

**SHIRE OF
WEST ARTHUR**

ASSET MANAGEMENT PLAN 2023-33





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EXECUTIVE SUMMARY

The Shire of West Arthur is a service providing organisation. Our services are underpinned by many different physical assets. This includes roads, paths, drainage, jetties, buildings, recreation spaces, fleet, equipment and IT.

Ensuring that the Shire meets the service needs of current and future users is important to us. To do this, the Shire takes a long-term management view. This view, and the plans and strategies that the Shire has for its assets, are recorded within this document.


This Asset Management Plan (AMP) is maintained as a live document to ensure that it remains up to date. It integrates with the Shire's Strategic Community Plan so that it is balanced against our long-term vision. It is also structured around the four major service areas of:

This AMP considers a future planning view of ten years. The Shire understands that over this time, the way that the community uses our services will change. This means that our assets may also have to change.

In total, the Shire's assets have a combined fair value of \$127million, and a replacement cost in excess of \$223million. These assets collectively depreciate by about \$2.8million each year as they age and wear. The Shire then often replaces assets at the end of their physical lives, so that services can be maintained.


Overall, the Shire's assets appear to be in a good to average condition. However, 12% of inspected assets are recorded as being in either a poor or very poor condition. This may represent a renewal backlog of approximately \$25million, which may not be manageable through the Shire's normal business activities. Improvement actions have been captured within this AMP to consider this position. In addition, there is also scope to improve the robustness of the Shire's recorded asset condition data and capital works programmes.

The Shire strives to ensure that the quality of the four services is provided at the level required by our community, at a cost that it can afford. To further assist in understanding service delivery performance, the Shire is starting to monitor service level indicators. In future versions of the AMP, these indicators will assist the Shire in its decision making.

 **TRANSPORT** - assets that support vehicular, pedestrian, cycling, mobility device and marine travel

 **PROPERTY** - building and land assets

 **RECREATION** - assets within places such as ovals, parks, gardens etc.

 **FLEET & IT** - assets such as plant, equipment, vehicles and IT



WHY DOES THE SHIRE PROVIDE ASSETS?

Physical assets exist for the single purpose of facilitating the delivery of services. This includes core services such as governance, transport, recreation and culture, housing and waste management. These services contribute to the Shire being a safe, friendly and welcoming community with a dynamic and expanding local economy.

This document is the Shire's Asset Management Plan (AMP). It seeks to outline the activities and strategies that will be carried out for the Shire's transport, property, recreation, fleet, and IT assets, over the next ten financial years (2023/24 to 2032/33).



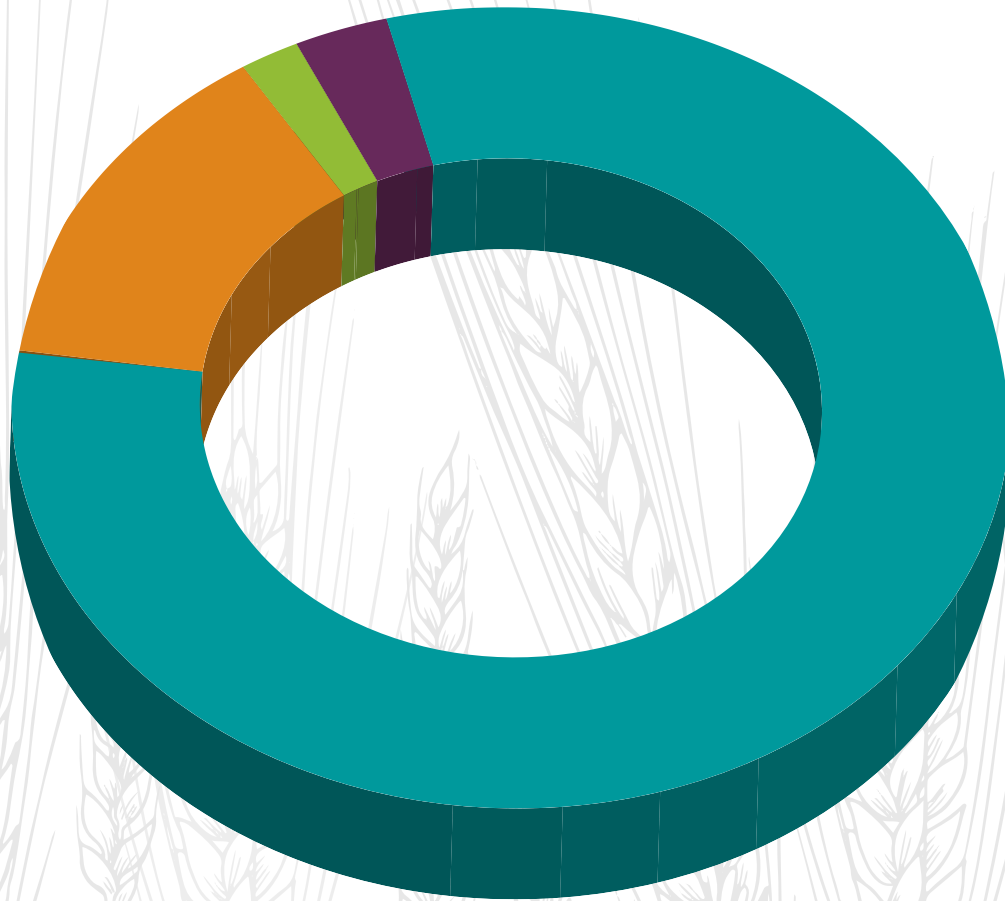
WHAT IS ASSET MANAGEMENT?


The role of Council is to deliver services that help realise the community's vision for the Shire. This vision is defined within the Shire's Strategic Community Plan. The various services that are then required to be delivered, often demand the provision of physical assets.

Assets can be challenging to provide, operate, maintain and renew in a sustainable way and with limited financial resources. Good asset management practices seek to take a long-term planning view, that balance the service quality, against the cost to the community.

WHAT IS OUR ASSET PORTFOLIO?


The Shire's assets provide an integrated service with other private, local government and state government controlled infrastructure. The AMP (with asset fair values shown in the diagram) is structured around the four major service areas of:



 **TRANSPORT**
\$103,422,234
(81%) assets that support vehicular, pedestrian, cycling, mobility device and marine travel

 **PROPERTY**
\$17,323,400
(14%) building and land assets

 **RECREATION**
\$2,203,900
(2%) assets within places such as ovals, parks, gardens etc.

 **FLEET & IT**
\$3,607,859
(3%) assets such as plant, equipment, vehicles and IT

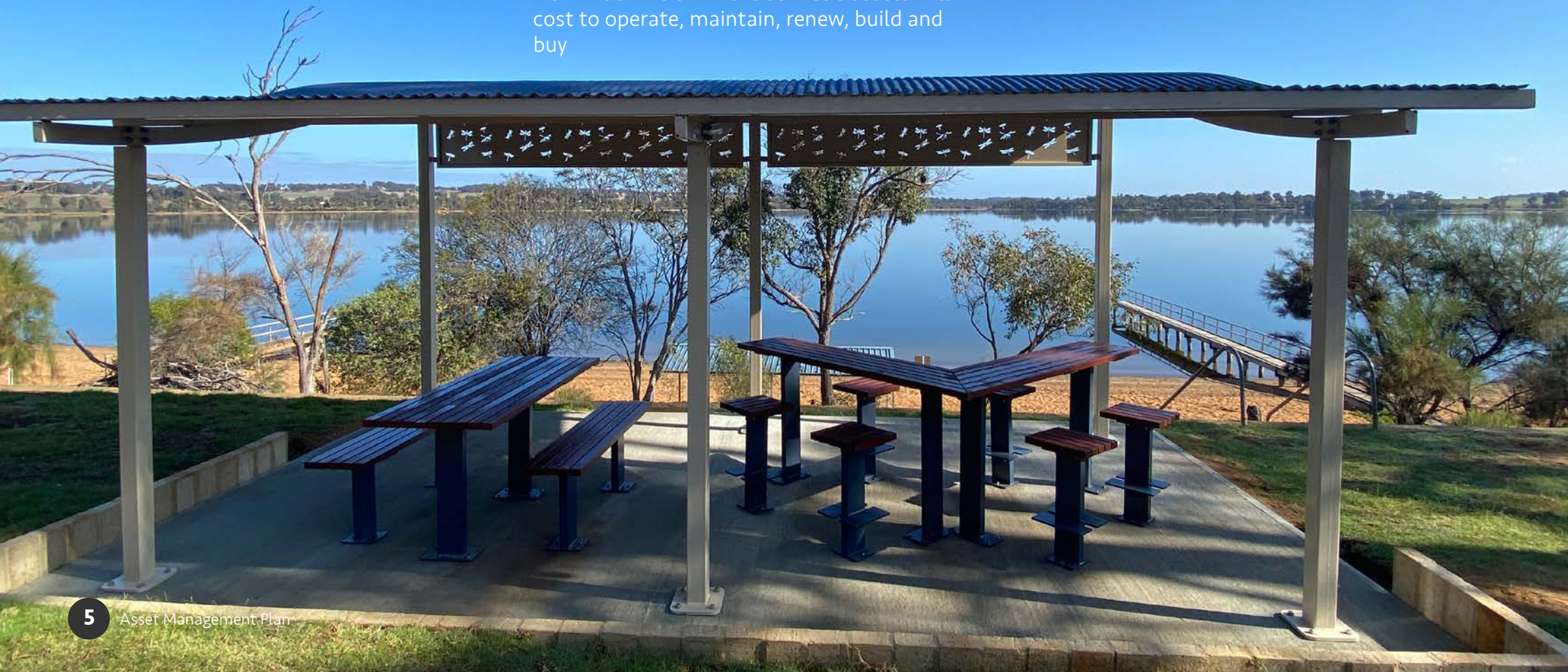
WHAT IS IN THE ASSET MANAGEMENT PLAN?

Each of the four service area sections in this AMP are structured the same. They outline:

- What assets we have and what they're worth
- What condition the assets are in
- How confident we are in the accuracy of our asset knowledge
- How well the service is performing
- How we think the service is likely to change in the future
- How much we think the service's assets will cost to operate, maintain, renew, build and buy

In addition, the AMP also records:

- How community demand for our services and assets may have historically changed
- How we plan to manage our assets
- How the Shire assesses its data confidence
- Whether the four services are economically sustainable
- How the Shire will improve its asset management



HAS THE DEMAND FOR SERVICES AND ASSETS CHANGED?

Historically our community, economy and environment has changed. In turn, this has required many of the services and assets that the Shire provides to also evolve to meet different needs. Looking backwards, some of the major drivers of service change may have been.



VEHICLE OWNERSHIP

Number of dwellings with vehicles fell from 325 to 290 (2006 to 2021) – Source: ABS Census.



TRAVELLING TO WORK

Number of people travelling for work each day fell slightly from 255 to 241 (2006 to 2021) – Source: ABS Census.



TRAVEL MODES

78% of all trips to work are as a car driver (2021), up from 64% (2006) – Source: ABS Census.



POPULATION

Fell from 856 to 772 people (2006 to 2021) – Source: ABS Census.



DEMOGRAPHICS

Median age rose from 39 to 50 (2006 to 2021) – Source: ABS Census.



TOURISM

Number of visitors to the 'golden outback' region (which the Shire is within) rose from 2.2m to 2.3m (2019 to 2023) – Source: Tourism WA



ANNUAL RAINFALL

Fell from ~600mm to ~500mm per annum (1899 to 2021) – Source: BOM.



ANNUAL TEMPERATURE

Rose from a mean maximum of ~31.2C to ~31.4C (1913 to 2021) – Source: BOM

By looking forward, while being mindful of the past, this AMP identifies what the most likely drivers of future change will be. To meet the challenges that will arise from service change, the Shire has identified mitigation actions that will be carried out. These are recorded within each respective service area.

HOW DOES THE SHIRE MANAGE ITS ASSETS?

All our assets have a lifecycle, though the length can vary significantly. For example, we replace our fleet assets more often than our buildings. Despite this, their lifecycles tend to commence with the identification of the need for an asset, and ends with its decommissioning (e.g. disposal, demolition etc.). A key goal is to try to provide and manage these assets sustainably. This means that the Shire aims to renew assets at suitable times, when funding is available, to keep costs down and limit our risk exposure.

We manage our assets through three distinct stages. The Shire's approach to each stage is as follows:

OPERATION AND MAINTENANCE WORKS

Ideally, our assets are operated and maintained by employing planned strategies, that seek to keep reactive maintenance to low levels. We do this through regular inspection/ monitoring, and through some planned operation and maintenance schedules. For example, this includes patching, pothole filling, painting, servicing, cleaning, repairing etc. Each planned task occurs at defined periods and is specific to asset types, their relevant importance and risk profile. However, there is scope to improve the breadth and robustness of the schedules. This is an improvement action within the AMP.

RENEWAL WORKS

The need for assets to be renewed can be triggered by several different drivers. This includes:

PHYSICAL CONDITION - Assets are periodically inspected to determine their physical condition. Using this information, the Shire then predicts assets' potential year of renewal. Staff then consider these assets to determine the final timing, scope and budget of any future renewal project.

AGE AND/OR USAGE - The renewal of some assets (e.g. Fleet & IT) is driven through the establishment of optimal replacement triggers such as age and/or usage. These typically strive to balance cost, safety, reliability and functionality.

STRATEGY - Other Shire strategies can also trigger renewal works. For example, this can include the Strategic Community Plan, Corporate Business Plan, disability access and inclusion initiatives and the availability of external funding.

UPGRADE & NEW WORKS

The need for new and/or upgraded assets (e.g. to meet a service deficiency) is identified from a number of potential sources. This could include the Shire's Strategic Community Plan, Corporate Business Plan and Disability Access and Inclusion Plan. Each potential project is investigated and considered by Shire staff and where valid, often prioritised against similar projects. Approved projects are then listed on to the AMP works programme.

HOW DOES THE SHIRE ASSESS ITS DATA CONFIDENCE?

Although the Shire records asset data for inventory, condition and value, it is important to understand how confident it is of the accuracy. This then determines the confidence that we can put in the outcomes that result (e.g. works programmes and valuations). It also allows the Shire to target where data improvements are required. The Shire assesses its confidence in asset data using the following grading scale.



CONFIDENCE GRADE	ACCURACY	CONFIDENCE GRADE GENERAL MEANING
Highly Reliable	± 2%	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment.
Reliable	± 10%	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation.
Uncertain	± 25%	Data based on sound records, procedures, investigations and analysis which are incomplete or unsupported, or extrapolation from a limited sample for which highly reliable or reliable grade data is available.
Very Uncertain	± 40%	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.
Unknown	Nil	None or very little data held.

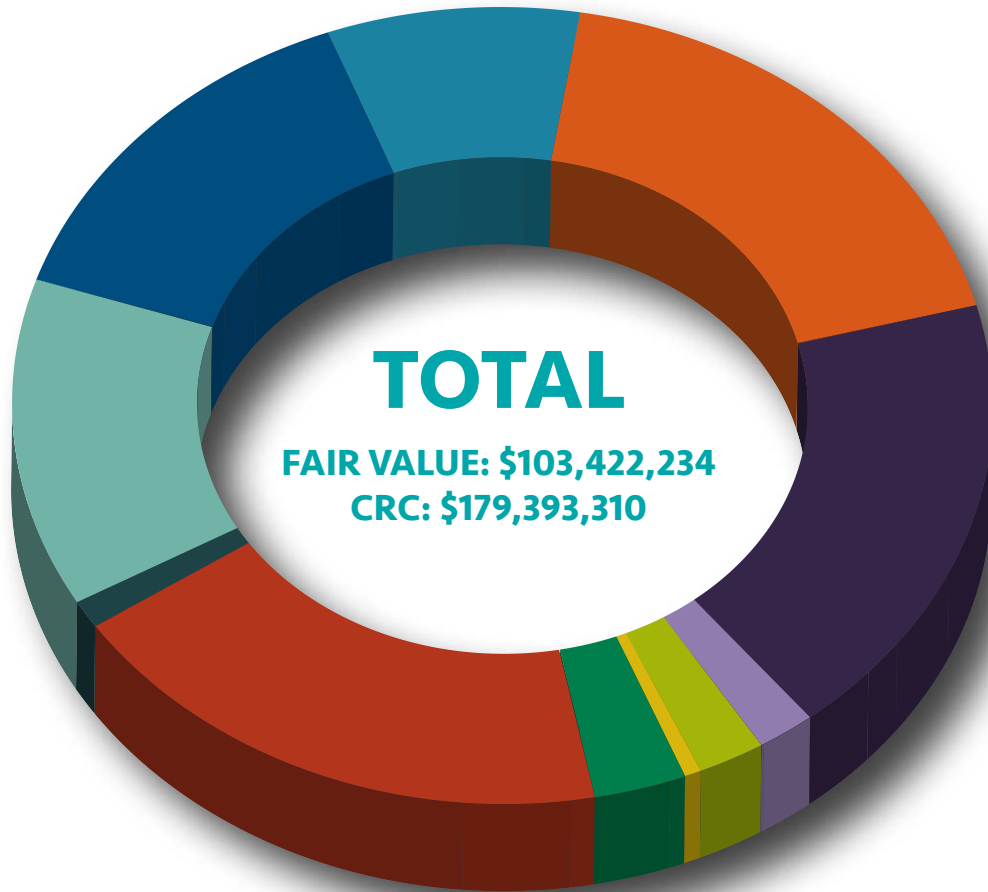
Source: IPWEA International Infrastructure Management Manual

ABOUT THE TRANSPORT SERVICE



WHAT DO WE HAVE AND WHAT ARE THEY WORTH?

Our Transport network is the largest asset group both in size and value. The individual asset classes that make up this network include:



The Current Replacement Costs (CRC) are how much the assets are worth 'as new'. The Fair Values are how much they are worth in their current physical state.



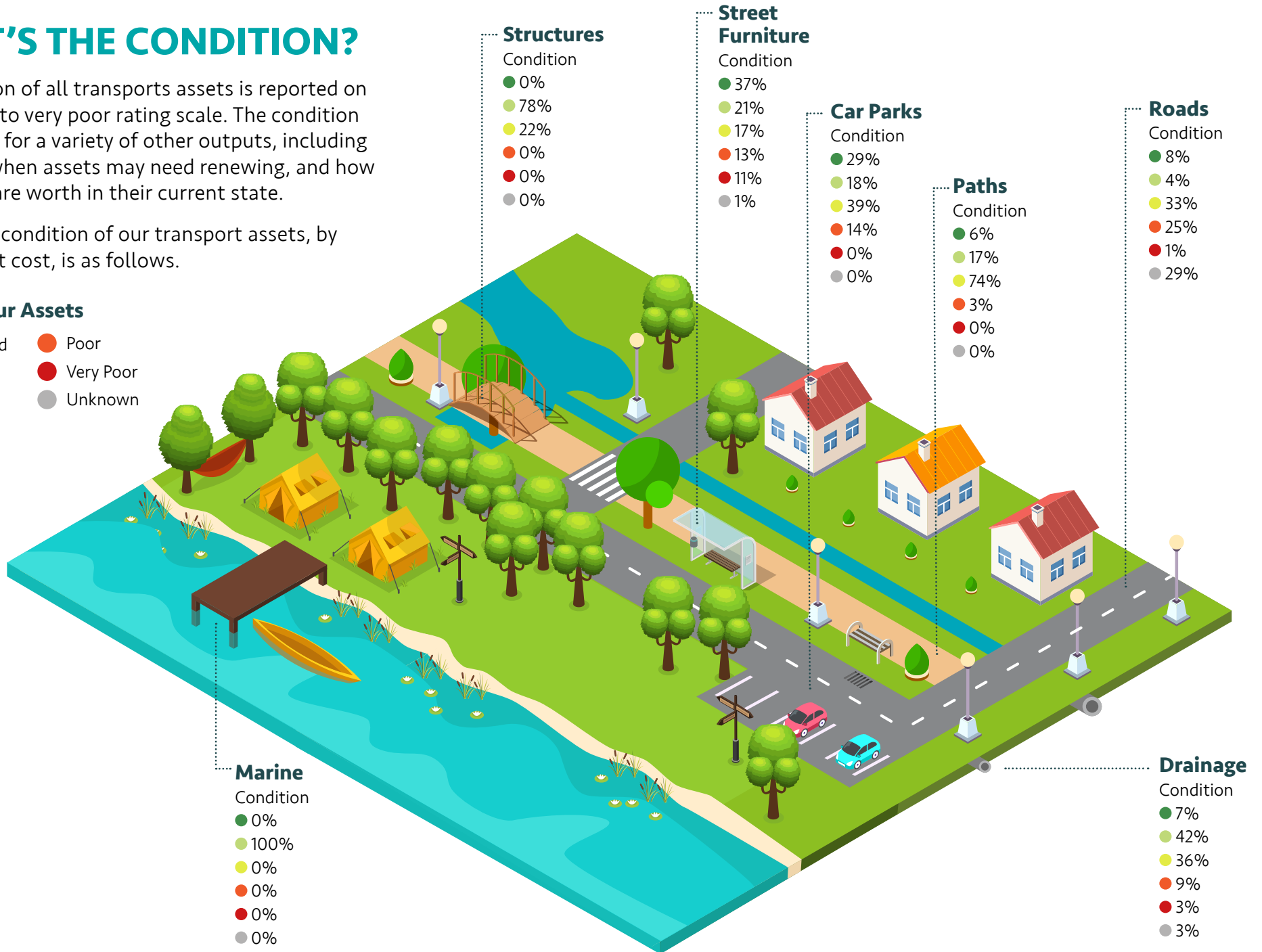
WHAT'S THE CONDITION?

The condition of all transports assets is reported on a very good to very poor rating scale. The condition data is used for a variety of other outputs, including predicting when assets may need renewing, and how much they are worth in their current state.

The current condition of our transport assets, by replacement cost, is as follows.





State of our Assets

- Very Good
- Poor
- Good
- Very Poor
- Average
- Unknown



HOW CONFIDENT ARE WE?

The Shire's current confidence in its transport asset data is:

ASSET CLASS	INVENTORY	CONDITION	VALUATION
 CAR PARKS	 Highly Reliable	 Highly Reliable	 Highly Reliable
 DRAINAGE	 Uncertain	 Very Uncertain	 Uncertain
 PATHS	 Highly Reliable	 Highly Reliable	 Highly Reliable
 ROADS	 Reliable	 Uncertain	 Uncertain
 STREET FURNITURE	 Reliable	 Reliable	 Reliable
 STRUCTURES	 Highly Reliable	 Highly Reliable	 Reliable
 MARINE	 Highly Reliable	 Uncertain	 Highly Reliable

HOW IS THE SERVICE PERFORMING?

The Shire needs to ensure that the service performance delivered by our transport assets meets the needs of users. However, the quality of these services can be varied, and in turn these can influence overall cost. Generally, as the service quality gets higher, so too does cost. Therefore, the Shire needs to balance this and deliver the transport service at a level that the community desires and is willing to pay.



SERVICE LEVELS

Service levels describe the quality performance that the Shire aims to provide for its transport service. These have been developed through consideration of strategic and customer inputs.

STRATEGIC INPUTS

The Strategic Community Plan (SCP) was reviewed to identify any drivers that may directly relate to the transport service. This showed that the following strategic priorities are of high importance. Service levels have then been selected for these, so that their performance can be monitored.

INPUT	STRATEGIC PRIORITY	SERVICE LEVEL
SCP	Outcome 3.1 – Maintain and improve our key natural assets - Maintain and develop our trails for use by locals and visitors (Collie to Darkan Rail trail, Nangip Creek walk trail, Hillman walk trail, Duranillin to Bowelling Rail trail)	Satisfaction (visitors)
SCP	Outcome 4.1 – Our road network is well maintained - Regularly review and update our long term road construction and maintenance program	Condition
SCP	Outcome 4.1 – Our road network is well maintained - Enhance road safety strategies for road users	Safety
SCP	Outcome 4.2 – Our built infrastructure is well maintained, attractive and inviting - Our townscapes are attractive and well developed with consideration for current and future usage	Aesthetics
DAIP	Outcome 2 - People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of West Arthur.	Accessibility (Car Parking)

CUSTOMER INPUTS

As a service provider, it is important that the Shire clearly understands the needs of its stakeholders (e.g. customers). In December 2022, Shire staff considered who the major stakeholders are of its transport service. Six were identified. While there may be other minor stakeholders, they have not been specifically considered by this AMP.

Analysis of stakeholders' service needs determined that the following attribute was most frequently required. This has been used with the Strategic Input KPIs as the basis for the AMP's transport service levels.

- Safety (6 occurrences)



**LIGHT
VEHICLES**



**HEAVY
VEHICLES**



**TOURISTS &
VISITORS**

TRANSPORT SERVICE



**PILOTED
VEHICLES**



**MOBILITY AID,
PRAM USERS,
PEDESTRIANS
& CYCLISTS**



**SCHOOL
BUSES**

SERVICE LEVEL TARGETS AND PERFORMANCE

The Strategic and Customer Inputs have been combined to form the following service level key performance indicators (KPIs). These KPIs will enable the Shire to monitor its transport service performance.

KPI	DRIVER	PERFORMANCE MEASURE	TARGET	CURRENT
Accessibility	DAIP	Percentage of survey respondents that are at least satisfied with the provision of ACROD parking lots.	Not determined	Unknown
Aesthetics	SCP	Percentage of survey respondents that are at least satisfied with Town streetscapes' aesthetic appeal.	Not determined	Unknown
Condition	SCP	Percentage of transport assets, by current replacement cost, at or above a condition rating of average.	Not determined	69%
Safety	SCP & Stakeholders	Percentage of survey respondents that are at least satisfied with transport network safety.	Not determined	Unknown
Satisfaction (Visitors)	SCP	Percentage of surveyed visitors that are at least satisfied with the quality of Shire trails.	Not determined	Unknown

HOW IS THE SERVICE CHANGING?

Transport continues to evolve, driven by factors such as fuel types, technology, automation, demographics and even social pastimes. Looking forward over the life of this Plan, the Shire considers the following drivers to most likely affect the demand for transport services.

FUTURE CHANGE DRIVERS



AN INCREASING COST TO OPERATE, MAINTAIN, RENEW AND CONSTRUCT TRANSPORT INFRASTRUCTURE



THE AVAILABILITY OF, AND ABILITY TO ACCESS, EXTERNAL SOURCES OF FUNDING TO SUSTAIN TRANSPORT ASSETS



ATTRACTING, RETAINING AND TRAINING SUITABLE STAFF TO MANAGE THE TRANSPORT NETWORK

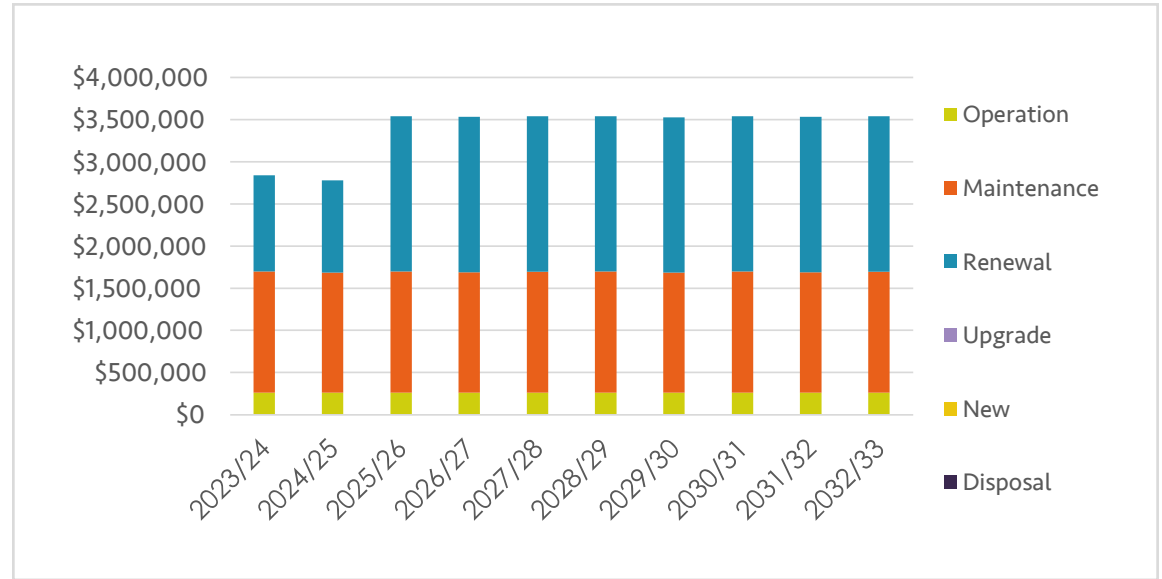
CHANGE MITIGATION

To meet the challenges that will arise from service change, the Shire plans to:

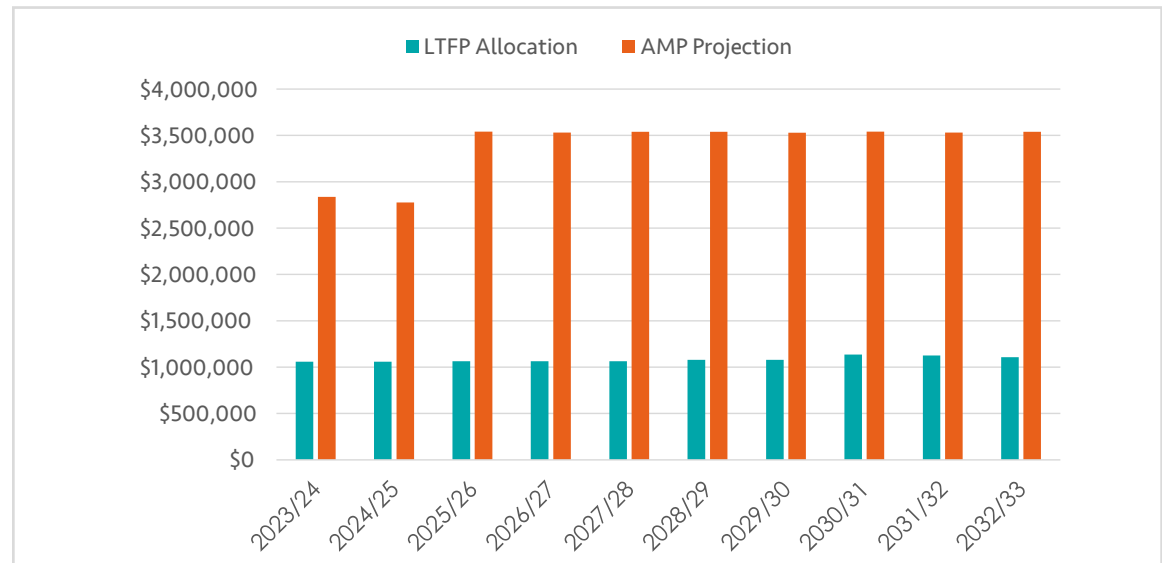
- Continue to improve its asset management practices (e.g. planned maintenance schedules)
- Maintain appropriate asset data (e.g. road imagery, traffic data) so that grants (i.e. Disaster Recovery Funding Arrangements (DRFAWA)) can be accessed when required
- Improve its capital works programme, so that projects are ready for grant opportunities
- Continue to engage with State and Federal Government to access revenue streams
- Continue to implement the Workforce Management Plan

WHAT WILL THE SERVICE COST?

The transport network represents a significant ongoing cost commitment to our community. To ensure that we can continue to sustainably provide the service, the Shire maintains a long term works programme. This programme contains all planned works activities, and sets out how much the service will cost, to deliver the agreed performance. On an annual basis, the works programme used by this AMP informs the Shire's broader Long Term Financial Plan (LTFP). In the event that the AMP and the LTFP do not balance financially, then the Shire can adjust its practices (e.g. service level performance) to reach a sustainable point.



Projected Transport Service Cost



Projected Transport Service Cost vs Available Funding

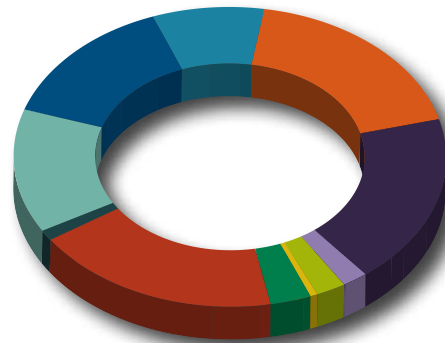
ABOUT THE PROPERTY SERVICE



WHAT DO WE HAVE AND WHAT ARE THEY WORTH?

While our property asset portfolio is not our largest asset class in terms of size and value, it is the most complex in terms of the range of services that it underpins. The different property types that make up the Shire's portfolio are as follows.

The Current Replacement Costs (CRC) are how much the assets are worth 'as new'. The Fair Values are how much they are worth in their current physical state.



TOTAL: 110
FAIR VALUE: \$17,323,400
CRC: \$33,872,400

AMENITIES
 QUANTITY: 10
 FAIR VALUE: \$411,700
 TOTAL CRC: \$882,500
 CRC PERCENTAGE: 3%

COMMUNITY
 QUANTITY: 8
 FAIR VALUE: \$2,371,400
 TOTAL CRC: \$6,328,500
 CRC PERCENTAGE: 19%

EMERGENCY SERVICES
 QUANTITY: 4
 FAIR VALUE: \$202,500
 TOTAL CRC: \$365,500
 CRC PERCENTAGE: 1%

HEALTH
 QUANTITY: 1
 FAIR VALUE: \$2,916,500
 TOTAL CRC: \$4,520,000
 CRC PERCENTAGE: 13%

HERITAGE
 QUANTITY: 15
 FAIR VALUE: \$2,320,200
 TOTAL CRC: \$4,910,300
 CRC PERCENTAGE: 15%

OPERATIONAL
 QUANTITY: 11
 FAIR VALUE: \$1,224,200
 TOTAL CRC: \$2,740,500
 CRC PERCENTAGE: 8%

RECREATION
 QUANTITY: 9
 FAIR VALUE: \$4,097,700
 TOTAL CRC: \$6,257,100
 CRC PERCENTAGE: 19%

RESIDENTIAL
 QUANTITY: 13
 FAIR VALUE: \$2,212,000
 TOTAL CRC: \$6,110,000
 CRC PERCENTAGE: 18%

TOURISM
 QUANTITY: 6
 FAIR VALUE: \$651,000
 TOTAL CRC: \$786,000
 CRC PERCENTAGE: 2%

LAND PARCELS
 QUANTITY: 28
 FAIR VALUE: \$846,000
 TOTAL CRC: \$846,000
 CRC PERCENTAGE: 2%

ANCILLARY ASSETS
 QUANTITY: 5
 FAIR VALUE: \$70,200
 TOTAL CRC: \$126,000
 CRC PERCENTAGE: <1%

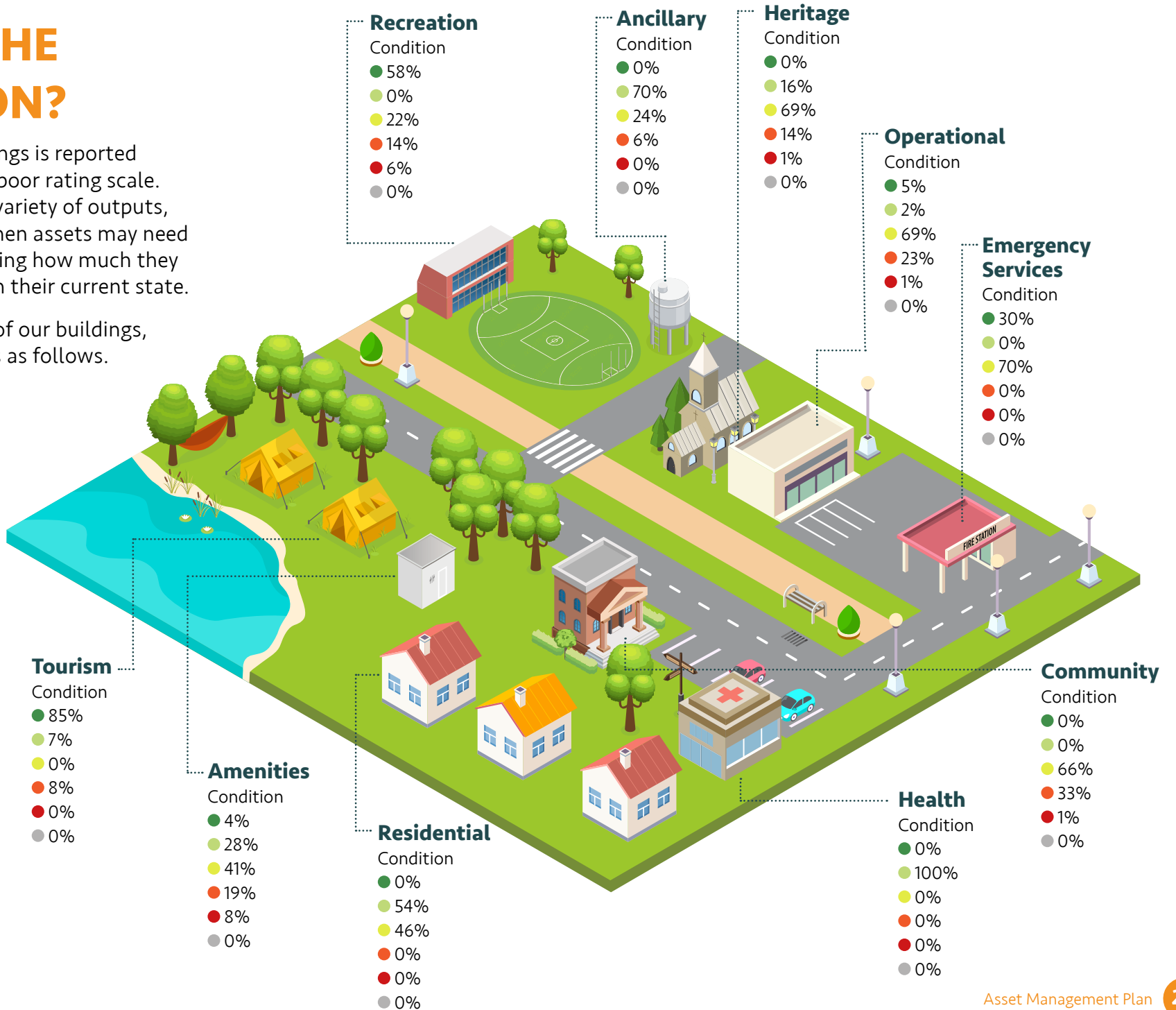
WHAT'S THE CONDITION?

The condition of buildings is reported on a very good to very poor rating scale. This data is used for a variety of outputs, including predicting when assets may need renewing, and calculating how much they are worth (fair value) in their current state.

The current condition of our buildings, by replacement cost, is as follows.

State of our Assets





















- Very Good
- Good
- Average
- Poor
- Very Poor
- Unknown



HOW CONFIDENT ARE WE?

The Shire's current confidence in its property asset data is:

PROPERTY TYPE	INVENTORY	CONDITION	VALUATION
 AMENITIES	 Highly Reliable	 Reliable	 Highly Reliable
 COMMUNITY	 Highly Reliable	 Reliable	 Highly Reliable
 EMERGENCY SERVICES	 Highly Reliable	 Reliable	 Highly Reliable
 HEALTH	 Highly Reliable	 Reliable	 Highly Reliable
 HERITAGE	 Highly Reliable	 Reliable	 Highly Reliable
 OPERATIONAL	 Highly Reliable	 Reliable	 Highly Reliable

PROPERTY TYPE	INVENTORY	CONDITION	VALUATION
 RECREATION	 Highly Reliable	 Reliable	 Highly Reliable
 RESIDENTIAL	 Highly Reliable	 Reliable	 Highly Reliable
 TOURISM	 Highly Reliable	 Reliable	 Highly Reliable
 LAND PARCELS	 Highly Reliable	 Highly Reliable	 Highly Reliable
 ANCILLARY ASSETS	 Highly Reliable	 Reliable	 Highly Reliable

HOW IS THE SERVICE PERFORMING?

The Shire seeks to ensure that the service performance delivered by our property assets meets the needs of users. However, the quality of these services can be varied, and in turn this influences overall cost. Generally, as the service quality gets higher, so too does cost. Therefore, the Shire needs to balance this and deliver the property service at a level that the community desires and is willing to pay.

SERVICE LEVELS

Service levels describe the quality performance that the Shire aims to provide for its property service. These have been developed through consideration of strategic and customer inputs.

STRATEGIC INPUTS

The Strategic Community Plan (SCP) was reviewed to identify any drivers that may directly relate to the property service. This showed that the following strategic priorities are of high importance. Service levels have then been selected for these outcomes, so that their performance can be monitored.

INPUT	STRATEGIC PRIORITY	SERVICE LEVEL
SCP	Outcome 1.1 - A safe place to work, live and visit - Support for the provision of emergency services and volunteers	Fit for purpose
SCP	Outcome 1.2 - Support available for people of all ages and abilities - Maintain and support the growth of medical facilities, childcare and aged services in the district	
SCP	Outcome 1.3 - A unique identity and a strong connection to our past - Maintain and preserve our cultural and heritage assets	Condition
SCP	Outcome 4.2 - Our built infrastructure is well maintained, attractive and inviting - Community facilities are continually reviewed and upgraded as required through asset management plans	
SCP	Outcome 4.3 - Our cultural heritage is preserved and promoted - Maintain the integrity of our heritage buildings	
DAIP	Outcome 2 - People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of West Arthur.	Accessibility

CUSTOMER INPUTS

As a service provider, it is important that the Shire clearly understands the needs of its stakeholders (e.g. customers). During December 2022, Shire staff considered who the major stakeholders are of its property service. Seven were identified. While there may be other minor stakeholders, they have not been specifically considered by this AMP.

Analysis of stakeholders' service needs determined that the following attributes were most frequently required.

- Availability (5 occurrences)
- Condition (6 occurrences)



SERVICE LEVEL TARGETS AND PERFORMANCE

The Strategic and Customer Inputs have been combined to form the following service level key performance indicators (KPIs). These KPIs will enable the Shire to monitor its property service performance.

KPI	DRIVER	PERFORMANCE MEASURE	TARGET	CURRENT
Accessibility	DAIP	Percentage of buildings that comply with Disability and Discrimination Act requirements.	Not determined	Unknown
Availability	Stakeholders	Percentage of survey respondents who are at least satisfied with the availability of public Shire.	Not determined	Unknown
Fit for purpose	SCP	Percentage of survey respondents who believe that buildings are fit for purpose.	Not determined	Unknown
Condition	SCP & Stakeholders	Percentage of building components, by current replacement cost, at or above a condition rating of average.	Not determined	85%

HOW IS THE SERVICE CHANGING?

With a diverse portfolio, and a long history, many of our buildings no longer support the services they were initially designed for. Looking forward, our buildings will need to continue to adapt as our community and environment also changes.

FUTURE CHANGE DRIVERS

Over the life of this Plan, the Shire considers the following drivers to most likely affect the demand for property services.



AN INCREASING COST TO OPERATE, MAINTAIN, RENEW AND CONSTRUCT BUILDING INFRASTRUCTURE



THE AVAILABILITY OF, AND ABILITY TO ACCESS, EXTERNAL SOURCES OF FUNDING TO SUSTAIN BUILDING ASSETS



THE AVAILABILITY OF EXTERNAL TRADES / SERVICE PROVIDERS TO PERFORM WORKS ON BUILDING ASSETS

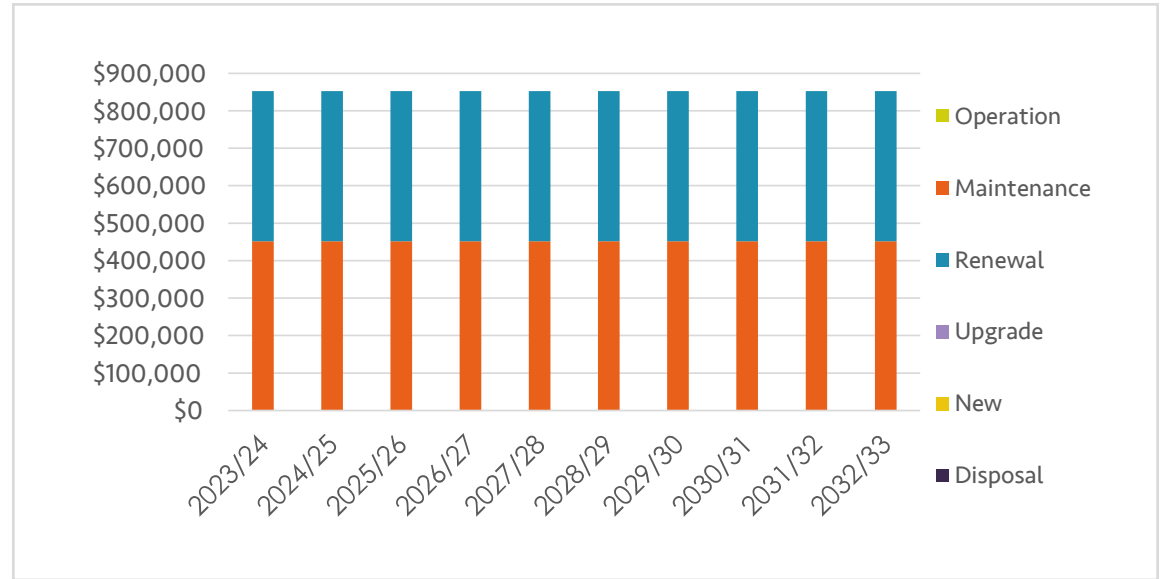
CHANGE MITIGATION

To meet the challenges that may arise from service change, the Shire plans to:

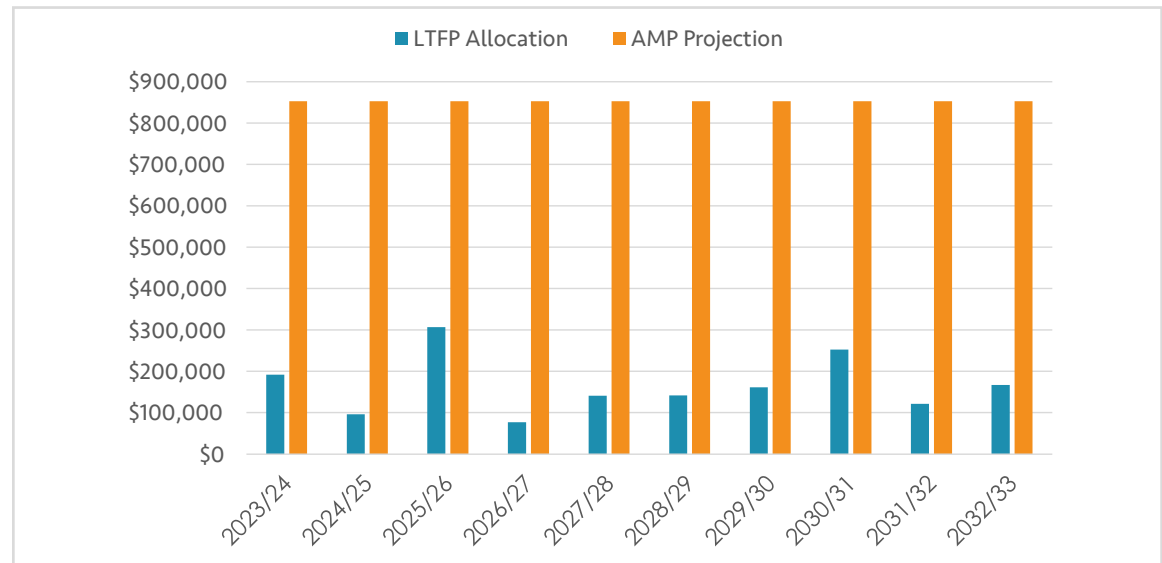
- Continue to develop the AMP, to accurately understand the long-term financial needs of the property portfolio
- Improve its capital works programme so that future projects can be aligned with the availability of external suppliers/trades, and/or so that works can be packaged up
- Identifying buildings that are not fit for purpose and/or poorly utilised and considering them for upgrade or disposal
- Work with state and federal government agencies, to ensure that external funding remains available and sufficient, to fund property asset works.

WHAT WILL THE SERVICE COST?

Properties represent a significant ongoing cost commitment to our community. To ensure that we can continue to sustainably provide the service, the Shire maintains a long term works programme. This programme contains all planned works activities, and sets out how much the service will cost, to deliver the agreed performance. On an annual basis, the works programme in this AMP informs the Shire's broader Long Term Financial Plan (LTFP). In the event that the AMP and the LTFP do not balance financially, then the Shire can adjust its practices (e.g. service level performance) to reach a sustainable point.



Projected Property Service Cost



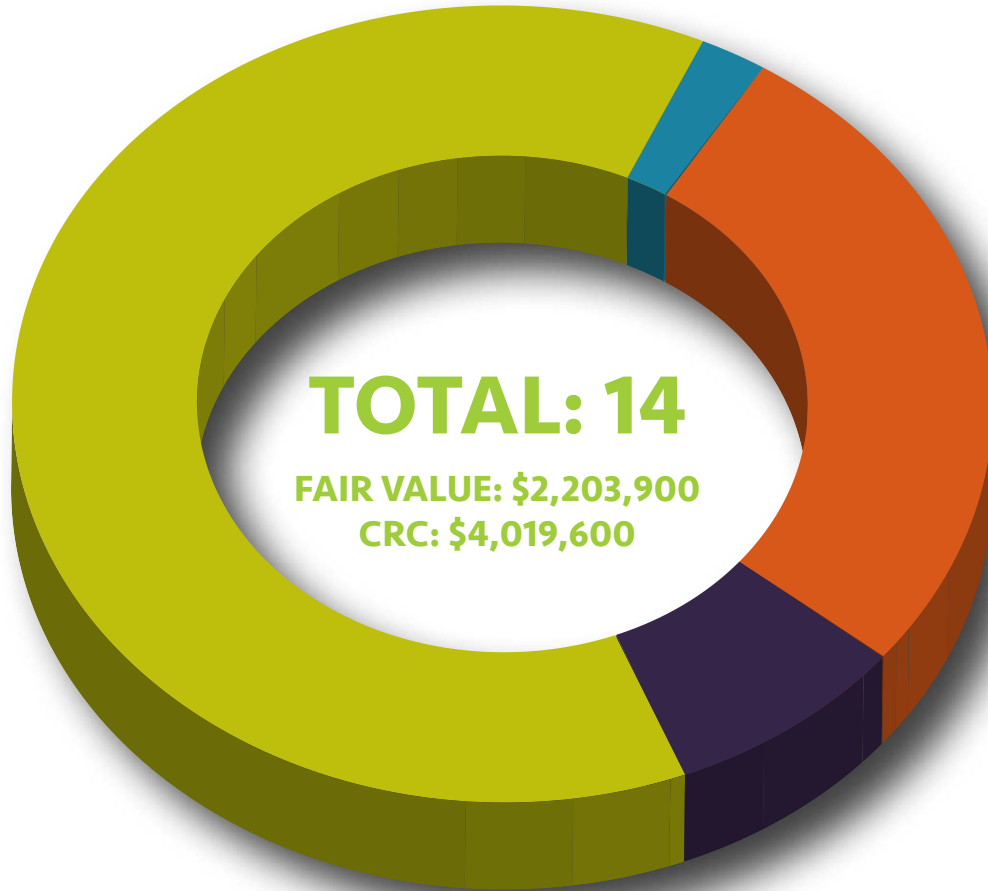
Projected Property Service Cost vs Available Funding

ABOUT THE RECREATION SERVICE



WHAT DO WE HAVE AND WHAT ARE THEY WORTH?

While the Shire's recreation places have a relatively small value when compared to other service assets, they are extremely important to the community. The different recreation place types that make up the Shire's portfolio are as follows.



The Current Replacement Costs (CRC) are how much the assets are worth 'as new'. The Fair Values are how much they are worth in their current physical state.

ACTIVE SPACES

QUANTITY: 5
FAIR VALUE: \$1,370,200
TOTAL CRC: \$2,539,100
CRC PERCENTAGE: 63%

CEMETERY/ MEMORIAL SPACES

QUANTITY: 1
FAIR VALUE: \$43,900
TOTAL CRC: \$65,400
CRC PERCENTAGE: 2%

PASSIVE SPACES

QUANTITY: 6
FAIR VALUE: \$671,600
TOTAL CRC: \$1,101,000
CRC PERCENTAGE: 27%

TOURISM SPACES

QUANTITY: 2
FAIR VALUE: \$118,200
TOTAL CRC: \$314,100
CRC PERCENTAGE: 8%

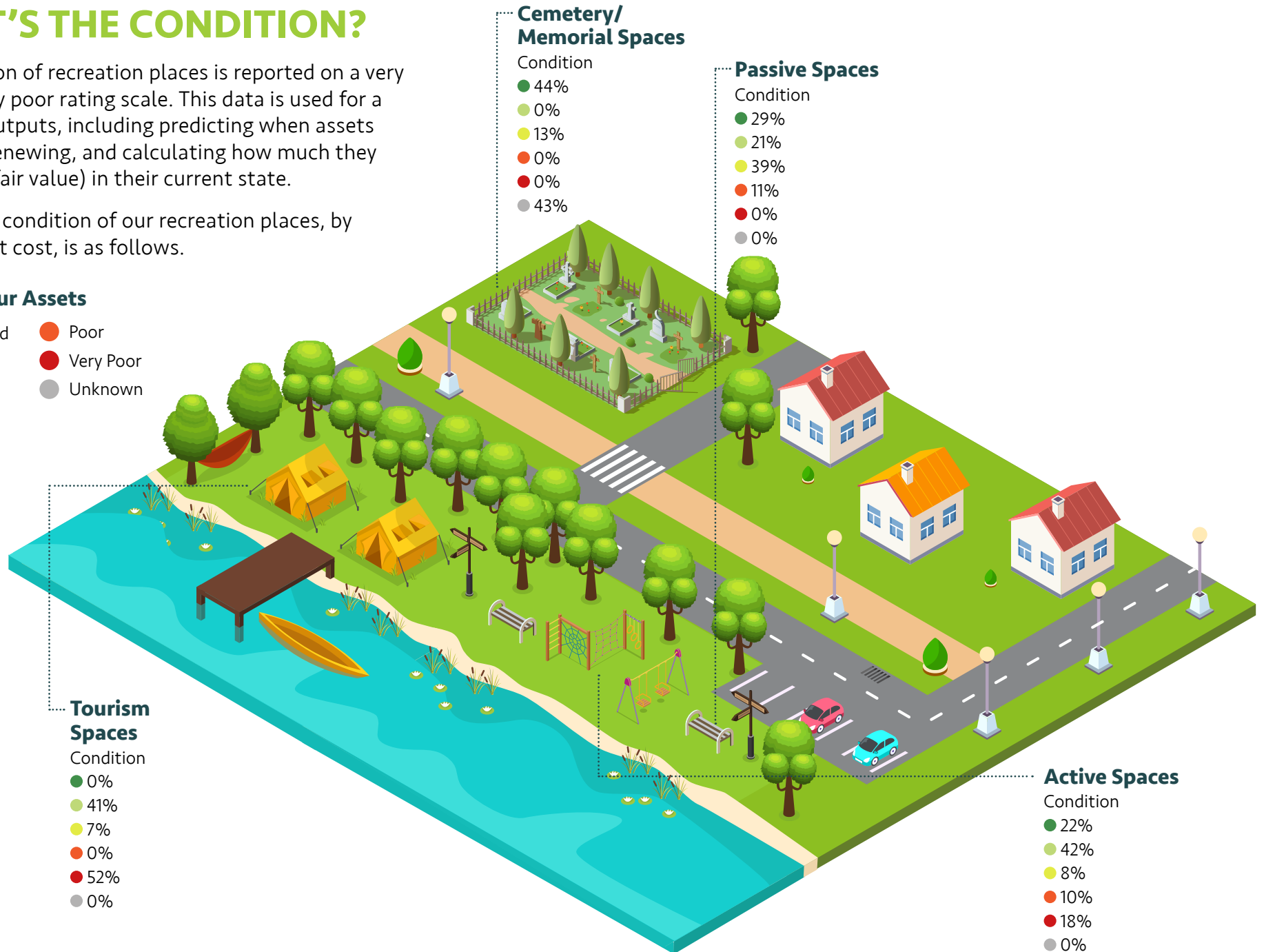
WHAT'S THE CONDITION?

The condition of recreation places is reported on a very good to very poor rating scale. This data is used for a variety of outputs, including predicting when assets may need renewing, and calculating how much they are worth (fair value) in their current state.

The current condition of our recreation places, by replacement cost, is as follows.

















State of our Assets

- Very Good
- Good
- Average
- Poor
- Very Poor
- Unknown



HOW CONFIDENT ARE WE?

The Shire's current confidence in its recreation asset data is:

ASSET CLASS	INVENTORY	CONDITION	VALUATION
 ACTIVE SPACES	 Reliable	 Reliable	 Reliable
 CEMETERY/ MEMORIAL SPACES	 Reliable	 Reliable	 Reliable
 PASSIVE SPACES	 Reliable	 Reliable	 Reliable
 TOURISM SPACES	 Reliable	 Reliable	 Reliable



HOW IS THE SERVICE PERFORMING?

The Shire seeks to ensure that the service performance delivered by our recreation assets meets the needs of users. However, the quality of these services can be varied, and in turn this influences overall cost. Generally, as the service quality gets higher, so too does cost. Therefore, the Shire needs to balance this and deliver the recreation service at a level that the community desires and is willing to pay.



SERVICE LEVELS

Service levels describe the quality performance that the Shire aims to provide for its recreation service. These have been developed through consideration of strategic and customer inputs.

STRATEGIC INPUTS

The Strategic Community Plan (SCP) has been reviewed to identify any drivers that may directly relate to the recreation service. This showed that the following strategic priorities are of high importance. Service levels have then been selected for these outcomes, so that their performance can be monitored.

INPUT	STRATEGIC PRIORITY	SERVICE LEVEL
SCP	Outcome 2.2 – A growing, diverse business community - Maintain and enhance our existing assets to encourage visitation	Satisfaction (visitors)
SCP	Outcome 3.1 – Maintain and improve our key natural assets - Maintain Lake Towerrinning as our premier, iconic natural asset	
SCP	Outcome 4.2 – Our built infrastructure is well maintained, attractive and inviting - Our parks and gardens are well maintained and attractive	Aesthetics
DAIP	Outcome 2 - People with disability have the same opportunities as other people to access the buildings and other facilities of the Shire of West Arthur.	Accessibility

CUSTOMER INPUTS

As a service provider, it is important that the Shire clearly understands the needs of its stakeholders (e.g. customers). During December 2022, Shire staff considered who the major stakeholders are of its recreation service. Three were identified. While there may be other minor stakeholders, they have not been specifically considered by this AMP.

Analysis of stakeholders' service needs determined that the following attribute was most frequently required.

- Aesthetics (2 occurrences)
- Condition (2 occurrences)
- Safety (2 occurrences)



SERVICE LEVEL TARGETS AND PERFORMANCE

The Strategic and Customer Inputs have been combined to form the following service level key performance indicators (KPIs). These KPIs will enable the Shire to monitor its recreation service performance.

KPI	DRIVER	PERFORMANCE MEASURE	TARGET	CURRENT
Accessibility	DAIP	Percentage of recreation places that comply with Disability and Discrimination Act requirements.	Not determined	Unknown
Aesthetics	SCP & stakeholders	Percentage of survey respondents at least satisfied with the recreation spaces' aesthetic appeal.	Not determined	Unknown
Condition	Stakeholders	Percentage of recreation assets, by current replacement cost, at or above a condition rating of average.	Not determined	75%
Safety	Stakeholders	Percentage of users that feel as though Shire recreation places are safe to use.	Not determined	Unknown
Satisfaction	SCP	Percentage of visitors to tourist focussed places, that are at least satisfied with their visit.	Not determined	Unknown

HOW IS THE SERVICE CHANGING?

Recreation services often underpin our community fabric, and enables people to come together. However, the breadth of recreation choices is likely to have never been so large. This presents many challenges when trying to provide the right assets and services for the community's needs.

FUTURE CHANGE DRIVERS

Over the life of this Plan, the Shire considers the following drivers to likely affect the demand for recreation services.



DEMOGRAPHIC CHANGE



DECLINING LEVEL OF RECREATION PARTICIPATION



AVAILABILITY OF WATER RESOURCES

CHANGE MITIGATION

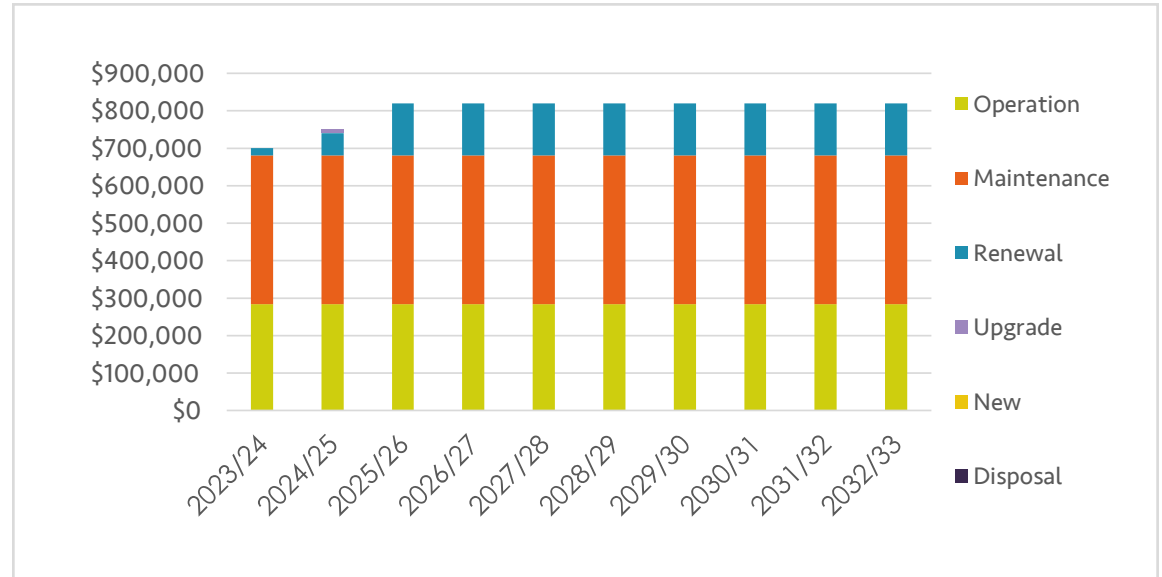
To meet the challenges that will arise from service change, the Shire plans to:

- Engage with the community to understand what its future recreation service needs are likely to be, as the median age continues to increase, and participation rates fall.
- Seek to construct additional tanks and dams, and explore other opportunities for harvesting and reclaiming water.

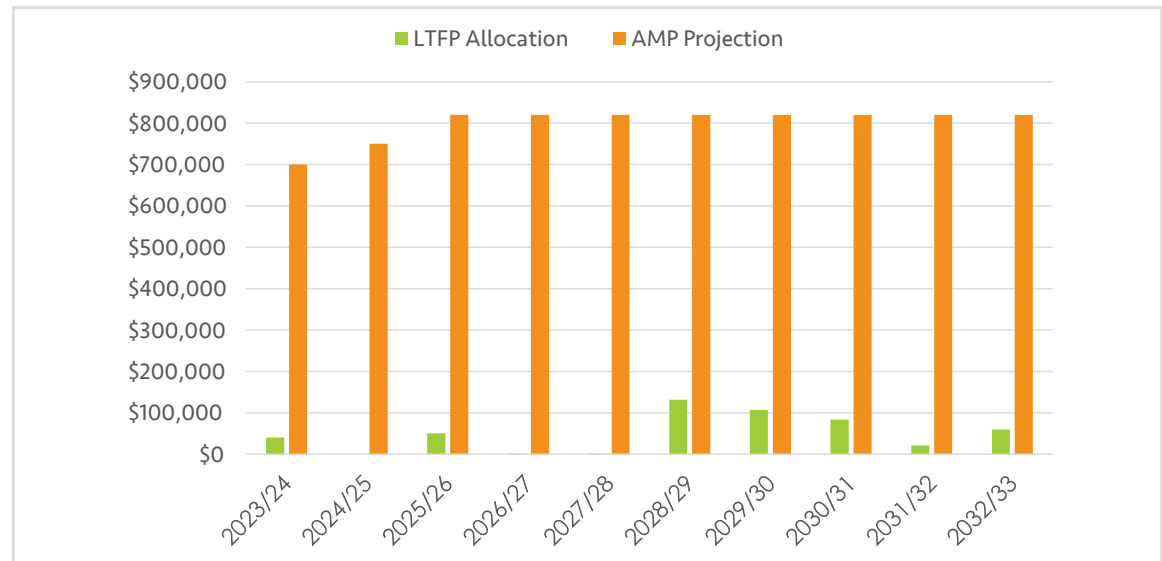


WHAT WILL THE SERVICE COST?

Recreation places represent a significant ongoing cost commitment to our community. To ensure that we can continue to sustainably provide the service, the Shire maintains a long term works programme. This programme contains all planned works activities, and sets out how much the service will cost, to deliver the agreed performance. On an annual basis, the works programme in this AMP informs the Shire's broader Long Term Financial Plan (LTFP). In the event that the AMP and the LTFP do not balance financially, then the Shire can adjust its practices (e.g. service level performance) to reach a sustainable point.



Projected Recreation Service Cost



Projected Recreation Service Cost vs Available Funding

ABOUT THE FLEET, EQUIPMENT & IT SERVICE



WHAT DO WE HAVE AND WHAT ARE THEY WORTH?

The Shire's fleet, equipment & IT asset portfolio is crucial in enabling many of our operational day to day tasks to be completed. The different asset types that make up the portfolio are:



**FURNITURE,
EQUIPMENT & IT**

QUANTITY: 16
FAIR VALUE: \$24,216
CRC PERCENTAGE: 1%









PLANT & VEHICLES

QUANTITY: 56
FAIR VALUE: \$3,583,643
CRC PERCENTAGE: 99%

HOW CONFIDENT ARE WE?

The Shire records inventory and valuation data for its fleet, equipment, and IT assets. The Shire's current confidence in its data is:

ASSET TYPE	INVENTORY	VALUATION
 FURNITURE, EQUIPMENT & IT	 Reliable	 Reliable
 PLANT & VEHICLES	 Reliable	 Reliable

HOW IS THE SERVICE PERFORMING?

The Shire seeks to ensure that the service performance delivered by our fleet, equipment & IT assets meets the needs of users. However, the quality of these services can be varied, and in turn this influences overall cost. Generally, as the service quality gets higher, so too does cost. Therefore, the Shire needs to balance this and deliver the recreation service at a level that the community desires and is willing to pay.

SERVICE LEVELS

Service levels describe the quality performance that the Shire aims to provide for its fleet, equipment & IT services. These have been developed through consideration of strategic and customer inputs.

STRATEGIC INPUTS

The SCP has been reviewed in order to identify any strategies that may directly relate to fleet, equipment & IT services. This showed that the following strategic priority is of high importance. A service level have then been selected for this outcome, so that its performance can be monitored.

INPUT	STRATEGIC PRIORITY	SERVICE LEVEL
SCP	Outcome 1.1 - A safe place to work, live and visit - Support for the provision of emergency services and volunteers	Fit for purpose (emergency services)



CUSTOMER INPUTS

As a service provider, it is important that the Shire clearly understands the needs of its stakeholders (e.g. customers). During December 2022, Shire staff considered who the major stakeholders are of its fleet, equipment & IT services. Three were identified. While there may be other minor stakeholders, they have not been specifically considered by this AMP.

Analysis of stakeholders' service needs determined that the following attributes were most frequently required.

- Condition (2 occurrences)
- Financial Value (2 occurrences)
- Reliability (2 occurrences)



**COUNCIL &
RATEPAYERS**



**SHIRE
ADMINISTRATION
STAFF**



**SHIRE WORKS
STAFF**

**FLEET,
EQUIPMENT
& IT
SERVICES**

SERVICE LEVEL TARGETS AND PERFORMANCE

The Strategic and Customer Inputs have been combined to form the following service level key performance indicators (KPIs). These KPIs will enable the Shire to monitor its fleet, equipment & IT service performance.

KPI	DRIVER	PERFORMANCE MEASURE	TARGET	CURRENT
Condition	Stakeholders	Percentage of survey respondents who are at least satisfied with the condition of fleet, equipment & IT assets.	To be determined	Unknown
Financial Value	Stakeholders	Percentage of monitored fleet, equipment & IT assets beyond their target cost/usage ratio.	To be determined	Unknown
Fit for Purpose	SCP	Percentage of emergency service survey respondents who are at least satisfied that the fleet and equipment assets they use, are fit for purpose.	To be determined	Unknown
Reliability	Stakeholders	Percentage of survey respondents who are at least satisfied with the reliability of fleet, equipment & IT assets.	To be determined	Unknown

HOW IS THE SERVICE CHANGING?

While our fleet and IT assets are predominantly used by Shire staff, they are vital tools to enable broader services, such as transport, property and recreation, to be delivered. However, these tools are evolving rapidly within an environment where technology sophistication seems to regularly change the way we work.

FUTURE CHANGE DRIVERS

Looking forward, over the life of this Plan, the Shire considers the following drivers to likely affect the demand for fleet & IT services.



CHANGING FUEL AND ENERGY TYPES AND COST



TECHNOLOGY CHANGE



FINANCIAL SUSTAINABILITY

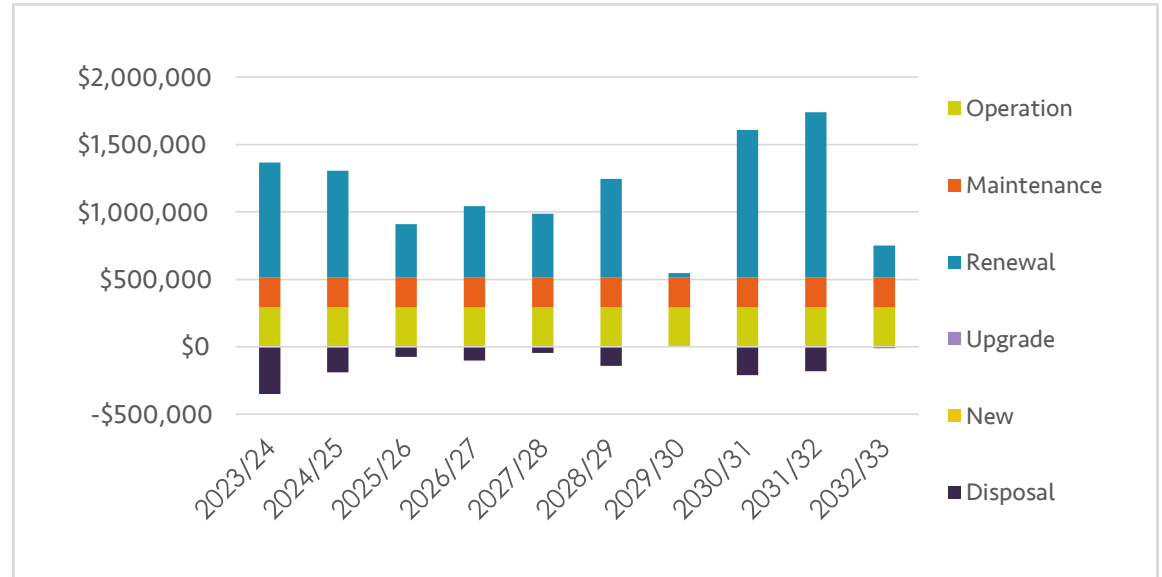
CHANGE MITIGATION

To meet the challenges that will arise from service change, the Shire plans to:

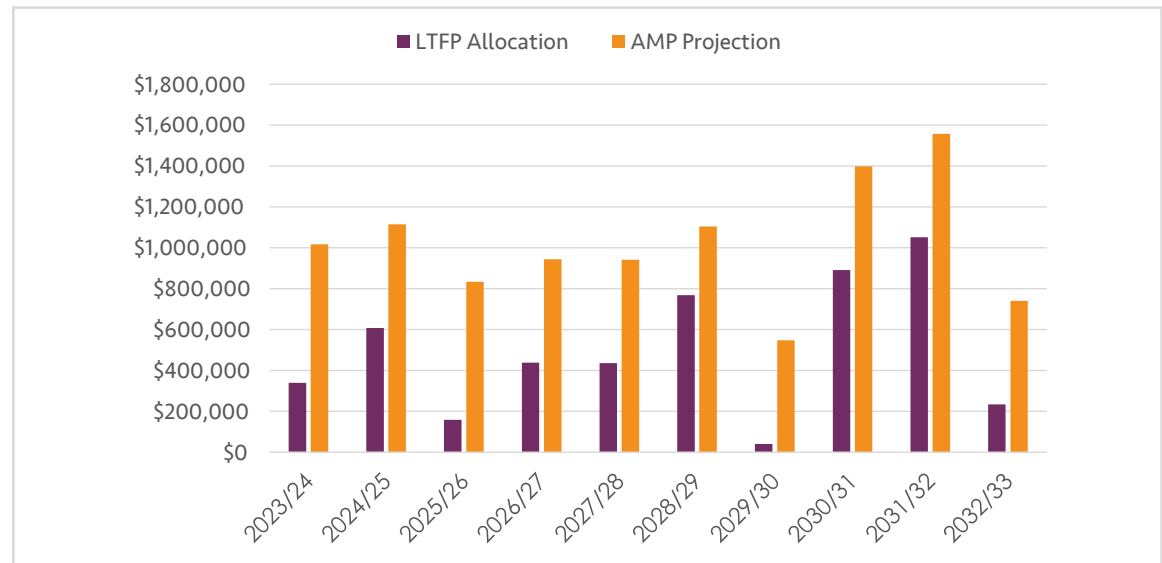
- Keep abreast of technology and fuel/energy changes and incorporate into the fleet when appropriate.
- Continue to maintain and improve the AMP works programme for fleet, equipment and IT asset to ensure its financial sustainability.
- Monitor the financial value achieved from the fleet through the respective service level metric.

WHAT WILL THE SERVICE COST?

To ensure that we can continue to sustainably provide the services, the Shire maintains a long term works programme. This programme contains all planned works activities, and sets out how much the services will cost, to deliver the agreed performance. On an annual basis, the works programme in this AMP informs the Shire's broader Long Term Financial Plan (LTFP). In the event that the AMP and the LTFP do not balance financially, then the Shire can adjust its practices (e.g. service level performance) to reach a sustainable point.



Projected Fleet, Equipment & IT Service Cost



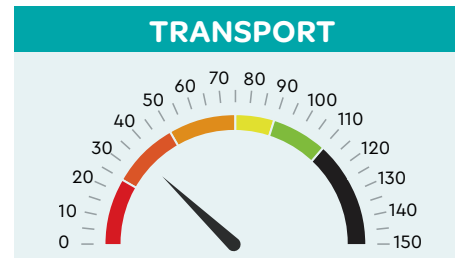
Projected Fleet, Equipment & IT Service Cost vs Available Funding.

ARE THE SERVICES ECONOMICALLY SUSTAINABLE?

The Shire monitors the economic sustainability of the AMP through three financial ratios. They measure the past, present and future ability to renew assets when required.

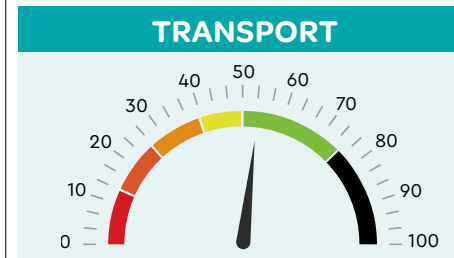
PAST - SUSTAINABILITY RATIO (ASR)

This ratio indicates whether a local government is replacing or renewing existing non-financial assets at the same rate that its overall asset base is wearing out. The standard is met if the ratio can be measured and is 90% (or 0.90). The standard is improving if this ratio is between 90% and 110% (or 0.90 and 1.10). The ratio is not required for fleet, equipment and IT assets.



PRESENT - CONSUMPTION RATIO

This ratio seeks to highlight the aged condition of a local government's physical assets by comparing their depreciated replacement cost (worth in current state) to their replacement cost (worth in as new state). The standard is met if the ratio can be measured and is 50% or greater (0.50 or >). The standard is improving if the ratio is between 60% and 75% (0.60 and 0.75). The ratio is not required for fleet, equipment and IT assets.



FUTURE - RENEWAL FUNDING RATIO

This ratio is a measure of the ability of a local government to fund its projected asset renewal/replacements in the future. The standard is met if the ratio is between 75% and 95% (or 0.75 and 0.95). The standard is improving if the ratio is between 95% and 105% (or 0.95 and 1.05), and the sustainability ratio falls within the range 90% to 110%, and consumption ratio falls within the range 50% to 75%. Fleet, equipment and IT assets have been included in this ratio.



HOW WILL THE SHIRE IMPROVE ITS ASSET MANAGEMENT?

Where possible, and appropriate, the Shire is committed to improving its asset management practices. The following actions have been identified by this AMP for future implementation.



SERVICE AREA	TASK
ALL	Monitor the performance of the AMP's service levels.
	Further develop the Shire's planned operation, maintenance and capital works programmes.
TRANSPORT	Assess the condition of road pavements where it is currently unknown.
	Review the condition of all road assets to determine a strategy to address the backlog in renewal works.
	Improve the confidence levels in drainage asset data to reliable or better.
	Improve the confidence level in marine asset condition data to reliable or better.
PROPERTY	Continue to refine the annual and 5-year planned bridge maintenance programme.
	Consider implementing a cyclical building condition inspection and reporting process.
RECREATION	Review the condition of building assets to determine a strategy to address the backlog in renewal works.
	Review the condition of all recreation assets to determine a strategy to address the backlog in renewal works.

FURTHER READING

The following documents support this AMP.

- Shire of West Arthur – Strategic Community Plan
- Shire of West Arthur – Asset Management Policy
- Shire of West Arthur – Long Term Financial Plan
- Shire of West Arthur – AMP Works Programme 2023-2033
- Shire of West Arthur – Disability Access and Inclusion Plan 2022-2027



ACKNOWLEDGEMENTS

Photos used by this AMP are credited to Caroline Telfer, Astrid Volzke and Kerryn Chia.

