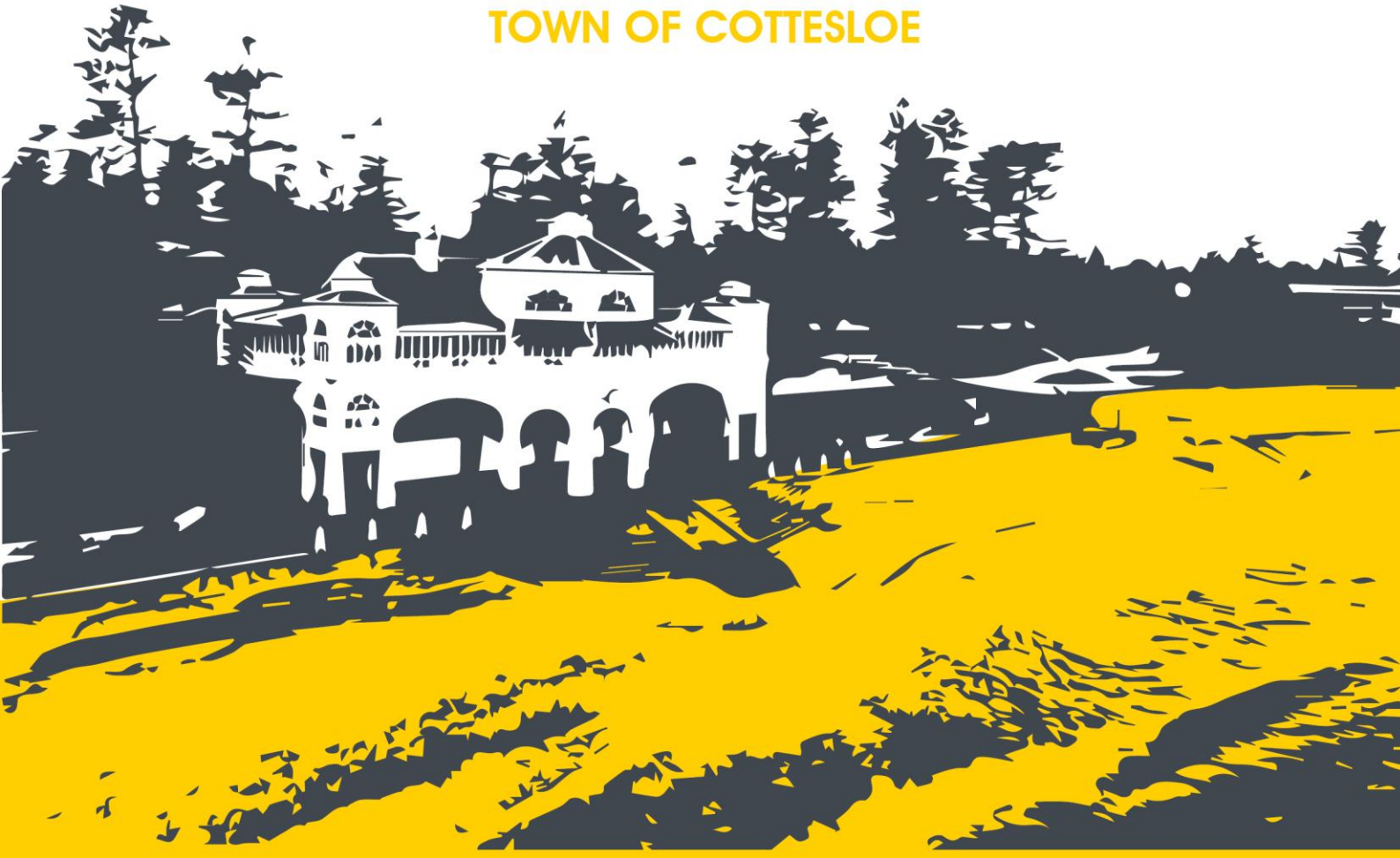
ASSET MANAGEMENT PLAN
2022/23 - 2031/32

For

TOWN OF COTTESLOE



Infrastructure, Buildings, Vehicles,
Plant & Equipment

DOCUMENT CONTROL

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Approval for Release

Name	Position	File Reference
Talis Consultants	Senior Asset Management Consultant	TA21057_Town of Cottesloe AMP 2022-23_4.0.docx
Signature		

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1 EXECUTIVE SUMMARY

This Asset Management Plan (AMP) addresses the requirements of the Town of Cottesloe's Infrastructure, Buildings, Parking Systems and Vehicles, Plant and Equipment assets. This AMP includes a summary of the activities, processes and costs required to manage the Town's assets and the long-term (10-year) expenditure forecast.

This plan is based on currently available information and is intended to evolve as updated information becomes available, and new systems and processes are developed and implemented. Plan contents are intended to be updated with each budget cycle and reviewed every 3 years.

The assets described in this plan have a total replacement value estimated, as of 30 June 2021, at **$135,477,816.**

The AMP supports, and is supported by, the Strategic Community Plan, Corporate Business Plan and looks to inform the Long-Term Financial Plan in future years. The AMP provides the asset level detail that instructs and explains how the organisation will provide assets that meet the goals of the organisation. An Asset Management Plan is a tactical document used to forecast and manage future works and expenditures, over the next ten years.

The AMP also acts as a vehicle for communication with all stakeholders with an interest in the Town's asset management systems. It provides a focus within the Town for the development and maintenance of good asset management practices.

1.1 Scope of AMP

This AMP covers core asset classes and sub classes managed by the Town as described below:

- Infrastructure
  - Car Parks
  - Drainage
  - Footpaths
  - Foreshore Assets
  - Lighting and Electrical
  - Public Space Assets
  - Roads
  - Street Furniture
- Buildings
- Parking Systems
- Vehicles, Plant & Equipment

Asset classes **not** covered in this plan include Land and, Information Technology and communications. The following asset components are also not addressed in this plan - bores and pumps, and Furniture and Equipment (internal).

1.2 Financial Summary

Most asset classes covered in the AMP are, on average, in good health. Significant exceptions are drainage and electrical assets which are aging and will require attention in the short term (1-5 years).

This AMP is produced to inform the Town's Long Term Financial Plan and identify the required costs to continue to maintain, operate, upgrade, acquire and renew assets. Therefore, a summary output from the AM Plan is the forecast of 10 year total outlays, which for the described assets is estimated as $165 million or **$16.5 million** on average per year.

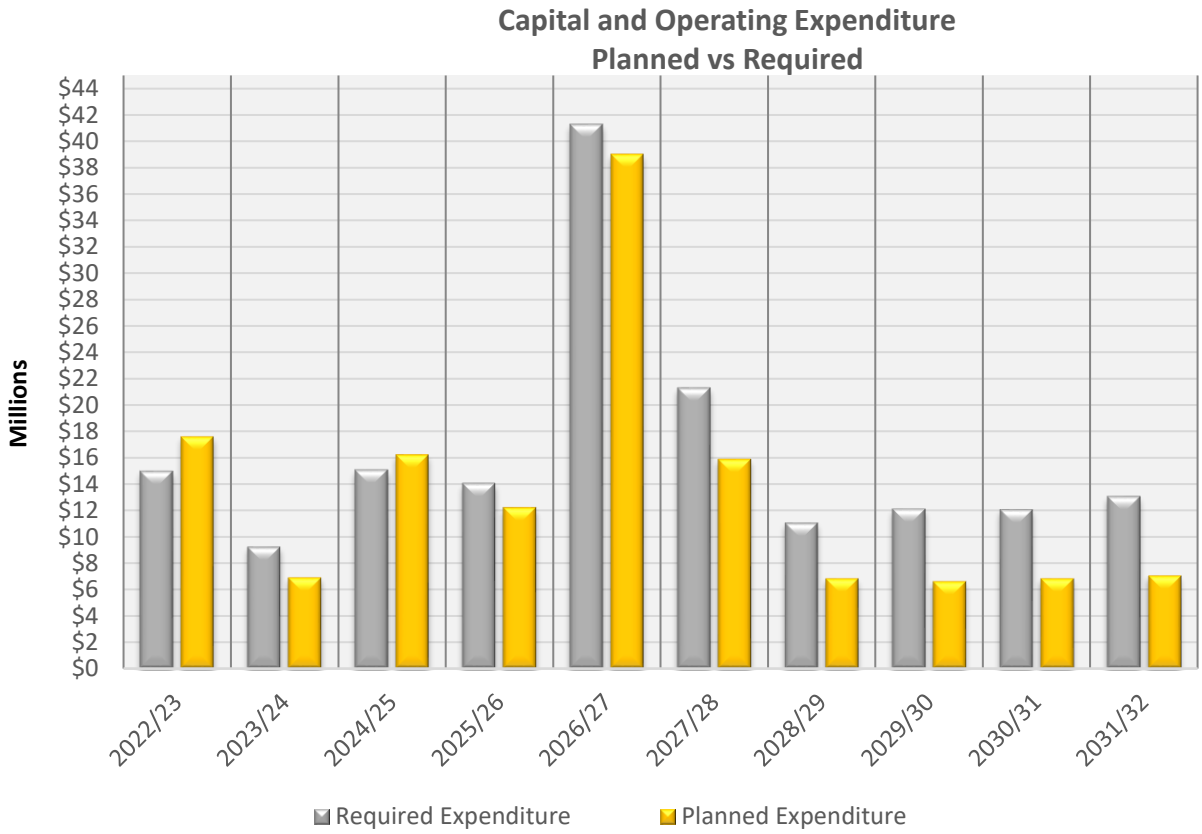
Available funding for the 10 year period is estimated at $135 million or **$13.5 million** on average per year. This is 82% of the cost to sustain the current level of service at the optimum lifecycle cost. It includes planned new acquisitions and upgrades.

The current AMP projects expenditure out to 10 years. Indicative assessments in the longer horizon suggest an emerging need on the 20 year horizon that should be monitored with increasing attention throughout this 10 year plan.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided.

The Planned Budget is based on the Town's Long Term Financial Plan (LTFP) and if left unchanged leaves a **shortfall of $3.0 million on average per year**. This is shown in the figure below.

Figure 1. Project Asset Expenditure



The funding gap is primarily driven by the increase in ongoing operating and maintenance (operating) expenditure. Operating expenditure is increasing because of a need to service new/upgrade projects, and high service level precincts such as Cottesloe's iconic Foreshore/Coastline.

Approximately 30% of the entire Drainage asset class (pits, pipes, outfalls, swales) are assessed to be in poor health. The poor condition of drainage assets is manifesting as a decline in service level, increased risk, and reduced asset integrity. It is due to a lack of renewal investment over an extended

period. The estimates include allowance for a renewal program in the short term. Electrical assets are also aging and will require renewal or replacement intervention in the short term (1-3 years).

Where funding gaps exist, the Town must review current practises and make strategic decisions to address these issues. Tactical decisions revolve around the below considerations:

- **Lowering service levels** – Reduce the level of service and as a result lower maintenance activity requirements and maintenance frequencies. Renewal intervention may also be extended. The costs associated with these activities are therefore reduced over the assets life.
- **Reducing the asset base** – Less assets mean less financial burden. Decisions to reduce the asset base are linked to lowering service levels. i.e. does the Town require a footpath on each side of the street, or can one be removed, and the community still be satisfied?
- **Finding New funding Mechanisms** - Funding mechanisms need to be reviewed and new opportunities accessed to support ongoing asset management. The Town should consider if revenue can be driven from newly introduced assets. Or, if asset costs be offset from innovative solutions. Can the Town gain access to new funding opportunities?

1.3 Service Levels Observations

The Town is entering an era of growth and economic development driven by financial investment in asset infrastructure. The Town's response to Community needs is demonstrated through strategic initiatives to upgrade streetscapes, Public Open Spaces (POS), Foreshore coastlines, car parks and precincts.

It is evident that existing service levels, although not formally defined, are changing. Decisions regarding when to renew, when to upgrade and when to maintain in response to changing service levels should be reviewed. Typical decision making criteria such as asset condition and age may no longer be driving asset management decisions. It is important for the Town to engage with the *current* community, review existing service levels and redefine the criteria which drives capital investment.

1.4 Risk Management & Opportunities

The Town continues to manage asset related risks through established practises, processes and procedures which support good asset management and good risk management. Risk is examined in this AMP in terms of financial, operational, and corporate risk. The primary risks and consequences identified in the development of this plan are:

- **Operating and Maintenance Budget** – Inadequate operating and maintenance budget to support future investment in new and upgrade assets. Foreshore and POS assets are particularly at risk if maintenance is not appropriately funded.
- **Asset Sustainability** – Current renewal budgets are not sufficient to sustain service levels in the long term. Requires increase in contribution to Reserve Funds to finance future asset renewals and continued levels of service. This is particularly relevant to longer life assets.
- **Levels of Service** – Undefined service levels may be resulting in misaligned service delivery. Community needs and aspirations driven from 2012 surveys and may not reflect the current community and demographic. Funding needs can also be misaligned.
- **Foreshore Redevelopment** – Development will introduce assets with a higher level of service fit for international standards. If associated maintenance and operating activities are not well defined, then newly constructed assets will deteriorate rapidly.
- **Funding Strategies** – Funding strategies with regards to renewing newly installed assets and providing ongoing maintenance are not clearly defined. It is uncertain to what degree reserve

funds will be used to support asset infrastructure, and introduced service levels will be catered for (i.e. Multi story car parks, public toilets, new precincts)

1.5 Monitoring and Improvement Plan

Recommended improvement actions resulting from this AM Plan to improve asset management practices are:

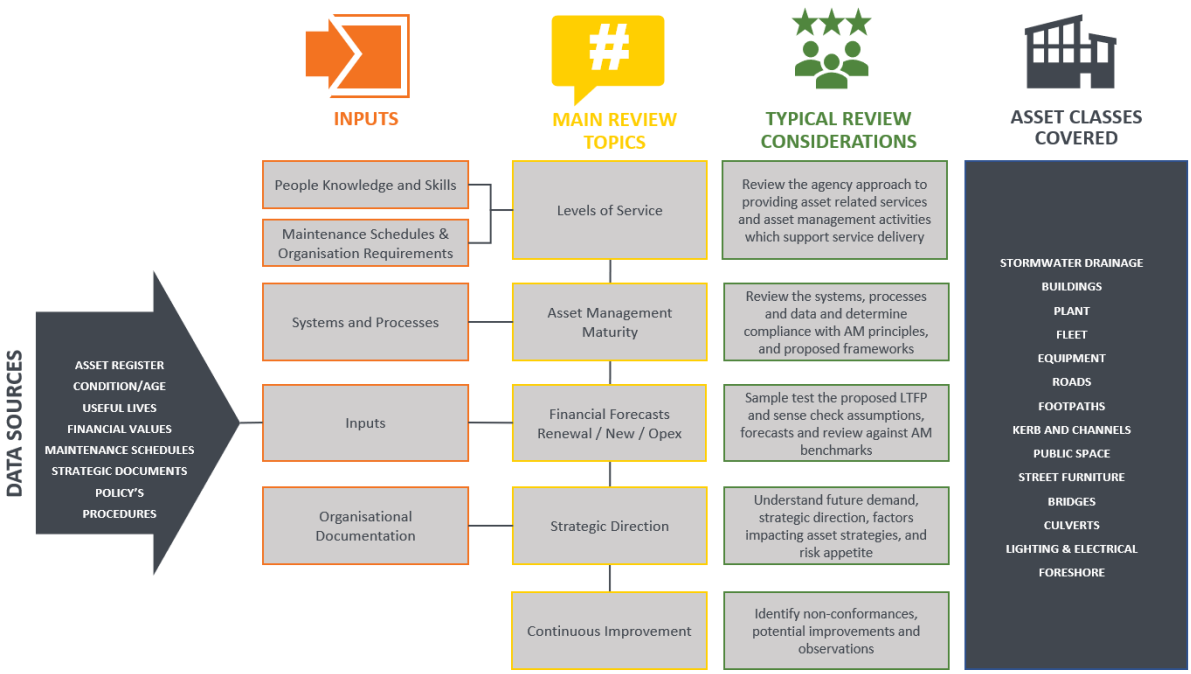
- Develop and adopt an asset management strategy.
- Develop Community levels of service to inform technical levels of service standards and budget requirements. Engage the community through consultative process and document current decision making criteria for asset renewal, upgrade, and maintenance.
- Long Term Financial Plan – Adjust LTFP to address forecasts outlays presented in this plan.
- Reserve Funds – Contribute to the relevant reserve funds annually. Where possible the contribution should match the difference between the allocation of renewal expenditure in that year and the annual depreciation expense.
- Foreshore Redevelopment – Document all required maintenance activities to ensure suitable ongoing asset management of precinct and continued service delivery.
- Review funding strategies to address increased maintenance and ongoing renewal costs.

2 INTRODUCTION

This Asset Management Plan is the second iteration of its kind. Originally developed in 2018 (GHD) the Plan has been revised to reflect updated asset information, including asset conditions from recent inspections, detailed design works and costings for the Foreshore Masterplan along Marine Parade, and unit rate and useful life reviews for various asset classes. The asset revaluation conducted by GHD in 2018 forms the basis of valuations presented in this Plan. Minor adjustments to Road useful lives were incorporated in this Plan to better reflect the Town's management practice and asset lifecycles.

The figure below outlines the steps/process followed in the review and update of this AMP:

Figure 2. Asset Management Planning Process



2.1 Town of Cottesloe History & Plan Environment

The Town of Cottesloe is a local government area and suburb of Perth covering approximately 4 square kilometres and is located 12 kilometres west of the Perth CBD. Cottesloe is bordered by the suburbs of Claremont, Peppermint Grove and Mosman Park.

The region was formally named Cottesloe in 1886. In 1895 the Cottesloe Roads Board was formed and began progressing towards a local government for the area. Decades of growth continued in the area and on 1 July 1961, Cottesloe became a Town following the enactment of the Local Government Act in 1960.

The coastal town has a population of 7,375 (2016 Census) and consists largely of residential housing and retail space, with a strong focus on the natural environment including access to beaches and parks, coastal walkways and heritage trails, the Cottesloe Reef ecosystem, and avenues of heritage listed Norfolk Island pine trees. Local industry is predominantly retail, entertainment, restaurants, and accommodation.

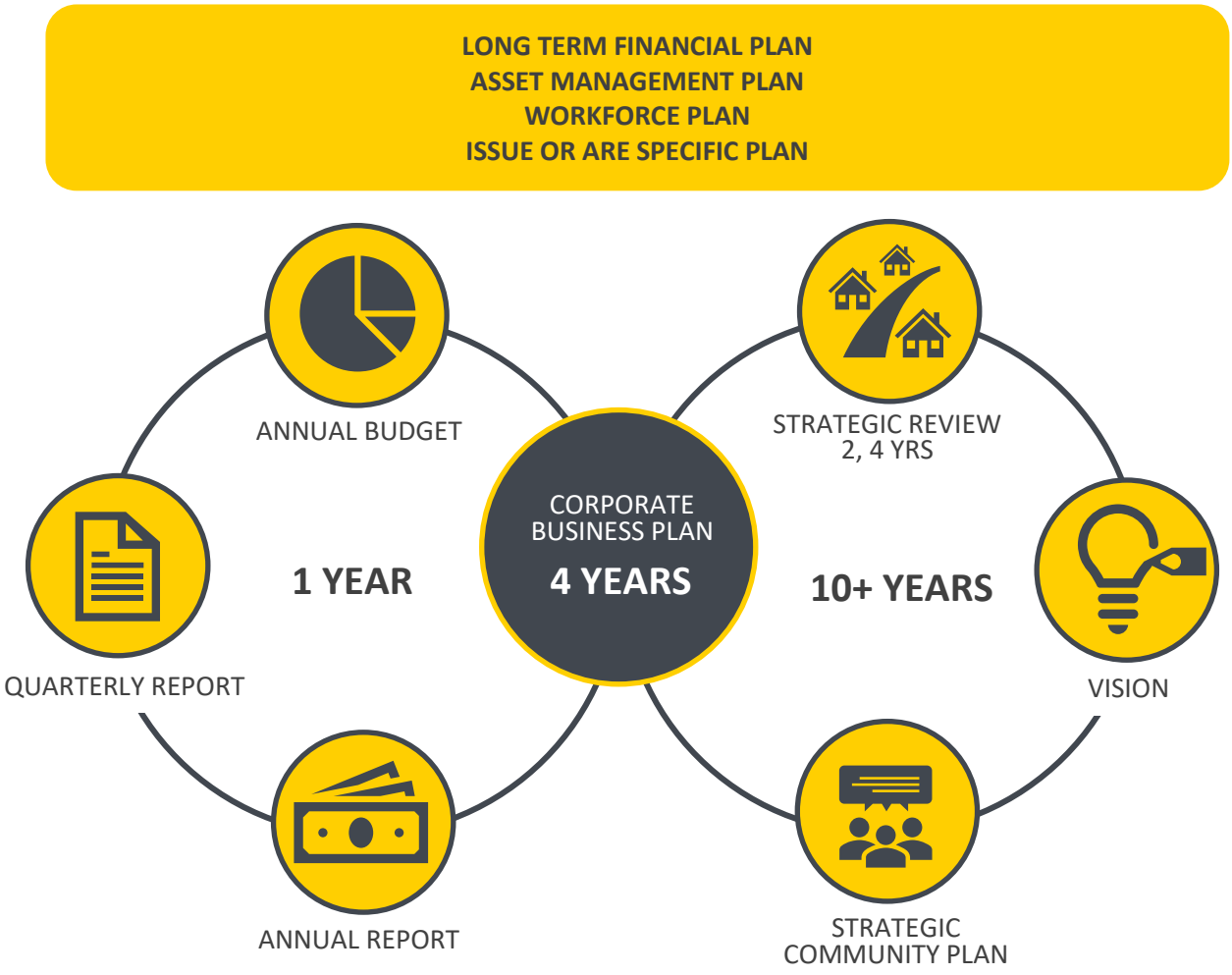
The Town of Cottesloe maintains approximately 47 km of road and 7 km of laneway, over 70 km of footpath, multiple playground and exercise parks, drainage systems, coastal groynes, and various other public use assets common to local councils.

2.2 Purpose of this Plan

This AMP is prepared from available information on the Town's infrastructure assets and service delivery programs. It is a medium-long range planning document which is intended to inform the Long Term Financial Plan and assist with defining financial needs for the ongoing management of assets. It is necessary for the Town to maintain a live and up to date AMP to reflect the evolution of asset management maturity over time

The AMP draws on existing Council documentation and asset data and provides a rational framework for understanding the current and future asset requirements. This AMP has been prepared in accordance with the Department of Local Government and Communities - Integrated Planning and Reporting Asset Management Guidelines2.

Figure 2-3: Integrated Planning Framework



This AMP will improve the Town's ability to meet corporate goals and objectives in a way that best serves its customers. It provides a framework enabling systematic and repeatable processes to manage costs, risk, and levels of service for the Town's assets. This AMP is to be read in conjunction with the Town's key corporate planning documents:

- Corporate Business Plan 2020 - 2024
- Strategic Community Plan 2013 - 2023
- Asset Management Policy 2010

- Risk Management Governance Framework
- Foreshore Redevelopment Masterplan
- Public Open Space and Playground Strategy 2019
- Community Perspectives Survey 2012/13

2.3 Key Strategic Documents

The development and revision of strategic planning documents is critical to AM reporting (financial sustainability, ratios, funding needs etc.), future improvements and implementing good decision making. In the next twelve months Council will revise the Strategic Community Plan (2022/23) and establish the new community aspirations and service expectations for the next decade. The 4-year Corporate Business Plan will then be updated to reflect new priorities and related projects.

The Town is also committed to establishing its first Asset Management Strategy in 2023/24 to ensure infrastructure can be maintained, renewed, and upgraded in a sustainable way. The asset management strategy is a key linkage between the organisation level goals and community requirements and the tactical asset management plans addressing asset performance and need. Once established the strategy will guide asset management practice and principles across the organisation. Key decisions regarding the creation of new assets and the sustainability of existing levels of service will be driven by the strategy.

2.4 Goal & Objective of Asset Management

The Town of Cottesloe council are custodians of various infrastructure assets as described above and are responsible for ensuring that the assets under their control are maintained at an appropriate level, effectively utilised, and are renewed and refurbished to achieve an efficient whole of life cost balance.

To achieve this objective, the Town of Cottesloe requires an integrated Asset Management Strategy that identifies the assets, the purpose of the assets, the condition and capability of the assets and the required investment in the assets. This needs to apply across the various asset classes and to the appropriate level of detail to achieve satisfactory service, at an affordable price and with acceptable risks.

Figure 2-4: Town of Cottesloe Location

3 ASSET OVERVIEW

3.1 Scope of Assets

The assets covered by this plan are the Infrastructure, Buildings, Vehicles, Plant and Equipment assets owned and maintained by the Town. Table 3-1 provides an overview of the asset classes, types, and quantities under Council management. The Town has adopted asset categories which primarily reflect varying asset types. For the purpose of this AMP an asset class structure/hierarchy is presented to group like assets and promote consistent financial reporting in the future.

Asset Quantities originated from the revaluation exercise conducted by GHD in 2018. The Town has since maintained various Asset Management databases (RAMM, GIS) to reflect revisions (additions/deletions) to the asset base.

Table 3-1: Asset Quantities and Asset Class Structure

Asset Class per DLGSC requirements	Asset Sub-Class	Cottesloe Asset Categories	Component	No of Assets	Asset Quantity	Unit Measure
Infrastructure	Car Parks	Car Parks	Kerbing	36	6,916	length (m)
			Road Pavement	36	39,028	Sqm
			Road Seal	36	39,028	Sqm
	Drainage	Drainage Pipes	Drainage Pipes	706	9,868	Length (m)
		Drainage Structures	Drainage Structures	1,688		
		Drainage Sump	Drainage Sump	14		
	Footpaths	Footpaths	Footpaths	1,144	113,888	Sqm
	Foreshore Assets	Beach Access Track	Beach Access Track	63		
		Beach Showers	Beach Showers	13		
		Groynes	Groynes	2		
	Lighting & Electrical	Street Lights	Street Lights	52		
	Public Space	Bench Seats	Bench Seats	7		
		Drink Fountains	Drink Fountains	2		
		Litter Bins	Litter Bins	24		
		Picnic Tables	Picnic Tables	16		
		Playground Shade Sails	Playground Shade Sails	8		

Asset Class per DLGSC requirements	Asset Sub-Class	Cottesloe Asset Categories	Component	No of Assets	Asset Quantity	Unit Measure
		Playground Softfall	Playground Softfall	22	716	Sqm
		Playgrounds	Playgrounds	71		
		Retaining Walls	Retaining Walls	13	1,302	
		Turf	Turf	140	129,886	Sqm
	Roads	ROW	Kerbing	74	24,823	
			Road Pavement	74	51,138	Sqm
			Road Seal	69	48,922	Sqm
		Sealed Roads	Kerbing	383	88,190	
			Road Pavement	386	332,081	Sqm
			Road Seal	386	332,081	Sqm
	Street Furniture	Bench Seats	Bench Seats	109		
		Bus Stops	Bus Stops	2		
		Drink Fountains	Drink Fountains	13		
		Litter Bins	Litter Bins	126		
		Sculptures	Sculptures	17		
Buildings	**Buildings**	TBD	TBD	31		
Plant & Equipment	**Parking Systems**	Parking Systems	Parking Sensors	500		
			Mobile Printers	6		
	Plant, Vehicles & Equipment	Vehicles	Light Vehicles	11		
			Utility Vehicles	6		
		Plant	Plant	7		
			Heavy Plant	5		
			Trailers	7		
		Equipment	Equipment	*		

Land & Property and ICT asset classes are not included in this plan. Exact equipment quantities not available.

3.2 Asset Condition

Asset condition assessments are a means to estimate the real-world deterioration (consumption) of an asset over time. This is essential information to enable planning and valuation of assets. Between 2018 and 2021 the Town completed visual condition inspections to determine the condition of the Town's asset base as identified in Table 3-1. Condition scores were assigned by both external contractors (GHD) and Town of Cottesloe inspectors in accordance with the descriptions described in Table 3-2. The condition of some asset classes was not assessed through visual inspections and instead assumed from their age.

The Town has adopted a condition matrix (1 – 5) to assess asset condition and estimate where an asset is in its life cycle. Aside from the condition matrix the Town has not developed any formal/documented guidelines for conducting condition assessments. Visual condition assessments can be subjective, especially if conducted by many different inspectors and without proper guidelines. Condition rating scores can be greatly improved in terms of consistency and accuracy if Asset Inspectors are provided Condition Rating Manuals.

The Town regularly reviews and updates asset condition , and remaining life in relation to the intervention levels set by the Council. Intervention levels trigger asset renewal/replacement and maintenance activities.

Table 3-2: Asset Condition Scoring

Condition Score	Condition Description	Remaining Life Relative to Condition
1 – Very Good	New condition, no visible signs of wear and tear or defects	95%
2 – Good	In excellent condition with only very slight condition decline (obviously no longer new)	75%
3 – Average	In a fair condition, minor evidence of deterioration of the element which could potentially shorten life	50%
4 – Poor	In poor condition with evidence of minor isolated failure in an element which will reduce future life; high maintenance cost	30%
5 – Very Poor	In very poor condition with evidence of multiple failures and the inability to continue to satisfactorily provide the intended purpose	5%

Figure 3-1 showcases the Towns asset condition profile. The percentages are based on the assets replacement cost. Hence, the majority of asset classes are in good health, with Drainage and lighting assets revealing approximately 30% of their asset base in very poor condition. The cost to renew these assets is reflected in Section 6.3 Renewal Plan.

Coloured cells depicted in Figure 3-1 and Figure 3-2 relate Table 3-2: Asset Condition Scoring.

Figure 3-1: Asset Condition Profile

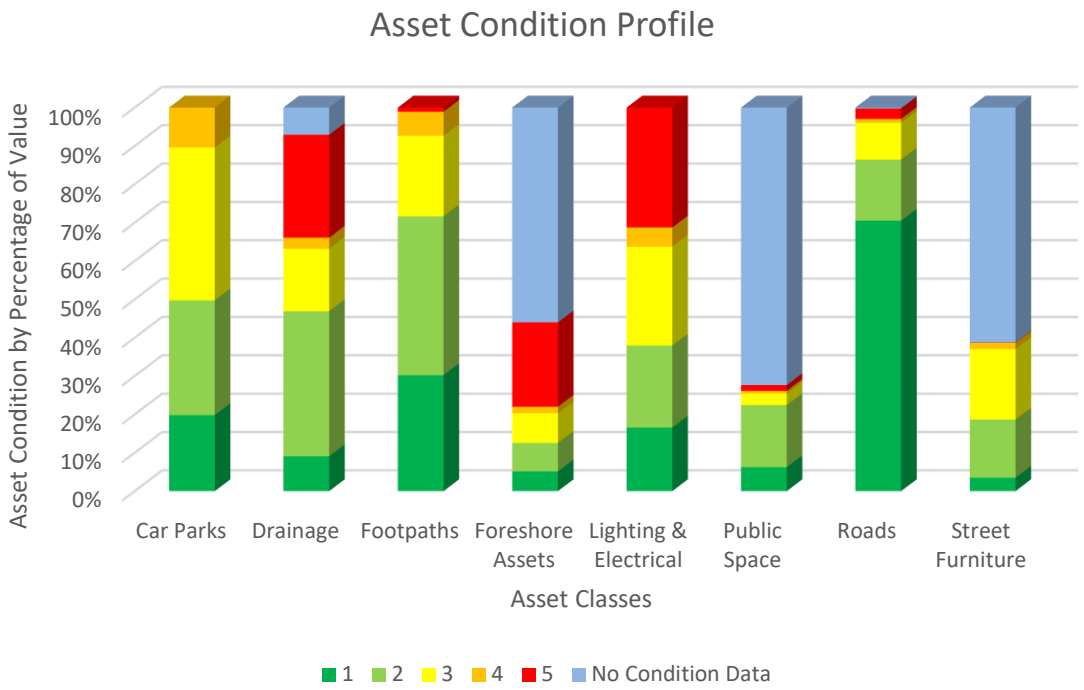
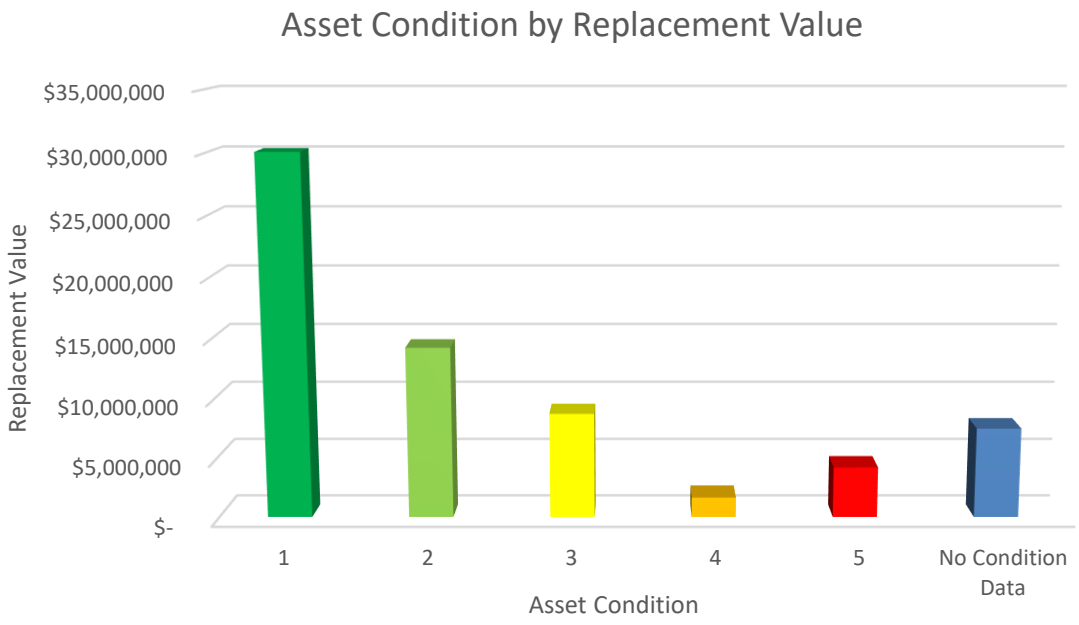


Figure 3-2 depicts the condition of assets summarised by the estimated replacement value. Approximately seven million dollars of assets do not have condition rating scores (No Condition Data). Although not all assets require condition assessment (i.e. soft landscape), efforts should be made to assess asset condition where relevant.

Figure 3-2: Asset Condition by Replacement Value



4 LEVELS OF SERVICE

4.1 Levels of Service Overview

Asset management planning enables the balance between levels of service regarded by the Community and the Councils ability (cost, time, resource, risk) to meet their standards. This relationship is evaluated through consultation with stakeholders to determine the levels of service they are prepared to pay for.

Defined levels of service can then be used to:

- Inform stakeholders of the current level of service provided and
- Inform any proposed changes to levels of service and consequent costs,
- Measure performance against defined levels of service,
- Identify the costs and benefits of services offered, and
- Enable stakeholders to assess suitability, affordability and equity of the services offered.

In this context levels of service define the quality of delivery for a particular activity or service against which service performance can be measured.

4.2 Customer Research and Expectations

In December 2012 the Town of Cottesloe, via the research group CATALYSE®, undertook a Community Perspectives survey which aimed to evaluate overall satisfaction with the Town, perception of services, infrastructure and facilities, community needs and opinions on local government reform. In total, 401 residents were sampled for the survey.

The results of this survey communicated key insights and assisted with establishing strategic direction. Core community insights from the survey highlighted the following areas for improvement:

- Improvements required in traffic management, pedestrian, and cyclist safety, particularly on Curtin Avenue,
- Parking in the town centre needs improvement, and
- Beachfront and Marine Parade infrastructure including improvements to parking, upgrading toilet and change room facilities.

The Town has focused on delivering the needs of the community since receiving feedback in 2012. This is evident in the Town's development of the Foreshore Masterplan and financial investment to construct this precinct over the next three years. Other significant investments include recent attention on renewing beach tracks, upgrading playgrounds and open spaces and using streetscape projects to upgrade precincts. The Town will embark on a comprehensive consultation process in 2022/23 to revise the Strategic Community Plan. Residents will once again have an opportunity to provide valuable input and revitalise the voice of the community.

4.3 Strategic and Corporate Goals

The Town of Cottesloe adopted a Strategic Community Plan in 2013 in accordance with the provisions of the Local Government Act 1995 and Regulations as required under the State Government Integrated Planning Framework.

The Plan is a strategic and planning document that reflects the Town's long term (10-year) commitment to planning for community needs and aspirations. The Plan forms the basis for the Town's other strategic documents including the Corporate Business Plan, Annual Budgets and Long-Term Financial Plan, Human Resource Plan, and this Asset Management Plan.

The community's vision: "An iconic coastal community with a relaxed lifestyle"

Council's mission: "To preserve and improve Cottesloe's natural and built environment and beach lifestyle by using sustainable strategies. Members of the community will continue to be engaged to shape the future for Cottesloe and strengthen Council's leadership role."

The strategic priorities outlined in the Plan reflect areas of focus for the Town when planning for the future of Cottesloe in the short- to medium-term. These priorities are (in no particular order):

1. Protecting and enhancing the wellbeing of residents and visitors.
2. Achieving connectivity between east and west Cottesloe.
3. Enhancing beach access and the foreshore.
4. Managing development.
5. Providing sustainable infrastructure and community amenities.
6. Providing open and accountable local government.

Once the Strategic Community Plan is reviewed in 2022/23, the newly established community aspirations and service expectations will be defined for the next decade. The Asset Management Plans that follow its development will be realigned ensure AM goals meet the needs of the community.

4.4 Customer and Technical Levels of Service

A core component of the AMP is to define and communicate key levels of service for relevant assets and to identify the cost of future operations, maintenance, renewal, and other capital works required to meet these levels of service (LoS). Levels of service therefore provide the platform for all decisions relating to infrastructure management.

Levels of Service are defined in terms of either Customer LoS or Technical LoS. Customer LoS articulate the community's expected level of service for specific asset types. They tend to be more qualitative. Technical LoS define what the Council does, when we do it, how we do it and how we spend time and money to demonstrate suitable asset performance. They tend to be objective and measurable. To ensure levels of service provided by the assets match with customer expectations, the Council is required to engage with its community to establish a clear understanding of customers' needs and preferences.

It is evident that existing service levels, although not formally defined, are changing. Decisions regarding when to renew, when to upgrade and when to maintain may also be changing in response to changing service levels. Typical decision making criteria such as asset condition and age may no longer be driving asset management decisions. It is important for the Town to engage with the *current* community, review existing service levels and redefine the criteria which drives capital investment

It is incumbent upon the Town to have a good understanding of the Community's needs and document these requirements in the AMP. Defining levels of service is a gap in current practice, and a recommended improvement action to achieve asset sustainability and better service delivery.

5 FUTURE DEMAND

Planning around growth and demand is imperative to provide economically sustained services to meet the growing needs of the Town and its stakeholders into the future. Growth and demand planning allows for the identification and quantification of areas within the Town that are likely to experience significant pressures. Although growth and demand are considered together in this section, it is worth noting that they do have different implications regarding the on-going function/delivery of services.

This section of the plan analyses the potential factors affecting demand including population growth, social and technological changes. The impact of these trends is examined, and demand management strategies recommended as required to modify demand without compromising customer satisfaction.

This AMP has not focussed on analysing the patronage of Cottesloe's existing facilities, or the demand for new assets. Future versions of this AMP should consider the impact on infrastructure assets as demands change over time.

5.1 Growth and Demand Trends

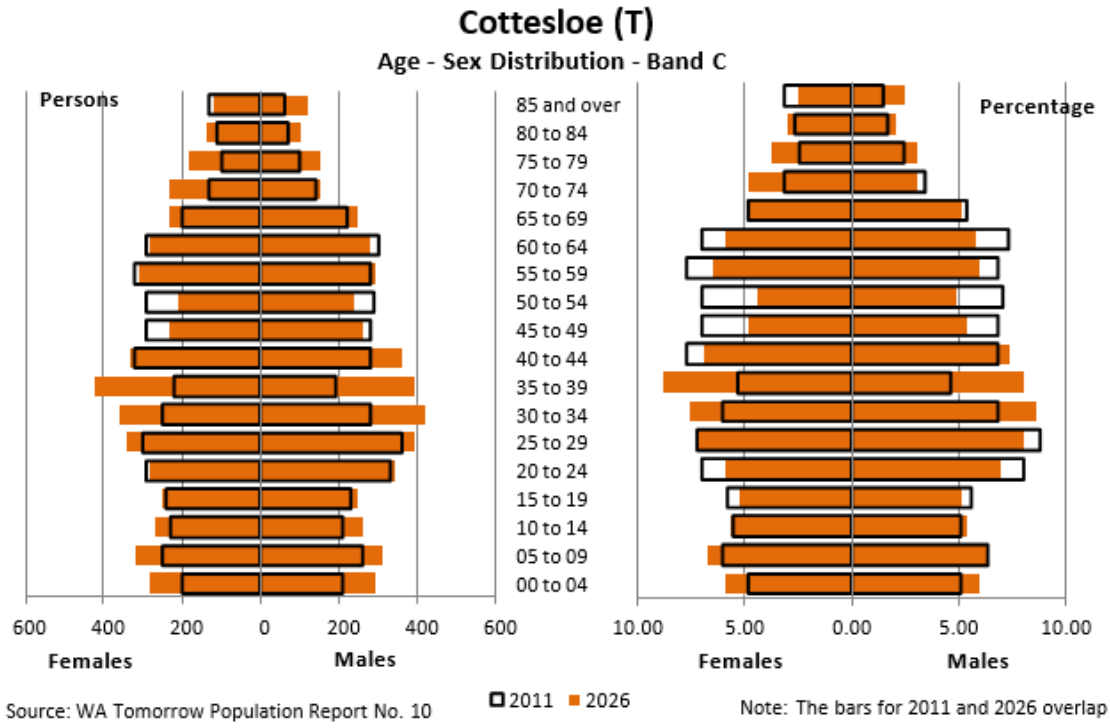
The following section discusses some of the factors influencing demand for assets and services provided by the Town. It should be noted that this list may not be complete but does include some common key trends the Town can use to begin the process. Some trends have been identified and briefly discussed below, but additional issues may exist, and all require further investigation and analysis to anticipate the effects on current and future infrastructure assets. This section of the Plan should be updated in future versions to account for this.

Statistics and graphs come from Western Australia Tomorrow (local government area forecasts) which contains population trend forecasts for local government areas in Western Australia between 2011 and 2026.

5.2 Demographics

Projected changes to population demographics are shown in Figure 5-1. Between 2011 and 2026 the total population is projected to grow across virtually all demographic groups, however, is expected to be most significant in the 35-39 age bracket. The 45-49 and 50-54 age brackets show the greatest decrease in total persons.

Figure 5-1: Town of Cottesloe Population Pyramid 2011 - 2026



5.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 5-1.

Table 5-1: Demand Management Plan

Demand Driver	Current Position	Projection	Impact on Services	Demand Management Plan
Economic Growth	Existing roads and public infrastructure are reflective of the current economic activity and community needs.	Increased economic activity, business development and attraction of visitors and residents to the region.	Requires some existing infrastructure to be upgraded to account with future needs, and/or new infrastructure introduced to meet new requirements.	Investigate economic growth regions and/or new resource operations to better predict needs analysis on existing infrastructure assets.
Population Growth	Population growth is being encouraged in certain Town areas such as the Cottesloe Foreshore.	The Town of Cottesloe is projected to reach a maximum population of 10,140 in 2026, an average annual growth rate of 1.39%.	Master plans and development of Town areas incorporate consideration of population growth.	Work with the private sector and state government agencies to consider joint venture solutions and/or additional funding sources
Seasonal Influences	Cottesloe is a coastal Town centre which experiences high seasonal activity.	Future development of the Foreshore is expected to attract more visitors/residents.	Maintenance requirements and related costs will likely increase during these periods.	Investigate asset types and materials which can be introduced to reduce overall maintenance/operating cost impacts.
Climate Change	Historical/existing assets are constructed to withstand current climatic condition.	1) Increase in annual and seasonal rainfall averages. 2) Increase in frequency and severity of storms, cyclones,	1) Flooding likely to cause pressures on old stormwater drainage assets built with lower capacity standards.	1) Investigate asset types and materials which can be introduced to reduce overall maintenance/operating cost impacts.

Demand Driver	Current Position	Projection	Impact on Services	Demand Management Plan
		and other inclement weather events 3) Rising sea levels.	2) Severe changes in weather to impact on asset materials (expansion/contraction) and asset selection. 3) Foreshore degradation.	2) Review upgrade opportunities when considering asset renewal/replacement as part of cyclic programs. 3) Implement foreshore rehabilitation programs .
Coastal Impacts	Existing assets servicing a world renowned coastal destination for tourists, local visitors, and residents. Asset service levels very high.	The Foreshore Redevelopment Project ($17 million) will upgrade 1km of foreshore coastline and all-encompassing assets. Increased attraction to foreshore location. Existing assets are being upgraded to meet a high service level.	Increase in maintenance and operating costs ($$) to manage increased tourism and higher grade assets and service levels.	Incorporate forecast cost implications in Long Term Financial Plan.
Recreation and Leisure	Some aged infrastructure in public spaces such as playgrounds which do not meet stakeholder/community requirements.	Increase demand for recreational facilities such as parks, walking trails, water activities etc.	Demand to replace existing assets and structures with improved assets and more diverse opportunities.	Public Open Space and Playground Strategy (2019) and Foreshore Masterplan developed to guide strategic replacement and upgrade of existing/aged infrastructure.

6 LIFECYCLE MANAGEMENT PLAN

Assets are created and acquired to deliver the required services for the Town and its residents. These assets are operated and maintained throughout their useful life and their performance and condition are monitored to ensure they deliver the necessary service.

Table 6-1: Assets Covered in this Plan

Asset Class	Current Replacement Cost ($)	Depreciated Replacement Cost ($)	Annual Depreciation ($)
Car Parks*	$3,736,291	$1,061,343	$85,341
Drainage*	$6,061,491	$3,023,086	$65,816
Footpaths*	$9,086,959	$5,989,827	$187,084
Foreshore Assets*	$6,199,558	$3,545,612	$138,530
Lighting & Electrical*	$253,548	$90,934	$12,677
Public Space*	$3,909,955	$2,601,999	$101,478
Roads*	$36,049,918	$30,270,229	$719,480
Street Furniture*	$1,096,427	$627,716	$54,512
Buildings	$67,422,500	$39,013,500	$811,370
Parking Systems	$469,800	$446,310	$93,960
Plant, Vehicles & Equipment**	$1,191,369	$250,187	$71,482
Grand Total	**$135,477,816**	**$86,920,743**	**$2,2341,731**

* denotes asset classes/categories related to Infrastructure Assets

**denotes this is not the depreciable amount

The Lifecycle Management (LCM) section of this Plan provides the broad strategies and work programmes required to achieve the goals and standards outlined in Sections 3 and 4 for the assets under the Town's control. The assumption in this initial plan is that there are no changes to current policies or in the level of service provided, and that each LCM category identified below will be used as a starting point for future development. Future versions of this document will be enhanced by including strategies and planning around each of the categories as applied to each asset class or group.

6.1 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

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. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

6.1.1 Types of Maintenance

Routine/Reactive Maintenance - involves small, generally reactive works carried out in response to service requests and/or direction from the asset manager. These work items are planned on a short-term basis and include activities such as minor repairs, fault correction, and insect extermination.

Preventative/Planned Maintenance - involves proactive works that are conducted at regular intervals longer than one year. This type of work is carried out before the development of defects (e.g. timber rot) and is aimed at preventing occurrence or progression of a defect.

Although activities are not formally defined in the Towns previous AMP or documented in Council maintenance manuals the Town is proactive in maintaining assets and keeping assets operational for public use. Below is a non-comprehensive list of activities performed by the Parks and Operation crews. In some instances, external contractors are also engaged through maintenance contracts to repair asset defects related with roads, kerbs, and drainage.

Table 6-2: The Town's Operational and Maintenance Activities

Operations or Maintenance	Type of Activity	Activity Description	Related Asset Class	Frequency
OPERATIONAL	Condition Inspections	Identify overall asset condition and determine deterioration of asset relative to its useful life	Infrastructure, Buildings, Parking Systems	3-yearly
	Defect Inspections	Identify immediate threats to public safety, and defects that if untreated would impact asset lifecycle		Fortnightly to yearly
	CCTV Inspections	Using closed circuit television techniques, inspect pipe and pit deterioration	Drainage	Bi-annually
	Compliance Inspections	Typically related to upholding regulatory standards. Frequency of inspections determined by legislation / standards / guidelines	Infrastructure, Buildings, Parking Systems	As stipulated
	Internal Cleaning	Maintain service levels of aesthetic appearance and cleanliness	Buildings & Public facilities	Daily
	Mowing / Tree Timing	Monitoring and maintaining tree and turf growth to specified standards	Public Assets	Daily
	Beach Clearing / Cleaning	Machine towed by a tractor to remove hazardous materials and	Public Assets	Four times a week in summer,

Operations or Maintenance	Type of Activity	Activity Description	Related Asset Class	Frequency
		or sculpt/shape beach materials		once a week in Winter
	Street Sweeping		Roads	Weekly
PREVENTATIVE MAINENANCE	Testing	Qualitative testing of equipment to meet required standards. i.e. Irrigation or mechanical equipment pump pressure tests	Vehicles, Plant & Equipment, Public Space Assets, Buildings	B-annual
	Minor Servicing and lubrication	Cyclic asset servicing and regulated intervals. Ensure peak performance and is not driven by identification of faults	Vehicles, Plant & Equipment	Weekly
	Painting	Treating surfaces to withstand climatic conditions and maintain aesthetic appeal	Buildings, Public Spaces, Foreshore Assets	As required
	Timber Treatments / Varnishing		Street Furniture, Public Assets	Bi-annual
REACTIVE MAINTENANCE	Major Servicing	Rectification of faulty/defective components that form part of a larger functioning asset	Vehicles, Plant & Equipment	Bi-annual
	Defect rectification and repair	Minor kerb repairs, Pot hole and road seal repair, Trip hazard rectification, and repair of chips, dents, or damage done to street furniture and other public space assets	Roads, Footpaths, Public Space, Street Furniture	Weekly

6.2 Summary of Operation and Maintenance Costs

The historical operations and maintenance budgets were reviewed for determining maintenance trends. These are captured in Table 6-3. Maintenance costs recorded in the finance system do not directly correlate with asset classes defined in the AMP. This has limited the ability to review the costs of some activities and determine where maintenance costs may be unnecessarily high, or sustainable.

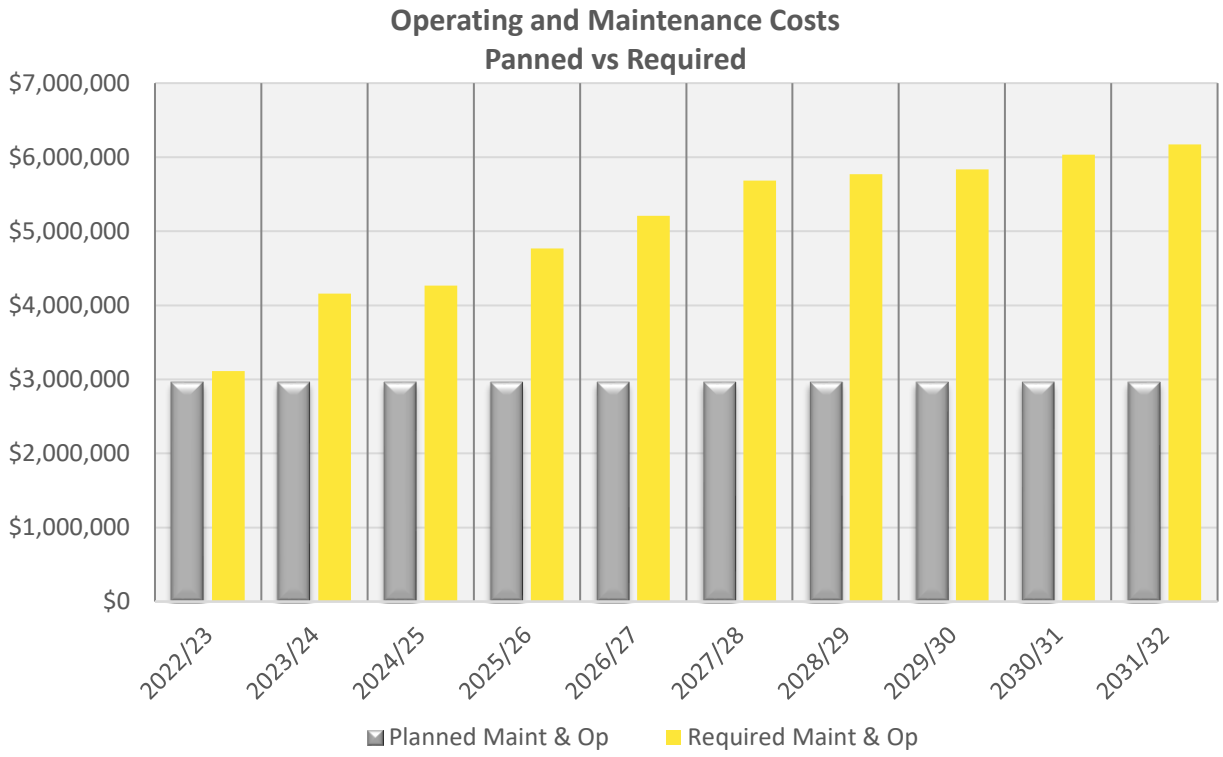
Table 6-3: Maintenance & Operating Budget Trends

Asset Class	2017/18	2018/19	2019/20	Average
Buildings	$496,828	$639,399	$647,554	$594,594
Infrastructure	$2,146,333	$2,293,336	$2,159,966	$2,199,879
Parking Systems	$-	$-	$-	$93,000
Plant, Vehicles & Equipment			$74,470	$74,470
Grand Total	**$2,643,161**	**$2,932,736**	**$2,881,990**	**$2,961,942**

Note: Parking Systems were introduced in 2021 so no prior costings. Actual maintenance fees are defined in servicing contract. 'Average Costs' are calculated at the asset sub-class level and summarised in Table 6-3.

The average maintenance costs identified in Table 6-3 is represented in this AMP as the Towns planned operating expenditure. The planned budget is baselined without consideration of other capital expenditure activities such as new capital projects. The planned budget is yet to be confirmed in the LTFP. Whereas, forecast (required) operation and maintenance costs incorporates the financial impact (introduction) of new and upgraded assets. New assets introduced into the Councils inventory require additional ongoing maintenance and operation costs. See below the comparison between forecast and budgeted costs.

Figure 6-1: Operating & Maintenance Summary



The financial comparisons outlined below are averaged over a ten-year period:

Average Annual Planned Maint/Op: **$2,961,942** Average Funding Gap/annum: **-$2,158,687**

Average Annual Required Maint/Op: **$5,120,629**

It is predicted that the Town will need to increase operation and maintenance expenditure, or develop new efficiencies, to maintain current maintenance and operation to existing service levels. Incomplete maintenance will manifest as poorer service, a shift to reactive maintenance, lower asset amenity, increased risk and reduced asset lives.

The required costs are reflective of existing requirements, and new or upgrade assets introduced through proposed Council projects. The Foreshore Redevelopment represents a $17 million dollar investment, incorporating new asset acquisitions and upgrades which promote very high service levels. The foreshore assets are subject to harsh coastal conditions and as such will require heightened maintenance regimes.

Proposed projects involving significant new and upgraded assets are itemised below:

- Foreshore Redevelopment Stage 1 – 2022/23
- Foreshore Redevelopment Stage 2 – 2023/24
- Foreshore Redevelopment Stage 3 – 2024/25
- Public Open Space & Playground Strategy – 2021 to 2026
- Road Laneway (ROW) Upgrades - ongoing
- Streetscape and Miscellaneous Upgrade programs – ongoing
- Car Park 2 Redevelopment Including Short Stay Accommodation & Retail
- Public Toilet Strategy
- Station Street Place Making
- Harvey Field Upgrade
- Street Lighting Improvements – Western Power Lux Levels
- Long Term Cycle Plan
- Skatepark Implementation

6.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces, or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs.

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g., renewing a bridge component to ensure intended load capacity), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g., condition of a playground).

Useful lives are estimates of the expected period the average asset of that type will provide the required level of service before needing to be renewed. The useful lives of assets are used to develop projected asset renewal forecasts shown in Table 6-4 and asset valuations. Some useful lives vary from the 2018 revaluation and should be considered for adoption prior to the next revaluation exercise.

Table 6-4: Useful Lives of Assets

Asst Types	Useful Life Range (Yrs.)	Asst Types	Useful Life Range (Yrs.)
INFRASTRUCTURE		**INFRASTRUCTURE**	
Beach Access Tracks	25 - 50	Litter Bins	20
Beach Showers	25	Picnic Tables	15 - 20
Bench Seats	20	Playground Shade Sails	20
Bus Stops	15	Playground Softfall	10
Drainage Pipes	40 - 100	Playgrounds	15
Drainage Structures	100	Retaining Walls	60
Drainage Pits	100	Road Pavement	60 – 100
Drink Fountains	25	Road Seal	20 - 35
Footpaths	20 - 60	Streetlights	20
Groynes	60	Turf (inc. reticulation)	40
Kerbs	60 - 80	Sculptures	20
BUILDINGS		21 - 100	
PARKING SYSTEMS		5	
VEHICLES, PLANT & EQUIPMENT		5 – 7	

6.4 Summary of Renewal Forecasts

Historical renewal expenditure was reviewed for determining renewal budget trends. These are captured in Table 6-5.

Table 6-5: Historical Renewal Expenditure

Asset Class	2017/18	2018/19	2019/20	Average
Buildings	$113,762	$166,933	$845,510	**$375,402**
Infrastructure	$382,356	$1,655,399	$758,263	**$1,093,080**
Parking Systems*				
Plant, Vehicles & Equipment	$176,091	$265,201	$294,275	**$245,189**
Grand Total	**$672,209**	**$2,087,533**	**$1,898,049**	**$1,713,671**

***Note**: Parking Systems were introduced in 2021 so no prior costings. Maintenance fees are defined in the servicing contract.

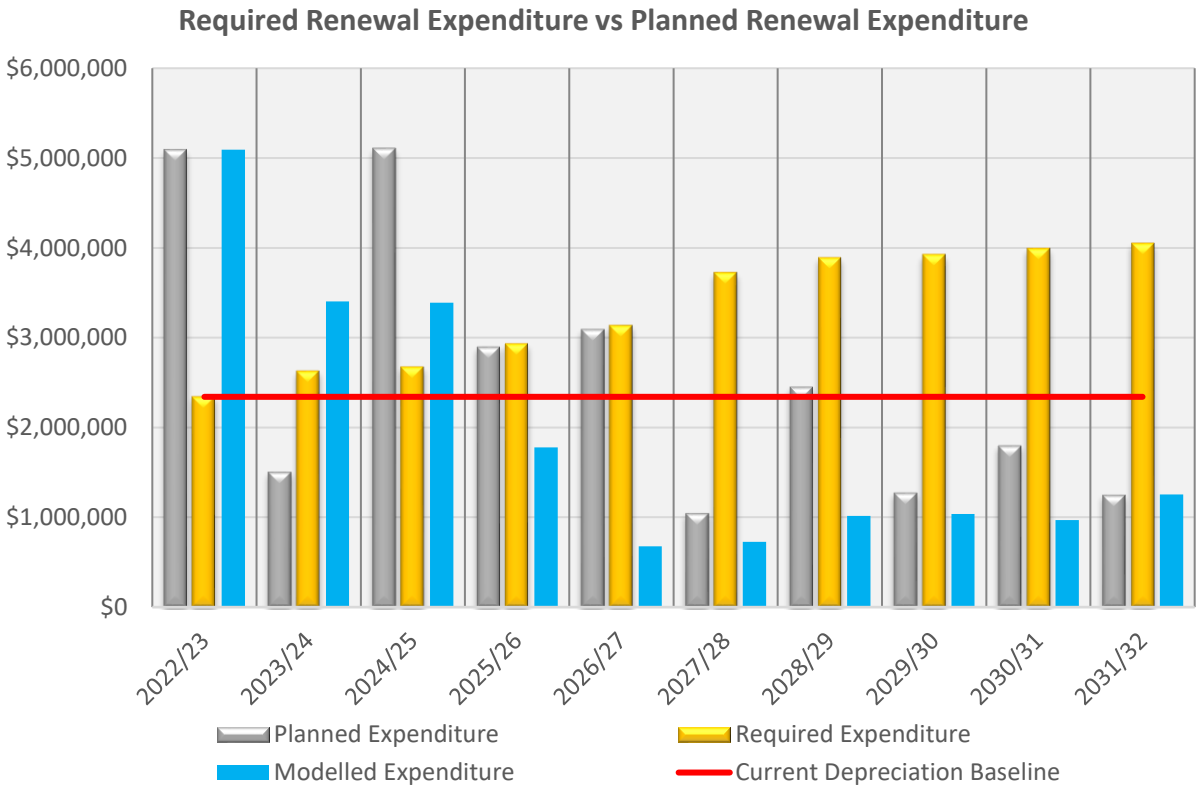
Figure 6-2 showcases the various expenditure scenarios and highlights the gap between planned and required expenditure. Observations are provided in the sections below.

Required expenditure is projected from annual depreciation expense and the estimated increase in depreciation expected from newly constructed or upgraded assets (Foreshore redevelopment).

Planned expenditure is based on the Towns Long Term Financial Plan (LTFP).

Modelled Expenditure is based on the assets (current) condition, or most recently collected asset data. This also incorporates forecasted projects such as the Foreshore Redevelopment and POS Strategy.

Figure 6-2: Required vs Planned Renewal Costs



6.4.1 Medium-long Term Renewals (Year 1 – 10)

The projected expenditure increases over the initial short period are due to new/upgrade capital investment.

Typically there is a short period of grace with new assets when renewal costs can be hidden. However, over time the gap between required and planned expenditure is significant. Failure to identify and plan for it can leave a legacy debt If the Town does not address the funding gap, then the financial impacts will flow to future decades when capital may be more difficult to obtain, and other priorities complicate planning .

Modelled expenditure is depicted in the graph above to articulate where actual renewal expenditure can be directed. This is based on asset condition and the Towns targeted investment projects. The modelled costs reflect high renewal expenditure in the short term due to the Foreshore Redevelopment project and a backlog of poor condition drainage assets.

Aside from drainage structures, most other asset classes are in a fair to good condition. The green bars in the graph show low asset renewal expenditure in the later part of the 10 year projection because of this condition profile. The proposed capital works plan included in appendix 1 is modelled from this expenditure.

The identified funding gap between required and planned does not represent a recommendation to increase renewal expenditure now. It is an indication of the funding requirements for sustainable future asset renewals, and the requirement to financially plan for the future. There is an opportunity for the Town to utilise a period of low investment need, but a corresponding risk to mismanage future financial liability.

If the Town continues to budget for asset renewals at the same rate it is now, without contributing to reserve funds, then the level of service will decline in future years. Assets will age and deteriorate, and future liabilities will be intolerable.

The medium-long term financial comparisons outlined below are averaged over 10 years:

Average annual planned renewals: **$2,552,447**	Funding Gap per annum: **-$774,513**
Average annual required renewals: **$3,326,961**	

6.4.2 Asset Class Observations

Roads, Car Parks, and footpaths are in good to fair condition and therefore not requiring large renewal expenditure in the immediate future.

Road assets (road seal and kerb) appear to receive regular maintenance attention with pot hole repairs, patching, kerb repairs and sometimes even partial replacement (not classified as renewal). It is presumed that these maintenance activities are keeping assets from deteriorating to a point that triggers full replacement. The cost of road maintenance may be higher than necessary and could be offset by earlier intervention through capital renewal.

Note: Following recent negotiations and reclassification of Curtain Avenue, Main Roads agreed to take on ownership of all associated road assets. This will reduce the financial liability on the Town to maintain legacy issues along this section of road and renew assets. These assets were requiring weekly maintenance attention and by removing will likely reduce the ongoing maintenance costs. These reductions could not be estimated and are therefore not reflected in the forecast costs.

Buildings are also long life assets and typically require regular ongoing maintenance. Planned building renewals is being driven by the recent internal condition assessments conducted in 2021. Building components requiring capital works were identified and scheduled based on priority. The Town recently committed to replacing the Anderson Pavilion. Buildings should be inspected every three years to revise capital works requirements.

6.4.3 Roads Renewal Funding Opportunities

The Town has more recently applied to the Metropolitan Regional Road Group (MRRG) for road improvement and road renewal funding. This funding is available for certain classifications of road that receive higher road users/road traffic. The MRRG application process allows the Town to apply for two-thirds of the project costs, but no more than $750,000 in funding. Other road programs like *Roads to Recovery* provide additional government funding for roads.

The Town has made allowances for grant funding in the LTFP. Should these applications not proceed this would impact the planned budget. The town has 8km of road which classifies for MRRG funding and should be referred for future applications.

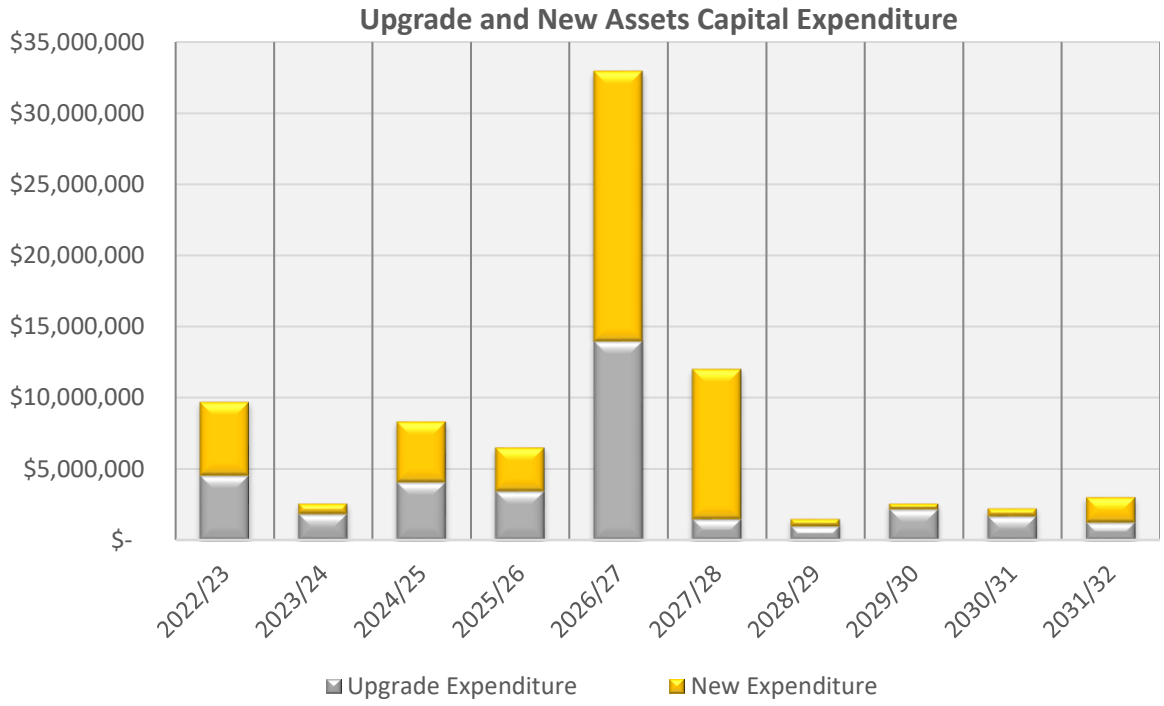
6.5 Acquisition Plan

Acquisitions are new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. While asset renewal/rehabilitation and upgrades can occur simultaneously, it is important to note that the purpose of asset renewal is to prevent a decline in the service potential of the assets while new or upgrade works provides an increase in service potential due to these outside drivers.

The expenditure proposed in Figure 6-3 primarily relates to strategic projects discussed in Section 6.2 of this AMP (Foreshore and POS Strategy). Some upgrade expenditure is driven by the Laneway/ROW upgrade program. This aims to upgrade all laneways which are currently sand/soil/grass or a combination of sealed and unsealed sections with asphalt reseals.

The average annual upgrade and new expenditure over the ten-year period is **$8,172,068 per annum.**

Figure 6-3: New and Upgrade Expenditure



7 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

Certain ratios have been identified as Key Performance Indicators (KPIs) to enable local governments to measure and report their asset management sustainability overall more readily. Regulation 50 of the Local Government (Financial Management) Regulations 1996 requires local governments to measure and report to the Department the asset consumption ratio, asset renewal funding ratio and asset sustainability ratio.

7.1.2 Asset Consumption Ratio

This ratio highlights the aged condition of a local government's stock of physical assets. The standard is met if the ratio can be measured and is 50% or greater (0.50 or >). The standard is improving if the ratio is between 60% and 75% (0.60 and 0.75).The ACR for 2022/23 is **65%.**

7.1.3 Asset Sustainability Ratio

This ratio indicates whether a local government is renewing or replacing existing assets at the same rate that its overall stock of assets is wearing out. A ratio greater than 110% indicates that the local government may be over investing in renewal and replacement of its asset base. A ratio of less than 90% indicates that the local government may be under investing in renewal and replacement of its asset base. The ASR for 2022/23 is 217% owing to an initial surplus of budget allocation.

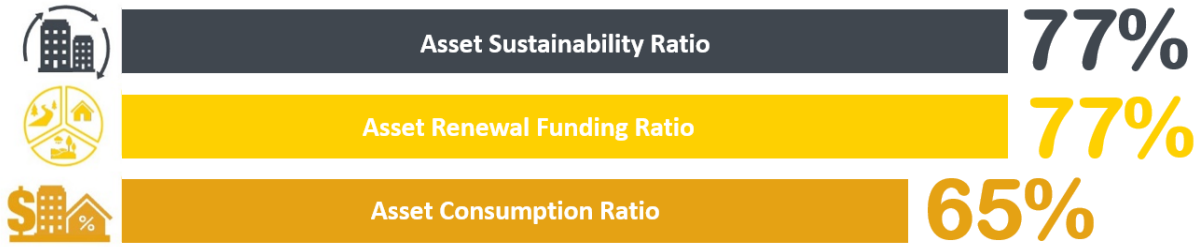
A better indicator of renewal sustainability is the averaged ASR over the ten-year period. This allows for peaks and troughs of investment. The averaged ASR based on forecast asset renewals is **77%.**

7.1.4 Asset Renewal Funding Ratio

This ratio indicates whether the local government has the financial capacity to fund asset renewal as required and can continue to provide existing levels of services in future, without additional operating income.

The standard is met if the ratio is between 75% and 95% (or 0.75 and 0.95). The standard is improving if the ratio is between 95% and 105% (or 0.95 and 1.05), and the ASR falls within the range 90% to 110%, and ACR falls within the range 50% to 75%.

The next ten years we expect to have **77%** of the funds required for the optimal renewal of assets.



7.1.5 Medium-long Term – 10 year Financial Planning Period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance, new, upgrade and renewal costs over the 10 year planning period is **$16.4 million** on average per year.

The proposed (budget) operations, maintenance, new, upgrade and renewal funding is **$13.5 million** on average per year providing a $42 million 10-year funding gap. This indicates that **82%** of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations include acquired assets.

7.2 Forecast Costs

Table 7-1 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan. Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

Forecast costs are shown in 2020/21 dollar values.

Table 7-1: Forecast Costs for Required Expenditure

Year	Acquisition	Operation / Maintenance	Renewal	Disposal
2022/23	$9,734,709	$3,131,942	$2,341,731	-$48,000
2023/24	$2,603,780	$4,178,562	$2,627,707	-$156,726
2024/25	$8,365,738	$4,286,366	$2,673,430	$188,965
2025/26	$6,535,727	$4,788,008	$2,930,756	-$166,531
2026/27	$32,960,814	$5,227,506	$3,134,656	$0
2027/28	$12,061,278	$5,702,585	$3,720,887	-$165,913
2028/29	$1,531,323	$5,790,311	$3,884,995	-$115,157
2029/30	$2,598,920	$5,855,103	$3,920,206	-$224,312
2030/31	$2,270,098	$6,053,339	$3,988,955	-$208,100
2031/32	$3,058,296	$6,192,571	$4,046,289	-$210,000
TOTAL	$81,720,683	$51,206,294	$33,269,612	-$1,105,774

7.3 Funding Strategy

The financial strategy of the entity determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives. Key observations made in this plan identify funding issues, both now and in the future. The cause of the funding issues is summarised below:

1. Acquisition of new and upgrade assets will introduce increased maintenance costs not currently considered in the planned budget
2. Budget deficits between planned and required renewal costs
3. Current backlog of asset renewals requiring immediate intervention

The Town will look for funding strategies to cope with the above mentioned issues. Non-asset solutions such as choosing more sustainable (less costly) asset types, new technologies, new material, and improved operations can help reduce cost implications. Irrespective of non-asset solutions, it can be anticipated that additional funding will be required.

The Town currently maintains eighteen reserve funds used to contribute to capital works, new initiatives, developing and maintaining asset improvements and asset renewals/replacements. It is necessary to continue to maintain these reserve funds and add to them during periods of low capital renewal investment. The primary funds relevant to asset renewals and maintaining service levels for assets in this AMP are:

Table 7-2: Reserve Funds

Reserve Fund Account	Purpose of Reserve Fund	Reserve balance (2020/21)
Active Transport	For the purpose of developing and maintaining active transport infrastructure within the suburb of Cottesloe	$514,861
Civic Centre Improvements	To fund the cost of improvements, renovations, extensions to the buildings that makes up the Cottesloe Civic Centre	$271,174
Waste Management	To fund the improvement, replacement and expansion of waste management plant, equipment facilities and services within the suburb of Cottesloe	$198,948
ROW	To be used to fund the improvement of Right of Ways within the suburb of Cottesloe	$195,368
Property	To contribute towards future property construction/renewal within the Town of Cottesloe	$1,434,965
Infrastructure	To contribute towards future infrastructure construction/renewal within the suburb of Cottesloe which includes the following categories on infrastructure, roads, drainage, footpaths, parks and ovals, irrigation, streetscapes, and miscellaneous infrastructure	$388,334
Sculpture and Artworks	To be used for the acquisition of new and restoration of existing sculptures and artworks	$118,225
Public Open Space	To be used to fund the enhancement of existing, and creation of new, public open space within the suburb of Cottesloe to cater for the needs of all ages and abilities of the Town's youth	$400,107

It is recommended that the Town contribute to the relevant reserve funds annually. Where possible the recommended contribution should be consistent and in reference to the required expenditure described in this AMP. Reserve fund contributions typically account for the difference between the allocation of renewal expenditure in that year and the annual depreciation expense. This should be assessed across each asset class.

8 RISK MANAGEMENT

Risk Management is defined in the International Standards Australia ISO31000:2018 as "coordinated activities to direct and control an organisation with regard to risk". In an Asset Management application, risk assessment and risk management facilitate the following:

- Management of corporate responsibilities,
- Identification of critical assets and the consequences of asset failures upon the customer and the Town,
- Identification of potential failures and development of contingency plans,
- Facilitation of decision making through prioritisation of potential actions, and
- Development of Emergency Management procedures and protocols.

Figure 8-1: Risk Management Process Flow

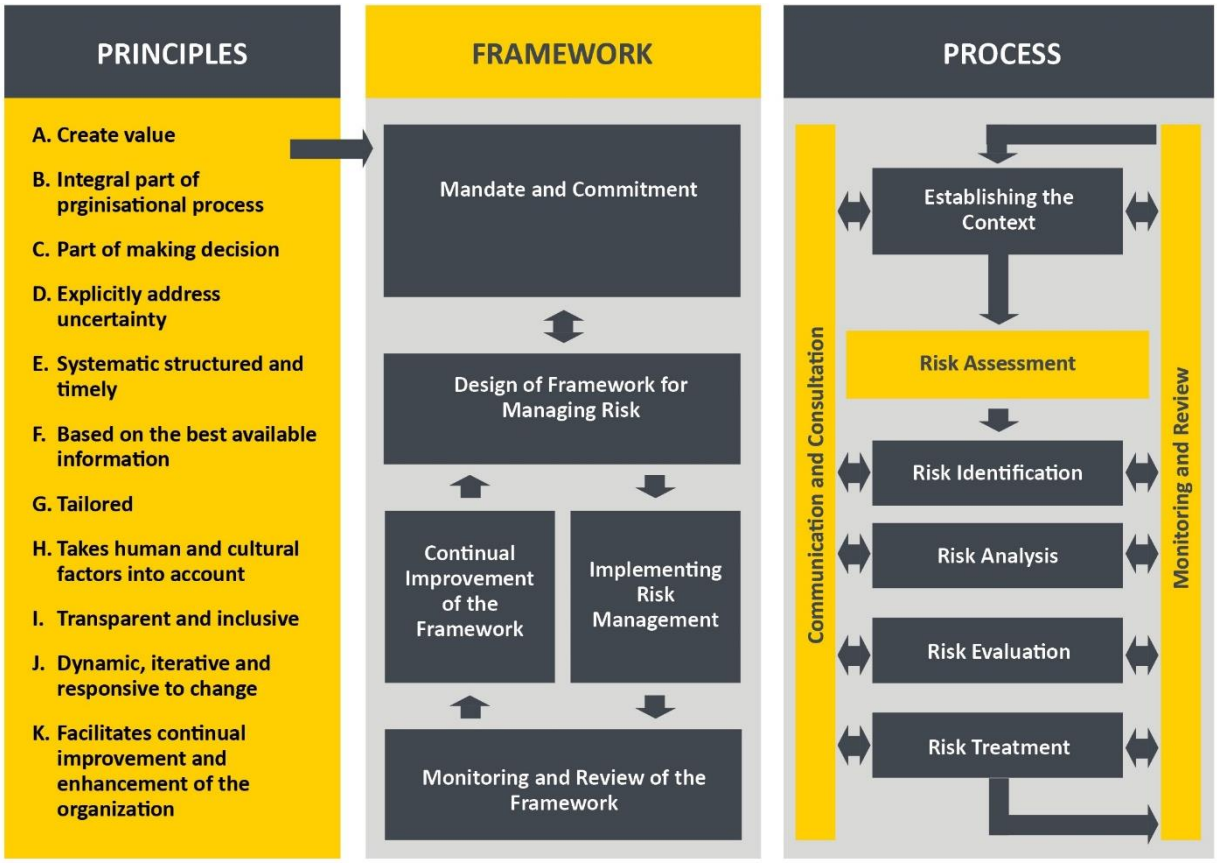
The Town has an established Risk Management framework and is managing risk within the Asset Management context. It is not clear how and when risk is being applied in decision making. Evidently attention is being given informally to risk through daily decisions on public safety, replacement of assets, maintenance and similar. This is a requirement of good asset management practice. It is important to understand how and when risk is considered in the decision making criteria of asset related decisions. Future iterations of this AMP will address this gap.

The Town's risk management framework is outlined in the Risk Management Policy. This outlines the Governance Framework, Policy and Procedures and sets out the Towns approach to the identification, assessment, management, reporting and monitoring of risks. The Framework is based on the International Standards Australia ISO31000:2018.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks. It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of International Standard ISO 31000:2018 as seen in Figure 8-2.

Figure 8-2: Risk Management Process and Framework



8.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

The asset management plan would typically include a review of all failure modes identified against critical assets; however these are yet to be defined. Playgrounds are a good example of a critical asset which requires regular inspections under current legislation and poses a significant public risk to a particular community group if not maintained accordingly. Future iterations of this AMP will address this gap.

9 IMPROVEMENTS PLAN

It is important that an entity recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 9-1.

Table 9-1: Improvement Plan

Task	Task Description	Who	Timeframe
1	Perform rolling reviews of asset registers across the portfolio and enhance with up to date asset data including condition and other descriptors to improve knowledge as applied to valuation methodology and reporting and help guide maintenance and renewal work.	AM	Ongoing
2	Develop Community and Technical levels of service and performance measurements in line with customer expectations and stakeholder input.	AM and Corporate Services	2022/23
3	Perform future growth and demand identification and analysis.	Corporate Services	2022/23
4	Identify critical assets and document asset criticality.	AM	2022/23
5	Undertake asset management risk assessments of asset groups and develop risk management and mitigation plans for high and extreme risks.	AM and Corporate Services	2021/22
6	Review the use of the Miscellaneous and Streetscape project programs for capital projects. These programs are a mixture of asset renewals, new and upgrade and mess with financial reporting and reporting ratios.	AM and Finance	2021/22
7	Review and update AM Policy and Procedures.	AM and Corporate Services	2021/22
8	Develop an Asset Management Strategy to guide AM practises strategic direction.	AM	2023/24
9	Develop renewal and maintenance ranking criteria. Clearly define and identify the limitations of what is considered maintenance and what is capital renewal works. Also establish the criteria for triggering renewal as opposed to upgrade.	AM	2021/22
10	Develop condition rating manuals and guidelines for standardisation of condition assessments.	AM	2022/23

A.1 Required Renewals From Modelling

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Car Parks	$0	$0	$1,005,000	$125,000	$0	$0	$0	$0	$189,328	$36,389	**$1,355,716**
Drainage	$480,465	$226,762	$205,662	$249,865	$260,744	$200,586	$0	$0	$0	$0	**$1,624,083**
Footpaths	$573,060	$331,183	$785,540	$518,270	$0	$0	$150,749	$0	$22,515	$0	**$2,381,317**
Foreshore Assets	$0	$1,200,000	$0	$5,999	$0	$0	$270,000	$260,000	$251,998	$240,000	**$2,227,996**
Lighting & Electrical	$79,284	$0	$12,624	$0	$0	$0	$65,376	$0	$0	$0	**$157,284**
Public Space	$1,657,679	$184,667	$10,080	$21,000	$84,420	$0	$0	$265,848	$0	$0	**$2,223,694**
Roads	$990,042	$1,181,281	$1,009,373	$300,627	$0	$120,386	$76,800	$86,500	$18,648	$490,777	**$4,274,434**
Street Furniture	$854,110	$0	$3,840	$28,846	$30,545	$28,182	$104,075	$31,908	$38,733	$47,630	**$1,167,870**
Buildings	$156,000	$20,000	$6,000	$156,000	$20,000	$6,000	$156,000	$20,000	$6,000	$156,000	**$702,000**
Parking Systems				$93,960	$281,880	$93,960			$93,960	$281,880	**$845,640**
Plant, Vehicles & Equipment	$300,881	$261,210	$351,725	$277,552		$276,521	$191,929	$373,853	$346,833	$2,232	**$2,382,738**
TOTAL	**$5,091,521**	**$3,405,103**	**$3,389,844**	**$1,777,119**	**$677,590**	**$725,635**	**$1,014,930**	**$1,038,109**	**$968,014**	**$1,254,908**	**$19,342,772**

A.2 Renewal Forecasts

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Car Parks	$85,341	$85,341	$94,077	$380,055	$380,055	$380,055	$380,055	$380,055	$380,055	$380,055	**$2,925,145**
Drainage	$65,816	$71,280	$75,865	$78,972	$78,972	$78,972	$78,972	$78,972	$78,972	$78,972	**$765,766**
Footpaths	$187,084	$229,593	$252,468	$270,806	$279,041	$287,277	$299,209	$307,445	$315,680	$323,915	**$2,752,518**
Foreshore Assets	$138,530	$145,681	$152,384	$160,875	$166,238	$172,271	$177,634	$180,316	$180,316	$180,316	**$1,654,560**
Lighting & Electrical	$12,677	$99,464	$164,402	$185,985	$185,985	$185,985	$185,985	$185,985	$185,985	$185,985	**$1,578,437**
Public Space	$101,478	$172,563	$242,256	$326,668	$396,575	$440,975	$462,277	$462,277	$462,277	$462,277	**$3,529,624**
Roads	$719,480	$741,935	$753,781	$766,312	$773,602	$777,021	$777,678	$779,157	$779,157	$779,157	**$7,647,282**
Street Furniture	$54,512	$97,625	$124,290	$176,972	$214,261	$214,261	$214,261	$214,261	$214,261	$214,261	**$1,738,963**
Buildings	$811,370	$818,783	$822,393	$1,031,787	$1,152,128	$1,152,128	$1,152,128	$1,152,128	$1,152,128	$1,152,128	**$10,397,104**
Parking Systems	$93,960	$93,960	$93,960	$145,960	$145,960	$145,960	$145,960	$145,960	$145,960	$145,960	**$1,303,600**
Plant, Vehicles & Equipment	$71,482	$71,482	$71,482	$71,484	$71,484	$71,484	$71,484	$71,484	$71,484	$71,484	**$714,836**
TOTAL	**$2,341,731**	**$2,627,707**	**$2,847,359**	**$3,595,877**	**$3,844,302**	**$3,906,390**	**$3,945,645**	**$3,958,040**	**$3,966,275**	**$3,974,511**	**$2,341,731**

A.3 New & Upgrade Forecasts

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Car Parks	$0	$10,000	$10,000	$20,000	$11,875,000	$820,000	$20,000	$20,000	$20,000	$402,458	$13,197,458
Drainage	$503,224	$0	$418,624	$422,290	$286,146	$0	$0	$0	$0	$84,599	$1,714,883
Footpaths	$2,064,735	$700,000	$1,814,735	$1,111,069	$520,726	$400,000	$400,000	$400,000	$400,000	$400,000	$8,211,265
Foreshore Assets	$320,000	$0	$0	$0	$0	$240,000	$270,000	$240,000	$120,000	$320,000	$1,510,000
Lighting & Electrical	$1,735,728	$30,000	$1,735,728	$1,298,756	$431,663	$0	$0	$0	$0	$0	$5,231,875
Public Space	$2,502,755	$390,582	$2,078,384	$2,553,713	$1,471,950	$80,000	$550,000	$1,900,000	$1,500,000	$1,231,239	$14,258,623
Roads	$1,125,128	$96,000	$1,125,128	$593,569	$627,850	$365,278	$171,323	$32,920	$74,098	$0	$4,211,294
Street Furniture	$867,132	$0	$867,132	$536,330	$309,614	$0	$0	$0	$0	$0	$2,580,208
Buildings	$616,007	$1,377,198	$316,007	$0	$17,437,865	$10,156,000	$120,000	$6,000	$156,000	$620,000	$30,805,077
Parking Systems	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Plant, Vehicles & Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL	**$9,734,709**	**$2,603,780**	**$8,365,738**	**$6,535,727**	**$32,960,814**	**$12,061,278**	**$1,531,323**	**$2,598,920**	**$2,270,098**	**$3,058,296**	**$81,720,683**

A.4 Operating and Maintenance Forecasts

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Car Parks	$39,721	$39,721	$39,827	$39,933	$40,145	$165,053	$167,134	$167,182	$167,230	$167,278	**$1,033,226**
Drainage	$129,371	$140,112	$140,112	$148,361	$156,185	$161,183	$161,183	$161,183	$161,183	$161,183	**$1,520,057**
Footpaths	$116,699	$143,215	$150,540	$168,409	$177,897	$182,009	$185,060	$188,034	$190,933	$193,763	**$1,696,557**
Foreshore Assets	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	**$-**
Lighting & Electrical	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	**$1,500,000**
Public Space	$1,373,597	$2,321,799	$2,408,818	$2,843,901	$3,248,453	$3,427,979	$3,436,594	$3,495,445	$3,690,279	$3,824,741	**$30,071,605**
Roads	$510,158	$526,080	$527,397	$542,798	$550,684	$558,899	$563,603	$565,789	$566,207	$567,148	**$5,478,764**
Street Furniture	$50,333	$90,140	$90,140	$112,367	$121,904	$126,532	$126,532	$126,532	$126,532	$126,532	**$1,097,543**
Buildings	$594,594	$600,026	$612,062	$614,768	$614,768	$763,459	$832,734	$833,467	$833,504	$834,456	**$7,133,838**
Parking Systems	$93,000	$93,000	$93,000	$93,000	$93,000	$93,000	$93,000	$93,000	$93,000	$93,000	**$930,000**
Plant, Vehicles & Equipment	$74,470	$74,470	$74,470	$74,470	$74,470	$74,470	$74,470	$74,470	$74,470	$74,470	**$744,701**
TOTAL	**$3,131,942**	**$4,178,562**	**$4,286,366**	**$4,788,008**	**$5,227,506**	**$5,702,585**	**$5,790,311**	**$5,855,103**	**$6,053,339**	**$6,192,571**	**$51,206,294**

A.5 Foreshore Redevelopment – Costed Estimate

Expenditure Type	Asset Class	2022/23	2023/24	2024/25	TOTAL
New Total		$4,123,422	$2,018,395	$1,528,095	**$7,669,912**
New	Buildings	$316,007			**$316,007**
New	Drainage	$209,312	$211,145		**$420,458**
New	Lighting & Electrical	$1,735,728	$649,378	$431,663	**$2,816,770**
New	Park Assets	$995,242	$747,918	$849,922	**$2,593,083**
New	Street Furniture	$867,132	$409,953	$246,509	**$1,523,594**
Renewal Total		$3,191,279	$1,360,779	$704,985	**$5,257,043**
Renewal	Footpaths	$491,353	$331,183	$273,359	**$1,095,895**
Renewal	Park Assets	$895,199	$184,667		**$1,079,866**
Renewal	Roads	$960,217	$844,929	$431,626	**$2,236,771**
Renewal	Street Furniture	$844,510			**$844,510**
Upgrade Total		$3,712,316	$3,197,335	$1,789,855	**$8,699,505**
Upgrade	Drainage	$209,312	$211,145	$286,146	**$706,604**
Upgrade	Footpaths	$1,664,735	$711,069	$490,726	**$2,866,530**
Upgrade	Lighting & Electrical		$649,378		**$649,378**
Upgrade	Park Assets	$713,141	$905,795	$322,028	**$1,940,964**
Upgrade	Roads	$1,125,128	$593,569	$627,850	**$2,346,547**
Upgrade	Street Furniture		$126,377	$63,105	**$189,482**
Expense	Non ToC Asset		$23,540		**$23,540**
	Grand Total	**$11,027,017**	**$6,600,048**	**$4,022,935**	**$21,650,000**