	Airport Improvements	\$500,000	Total	\$5,500,000	Less Residual value	\$1,000,000	Total Renewal value	\$4,500,000				
Assets	Replacement cost																				
Runway Formation (Residual value)	\$1,000,000																				
Runway Pavement	\$2,600,000																				
Runway Seal	\$1,400,000																				
Airport Improvements	\$500,000																				
Total	\$5,500,000																				
Less Residual value	\$1,000,000																				
Total Renewal value	\$4,500,000																				
Useful life	Runway and improvements 53-50 years																				
Funding sources	Operations, maintenance and renewal activities are predominantly funded from general revenue with some opportunities for upgrades or new facilities from grant funding.																				
Level of Service																					
Community level of service	Not surveyed.																				
Technical level of service	<table border="1"> <thead> <tr> <th>Activities</th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>0</td> </tr> <tr> <td>Maintenance</td> <td>\$24,400</td> </tr> <tr> <td>Renewal</td> <td>\$35,900</td> </tr> <tr> <td>New/Upgrade</td> <td>\$20,500</td> </tr> </tbody> </table> <p>*Estimates according to LTFP</p>	Activities	Annual average expenditure*	Operations	0	Maintenance	\$24,400	Renewal	\$35,900	New/Upgrade	\$20,500										
Activities	Annual average expenditure*																				
Operations	0																				
Maintenance	\$24,400																				
Renewal	\$35,900																				
New/Upgrade	\$20,500																				
Condition / renewal intervention	Intervention is set at level 7 and a good condition profile is assumed for all components.																				
Forward works program																					
Operations and maintenance strategies	No operational activities are currently associated with airports. Maintenance activities include various repairs. The Shire spends approximately \$24,400 on maintenance each year.																				
Renewal/ replacement strategies	Renewal includes resealing of runways and various other refurbishments. The Shire spends approximately on average \$35,900 each year. Over the next 4 years the following projects are considered: <ul style="list-style-type: none"> • Margaret River airstrip reseal • Margaret River airstrip linemarking 																				
New and upgrade strategies	The amount of work varies depending on grant funding but would be approximately \$20,500 each year. Over the next 4 years the Margaret River airstrip requires safety upgrades to meet CASA requirements.																				



Disposal strategies	No disposals are currently under consideration within the next 10 years.
Funding ratio	75% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$478,400 or \$47,800 per annum. Long term renewal requirement (indicator of consumption) is \$48,600 per annum.
Considerations	
Future demand	To be addressed in future revisions of the AMP after completion of development plans for the August and Margaret River airport facilities.
Challenges	<ul style="list-style-type: none"> • Improve inventory and condition information • Improve renewal strategies • Document level of services in more detail
Other plans to consider:	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • Tallinup Augusta Airport Draft Interim Development Plan 2013 • Margaret River Aerodrome Plan 2007
Data source and data rating assessment	Data confidence rating is an overall B.

11. Other - Boardwalks, Stairs, Signs, etc.

Objective	Ensure Shire boardwalks, stairs and sign assets are maintained at an optimal safe and functional standard fit for purpose.														
Asset inventory	<table border="1"> <thead> <tr> <th>Assets</th> <th>Number</th> <th>Length (m)</th> <th>Area (m2)</th> </tr> </thead> <tbody> <tr> <td>Platforms, Boardwalks, Stairs</td> <td>38</td> <td>702.6</td> <td>1,149</td> </tr> <tr> <td>Signs</td> <td>500</td> <td></td> <td></td> </tr> </tbody> </table> <p>This category needs to be refined in terms of definition and description and currently includes any infrastructure not defined in above classes.</p>	Assets	Number	Length (m)	Area (m2)	Platforms, Boardwalks, Stairs	38	702.6	1,149	Signs	500				
Assets	Number	Length (m)	Area (m2)												
Platforms, Boardwalks, Stairs	38	702.6	1,149												
Signs	500														
Hierarchy	No hierarchy is currently applied.														
Components	Boardwalks, Stairs and Signs are not currently divided into components.														
Financial summary															
Current replacement cost	<table border="1"> <thead> <tr> <th>Assets</th> <th>Replacement cost</th> </tr> </thead> <tbody> <tr> <td>Platforms, Boardwalks, Stairs</td> <td>\$915,029</td> </tr> <tr> <td>Signs</td> <td>\$500,000</td> </tr> <tr> <td>Total</td> <td>\$1,415,029</td> </tr> </tbody> </table>	Assets	Replacement cost	Platforms, Boardwalks, Stairs	\$915,029	Signs	\$500,000	Total	\$1,415,029						
Assets	Replacement cost														
Platforms, Boardwalks, Stairs	\$915,029														
Signs	\$500,000														
Total	\$1,415,029														
Useful life	Platforms, Boardwalks, Stairs	41-50 years													
	Signs	39-40 years													
Funding sources	Operations, maintenance and renewal activities are predominantly funded from general revenue with some opportunities for upgrades or new facilities from grant funding.														
Level of Service															
Community level of service	<p>Not surveyed separately, but according to the 2010 biannual survey 74.5% of customers were satisfied with service provision along beaches and river foreshores where most of these structures are located. This increased to 76.0% in the 2013 survey.</p> <p>Boardwalks and stairs also form part of the footpath network and 73% of customers were satisfied with the provision of footpaths, bicycle and walking paths. This increased to 74.2% in the 2013 survey.</p>														
Technical level of service	<table border="1"> <thead> <tr> <th></th> <th>Annual average expenditure*</th> </tr> </thead> <tbody> <tr> <td>Operations</td> <td>0</td> </tr> <tr> <td>Maintenance</td> <td>\$152,700</td> </tr> <tr> <td>Renewal</td> <td>\$23,500</td> </tr> <tr> <td>New/Upgrade</td> <td>\$126,100</td> </tr> </tbody> </table> <p>*Estimates according to LTFP</p>		Annual average expenditure*	Operations	0	Maintenance	\$152,700	Renewal	\$23,500	New/Upgrade	\$126,100				
	Annual average expenditure*														
Operations	0														
Maintenance	\$152,700														
Renewal	\$23,500														
New/Upgrade	\$126,100														
Condition / renewal intervention	Intervention is set at level 7 and an above average condition profile is assumed for boardwalks and stairs, while a below average condition profile is assumed for signs.														
Forward works program															
Operations and maintenance strategies	<p>No operational activities are currently associated with boardwalks, stairs and sign assets. Maintenance activities include various repairs.</p> <p>The Shire spends approximately \$152,700 on maintenance each year.</p>														
Renewal/ replacement strategies	<p>Renewal includes part or full replacement and refurbishment.</p> <p>The Shire spends approximately on average \$23,500 on renewal each year. Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Refurbishment of various platforms and stairs to comply with safety requirements • Foreshore walls along the Blackwood River foreshore including Turner, Colour Patch and Ellis Street • Surfers Point and River Mouth boardwalks and stairs (Part renewal and upgrade) 														



New and upgrade strategies	<p>The amount of new/upgrade work depends on grant funding but would be approximately \$126,100 annually.</p> <p>Over the next 4 years the following projects may be considered:</p> <ul style="list-style-type: none"> • Cowaramup streetscape improvements • Augusta Interpretation Plan (in development) - implementation • Surfers Point project completion • Leeuwin Tourism Precinct • River Mouth to Gas Bay Foreshore Development Concept Plan • Augusta Depot - materials storage bays • Cowaramup District Club - synthetic greens • Install 3 phase power to White Elephant Café • Upgrade Margaret River Recreation Centre Substation • Fearn Avenue Bus Shelter Upgrade
Disposal strategies	<p>No disposals are currently under consideration within the next 10 years.</p>
Funding ratio	<p>48% of projected renewals are currently funded in the LTFP. Projected renewal required over the next 10 years is \$485,400 or \$48,500 per annum.</p> <p>Long term renewal requirement (indicator of consumption) is \$190,600 per annum.</p>
Considerations	
Future demand	<p>To be addressed in future revisions of the AMP.</p>
Challenges	<ul style="list-style-type: none"> • Improve inventory and condition information • Improve renewal strategies • Document level of services in more detail
Other plans to consider	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • An Integrated Transport Strategy for Margaret River (May 2012) that identifies parking issues and solutions, major improvements required to the transport network, pedestrian network improvements, and initiatives to encourage modal shift • District Water Management Strategy for Margaret River - identifies water management for future growth areas, including preferred approaches for drainage, potable water supply and the extension of the treated wastewater scheme into new growth areas • Community Infrastructure Report (2013) • Concept planning for the Town Centre, Margaret River foreshore, Gloucester Park (currently being finalised), and redevelopment of the Cultural Centre • Community Facilities Plan 2008 (Syme Marmion & Co) • Community Development Plan 2008-2013 • Community Safety and Crime Prevention Plan 2007-2010 • Disability Access and Inclusion Plan 2010-2013 • Age Friendly Community Study 2009 • River Mouth to Gas Bay Foreshore Development Concept Plan • Cape Leeuwin Tourism Precinct Development Plan (Augusta Chamber of Commerce) • Coastal and Foreshore Facilities Asset Management and Expansion Plan (Draft) (CAPEROC) • Capes Regional Arts and Cultural Facilities Needs Assessment (CAPEROC) • Path Plan (2004) to be reviewed in 2013/14
Data source and data rating assessment	<p>Data confidence rating is an overall B. The Shire aims to conduct visual condition assessments in order to improve the information.</p>

12. Waste Management Assets

Objective	Providing a sustainable waste management service for the community through the provision and management of appropriate waste disposal facilities and services.
Service description	<p>General refuse and recyclables collection and the operations of disposal services, including the provision and maintenance of:</p> <ul style="list-style-type: none"> • Kerbside refuse and recycling collections • Drop-off refuse and recycling service • The Davis Road waste management and recycling facility. (Operated under Department of Environment and Conservation licence) • Two staffed and three unmanned transfer stations • Recycling recovery sorting, consolidation and marketing • The Wallis Road waste water treatment plant (Operated under Department of Environment and Conservation licence) • There are currently in excess of 6500 mobile garbage bins collected at kerbside. These generate approximately 5000 tonne of putrescible waste per annum. This is deposited at the Davis Road waste management facility. The waste is disposed to landfill in strict compliance with the Department of Environment licence conditions. <p><u>Kerbside Recycling Collection:</u> The Shire's contractors collect recyclables on a fortnightly basis from 4700 recycling bins. Collected recyclables are processed at the contractor's Bunbury resource recovery facility.</p> <p><u>Drop off refuse and recycling:</u> Facilities at Davis Road Waste Facility and other transfer stations allow domestic and commercial customers to dispose of their refuse and recyclables directly at these facilities. All waste deposited at the rural transfer stations is transported to the central processing facility at Davis Road.</p> <p>Recyclable waste processed here is sold on commodity markets.</p> <p><u>The Davis Road Waste Management Facility:</u> This facility operates under a category II waste facility licence, allowing it to operate as a landfill facility and to be able to process specialised waste under specified criteria and conditions. The Shire must abide by the licence conditions and provide regular reports to the Department of Environment and Conservation (DEC) on management of landfill activities as well as outcomes of environmental monitoring.</p> <p><u>Transfer Stations:</u> The transfer stations allow rural residents to dispose of their domestic waste at a convenient location. The Shire operates two manned and three unamend stations. Waste deposited at all transfer stations is transported to Davis Road waste facility for sorting and disposal.</p> <p><u>Recycling Recovery, Sorting, Consolidation and Marketing:</u> The Shire actively promotes recycling. Currently the Davis Road Waste Facility recycles glass, steel, aluminium, batteries, oil, paper, cardboard, plastic (types 1&2), tetrapacs and green waste.</p> <p>The Shire produces over 3500m³ of mulch from clean green waste every year. The mulch is composted to kill weed seeds and viral contaminants and then used on site for landscaping and sold to the public.</p> <p><u>The Wallis Road Sullage Treatment Plant:</u> The Wallis Road facility processes controlled sullage and grease trap waste under the strict guidelines of the DEC's licence.</p> <p>All such waste requires a tracking system and the processing site is rigorously tested on a regular basis throughout the year to ensure that contaminants are not leached from the site. Wallis Road processes approximately 1200kl of controlled waste per annum.</p>

Asset inventory	Asset types	Alexandra Bridge	Cowaramup	Kudardup	Rosa Brook	Davis Road, Witchcliffe	
	Building		x	X		X	
	Equipment		x	X		X	
	Fence	x	x	X	X	X	
	Road	x	x	X	X	X	
	Structure-water tank/ septics / pump		x	X		X	
	Structure-bin bays	x	x	X	X	X	
	Fixed plant (not in plant program)					X	
<p>Mobile plant is not addressed in this AMP. The East Augusta Transfer Site does not appear in the above table as it only has mobile plant.</p> <p>The Wallis Road Sullage Treatment Plant's earth works and minor infrastructure assets have not been included in this valuation.</p>							
Hierarchy	N.A.						
Components	The waste services facility comprises of various assets including fencing, roads, electronic equipment, fixed plant and other waste services structures. Mobile plant is addressed in the plant program. For this Asset Management plan the buildings have been covered under the buildings asset class.						
Financial summary							
Current replacement cost	Asset types	Alexandra Bridge	Cowaramup	Kudardup	Rosa Brook	Davis Road, Witchcliffe	Grand Total
	Buildings		\$20,000	\$20,000		\$440,000	\$480,000
	Equipment		\$3,400	\$3,400		\$6,600	\$13,400
	Fencing	\$3,900	\$11,650	\$12,150	\$3,500	\$70,000	\$101,200
	Roads	\$6,000	\$8,750	\$12,500	\$ 8,000	\$ 81,000	\$116,250
	Structures: water tank/ septics / pumps		\$ 12,000	\$22,000		\$30,000	\$64,000
	Structure: bin bays	\$11,000	\$33,300	\$30,500	\$11,000	\$136,500	\$222,300
	Fixed plant (not in plant program)					\$354,000	\$354,000
	Subtotal	\$20,900	\$89,100	\$100,550	\$ 22,500	\$1,118,100	\$1,351,150
	Plant program (mobile plant)						\$1,436,955
	Total						\$2,788,105
	<p>The East August Transfer Site has only mobile plant, which is addressed in the plant program.</p> <p>The Wallis Road Sullage Treatment Plant's earth works and minor infrastructure assets have not been included in this valuation.</p>						
Useful life	Due to the complex nature of legislative requirements impacting the life of waste facilities it is difficult to determine the life of the facilities. The individual infrastructure asset may have lives extending the lives of the facility. It is best if this is addressed in an overall waste management strategy and services planning. Irrespective of these legislative requirements the infrastructure assets must still be managed to ensure they deliver the desired service and are fit for purpose.						
Funding sources	For this overall asset management plan it is estimated that waste management assets have a life of 46-50 years.						
Funding sources	Waste Services are funded through a combination of funding resources that can include grants, sales, domestic collection charges, refuse site charges, waste collection rate and sullage fees.						



Level of Service

Community level of service

According to the 2010 and 2013 biannual survey the following percentage of customers were satisfied with Shire waste services:

Service	2010	2013
Rubbish collection service	92.3%	98.1%
Re-cycling collection service	82.0%	78.0%
Public Tip (Davis Road)	86.2%	82.3%
Transfer Stations (Cowaramup & Kudardup)	87.2%	81.8%
Litter bins	75.0%	73.9%
Overall rating Waste Management	86.2%	83.6%

Technical level of service

Activities	Annual average expenditure*
Operation	\$2,508,600
Maintenance	\$25,000
Renewal	\$ 10,000
New/Upgrade	\$ 230,000

*Estimates according to LTFP

Condition / renewal intervention

As no detail condition information was available it was assumed that an average condition profile could be applied to the assets included in the inventory. An intervention level of 8 was set to predict the timing of renewals.

Forward works program	
Operations and maintenance strategies	The Shire spends approximately \$2,508,000 on operation and \$25,000 on maintenance each year.
Renewal/replacement strategies	<p>The only renewal work identified over the next 10 years includes \$100 000 for Wallis Road rectification works.</p> <p>Building renewals required within Waste Services are addressed under building asset class.</p>
New and upgrade strategies	<p>The Shire plans to spend approximately \$2.3 million on new and upgrade strategies over the next 10 years in order to ensure waste services can continue in accordance with licence requirements. This may even increase to \$5 million depending on finalising licence requirements.</p> <p>The following project may be considered:</p> <ul style="list-style-type: none"> • Fencing the facilities. • Upgrades to recycling shed. • Upgrades to glass crusher housing. • Installing a weight bridge. • Implementing surface water and drainage controls. • New chemical and fuel storage compound. • Sealing of internal roads. • Water tank for recycling shed. • Developing new waste cells. • New leachate ponds. • Capping active areas. • Progressive rehabilitation of active areas. • Post closure and rehabilitation of old landfill areas to current DEC standards.
Disposal strategies	<p>The closure of Cowaramup Transfer Station has been formally approved by Council pending prerequisite actions being undertaken by the developer in accordance with the Council resolution.</p> <p>No provisions for any disposals have been included in the AMP or LTFP.</p>
Renewal funding ratio	If the life of the Davis Road Waste Facility can be extended and renewal strategies for infrastructure assets (excluding waste cells) can therefore be considered, it is projected that an average of \$22,000 will be required each year. Currently only 46% of the required renewal expenditure is funded in the LTFP.
Future demand	<p>Forward planning is vital for the strategic and sustainable development of the Shires landfill and waste management services into the future. Changes to state government environmental compliance regimes for landfill operations have placed significant monetary burdens on the managers of landfill facilities, many of which are local governments. This regime change has required the Shire to review its current waste disposal operations and services to ensure future waste service operations can be financially sustainable and environmentally compliant.</p> <p>To effectively manage waste services in an economically and environmentally compliant manner both now and into the future the Shire will require an injection of funds to meet current environmental landfill standards, investigate viability options for future waste disposal services to avoid unwarranted investment, and build up reserves so that final disposal configurations can be funded without significant shortfalls.</p>
Challenges	<ul style="list-style-type: none"> • Changing legislative framework for statutory processes and waste management • Increasing waste volumes – Growth and tourism, impacting on operations without increases in staffing levels • Need for long term waste management planning at both local and state level • Improvement of inventories and renewal strategies
Other plans to consider:	<ul style="list-style-type: none"> • Margaret River SuperTown Growth Plan • Shire Waste Management Strategy currently being prepared together with the Regional Waste Management Strategies for CAPEROC
Data source and data rating assessment	<p>Data confidence rating is an overall C.</p> <p>Information is sourced from a variety of sources, but should be consolidated into a central register. Improvement can be made to ensure no gaps exist between the plant program and infrastructure inventories.</p>

Appendices

Appendix A: List of supporting documents/ bibliography

- ◆ ACELG (2012). National Assessment Frameworks for Local Government Asset Management and Financial Planning
- ◆ Alexander, P (2012). Capes Regional Arts and Cultural Facilities Needs Assessment. Prepared for CAPEROC.
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- ◆ Creating Communities Australia Pty Ltd (2012). Shire of Augusta Margaret River Community Infrastructure Report.
- ◆ Department of Local Government (2011). Asset Management Framework and Guidelines.
- ◆ Department of Local Government (2011). Integrated Planning and Reporting Advisory Standard .
- ◆ DFES (2013) Shire of Augusta Margaret River Bushfire Risk Management Plan 2012-2017.
- ◆ ENV Australia Pty Ltd (2012). Margaret River District Water Management Strategy.
- ◆ GHD Pty Ltd (2012). Shire of Augusta Margaret River Report for Royalties for Regions SuperTowns Integrated Transport Strategy. Prepared for Shire of Augusta Margaret River.
- ◆ MRWA (2007) Roads 2025 Regional Road Development Strategy - South West (Currently under review - Roads 2030 Regional Road Development Strategy - South West).
- ◆ RPS (2012). Margaret River SuperTown Townsite Growth Plan.
- ◆ Shire of Augusta Margaret River (2004). Path Plan 2004.
- ◆ Shire of Augusta Margaret River (2007). Community Safety and Crime Prevention Plan 2007-2010.
- ◆ Shire of Augusta Margaret River (2007). Margaret River Aerodrome Management Plan 2007.
- ◆ Shire of Augusta Margaret River (2008). Community Development Plan 2008-2013.
- ◆ Shire of Augusta Margaret River (2010). Disability Access and Inclusion Plan 2010-2013.
- ◆ Shire of Augusta Margaret River (2011). River Mouth to Gas Bay Development Concept Plan.
- ◆ Shire of Augusta Margaret River (2013). Community Strategic Plan.
- ◆ Shire of Augusta Margaret River (2013). Corporate Plan.
- ◆ Shire of Augusta Margaret River (2013). Draft Public Open Space Strategy.
- ◆ Shire of Augusta Margaret River (2013). Tallinup Augusta Airport Draft Interim Development Plan.
- ◆ Shore Coastal (2011) Capes Region Boating Strategy. Prepared for CAPEROC.
- ◆ Sustainable Development Facilitation (2009). Augusta-Margaret River Shire Age Friendly Community Study.
- ◆ Syme Marmion & Co (2008). Shire of Augusta Margaret River Community Facilities Plan 2008.
- ◆ Transplan (2013) Busselton to Flinders Bay Rail Trail Development Plan.
- ◆ William James Landscape Architects (2011). Cape Leeuwin Tourism Precinct Development Plan. Prepared for Augusta Chamber of Commerce.

Appendix B: Asset management policy



This policy was adopted by Council to set governing principles in place that align the strategic direction of the organization with community values and aspirations.

Objectives

To set guidelines for implementing consistent asset management processes throughout the Shire of Augusta-Margaret River and to ensure adequate provision is made for the long-term replacement of major assets by:

- Providing Council's services and infrastructure in a sustainable manner, with the appropriate levels of service to all stakeholders and customers.
- Safeguarding Council assets by implementing appropriate asset management strategies and sound financial planning for those assets.
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the Council.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

Policy

Background

The Shire's mission is to strengthen our communities, foster local economic prosperity, protect the natural environment and responsibly manage the community's infrastructure and assets.¹

Council is committed to its mission statement by implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

¹ Thriving communities- our strategic plan for the future 2009/10 – 20019/20

Council owns and uses non-current assets to support its core business of delivery of service to the community. Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve our strategic service delivery objectives.

Asset management relates directly to the Strategic Plan's mission to strengthen our communities, foster local economic prosperity, protect the natural environment and responsibly manage the community's infrastructure and assets.

A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets in a responsible, sustainable and transparent way to the advantage of all relevant stakeholders.

According to industry best practices the benefit of a corporate asset management approach will be the following²:

- Improved governance and accountability
- Enhanced service management and customer satisfaction
- Improved risk management
- Improved financial efficiency
- Greater sustainability

Policy Principles

Council's asset management responsibilities are to be met by applying the following asset management principles in line with international accepted best practices³:

1. Cost effective management strategies for the long term must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.
2. All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
3. Asset management principles will be integrated within existing planning and operational processes to ensure sustainable use of physical and financial resources.
4. An inspection regime will be used as part of a corporate asset information management system to ensure appropriate service levels are maintained and to identify asset renewal priorities.
5. Asset renewals identified in asset management plans will feed into the long term financial plans used to guide the annual budget estimates.

² International Infrastructure Management Manual (Institute of Public Works Engineering Australia, 2006)

³ International Infrastructure Management Manual (Institute of Public Works Engineering Australia, 2006)

6. Asset renewal plans will be prioritised and implemented progressively based on appropriate service levels as well as availability of funds.
7. Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
8. Future life cycle costs will be reported and considered in all decisions relating to new assets and upgrading of existing assets consistent with the whole of life asset life cycle approach.
9. Managing risk associated with asset failures.
10. Defining the current level of services provided and monitoring performance.
11. Future service levels will be determined in consultation with the community.
12. Understanding and meeting the impact of growth through demand management and infrastructure investment.
13. Continuously improve on current asset management practices.

Application

The application of this policy is the responsibility of Council, the CEO and all staff of the Shire of Augusta-Margaret River and applies to the resourcing, preparation, improvement and implementation of asset management plans for all major asset classes as part of an asset management framework that implements the asset management objectives and principles set out in this policy.

*Adapted from the asset management policy template provided under copyright from The Institute of Public Works Engineering Australia

Adopted by Council	Date: 28 th July 2010 OM1007/020
Last reviewed	Date: Day Month Year

Appendix C: Improvement tasks

ID	Requirement	Status	Improvement Task
4.00			
Asset Management Policy			
4.40	The Asset Management Policy defines asset management roles, responsibilities and reporting framework.	Moderate	Further refined when policy is reviewed.
4.50	The Asset Management Policy identifies a process for meeting training needs in financial and asset management practices for Councillors and staff.	Not started	Will be addressed when policy is reviewed.
5.00			
Asset Improvement Strategy			
5.30	The Shire's Asset Management Strategy documents the current status of asset management practices (processes, asset data and information systems) and what actions must take to implement the Asset Management Policy, including resource requirements, timeframes and accountabilities.	Minimal	AM Strategy and AM Improvement Plans need to be reviewed and finalised.
6.00			
Asset Plans			
With respect to the content of the Asset Management Plans, they:			
6.70	d. Document the current condition of assets;	Moderate	Condition information can be improved.
6.80	e. Document the adopted useful lives of assets;	Advanced	Requires further review of current documented useful lives.
6.90	f. Include risk assessment and criticality profiles;	Moderate	Develop a risk management framework and start to identify risk associated with each asset set linked to the asset hierarchy.
g. Provide information about assets, including particular actions and costs to provide a defined (current and/or target) level of service in the most cost effective manner.;			
6.11	h. Include demand management forecasts;	Minimal	Identify and analyse population growth trend and demographic change and interpret demand for individual asset sets.
j. Include forward programs identifying cash flow forecasts projected for:			
6.15	iii. Maintenance expenditure;	Moderate	Develop an Operation & Maintenance Strategy.
6.16	iv. Operational expenditure (including depreciation expense);	Moderate	Develop an Operation & Maintenance Strategy.
6.17	k. Address asset performance and utilisation measures and associated targets as linked to levels of service;	Minimal	Develop target Technical level of service.
6.18	l. Include an asset rationalisation and disposal program; and	Minimal	Develop an Asset Rationalisation Strategy as part of the Capital Investment Strategy.
6.19	m. Include an asset management improvement plan.	Moderate	Update the Asset Management Improvement Plan and align with the AM Improvement Strategy.
6.20	n. Include consideration of non-asset service delivery solutions (leasing private/public partnerships)	Moderate	Develop a Capital Evaluation methodology and and include criteria to consider non asset ownership options to deliver services
6.21	o. Recognise changes in service potential of assets through projections of asset replacement costs, depreciated replacement cost and depreciation expense.	Moderate	<u>Transition to Fair Value accounting</u>
7.00			
Governance and Management			
7.20	Roles and responsibilities are clearly defined in a matrix or policy, identifying positions responsible for determining levels of service and positions responsible for managing the assets to meet service delivery needs.	Minimal	Refine a roles and responsibilities matrix.
7.40	The Shire has a documented process for making capital investment decisions, which is driven by The Shire's Strategic Longer Term Plan, Long Term Financial Plan and explicitly details the impacts on the future operations and maintenance budgets, "Whole of Life" costs and risk management assessments.	Minimal	Develop capital evaluation process.
7.60	The Shire has an Asset Management Steering Committee, with cross functional representation and clearly defined and documented terms of reference, focussed on coordinating the linkages between service delivery and asset management implementation.	Minimal	Develop terms of reference.

ID	Requirement	Status	Improvement Task
8.00			Level of Service
8.10	The Shire has Service Plans for each of its services which have been developed in consultation with the community.	Minimal	Service Plans exist with varying levels of community consultation.
8.20	The Shire has undertaken the process of defining, quantifying and documenting current community levels of service and technical levels of service, and costs of providing the current levels of service.	Moderate	Levels of service framework to be developed.
8.30	Current and target levels of service (for both community levels of service and associated technical levels of service) are clearly defined in each Asset Management Plan.	Moderate	To be included in the review of Asset Management Plans.
8.40	Technical levels of service are incorporated into service agreements and/or maintenance, operational and capital renewal procedures.	Moderate	Ongoing process. Service level agreements to be developed and/or reviewed as required.
9.00			Data & Systems
9.10	The Shire has a consolidated, integrated, accurate, up to date and complete componentised asset register with the required functionality to ensure security and data integrity, which includes all information about each asset sorted by asset group.	Moderate	Currently being developed. Undertake a data audit across all asset groups and as part of implementation of fair value.
9.30	The Shire has documented repeatable methodologies to carry out consistent asset condition surveys and defect identification assessments, as documented in a Condition Rating Assessment Manual for applicable asset classes.	Moderate	Repeatable methodologies are available for roads and footpaths. Methodologies need to be developed for other asset groups.
9.80	The Shire has a defined process for operations, maintenance, renewal and upgrade planning for its existing assets.	Minimal	Forward capital works program includes renewal and upgrade but requires refinement.
10.00			Skills & Processes
10.30	The Shire has a process to identify operational risks, assign responsibilities and monitor risk treatment actions all recorded within a risk register.	Minimal	Develop a corporate wide risk management framework.
10.40	The Shire has a process to annually review and update the financial forecasts for all asset classes and update the Long Term Financial Plan.	Not started	Include process/procedures within the Asset Management Improvement Strategy to review the LTFP every year.
10.60	The Shire has a defined methodology for assessing the Remaining and Useful Life, Residual Value and Depreciation Method of assets.	Minimal	To be developed as part of the transition to fair value.
10.70	The Shire has a process to collect and record asset data into an Asset Management system upon the commissioning of new (and/or modified) assets, including built and contributed assets.	Moderate	A process to be developed to ensure that AMPs are regularly updated with new asset information.
10.80	The Shire has formal processes for the handover of assets to asset custodians/owners.	Minimal	Process partly occurs however needs to be formalised
11.00			Evaluation
11.10	The Shire has a documented evaluation process by which asset management improvements are identified, timeframes established, resources allocated, actioned, monitored and reported to the Executive Leadership Team.	Minimal	Develop an annual Integrated planning and reporting performance monitoring framework and implement.
11.20	Technical levels of service are monitored and performance reported.	Minimal	Develop a Technical level of service performance monitoring Framework.
11.30	Community levels of service are monitored and performance reported.	Minimal	Develop a Community level of service performance monitoring Framework.

Appendix D: Defining fair value

Fair Value is defined in Australian Accounting Standards as “the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction” (AASB116 Property, Plant and Equipment, paragraph 6)

If there is no market-base evidence of fair value (as is the case with most local government infrastructure assets), estimates of fair value can be made using an income or depreciated replacement cost approach (AASB116 Property, Plant and Equipment, paragraph 32-33).

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Shire of
AUGUSTA -
MARGARET RIVER





Shire of Augusta-Margaret River

Main Administration Office

41 Wallcliffe Road (PO Box 61)

Margaret River 6285

P: 08 9780 5255, F: 08 9757 2512

Office Hours: Mon to Fri, 9am – 4pm

Phone enquiries: 8am – 4.30pm

Augusta Administration Office

66 Allnutt Terrace

Augusta 6290

P: 08 9780 5660, F: 08 9758 0033

Office Hours: Mon to Fri, 9am – 4pm

(closes for lunch 12pm — 1pm)

Phone enquiries 8am – 4.30pm

www.amrshire.wa.gov.au

amrshire@amrshire.wa.gov.au