# Bathurst Regional Council

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# ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AAAC</td>
<td>Average annual asset consumption</td>
</tr>
<tr>
<td>AMP</td>
<td>Asset management plan</td>
</tr>
<tr>
<td>ARI</td>
<td>Average recurrence interval</td>
</tr>
<tr>
<td>BOD</td>
<td>Biochemical (biological) oxygen demand</td>
</tr>
<tr>
<td>CRC</td>
<td>Current replacement cost</td>
</tr>
<tr>
<td>CWMS</td>
<td>Community wastewater management systems</td>
</tr>
<tr>
<td>DA</td>
<td>Depreciable amount</td>
</tr>
<tr>
<td>DoH</td>
<td>Department of Health</td>
</tr>
<tr>
<td>EF</td>
<td>Earthworks/formation</td>
</tr>
<tr>
<td>IRMP</td>
<td>Infrastructure risk management plan</td>
</tr>
<tr>
<td>LCC</td>
<td>Life Cycle cost</td>
</tr>
<tr>
<td>LCE</td>
<td>Life cycle expenditure</td>
</tr>
<tr>
<td>MMS</td>
<td>Maintenance management system</td>
</tr>
<tr>
<td>PCI</td>
<td>Pavement condition index</td>
</tr>
<tr>
<td>RV</td>
<td>Residual value</td>
</tr>
<tr>
<td>SS</td>
<td>Suspended solids</td>
</tr>
<tr>
<td>vph</td>
<td>Vehicles per hour</td>
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</table>
GLOSSARY

Annual service cost (ASC)
An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operating, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

Asset class
Grouping of assets of a similar nature and use in an entity's operations (AASB 166.37).

Asset condition assessment
The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset management
The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Assets
Future economic benefits controlled by the entity as a result of past transactions or other past events (AAS27.12).

Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 month.

Average annual asset consumption (AAAC)*
The amount of a local government's asset base consumed during a year. This may be calculated by dividing the Depreciable Amount (DA) by the Useful Life and totalled for each and every asset OR by dividing the Fair Value (Depreciated Replacement Cost) by the Remaining Life and totalled for each and every asset in an asset category or class.

Brownfield asset values**
Asset (re)valuation values based on the cost to replace the asset including demolition and restoration costs.

Capital expansion expenditure
Expenditure that extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure, which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure
Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital funding
Funding to pay for capital expenditure.

Capital grants
Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure
See capital expenditure definition

Capital new expenditure
Expenditure which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.

Capital renewal expenditure
Expenditure on an existing asset, which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital upgrade expenditure
Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Carrying amount
The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.
**Class of assets**
See asset class definition

**Component**
An individual part of an asset which contributes to the composition of the whole and can be separated from or attached to an asset or a system.

**Cost of an asset**
The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, plus any costs necessary to place the asset into service. This includes one-off design and project management costs.

**Current replacement cost (CRC)**
The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

**Current replacement cost “As New” (CRC)**
The current cost of replacing the original service potential of an existing asset, with a similar modern equivalent asset, i.e. the total cost of replacing an existing asset with an as NEW or similar asset expressed in current dollar values.

**Cyclic Maintenance**
Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cycle, replacement of air conditioning equipment, etc. This work generally falls below the capital/maintenance threshold and needs to be identified in a specific maintenance budget allocation.

**Depreciable amount**
The cost of an asset, or other amount substituted for its cost, less its residual value (AASB 116.6)

**Depreciated replacement cost (DRC)**
The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset

**Depreciation / amortisation**
The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

**Economic life**
See useful life definition.

**Expenditure**
The spending of money on goods and services. Expenditure includes recurrent and capital.

**Fair value**
The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arms length transaction.

**Greenfield asset values**
Asset (re)valuation values based on the cost to initially acquire the asset.

**Heritage asset**
An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

**Impairment Loss**
The amount by which the carrying amount of an asset exceeds its recoverable amount.

**Infrastructure assets**
Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no market value.

**Investment property**
Property held to earn rentals or for capital appreciation or both, rather than for:
(a) use in the production or supply of goods or services or for administrative purposes; or
(b) sale in the ordinary course of business (AASB 140.5)

**Level of service**
The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost).
Life Cycle Cost **
The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure **
The Life Cycle Expenditure (LCE) is the actual or planned annual maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to Life Cycle Expenditure to give an initial indicator of life cycle sustainability.

Loans / borrowings
Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in ‘spreading the burden’ of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

Maintenance and renewal gap
Difference between estimated budgets and projected expenditures for maintenance and renewal of assets, totalled over a defined time (e.g. 5, 10 and 15 years).

Maintenance and renewal sustainability index
Ratio of estimated budget to projected expenditure for maintenance and renewal of assets over a defined time (e.g. 5, 10 and 15 years).

Maintenance expenditure
Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset’s useful life.

Materiality
An item is material is its omission or misstatement could influence the economic decisions of users taken on the basis of the financial report. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

Modern equivalent asset.
A structure similar to an existing structure and having the equivalent productive capacity, which could be built using modern materials, techniques and design. Replacement cost is the basis used to estimate the cost of constructing a modern equivalent asset.

Non-revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, e.g. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operating expenditure
Recurrent expenditure, which is continuously required excluding maintenance and depreciation, e.g. power, fuel, staff, plant equipment, on-costs and overheads.

Pavement management system
A systematic process for measuring and predicting the condition of road pavements and wearing surfaces over time and recommending corrective actions.

Planned Maintenance**
Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

PMS Score
A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption*
A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal*
A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade*
A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Reactive maintenance
Unplanned repair work that carried out in response to service requests and management/supervisory directions.

Recoverable amount
The higher of an asset’s fair value, less costs to sell and its value in use.
Recurrent expenditure
Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operating and maintenance expenditure.

Recurrent funding
Funding to pay for recurrent expenditure.

Rehabilitation
See capital renewal expenditure definition above.

Remaining life
The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining life is economic life.

Renewal
See capital renewal expenditure definition above.

Residual value
The net amount which an entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

Revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management
The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment
A self-contained part or piece of an infrastructure asset.

Service potential
The capacity to provide goods and services in accordance with the entity's objectives, whether those objectives are the generation of net cash inflows or the provision of goods and services of a particular volume and quantity to the beneficiaries thereof.

Service potential remaining
A measure of the remaining life of assets expressed as a percentage of economic life. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (DRC/DA).

Strategic Management Plan (SA)**
Documents Council objectives for a specified period (3-5 yrs), the principle activities to achieve the objectives, the means by which that will be carried out, estimated income and expenditure, measures to assess performance and how rating policy relates to the Council’s objectives and activities.

Sub-component
Smaller individual parts that make up a component part.

Useful life
Either:
(a) the period over which an asset is expected to be available for use by an entity, or
(b) the number of production or similar units expected to be obtained from the asset by the entity.
It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council. It is the same as the economic life.

Value in Use
The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate new cash flows, where if deprived of the asset its future economic benefits would be replaced.

Source: DVC 2006, Glossary
Note: Items shown * modified to use DA instead of CRC
Additional glossary items shown **
1. **EXECUTIVE SUMMARY**

**What Council Provides**
Council provides recreation assets to enable leisure and sporting activities and to increase the aesthetic amenity of Bathurst.

The main recreation assets include:
- Approximately 1,144 ha of open space
- Approximately 110 ha of playing fields
- 38 playgrounds
- Approximately 100 buildings and structures

**What does it Cost?**
There are two key indicators of cost to provide the recreation assets network.

- The life cycle cost being the average cost over the life cycle of the asset, and
- The total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years covered by Council’s long term financial plan.

The life cycle cost to provide the recreation assets is estimated at **$2.746 million** per annum. Council’s planned life cycle expenditure for year 1 of the asset management plan is **$1.254 million** which gives a life cycle sustainability index of **0.46**.

The total maintenance and capital renewal expenditure required to provide the recreation asset over the next 10 years is estimated at **$27.566 million**. This is an average of **$2.757 million** per annum.

Council’s maintenance and capital renewal expenditure for year 1 of the asset management plan of **$2.404 million** giving a 10 year sustainability index of **0.87**.

**Plans for the Future**
Council plans to operate and maintain the recreation assets to achieve the following strategic objectives.

1. To identify and document the extent of the asset portfolio managed by the recreation section of Council.
2. Ensure the recreation assets are maintained at a safe and functional standard as set out in this infrastructure asset management plan.
3. Ensure that future expansion of the recreation asset portfolio is planned appropriately to cater for growth.
4. Maximise an assets useful life whilst minimising lifecycle expenditure.
5. Maintain a high level of community satisfaction in the provision of recreation assets.

**Measuring our Performance**

**Quality**
Recreation assets will be maintained in a reasonably usable condition. Defects found or reported that are outside the stated standard will be repaired.

**Function**
It is intended recreation assets will be maintained in partnership with other levels of government and stakeholders to ensure community satisfaction is maintained and safety is not compromised.

The following key functional objectives are met:
- Safe and efficient transport of stormwater.
- Maintenance and renewal of the network is within budget.

**Safety**
Council will react to complaints and requests regarding recreation assets according to response times. These are prioritised according to the perceived risk each complaint presents.

**The Next Steps**
This actions resulting from this asset management plan are:
- Undertake an asset survey to identify all assets managed in the recreation section;
- Collect condition information on major assets.
- Improve the collection of physical data relevant to the maintenance of recreation assets;
- Improve financial data collection;
- Improve valuation and depreciation projections; and
- Improve the Council’s customer request system to more accurately record the nature, extent, severity and location of defects.
2. **INTRODUCTION**

2.1 **Background**

This asset management plan is to demonstrate responsive management of assets (and the services provided from assets), compliance with regulatory requirements, and to highlight the funding that is required to provide the required levels of service.

Recreation assets provide a number of functions integral to the quality of Bathurst as a place to live: they complement the built environment, contribute to the identity of place, safeguard biodiversity and provide recreational opportunity. The value provided to the community is a combination of social, economic and environmental factors.

Recreation assets include areas such as parks, reserves, playgrounds and sporting fields. These areas play an important role in creating a 'sense of place' and providing opportunities for:

- Leisure and Recreation - with growing recognition of the benefits of leisure and recreation to people's well-being and 'quality of life';
- Conservation and Biodiversity which includes the protection of natural features and cultural sites, and development of natural habitats;
- Amenity - which involves greening of the urban environment and providing increased aesthetic value and a balanced mix of land uses;
- Utility - e.g. stormwater management;
- Transport and Access -including the development of pedestrian and cycle linkages and networks; and
- Tourism - providing tourist destinations and attractions

Ownership of open space land is shared between Council and the Crown.

Each open space contains specific assets providing for operational requirements and amenity for public users. These include playgrounds, sporting fields, seats, picnic tables, rubbish bins, BBQs, footpaths, vegetation, monuments and fencing.

Currently Bathurst Council is responsible 678ha of open space within the Bathurst City area and a further 466ha in the rural areas of the Bathurst LGA.

Open spaces are classified according to their primary purpose, location and access and the character and extent of the development. There are two current classification systems. The classifications will be consolidated in future plans of management.

**Table 2.1a Open space assets in the Bathurst LGA**

<table>
<thead>
<tr>
<th>Open space category</th>
<th>Urban area (ha)</th>
<th>Rural Area (ha)</th>
<th>Total (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active parks/sportsground</td>
<td>108</td>
<td>107.8</td>
<td>215.8</td>
</tr>
<tr>
<td>Building surrounds</td>
<td>7.0</td>
<td>7.0</td>
<td>7.0</td>
</tr>
<tr>
<td>General Community</td>
<td>243.6</td>
<td>243.6</td>
<td>243.6</td>
</tr>
<tr>
<td>Natural Bushland</td>
<td>203.9</td>
<td>203.9</td>
<td>203.9</td>
</tr>
<tr>
<td>Passive parks/reserves</td>
<td>78.7</td>
<td>78.7</td>
<td>78.7</td>
</tr>
<tr>
<td>Maintained road reserve</td>
<td>15.7</td>
<td>15.7</td>
<td>15.7</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>21.3</td>
<td>6.1</td>
<td>27.4</td>
</tr>
<tr>
<td>Park lands</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
</tr>
<tr>
<td>Community access lands</td>
<td></td>
<td>345.7</td>
<td>345.7</td>
</tr>
<tr>
<td>Drainage lands</td>
<td>4.6</td>
<td>4.6</td>
<td>4.6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>678.2</strong></td>
<td><strong>465.9</strong></td>
<td><strong>1144.1</strong></td>
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The increasing popularity of sport and recreational outdoor activity\(^2\) and the growing awareness of the destruction of natural areas of habitat means the community is more aware of the amenity offered by the open spaces managed by the Council.

This asset management plan covers the following infrastructure assets:

Table 2.1b. Value of assets covered by this plan

<table>
<thead>
<tr>
<th>Asset category</th>
<th>Dimension (approximate)</th>
<th>Replacement Value ($M)</th>
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<tr>
<td>Land improvements</td>
<td>100,000m(^3)</td>
<td>$2.515</td>
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<tr>
<td>Landscaping, gardens and plantings</td>
<td>10ha</td>
<td>$3.172</td>
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<tr>
<td>Playing surfaces</td>
<td>110ha</td>
<td>$4.875</td>
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<tr>
<td>Irrigation assets</td>
<td>2,000+ sprinklers, 20,000m irrigation pipe</td>
<td>$1.500</td>
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<td>Playgrounds and shade structures</td>
<td>38</td>
<td>$2.490</td>
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<tr>
<td>Building and structure assets</td>
<td>100+</td>
<td>$11.223</td>
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<td>Sporting assets</td>
<td>100+</td>
<td>$3.340</td>
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<tr>
<td>Other assets</td>
<td>1000+</td>
<td>$1.736</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$30.851</strong></td>
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Many of the assets managed by the Council’s Recreation Section are of small capital value. There are no complete asset registers covering the various infrastructure many of Bathurst’s contained in public open spaces. Table 2.1b is an estimation of current assets based on information gathered from out of date and incomplete asset registers, examination of aerial imagery, and calculations from gathered information. Valuations have been performed with actual expenditure figures where available and using the Australian Construction Handbook (Rawlinson, 2008) if no other source of data is available.

The lack of detailed information means that the replacement value figures can be used only as an indication.

Recreation assets not included in this plan.

The street trees of Bathurst, although part of the recreation asset portfolio are not examined in any detail in this plan. Costs associated with the management of the street trees are not included in financial analysis and the trees themselves are not included in valuations. The management techniques of ‘alive’ assets are somewhat different to those assigned to inanimate assets. Bathurst Regional Council has developed and adopted a Heritage street tree audit report that covers the management and maintenance of the street trees within the heritage conservation area of Bathurst. A separate asset management plan covering tree assets in general will be produced at a later date.

Bathurst Council’s Recreation Section owns and maintains a number of cemeteries in the Bathurst local government area. These will not be covered in this asset management plan.

\(^{2}\) Australian Sports Commission 2008 *Exercise, Recreation and Sport Survey* (ERASS)
The Bathurst Aquatic Centre is owned by Council, however the daily operational management this Centre is contracted out. The aquatic centre will not be considered in this asset management plan.

Key stakeholders in the preparation and implementation of this asset management plan are:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Role Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Councillors</td>
<td>Formulate policy for the allocation of resources to maximise benefit to the community whilst minimising the Council’s exposure to risk.</td>
</tr>
<tr>
<td>The Council</td>
<td>To manage the implementation of policy in a timely and cost effective manner.</td>
</tr>
<tr>
<td></td>
<td>To ensure resources are effectively utilised</td>
</tr>
<tr>
<td>General Public</td>
<td>Users of sporting and recreational facilities</td>
</tr>
<tr>
<td>Sporting clubs and bodies</td>
<td>Users of sporting facilities. Often sporting clubs receive grants from Council to assist in their operation.</td>
</tr>
<tr>
<td>Community groups</td>
<td>Volunteer organisations such as land care groups are involved in bushland regeneration and waterway maintenance of Council maintained lands.</td>
</tr>
</tbody>
</table>
2.2 Goals and Objectives of Asset Management

Council’s core business activities include the provision of services to the community. Some of these services are provided by infrastructure assets. Council has acquired infrastructure assets by ‘purchase’, by contract, construction by council staff and by donation of assets constructed by developers and others to meet increased levels of service.

Council’s goal in managing infrastructure assets is to meet the required level of service in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Taking a life cycle approach,
- Developing cost-effective management strategies for the long term,
- Providing a defined level of service and monitoring performance,
- Understanding and meeting the demands of growth through demand management and infrastructure investment,
- Managing risks associated with asset failures,
- Sustainable use of physical resources,
- Continuous improvement in asset management practices.  

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

Council’s vision:

“To enhance the lifestyle and environment through effective leadership, community involvement and commitment to service.”

Council’s mission:

“The equitable development and maintenance of services provided for the general health and well-being of the citizens of the Bathurst Region and the adjustment of these services to meet changing needs.”

3 IIMM 2006 Sec 1.1.3, p 1.3
Relevant Council goals and objectives and how these are addressed in this asset management plan are detailed in Table 2.2.

**Table 2.2. Council Goals and how these are addressed in this Plan**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Objective</th>
<th>How Goal and Objectives are addressed in IAMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequate infrastructure for projected population 80,000 by 2050</td>
<td>To have in place quality infrastructure that meets the needs of the community by providing adequate facilities for a population of 80,000 by the year 2050.</td>
<td>Ensure the provision of open space is in all cases compliant with Bathurst Regional (Interim) Local Environment Plan Zoning controls for Zone No 6(a) and Zone No 6(b).</td>
</tr>
<tr>
<td>To ensure effective, efficient operations in providing parks, gardens and reserves in the Bathurst Region</td>
<td></td>
<td>Implementing programs for compliance with the Department of Water and Energy Best Practice Guidelines</td>
</tr>
<tr>
<td>To provide and maintain safe and interesting recreational areas to accommodate a range of activities</td>
<td>To provide facilities and services in response to the active and passive recreational and sporting needs of Bathurst Region residents and visitors</td>
<td>Principles of water sensitive design are being implemented in current and future plans of development.</td>
</tr>
<tr>
<td>To liaise with the community in the management of the Region’s parks and reserves</td>
<td></td>
<td>Through public consultation and question time at monthly Council meeting and annual village consultations. By considering written requests regarding the management of Bathurst’s recreation assets and providing an appropriate response.</td>
</tr>
</tbody>
</table>

The key issues of the Recreation asset management plan are:

- Relevance of provided facilities
- Adapting to sporting trends
- Loss of amenity
- Regulatory control
- Community concern

### 2.3 Plan Framework

The key elements contained within the Recreation Asset Management plan are:

- Levels of service – specifies the services and levels of service to be provided by council.
- Future demand – how this will impact on future service delivery and how this is to be met.
- Life cycle management – how Council will manage its existing and future assets to provide the required services
- Financial summary – what funds are required to provide the required services
- Asset management practices
- Monitoring – how the plan will be monitored to ensure it is meeting Council’s objectives.
- Asset management improvement plan

A road map for preparing an asset management plan is shown on page 8.

### 2.4 Core and Advanced Asset Management

This asset management plan is prepared as a ‘core’ asset management plan in accordance with the International Infrastructure Management Manual. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a ‘top down’ approach where analysis is applied at the ‘system’ or ‘network’ level.
Future revisions of this asset management plan will move towards ‘advanced’ asset management using a ‘bottom up’ approach for gathering asset information for individual assets to support the optimisation of activities and programs in order to meet agreed service levels.

**Road Map for preparing an Asset Management Plan**
*Source: IIMM Fig 1.5.1, p 1.11*
3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

The Council undertakes community surveys on an annual basis to gauge community expectations and satisfaction with the service Council provides. A series of questions are put to a broad cross section of the community including residents from rural and urban areas each year. The survey for 2009 has changed the method of data collection from telephone survey to a mailed written survey.

As there is no clearly defined standards on the form and functions of open space and the fact they offer a non-essential service, the Council relies heavily on feedback from the community to gauge the level of satisfaction and demand for open space assets.

Since 2004 there have been three questions aimed specifically to identify the importance placed by the community on recreational infrastructure. These are:

- Parks and gardens;
- Sport fields and amenities; and
- Recreational areas along the Macquarie River.

In addition, there are other survey responses that provide insight into the community expectation on the Council maintained open spaces. These include:

- Survey responses from the Community Involvement section: sense of community and the quality of life experience in Bathurst; and
- Survey responses from Planning and Development section: improving the local environment and development of community facilities.

The results from the community surveys are used to assess the success and effectiveness of Council’s management practices relating to the open spaces.

Customer survey results

Fig 1 shows the average response to the three questions posed specifically on recreational infrastructure.

Fig 1 Importance and satisfaction with recreational infrastructure

<table>
<thead>
<tr>
<th></th>
<th>Importance</th>
<th>Satisfaction</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks and Gardens</td>
<td>8.6</td>
<td>7.9</td>
<td>0.7</td>
</tr>
<tr>
<td>Sports fields and amenities</td>
<td>8.4</td>
<td>7.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Recreation areas on Macquarie River</td>
<td>8.2</td>
<td>7.5</td>
<td>0.7</td>
</tr>
</tbody>
</table>
Residents were asked to nominate what they believe Council’s number 1 priority should be. Fig 2 displays the results.

**Fig 2 Nominated number 1 priority for Council**

In 2008 recreational and cultural facilities ranked tenth in the list of responses. However the environment was ranked first and community services and facilities was ranked fifth, both of which involve elements of open space management.

### 3.1.1 Analysis of parks and gardens responses

The community have rated the importance of parks and gardens has been maintained at a high level over the previous 5 years.

Levels of satisfaction have increased at approximately 2% p.a. since 2004.

The gap between importance and satisfaction ratings is small at 0.8

This indicates the level of service offered by the parks and gardens are well matched to the level of maintenance that Council provides.
3.1.2 Analysis of sport fields and amenities responses

The community have rated the importance of sport fields and amenities has been maintained at a high level over the previous 5 years.

Levels of satisfaction have increased at approximately 1% p.a. since 2004.

The gap between importance and satisfaction ratings is small at 0.7.

This indicates the level of service offered by the sport fields and amenities are well matched to the level of maintenance Council provides.

3.1.3 Analysis of recreational facilities along the Macquarie River responses

The community have rated the importance of recreational facilities along the Macquarie River has been maintained at a high level over the previous 3 years. A slight reduction was evident from 2007 levels.

Levels of satisfaction has improved slightly since 2007.

The gap between importance and satisfaction ratings is small at 0.7.

This indicates the facilities along the Macquarie River are maintained to an appropriate level of service.
3.1.4 Customer service requests and complaints

Fig 2. Customer requests relating to recreation

NOTE on Fig 2.
Since implementing the Council’s current Customer Request Management System (CRMS) in September 2005 there has been an overall increase on the average monthly complaints received by Council from 8 to 11.

The majority of complaints are for mowing of open spaces.
3.2 Legislative Requirements

Council has to meet many legislative requirements including Australian and State legislation and State regulations. The primary acts and regulations relating to the recreation assets are:

*Table 3.2. Legislative Requirements*

<table>
<thead>
<tr>
<th>Legislation</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Act</td>
<td>Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.</td>
</tr>
<tr>
<td>Environmental Planning and Assessment Act 1979</td>
<td>The principal planning instrument in NSW – specifies environmental considerations required for all development activities.</td>
</tr>
<tr>
<td>Civil Liabilities Act 2002</td>
<td>Sets out the provisions that give protection from civil liability and the responsibilities of Council and public alike.</td>
</tr>
<tr>
<td>Protection of the Environment Act 1997</td>
<td>To protect, restore and enhance the quality of the environment having regard to the need to maintain ecologically sustainable development.</td>
</tr>
<tr>
<td>Rural Fires Act 1997</td>
<td>Aims for the prevention, mitigation and suppression of bush and other fires in local government areas</td>
</tr>
<tr>
<td></td>
<td>Ensures co-ordination of bush fire fighting and bush fire prevention throughout the State</td>
</tr>
<tr>
<td>Noxious Weeds Act 1993</td>
<td>Defines the roles of government, councils, private landholders and public authorities in the management of noxious weeds. The Act sets up categorisation and control actions for the various noxious weeds, according to their potential to cause harm to our local environment.</td>
</tr>
<tr>
<td>Native Vegetation Conservation Act 1997</td>
<td>Provides overriding control of tree and other vegetation destruction in NSW.</td>
</tr>
<tr>
<td>Heritage Act 1977</td>
<td></td>
</tr>
<tr>
<td>Occupational Health and Safety Act 200 and Occupational Health and Safety Regulation 2001</td>
<td></td>
</tr>
</tbody>
</table>
3.3 Current Levels of Service

Service levels can be defined by two terms.

Community Levels of Service relate to how the community receives the service in terms of safety, quality, quantity, reliability, responsiveness, cost/efficiency and legislative compliance.

Supporting the community service levels are operational or technical measures of performance developed to ensure that the minimum community levels of service are met. These technical measures relate to service criteria such as:

<table>
<thead>
<tr>
<th>Service Criteria</th>
<th>Technical measures may relate to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>The level of amenity offered by a particular park and the facilities it contains</td>
</tr>
<tr>
<td>Quantity</td>
<td>The number of individual parks and the open space per capita</td>
</tr>
<tr>
<td>Safety</td>
<td>The management of safety risks associated with open spaces</td>
</tr>
</tbody>
</table>

Table 3.3. Current Service Levels

<table>
<thead>
<tr>
<th>Community Levels of Service</th>
<th>Key Performance Measure</th>
<th>Level of Service</th>
<th>Performance Measure Process</th>
<th>Performance Target</th>
<th>Current Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>Parks and facilities within the park provide a quality experience for all users</td>
<td>Public comment and requests for improved playground facilities, sporting facilities and other facilities</td>
<td>Not currently measured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessibility and Quantity</td>
<td>Parks and facilities are easy to get to with sufficient areas for parking</td>
<td>Number of car parking spaces at regional and district facilities are adequate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>There is sufficient park space and sufficient facilities for the population</td>
<td>Complaints regarding footpaths to park areas is complete and maintained</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td>Public open spaces and facilities are well maintained</td>
<td>Complaints relating to the upkeep of parks</td>
<td>Average 10.0 per month</td>
<td>Average 10.3 per month, 2008</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Scheduled mowing of public spaces is maintained</td>
<td>Complaints and requests for mowing of open spaces</td>
<td>Average 4.0 per month</td>
<td>4.0 per month</td>
<td></td>
</tr>
<tr>
<td>Safety</td>
<td>Parks and facilities within them are safe</td>
<td>Insurance claims for injury received on park assets</td>
<td>0 per month</td>
<td>Not currently measured</td>
<td></td>
</tr>
</tbody>
</table>
### Technical Level of Service

<table>
<thead>
<tr>
<th>Key Performance Measure</th>
<th>Level of Service</th>
<th>Performance Measure Process</th>
<th>Performance Target</th>
<th>Current Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks at classification level 2 or above for population level</td>
<td>Area (ha) of parks at classification level 1 per 1000 population</td>
<td>0.70 ha per 1000</td>
<td>0.67 ha per 1000</td>
<td></td>
</tr>
<tr>
<td>Maintenance of park facilities</td>
<td>% of maintenance expenditure per class of park</td>
<td>Passive = 43%</td>
<td>Open Space = 22%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Active = 35%</td>
<td>2008 = 43.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Condition</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Majority of parks assets are in reasonable condition</td>
<td>Playground condition</td>
<td>Average playground condition &gt; 3</td>
<td>Not currently measured</td>
<td></td>
</tr>
<tr>
<td>Open spaces are mown to an adequate standard</td>
<td>cost/hectare of maintenance in Category 2 Open Space</td>
<td>$800/ha</td>
<td>$715/ha</td>
<td></td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreation expenditure is within budget</td>
<td>Annual maintenance expenditure is within the budget allocated</td>
<td>Annual expenditure is within ± 10% of annual budget</td>
<td>Period from 2003-2007 2% over budget.</td>
<td></td>
</tr>
<tr>
<td><strong>Safety</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks and facilities within them are safe</td>
<td>Insurance claims for injury received on park assets</td>
<td>0 p.a.</td>
<td>Not currently measured</td>
<td></td>
</tr>
</tbody>
</table>

**Netball at the John Matthews Centre**
### 4. FUTURE DEMAND

#### 4.1 Demand Forecast

The major factor affecting demand is overall average rainfall and the intensity of rainfall events.

The primary factor affecting the extent of the open space is the development of residential land within the Bathurst City boundary. This in turn is influenced directly by population change. The Bathurst Region growth rate at the last census (2006) was 0.4%. The annual average growth rate for the area has been 0.9% since 2001, peaking at 1.6% in the 2006/2007 period.

#### Table 4.1. Demand Factors, Projections and Impact on Services

<table>
<thead>
<tr>
<th>Demand factor</th>
<th>Present position</th>
<th>Projection</th>
<th>Impact on services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>37,508 (2006 census)</td>
<td>46,300 (2031)</td>
<td>Increased population and area of development will lead to increasing areas of maintained open space</td>
</tr>
<tr>
<td>Demographic</td>
<td></td>
<td></td>
<td>Reducing demand on facilities directed at younger people. Increased demand on facilities directed at retirees</td>
</tr>
<tr>
<td></td>
<td>15.4% of population &gt;60 yrs in 2002</td>
<td>16.6% of population &gt;60 yrs in 2006</td>
<td>Reduction in demand on facilities directed at younger people. Increased demand on facilities directed at retirees</td>
</tr>
<tr>
<td></td>
<td>30.8% of population &lt;20 yrs in 2002</td>
<td>29.5% of population &lt;20 yrs in 2006</td>
<td>Reduction in demand on facilities directed at younger people. Increased demand on facilities directed at retirees</td>
</tr>
<tr>
<td>Sporting trends</td>
<td>Traditional team sports: soccer, netball, hockey, cricket, football, etc</td>
<td>New sports: Skating, cycling</td>
<td>More capital intensive sports mean a higher per capita cost to provide facilities in demand</td>
</tr>
<tr>
<td>Quality of sporting facilities</td>
<td>The trend in sporting facilities is towards more advanced, higher standard facilities</td>
<td>Initial capital cost of construction is high (maintenance is generally carried out by sporting clubs)</td>
<td></td>
</tr>
<tr>
<td>Town planning trends</td>
<td>An increasing awareness of the role of public space plays in a town’s character.</td>
<td>Public space utilisation is increasing with the public demanding a higher level of amenity</td>
<td></td>
</tr>
<tr>
<td>Urban consolidation</td>
<td>Increasing popularity of multiple dwelling allotments</td>
<td>Increased population density will lead to greater demand on CBD open spaces.</td>
<td></td>
</tr>
<tr>
<td>Tree change</td>
<td>Number of people moving from high population areas with high levels of community amenity.</td>
<td>Expectations of similar facilities within the Bathurst Region.</td>
<td></td>
</tr>
</tbody>
</table>

**Fig. 3 Population Demographics of Bathurst.**

Notes on Fig. 3
The major demographic changes in the period 2002 to 2006 have been the increase in the proportion of 20 - 24 years and 55 - 59 years and the decreasing proportion of 10 - 14 years and 40 - 44 years.

### 4.3 Demand Management Plan

Opportunities identified to date for demand management are shown in Table 4.3. Further opportunities will be developed in future revisions of this asset management plan.

**Table 4.3. Demand Management Plan Summary**

<table>
<thead>
<tr>
<th>Service Activity</th>
<th>Demand Management Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning for future open space</td>
<td>Undertake a community consultation to assess the demand for various types of open space. Supplement this with available demographic data to develop a profile of required open spaces for the future.</td>
</tr>
<tr>
<td>Multi-use areas</td>
<td>By developing open space to cater for multiple uses the demand for any particular use can be reduced. For example, grassed hockey areas may be also used for cricket and touch football.</td>
</tr>
<tr>
<td>Regional co-ordination of facilities</td>
<td>Adjacent councils can share the load of providing regional and state level sporting facilities.</td>
</tr>
<tr>
<td>Changing level of amenity to suit changing demographics of an area</td>
<td>Undertake usage survey on playgrounds that are suspected of having low patronage</td>
</tr>
</tbody>
</table>
### Demand Management Plan

<table>
<thead>
<tr>
<th>Service Activity</th>
<th>Demand Management Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed open space</td>
<td>Passive parks and reserves and general community land will be a minimum of 0.25ha to ensure some civic value. Sporting grounds and active parks will be a minimum of 2.0ha to allow adequate space for activity and to lower maintenance costs.</td>
</tr>
<tr>
<td>Maintenance of open spaces</td>
<td>Where community lands are regularly used by the community such as sports grounds, the community may manage these lands on behalf of the Bathurst Regional Council.</td>
</tr>
<tr>
<td>Maintenance of nature strip</td>
<td>The responsibility of nature strip maintenance is with the adjacent land holder. Council will not undertake maintenance of nature strips.</td>
</tr>
<tr>
<td>Reduction in the demand for play equipment</td>
<td>As demographics change in an area, usage rates of recreation assets may also change. Identifying possibly redundant playgrounds and then assessing the use and removing them if deemed appropriate will reduce the risk exposure and maintenance load of the recreation section of Council.</td>
</tr>
</tbody>
</table>

#### 4.4 New Assets from Growth

Council’s plans of management for community land stipulate that:

> Only community land that is consistent with the corporate goals and the objectives of (Council) will be acquired.

New open space assets are usually acquired as a result of new development. The open space is usually in the form of general community land or road reserves with a small area of passive parks/reserves as stipulated by the planning department regulations.

Other public open space assets such as sports grounds and natural bushland areas are not acquired proportionately with development.

The addition of new open space assets will include other associated assets including (where relevant) play grounds, picnic shelters, fencing and sporting facilities.

Acquiring these new assets will commit Council to fund ongoing operations and maintenance costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operating and maintenance costs.

#### 4.4.1 Urban Open Space Assets

**Table 4.4a Area of urban recreational land**

<table>
<thead>
<tr>
<th>Year</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>301.6</td>
</tr>
<tr>
<td>2009</td>
<td>678.2</td>
</tr>
</tbody>
</table>

The 125% increase is partly due to improvements in record keeping and clarification of land ownership and responsibility and reclassification of some land areas. There has, however, been a large real increase in the land area being managed by the Council's Recreation Section.
Table 4.4b Urban areas of additional maintenance since 2001

<table>
<thead>
<tr>
<th>Location</th>
<th>Activities</th>
<th>Approximate Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased area of Hereford Street</td>
<td>Mowing and whipper snipper</td>
<td>3.55ha</td>
</tr>
<tr>
<td>Blueridge Drive</td>
<td>Mowing</td>
<td>0.85ha</td>
</tr>
<tr>
<td>Ann Ashwood Park</td>
<td>Turf maintenance</td>
<td>6.23ha</td>
</tr>
<tr>
<td>Maintenance of levee banks (approx)</td>
<td>Mowing and whipper snipper</td>
<td>4.00ha</td>
</tr>
<tr>
<td>9 new roundabouts</td>
<td>Garden maintenance</td>
<td>0.17ha</td>
</tr>
<tr>
<td>Stanley Street off leash dog park</td>
<td>Mowing</td>
<td>4.37ha</td>
</tr>
<tr>
<td>Learmonth Park</td>
<td>Irrigation maintenance</td>
<td>9.98ha</td>
</tr>
<tr>
<td>Munro Street swale drains</td>
<td>Mowing and whipper snipper</td>
<td>0.50ha</td>
</tr>
<tr>
<td>Laffing Waters open spaces</td>
<td>Mowing and whipper snipper</td>
<td>2.65ha</td>
</tr>
</tbody>
</table>

4.4.2 Rural Open Space Assets

In 2004 Bathurst City Council amalgamated with Evans Shire Council and Bathurst Regional Council was formed. Evans Shire Council had an inventory of rural open space maintained by the Council. This inventory has since been updated and confirmed by Bathurst Regional Council. The total area of additional managed rural lands is **465.9ha**
5. LIFECYCLE MANAGEMENT PLAN

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

5.1 Background Data

5.1.1 Physical parameters

Table 5.1a – Open space areas

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active parks/sportsground</td>
<td>215.8</td>
</tr>
<tr>
<td>Building surrounds</td>
<td>7.0</td>
</tr>
<tr>
<td>General Community</td>
<td>243.6</td>
</tr>
<tr>
<td>Natural Bushland</td>
<td>203.9</td>
</tr>
<tr>
<td>Passive parks/reserves</td>
<td>78.7</td>
</tr>
<tr>
<td>Maintained road reserve</td>
<td>15.7</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>27.4</td>
</tr>
<tr>
<td>Park lands</td>
<td>1.7</td>
</tr>
<tr>
<td>Community access lands</td>
<td>345.7</td>
</tr>
<tr>
<td>Drainage lands</td>
<td>4.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1144.1</td>
</tr>
</tbody>
</table>

Council does not have an up to date definitive asset register covering assets within the public open spaces of Bathurst. Incomplete data bases and outdated databases have been used to compile table 5.1b.

Table 5.1b Park assets

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Useful Life (years)</th>
<th>Approximate Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soft fall</td>
<td>1</td>
<td>5,500m²</td>
</tr>
<tr>
<td>Shade sails</td>
<td>5</td>
<td>18</td>
</tr>
<tr>
<td>Bicycle racks</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>Signs</td>
<td>5</td>
<td>Numerous</td>
</tr>
<tr>
<td>Sporting facilities</td>
<td>10</td>
<td>Numerous</td>
</tr>
<tr>
<td>Playgrounds</td>
<td>10</td>
<td>36</td>
</tr>
<tr>
<td>Garbage bins</td>
<td>10</td>
<td>60</td>
</tr>
<tr>
<td>Seats</td>
<td>10</td>
<td>300</td>
</tr>
<tr>
<td>Picnic tables</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>Irrigation systems</td>
<td>10</td>
<td>90</td>
</tr>
<tr>
<td>Artificial playing surfaces</td>
<td>10</td>
<td>Numerous</td>
</tr>
<tr>
<td>Scoreboards</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>BBQs</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Turf</td>
<td>10</td>
<td>Numerous</td>
</tr>
<tr>
<td>Asset Type</td>
<td>Useful Life (years)</td>
<td>Approximate Quantity</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Fencing</td>
<td>20</td>
<td>20km</td>
</tr>
<tr>
<td>Picnic Shelters</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Flagpoles</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>Electrical reticulation</td>
<td>25</td>
<td>Various</td>
</tr>
<tr>
<td>Lighting</td>
<td>25</td>
<td>Numerous</td>
</tr>
<tr>
<td>Public toilets and change rooms</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td>Clubhouses</td>
<td>40</td>
<td>6</td>
</tr>
<tr>
<td>Storage and machinery sheds</td>
<td>40</td>
<td>5</td>
</tr>
<tr>
<td>Grandstands</td>
<td>40</td>
<td>5</td>
</tr>
<tr>
<td>Other buildings and structures</td>
<td>40</td>
<td>25</td>
</tr>
<tr>
<td>Fountains</td>
<td>50</td>
<td>3</td>
</tr>
<tr>
<td>Ponds</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>Car parking facilities</td>
<td>50</td>
<td>10</td>
</tr>
<tr>
<td>Footpaths</td>
<td>60</td>
<td>5km (crushed granite)</td>
</tr>
<tr>
<td>Monuments</td>
<td>100</td>
<td>20</td>
</tr>
<tr>
<td>Trees</td>
<td>100</td>
<td>Numerous</td>
</tr>
<tr>
<td>Drainage</td>
<td>100</td>
<td>&lt;5000m of subsoil drainage</td>
</tr>
<tr>
<td>Gardens</td>
<td>100</td>
<td>Numerous</td>
</tr>
<tr>
<td>Earthworks and land improvements</td>
<td>Indefinite</td>
<td>Numerous</td>
</tr>
</tbody>
</table>
5.1.1 Age of open space assets

As there is no definitive register of the assets contained in public open spaces Council has very little reliable data on asset age. Due to the risk management procedures involved in maintaining the Council’s playgrounds a reasonable amount of data is available on these, however these are not necessarily typical for the full range of assets in the public open spaces.

**Fig 5. Playground Age**

Approximate year of construction.

Playgrounds may not be a homogenous collection of equally aged equipment. For example Bi-Centennial Park contains some equipment approaching 10 years of age supplemented by a climbing frame structure installed in 2006. Shade sails are installed independently of play equipment and will be generally be more modern.

Other major assets within the recreation asset register with known ages include -

**Table 5.1.2. Major recreation asset ages**

<table>
<thead>
<tr>
<th>Asset</th>
<th>Year of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrington Park Grandstand</td>
<td>1988</td>
</tr>
<tr>
<td>Anne Ashwood Park Rugby Complex</td>
<td>2007</td>
</tr>
<tr>
<td>Cooke Hockey Complex water field</td>
<td>2001</td>
</tr>
<tr>
<td>Sportground Facilities</td>
<td>2002</td>
</tr>
<tr>
<td>Bathurst Indoor sports Stadium</td>
<td>1988</td>
</tr>
<tr>
<td>Machattie Park buildings</td>
<td>1890</td>
</tr>
</tbody>
</table>

5.1.2 Asset capacity and performance

Council’s services are generally provided to meet design standards where these are available. Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

**Table 5.1.2. Known Service Performance Deficiencies**

<table>
<thead>
<tr>
<th>Location</th>
<th>Service Deficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various playgrounds</td>
<td>Playground equipment is outdated and aesthetically below standard.</td>
</tr>
</tbody>
</table>
5.1.3 Asset condition

As there is a large number of assets spread over a variety of asset classes, the condition profile for the entire recreation asset portfolio can not be easily summarised.

Condition summaries are provided for 2 major asset classes - playgrounds and buildings associated with recreation. Many of the other assets within the register are of lower value, <$10,000.

5.1.3a Playgrounds

Due to the high risk nature of playgrounds, they are subject to tight regulatory conditions and are inspected at regular intervals to ensure they are free from defects that may pose risks to the children using them. Because of this, the overall condition of the playground does not take into account any particular defects, rather it assess the playground on aesthetic and modernity values. Therefore playgrounds in condition 5 are not necessarily unsafe.

**Fig 6. Play ground asset condition**

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description of Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Excellent condition: Only planned maintenance required.</td>
</tr>
<tr>
<td>2.</td>
<td>Good: Minor maintenance required &amp; planned maintenance.</td>
</tr>
<tr>
<td>3.</td>
<td>Average: Significant maintenance required.</td>
</tr>
<tr>
<td>4.</td>
<td>Poor: Significant renewal/upgrade required.</td>
</tr>
<tr>
<td>5.</td>
<td>Bad: Playground should be removed or replaced.</td>
</tr>
</tbody>
</table>

Chifley Dam Playground
5.1.3b Buildings

Council does not have an active building inspection program for any classes of building. There is no specific data gathered on the overall condition of the buildings in the Council’s asset register. The information displayed in Fig 7 has been gathered through a brief visual inspection of each building. There has been no structural testing of any sort. Therefore, the resulting condition ratings are more of an indication of the buildings aesthetic qualities rather than a statement on structural soundness.

Fig 7. Buildings

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description of Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Excellent condition: Only planned maintenance required.</td>
</tr>
<tr>
<td>2.</td>
<td>Good: Minor maintenance required &amp; planned maintenance.</td>
</tr>
<tr>
<td>3.</td>
<td>Average: Significant maintenance required.</td>
</tr>
<tr>
<td>4.</td>
<td>Poor: Significant renewal/upgrade required.</td>
</tr>
<tr>
<td>5.</td>
<td>Bad: Building should be demolished</td>
</tr>
</tbody>
</table>

5.1.4 Asset inspections

Currently, Council only carries out defect inspections on playgrounds. Other assets in the recreation register are not subject to any form of official asset inspection. Council also relies on customer service requests and service requests raised by Council staff to identify defects in Recreation assets. This provides an adequate method of defect identification as the parks are frequented by the public in numbers relative to the classification level of the park.

No form of condition inspection (other than tree inspections) is carried out on any recreation assets. Condition inspections give an indication of an asset’s useful life as well as identifying tasks for long term maintenance plans. A number of the recreation asset classes could benefit in terms of programmed maintenance through a condition inspection regime.

- Recreation buildings and structures
- Playgrounds
- Playing fields

Other asset classes will not benefit from condition inspections.

In the future Council may develop a program of condition inspections for Council building assets. As part of any future inspection program the recreation building assets should be included.
5.1.5 Asset valuations

There has been no valuation carried on the recreation asset register. The valuation data assembled below has been based on estimation gathered from various sources. As there are many different asset classes an overall depreciated replacement cost and the annual depreciation expense are difficult to estimate without an accurate asset register. See Section 6.4 for details on valuation assumptions.

Current Replacement Cost $30.851 million
Depreciable Amount $28.336 million
Depreciated Replacement cost $18.384 million
Annual depreciation expense $1.794 million

Sustainability reporting reports the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion.

Asset consumption 9.76%
Asset renewal 6.11%
Annual upgrade/expansion 39.20%

Asset renewal and upgrade and expansion figures have been calculated using the CPI adjusted average from 2003 to 2008. The annual upgrade figure of 39.20% includes several major projects - the construction of the Anne Ashwood Rugby complex, the upgrade of Haymarket Reserve, the construction of the Bathurst Skate Park and several lighting installation projects. Future projects not included but are likely to continue the trend are resurfacing one of the Cooke Hockey complex synthetic fields and the Bathurst Regional Adventure Playground. Feasibility studies are currently being conducted into a possible regional cycling facilities and a regional soccer facility.

5.2 Risk Management Plan

An assessment of risks associated with service delivery from infrastructure assets has identified critical risks to Council. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as ‘Very High’ - requiring immediate corrective action and ‘High’ – requiring prioritised corrective action identified in the infrastructure risk management plan are summarised in Table 5.2.

Recreation assets exposure to risk is somewhat different to the risk exposures for essential services. The public accept a certain degree of risk when the decision to utilise the particular asset is made. There is, however a reasonable expectation that Council has assessed and controlled risks associated with the provision of the recreation assets.

Table 5.2. Critical Risks and Treatment Plans

<table>
<thead>
<tr>
<th>Risk</th>
<th>What can Happen</th>
<th>Risk Rating</th>
<th>Risk Treatment Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury from Playground</td>
<td>Through accident or misuse children can be injured on</td>
<td>VH</td>
<td>Regular inspection of playground equipment</td>
</tr>
<tr>
<td>equipment</td>
<td></td>
<td></td>
<td>Maintaining soft-fall to the Australian Standards specification</td>
</tr>
<tr>
<td>Injury sustained on</td>
<td>Unfrequented and unsupervised open spaces are open to misuse from members of</td>
<td>VH</td>
<td>The use of signage to inform the public of acceptable uses of</td>
</tr>
<tr>
<td>Council maintained</td>
<td>the public</td>
<td></td>
<td>open space</td>
</tr>
<tr>
<td>open space</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.3 Routine Maintenance Plan

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

5.3.1 Maintenance plan

Maintenance includes reactive, planned and cyclic maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions. Reactive maintenance to the recreation assets includes:

- Repair of park furniture
- Maintenance of vegetation
- Repair of recreation buildings
- Repair to sporting facilities

Planned maintenance is repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance. There is very little planned maintenance on recreation assets. Planned maintenance includes:

- Building and structure maintenance
- Rehabilitation of playing fields

Cyclic maintenance is work carried out on a periodic basis, not prompted by inspection or complaints. This can include:

- Mowing of open spaces
- Painting of structures
- Cleaning of ponds and fountains
- Replanting of garden beds

Maintenance expenditure trends are shown in Table 5.3.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Operations and maintenance expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002/03</td>
<td>$1,084,881</td>
</tr>
<tr>
<td>2003/04</td>
<td>$1,133,777</td>
</tr>
<tr>
<td>2004/05</td>
<td>$1,247,038</td>
</tr>
<tr>
<td>2005/06</td>
<td>$1,283,175</td>
</tr>
<tr>
<td>2006/07</td>
<td>$1,474,935</td>
</tr>
<tr>
<td>2007/08</td>
<td>$1,442,155</td>
</tr>
</tbody>
</table>

Mowing Proctor Park
Assessment and prioritisation of reactive maintenance is undertaken by Council staff using experience, training and judgement.

A major part of the recreation budget is allocated to the mowing of open spaces. In 2004 (adjusted for CPI) Council spent approximately $840 per hectare on the maintenance of community land. In 2008 the figure was approximately $715 per hectare. This represents a drop in spending of 14.8%. The community land area has increased from 225.1ha in 2004 to 239.3ha, an increase of 5.95%.

The increasing number of complaints received by the recreation section of council suggests that asset maintenance levels are declining.

5.3.2 Standards and specifications

Due to the Maintenance work is carried out in accordance with the following Standards and Specifications and appropriate Australian Standards.

5.3.3 Summary of future maintenance expenditures

It is difficult to forecast maintenance expenditure required for the recreation assets as the growth in the asset register is unable to be clearly defined. The minimum expenditure on maintenance will be current expenditure plus inflation variations. However with additional assets to maintain added each year this will not be sufficient. Often additional land added to the recreation register is added at short notice and predictions of such additions can only be based on historical trends.

Additional capital expenditure such as the skate park, adventure playground and Haymarket reserve upgrade will require maintenance funding over and above a simple increase on previous years adjusted for CPI. Future maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Fig 6. Note that all costs are shown in current 2009 dollar values.
Fig 6. Planned Maintenance Expenditure

NOTES on Fig 6.

- Assumed CPI of approximately 3.6% p.a. (CPI for year to June 2009 is 1.5%)
- Budget forecasting is reviewed annually and adjusted for CPI variations.
- Projected maintenance expenditure is based on trends from 2003 to 2008 - see 5.3.1 for comments
- Planned maintenance expenditure is slightly above projected maintenance for the period 2010 to 2020.

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

Maintenance is funded from Council's operating budget and grants where available. This is further discussed in Section 6.2.
Recreation maintenance budget has been within ±10% for the period 2004 - 2008. This indicates that in previous years maintenance expenditure has been well matched to the current level of service offered by Council in relation to recreation assets.

5.3.4 Special Maintenance programs

Council engages and supports a number of different groups from the community and organisations for maintenance of recreation assets. Organisations used include:

- Glenray Industries - employed for roadside mowing and maintenance
- Correctional Services - rural village maintenance
- Various local volunteer land care groups - bushland and waterways maintenance

By using other organisations and groups from the community to supplement internal maintenance programs, Council provides valuable input into the local Bathurst community.
5.4 Renewal/Replacement Plan

Renewal expenditure is major work which does not increase the asset’s design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure. There is often a poorly defined line between renewal and upgrade.

5.4.1 Renewal plan

The cost of renewal or replacement of many recreation assets fall below the capitalisation threshold. These are funded through the maintenance and operations budgets. For example, an annual budget of approximately $10,000 has been set aside for park furniture replacement. Expectations are for the current asset replacement and renewal of smaller value assets will continue as necessary.

Larger assets that are made up of many individual components may also be renewed at the component level over a period of time. The implication of this method of maintenance is that records don’t show a renewed asset, that over a period of time has been renewed.

Playgrounds are often subject to vandalism. Costs associated with playground components that are replaced or renewed (repaired) due to vandalism are sourced from vandalism allocations and as such will not be recorded as new assets.

Other assets such as recreation buildings, sporting fields, sports courts, lighting and irrigation will be renewed or replaced as necessary at the end of their useful life and as the budget allows and subject to the conditions outlined in table 5.4.1.

There is no specific long term plan or budgetary allocation for periodic renewal or replacement of assets. Rather, assets requiring renewal or replacement are identified during the compilation of Council’s annual management plan.

An asset register recording asset ages and conditions would assist in forward programming of asset renewal and replacement and the associated budget implication.

Table 5.4.1 outlines a basic scoring system that may be used to prioritise renewal candidate proposals.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Condition of asset</td>
<td>40%</td>
</tr>
<tr>
<td>Aesthetic value of asset</td>
<td>20%</td>
</tr>
<tr>
<td>Population serviced by asset</td>
<td>20%</td>
</tr>
<tr>
<td>Projected capital cost</td>
<td>10%</td>
</tr>
<tr>
<td>Proximity to similar asset/s</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

5.4.2 Renewal standards

Renewal work is carried out in accordance with the Bathurst Regional Council’s engineering guidelines and appropriate Australian Standards.

5.4.3 Summary of future renewal expenditure

Some major expenses occurring in the next three years identified from the management plan are summarised in Table 5.4.3
### Table 5.4.3 Capital Renewal Summary

<table>
<thead>
<tr>
<th>Asset</th>
<th>Year</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sportsground cycleway resurface</td>
<td>2010-2012</td>
<td>$250,000</td>
</tr>
<tr>
<td>Cooke hockey complex resurface one field</td>
<td>2010</td>
<td>$412,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$662,000</strong></td>
</tr>
</tbody>
</table>

### 5.5 Creation/Acquisition/Upgrade Plan

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

New recreation assets are not necessarily added to the asset register in direct proportion to population growth. New open spaces are usually a ‘no cost’ addition to the register and as such do not appear as an increase in the asset portfolio value.

New areas may be:
- passive parks added as part of a development;
- operational open spaces such as drainage reserves and road reserves;
- garden planting (e.g. roundabout plantings); or
- active sportsgrounds developed to cater for demand.

Upgraded assets can be the result of a number of circumstances:
- playground upgrades (e.g. 2009 upgrade of Macquarie View playground)
- passive park upgrades (e.g. 2007 upgrade of the Haymarket Reserve)
- sporting facility upgrades (e.g. 2002 addition of water based synthetic field at Cooke Hockey complex)

Council budgets an annual amount specifically for the upgrade of playgrounds.

#### 5.5.1 Upgrade selection criteria

Table 5.5.1 outlines a basic scoring system that may be used to prioritise upgrade candidate proposals.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Condition of current asset</td>
<td>25%</td>
</tr>
<tr>
<td>Usage rate of current asset</td>
<td>25%</td>
</tr>
<tr>
<td>Population serviced by asset</td>
<td>25%</td>
</tr>
<tr>
<td>Proximity to similar asset/s</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

#### 5.5.2 Standards and specifications

New work is carried out in accordance with the Bathurst Regional Council's engineering guidelines and appropriate Australian Standards.
5.5.3 Summary of future upgrade/new assets expenditure

Expenditure identified from the current (2009/10 - 2012/13) management plan is:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Year</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adventure playground</td>
<td>2009</td>
<td>approx $1.001 million</td>
</tr>
<tr>
<td>Sealing of sportsground access roads</td>
<td>2009-2011</td>
<td>$150,000</td>
</tr>
<tr>
<td>Tennis court lighting projects</td>
<td>2010-2013</td>
<td>approx $25,000 p.a.</td>
</tr>
<tr>
<td>Playground upgrades</td>
<td>Annually</td>
<td>approx $77,000 p.a.</td>
</tr>
<tr>
<td>Playground shade structures</td>
<td>annually</td>
<td>approx $55,000 p.a.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,621,000</strong></td>
</tr>
</tbody>
</table>

There are other possible projects that may be added to the above list as feasibility studies are completed and community consultation is finalised. These include a regional cycle facility and an upgrade of the Proctor Park soccer complex to regional significance.

Fig 8. Historical: Planned Capital Expenditure & Actual Capital Expenditure

NOTES on Fig 8.

For the 5 years 2004 to 2008 actual capital expenditure was 80.8% of planned expenditure. Planned expenditure on capital projects is

5.6 Disposal Plan

There are no current plans for asset disposal from the recreation asset register.

In the future, it may be necessary through planning processes to change the usage of land that currently forms part of the recreation asset register. This, however, is will not be a frequent occurrence and will be considered on a case by case basis.

Similarly from time to time a building within the recreation asset portfolio may no longer be relevant and require disposal. Again, consideration to disposal will be on a case by case basis.
6. **FINANCIAL SUMMARY**

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

6.1 **Financial Statements and Projections**

The financial projections are shown in Fig 9 for planned operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets).

*Fig 9. Planned Operating and Capital Expenditure*

![Planned Operating and Capital Expenditure Graph]

**NOTE**
- It is unlikely that growth will continue at the projected rate for 10 years.
- Budget forecasting is reviewed annually and adjusted for CPI variations.
- Note that all costs are shown in 2009 dollar values.
- Planned maintenance costs are forecast to increase proportionally with planned capital expenditure.
- The projection is for 10 years only as the available data is not sufficient to provide a useful long term prediction.
6.1.1 Sustainability of service delivery

There are two key indicators for financial sustainability that have been considered in the analysis of the services provided by this asset category, these being long term life cycle costs and medium term costs over the 10 year financial planning period.

Long term - Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include maintenance and asset consumption (depreciation expense). The annual average life cycle cost for the services covered in this asset management plan is $2.746 million.

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes maintenance plus capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure at the start of the plan is $1.254 million.

A gap between life cycle costs and life cycle expenditure gives an indication as to whether present consumers are paying their share of the assets they are consuming each year. The purpose of this asset management plan is to identify levels of service that the community needs and can afford and develop the necessary long term financial plans to provide the service in a sustainable manner.

The life cycle gap for services covered by this asset management plan is $1.492 million per annum. The life cycle sustainability index is 0.46.

Medium term – 10 year financial planning period

This asset management plan identifies the estimated maintenance and capital expenditures required to provide an agreed level of service to the community over a 20 year period for input into a 10 year financial plan and funding plan to provide the service in a sustainable manner. This may be compared to existing or planned expenditures in the 20 year period to identify any gap. In a core asset management plan, a gap is generally due to increasing asset renewals.

The lack of an up to date comprehensive asset register for the entire recreation asset portfolio makes prediction of required expenditure impossible. The current budget compilation method of short term programming of asset renewal does not allow for long term future predictions.

Using the valuation and remaining useful life estimations of Section 6.4 the following assumptions can be made -

- Within the next 20 years approximately buildings to the value of approximately $5.8 million will require renewal;
- Within the next 5 - 10 years assets to the value of approximately $5.4 million dollars will require renewal; and
- Within 5 years approximately assets to the value of approximately $3.1 million dollars will require renewal.

This is an over simplification. The actual renewal/replacement required will require a program of inspections to accurately ascertain candidates.

Using the valuation estimations and remaining useful life the estimated capital renewal and maintenance expenditure required over the next 10 years is $27.566 million.

This is an average expenditure of $2.757 million pa. Estimated maintenance and capital renewal expenditure in year 1 is $2.404 million. The 10 year sustainability index is 0.87 In the medium term the funding of recreation assets is low.
It should be noted that the majority of the parks maintenance budget as defined by the management plan could be termed operational expenditure as it is mainly for lawn and garden bed maintenance and as such is not a good indication of the level of maintenance on large capital value assets such as buildings.

6.2 Funding Strategy

The entire recreation budget for 2009/10 financial year is approximately $4.4 million. Income for the same period is estimated at $2.1 million as per the projected figures from the Council management plan.

Much of the funding for large capital projects within the recreation section of Council is reliant on further funding from grants from other levels of government and/or contributions from sporting bodies. For the 2009/10 financial year an amount of $500,000 has been identified as being available through government grants. With the current economic stimulus plan of the federal government funding is being made available for local government projects through the Regional and Local Community Infrastructure Program (RLCIP). This may result in further additions to the total amount of funding received from the government.

Extra to government is funding for improvements or amenities through the Environmental Planning and Assessment Act 1979 Sect 94. The 2009/10 budgeted income from the sect 94 contribution is $507,208.

Internal reserve accounts for $223,832, including $17,832 transferred from the previous years budget.

The final major income components are Cemetery incomes: $226,198 and funds secured through loans: $250,000.

The break up of the recreation budget will continue to be made up of the same components. The ratios will change, perhaps most notably the quantity of government funding received. Shortfalls in budgets have been filled in the past through funds secured through loans. This practice will continue.

Council’s current management practices are resulting in a level of service that appears to be decreasing as indicated by the increasing number of complaints received. A decline in level of service suggests there are some issues that may require consideration:

- Many of the complaints relate to vegetation management.
- Will a (relatively) small increase in maintenance funding provide a measurable decrease in the rate of deterioration in the network? This may include funding of an inspection and flushing program.
- Is the level of service offered to the customer appropriate? The public may be prepared to accept a lower level of service once the consequences have been clearly explained.

If, however, the current level of service is to be maintained an increase in the funding applied to the renewal and maintenance of the recreation assets is required.

6.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by Council and from assets constructed by land developers and others and donated to Council.

As there is no definitive asset register and no firm long term capital works plan it is not possible to provide a meaningful valuation forecast.
6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- Assets group ages and remaining lives have been classified as follows:

<table>
<thead>
<tr>
<th>Asset Group</th>
<th>Replacement Value</th>
<th>Useful life</th>
<th>Remaining life (years)</th>
<th>Depreciated replacement cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land improvements</td>
<td>$2,515,000</td>
<td></td>
<td></td>
<td>$2,515,000</td>
</tr>
<tr>
<td>Gardens and plantings and landscaping</td>
<td>$3,172,000</td>
<td>5</td>
<td>3.75</td>
<td>$2,379,000</td>
</tr>
<tr>
<td>Playing surfaces</td>
<td>$4,875,000</td>
<td>10</td>
<td>5.00</td>
<td>$2,437,500</td>
</tr>
<tr>
<td>Irrigation assets</td>
<td>$1,500,000</td>
<td>10</td>
<td>6.67</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Playgrounds and shade structures</td>
<td>$2,490,000</td>
<td>15</td>
<td>10.50</td>
<td>$1,743,000</td>
</tr>
<tr>
<td>Building and structure assets</td>
<td>$11,223,000</td>
<td>40</td>
<td>20.00</td>
<td>$5,611,500</td>
</tr>
<tr>
<td>Sporting assets</td>
<td>$3,340,000</td>
<td>15</td>
<td>9.00</td>
<td>$2,004,000</td>
</tr>
<tr>
<td>Other assets</td>
<td>$1,736,000</td>
<td>5</td>
<td>2.00</td>
<td>$694,400</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$30,851,000</strong></td>
<td></td>
<td></td>
<td><strong>$18,384,400</strong></td>
</tr>
</tbody>
</table>

- Useful lives have been estimated through experience and by using published lives from the Local Government Asset Accounting Manual published by the NSW DLG.


- Depreciation is calculated using the straight line method.

Accuracy of future financial forecasts may be improved in future revisions of this asset management plan by the following actions.

- A full and comprehensive audit of recreation assets

- Development of condition based depreciation method that satisfies accounting standards.

- Collection of condition data through a asset network survey.
7. ASSET MANAGEMENT PRACTICES

Council has implemented Civica Authority in 2010 as the financial management.

Administrator: IT manager

Relevant accounting standards are:

- AASB 136 Impairment of Assets
- AASB 1021 Depreciation of Non-Current Assets
- AASB 1041 Accounting for the reduction of Non-Current Assets
- AAS 1015 Accounting for acquisition of assets
- AAS 27 Financial reporting by Local Government

7.2 Asset Management Systems

Council uses CONFIRM asset management software. The current version is 8.00zq.AM

CONFIRM team:
Team leader: Administration Engineer
Administrator: Asset Engineer
Data entry: Asset Technician
Mobile inspections: Asset Inspector

CONFIRM consists of:

- A comprehensive recreation asset inventory;
- Data Management, with functional reporting procedure to present inventory and assessment information;
- Asset Accounting, AAS27 reporting capability and life cycle costing; and

Council uses MapInfo GIS system linked to CONFIRM.

A number of handheld devices using Trimble GPS units are used to collect data.

As a result of this plan it is intended to improve the Asset management system by:

- Ascertaining more accurate unit rates for work performed in the recreation assets;
- Linking of Confirm to Financial Software to gain more accurate costs of works.
7.3 Information Flow Requirements and Processes

The key information flows into this asset management plan are:

- The asset register data on size, age, value, remaining life of the network;
- The unit rates for categories of work/material;
- The adopted service levels;
- Projections of various factors affecting future demand for services;
- Correlations between maintenance and renewal, including decay models;
- Data on new assets acquired by council.

The key information flows from this asset management plan are:

- The assumed Works Program and trends;
- The resulting budget, valuation and depreciation projections;
- The useful life analysis.

These will impact the Long Term Financial Plan, Strategic Business Plan, annual budget and departmental business plans and budgets.

The current communication between financial and asset systems is limited to manually entering the relevant data. It is expected that CONFIRM will provide asset valuations and capitalisations from 2008 onwards. These figures will be supplied to the finance system for reporting purposes.
8. CONCLUSIONS

8.1 Current position statement

The provision of recreation assets is one of Council’s Principal Activities. Council maintains the recreation open spaces and assets throughout the Bathurst Region local government area.

The current city recreation asset register contains approximately 1144.1ha of open space. Within the open space are approximately 100 buildings, 110ha playing fields and courts, 38 playgrounds, approximately 10ha of plantings and gardens and an extensive irrigation network. The exact extent of the recreation asset portfolio is currently undocumented.

Over the last 10 years the network has increased in area by about at an average of 6.9%p.a. This rate has slowed in the previous 2 years. Since 2000 there has been the addition of 9 playgrounds with a number of others being upgraded, the Bathurst Skate Park, the Ann Ashwood Rugby Complex, a water based synthetic hockey field at the Cooke Hockey complex and many other smaller installations.

The first major park within the Bathurst city area, Machattie Park was dedicated in 1890. There are some original buildings and structures within the park making them 120+ years old. Various elements of the recreation asset portfolio have been considered in this plan with <5% of those assets assessed as being in poor or bad condition.

The current replacement cost of the recreation asset portfolio is estimated at $30.851 million. The annual depreciation expense is estimated at $1.794 million. A detailed asset valuation has not been performed on the recreation assets. The outcomes of this plan will be improved as detailed valuations are performed and a more accurate picture of the current status of the assets is formed. The estimations that have been performed are at greenfield rates and are based on rates published by Rawlinsons Australian Construction Handbook (2009) and actual financial information collected from the financial records of Council.

The current operations and maintenance budget for the recreation asset portfolio is approximately $1.277million p.a. (adjusted for CPI and averaged over the last 5 years).

Customer requests regarding recreation assets have, on a monthly average increased since the implementation of the Council’s current customer request management system in September 2005. This suggests that the level of service provided by the Council through the recreation assets is not being maintained and current maintenance expenditure may not be adequate. However, customer satisfaction survey results indicate a high level of satisfaction with the surveyed sections and that this has been maintained for a period of 5 years.
In technical terms the re-current maintenance budget appears to be satisfactory for the recreation assets, with the exception of open space and reserve mowing. The asset deterioration rate appears to be inline with or slower than the useful life used to calculate remaining asset life. A more thorough maintenance management system, including a program of inspection will better allow the Council to ascertain the effectiveness of the budget allocation. This is being implemented throughout 2009-2010.

Funding of major regular maintenance required less frequently than annually is applied for when preparing the management plan. There is no guarantee that the application will be successful. Tasks in this category include painting of Machattie Park buildings, painting of Carrington Park grand stand and levelling of the cricket wickets. This maintenance is required to ensure the assets remain in good condition and meet or exceed the expected useful life of the asset.

The budget for maintenance and repair is currently forecast by adding an additional amount due to CPI on the previous year’s budget. As the recreation assets age and the portfolio expands to meet the growth in areas of Bathurst, the expenditure required to meet maintenance needs will increase at a rate higher than the CPI - for example as more playgrounds are constructed an increase in the maintenance budget will be required to maintain them to an acceptable level of service. If the current level of maintenance is not increased inline with the increasing maintenance requirements of the recreation assets, a drop in safety, amenity and aesthetics could reasonably be expected.

The recreation assets have varied useful lives. The useful life will vary from asset to asset depending on the level of maintenance performed. From the estimations of useful life (Section 6.4) most asset groups have greater than 50% of useful life remaining, with the notable exception being buildings. As an asset group the recreation building have been assessed as having approximately 50% remaining life.

Although the final assessment on capital renewal of recreation assets will be based on the criteria in 5.4.1, asset age is the best indicator available to predict the future expenditure required to replace recreation assets that have deteriorated to a point where it is no longer serviceable. There are currently no significant areas within the recreation requiring widespread renewal.

The information contained within the asset management plan sets a benchmark for the recreation asset portfolio at the close of the 2009 calendar year. By continuing to collect information on the condition of the recreation asset portfolio and monitoring the expenditure on maintenance and renewal of recreation assets the performance of the Council’s recreation strategies can be measured, reported on and improved in the future.
8.2 Recommendations

Council aims to ensure recreation assets are sustainable and appropriate. The key outcomes of this asset management plan are to keep the recreation assets in good condition, and ensure that current and future recreation assets are relevant to the needs of the community.

To ensure that Council can achieve this the following actions have been identified:

8.2.1 Asset management recommendations

- A dedicated asset management ‘team’ be created as part of the parks section. This may consist of a position in the outdoor staff responsible for inspections of existing assets for condition and defects, collection of new asset details and coordination and prioritisation of asset maintenance. An indoor member of staff to administer the recreation parts of the asset management software, to update asset management plans and to assist in formulation of asset management policy creation.

- A full and comprehensive audit of recreation assets should be carried out as soon as possible;

- A complete recreation asset condition inspection should be carried out to allow long term estimates of renewal requirements to be calculated;

- Identifying marginal playgrounds and undertaking a usage study of each. Pending the results of the survey some playgrounds may be removed or relocated. This can reduce the risk exposure and maintenance load on the recreation section of Council.

- Asset inspection results and condition information should be recorded on the Council’s asset management system; and

- Maintenance and renewal costs should be closely monitored using the asset management system’s maintenance management capabilities. This will provide more accurate unit rates and better valuation figures.

8.2.2 Maintenance recommendations

- The level of maintenance carried out on Category 2 parks (open spaces), predominantly mowing, should be reviewed and reconciled with levels of service expected by the community;

- The maintenance budget for Category 2 parks (open spaces) is increased each year proportionately with the area of land being maintained by the Recreation Section of Council;

- As new assets are added to the recreation asset register a corresponding increase (over and above CPI increments) in the maintenance budget to cover the upkeep of the new assets; and

- A program of benchmarking turfed sporting surface facilities and irrigation systems with performance audits would increase the quality of the facilities Bathurst offers without greatly increasing the maintenance budget;

8.2.3 Renewal recommendations

- A program of playground renewals should be developed;
• A program of recreation building replacement/renewal should be developed;

8.2.4 Upgrade and new asset recommendations

• When considering new or upgraded assets the whole of life costs are to be considered extra to capital costs, including maintenance, operations, depreciation and any disposal costs. Maintenance and operations budgets will be altered to reflect increased or decreased budgetary requirements OR the community will be consulted on the reduced level of service that may be experienced if budgets are not increased with increased maintenance loads;

8.2.5 Budgetary recommendations

• An increase in the maintenance budget in proportion to the extra open space acquired and maintained by Council - to sustain current levels of maintenance an amount of approximately $800/ha should be added to the budget allocation;

• An increase in the maintenance budget in real terms to maintain the current asset stock plus additional new and upgraded assets.
9. PLAN IMPROVEMENT AND MONITORING

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

- The degree to which the required cash flows identified in this asset management plan are incorporated into council’s long term financial plan and Strategic Management Plan;
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the ‘global’ works program trends provided by the asset management plan;

9.2 Improvement Plan
The asset management improvement plan generated from this asset management plan is shown in Table 8.2

Table 8.2 Improvement Plan

<table>
<thead>
<tr>
<th>Task No</th>
<th>Task</th>
<th>Responsibility</th>
<th>Resources Required</th>
<th>Timeline</th>
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<tbody>
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</table>

9.3 Monitoring and Review Procedures
This asset management 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 decision process.
The Plan has a life of 4 years and is due for revision and updating within 2 years of each Council election.
REFERENCES

- Bathurst Regional Council, ‘Detailed Financial Budget and Revenue Policy 2009-2013’
- NSW Department of Local Government, 1999 *Local Government Asset Accounting Manual - update*
  4 NSW DLG, Nowra