



PARKES SHIRE COUNCIL

# Strategic Asset Management Plan 2017/18 - 2028/29





### Fit within our planning documents

- + Community Strategic Plan 2030 (Reviewed 2017)
- + Parkes Shire Local Environmental Plan (Lep) 2012
- + Community Engagement Strategy 2017- 2021
- + 12 Year Asset Management Strategy 2017-18 To 2028/29
- + 12 Year Long Term Financial Plan 2017-18 To 2028/29
- + Parkes Shire Council Workforce Plan 2017-18 To 2020-21
- + **Delivery Program 2017-18 To 2020-21**
- + Delivery Plan Financial Forecasts 2017-18 To 2020-21
- + Operational Plan 2017- 2018
- + Operational Budget 2017- 2018
- + Annual Report 2017 - 20148
- + End Of Term Report 2017-18 To 2020-21

### Document Control

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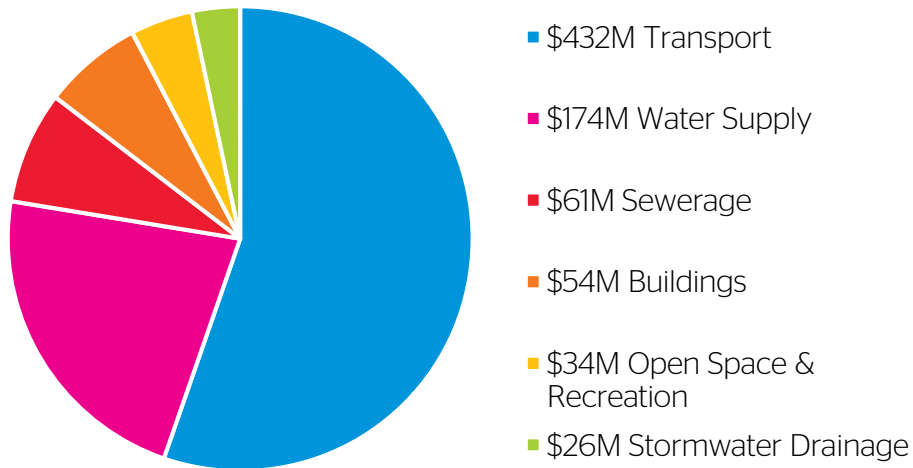
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# 1. Executive Summary

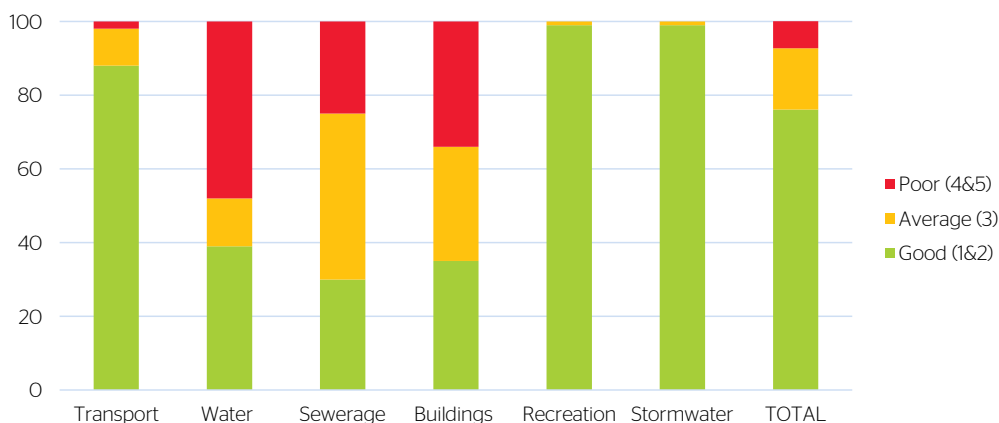
This Strategic Asset Management Plan (SAMP) is one of three plans covering each major resource type (money, people and assets) considered under Council's Resourcing Strategy.

Council's infrastructure and equipment assets have a replacement value of around \$805M (as reported in 2016). The chart below shows the value of each of the seven major asset classes.



This Strategic Asset Management Plan (SAMP) is one of three plans covering each major resource type (money, people and assets) considered under Council's Resourcing Strategy.

Council's infrastructure and equipment assets have a replacement value of around \$805M (as reported in 2016). The chart below shows the value of each of the seven major asset classes.



This highlights the need for continued investment in asset renewal (as well as that required to operate and maintain existing assets, and to build new assets to meet community needs and aspirations).

In fact, around 85% of Council's budget over the next four years is devoted to operating, maintaining, renewing and building new assets as well as accounting for their depreciation. This equates to around \$59M p.a., on average, over the next four years (depreciation of infrastructure alone, the cost of asset consumption which is an operational expense in the budget, makes up around \$10M p.a.).

Obviously, the way these assets are managed is critical to Council's financial sustainability. Many key inputs to Fit for the Future ratios (used to benchmark Council's performance) are defined via this SAMP.



This SAMP establishes a framework for Council to achieve the objectives of its Asset Management Policy (Appendix 1): to provide the best possible value from activities related to infrastructure assets and to continually improve its asset management practices.

The 7 Service Dashboards (Appendix 2) aligned to the themes in Council's Delivery Program are the centrepiece of this SAMP. A big picture view of everything Council does (backed up by detailed technical analysis and planning), highlight concerns about the value Council can provide from its activities (based on objectives in the Community Strategic Plan) both now and in 12 years (based on funds in the Long Term Financial Plan), to help identify priorities for resource allocation.

This SAMP defines a systematic approach to managing assets (based on ISO 55000 - international standard for AM systems) that sharpens this focus on value, the alignment of activities with objectives in the Community Strategic Plan, that fosters leadership at all levels of the organisation, that provides assurance that assets are fit for purpose (and facilitates audits to verify this) and that establishes a framework for continual improvement.

## 2. How Council Provides the Best Possible Value

Asset Management (AM) planning documents have traditionally been excessively detailed and complex. As a result, they have achieved limited engagement from the community, Councillors and staff and (more often than not) have been 'shelf documents' that were not kept up to date.

Recognising the problem, Council's AM Policy in Appendix 1 outlines a simpler approach based on ISO 55000:2014 and the NSW Local Government Act, 1993 and is centered on Council providing the best possible value from activities related to its infrastructure assets (the approach could apply to all activities with every 'thing' of value seen as an asset as per ISO 55000).

The centerpiece of this new approach is a series of 7 Service Dashboards (covering each theme in Council's Delivery Program) and a Dashboard Summary (collating this information onto a single page). These are included in Appendix 2 of this SAMP, along with an interpretation guide.

The Service Dashboards inform, and are informed by, the Delivery Program. They are intended to support Council's decisions in the Delivery Program and Operational Plan (particularly allocation of resources) by communicating the longer-term implications of decisions and the 'big picture' of priorities and resourcing. Ultimately, though, decisions in the Delivery Program inform the Dashboards.

While this high-level summary of everything Council does (including infrastructure-related activities) is intended to simplify Council's approach to AM, it is backed up by detailed technical planning and analysis (discussed in section 3), which then informs reporting on infrastructure (discussed in section 4).

SMART (specific, measurable, achievable, realistic and time-bound) objectives are fundamental to good AM. Service objectives are defined in detailed plans as well as Service Dashboards, Delivery Program and Operational Plan. Appendix 3 summarises these across all Council infrastructure assets.

Given that - as set out in the AM Policy - risk is one of three key perspectives on value, it is vital that Council's risk management system informs the AM system. This is discussed in section 5.

This Strategic Asset Management Plan (SAMP) describes the application of the AM system based on the principles in ISO 55000. The AM Steering Group (discussed in section 6) is the primary means by which Council monitors and reviews the implementation and improvement of the AM system to provide assurance that Council's infrastructure assets are fit for purpose.



The figure below explains how this SAMP relates to other documents in the Integrated Planning and Reporting Framework and summarises references (above) to further information.



### 3. Technical Analysis, Planning and Management of Infrastructure

As discussed in section 2, there is a need for detailed technical analysis and planning to support the high-level summary information contained in the Service Dashboards.

The AM Information Register (Appendix 3) identifies key information that underpins the AM system. An expanded version (of an operational nature) is a key reference for the AM Steering Group who monitors the implementation and improvement of the AM system, as discussed in section 6.

This information largely constitutes Council's 'Asset Management Plans' as defined in ISO 55000 clause 3.3.3 i.e. they specify the activities, resources and timescales required to achieve Council's 'AM' or functional objectives that are established in the Service Dashboards (i.e. the performance objectives and targets) and ultimately the Delivery Program and Operational Plan.

The detailed technical planning and analysis helps Council to ensure that the objectives that are set are SMART (specific, measurable, achievable, realistic and time bound). The technical processes and systems (also identified in the Register) then provide assurance these results will be achieved.

### + **Basic Categories of Technical Analysis, Planning and Management Documentation**

Basic categories of technical analysis, planning and management documentation are described below. All must be periodically reviewed, and many are associated with opportunities for improvement.

Asset registers are the building blocks for the AM system, identifying all assets (sometimes in component parts) as well as location, quantities, materials, condition, age, etc.

Asset hierarchies are a means of prioritising resources and effort to those assets that are more critical (e.g. differentiating between very busy roads and those serving only a few properties).

Asset condition assessments use a variety of methods from visual inspections of buildings to automated laser/video assessments of roads to assess the condition of assets to determine how far it is through its useful service life.

Needs analysis and strategies identify both the needs of the community and the performance that is required from infrastructure assets to meet these (usually expressed in terms of quality or condition, functionality and capacity). This considers deterioration of assets, growth in demand, changes in community needs and expectations. Many of these may be formally adopted by Council.

Performance modelling predicts the expected deterioration in performance of assets over time.

Asset valuations consider both the 'fair value' of an asset (what it would be worth to sell on the open market – as required by accounting standards) and the expected service life. This information coupled with asset condition information enables Council to determine the current fair value of its assets and annual depreciation (how much of this value is being consumed each year) discussed in section 4.

Capital works programs identify the priorities for future works based on the priorities established by Council in the Service Dashboards and draw on a range of data on the assets including the asset hierarchy (the importance ranking of assets in a category e.g. main roads versus local streets). A short justification for the works is identified. The cost of undertaking works is also estimated.

Operations and Maintenance Management Plans/Systems are the means by which Council ensures assets are providing 'best value' (performing appropriately, being managed sustainably – avoiding premature failure and that risks are appropriately managed).

Procedural Documents are the means by which Council controls critical processes in the AM system such as the way projects are planned and executed, the way data is collected and stored in computer systems and methodologies for calculations related to performance of Council's infrastructure.

Section 6 discusses the need for monitoring, review and auditing of documentation, systems and processes to provide assurance as to the continuing suitability of the AM system.

## 4. Aligning Infrastructure and Financial Planning

Around 85% of Council's expenditure over the next 4 years is devoted to operating, maintaining, renewing and building new assets as well as accounting for their depreciation. This equates to around \$59M p.a., on average, over the next 4 years.

Obviously, the way these assets are managed is critical to Council's financial sustainability. Several key inputs to



Fit for the Future ratios (used to benchmark Council's performance) are defined via this SAMP.

It is thus critical to ensure clear alignment between infrastructure and financial planning in this SAMP and the Long Term Financial Plan (LTFP) respectively. The assumptions and details behind the numbers must be clear. Three key areas are discussed below.

### **+ Asset Valuation and Consumption (Depreciation)**

As noted in section 3, the valuation of assets is on the basis of 'fair value' (what an asset is worth on the open market). Asset condition says how far the asset is through its life (how much value has been consumed). The cost of asset consumption (depreciation) is calculated based on the value lost each year as the asset deteriorates (as life is used up), i.e. the asset value divided by its service life.

Assumptions about fair value, condition and service life of infrastructure assets determine a large proportion (around \$10M p.a., over a quarter) of Council's annual operating expenses.

The Asset Management Steering Group (section 6) keeps under review the basic assumptions about valuation and service life across the main asset categories, including benchmarking against similar councils where possible. Note 1 of Council's Annual Financial Statements includes further details on service life and Note 27 includes details of methodologies for Fair Value Measurement.

The key point to make is that these assumptions need to be refined over time. Improvement actions to condition and valuation information are identified in the detailed version of the AM Information Register reviewed by the AM Steering Group.

### **+ 12 Year Expenditure Projections**

Council forecasts its revenues and expenditure over 12 years via the Long Term Financial Plan (LTFP). It is critical that the financial information in this SAMP aligns with the LTFP.

Appendix 5 shows how the LTFP reconciles in summary with financial information in or informed by this SAMP. The first 4 years aligns with figures in Service Dashboards. Figures relating to years 5 to 12 are based on continuing the priorities for the programs identified in the Service Dashboards over the longer term, as well as drawing on information in technical documents where these are available (e.g. the 30 year financial plan for water and sewerage assets in the Integrated Water Cycle Management Plan).

In the LTFP, projected expenditure on capital activities (renewing assets and building/acquiring new ones) is reported as 'purchase of infrastructure, property, plant and equipment' in the Cash Flow Statement. The value of purchasing of 'non-infrastructure related' items is identified in Appendix 5 to show what is specifically for infrastructure. The figures split capital expenses on renewal and new/upgraded assets to report on the renewal ratio (a performance measure under Fit for the Future), which is also reported over a 4 year period in the Service Dashboards for each asset category.

In the LTFP, projected expenditure on operational activities (operating and maintaining assets) is reported as its component parts: 'employee benefits and on-costs', 'materials and contracts', etc. in the 'payments' section of the Cash Flow Statement as well as the 'operational expenditure' section of the Income Statement. Again, this includes expenditure of a 'non-infrastructure related' nature, but this is separately identified in Appendix 5 to show what is specifically devoted to infrastructure.

In the LTFP, projected depreciation expenses (also an operational expense) is reported in the Income Statement under 'expenses from ongoing activities'. Again, this includes depreciation of 'non-infrastructure related' assets separately identified in Appendix 5.



### + **Asset Maintenance Shortfall and Renewal Backlog**

NSW Government's Local Government Code of Accounting Practice and Financial Reporting defines the method to calculate infrastructure performance measures that must be reported in Special Schedule 7 (SS7) of Council's annual financial statements. These are important Fit for the Future benchmarks.

Auditing of these measures has been flagged for several years. Council has developed a procedure (based on the Code) outlining its calculations, which is included on the AM Information Register kept under review by the AM Steering Group (section 6) who also reviews reported results as part of preparation of the annual financial statements. The key points are discussed below.

In terms of maintenance, Council has analysed its infrastructure assets and determined current funding ('actual maintenance' in SS7) is sufficient to ensure assets don't fail prematurely and can be kept in a functional state for community use. This is the definition of 'required maintenance' in Code update 25, 2017 so in future Council expects to report a funding shortfall of zero for maintenance, although this situation will be kept under review by the AM Steering Group (as discussed above).

In terms of renewal backlog, Council undertook extensive community consultation regarding the level of service from Council's assets in the context of their willingness to pay for improvements in 2012.

Given the choice between the 'current situation' (rates limited to the rate peg, which would lead to a decrease in service levels), a 'static delivery program' (with a rate increase, which would enable Council to address some of the backlog and maintain current service levels) or a 'progressive delivery program' (with a larger rate increase, which would enable Council to address the backlog and improve service levels), the community chose overwhelmingly to pay more for a 'progressive delivery program'.

Council successfully applied to IPART for a Special Rate Variation (SRV) to fund the progressive delivery program, and the SRV was introduced over the period 2013-2016 (the term of the last Council).

Given the substantial increase in infrastructure investment, the 'backlog' could be expected to have decreased, however the latest community survey (2016) found a 'performance gap' remains in many infrastructure-related services (the largest being in local and main roads, public toilets and footpaths).

The performance gap (importance of the service minus satisfaction) from this survey is an important consideration in decisions about priorities for the allocation of its resources (including funds generated from the SRV). This is reported for all services on page 1 of the Service Dashboards.

Council considered this and many other issues in identifying proposed projects for investing SRV funds over the next 4 years during the community engagement program associated with the preparation of this Delivery Program and the review of the Community Strategic Plan by the newly elected Council. While some projects were identified as 'backlog' (e.g. public toilets), the majority are intended to improve the performance of Council's infrastructure assets. In most cases (e.g. water and sewerage) where a project is funded in future it is not identified as backlog.

Given that Council is 'fit for the future' - a part of which is having the infrastructure renewal backlog under control, below the 2% benchmark - it is less helpful to focus on what should have been done in the past than how best to allocate Council's limited resources in the future to deliver the best possible value to the community from infrastructure-related activities (the objective of Council's AM Policy).

Council will continue to report on its 'backlog' using the methodology defined in the procedural document noted above (which will comply with the Code and facilitate auditing), however this is no longer a prime focus of Council's AM activities, being replaced with a focus on best value as established in the principles outlined in recent amendments to the NSW Local Government Act, 1993.



## 5. Risk Management

### + Relationship between Risk and Asset Management Systems

Council's AM Policy identifies three perspectives to consider in relation to providing the 'best possible value' to the community: performance, sustainability and risk/resilience (these inform the basic structure of page 1 of the Service Dashboards).

The AM Policy identifies that 'risk' is as defined in Council's risk management system (established under Council's Enterprise Risk Management Charter) so it is vital that risk and AM systems are integrated (or put differently, Council's risk management system perhaps underpins the AM system: risk represents a 'floor' of minimum acceptability in terms of value). Integration of risk and AM systems is part of the terms of reference for the AM Steering Group (Appendix 6).

Risks identified at the corporate level (via the corporate risk register) will sometimes shape the AM system itself, and the implementation of the AM system through operational and capital programs will often be driven by risk management as a priority (as identified in Service Dashboards). Detailed technical analysis and planning (section 3) will often be driven by the need to quantify and manage risk.

Operational risk management is achieved by Operations and Maintenance Management Systems (this is in many ways the 'front line' of risk management e.g. identifying and repairing defects on the road network and playgrounds or managing the storage, treatment and distribution of drinking water as described in the Drinking Water Quality Management Plan).

Other risks can only be treated adequately by undertaking capital works. Where a project is included in the Capital Works Program for reasons related to risk, this will be noted in the justification.

### + Managing Critical Assets

The IPR Guidelines (essential element 2.13) require that the AM Strategy identify assets that are critical to its operations and outline risk management strategies for these assets.

ISO 55000 (clause 3.2.8) defines a critical asset as an asset having potential to significantly impact on the achievement of the organisation's objectives. Assets can be critical due to safety, environment or performance reasons (this can relate to legal, regulatory or statutory requirements) or because they provide services to critical customers.

While Council has established hierarchies for most asset categories that prioritise efforts toward those assets with higher usage (e.g. distributor roads, trunk pipelines) and in most cases establish higher standards of performance (e.g. renewal is undertaken when assets are less deteriorated), in a sense all assets are 'critical' in that they provide essential services to the community.

Risk management strategies for the primary asset categories are outlined on the following page. Further details are discussed in section 4 and in the reference documents noted in Service Dashboards, as well as (where relevant) in Council's corporate risk register.

# Strategic Asset Management Plan 2017/18-2028/29

CRITICAL ASSET	PRIMARY RISKS	MANAGEMENT STRATEGIES
Water Supply	Supply problems due to drought Supply problems due to drought Failure of critical infrastructure (e.g. pumps) or loss of power leads to loss of supply	Drought and Drinking Water Quality Management Plans in place; criticality analysis undertaken on all assets and condition assessments underway with opportunities to improve redundancy and resilience identified (e.g. backup pumps, storage in reservoirs)
Sewerage	Release of untreated sewage or effluent to the environment due to a loss of power or failure of infrastructure	Criticality analysis undertaken on all assets and condition assessments underway with opportunities to improve redundancy and resilience identified (e.g. backup pumps and generators, storage time in pump stations and at water reclamation plant), pollution incident response plans in place
Roads, Bridges and other Transport	Safety issues arising from asset failures and/or other issues such as fallen trees, washed out bridges, flooded roads	Inspection systems in place with additional inspections undertaken where necessary (e.g. after a major storm event) to identify and respond to defects
Playgrounds	Safety issues from damaged or broken equipment	Inspection system in place to identify and respond to defects
Sports-grounds	Safety of users	Appropriate maintenance carried out, grounds closed when unsuitable to use
Aquatic Centres	Safety of users	Appropriate maintenance carried out, grounds closed when unsuitable to use
Buildings	Business continuity in the event of a problem with the building	Business continuity plans in place Appropriate maintenance carried out
Plant and Equipment	Safety for workers and others on Council worksites	Maintenance programs, daily inspections, trained operators



## 6. The Asset Management System

The AM System is the set of interrelated or interacting elements of an organisation to establish policies and objectives for AM, and processes to achieve those objectives (ISO 55000 cl. 3.4.2, 3.4.3).

The planning, implementation, review and improvement of the AM system is described below. A key difference from traditional AM practice (which featured very detailed asset management plans to be adopted by Councils at a corporate level) is that much of the detail is managed at the operational level, with policy and planning documents adopted by Council kept simpler to facilitate better engagement.

### + Asset Management Steering Group

Council's AM Policy provides for establishment of an AM Steering Group whose role is to monitor and review implementation and improvement of the AM system to ensure Council's AM objectives are met.

The terms of reference are in Appendix 6. It is important to note the Group provides an important cross-functional forum for planning and coordinating AM activities including raising awareness of and communicating about AM issues (in addition to monitoring and reviewing the AM system).

### + Roles, Responsibilities, Resourcing and Awareness

Roles and responsibilities in relation to the AM system are established at several levels in Council:

- Generally, in the AM Policy
- Specific to particular programs / functions in Service Dashboards (which reflect Council's Delivery Program and Operational Plan, but generally at a higher level)
- Specific to particular documents in the AM Information Register (refer below)
- Specific to positions in Position Descriptions and employee performance objectives

The Service Dashboards reinforce the fact that infrastructure assets in some way support the provision of all services across Council, thus highlighting that everyone has a stake in AM and something to contribute to the implementation and improvement of the AM system.

Monitoring clarity of roles and responsibilities as well as the adequacy of resources (including competence) to support the implementation of the AM system is within the terms of reference for the AM Steering Group, as is raising awareness of and communicating about AM issues.

### + Information and Documentation Requirements

As discussed in section 3, the detailed technical analysis and planning that sits behind the Service Dashboards are critical if Council is to achieve its AM objectives.

The AM Steering Group is responsible for keeping this information under review via an expanded version of the AM Information Register (Appendix 3) that includes:

- A more detailed list of the key reference documents relating to each service area that are summarised in the Service Dashboards
- Responsibilities for the particular source of information, document or process/system
- Criteria for effective implementation and assurance of that element of the AM system (acceptance criteria, measures to demonstrate compliance, monitoring to be undertaken)
- Interconnectivities between that element and other elements of the AM system (or things outside the AM system e.g. financial and HR management systems)
- Current status (including confidence in data) and specific improvements required

The review of this list is an agenda item on the terms of reference for the AM Steering Group.

### + **AM System Operation, Control, Monitoring and Audit**

Processes within the AM system must be planned, implemented and controlled if Council is to meet its AM objectives. The AM Information Register identifies procedural documents (and acceptance criteria, measures to demonstrate compliance as well as monitoring undertaken for them). Many of the plans in the Register also include information on the processes required for their implementation.

Where problems or potential problems with Council's assets, AM or AM system are identified as part of monitoring, Council will take necessary actions to prevent or correct and control them, as well as eliminate the cause to avoid them recurring and will review their effectiveness. The AM Steering Group will be the forum to review and discuss such issues, as noted in the terms of reference.

The terms of reference for the AM Steering Group also includes consideration of the adequacy of processes (including control and monitoring of these to ensure Council's AM objectives are met), an evaluation of the risks associated with any changes to the AM system including proposals to outsource AM activities, and controls and monitoring required to ensure AM objectives are met.

ISO 55001 (clause 9.2) requires that internal audits be carried out at planned intervals to provide information to assist in the determination on whether the AM system conforms to Council's own requirements and those of ISO 55001, and whether it is effectively implemented and maintained. Terms of reference for the AM Steering Group includes the development and implementation of an audit programme.

NSW Office of Local Government has flagged its intention to introduce auditing of AM information reported by Councils since 2013. Requirements defined to date in OLG Circular to Councils 15/29 fit within the comprehensive AM systems framework in ISO 55001, so the approach in this SAMP will help Council to demonstrate compliance with specified requirements and best practice when auditing is introduced.

### + **Review and Improvement**

The primary function of the AM Steering Group (aside from providing a forum for planning and coordinating AM activities) as established by Council's AM Policy, is management review of the AM system to ensure its continuing suitability, adequacy and effectiveness.

The Group will consider information from a range of sources (listed in the terms of reference) to review the AM system each 6 months as a minimum, in line with performance reporting for Council's Delivery Program. Outputs of this review (to be tabled at Council's Executive Leadership Team meeting for consideration) will include opportunities for continual improvement and the need for changes to the AM system, including revisions to this SAMP.

When appropriate, improvement actions will be identified in the Delivery Program and/or Operational Plan. Business cases for unfunded actions will be considered by the AM Steering Group.



# Appendix 1 – Asset Management Policy

## 1. Introduction

The NSW Local Government Act, 1993 establishes principles to provide guidance to enable Councils to carry out their functions in a way that facilitates local communities that are strong, healthy and prosperous.

Guiding principles include that Councils should:

- + Carry out functions in a way that provides the best possible value for residents and ratepayers
- + Plan strategically, using the Integrated Planning and Reporting Framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community
- + Manage lands and other assets so that current and future local community needs can be met in an affordable way
- + Have effective financial and asset management, including sound policies and processes for performance management and reporting, asset maintenance and enhancement, funding decisions and risk management practices.

## 2. Purpose

This policy establishes Council's commitment to the principles established by the NSW Local Government Act and describes the framework Council will use to apply them to management of its infrastructure assets.

## 3. Policy

Council is committed to providing the best possible value from its activities related to infrastructure assets and continually improving its asset management system, which Council is developing so as to comply with the principles established by ISO 55000:2014 (international standard for asset management systems).

### Definitions

**Asset:** infrastructure owned and/or controlled by Council. Note: the definition of 'asset' in ISO 55000 clause 3.21 is broader ("item, thing or entity that has potential or actual value to an organisation") and it is noted that value can be tangible or intangible. Council may consider broadening its definition of an asset in future (at which point the governance framework established by this policy could apply to all Council activities).

**Asset management:** coordinated activities Council undertakes to realise value from infrastructure assets.

**Asset management system:** the set of interrelated or interacting elements of Council's organisation to establish the asset management policy and objectives and processes to achieve those objectives.

**Best value:** the optimum outcome that can be delivered so that Council's infrastructure assets:

- + Perform in a way that meets the needs and aspirations of the community as expressed in the Parkes 2030 Community Strategic Plan (as far as possible within the resources Council has available to provide them, considering competing priorities)
- + Are sustainable (in that the social, environmental and economic costs of providing infrastructure assets over the long term are minimised)
- + Have an acceptable level of risk (as defined in Council's risk management system) and are resilient (wherever possible, increasing the capacity of the community to withstand external shocks and adapt to changing circumstances).

### **4. Responsibility**

Council as a governing body has responsibilities under the NSW Local Government Act for the responsible and sustainable management of infrastructure assets. The primary means by which these are satisfied is by implementing the Integrated Planning and Reporting Framework, particularly requirements for asset management planning in Council's Resourcing Strategy which informs the Delivery Program.

The General Manager has responsibility for preparation of Integrated Planning and Reporting Framework documentation in consultation with the Mayor and governing body (Councillors), and for its implementation. The Asset Management Steering Group monitors the implementation and improvement of the asset management system, which supports the achievement of asset management objectives within the Integrated Planning and Reporting Framework. This includes ensuring asset management responsibilities are clearly and appropriately allocated throughout the organisation.

### **5. Related Documentation**

Council's Strategic Asset Management Plan (part of the Resourcing Strategy) is Council's peak asset management document. It identifies Council's primary asset management documents as well as the framework within which the implementation and improvement of Council's detailed asset management documentation will be monitored and reviewed by the Asset Management Steering Group.

### **6. Procedure**

A series of Service Dashboards (one for each theme in Council's Delivery Program) form the centerpiece of Council's Strategic Asset Management Plan.

The Dashboards highlight key concerns with the value Council can provide both now and in 12 years' time (based on funding available in the Long Term Financial Plan) in order to facilitate an ongoing conversation between Council and the community about priorities for the allocation of Council's limited resources to provide the best possible value across all functions of Council.

Asset management activities are aligned with the outcomes in the Parkes 2030 Community Strategic Plan so that Council is clear about how its functions are helping to facilitate a strong, healthy and prosperous local community (the objective of the principles established by the NSW Local Government Act).

The asset management system is designed to foster leadership within Council by clarifying the outcomes that Council's activities are intended to deliver and establishing responsibilities for achieving these.

The system is also intended to provide assurance that infrastructure assets will fulfill their required purpose and to satisfy audits of Council's asset management performance that are to be introduced in the future.

The Asset Management Steering Group performs the management review function for the asset management system, driving continual improvement based on the principles of ISO 55000:2014.

#### **Training**

Training needs are identified and actioned at various levels in the asset management system.

The Asset Management Steering Group considers competence, awareness and resourcing within the asset management system as part of its role.



## Reporting

Reporting on Council's infrastructure assets forms an important part of the Integrated Planning and Reporting Framework and also ongoing reporting under the NSW Government Fit for the Future program.

Activities undertaken within the asset management system are identified in Council's Delivery Program and Operational Plan and performance outcomes are reported as part of this. Council's annual financial statements includes a schedule devoted to the state of Council's infrastructure assets and infrastructure issues are noted at various other points in the statements.

The Asset Management Steering Group reviews methodologies for reporting on infrastructure assets to ensure they comply with requirements and provide an accurate picture of the current situation, and the situation that is forecast in future based on Council's planned activities and the available funding.

## 7. References

- + NSW Local Government Act, 1993
- + Integrated Planning and Reporting Guidelines and Manual (NSW Office of Local Government, 2010)
- + ISO 55000:2014 Asset Management - Overview, principles and terminology
- + ISO 55000:2014 Asset Management - Management Systems - Requirements





# Strategic Asset Management Plan 2017/18-2028/29



# Appendix 2 – Service Dashboards and Dashboard Summary

Following are the Service Dashboards discussed in section 2. These cover all operations of Council, and align with the themes in Council’s Delivery Program:

- + Economy +
- + Transport +
- + H2O +
- + Activity +
- + Community +
- + Environment +
- + Council +

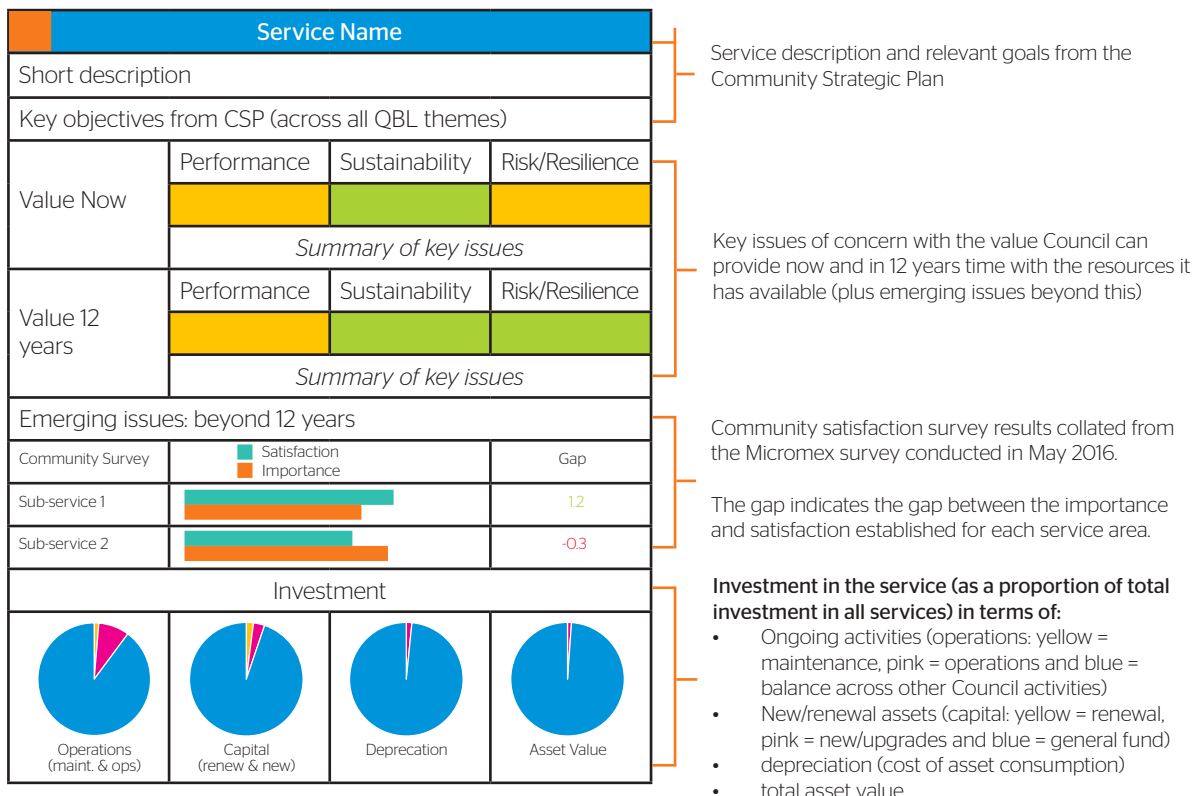
The Dashboard Summary gathers all of these together on a single page.

An interpretation guide for Service Dashboards and the Dashboard Summary is provided below. It is important to note that these documents are still a work in progress and need further (and ongoing) refinement. These are Council’s first version of a new format of planning documentation designed to present a very high level overview of Council’s functions, assets and budgets.

Relevant information is drawn from more detailed sources (Council’s Delivery Program, Operational Plan, Annual Financial Statements and Budgets) and so these other documents should be considered to be the final point of reference.

## + Interpretation Guide for Service Dashboards and Dashboard Summary

### Service Dashboards: Page 1



## Service Dashboards: Page 2

Service Name		
Infrastructure		
	Asset categories, replacement values, consumption ratio (age), renewal ratio, capital ratio (new assets) and high residual risk backlog	
Operational Programs		
Program Priorities		
Program 1	Priorities	Responsibility
Program 2	Priorities	Responsibility
4 year Budget	Revenue	Expenditure
Program 1		
Program 2		
Performance Measures and Targets		
Capital Projects		
Project Selection Criteria (informs priority list)		
Project area 1		
Project area 2		
4 year Budget	Revenue	Expenditure
Project area 1		
Project area 2		
Performance Measures and Targets		

### Infrastructure supporting the service

- Asset categories, quantities and cost to renew
- Consumption ratio (100% = assets are now, 0% = at end of life)
- Backlog ratio (proportion of assets in unsatisfactory condition)
- Renewal ratio (renewal spend relative to depreciation: are assets being renewed faster than they are consumed?)
- Capital ratio (spend on renewal + new and upgraded assets compared to depreciation: growth in the asset base?)

### Operational Programs (ongoing activities)

- Priorities and responsibilities for limited resources
- Summary 4 year budgets (revenue and expenditure)
- Performance measures and targets

### Capital Programs (renewal and new/upgrades assets)

- Priorities and responsibilities and limited resources
- Summary 4 year budgets (revenue and expenditure)
- Performance measures and targets

## Dashboard Summary

**Council's functions:** all operations are summarised on this single page (further details are available in the individual Services Dashboards)

Delivery Program Theme	Operations	Capital (4 yr avg.)	Depreciation	Concerns with Value? (Now & in 12 yrs)		
	0 2 4 6 8 10 12	0 2 4 6 8 10 12	0 2 4 6 8 10 12	Performance	Sustainability	Risk/Resilience
<b>ECONOMY+</b>						
<b>TRANSPORT +</b>						
<b>H2O+</b>						
<b>ACTIVITY +</b>						
<b>COMMUNITY +</b>						
<b>ENVIRONMENT +</b>						
<b>COUNCIL+</b>						

Income (excl. General Rates) Expenditure \$M p.a. Major Minor Moderate

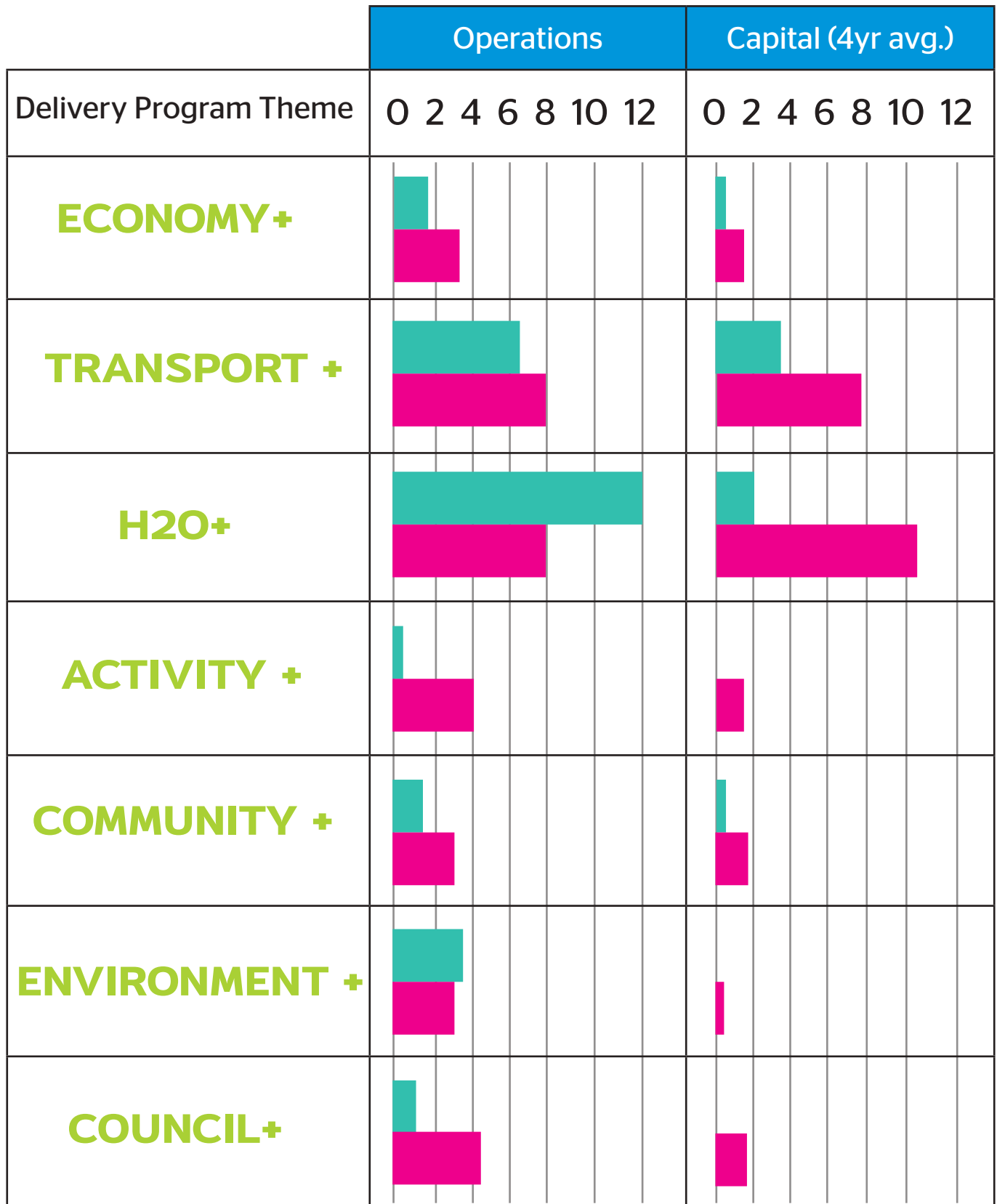
**Concerns about the value Council is able to provide** (now/12 years) with the resources it has available from the perspectives of:

- *Performance* (quality/function/capacity);
- *Sustainability* (minimising long term social, environmental and economic costs); and
- *Risk/Resilience* (avoiding negative outcomes, capacity to withstand shock)

**Resources invested in each function:** revenue (turquoise) and expenditure (pink) for *operations* (ongoing activities); *capital works* (renewal and new/upgraded assets) as well as *depreciation* (the cost of asset consumption). If revenue is more than expenditure it generates incomes. If it is less, it is funded by general rates. Capital expenses (asset renewal) must equal depreciation over the long term to avoid assets being used up.



**+ Parkes Shire Council Dashboard Summary**



Income (excl. General Rates)    Expenditure \$M p.a.





# ECONOMY+

Destination (tourism) and industry (economic) development in collaboration with stakeholders; facilitating and/or staging events.

## Future Direction 4 | Grow and Diversify the Economic Base

- 4.1 By having a strong local business sector
- 4.2 By the promotion and marketing of the Parkes Shire as a destination to visit, live, work and invest
- 4.3 By attracting business investment into the Shire
- 4.4 By lobbying the Government for increased infrastructure and services funding
- 4.5 By developing and implementing a range of Strategic Economic Development projects to drive economic diversification, investment, employment and population growth
- 4.6 By the implementation of innovative technology strategies to ensure that the Parkes Shire becomes a more connected, agile, smart and vibrant community

## Future Direction 5 | Develop Parkes as a National Logistics Hub

- 5.1 Develop and promote the Parkes National Logistics Hub

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	Council is undertaking planning and actions to promote a diverse and vibrant community.	Council seeks to balance the social, environmental and economic outcomes of development. All major industries in Parkes have a long-term future.	The regional economy is strong and diversified, which improves resilience in the face of shocks. Council seeks to promote and enhance this.
<b>Value 12 years (3 Council terms)</b>	Council is endeavouring, along with all Government and industry stakeholders, to see the development of the Inland Rail and a National Logistics Hub.	Continued efforts to promote a balanced approach to development and to foster long-term futures for our major industries.	Lack of technology and connectivity issues may constrain growth in similar communities and agriculture.

**Emerging Issues** (beyond 12 years)  
Aging population, connectivity to major capital cities and ports

Community Survey (2016)	Service	Satisfaction Importance		Gap
		0	1 2 3 4	
	Tourism	4.2	3.8	0.37
	Industry Support	4.1	3.3	0.78
	Caravan Park	3.5	3.6	-0.17
	Festivals	3.8	4.1	-0.33

### Financial Investments (\$)

Operational Expenditure (maintenance & operations)	Renewal/Upgrade Expenditure	Asset Depreciation	Infrastructure Replacement Value
<ul style="list-style-type: none"> <li>\$ 0.5m Maintenance</li> <li>\$ 3.0m Operations</li> <li>\$ 30.8m Balance across other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 0.5m Renew (4yr avg.)</li> <li>\$ 0.8m New/Upgrade</li> <li>\$ 23.4m Balance across other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 0.2m Depreciation</li> <li>\$ 9.55m Balance across other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 9.5m Infrastructure Replacement Value</li> <li>\$ 832.5m Balance across other Council activities</li> </ul>

# Strategic Asset Management Plan 2017/18-2028/29

## ECONOMY+

### Infrastructure



Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
Henry Parkes Centre	4.8	90%	0%	0%	0%
Commercial Properties	2.9	64%	8%	0%	0%
Caravan Park	1.8	48%	0%	0%	0%
<b>TOTAL ECONOMY +</b>	<b>9.5</b>	<b>74%</b>	<b>2%</b>	<b>0%</b>	<b>0%</b>

### Operational Programs

Program Area	Priorities	Responsible
Economic Development	Implementation of the Economic Development Strategy focusing on the four pillars of supporting existing local businesses, promoting the Parkes Shire, attracting investment and lobbying.	Manager Economic & Business Development
Destination Management	Implement the Parkes Shire Destination Management Plan	
Henry Parkes Centre	Operations including Visitor Information Centre and Museum	
Marketing & Communications	Actively promote the Parkes Shire as an attractive place to live, work and invest; managing Council's brand identities and coordinating internal and external communications through all channels.	
Elvis Festival	Planning and staging the event in accordance with the Business Plan	
Other events	Planning and staging events in accordance with the Events Strategy	

Program Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Tourism	54,000	56,000	57,000	58,000	884,000	907,000	930,000	955,000
Caravan Park	331,000	339,000	347,000	356,000	293,000	289,000	296,000	304,000
Industrial Develop't Promo	200,000	210,000	221,000	233,000	1,016,000	1,038,000	1,060,000	1,083,000
Henry Parkes Centre	34,000	35,000	35,000	36,000	620,000	443,000	450,000	457,000
Elvis Festival	682,000	695,000	712,000	725,000	679,000	688,000	698,000	708,000
<b>TOTAL ECONOMY +</b>	<b>1,301,000</b>	<b>1,335,000</b>	<b>1,372,000</b>	<b>1,408,000</b>	<b>3,492,000</b>	<b>3,365,000</b>	<b>3,434,000</b>	<b>3,507,000</b>

Program Area	Performance Measures and Targets	Target
Economic Development	Measure: Progress on implementation of actions from Economic Development Strategy	Report
Destination Management	Measure: Progress on implementation of actions from Destination Management Plan	Report
Henry Parkes Centre	Measure: Activities and number of visitors to the Centre	Report
Events	Measure: Number of events supported, number of visitors and media exposure	Report





Capital Projects								
Project Area	Selection Criteria (for Priority Projects list)							Responsible
Main Street Vibrancy Program	Redevelopment of Parkes CBD in accordance with Concept Plans. Key priorities include lower Clarinda Street and Cooke Park. Works include renewing and enhancing roads and footpaths, lighting, seats, landscaping, wayfinding and a multi-purpose centre in Cooke Park.							Manager Economic & Business Development
Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Lower Clarinda St upgrade		1,000,000			400,000	1,300,000	150,000	350,000
Furniture/Landscape/Art					50,000	50,000		50,000
Cooke Park		500,000			50,000			
Land Development					239,000			
Entrance South Parkes		50,000						
<b>TOTAL ECONOMY +</b>	-	<b>1,550,000</b>	-	-	<b>739,000</b>	<b>2,349,000</b>	<b>1,009,000</b>	<b>1,039,000</b>
Project Area	Performance Measures and Targets							Target
Lobbying for grants	Successfully securing grants to fund Main Street Vibrancy project							Grant
All projects	Completion of projects							90%
Reference Documents								
Parkes Shire Economic Development Strategy Destination Management Plan and Events Strategy.								









# TRANSPORT +

Provision and maintenance of transport infrastructure (local and regional roads, bridges, footpaths and cycleways, kerb and gutter, signs and guardrails), contracted works on State roads (Henry Parkes Way for Roads and Maritime Services), Bogan Road (for Northparkes Mine), and operate and develop Parkes Regional Airport and road safety programs.

**Future Direction 3 | Promote, Support and Grow our Communities**

3.1 Develop and implement individual township plans

**Future Direction 4 | Grow and Diversify the Economic Base**

4.1 By having a strong local business sector

4.2 By the promotion and marketing of the Parkes Shire as a destination to visit, live, work and invest

4.3 By attracting business investment into the Shire

**Future Direction 5 | Develop Parkes as a National Logistics Hub**

5.1 By advocating and promoting access into all major capital cities, market and ports via road, rail and air

**Future Direction 6 | Enhance Recreation and Culture**

6.2 Develop and implement pedestrian access and cycling mobility facilities

**Future Direction 7 | Care for the Environment in a Changing Climate**

7.1 Improve the environmental outcomes of Council's operations

7.4 Implement environmental regulations and controls in Council's sphere of operation

**Future Direction 8 | Maintain and Improve the Shire's Assets and Infrastructure**

8.2 Manage Council's road assets

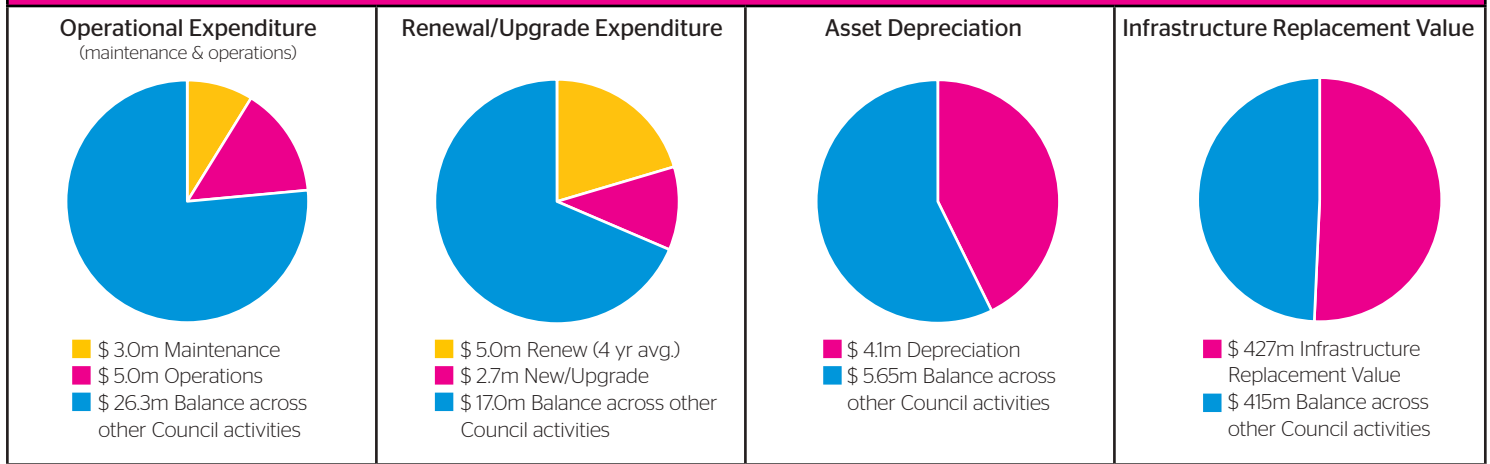
8.5 Maintain and operate Parkes Regional Airport

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	While the road network is generally sound and continued investment is leading to improved performance (eg. less potholes), feedback from the community indicates that they have a higher expectation; functionality and capacity is a concern on some roads that need to cater for Restricted Access Vehicles; lack of/narrow footpaths in some areas; lack of kerb in some areas; some roads are subject to periodic closure from flooding.	Major resurfacing programs and helping to prevent (costly) premature failure of pavements as well as reduce maintenance costs; a focus is now required on table drains to again prevent premature pavement failure; 'heavy patching' and stabilisation delays the need for full reconstruction, but when this is done it is high quality construction with a long expected service life.	An effective maintenance management system is in place to identify and respond to defects on roads. Road safety issues are of concern at some locations (alignment, width, intersections); opportunity to improve signage and notification for flood affected roads.
<b>Value 12 years (3 Council terms)</b>	Modelling indicates that the planning level of renewal will keep up with deterioration, although the network as whole is aging. Concerns relating to functionality and capacity of roads increasing with greater volumes and larges vehicles (particularly related to mining and grain movements by road).	Resealing and drainage maintenance will continue to prevent premature failure; heavy patching will extend service life of existing pavements; continued investment in high quality construction with long expected service life will help address the 'ramping up' of renewal need.	Effective maintenance management system is in place. Road safety improvements (alignment, width, intersections) will be undertaken on priority sites, but cannot address all areas of concern.
<b>Emerging Issues (beyond 12 years)</b>	Current funding is sufficient to keep up with deterioration over the next 10 to 15 years. There is a need to monitor emerging growth in renewal need in the longer term. It is important that roads that are reconstructed are built with a long service life to avoid exacerbating any peak. Increasing volumes/size of trucks will continue. Significant funding from particular mines is dependant on continued operation.		

## TRANSPORT +

Community Survey (2016)	Service	Satisfaction vs Importance		Gap
		Satisfaction	Importance	
	Local roads	4.5	2.8	1.78
	Main roads	4.5	3.1	1.4
	Footpaths	4.0	3.1	0.96
	Road Safety	4.8	4.0	0.87
	Car Parking	4.0	3.6	0.42
	Airport	4.5	4.2	0.33
	Signage	4.2	3.7	0.54
	Kerb and Gutter	3.8	3.8	0.04

### Financial Investments (\$M)





# TRANSPORT +

## Infrastructure



Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
560km Sealed Pavement	272.3	88%	0.4%	125%	207%
560km Sealed Surface	23.1	65%	1.1%	132%	154%
64km Kerb and Gutter	17.4	78%	0.0%	0%	0%
1300km Unsealed Roads	62.4	75%	0.8%	117%	117%
38 Bridges & Big Culverts	13.4	73%	0.0%	235%	235%
311 Rural Culverts	3.9	62%	0.0%	0%	0%
47km Footpaths	9.3	78%	0.0%	221%	354%
Carparks	2.1	76%	0.0%	0%	0%
Regional Airport (incl. bridges)	18.6	64%	2.8%	0%	0%
Other Transport Assets	4.1	44%	0.0%	0%	0%
Bulk Earthworks	-	N/A	N/A	N/A	0%
<b>TOTAL TRANSPORT +</b>	<b>426.7</b>	<b>82%</b>	<b>1%</b>	<b>123%</b>	<b>163%</b>

## Operational Programs

Program Area	Priorities	Responsible
Maintenance of Transport Infrastructure	Identify defects (via inspections and requests from the public) and prioritise actions to make safe and repair (as per risk-based Maintenance Specification and efficient programming of work)	Manager Works
Road Maintenance Council Contract (RMCC)	Compliance with Roads and Maritime Services Contract for maintenance of Henry Parkes Way (MR61 East and West - State road) and 'ordered work' (additional projects besides maintenance)	
Bogan Road Maintenance	Maintain roads with contribution from Northparkes Mine	
Road Safety Programs	Road Safety Programs, planning for network improvements, seeking funding and the Traffic Committee	Director Engineering Services
Development Controls	Ensuring that transport assets created by development meet Council specifications and that transport impacts of developments are appropriately assessed and controlled	Manager Traffic & Design
Regional Airport	Operate Airport in accordance with regulatory requirements and Business Plan	Manager Support Services

Program Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Financial Assistance Grant (rds)	1,199,230	2,045,500	2,094,930	2,145,560				
Road Safety	118,252	121,191	124,203	127,288	156,270	160,550	164,920	169,420
Urban Sealed Rd Maintenance					500,000	512,000	524,000	537,000
Urban Unsealed Rd Maintenance					78,000	80,000	100,000	84,000
Main St Maintenance & Clean					95,000	97,000	698,000	102,000
Parking Area					83,000	85,000	87,000	88,000
Footpaths and Kerb					92,840	95,080	97,380	99,730
Rural Sealed Road Maintenance					254,000	251,000	257,000	264,000
Rural Unsealed Road Maintenance					1,194,000	1,223,000	1,252,000	1,282,000
Quarries & Gravel Pits					42,000	43,000	44,000	45,000
Regional Rd Block Grnt/Maint	1,230,070	1,259,800	1,290,250	1,321,430	1,237,750	1,237,940	1,238,130	1,238,320
Bridge Maintenance					15,530	15,910	16,290	16,680
Footpaths and Cycleways					218,000	222,000	225,000	229,000
Regional Airport	376,000	382,000	388,000	389,000	1,115,000	673,000	680,000	687,000
Street Trees					140,000	144,000	147,000	151,000
Street and Gutter Cleaning					203,000	208,000	213,000	218,000

# Strategic Asset Management Plan 2017/18-2028/29

Program Area	Revenue (\$)				Expenditure (\$)			
Street Lighting	68,000	70,000	71,000	73,000	275,000	282,000	288,000	295,000
RMCC Maintenance	739,000	757,000	775,000	794,000	739,000	757,000	775,000	794,000
RMCC Ordered Work	1,699,000	1,710,000	1,751,000	1,793,000	1,669,000	1,710,000	1,751,000	1,793,000
Bogan Road Maintenance					36,000	37,000	38,000	39,000
<b>TOTAL TRANSPORT +</b>	<b>6,197,552</b>	<b>6,345,491</b>	<b>6,494,383</b>	<b>6,647,278</b>	<b>8,134,390</b>	<b>7,833,480</b>	<b>7,979,720</b>	<b>8,132,150</b>

Program Area	Performance Measures and Targets	Target
Maintenance of Transport Infrastructure	Target: Compliance with intervention standards and response times in maintenance specifications	90%
	Measure: Report on maintenance accomplishments (by asset type eg. number of potholes, area of footpaths repaired, length of unsealed road graded) and number of customer requests (plus public liability incidents) with comparisons to specifications and previous years	Report
Transport & Drg. Other Operations	Report on activities undertaken in accordance with the Operational Plan	Report
Regional Airport	Report on activities undertaken in accordance with the Operational Plan	Report

## Capital Projects

Project Area	Selection Criteria (for Priority Projects list)	Responsible
Grant Funded Projects (to be confirmed)	Council will continue to seek funding assistance from grants to upgrade the network (eg. widen and seal unsealed roads with significant traffic). Projects are dependent on the grant.	Manager Design & Traffic
Resurfacing and heavy patching of sealed roads	Resealing to maintain a waterproof layer and prevent premature pavement failure; includes heavy patching of isolated pavement failures prior to sealing and major maintenance	Manager Works
Sealed Road Renewal/ Upgrade Program	Renewal of roads, kerb, drainage, etc. in poor condition based on hierarchy (i.e. amount of use), performance and risk. New/upgraded infrastructure based on hierarchy and extent of deficiencies.	
Unsealed Roads	Renewal of poor condition pavement; upgrades (widening and sealing) based on hierarchy, risk, reducing maintenance (grading) and dust impacts on adjacent properties	
Bridges	Upgrades to address capacity issues from heavy vehicles (all timber bridges to be replaced with concrete structures)	
Footpaths and Cycleways	Replacement of poor condition paths based on hierarchy and risk (CBD areas with schools and aged care; new paths to fix 'missing links'. Cycleway priorities identified in Cycleway Plan (projects undertaken to for activity/health reasons are identified under 'Activity Plus')	

Project Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Grant Funded Projects (TBC)	900,000	800,000	800,000	800,000	900,000	800,000	800,000	800,000
Resurfacing and Heavy Patching of Sealed Roads	1,727,276	886,188	886,188	886,188				
Regional Roads REPAIR	400,000	400,000	400,000	400,000				
PSC Augmented Program	1,000,000	1,000,000	1,000,000	1,000,000				
Upgrade RAV routes to seal					3,312,000	1,104,000	1,104,000	1,104,000
Rural Local Sealed Renewals					564,000	564,000	564,000	564,000
Rural Local Upgrades					200,000	200,000	200,000	200,000
Regional Rd Renew/Upgrade					400,000	400,000	400,000	400,000
Urban Local Renewals					500,000	500,000	500,000	500,000
Resealing Local & Regional					1,300,000	1,300,000	1,300,000	1,300,000
Unsealed Road Re-sheeting					1,050,000	1,050,000	1,050,000	1,050,000
Footpaths	100,000	100,000	100,000	100,000	300,000	300,000	300,000	300,000
Kerb and Guttering	18,290				36,230		100,000	100,000
Parking Rea					60,970	62,440	63,950	65,500
Bridges						218,310	221,420	224,580
Regional Airport						792,877	791,062	789,992
<b>TOTAL TRANSPORT+</b>	<b>4,190,566</b>	<b>3,186,188</b>	<b>3,186,188</b>	<b>3,186,188</b>	<b>8,623,200</b>	<b>7,291,627</b>	<b>7,394,432</b>	<b>7,400,072</b>



# TRANSPORT +

## Capital Projects

Project Area	Selection Criteria (for Priority Projects list)	Responsible
Grant Funded Projects (To be confirmed)	Council will continue to seek funding assistance from grants to upgrade the network (eg. widen and seal unsealed roads with significant traffic). Projects are dependent on the grant.	Manager Design & Traffic
Resurfacing and heavy patching of sealed roads	Resealing to maintain a waterproof layer and prevent premature pavement failure; includes heavy patching of isolated pavement failures prior to sealing and major maintenance	Manager Works
Sealed Road Renewal/ Upgrade Program	Renewal of roads, kerb, drainage, etc. in poor condition based on hierarchy (i.e. amount of use), performance and risk. New/upgraded infrastructure based on hierarchy and extent of deficiencies.	
Unsealed Roads	Renewal of poor condition pavement; upgrades (widening and sealing) based on hierarchy, risk, reducing maintenance (grading) and dust impacts on adjacent properties	
Bridges	Upgrades to address capacity issues from heavy vehicles (all timber bridges to be replaced with concrete structures)	
Footpaths and Cycleways	Replacement of poor condition paths based on hierarchy and risk (CBD areas with schools and aged care.); new paths to fix 'missing links'. Cycleway priorities identified in Cycleway Plan (projects undertaken to for activity/health reasons are identified under 'Activity Plus')	

Project Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Grant Funded Projects (TBC)	900,000	800,000	800,000	800,000	900,000	800,000	800,000	800,000
Resurfacing and Heavy Patching of Sealed Roads	1,727,276	886,188	886,188	886,188				
Regional Roads REPAIR	400,000	400,000	400,000	400,000				
PSC Augmented Program	1,000,000	1,000,000	1,000,000	1,000,000				
Upgrade RAV routes to seal					3,312,000	1,104,000	1,104,000	1,104,000
Rural Local Sealed Renewals					564,000	564,000	564,000	564,000
Rural Local Upgrades					200,000	200,000	200,000	200,000
Regional Rd Renew/Upgrade					400,000	400,000	400,000	400,000
Urban Local Renewals					500,000	500,000	500,000	500,000
Resealing Local & Regional					1,300,000	1,300,000	1,300,000	1,300,000
Unsealed Road Re-sheeting					1,050,000	1,050,000	1,050,000	1,050,000
Footpaths	100,000	100,000	100,000	100,000	300,000	300,000	300,000	300,000
Kerb and Guttering	18,290				36,230		100,000	100,000
Parking Rea					60,970	62,440	63,950	65,500
Bridges						218,310	221,420	224,580
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<b>TOTAL TRANSPORT+</b>	<b>4,190,566</b>	<b>3,186,188</b>	<b>3,186,188</b>	<b>3,186,188</b>	<b>8,623,200</b>	<b>7,291,627</b>	<b>7,394,432</b>	<b>7,400,072</b>

Project Area	Performance Measures and Targets	Target
All projects	Target: Completion of projects in the Operational Plan (% by value)	95%
	Target: Variation from Budget in Operational Plan	10%
	Measure: Report on achievements including area of road sealed (with comparisons to previous years) and key projects	Report
Sealed Roads Urban	Target: % of road network with NAASRA roughness count > 240	< 10%
Sealed Roads Rural	Target: % of road network with NAASRA roughness count > 180	< 5%

## Reference Documents

Asset Hierarchies, Maintenance specifications, Cycleway Plan, Agreement with Northparkes Mine (voluntary planning agreement for road maintenance), Specifications (NATSPEC) for Design, Construction and Maintenance and Section 64 (Developer Contribution) Plans

# Strategic Asset Management Plan 2017/18-2028/29





# H2O +

Supply of potable (drinking ) water to Parkes, Peak Hill, Alectown and Cookamidgera as well as raw water to Northparkes Mine (from two dams and five bores); supply of potable water to Gunningbland, Bogan Gate, Trundle and Tullamore (from Turners Hill Reservoir in Forbes) - jointly operated with Lachlan Shire who supply Tottenham and Albert from the same line); sewerage reticulation and treatment at Parkes, Peak Hill, Trundle and Tullamore; and provision and maintenance of stormwater infrastructure (pipes, pits and detention basins).

**Future Direction 4 | Grow and Diversify the Economic Base**

4.1 By having a strong local business sector

**Future Direction 7 | Care for the Environment in a Changing Climate**

- 7.1 Improve the environmental outcomes of Council's operations
- 7.2 Raise awareness of suitable practices in the Community
- 7.4 Implement environmental regulations and controls in Council's sphere of operations

**Future Direction 8 | Maintain and Improve the Shire's Assets and Infrastructure**

- 8.1 Ensure that Shire water management is in line with Best Practice
- 8.3 Ensure that Shire sewer management is in line with Best Practice
- 8.4 Ensure that stormwater management minimises negative impacts and maximises reuse

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	While frequency of sewerage chokes (blockages) has reduced significantly due to ongoing investment in CCTV and relining, and water main breakages are being managed, the instances of failures remains high against NSW benchmarks. Some water quality complaints (taste/ odour) from dam supply. Some capacity issues for the stormwater network.	Water losses for the supply system are high compared to other Councils. Opportunities to further utilise technology and optimise water supply (eg. balance between dam and bores) to reduce network power consumption. Some solar power installed. Sewage Treatment Plant unable to meet some effluent standards (phosphorus).	Drought Management Plan with extensive yield analysis prepared for water supplies; system is secure with low or no releases from Wyangala Dam thanks to groundwater supply from bores. Dam Safety Emergency Plan in place for Lake Endeavour. Effluent reuse is maximised, reducing the reliance on raw water supplies. Risk based approach in place identifying priorities to all networks.
<b>Value 12 years (3 Council terms)</b>	Continued investment in relining of sewerage pipelines and replacement of aged water pipes will continue to reduce failures. New Water Treatment Plant (completion date 2017) will address water quality complaints. Targeted projects to address stormwater capacity issues will reduce incidence of flooding.	Continued investment in technologies to reduce power consumption for water supply. Effluent quality will be significantly improved with new Sewage Treatment Plant.	Continued improvement in the network will result in further reducing risk and improving resilience.
<b>Emerging Issues (beyond 12 years)</b>	Climate change will continue to place pressure on water supplies (surface and groundwater). Investigations on a regional basis into a new dam for the Lachlan catchment. Increased regional collaboration about infrastructure priorities and new planning.		



# Strategic Asset Management Plan 2017/18-2028/29

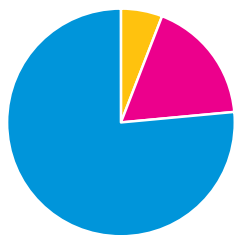
## H2O +

Community Survey (2016)	Service	Satisfaction	Importance	Gap
		0 1 2 3 4 5		
	Water supply			0.56
	Sewerage			-0.17
	Stormwater Drainage			

### Financial Investments (\$M)

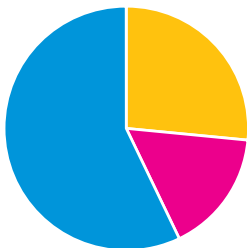
Note: Water and Sewerage are operated as distinct businesses (i.e. separate to 'General Fund')

Operational Expenditure (maintenance & operations)



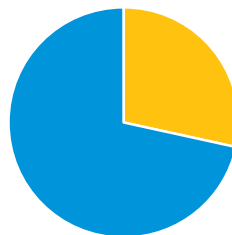
- \$ 2.0m Maintenance
- \$ 6.0m Operations
- \$ 26.3m Balance across other Council activities

Renewal/Upgrade



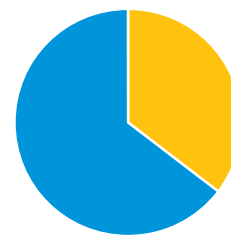
- \$ 6.5m Renew (4yr avg.)
- \$ 4.0m New/Upgrade
- \$ 14.2m Balance across other Council activities

Depreciation



- \$ 2.7m Depreciation
- \$ 7.05m Balance across other Council activities

Infrastructure Replacement Value



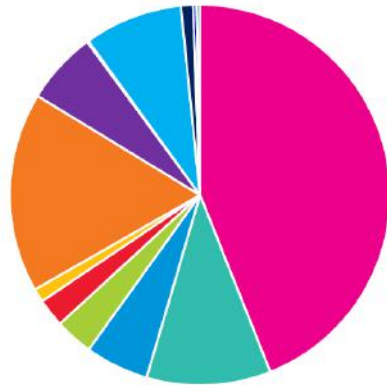
- \$ 298m Infrastructure Replacement Value
- \$ 544m Balance across other Council activities



# H2O +

## Infrastructure

Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
<b>Recycled Water (NEW)</b>	<b>15.1</b>	<b>100%</b>			
533km Water Pipelines	114.4	43%	0%	115%	155%
2 Dams	27.4	33%	0%	0%	0%
16 Water Reservoirs	14.1	57%	0%	168%	168%
1 Water Treatment Plant	35.0	100%	0%	507%	507%
11 Water Pump Stations	6.3	22%	54%	0%	0%
8 Bores	30	40%	0%	0%	0%
<b>TOTAL WATER SUPPLY</b>	<b>200.1</b>	<b>52%</b>	<b>0.7%</b>	<b>187%</b>	<b>208%</b>
128km Sewerage Pipes	4.2	62%	0%	98%	298%
4 Sewage Treatment Plants	16.1	100%	0%	250%	395%
1 Sewage Pump Station	1.0	32%	46%	393%	391%
<b>TOTAL SEWERAGE</b>	<b>61.3</b>	<b>51%</b>	<b>0.5%</b>	<b>152%</b>	<b>333%</b>
44km Pipes	17.9	86%	0%	0%	0%
210 Pits	2.6	76%	14%	0%	0%
6.7km Open Drains	0.8	96%	0%		
6 Retention Basins/Tanks	0.7	96%	0%		
<b>TOTAL STORMWATER</b>	<b>22.1</b>	<b>85%</b>	<b>1.5%</b>	<b>0%</b>	<b>0%</b>
<b>TOTAL H2O +</b>	<b>283.5</b>	<b>188%</b>	<b>2.7%</b>	<b>124%</b>	<b>153%</b>



## Operational Programs

Program Area	Priorities	Responsible
Operate and maintain water supply, sewerage and raw water infrastructure	Undertake operations and maintenance to achieve maintenance specifications (focused on performance and risk), meet regulatory obligations and implement actions identified in Water Loss Management Plan, Drinking Water Quality Management Plan, Strategic Business Plans and Demand Management Plan	Infrastructure Operations Manager
Water and Sewerage Network protection	Liaise with users (back flow prevention and trade waste) of water and sewerage infrastructure as well as developers (new assets)	Infrastructure Operations Manager & Environment Sustainability Coordinator
Stormwater Infrastructure Maintenance	Reactive maintenance of stormwater infrastructure (pipes, pits and retention basins). Inspection of proactive repairs for high risk sites. Rural culverts under 'Transport +'. 'Transport +'	Infrastructure Operations Manager

Program Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Raw Water Supply								
Water Treatment								
Distribution								
Other (management, general)								
<b>TOTAL WATER SUPPLY</b>	<b>8,090,987</b>	<b>8,132,420</b>	<b>8,333,543</b>	<b>8,545,325</b>	<b>5,483,449</b>	<b>5,864,642</b>	<b>5,980,642</b>	<b>6,098,213</b>
Sewerage Reticulation								
Sewage Treatment								
<b>TOTAL SEWERAGE</b>	<b>3,338,872</b>	<b>3,394,200</b>	<b>3,466,480</b>	<b>3,518,710</b>	<b>1,970,960</b>	<b>2,014,910</b>	<b>2,060,540</b>	<b>2,106,210</b>
Stormwater Charge/Maintenance	161,600	166,450	166,450	176,580	148,050	151,220	154,460	157,780
<b>TOTAL STORMWATER</b>	<b>161,600</b>	<b>166,450</b>	<b>166,450</b>	<b>176,580</b>	<b>148,050</b>	<b>151,220</b>	<b>154,460</b>	<b>157,780</b>

# Strategic Asset Management Plan 2017/18-2028/29

Program Area	Performance Measures and Targets	Target
Operation and Maintenance of all Water, Sewerage and Raw Water Infrastructure	Target: Compliance with NSW Government Best Practice Guidelines	100%
	Target: Portion of tests complying with drinking water supply guidelines (treatment & reticulation)	100%
	Target: Portion of tests complying with EPA licences for reclaimed water	100%
	Target: Compliance with maintenance specifications and levels of service	90%
	Measure: Report on operational activities and maintenance accomplishments with reference to specifications, previous years and NSW Water and Sewerage Benchmarking report	Report
Network Protection and Improvement	Measure: Report on implementation of actions from Water and Sewerage Strategic Business Plans, Drinking Water Quality Management Plan, Water Efficiency Plan; notable actions in relation to network protection (eg. trade waste and back flow protection)	Report
Maintenance of Stormwater Drainage Infrastructure	Target: Compliance with intervention standards and response times in maintenance specifications	90%
	Measure: Report on maintenance accomplishments (by asset type) and number of customer requests (including public liability incidents) with comparisons to specifications and previous years	Report





# H2O +

## Infrastructure Capital Projects

Project Area	Selection Criteria (for Priority Projects list)	Responsible
Water Supply	Renewal: primarily focused on assets that are in poor condition, with critical assets (eg. based on number of users and consequences of failure) given priority; new and upgraded assets based on improving drinking water quality and pressure, capacity for fire fighting, catering for future growth (based on projected land use development); other capital works focused on reducing water losses and power consumption	Infrastructure Asset Manager
Sewerage	Renewal: primarily focused on assets that are in poor condition, with critical assets (based on consequence of failure) given priority; new and upgraded assets to cater for future growth (based on projected land use development) and network containment	Infrastructure Asset Manager
Recycled Water	Maximising the beneficial re-use of treated sewage effluent (quality and quantity) so as to reduce demand on potable water supplies	Infrastructure Technical Manager
Stormwater Drainage	Renewal and upgrade: based on risk (to persons, property, environment, etc.)	Infrastructure Asset Manager

Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
RECYCLED WATER	2,906,800	3,023,100			10,977,810	4,442,619		
Water Treatment Plant					2,941,366			
Drinking Water Quality Management					150,000	150,000	150,000	150,000
Main (Pipes) Renewal					400,000	1,843,000	1,300,000	1,922,000
Main Construction (+S64)					460,000	460,000	460,000	460,000
Water Storage Reservoir								1,602,000
Vehicles, Plant & Equipment					160,150	158,400	389,907	140,150
Other Minor Capital					98,725	79,027	61,748	42,948
Strategic Planning					105,000	60,000	60,000	60,000
Section 64 (Developer Cont.)	297,530	306,460	315,650	\$ 325,120				
Repay Loan Principal					302,344	330,027	340,002	350,278
<b>TOTAL WATER SUPPLY</b>	<b>3,204,330</b>	<b>3,329,560</b>	<b>315,650</b>	<b>325,120</b>	<b>15,613,395</b>	<b>7,523,073</b>	<b>2,755,657</b>	<b>4,727,376</b>
Mains Renewal, Reline & Construction					1,012,551	1,015,928	1,019,406	1,022,988
Vehicle, Plants & Equipment					173,867	59,133	28,407	94,690
Major Extension Reticulation							1,100,000	1,100,000
Strategic Planning					90,000			30,000
Effluent Ponds Rehabilitation	500,000				1,000,000			
Sewage Treatment Plant					1,289,463			
Section 64 (Developer Cont.)	108,130	110,740	113,420	116,160				
Repay Loan Principal					397,635	412,403	426,839	441,383
<b>TOTAL SEWERAGE</b>	<b>608,130</b>	<b>110,740</b>	<b>113,420</b>	<b>116,160</b>	<b>3,963,516</b>	<b>1,487,464</b>	<b>2,574,652</b>	<b>2,689,061</b>
Urban Stormwater Drainage					115,000	150,000	300,000	300,000
<b>TOTAL STORMWATER</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>115,000</b>	<b>150,000</b>	<b>300,000</b>	<b>300,000</b>

Project Area	Performance Measures and Targets	Target
All projects	Target: Completion of projects in the Operational Plan (% by value)	95%
	Target: Variation from Budget in Operational Plan	10%
	Measure: Report on achievements including area of road sealed (with comparisons to previous years) and key projects	Report

# Strategic Asset Management Plan 2017/18-2028/29

## Reference Documents

Integrated Water Cycle Management Plan, Water and Sewerage Strategic Business Plans, Maintenance Specifications, Specifications (NATSPEC) for Design, Construction and Maintenance, Section 64 (Developer Contributions) Plans, Water Quality Management Plan, Water Efficiency Plan, Reclaimed Water Management Plan, Environmental Management Plans for Treatment Plants, Parkes township Stormwater Management Plan, CENTROC Water Security Study.





# ACTIVITY +

Provision and maintenance of open space, recreation and public facilities including parks, reserves and sporting fields, public toilets, sport amenities and facilities, playgrounds, aquatic centres, skate parks, BBQ areas, outdoor furniture and exercise equipment, fencing, lighting, pedestrian and cycling paths (general footpaths are under Transport +).

**Future Direction 2 | Improve Health and Wellbeing**

2.1 By promoting and developing health education and encouraging people to take personal responsibility for their health and wellbeing

**Future Direction 6 | Enhance Recreation and Culture**

- 6.1 Improve aquatic recreation facilities
- 6.2 Develop and implement pedestrian access and cycling mobility facilities (Active Movement Plan)
- 6.3 Maintain and develop sporting and recreational facilities

**Future Direction 8 | Maintain and Improve the Shire's Assets and Infrastructure**

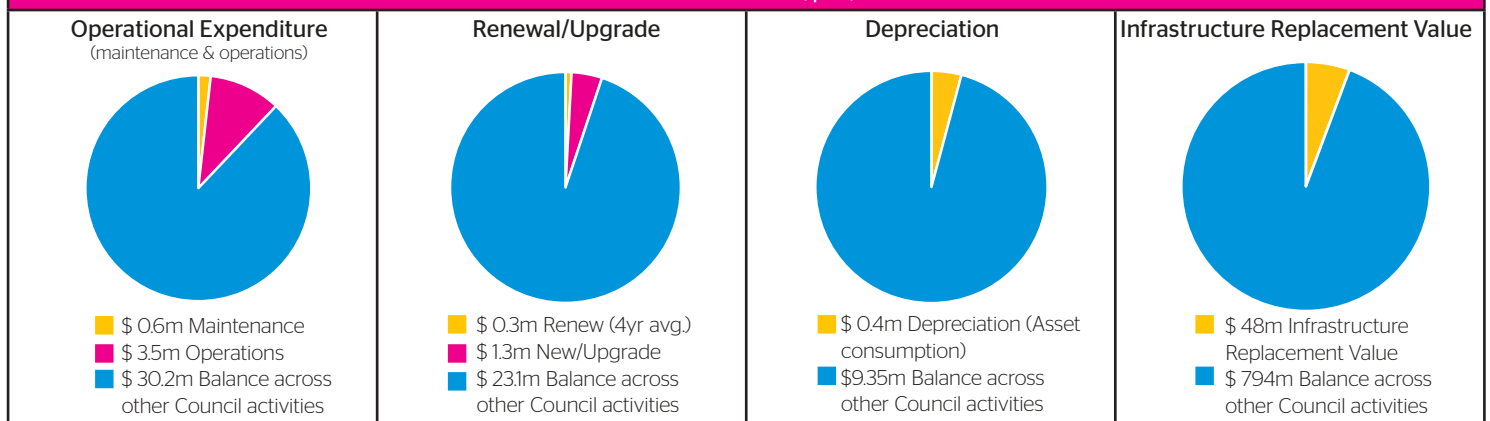
8.6 Manage, maintain and update Council's owned property

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	Sporting grounds are in generally good condition (incl. top dressing and seeding program). Amenities, toilets and lighting are an identified need. Council has a strong relationship with user groups (through Parkes Sports Council) to ensure facilities meet user needs.	Services provided generally balance social, environmental and economic outcomes and minimise long term cost although there are opportunities currently being explored to optimise irrigation based on watering, usage and soils.	Aging infrastructure at Trundle Pool required remedial action. Playground inspection systems in place to manage risk. Parks and sports grounds maintenance is adequate for user safety.
<b>Value 12 years (3 Council terms)</b>	Proposed investment in new and replacement infrastructure will improve performance of facilities.	Recycled water scheme will virtually eliminate the demand on potable water from irrigation.	Continued investment in renewals as well as implementation of inspection and maintenance system will ensure risks remain acceptable.

**Emerging Issues (beyond 12 years)**  
Ongoing planning and review of the provision of adequate and appropriate facilities is essential with changing usage, needs and demographics.

Community Survey (2016)	Service	Satisfaction Importance		Gap
		0	1 2 3 4 5	
	Parks	4.5	4.2	0.23
	Youth Services	4.2	3.1	1.06
	Sports Grounds	4.0	4.0	-0.03
	Playgrounds	4.0	3.8	0.2
	Footpaths	4.0	3.0	0.96
	Swimming Pools	3.8	4.2	-0.43


## Investment (\$M)



# Strategic Asset Management Plan 2017/18-2028/29

## ACTIVITY +

### Infrastructure

	Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
	4 Aquatic Centres (buildings, pool, plant)	10.8	60%	3%	0%	0%
	Other Open Space/Recreation Assets	25.8	45%	0%	0%	0%
	25 Recreation Buildings	8.9	44%	2%	0%	0%
	26 Public Toilets	2.2	50%	19%	953%	1362%
	<b>TOTAL ACTIVITY +</b>	<b>47.8</b>	<b>48%</b>	<b>2%</b>	<b>100%</b>	<b>143%</b>

### Operational Programs

Program Area	Priorities	Responsible
Maintenance and operation of Aquatic Centres	Maintain and operate infrastructure to meet health standards, operate facilities in accordance with performance standards (opening hours) and regulations/codes of practice.	Manager Support Services
Maintenance of buildings and facilities	Maintain in accordance with maintenance specification (identify and respond to defects based on risk, efficient programming of work and impacts on use of the facility)	Manager Building Certification
Cleaning of public toilets	Clean in accordance with cleaning schedule and in response to additional needs	
Operational activities, parks, reserves and sports fields	Maintenance and operations to meet specifications for parks, playgrounds and specific to sports facilities, prioritising those facilities with higher usage/criticality if funds are limited	Manager Works

Program Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Aquatic Centres	466,000	458,000	454,000	451,000	1,031,000	1,030,000	1,027,000	1,024,000
Parks and Gardens	3,000	3,000	4,000	4,000	1,621,000	1,641,000	1,677,000	1,714,000
Sports Grounds	75,000	77,000	80,000	82,000	604,000	624,000	634,000	644,000
Other Sport and Recreation					456,000	468,000	480,000	493,000
Public Toilets					275,000	281,000	287,000	293,000
<b>TOTAL ACTIVITY +</b>	<b>544,000</b>	<b>538,000</b>	<b>538,000</b>	<b>537,000</b>	<b>3,987,000</b>	<b>4,044,000</b>	<b>4,105,000</b>	<b>4,168,000</b>

### Infrastructure Capital Projects

Project Area	Selection Criteria (for Priority Projects list)	Responsible
Maintenance of all open space, recreational and public facilities	Renewal and upgrade: based on priorities including performance objectives, deficiencies, current/expected usage, proximity/availability of alternative facilities, minimising maintenance costs and risk. Key issue to be targeted over next four years is sports ground lighting.	Infrastructure Asset Manager

Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Spicer Amenities, New Oval					1,650,000	292,000	356,000	270,000
Public Toilets					500,000	500,000	500,000	500,000
Other Parks & Sport Facilities					50,000	125,000	125,000	125,000
Cycleway/Exercise/Wellness					200,000	200,000	200,000	200,000
Fenced Dog Park							30,000	
<b>TOTAL ACTIVITY +</b>					<b>2,400,000</b>	<b>1,117,000</b>	<b>1,211,000</b>	<b>1,095,000</b>

Project Area	Performance Measures and Targets	Target
All projects	Target: Completion of projects in the Operational Plan (% by value)	95%
	Target: Variation from Budget in Operational Plan	10%
	Measure: Report on achievements	Report

### Reference Documents

Maintenance Specifications, Specifications (NATSPEC) for Design, Construction and Maintenance, Management Plans for Parks/Reserves; Master Plans prepared for passive and recreation areas



# COMMUNITY +

Council's role in community programs varies widely, but is often undertaken in collaboration with other organisations and stakeholders. Council is sometimes a direct service provider, but at other times only provides facilities or acts as a facilitator and an advocate. Functions include Libraries at Parkes, Peak Hill, Trundle and Tullamore; operation of the Henry Parkes Centre (museum and culture - see also Economy +); Ranger (parking and animal control) Services; Food Safety inspections; provision of facilities for Peak Hill and Tullamore Doctors Surgeries, Parkes Neighbourhood Centre, Early Childhood and Senior Citizens Centres; operation of the Central West Family Day Care Service; Aboriginal and Youth specific programs; support for Emergency Services (RFS, SES and NSW Fire Brigades); and support for health and education.

**Future Direction 1 | Develop Lifelong Learning Opportunities**

- 1.3 Promote and support early childhood care and education
- 1.5 Provide lifelong learning opportunities

**Future Direction 2 | Improve Health and Wellbeing**

- 2.1 Encourage the provision of medical facilities and services
- 2.2 Promote and develop health education and encourage people to take personal responsibility for their health
- 2.3 Maximise public safety

**Future Direction 3 | Promote, Support and Grow our Communities**

- 3.5 Provide equitable access to community services

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	Council either provides or facilitates a diverse array of community programs and facilities that are valued by the community. Resource limitations mean that in most cases there are opportunities to do more (priorities are identified in relevant strategic plans, but in particular programs for youth).	Social, environmental and economic outcomes are balanced via ongoing planning and review. Council is managing community facilities in a sustainable manner.	Risks are currently managed adequately. Community capacity building and adequate support services are an important means of fostering community resilience. Emergency services/response capability is essential to community resilience to natural disasters.
<b>Value 12 years (3 Council terms)</b>	Council's role in the community will need to continue to respond to take account of changes in the local community and broader context. Particular challenges are foreseen in the villages in relation to transport, connectivity and access to services.	Ongoing planning and review to balance social, environmental and economic outcomes.	Risk management is addressed in strategic plans, and is expected to be adequate. Council will continue to work with other stakeholders to build community resilience.
<b>Emerging Issues (beyond 12 years)</b>	Needs for community programs and facilities changes as demographics and other factors change - continued planning is important. Given resource limitations, it is vital that Council supports partner organisations and builds community capacity so it can play an advocacy and facilitation role rather than providing services directly, where possible. Particular challenges will include transport, connectivity (particularly in villages), aging population and education.		

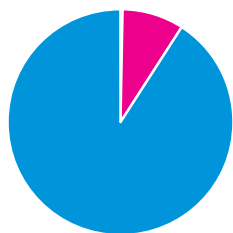
Community Survey (2016)	Service	Satisfaction Importance		Gap
		0	1 2 3 4 5	
	Aged and Disabled Services			0.57
	Children's Services			0.54
	Indigenous Services			0.03
	Cultural Services			0.0
	Library			-0.49
	Museums			-0.71



# Strategic Asset Management Plan 2017/18-2028/29

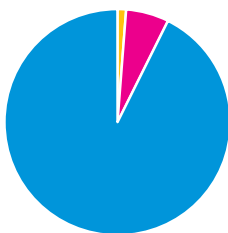
## Financial Investments (\$M)

### Operational Expenditure (maintenance & operations)



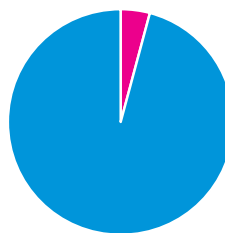
- \$ 0.1m Maintenance
- \$ 3.0m Operations
- \$ 31.2m Balance across other Council activities

### Renewal/Upgrade



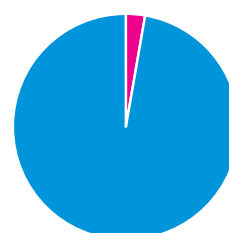
- \$ 0.3m Renew (4yr avg.)
- \$ 1.5m New/Upgrade
- \$ 22.9m Balance across other Council activities

### Depreciation



- \$ 0.4m Depreciation (Asset consumption)
- \$9.35m Balance across other Council activities

### Infrastructure Replacement Value



- \$ 23m Infrastructure Replacement Value
- \$ 819m Balance across other Council activities





# COMMUNITY +

## Infrastructure

Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
Henry Parkes Centre	4.8	90%	0%	0%	0%
4 Libraries	3.6	71%	1%	0%	264%
Family Day Care Centre	2.5	41%	0%	0%	427%
M&D Society Hall	1.7	68%	0%	0%	251%
Other (PH Arts, New Cultural Centre & Senior Citizens Centre)	4.4	20%	39%	0%	0%
Neighbourhood Centre	1.6	41%	12%	0%	0%
Doctor Surgery & House (Parkes, Peak Hill & Tullamore)	1.3	50%	2%	0%	0%
Disability Services (30 Welcome St)	0.8	56%	0%	0%	0%
Emergency Services (RFS & SES)	2.2	58%	7%	0%	0%
<b>TOTAL COMMUNITY +</b>	<b>22.9</b>	<b>57%</b>	<b>9%</b>	<b>0%</b>	<b>115%</b>



## Operational Programs

Program Area	Priorities	Responsible
Provision of buildings used by Council and other organisations	Provision of a safe and function facility in accordance with lease, license and any other relevant requirements. Includes maintenance, insurance, etc.	Manager Building Certification
Libraries	Operate 4 libraries including provision of resources, staging events and programs and implementation of actions in the Library Strategic Plan	Manager Cultural, Education and Library Services
Central West Family Day Care	Operation of Family Day Care service in accordance with Business Plan (service is managed on behalf of Forbes and Lachlan Shire Council's also)	Family Day Care Service Coordinator
Community Facilities and Programs	Aboriginal Project Coordinator (part funded by Northparkes Mine), provision of facilities, Early Childhood Centres, Doctors (Peak Hill, Tullamore and Parkes), Senior Citizens, Disability Services, facilitation of community services and youth activities, implement actions in Social Plan and implementing the Disability Action Plan	Various
Ranger Services	Control of companion animals (dogs) in accordance with the Companion Animals Management Plan, straying livestock, parking and other enforcement	Manager Regulation & Compliance
Food Safety Inspections	Implement Food Safety Program including overseeing education and inspection of premises	
Emergency Services	Provision of support and facilities for Rural Fire Service, State Emergency Services and NSW Fire Brigade in accordance with Service Level Agreements, provision of Emergency Operations Centre, facilitation of Local Emergency Management and Rescue Committees	Director Engineering Services

Program Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Libraries	76,000	77,000	79,000	81,000	965,000	989,000	1,014,000	1,040,000
Family Day Care	1,048,000	921,000	948,000	977,000	971,000	998,000	1,025,000	1,053,000
Community Facilities & Programs	121,000	124,025	127,126	130,304	212,000	217,300	222,733	228,301
Ranger Services	41,000	34,000	35,000	36,000	344,000	347,000	356,000	365,000
Food Safety Inspections	13,380	13,700	14,030	14,370	12,580	12,580	12,580	12,580
Emergency Services	233,000	229,000	234,000	240,000	502,000	513,000	525,000	537,000
<b>TOTAL COMMUNITY +</b>	<b>1,522,380</b>	<b>1,398,725</b>	<b>1,437,156</b>	<b>1,478,674</b>	<b>3,006,580</b>	<b>3,076,880</b>	<b>3,155,313</b>	<b>3,235,881</b>

# Strategic Asset Management Plan 2017/18-2028/29

Project Area	Performance Measures and Targets	Target
Provision of buildings	Measure: Compliance with agreed requirements with user groups	Report
Libraries	Measure: Participation trends and implementation of actions from Library Strategic Plan	Report
Community Programs	Measure: Analysis of trends and activity report in outcomes from implementation of Social Plan	Report
Ranger Services	Measure: Report on outcomes from implementation of Companion Animals Management Plan	Report
Food Safety Inspections	Measure: Report on outcomes from implementation of Food Safety Plan	Report
Emergency Services	Measure: Activity report, implementation of actions in Local Emergency Management Plan	Report

## Infrastructure Capital Projects

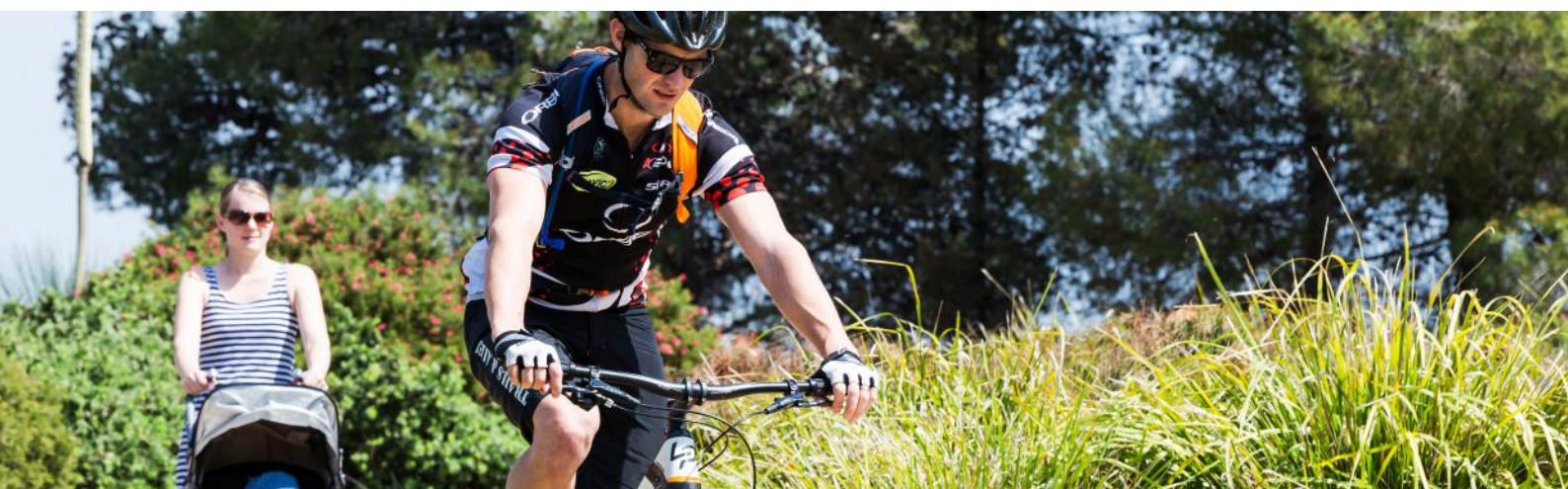
Project Area	Selection Criteria (for Priority Projects list)	Responsible
Refurbish, renewal and/or new buildings/facilities	Performance deficiencies with existing facilities or demonstrated need for new ones, usage, criticality, availability of alternative facilities, ability to generate revenues from the service to pay for the works (and ongoing operations/maintenance costs), positive feedback from community engagement about the proposal. Agency needs to determine emergency services allocations.	Manager Building Certification
Library Books Program	In accordance with the Library Collection Development Policy. Seek to meet State Library	Manager Cultural, Education and Library Services

Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Library Multipurpose Room		400,000			450,000	400,000		
Family Day Care relocation	800,000				1,400,000			
Education Centre upgrade	250,000				250,000	20,000		
Tiered seating - M&D Theatre	166,000				266,000			
Emergency Services					904,080	922,160	940,610	959,420
Memorial Hill Precinct		25,000				100,000		
Village Projects					89,000	39,000	89,000	39,000
Library Resources					104,000	108,000	112,000	117,000
<b>TOTAL COMMUNITY +</b>	<b>1,216,000</b>	<b>425,000</b>	<b>0</b>	<b>0</b>	<b>3,463,080</b>	<b>1,589,160</b>	<b>1,141,610</b>	<b>1,115,420</b>

Project Area	Performance Measures and Targets	Target
All projects	Target: Completion of projects in the Operational Plan (% by value)	95%
	Target: Variation from Budget in Operational Plan	10%
	Measure: Report on achievements	Report

## Reference Documents

Social, Cultural, Library, Destination Management, Economic Development Plans, Festivals and Events Strategy; Library Collection Development Policy; Service Level Agreement with RFS and SES; Local Emergency Management Plan.





# ENVIRONMENT +

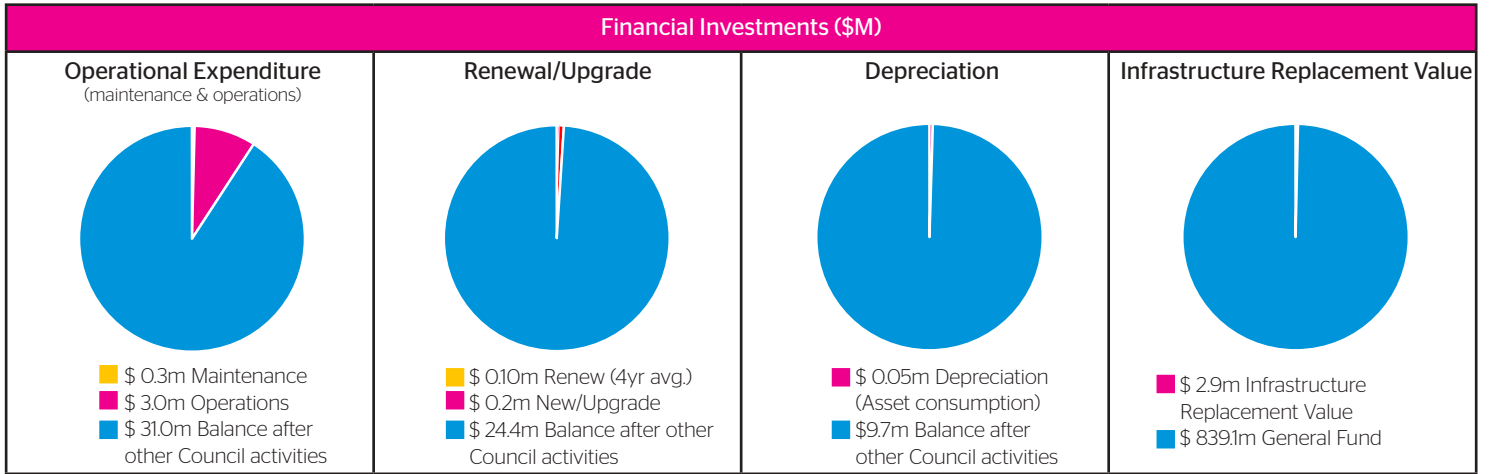
Activities to improve the built and natural environments including town planning and building control, domestic and commercial waste collection and disposal including operation of 8 waste management centres, waste and recyclables collection for public spaces, working to reduce illegal dumping, environmental protection programs including noxious weeds management, and the operation and maintenance of cemeteries.

## Future Direction 7 | Care for the Environment in a Changing Climate

- 7.1 Improve the environment outcomes of Council's operations
- 7.2 Raise awareness of sustainable practices in the community
- 7.3 Encourage recycling and the reduction of waste
- 7.4 Implement environmental regulations and controls in Council's sphere of operation

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	Council has undertaken planning for and identified actions to manage issues relating to the natural and built environments. Council delivers a high quality waste management service. Council's cemeteries are adequate to cater for current needs although there are opportunities to improve signage and cosmetics at village cemeteries.	Council is balancing the social, environmental and economic costs of development in natural and built environments as well as the management of waste.	There are risks in relation to the remoteness of some of Council's smaller rural landfills from fire, illegal dumping of hazardous wastes, health and safety associated with unapproved scavenging. Shortage of appropriately accredited certifiers is a risk to Council's ability to discharge its obligations.
<b>Value 12 years (3 Council terms)</b>	Implementation of waste management strategy will continue to improve service outcomes. Continued development of Parkes lawn cemetery and improvements to village cemeteries (signage, aesthetics, etc.)	Continued appropriate balance of social, environmental and economic costs of development and management of waste.	Reduced risk arising from smaller landfills as some sites are closed or switched to transfer stations. There is a need for continued investment in land use controls (Local Environmental Plan, Development Control Plans) to ensure these meet the changing needs of the community, opportunities and challenges.
<b>Emerging Issues (beyond 12 years)</b>	While Parkes Landfill has an estimated life of at least 20 years, it is important that future planning identifies future provision beyond this time given the long lead time associated with establishing new facilities. Land-use planning controls must continue to anticipate and respond to emerging issues. All cemeteries have significant capacity.		
<b>Community Survey (2016)</b>	<b>Service</b>		<b>Gap</b>
	Rubbish		1.26
	Animals, Weeds and Pest Management		0.98
	Town Planning		1.09
	Development Approvals		0.67
Food Safety		0.43	

# Strategic Asset Management Plan 2017/18-2028/29





# ENVIRONMENT +

## Infrastructure



Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
Waste Management	2.0	89%	6%	0%	0%
Animal Shelter	0.4	86%	3%	0%	0%
7 Cemeteries	0.5	84%	0%	0%	0%
<b>TOTAL ENVIRONMENT +</b>	<b>2.9</b>	<b>86%</b>	<b>3%</b>	<b>0%</b>	<b>0%</b>

## Operational Programs

Program Area	Priorities	Responsible
Domestic and commercial waste management - Waste Facility operations	Implementation of actions from the Parkes Shire Waste Management Strategy to develop sustainable practices that minimise waste to landfill; management operations for waste collection and processing contracts to meet service standards and regulatory requirements. Manage landfill and waste management facilities (at a total of 8 sites) in compliance with regulatory requirements (Landfill License) and Environmental Management Plan	Director Planning & Environment
Cemeteries	Operate and maintain 7 cemeteries in accordance with Management Plan (to be prepared)	Manager Regulation & Compliance
Noxious Weeds Management	Implement Noxious Weeds Management Plan (inspection of public and private property, issue of compliance orders, undertaking spraying on Council-controlled land - especially roads and reserves)	Environmental Sustainability Coordinator
Town Planning	Preparation and review of statutory land use controls (Local Environmental Plan, Development Control Plans) and assessment of development applications against these	Manager Planning Services
Building Control	Certification and inspection of building works to verify compliance with building codes and etc.	Manager Building Certification

Program Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Rates and Charges	2,075,000	2,138,000	2,202,000	2,268,000				
Waste Collection					727,000	744,000	762,000	781,000
Recycling					192,000	197,000	201,000	206,000
Admin & Management					113,000	117,000	122,000	127,000
Landfill Operations					582,000	596,000	610,000	625,000
<b>TOTAL DOMESTIC WASTE</b>	<b>2,075,000</b>	<b>2,138,000</b>	<b>2,202,000</b>	<b>2,268,000</b>	<b>1,614,000</b>	<b>1,654,000</b>	<b>1,695,000</b>	<b>1,739,000</b>
Commercial Waste Collection	134,000	137,000	141,000	144,000	120,000	123,000	126,000	129,000
Tipping Fees & Landfill Operations	252,000	258,000	264,000	270,000	173,000	177,000	281,000	188,000
Metal Sales, Admin & Management	35,000	36,000	36,000	37,000	36,000	37,000	39,000	40,000
Commercial (Trade) Waste	351,000	360,000	368,000	377,000				
Misc. Environmental Programs					8,000	8,000	8,000	8,000
Cemeteries	166,000	174,000	183,000	192,000	166,000	170,000	174,000	178,000
Noxious Weeds Management	61,000	63,000	64,000	66,000	267,000	274,000	281,000	289,000
Town Planning	153,000	156,000	160,000	164,000	365,000	354,000	363,000	372,000
Building Control	183,000	175,000	179,000	183,000	253,000	263,000	274,000	285,000
<b>TOTAL OTHER ENVIRONMENT</b>	<b>1,335,000</b>	<b>1,359,000</b>	<b>1,395,000</b>	<b>1,433,000</b>	<b>1,388,000</b>	<b>1,406,000</b>	<b>1,547,000</b>	<b>1,490,000</b>

# Strategic Asset Management Plan 2017/18-2028/29

Project Area	Performance Measures and Targets	Target						
Waste Management Services and Landfill Operations	Target: Compliance with Landfill License conditions and other regulatory requirements	100%						
	Target: Compliance with service specifications for waste collection and processing	100%						
	Measure: Implementation of actions in Waste Management Strategy	Report						
	Measure: Report on Waste Management facility usage, diversion rates (with comparison to previous years and NSW Government benchmarks)	Report						
Cemeteries	Target: Prepare and implement Cemetery Management Plan and comply with service standards	Achieved						
	Measure: Periodic report on activities and trends	Report						
Noxious Weeds Management	Target: Compliance with detailed schedules in Council's annual Weed Control Program	100%						
	Measure: Periodic report on activities and trends, including implementation of actions in Noxious Weeds Management Plan, collaboration with regional partners	Report						
Town Planning	Target: Achievement of required time frames (under SEPP) for determining 'local development' Development Applications (40 days) and 'complying development' 10 days and 20 days	% within timeframe						
	Measure: Periodic report on activities and trends	Report						
Building Control and other Certification	Target: Achievement of required time frames for construction certificates (20 days), other certificates (10 days) and other approvals (20 days)	% within timeframe						
	Measure: Periodic report on activities and trends	Report						
<b>Infrastructure Capital Projects</b>								
Project Area	Selection Criteria (for Priority Projects list)	Responsible						
Animal Shelter	Improvements to facilities to address deficiencies	Manager Regulation & Compliance						
Cemeteries	Improvements to improve aesthetics and extend facilities (niche wall, lawn cemetery)							
Waste Management	Actions identified in the Waste Management Strategy (eg. Landfill closures, transfer stations, etc.)	Director Planning & Environment						
Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Animal Shelter					25,000	65,000	65,000	5,000
Cemeteries					50,000		10,000	
Waste Management					5,000	240,000	140,000	400,000
<b>TOTAL ENVIRONMENT +</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,000</b>	<b>305,000</b>	<b>215,000</b>	<b>405,000</b>
Project Area	Performance Measures and Targets		Target					
All projects	Target: Completion of projects in the Operational Plan (% by value)		95%					
	Target: Variation from Budget in Operational Plan		10%					
	Measure: Report on achievements		Report					
<b>Reference Documents</b>								
Waste Strategy, Noxious Weeds Management Plan, Roadside Vegetation Management Plan, Crown Lands Environmental Master plan, Local Environment Plan, Development Control Plans.								





# COUNCIL +

Provision of 'internal' or support services enabling 'front line' service provision (Finance, Human Resources, Information Technology, Property Management, Asset and Fleet Management, Administration and Governance), 'first contact' services (Customer Service Centres, telephones inquiries and website/online services), communication and engagement activities (media, communications, corporate planning and reporting)

All activities described under this function support the delivery of 'front line' services that achieve the outcomes identified in the Community Strategic Plan; Parkes 2030.

	Performance	Sustainability	Risk and Resilience
<b>Value Now</b>	Council's achievements as a high-performing organisation has been recognised in 2016 with the Bluett Award (highest award for NSW Local Government), reflecting a demonstrated commitment to continuous improvement. Council is investing in a new software platform (Technology One) to improve performance.	Council was recognised as being financially stable ("Fit For the Future") by the NSW Government in 2015. Council undertakes detailed planning to ensure long term sustainability, improve social, environmental and economic outcomes, and to make responsible decisions about infrastructure. Council operates a modern plant fleet that is efficient and environmentally responsible.	Council has a robust Risk Management System in place. Key risks arise from changes in the external environment. Council has good in-house capability and capacity and stable leadership, although it has struggled to attract and retain technical people. Business Continuity Plans are in place to improve resilience to withstand external shocks.
<b>Value 12 years (3 Council terms)</b>	With an ongoing focus on continuous improvement, Council will create more value while continuing to balance revenue and expenditure (remain operationally sustainable).	With continued planning and a focus on continuous improvement, Council will remain sustainable.	Ongoing planning and responsiveness to the operating environment will ensure Council manages its risks and is resilient to withstand external shocks.

**Emerging Issues (beyond 12 years)**  
Technology is becoming increasingly important in organisational support services as well as facilitating online service delivery and engagement. Work planning (succession planning and attraction/retention of qualified staff) will continue to be a challenge. Regional collaboration will become increasingly important.

Community Survey (2016)	Service	Satisfaction	Importance	Gap
	Council Customer Service	4.5	3.9	0.66

## Financial Investments (\$M)


Operational Expenditure (maintenance & operations)	Renewal/Upgrade	Depreciation	Infrastructure Replacement Value
<ul style="list-style-type: none"> <li>\$ 0.3m Maintenance</li> <li>\$ 4.0m Operations</li> <li>\$ 30.0m Balance after other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 0.1m New/Upgrade</li> <li>\$ 1.4m Renew (4yr avg.)</li> <li>\$ 23.2m Balance after other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 1.9m Depreciation (Asset consumption)</li> <li>\$ 7.85m Balance after other Council activities</li> </ul>	<ul style="list-style-type: none"> <li>\$ 33.6m Infrastructure Replacement Value</li> <li>\$ 808.4m Balance after other Council activities</li> </ul>



# Strategic Asset Management Plan 2017/18-2028/29

## COUNCIL +

### Infrastructure

	Asset Category	Value (\$M)	Consumpt'n	Backlog	Renewal	Capital
	Plant and Equipment	20.9	48%	0%	74%	74%
	Administration Centre	4.9	46%	2%	0%	0%
	Works Depot	2.4	38%	4%	229%	229%
	IT and Office Equipment	5.3	26%	0%	97%	97%
	<b>TOTAL COUNCIL +</b>	<b>33.6</b>	<b>44%</b>	<b>1%</b>	<b>81%</b>	<b>81%</b>

### Operational Programs

Program Area	Priorities	Responsible
Human Resource Management	Coordinating implementation of the Workforce Management Plan including recruitment and selection, training and development and employee performance	Manager Human Resources
Workplace Health and Safety	Implementation and improvement of Council's WHS Management System	Manager Governance & Corporate Strategy
Financial Services	Accounting activities for normal business operations (creditors, debtors, payroll), reporting for statutory and management purposes, financial planning and strategy	Chief Financial Officer
Information Technology	Provision of tools to facilitate business operations including computer hardware/software, networks, communications, GIS, website; implement IT Strategy	Manager Information Technology
Property (Building and Facilities) Management	Management of buildings/facilities portfolio supporting services (open space, community as well as administration, works depots) including maintenance and renewal planning, relations with users/lessees in accordance with Building and Facilities Lease/Use Policy	Manager Building Certification
Strategic Asset Management	Maintain and update asset register to facilitate planning and reporting, long term planning for infrastructure assets to support informed decision making, and implement the Strategic Asset Management Plan	Manager Assets
Vehicle & Fleet Management	Maintenance and replacement of Council's vehicle fleet and heavy plant fleet (funded via internal charges to cover operations and replacement)	Manager Support Services
Administration and Customer Service	Support of operations including first contact, administration, records management, media and website; coordinate implementation of Customer Service Strategy	Director Technology & Corporate Services
Governance	Facilitate Integrated Planning & Reporting process, service reviews, Risk Management Framework, managing insurance and risk management matters and supporting executive functions	Manager Governance & Corporate Strategy
Executive Functions	Functions relating to the General Manager and Councillors and civic duties and functions	





Program Area	Specific Revenue (other than General Rates) (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Salaries, wages & vehicles					2,560,950	2,627,450	2,695,670	2,765,660
Workplace Health & Safety	44,620	45,700	46,800	47,930	18,940	18,940	19,540	19,120
Financial Services (ex. Rates)					110,890	113,570	116,310	119,120
Information Services/Office Equipment					486,089	517,590	529,370	541,440
Property and Building					178,820	183,140	187,570	192,100
Customer Service & Admin					90,010	92,190	94,420	96,700
Plant Fleet Operations	938,700	960,210	982,220	1,004,740				
Depot and Store					298,850	306,070	313,470	321,050
Governance					77,000	67,000	74,540	85,000
Executive Services					241,000	246,850	252,820	366,910
<b>TOTAL COUNCIL + (incl. internal charges)</b>	<b>983,320</b>	<b>1,005,910</b>	<b>1,092,020</b>	<b>1,052,670</b>	<b>4,062,569</b>	<b>4,172,800</b>	<b>4,283,710</b>	<b>4,507,100</b>
Less Internal Charges	-938,700	-960,210	-982,220	-1,004,740	-1,330,270	-1,383,480	-1,483,820	-1,496,380
<b>TOTAL COUNCIL + (external rev/exp. only)</b>	<b>44,620</b>	<b>45,700</b>	<b>46,800</b>	<b>47,930</b>	<b>2,732,299</b>	<b>2,789,320</b>	<b>2,844,890</b>	<b>3,010,720</b>

Project Area	Performance Measures and Targets	Target
Human Resource Management and Safety	Measure: Report on employee measures (turnover, engagement, LTIFR & severity rate)	Report
	Measure: Report on implementation of actions from Workforce Management Plan, WHS Strategy	Report
Financial Services	Measure: Compliance with statutory and operational requirements	Report
	Measure: Report in investments, creditors/debtors, other activities (eg. rates & water meters)	Report
Information Technology	Target: Compliance with service standards	90%
	Measure: Report on implementation of actions from IT Strategy	Report
Property (Building and Facilities) Management	Target: Achieve service standards (eg. response to maintenance requests)	90%
	Measure: Report on utilisation and revenues, maintenance activities & commercial returns	Report
Asset Planning and Reporting	Target: Plans up to date, comply with accounting standards and regulatory requirements	100%
	Measure: Management review of implementation and improvement of Asset Management System by Steering Group	6 monthly
Customer Service & Administration	Measure: Activity report & implementation of improvements	Report
Fleet Operations	Target: Plant availability (ie. minimising down time due to repairs)	95%
	Measure: Report on plant performance & implementation of replacement program	Report
Governance	Measure: Implementation of Internal Audit program & number of actions outstanding	Report
	Measure: Report on functioning of Risk Review Committee & advice on actions to be addressed	Report
	Target: Compliance with Integrated Planning & Reporting requirements	100%

**Infrastructure Capital Projects**

Project Area	Selection Criteria (for Priority Projects list)	Responsible
Vehicles & Plant Fleet	Optimising replacement costs/operation costs & safety and performance issues	Manager Support Services
Administration Offices	Improvements to efficiency and effectiveness (customer service in particular) and Work, Health & Safety	Manager Governance & Corporate Strategy
Works Depot	Addressing performance and safety issues, and minimising long term terms of building and facilities	Manager Support Services
Information Technology	In accordance with objectives and strategies in the IT Strategy	Manager Information Technology

# Strategic Asset Management Plan 2017/18-2028/29

Project Area	Revenue (\$)				Expenditure (\$)			
	2017/18	2018/19	2019/20	2020/21	2017/18	2018/19	2019/20	2020/21
Works Vehicles & Plant Fleet					1,193,000	1,100,800	611,100	1,150,200
Corporate Services Vehicles					24,000	77,500	40,000	77,500
Corporate Services Program								
Administration Offices						25,000		
Works Depot						50,000	50,000	50,000
Office Equipment/IT					360,000	370,800	381,920	393,380
<b>TOTAL ENVIRONMENT +</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,577,000</b>	<b>1,624,100</b>	<b>1,083,020</b>	<b>1,671,080</b>

Project Area	Performance Measures and Targets	Target
All projects	Target: Completion of projects in the Operational Plan (% by value)	95%
	Target: Variation from Budget in Operational Plan	10%
	Measure: Report on achievements	Report

#### Reference Documents

Key documents (full list on website under 'policies'): Workforce Management Plan, Workplace Health and Safety Policy and System, Business Continuity Policy, Enterprise Risk Management Charter, Procurement and Disposal Policy, Records Management Policy, IT Strategy, Asset Management Policy, Financial Policies, Long Term Financial Plan, Quarterly Budget Reviews, Budgets, Operational Plan, Delivery Program.









## Appendix 3 – Service Objectives

While the Service Dashboards in Appendix 2 are intended to provide a high-level picture of Council’s operations as a whole, there is a need to simplify the information regarding what the community can expect from a particular service.

The Service Objective documents listed below are being developed to address this need and to facilitate future community engagement regarding Council services.

They cover all aspects of a service (including maintenance, operations, renewal and upgrade of assets) at a high level. The Service Dashboards are an important reference for details such as funding allocations, quantity and value of assets, references to the Parkes 2030 Plan, etc. (the intention is not to repeat the information).

Service Objectives document
Sealed Roads (including Kerb and Gutter)
Unsealed Roads
Footpaths and Cycleways
Stormwater Drainage
Playgrounds
Parks, Reserves and Sporting Fields
Public Toilets and Sports Amenities
Water Supply
Sewerage
Waste Management

It is important to recognize that while Service Objectives documents are a new initiative that will potentially inform community engagement about levels of service, Council has undertaken significant community engagement in the past:

- + In relation to particular services (e.g. most of the plans and strategies listed in Appendix 4 were developed with a consultation element and identify levels of service) as well as
- + The comprehensive engagement program regarding levels of service undertaken in 2013 that prompted Council to apply for a special rate variation discussed in section 4.

## Appendix 4 – Asset Management Information Register

The table below provides an overview of key documents and sources of asset information.

As discussed in sections 3 and 6, a detailed version of this list will be kept under review by the Asset Management Steering Group as a means of monitoring the implementation of the AM system and driving continuous improvement efforts.

<b>Service Dashboards (7 in total)</b>	
<b>General AM Procedures and Guidelines</b>	Assets tasks and duties procedure
Expenditure classification	Determination of useful life, lifecycle costing
Works orders	Data management
Capitalisation	Reporting in Special Schedule 7
Integrated Land Use, Transport and Infrastructure Strategy	
<b>Plans and Strategies - Activity +</b>	Aquatic Centre Upgrade
Playground inspection manual and system	Management Plans for Parkes/Reserves
Master plans for passive/active recreation areas	Pedestrian and Cycling Strategy
<b>Plans and Strategies - H2O+</b>	Integrated Water Cycle Management Plan
Water and Sewerage Strategies	Drinking Water Quality Management System
FINMOD for Water Supply and Sewerage	Water Efficiency Plan
Drought Management Plan	Strategic Business Plan for Water and Sewerage
Pollution Incident Response Management Plan	Recycled Water Management Plan
Operational Plans for Plants and other sites	Maintenance Management Plan for Network
EPA Licenses	Stormwater Management Plan for Parkes
Floodplain Management Plans	Flood Warning System Operations Plan
<b>Plans and Strategies - Transport</b>	Ring Road Strategy
Rural Roads Strategy	Urban Roads Hierarchy Strategy
Maintenance Management Plan for Road Assets	Airport Operations Strategy
<b>Plans and Strategies - Economy +</b>	Civic Precinct Master plan
<b>Plans and Strategies - Buildings</b>	Needs Analysis/Priorities
<b>Plans and Strategies - Plant and Equipment</b>	Replacement Program (heavy plant) and utilisation
<b>Condition Assessment and Valuation</b>	For each asset class/category
<b>Development Servicing (Section 94) Plans</b>	For each growth area
<b>Design and Development Standards</b>	For design and construction of all assets
<b>Community Engagement Regarding Services</b>	2012 survey (service + cost), 2016 (satisfaction)
<b>Enterprise AM System</b> (details of system)	<b>Roles and Responsibilities</b> (detailed versions)
<b>Record Keeping</b> (detailed list of records to keep)	<b>GIS System</b> (requirements / roles / interface)
<b>Accounting and Financial Management</b>	Further guidance



# Appendix 5 - 10 Year Expenditure Projections

The 10 year projections for infrastructure operations, depreciation and capital expenditure on asset renewal are tabled below along with the relevant figures from the LTFP to demonstrate that these figures align. The capital expenditure figures in the Service Dashboards should align with the first 4 years of figures below, although there are at this stage some discrepancies that still need to be addressed.

Year	2016/17 (\$)	2017/18 (\$)	2018/19 (\$)	2019/20 (\$)	2020/21 (\$)	2021/22 (\$)	2022/23 (\$)
<b>Renewal</b>							
Transport	4,391,932	3,090,894	3,441,624	3,598,418	3,776,630	3,840,910	3,907,070
Water	22,705,080	17,200,992	482,150	1,620,775	1,367,150	3,171,150	1,895,150
Sewer	13,866,841	9,012,071	234,464	1,319,398	1,274,480	179,715	227,106
Drainage	1,053,000	712,000	731,000	770,000	924,000	928,000	932,000
Buildings	371,740	540,110	252,510	137,940	147,380	365,580	375,360
Open Space	628,000	1,174,160	1,212,630	1,224,300	1,206,080	1,208,860	1,235,650
<b>Total</b>	<b>43,016,593</b>	<b>30,730,227</b>	<b>6,354,378</b>	<b>8,670,831</b>	<b>8,695,720</b>	<b>9,694,485</b>	<b>8,572,336</b>
<b>Maintenance</b>							
Transport	2,919,000	4,301,000	2,808,000	2,893,000	3,006,000	3,429,000	3,011,000
Water	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16
Sewer	445,790	455,790	455,790	455,790	455,790	455,790	455,790
Drainage	113,940	113,940	113,940	113,940	113,940	113,940	113,940
Buildings	226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121
Open Space	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479
<b>Total</b>	<b>6,122,179.651</b>	<b>3,417,933.521</b>	<b>3,417,933.521</b>	<b>3,417,933.521</b>	<b>3,417,933.521</b>	<b>3,417,933.521</b>	<b>3,417,933.521</b>
<b>Operations - plus Depreciation (separate block)</b>							
Transport	930,000	958,000	984,000	1,014,000	1,042,000	1,071,000	1,104,000
Water	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5
Sewer	1,220,514	1,220,514	1,220,514	1,220,514	1,220,514	1,220,514	1,220,514
Drainage	20,160	26,935.11	25,856.45	24,742.39	23,592.71	22,405.14	21,179.41
Buildings	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658
Open Space	3,419,333.521	3,419,333.521	3,419,333.521	3,419,333.521	3,419,333.521	3,419,333.521	3,419,333.521
<b>Total</b>	<b>930,000</b>	<b>958,000</b>	<b>984,000</b>	<b>1,014,000</b>	<b>1,042,000</b>	<b>1,071,000</b>	<b>1,104,000</b>
<b>Upgrade/Expansion</b>							
Transport	3,203,000	2,462,000	1,281,000	1,320,000	1,474,000	1,478,000	1,482,000
Water	8,847,778	5,689,885	543,314	552,929	545,984	554,795	547,398
Sewer	550,000	500,000	400,000	400,000	400,000	400,000	400,000
Drainage	5,000	0	0	0	0	0	0
Buildings	127,000	328,240	329,500	333,290	334,710	336,150	337,620
Open Space	1,685,000	995,000	995,000	995,000	1,075,000	995,000	995,000
<b>Total</b>	<b>14,417,778</b>	<b>9,975,125</b>	<b>3,548,815</b>	<b>3,601,219</b>	<b>3,829,694</b>	<b>3,763,945</b>	<b>3,762,018</b>



# Strategic Asset Management Plan 2017/18-2028/29

2023/24 (\$)	2024/25 (\$)	2025/26 (\$)	2026/27 (\$)	2027/28 (\$)	2028/29 (\$)	Average
3,966,290	4,326,600	4,662,440	4,662,440	4,662,440	4,662,440	4,076,212.154
1,831,150	1,279,150	232,150	323,150	232,150	232,150	4,037,026.692
190,359	195,770	75,500	75,500	75,500	75,500	1,984,784.923
987,000	1,017,000	1,022,000	1,022,000	1,022,000	1,022,000	934,000
468,890	478,460	472,060	472,060	472,060	472,060	386,652.3077
1,214,940	1,218,240	1,247,040	1,247,040	1,247,040	1,247,040	1,177,771.69
<b>8,659,259</b>	<b>8,515,220</b>	<b>7,711,190</b>	<b>7,711,190</b>	<b>7,711,190</b>	<b>7,711,190</b>	<b>12,596,446.85</b>
3,640,000	3,671,000	4,555,000	4,555,000	4,555,000	4,555,000	3,684,461.538
1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16	1,001,661.16
455,790	455,790	455,790	455,790	455,790	455,790	455,790
113,940	113,940	113,940	113,940	113,940	113,940	113,940
226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121	226,710.0121
1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479	1,405,078.479
<b>6,843,179.651</b>	<b>6,874,179.651</b>	<b>7,758,179.651</b>	<b>7,758,179.651</b>	<b>7,758,179.651</b>	<b>7,758,179.651</b>	<b>6,887,641.19</b>
1,135,000	1,169,000	1,203,000	1,203,000	1,203,000	1,203,000	1,093,769.231
3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5	3,993,298.5
1,220,514	1,220,514	1,220,514	1,220,514	1,220,514	1,220,514	1,220,514
19,913.16	18,606.03	17,256.59	17,256.59	17,256.59	17,256.59	20,955.13538
2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658	2,618,427.658
3,417,933.521	3,417,933.521	3,417,933.521	3,417,933.521	3,417,933.521	3,417,933.521	3,417,933.521
<b>1,135,000</b>	<b>1,169,000</b>	<b>1,203,000</b>	<b>1,203,000</b>	<b>1,203,000</b>	<b>1,203,000</b>	<b>12,364,898.04</b>
1,537,000	1,567,000	1,572,000	1,572,000	1,572,000	1,572,000	1,699,384.615
684,520	649,674	1,041,674	1,041,674	1,041,674	1,041,674	1,734,382.615
400,000	400,000	0	0	0	0	296,153.8462
0	0	0	0	0	0	384.6153846
339,120	340,640	342,190	342,190	342,190	342,190	321,156.1538
995,000	995,000	995,000	995,000	995,000	995,000	1,054,230.769
<b>3,819,640</b>	<b>3,852,314</b>	<b>3,950,864</b>	<b>3,950,864</b>	<b>3,950,864</b>	<b>3,950,864</b>	<b>5,105,692.615</b>



# Appendix 6 – Terms of Reference for the AM Steering Group

## + TERMS OF REFERENCE: ASSET MANAGEMENT STEERING GROUP

### Purpose

The General Manager has established the AMSG under the AM Policy to monitor and review the implementation and improvement of the AM system to ensure Council's AM objectives are met.

The AMSG will also provide a cross-functional forum for planning and coordinating AM activities, including raising awareness of and communicating about AM issues.

Technical AM documents that do not require formal adoption by Council may be tabled at the AMSG for feedback and, potentially, endorsement.

### Membership

- + Director Engineering Services
- + Director Infrastructure
- + Manager Governance and Corporate Strategy
- + Chief Financial Officer
- + Other staff as required

### Agenda Items

Standard agenda items will include the following:

- + Clarity of roles and responsibilities with respect to AM
- + Need for increased awareness of AM issues and how these should be communicated
- + Adequacy of resources (including competencies) and processes to support the implementation of the AM system
- + Problems or potential problems identified with Council's assets, AM or AM system; actions to correct and control or prevent them; review of the effectiveness of actions taken
- + Integration with Council's risk management system
- + Review of the AM Information Register and update of actions
- + Proposed changes to AM system and assessment of associated risks
- + Proposed outsourcing of AM activities, controls and monitoring required
- + Internal AM audit programme

Additionally, each 6 months the AMSG will undertake management review of the AM system (timed to coincide with performance reporting for Council's Delivery Program) addressing the following:

- + Status of actions from previous management reviews
- + Changes in external and internal issues that are relevant to the AM system
- + Information on AM performance including trends in nonconformities and corrective actions, monitoring and measurement results, audit results
- + AM activities undertaken
- + Opportunities for continual improvement
- + Changes in the profile of risks and opportunities

# Strategic Asset Management Plan 2017/18-2028/29

Outputs of the management review will include decisions related to continual improvement opportunities and any need for changes to the AM system.

Minutes of the AMSG will be tabled for information at Executive Leadership Team meetings.



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PARKES SHIRE COUNCIL

