

Swimming Pools and Caravan Park Asset Management Plan September 2021

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver

NB:

1. Primary number of changes to Versions (e.g. V1.0 to V2.0) will be made when the document undergoes its regular review and when significant changes are made to standards and guidelines for inspections, intervention levels of work.
2. Secondary number of changes (V1.0 to V1.1) will apply to minor amendments that do not materially impact the document and are intended only to clarify or update issues.

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1 EXECUTIVE SUMMARY

1.1 The purpose of the Plan

The fundamental purpose of this Swimming Pools and Caravan Park Asset Management Plan (the Plan) is to support Council’s long-term strategic management of its swimming pool and caravan park assets, in order to cater for the required levels of service as detailed under **Section 4**. The swimming pool and caravan park assets under Council ownership or management include assets such as:

- Accommodation units
- Amenities
- BBQs
- Bins
- Edging
- Fences
- Flagpoles
- Kiosks
- Lighting
- Office
- Play equipment
- Seats
- Shade structures
- Sheds
- Shelters
- Signage
- Softfall
- Store cages
- Swimming pools
- Tables and seats
- Tiered seating

The Plan defines the state of the assets as at 30 June 2021, together with the 20-year funding required to achieve Council’s adopted asset performance targets and asset management activities over a 20-year planning period.

1.2 Current State of Council’s Assets

An overview of the number and value of swimming pool and caravan park assets covered by the Plan is presented in Table 1 below.

Table 1 – Swimming Pool and Caravan Park Asset Overview

Asset Type	Quantity	Replacement Value	Accumulated Depreciation	Written Down Value
Accommodation Units	21	\$987,000	No information available	No information available
Amenities	3	\$653,930	No information available	No information available
BBQ	3	\$33,000	\$20,700	\$12,300
Bin	1	\$11,300	\$1,130	\$10,170
Edging	1	\$1,000	\$321	\$679
Fence	2	\$40,200	\$16,560	\$23,640
Flagpole	1	\$3,000	\$2,400	\$600
Kiosk	2	\$1,240,000	No information available	No information available
Lighting	2	\$62,000	\$40,887	\$21,113
Office	1	\$29,000	No information available	No information available
Play Equipment	1	\$30,000	\$10,325	\$19,675

Asset Type	Quantity	Replacement Value	Accumulated Depreciation	Written Down Value
Seat	4	\$113,600	\$15,320	\$98,280
Shade Structure	4	\$31,120	\$23,524	\$7,866
Shed	5	\$219,000	No information available	No information available
Shelter	7	\$108,050	\$39,160	\$68,890
Signage	1	\$2,400	\$240	\$2,160
Softfall	1	\$4,000	\$400	\$3,600
Store Cage	1	\$19,000	No information available	No information available
Swimming Pool	3	\$2,959,000	\$1,236,491	\$1,722,509
Tables and Seats	3	\$39,600	\$10,620	\$28,980
Tiered Seating	1	\$3,000	\$300	\$2,700
Total	53	\$6,589,200	\$1,418,378*	\$2,023,162*

*Total known values

A high level snapshot of the service state distribution of these assets is provided in Figure 1 below. In this instance, service state represents the Overall Service Index (OSI) which is a numerical score given to an asset to reflect its overall condition. This index can be derived from a number of individual condition parameters, weighted and averaged to provide a score from 0 (As New) to 6 (End of Life). In this Plan, the OSI has been calculated from a single condition score.

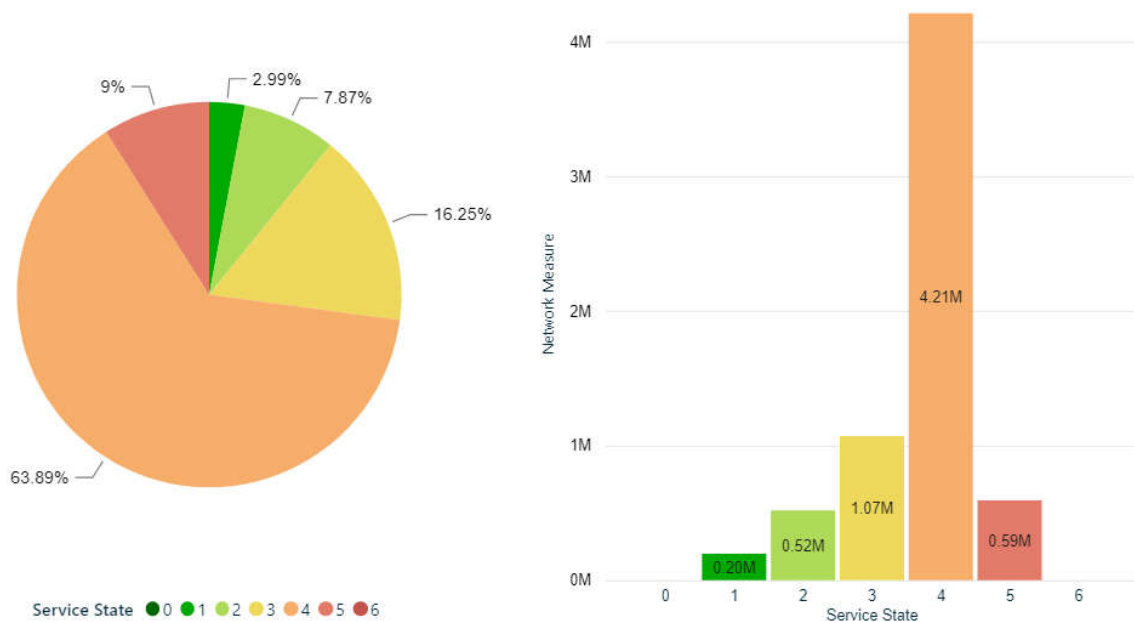


Figure 1 – State of the Assets Snapshot as at June 2021

1.3 Asset Funding Levels

A number of alternative funding scenarios have been considered in the predictive modelling as follows:

- **Option 1:** Funding of 1.5% of the portfolio’s replacement value - \$98,838 pa
- **Option 2:** The funding required to achieve the current desired level of service, a condition intervention level of 5 (very poor) for all assets and components - \$359,494 pa
- **Option 3:** The funding required to achieve an improved level of service, a condition intervention level of 4 (poor) for all assets and components - \$386,228 pa
- **Option 4:** The funding required to achieve a reduced level of service, a condition intervention level of 6 (end of life) for all assets and components - \$312,385 pa

Results for each option, modelled over a 20-year horizon, are summarised in the following table. A lower OSI represents a better average portfolio condition. The backlog is calculated based on the total cost of asset renewal not able to be funded under the respective scenario. A growing backlog indicates decreasing levels of service and increased risk of asset failure and service disruption.

Table 2 – Funding Scenario Comparison

Scenario	Renewal Cost	Closing Backlog	Closing OSI
Option 1 – 1.5% Replacement Value	\$1,951,454	\$4,434,312	4.80
Option 2 – Current Desired LoS	\$6,872,850	\$0.00	1.11
Option 3 – Improved LoS	\$7,697,310	\$0.00	0.78
Option 4 – Reduced LoS	\$6,224,100	\$0.00	1.25

In summary, over 70% of the swimming pool and caravan park asset portfolio is currently in a poor or very poor condition state (4 or 5), and is predicted to deteriorate at an unsustainable rate unless significant funding is allocated to the portfolio.

A total 20 year capital funding of \$1,976,760, averaging \$98,838 per year (Option 1. 1.5% Replacement Value), is forecasted to be insufficient because the number of assets that are in very poor (5) or end of life (6) is forecasted to reach 67.3% by year 20.

At a minimum it is therefore recommended that a total 20 year capital funding allocation of \$6,247,700 averaging \$312,385 per year (Option 4. Reduced Level of Service) be adopted to maintain an acceptable portfolio condition, in alignment with Council’s levels of service aspirations. Further asset funding detail is provided in **Section 7** of this Plan.

1.4 Monitoring & Improvement Program

A number of asset management improvement items have been identified in the Plan as follows:

- Continue to address asset register gaps.
- Develop an asset criticality framework.
- Conduct asset functionality, utilisation and demand studies.
- Develop operational levels of service for assets detailing time frames and response expectations.

- Develop and implement planned maintenance programs for assets.
- Implement dedicated operational, maintenance and renewal programs and budgets into the annual financial plans.
- Develop a 10-year capital works program through a capital works prioritisation process that takes into account service requirements, condition, risk and service levels.
- Conduct asset specific consultation in future community consultation surveys.

Further details of these can be found in **Section 8**.

2 ORGANISATIONAL CONTEXT

2.1 Background

The purpose of this Swimming Pools and Caravan Park Asset Management Plan (the Plan) is to document a business case for the required investment into the swimming pools and caravan park asset portfolio based on the range of services provided to the Yass Valley community.

The Plan details the actions and investment required to provide agreed levels of service in the most cost-effective manner, giving consideration to any related risks. The plan defines the services to be provided, how their performance is assessed and how funding impacts levels of service over a 20-year planning period. In doing so it supports an evidence-based approach towards the selection and prioritisation of capital projects to best achieve service objectives.

Council's long term financial sustainability is expressed by the 20-year financial forecasts for the operation, maintenance, renewal and upgrading of the existing assets in addition to the construction of new assets and facilities. The Plan outlines the costs involved in managing the assets to a desired level of service through a combination of management, financial, engineering and technical practices.

The key purposes of the Plan are to:

1. Inform Council's Long Term Financial Plan, by Identifying the required asset management regime and forecast financial requirements for the current stock of swimming pool and caravan park assets for the next 20 years.
2. Document the decision-making process to facilitate short-term works packages for the sustainable renewal of assets, i.e., one to three year works program.
3. Outline the likely future growth or change patterns in service levels and highlight the potential financial impact of these changes on capital works and operations/maintenance budgets over the next 20 years.
4. Identify improvement actions to address the limitations and gaps in asset management activities and drive improvements in asset management processes.

The asset types covered by this Plan are:

- Accommodation units
- Amenities
- BBQs
- Bins
- Edging
- Fences
- Flagpoles
- Kiosks
- Lighting
- Office
- Play equipment
- Seats
- Shade structures
- Sheds
- Shelters
- Signage
- Softfall
- Store cages
- Swimming pools
- Tables and seats
- Tiered seating

2.1.1 Relevant Initiatives

Several key documents and strategic plans have been referenced in the development of this plan:

- Asset Management Policy (2010)
- International Infrastructure Management Manual (IIMM) (2020)
- Long Term Financial Plan (2016-2026)
- Operational Plan 2021/2022
- Risk Management Policy (2007)
- The Tablelands Regional Community Strategic Plan (2016-2036)

2.2 Key Stakeholders

Assets controlled by Council are utilised by a broad cross-section of the community. It is critical that assets are maintained and renewed based on need and fit for purpose. The best judge of an asset being fit for purpose is likely to be the user of the asset. Asset users are therefore key external stakeholders of the Plan.

Internal stakeholder consultation is also necessary when Council seeks input in relation to the determination of levels of service and intervention levels. Table 3 below identifies the responsibilities of key internal stakeholders.

Table 3 – Key Internal Stakeholders

Stakeholder Group	Role or Involvement
Council	Endorsement of the asset management policy, strategy and plans. Set high level direction through the development of asset management principles in the Community Strategic Plans.
Senior Management	Endorse the development of asset management plans and provide the resources required to complete this task. Sets high level priorities for asset management development in Council and raises the awareness of this function among Council staff and contractors. Supports the implementation of actions resulting from this plan and is prepared to make changes to a better way of managing assets and delivering services. Supports an asset management driven budget and Long Term Financial Plan.
Corporate Asset Management Team	Maintain Council’s asset registers and perform strategic predictive modelling analysis works to inform Council’s Long Term Financial Plan. Responsible for coordinating the development and implementation of asset management processes and frameworks within Council.
Finance Department	Ensure that the asset valuations are accurate. Development of supporting policies such as capitalisation and depreciation. Preparation of asset sustainability and financial reports incorporating asset depreciation in compliance with the current Australian accounting standards.
Operations and Maintenance Managers	Business Unit Managers are responsible for understanding expectations of levels of service through effective, ongoing engagement with the community (users of the service). Plan for changes to operations

	and maintenance as well as undertake minor renewal works.
Council Officers	Provide local knowledge on all infrastructure assets. Verify the size, location and condition of assets. Describe the maintenance standards deployed and Council's ability to meet technical and customer levels of service.

3 CURRENT STATE OF COUNCIL'S ASSETS

3.1 Key Indicators

Table 4 below provides a breakdown of the swimming pool and caravan park asset types managed by Council.

Table 4 – Swimming Pool and Caravan Park Overview by Asset Type

Asset Type	Quantity	Replacement Value	Accumulated Depreciation	Written Down Value
Accomodation Units	21	\$987,000	No information available	No information available
Amenities	3	\$653,930	No information available	No information available
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Total	53	\$6,589,200	\$1,418,378*	\$2,023,162*

3.2 Asset Status

3.2.1 Condition

Typically, network wide condition assessments are undertaken on a four year cycle and used to identify where assets are within their defined useful lives at any given point in time.

Council contracts external consultants who are trained and experienced in construction and maintenance to undertake condition assessment. They perform visual inspections and assign a separate condition score to each asset adhering to the National Asset Management Strategy (NAMS) method.

The latest condition audit covering all of Council’s swimming pool and caravan park assets was completed in 2018.

Table 5 below provides a general overview of the condition rating scales for Council’s asset stock.

Table 5 – Asset Condition Rating Descriptions

Rating	Condition Description
0 – As New	Brand new asset or recently rehabilitated to as new condition. Only cyclical routine maintenance is required.
1 – Very Good	Asset is in very good overall condition with only routine maintenance required.
2 – Good	Superficial defects may be present requiring minor maintenance, in addition to cyclical routine maintenance.
3 – Fair	Moderate deterioration. More frequent maintenance is required in addition to cyclical routine maintenance, in order to maintain adequate serviceability.
4 – Poor	High deterioration is evident. Maintenance costs are rising in order to maintain serviceability. The asset would be at the point where it can be considered for renewal.
5 – Very Poor	Evidence of high level of deterioration affecting serviceability. Maintenance cost is high. The asset is now nearing the end of its useful life and should be considered for renewal.
6 – End of Life	Asset is no longer serviceable and should not remain in service.

Figure 2 below illustrates the current estimated swimming pool and caravan park portfolio condition (service state) distribution.

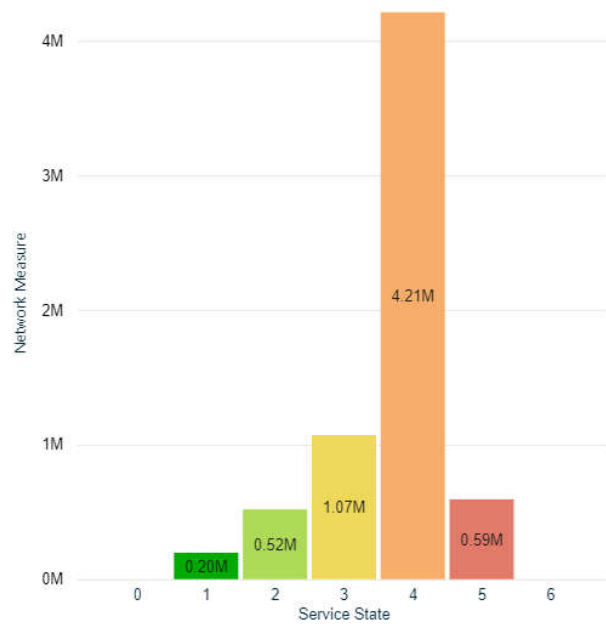
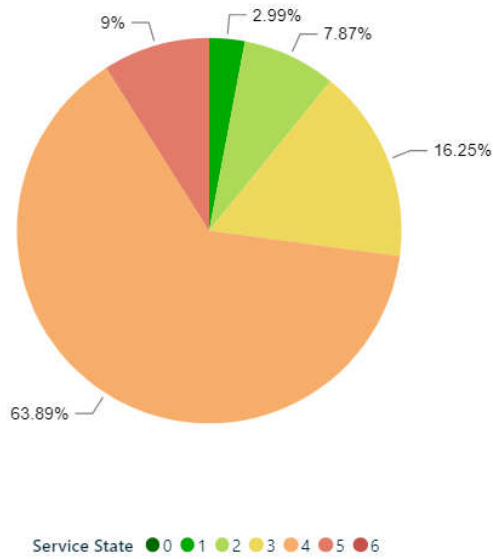


Figure 2 – Swimming Pool and Caravan Park Overall Asset Condition (June 2021)

3.2.2 Criticality

In accordance with the International Infrastructure Management Manual (IIMM), Council acknowledges that the primary purpose of an asset criticality is to ensure that appropriate management, engineering standards and planning practices are applied to the asset based on its function. It also ensures more efficient use of limited resources, by allocating funding to those assets that offer the most benefit or represent the greatest risk.

3.2.3 Functionality, Utilisation and Demand

While condition is fundamental for determining renewal requirements, it does not offer insight into the ability for an asset to meet service requirements, or the level of demand for a given asset.

Functionality, utilisation and demand data can assist in the selection of non-renewal outcomes such as integration, disposal, or upgrade.

4 LEVELS OF SERVICE

4.1 Customer Research & Expectation

Yass Valley Council is continually working to improve its community consultation practices via a combination of methods to encourage stakeholder engagement in order to gain knowledge of expectations.

The most recent customer satisfaction survey which was conducted in 2017, reported satisfaction levels as illustrated in Table 6 for the following key areas:

Table 6 – Community Satisfaction Survey Levels

Performance Measures	Yass Valley 2017*	NSW LGA Regional 2017
Overall Satisfaction	3.12	3.22
Customer Satisfaction (Contact with Council)	3.34	-
Our Environment	3.06	-
Our Community	3.41	-
Our Infrastructure	3.15	-
Our Civic Leadership	2.90	-

Scale 1= not at all satisfied, 5 = very satisfied

*The above community satisfaction survey results are referenced from the Yass Valley Council Community Research document (December, 2017). For the purpose of the Plan, results for each performance measure have been averaged and summarised. A more detailed breakdown of each performance measure can be found in the Yass Valley Council Community Research document (December, 2017).

These measures relate to swimming pool and caravan park asset management activities as follows:

- **Overall Satisfaction:** General service delivery performance.
- **Customer Satisfaction (Contact with Council):** Responses to swimming pool and caravan park user requests, ability for assets to facilitate positive experiences with Council staff.
- **Our Environment:** The sustainable management of swimming pool and caravan park assets and the environmental protection considerations when planning new assets.
- **Our Community:** The quality of the services and community events facilitated by swimming pool and caravan park assets.
- **Our Infrastructure:** The performance of swimming pool and caravan park assets.
- **Our Civic Leadership:** Community feedback can be sought prior to swimming pool and caravan park projects and as an input into service planning.

The customer satisfaction survey was aimed at understanding the quality of Council's services and engagement with the community. Survey topics were not directly related to the asset types within this Plan. A recommendation under **Section 8** relates to further embedding community consultation into Council's asset management processes.

Community expectations in relation to Council's swimming pool and caravan park assets are considered in more detail in **Section 4.4** below.

4.2 Strategic & Corporate Goals Alignment

Asset Management Plans provide guidance to the Council Plan and Strategic Resource Plan. These long-term plans set the short-term funding levels available which, in turn, refine the Asset Management Plans and provides input to the Annual Budget. From this, the capital works program for asset maintenance and renewals is developed.

Outlined in Figure 3 below are the links between Council’s strategic planning processes and the process for Asset Management Plan development.

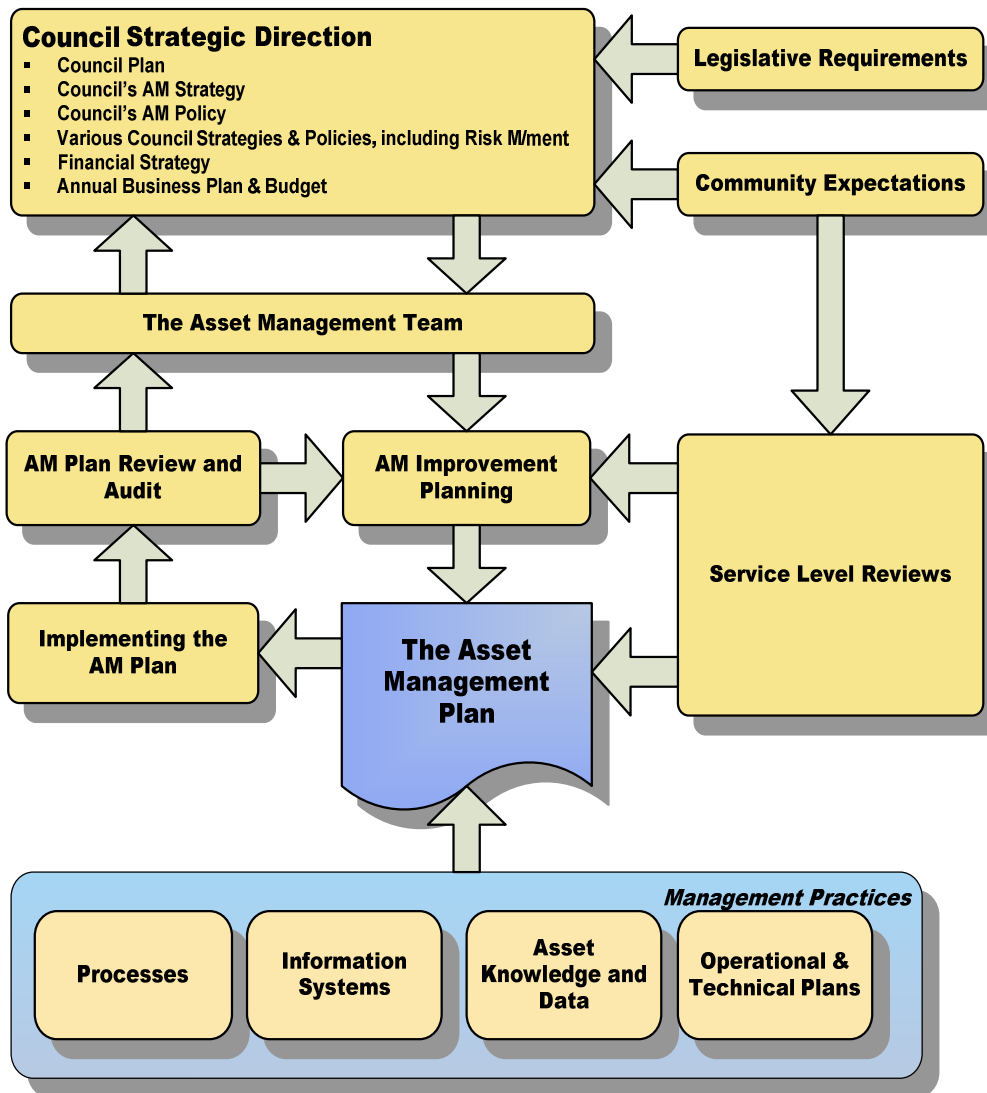


Figure 3 - Asset Management Plan Linkages with Corporate Strategies and Plans

4.2.1 Regional Community Strategic Plan (2016-2036)

This Plan is prepared under the direction of Council’s vision and goals as described in The Tablelands Regional Community Strategic Plan (2016-2036). It has been aligned to deliver cost-effective, transparent, realistic and affordable service levels in accordance with community expectations.

Relevant community plan goals and objectives and how these are addressed in this Plan are detailed in Table 7.

Table 7 – Council Plan Goals Addressed in this Plan

Strategic Theme	Goals	How Goal and Objectives are addressed in the Plan
1 Our Environment	We appreciate our range of rural landscapes and habitats, and act as custodians of the natural environment for future generations.	The evidence based approach documented in this Plan sets the framework for assets to appropriately service the community in the most cost-effective way. In turn, this practice ensures that Council’s asset projects have a demonstrated requirement and are targeted to community needs, and therefore the service is delivered in the most environmentally sustainable way.
2 Our Economy	We have a strong regional economy experiencing sustainable growth, which provides for a diverse range of employment opportunities.	Continued investment in caravan park accommodation infrastructure supporting tourism.
3 Our Community	We are a network of vibrant, inclusive and diverse communities that value our cooperative spirit, self sufficiency and rural lifestyle.	Continued investment in swimming pool and caravan park assets.
4 Our Infrastructure	Our community is well serviced and connected to built, social and communications infrastructure.	Continued investment in swimming pool and caravan park assets.
5 Our Civic Leadership	Our leaders operate ethically and implement good governance. We empower our residents with the tools to participate actively in the development of our communities.	Asset management has the long-term goal of providing services that meet community expectations in the most cost-effective way. This Plan describes proactive approaches to community consultation, asset management, and the collection and use of data to inform decision-making.

4.2.2 Service Planning

Swimming pool and caravan park assets support a range of services across the community and often multiple, concurrent services. A consistent approach to service planning will help articulate service requirements and how they relate to assets. This groundwork would facilitate the identification of service gaps leading to a better understanding of service levels and funding requirements, thereby supporting the development of long-term capital works programs.

4.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that may impact the delivery of swimming pool and caravan park related services are outlined in Table 8.

Table 8 - Legislative and Strategic Requirements

Legislation	Requirement
Local Government Act 1993	Sets out the role, purpose, responsibilities and powers of local governments.
Local Government Amendment (Planning and Reporting) Act 2009	Includes the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Disability Discrimination Act, 1992	Provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.
Environmental Planning and Assessment Act 1979	Institutes a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Environmental Protection Act 1994	Sets out requirements in respect to environmental protection.
Public Works Act 1912	Sets out the role of Council in the planning and construction of new assets.
Crown Lands Act, 1989	Provides for the administration and management of Crown land in the Eastern and Central Division of the State of NSW. Council has large holdings of Crown land under its care, control and management.
Heritage Act, 1977	Provides for the protection and conservation of places and objects of cultural heritage significance and the registration of such places and objects.
Building Code of Australia (BCA)	Uniform set of technical provisions for the design and construction of buildings and other structures. It is fully performance based and allows for state variations to provide additional requirements or cater for specific community expectations.
Building Fire and Safety Regulation 1991	Sets out the regulations for items such as means of escape, limitation of people in buildings, fire and evacuation plans and testing of special fire services and installations.
Electrical Safety Act 2002	Sets out the installation, reporting and safe use with electricity.
Building Regulation 2003	Sets out building requirements.
Plumbing and Drainage Act 2002	Sets out requirements in respect to plumbing requirements.

4.4 Strategic Levels of Service

4.4.1 Customer Levels of Service

This Plan defines and measures customer levels of service (i.e. how the customer receives the service) in the following terms:

- Quality – How good is the service... what is the condition or quality of the service?
- Function – Is it suitable for its intended purpose... is it the right service?
- Capacity – Is the service over or underutilised... do we need more or less of these assets?

The core customer service objective for swimming pool and caravan park assets is to support the related services being provided. The current and expected customer levels of service are detailed in Table 9 below.

Table 9 – Customer Levels of Service

Service Attribute	Expectation	Key Performance Measure	Performance Target
Quality	Well maintained assets that meet community expectations.	The number of annual customer requests in relation to swimming pool and caravan park assets.	< 25 requests / complaints per annum.
Safety	All assets are safe for users.	Hazards identified by audits or customer requests requiring to be made safe.	No injuries reported due to asset defects or condition. Hazards are made safe in according with operational standards.
Legislative Compliance	Legislative and regulatory requirements are being met.	Audits as required.	100% compliance.
Function	Assets meet users needs.	Community satisfaction.	Improvement in the performance of functionality elements.
Accessibility	New and upgraded assets will be compliant with Disability Discrimination Act and relevant standards.	Compliance with relevant accessibility standards.	All new and upgraded assets will be compliant with DDA and relevant access standards.
Availability	Swimming pool assets will be available during normal operating business hours. Caravan park assets will be available during planned open times.	Number of unplanned shutdowns.	No unplanned shutdowns.
Capacity/Utilisation	Assets are used to their full potential.	Annual assessment of usage levels.	Facility use is between 75%-100% of capacity.

4.4.2 Technical Levels of Service

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

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

- Operations – the regular activities to provide services (e.g., opening hours, cleansing, mowing grass, energy, inspections, etc.).

- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition. These activities enable an asset to provide service for its planned life (e.g., pipe cleaning, building and structure repairs).
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g., building component replacement).
- Upgrade/New – the activities to provide higher levels of service (e.g., increasing size of a swimming pool) or a new service that did not exist previously (e.g., a new caravan park).

The current and expected technical levels of service for assets are detailed in Table 10 below.

Table 10 - Technical Levels of Service

Service Attribute	Expectation	Key Performance Measure	Performance Target
Operations	Asset conditions are regularly monitored.	Frequency of condition assessments.	Condition assessments are undertaken every four years.
Maintenance	Maintenance defects are rectified in a timely manner.	% of maintenance defects rectified on time.	Operational/maintenance levels of service TBD.
Renewal	Asset conditions meet community expectations.	Percentage of assets with a condition rating 5 or 6.	Less than 10% of the asset portfolio with condition rating 5 or 6.
Upgrade	Assets comply with legislative requirements and regulatory standards	Instances of non-compliance.	All new infrastructure to comply with BCA, DDA, ESM and all other relevant standards. Long-term goal of 100% compliance.

4.5 Operational Levels of Service

Operational levels of service for swimming pool and caravan park assets include maintenance response times and intervention criteria. It is proposed that future revisions of the Plan formally establish maintenance standards based on required service levels, with this included as an action item in **Section 8**. This will help determine maintenance expenditure requirements and assess the levels of service impacts of differing maintenance funding strategies.

5 FUTURE DEMANDS

5.1 Demand Drivers

Drivers affecting demand include things such as population change, changes in demographics, technological changes, environmental awareness and new assets.

5.2 Demand Forecasts

The present position and projection for demand drivers due to population growth that may impact future service delivery can be found in the link below:

<https://forecast.id.com.au/yass-valley>

Demand factor trends and impacts on service delivery are summarised in Table 11.

Table 11 - Demand Factors, Projections and Impact on Services

Demand factor	Present position	Projection	Impact on services
Population Growth	18,086 as of 2021.	27,315 by 2036 (51% increase).	An increased patronage and usage of swimming pool assets will be expected, proportional to population growth.
Population Distribution	2,429 (roughly 13%) of the Council's population currently reside in ACT peri urban area.	By 2036 the population of ACT peri urban area is projected to reach 6,515, an increase of 168%. This is greater than the Shire average of 51% The Bowning-Bookham-Rural West region is expected to grow by only 9% in this time.	Service demand will increase at different rates across the Council area.
Community Expectations	Community expectations shift over time. For example, in recent years the local government sector has seen preferences towards active programs for senior citizens and gender-neutral sporting amenities. In addition to this, expectations are rising with regards to the quality of facilities, transparency and the ability for Councils to deliver better outcomes with less funding.	Expectations to continue changing and generally increasing.	Existing assets may not be fit for purpose for modern requirements.

5.3 Changes in Technology

Council is continuously monitoring new asset treatments that may be available to increase the life of its assets. Table 12 details technology changes that are forecast to affect the delivery of services covered by this Plan.

Table 12 - Changes in Technology and Forecast Effect on Service Delivery

Technology Change	Effect on Service Delivery
Improvement in construction techniques and materials	Changes in methodology, longer life materials and better rehabilitation techniques enable assets to be maintained and managed more cost effectively, with a potentially longer useful life.
Low energy design	Increased efficiencies of low energy design, therefore certain new designs like lights can incorporate energy efficient and sustainable practices.
Solar Power	When installing new lighting or replacing existing lighting, these can be installed with solar power panels which will power the lights and reduce greenhouse gas emissions.
Asset Information System	Improved information systems for mapping, recording information and managing assets.
Playgrounds	Playground standards have continually evolved over the past 20 years and are likely to follow a similar pattern in the future. New materials and concepts on the provision of these facilities will also continue to evolve.

These technological factors need to be assessed in determining the scoping requirements for maintenance works, renewal, upgrade and new building projects. There will be changes to asset management technology, in particular the monitoring and data collection roles. These upgrades in technology may require consideration of modifications to service levels as and when appropriate.

5.4 New Assets from Growth

The creation and construction of new swimming pool and caravan park assets from developer projects are not anticipated during the period covered by this Plan.

5.5 Demand Management Plan

The demand for swimming pool and caravan park assets at Yass Vally Council will increase proportionally with the predicted population growth.

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

Opportunities identified to date for demand management are shown in Table 13. Further opportunities will be developed in future revisions of this Plan.

Table 13 - Demand Management Plan Summary

Impact on service from demand	Demand management plan
Increasing demand and expectation for services.	To do more with less, the Council will place emphasis on the consideration of non-asset and integrated solutions. This could include multi-use facilities, increased hours of availability and collaboration with external groups.
Increased need for maintenance and renewal costs.	Review, document and adjust (where necessary) levels of services after consultation with Service Managers and the community.
Improved access to services required.	Improve the portfolio's accessibility over time by ensuring new or upgraded assets are Disability Discrimination Act (DDA) compliant.

6 RISK MANAGEMENT PLANNING

6.1 Risk Management Plan

Yass Valley Council Risk Management Policy sets the overall framework for addressing risk within the requirements of ISO31000-2009. The elements of this framework are described in Figure 4:

- **Risk Management Context:** Establishes the objectives, stakeholders, key issues and criteria against which risks will be evaluated.
- **Identify the Risk:** Identifies what risk events are likely to impact on assets and services.
- **Analyse the Risk:** Reviews the existing controls and then analyses the likelihood of an event occurring and the consequence of the event to determine the level of risk.
- **Assess the Risk:** Assesses and ranks the identified risks in a Risk Register.
- **Treat the Risks:** Identifies actions to reduce/control the risk.

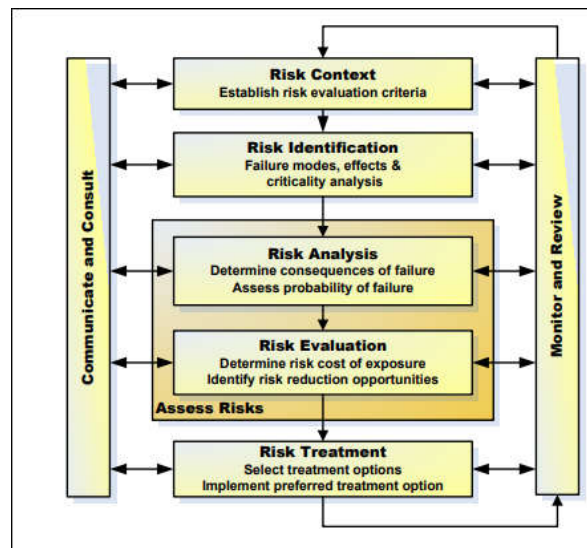


Figure 4 – Risk Management Process, Source: ISO31000:2018, p9

6.2 Risk Assessment

A robust risk identification and management approach has the following anticipated benefits:

- A reduction in risk related events.
- Improved asset knowledge.
- Managers better understand and manage risk. That is, risk is articulated and the relationship of risk and an individual's accountabilities and responsibilities are more clearly understood.
- Improved asset performance such that services are not unexpectedly impacted by component failure resulting in uncontrolled reactive maintenance works.
- Assets remain in a fair condition for a longer period of time extending their economic life.
- Improved compliance levels.
- Improved financial and environmental sustainability via more strategic investment in asset management.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring and the consequences should the risk event occur.

Environmental factors such as climate change and resource sustainability are considered as part of the risk assessment process.

Table 14 below summarises the identified key asset risks in the development of this Plan. These will be considered for inclusion in Council’s Risk Register in accordance with the Risk Management Procedure.

Table 14 – Swimming Pool and Caravan Park Asset Risks

Primary Consequence	Cause	Current Controls
Provision of community infrastructure does not meet current day needs or operates as originally designed or intended.	Failure to provide an appropriate amount of funding to renew assets in a sustainable manner to maintain the desired levels of service and support service provision. Deferral of asset renewal projects due to changing priorities. Surplus assets yet to be disposed of or retired.	Capital Works Program/ Long Term Financial Plan Asset Management Policy
Facilities/assets do not meet user or community expectations.	Poor design or design is inconsistent with current guidelines, including disability access, energy and water efficiency, etc.	Project Implementation Plan (PIPs) Standard Drawings for Infrastructure / Access Design Guidelines / ESD Standards
Failure to execute renewal works in a timely manner thereby creating a personal safety risk or premature loss of an asset.	Lack of planning to develop and deliver the renewal program and delaying decisions to dispose of an asset or undertake renewal works.	Regular condition audits. Renewal programs are developed based on condition data.

7 ASSET FUNDING LEVELS

7.1 Forecast 20-Year Funding

7.1.1 Renewal

Strategic modelling analysis has been used to predict the deterioration of Council’s swimming pool and caravan park asset stock under varying renewal funding scenarios.

As defined in **Section 4.4.2**, Council’s key condition level of service indicator is the proportion of the asset portfolio that is in condition 5 or 6.

The snapshot of the swimming pool and caravan park dataset utilised for modelling is current as of June 2021. The length of time predicted for each option is for a period of 20 years. The four simulated options are as follows:

- **Option 1:** Funding of 1.5% of the portfolio’s replacement value - \$98,838 pa
- **Option 2:** The funding required to achieve the current desired level of service, a condition intervention level of 5 (very poor) for all assets and components - \$359,494 pa
- **Option 3:** The funding required to achieve an improved level of service, a condition intervention level of 4 (poor) for all assets and components - \$386,228 pa
- **Option 4:** The funding required to achieve a reduced level of service, a condition intervention level of 6 (end of life) for all assets and components - \$312,385 pa

Figure 5 displays the budget and predicted Overall Service Index (OSI), which is an indication of average condition, for each scenario.



Year	Option 1 – 1.5% of RV		Option 2 – Current Desired LoS		Option 3 – Improved LoS		Option 4 – Reduced LoS	
	Avg OSI	Renewal Cost	Avg OSI	Renewal Cost	Avg OSI	Renewal Cost	Avg OSI	Renewal Cost
1	3.68	\$98,560	3.44	\$359,272	3.54	\$386,108	3.49	\$312,272
2	3.62	\$98,700	3.28	\$248,608	3.30	\$386,252	3.29	\$280,728
3	3.64	\$97,240	3.32	\$111,800	3.02	\$385,896	3.41	\$0
4	3.78	\$97,012	2.99	\$716,560	2.98	\$385,512	3.62	\$14,880
5	3.74	\$97,488	2.75	\$360,800	2.88	\$336,272	3.65	\$0
6	3.83	\$97,136	2.69	\$359,820	2.90	\$183,180	3.83	\$9,000
7	4.13	\$98,060	2.86	\$345,460	3.18	\$19,820	3.80	\$463,240

8	4.26	\$98,624	3.12	\$41,400	2.88	\$714,880	3.15	\$1,187,900
9	4.37	\$97,796	3.22	\$14,800	2.90	\$80,844	3.09	\$159,880
10	4.36	\$97,816	3.28	\$24,400	2.91	\$138,141	3.11	\$67,220
11	4.32	\$98,248	2.54	\$1,061,000	2.20	\$1,218,593	3.34	\$10,800
12	4.29	\$93,952	2.51	\$195,000	2.30	\$32,444	3.46	\$46,000
13	4.28	\$98,232	2.54	\$41,080	2.32	\$89,784	3.53	\$14,400
14	4.27	\$95,932	2.57	\$22,100	2.15	\$487,924	3.56	\$0
15	4.25	\$97,432	2.42	\$359,272	2.08	\$374,880	3.66	\$17,600
16	4.25	\$97,885	2.32	\$289,273	2.08	\$245,340	3.49	\$316,452
17	4.29	\$96,660	2.29	\$140,821	2.14	\$4,000	3.31	\$337,728
18	4.69	\$98,613	1.08	\$1,758,844	2.41	\$22,360	2.13	\$1,738,000
19	4.75	\$97,636	1.10	\$264,560	0.98	\$1,766,000	2.18	\$188,000
20	4.80	\$98,432	1.11	\$157,980	0.78	\$439,080	1.25	\$1,060,000
Total	4.80	\$1,951,454	1.11	\$6,872,850	0.78	\$7,697,310	1.25	\$6,224,100

Figure 5 - Forecast 20-Year Funding Analysis

The model has allowed surplus funding to be carried over between years, which accounts for the peaks and troughs seen in Figure 5. Should a more uniform funding forecast be required for adoption into Council’s financial plans and budget cycles, it is recommended that this required funding be ‘smoothed’ during the works planning stage by adjusting the proposed year of works for some projects.

A breakdown of asset condition based on the four modelled scenarios at year 20 is displayed in Figure 6.



Simulation	0	1	2	3	4	5	6
Option 1. 1.5% RV	3.02%	5.77%	8.73%	5.10%	10.09%	2.96%	64.34%
Option 2. Current Desired LoS	49.52%	14.00%	23.85%	1.64%	11.00%	0.00%	0.00%
Option 3. Improved LoS	49.89%	23.57%	25.11%	1.42%	0.00%	0.00%	0.00%
Option 4. Reduced LoS	45.32%	30.77%	2.03%	5.85%	7.86%	8.18%	0.00%

Figure 6 - Scenario Comparison Based on Different Funding Levels

Currently, there is no dedicated renewal funding allocated for swimming pool and caravan park assets.

If Council were to allocate a renewal funding averaging \$98,838 per year (Option 1. 1.5% Replacement Value) over the next 20 years, it is forecast to be insufficient because the number of assets that are in very poor (5) or end of life (6) is forecast to grow from the current 9% to 67.3%. This forecast far exceeds Council's desired level of service as documented in **Section 4** and those assets that exceed the intervention criteria for renewal generally won't meet community expectations, represent a higher risk of failure, and may eventually need to be closed off from public use or disposed.

Council's objective is to strike an acceptable balance between expenditure, community expectations, and risk. Capital funding averaging \$312,385 per year (Option 4. Reduced level of service) is presented as a potential option that can achieve the targets defined in **Section 4**, with only 8.8% of the portfolio reaching condition state 5 or 6 after 20 years.

It has been assumed that all assets are to be replaced like-for-like. Service planning and the consideration of functionality and demand data will help identify situations under which renewal does not represent the ideal outcome. Planned capital upgrades that incorporate an element of renewal are also not currently considered. Future revisions of this Plan will include further exploration of these relationships, although their consideration is unlikely to significantly alter the above projections.

7.1.2 Maintenance

Maintenance is the regular on-going work that is necessary to ensure assets follow their intended design life cycles. It is the work that must be undertaken to prevent an asset or component from failing prematurely. Maintenance falls into two broad categories as follows:

- **Planned Maintenance:** Scheduled work based on time or usage intervals or predicted work based on the expected condition of the asset (also commonly referred to as Programmed Maintenance).
- **Unplanned Maintenance:** On-demand work to repair failures and other damage to the asset (also commonly referred to as Reactive Maintenance).

Currently, Council adopts an unplanned maintenance strategy for swimming pool and caravan park assets and there is no dedicated maintenance funding allocated for the portfolio. On average, the total lifecycle funding (operational, maintenance and renewal) has been \$280,000 per year for all asset portfolios. The funding has typically been allocated on an ad-hoc basis each year. Given this ad-hoc nature, forecasting future maintenance expenditure has been excluded from the strategic modelling analysis. Developing dedicated operational, maintenance and renewal budgets for each asset portfolio is provided as an improvement action under **Section 8**.

7.1.3 Capital New and Upgrade

New and upgrade works involve either creation of new assets that did not previously exist or improvement of an existing asset. They may result from growth, strategic, social or environmental needs. Assets may also be acquired at no cost to Council through land development.

It must be recognised and clearly understood that new and upgrade works add to the total portfolio value and thus increase renewal, maintenance and operational expenditure requirements.

Capital upgrade and new projects generally improve levels of service relating to functionality or service provision. These works are generally managed through the capital works program. Federal and State Government grants often provide most of the funding towards new works. Council currently undertakes project scoping for all capital upgrade/new projects to the identify:

- The range of options, estimated capital and life cycle costs for each option that could address the service deficiency.
- The service level improvement, risk and required timeline for delivery of the upgrade.
- Management of risks associated with alternative options.
- Evaluation of the options against prescribed criteria.

The current plan for new assets is shown below in Table 15.

Table 15 – Planned New Assets

Asset Name	Year	Estimated Cost
Still to be determined		

Council is aiming to produce a 10-year capital works program through an evidence-based approach. The functionality and demand targets defined in **Section 4.4** will be considered throughout this process. Development of a 10-year capital works program is provided as an improvement action under **Section 8**.

7.1.4 Disposal

Disposal includes any activity associated with decommissioning an asset, including sale, demolition or relocation. Asset disposal reduces Council’s renewal and maintenance liabilities.

There is no recurrent budget for disposal. Assets are currently selected for disposal based on planning strategies or reactive identification on an ad-hoc basis. Proactive selection of assets for disposal will occur through the development of a long-term capital works program as described above.

7.2 Estimated Funding

Council has considered multiple funding scenarios in the process of deriving a 20-year budget to be adopted in the Long Term Financial Plan (LTFP), as follows:

- **Option 1:** Funding of 1.5% of the portfolios replacement value - \$98,838 pa
- **Option 2:** The funding required to achieve the current desired level of service, a condition intervention level of 5 (very poor) for all assets and components - \$359,494 pa
- **Option 3:** The funding required to achieve an improved level of service, a condition intervention level of 4 (poor) for all assets and components - \$386,228 pa

- **Option 4:** The funding required to achieve a reduced level of service, a condition intervention level of 6 (end of life) for all assets and components - \$312,385 pa

Results for each option, modelled over a 20-year horizon, are summarised in the following table. A lower OSI represents a better average portfolio condition. The backlog is calculated based on the total cost of asset renewal not able to be funded under the respective scenario. A growing backlog indicates decreasing levels of service and increased risk of asset failure and service disruption. The Net strategy cost provides a cost for each scenario in terms of renewal and backlog. Higher capital expenditure lowers maintenance costs and yields a reduction in backlog. Lower capital expenditure increases maintenance costs and has an indirect cost of increasing backlog.

Table 16 – Funding Scenario Comparison

Scenario	Renewal Cost	Closing Backlog	Closing OSI
Option 1 – 1.5% Replacement Value	\$1,951,454	\$4,434,312	4.80
Option 2 – Current Desired LoS	\$6,872,850	\$0.00	1.11
Option 3 – Improved LoS	\$7,697,310	\$0.00	0.78
Option 4 – Reduced LoS	\$6,224,100	\$0.00	1.25

In summary, over 70% of the swimming pool and caravan park asset portfolio is currently in a poor or very poor condition state (4 or 5), and is predicted to deteriorate at an unsustainable rate unless significant funding is allocated to the portfolio.

A total 20 year capital funding of \$1,976,760, averaging \$98,838 per year (Option 1. 1.5% Replacement Value), is forecasted to be insufficient because the number of assets that are in very poor (5) or end of life (6) is forecast to reach 67.3% by year 20.

At a minimum it is therefore recommended that a total 20 year capital funding allocation of \$6,247,700 averaging \$312,385 per year (Option 4. Reduced Level of Service) be adopted to maintain an acceptable portfolio condition, in alignment with Council’s levels of service aspirations documented in **Section 4**.

While funding Option 2 and Option 3 will meet provide a higher level of service, Council would need to consider whether these benefits justify the additional costs associated with these options.

The LTFP shown above is based on a series of internal consultations on a range of budget versus service level scenarios. These scenarios include and are not limited to the following:

- Funding constraints
- Service level interventions
- Community aspirations

It is noted that the adopted scenario should be the committed funding and agreed by Councils Executive Management Team as the most affordable and equitable from the community perspective and based on comparatives with other asset classes.

Funding estimates in this plan do not currently consider capital upgrade / new expenditure. The need for this type of expenditure will be better understood through the continued implementation of service planning.

7.3 Financial Ratios

Asset management ratios provide insight into an organisation’s performance and success in managing its assets. If required, these ratios can be benchmarked between AMPs to help optimise the distribution of renewal expenditure between asset classes.

Council’s asset management ratios for its swimming pool and caravan park portfolio calculated as of June 2021 have been reported in Table 17. Recommended targets have been determined based on the proposed Option 4 - \$312,000 pa funding scenario provided above in **Section 7.2**

Table 17 - Asset Management Ratios

Asset Ratio	Industry Target	Recommended Target	Current Score
Asset Sustainability	TBD	TBD	TBD
Remaining Service Potential	TBD	TBD	TBD
Average Annual Asset Consumption	TBD	TBD	TBD

The asset sustainability ratio is found by considering renewal expenditure against asset depreciation. Depreciation is measured using a straight line, whereas renewal requirements can vary greatly over time. A sustainability ratio of 100% therefore does not necessarily represent an efficient or desirable level of expenditure. The proposed funding of \$xxxxxK pa provides a sustainability ratio of xxxxx%, which is provided as the recommended target.

Remaining service potential compares the written down value against total replacement cost. It decreases as networks deteriorate and increases when capital expenditure exceeds depreciation. The Councils swimming pool and caravan park portfolio has overall expended slightly over half of its useful life with a remaining service potential of xxxxx%. This indicator will remain relatively stable under the proposed funding scenario.

Average annual asset consumption is a measure of average annual depreciation against total replacement value.

7.4 Funding Strategy

Projected expenditure identified above in is to be funded from Council’s operating and capital budgets, loans and reserves and Federal and State Government grants. The funding strategy is detailed in Council’s 10-year Long Term Financial Plan (LTFP). The 10 Year LTFP is a dynamic document in that it is reviewed and refined on a continual basis, to reflect as accurately as possible changes in financial circumstances.

The key assumptions made in preparing the information and forecasts contained in this Plan are outlined below. They are 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 Plan are:

- The current levels of service will remain constant over the life of the Plan.
- The treatment and maintenance costs are based on current schedules of rates and may not directly compare to Council's internal service provision actual costs.
- All predicted financial figures are based on current rates and are not adjusted by the inflation rate for the particular year of works.
- Continued use of current construction techniques and materials in alignment with current standards.
- Current maintenance funding levels are meeting service level requirements.
- Capital renewal is generally 'like for like' however mandated improvements are factored into replacement costs when known.
- Depreciation is in accordance with Council Policy.
- The proposed capital renewal program will be funded as per the scenario recommended.

8 PLAN IMPROVEMENT & MONITORING

This section outlines how Council can continue to enhance and monitor its asset management performance over time. The identified action items in Table 18 will enable Council to improve asset management capability, enhance asset value and deliver required service levels while balancing cost, risk and performance.

8.1 Improvement Plan

In the course of preparing this Plan, opportunities to further develop Council's asset management processes and practices in relation to its swimming pool and caravan park assets have been identified. The Asset Management Improvement Plan which is set out in Table 18 below details the key improvement tasks. Completion of these tasks will improve Council's asset management capabilities for the swimming pool and caravan park asset portfolio.

Table 18 - Improvement Actions

Task No	Improvement Items	Responsibility	Timeline
1	Continue to address asset register gaps.	Asset management	Ongoing
2	Develop an asset criticality framework.	Asset management	
3	Conduct asset functionality, utilisation and demand studies.	Asset management Service managers	
4	Develop operational levels of service for assets detailing time frames and response expectations.	Asset management Service managers Operational and maintenance teams	
5	Develop and implement planned maintenance programs for assets.	Operational and maintenance teams	
6	Implement dedicated operational, maintenance and renewal programs and budgets into the annual financial plans.	Asset management Finance	
7	Develop a 10-year capital works program through a capital works prioritisation process that takes into account service requirements, condition, risk and service levels.	Asset management	
8	Conduct asset specific consultation in future community consultation surveys.	Asset management Communications team	During next community survey

8.2 Monitoring & Review Procedures

This Plan will be reviewed during annual budget preparation and amended to recognise any changes in service levels and/or resources available to provide those services as a result of the budget process. A further comprehensive review and update will be undertaken in sequence with the next round of condition assessment and revaluation, generally no later than a 5 year cycle.

An asset management plan is a dynamic document, reflecting and responding to change over time. Monitoring of the Plan is required to:

- Ensure compliance with the proposed improvement program milestones.
- Ensure compliance with adopted standards and procedures for condition and performance.

8.3 Performance Measures

The effectiveness of the Plan can be measured and monitored on the basis of annual strategic Council indicators as follows:

- The degree to which the required cash flows identified in this asset management plan are incorporated into Council's long-term financial planning process and works planning.
- The performance of Council against the Strategic Levels of Service documented in this Plan, by measuring actual achievement against target levels.
- The degree to which detailed works programs, budgets, business plans and organisational structures take into account the trends provided by the Plan.
- Performance against the Asset Management Ratios.
- The level of execution of the identified actions in the plan.

8.4 AM Document Register

Table 19 – AM Document Register

Documents	Document Link	Adopted Date
Asset Management Policy	https://www.yassvalley.nsw.gov.au/our-council/council-documents/policies/	February 2010
The Community Strategic Plan (2042)		