Our home
Our City Our future

FairfieldCity
Celebrating diversity

ASSET MANAGEMENT PLAN GUIDELINES

INTEGRATED **PLANNING** AND
REPORTING FRAMEWORK

Our Commitment to Aboriginal and Torres Strait Islander Residents

Fairfield City Council (Council) acknowledges the Cabrogal people of the Darug nation as the traditional custodians of Fairfield City and pays its respect to the Elders past, present and future. The Cabrogal name comes from the 'cobra grub', an edible freshwater worm harvested from local creeks in the City that was a staple food for the clan. Council also recognises the spiritual relationship Aboriginal Australians have with the land and the right to live according to their own beliefs, values and customs.

In July 2000, Council signed a Local Government Commitment that both acknowledged and recognised Aboriginal and Torres Strait Islander people as the first people of Australia. It acknowledged their loss and grief caused by alienation from traditional lands, loss of lives and freedom, and the forced removal of children.

Council continues this commitment through the delivery of the a Reconciliation Action Plan, which supports the community.

Smoking Ceremony


CITY WAVE RIDER

Contents

EXECUTIVE SUMMARY

Fairfield City Council is responsible for the management of a diverse range of assets and is committed to the operation and management of the assets, to optimise their benefits to our community for current and future generations.

In 2011, Fairfield City Council adopted its first Asset Management Policy and Strategy. At that time there were 4 supporting plans; Buildings, Drainage, Open Space and Roads and Transport. These Plans have been developed since that time with the addition of asset system data for further asset classes including Monuments and Memorials and Trees.

These AMPs inform the proactive management of infrastructure assets to meet the present and future needs of the community of Fairfield City. They set in place practices for the responsible stewardship of the assets by Fairfield City Council on behalf of its residents and stakeholders. Key drivers for this are community needs as identified in the Fairfield City Plan and include quality customer service, social outcomes, economic efficiency, financial responsibility, environmental responsibility, safety and governance.

AMPS include the key levels of service being provided to community, current and future financial costs, asset valuation, risks to the assets, and the key performance measures by which the Council can assess the sustainability of the assets and services provided.

Each AMP details the existing level of service and has proposed the desired level of service and maintenance standard to meet Council's legislated requirements.

Each year Council reports its performance across its Infrastructure assets to the Office of Local Government. Council has set is levels of service to meet the financial indicators.

Table 1: informs this reporting at 30 June 2021.

Key objectives of the AMP is to define and clarify the levels of service required of the assets, and identify the cost of operation, maintenance, renewal/replacement and capital works required to provide the levels of service over a twenty-year timeframe. They identify the maintenance and renewal gap in dollar terms between what is required and what is provided over a twenty-year timeframe.

Asset management improvements and associated objectives are detailed throughout the AMP. These will improve the accuracy of, and confidence in, the AMP. A higher degree of confidence in asset data will be achieved through general asset management improvements. This will significantly contribute to improvements in levels of service.

Table 1: Asset Summary

Asset Class	Asset Category	Asset condition	Estimated replacement value $'000	Estimated yearly depreciation $'000	Estimated cost to bring to a satisfactory standard ** $'000	Estimated annual maintenance expense $'000	Current annual maintenance $'000
Building	Council offices, Libraries, Community facilities and Halls, Leisure Centres and Amenity Buildings	2.3	370,485	7,967	6,606	11,297	13,632
Roads and Transport	Roads (Road Pavements, at ground Car parks, Traffic Facilities and Road furniture)	1.9	572,716	10,985	8,604	15,405	15,458
	Kerbs and Gutters	2.2	214,635	2,619	4,911	3,941	3,610
	Footpath and Cycleways	2.0	137,883	2,201	2,906	3,135	4,216
	Bridges	1.6	49,602	499	241	419	88
Drainage	Drainage Assets	2.0	358,972	2,441	525	1,411	1,457
Open Space	Park Assets	1.9	68,814	2,618	1,067	3,276	1,813
TOTAL – ALL ASSETS		2.0	1,773,107	29,330	24,860	38,884	40,274

*The Asset Backlog is based upon Scenario 3 as explained in the Financial Forecast (Chapter 6)

INTRODUCTION

Fairfield City Council has adopted an Asset Management Policy and Strategy which sets the foundation for Councils asset management plans. The purpose of this policy is to achieve Council's asset management vision which is:

> *"To provide the appropriate mix of community infrastructure and assets at a sustainable service level and cost that contributes to the vision of the Fairfield City Community."*

Asset Management Plans are the vehicles by which Council can provide an acceptable long-term management framework. These AMPs detail the current practice of managing the assets. *It also details the proposed management practice that the Council will implement to maintain, upgrade and operate its physical assets cost-effectively without compromising the quality and delivery of service.*

The AMPs seek to formalise the process of providing the framework to guide the financial and physical requirements for the long term (20 years) operational performance of Council's assets.

Multipurpose Amenities Building

Objectives of this Plan

The AMPs provide the tool to enable the sustainable and cost effective management of assets whose primary goal is:

> *"To meet a required level of service the most cost-effective way through the creation, acquisition, maintenance, operation, rehabilitation and disposal of infrastructure assets to provide for present and future community."* [1]

It is a vehicle for defining the level of service that the asset will deliver and the funding outlay required.

Fairfield City Council has an obligation to ratepayers and stakeholders to manage the Council assets to provide acceptable standards of service in a cost-effective manner. The AMP will provide the framework for the Council to manage its building assets.

Council's AMPs are underpinned by the Social Justice Principles.[2]

The framework will enable Council to:

- Meet community expectations by providing a specified level of service in the most cost-effective manner
- Determine the short term and long term financial funding requirements to maintain the existing infrastructure assets to a predetermined standard
- Define and articulate how the asset is and will be managed to achieve the organisation's objectives
- Optimise the life of the asset at the most economic cost over time
- Clearly justify forward works programs and establish holistic works programs
- Manage the risk of asset failure
- Ensure that current infrastructure assets can be sustained in the future
- Introduce reasonable maintenance standards which include the nature and frequency of asset inspections, the tolerable level of defects, the methods used to prioritise repairs, and the time taken to repair defects
- Justify acquisition of new assets to stakeholders
- Provide a basis for monitoring the performance of the asset
- Identify and manage future funding requirements and opportunities
- Meet the social needs of the community

The AMPs combine management, financial, engineering and technical practices to assist in the strategic management of an asset (Quadruple Bottom Line). All AMPs will endeavour to provide answers to the following questions:

- What does the Community expect and need? (SOCIAL PLANNING)
- What do we own or manage? (ASSET INVENTORY)
- What is the condition of the asset? (ASSET CONDITION)
- What service do we provide with the asset ensuring it is fit for purpose? (LEVELS OF SERVICE)
- What are the demands over the next 20 years on the asset? (DEMAND FORECASTING)
- What are the risks associated with the asset and how do we propose to manage the risk? (RISK MANAGEMENT)
- What are the activities associated with managing the asset over the next 20 years? (LIFE CYCLE ANALYSIS)
- What will be the financial impact on the community over the next 20 years to sustain the current service and to cater to the anticipated demand? (FINANCIAL PROJECTIONS)

[1] Policy Number – 0-041
[2] Social Justice Principles

The Plan Format

The AMPs follow the framework set out in the Institute of Public Works Engineering Australia's (IPWEA) International Infrastructure Management Manual. This framework is referenced in Table 1.2 below.

Table 1.2

Section 1	**Introduction** Outline the plan scope Justify asset ownership and identify corporate objectives Identify stakeholders and Asset Management (AM) drivers
Section 2	**Levels of Service** Define factors relevant to determining the level of service Identify current and target levels of service
Section 3	**Future Demand** Identify long-term demand forecast and strategy for managing demand
Section 4	**Lifecycle Management** Describe the assets Evaluate asset condition, performance and capacity Identify life cycle management strategy Develop work programs
Section 5	**Risk Management** Overview, process and treatment
Section 6	**Financial Summary** Identify 20 year financial projections Note the key assumption made Assess accuracy of forecasts Assess financial impact
Section 7	**Asset Management System** Describe the current asset management practices and procedures
Section 8	**Improvement Plan and Monitoring** Identify AM Improvement Plan Describe process for monitoring AM plan effectiveness Record targets for AM plan review

Key Stakeholders

This plan recognises the following stakeholders:

- **External**
  - » Fairfield City community
  - » Asset users
  - » Insurers
  - » Utilities/Developers
  - » Visitors
  - » Government agencies
  - » State and Federal Members
  - » Local businesses

- **Internal**
  - » Councillors
  - » Executive Management Team
  - » Asset managers and staff
  - » Budget owners
  - » Information technology business partners
  - » Strategic Land Use Planners
  - » Place Managers
  - » Internal auditors
  - » Risk Manager
  - » Building and Business Managers

Community Vision and Asset Management

Council exists to provide services to its community. Council has acquired assets by purchase, contract, construction and donation of assets constructed by others in order to meet community needs for service delivery.

Fairfield City Council develops and adopts a City Plan (Community Strategic Plan) which identified the community's vision:

> *Fairfield City is a vibrant, safe, connected and inclusive City, celebrating and embracing our diversity.*

The Fairfield City Plan also identifies the community's priorities and aspirations for the future and strategies for achieving these. These priorities have been grouped under five themes consisting of:

Theme 1: **Community Wellbeing**

Theme 2: **Places and Infrastructure**

Theme 3: **Environmental Sustainability**

Theme 4: **Stong and Resilient Economy**

Theme 5: **Good Governance & Leadership**

Each theme identifies a set of goals, community outcomes and strategies.

The level of service in this section of the AMP support these overall goals and objectives and the improvement programs identified in section 8 of this AMP are focused on bringing them to fruition.

Mission Statement

Partnering with the Community to achieve the Vision for Fairfield City by:

Leadership:	Actively promoting the Community's Vision for the City
Commitment:	Caring about our community and the people in the organisation
Sustainability:	Considering the environmental, social, governance and economic impact of decisions
Integrity:	Being fair, open, ethical and consistent in all activities
Participation:	Providing genuine opportunities for participation in Council decisions and activities
Best Value:	Ensuring quality service and effective use of resources that people need and can afford
Improvement:	Learning from experiences and seeking better ways of doing things

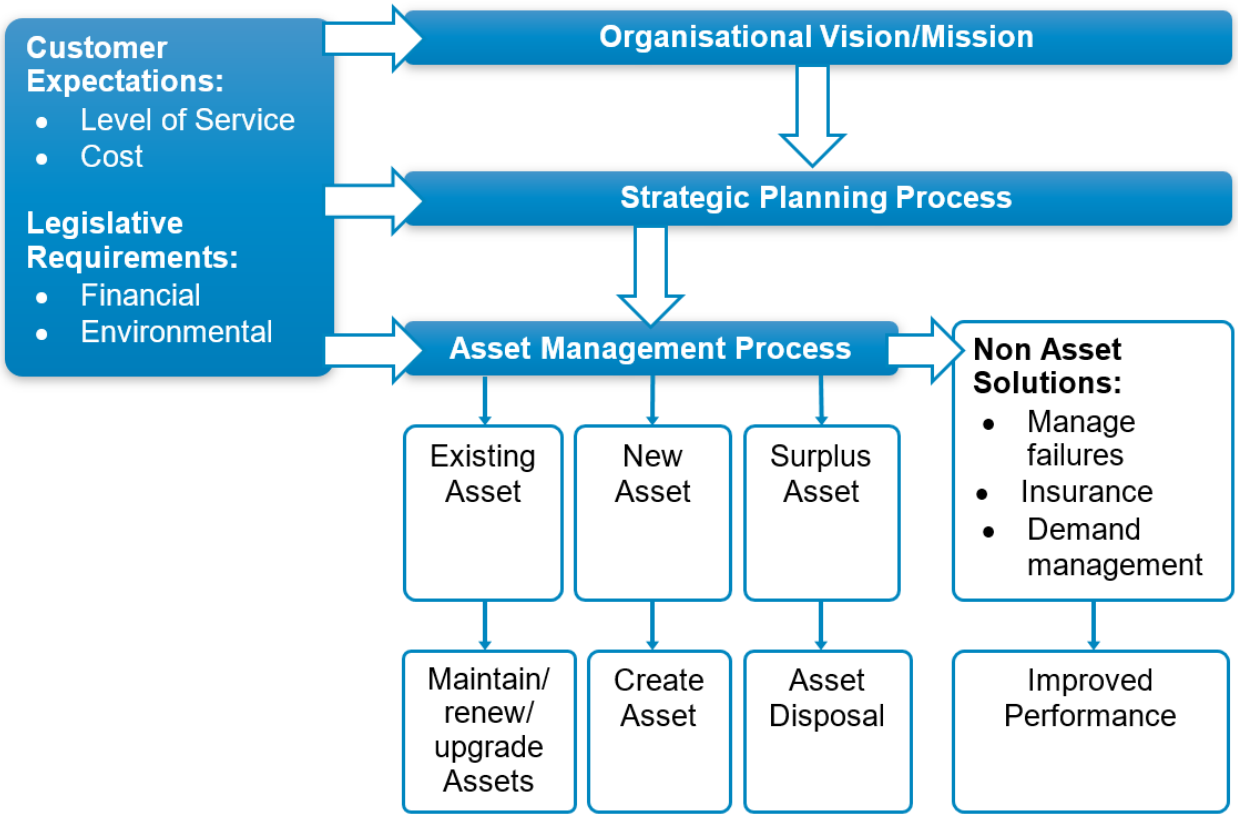
Council's Asset Management Strategy and Policy helps to guide the activities and decision making of Fairfield City Council into the future. Some of these activities include:

- To continuously review and incorporate community needs and expectations
- To develop asset management information systems that enhance performance and facilitate the effective and efficient flow of information for improved decision making within the Council
- To continuously improve inventory information including data on conditions and performance of Council's infrastructure assets
- To progressively improve knowledge and understanding on performance of Council's infrastructure assets
- To raise awareness in the community of the condition and performance of the infrastructure assets
- To refine the standards and level of service appropriate to the user of the assets
- To ensure the assets are managed in an environmentally sustainable manner
- To optimise economic performance of the asset in a manner that does not compromise the levels of service
- To continuously improve the quality of the Asset Management Plans
- To establish and maintain adequate database to meet the accounting standard AASB 116
- To optimise the utilisation of Council's assets through a well-developed asset management analysis framework
- To develop the Council's asset management capability by providing the relevant training for staff in asset life cycle management and use of asset management information systems

Relationships with Other Documents

Asset management planning links with the strategic planning process as set out under the Integrated Planning and Reporting Framework as shown in Figure 1.2.

Figure 1.2: Asset Management Process



Asset Management Plans are a key component of the Council planning process, align and integrate with Council's strategic plans, policies and strategies such as the Local Environmental Plan (LEP), Integrated Transportation Plan, Strategy on Ageing, and the Community Engagement and Consultation Policy.

LEVELS OF SERVICE

Introduction

A level of service is the defined service quality for a particular activity or service area (e.g. buildings, roads, footpaths or street lighting) against which service performance can be measured. Levels of service typically relate to quality, quantity, reliability, responsiveness, environmental accessibility and cost. Levels of Service must be meaningful and address the issues the community believe to be important.

A key objective of all Council's AMPs is to match the level of service provided by the asset with the expectations of the community. This requires a clear understanding of community needs and preferences. The levels of service defined in this section will be used to:

- Inform and consult the community about the proposed type and level of service to be offered
- Identify the costs and benefits of the services offered
- Enable stakeholders expectation and satisfaction to be measured
- Measure performance against the defined levels of service
- Develop asset management strategies to deliver the required level of service

Drivers Affecting Level of Service

The factors affecting levels of service can broadly be broken into the following categories:

- Community Engagement
- Strategic and Corporate Goals
- Legislative Requirements
- Knowledge of key issues regarding infrastructure assets
- Asset management business requirements and operations
- Return on Investment. (ROI)

Managing Supply Chains

In a volatile global economic climate, decisions to hold key components in stock may be necessary. Effectively reducing lag time associated with asset repair and minimising the disruption to services.

Consideration of such alternative arrangements optimises the utilisation of assets and forms part of prudent asset management.


Fairfield Youth and Community Centre

Community Research and Expectations

Council engages with its community on a regular basis to inform all of its planning including AMPs.

Community Priorities

The priorities identified by residents for inclusion in the City Plan 2026 were:

1. Connected transport systems, including regional links
2. Community Safety
3. Car parking spaces
4. Cleaner streets and public areas
5. Attractive and lively town centres
6. Inviting and well used community places and parks
7. Local shopping variety
8. Activities and facilities for children and youth
9. More job opportunities
10. Local Traffic Flow and Road Safety

Council uses this information to develop priorities and in the allocation of resources in the budget.

The defined levels of service may not entirely meet customer expectations in terms of cost and/or quality. However it is important to begin the process of documenting the level of services. As further information becomes available from the above consultation about customer expectations and costs, an AMP can be altered or adjusted.

Adopting Levels of Service

Arising out of these processes, adopted levels of service are determined. The *adopted levels of service* are split into two categories and are incorporated into the performance indicators contained in each AMP.

External (Community based)

Community based levels of service relate to the function of the service provided and how the community receives the service in terms of:

- Social Needs
- Appearance
- Legislative Compliance
- Availability
- Utilisation
- Health & Safety
- Assurance (knowledge, courtesy, trust, confidence)

Internal (Operations based)

Operations based levels of service relate to the technical measures and the outputs the customer receives in terms of:

- Quality
- Quantity
- Reliability and Performance
- Responsiveness
- Condition
- Capacity
- Environmental Impacts
- Financial Sustainability (cost/affordability)

The service levels for condition performance criteria included in this plan are based on what happens to assets after 20 years if the current level of funding is maintained.

Service Level Review

The objective of the service level review process is to gain a better understanding of the needs and expectations of existing and future users over time. This will allow the definition of meaningful levels of service and performance measures.

The review process needs to be repeated every four years with an annual update undertaken to ensure that knowledge of community needs and expectations remains current in the light of changing environmental, financial, political, social and technical factors. Changing customer needs and expectations, as determined by the review, are part of the continuous AMP improvement.


Sustainable Resource Centre

FUTURE DEMAND

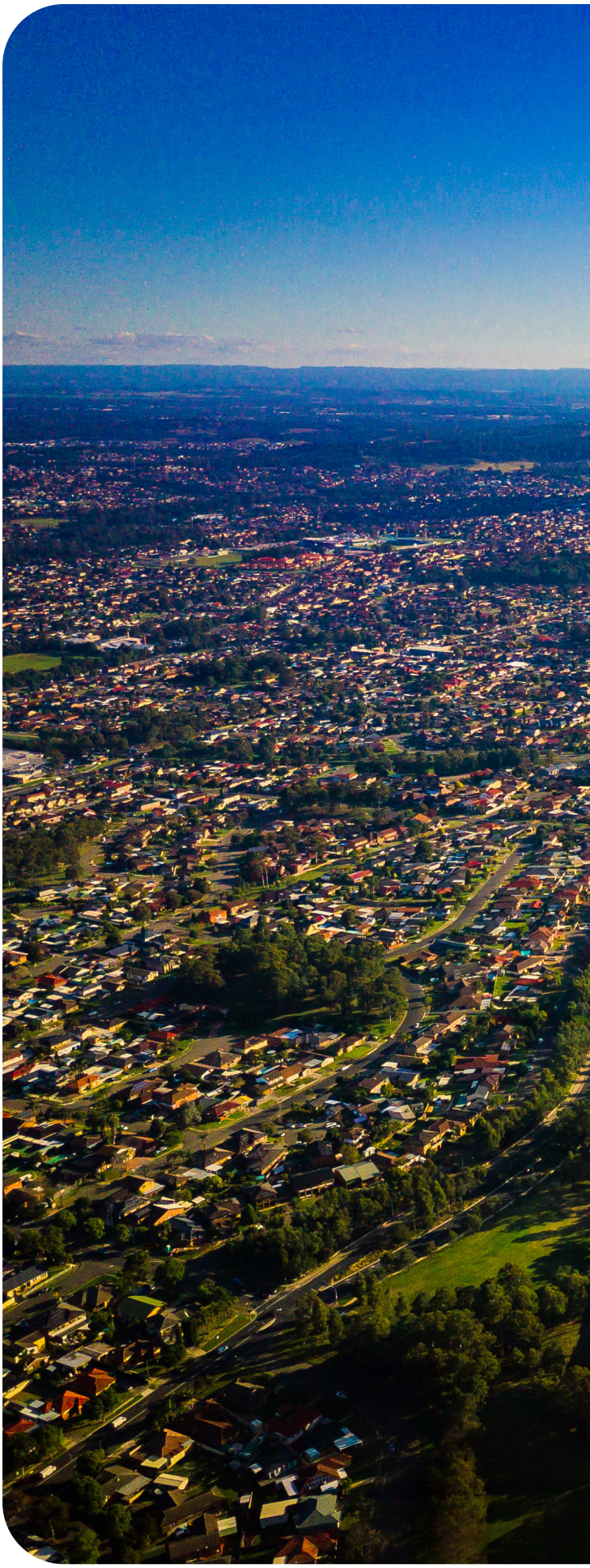
Factors affecting demand include population growth, social and technology changes. Growth trends are examined for impacts on new and existing infrastructure (social, cultural, environmental, and economic).

Demand Forecast

There are a number of unique factors that directly impact the demand for infrastructure and the services they provide. These factors include:

- Population growth
- Industrial growth
- Residential development
- Increased demand for asset renewal and maintenance
- Increased risk of failure in ageing infrastructure
- Demographic changes
- Social and cultural significance
- Changes in recreation and leisure trends
- Changes in community expectation
- Changes in legislation and codes of practice
- Technological change
- Environmental considerations

These identified factors will affect the desired levels of service for Council's infrastructure assets. Council will consider these factors in balance when reviewing and updating asset management plans.



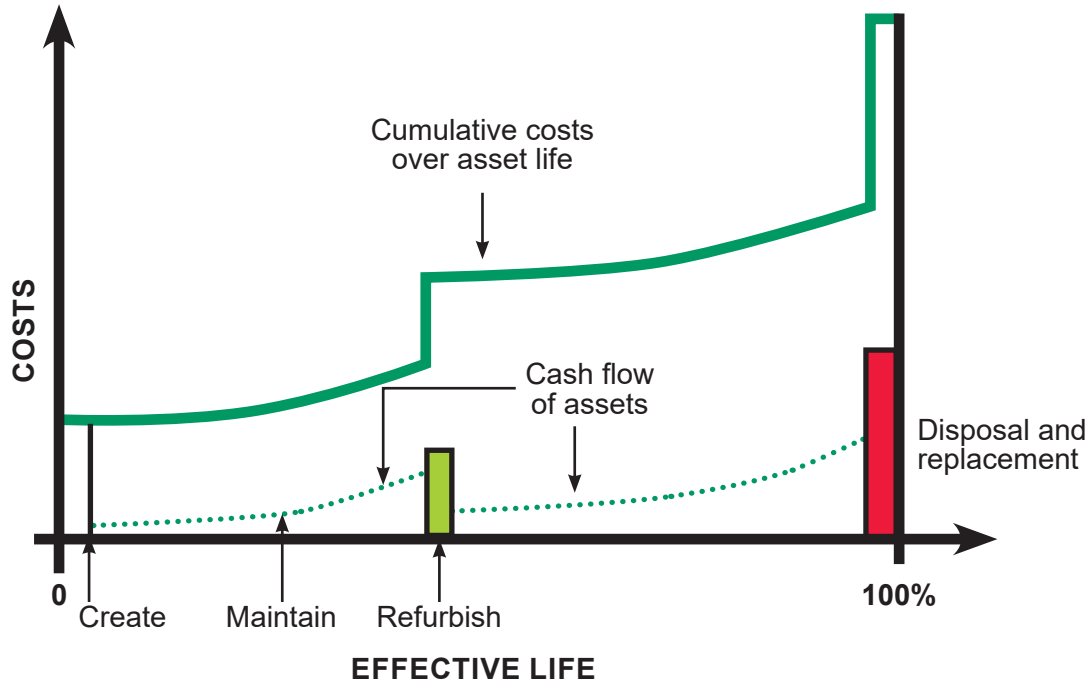
Fairfield Town Centre

LIFECYCLE MANAGEMENT

Objective

Assets are created and acquired to deliver the required services for Council. These assets are operated and maintained throughout their useful life. Performance and condition are monitored to ensure that they deliver the necessary service. Over the life of the asset, there will come a point where the asset is no longer performing at a satisfactory level and may be rehabilitated or improved. This can be repeated several times; however, eventually the asset will be disposed of and potentially replaced.

The recurrent costs of operations and maintenance, the capital expenditure for rehabilitation, and the one-off cost of replacement all form part of the asset's lifecycle costs. The asset lifecycle process is shown below.



Asset Inclusions/Exclusions and Hierarchy

Each AMP provides detail and specifies the asset inclusions and exclusions. The life cycle of each asset is quantified and issues that may result in the reduction of the life of the asset are identified i.e. vandalism.

The objective of developing an asset hierarchy is to provide a suitable framework for assets, which segments the asset base into appropriate classifications. The hierarchy can be based on asset function, asset type, or a combination of the two. The asset hierarchy provides a framework for the collection of data and for reporting and decision making. The hierarchy must meet short and long term asset management requirements.

Asset Description

This section of the AMP defines the asset and asset components.

It includes the consideration of:

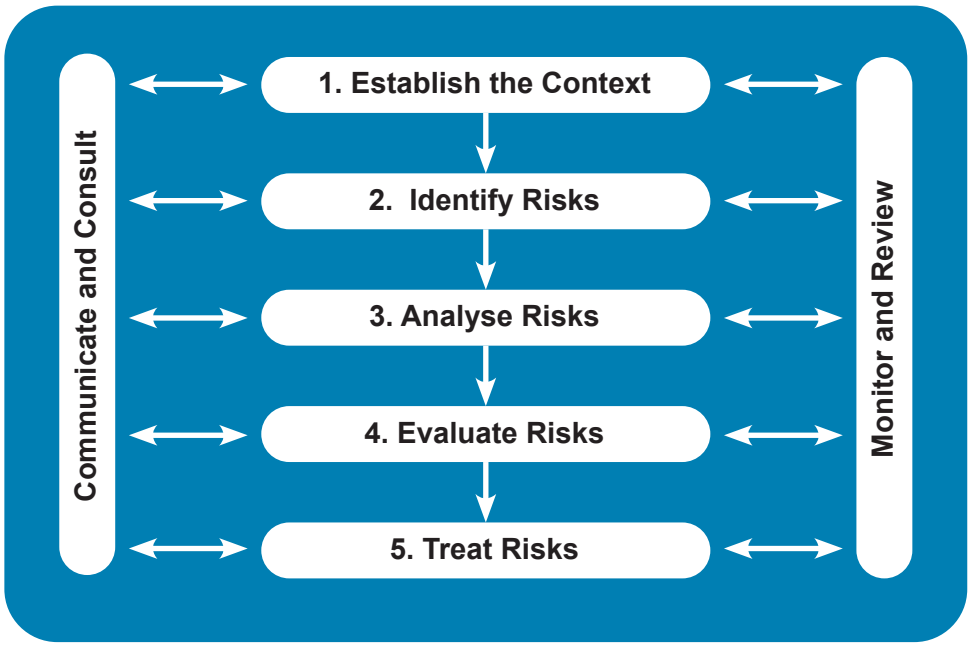
- Physical Parameters (i.e. design standards/asset condition)
- Asset Valuation
- Asset Useful Life
- Historical Expenditure
- Lifecycle Activities (Operations/Maintenance/ Standards)
- Renewal Plan and Strategies
- New/Upgrade Works
- Asset Disposal

RISK MANAGEMENT

Introduction

Fairfield City Council acknowledges that the risk management process is an integral part of the Asset Management Plans and is used to prioritise maintenance activities and capital works programs. The adopted risk management process is based on AS/NZS 4360:2004 (see Figure 4.1), modified to produce a numerical result for the risk (the product of the probability and its consequences).

Figure 4.1 – Risk Management Process



The Infrastructure Risk Management Procedure forms a part of the corporate risk management policy. The development of a risk management procedure for the infrastructure assets is a specific requirement of the corporate policy.

Objectives

The objective of the risk management process is to ensure that:

- All significant operational and organisational risks are understood and identified
- The highest risks that should be addressed in the short to medium term are identified
- Risk reduction treatments which best meet business needs are applied
- Responsibilities for managing risks are allocated to specific staff to improve accountability

Risk Assessment

The risk management process is defined as “the systematic application of management policies, procedures and practices to the tasks of identifying, evaluating, treating and monitoring those risks that could prevent a Local Authority from achieving its strategic or operational objectives or Plans or from complying with its legal obligations”.

Establish the Context

The key risk management criteria relating to Councils assets include:

- **Health**
  - » Community health
  - » Safety
- **Operational**
  - » Service provision
  - » Legal compliance
  - » Security, theft and vandalism
  - » User group accountability
- **Environment**
  - » Damage through flooding, water or fire damage
  - » Natural hazards
  - » Sustainability/ecological issues
- **Reputation**
  - » Image
  - » Political decisions
  - » Community reputation
- **Financial**
  - » Business interruption
  - » Financial risk – escalating costs in deterioration

The establishment of risk management criteria is an important step in the risk management process, as it sets the framework for consistent decision-making. Based on these criteria, they are used to determine the “consequence” of the risk in the Risk Consequence Ratings.

All assets are assessed using this criteria and it is detailed in each AMP Risk Register.

Risk Identification

As part of its operational procedures, Council undertakes a review of potential risks. Any risks identified are assessed to determine their potential impacts. The current and required controls are documented in the Corporate Risk Register. Risks can be identified from a number of resources such as:

- Routine inspections by officers
- Reports from user groups
- Industry information and trends
- Reports and complaints from the general public
- Information obtained from incident reports

Risk Analysis

The analysis of risks in terms of consequence and likelihood in the context of controls is considered. The analysis includes the range of potential consequences and how likely those consequences are to occur. Consequence and likelihood may be combined to produce an estimated level of risk.

Table 4.1 shows Council's adopted consequence table with descriptions of the different level of impact that could result.

Table 4.1: Consequence Table

Level	Description	Financial	Health	Reputation	Operation	Environment
1	Negligible	Less than $1,000	No injuries	Unsubstantiated, low impact, low or no news profile	Little impact – objectives still achieved with minimum extra cost or inconvenience	Little or no impact
2	Low	$1,000 to $10,000	First Aid treatment	Substantiated, low impact, low news profile	Inconvenience delays – partial achievement of objectives with some compensating action taken	Minor damage or contamination
3	Medium	10,000 to $50,000	Medical treatment	Substantiated, public embarrassment, coverage in media	Significant delays to major deliverables – additional costs required and or time delays to achieve objectives. Adverse impacts on KPIs and targets.	Environmental damage requiring restitution or internal cleanup
4	High	$50,000 to $150,000	Death or extensive injuries	Substantiated, public embarrassment, high coverage in media, third party action	Unable to achieve corporate objectives or statutory obligations resulting in significant visible impact on service provision such as closure of facilities.	Minor breach of legislation/ significant contamination or damage requiring third party assistance
5	Catastrophic	More than $150,000	Multiple deaths or severe permanent disablements	Substantiated, public embarrassment, very high multiple impacts, high national news profile, third party action	Non achievement of key objectives. Unable to achieve corporate obligations	Major breach of legislation or extensive contamination and environmental damage requiring third party intervention

The next process is to estimate the likelihood of a risk actually occurring. Table 4.2 shows the FCC adopted level of likelihood.

Risk Probability Ratings

Likelihood of Occurrence	Examples	Current Probability of Condition Based Occurrence	Likelihood Rating
Rare	May occur, only in exceptional circumstances	> 20 years	1
Unlikely	Could occur at some time	Within 10-20 years	2
Possible	Should occur at some time	Within 3-10 years	3
Likely	Will probably occur in most circumstances	Within 2 years	4
Almost Certain	Expected to occur in most circumstances	Within 1 year	5

Risk Evaluation

With the consequence and likelihood level chosen, the risk is then assigned a risk rating (Table 4.3). The risk rating score is derived by multiplying the value of the likelihood rating by the consequence rating.

Table 4.3: Risk Rating Score

LIKELIHOOD	Likelihood Rating	CONSEQUENCES				
		1	2	3	5	10
		Negligible	Minor	Moderate	Major	Catastrophic
Rare	1	1	2	3	5	10
Unlikely	2	2	4	6	10	20
Possible	3	3	6	9	15	30
Likely	4	4	8	12	20	40
Almost Certain	5	5	10	15	25	50

Treat Risk

Once the risks have been assessed and rated, actions are taken as required (Table 4.4).

Table 4.4: Risk Control Measures

Risk Rating	Risk Rating Score	Response Rating	Control
Extreme	>20	1	Rating 1 responds to request within 24 hours and make safe as soon as practical. Repair between 5 and 30 workdays based on the severity of damage and use of assets.
High Risk	10-20	2	Rating 2 responds to request within 24 hours and make safe as soon as practical. Repair within 6 months.
Medium Risk	5-9	3	Rating 3 responds to request within 48 hours and make safe as soon as practical. Repair within 6-18 months depending on risk assessment
Low Risk	1-4	4	Rating 4 responds to request within 10 workdays, prioritise and program work annually depending on condition rating and availability of resources

If the treatment to reduce risk identified from the application of the above risk process warrants capital works, then the treatment options are to be analysed. The techniques are used to:

- Identify the available options
- Determine the relative benefits and costs associated with the options
- Carry out a benefit /cost analysis of all options
- Adopt the most effective options in terms of the business needs

Monitor and Review

- To ensure risk levels remain acceptable
- To ensure treatments remain relevant

Communicate and Engage

Communicate and engage with external and internal stakeholders as appropriate before final capital project prioritisation.

Wave Pool Concept, Aquatopia

FINANCIAL SUMMARY

In pursuit of good governance, Council must ensure that public infrastructure remains functional throughout its life to meet intended service delivery standards and community needs whilst delivering financial sustainability across its asset base.

Councils Asset Management System enables the modelling as 20 year financial forecasts the funding of its assets. This considers as examples the funding required for the below scenarios.

- Scenario 1
  - » Maintain Current Level of Expenditure
- Scenario 2
  - » Maintain Current Condition of Asset
- Scenario 3
  - » Maintain and average condition of 2 or better and replace all assets at conditions 4 and 5
- Scenario 4
  - » Replace all assets at Condition 5

The key assumptions for the scenarios are outlined in each asset management plan as the focus of this information is to identify the optimum cost for each asset group in order to produce the desired level of service. The confidence in the asset data used as a basis for financial forecasts is also assessed and graded to inform decision making.

Fairfield City Business Hub

ASSET MANAGEMENT PRACTICES

Accounting/Financial Systems

The accountabilities and responsibilities for financial systems at Fairfield City Council lie with the Chief Financial Officer.

Council's AMPs abide by the Asset Capitalisation Policy.

The following asset expenditure categories are applied:

11. **Operational:** system costs, data management, inspection
12. **Maintenance:** planned and unplanned
13. **Renewal/Replacement:** rehabilitation, renovation and replacement works
14. **Expansion/New:** upgrading and creation of new assets

Council capitalises its assets by using the criteria identified in its Capitalisation Policy complying with all relevant accounting standards, regulations and guidelines.

Asset Management Systems

Asset management is a systematic process of maintaining, upgrading, and operating physical assets in a cost-effective way. It is a combination of engineering, management, economics, financial, **the latest computer-aided technology** and other practices with the objective of providing the adopted level of service.

Council utilises the following computer software as part of its Asset Management System:

- Peoplesoft
- Conquest
- My Predictor
- Mapinfo (GIS – Geographic Information System)

Peoplesoft

Peoplesoft Financials is a core system and includes the following main functionalities:

- Financial asset register
- Records asset value (current and historical), useful lives, residual value, accumulated depreciation
- Tracks maintenance and capital expenditure on assets
- Calculates and passes financial entries for depreciation on a monthly basis
- Records Asset acquisition and disposals
- Calculates profit and loss

Conquest (Asset Management System)

The following Asset Attributes are stored into Conquest:

- Dimensions/capacity of assets
- Construction materials
- Date of acquisition
- Condition rating and asset performance
- Information on location, features, construction methods, manufacturers etc
- Current replacement costs, predicted useful life and residual value
- Unit rates for valuation

The following tasks are performed using attribute data stored in Conquest:

- Asset valuations based on 'Fair Value'
- Preparation of maintenance and renewal works programs
- Retiring of existing assets and creation of new assets
- Inspections and defect management
- Reporting i.e. number of assets in a given asset class
- Condition assessment

GIS (Geographic Information System)

- Asset locations are plotted
- Easy viewing of data in a map format
- Limited details are current about asset attributes such as condition, replacement cost

My Predictor - Predictive Modelling Tool

- Predict future condition of the assets network for increased, reduced or current level of funding at network level for all asset classes
- Financial modelling of up to 40 different asset data sets providing the means of presenting a consolidated single report for all assets
- The system retrieves data from Councils asset management systems to produce financial forecast outcomes

Customer Request Management System (CRMS)

- Aims to be the primary source of unplanned asset management requests
- Records, allocates and tracks all incoming external and internal customer requests
- CRM reports provide information to enable Council to target resources to address asset service level from the Community

Priava - Facilities Booking System

Provides utilisation data for Council's community facilities

Asset Management Practices Summary

Future strategies will focus on continually improving all the above systems to ensure linkages and integration of all asset management systems. These projects are iterative and will be addressed as improvement projects in the Asset Management Strategy as they are identified.

IMPROVEMENT PLAN & MONITORING

The Asset Management Plan is a living document and will be reviewed and updated regularly to reflect changes in level of service, funding and improvements in information on the condition and performance of assets.

The AMPs are based on current asset management practices and, in some areas, limited data. The successful implementation of the asset management process and associated data capture programs will enable Council to expand asset management plans and improve the accuracy of financial forecasts. To improve the quality of the output of the assets, considerable work is still required.

Performance Indicators and Measurement Procedure

The target levels of service have been described in each AMP under chapter two – Level of Service. For each major asset class performance indicators have been developed and are identified in the specific AMP. The categories for the performance indicators may include some or all of the following:

- Social Needs
- Appearance
- Legislative Compliance i.e. accessibility
- Availability
- Utilisation
- Health and Safety
- Assurance
- Quality
- Quantity
- Reliability and Performance
- Condition
- Capacity
- Environmental Impacts
- Financial Sustainability

Improving Accuracy and Confidence in Asset Management Plan

Asset management improvements and associated objectives are detailed in each AMP which will lead to a higher degree of confidence in asset data.

Monitoring and Review Procedures

Annual Review

The plan will be reviewed by 30 August each year to incorporate the following:

- Financial expenditure from previous year
- Updated asset information
- Council policy changes

This review may also include revised target levels of service if appropriate and incorporate improved decision making techniques.

Asset Management Plan Revisions

The AMPs will be revised every three years in line with the Integrated Planning and Reporting Framework and will incorporate the following:

- The results of further public survey and consultation
- New Council policies and statutory requirements
- Progress on achieving objectives
- Statutory and internal audit requirements
- Updated demand management data
- Updated network modelling/assessment
- Asset condition assessment data
- Updated renewal and capital programs
- Optimised decision making

Statutory Audit

The Local Government Act requires that an independent, annual, financial audit of the operations of the Council be carried out. Audits will include all significant activities including asset planning.

Internal Audit

Internal audits will be undertaken to assess the effectiveness of the AMPs in achieving their objectives. Audits assess the adequacy of the asset management processes, systems and data. This could be part of a formal internal audit program or as a management review.

Fairfield Adventure Park

Fairfield City Council's Asset Management Plan - Guidelines is available for viewing at Council's website:
www.fairfieldcity.nsw.gov.au/ipr

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