

Byron Shire Council Strategic Asset Management Plan

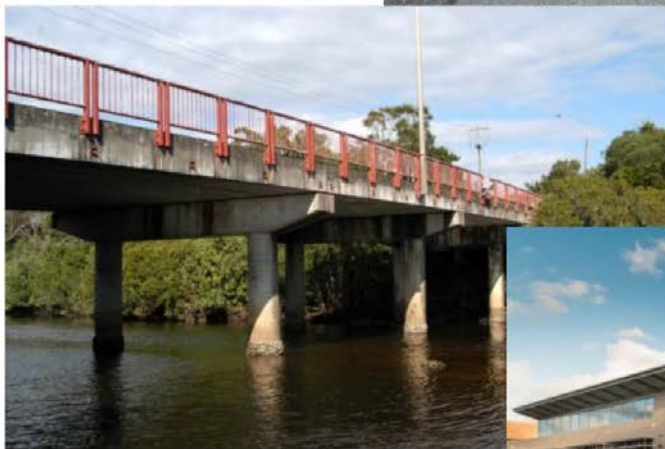
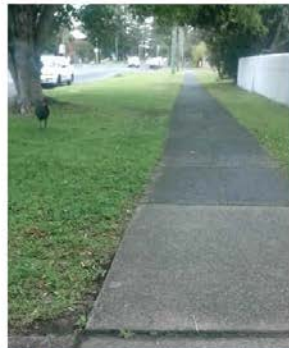


General Fund Assets

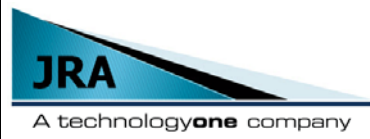
- Transport
- Drainage
- Buildings
- Open Space
- Recreation Facilities
- Other Structures
- Plant & Equipment
- Furniture & Fittings



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1. INTRODUCTION

Byron Shire is located in the north east of New South Wales. It covers 566 square kilometres and adjoins Tweed, Lismore and Ballina Shires. Brisbane is approximately 200km north and Sydney approximately 800km to the south. It consists of 39km of coastline and is famed for its rural beauty and beaches. The total infrastructure portfolio totals \$565,100 million (as of 1 July 2016 not including water and sewer).

Roads are an important part of life in a rural area. Council maintains a approximately 600km of sealed and unsealed roads. The high levels of tourist traffic on local roads, coupled with an average 1960mm of rainfall a year makes maintenance and repair that much more challenging.

Transport is a major issue for many in the shire. Public transport is limited and most people rely on a vehicle or are restricted in their access to essential services and educational facilities, which are often located outside the Shire.

The Shire also has 30 bridges, 11 footbridges, 1308 rural pipe culverts, 85 causeways, 82 box culverts, urban drainage pipes (104 km), 187 buildings, 4 cemeteries, 82km of footpaths/cycleways, 9 sports fields, 112 parks, extensive park and sporting facilities.

The Community Strategic Plan's (CSP) aim for 'Community Infrastructure Services' is to sustain, connect and integrate communities and the environment. It is essential that this Strategic Asset Management Plan (SAMP) for general fund assets links to the CSP. This Strategic Asset Management Plan (SAMP) has been developed in line with Council's (Fit For the Future) Improvement Plan submitted to the Independent Pricing and Regulatory Tribunal (IPART) on the 30th June 2015. It has been further revised to align with the 30th June 2016 Special Schedule 7 figures and reflects the 2016 program of consultation with the community on a proposed special rate variation application.

Community Profile

SHIRE POPULATION

Population 29,209 2011 census (32, 119 ABS ERP 2014) Distribution:

- 31.5% rural
- 16.7% Ocean Shores
- 17% Byron Bay
- 11.9 % Suffolk Park
- 10.9 % Mullumbimby
- 5.6% Brunswick Heads
- 6.5% Bangalow

POPULATION CHARACTERISTICS

- Median age: 42 years old
- 8.9% speak another language at home
- 39.0% are married, 13.96% de facto, 47.1% Not Married
- 4.5% have a need for disability assistance
- 11.8% provided unpaid care to people with profound or severe disabilities

- 26% of the Shire volunteer (over 15 years of age) the state average is 16.9%
- 515 people are of Indigenous origin (1.8% of the Shire)

EDUCATION

- 21.3% Bachelor Degree (higher than region 12.4% and state 19.9)
- 10.0% Advanced Diploma (higher than region 7.1 and State 8.3%)
- 19% have vocational training

INCOME

- Average individual gross weekly income \$477 (\$561 state)
- Average household gross weekly income \$1,053 (\$1,477 state)

HOUSEHOLDS

- 12, 405 households
- 75.2% are family households; 24.8% are lone households
- 77.8% live in houses (not flats or semi-detached)
- 58.7% own or are purchasing a dwelling (paying \$1,684/ month towards a mortgage – lower than state average) (2011 Census)
- 30.5% rent (paying \$350 per week on average (2011 census) higher than state average of \$300)
- Median house price at June 2014 \$645,242 (\$136,309 .> State)
- 73.5% of households have an internet connection in 2011(66.3% have broadband)
- 84.7% own one or more cars in 2011

EMPLOYMENT (people 15 years and over)

- 52.99% over 15 years had employment in 2011
- Proportion of full time workers to total workers 42.3% (lower than region 56.7% and state 56.5%) in 2011
- Average individual gross weekly income \$477 (\$561 state)
- Average household gross weekly income \$1,053 (\$1,477 state)
- 77% of workers live in the Shire; the balance live outside the Shire; (20 % of working residents live in the area but work outside) in 2011
- 62.8% use a car to get to work, with people walking or cycling (2.9% compared to 0.8% for the State) to work higher than the region & state
- 12.4% worked at home in 2011
- 11.5% did not go to work in 2011

ECONOMIC SYNOPSIS

- Business revenue estimated at \$1.45billion (NIEIR 2014) from approximately 4,046 businesses (Business Register 2014)
- Tourist spending estimated in 2013/14 \$416million
- 45.4% of businesses located in Byron Bay
- Key industries: Retail (13.7%), accommodation and food (15.1%), health care and social assistance (9.6%), education and training (6.8%), manufacturing (6.4%) and construction (11.2%) sectors are the principal drivers of employment in the Shire in 2011.

CLIMATE

- Mean max temperature: 27.6 (summer), 19.3 (winter)
- Mean min temperature: 20.8 (summer), 11.7 (winter)
- Mean rainfall: highest 205.1mm, lowest 66.4mm
- Mean number of days of rain per month: highest 13.3, lowest 6.5 days.

2. EXECUTIVE SUMMARY

Context

Byron Shire Council is responsible for the acquisition, operation, maintenance, renewal and disposal of an extensive range of general fund assets with a written down value of \$719.6 million as at 30 June 2016. These assets (excluding Water & Sewerage assets) include:

Transport	Sealed Road Pavements Unsealed Road Pavements Kerb and Gutter Footpaths and cycleways Bridges and Footbridges Car parks Roadside furniture eg bus stops and seats etc Roadside Barriers Retaining Walls and Guardrails
Drainage	Rural Causeways and Box Culverts Rural Pipe Culverts Urban Stormwater Pipe Urban Drainage Pits eg Gross Pollutant Traps, & Headwalls Retaining Basins Urban Levee Walls Bangalow Weir
Buildings	Community Corporate Recreational Buildings Sport and Park Buildings Public Toilets
Open Space and Recreation Facilities	Structures and park furniture Sporting Facilities Swimming Pools Land Improvements
Plant & Equipment	Vehicles and Plant Small Plant equipment
Furniture & Fittings	Office furniture and equipment

Our assets contribute significantly to the provision of services essential to the community's quality of life.

Population growth, tourist impacts, high rainfall, rising customer expectations, competing demands for funding and a rigorous regulatory environment combine to create circumstances where it is essential that Council is in the position to make well-informed asset management decisions. These decisions involve setting and delivering service levels, costs and priorities, and have far-reaching social, environmental and financial implications for the community.

A range of circumstances, including under investment, has resulted in many assets being in poor condition. There is a backlog of unfunded renewals of high risk assets. Council is addressing this situation and is committed to achieving the sustainable management of our assets as detailed in this Strategic Asset Management Plan (SAMP).

Byron Shire has a comparatively high level of tourism with 3,769 average nightly tourists and average daily traffic (AADT) counts into Byron Bay town of 21,001 (AADT 6 October 2016 Metro counts). Tourism visitation creates a significant additional load on community assets and has contributed to the generally deteriorated state of assets and the asset renewal backlog. A comprehensive strategy to progressively address this impact, particularly on the transport infrastructure, is detailed in funding Scenario 2 of this document.

This SAMP takes the organisational outcomes in our Community Strategic Plan, and develops the asset management objectives, principles, framework and strategies required to achieve our organisational outcomes (Figure 1). The SAMP summarises activities and expenditure projections to achieve the overall asset management objectives.



Figure 1 Integrate Planning & Reporting Framework

Current situation

The purpose of the SAMP is to describe how Council will meet its commitment to asset management as documented in the Asset Management Policy (Appendix A). It will achieve this by developing a structured set of Strategic Actions aimed at enabling Council to improve its asset management practices and service delivery needs.

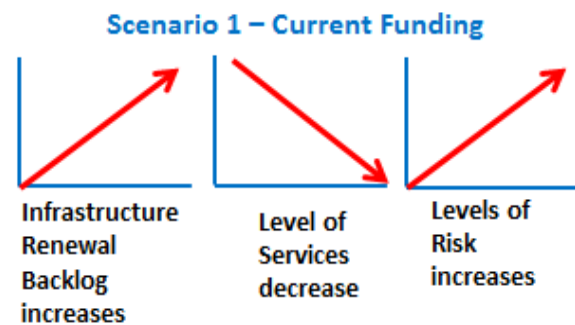
Our aim is to achieve a 'core' maturity in accordance with the International Infrastructure Management Manual for asset management activities and continue maturity improvement where the benefits exceed the costs. Improvement tasks with costs and target dates have been identified and documented in Section 7 of the Improvement Plan.

Strategic Asset Management Plan Methodology

The SAMP pertains only to general fund assets because water and sewerage assets are covered in separate Strategic Business Plans developed under the guidelines provided by the NSW Best Practice Management of Water Supply and Sewerage framework.

The SAMP has been developed in line with Council's Fit For the Future report submitted to the Independent Pricing and Regulatory Tribunal (IPART) on the 30th June 2015. The SAMP contains two scenarios as outlined below.

Scenario 1 represents council's current funded position with respect to the management of physical assets. Scenario 1 compares council's average annual asset consumption, accumulated high risk assets (renewal Backlog) and additional operations and maintenance to control high risk assets against council's Long Term Financial Plan (LTFP). This scenario is not financially sustainable in the long term. Scenario 1 expected outcomes are:



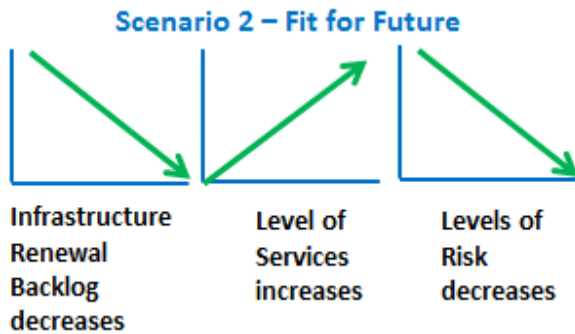
Under Scenario 1 the condition of assets will continue to "Significantly decline and fail" as detailed in the community consultation phase for the Special Rate Variation 2016.

Scenario 2 considers the accumulated consequences of additional revenue to address council's unfunded high risk assets (renewal Backlog) including the additional operations and maintenance to manage these risks. Scenario 2 has been developed based on Council's fit for the future application and includes additional revenues from a number of sources including:

- Paid Parking
- Land Sales
- Efficiency Savings
- Special Rate variation options

Scenario 2 seeks to address the long term sustainability of Council and achieve the required NSW Fit For the Future infrastructure investment measures. The main focus of the expenditure of the additional revenue associated with Scenario

2 is on the renewal of backlog roads and bridges. The expected outcomes are:



Under Scenario 2, with a special rate variation of 10% Council will be able to address the increasing rate of asset deterioration and “Maintain” the condition of our community assets in a sustainable manner as detailed in the community consultation phase for the Special Rate Variation 2016.

Scenario 1 is a reflection of the actual funding available. The difference between Scenario 1 and Scenario 2 represents “what needs to be done”. The discussion about this “gap” will lead us into a much better informed community discussion about what are achievable and acceptable service levels, as well as giving a focus on managing risk.

What does it Cost?

The forecast of the projected outlays necessary to provide the services covered by this SAMP includes operations, maintenance, and capital renewal of existing assets. Over the 10 year planning period the projected outlays is \$158.5M or \$15.8M on average per year (Refer to Appendix B).

Estimated available funding (Scenario 1) for this period is \$97.3M or \$9.7M on average per year (Refer to Appendix B) which is 61% of the cost to provide the service. This is a funding shortfall of -\$6.1M on average per year and is predominantly associated with roads and bridges (Table 4). This modelling includes renewal backlog, which was

reported at \$38M as at 30th June 2016 (Appendix J).

For Scenario 1 the required expenditure exceeds the current budget allocations. The funding gap is expected to increase from \$40.4M to \$61M by 2027 (Figure 9). This modelling can be compared to Scenario 2 which shows that the estimated available funding including additional revenue for the same period is \$160M or \$16M on average (Appendix B) per year which is 101% of the cost to provide the service. This is a funding excess of-\$200,000 on average per year which will provide a buffer for unidentified high risk maintenance that is inevitable with increased asset condition assessments. This funding does not include a provision for additional Capital Upgrade or Enhancement.

Under Scenario 2 the additional revenues will allow council to gradually address the existing renewal backlog and achieve a balanced position by 2027 (Figure 10). The focus of the allocation of the additional funds is on renewals. Any diversion of available funds to new assets will delay the recovery and achievement of a sustainable asset renewal position.

What we will do

Council has sort to be responsive to customer requests but has been constrained by funding availability. A shift towards a strategic approach to effective asset management provides better accountability, sustainability, risk management, service management and financial efficiency.

Our aim is to provide the services needed by the community in a financially sustainable manner. Achieving financial sustainability will require additional funding for infrastructure whilst balancing service levels and performance with cost and risk.

Council will continue to improve and build its asset management capacity and capability. It

may not be possible to meet all expectations for services within current financial resources. We will continue to work with our community to sustainably provided needed services at appropriate levels of service and at an affordable cost while managing risks.

Challenges that cannot be funded at this Stage

Implementation of Scenario 2 and the associated additional revenue, will in part address some of the following unfunded challenges, particularly as they pertain to roads and bridges. However, the renewal of all poor condition assets that are not of high risk would require significant further funding.

- Addressing the gradual decline in levels of service for roads which will result in ongoing increases in operational and renewal costs. This situation requires continued monitoring as the costs associated with this work and the risks to the network are high.
- As at June 2016, 5 bridges are described as Condition 4 and 5, a precursor to urgent risk management works and or further load limit reduction or perhaps being closed. As at June 2016, there were 6 road bridges with load limits. Funding constraints over the last decade has meant the backlog of maintenance, repair and renewal tasks is substantial..
- Renewing the extensive amount of kerb and gutter that is in poor condition but not presenting a high risk.
- Meeting all community aspirations for new and additional infrastructure before Council has progressively addressed the renewal of high risk and failing existing assets. This would include new assets such as cycleways.
- Renewing extensive sections of poor condition footpaths or the construction of new footpaths before managing and

renewing high risk failing footpath sections.

- Meet all community and customer expectations for level of service and asset performance.

To maintain the delivery of services with deteriorating assets and increasing loads in a constrained budgetary environment, council must continue to develop and implement a strategic asset management program to ensure Council can effectively address asset reinvestment needs, minimize risk, and maintain long-term financial stability.

Managing the Risks

There are increasing risks to infrastructure associated with providing the service and not being able to fund and complete the necessary maintenance and renewal. These risks must be managed. The major risks are:

- Road reseals not completed when needed resulting in water damage to the underlying pavement.
- Significant sections of roads that are so damaged they cannot be resealed and need costly reconstruction. Typically costs for capital renewal ranges from \$50 for heavy patching to \$100 per sqm for full depth reconstruction compared with reseal costs of approximately \$8 per sqm. This alone represents a significant financial risk to the council.
- Limited stormwater and road side maintenance in rural areas to reduce the risk of road failure and landslides in our high rainfall environment.
- Potential bridge or bridge component failure, most notably the timber bridges and footbridges.
- Damaged footpaths with the potential to cause trips and falls in high pedestrian areas.
- Pavement damage due to water penetration caused by failed kerb and gutter.

- Aging box culverts and causeways requiring major replacement or repair.
- Load limiting of bridges, causeways and box culverts.
- Replacing or installing guardrail to comply to Austroads standards

Council will endeavour to manage these risks within available funding by implementation of asset management systems and inspection regimes, to provide a sound platform for understanding the condition, maintenance and replacement schedule for all assets.

The Next Steps

The key actions associated with implementing this strategic asset management plan include:

- Engagement and consultation with the community on the need for increased revenue associated with Scenario 2 of Council's (Fit For the Future) Improvement Plan.
- Continue to engage with our community on service levels, risk management and renewal of assets in order to set priorities and allocate resources.
- Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels.
- Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs.
- Identifying and managing risks associated with providing services from assets.
- Making trade-offs between service levels and costs to ensure that the community receives the best return from assets.
- Identifying assets surplus to needs for disposal to make savings in future operations and maintenance costs e.g. secondary laneway access to private properties.
- Developing partnerships with other bodies to provide services.

- Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to asset intensive services.
- Carefully evaluate the long term affordability of new assets to include whole of life costs before construction to ensure maintenance and capital renewal funding is available in the future budgets.

2. ASSET MANAGEMENT STRATEGY

2.1 Asset Management System

Asset management enables an organisation to realise value from assets in the achievement of organisational outcomes, while balancing financial, environmental and social costs, risk, quality of service and performance related to assets.¹

An asset management system is a set of interrelated and interacting elements of an organisation that work together to establish the asset management policy, asset management outcomes, and the processes needed to achieve those outcomes. An asset management system is more than a 'management information system'. The asset management system provides a means for coordinating contributions from and interactions between functional units within an organisation.²

The asset management system includes:

- The asset management policy
- The asset management outcomes
- The strategic asset management plan
- The individual asset management plans (to be developed), which are implemented in
 - Operational planning and control
 - Supporting activities
 - Control activities
 - Other relevant processes.³

One of the key elements of Council's asset management improvement is the development and use of high-quality information. Consequently, the integrated information systems that store and report the data will need to be continuously improved to meet the needs of the strategy. This process is shown in Figure 2 – Asset Management Elements.

As Council seeks higher performance from its assets, a comprehensive dataset is a vital element and a key measure of overall maturity. Council's data improvement plan will focus on a cycle of continual progress toward two major goals:

- Improve data acquisition and validation (Inspections & Defects – Reflect™ Figure 2)
- Provide better support for decision-making (Predictive Modelling - Figure 2)

Council will bring asset data metrics into alignment with funding priorities that are expressed in this SAMP, and ultimately determine funding allocations more strategically based on asset needs and risk mitigation efforts.

The improvement plan will leverage Council's existing Asset Management Elements (Figure 2). The data improvement will seek to define the roles that each of these systems play in maintaining asset data and providing information to support the asset management program, provide

¹ ISO, 2014, ISO 55000, Sec 2.2, p 2

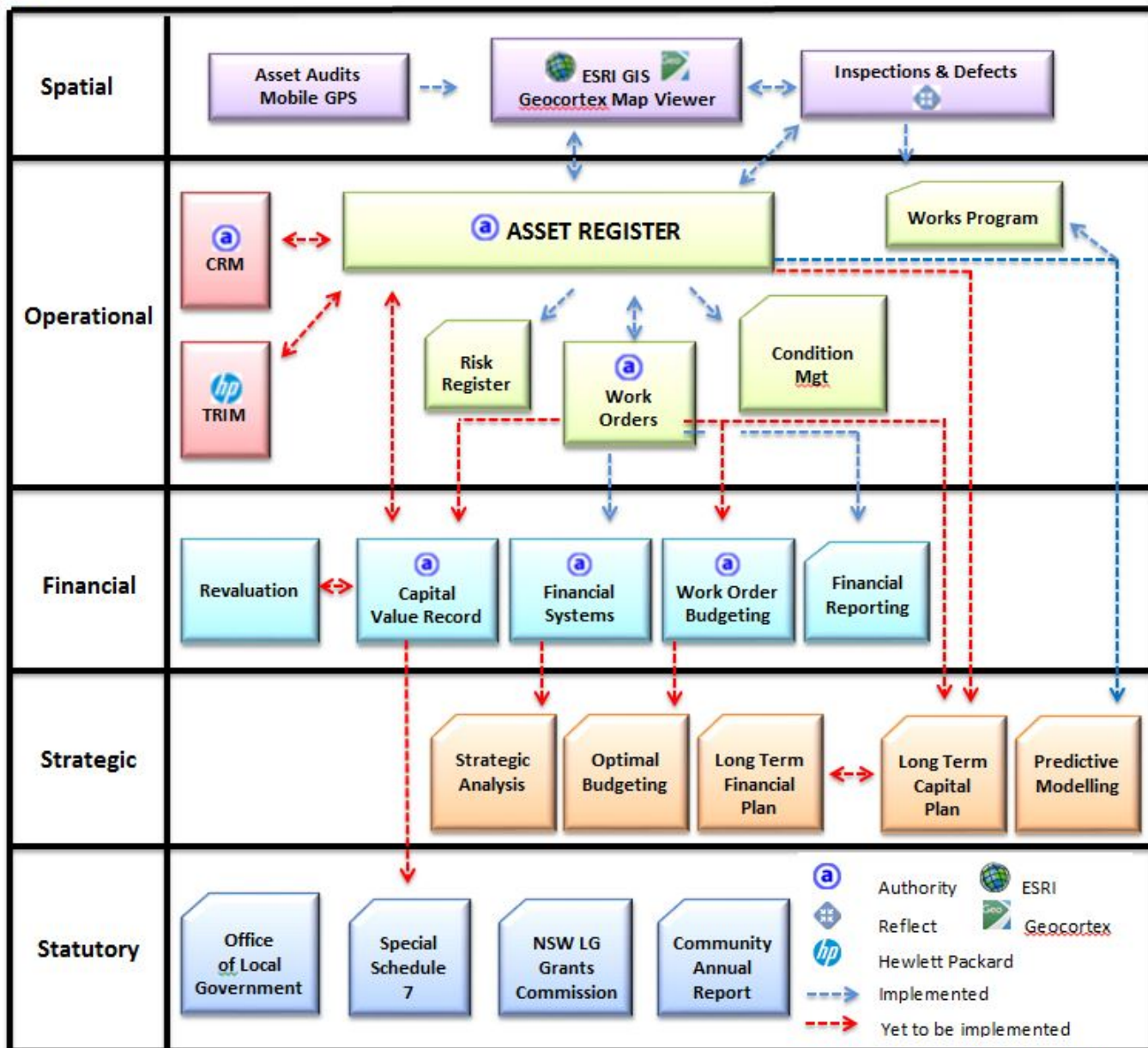
² ISO, 2014, ISO 55000, Sec 2.5.1, p 5

³ ISO, 2014, ISO 55002, Sec 4.1.1, p 2.

reporting and metrics for decision making and support the lifecycle management of the Council's assets.



Byron Shire Council - Asset Management Elements



March 2016 - E2016/7840

Figure 2 Asset Management Elements

2.1.1 Asset Management Policy

The asset management policy sets out the principles by which the organisation intends applying asset management to achieve its organisational outcomes detailed in the Community Strategic Plan. Our adopted asset management policy is attached as Appendix A.

2.1.2 Asset Management Objectives

The asset management objectives provide the essential link between the organisational outcomes and the individual asset management plans that describe how those outcomes are going to be achieved. Asset management objectives should be specific, measurable, achievable, realistic and time bound (i.e. SMART objectives).⁴

2.1.3 Asset Management Plan

This strategic asset management plan covers the major general fund asset categories. It includes analysis at sub-category asset level. The purpose is to document the relationship between the organisational outcomes set out in the Community Strategic Plan, Resourcing Strategy, Delivery Program, and the asset management (or service) objectives and define the strategic framework required to achieve the asset management objectives⁵ (Refer to Figure 1 – IP&R).

The asset management framework incorporates strategies to achieve the asset management objectives. The strategies are developed in 4 steps:

- What assets does Council have? (section 2.2)
- Our assets and their management (section 2.3)
- Where does Council want to be? (section 2.4)
- How will Council get there?⁶ (section 2.5)

2.2 Council Assets (General Fund)

Council manages a lot of assets to provide services to our community. The assets provide the foundation for the community to carry out its everyday activities, while contributing to overall quality of life (Table 1). The SAMP focusses only on general fund assets because water and sewerage assets are assessed in separate Strategic Business Plans developed under the guidelines provided by the NSW Best Practice Management of Water Supply and Sewerage framework.

Table 1 Assets covered by this plan

Asset Class	Description	Services Provided
Transport	Sealed Road Pavements Unsealed Road Pavements Kerb and Gutter Footpath and cycleways Bridges and Footbridges Carparks Roadside furniture eg bus stops	The continued provision of roads, footpaths and bridges in the Byron Shire Local Government Area at the highest level acceptable by the community and in compliance with the standards, specifications and legislations

⁴ ISO, 2014, ISO 55002, Sec 6.2.1, p 9.

⁵ ISO, 2014, ISO 55002, Sec 4.1.1, p 2.

⁶ LGPMC, 2009, Framework 2, Sec 4.2, p 4.

Asset Class	Description	Services Provided
	Retaining Walls Guardrails/Roadside Barriers	
Drainage	Causeways and Box Culverts Rural Pipe Culverts Urban Stormwater Pipe Urban Drainage Pits eg Gross Pollutant Traps, and Headwalls etc Retaining Basins Urban Levee Walls Bangalow Weir	The continued provision of storm water drainage surfaces, waste transportation, GPTs and water drainage networks and systems to the Byron Shire Local Government Area at the highest level acceptable by the community and in compliance with the standards, specifications and legislations.
Buildings	Buildings _ Community Buildings – Corporate Recreational Buildings Public Amenities Sport and Park Buildings	The continued provision of community centres, sporting amenities and administrative centres to the Byron Shire Local Government Area at the highest level acceptable by the community and in compliance with the standards, specifications and legislations.
Open Space and Recreation Facilities	Structures and park furniture Sporting Facilities Land Improvements – Depreciable Swimming Pools	The continued provision of parks and sporting grounds to the Byron Shire Local Government Area at the highest level acceptable by the community and in compliance with the standards, specifications and legislations.
Plant & Equipment	Vehicles and Plant Small Plant equipment	Provision of vehicles and major and minor plant to ensure the ongoing operations and maintenance of Council's services and assets.
Furniture & Fittings	Office furniture and equipment	Provision of suitable work environments to ensure the ongoing operations of Council's services.

2.3 Our Assets and their management

2.3.1 Asset Values

The value of physical assets covered by this strategic asset management plan is shown in Table 2 and Figure 4. These assets are used to provide infrastructure services to the community. This information is from the Annual Financial Reporting - Note 9a (Appendix I) however; it does not include Water, Sewer, Tip and Quarry Assets. The depreciation methodology is presented in Figure 3.

Table 2 Assets - Note 9a as at 30 June 2016 Financial Statements

Byron LGA - Note 9a \$'000	As at 30/6/2016		
	Fair Value	Carrying Value	Annual Depreciation Expense
Capital works In progress	\$0	\$0	\$8,132
Plant & Equipment	\$12,505	\$5,037	\$1,045
Office Equipment	\$3,018	\$599	\$220
Furniture & Fittings	\$296	\$118	\$12
Land – Operational land	\$85,544	\$85,544	\$0
Land – Community Land	\$88,832	\$88,832	\$0
Land under roads (post 30/6/08)	\$6,403	\$6,403	\$0
Land Improvements - non Depreciable	\$80	\$80	\$0
Land Improvements - Depreciable	\$4,723	\$2,391	\$159
Buildings	\$73,243	\$63,330	\$769
Other Structures	\$2,390	\$2,075	\$19
Roads	\$291,332	\$157,197	\$4,927
Bulk Earthworks	\$28,999	\$28,999	\$0
Bridges	\$23,909	\$13,122	\$293
Footpaths and cycleways	\$7,769	\$4,771	\$126
Stormwater Drainage	\$62,087	\$45,733	\$574
Swimming Pools	\$2,800	\$2,247	\$58
Other Open Space/Recreational Assets	\$14,144	\$9,870	\$266
Other Assets	\$3,409	\$1,966	\$249
TOTAL	\$719,515	\$518,314	\$8,717

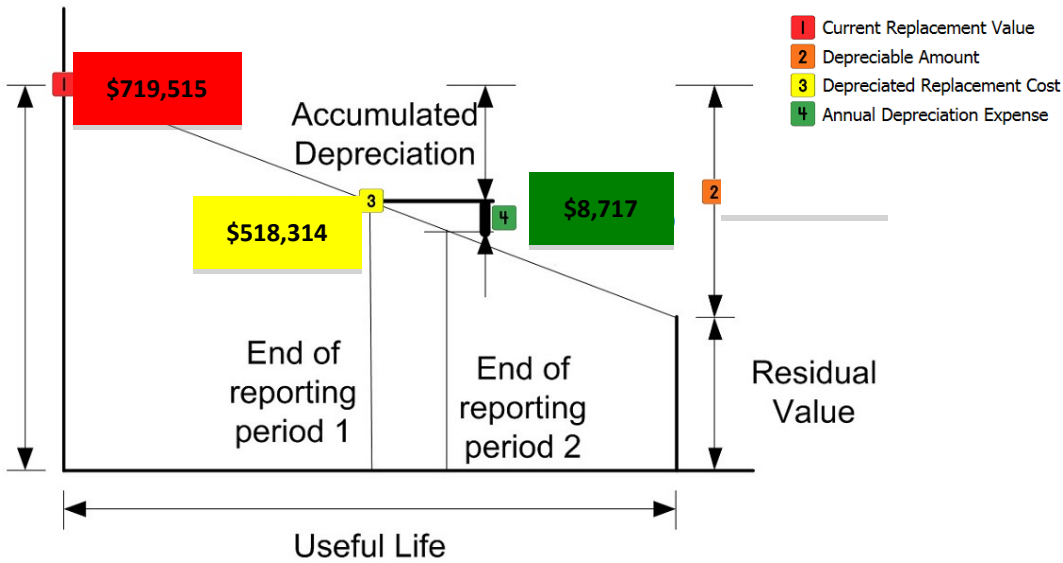


Figure 3 Straight line depreciation (constant consumption of asset service potential)

Notes

1. Carrying Value is the same as Depreciated Replacement Cost and Written Down Value (WDV).
2. Residual values have not been applied.

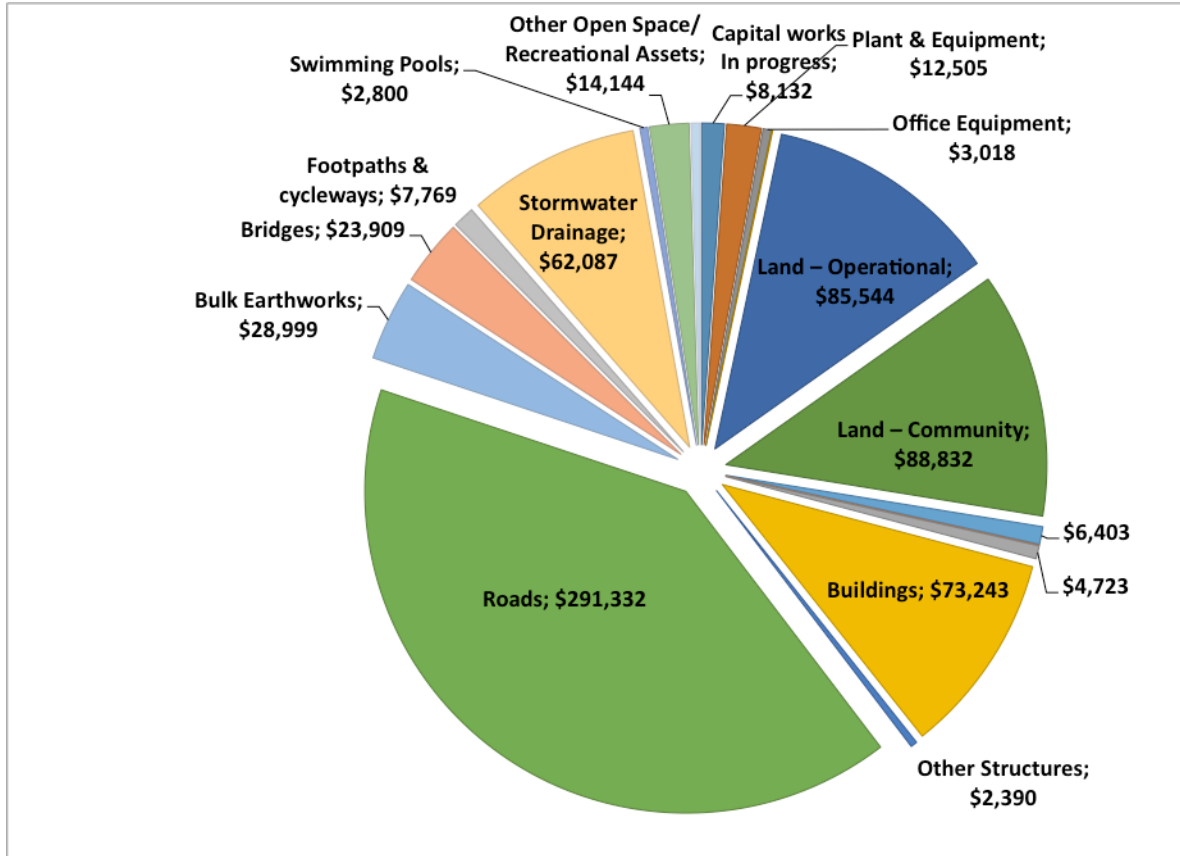


Figure 4 Assets at Fair Value of assets as per Table 2

2.3.2 Asset Condition

The condition of our assets is shown in Figure 5. Condition is assessed on a 1- 5 score where 1 is excellent and 5 is very poor (Table 3).

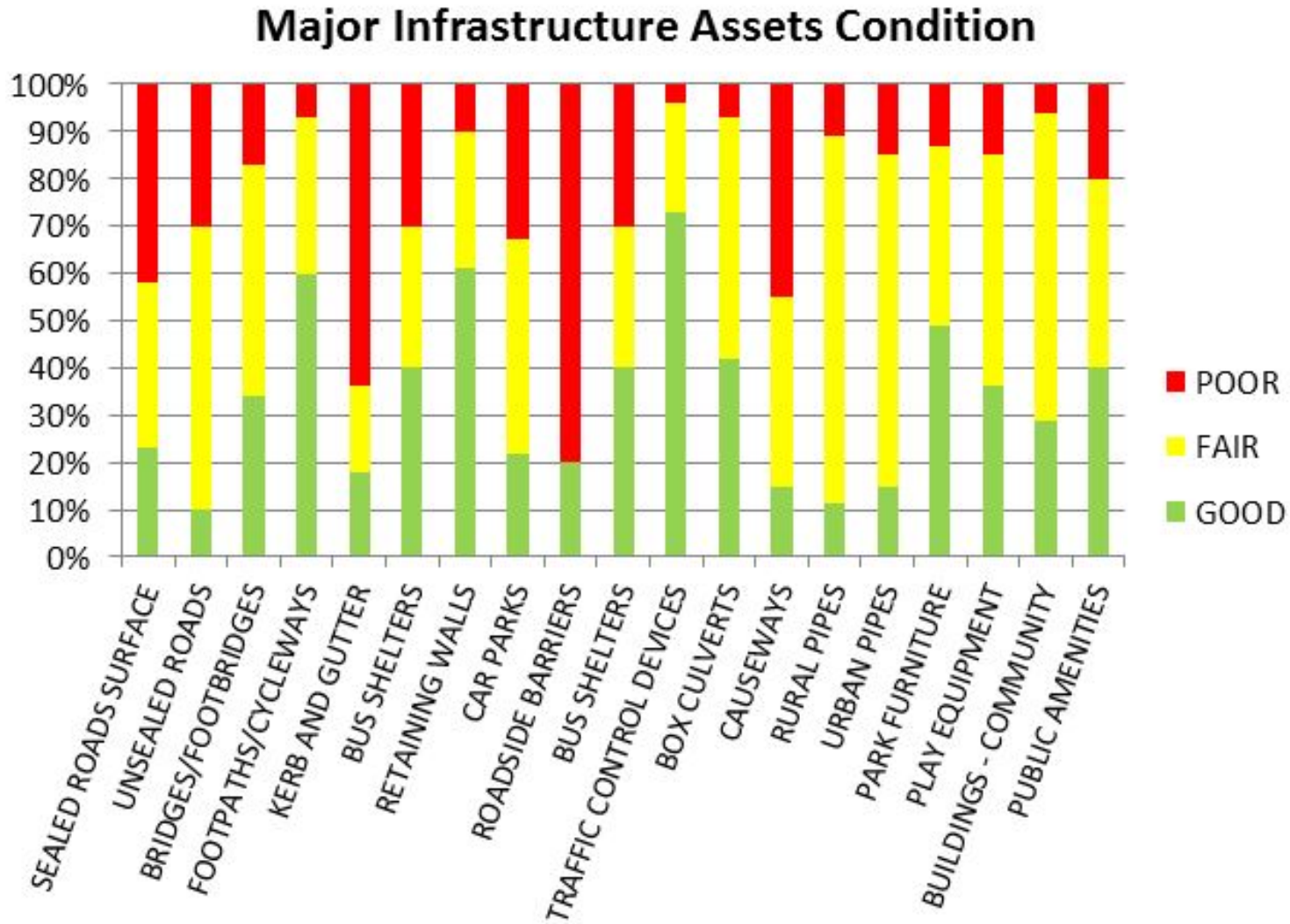


Figure 5 Condition of Assets by Percentage

Table 3 Condition Grading Model

Condition Grading	Description of Condition
1	Excellent: Asset in excellent condition. No maintenance required.
2	Good: Asset is in good condition with limited signs of wear. Only requires cyclic maintenance and is not requiring special attention.
3	Fair: Asset is in useable condition with extensive signs of wear. Asset requires some attention to prevent further deterioration and to return it to a condition so that it requires only cyclic maintenance.
4	Poor: Asset is in poor condition or is faulty. It needs urgent attention to return it to a useable condition and or significant renewal/rehabilitation is required to reduce risk.
5	Very Poor: Asset has failed or is at the end of its life or is physically unsound or poses significant risk. It requires replacement and is beyond rehabilitation.

The assets that were assessed as condition 4 and 5 and considered high risk were included in the For the Fit for Future Bring to Satisfactory Capital Renewal backlog. Refer to Special Schedule 7 – Infrastructure Report (Appendix J).

2.3.3 Lifecycle Costs

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include operating and maintenance expenditure and asset consumption (depreciation expense). Life cycle costs can be compared to lifecycle expenditure to give an indication of sustainability of service provision.

Lifecycle expenditures include operations and maintenance expenditures (excluding depreciation) plus capital renewal expenditure. The capital renewal component of lifecycle expenditure can vary depending upon the timing of asset renewals.

Scenario 1

The life cycle cost for scenario 1 is \$15.8M per year (average operations and maintenance expenditure plus depreciation expense projected over 10 years, refer to Table 4).

The life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. The life cycle expenditure over the 10 year planning period is \$9.7M per year (average operations and maintenance plus capital renewal budgeted expenditure in LTFP over 10 years).

A shortfall between life cycle costs and life cycle expenditure is the **'life cycle gap'**. The life cycle gap for services covered by the SAMP under scenario 1 is -\$6.1M per year. Life cycle expenditure is 61% of life cycle costs. Under this scenario the required level of asset renewals cannot be funded. The renewal backlog will grow (Figure 6) and under Scenario 1 the condition of assets will

continue to “significantly decline and fail” as detailed in the community consultation phase for the Special Rate Variation 2016. There is no capacity for additional capital enhancement/ upgrade.

Scenario 2

The life cycle cost for scenario 2 is \$15.8M per year (average operations and maintenance expenditure plus depreciation expense projected over 10 years with a special rate variation of 10%) refer to Table 4. The life cycle expenditure over the 10 year planning period is \$16M per year (average operations and maintenance plus capital renewal budgeted expenditure in LTFP).

A difference between life cycle cost and life cycle expenditure is the life cycle gap. The life cycle outcome for scenario 2 is a surplus of \$216,000 per year. Life cycle expenditure is 101% of life cycle costs. Under Scenario 2, Council will be able to stop the increasing rate of asset deterioration and “Maintain” the condition of our community assets in a sustainable manner as detailed in the community consultation phase for the Special Rate Variation 2016.

The small projected surplus will provide a buffer for unidentified high risk maintenance that is inevitable with increased asset condition assessments.

This scenario does not allow for any additional Capital Enhancement/Upgrade.

These lifecycle costs and expenditures for both scenario 1 and 2 are shown in comparison in Table 4 below.

Table 4 Asset Life Cycle Costs

Life Cycle Cost (long term)(\$000)	Scenario 1 (\$000's)	Scenario 2 (\$000's)
Life Cycle Cost (LLC)* (depreciation + ops. and maintenance expenditures – 10 year average)	\$15,847	\$15,847
Life Cycle Exp. ** (Capital renewal. + operations + maintenance expenditure 10 year average)	\$9,733	\$16,063
Life Cycle Gap [Life Cycle Expenditure - Life Cycle Cost [-ve = gap]	-\$6,114	\$216
Life Cycle Sustainability Indicator Life Cycle Expenditure / Life Cycle Cost]	61%	101%

* **Life Cycle Cost** The average 10 years projected requirements for operations and maintenance expenditure and the depreciation expense.

****Life Cycle Expenditure** The average 10 years LTFP budget planned for operations, maintenance and capital renewal expenditure.

Note: The focus of the allocation of the additional funds is on renewals. Any diversion of available funds to new assets will delay the recovery and achievement of a sustainable asset renewal position.

2.3.4 Asset Funding Gap

A key asset management objective is to provide the services that the community needs at the optimum lifecycle cost in a financially sustainable manner. Scenario 2, Figure 7 shows the projected operations, maintenance, and capital renewal expenditure compared with financial outlays in the long-term financial plan.

Scenario 1

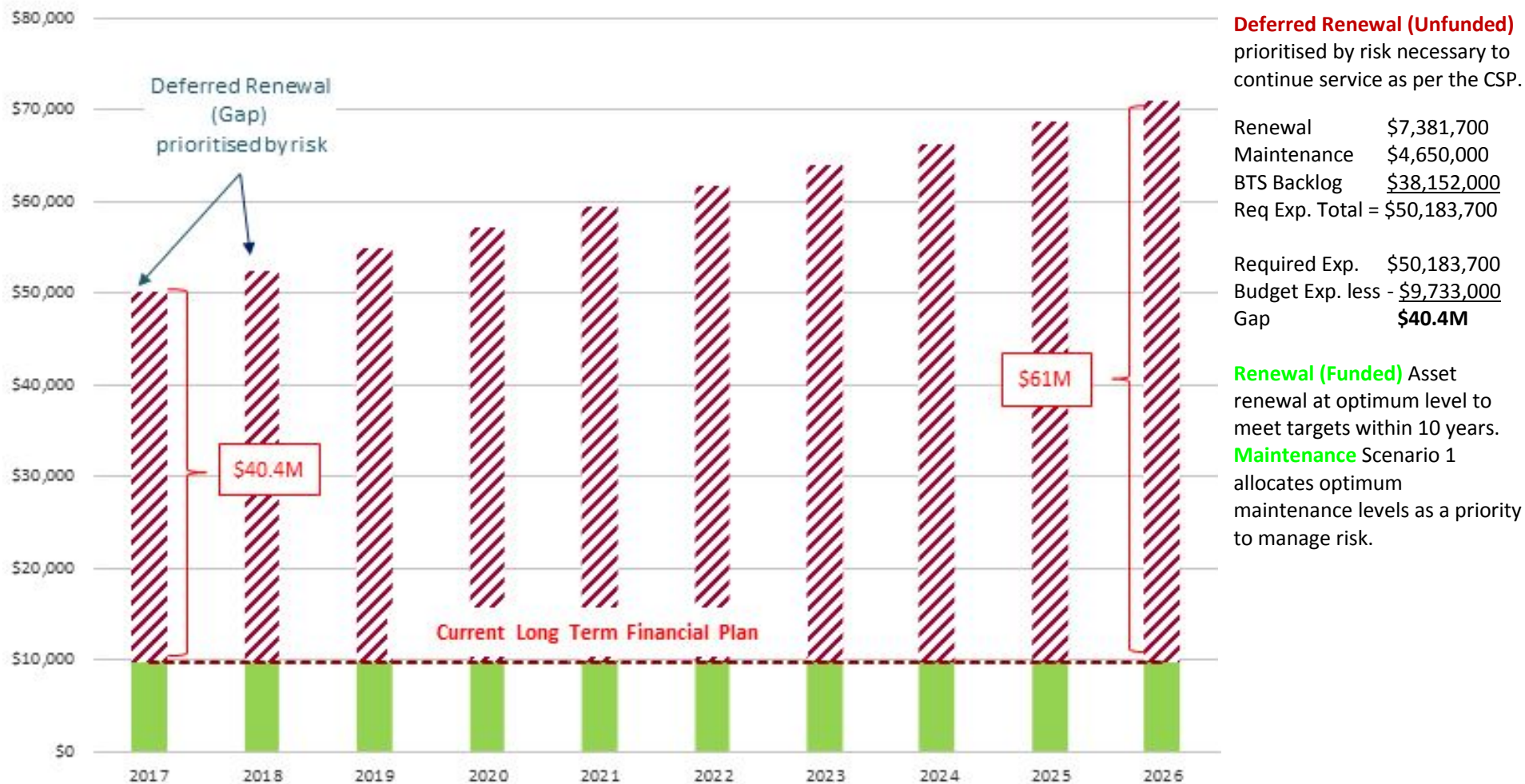


Figure 6 Scenario 1 Projected Operating and Capital Expenditure (10yr Accumulated results)

Figure 6 Scenario 1 shows projected expenditure requirements exceed current budget allocations. As a result, under scenario 1 the existing funding gap is expected to increase from \$40.4M in year 1 to \$61M by 2027.

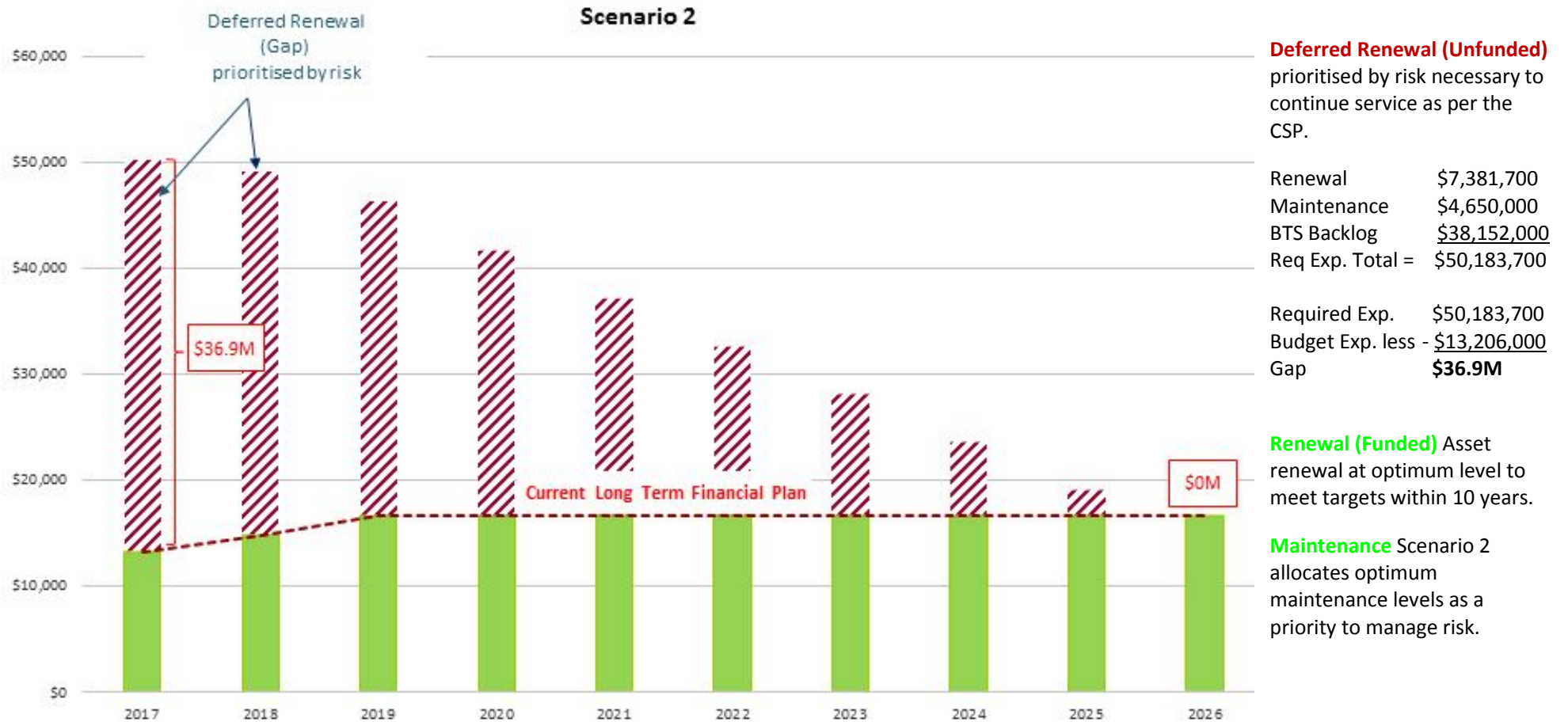


Figure 7 Scenario 2 Projected Operating and Capital Expenditure (10yr Accumulated Results)

Under Scenario 2, Figure 7, the additional revenues will allow council to gradually address the funding gap and **achieve a balanced position by 2027.**

2.3.5 Service Consequences and Risks

The following table provides a summary of service consequences and risks associated with the above Scenario 1 modelling. Please note that the table does not include all major asset classes and service areas. Work is continuing on determining current service levels and associated risks and will be included in future updates of the plan as detailed asset inspections are undertaken.

Table 5 Service consequence and risks

Overview	Risks
Sealed Roads	
<p>Sealed road network comprises 502km of roads made up of 409km rural and 187km urban. Overall 35% of the network is in fair condition with 42% in poor condition. This is expected to increase over the next ten years at current funding levels. Council's 2015/16 maintenance budgets for Pothole/Edge Breaks is \$1,132,619 and for Heavy Patching is \$121,314. This budget level is insufficient for Council to achieve the maintenance level targets and the funding requirement will increase as the roads deteriorate unless renewals associated with Scenario 2 of Council's (Fit For the Future) Improvement Plan are implemented.</p>	<p>The financial impact of not doing reseals on time means the pothole maintenance budget will continue to be exhausted before the end of the financial year, as occurred in the first 6 months of 2014/2015. This puts pressure on moving money from other budgets areas. Community Expectations and Technical Levels of Service regarding road defects response times continue to remain outstanding by 60% and defined risk based response times are not achieved. Road users continue to have traffic issues associated with single lane widths requiring drivers to pull over to pass on grass shoulders. The average width for Rural Minor roads is 5.08m whilst Rural Access is 4.74m. In 2014, 16 crashes were associated with loose gravel on rural high speed roads e.g. gravel on shoulders, potholes, corrugations/roughness, slippery surfaces, flooding or other hazardous features. In 2014, Rural Roads High speed resulted in 27 Injuries and 3 Fatalities. The majority into trees, 50% in overcast/raining conditions, 20/30 travelling > 100km/hr. Public Liability insurance claims continue to trend upwards.</p>
Bridges	
<p>Council has 30 road bridges of which 5 are in a poor or very poor condition, six with mass load limits as of June 2015. (Parkers, South Arm, O'Mearas, Scarrabelottis, James and Booyong Bridges) In 2015/16 urgent works were conducted at 8 road bridges to retain their interim operational status (Parkers, South Arm, O'Mearas (closed after June 3rd flood), Scarrabelottis, James, Booyong, Byron Creek and Thompson Bridges) Two footbridges are the subject of investigation and design for significant rehabilitation works. More challenges can be anticipated as the bridges are further reviewed. Funding constraints over the last decade has meant the backlog of maintenance, repair and renewal tasks is substantial.</p>	<p>Load limited bridges cause the public and business both financial costs and inconvenience. Imposing load limits and urgent risk management works is expensive and disruptive upon Councils scheduled works programs. The current gap in necessary funding for maintenance, repair and renewal means future load limiting and increased load limiting on key bridges will occur unless renewals associated with Scenario 2 of Council's (Fit For the Future) Improvement Plan are implemented. With Scenario 2 Council intends to borrow \$6million in loans over 3 consecutive years to address the five condition 4 bridges (Parkers, O'Mearas, Scarrabelottis, James and Booyong). Council has called tenders for pile repairs and corrosion protection works at Belongil Creek Bridge, the primary access to Byron Bay, estimated at \$600K to prevent future load limit/closure potential. Council has completed the design for Blindmouth Creek Crossing replacement and when fully funded, it will be replaced. Ideally Council would like to start planning to replace South Arm Bridge and Byron Creek Bridge before they further deteriorate under increasing traffic loadings.</p>
Footpaths & Cycleways	
<p>There are 10.97km of Footpaths/cycleways in Condition 4 & 5. With 25.1km in condition 3 and</p>	<p>On average Council has 600 High and Very High Risk Defects each year. Limited and prioritized works often involve</p>

Overview	Risks
<p>44.2km in condition 1 & 2. Council has a comprehensive annual risk based inspection program based off the Statewide Mutual Best Practice Manual. These inspections identify our priority defects and they are programmed each year utilising the available 2015/16 Maintenance Budget of \$ 31,000 and the Capital Renewal budget of \$120,000. An additional \$78,000 is allocated specifically for upgrade and new Pedestrian Access & Mobility Plan (as per the RMS State & Local Government partnership).</p>	<p>disposal of defective assets and reconstruction of footpaths. Approximately 30 defect sites are actioned out of the 600 each year. As a result Insurance Claims may increase on footpaths and cycleways in coming years. The focus on addressing existing high risk footpath defects will remain a strategic priority under our risk based approach. There remains a conflict with the aspiration to build new and additional footpaths and cycleways before the backlog of defects and deteriorated infrastructure is renewed.</p>
Kerb & Gutter	
<p>Approximately 60% of the kerb and gutter is in poor and very poor condition (based on sampling). Very limited budget is allocated to the renewal of kerb and gutter.</p>	<p>The poor condition of kerb and gutter does not lead to many high risk locations. The negative perception of degraded assets presents an image risk particularly in high tourism areas. Limited funds (\$22,500 in 2016/17) must be prioritized on the renewal of high risk assets first.</p>
Car Parks	
<p>There is a total of 16 council car parks (with an area of 1.64M sqm). Council currently does not have a separate budget for maintaining these assets into the future. Urgent maintenance is carried out using funds from the general roads maintenance budget.</p>	<p>Council is yet to determine the whole of life costs to manage these assets into the future. There is a low to moderate public liability issue associated with pedestrian pothole claims.</p>
Causeways	
<p>Currently 78% of rural causeways have been reassessed in 2016. The remaining causeways were assessed in 2011. As it currently stands, 45% of causeways are in Poor condition, 40% in Fair condition, and 15% in Good condition. Council is continuing to complete the intensive assessment program on these assets. Due to limited funds, little maintenance or capital renewal work has been completed on these assets. Council's condition assessments during 2016 are revealing assets in Condition 4 and 5 that are beyond rehabilitation and require extensive capital works. The scoping and prioritising of these specific site works are underway. Challenges are faced to find funding in the current budgets. Once all condition assessments are completed, a comprehensive Maintenance and Capital Works Plan will be developed.</p>	<p>Since 2011 there has been a decline in condition of these assets in terms of deterioration, settlement, undercutting, erosion, scouring, sinkholes, cracking and blockage to the barrel, headwalls, inlet/outlet, roadway and embankment. Probability and consequences of poor and very poor asset failure could pose high social, environmental and economic risks to the organisation. Council has developed a risk matrix for this asset to indicate what assets are regarded as high risk and to facilitate the Capital Works Plan development. The Rural Drainage reported cost to bring to satisfactory at the 30th June 2016 was \$3,025,000. Current rural drainage backlog maintenance costs as of 8/11/2016 was \$735,002.</p>
Stormwater Box Culverts	
<p>Currently 56% of rural box culverts have been reassessed in 2016. The remaining box culverts were assessed in 2011. As it currently stands, 7% of box culverts are in Poor condition, 51% in Fair condition, and 42% in Good condition. Council is continuing to complete the intensive assessment program on these assets. Due to limited funds, little maintenance or capital renewal work has been completed on these assets. Council's condition assessments during 2016 are revealing assets in Condition 4 and 5 that are beyond rehabilitation and require extensive capital works. The scoping and prioritising of these specific</p>	<p>Since 2011 there has been a decline in condition of these assets in terms of deterioration, settlement, undercutting, erosion, scouring, sinkholes, cracking and blockage to the barrel, headwalls, inlet/outlet, roadway and embankment. Probability and consequences of poor and very poor asset failure could pose high social, environmental and economic risks to the organisation. Council has developed a risk matrix for this asset to indicate what assets are regarded as high risk and to facilitate the Capital Works Plan development. The Rural Drainage reported cost to bring to satisfactory at the 30th June 2016 was \$3,025,000. Current rural drainage backlog maintenance costs as at 8/11/2016 was \$735,002.</p>

Overview	Risks
<p>site works are underway. Challenges are faced to find funding in the current budgets. Once all condition assessments are completed, a comprehensive Maintenance and Capital Works Plan will be developed.</p>	

The purpose of this strategic asset management plan is to develop the strategies to achieve the asset management outcome through balancing of asset service performance, cost and risk.

Council will continue to conduct asset inspections and improve its asset data and planning maturity. Ongoing assessments and data improvements will lead to changes to the projected asset renewal backlog. Due to this process it is important that the SAMP and associated long term financial planning documentation are regularly updated.

2.3.6 Asset and Financial Management Maturity

Council has taken steps to improve our asset and financial management performance including assessing our asset management maturity against the Local Government Financial Sustainability National Frameworks. The National Frameworks on Asset Planning and Management and Financial Planning and Reporting define 10 elements. From these elements⁷ eleven core competencies have been developed to assess 'core' competency under the National Frameworks.

An independent maturity review against the above frameworks was undertaken by Jeff Roorda & Associates in November 2013 (Appendix H). Council's maturity assessment for the core competencies is summarised in Figure 8. The current maturity level is shown by the blue bars. The maturity gap to be overcome for Council to achieve a core financial and asset management competency is shown by the red bars.

⁷ Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans competencies.

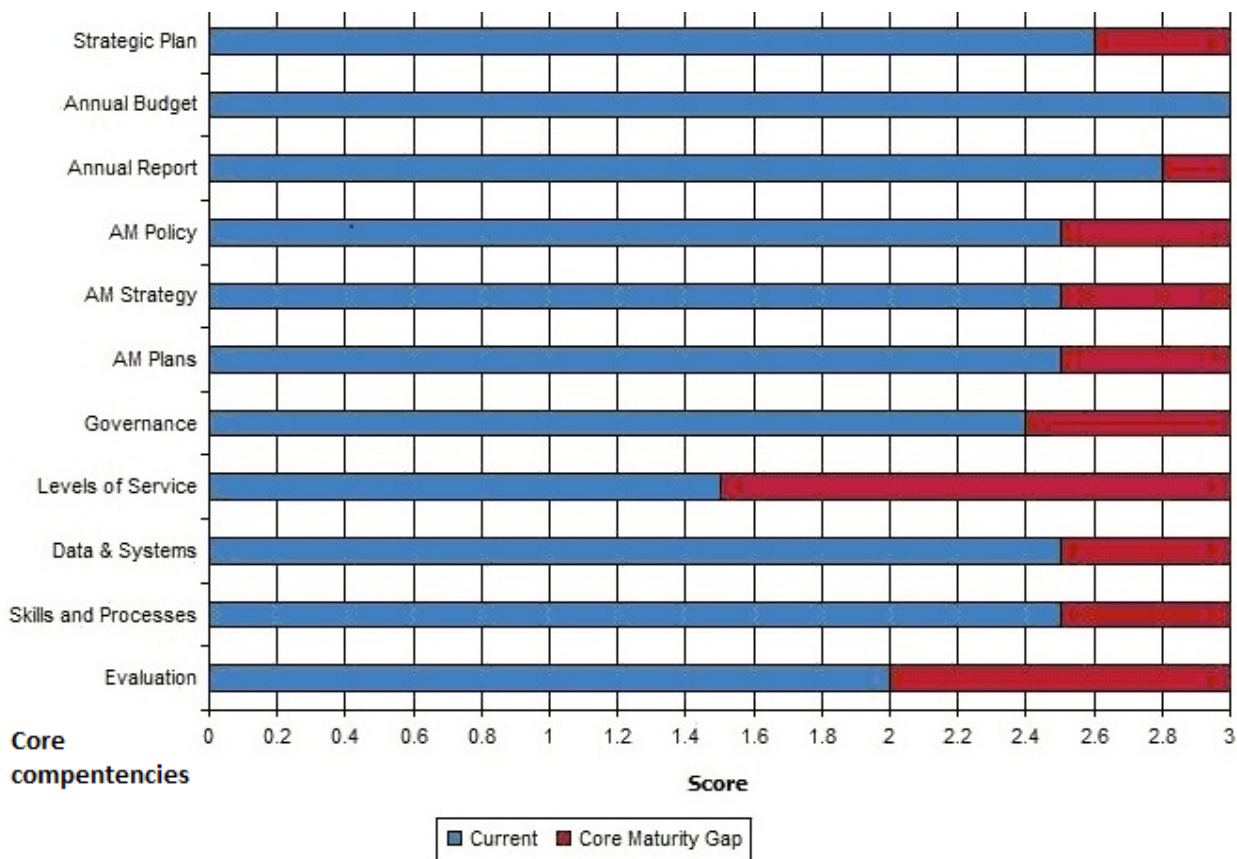


Figure 8 Asset Maturity Assessment

Following significant work over the last 3 years a core level of maturity is now achievable within the next 12-18 months.

In addition to the review against national frameworks, Council has also been independently assessed under the NSW Local Government Asset Preparedness Audit. Council has an improvement plan in place for core competencies that align with the audit requirements (Section 7.1).

2.3.7 Summary of key actions for improving the management of our assets

The key actions associated with implementing this strategic asset management plan include:

- Engagement and consultation with the community on the need for increased revenue associated with Scenario 2 of Council’s (Fit For the Future) Improvement Plan.
- Continue to engage with our community on service levels, risk management and renewal of assets in order to set priorities and allocate resources.
- Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels.
- Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs.
- Identifying and managing risks associated with providing services from assets,
- Making trade-offs between service levels and costs to ensure that the community receives the best return from assets.

- Identifying assets surplus to needs for disposal to make savings in future operations and maintenance costs eg. Secondary laneway access to private properties.
- Developing partnerships with other bodies where available to provide services.
- Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to asset intensive services.
- Carefully evaluate the long term affordability of new assets to include whole of life costs before construction to ensure maintenance and capital renewal funding is available in the future budgets.

2.4 Where does Council want to be?

2.4.1 Community Expectations

The organisation exists to provide services to its community. Some of these services are provided by infrastructure assets. Council routinely conducts Community Satisfaction Surveys and in 2016 completed a Community Asset Management Survey. These surveys clearly identify community expectations and priorities (see section 3 – Levels of Service).

Physical assets have variously been acquired by supply, by contract, constructed by staff and via donation of assets constructed by developers and others. The assets were created to variously meet growth, maintain levels of service and in some cases increase levels of service.

Our goal in managing these assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. Community engagement is necessary to ensure that informed decisions are made on future levels of service and costs and that service and risk consequences are known and accepted by stakeholders.

2.4.2 Organisational Outcomes

The Community Strategic Plan (CSP) has been developed through engagement with the community. The CSP sets out priorities for the community and desired outcomes. These outcomes are dependent in many cases on infrastructure and the associated management of assets. Council has adopted a Delivery Program to achieve these outcomes.⁸

This strategic asset management plan is prepared under the direction of the Community Strategic Plan.

Appendix E includes a summary table of the Community Strategic Plan outcomes and associated strategies.

2.4.3 Asset Management Outcomes

To ensure the long-term financial sustainability of the organisation, it is essential to balance the community's expectations for services with their ability to pay for the assets used to provide the services. Maintenance of service levels for physical assets requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, it aspires to: develop and maintain asset management governance, skills, process, systems and data in order to provide the level of service the community needs at present and in the future, in the most cost-effective and fit for purpose manner.

⁸Delivery Program (E2014/39619) – Byron Shire Council

In line with the vision, the outcomes of the strategic asset management plan include:

- Community engagement on levels of service and infrastructure priorities is supported and well informed.
- IP&R requirements are addressed in accordance with the DLG Planning and Reporting Manual (2013) and asset management is independently assessed as compliant.
- Asset management improvement actions are identified, documented, monitored and reported to the community.
- Assets are managed in accordance with relevant legislation eg POEO Act (1997).
- Assets are managed in accordance with recognised best practise as detailed in the International Infrastructure Management Manual (2015) and ISO 55001 for asset management systems.
- Future funding needs are identified and allocated so that assets can meet their defined levels of service.
- A whole lifecycle approach is taken in the development of operational, maintenance, acquisition, renewal, enhancement and disposal investment strategies.
- Risk is considered in the development of asset strategies and the impact of natural disasters on infrastructure and services is addressed.
- Asset performance is measured against defined levels of service and reported to the community.
- Assets are accounted in accordance with the requirements of the appropriate asset accounting standards and reporting requirements, including re-valuations.
- Core asset management capability is achieved with progression to advanced asset management through continuous cycle of review and improvement.

2.5 How will Council get there?

This strategic asset management plan proposes the following key strategies to enable the organisational outcome and asset management policies to be achieved.

Table 6 Key Asset Management Strategies

No	Strategy	Desired Outcome
1	Target increased expenditure on road reseals to minimize escalating cost of roads requiring reconstruction.	Ensure lowest Lifecycle cost service delivery
2	Ensure the asset inspection regime is sufficiently resourced to identify key risks and prioritize the deployment of available funds	Improved risk management of unfunded high risk assets
3	Provide sufficient information to support and justify grant applications for key infrastructure works	Whole of government approach to the management of the shire's assets
4	Target increased expenditure on road reconstruction to maintain levels of service and reduce the escalating cost of reactive pot hole maintenance	Ensure lowest Lifecycle cost service delivery
5	Ensure councils decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
6	Report on our resources and operational capability to deliver the services needed by the community in the annual report.	Services delivery is matched to available resources and operational capabilities.

Additional asset management maturity actions are also included in the section 7.1 Improvement program.

2.6 Consequences if actions are not completed

There are consequences for the Council if the improvement actions are not completed. These include:

- A continuation of the outcomes associated with Scenario 1 which include an increase in infrastructure backlog, decreasing levels of service and increased risk.
- Failure to achieve the outcomes of Scenario 2 which is to increase revenue for highly targeted investment in assets to address the long term sustainability of Council and achieve the required NSW Fit For the Future infrastructure investment measures.
- Inability to achieve strategic and organisational outcomes
- Inability to achieve financial sustainability for the organisation's operations
- Current risks to service delivery are likely to eventuate and response actions may not be appropriately managed
- Council may not be able to accommodate and/or manage changes in demand for asset intensive services.
- Increased vulnerability to natural disasters through reduced access to government funding

3. LEVELS OF SERVICE

3.1 Consumer Research and Expectations

The expectations and requirements of various stakeholders were considered in the preparation of this strategic asset management plan. The following results have been extracted from Byron Shire Council's Community Asset Management Survey Report from September 2016 (E2016/85779).

The survey addressed the following 11 General Fund asset areas:

1. Urban Sealed Roads
 2. Rural Sealed Roads
 3. Unsealed Roads
 4. Footpaths and cycleways
 5. Bridges and footbridges
 6. Bus Shelters
 7. Urban Stormwater
 8. Rural Drainage
 9. Playgrounds and sports facilities
 10. Public Amenities
 11. Community Buildings
-
- TRANSPORT**

Statements Supplied Prior to Question

In the recall survey, before being asked whether they thought Council should invest 'more', 'the same', or 'less' in the following assets, residents were read the appropriate explanation as follows:

Sealed roads Council is responsible for 501km of sealed roads which costs \$5.9 million per year to maintain and renew. Generally, our roads are in a fair to poor condition.

Unsealed roads Council currently spends \$412,000 each year to maintain 95km of unsealed roads in the Shire. Our unsealed roads are mainly classed to be in a fair to poor condition. Many unsealed roads need additional maintenance and/or replacement to keep them trafficable.

Footpaths and cycle ways Council currently spends \$116,000 each year to maintain 81km of footpaths and cycle ways. Currently the majority are classed to be in a fair to good condition, however, some footpaths currently in fair condition need additional maintenance and replacement work to ensure they do not deteriorate into a poor and unsafe condition.

Bridges and footbridges The majority of our 30 bridges and 11 footbridges are rated as being in a fair to good condition. However, 17% of road bridges are poor, with load limits and one is closed. Council currently spends approximately \$67,000 per year on these bridges.

Rural road drainage Most of our rural drainage is rated fair, however, 29% of causeways are in poor condition and need additional maintenance or replacement work undertaken to ensure functionality and capacity. Council currently spends approximately \$303,000 on rural road drainage.

Urban stormwater Most of our urban stormwater pipes and pits are rated fair, however, much of our kerb and guttering is poor and needs replacement. Council currently spends approximately \$430,000 on road drainage.

Bus shelters Our bus shelters are generally in evenly good, fair and poor condition. Many bus shelters need replacing and bringing up to disability access standards. Council currently spends approximately \$1,680 per year on bus shelter maintenance.

Community buildings Council owns and maintains 97 community buildings. The majority of our community buildings are currently in a fair to good condition. Council currently spends approximately \$1.2 million on buildings.

Public amenities Most of our 20 public amenities are rated fair and good, however, 20% are poor and have high maintenance costs. Council currently spends approximately \$800,000 on public amenities.

Playgrounds and park furniture The majority of our park facilities are in a fair to good condition. Approximately one third of the parks rated in fair condition require additional works to facilities such as playgrounds, fencing, park furniture, and sporting assets. We currently spend approximately \$500,000 on our park facilities.

3.1.1 Top 3 Priorities Key Findings

- Sealed Urban Roads 92%
- Public Toilets 82%
- Sealed Rural Roads 77%

3.1.2 Satisfaction with Assets

- Highest Satisfaction – Community Buildings Mean Rating: 3.33
- Lowest Satisfaction – Urban Sealed Roads 2.13

3.1.3 Priority Mapping – Priority, Satisfaction and Investment

The ‘position’ of the 11 asset areas that residents were asked to rate as a priority, their satisfaction with these areas, and the level of investment they feel should be applied is presented via three dimensional mapping in Figure 9. The inputs in the map use the data from the recruitment survey.

Priority is mapped on the vertical axis, and satisfaction is mapped on an ‘inverted’ horizontal axis – by ‘inverted’ we mean it runs from highest at left to lowest at right. The size of the bubble indicates the level of investment that residents would like spent in each area. This investment mean is also used to colour code the measures into three investment groups:

- ‘Gold’ investment (significantly above the average required investment)
- ‘Silver’ investment (within standard error of the average required investment)
- ‘Bronze’ investment (significantly below the average required investment)

Priority, Satisfaction & Investment

Prior to receiving the information pack

Q1. Thinking of the following types of council asset for each of these could you please indicate which of the following assets are a priority for you, how satisfied you are with the performance of that asset, and whether Council should invest less, the same, or more than they currently spend/resource for on each?

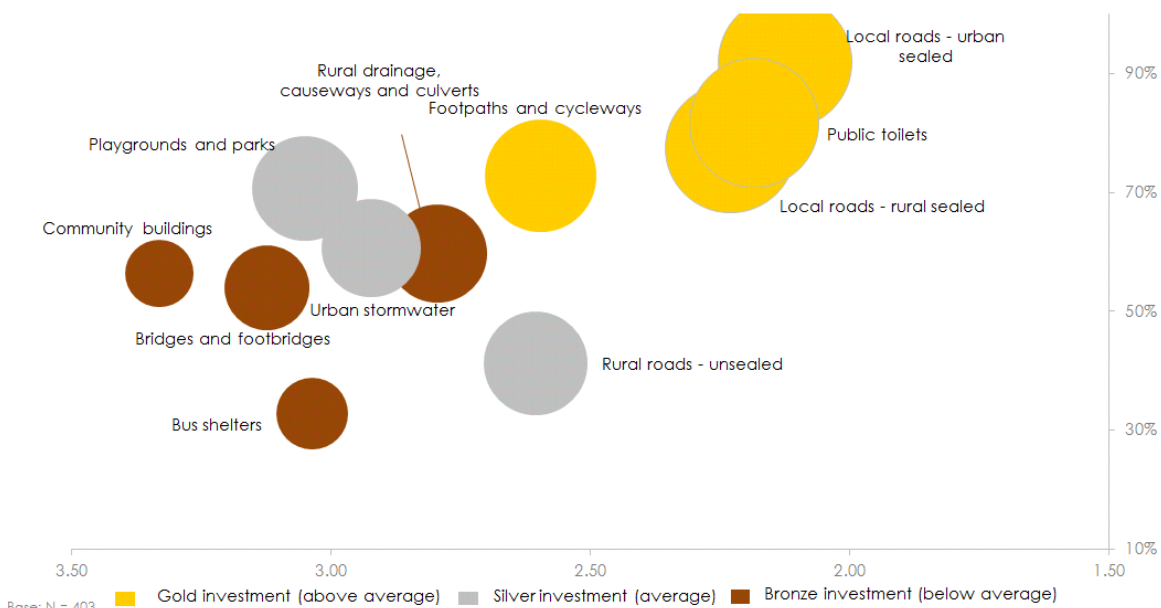


Figure 9 Community Survey - Priority, Satisfaction and Investment

3.1.4 Summary of Key Outcomes

Residents indicated that population growth and all it brings in terms of infrastructure needs are the key long term challenges that residents believe the Byron LGA needs to address. Urban Sealed roads, Rural Sealed Roads, Footpaths/cycleways and Public toilets remain a strongly articulated priority areas as shown below in Figure 10 and Table 7. The outcome of this survey further supports the Community Research Report, November 2013 where Road Maintenance was considered most important and also had the lowest satisfaction mean.

Priority vs Satisfaction

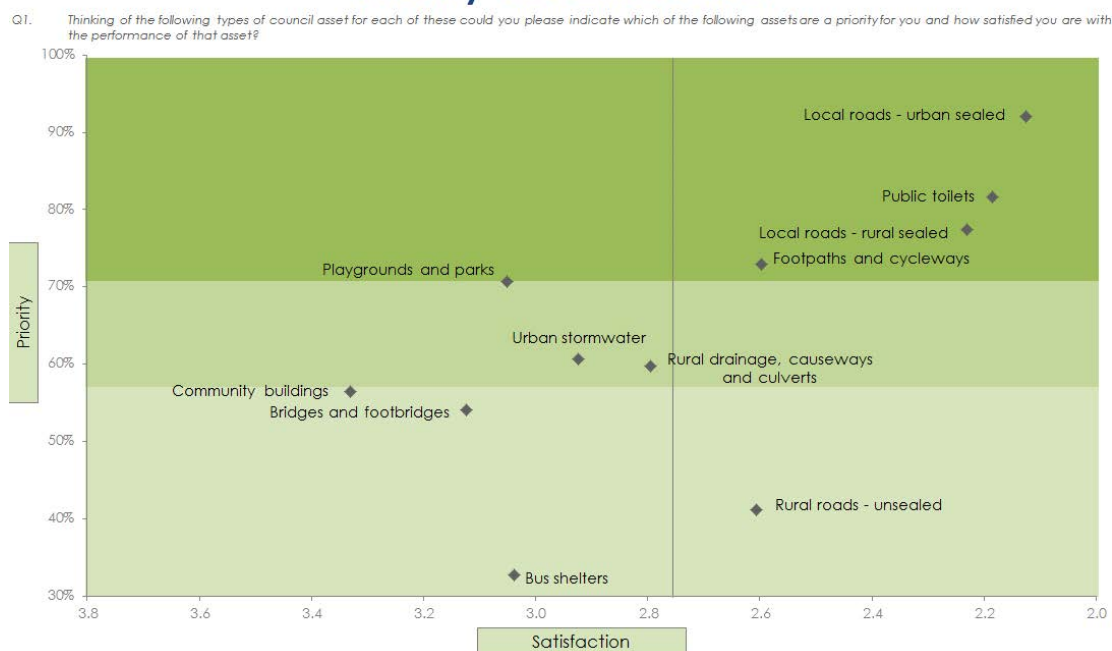


Figure 10 Community Survey - Priority vs Satisfaction

Summary Of Key Outcomes

	Priority	Satisfaction	Pre – invest Increase*	Post - invest Increase*
Local roads - urban sealed	92%	2.13	0.83	0.86
Public toilets	82%	2.18	0.78	0.54
Local roads - rural sealed	77%	2.23	0.79	0.86
Footpaths and cycleways	73%	2.60	0.59	0.36
Playgrounds and parks	71%	3.05	0.52	0.29
Urban stormwater	61%	2.92	0.46	0.53
Rural drainage, causeways and culverts	60%	2.80	0.45	0.44
Community buildings	56%	3.33	0.22	-0.04
Bridges and footbridges	54%	3.12	0.34	0.50
Rural roads - unsealed	41%	2.61	0.50	0.60
Bus shelters	33%	3.04	0.24	0.39

Base: N=602/401

* 'More' is allocated a score of 1, 'Less' is allocated a score of -1. If the resultant Increase score is positive, it indicates more support for increased spending than decreased spending

Table 7 Community Satisfaction – Summary of Key Outcomes

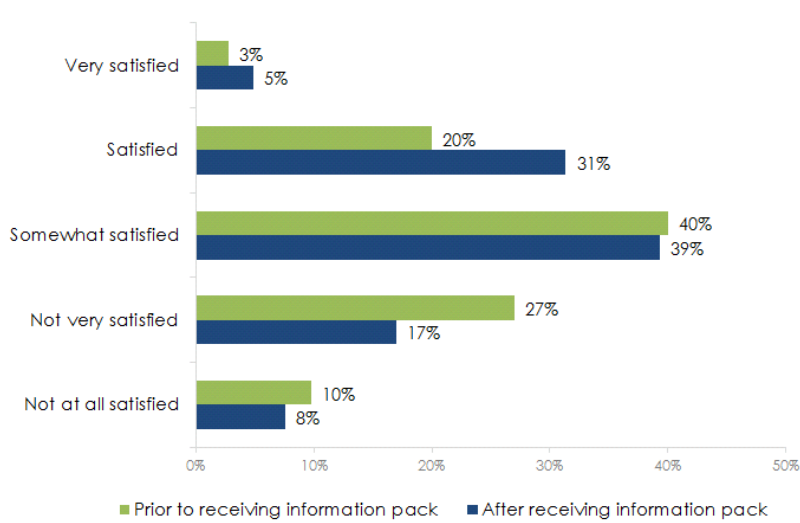
3.1.5 Overall Satisfaction with Council's Performance

After receiving the information packs the overall satisfaction improved. This indicates that after the 604 participants were informed of the overall general fund asset portfolio, current funding spent and condition of the assets the overall satisfaction was 3.09 compared to 2.76 prior to receiving the information pack (Figure 11).

Overall Satisfaction with Council's Performance

Q2 & Q7. In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

Mean ratings	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non ratepayer
Prior to receiving information pack	2.76	2.71	2.80	2.76	2.87	2.67	2.72	2.69	2.95
After receiving information pack	3.09▲	3.08	3.10	3.22	3.07	3.04	3.06	3.07	3.16



Scale: 1 = not at all satisfied, 5 = very satisfied
▲▼ = A significantly higher/lower compared to 'prior'

NSW LGA BRAND SCORES	Means
Regional	3.22
All of NSW	3.31
Byron Shire – prior	2.76▼↓
Byron Shire - after	3.09▼

Scale: 1 = not at all satisfied, 5 = very satisfied
▲▼ = A significantly higher/lower compared to 'all of NSW'
↑↓ = significantly higher/lower compared to 'regional'

Base: N = 403

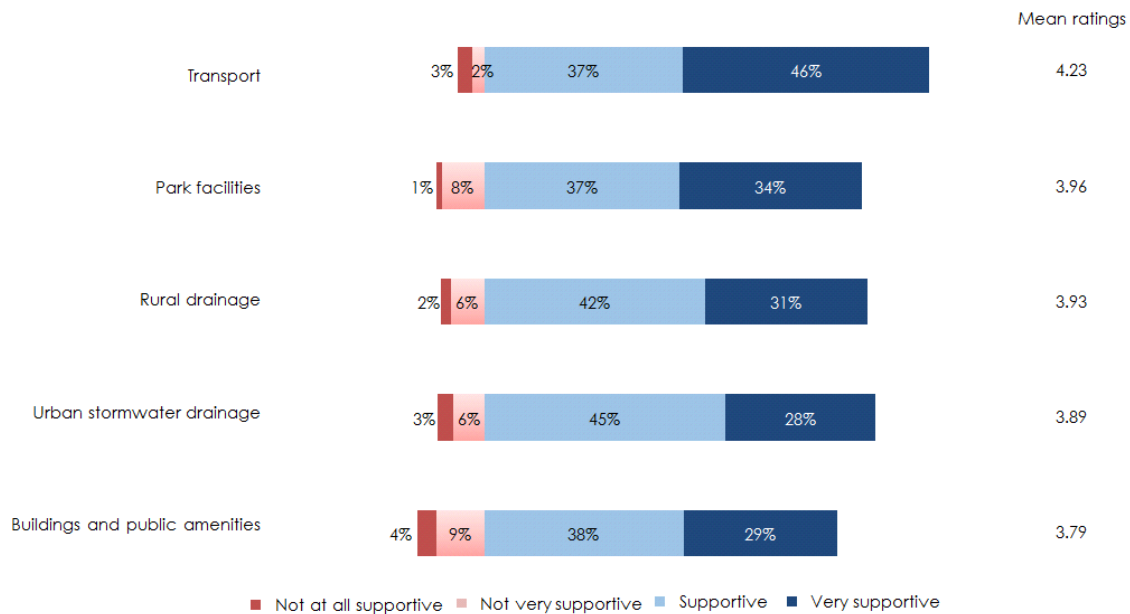
Figure 11 Community Survey - Overall Satisfaction with Council's Performance

3.1.6 Support for Funding

Transport was the service given the highest level of support for additional investment (Figure 12).

Summary of Expenditure Prioritising

Q4. How supportive are you of this level of additional investment in:



Base: N = 403

Scale: 1 = not at all supportive, 5 = very supportive

Figure 12 Summary of Expenditure Prioritising

3.1.7 Funding our Future

Council wants to understand from the community how we should prioritise expenditure on our different community asset types. We need a clear direction for future spending based on the community's views on what constitutes an acceptable level of asset conditions.

It is essential that we keep our community assets in a safe working order and they meet community expectations. In light of the condition audit and the current levels of infrastructure funding, Council has determined the following asset areas need increased council funding.

Specifically:

- Transport which includes roads, bridges, footpaths, cycle ways, and road drainage
- Urban stormwater drainage
- Rural drainage
- Park facilities
- Buildings and public amenities

Increasing the level of funding for these assets (as detailed in Scenario 2) will allow Council to renew those which are currently in a poor condition. It will also ensure that the number of assets in poor condition does not continue to grow.

It is intended to have further discussions regarding individual Levels of Service with the community and this will be addressed in the individual Asset Management Plans.

3.2 Legislative Requirements

Council is required to meet many legislative requirements including Federal and State legislation/regulations. In this context, there are many binding legal requirements that effect infrastructure and asset management. These requirements have a significant influence on levels of service and impact the independence of Council and the community in decision making around the balance of asset condition, levels of service, cost and risk. See Appendix F for list of legislative requirements.

3.3 Defining Levels of Service

Levels of service are defined in two ways.

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value.

Community levels of service measures used in the asset management planning are:

Quality	How good is the service?
Function	Does it meet users' needs?
Capacity/Utilisation	Is the service usage appropriate to capacity?

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance. Legislative requirements, infrastructure standards and industry guides combine to strongly influence technical levels of service.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as availability, cleansing, mowing, etc.
- Maintenance – the activities necessary to retain an assets as near as practicable to an appropriate service condition (eg road patching, unsealed road grading, building and structure repairs).
- Renewal – the activities that return the service capability of an asset up to that which it had originally (eg road resurfacing and pavement reconstruction, pipeline replacement and building component replacement).
- Upgrade – the activities to provide a higher level of service (eg widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (eg a new library).

Service managers plan, implement and control technical service levels to influence the customer service levels.⁹

Together the community and technical levels of service provide detail on service performance, cost and whether service levels are likely to stay the same, get better or worse.

Our current and projected technical levels of service for the services covered by this strategic asset management plan will be documented as part of the development of levels of service level associated with individual asset management plans for each major asset category.

⁹ IPWEA, 2011, IIMM, p 2.22

4. FUTURE DEMAND

The Byron Local Government Area (LGA) has had very low (<1%) rates of growth in the years 2004 to 2011. Table 8 shows the Estimated Residential Population (ERP) of the LGA and the associated annual growth rate. After 2011 growth in the LGA has accelerated sharply.

Table 8 Estimated Resident Population

Year	Byron (A)	Growth Rate
2001	29,453	
2002	29,697	0.83%
2003	29,952	0.86%
2004	30,141	0.63%
2005	30,130	-0.04%
2006	30,125	-0.02%
2007	30,174	0.16%
2008	30,347	0.57%
2009	30,537	0.63%
2010	30,664	0.42%
2011	30,712	0.16%
2012	31,024	1.02%
2013	31,601	1.86%
2014	32,099	1.58%
2015	32,723	1.94%

ABS Regional Population Growth, Australia, 2014-15 (cat. no. 3218.0)

The main driver of growth within the LGA is net migration. Natural increase (births less deaths) within the population has been relatively stable over the period 2001 to 2014. Figure 13 shows the impacts of net migration on population growth in the LGA.

In the years 2005-2011 there was a significant net outmigration of people leaving the LGA. Since 2012, there has been a significant reversal of that trend with growth accelerating primarily driven by in migration. The removal of the sewer moratorium and the waiving of developer contributions for secondary dwellings have seen a significant rise in dwelling production and a corresponding rise in population.

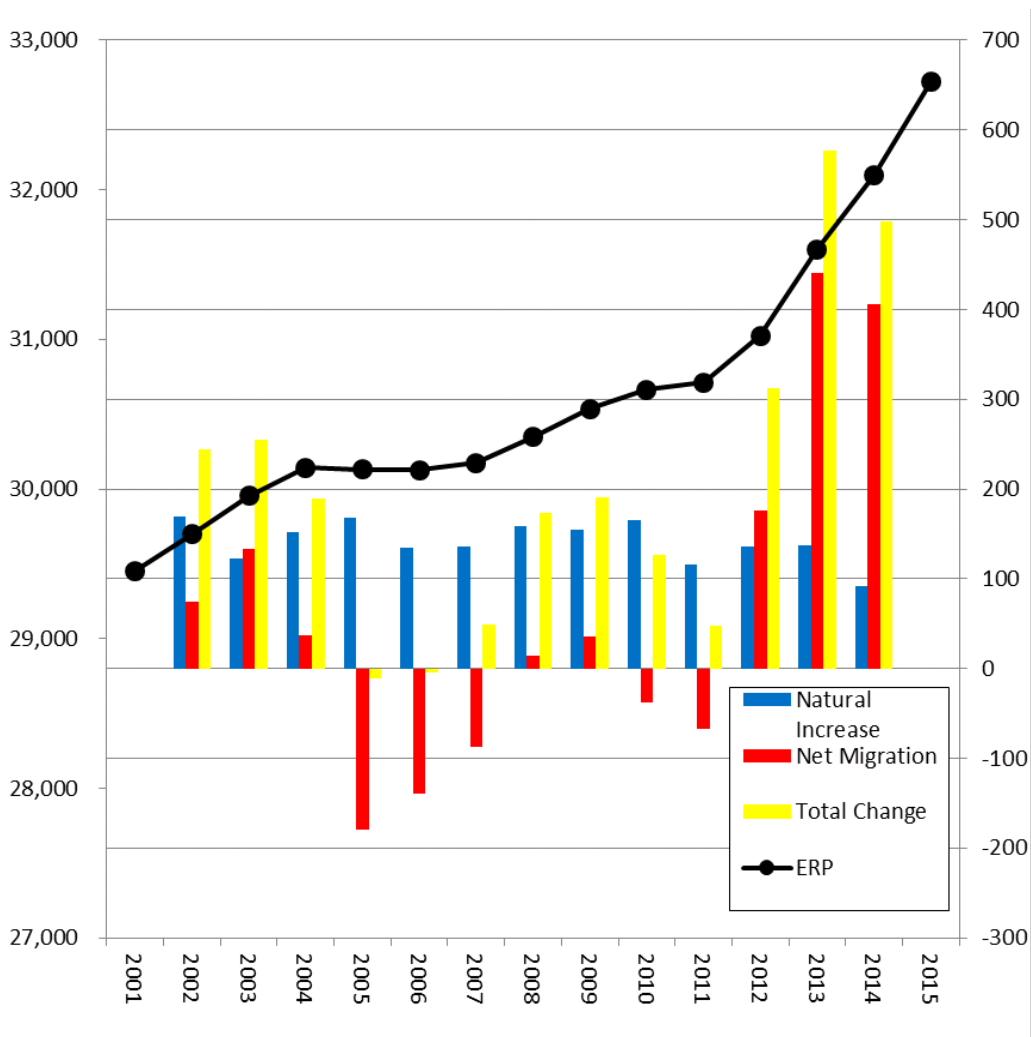


Figure 13 Residential migration change

In March 2016 the Department of Planning released the Draft North Coast Regional Strategy for consultation. This document indicates that the Local Government Authority will need an additional 3750 – 4500 dwellings above the 2011 housing stock to meet the current growth. The dwelling production figures form the basis of the future population projections show in Table 8. In Figure 14 and Table 8, the three growth scenarios are based on the population projection that will occupy a projected number of dwellings based upon a falling dwelling occupancy rate from 2.4 persons per dwelling in 2011 down to 2.25 persons per in 2036.

Table 8 Growth Projections

Year	High Growth 4500 Dwellings ERP	Mid Growth 4125 Dwellings ERP	Low Growth 3750 Dwellings ERP	Persons per Dwelling
2016	33,358	33,358	33,358	2.35
2021	36,113	35,848	35,671	2.33
2026	38,713	38,239	37,863	2.30
2031	41,092	40,389	39,794	2.28
2036	43,188	42,240	41,617	2.25

Figure 13 below represents these projections from the current Estimate Residential Population (ERP) of 2015 to 2036.

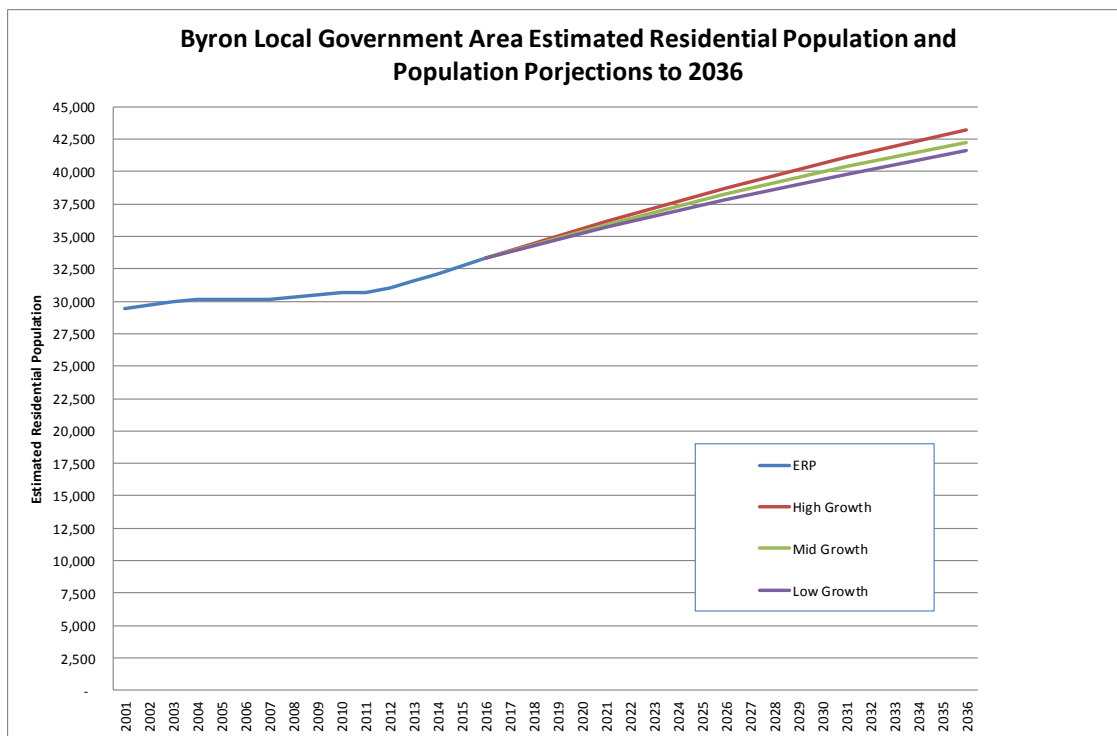


Figure 14 Estimated Residential Population and Population Projections to 2036

A significant proportion of this growth will occur in the over 65 years age bracket. The NSW Department of Planning 2014 New South Wales State and Local Government Area Population, Household and Dwelling Projections show the over 65 years age cohort expanding from 13% of the population to over 22% of the population by 2031. This expanding segment of the population is the main driver of the declining occupancy rate of dwellings in the LGA. An aging population will see significant growth in the number of single person and couple only households.

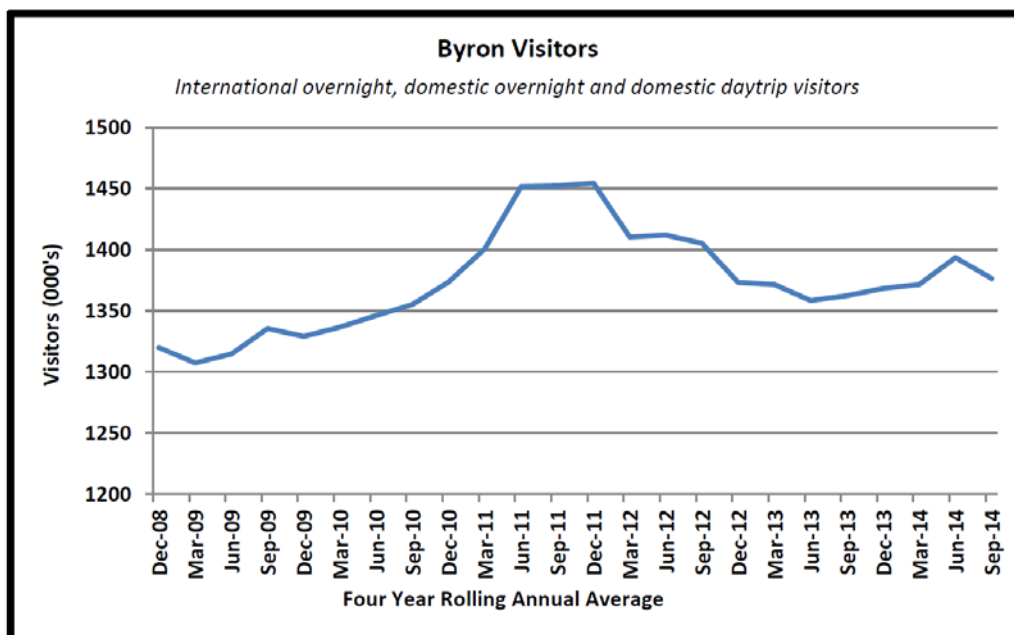
4.1 Demand Drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, climate change, vehicle ownership rates, consumer preferences and expectations, government decisions, technological changes, economic factors, agricultural practices, environmental awareness, tourism etc.

4.1.1 Tourism

In 2014 the LGA received 1.376 million visitors (based on a 4 year running average), who stay approximately 3 million visitor nights. Such visitation significantly inflates the number of people resident in the area on a daily basis beyond those who live in the area permanently. Tourist numbers are variable ranging from 1.325 million visitors in March 2009 to a peak of 1.410 in December 2011. Figure 15 depicts the 4 year running average of international overnight, domestic overnight and domestic day visitors to the LGA. These statistics only record visitors as those

persons aged over 15 years. This will underrepresent the impact that tourist numbers has on some types of assets.



SOURCE: International Visitor Survey and National Visitor Survey, Tourism Research Australia (TRA)

Figure 15 Byron Local Government Authority Visitor Numbers

These visitors place operational pressure on Council’s infrastructure and services. The additional costs to Council from tourist visitations is estimated at between 25 – 30% per annum (i.e. costs over and above what would be spent without the visitation), as calculated for Council’s 2013 presentation to the Local Government Grants Commission. Council has a small permanent ratepayer base (approximately 15,000 assessments) to support its infrastructure without the additional burden of tourism visitation.

Prior to 2015 the opportunity to increase revenue from visitors utilising strategies such as paid parking had not been supported. However, after extensive consultation with Councillors and the community, including the business and residential communities, revenue opportunities from visitors have been broadly agreed and implementation commenced in 2015/16. The main focus of increased revenue is paid parking in Byron Bay.

4.2 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown in Table 9.

Table 9 Demand Drivers, Projections and Impact on Services

Projection	Impact on services
Population	
Byron Bay LGA has an area of 566 sq km and an estimated residential population of 32,119 at 30 June 2014 which is expected to increase to 44,300 by 2036.	Increased pressure on existing infrastructure and the need for additional/expansion of current services.
Demographics	

The current medium age is 42 however the population is aging which is evident by the 60-69 year age experiencing the biggest increase of all age categories between 2006-2011.	Increased pressure for a diverse range of services.
Increasing Costs	
The cost to construct, maintain and replace infrastructure is increasing	Increasingly difficult to maintaining the current level of service.
Climate Change	
Rising water levels and higher frequency of extreme weather events	Additional costs may be imposed to fund environmental initiatives and remedial works.
Tourism	
Byron has 3,769 average nightly tourists and average daily traffic (AADT) counts into Byron Bay town of 18,378 (AADT 29 October 2015 Metro counts)	The variability of tourist numbers makes it difficult to predict the impact that it will have on assets in the future. However, with the available data we can assume significant impacts on services and supports the justification for paid parking in Byron Bay and the expenditure of this revenue towards road and bridge infrastructure renewals Scenario 2.

4.3 Demand Management Plan

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

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures¹⁰. Examples of non-asset solutions include providing joint services from existing assets such as aquatic centres and libraries, or public toilets provided in commercial premises. Opportunities identified for demand management are shown in Table 10.

Table 10 Demand Management Plan Summary

Service Impact	Demand Management Plan
Communicate options and capacity to fund infrastructure works with the community	Monitor community expectations and communicate service levels and financial capacity with the community to balance priorities for infrastructure with what the community is prepared to pay for.
Funding priority works	Link asset management plans to long term financial plans and community strategic plans. Continue to seek grant funding for projects identified in the Byron Shire's Community Plan and Asset Management Plans.
Improve understanding of costs and capacity to maintain current service levels.	Continue to analyse the cost of providing service and the capacity to fund at the current level of service.
Climate Change	Increased understanding of climate change effects and required management techniques.

4.4 Asset Programs required to meet Demand

New assets required to meet growth are either created by the developer at no cost to Council or created by Council with funding from Section 94 Development Charges. In some circumstances Council achieves federal or state grant funding for the creation of new assets to facilitate function

¹⁰ IPWEA, 2015, IIMM, Table 3.4.1, p 3|58.

and capacity needs. A clear example is the proposed Byron Bay Bypass and more broadly the creation of new and upgrade road and bridge assets throughout the length of the MR545 corridor. New assets constructed/acquired by the organisation are discussed in Section 5.5.

Acquiring these new assets creates a future liability and will commit the organisation to fund ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs in Section 5.

5. LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the organisation plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs. The organisation's infrastructure is generally provided to meet design standards where these are available. At present a key challenge for Council is that aged infrastructure frequently does not meet accepted modern technology standards.

Council is using the International Infrastructure Management Manual as a guiding document and as such the lifecycle management plan has the following elements:

- Asset Risk Management Plan (section 5.1)
- Asset Operations and Maintenance Plan (section 5.2)
- Asset Renewal Plan (section 5.3)
- New Asset Creation/ Acquisition/ Upgrade Plan (section 5.4)
- Asset Disposal Plan (section 5.5)

5.1 Asset Risk Management Plan

An assessment of risks associated with service delivery from infrastructure assets is conducted for each relevant asset management plan. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' – requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Risk Asset Management Plan(s) and the adopted treatment plan are summarised in Table 11. These risks are regularly reported to management and Council.

Table 11 Critical Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan (SS7 Report)
Roads			
Increasing financial pressure to adequately maintain the roads portfolio	The long term renewal of road seals is not adequate	Very High	Additional analysis of data inventory, assessment of useful lives will be critical to ensure the long term financial planning for roads is reliable.
Road Maintenance	Increasing maintenance requirements	High	Continue to improve data and reporting with Authority Work Orders and Asset Edge Reflect Software. Documented service level risks and utilisation for establishing future maintenance priorities.
Road Damage	Damage to roads as a result of major storm events	Very High	At present cannot be managed within councils resourcing. Continue to improve data collective and preparedness.
Bridges			

Bridges and Footbridges	Failure. Structural or functional.	Very High	Increase inspections. Load limit road bridges to reduce risk and implement site specific risk mitigation measures.
Stormwater Drainage			
Stormwater Network	General deterioration of the network resulting in structural and capacity failures	High	Assess adequacy of inspections, particularly in aged network areas Keep data up to date so that renewals can be planned
Stormwater Network	Flooding due to blockages	High	Assess adequacy of programs and monitor frequency of problems due to inadequate cleaning or maintenance.
Stormwater Network	Flooding caused by inadequate or lack of stormwater systems	High	Review stormwater management program
Box Culverts and Causeways			
Box Culverts and Causeways	Failure. Structural or functional.	High	Increase inspections Load limit to reduce risk Implement planned maintenance schedules to ensure access to all structures to enable inspections
Footpaths			
Footpaths	Path users trip and injure themselves on damaged path surface.	Medium	Regular inspection of path condition and defects in accordance with footpath policy. Inspections by Council personnel for any hazards reported by public. Use of materials in new path construction to increase life of footpath. Train operational staff around risk mitigation processes.
Retaining Walls	Failure. Structural or functional.	High	Increase inspections Survey Monitoring
Roadside Barriers (Guardrails)	Failure. Structural or functional.	Medium	GPS audit, condition inspect and evaluate risk for entire asset group Prepare and scope a priorities risk replacement program to comply to Australian standards
Roadside Furniture (Bus Stops)	Failure. Structural or functional.	Medium	Potentially remove or replace condition 4 or 5 bus stops

5.2 Asset Operations and Maintenance Plan

Operations include regular activities to provide services such as public health, safety and amenity, e.g. cleansing, utility services, street sweeping, grass mowing and street lighting.

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

5.2.1 Defining Operations and Maintenance

Operations activities affect service levels including quality and function, such as cleanliness, appearance, etc., through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, e.g. road patching but excluding rehabilitation or renewal.

Maintenance expenditure levels are considered to be inadequate to meet the targets set in the infrastructure risk management procedures. Where maintenance expenditure levels result in lower service levels and higher risk profiles these will be high lighted in the respective asset management plans and Infrastructure Services Risk Management Procedures (E2014/62240).

5.2.2 Operations and Maintenance Strategies

Council will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner.
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost).
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council.
- Review current and required skills base and implement workforce training and development to meet required operations and maintenance needs.
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options.
- Maintain a current hierarchy of critical assets and required operations and maintenance activities
- Develop and regularly review appropriate emergency response capability.
- Review management of operations and maintenance activities to ensures Council are obtaining best value for resources used.

5.2.3 Summary of future operations and maintenance expenditures

Historically the budget allocations for operations and maintenance of acquired assets have not kept pace with the value and scale of the assets.

Future operations and maintenance budgets must be developed on a whole of life basis and reflect an optimal investment to ensure the best value outcome for the community.

Failure to invest in adequate levels of maintenance decreases levels of service, increases risk profiles and shortens asset life.

Operations and maintenance planning will be documented in individual Asset Management Plans.

5.3 Asset Renewal Plan

Renewal and replacement expenditure is work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure (Appendix C Current Works Program).

5.3.1 Capital Renewal Strategies

Council plans capital renewal and replacement projects to meet level of service outcomes and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner.
- Undertaking project scoping for all capital renewal and replacement projects to identify:
 - the service delivery 'deficiency', present risk and optimum time for renewal/replacement,
 - the project outcome to rectify the deficiency,
 - the range of options, estimated capital and life cycle costs for each option that could address the service deficiency,
 - evaluate the options against evaluation criteria, and
 - select the best option to be included in capital renewal programs.
- Using *optimal* renewal methods wherever possible. A good example is the timber bridge replacement program utilizing surplus ADF steel bridges.
- Utilising and updating the infrastructure risk register for assets and where a funding gap exists, reporting Very High and High risks and residual risks after treatment to management and Council.
- Translate the required skills and training into the work force plan to meet required construction and renewal needs.
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required.
- Review management of capital renewal and replacement activities to ensure we are obtaining best value for resources used.

5.3.2 Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replace a bridge that has a 5 tonne load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. roughness of a road).¹¹

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have a high utilisation and where subsequent impact on users would be greatest,
- The total value represents the greatest net value to the organisation,
- Have the highest average age relative to their expected lives,
- Are identified in the asset management plan as key cost factors,
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.¹²

¹¹ IPWEA, 2011, IIMM, Sec 3.4.4, p 3|60.

¹² Based on IPWEA, 2011, IIMM, Sec 3.4.5, p 3|66.

In August 2016, Council has invested in MyPredictor modelling software. This software utilises various dataset inputs and parameters to determine optimised spending scenarios. The following asset classes have sufficient data to model: Sealed Roads, Unsealed Roads, Bridges, and Footpaths/cycleways. Further models will be run to provide decision support tools for future asset renewal plans as asset management data matures.

The ranking criteria used to determine priority of identified renewal and replacement proposals will be detailed in the respective asset management plans.

5.3.3 Summary of future capital renewal expenditure

Both Scenario 1 and 2 of Council's (Fit For the Future) Improvement Plan include forward estimates and budget provisions for infrastructure renewals.

The budget values for infrastructure renewal in Scenario 1 are insufficient to address the 'bring to satisfactory' backlog of outstanding renewals and in fact will ultimately lead to an increase in the total backlog value.

The budget values for infrastructure renewal in Scenario 2 are sufficient over ten years to address the 'bring to satisfactory' backlog of outstanding renewals and will ultimately lead to a balanced position by 2027.

Cost to 'Bring to Satisfactory' (BTS) has been assessed from the documented cost to renew the assets that are not funded in the current budget and constitute critical risks to the organisation. These are aligned with the renewal requirements for critical assets in the Risk Register and are summarised in the following table. Full calculations including the Risk Register, BTS Calculator and asset working sheets are contained in Byron SS7 calculator and working papers (Appendix K).

Table 12 Cost to Bring to Satisfactory Summary (Appendix K - Table 4)

Category	Sub Category	Description	BTS \$'000
Buildings	All Buildings	Maintenance and risk remediation works is reactive. High risk items are funded when found - additional funding for inspection and maintenance to move to more proactive maintenance strategies	\$2,069
Structures	Retaining Walls	Renew condition 4,5 or high risk condition 3	\$170
Structures	Fences	Renew condition 4 and 5 high risk fences	\$338
Roads	Sealed Roads - Structure	Patch or renewal all condition 4 and 5 road pavements derived from condition data and MyPredictor Asset Modelling Software.	\$24,036
Roads	Unsealed	Grading and re-sheeting with gravel all condition 4 and 5 road pavements derived from condition data and MyPredictor Asset Modelling Software.	\$795
Roads	Bridges	Total Rectification Cost based on Level 2 bridge inspection or equivalent of all condition 4 and MyPredictor Asset Modelling Software.	\$6,174
Roads	Bus Shelters	Comprehensive asset condition assessment. Replace condition 4 and 5.	\$270
Roads	Footpaths and Cycleways	High Risk Path Defect Rectification. Replace high risk path concrete bays and grind where possible	\$968
Roads	Kerb and	OCEAN SHORES renew high risk sections	\$80

	Gutter		
Roads	Barriers	Full list of upgrade = 3,546,866. Complete safety audit and allocate \$100,000 as the renewal component for high criticality items. No claims no service requests. Review next year.	\$150
Stormwater Drainage	Causeways & Box Culverts	Renew or repair all causeways and culverts in condition 4 and 5	\$3,025
Stormwater Drainage	Stormwater	No high risk pipes and pits - high risk items included in box culverts	\$0
Parks	Recreation Facilities	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$223
Parks	Play Equipment	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$196
Parks	Park Furniture	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$182
Parks	Park Shelters	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$63
Parks	Hard Scape	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$101
Parks	Park & Sports Field Lighting	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$157
Parks	Grandstands	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$12
Parks	Sports Equipment	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$35

TOTAL \$39,084

5.4 New Asset Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity (Appendix C Current Works Program). They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the organisation from land development. These assets from growth are discussed in Section 4.5. Council will continue to proactively leverage available Section 94 Development Contributions, target grant opportunities and partner for investment where appropriate. The SAMP highlights that acquisition of new assets generates an ongoing maintenance obligation that must be unfunded. Whilst new assets have a natural community attraction the focus of the SAMP is on the allocation of additional funds to asset renewals. Any diversion of available funds to new assets will delay the recovery and achievement of a sustainable asset renewal position.

5.4.1 Capital New / Upgrade Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as MyPredictor modelling software (Figure 2), councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Customer requests are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in the respective asset management plans.

5.4.2 Capital Investment Strategies

Council will plan capital upgrade and new projects to meet level of service outcomes by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner
- Undertake thorough project scoping for all capital upgrade/new projects as detailed in Section 5.3.1.
- Review current and required skills base and implement training and development to meet required construction and project management needs
- Review management of capital project management activities to ensure Council are obtaining best value for resources used.

Standards and specifications for maintenance of existing assets and construction of new assets and upgrade/expansion of existing assets are detailed in relevant asset management plans.

5.4.3 Summary of future upgrade/new assets expenditure

Council is acquiring a significant increase in assets in the short term through major projects such as the Byron Bay Bypass and the hand over of former state roads due to highway upgrades.

Council will continue to acquire assets through developer funded works and development charges. This is expected to continue steadily in accordance with Council's land use planning instruments and strategies.

The projected 10 year upgrade/new capital works program is shown in Appendix D.

5.5 Asset Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in the respective asset management plans.

6. FINANCIAL SUMMARY

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

6.1 Financial Indicators and Projections

Sustainability of service delivery

In addition to long term life cycle costs/expenditures there are 3 key indicators for service delivery sustainability that have been considered within this plan:

1. **Asset Renewal funding ratio**
(Projected capital renewal Exp. AMP / Estimated Capital Renewal LTFP)
2. **Medium term 10 Year Sustainability**
(Planned budget expenditures / Projected Expenditures)
3. **Short Term 5 Year Sustainability**
(Planned budget expenditures / Projected Expenditures)

The Asset Renewal Funding Ratio is the most important indicator and reveals whether projected capital renewal and replacement expenditure are able to be financed in the long-term financial plan. The 3 key indicators are detailed in the Table 14 below.

Table 14 Financial Indicators and Projections

Key Indicator	Sustainability of service delivery	Scenario 1 (\$000's)	Scenario 2 (\$000's)
1	Asset Renewal Funding Ratio	132%	179%
2	Medium Term (10 yrs) Sustainability		
	10 year Operations, Maintenance & Renewal Projected Expenditure	\$15,847	\$15,847
	10 year Operations, Maintenance & Renewal Planned (Budget) Expenditures	\$9,733	\$16,063
	10 year Funding Shortfall	-\$6,114	\$216
	10 year Sustainability Indicator (Planned Exp. / Projected Exp.)	61%	101%
3	Short Term (5 years) Sustainability		
	5 year Operations, Maintenance & Renewal Projected Expenditure	\$19,662	\$19,662
	5 year Operations, Maintenance & Renewal Planned (Budget) Expenditure	\$9,733	\$15,556
	5 year Funding Shortfall	-\$9,929	-\$4,106
	5 year Sustainability Indicator (Planned Exp. / Projected Exp.)	50%	79%

6.2 Funding Strategy

The funding strategy to provide the services covered by this strategic asset management plan and supporting asset management plans is contained within the Council's (Fit For the Future) Improvement Plan and associated 10 year long term financial plan.

6.3 Valuation Forecasts

Revaluations of Councils assets are completed on a 5 year cycle in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (Guidelines).

The value of Council's assets is influenced by the assessed condition of assets, unit rates for renewal cost, and the estimated useful asset life.

The overall value of assets will also be affected by the rate of asset acquisition through construction and acquisition by Council and from assets constructed by land developers and others and donated to Council.

The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets depreciated replacement cost is shown in Figure 16 and 17.

The following graphs show in comparison that under present funding constraints council will struggle to maintain the capital value of its infrastructure portfolio over the longer term. This position is significantly improved under scenario 2 (Figure 17).

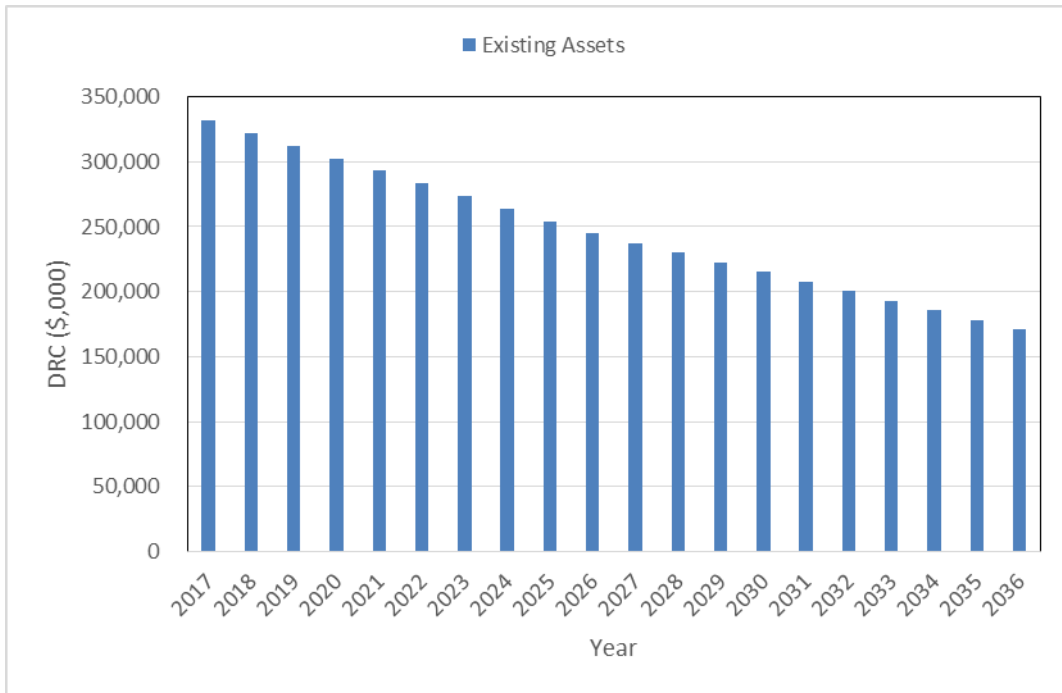


Figure 16 Scenario 1 Projected Depreciated Replacement Cost

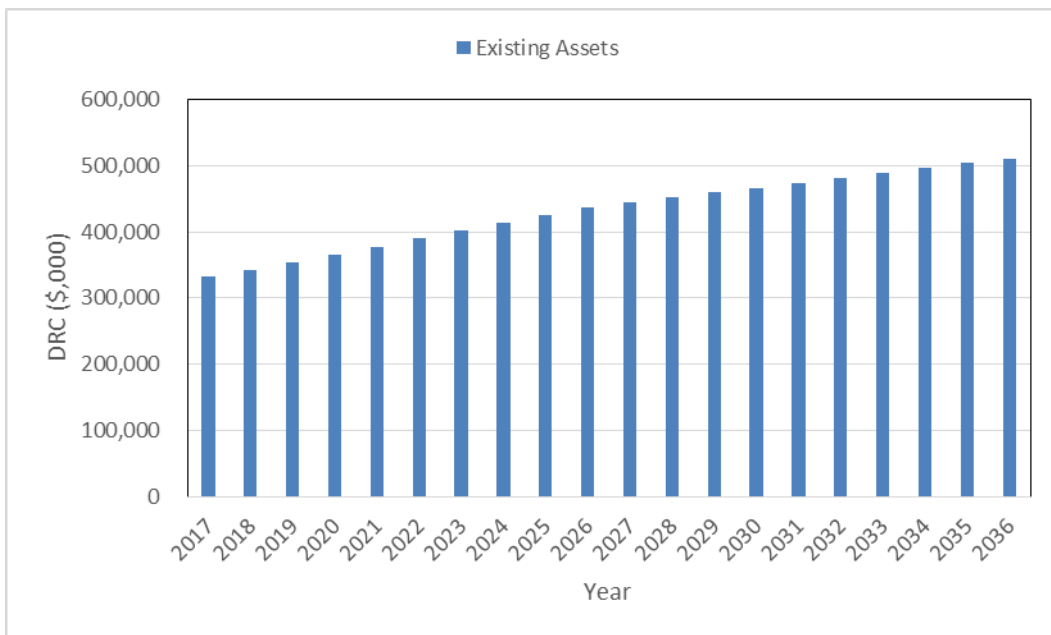


Figure 17 Scenario 2 Projected Depreciated Replacement Cost

6.4 Key Assumptions made in Financial Forecasts

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

Key assumptions made in this strategic asset management plan and risks that these may change are shown in Table 13.

Table 13 Key Assumptions made in AM Plan and Risks of Change

Key Assumptions	Risks of Change to Assumptions
Use of the existing inventory data including average annual asset consumption which is used for the Long Term sustainability assessments	Medium Risk
Use of existing valuations, useful lives and remaining lives determined from the condition rating	Medium Risk
Use of current expenditure information as best as this can be determined	Medium Risk

6.5 Forecast Reliability and Confidence

The financial figures presented in this strategic asset management plan are based on the current available data. This includes information gathered through revaluation processes and broader routine asset management activities.

Council is building its asset management capacity and capability through a continuous improvement process. Actions to increase data quality are included in the Improvement Plan (Table 15).

The iterations of asset inspections, assessments and associated plans for renewals, progressively increase the level of reliability and confidence in the data and financial conclusions.

The estimated confidence level for and reliability of data used in this strategic asset management plan is shown in Table 14.

Table 14 Data Confidence Assessment for Strategic Asset Management Plan

Data	Confidence Assessment	Comment
Demand drivers	Uncertain	Estimated, further substantiation required for next revision of the SAMP
Growth projections	Reliable	Estimated, further substantiation required for next revision of the SAMP
Operations expenditures	Reliable	Direct from budget, but breakdown into operations and maintenance and renewal is estimated and requires development
Maintenance expenditures	Reliable	Direct from budget, but breakdown into operations and maintenance and renewal is estimated and requires development
Projected Renewal expenditures.	Reliable	Based on average annual asset consumption as reported in financial 2013/14 financial statements.

- Asset values		
- Asset useful lives	Reliable	Ongoing substantiation required for next revision of the AMP
- Condition modelling	Uncertain	Estimated, further substantiation required for next revision of the SAMP
- Network renewals	Reliable	Based on average annual asset consumption as reported in financial 2013/14 financial statements.
Upgrade/New expenditures	Reliable	Direct from budget
Disposal expenditures	Reliable	Estimated, but not considered to be significant

7. PLAN IMPROVEMENT AND MONITORING

7.1 Improvement Goals and Strategic Tasks

The asset management improvement tasks identified from the 2015 NSW Local Government Audit Preparedness Assessment (Appendix G) and the 2013 Maturity Assessment (Appendix H) are shown in Table 16 below. Note the priorities were allocated through the Audit review from Thomas Noble & Russell (TNR). The 'Component / Activity' numbers are from the LG Audit Preparedness. These goals have been further broken down and detailed into sub tasks to appropriately address.

Table 15 Improvement Goals

Priority	Component Activity	Goal No.	Goal / Task	Responsibility	Resource Required	Timeline	Current Status Comments
1	2.2 Risk Management	2.2.1	2.2.1 Develop a Risk Management Policy	2.2.1 TBC	Corporate Governance & Risk Management Officer	Mid 2017	Pending: With Director of Infrastructure Services and Director Corporate Services to resource
1	2.2 Risk Management	2.2.2	2.2.2 Develop Risk Asset Register. Refine Risk Asset Management procedures (E2014/62240) for prioritized critical assets. Bridge Engineer to complete Bridge Section. All other road categories have been completed	2.2.2 Asset Sys. Officer/ Asset Engineer/Bridge & Roads Engineer	Contractor S. Pearce for E2014/62240	June 2016 May – Dec 2016	Risk Register templates developed. Bridge components & condition data loaded into Asset Register Completed Add TRIM procedures & Promapp processes to relevant asset attribute sets
1	2.2 Risk Management	2.2.3	2.2.3 Increase investment in asset management to increase the level of confidence in asset based information	2.2.3 Manager Assets & Major Projects	NIL	June 2016	Assets Management Coordinator position to be permanently filled. Completed
1	2.2 Risk Management	2.2.4	2.2.4 Business Continuity Plans was in the Manager Governance work program . DIS Plan (Disaster Plan) will become the "EM Plan" (Emergency Plan) - progressing	2.2.4 Manager Governance & Manager Works	Corporate Governance & Risk Management Officer	Mid 2017	Pending: With Director of Infrastructure Services and Director Corporate Services to resource
1	3.1 Operations/ Maintenance Management	3.1.1	3.1.1 Definitions for maintenance, capital new, capital upgrade, capital disposal to be included in the Asset Management Plan. Ensure that staff are educated on the different definitions of "Maintenance" and "Capital" reporting requirements for LG. Develop Data Dictionary. Budgets to reflect this and link to Authority Work Orders	3.1.1 Asset Management Coordinator & GIS Assets Officer	NIL	Toolbox talks Jan 2017 then, Ongoing	Action taken: Request for Work Order Process Mapped to include Definitions. Emails sent out to all IS staff sporadically. Data dictionary developed.

Priority	Component Activity	Goal No.	Goal / Task	Responsibility	Resource Required	Timeline	Current Status
1	3.1 Operations/ Maintenance Management	3.1.2	3.1.2 General Fund Assets - Preventative Maintenance Scheduling . Implement all critical asset types into Reflect Databases to facilitate Operational Staff with Programmed Maintenance in Reflect. E.g. Bridges, Causeways, Box Culverts, Footbridges, Retaining Walls, Roadside Barriers, and Parks. Develop electronic Forms for condition inspections.	3.1.2 Manager Works Manager Utilities Manager Parks & Resource Recovery	Funds in budget for vegetation clearance of culverts & causeways	Dec 2017 May – Dec 2016	Inspections for Causeways & Culverts underway with Assets Engineer. Provision of data extracts for condition inspections using Reflect. <i>Audit Reflect data quality. Develop strategies to promote and enforce ongoing data quality. Review operational procedures and user training. Review reporting features and develop data analysis capabilities</i>
1	3.1 Operations/ Maintenance Management	3.1.3	3.1.3 Integration between Reflect and CRM Project	3.1.3 IT & Asset Systems Officer & AMC	Contract Engagement & Management support for integration	Dec 2017 In progress	Pending review of CRM IT Review due June 2016
1	3.2 Critical Assets	3.2.1	3.2.1 Risk Register (Assets) to be setup as an Attribute Checklist template in Authority Asset Module (AM). Identification, priority and risk mitigation measures will be detailed here. A report will be generated from this to produce a RISK REGISTER on the fly as required. Luis Santos to create. Individual data custodians to maintain.	3.2.1 Asset Systems Officer	NIL	Template Completed April 2016 Ongoing Maintenance required.	Ongoing develop to consider other risk factors as time permits.
1	3.2 Critical Assets	3.2.2	3.2.2 “Asset Risk Management Procedures” to document the recording procedures and risk matrix methodologies used. Asset Engineer	3.2.2 Asset Engineer	NIL	June 2016 Completed	Recording procedures developed via REFLECT forms on the following asset classes: Rural Box Culverts, Rural Causeways, Retaining Walls, Carpark. Methodologies will be incorporated into E2014/62240.
1	3.2 Critical Assets	3.2.3	3.2.3 Condition Inspections to include risk assessment rating	3.2.3 Asset Engineer / Roads & Bridge Engineer / Assets Maintenance Officer	Internal identified. NIL External	Ongoing	Electronic form adjusted to include Risk Assessment Rating. Condition Inspections status: Rural Box Culverts (14% complete, total of 80), Rural Causeways (5% complete, total of 85), Retaining Walls (2% complete, total of 56)

Priority	Component Activity	Goal No.	Goal / Task	Responsibility	Resource Required	Timeline	Current Status Comments
1	3.2 Critical Assets	3.2.4	3.2.4 Quality Management System for General Fund Assets (Water E2015/17758 and, Wastewater E2015/78848 Completed)	3.2.4 To Be determined	To Be determined	To Be determined	To define quality policy and basic Quality Management System. All critical activity processes to be documented in ProMapp.
2	1.3 Condition Data	1.3.1	1.3.1 Condition Inspection of high risk critical assets - Create a " CONDITION INSPECTION STRATEGY " to document methodologies, cycle inspections of Causeways, Culverts, Retaining Walls, Footbridges, Roadside Barriers.	1.3.1 Asset Engineer	NIL	2020 Completed	Completed 5 year inspection plan developed for: Rural Box Culverts, Rural Causeways, Retaining Walls
2	1.3 Condition Data	1.3.2	1.3.2 Load Condition data from other asset classes into register	1.3.2 Assets Sys. Officer / W & S Assets Officer	NIL	<i>Buildings & Parks</i> Completed	Condition data loaded for Roads, Parks and Stormwater assets
2	1.4 Lifecycle Cost Data	1.4.1 A	1.4.1 New Capital Infrastructure Project Scopes to include whole lifecycle costs for Councillors to consider with the decision making process. All new Assets MUST have a Project Scope with Whole of Life Costs (Design, Survey, Capital Construction, Maintenance, Capital Renewal, Disposal costs)	1.4.1 T Manager Works / Manager Water & Sewer	Consultancy services	June 2017	Assumptions of 80% as per IIMM to be used until Council achieves asset capacity and capability to accurately cost per asset type.
2	Governance & Management	1.4.1 B	Implement this asset management development program to improve Councils asset management maturity, particularly in the area of measurement and reporting of trends in service levels and risk that result from the available funding scenarios in the long term financial plan.	Manager of Assets & Major Projects / Manager of Finance / Manager of Governance	NIL	Ongoing	
2	1.4 Lifecycle Cost Data	1.4.2	1.4.2 Refer to 3.1.1	1.4.2 Refer 3.1.1	NA	NA	
2	1.4 Lifecycle Cost Data	1.4.3	1.4.3 Detailed Capital Works Long Term Plan 10 years for all critical assets identified in the AMP. <i>The 10 year financial sustainability plan for all Council functions will consider both the future anticipated income projections and the future expenditure requirements to sustain services. This plan will consider the expenditures identified in the Asset Management Plan and will provide input into the annual Council budget.</i>	1.4.3 Asset Management Coordinator/Team Leader Technical Services/ Manager Assets & Major Projects/ Director IS/ Manager Finance	NIL	June 2017	

Priority	Component Activity	Goal No.	Goal / Task	Responsibility	Resource Required	Timeline	Current Status Comments
2	2.1 Asset Management Plans	2.1.1	2.1.1 Strategic Asset Management Plans - Transport and Drainage underway AMP for PARKS. AMP for BUILDINGS. AMP to include Capital Works Long Term Plan with estimated costs. Key Performance Indicators detailed in AMP's – Pending	2.1.1 Asset Management Coordinator	NIL	Transport - Mar 2017, Parks - June 2017, Buildings - June 2018	Pending restructure recruitment of Asset Team position
2	2.1 Asset Management Plans	2.1.2	2.1.2 Levels of Service (LoS) customer detailed after community consultation for TRANSPORT AMP – Pending * <i>Asset Performance measures - Customer requests must all be recorded in CRM using the appropriate classifications for KPI Reporting. With Customer Service & Process improvement officer.</i> * <i>Collate AADT, crash data, into Road Segment layer for Performance analysis</i> * <i>Conduct Customer Service Level Satisfaction survey to determine performance of critical assets e.g. Roads, Bridges, Causeways, footpaths, Buildings</i>	2.1.2 Asset Management Coordinator	Consultant for Survey and or online resource such as Survey Monkey	<i>General Fund Asset Survey</i> Completed Sep 16	Roads LoS Survey Drafted
2	2.1 Asset Management Plans	2.1.3	2.1.3 Ensure that the AM Policy (E2016/19038) is implemented and communicated to the key stakeholders. Annual review of policy implemented by the Asset Management Working Group and Audit Committee. Ensure Council is briefed on their roles and governance responsibilities under the reviewed AM policy.	2.1.2 Asset Management Coordinator	NIL	Annually Ongoing Completed	E2016/19038 saved in new Corporate Governance Documents folder – 'Council's Current Policies'
2	4.2 Systems integration	4.2.1	4.2.1 Implementation of CVR. Develop Asset Accounting and Capitalisation Policy that assists in meeting the Fair Value Reporting (AASB116)	4.2.1 IT & Finance Accounts Manager	NIL	<i>June 2016 Buildings completed</i>	IT Project in build and data migration stage.
2	4.2 Systems integration	4.2.2	4.2.2 TRIM integration with AM. This project is yet to be scoped and prioritized. Requires IT sponsorship	4.2.2 IT	IT Project Plan	Unknown	

Priority	Component Activity	Goal No.	Goal / Task	Responsibility	Resource Required	Timeline	Current Status Comments
2	4.2 Systems integration	4.2.3	4.2.3 Integration with Customer Request Module and AM (Requires Authority upgrade to v6.10 and Customising CRM)	4.2.3 IT	NIL	Phase 3 due Feb 2017	Phase 1 Reconfigure CRM to improve user friendliness categories & workflows
2	4.2 Systems integration	4.2.4	4.2.4 Investigate integration between REFLECT and Authority CRM (Cairns Council have achieved this. Luis Santos is liaising. Requires IT project involvement)	4.2.4 Asset Systems Officer & IT	IT Project Plan	2019	Acquired Cairns Council project scoping documents.
3	1.1 Asset Classification/ Hierarchy	1.1.1	1.1.1 Building asset data from Finance to be imported into Asset Register. Building Validation of 2013 Revaluation APV with BSC AM register.	1.1.1a Finance Accounts Manager / Assets Systems Officer	IT Project Plan	June 2016	In progress
3	1.1 Asset Classification/ Hierarchy	1.1.2	1.1.2 Integrate Waste assets into the Authority Asset Register	1.1.2 Team Leader Resources Recover & Quarry	TBC	TCB	Waste bins Reflect audit underway.
3	1.2 Attributes and Location	1.2.1	1.2.1 Review of AM attribute checklist templates being conducted in conjunction with each revaluation.	1.2.1 Asset Systems Officer / Asset Management Coordinator	Consultancy Services	Ongoing	Review of AM attribute sets for Roads, Parks and part of Stormwater assets in conjunction with each revaluation
3	4.1 Asset Register	4.1.1	4.1.1 Integration with AM and TRIM (<i>Refer to 4.2.2</i>)	4.1.1 IT	NIL	End 2016	
3	4.1 Asset Register	4.1.2	4.1.2 Integration with AM and CRM (<i>Refer to 4.2.3</i>)	4.1.2 IT	NIL	End 2016	IT

Priority	Component/Activity	Goal number	Goal / Task	Responsibility	Resource Required	Timeline	Current Status Comments
3	4.1 Asset Register	4.1.3	4.1.3 Integration with AM and Reflect(Refer to 4.2.4)	4.1.3 IT / Asset Systems Officer	Consultancy Services	TBC	Pending Funding
3	Annual Reporting	5.1.A	Develop Asset Accounting and Capitalisation Policy that assists in meeting the Fair Value Reporting (AASB116)	Finance Accounts Manager	NIL	TBC	
3	Strategic Long Term Plan	5.2.B	Use a knowledge management strategy/system to ensure that appropriate and optimal decision support information is available to clearly communicate the cumulative consequences of decisions. E.g. Predicative Modelling Software	Asset Management Coordinator	Third party software vendor.	Completed	Purchased Assetic MyPredictor. Modelled Roads, Bridges and Footpaths.

7.2 Monitoring and Review Procedures

The Strategic Asset Management Plan has a life of 4 years (Council election cycle) and is due for complete revision and updating within one year of each Council election.

7.3 Performance Measures

The effectiveness of the strategic asset management plan can be measured in the following ways:

- Community support for the Scenario 2 and the associated outcomes in Council's (Fit For the Future) Improvement Plan.
- Achievement of the benchmark values for the infrastructure ratios set out in Council's (Fit For the Future) Improvement Plan.
- Achievement of the key outcomes associated with the implementation of Scenario 2 funding including reduced infrastructure renewal backlog, improved levels of service and reduced levels of risk.
- Continuous improvement in asset management as measured by internal and external audits.

8. REFERENCES

- ISO, 2014, ISO 55000, *Asset management – Overview, principles and terminology*, International Organization for Standardization, Geneva.
- ISO, 2014, ISO 55001, *Asset management – Management systems - Requirements*, International Organization for Standardization, Geneva.
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- IPWEA, 2014, 'NAMS.PLUS3 Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/namsplus.
- IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/AIFMG.
- IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/IIMM

9. APPENDICES

- Appendix A Asset Management Policy (E2016/19038)
- Appendix B Long Term Financial Modelling Figures
- Appendix C Adopted Capital Works for 2016/17
- Appendix D Projected 10 year Capital Renewal / New / Upgrade Works Program
- Appendix E Community Strategic Plan (CSP) Priority Areas and Organisational Objectives
- Appendix F Legislative Requirements
- Appendix G 2015 NSW Local Government Audit Preparedness Assessment Findings (E2016/7284)
- Appendix H 2013 Maturity Assessment (E2016/26245)
- Appendix I Byron Shire Council Financial Statements 30 June 2016 Note 9a
- Appendix J Byron Shire Council Financial Statements 30 June 2016 – Special Schedule No. 7
- Appendix K Methodology Report NSW Special Schedule 7 Financial Reporting 2015/16
- Appendix L Glossary

Appendix A - Asset Management Policy



POLICY TITLE ASSET MANAGEMENT POLICY

1. POLICY STATEMENT

Infrastructure assets support the provision of services to the community and to achieve the best value outcomes for the community. Assets must be managed if desired levels of service are to be achieved and maintained. Asset management has been identified at both a state and national level as crucial for local government being able to address the impact of aging infrastructure on service delivery and financial sustainability.

In 2009, the NSW Government amended the [Local Government Act 1993 \(NSW\)](#) to introduce the [Integrated Planning and Reporting \(IP&R\)](#) framework in a bid to foster a strong and sustainable Local Government system. The IP&R framework is composed of a suite of integrated processes and documents to streamline Local Government planning and reporting. This suite includes:

- A 10 year community strategic plan.
- A resourcing strategy (which includes an asset management strategy).
- A 4 year delivery program.
- A 1 year operational plan.
- An annual report.

Asset management is integral to the IP&R framework and council must account for and plan for all of the existing assets under its ownership, and any new asset solutions proposed in its Community Strategic Plan and Delivery Program. The council must prepare an Asset Management Strategy and Asset Management Plan/s to support the Community Strategic Plan and Delivery Program.

Asset management is a systematic process to guide the planning, operation, maintenance, acquisition, renewal, enhancement and disposal of assets. Asset management aims to maximise asset service delivery potential and manage related risks and costs over the entire life of assets.

Council recognises that asset management investment in accordance with an adopted policy will optimize the use of resources on infrastructure assets that are important to the local community and are fundamental to Council's overall service delivery. Council will develop and maintain assets in the most cost effective manner, driven by defined service levels and performance standards.

2. PURPOSE

The purpose of this policy is to set a framework and guide for the strategic management of Council's infrastructure assets in a structured and coordinated way. Assets are managed in accordance with community consultation, prioritisation and balancing aspirations.

3. OBJECTIVES

This policy guides Council's commitment to resource and maintain an asset management framework so that the following objectives are achieved:

- a) Strategically
- b) Community engagement on levels of service and infrastructure priorities is supported and well informed.



- c) IP&R requirements are addressed in accordance with the DLG Planning and Reporting Manual (2013) and asset management is independently assessed as compliant.
- d) Asset management improvement actions are identified, documented, monitored and reported to the community.
- e) Assets are managed in accordance with relevant legislation eg POEO Act (1997).
- f) Assets are managed in accordance with recognised best practise as detailed in the International Infrastructure Management Manual (2011) and ISO 55001 for asset management systems.
- g) Future funding needs are identified and allocated so that assets can meet their defined levels of service
- h) A lifecycle approach is taken in the development of operational, maintenance, acquisition, renewal, enhancement and disposal investment strategies.
- i) Risk is considered in the development of asset strategies and the impact of natural disasters on infrastructure and services is addressed.
- j) Asset performance is measured against defined levels of service and reported to the community.
- k) Assets are accounted in accordance with the requirements of the appropriate asset accounting standards and reporting requirements, including re-valuations.
- l) Core asset management capability is achieved with progression to advanced asset management through a continuous cycle of review and improvement.

4. POLICY IMPLEMENTATION

The Policy objectives will be achieved through the implementation of the actions associated with the following elements:

- a) Asset Management System
- b) Asset Management Strategy
- c) c) Asset Management Plans for specific asset classes
- d) d) Asset Management Information System

4.1 Asset Management System

Asset management outcomes are the result of the asset management system. Failure to develop the system and improve the system will result in deteriorating performance.

The key components in council's asset management system include:



- e) Asset management software
- f) Asset registers
- g) Asset condition assessments
- h) Asset valuations
- i) Predictive modelling
- j) Deterioration modelling
- k) Risk analysis
- l) Asset insurance
- m) Lifecycle costing
- n) Financial modelling
- o) Community evaluation
- p) Service level assessments
- q) Asset management strategy and plans
- r) Development servicing plans
- s) Asset acquisition, renewal, enhancement and disposal programs
- t) Asset operation and maintenance programs
- u) Asset system audits
- v) Organisation and regulatory reporting
- w) Strategic planning capability

4.2 Asset Management Strategy

The IP & R legislation specifies that the Asset Management Strategy must include a council endorsed Asset Management Policy. The Asset Management Strategy must identify assets that are critical to the council's operations and outline risk management strategies for these assets. The Asset Management Strategy must include specific actions required to improve council's asset management capability and projected resource requirements and timeframes.

Council's Asset Management Strategy will:

- a) Link and integrate Council's plan and resources, indicating which services are to be delivered through which assets;
- b) Forecast future service delivery needs and the capacity of assets to meet those, on short, medium and long-term bases;
- c) Provide a full overview of expenditure on new assets and the existing asset base;
- d) Specify asset management procedures, systems, resources and training; and
- e) Establish systems for asset performance measurement and to ensure theoretical system implementation is realised in practice.

Council has prepared an Asset Management Strategy (#1252114) included in the current CSP documentation. This Strategy should be updated as a priority action for the 2014/ 15 review of the CSP documentation.

4.3 Asset Management Plans

The IP &R legislation specifies that the Asset Management Plans must encompass all the assets under council's control. The plans must identify service standards and contain long term projections of asset maintenance, rehabilitation and replacement costs.

Council's individual Asset Management Plans will:

- a) Define levels of service within financial/resource/risk constraints;
- b) Present forecasts for acquisition, operation, maintenance and capital expenditure, and for revenue, where relevant;
- c) Specify the capital expenditure for renewing, upgrading or extending assets;
- d) Justify the contribution of each asset in terms of value for money for the Council; and
- e) Establish the targets and measures that will be used for monitoring progress with its implementation.

Asset management plans will be reviewed and revised following the formal revaluation process for an asset class due to enhanced condition assessment data and financial data. There is a rolling cycle of 3 – 5 years for revaluations as prescribed by the Division of Local Government. In 2014/15 the revaluation for council's roads is required. The updated asset management plans will in turn inform the review and update of the asset management strategy.

4.4 Asset Management Information System

Council has deployed the asset management module of the Authority enterprise system.

A plan for the improvement of asset management information system will be included in the asset management strategy.

The asset management (AM) module will be progressively integrated with other system modules in accordance with the following indicative timetable.

Specialist asset management software for functions such as field based asset condition assessment will be evaluated and deployed in accordance with the improvement plan.

System Module Integration	Deployment Target
Geographic Information System	Completed
Financial Management System	1 July 2014
Work Order Budgeting	2014/ 15 Financial Year
Authority 6.9 version	December 2014
Customer Relationship Management (CRM)	June 2015
Total Record Information Management (TRIM)	June 2016

5. ROLES AND RESPONSIBILITIES

5.1 Council and Advisory Committees

This policy is enacted through Council, as the custodians of community assets, to demonstrate the organisation's commitment to Council's vision and strategic objectives through an integrated and resourced asset management framework which includes appropriate advisory committees.

5.2 Asset Management Resources

Council will resource the capability and capacity to lead asset management and maintain the core functions of an asset management system as detailed in this policy.

5.3 The Asset Management Working Group (AMWG)

"All council's, irrespective of size or location, need to ensure that the sustainable management of assets is a 'whole of council' responsibility, and that this is recognized at all levels within the council" (DLG Planning & Reporting Manual 2013).

The purpose of the Asset Management Working Group (AMWG) is to facilitate and coordinate asset management across the organisation.

The AMWG will implement, monitor and report on the delivery of actions articulated in the asset management strategy and asset management plans that are associated with this policy.

6. AUDIT AND REVIEW

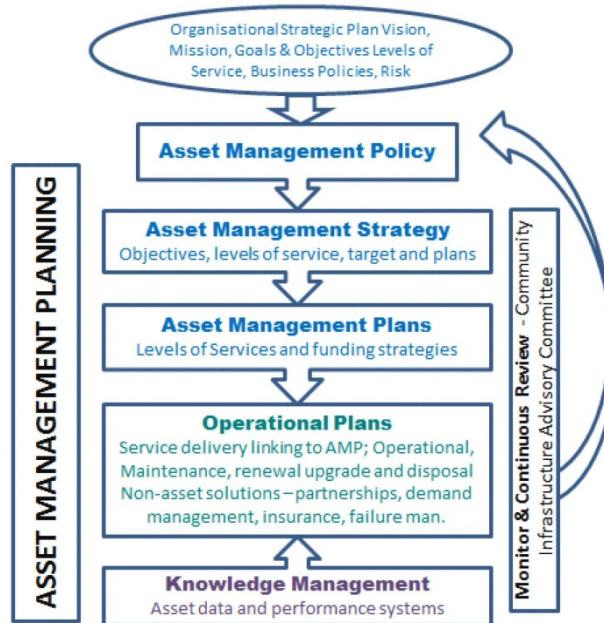
The implementation of this policy and the associated asset management framework will be subject to audit and review by council's internal and external auditors.

This policy shall be reviewed every four years to ensure that it meets the requirements of legislation and the needs of Council.

7. TOTAL ASSET MANAGEMENT PROCESS PLANNING FLOWCHART

Sourced from the International Infrastructure Management Manual 2011, Institute of Public Works Engineering Australia (IPWEA).

Figure 1. The Corporate Asset Management Framework.





Reference: International Infrastructure Management Manual 2011, Institute of Public Works Engineering Australia (IPWEA).

8. DEFINITIONS

Asset Management

Asset Management is the systematic and coordinated activities and practices through which an organisation optimally manages its physical assets, and their associated performance, risks and expenditures over their lifecycle for the purpose of achieving its organisational strategic plan.

Asset Management System

The Asset Management System encompasses all interrelated elements involved in the management of infrastructure assets.

Asset Management Strategy

The Asset Management Strategy demonstrates how support the Community Strategic Plan and Delivery Program outcomes will be achieved through infrastructure assets and what improvement actions are required.

Asset Management Plan

A plan developed for the management of one or more infrastructure assets that combines multi disciplinary management techniques (including technical and financial) over the lifecycle of the assets in the most cost effective manner to provide a specified level of service. A significant component of the plan is long-term cash flow projection for the activities (IPWEA, 2006).

Asset Management Information System

An Asset Management Information System is the foundation of all Asset Management Practices. It is a combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment. The AM Information System links to other information systems within Council such as the Property System, Geographic Information System, Finance System and Document Management System integrating AM with the rest of Council's operations.

Asset

A physical component of a facility which has value, enables services to be provided and has an economic life of greater than 12 months. They represent not only physical objects or rights which have some monetary value, but also result from expenditure from which the benefit is yet to be derived.

Infrastructure Asset

Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components that are usually renewed or replaced individually to continue to provide the required level of service from the network. Some examples are: roads; footpaths and cycleways; water reticulation infrastructure; bridges; and municipal buildings.

Asset Life Cycle

This is the period of ownership of an asset from the planning and design phase through to decommissioning or disposal.

Level of Service

Defining and meeting community expectations in relation to the quality and quantity of services delivered by Council. In the context of asset management, this applies to assets such as roads.



Appendix B – Long Term Financial Modelling Figures

LONG TERM FINANCIAL PLANNING													
Financial year ending - Excluding Water & Sewerage	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	10 YEAR TOTAL	AVERAGE YEAR	
Required Maintenance budget From SS7 30.06.2016 Pg17	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000	\$4,650,000			
Forecast Renewal from SS7 (30.06.2016) = Note 9a Annual Depreciation Expense for 2016. Less Water and Sewer	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700	\$7,381,700			
SS7 Cost to bring to Satisfactory	\$38,152,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Projected Outlay	\$50,183,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$158,468,999	\$15,846,900	
											\$158.5	\$15.8	
Projected Lifecycle Costs	\$50,183,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$12,031,700	\$158,468,999	\$15,846,900	
											10 years	\$158.5	\$15.8
											5 years	\$98,310	\$19,662
LONG TERM FINANCIAL PLANNING - Scenario 1 (Current Spend)												10 YEAR TOTAL	AVERAGE YEAR
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10				
2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027				
Transport	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000			
Urban Stormwater	430,000	430,000	430,000	430,000	430,000	430,000	430,000	430,000	430,000	430,000			
Rural Drainage	303,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000			
Building and Public Amenities	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000			
Parks and Open Space	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000			
Total	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000	9,733,000			
Scenario 1 Forecast Available	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$9,733,000	\$97,330,000	\$9,733,000	
											10 years	\$97.3	\$9.7
											5 years	\$48,665	\$9,733
LONG TERM FINANCIAL PLANNING - Scenario 2 (with a 10% Rate Variation)												10 YEAR TOTAL	AVERAGE YEAR
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10				
2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027				
Transport	9,483,700	10,565,900	11,756,300	11,065,800	11,065,800	11,065,800	11,065,800	11,065,800	11,065,800	11,065,800			
Urban Stormwater	495,100	566,700	645,400	732,100	732,100	732,100	732,100	732,100	732,100	732,100			
Rural Drainage	348,900	399,300	454,800	515,800	515,800	515,800	515,800	515,800	515,800	515,800			
Building and Public Amenities	2,302,700	2,635,700	3,002,000	3,404,900	3,404,900	3,404,900	3,404,900	3,404,900	3,404,900	3,404,900			
Parks and Open Space	575,700	659,000	750,600	851,300	851,300	851,300	851,300	851,300	851,300	851,300			
Total	13,206,100	14,826,600	16,609,100	16,569,900	16,569,900	16,569,900	16,569,900	16,569,900	16,569,900	16,569,900			
Scenario 2 Forecast Available	\$13,206,100	\$14,826,600	\$16,609,100	\$16,569,900	\$16,569,900	\$16,569,900	\$16,569,900	\$16,569,900	\$16,569,900	\$16,569,900	\$160,631,100	\$16,063,110	
											10 years	\$160.6	\$16.1
											5 years	\$77,782	\$15,556



Appendix C - Adopted works program 2016/17

GENERAL FUND CAPITAL WORKS

Project Description	Ref	2016/17 Budget	Funding Summary - 2016/17				
			Grants / Contribs	Section 94	Loans	Reserves	Special Rate Funded
Drainage							
Locality: Byron Bay							
Burns Street Open Drain Maintenance (use Levy as this funded the wetland)	Not Applicable	1,000				1,000	
Lilly Pilly Drain Maintenance (use Levy as this funded the wetland)	Not Applicable	1,000				1,000	
22 Bangalow Road - resolve stormwater flooding of backyard	New	50,000				50,000	
Bay lane oveland flow path and system application	Upgrade	10,000				10,000	
Locality: Ocean Shores							
SGB Street Drainage Upgrade - Peter Street	New	203,000				203,000	
SGB Street Drainage Upgrade - Robin Street	New	179,000				179,000	
SGB Street Drainage Upgrade - Helen Street (east)	New	15,000				15,000	
Pipe existing drain along the edge of The Strand	New						
Locality: Mullumbimby							
8 Jubilee Ave - resolve flooding in front yard and nature strip	New	10,000				10,000	
Locality: Brunswick Heads							
Massey Green Caravan Park Stormwater infrastructure renewal	Renewal	15,000					15,000
Locality: Bangalow							
Bangalow Wetland Maintenance (use Levy as this funded the wetland)	Not Applicable	2,000				2,000	
16 Leslie Street - prevent flooding under house	New	55,000				55,000	
Locality: Various							
Minor urgent works	Renewal	10,000				10,000	
Reseal/Renewal Program							
Proposed Reseal Projects		650,000				625,000	25,000
Rural Roads Program							
Federal Drive, Goonengerry, pavement upgrade	Renewal	730,000	730,000				
Locality: Rural North							
Grays Lane, Tyagarah, pavement upgrade	Not Applicable	50,000		50,000			
Settlement Rd	Not Applicable	30,000					30,000
Coolamon Scenic Drive - Land Acquisition	New	100,000				100,000	
Locality: Rural South							
Rifle Range Road Intersection Upgrade at Lismore Road	Upgrade	54,800					54,800
Broken Head Road	Renewal	600,000				600,000	
Urban Roads Program							
Locality: Byron Bay							
Byron Bay Bypass		11,950,000	9,450,000	2,500,000			
Lawson/Massinger Street, Byron Bay, roundabout and drainage and kerb & gutter	Upgrade	583,200	-	583,200		-	
Byron Bay Bypass Stage 2 investigations	Not Applicable	250,000	250,000				
Byron St	Renewal	645,000				645,000	
Locality: Ocean Shores							
Roundhouse funded road renewals	Renewal	2,688,800				2,688,800	
Locality: Suffolk Park							
Clifford Street intersection with Broken Head Road, Suffolk Park, traffic control upgrade (RMS) (subject to funding)	Upgrade	1,200,000	1,200,000				



GENERAL FUND CAPITAL WORKS

Project Description	Ref	Funding Summary - 2016/17						
		2016/17 Budget	Grants / Contribs	Section 94	Loans	Reserves	Special Rate Funded	Council Revenue
Urban Improvements								
Project Investigation & Planning								
Locality: Byron Bay								
Bayshore and Ewingsdale Roundabout (subject to funding)		2,500,000	1,880,000	620,000				
Parking Implementation		100,000				100,000		
Locality: Mullumbimby								
Locality: Brunswick Heads								
Tweed Street Master Plan	Not Applicable					-		
Locality: Bangalow								
Local Roads & Drainage - Total		25,000,100	14,140,000	4,449,000	0	5,729,800	415,100	266,200
RMS								
Regional REPAIR Program - Broken Head Rd 763 - pavement reconstruction near House - 5045m south of Clifford St - approx 400m long		311,000	311,000	-				
Ewingsdale Road		60,000				60,000		
RMS - Total		371,000	311,000	-	-	60,000	-	-
Open Space and Recreation								
Locality: Byron Bay								
Civic Improvements Byron Bay Town Centre	Upgrade	450,000		100,000		350,000		
Byron Bay Town Centre Upgrade - Landscape/Precinct Plan	New	53,000					53,000	-
Upgrade Pathway lights from Apex Park to Clarkes Beach	Renewal	60,000				60,000		
Belongil Beach Access Upgrade	Upgrade	20,000		20,000				
Apex Park Upgrade (Sprinklers and Turf Management)	Upgrade	50,000				50,000		
Locality: Mullumbimby								
Heritage Park Play equipment	New	-		-				
Pool park Mullumbimby P/N 35350 Play equipment and shade sail	Upgrade	-		-		-		
Pine Ave sports ground Mullumbimby P/N 128960 Play equipment and shade sail	Upgrade	47,000		47,000				
Pine Avenue Soccer Fields - replace fencing	Renewal	30,000	30,000					
Heritage Park upgrade	Upgrade	57,000		57,000				
Heritage Park boat ramp upgrade	Upgrade	30,000	30,000					
Locality: Brunswick Heads								
Brunswick Heads Recreation Ground 6 Bay Storage Shed adjacent to Carpark	New	37,000	37,000					
Brunswick Heads Recreation Ground Carpark Reconstruction	Upgrade	5,000	5,000					
South Beach Tennis Court	Renewal	26,000						26,000
Sports Ground Storage Sheds (subject to funding)	New	100,000	100,000					
Landscape Desigh Plan Brunswick Heads	Upgrade							-
Locality: Bangalow								
Solar lighting around walking track PN 238382	New	5,000		5,000				
Bangalow Railway Park site rationalisation	Upgrade	30,000						30,000
Railway Park Toilet Block Refurb	Upgrade							-
Sports field electrical upgrades	Upgrade	25,000						25,000
Bangalow Weir	Renewal	150,000						150,000
Dip Site Carpark	New							-
Locality: Ocean Shores								
Waterlily park P/N 63020 Play unit and Shade sail	New			-				
Fern Beach P/N 227610 Play unit & sail	Upgrade	41,000		41,000				



GENERAL FUND CAPITAL WORKS

Project Description	Ref	Funding Summary - 2016/17						
		2016/17 Budget	Grants / Contribs	Section 94	Loans	Reserves	Special Rate Funded	Council Revenue
Installation of 2 x Grandstands at Tom Kendall Oval	New	8,000	8,000					
Shara Boulevard Sports Fields Development	New	733,000		733,000				
Revised Plan of Management - all sporting fields shire wide	Upgrade	15,000	15,000					
Outdoor Exercise Equipment	New	55,000		55,000				
Waterlily playscape	New					-		
Waterlily park shelter and BBQ	New							-
Devines Hill Boardwalk	New							-
North Shire Works Funded from Roundhouse		332,700				332,700		
Locality: Other								
Public Bubblers	Renewal	40,000		40,000				
Federal Tennis Court Surface Replacement	Renewal	26,000						26,000
Open Space and Recreation - Total		2,425,700	225,000	1,098,000	0	792,700	53,000	257,000
Asset Management Planning								
Tyagarah Airfield Development and Subdivision		50,000				50,000		
Lot 22 Mullumbimby South Development		50,000				50,000		
Depot Relocation		10,000				10,000		
Surplus Property Sales		100,000				100,000		
Asset Management Planning - Total		210,000	0	0	0	210,000	0	0
Waste Disposal Facility								
BWRF - EPS Recycling		40,000				40,000		
BWRF - Cardboard Recycling		45,000				45,000		
BWRF - Resource Recovery Ctr Master Plan		82,000				82,000		
BWRF -Public Place Recycling Enclosures		30,000				30,000		
Minor Capital		50,000				50,000		
Tip Rehab - Leachate System		80,000				80,000		
Resource Recovery Centre Upgraded Expansion		150,000				150,000		
Waste Disposal Facility - Total		477,000	0	0	0	477,000	0	0
Cavanbah Centre								
External Door for Commercial Kitchen on to western veranda								-
Vending machines X 2								-
Market Infrastructure		35,000						35,000
Club trophy cabinets								-
Mirror wall plus curtains Ballet room								-
Full Wall mirror and rail								-
Byron overflow carpark								-
Floor Tiles (\$5.40 each at .5mx.5m)		15,000						15,000
Revenue Capital Works Adjustment								-
Cavanbah Centre - Total		50,000	-	-	-	-	-	50,000



GENERAL FUND CAPITAL WORKS

Project Description	Ref	2016/17 Budget	Funding Summary - 2016/17					Council Revenue
			Grants / Contribs	Section 94	Loans	Reserves	Special Rate Funded	
Caravan Parks								
First Sun								
Cabins	Renewal	200,000				200,000		
Lodgings	Renewal	60,000				60,000		
Safari Tents	Upgrade	50,000				50,000		
Bbqs, Signs, Minor works	Upgrade	75,000				75,000		
Amenities/Camp Kitchen Refurbishment	Upgrade	230,000				230,000		
Laundry Refurbishment	Upgrade	50,000				50,000		
Turf Upgrade Management	Upgrade	7,000				7,000		
Sub Total		672,000	0	0	0	672,000	0	0
Suffolk Park								
Cabins	Upgrade	540,000				540,000		
Safari Tents	Upgrade	50,000				50,000		
Amenities Block Replacement	Upgrade	350,000				350,000		
Bbqs, Signs, Minor works	Renewal	50,000				50,000		
Sub Total		990,000	0	0	0	990,000	0	0
Total Council Parks		1,662,000	0	0	0	1,662,000	0	0
Facilities Management								
Byron Bay Pool Improvements		70,200				47,900		22,300
Mullumbimby Pool Improvements		21,600						21,600
Suffolk Park Hall Upgrade		300,000		300,000				
Public Toilet Upgrade - Special Rate Variations		61,300				0	61,300	
Railway Park Toilet Block Refurb	Upgrade	50,000					50,000	
Byron Bay Library		250,000		0	0	250,000		
Mullumbimby Administration Centre		31,600						31,600
Carpet Replacement		53,400				0		53,400
Chambers Air Con Upgrade		20,000				0		20,000
Facilities Management - Total		858,100	0	300,000	0	297,900	111,300	148,900
Total General Fund		32,130,900	14,711,000	5,847,000	-	10,271,400	579,400	722,100



Appendix D - Projected 10 Year Capital New / Renewal / Upgrade Program

Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
GENERAL FUND												
Library Services												
Mullumbimby Library- New purpose built circulation desk	Upgrade	5,000										
Mullumbimby Library – internal renovation to expand workroom. In order to do this effectively the area would include the staff area, circulation desk and workroom.	Upgrade	15,000										
Brunswick Heads Library – New purpose built circulation desk	Upgrade		5,000									
Brunswick Heads Library An awning over front entrance of library giving patrons an all weather access point (this area gets wet and dangerous)	Upgrade		30,000									
Brunswick Heads Library - major renovation to the area out the back of the library which is underutilised due to poor standards and inadequate design. Would include removal of walls to open up the library space, providing more public space and create a new workroom area. Incorporate disabled access into the design	Upgrade					100,000						
Local priorities Grant to be allocated				30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Library Services - Total		20,000	35,000	30,000	30,000	130,000	30,000	30,000	30,000	30,000	30,000	30,000



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
LOCAL ROADS & DRAINAGE												
Roads Reconstruction												
Broken Head Road, Broken Head – near house no 76		12,000										
Tweed Street Master Plan		120,000										
Tweed Valley Way, North of Jones Rd		4,600										
Wilson Ck Bus Bay		133,600										
Roads Reconstruction (RTR Program)												
Bangalow Rd Telofa - Stage 2		-										
Carparking												
Parking Demand and Supply Study Bangalow/Brunswick/Mullum/Byron (Carparking S94 Old Plan)		15,200										
Parking Meters - Byron Bay		100,000										
Poinciana Car Park, Mullumbimby, upgrade		99,900										
Parking Studies for Bangalow, Brunswick Heads & Mullumbimby		74,700										
Survey and design and legal costs for a car park at Bangalow sports fields		30,000										
Butler Street Car park		100,000										
Lawson St South Carpark - extension of carpark to Railway Park	New		210,000									
Rails Carpark - upgrade carpark & introduce pay parking	New											
Bridges												
Parkers Bridge - condition 3 & condition 4 element replacements & repairs		214,300										
2008/09 Bridge - O'Meara's		224,600										
Footpaths/Kerb and Gutter Works												
Revision of PAMP		25,100										
Marine Parade Footpath at Watego's		241,300										
Rural Roads Program												
Pavement condition surveys and valuations		15,100										
Urban Roads Program												
Left Bank Rd & Azalea Sts, Mullumbimby - Stage 1		408,100										
Orana Road Ocean Shores		153,600										
Broken Head Road - Rehabilitation		17,600										
Lighthouse Road, Byron Bay (500m from the turn off to The Pass towards the Lighthouse) Design Only		20,000										



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Roads Pavement Renewals												
Locality: Rural North												
Myocum Rd Segment 545.10 CH1.59-2.44km		370,000										
Myocum Rd Segment 545.10 CH0.6-1.04km	Renewal		600,000									
Myocum Rd Segment		490,000										
The Pocket Rd Segment 568.10 CH1.79-2.81km (Design Only)		20,000										
The Pocket Rd Segment 568.10 CH1.79-2.81km	Renewal				565,000							
Bangalow Rd Segment 1190.50 CH7.94-8.62km (Design Only)		20,000										
Main Arm Rd Segment 452.90 CH 14.84-15.18km (Design Only)												
Main Arm Rd Segment 452.20	Renewal			1,060,000								
Myocum Rd Segment 545.20 CH 2.4 Possum Shoot Intersection 100m (Design Only)	Renewal			20,000								
Myocum Rd Segment 545.20 CH 2.4 Possum Shoot Intersection 100m	Renewal				180,000							
Myocum Rd Segment 545.20 CH 6.27-6.57km (Design Only)	Renewal			20,000								
Myocum Rd Segment 545.20 CH 6.27-6.57km	Renewal				260,000							
Myocum Rd Segment 545.20 CH 5.41-5.84km (Design Only)												
Myocum Rd Segment 545.20 CH 5.41-5.84km												
The Pocket Road, Segment 568.30 CH 7.28-7.38km	Renewal						100,000					
The Pocket Road, Segment 568.1 CH 3.51-3.69km	Renewal						120,000					
The Pocket Road, Segment 568.1 CH 2.81-3.42km	Renewal							350,000				
Proposed Reconstruction Works - Fingal Street		511,900										
Proposed Reconstruction Works - Massinger St - Kipling to Carlyle Streets		411,300										
Wilson's Creek Rd	Renewal			340,000								
Locality: Rural South												
Bangalow Rd Segment 1190.50 CH7.94-8.62km	Renewal			880,000								
Bridges												
Locality: Rural North												
Kings Bridge	Upgrade			10,000	90,000							
Main Arm Road - Blind Mouth causeway upgrade - construction	Upgrade	549,900	380,100									
South Arm Bridge Walkway Repairs		-										
Locality: Byron Bay												
Belongil Creek Bridge Works	Renewal			600,000								
Belongil Bridge Pile Repairs		215,000										
Locality: Various												
Bridge works subject to future bridge inspections	Renewal		184,100	153,000	56,100	159,300	162,600	166,000	169,600	173,000	173,000	173,000
Locality: Rural South												
O'Meara's Bridge Renewal	Renewal		350,000	965,000								
Scarrabelottis Bridge (if replacement required) or other bridge - loan funding for new bridge	Renewal	97,100	-	100,000	500,000	500,000						
James Bridge Renewal	Renewal		85,000	500,000								
Parkers Bridge Renewal					500,000	500,000						
Booyong Bridge Renewal							500,000	500,000				
Byron Creek Bridge Refurbishment									500,000	500,000		
Purchase of Surplus ADF Bridges	Renewal	266,000										



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cycleways												
Suffolk park to Byron Bay - on road cycleway												
Cycleway - Bangalow Rd Tennyson St to Old Bangalow Rd		-			80,000	80,000						
Cycleway - Ewingsdale Road, McGettigans Lane to Highway			-	109,900								
Footpaths/Kerb and Gutter Works												
Access ramps and footpaths Works		53,000	65,600	74,900	79,800	85,000	90,500	96,300	102,300	108,600	108,600	108,600
Replacement of damaged Kerb and Gutter Shire Wide as per inspection Report		22,500	22,500	24,900	26,200	27,600	29,000	30,500	32,100	33,800	35,500	35,500
Replacement of damaged Footpaths Shire Wide as per inspection Report		90,000	90,000	95,500	98,400	101,400	104,400	107,500	110,700	116,200	116,200	116,200
Locality: Byron Bay												
Marine Parade Footpath at Watego's		-	250,000									
Marvel St, Byron Bay - northern side Tennyson St to Middleton St			60,000									
Locality: Ocean Shores												
Rajah Road/Orana Road, ocean Shores, - new path from Shopping Centre to Wirree Drive		30,000		150,000								
Locality: Brunswick Heads												
The Terrace & Mullumbimbi Sts intersection				65,000								
Locality: Bangalow												
Leslie Street to Station St, Bangalow - footpath and stairs / ramps across railway line			20,000									
Mullum High School Footpaths		22,000										
Wilson Creek School Footpath		14,000										
Drainage												
24 South Beach Lane - overland flow path		2,100										
16 Little Burns Street - System amplification to resolve stormwater flooding		2,700										
SGB Street Drainage Improvements		20,000										
Ruskin Lane Stormwater Augmentation		125,900										
Burns Street Open Drain Maintenance (use Levy as this funded the wetland)		1,000										
Lilly Pilly Drain Maintenance (use Levy as this funded the wetland)		1,000										
Wordsworth Street Street System Amplification		24,000										
Pipe Dryden Street inlet pit to Shirley street		14,700										
22 Bangalow Road - resolve stormwater flooding of backyard		15,000										
SGB Street Drainage Upgrade Stage 2 - Rear easements Augmentation West side		20,000										
SGB Street Drainage Upgrade Stage 3 Peter Street		15,000										
Water Lilly Park Lake - remediation options study		35,000										
8 Jubilee Ave, Mullumbimby drainage to eliminate problems with tree roots blocking stormwater flows		5,000										
Coolamon Scenic Dr near Mango Lane -culvert repair due to subsidence		30,000										
Replace pipeline through parcel No.54730												
Langi Place replace pipes between D000012132 and D000012132												
Matong Drive replace pipes between pits D000011322 and D00001321												



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Drainage												
Locality: Byron Bay												
Burns Street Open Drain Maintenance (use Levy as this funded the wetland)	Maintenance		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Lilly Pilly Drain Maintenance (use Levy as this funded the wetland)	Maintenance		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
22 Bangalow Road - resolve stormwater flooding of backyard	New		50,000									
Bay lane overland flow path and system application	Upgrade		10,000	120,000								
44 Kingsley Lane - Kerb and Gutter to prevent property flooding	New			10,000	100,000							
18 Old Bangalow Road - pipe open drain to reserve	New				10,000	45,000						
38 Byron Street - lower rear footpath to allow overland flows from low spot	Upgrade										10,000	40,000
40a Marvel Lane - resolve flooding of yard	New										10,000	60,000
Investigate bank erosion and protect assets adj Childe Street/Manfred St	Not Applicable			30,000								
Belongil Voluntary House Raising (1:2 grant)	Not			60,000								
Lighthouse Road Stormwater												
Locality: Ocean Shores												
9 Bian Court - Control run off from uphill properties	New							10,000	140,000			
Gaggin Street New Brighton - resolve property flooding poor subdivision driveway designs	New										10,000	60,000
Brunswick Street New Brighton - pipe open drain and regen outlet	New										10,000	80,000
24 Balemo Drive - Overland flow to golf course	New										60,000	80,000
SGB Street Drainage Upgrade - Peter Street	New		203,000									
SGB Street Drainage Upgrade - Robin Street	New		179,000									
SGB Street Drainage Upgrade - Helen Street (east)	New		15,000	88,000								
SGB Street Drainage Upgrade - Elizabeth Street	New			15,000	171,000							
SGB Street Drainage Upgrade - Pacific Esplanade	New				15,000	41,000						
SGB Street Drainage Upgrade - Phillip Street	New				15,000	107,000						
SGB Street Drainage Upgrade - Clifford Street	New					15,000						
SGB Street Drainage Upgrade - Gloria Street (east)	New						77,000					
SGB Street Drainage Upgrade - Beach Avenue	New						15,000	203,000				
SGB Street Drainage Upgrade - Royal Ave & Gloria (west)	New							15,000	147,000			
SGB Street Drainage Upgrade - Rear easements Augmentation East side	Renewal								15,000	149,000	250,000	
SGB Street Drainage Stage - Rear easements Augmentation West side	Renewal										15,000	250,000
Replace pipeline through parcel No.54790	Renewal			15,000	100,000							
Rock protection of capricornia canal revetment walls	Renewal											650,000
Langi Place replace pipes between D000012132 and D000012132	Renewal			10,000	50,000							
Matong Drive replace pipes between pits D000011322 and D00001321	Renewal			10,000	50,000							
Pipe existing drain along the edge of The Strand	New				10,000	60,000						
Locality: Mullumbimby												
8 Jubilee Ave - resolve flooding in front yard and nature strip	New		10,000	60,000								
Studal Lane Drainage System Upgrade	Upgrade								10,000	100,000		
Station Street - System amplification to resolve stormwater flooding	Upgrade								10,000	100,000	100,000	
Upgrade culvert @ Whian and Stuart Street Intersection	Upgrade									100,000		
Locality: Brunswick Heads												
Fingal Lane - prevent flooding issues from lane developments	New					10,000	120,000					
Lane 6 Brunswick Heads - simplify system to prevent property flooding	Upgrade						10,000	110,000				
48 Fingal Street - System amplification overland flow not available	Upgrade										10,000	130,000
44 The Terrace - Pipe soakage pit to existing system or new system	Upgrade										15,000	100,000
Minyon and Teven - System amplification	Upgrade										20,000	125,000
Massey Green Caravan Park Stormwater infrastructure renewal	Renewal		15,000	-		280,000						



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Drainage continued												
Locality: Bangalow												
Bangalow Wetland Maintenance (use Levy as this funded the wetland)	Maintenanc		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
16 Leslie Street - prevent flooding under house	New		55,000									
Bangalow Parklands weir project	Renewal			100,000								
Locality: Suffolk Park												
Raise footpath at Tallow Lake	Upgrade		-									
Upgrade Broken Head Road Crossing at BP Servo	Upgrade			30,000	450,000							
Upgrade Coogera Circuit Detention Basin	Upgrade				30,000	500,000						
Locality: Various												
Minor urgent works	Renewal		10,000	9,000	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Reseal/Renewal Program	Renewal			700,000	900,000	1,100,000	1,300,000	1,500,000	1,700,000	1,900,000	2,000,000	2,000,000
Proposed Reseal Projects	Renewal		650,000									
Main Arm Rd Segment 452.70 CH 11.20-12.02km	Renewal	21,000										
Myocum Rd Segment 545.20 CH 2.66-3.43km	Renewal	41,600										
Myocum Rd Segment 545.10 CH 1.04-1.54	Renewal	42,800										
Bangalow Rd Segment 1190.50 CH 7.56-7.93km	Renewal	17,500										
Bangalow Rd Segment 1190.40 CH 5.87-6.11km	Renewal	10,900										
Bangalow Rd Segment 1190.10 CH 0.05-1.70km	Renewal	72,000										
Coolamon Scenic Drv Segment 521.30 CH 0.48-2.20km	Renewal	27,300										
Wilson's Creek Rd Segment 498.40 CH 9.61-10.05km	Renewal	34,200										
Wilson's Creek Rd Segment 498.40 CH 8.15-8.54km	Renewal	24,200										
Wilson's Creek Rd Segment 498.40 CH 7.65-6.84km	Renewal	81,000										
Lighthouse Rd from Palm Valley Way to carpark	Renewal	32,700										
Main Arm Rd	Renewal	32,100										
Main Arm Rd	Renewal	16,700										
Binna Burra	Renewal	-										
Coolamon Scenic Drive	Renewal	100,700										
Bangalow Rd	Renewal	16,800										
Bangalow Rd	Renewal	19,400										
Bangalow Rd	Renewal	27,800										
Coolamon Scenic Drive	Renewal	-										
Coolamon Scenic Drive	Renewal	-										
Main Arm Rd	Renewal	-										
Main Arm Rd	Renewal	-										
Main Arm Rd	Renewal	-										
Wilson Creek Rd	Renewal	31,300										
Bangalow Rd	Renewal	-										
Bangalow Rd	Renewal	-										
Bangalow Rd	Renewal	-										
Bangalow Rd	Renewal	-										
Bangalow Rd	Renewal	-										
Left Bank Rd	Renewal	32,500										
Federal Drive	Renewal	74,300										
Myocum Rd	Renewal	20,200										
Myocum Rd	Renewal	90,800										
Eureka Rd	Renewal	-										
Eureka Rd	Renewal	-										
Wilson Creek Rd	Renewal	51,700										
Main Arm Rd	Renewal	47,300										
Springvale Road	Renewal	12,800										



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Reseal/Renewal Program cont.												
Myocum Rd	Renewal	69,500										
Myocum Rd	Renewal	25,500										
Myocum Rd	Renewal	126,700										
Left Bank Rd	Renewal	116,700										
Federal Drive	Renewal	13,700										
Federal Drive	Renewal	97,100										
Federal Drive	Renewal	72,300										
Bangalow Road	Renewal	28,500										
Rural Roads Program												
Projects to be determined	Renewal				42,300							
Broken Head Road, Suffolk Park - south of Clifford St for 450m		820,600										
Skidders Shoot Rd Final Seal and AC required to remediate works funded by residents		33,100										
Bangalow Road, Hayters Hill, pavement upgrade	Upgrade	150,000										
Federal Drive, Goonengerry, pavement upgrade	Renewal	150,000	730,000									
Coolamon Scenic Drive - Land Acquisition		20,000										
Rifle Range Road Intersection Upgrade at Lismore Road		78,900										
Safer Roads project - Coolamon Scenic Drive		475,000										
Locality: Rural North												
Grays Lane, Tyagarah, pavement upgrade	Upgrade		50,000			950,000						
Settlement Rd	Not		30,000	-								
Coolamon Scenic Drive - Land Acquisition	New		100,000									
Main Arm Rd	Renewal				600,000							
Coolamon Scenic Drive - Construction Works (RTR)	Renewal		-	660,000								
Locality: Rural South												
Bangalow Road, Hayters Hill, pavement upgrade (RTR)	Renewal		-	-	500,000							
Rifle Range Road Intersection Upgrade at Lismore Road	Upgrade		54,800	441,200								
Broken Head Road	Renewal		600,000	600,000								
Urban Roads Program												
Locality: Byron Bay												
Byron Bay Bypass		800,000	1,350,000									
Middleton St, Byron Bay - Bay St to Lawson St		340,000										
Tahra Crescent, Ewingsdale, turning head and drainage controls	Renewal				50,000							
Road pavement reconstruction works in Byron Bay Town Centre with locations to be determined using new road condition survey from 2015 and funded from Council Paid Parking Reserve funds	Renewal		-	-	700,000	650,000	700,000	1,550,000	1,600,000	1,650,000	1,700,000	1,750,000
Paterson St	Renewal			750,000								
Old Bangalow Rd, west of Cemetery Rd	Renewal			-	200,000							
Lawson/Massinger Street, Byron Bay, roundabout and drainage and kerb & gully	Upgrade	748,700	583,200									
Byron Bay Bypass Stage 2 investigations	Not		250,000									
Byron St	Renewal		645,000									
Locality: Ocean Shores												
Kolora Way, Ocean Shores - Stage 1		510,000										
Kolora Way, Ocean Shores, Bridge Upgrade and bikeway extension to Redgate Road		23,400										
River Street, New Brighton	Renewal											
Orana Road Ocean Shores	Renewal											
Roundhouse funded road renewals	Renewal		2,688,800									
Locality: Mullumbimby												
Station St, Mullumbimby - Fern st to Lane 9	Renewal				200,000							
Fern St	Renewal			535,000								



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Urban Roads Program cont.												
Locality: Brunswick Heads												
The Terrace - Fingal St to Mullumbimbi St	Renewal			330,000								
Locality: Suffolk Park												
Clifford Street intersection with Broken Head Road, Suffolk Park, traffic control upgrade (RMS) (subject to funding)	Upgrade	400,000	1,200,000									
Locality: Various												
Paid Parking fund to be spend shire wide. (this is half of revenue collect, the other half goes to Byron Bay)	Renewal				1,400,000	1,450,000	1,500,000	1,550,000	1,600,000	1,650,000	1,700,000	1,750,000
Special Rate Increase allocated to Bridges and Roads	Renewal				-	3,520,000	4,400,000	4,700,000	5,050,000	4,900,000	4,900,000	4,900,000
Black Spot Programme												
Brunswick Valley Way/Tweed Valley Way/Yelgun - Intersection Upgrade		300,000										
Wilson's Creek Road, East of Montecullum Road, Mullumbimby		176,300										
Urban Improvements												
Project Investigation & Planning		150,000										
Locality: Byron Bay												
Bayshore and Ewingsdale Roundabout (subject to funding)		528,400	2,500,000									
Parking Implementation			100,000									
Locality: Mullumbimby												
Locality: Brunswick Heads												
Tweed Street Master Plan	Not											
Locality: Bangalow												
Country Transport Scheme		3,000										
Lawson St 2 Lane Project		206,000										
Broken Head Road Bus Shelter		24,800										
Bus Zone Rajah Road		11,500										
Pacific St New Brighton		5,000										
Local Roads & Drainage - Total		12,988,100	25,000,100	3,745,400	8,042,800	10,205,300	3,252,500	10,312,300	11,210,700	11,519,600	11,317,300	11,782,300
RMS												
Regional Road Repair Program - Broken Head Rd - pavement reconstruction 1090m south of Midgen Flat Rd - approx 525m long				298,600	306,600	316,600	329,300	342,600	356,200	370,400	385,200	
Regional REPAIR Program - Broken Head Rd 763 - pavement reconstruction near House - 5045m south of Clifford St - approx 400m long		315,000	311,000									
Tweed Valley Way - North of Jones Road		626,300										
Upgrade Works Mullumbimby Road near Gulgan Road		15,000										
Ewingsdale Road			60,000									
RMS - Total		956,300	371,000	298,600	306,600	316,600	329,300	342,600	356,200	370,400	385,200	-
Open Space and Recreation												
Locality: Byron Bay												
Civic Improvements Byron Bay Town Centre	Upgrade	-	450,000	100,000	100,000	100,000	100,000	100,000	100,000			
Suffolk Park West Upgrade		139,100										
BRSCC - sportsfield lighting for south western and community fields		289,600										
Byron Bay Town Centre Upgrade - Landscape/Precinct Plan	New	52,000	53,000	57,900	59,600	61,400	63,200	65,100	67,100	70,500	70,500	70,500
Bangalow Skate Park		20,000										
Additional Lights in Apex Park for Schoolies and NYE		4,600										
Playground Equipment		100,000										
Brunswick Head Pontoon adjacent to boatramp		68,800										
Belongil Rockwalls		1,239,100										
Brunswick Heads Oval - picket fence replacement		39,600										
New Toilets Apex Park		300,000										
Bangalow Parklands Weir		26,000										



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Open Space and Recreation cont.												
Byron Bay CCTV Apex Park Jonson Street		187,400										
Skate Facility - Byron Bay	New					300,000						
Suffolk Park Play Area Shade Cloth												
N/Shire Sport. Fields - Stan Thompson Lighting	Upgrade						250,000					
Upgrade Pathway lights from Apex Park to Clarkes Beach	Renewal	60,000	60,000	60,000	60,000	60,000	60,000					
Belongil Beach Access Upgrade	Upgrade		20,000									
Apex Park Upgrade (Sprinklers and Turf Management)	Upgrade		50,000									
Locality: Mullumbimby												
Heritage Park Play equipment	New		-	57,000								
Pool park Mullumbimby P/N 35350 Play equipment and shade sail	Upgrade		-	47,000								
Pine Ave sports ground Mullumbimby P/N 128960 Play equipment and shade	Upgrade		47,000									
Pine Avenue Soccer Fields - replace fencing	Renewal		-	30,000								
Heritage Park upgrade	Upgrade			57,000								
Heritage Park boat ramp upgrade	Upgrade			30,000								
Locality: Brunswick Heads												
Brunswick Heads Recreation Ground 6 Bay Storage Shed adjacent to Carpark	New		-	37,000								
Brunswick Heads Recreation Ground Carpark Reconstruction	Upgrade			5,000	55,000							
Upgrade of Cricket Practice Wickets at Brunswick Heads Recreation Ground			57,800									
South Beach Tennis Court	Renewal			26,000								
Sports Ground Storage Sheds (subject to funding)	New			100,000								
Landscape Design Plan Brunswick Heads	Upgrade											
Locality: Bangalow												
Solar lighting around walking track P/N 238382	New			5,000	5,000	35,000						
Bangalow Railway Park site rationalisation	Upgrade			30,000								
Railway Park Toilet Block Refurb	Upgrade											
Sports field electrical upgrades	Upgrade			25,000								
Bangalow Weir	Renewal			150,000								
Dip Site Carpark	New											
Landscape Design Plan Bangalow	New											
Locality: Ocean Shores												
Waterlily park P/N 63020 Play unit and Shade sail	New											
Fern Beach P/N 227610 Play unit & sail	Upgrade			41,000								
Installation of 2 x Grandstands at Tom Kendall Oval	New			8,000								
Upgrade Lighting - Fields 2 and 3 Bangalow Recreation Ground	Upgrade				5,000	75,000						
Shara Boulevard Sports Fields Development	New	1,511,900	733,000			-	-					
Revised Plan of Management - all sporting fields shire wide	Upgrade			15,000	15,000							
Byron Bay Recreation Ground - replace lighting on Field #1 - Western perimeter and Replace lighting on Field 2	Upgrade			5,000	75,000							
Tallowood Ridge Shade Sail for Playground			37,000									
Integrated Weed & Pest Management Policy & Strategic Action Plan			7,200									
Installation of Shed for Better Byron Crew - Byron Bay Recreation Grounds			50,000									
Tyagarah Aircraft Landing Area - Installation of Automated Aircraft Monitoring			60,000									
Outdoor Exercise Equipment	New		50,000	55,000	58,000	60,000						
Waterlily playscape	New											
Waterlily park shelter and BBQ	New											
Devines Hill Boardwalk	New											
North Shire Works Funded from Roundhouse				332,700								
Locality: Other												
Public Bubblers	Renewal		40,000	40,000	40,000							
Amenities Block, Tom Kendall Oval	New		152,900									
South Golden Beach Hall Exercise Equipment	New					68,000						
South Golden Beach Skate Park	New			150,000								



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Open Space and Recreation cont.												
Sports field lighting upgrade	Upgrade			300,000								
Federal Tennis Court Surface Replacement	Renewal		26,000									
Open Space and Recreation - Total		4,493,000	2,425,700	954,900	479,600	589,400	473,200	165,100	167,100	70,500	70,500	70,500
Asset Management Planning												
Roundhouse Subdivision Finalisation		40,000										
Lot 12 Bayshore Drive Byron Bay Remediation		1,100,000										
Implement Station St Mullumbimby Subdivision		250,000										
Tyagarah Airfield Development and Subdivision		50,000	50,000									
Lot 22 Mullumbimby South Development		10,000	50,000									
Depot Relocation			10,000									
Surplus Property Sales			100,000									
Asset Management Planning - Total		1,450,000	210,000	0	0	0	0	0	0	0	0	0
Waste Disposal Facility												
New Landfill		100,000										
Development of New Landfill Capacity		13,400										
Leachate Storage				250,000	250,000	50,000					250,000	
Final Closure Costs					50,000	500,000						
WASIP - Sustainable Leachate Management		48,100										
BWRF - EPS Recycling			40,000									
BWRF - Cardboard Recycling			45,000									
BWRF - Resource Recovery Ctr Master Plan			82,000									
BWRF -Public Place Recycling Enclosures			30,000									
Minor Capital		18,000	50,000									
Upgrade of Public Bin Enclosures		50,000										
RFID Chips		78,700										
Organics Mobile Garbage Bins		146,000										
Tip Rehab - Leachate System			80,000			3,000,000						
Resource Recovery Centre Upgraded Expansion			150,000	10,000,000								
Waste Disposal Facility - Total		454,200	477,000	10,250,000	300,000	3,550,000	0	0	0	0	250,000	0
Cavanbah Centre												
All Access Playground					100,000							
New Court Extension – 2 Courts with retractable stadium seating									1,300,000			
Entrance Signage		60,000										
Field Lighting - Community Field								250,000				
Outdoor Court Lighting							200,000					
Gymnasium Extension (northern room space or second storey on the western facing side of the building)						500,000						
Aquatic Centre - Shovel Ready				250,000								
Assessment/Physio Rooms						100,000						
External Door for Commercial Kitchen on to western veranda		0										



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cavanbah Centre cont.												
Provide mezzanine level above foyer with both storage, and office space		0										
Access doors to the stage from inside the storage rooms either side				55,000								
Installation of 4 x Grandstands 5 Tiers - 50-60 adult capacity for each - including concrete slabs and Shelter		46,500		47,700		48,900		50,100				
Constructed Wetlands along Ewingsdale Road Frontage - and adjacent gardens					60,000	6,000						
6 Bay storage Shed - South western Fields - Ewingsdale Road Frontage				100,000								
Vending machines X 2												
Market Infrastructure			35,000									
Club trophy cabinets												
Mirror wall plus curtains Ballet room												
Full Wall mirror and rail												
Byron overflow carpark												
Cavanbah Centre cont.												
Floor Tiles (\$5.40 each at .5mx.5m)			15,000									
Revenue Capital Works Adjustment												
Cavanbah Centre - Total		253,000	50,000	1,122,700	160,000	654,900	200,000	300,100	1,300,000	100,000	400,000	0
Caravan Parks												
First Sun												
Site Layouts	Renewal	-	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Cabins	Renewal	75,000	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Drainage	Renewal	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Electrical	Renewal	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Landscaping	Renewal	-	-	-	-	-	5,000	-	-	-	-	-
Painting	Maintenance	30,000	-	-	-	-	-	-	-	-	-	-
Lodgings	Renewal	60,000	60,000	60,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Safari Tents	Upgrade	300,000	50,000									
Hot Water Systems	Renewal	-	-	-	-	50,000	-	-	-	-	-	-
Bbqs, Signs, Minor works	Upgrade	75,000	75,000	75,000	30,000	32,000	34,000	36,000	38,000	38,000	38,000	38,000
Amenities/Camp Kitchen Refurbishment	Upgrade	20,000	230,000	-	-	-	-	-	-	-	-	-
Laundry Refurbishment	Upgrade		50,000									
Turf Upgrade Management	Upgrade		7,000									
Sub Total		560,000	672,000	235,000	160,000	212,000	169,000	166,000	168,000	168,000	168,000	168,000
Suffolk Park												
Cabins	Upgrade		540,000	-		-						
Safari Tents	Upgrade	50,000	50,000			100,000			100,000			
Amenities Block Replacement	Upgrade	50,000	350,000									
Bbqs, Signs, Minor works	Renewal	50,000	50,000	100,000	40,000	42,000	44,000	46,000	48,000	48,000	48,000	48,000
Sub Total		150,000	990,000	100,000	40,000	142,000	44,000	46,000	148,000	48,000	48,000	48,000
Total Council Parks		710,000	1,662,000	335,000	200,000	354,000	213,000	212,000	316,000	216,000	216,000	216,000



Project Description	Ref	2015/16	2016/17 Budget	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Facilities Management												
Byron Bay Pool Improvements		0	70,200	23,200	23,900	24,600	25,300	26,100	26,100	26,100	26,100	26,100
Improvements - Shade provision												
Improvements - Drainage upgrade												
Mullumbimby Pool Improvements			21,600	23,200	23,900	24,600	25,300	26,100	26,100	26,100	26,100	26,100
Path and kiosk shade upgrades												
Disabled chair lift for pool access replacement												
Grandstand roof replacement and stormwater		21,200										
Byron Pool Stage 2 Works		146,700										
S94 Funded Non-Cncl Asset Broken Hd Hall		12,400										
Mullum Civic Hall Precinct Work Upgrade		104,900										
Suffolk Park Hall Upgrade		55,100	300,000									
Public Toilet Upgrade - Special Rate Variations		154,700	61,300	115,800	120,400	125,200	130,200	135,400	140,800	146,400	152,300	158,400
Public Toilet Upgrade - Special Rate Variations Byron Bay Recreation Ground												
Public Toilet Upgrade - Special Rate Variations Ocean Shores Water Lilly Park												
Public Toilet Upgrade - Special Rate Variations Brunswick Heads Rec Ground		0	0									
Public Toilet Upgrade - Special Rate Variations Suffolk Park Skate Park		0	0									
Public Toilet Upgrade - Contingencies												
Byron Bay Railway Park Amenities												
Railway Park Toilet Block Refurb	Upgrade		50,000									
Byron Bay Library		315,200	250,000									
Roundhouse Subdivision Development Costs		424,700										
Mullumbimby Administration Centre		77,600	31,600									
Internal Painting												
Carpet Replacement		99,300	53,400									
Chambers Air Con Upgrade		47,900	20,000									
Facilities Management - Total		1,459,700	858,100	162,200	168,200	174,400	180,800	187,600	193,000	198,600	204,500	210,600
Total General Fund		23,832,800	32,130,900	23,835,800	10,736,200	17,168,600	11,249,800	13,347,700	14,835,000	13,552,100	14,751,500	13,896,400



Appendix E - Community Strategic Plan (CSP) Priority Areas and Organisational Objectives

Corporate Framework	Outcome	Strategies
<p>Corporate Management</p>	<p>Effective leadership and ethical and accountable decision making.</p> <p>Community Outcome CM1: Effective governance, business, project and financial management.</p> <p>Community Outcome CM2: Informed and engaged community.</p> <p>Community Outcome CM3: Effective partnerships with all levels of government.</p> <p>Community Outcome CM4: Community compliance with statutory requirements</p>	<p>CM1.1 Improve the transparency, effectiveness and accountability of Council.</p> <p>CM1.2 Ensure Council decision making supports fair allocation of resources, services and facilities.</p> <p>CM1.3 Improve organisational sustainability (economic, social, environmental and governance).</p> <p>CM1.4 Comply with NSW State government legislation for local government integrated planning and reporting.</p> <p>CM1.5 Provide a safe, healthy and inclusive working environment.</p> <p>CM2.1 Use a range of effective communication tools to engage the community to support transparent and accountable Council decision making.</p> <p>CM2.2 Provide education, engagement and feedback initiatives for meaningful community participation.</p> <p>CM3.1 Implement collaborative partnerships that support efficient use of resources.</p> <p>CM4.1 Promote community compliance with Acts, Regulations, Instruments and Council policies and standards.</p>
<p>Economy</p>	<p>A sustainable and diverse economy which provides innovative employment and investment opportunities in harmony with our ecological and social aims.</p> <p>Community Outcome EC1: A diverse economic base and support for local businesses.</p> <p>Community Outcome EC2: A sustainable tourism industry that respects and promotes our natural environment and community values.</p>	<p>EC1.1 Support the development of a range of sustainable industries in Byron Shire.</p> <p>EC1.2 Support and strengthen local businesses and local business networks.</p> <p>EC1.3 Support new avenues of research and vocational and tertiary learning.</p> <p>EC1.4 Support sporting and cultural events in Byron Shire.</p> <p>EC1.5 Advocate for greater local employment opportunities.</p> <p>EC2.1 Build a tourism industry that delivers local</p>



Corporate Framework	Outcome	Strategies
	<p>Community Outcome EC3: The development of a diverse range of arts and creative industries.</p>	<p>and regional benefits in harmony with the community's values. EC2.2 Develop Byron Shire as a leader in responsible and sustainable tourism and encourage sustainable business practices within the tourism industry. EC2.3 Support and promote a collaborative shire-wide approach to managing tourism. EC3.1 Support cultural and arts-based industries. EC3.2 Develop Byron Shire as a leader in arts and creative industries. EC3.3 Strengthen regional partnerships with peak arts organisations.</p>
<p>Society and Culture</p>	<p>Resilient, creative and active communities with a strong sense of local identity and place.</p> <p>Community Outcome SC1: Support communities to achieve equitable access to an appropriate range and level of whole of life services such as healthcare, education and housing.</p> <p>Community Outcome SC2: Achieve active participation in local and regional community life.</p> <p>Community Outcome SC3: Respect and understanding of Aboriginal heritage and wider cultural diversity.</p>	<p>SC1.1 Advocate and lobby State and Federal Government for the needs of all members of the Byron Shire community to have access to required services infrastructure and facilities. SC1.2 Provide accessible facilities that support leisure, learning and recreation for people of all ages. SC1.3 Research, analyse, update and distribute information regarding the Byron Shire community's needs. SC1.4 Coordinate communication forums between regional and local community service organisations, the community and business. SC2.1 Provide a range of recreational, cultural and community opportunities. SC2.2 Recognise the importance of, and promote community safety. SC2.3 Facilitate positive family and community influences on child development. SC2.4 Create vibrant liveable places and spaces within towns and villages for people of all ages and abilities. SC3.1 Work in partnership with the community to facilitate access to a range of cultural places, spaces, opportunities and activities for all in the community. SC3.2 Acknowledge, foster and celebrate Aboriginal culture. SC3.3 Encourage and support residents from cultural and linguistically diverse backgrounds to participate in all aspects of community.</p>
<p>Environment</p>	<p>Our natural and built environment is improved for each generation.</p> <p>Community Outcome EN1: Protect and enhance</p>	<p>EN1.1 Protect, restore and maintain the biodiversity values, ecosystems and ecological</p>



Corporate Framework	Outcome	Strategies
	<p>the natural environment.</p> <p>Community Outcome EN2: Sustainable towns, villages and rural settlements that:</p> <ul style="list-style-type: none"> a) respect our natural environment b) create an inclusive social environment and c) integrate harmoniously with the character of local areas. <p>Community Outcome EN3: A a low carbon community that integrates:</p> <ul style="list-style-type: none"> a) food security b) renewable energy c) climate change d) non-renewable resource constraints, including peak oil and e) economic and social prosperity and resilience. 	<p>processes of the Byron Shire.</p> <p>EN1.2 Sustainably manage significant urban and peri-urban bushland areas.</p> <p>EN1.3 Manage coastal processes, hazards and development so that the diversity, amenity and accessibility of the Shire’s coastline is maintained</p> <p>EN1.4 Protect and enhance the health of the Shire’s catchments, waterways and estuaries.</p> <p>EN2.1 Implement innovative and sustainable urban design to:</p> <ul style="list-style-type: none"> a) Enhance the distinctive qualities of towns and villages. b) Reduce urban development impacts on the environment. c) Encourage developments with reduced reliance on cars. d) Provide for sustainability outcomes in the development of private lands. <p>EN3.1 Implement initiatives that address climate change.</p> <p>EN3.2 Promote water and waste minimisation – avoid, reduce and reuse waste.</p> <p>EN3.3 Encourage low consumption lifestyles and environmentally aware practices.</p> <p>EN3.4 Implement initiatives to prepare Council assets for climate change and peak oil impacts.</p> <p>EN3.5 Promote reduced energy consumption, increased energy efficiency and the local provision of renewable energy.</p> <p>EN3.6 Support initiatives that enhance socio-economic prosperity and resilience at the local level.</p>
<p>Community Infrastructure</p>	<p>Services and infrastructure that sustains, connects and integrates our communities and environment.</p> <p>Community Outcome CI1: Planning for the future.</p> <p>Community Outcome CI2: Provision of essential</p>	<p>CI1.1 Provide a network of accessible cycleways and walkways that link with public transport.</p> <p>CI1.2 Encourage sustainable and accessible transport solutions between towns and villages.</p> <p>CI1.3 Plan for the provision of community facilities.</p> <p>CI1.4 Plan for future traffic demands.</p> <p>CI1.5 Provide water, sewerage and stormwater infrastructure and capacity for future generations.</p> <p>CI1.6 Plan for the future of waste and recycling management.</p> <p>CI1.7 Infrastructure and land use planning are integrated.</p> <p>CI2.1 Maintain continuous water and sewerage</p>



Corporate Framework	Outcome	Strategies
	<p>services.</p> <p>Community Outcome CI 3: Renew and maintain existing infrastructure.</p> <p>Objective CI4: Develop new infrastructure</p>	<p>services within the Shire.</p> <p>CI2.2 Provide waste removal and recycling services within the Shire.</p> <p>CI2.3 Provide roads and drainage infrastructure within the Shire.</p> <p>CI2.4 Have effective processes and systems to respond to natural disasters for the protection of life and the management of property and infrastructure.</p> <p>CI2.5 Pursue strategic regional resource sharing initiatives.</p> <p>CI3.1 Maintain roads and drainage in a safe and operational condition.</p> <p>CI3.2 Maintain water and sewerage infrastructure in accordance with operating licences and regulatory standards.</p> <p>CI3.3 Maintain waste and recycling facilities in according with operating licences.</p> <p>CI3.4 Ensure all public parks and open spaces are accessible, maintained and managed to meet the recreational needs of current and future residents.</p> <p>CI3.5 Improve stormwater management through stormwater levy funding.</p> <p>CI3.6 Maintain safe and legislative compliant community buildings and swimming pools.</p> <p>CI4.1 Determine and construct future infrastructure needs to serve the community.</p> <p>CI4.2 Incorporate proposed new infrastructure works in the long term financial plans of Council.</p>



Appendix F - Legislative Requirements

Legislation	Requirement
Local Government Act 1993	<p>Sets out role, purpose, responsibilities and powers of local governments. The purposes of this Act are as follows:</p> <p>(a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales,</p> <p>(b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales,</p> <p>(c) to encourage and assist the effective participation of local communities in the affairs of local government,</p> <p>(d) to give councils:</p> <ul style="list-style-type: none"> • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public • the responsibility for administering some regulatory systems under this Act • a role in the management, improvement and development of the resources of their areas, <p>(e) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.</p> <p>The land management provisions of the Act require that Council prepare plans of management for all community land. The plan of management identifies the management outcome for the land category, performance indicators and performance measures to meet the outcome identified.</p>
Local Government Amendment (Planning and Reporting) Act 2009	Local Government Amendment (Planning and Reporting) Act 2009 includes the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Disability Discriminations Act, 1992	<p>The Federal <i>Disability Discrimination Act 1992</i> (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.</p> <p>(a) to eliminate, as far as possible, discrimination against persons on the ground of disability in the areas of:</p> <p>(i) work, accommodation, education, access to premises, clubs and sport; and</p> <p>(ii) the provision of goods, facilities, services and land; and</p> <p>(iii) existing laws; and</p> <p>(iv) the administration of Commonwealth laws and programs; and</p> <p>(b) to ensure, as far as practicable, that persons with disabilities have the same rights to equality before the law as the rest of the community; and to promote recognition and acceptance within the community of the principle that persons with disabilities have the same fundamental rights as the rest of the community.</p>
Work Health & Safety Act 2011	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.



Legislation	Requirement
Environmental Planning and Assessment Act 1979	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Plant Protection Act 1989	This act sets out requirements in respect to Flora Protection
Environmental Protection Act 1994	This act sets out requirements in respect to environmental protection
Threatened Species Conservation Act, 1995	An Act to conserve threatened species, populations and ecological communities of animals and plants. Under the terms of this Act Council is required to ensure the long term survival of the species identified.
Rivers and Foreshores Improvements Act, 1948	An Act to provide for the carrying out of works for the removal of obstructions from and the improvement of rivers and foreshores and the prevention of erosion of lands by tidal and non-tidal waters
Protection of the Environment Operations Act 1997	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
National Parks and Wildlife Act (1974)	An Act relating to the establishment, preservation and management of national parks, historic sites and certain other areas and the protection of certain fauna, native plants and Aboriginal objects
Native Vegetation Act 2003	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the Act. The Act outlines what landowners can and cannot do in clearing native vegetation.
Public Works Act 1912	Sets out the role of Council in the planning and construction of new assets.
Road Transport (General) Act 2005	Provides for the administration and enforcement of road transport legislation. It provides for the review of decisions made under road transport legislation. It makes provision for the use of vehicles on roads and road related areas and also with respect to written off and wrecked vehicles.
Road Transport (Safety and Traffic Management) Act 1999	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Roads Act 1993	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RTA and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RTA and other roads authorities. Finally it provides for distribution of functions conferred by this Act between the RTA and other roads authorities, and regulates the carrying out of various activities on public roads.
Local Government (Highways) Act 1982	An Act to consolidate with amendments certain enactments concerning the functions of the corporations of municipalities with respect to highways and certain other ways and places open to the public.
NSW Road Rules 2008	A provision of road rules that are based on the Australian Road Rules so as to ensure that the road rules applicable in this State are substantially uniform with road rules applicable elsewhere in Australia.



Legislation	Requirement
Valuation of Land Act 1916	This act sets out requirements in respect Land Valuation
Crown Lands Act, 1989	An Act to provide for the administration and management of Crown land in the Eastern and Central Division of the State of NSW Council has large holdings of Crown land under its care, control and management.
Heritage Act, 1977	An Act to conserve the environmental heritage of the State. Several properties are listed under the terms of the Act and attract a high level of maintenance cost, approval and monitoring.
Building Code of Australia	The goal of the BCA is to enable the achievement of nationally consistent, minimum necessary standards of relevant, health, safety (including structural safety and safety from fire), amenity and sustainability outcome efficiently.
Building Fire and Safety Regulation 1991	This Act sets out the regulations for things such as means of escape, Limitation of people in buildings, Fire and evacuation plans and testing of special fire services and installations.
Electrical Safety Act 2002	This act sets out the installation, reporting and safe use with electricity
Building Regulation 2003	This act sets out requirements in respect to Building Requirements
Plumbing and Drainage Act 2002	This act sets out requirements in respect to Plumbing Requirements
Rural Fires Act, 1997	An Act to establish the NSW Rural Fire Service and define its functions; to make provision for the prevention, mitigation and suppression of rural fires. Under the terms of this Act Council is required to mitigate any fire that emanate from bushland.
Dangerous Goods Safety Management Act 2001	This act sets out the safe use, storage and disposal of dangerous goods
Fire and Rescue Service Act 1990	This act sets out requirements in respect to Emergency Services for Fire and Rescue
Public Records Act 2002	This act sets out requirements in respect maintaining Public Records
Surveillance Devices Act	This act sets out requirements in respect use of Surveillance Devices
Civil Liability Act, 2002	An Act to make provision in relation to the recovery of damages for death or personal injury caused by the fault of a person
Companion Animals Act, 1998	An Act to provide for the identification and registration of companion animals and for the duties and responsibilities of their owners. Under the terms of the Act Council is required to provide and maintain at least one off leash area. It currently has eleven areas identified as off leash.
Rural Fires Act, 1997	An Act to establish the NSW Rural Fire Service and define its functions; to make provision for the prevention, mitigation and suppression of rural fires. Under the terms of this Act Council is required to mitigate any fire that emanate from bushland.



Appendix G - 2015 NSW Local Government Audit Preparedness Assessment

NSW LOCAL GOVERNMENT ASSET MANAGEMENT AUDIT PREPAREDNESS ASSESSMENT 2015 - Byron Shire Council									
Component/Activity	Question	Guidance for determining Council's preparedness	Answer	Compliance Level	Findings	IMPROVEMENT PLAN GOALS	Officer	Due Date	
1. Asset Knowledge and Data									
1.1	Asset Classification/ Hierarchy	Does Council have a logical structure to the collection and storage of its data?	1 Assets identified by unique identifiers 2 Registers include segmentation into appropriate classification levels 3 Hierarchy/ classification consistent with guidelines & processes 4 Asset hierarchy covers all asset classes 5 Guidelines and processes for asset identification using unique IDs developed and implemented 6 Alignment of asset classification /hierarchy between asset management plans and accounting system	1 yes 2 yes 3 yes 4 90% 5 yes 6 Yes	High	Data is stored within a common Asset Management System (Authority AIM). The level of data within AIM is still in the process of being refined and updated and some asset classes, such as buildings, have not been componentised in AIM, however these have been componentised for financial reporting purposes which are currently being maintained in Excel spreadsheets. There is currently a lack of integration between Asset Management data and Financial Reporting data however Council is in the process of implementing the Authority financial asset register (CVR). When this is implemented, Council should ensure consistency between information (to the component and segment level) between AIM and CVR.	1.1.1 Integrate Waste assets into the Authority Asset Register 1.1.2 Appoint the Asset Systems Officer in accordance with the approved organisational structure to ensure capacity to maintain and improve existing asset register in line with the LG Asset Management requirements 1.1.3 Building Validation of 2013 Revaluation APV with BSC AM register. (44 buildings not in GIS & Asset Register that were valued with "APV" asset ID that does not match AM NODE)	1.1.1. M.M 1.1.2 P.W 1.1.3 Sean & Len Reilly	1.1.1 Feb 16 1.1.2 Mar 16 1.1.3 Dec 16
1.2	Attributes and Location	Does Council collect the appropriate level of asset attribute data to make informed decisions about its assets?	1 Accurate location data in asset register/ system 2 Asset attributes recorded for all assets at appropriate level (size, material, asset type etc.) 3 Asset location and attributes can be represented in spatial format 4 Spatial mapping guidelines and processes developed and implemented 5 Asset attributes and location data are in a useable format	1 yes 2 yes 3 yes 4 yes 5 yes	High	All infrastructure assets are maintained in AIM. Attribute data for assets appears to be appropriate for most assets, however council should undertake a review to ensure that all asset data is componentised in AIM to appropriate component levels (see comments at 1.1). As assets are progressively loaded into CVR, asset categories and classifications should be reviewed to ensure consistency of presentation of assets between AIM and CVR and in accordance with asset data per Note 9 to the financial statements.	1.2.1 COMPLETED / Maintenance and optimization only going forward.	1.2.1 BS	ONGOING
1.3	Condition Data	Does Council collect asset condition data for each of its asset groups?	1 Council has documented repeatable methodologies to carry out consistent asset condition surveys and defect identification assessments, as documented in a Condition Rating Assessment Manual for applicable asset classes 2 Condition assessment data collected and recorded against appropriate asset hierarchy level 3 Condition assessment strategy, guidelines and processes developed and implemented 4 Rating system developed and applied 5 Historical condition assessment data available 6 Do the systems and process include annual review and recording of condition data?	1 yes 2 yes 3 yes 4 yes 5 yes 6 no - currently 5 yearly	Medium	Currently condition data is obtained on a 5 yearly basis in line with comprehensive financial reporting revaluations. Condition assessments need to be performed across all asset categories on a more regular basis. Council have commenced development of a condition manual for some infrastructure assets (parks and reserves) however this should be further developed for all infrastructure asset classes. This should be developed with enough detail to ensure consistency in ratings across varying condition assessors. Council do not have a formalised condition assessment strategy which identifies timeframes of when assets are to be condition assessed, method of condition assessment (internal versus external, physical inspection versus other methods), identification of critical assets and their frequency of condition assessments. Condition data should be loaded into AIM for all infrastructure asset classes.	1.3.1 Condition Inspection of high risk critical assets - Create a "CONDITION DATA STRATEGY" to sample and cycle inspections of Causeways, Culverts, Retaining Walls, Footbridges, Roadside Barriers. Priority Condition 4 & 5 - 2016, Condition 3 - 2017, Condition 2 - 2018, Condition 1 - 2019 1.3.2 Load Condition data from other asset classes into register (BUILDINGS, PARK, REUSE, SEWER & WATER)	1.3.1 CP (IS) PR (W&S) 1.3.2 L.S & Asset Engineer	1.3.1 Mar 16 (CP) 1.3.2 June 16

1.4	Lifecycle Cost Data	Does Council collect and use asset lifecycle cost data?	<p>1 Operations/maintenance data collected/ recorded</p> <p>2 Capital cost data including renewals and new works data collected & recorded</p> <p>3 Lifecycle cost data is utilised in decision making</p> <p>4 Asset lifecycle strategy/costing/ planning guidelines and processes developed and implemented including clear definitions of and guidelines for operating, maintaining, renewing, developing and disposing of assets</p> <p>5 Lifecycle planning including options considered for operating, maintaining, renewing, developing and disposing of assets</p>	<p>1 somewhat</p> <p>2 Yes</p> <p>3 Somewhat</p> <p>4 Somewhat</p> <p>5 Somewhat</p>	MEDIUM	<p>Council have recently implemented the use of works orders which captures operations/maintenance data against each asset.</p> <p>Lifecycle cost data is not always considered in decision making. We recommended that all new significant projects have a business case which considers lifecycle maintenance costs and that this be considered in terms of long term sustainability before the decision be made to proceed with asset construction. In certain instances, the decision is based on community needs however lifecycle costing still needs to be considered in long term forecasting.</p> <p>We recommend that a detailed asset capitalisation and disposal policy with clear definitions/guidelines regarding capital, maintenance, renewal, upgrade etc be developed to provide more guidance and examples to ensure consistency of classification.</p> <p>Council's asset management plans were last updated in 2011. Improved asset lifecycle strategies, costing, planning guidelines</p>	<p>1.4.1 AMP - Asset Lifecycle Strategy to deal with the ongoing demands of assets. Capital Works Long Term Plan 10 years for all critical assets required (HIGH)</p> <p>1.4.2 All new Assets should have a Project Scope with Whole of Life Costs (Design, Survey, Capital Construction , Maintenance, Capital Renewal, Disposal costs)</p>	<p>1.4.1 PW, BS & CS</p> <p>1.4.2 PH</p>	<p>1.4.1 March 16</p> <p>1.4.2 March 16</p>
Component/ Activity	Question	Guidance for determining Council's preparedness	Answer	Compliance	Findings	IMPROVEMENT PLAN GOALS	Officer	Due Date	
1.5	Valuation, Depreciation and Age/Life Data	Is Council's asset valuation data up to date and current?	<p>1 yes</p> <p>2 yes</p> <p>3 NO</p> <p>4 yes</p> <p>5 yes</p> <p>6 - CVR</p> <p>7 DRAFT</p>	MEDIUM	<p>Asset useful life is not formally assessed on an annual basis. It is recommended that each year, a schedule of estimates and assumptions for each asset class be reviewed by the the Asset team, engineers and finance staff and reviewed to assess whether any assumptions require update. This schedule of assumptions should be formally signed off on as evidence of this process occurring. It is also recommended that this process is reported to the Audit Committee.</p> <p>In the past, reliance has tended to be placed on external valuers developing the asset componentisation heirarchy for financial reporting purposes. To ensure consistency between financial and asset management data, Council should determine the level of componentisation required for its asset management strategy and update the Asset Management Plans accordingly. Valuers should be instructed to use Council's established data set rather than develop their own componentisation levels.</p>	<p>1.5.1 Capital Valuation Record (CVR) Authority Module to be designed, implemented and managed by finance department</p> <p>1.5.2 Assets Management Team to reform and regularly meet</p> <p>1.5.3 Appoint Assets Engineer in accordance with approved organisational structure to develop Capital Works Long Term Plans for all critical infrastructure assets</p> <p>1.5.4 Apply the 14/15 SS7 methodology going forward. Bring to Satisfactory "Capital Renewal" & Maintenance data to be updated in accordance with DLG guidance that may emerge in 15/16.</p>	<p>1.5.1 SB</p> <p>1.5.2 ALL</p> <p>1.5.3 ADVERTISED</p> <p>1.5.4 PW</p>	<p>1.5.1 MAR 16</p> <p>1.5.2 ALL</p> <p>1.5.3 Dec 15</p> <p>1.5.4 Aug 16</p>	

Strategic Asset Planning Process

2.1	Asset Management Plans	Does Council have a long term asset management plan for its assets?	<p>1 Council has Asset Management plans for all its assets</p> <p>2 Provide actions and costs to provide a defined (current and/or target) level of service in the most cost effective manner</p> <p>3 Include demand forecasts including possible effects of demographic change and demand management plans</p> <p>4 Address life cycle costs of assets</p> <p>5 Include forward programs identifying cash flow forecasts for renewals, new assets and asset upgrades, maintenance, operations and depreciation</p> <p>6 Address asset performance and utilisation measures and associated targets as linked to levels of service</p> <p>7 Include an asset rationalisation and disposal program</p> <p>8 Include an asset management improvement plan</p> <p>9 Include consideration of non-asset service delivery solutions (leasing private/public partnerships)</p> <p>10 Have all been prepared in association with community consultation</p>	<p>1 yes</p> <p>2 NO</p> <p>3 Partial - the S94 and S64 Plans are strong in this regard.</p> <p>4 Partial - valuations address this action.</p> <p>5 Partial</p> <p>6 Partial</p> <p>7 NO</p> <p>8 Yes</p> <p>9 Yes</p> <p>10 Partial</p>	MEDIUM	<p>Council has AMP's in place however these were prepared in 2011 and are 'core' plans. Water and Sewer AMP's were drafted at this time however were not adopted by Council. AMP documents should be reviewed and revised to a more 'advanced' level and formally adopted by Council. Plans currently contain the majority of the required asset management information (listed in the adjacent column), however Council should ensure that each AMP contains the information required under the National Asset Management (NAMS) Framework.</p> <p>Council should also consult with the community when revising its asset management plans to determine defined levels of service.</p>	<p>2.1.1 Strategic Asset Management Plans - Transport and Drainage underway target completion Dec 2015</p> <p>2.1.2 AMP for PARKS (Pending restructure recruitment)</p> <p>2.1.3 AMP for BUILDINGS (Pending restructure recruitment)</p> <p>2.1.4 AMP to include Capital Works Long Term Plan with estimated costs</p> <p>2.1.5 Key Performance Indicators detailed in AMP's - Pending</p> <p>2.1.6 LoS customer detailed after community consultation for TRANSPORT AMP - Pending</p>	<p>2.1.1 BS</p> <p>2.1.2</p> <p>2.1.3</p> <p>2.1.4 PW</p> <p>2.1.5</p> <p>2.1.6</p>	<p>2.1.1 Dec 15</p> <p>2.1.2</p> <p>2.1.3</p> <p>2.1.4 Feb 16</p> <p>2.1.5</p> <p>2.1.6</p>
2.2	Risk Management	Does Council's Asset Management Strategy deal with significant risks to assets?	<p>1 Council wide risk management policy/ strategy</p> <p>2 Risk analysis/assessment undertaken for assets</p> <p>3 Critical assets identified Risk treatment/minimisation strategies developed</p> <p>4 Emergency/disaster response and recovery plans and business continuity plans</p>	<p>1 50%</p> <p>2 yes</p> <p>3 50%</p> <p>4 Yes</p>	LOW	<p>Council currently does not have a council wide risk management policy. This should be developed. Council does have a risk register which currently requires review. It appears that asset managers are performing risk analysis/assessment for asset classes, however this is not linked to the risk register or necessarily formally documented.</p> <p>Council has also not formally identified critical assets. It is recommended that management identify critical assets and undertake an analysis to determine appropriate risk management strategies and treatment plans.</p> <p>Business continuity plans have not been formally developed. Council does have a disaster recovery plan however this has not been reviewed since 2008.</p>	<p>2.2.1 Risk Register Risk Mitigation Plan - Bridge Engineer to complete Bridge Section. All other road categories have been completed.</p> <p>2.2.2 Business Continuity Plans E2012/4764 In Manager Governance work program - Trish Kirkland.</p> <p>2.2.3 Develop risk management procedures for prioritized critical assets. Commencing with bridges as per actions currently actively deployed for load limits.</p> <p>2.2.4 DIS Plan (Disaster Plan) will become the "EM Plan" (Emergency Plan) - progressing</p>	<p>2.2.1 SP</p> <p>2.2.2 P Ruck</p> <p>2.2.3 SP</p> <p>2.2.4 TN</p>	<p>2.2.1 June 16</p> <p>2.2.2 June 16</p> <p>2.2.3 June 16</p> <p>2.2.4 Pending work done by LEMC</p>



3. Operations and Maintenance Work Practices									
3.1	Operations/ Maintenance Management	Does Council have in place strategies for the management and operation of its assets?	<p>1 Processes developed for managing planned & unplanned operational and maintenance activities & tasks</p> <p>2 Operations and maintenance requirements specified against asset performance and service level expectations</p> <p>3 Appropriate data collection, validation, auditing and management processes in place</p> <p>4 Maintenance management supported by appropriate processes and systems for maintenance planning, issue and manage work orders and capture work order information, costing and transactional management, analyse maintenance data and manage contract activity</p> <p>5 Maintenance specifications and contracts/ Service Level Agreements in place</p> <p>6 Does council distinguish between operational maintenance and renewal?</p>	<p>1 - 50%</p> <p>2 Partial - No for GF</p> <p>3 Partial -No for GF</p> <p>4 - 100% for W&S, partial for other asset classes.</p> <p>5 Partial</p> <p>6 Yes - Renewal is a capital expense and tracked accordingly</p>	LOW	<p>Council has systems in place through works orders to track maintenance and capital spend, however Council could better develop guidelines/training on defining what constitutes maintenance versus capital, renew versus upgrade etc to enable better consistency and clarification.</p> <p>For general fund assets, consideration and planning should be given as to how Council can move towards a more preventative rather than reactive maintenance schedule. This links in with having better defined levels of service so that maintenance can be planned more effectively.</p> <p>Council may also wish to investigate whether better integration between maintenance systems (Reflect and CRM) and their asset management system can be achieved.</p>	<p>3.1.1 Task responsibility of Database Configuration of REFLECT with a Council officer to implement programmed inspection of stormwater urban and rural</p> <p>3.1.2 Design Bridge inspection Electronic forms for Level 2 bridges for contract inspections. This data can then be imported into existing systems or provide integration linkages later</p> <p>3.1.3 Asset Performance measures - Customer requests must all be recorded in CRM using the appropriate classifications for KPI Reporting. With Customer Service & Process improvement officer.</p> <p>3.1.4 Collate AADT, crash data, into Road Segment layer for Performance analysis</p> <p>3.1.5 Conduct Customer Service Level Satisfaction survey to determine performance of critical assets eg Roads, Bridges, Causeways, footpaths, Buildings</p> <p>3.1.6 Ensure that staff are educated on the different definitions of MAINTENANCE and CAPITAL reporting requirements for LG. Budgets to reflect this and link to WORK ORDERS</p>	<p>3.1.1 James Flockton</p> <p>3.1.2 MP, BS & SP</p> <p>3.1.3 Customer Service & Process Improvement Officer</p> <p>3.1.4 BS</p> <p>3.1.5 ST</p> <p>3.1.6 BS</p>	<p>3.1.1 Jun 16</p> <p>3.1.2 April 16</p> <p>3.1.3 Pending</p> <p>3.1.4 Complete</p> <p>3.1.5 Pending</p> <p>3.1.6 Started/ongoing</p>
3.2	Critical Assets	Has Council identified its critical assets and what systems and processes are in place to manage these assets?	<p>1 Critical assets assessed/ identified/ prioritised and implemented</p> <p>2 Management strategies for critical assets developed</p> <p>3 Critical assets identified and emergency management/response planning in place</p> <p>4 Quality management systems in place</p> <p>5 Reporting on condition and performance of critical assets is carried out on a regular basis</p>	<p>1 No</p> <p>2 No</p> <p>3 No</p> <p>4 Partial</p> <p>5 No</p>	LOW	<p>Council have not formally identified critical assets. Council should assess their asset base to identify and prioritise critical assets and ensure appropriate risk management strategies and emergency response plans have been designed and implemented for these critical assets. Appropriate strategies for inspection and condition assessing can also be built into Councils condition assessment strategy when developed. Quality management systems are in place for water and sewer but not for other asset classes.</p>	<p>3.2.1 Risk Register to be setup as a Attribute Checklist template in Authority Asset Module (AM). Identification, priority and risk mitigation measures will be detailed here. A report will be generated from this to produce a RISK REGISTER on the fly as required. Luis Santos to create. Individual data custodians to maintain.</p>	<p>3.2.1 Luis Santos, Shane Pearce (Bridges), Fleet Edwards (W&S), Craig Purdy (Rds & SW, Parks), Buildings (Len R)</p>	<p>3.2.1 March 1</p>



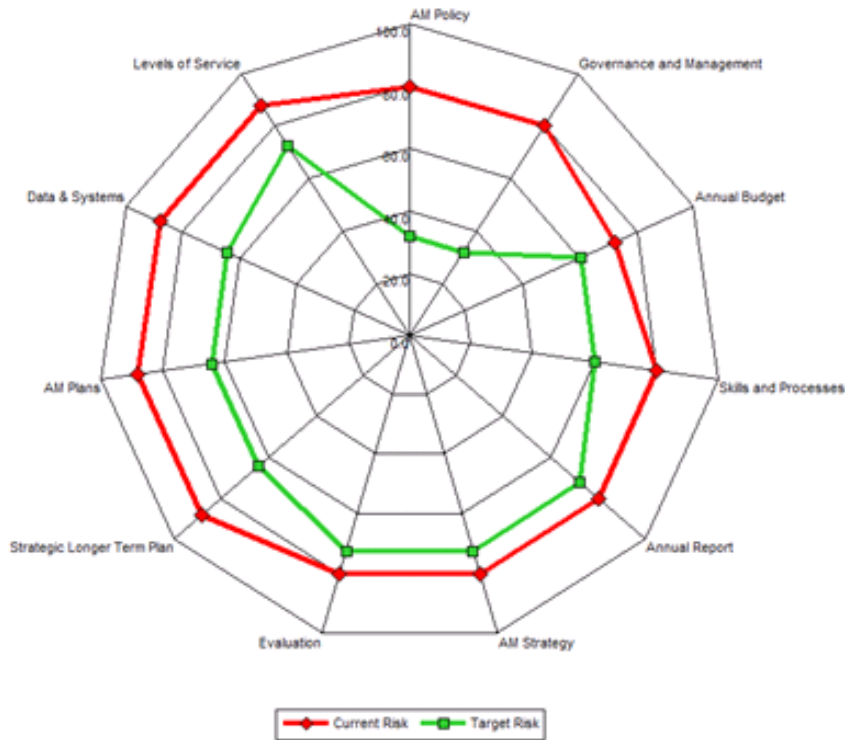
4. Information Systems									
4.1	Asset Register	Does the Council have a comprehensive asset register covering all its assets?	1 Asset Register with advanced capabilities including capture and management of the appropriate level of data to meet Asset Management needs 2 Asset Register has suitable reporting capabilities available 3 Registers support hierarchical definition of assets so that data can be linked at alternative levels and aggregation capabilities exist 4 System allows customisation of application and data for reporting and strategic purposes 5 System integrates with other Asset Management and Maintenance (AM&M) systems/modules and system integration/ interface supports import/export of data and information	1 yes 2 yes 3 yes 4 yes 5 yes	High	<p>Councils assets are maintained within the Authority AIM asset management system and is appropriate to meet asset management needs.</p> <p>There is a link between Councils work order system which enables tracking of spend to individual assets, however there is no integration between AIM and Council's maintenance systems (CRM and Reflect) to coordinate and document planned maintenance, inspection schedules etc. Council is investigating opportunities for AIM to be integrated with CRM and Reflect however this is currently a low priority and has not yet been resourced. In the future, once this is prioritised and resourced, Council are aiming to implement and integrate mobile work platforms which integrate with AIM (i.e. as staff are inspecting assets, they update a handheld device which syncs with AIM). This is still in very early stages.</p>	<p>Integration of AM to CRM and CRM to Reflect (see below). These are significant projects that as yet have not been prioritized and resourced. Council has created a small working group to progress the deployment and integration of mobile work platforms, for example Blink.</p>	4.1.1	4.1.1
4.2	Systems integration	Does Council have an asset management system and is it effectively integrated into the organisational business structures and processes?	1 Asset registers are combined into single asset data base 2 Multiple asset registers do not exist 3 Business, corporate and AM&M system functionality/needs defined with integration in mind and system/ systems developed and implemented accordingly 4 AM&M systems integrate/interface with corporate/ business systems including customer request management system, record and document management systems, accounting systems, Human Resources/Payroll 5 Spatial system implemented and accessible and spatial data guidelines and processes developed and implemented	1 yes 2 yes 3 yes 4 NO 5 yes	Medium	<p>Separate asset registers exist for asset management purposes (through AIM) and for financial reporting purposes (currently maintained in Excel) however a process is underway to update all information into the Authority CVR register.</p> <p>Council is moving towards an intergrated system with AIM and the implementation of the new CVR module, as well as looking at future options to integrate more data to AIM via the use of handheld devices.</p>	<p>**TRIM integration with AM. This project is yet to be scoped and prioritized. Requires IT sponsorship.</p> <p>**Integration with Customer Request Module and AM (Requires Authority upgrade to v6.10 and Customising CRM)</p> <p>** Investigate integration between REFLECT and Authority CRM (Cairns Council have achieved this. Luis Santos is liaising. Requires IT project involvement)</p> <p>** Implementation of CVR</p>	4.2.1 4.2.2 4.2.3 4.2.4	4.2.1 4.2.2 4.2.3 4.2.4
<p>Note: PH (Phil Holloway), PW (Phil Warner), JB (James Brickley), PR (Peter Reese), TN (Tony Nash), MM (Michael Matthews), BS (B.Short), SB (Sean Baker), LS (Luis Santos), SP (Shane Pearce), MP (Mickey Proud), JF (James Flockton), PR (Patie Ruck), Craig Purdy (CP)</p>									



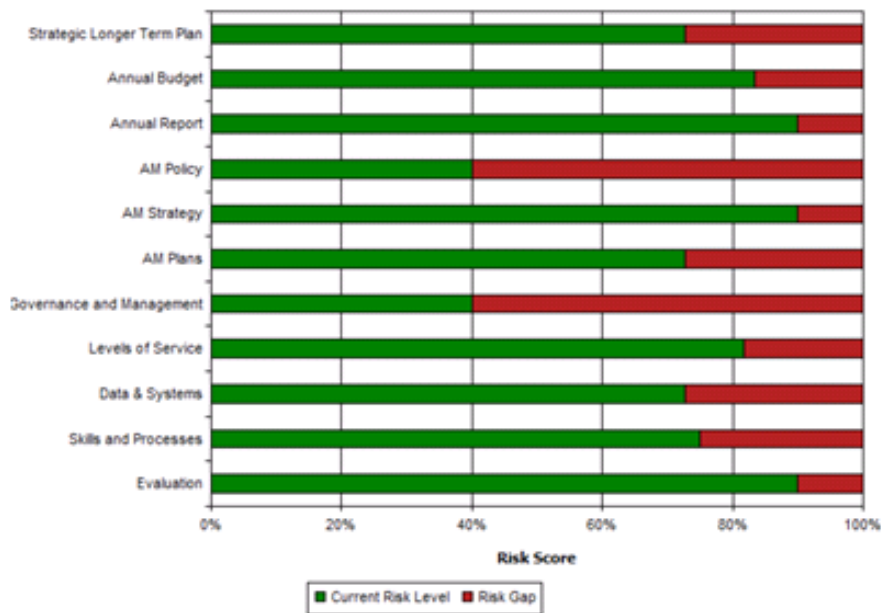
Appendix H - 2013 Maturity Assessment

January 2014 Risk of Current Maturity – Gap between Current and Target

Byron SC - Maturity Risk Assessment ID 299



Byron SC - Maturity Assessment ID 299





APPENDIX I - Byron Shire Council Financial Statements 30 June 2016 Note 9a

Byron Shire Council

Notes to the Financial Statements
for the year ended 30 June 2016

Note 9a. Infrastructure, property, plant and equipment

千 '000	as at 30/6/2015					Asset movements during the reporting period								as at 30/6/2016				
	At cost	At fair value	Accumulated		Carrying value	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	The from/(to) held for sale' category	Revaluation decrements to equity (A/R)	Revaluation increments to equity (A/R)	At cost	At fair value	Accumulated		Carrying value
			depreciation	impairment												depreciation	impairment	
Capital work in progress	-	3,571	-	-	3,571	5,010	1,934	-	-	(2,483)	-	-	-	8,132	-	-	-	8,132
Plant and equipment	-	11,812	7,042	-	4,770	5	1,226	(205)	(1,045)	13	-	274	-	-	12,505	7,468	-	5,037
Office equipment	-	3,138	2,317	-	821	-	-	(2)	(220)	-	-	-	-	-	3,018	2,419	-	599
Furniture and fittings	-	242	167	-	75	36	18	-	(12)	-	-	-	-	-	296	178	-	118
Land:																		
- Operational land	-	79,735	-	-	79,735	-	-	-	-	-	(992)	6,801	-	-	85,544	-	-	85,544
- Community land	-	71,986	-	-	71,986	-	-	-	-	-	-	16,846	-	-	88,832	-	-	88,832
- Land under roads (post 30/6/08)	-	5,568	-	-	5,568	-	835	-	-	-	-	-	-	-	6,403	-	-	6,403
Land improvements - non-depreciable	-	80	-	-	80	-	-	-	-	-	-	-	-	-	80	-	-	80
Land improvements - depreciable	-	4,651	2,206	-	2,445	97	-	(159)	9	-	-	-	-	-	4,723	2,332	-	2,391
Infrastructure:																		
- Buildings	-	67,776	7,944	-	59,832	1,018	492	-	(769)	75	-	2,681	-	-	73,243	9,913	-	63,330
- Other structures	-	776	295	-	481	-	1,570	-	(19)	44	-	-	-	-	2,390	315	-	2,075
- Roads	-	287,883	131,081	-	156,802	4,500	794	(853)	(4,827)	880	-	-	-	-	291,332	134,135	-	157,197
- Bridges	-	23,664	10,494	-	13,170	245	-	-	(293)	-	-	-	-	-	23,909	10,787	-	13,122
- Footpaths	-	7,645	2,872	-	4,773	35	-	-	(126)	90	-	-	-	-	7,769	2,998	-	4,771
- Bulk earthworks (non-depreciable)	-	29,001	-	-	29,001	177	-	(180)	-	-	-	-	-	-	28,999	-	-	28,999
- Stormwater drainage	-	61,625	15,780	-	45,845	267	-	-	(574)	195	-	-	-	-	62,087	16,354	-	45,733
- Water supply network	-	83,024	35,197	-	47,827	2,787	-	-	(1,217)	597	-	696	-	-	87,651	36,959	-	50,692
- Sewerage network	-	186,612	56,360	-	130,252	1,218	-	-	(3,206)	249	-	1,897	-	-	190,869	60,460	-	130,409
- Swimming pools	-	2,921	234	-	2,687	4	-	-	(58)	-	-	(385)	-	-	2,800	553	-	2,247
- Other open space/recreational assets	-	7,572	2,159	-	5,413	268	394	(4)	(266)	12	-	4,051	-	-	14,144	4,274	-	9,870
Other assets:																		
- Other	-	3,596	1,335	-	2,261	-	93	-	(249)	-	-	(140)	-	-	3,409	1,443	-	1,966
Restatement, rehabilitation and restoration assets (refer Note 26):																		
- Tip assets	-	8,162	1,253	-	6,909	-	335	(87)	(82)	319	-	3,030	-	-	11,116	691	-	10,425
- Quarry assets	-	400	89	-	311	-	-	(154)	(12)	-	-	2,580	-	-	2,739	14	-	2,725
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	-	851,548	276,825	-	874,715	15,670	7,892	(1,484)	(13,234)	(8)	(992)	(525)	38,888	8,132	1,003,855	291,293	-	720,897

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.



APPENDIX J - Byron Shire Council Financial Statements 30 June 2016 – Special Schedule No. 7

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2015/16 Required maintenance ^a	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Council Operations	–	–	292	243	13,398	14,931	4%	84%	10%	2%	0%
	Swimming Pool Buildings	187	187	–	89	846	931	0%	58%	32%	1%	0%
	Showground Buildings	–	–	–	–	1,582	1,937	0%	36%	45%	13%	0%
	Residential Leases	9	9	24	20	1,122	1,333	4%	22%	67%	7%	0%
	Recreation Buildings	115	115	31	26	4,162	5,016	4%	38%	53%	4%	1%
	Cavanbah Centre	–	–	1	763	5,222	5,416	100%	0%	0%	0%	0%
	Public Amenities	428	428	614	511	2,693	3,051	38%	28%	30%	5%	1%
	Emergency Services	49	49	–	–	1,142	1,262	23%	51%	22%	3%	1%
	Community Buildings	1,028	1,028	201	167	26,564	31,848	21%	43%	31%	5%	0%
	Commercial Leases	253	253	45	38	1,408	1,633	14%	52%	34%	0%	0%
	Holiday Parks	–	–	242	242	5,191	5,883	18%	62%	20%	0%	0%
Sub-total	2,069	2,069	1,450	2,099	63,330	73,243	21.6%	48.7%	26.0%	3.6%	0.1%	
Other structures	Other structures	40	40	10	0	1,947	1,876	60%	0%	20%	20%	0%
	Bus Shelters	–	–	10	5	128	200	19%	49%	5%	22%	5%
	Sub-total	40	40	20	6	2,075	2,076	56.0%	4.7%	18.6%	20.2%	0.5%
Roads	Sealed Roads	24,036	24,036	1,397	1,397	112,944	218,644	1%	40%	48%	11%	1%
	Unsealed Roads	795	795	200	200	2,807	3,911	15%	48%	31%	6%	0%
	Kerb and gutter	80	80	100	20	17,600	23,973	11%	88%	2%	0%	0%
	Footpaths and cycleways	968	968	167	36	4,771	7,769	25%	46%	25%	4%	0%
	Bridges	6,174	6,174	310	130	13,122	23,909	35%	13%	46%	7%	0%
	Traffic Control Devices	–	–	10	–	41,288	59,719	14%	75%	11%	0%	0%
	Carparks	–	–	10	2	2,538	3,063	79%	4%	9%	0%	9%
	Other	320	320	60	66	9,019	11,021	65%	30%	4%	1%	0%
	Sub-total	32,373	32,373	2,254	1,852	204,089	352,010	9.3%	46.9%	36.0%	7.2%	0.6%



\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2015/16 Required maintenance ^a	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Stormwater drainage	Stormwater drainage	3,025	3,025	236	197	45,733	62,087	28%	61%	13%	0%	0%
	Sub-total	3,025	3,025	236	197	45,733	62,087	26.2%	61.0%	12.8%	0.0%	0.0%
Open space/recreational assets	Swimming pools	–	–	–	–	2,248	2,800	0%	100%	0%	0%	0%
	Fences	–	–	–	–	1,332	1,916	12%	36%	34%	16%	2%
	Lighting	157	157	429	357	2,388	2,952	17%	54%	23%	5%	0%
	Open Space Furniture	182	182	168	140	794	1,145	11%	33%	41%	13%	3%
	Other Structures	75	75	48	40	2,523	2,816	61%	20%	16%	4%	0%
	Park Active Areas	35	35	20	17	1,511	2,771	5%	20%	67%	3%	5%
	Park Equipment	196	196	25	21	1,007	1,591	16%	25%	44%	12%	2%
	Park Infrastructure	–	–	–	–	22	33	9%	24%	55%	6%	6%
	Park Passive Areas	–	–	–	–	215	413	8%	28%	38%	26%	0%
	Playgrounds	–	–	–	–	78	118	31%	13%	48%	5%	3%
	Sub-total	645	645	690	575	12,117	16,555	18.3%	43.0%	30.4%	6.8%	1.5%
TOTAL – ALL ASSETS		38,152	38,152	10,347	10,426	508,445	784,490	23.2%	41.5%	29.1%	5.6%	0.6%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

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Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2016

\$ '000	Amounts	Indicator	Prior periods	
	2016	2016	2015	2014
Infrastructure asset performance indicators * consolidated				
1. Infrastructure renewals ratio				
Asset renewals ⁽¹⁾	15,670	136.80%	37.46%	53.48%
Depreciation, amortisation and impairment	11,455			
2. Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	38,152	7.92%	6.27%	6.18%
Carrying value of infrastructure assets	481,837			
3. Asset maintenance ratio				
Actual asset maintenance	10,426	1.01	0.91	0.85
Required asset maintenance	10,347			
4. Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	38,152	4.86%	3.90%	3.77%
Gross replacement cost	784,490			
5. Capital expenditure ratio				
Annual capital expenditure	21,877	1.65	0.82	0.70
Annual depreciation	13,234			

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



Appendix K - Methodology Report for NSW Special Schedule No. 7 Financial Reporting

Executive Summary

1.1 Introduction

This report summarises the methodology along with the recommendations for the Special Schedule No.7 Report for Byron Shire Council (BSC) for General Fund asset categories.

Infrastructure backlog needs to be defined to ensure auditable and evidence based approach to measurement and reporting of the backlog for the purposes of Special Schedule No. 7. Appropriately defining the backlog will avoid theoretical and aspirational goals that the community cannot afford. The International Infrastructure Management Manual (IIMM) does not focus on “backlog”. It concentrates on minimising asset lifecycle cost for service levels essential to strategic objectives while managing risk. The NSW Integrated Planning and Reporting Manual (IPR) also focuses on managing infrastructure services and risk does not mention “backlog”.

Engagement with communities on appropriate and affordable service levels while managing risk is also a foundational principle of IPR, encouraging councils to “engage the community in identifying the acceptable level of service for each asset type in their Asset Management Plans.” Asset Management Plans balanced to Long Term Financial Plans, annually reviewed in accordance with the IPR manual are the key instrument to enable organisations to provide sustainable services. At this point Council has not had the opportunity to engage with the community on defined levels of service for each asset category (or Asset Sub-Type). The calculations for Bring to Agreed levels of Service and Bring Assets to a Satisfactory Standard are the same. In September 2016, Council conducted an Asset Management Survey (E2016/85779) to determine the communities’ priorities for management of Council’s assets. The priorities are set out below and align well with the current technical levels of service resource focus with available funds:

1. Urban sealed roads 92%
2. Public toilets 82%
3. Rural sealed roads 77%
4. Footpaths and cycleways 73%
5. Playgrounds and parks 71%
6. Urban Stormwater 61%
7. Rural drainage (causeways and culverts) 60%
8. Bridges and footbridges 56%
9. Rural roads unsealed 41%
10. Bus shelters 33%

For the purpose of this report “**infrastructure backlog**” will be defined as “unfunded high residual risk associated with assets essential to achieving Council’s Community Strategic Plan (CSP). High risk assets not essential to Councils CSP should be disposed, closed or



reclassified and do not represent a financial sustainability risk.” This is shown in table 1 and ensures backlog is aligned with Council’s asset management plan in accordance with Australian Accounting Standards Board Code Update 24 and IPR manual.

For all the asset classes, except Buildings the asset condition comes from the Authority Asset Register. Buildings condition data was compiled from a desktop audit of the 97 community buildings with the Buildings Maintenance Coordinator to determine average condition scores. Council did not have sufficient resources to work with the 2015/16 APV revaluation ‘Remaining Useful Life’ data to calculate and convert to condition scores 1 to 5.

Key Concepts

The key concepts for NSW Special Schedule 7 are:

1. The report on the condition of public works (Special Schedule 7) should flow directly from the Asset Register.
2. The determination of satisfactory target service levels involves an informed trade-off using the Long Term Financial Plan and Strategic Asset Management Plan 10 year scenarios for revenues, risks and service levels. This approach is consistently identified in the IPR Manual and expanded in complementary resources such the IPWEA Level of Service and Community Engagement Practice Note 8.
3. Cost to bring assets to satisfactory should be determined by asset and risk management plans. This guide recommends that the cost to bring to satisfactory should be the total unfunded cost to renew all high residual risk assets in the current risk register.
4. Special Schedule 7 is auditable by checking for alignment between SS7 and asset and risk management plans. The risk register establishes a consistent and evidence based cost to bring to satisfactory and connects to good governance practice of transparent reporting of risk through appropriate governance processes such as an audit committee.
5. Asset Risks include operational, technical, financial, legal, social and environmental risks using the ISO 31000 framework. Supporting resources are available and this methodology is consistently applied internationally. (Note 1)

Notes:

Note 1 – IPWEA NAMSPLUS – Asset and Risk Management Plan Templates



Special Schedule No. 7 Analysis Summary

3.1 Cost to Bring to Satisfactory

Previous reporting had set Council's backlog at \$29.4 million and this has been recalculated to **\$39,084 million** for all infrastructure categories to align with community expectation for affordable levels of service. Previous backlog reporting included assets that didn't need renewal yet as well as upgrade items. This has been re aligned to reflect actual current renewal need and high risk assets.

The change in reporting infrastructure backlog is due to the revaluation of Parks and Other Structures, Swimming Pools and Buildings. For more information refer to the individual Reporting Mythology Reports. Additionally, Council has invested in the MyPredictor modelling software which has identified backlog in Unsealed Roads which was not identified in the 2014/15 Transport Revaluations.

Table 1 shows the summary of the backlog results. Each asset class has been reviewed with respect to asset condition and risk to determine backlog in accordance with the methodology set out in this report. The backlog represents the unfunded renewal cost of high risk assets in poor condition.



Table 1 Cost to Bring to Satisfactory 2015/2016

Category	Sub Category	Description	BTS \$'000
Buildings	All Buildings	Maintenance and risk remediation works is reactive. High risk items are funded when found - additional funding for inspection and maintenance to move to more proactive maintenance strategies	\$2,069
Structures	Retaining Walls	Renew condition 4,5 or high risk condition 3	\$170
Structures	Fences	Renew condition 4 and 5 high risk fences	\$338
Roads	Sealed Roads - Structure	Patch or renewal all condition 4 and 5 road pavements derived from condition data and MyPredictor Asset Modelling Software.	\$24,036
Roads	Unsealed	Grading and re-sheeting with gravel all condition 4 and 5 road pavements derived from condition data and MyPredictor Asset Modelling Software.	\$795
Roads	Bridges	Total Rectification Cost based on Level 2 bridge inspection or equivalent of all condition 4 and MyPredictor Asset Modelling Software.	\$6,174
Roads	Bus Shelters	Comprehensive asset condition assessment. Replace condition 4 and 5.	\$270
Roads	Footpaths and Cycleways	High Risk Path Defect Rectification. Replace high risk path concrete bays and grind where possible	\$968
Roads	Kerb and Gutter	OCEAN SHORES renew high risk sections	\$80
Roads	Barriers	Full list of upgrade = 3,546,866. Complete safety audit and allocate \$100,000 as the renewal component for high criticality items. No claims no service requests. Review next year.	\$150
Stormwater Drainage	Causeways & Box Culverts	Renew or repair all causeways and culverts in condition 4 and 5	\$3,025
Stormwater Drainage	Stormwater	No high risk pipes and pits - high risk items included in box culverts	\$0
Parks	Recreation Facilities	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$223
Parks	Play Equipment	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$196
Parks	Park Furniture	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$182
Parks	Park Shelters	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$63
Parks	Hard Scape	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$101
Parks	Park & Sports Field Lighting	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$157
Parks	Grandstands	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$12
Parks	Sports Equipment	Complete asset condition inspection in 2016. Renew condition 4 and 5 park assets that are considered high risk.	\$35

\$39,084



3.2 Actual Annual Maintenance

The total Actual Annual Maintenance is **\$5,142 million**. The calculation of the actual Annual Maintenance has been undertaken using the Work Orders module from Council's Authority system for the following asset categories:

- Swimming Pool Buildings & Pools
- Showground Buildings
- Residential Leases
- Recreation Buildings & Recreation Leases
- Public Amenities
- Emergency Services
- Council Operations
- Community Buildings & Community Leases
- Commercial Leases
- Fences and Screens
- Other Structures
- Sealed Road Surface
- Unsealed Roads
- Kerb and gutter
- Footpaths and cycleways
- Bus Shelters
- Footbridges
- Bridges
- Traffic Control Devices
- Retaining Walls
- Open Carparks
- Roadside Barriers
- Recreation Facilities
- Play equipment
- Park Furniture
- Park Shelters
- Hardscape
- Park & Sportsfield Lighting
- Grandstands
- Sports Equipment
- Rural Drainage
- Urban Stormwater

The calculation of the Actual Annual Maintenance for the Cavanbah Centre was calculated out of the General Ledger as it does not reside in Work Orders module at this point in time.

3.3 Cost to Maintain at Satisfactory

The total cost to maintain Council's assets at satisfactory condition is **\$5,248 million**. The cost to maintain at satisfactory has been assessed from the documented cost to provide the additional maintenance on critical risk assets where renewal is being deferred.

The defined maintenance intervention levels are document in Council's Infrastructure Services Risk Management Procedures for Transport. Through the use of Council's



Inspections and Defects software 'Reflect' Council is not achieving defined response times and performance targets with available maintenance funds for the transport network.

The cost to maintain satisfactory are aligned with the additional maintenance requirements for critical assets in the Risk Register and are summarised below.

The calculations of for the building asset category were used from the draft Building Asset Management plan which has predicted trend line maintenance with 10 year forward projections. This equates to a 20% increase for the 2015/16 posting year.

Based off the high percentage of poor condition data a 20% increase has been applied to the Actual Annual Maintenance for the following categories:

- Kerb and Gutter
- Footpaths/Cycleways
- Fences
- Bus Shelters
- Footbridges
- Traffic Control Devices
- Retaining Walls
- Open Car Parks
- Roadside Barriers
- Recreation Facilities
- Play Equipment
- Park Furniture
- Park Shelters
- Hardscape
- Park & Sports Field Lights
- Sports Equipment
- Urban Stormwater
- Rural Drainage

Council has implemented MyPredictor asset modelling software. It has applied modelling strategies to calculate the cost to maintain satisfactory on the following asset categories:

- Sealed Roads
- Unsealed Roads
- Bridges

The calculation of the maintenance required for sealed roads manages the road surface and road structure as one asset category. Council has laser condition data parameters for rutting, roughness and texture in 2010 and 2015. By using these parameters, treatment types and unit rates the software calculates the maintenance and capital budget required to achieve a holding OCI (overall condition index) score of 3 over 10 years.



Appendix L - Glossary

Annual service cost (ASC)

- 1) Reporting actual cost
The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.
- 2) For investment analysis and budgeting
An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

Asset

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

Asset category

Sub-group of assets within a class hierarchy for financial reporting and management purposes.

Asset class

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

Asset condition assessment

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

Asset hierarchy

A framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function or asset type or a combination of the two.

Asset management (AM)

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

Asset renewal funding ratio

The ratio of the net present value of asset renewal funding accommodated over a 10 year period in a long term financial plan relative to the net present value of projected capital renewal expenditures identified in an asset management plan for the same period [AIFMG Financial Sustainability Indicator No 8].

Average annual asset consumption (AAAC)*

The amount of an organisation's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

Borrowings

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

Capital expenditure

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

Capital expenditure - expansion

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

**Capital expenditure - new**

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

Capital expenditure - renewal

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

Capital expenditure - upgrade

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the organisation's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

Capital funding

Funding to pay for capital expenditure.

Capital grants

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

Capital investment expenditure

See capital expenditure definition

Capitalisation threshold

The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

Carrying amount

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets

See asset class definition

Component

Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

Core asset management

Asset management which relies primarily on the use of an asset register, maintenance management systems, job resource management, inventory control, condition assessment, simple risk assessment and defined levels of service, in order to establish alternative treatment options and long-term cashflow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than detailed risk analysis and optimised decision-making).

Cost of an asset

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

Critical assets

Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than noncritical assets.

Current replacement cost (CRC)

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

Deferred maintenance



The shortfall in rehabilitation work undertaken relative to that required to maintain the service potential of an asset.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value.

Depreciated replacement cost (DRC)

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

Depreciation / amortisation

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

Economic life

See useful life definition.

Expenditure

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

Expenses

Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or increases in liabilities that result in decreases in equity, other than those relating to distributions to equity participants.

Fair value

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

Financing gap

A financing gap exists whenever an entity has insufficient capacity to finance asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current financing gap means service levels have already or are currently falling. A projected financing gap if not addressed will result in a future diminution of existing service levels.

Heritage asset

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

Impairment Loss

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

Infrastructure assets

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

Investment property

Property held to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production or supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Key performance indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service

The defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.

Life Cycle Cost *

1. **Total LCC** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.



2. **Average LCC** The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises average operations, maintenance expenditure plus asset consumption expense, represented by depreciation expense projected over 10 years. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure

The Life Cycle Expenditure (LCE) is the average operations, maintenance and capital renewal expenditure accommodated in the long term financial plan over 10 years. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of affordability of projected service levels when considered with asset age profiles.

Loans / borrowings

See borrowings.

Maintenance

All actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- **Planned maintenance**

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

- **Reactive maintenance**

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

- **Specific maintenance**

Maintenance work to repair components or replace sub-components that needs to be identified as a specific maintenance item in the maintenance budget.

- **Unplanned maintenance**

Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance expenditure *

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

Materiality

The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)

The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from eg the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Non-revenue generating investments

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



Operations

Regular activities to provide services such as public health, safety and amenity, eg street sweeping, grass mowing and street lighting.

Operating expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense

The gross outflow of economic benefits, being cash and non cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Operating expenses

Recurrent expenses continuously required to provide a service, including power, fuel, staff, plant equipment, maintenance, depreciation, on-costs and overheads.

Operations, maintenance and renewal financing ratio

Ratio of estimated budget to projected expenditure for operations, maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Operations, maintenance and renewal gap

Difference between budgeted expenditures in a long term financial plan (or estimated future budgets in absence of a long term financial plan) and projected expenditures for operations, maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

Pavement management system (PMS)

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

PMS Score

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

Rate of annual asset consumption *

The ratio of annual asset consumption relative to the depreciable amount of the assets. It measures the amount of the consumable parts of assets that are consumed in a period (depreciation) expressed as a percentage of the depreciable amount.

Rate of annual asset renewal *

The ratio of asset renewal and replacement expenditure relative to depreciable amount for a period. It measures whether assets are being replaced at the rate they are wearing out with capital renewal expenditure expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade/new *

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

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition above.

Remaining useful life

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

Renewal

See capital renewal expenditure definition above.

Residual value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Revenue generating investments**

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

Risk management

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

Section or segment

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

Service potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Specific Maintenance

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

Strategic Longer-Term Plan

A plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the Council's longer-term plans such as the asset management plan and the long-term financial plan. The plan is prepared in consultation with the community and details where the Council is at that point in time, where it wants to go, how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the plan will be resourced.

Sub-component

Smaller individual parts that make up a component part.

Useful life

Either:

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

Value in Use

The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: IPWEA, 2009, Glossary