



April 2018

ASSET MANAGEMENT PLAN 2018-27

Document History

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1 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

This asset management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost-effective manner whilst outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services over a 10-year planning period.

This plan covers the infrastructure assets of the Fleurieu Aquatic Centre (FAC) that provides Fleurieu Peninsula communities with a modern aquatic and recreation facility; enhancing the lifestyle and wellbeing of the area. FAC provides an 8 lane 25m swimming pool, multi-use program pool and hydrotherapy pool, outdoor splash park, fitness facility and child minding.

1.2 Asset Description

These assets include:

Asset category	Written down value as at 30 June 2017
Buildings & other structures	\$12,302,737
Furniture & fittings	\$3,775,515
Plant & equipment	\$1,129,873
Infrastructure	\$3,666,703
Total	\$20,874,828

1.3 Levels of Service

The Authority Charter provides:

5. Financials

5.2 Financial Contributions

5.2.1 The Constituent Councils will contribute funds to the Authority as set out in the Budget adopted by the Authority and approved by the Constituent Councils.

5.2.2 The Constituent Councils may agree to provide the Authority with additional funds at any

time on such terms and conditions, if any, as determined by the Constituent Councils.

Based on the continued provision of financial contributions from Constituent Councils, funding levels will be sufficient to provide existing services at current levels in the medium term.

1.4 Future Demand

The main demands for new services are created by:

- Customers
- Constituent Council requirements

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

1.5 Lifecycle Management Plan

What does it Cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AMP); including operations, maintenance, renewal and upgrade of existing assets over the 10-year planning period; is **\$6,537,609** or **\$653,761** on average per year.

1.6 Financial Summary

What we will do

Estimated available funding for this period is **\$6,647,000** or **\$665,000** on average per year as per the Long Term Financial Plan (LTFP) or budget forecast. This is **100%** of the cost to sustain the current level of service at the lowest lifecycle cost.

Funding requirements to support the AMP have been sufficiently accommodated in the LTFP.

Projected Operating and Capital Expenditure

Victor Harbor CC - Projected and Budget Expenditure for (Fleurieu Aquatic Centre _S2_V1)

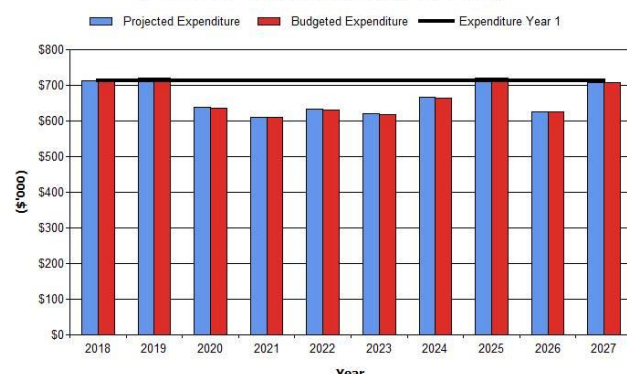


Figure Values are in current (real) dollars.

We plan to provide aquatic services for the following:

- Operation, maintenance, renewal and upgrade to our assets to meet service levels set in annual budgets.
- Carry out annual inspections to ensure that they align with the condition assessments, renewal and new/upgrade plans within the 10-year planning period.

Quality

Building assets will be maintained in a 'fit for purpose' condition. Defects found or reported that are outside of the service standard will be repaired.

Function

Building asset attributes will be maintained at a safe level and associated signage and equipment will be provided as needed to ensure public safety. The following key functional objectives will be met:

- Building assets will be managed in an efficient and cost-effective manner
- Facilities will be suitable for their intended use and meet user requirements
- Annual budgets will be provided for asset renewal in line with forecast rate of consumption

Safety

The building is inspected regularly for remedial maintenance and structural integrity.

The key objective is to be proactive in managing risks and public liability.

What we cannot do

Works and services that cannot be provided under present funding levels are:

- Create new services and provide new assets without impacting on budgets

Managing the Risks

Our present funding levels are sufficient to continue to manage risks in the medium term.

1.7 Asset Management Practices

Our systems to manage assets include:

- Information prepared by consultants Rider Levett Bucknall 2017
- Asset register ongoing maintenance (in Microsoft Excel)

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year; or

Method 2 uses capital renewal expenditure projections from external condition modelling systems; or

Method 3 uses a combination of average network renewals plus defect repairs in the Renewal Plan and Defect Repair Plan worksheets on the 'Expenditure template'.

Method 3 was used for this AMP.

1.8 Monitoring and Improvement Program

The next steps resulting from this asset management plan to improve asset management practices are:

- Develop long term financial targets cognisant of the funding requirements of this plan
- Undertake improvements highlighted in table 8.1 of this plan
- Undertake further work as required to quantify the desired levels of service
- Continue to explore options to reduce energy consumption and costs.

2. INTRODUCTION

2.1 Background

This AMP communicates the actions required for the responsive management of assets (and services provided from assets), compliance with regulatory requirements, and funding needed to provide the required levels of service over a 10-year planning period.

The AMP is to be read in conjunction with the following Authority planning documents:

- Strategic Plan 2018-2027
- Long Term Financial Plan 2018-2027
- Asset Accounting Policy
- Disposal of Land & Assets Policy
- Three Year Business Plan

The assets covered by this AMP are shown in Table 2.1. These assets are used to provide the following services:

- Learn to swim
- Physical recreation activity to promote health and wellbeing
- Sports and competitive activity
- Leisure and play activity beneficial to families and children
- Recreation activity available to all ages and abilities

Table 2.1: Assets covered by this Plan

Asset Category	Replacement Value	Written Down Value 30 June 2017
Building & other structures	\$12,407,742	\$12,302,737
Furniture & Fittings	\$3,818,733	\$3,775,515
Plant & equipment	\$1,147,485	\$1,129,873
Infrastructure	\$3,694,601	\$3,666,703
TOTAL	\$21,068,561	\$20,874,828

2.2 Goals and Objectives of Asset Ownership

Our goal in managing infrastructure 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. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance;
- Managing the impact of growth through demand management and infrastructure investment;
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service;
- Identifying, assessing and appropriately controlling risks; and
- Linking to a LTFP which identifies required, affordable expenditure and how it will be allocated.

2.3 Core and Advanced Asset Management

This AMP is prepared as a 'core' AMP over a 10 year planning period in accordance with the International Infrastructure Management Manual¹. Core asset management is a 'top down' approach where analysis is applied at the system or network level. An 'advanced' asset management approach uses a 'bottom up' approach for gathering detailed asset information for individual assets.

3. LEVELS OF SERVICE

3.1 Customer Research and Expectation

The construction of FAC was funded by the Constituent Councils with funding support from the Federal Government and the State Government's Community, Recreation and Sport Facilities Program. The aim of the State Government funding program is to support the strategic objective of increasing the proportion of South Australians participating in sport or physical recreation at least once per week to 50% by 2020. The federal government funding was provided for *'the provision of an indoor aquatic centre to provide health, sport and recreation facilities for the growing communities around Victor Harbor and Goolwa'*.

The provision of an aquatic centre at or near the City of Victor Harbor had been supported in a number of studies undertaken between 2001 and 2011. In summary, all reports resulting from these studies had identified the establishment of an aquatic centre as a service which should be available to southern Fleurieu Peninsula communities.

A business case was undertaken by the Constituent Councils in 2013 in respect of establishing a regional aquatic centre which incorporated a health and fitness studio. The business case examined population trends and anticipated demand for a regional aquatics facility, the aquatic and health and fitness markets relevant to a regional aquatic centre and the financial viability of a regional aquatic centre. The Business Case concluded that a regional aquatic facility would operate at a loss in each of the first five years of operation and would require a subsidy from the Constituent Councils. To meet their obligations under section 48 of the LG Act, the Constituent Councils commissioned a prudential review in respect of the establishment of an aquatic centre.

Future revisions of the AMP will incorporate community consultation on service levels and costs of providing the service. This will assist the Authority and stakeholders in matching the level of service required, service risks and consequences with the community's ability and willingness to pay for the service.

Table 3.1: Community Satisfaction Survey Levels

Performance Measure	Satisfaction Level				
	Very Satisfied	Fairly Satisfied	Satisfied	Somewhat satisfied	Not satisfied
Number of customers satisfied with the facilities		√			
Number of customers satisfied with the service provided		√			

This a continuous measure of the offered facilities and service provided; over the next two years a higher degree of results will be known.

¹ IPWEA, 2015, IIMM.

3.2 Strategic and Corporate Goals

This AMP is prepared in line with the direction set by the Authority in its Strategic Plan 2018-2027.

Our vision: Fleurieu Aquatic Centre is an inclusive destination that contributes to a healthy regional community.

Our mission: We are an independent governing body that directs the delivery of a regional indoor aquatic centre.

Relevant Strategic Plan goals and outcomes and how these are addressed in this AMP are:

Table 3.2: Goals and how these are addressed in this Plan

Goal	Outcomes	How Goal and Outcomes are addressed in AMP
To maintain community participation and enthusiasm for FAC	FAC is a valued and well utilised community destination for users of all ages and abilities FAC facilities, services and programs cater for and promote healthy communities and active lifestyles through social and recreational activity	By providing a sustainable community facility aligned to our annual budget and LTTP
To foster and maximise social inclusion	FAC is managed to ensure user safety and caters for the needs of the whole community FAC is considerate of specific social and disability needs FAC is perceived by the community as a welcoming and safe 'community place' for recreation and social interaction	By providing a sustainable community facility aligned to our annual budget and LTTP
To care for, protect and improve FAC in line with changing community needs	FAC is managed and maintained at agreed service levels and in line with the Asset Management Plan FAC facilities, services and programs meet the needs of the community and expectations of constituent Councils FAC environmental impact is minimised	By providing a sustainable community facility aligned to our annual budget and LTTP
To, as far as possible, be financially self-sufficient	Delivery of agreed levels of service to existing and future FAC users in the most efficient and cost-effective way	By providing a sustainable community facility aligned to our annual budget and LTTP

3.3 Legislative Requirements

As a local government regional subsidiary, the Authority has to meet many statutory requirements of both National and State legislation. These include:

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1999	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a LTFP supported by Infrastructure and Asset Management Plans for sustainable service delivery.
Development Act 1993	An Act that regulates development in South Australia in the design and use of land and buildings.
Environmental Health Act	An Act that regulates responsibilities in maintaining public health.
Environment Protection Act	An Act that covers the protection of the environment
South Australia Work Health and Safety Act 2012 South Australia Work Health and Safety Regulations 2012	An Act and Regulations that provides for the Health, Safety and Welfare of Workers.
Disability Discrimination Act 1992	An Act that provides for the non-discrimination of people based on a disability.
Electrical Wiring Code AS3000	States the management and maintenance of electrical installations.
Relevant Australian & International Standards	International Standards Other relevant standards applicable to buildings.
Building Code of Australia 2014	States the minimum requirements for the design, construction and maintenance of buildings.
Royal Lifesaving – Guidelines for Safe Pool Operation	Guideline for safe pool staffing and operations to ensure public safety.
SA Health Department	Legislative requirements to manage water quality and safe food preparation.
SA Water	Requirements for safe discharging and refilling of pool water and backwash water.
Mutual Liability Scheme	Sets out role, purpose, responsibilities of local government entities in managing risk and liabilities.
Other relevant State and Federal Acts and Regulations	As appropriate

3.4 Customer Levels of Service

Service levels are defined in two terms; customer levels of service and technical levels of service. These are supplemented by organisational measures.

Customer Levels of Service measure how the customer receives the service and whether value to the customer is provided.

Customer levels of service measures used in the AMP are:

Quality How good is the service ... *what is the condition or quality of the service?*

Function Is it suitable for its intended purpose *Is it the right service?*

Capacity/Use Is the service over or under used ... *do we need more or less of these assets?*

The current and expected customer service levels are detailed in Tables 3.4 and 3.5. Table 3.4 shows the expected levels of service based on resource levels in the current LTTP.

Organisational measures are measures of fact related to the service delivery outcome e.g. number of occasions when service is not available, condition %'s of Very Poor, Poor/Average/Good, Very good.

These Organisational measures provide a balance in comparison to the customer perception that may be more subjective.

Table 3.4: Customer Level of Service

	Expectation	Performance Measure Used	Current Performance	Expected Position in 10 Years based on the current budget.
Service Objective: Customer Satisfaction Survey				
Quality	<ul style="list-style-type: none"> Facilities are maintained properly Service provided to the community meets expectations Facilities are at a quality or standard suitable for their purpose 	<ul style="list-style-type: none"> Customer Survey Customer requests Number of complaints received 	Yet to be measured. Planned over the next 2 years	At least 85% of respondents rate their satisfaction as fairly satisfied or better, in surveys of customers
Function	<ul style="list-style-type: none"> Facilities are suitable for intended use Facilities meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programs Easy to access Fit for their use, recreation or competition 	<ul style="list-style-type: none"> Analysis of Customer Service Requests relating to functionality Customer Survey 	Yet to be measured. Planned over the next 2 years	At least 85% of respondents rate their satisfaction as fairly satisfied or better, in surveys of customers
Safety	Safe, user and worker friendly building and facilities	Incidents per 1000 visits Facility Hazard Inspections Number of reported injuries with associated insurance claims	Less than 1 incident per 1000 visits (reported monthly) Facility Hazard Inspection completed monthly and any non-conformances addressed in a timely manner	Less than 1 incident per 1000 visits Electronic audit completed monthly; report provided; any non-conformances addressed in a timely manner
	Building fire safety and security systems maintained	Regular servicing of firefighting equipment, emergency lighting and security systems	100% servicing carried out in accordance with building standards	100% servicing carried out in accordance with building standards

	Maintaining the quality of the pool water	Regular servicing and testing of plant and water quality	100% servicing carried out in accordance with health regulations and relevant standards	100% servicing carried out in accordance with health regulations and relevant standards
Capacity and Use	Grow member numbers year on year Grow annual attendance	Number of members Annual attendance	Membership as at 30 June 2017 was 770	Annual targets set 2017/18 targets: <ul style="list-style-type: none"> • Membership 850 • Annual attendance 187,259 visits
Responsiveness	Adequately respond to requests and complaints Meet reasonable response times	Respond to complainant within agreed timeframe	95% of requests and complaints completed within agreed timeframe	95% of requests and complaints completed within agreed timeframe
Compliance	Compliance with Building Code of Australia and related legislative/ technical standards (structural adequacy, access / egress, firefighting, lighting & ventilation.	All new work and significant refurbishment to comply with current standards Water quality to comply with required standards.	Work carried out in accordance with building standards Water quality compliant with health regulations and relevant standards	Development Act approval and compliance with Building Code of Australia
Accessibility	Disability accessible facilities provided	Complaints received	Disability Action Plan developed to address any access issues Less than five complaints per year	Disability Action Plan developed Less than five complaints per year
	Signage and information meets corporate standards	Regular survey of signage	Annual review	Annual review
Capacity/ Utilisation	Sufficient facilities available for use for the number of users Not overused	Analysis of Customer Service Requests Customer Survey	Yet to be measured	At least 85% of respondents rate their satisfaction as fairly satisfied or better, in surveys of customers

3.5 Technical Levels of Service

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

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

- Operations – the regular activities to provide services (e.g. opening hours, cleaning, mowing grass, energy, inspections, etc.)
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. building and structure repairs)
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement)
- Upgrade/New – the activities to provide a higher level of service (e.g. replacing a pipeline with a larger size) or a new service that did not exist previously.

Service and asset managers plan, implement and control technical service levels to influence the customer service levels.²

Table 3.5 shows the technical levels of service expected to be provided under this AMP. The 'Desired' position in the table documents the position being recommended in this AMP.

Table 3.5: Technical Levels of Service

Service Attribute	Service Activity Objective	Activity Measure Process	Current Performance *	Desired for Optimum Lifecycle Cost **
Legislative compliance	Compliance	Compliance Audit	100% Compliance	100% Compliance
Quality	Building and facilities maintained at least cost and greatest usage	Condition Assessment	Condition rating <1	Condition rating <2
Quantity	Meet community needs within limits of affordability	Assess needs against demand and ability to fund	High Standards Provided	Adequate facilities within budgetary constraints
Reliability / availability	Asset condition and fit-for-purpose	Condition Assessment	Condition assessment <1	Condition assessment <2
Function	Facilities meet user requirements	Condition Assessment Customer Request System	Condition assessment <1	Condition assessment <2

² IPWEA, 2015, IIMM, p 2 | 28.

Service Attribute	Service Activity Objective	Activity Measure Process	Current Performance *	Desired for Optimum Lifecycle Cost **
Operations	Inspections Opening hours Cleanliness Provision of power and operational services	Scheduled, documented record of inspections Any hazards managed Compliance with regulations	Requirements per Management Agreement for Operational Managers are being met	Requirements per Management Agreement for Operational Managers are being met
		Budget	Asset Renewal Funding Ratio 100%	Asset Renewal Funding Ratio 100%
Maintenance	Maintenance and Replacement Programs	Compliance with Industry Standard	Preventative Maintenance Plan developed	Preventative Maintenance Plan implemented
		Budget	Asset Renewal Funding Ratio 100%	Asset Renewal Funding Ratio 100%
Renewal	Frequency Identified renewal works can be completed	Monitor Condition Replace when agreed standards are not met Replace at the age determined to meet minimum service standard	Capital works program and LTFP developed to deliver a satisfactory service standard. Identified capital works have been included in the LTFP Verification and improvement of the Asset Register	Assets renewed in line with this plan and LTFP Asset Register maintained and accurate
		Budget	Asset Renewal Funding Ratio 100%	Asset Renewal Funding Ratio 100%
Upgrade/New				
	Upgrade / new assets to maintain service levels	Budget	Aligned with Asset Management Plan and LTFP	Aligned with Asset Management Plan and LTFP Requests for upgrade / new assets considered by Authority Board and constituent Councils on a case by case basis

Note: * Current activities and costs (currently funded)

It is important to regularly monitor the service levels provided, as these will change. The current performance is influenced by work efficiencies and technology, and customer priorities will change over time. Review and establishment of the agreed position which achieves the best balance between service, risk and cost is essential.

Desired levels of service

At present, indications of desired levels of service are obtained from various sources including feedback to Councils, the Authority and centre staff, service requests and correspondence. The Authority has yet to quantify desired levels of service. This will be done in future revisions of this Asset Management Plan.

4. FUTURE DEMAND

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, consumer preferences and expectations, technological changes, economic factors, industry changes, environmental awareness, etc.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets were identified and are documented in Table 4.3.

Population growth generally leads to intensification of the use of existing facilities.

For FAC activity, the key drivers influencing growth and the demand are:

- community expectations (levels of service); and
- an increasing and ageing population.

The changing pattern of the demographics, particularly the ageing population, along with community expectations will impact on use and management of FAC. The demand for informal recreation opportunities may increase over time. With regards to aquatic activities, this may result in more emphasis on leisure and fun activities compared to traditional lane swimming. Additional infrastructure may be required to cater for the ageing population.

It is intended to manage the facilities at FAC within the capability of the existing assets rather than cater for the population growth. There are no growth-related projects included in the 10-year forecast.

4.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

Table 4.3: Demand Drivers, Projections and Impact on Services

Demand factor	Present position	Projection	Impact on services
Population	City of Victor Harbor – 14176 Alexandrina Council forecast 2018 - 27,316	City of Victor Harbor - 21,231 in 2031 Alexandrina Council - 32,668 in 2031 ³	Increase in demand for services
Demographics	Increase in population is expected to occur mainly in the older demographic of 65+	The increase in population is expected to occur mainly in the older demographic of 65+	The infrastructure will increasingly have to cater for additional usage by supplying new and renewal of assets
Increasing utility costs	Increased energy costs through level of consumption and cost of supply	Increased concern regarding water usage and electricity consumption. There is a need to focus on ways to cost effectively improve building assets to minimise power and water usage. Expect to impact on operational costs.	Increased operational budgets.

³ <https://forecast.id.com.au/alexandrina>

Legislative Change	Legislative compliance	The Authority strives to meet the legislative standards that apply to FAC. Increased expenditure may be required to ensure compliance with any change to the regulations surrounding water quality standards or health and safety legislation.	Increased operational budgets.
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4.4 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 and demand management. Demand management practices can include non-asset solutions, insuring against risks and managing failures.

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this AMP.

Table 4.4: Demand Management Plan Summary

Demand Driver	Impact on Services	Demand Management Plan
Community group pool hire	Reduced number of lanes available to general public for lane swimming	Manage usage levels and scheduling to ensure minimum number of lanes available to public to meet needs
Allied health practitioner pool hires	Potential congestion in hydrotherapy pool	Manage usage levels and scheduling to ensure adequate availability for public access to meet needs
Swim school	Maximum capacity reached	Review program and capabilities. Change configuration of pool lane layout to create further opportunities
School pool hire	Reduced number of lanes available to general public for lane swimming	Review hire agreements and pool space availability to schools to enhance usage
Birthday parties	Maximum capacity reached	Increase capability of program through pool space availability and adjusting times of program
Group fitness	Maximum capacity reached	Increase capability of program through pool / gym space availability, addition of classes and adjusting times of program
Gym	Maximum capacity reached	Monitor need for additional equipment to be added (within space and group fitness program limitations)
Creche	Maximum capacity reached	Review program and capabilities
Regulation	Increased cost to deliver services	Health and Building Code requirements need to be met
Education	Management of risk	Education on pool safety
Expectation of the need for new assets	Increased service level	Utilisation and demand to be monitored. Requests for upgrade / new assets (and resultant increase in service levels) to be considered by the Authority Board on a case by case basis

4.5 Asset Programs to meet Demand

The new assets required to meet demand can be acquired, donated or constructed. Additional assets are discussed in Section 5.5. The summary of the cumulative value of additional asset is shown in Figure 1.

Figure 1: Upgrade and New Assets to meet Demand – (Cumulative)

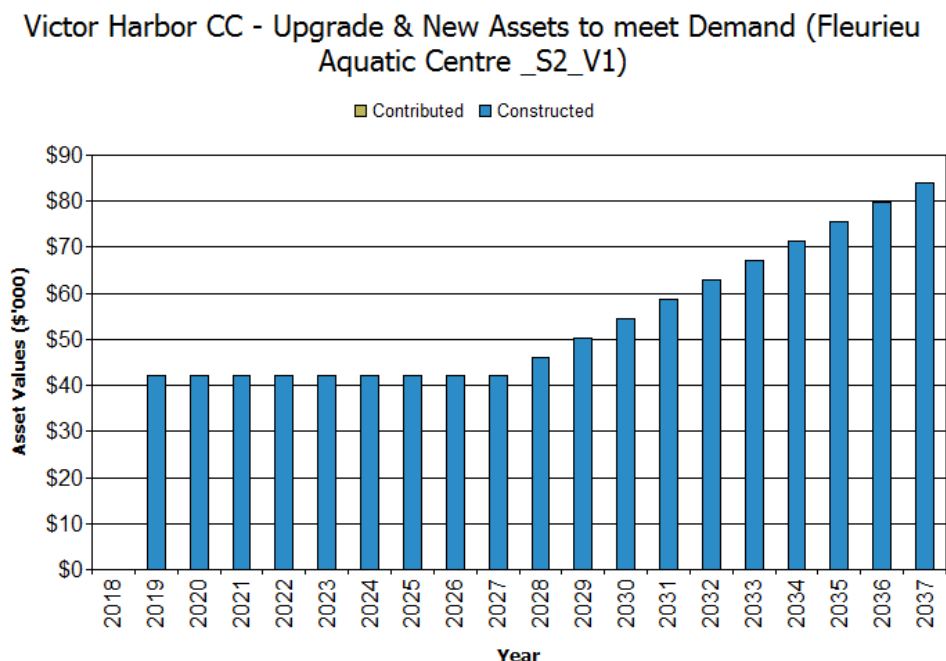


Figure Values are in current (real) dollars.

Acquiring these new assets 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.

5. LIFECYCLE MANAGEMENT PLAN

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

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AMP are shown in Table 2.1.

Asset Category	Replacement Value	Written Down Value 30 June 2017
Building & other structures	\$12,407,742	\$12,302,737
Furniture & Fittings	\$3,818,733	\$3,775,515
Plant & equipment	\$1,147,485	\$1,129,873
Infrastructure	\$3,694,601	\$3,666,703
TOTAL	\$21,068,561	\$20,874,828

Construction of the Centre was completed on 14 March 2017.

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available.

FAC is a newly constructed facility (completed in March 2017). Construction defects are being resolved with contractors and any design challenges are being noted for potential future consideration if required.

There are currently no known deficiencies in service performance.

5.1.3 Asset condition

Condition is monitored in accordance with methods developed by IPWEA outlined in the International Infrastructure Management Manual (IIMM).

As the centre was newly constructed in March 2017, all assets are considered to be in Condition Rating 1.

Condition is measured using a 1 – 5 grading system⁴ as detailed in Table 5.1.3.

Table 5.1.3: Simple Condition Grading Model

Condition Grading	Description of Condition
1	Very Good: only planned maintenance required
2	Good: minor maintenance required plus planned maintenance
3	Fair: significant maintenance required
4	Poor: significant renewal/rehabilitation required
5	Very Poor: physically unsound and/or beyond rehabilitation

5.2 Operations and Maintenance Plan

FAC is operated under contract by YMCA SA which is responsible for ensuring the facilities are adequately maintained and safely operated.

Operations include regular activities to provide services such as public health, safety and amenity, e.g. cleaning, pool water management, utilities costs and 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.

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.

Maintenance includes reactive, planned and cyclic maintenance work activities. Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

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

Cyclic maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, etc. This work generally falls below the capital/maintenance threshold.

⁴ IPWEA, 2015, IIMM, Sec 2.5.4, p 2 | 80.

Maintenance expenditure is shown in Table 5.2.1.

Table 5.2.1: Maintenance Expenditure Trends

Year	Maintenance Budget \$
2016-17 (Mar-Jun)	\$1,817
2017-18	\$18,476
2018-19	\$59,298
Average over ten years of the plan	\$75,137

Planned maintenance work forms the majority of the maintenance budget. Being a new site, the reactive maintenance is expected to be minimal in the forthcoming years. Maintenance expenditure levels are considered to be adequate to meet required service levels.

Future revision of this AMP will include linking required maintenance expenditures with required service levels.

Assessment and prioritisation of reactive maintenance is undertaken by Centre staff and specialised contractors by using experience and judgement.

Standards and specifications

Maintenance work is carried out in accordance with the Building Code of Australia, relevant standards and industry practice. The Authority (via the contracted operational manager of the centre) also engages contractors to carry out maintenance works under specific contract agreements.

Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in current 2018 dollar values (i.e. real values).

Figure 4: Projected Operations and Maintenance Expenditure

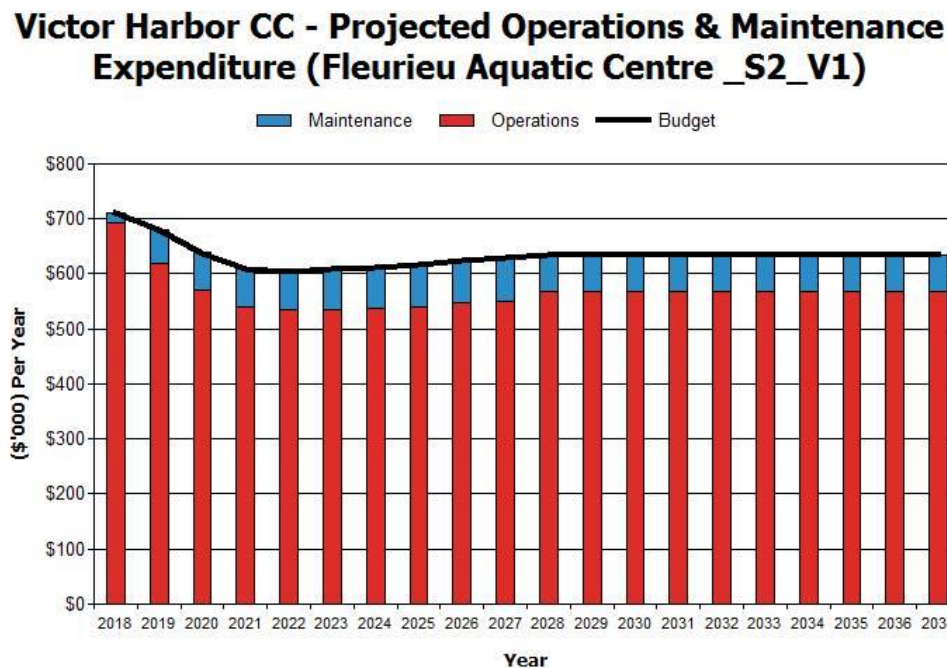


Figure Values are in current (real) dollars

Maintenance is funded from the operating budget where available. This is further discussed in Section 7.

The YMCA asset management system includes –

- Internal audits
- Preventative and responsive maintenance strategies
- Reporting – site specific / organisational

Internal Audits - YMCA Maintenance Audit

The YMCA maintenance audit is a comprehensive assessment of the physical quality and condition of the facility and its equipment. The audit is undertaken on a regular basis (six monthly), and documents the frequency for each maintenance/equipment replacement item. It includes the maintenance responsibilities as described in the Management Agreement, itemising the specific inspection required for each piece of equipment/area.

YMCA preventative maintenance schedule

The preventative maintenance schedule is driven primarily from the asset register. Within the register, assets required to undergo routine preventative maintenance are marked and added to the preventative maintenance schedule. The schedule includes monthly, quarterly, bi-annual and annual services as per asset requirements to ensure the longevity of all items. All preventative maintenance schedules are signed off on a monthly basis by the Centre Manager.

YMCA corrective and responsive action program

This is a purpose built database that identifies items that are the responsibility of both the Authority and YMCA at the facility. This database monitors and reports on improvement items as they arise. As a minimum, the database will include improvement actions arising from:

- Non programmed maintenance requests
- Non-conformance items
- Outstanding items from monthly quality assurance audits
- Monthly hazard inspections
- Royal Life Saving Society audits.

As improvement actions arise, they are logged immediately into the database by FAC staff.

YMCA's open communication strategy, in addition to the formal reporting schedule, will ensure that the Authority Executive Officer is aware of identified improvement issue(s) investigations and actions. Reports will be produced and discussed at bi-monthly maintenance meetings or at contract monitoring meetings held between the Authority and the YMCA. While monitoring, reporting and providing on time response to improvement items, the system also assists in providing an audit trail to ensure items are reported as completed. Reports can be provided to demonstrate a continuous improvement system is in place, rectifying issues as they arise.

5.3 Renewal/Replacement Plan

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is considered to be an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or

- Method 3 uses a combination of average network renewals plus defect repairs in the Renewal Plan and Defect Repair Plan worksheets on the 'Expenditure template'.

Method 3 was used for this AMP.

5.3.1 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, or
- To ensure the infrastructure is of sufficient quality to meet the service requirements.⁵

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 high use and subsequent impact on users would be greatest,
- Have a total value representing the greatest net value,
- Have the highest average age relative to their expected lives,
- Are identified in the AMP as key cost factors,
- Have high operational or maintenance costs, and
- Have replacement with a modern equivalent asset that would provide the equivalent service at a savings.⁶

The ranking criteria used to determine priority of identified renewal and replacement proposals is detailed in Table 5.3.1.

Table 5.3.1: Renewal and Replacement Priority Ranking Criteria

Criteria	Weighting
Structural defect/legislative requirement	50%
Condition of asset (good, fair, poor)/Amenity (comfort/ aesthetic)	35%
Usage of building (high, medium, low)	15%
Total	100%

Renewal will be undertaken using 'low-cost' renewal methods where practical. The aim of 'low-cost' renewals is to restore the service potential or future economic benefits of the asset by renewing the assets at a cost less than replacement cost.

5.3.2 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time when the asset stock increases. The expenditure required is shown in Fig 5. Note that all amounts are shown in current (real) dollars.

The projected capital renewal and replacement program is shown in Appendix B.

⁵ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

⁶ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

Fig 5: Projected Capital Renewal and Replacement Expenditure

**Victor Harbor CC - Projected Capital Renewal Expenditure
(Fleurieu Aquatic Centre _S2_V1)**

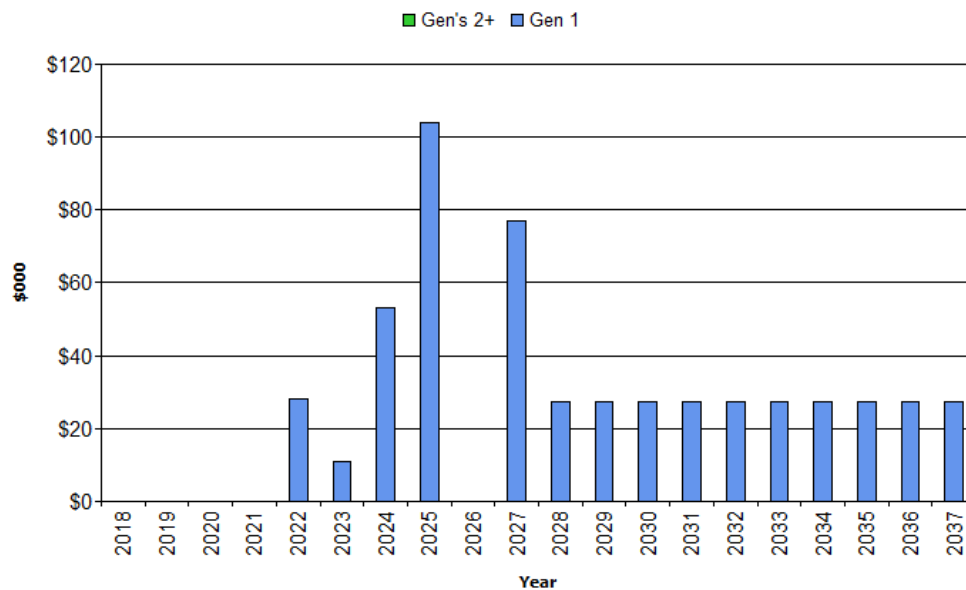


Figure Values are in current (real) dollars.

Renewals and replacement expenditure in the capital works program will be accommodated in the LTFP. This is further discussed in Section 7.

5.4 Creation/Acquisition/Upgrade Plan

New works are those that create a new asset that did not previously exist, or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost. These additional assets are considered in Section 4.5.

Future new capital works will be considered on the ability to reduce operating expenditure for FAC or enhance user experiences.

5.4.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Candidate proposals 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 programs. The priority ranking criteria is detailed below.

Table 5.4.1: New Assets Priority Ranking Criteria

Criteria	Weighting
Public need	30%
Risks (residual high or extreme risks)	20%
Utilisation	20%
Financial impact -whole of life costing analysis considered	30%
Total	100%

5.4.2 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Fig 6. The projected upgrade/new capital works program is shown in Appendix C. All amounts are shown in real values.

Fig 6: Projected Capital Upgrade/New Asset Expenditure

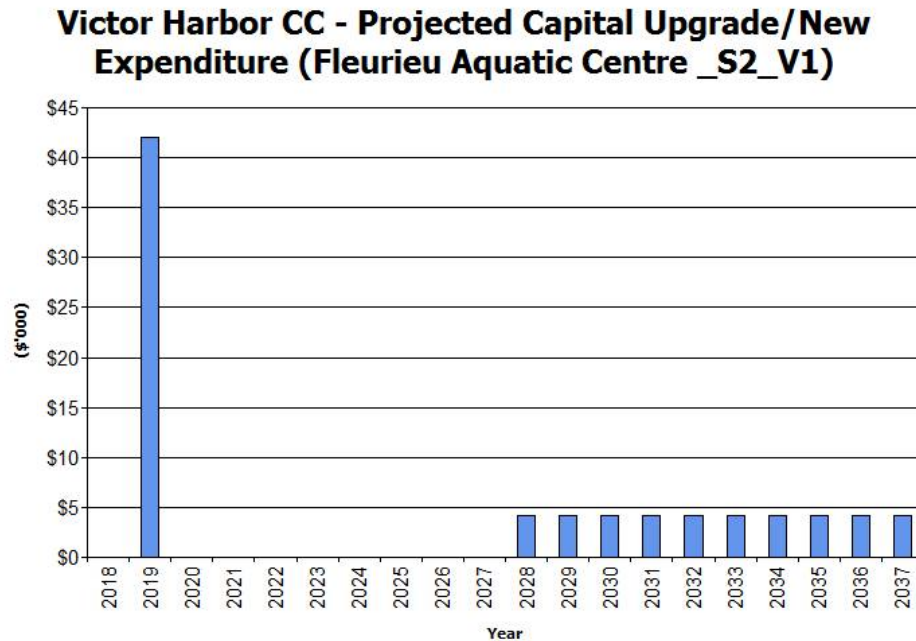


Figure Values are in current (real) dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the LTFP but only to the extent of the available funds.

5.4.3 Summary of asset expenditure requirements

The financial projections from this asset plan are shown in Fig 7 for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

The bars in the graphs represent the anticipated budget needs required to achieve lowest lifecycle costs, the budget line indicates what is currently available. The gap between these informs the discussion on achieving the balance between services, costs and risk to achieve the best value outcome.

Fig 7: Projected Operating and Capital Expenditure

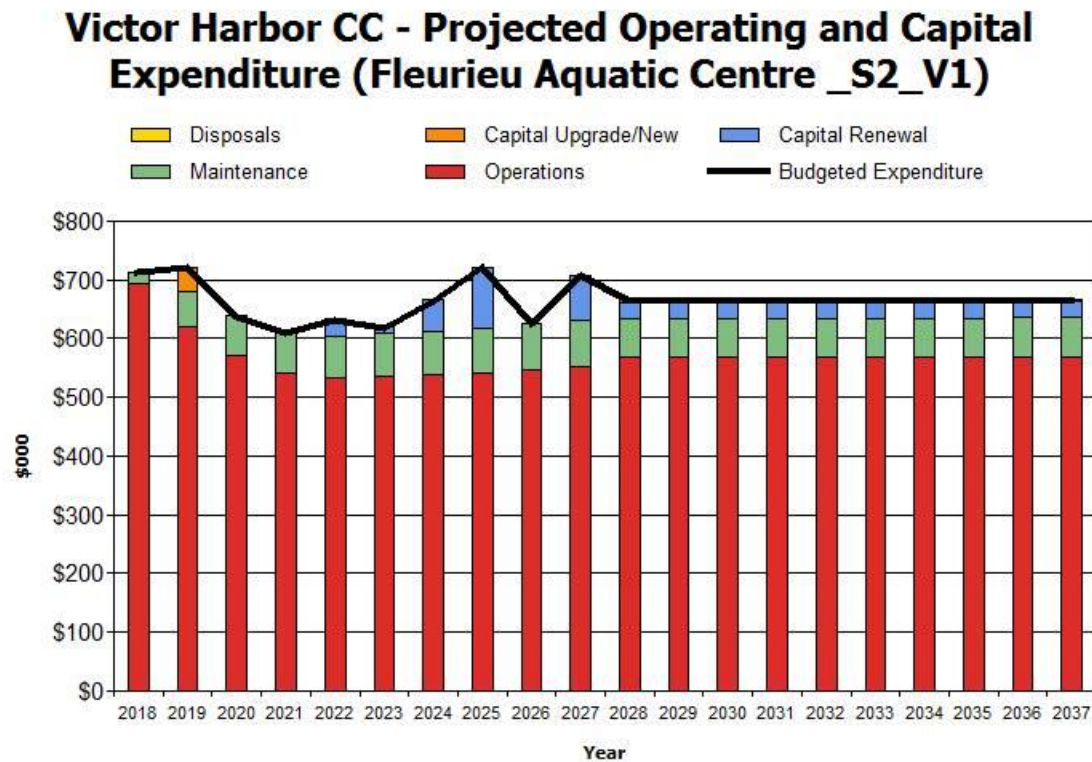


Figure Values are in current (real) dollars.

5.5 Disposal Plan

There are no planned disposals in this plan.

6. RISK MANAGEMENT PLAN

The purpose of infrastructure risk management is to document the results and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2009 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2009 as: ‘coordinated activities to direct and control with regard to risk’⁷.

An assessment of risks associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a ‘financial shock’. 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.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Similarly, critical failure modes are those which have the highest consequences.

⁷ ISO 31000:2009, p 2

Critical assets have been identified and their typical failure mode and the impact on service delivery are as follows:

Table 6.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact
Main building structure	Structural failure to the building and pools	Public safety risk, reduction in services, financial cost
Heating, cooling and ventilation systems for pool complex	Mechanical or electrical failure	Reduction in services, increased operating / capital spend
Water circulation pumps	Mechanical or electrical, failure	Reduction in services, increased operating / capital spend
Chlorination system	Mechanical or electrical, failure	Reduction in services, increased operating / capital spend
Information Technology systems (Customer Relations Management system, EFTPOS systems)	System failure including internet, phone provider, third party IT providers	Reduction in services, increased operating / capital spend
Water supply (amenities, pool systems)	Plumbing and associated services failure	Financial Loss or reduction in services
Power supply	Electrical failure	Financial Loss or reduction in services

By identifying critical assets and failure modes investigative activities, condition inspection programs, maintenance and capital expenditure plans can be targeted at the critical areas.

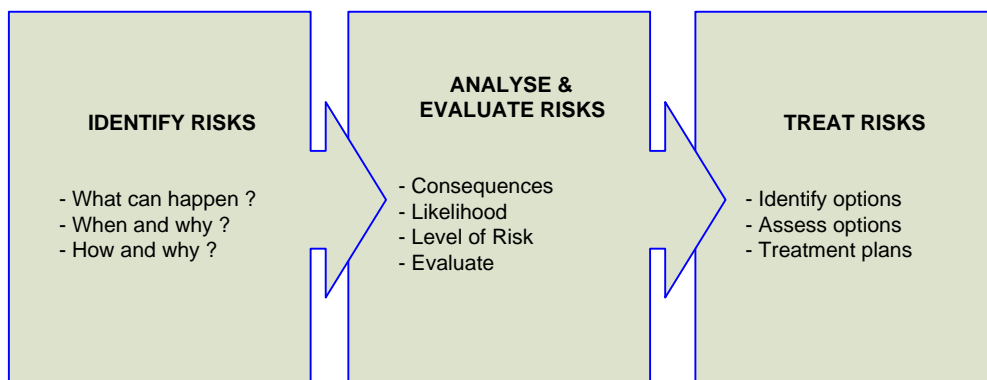
6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 below.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of the ISO risk assessment standard ISO 31000:2009.

Fig 6.2 Risk Management Process – Abridged



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 unacceptable risks.

An assessment of risks associated with service delivery from infrastructure assets has identified the critical risks that will result in significant loss, 'financial shock' or a reduction in service.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings. The residual risk and treatment cost after the selected treatment plan is implemented is shown in Table 6.2. These risks and costs are reported to the Authority Executive Officer and Board.

Table 6.2: Critical Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Centre not to standard	Centre does not meet regulatory standards	High	Regularly inspect facilities to monitor standard and address any issues. Monitor industry changes so that potential changes to regulatory standards can be anticipated	Medium	Within existing operational budgets
Centre does not satisfactorily meet user requirements	Centre not improved or funded at a sufficient level to meet requirements	High	Council commitments per Authority Charter ensure operational funding to meet service level requirements. Improvements to FAC considered on a case by case basis	Low	Within existing operational budgets
Main building structure	Structural failure to the building and pools	High	Inspections of building and pools undertaken on regular basis. Identified structural failures are reported and rectified	Medium	Within existing operational budgets for preventative and reactive maintenance; major structural failure would be additional capital expenditure
Electrical equipment/ fixtures	Electrical equipment/ fixtures failing	High	Regular electrical tagging and testing. Regular RCD testing. Inspections of outlets and switches.	Medium	Within existing operational budgets for preventative and reactive maintenance
Pools	Pool water contamination	High	Undertake a daily water testing and log results	Low	Within existing operational budgets
Main building structure	Fire	High	Regular servicing of fire equipment and detection systems, emergency lighting, exit doors, path of travel to exits. Building inspections procedure. Fire evacuation drills undertaken. Insurance in place	Medium	Within existing operational budgets for preventative and reactive maintenance

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Main building structure	Inadequate insurance cover for buildings and contents	High	Insurance cover is reviewed annually. Assets are valued for insurance purposes every five years	Low	Within existing operational budgets
Main building structure	Non-compliance with DDA, in terms of accessibility	Medium	DDA Action plan for continual improvement. DDA Internal monitoring group meets on a quarterly basis	Low	Within existing operational budgets
Main building structure	Security breach	Medium	Call-out system in place for response. Security devices in place (CCTV, monitored alarms, access cards etc.)	Low	Within existing operational budgets
Pools	Management of user groups (casual, permits)	Medium	Standard hire agreements. Fees and charges register in place	Low	Within existing operational budgets

Note * The residual risk is the risk remaining after the selected risk treatment plan is operational.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to our customers and the services we provide. To adapt to changing conditions and grow over time we need to understand our capacity to respond to possible disruptions and be positioned to absorb disturbance and act effectively in a crisis to ensure continuity of service.

YMCA, as FAC operational managers, operate and manage the centre in line with the following risk management documents and plans:

- WHS Risk Management Framework
- Work Health and Safety Policy
- WHS Management System
- Hazard Management Procedure
- Hazard identification, risk assessment & control protocol
- Business Continuity Plan
- Master Risk Control Plan
- Public Health and Safety Plan
- Evacuation, Emergency & Incident Procedures

In particular, the purpose of the YMCA Business Continuity Plan is to ensure the continuation of FAC business during and following any critical incident that results in disruption to the normal operational capability. The Business Continuity Plan is a key aspect of the YMCA governance and risk management strategy which focuses on business continuity risks and responses in the event of a material threat to FAC assets and/or continuing operations eventuating. The Business Continuity Plan identifies critical business functions, resources and infrastructure which, if disrupted, would have a material impact on FAC's ability to deliver its services, as well as impacting on assets and operations.

Risks associated with users of FAC facilities are mitigated through compliance with standards and regular inspections and assessment. The Authority's risk management strategy in relation to FAC is:

- to maintain and ensure compliance with up to date Health and Safety Plans for all staff and contractors and manage the contractors response to new Health & Safety issues;

- to monitor the condition of FAC plant on a regular basis and maintain compliance with water quality standards;
- that a regular maintenance program is delivered;
- to monitor potential hazards on a regular basis, and to take appropriate action to reduce possible risks by eliminating, mitigating or isolating the hazard as soon as any potential hazard is identified;
- to monitor the structural aspects of the facility and ensure that they are maintained in a safe and sound condition that complies with the Building Code of Australia 2014 where required; and
- to monitor the contractors performance against the operations contract.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AMP are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are no known operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years.

7. FINANCIAL SUMMARY

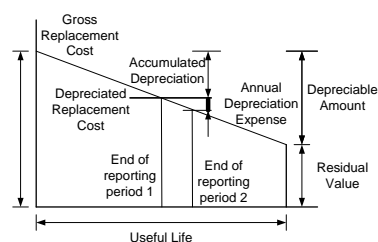
This section contains the financial requirements resulting from all the information presented in the previous sections of this AMP. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

7.1 Financial Statements and Projections

7.1.1 Asset valuations

The best available estimate of the value of assets included in this AMP are shown below. Assets are valued at fair value.

Gross Replacement Cost	\$21,068,561
Depreciable Amount	\$21,068,561
Depreciated Replacement Cost ⁸	\$20,874,282
Annual Average Asset Consumption	\$673,451



7.1.1 Sustainability of service delivery

Two key indicators for service delivery sustainability have been considered in the analysis of the services provided by this asset category, these being the:

- asset renewal funding ratio 100%
- medium term budgeted expenditures/projected expenditure (over 10 years of the planning period).

⁸ Also reported as Written Down Value, Carrying or Net Book Value.

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio⁹ **100%**

The Asset Renewal Funding Ratio is the most important indicator and indicates that over the next 10 years of the forecasting that we expect to have 100% of the funds required for the optimal renewal and replacement of assets.

Medium term – 10 year financial planning period

This AMP identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core AMP, a gap is generally due to increasing asset renewals for ageing assets.

The projected operations, maintenance and capital renewal expenditure required over the 10 year planning period is **\$665,000** on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is **\$665,000** on average per year. This indicates 100% of the projected expenditures needed to provide the services documented in the AMP. This includes upgrade/new assets for 2018-19 only.

Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the AMP and ideally over the 10-year life of the LTFP.

7.1.2 Projected expenditures for LTFP

Table 7.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2018 real values.

Table 7.1.2: Projected Expenditures for LTFP

Year	Operations	Maintenance	Projected Capital Renewal	Capital Upgrade/New	Disposals
2018	\$693,602	\$18,476	\$0	\$0	\$0
2019	\$619,769	\$59,298	\$0	\$41,840	\$0
2020	\$569,793	\$67,135	\$0	\$0	\$0
2021	\$539,573	\$69,492	\$0	\$0	\$0
2022	\$533,300	\$71,210	\$28,465	\$0	\$0
2023	\$535,230	\$72,970	\$11,465	\$0	\$0
2024	\$537,020	\$74,770	\$52,480	\$0	\$0
2025	\$540,710	\$76,620	\$104,195	\$0	\$0
2026	\$546,900	\$78,510	\$0	\$0	\$0
2027	\$549,700	\$80,450	\$77,467	\$0	\$0
2028	\$556,100	\$82,440	\$0	\$0	\$0

⁹ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

7.2 Funding Strategy

Funding for assets is set out in the budget and LTFP.

The financial strategy of the Authority determines how funding will be provided, whereas the AMP communicates how and when this will be spent, along with the service and risk consequences of differing options.

7.3 Valuation Forecasts

Non-current assets are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at reporting date in accordance with Australian Accounting Standards and Regulations under the Local Government Act 1999.

The following asset classes will remain at cost and will not be revalued:

- Plant, Furniture and Equipment
- Software

Determining the frequency of valuations depends on striking a balance between having relevant, timely information and the cost of obtaining such information. Therefore, it is appropriate to provide for periodic comprehensive revaluations with interim revaluations based on specific indices. Non-current assets that are subject to revaluation will be subject to a desktop review and potential application of a suitable price escalator after two years; with a more rigorous review of asset valuations (conducted on a 'fair value' accounting basis) occurring at an interval of no more than 5 years.

Additional assets will generally add to the operations and maintenance needs in the longer term, as well as the need for future renewal. Additional assets will also add to future depreciation forecasts.

7.4 Key Assumptions Made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this AMP. 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 AMP are:

Table 7.4: Key Assumptions and Risks of Change

Assumption Type	Assumption	Discussion
Financial assumptions	That all expenditure has been stated in 2018-dollar values and no allowance has been made for inflation over the 10-year planning period.	The LTFP will incorporate inflation factors. This could have a significant impact on the affordability of the plans if inflation is higher than allowed for.
	FRAC Assets will remain in Authority ownership throughout the planning period	No change to asset ownership is anticipated during the planning period
	Asset capital costs are based on consultant assessment of renewals / replacement needs.	Assumptions have been made with useful lives and remaining lives of the asset groups based on consultant assessment. These are based on straight line depreciation methodology.
	Changes in the desired level of service and service standards from those identified in this AMP	No change to service levels are anticipated during the planning period
Asset data knowledge	That the Authority has sufficient knowledge of the assets and their	There are several areas where the Authority needs to improve its knowledge and assessments but there is a low

	condition so that the planned renewal work will allow the Authority to meet its levels of service.	risk that the improved knowledge will cause a significant change to the level of expenditure required.
Funding sources	That FAC will continue to be subsidised by Constituent Councils.	Constituent Councils acknowledge that FAC will require an ongoing subsidy to ensure that the facilities are available for public use at fees which are competitive with other like facilities. Opportunities to reduce the level of subsidy will continue to be explored by the Authority.
Changes in legislation and policy	That there will be no significant changes in legislation or policy.	The risk of major change is moderate due to the changing nature of government. If major changes occur it is likely to have an impact on the required expenditure. The Authority has not mitigated the effect of this.
Depreciation	Combined annual contributions from constituent Councils. Figures exclude depreciation.	Depreciation not included.

7.5 Forecast Reliability and Confidence

The expenditure and valuation projections in this AMP are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale¹⁰ in accordance with Table 7.5.

Table 7.5: Data Confidence Grading System

Confidence Grade	Description
A. Highly Reliable	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be Reliable.

¹⁰ IPWEA, 2015, IIMM, Table 2.4.6, p 2 | 71.

8. PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices¹¹

8.1.1 Accounting and financial data sources

The Authority uses MYOB Account Right Accounting software.

The Australian Accounting Standards provide the benchmark against which the Authority reports on asset accounting.

Additions or replacements to the Building Stock are capitalised as follows:

- \$1,000 for furniture, fittings and minor equipment; and
- \$5,000 for plant, major equipment, buildings and infrastructure.

There are no changes to accounting systems as a resulting from this AMP.

8.1.2 Asset management data sources

The Authority does not have a separate Asset Management software system. Records are maintained in an Excel spreadsheet and reconciled to MYOB Account Right Accounting software.

8.2 Improvement Plan

The asset management improvement plan generated from this AMP is shown in Table 8.

Table 8.1: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Explore options to reduce energy consumption and costs	Authority Executive Officer (EO) & FAC Operational Managers	Existing resources	30 June 2019
2	Explore options to reduce water consumption and costs	Authority EO & FAC Operational Managers	Existing resources	30 June 2019
3	Explore options to reduce chemical use consumption and costs	FAC Operational Managers	Existing resources	30 June 2019
4	Develop service agreements for proactive maintenance of plant and equipment	FAC Operational Managers	Existing resources	31 Mar 2018
5	Undertake customer satisfaction survey	FAC Operational Managers	Existing resources	30 June 2019
6	Reflect actual useful lives in next valuation of the associated infrastructure assets (desk top review)	Appropriately qualified contractor	To be determined	30 June 2023
7	Review Levels of Service	Authority EO & Operational Managers	Existing resources	30 June 2020

¹¹ ISO 55000 Refers to this the Asset Management System

8	Continue to maintain and quality check the asset register	Authority EO & Operational Managers	Existing resources	Ongoing
8	LTFP & AMP are to align	Authority EO	Existing resources	Ongoing

8.3 Monitoring and Review Procedures

This AMP will be reviewed during annual budget planning processes and amended to show any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The AMP will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the LTFP.

The AMP has a life of 10 years and is due for complete revision and updating within 2 years after endorsement.

8.4 Performance Measures

The effectiveness of the AMP can be measured in the following ways:

- The degree to which the required projected expenditures identified in this AMP are incorporated into the LTFP
- The degree to which 1-5 year detailed works programs, budgets, business plans and corporate structures take into account the 'global' works program trends provided by the AMP
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Strategic Plan and associated plans
- The Asset Renewal Funding Ratio achieving the target of 100%.

9. REFERENCES

- IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
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- IPWEA, 2012 LTFP Practice Note 6 PN Long Term Financial Plan, Institute of Public Works Engineering Australasia, Sydney
- Strategic Plan 2018-2027
- Long Term Financial Plan 2018-2027
- Asset Accounting Policy
- Disposal of Land & Assets Policy
- Three Year Business Plan

10. APPENDICES

Appendix A Projected 10-year Capital Renewal and Replacement Works Program

Year	Description	Estimate
2018	Renewal & replacement	\$0
2018	Total	\$0

Year	Description	Estimate
2019	Renewal & replacement	\$0
2019	Total	\$0

Year	Description	Estimate
2020	Renewal & replacement	\$0
2020	Total	\$0

Year	Description	Estimate
2021	Renewal & replacement	\$0
2021	Total	\$0

Year	Description	Estimate
2022	Renewal & replacement - Furniture & fittings	\$28,465
2022	Total	\$28,465

Year	Description	Estimate
2023	Renewal & replacement – Plant & equipment	\$11,465
2023	Total	\$11,465

Year	Description	Estimate
2024	Renewal & replacement – Building	\$9,922
2024	Renewal & replacement – Furniture & fittings	\$42,558
2024	Total	\$52,480

Year	Description	Estimate
2025	Renewal & replacement – Furniture & fittings	\$104,195
2025	Total	\$104,195

Year	Description	Estimate
2026	Renewal & replacement	\$0
2026	Total	\$0

Year	Description	Estimate
2027	Renewal & replacement – Furniture & fittings	\$58,482
2027	Renewal & replacement – Plant & equipment	\$18,985
2027	Total	\$77,467

Appendix B Projected Upgrade /New 10-year Capital Works Program

Year	Item	Description	Estimate
2018			\$0
2018		Total	\$0

Year	Item	Description	Estimate
2019	1	Group Fitness Equipment to Facilitate Les Mills Classes	\$7,925
	2	Sound System for gym	\$4,070
	3	Blinds - Program Pool, 25m Pool, Meeting Room	\$23,330
	4	Additional swipe card security point – entry to gym	\$4,750
	5	Digital Clock Poolside	\$1,765
2019		Total	\$41,840

Year	Item	Description	Estimate
2020			\$0
2020		Total	\$0

Year	Item	Description	Estimate
2021			
2021		Total	\$0

Year	Item	Description	Estimate
2022			
2022		Total	\$0

Year	Item	Description	Estimate
2023			
2023		Total	\$0

Year	Item	Description	Estimate
2024			
2024		Total	\$0

Year	Item	Description	Estimate
2025			
2025		Total	\$0

Year	Item	Description	Estimate
2026			
2026		Total	\$0

Year	Item	Description	Estimate
2027			
2027		Total	\$0

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