



# **Narromine Shire Council Asset Management Policy**

**Resolution #: 2023/100**

**Year: 2023**

## **OBJECTIVE**

The objective of this policy is to ensure that Narromine Shire Council develops and maintains appropriate systems, processes, organisational structure, resources (both Financial and Human) and organisational commitment (Culture) to deliver a consistent and sustainable level of service delivery in line with community expectation, and asset requirements.

## **SCOPE**

Narromine Shire Council has care, control and responsibility for infrastructure assets with a fair value of in excess of \$360 million.<sup>1</sup> These assets are used to underpin the delivery of services to the community. If assets fail, service delivery is threatened.

This policy sets the framework for ensuring that service delivery is not threatened and that replacement, upgrade and provision of assets is carried out in a planned manner. The policy also ensures that non-asset ownership options are considered when considering changes in service levels.

## **POLICY**

Council is committed to implementing a systematic total asset management methodology in order to ensure appropriate asset management best practices occur across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed, and disposed of in accordance with Council's priorities of service delivery.

## **VISION**

Narromine Shire Council's Vision for Asset Management is to provide and manage an appropriate mix of infrastructure at the lowest life cycle cost in a sustainable manner to support our community and future generations.

## **KEY COMMITMENTS**

The following is a set of key commitments that the Narromine Shire Council will adhere to in relation to total asset management:

- Narromine Shire Council will develop, maintain and adopt Asset Management Plans covering all major Asset Classes for:
  - Water;
  - Sewerage;
  - Waste;
  - Aerodrome;
  - Open Spaces and Recreation Facilities;
  - Transport;
  - Buildings and Other Equipment; and
  - Stormwater Drainage.

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<sup>1</sup> June 2022 General Purpose Financial Statements.

## **KEY COMMITMENTS (Cont.)**

- The format of Asset Management Plans will align with the Institute of Public Works Engineering's International Infrastructure Management Manual (IIMM) and AS 55000, which ensures that best practices are incorporated. This includes community consultation for levels of service.
- Narromine Shire Council will develop and maintain an Asset Management Strategy (AMS) with a planning horizon of 4 years and which sets out continual improvement for asset management systems and processes which should be in line with the State Government's Integrated Planning and Reporting Framework.
- Prior to considering changes to services levels and / or new capital works, Council will consider the following:
  - Alignment with the strategic objectives of the community (Community Strategic Plan).
  - Options for service delivery without Council owning an asset (third party asset ownership).
  - Options to renew assets before acquiring new assets.
  - The full lifecycle cost of owning the assets (whole of life cost).
  - Whether the whole of life cost of asset ownership can be accommodated within the Long Term Financial Plan.
  - Annual reviews of Asset Management Plans.
- Narromine Shire Council will regularly review (in line with the AMIS) the need for asset ownership and will implement a process to dispose of redundant or poor performing assets.
- Narromine Shire Council will internally consult with departments to guide the development of asset management practices, systems and processes.
- All new, upgrade and/or disposal of Assets will be in accordance with Operational procedures, which require approval from the Council and the General Manager.
- When required, grant applications must be submitted for approval by the General Manager prior to submission to ensure that the Asset Whole of Life Cycle (including asset disposal) is taken into consideration.

## **LINKAGE TO OTHER CORPORATE DOCUMENTS**

This policy should be read with reference to the following documents:

- The Community Strategic Plan;
- Asset Management Strategy;
- Asset Management Plans (AMPs);
- Long Term Financial Plan (LTFP);
- Workforce Management Strategy (WMS);
- Asset Acquisition Procedure; and
- Asset Disposal Procedure

## **ROLES AND RESPONSIBILITIES**

### **Council will:**

- Set Asset Management policy and vision.
- Act as stewards for all Council owned assets on behalf of the community.
- Adopt the Asset Management Policy and support the Asset Management Strategy and monitor their outcomes.
- Allocate necessary resources to support appropriate asset management processes.
- Approve levels of service, risk and cost standards in consultation with the community.
- Support continuous improvement programs.

### **Executive Staff will:**

- Ensure that the strategic direction meets Community and Council aims.
- Implement the asset management policy, strategy and plans, across the Organisation as part of the overall Resourcing Strategy.
- Monitor implementation progress of the Asset Management Strategy and identify corrective actions if required.
- Provide relevant and timely professional advice to Council on asset management issues for decision-making, and present information in terms of life cycle risks and costs.
- Identify relevant benchmarks and opportunities to achieve best practice.
- Ensure availability of appropriate resources for asset management activities.
- Ensure that assets are managed in compliance with industry guidelines and standards.
- Ensure that staff responsible for managing assets are trained appropriately.

### **Engineering Services - Asset Management** (represents the management and asset planning expertise within Council) will:

- Oversee the development, monitoring and review of the Asset Management Policy, Strategy and plans using best practice asset management principles.
- Develop operational procedures to ensure the capture and management of asset information.
- Implement plans (such as maintenance programs, capital works programs) in accordance with Asset Management Plans.
- Report implementation and performance progress and effectiveness to the Executive Leadership Team.

### **Council Staff** (to the extent that they have asset management related responsibilities) will:

- Employ up to date technologies, methodologies and continuous improvement processes in asset management.
- Have asset management responsibilities reflected in input/output documentation and position descriptions as appropriate.
- Undertake actions and programs consistent with the adopted Asset Management Policy, Strategy and Plans.

## TRAINING

Asset Management Training is to be read in conjunction with the Workforce Management Strategy which outlines the Workforce Planning Process.

### **Council** will:

- Receive regular training via workshops and information sessions regarding general Asset Management and Council related Asset Management status by a suitably qualified person.
- Participate in and support appropriate research and development activities to ensure continuous improvement and continued understanding of asset management and performance.

### **Executive Staff** will:

- Be included in Council information sessions;
- Be informed and be familiar in Asset related sessions / workshops; and
- Continually improve our practices by assessing performance against regulatory requirements, corporate commitments and stakeholder expectations.

**Engineering Services - Asset Management** (represents the management and asset planning expertise within Council) will:

- Have at least one person competent in an Asset Management or field related course.
- Attend Career development in Asset related sessions / workshops.
- Continually improve our practices by assessing performance against regulatory requirements, corporate commitments and stakeholder expectations.
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**Council Staff** (to the extent that they have asset management related responsibilities) will:

- Be familiar in Asset management for their area of responsibility.
- Continually improve our practices by assessing performance against regulatory requirements, corporate commitments and stakeholder expectations.



*Narromine Shire Council*

# Asset Management Strategy

2022/23 – 2025/26

*Adopted by Council 21 June 2023  
Resolution No 2023/100*



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## 1. Executive Summary

As part of the preparation for this Strategy, a high-level review of Council's Asset Management policy, practices and systems, has been undertaken in order to provide both strategic direction and guidance for improving asset management planning and performance. Council is responsible for infrastructure and other assets that have a replacement value of approximately \$449 million. Asset Management Plans have been developed for each of the eight (8) main categories of assets under Council's control.

This Strategy provides key information that can be used in the determination of levels of service and funding requirements. **Table 1.1** provides a snapshot of the organisation's asset groups, ten (10) year Renewal and Upgrade Budget, upcoming Financial Year Renewal and Upgrade Budget and Annual Depreciation between the available renewal budget and predicted renewal requirements. Note that a funding analysis has not been undertaken for Land and Fleet Assets. **Figure 1.1** shows the financial overview for the next 10 years for each asset category.

**Table 1.1: Council's Asset Portfolio Overview**

Asset Category	Sub-Classes	Fair Value	Operation & Maintenance Budget <sup>1</sup> (10 Years)	Renewal & Upgrade Budget <sup>1</sup> (10 Years)	Renewal & Upgrade Budget (4 Years)	Annual Depreciation
Water	- Treatment - Service Reservoir - Reticulation - Trunk - Bores	\$23,010,731	\$26,838,064	\$39,377,100	\$36,987,532	\$433,492
Sewer	- Pump Station - Sewerage Treatment Network	\$25,151,134	\$15,952,160	\$3,042,815	\$2,844,399	\$355,376
Waste	- Site Buildings - Internal Road - Fencing	\$908,583	\$16,157,546	\$1,775,511	\$625,148	\$41,510
Aerodrome	- Runway - Internal Roads - Fence - Internal Roads	\$18,790,224	\$6,539,743	\$2,652,419	\$994,567	\$233,910
Recreation and Community Facilities	- Parks - Gardens - Ovals - Sports Centre - Cemetery - Showground - Pool	\$18,460,986	\$17,932,912	\$1,959,280	\$968,395	\$632,743
Transport	- Roads - Bridges - Footpaths - Signs	\$289,755,079	\$36,053,224	\$43,382,269	\$16,287,735	\$4,164,165



## Asset Management Strategy (AMS)

Buildings and other equipment	<ul style="list-style-type: none"> <li>- -Specialised</li> <li>- Non-Specialised</li> <li>- Equipment</li> </ul>	\$47,169,006	\$21,681,841	\$1,462,207	\$709,780	\$1,448,256
Drainage	<ul style="list-style-type: none"> <li>- Kerb and Gutter</li> <li>- Underground Pipe Network</li> <li>- Culverts</li> <li>- Lined and Unlined Open Channel Drainage</li> <li>- Dams</li> <li>- Basins</li> </ul>	\$25,782,192	\$5,148,907	\$9,393,581	\$5,444,044	\$254,578

*Note: Excludes Land (Operational and Community) and Fleet Management*

It needs to be stressed that we are considering long-term averages in this strategy and accordingly in some years the cost to renew will be higher, and some years lower, dependent upon the number of assets that are due for renewal in that particular year.

The 10 Year forecasts presented in this Asset Management Strategy (AMS) are based on the modelling undertaken and achieving the levels of service presented in the plan, and are intended to assist Council when considering future Community Strategic Plans, Delivery Programs and Operational Plans. If changes are made to the Long-Term Financial Plan, those changes will be reflected in the next AMS and Asset Management Plans (AMPs).

A number of options are available to address the asset renewal expectations including adjustment to service levels, extending asset life (i.e. changing the acceptable condition levels prior to renewal), obtaining increased grant funding, increases in rate revenue i.e. Special Rate Variation and borrowing strategies.

### **Levels of Service, Intervention Levels, Condition Rating and Useful Life**

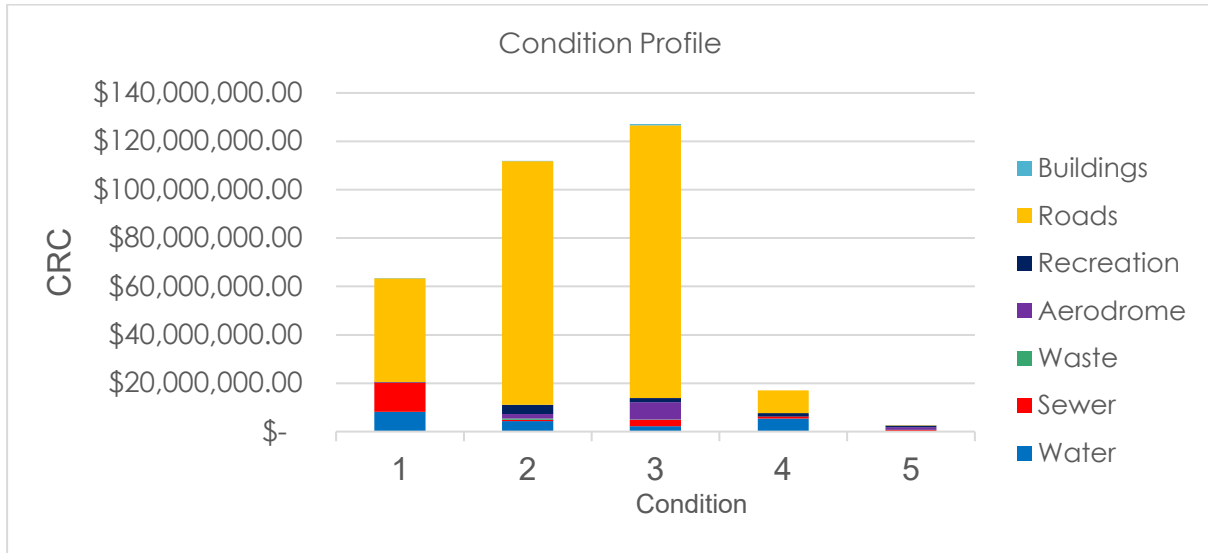
The determination of **Levels of Service** (LOS) is crucial in the calculation of the gap between required funds for asset service delivery and available budgets. The levels will be determined by defining the outcomes as agreed with the community, identifying the services required to meet those outcomes and the infrastructure required to support those services. Details on proposed LOS are contained within each of the eight (8) Asset Management Plans.

In order to allocate limited funds responsibly, renewal or rehabilitation of assets will only be undertaken once they reach a certain condition, referred to as the **intervention level**. Typically, assets will not be renewed until they are between a condition rating of 3 and 4 depending on the utilisation, function and / or criticality of the asset.

**Condition Rating** Assessments, on individual assets, are undertaken on a regular basis depending on the component, its current age, previous condition and criticality. Additionally, condition ratings are updated periodically for revaluation.

The following graph presents a snapshot of the current condition of Council's assets based on the value of each asset component in each of five (5) conditions ranging from one (1) being near new, to five (5) as a completely failed component or asset. Note that this only includes the assets that have been condition rated and modelled in the most current Asset Management Plans.

**Figure 1.1: Councils Asset Condition Profile Based on Replacement Value**



The **Useful Life** of an asset is the period from construction until it reaches its defined intervention level. The modelling undertaken is based on information, which is a 'best estimate', with the actual life, dependant on numerous factors that influence the rate of deterioration of the asset (e.g. construction methods, materials, weather, usage, and worker skill). Appendix B provides an example calculation of this.

### Risk Management

Section 16 outlines the management of risk in delivery of assets to the community with the delivery of an Enterprise Risk Management Policy, Plan and Strategic Risk Register.

### Improvement Program

The process of managing assets is one of continually improving the knowledge Council has including maintaining up to date asset registers, condition ratings and the cost of work on the asset and the rate at which assets deteriorate and reach their intervention level.

## 2. Introduction

Assets deliver important services to communities. A key issue facing local governments throughout Australia is the management of ageing assets in need of renewal and replacement.

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present particular challenges. Their condition and longevity can be difficult to determine. Financing needs can be large, requiring planning for large peaks and

troughs in expenditure for renewing and replacing such assets. The demand for new and improved services adds to the planning and financing complexity.<sup>1</sup>

The creation of new assets also presents challenges in funding the ongoing operating and replacement costs necessary to provide the needed service over the assets' full life cycles.<sup>2</sup>

The national frameworks on asset planning and management and financial planning and reporting endorsed by the Local Government and Planning Ministers' Council (LGPMC) require councils to adopt a longer-term approach to service delivery and funding, comprising:

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors and:
  - Bringing together asset management and long term financial plans,
  - Demonstrating how council intends to resource the plan, and
  - Consulting with communities on the plan.
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
  - Explanation to the community about variations between the budget and actual results,
  - Any impact of such variances on the strategic longer-term plan, and
  - Reporting of operations with review on the performance of the council against strategic objectives.<sup>3</sup>

Framework 2 Asset Planning and Management has seven elements to assist in highlighting key management issues, promote prudent, transparent and accountable management of local government assets and introduce a strategic approach to meet current and emerging challenges.

The seven elements of Framework 2 Asset Planning and Management are:

- Asset management policy,
- Strategy and planning:
  - Asset management strategy, and
  - Asset management plan,
- Governance and management arrangements,
- Defining levels of service,
- Data and systems,
- Skills and processes, and
- Evaluation.<sup>4</sup>

The asset management strategy is used to enable Council:

- To show how its asset portfolio will meet the service delivery needs of its community into the future,
- Ensure asset management policies can be achieved, and

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<sup>1</sup> LGPMC, 2009, *Framework 2 Asset Planning and Management*, p 2.

<sup>2</sup> LGPMC, 2009, *Framework 3 Financial Planning and Reporting*, pp 2-3.

<sup>3</sup> LGPMC, 2009, *Framework 3 Financial Planning and Reporting*, pp 4-5.

<sup>4</sup> LGPMC, 2009, *Framework 2 Asset Planning and Management*, p 4.

- To ensure the integration of asset management with its long-term strategic plan.<sup>5</sup>

The goal of asset management is to ensure that services are provided:

- In the most cost effective manner,
- Through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets, and
- For present and future consumers.

The objective of the Asset Management Strategy is to establish a framework to guide the planning, construction, maintenance and operation of the infrastructure essential for council to provide services to the community.

## Legislative reform

The requirements of **Local Government Act 1993, Section 402** are summarised as follows:

- Each local government area must have a community strategic plan that has been developed and endorsed by the council. A community strategic plan is a plan that identifies the main priorities and aspirations for the future of the local government area covering a period of at least 10 years from when the plan is endorsed.
- A community strategic plan is to establish strategic objectives together with strategies for achieving those objectives.
- Following an ordinary election of councillors, the council must review the community strategic plan before 30 June following the election. The council may endorse the existing plan, or develop or endorse a new community strategic plan, as appropriate, to ensure that the area has a community strategic plan covering at least the next 10 years.

The requirements of **Local Government Act 1993, Section 403** are summarised as follows:

- A council must have a long-term strategy (called its resourcing strategy) for the provision of the resources required to perform its functions (including implementing the strategies set out in the community strategic plan).

The requirements of **Local Government Act 1993, Section 404** are summarised as follows:

- A council must have a program (called its **delivery program**) detailing the principal activities to be undertaken by the council to perform its functions (including implementing the strategies set out in the community strategic plan) within the resources available under the resourcing strategy.
- The council must establish a new delivery program after each ordinary election of councillors to cover the principal activities of the council for the 4-year period commencing on 1 July following the election.

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<sup>5</sup> LGPMC, 2009, *Framework 2 Asset Planning and Management*, p 4.

The requirements of **Local Government Act 1993, Section 405** are summarised as follows:

- A council must have a plan (called its **operational plan**) that is adopted before the beginning of each year and details the activities to be engaged in by the council during the year as part of the delivery program covering that year.

**The Integrated Planning and Reporting Guidelines** provide that content of Council's annual statement of revenue policy shall include details of:

- a statement containing a detailed estimate of the council's income and expenditure
- a statement with respect to each ordinary rate and each special rate proposed to be levied
- a statement with respect to each charge proposed to be levied
- a statement of the types of fees proposed to be charged by the council and, if the fee concerned is a fee to which Division 3 of Part 10 of Chapter 15 of the Act applies, the amount of each such fee
- a statement of the council's proposed pricing methodology for determining the prices of goods and the approved fees under Division 2 of Part 10 of Chapter 15 of the Act for services provided by it, being an avoidable costs pricing methodology determined by the council in accordance with guidelines issued by the Director-General
- a statement of the amounts of any proposed borrowings (other than internal borrowing), the sources from which they are proposed to be borrowed and the means by which they are proposed to be secured.

**Local Government (General) Regulation 2005, Clause 203** requires that budget review statements and a revision of estimates must be reported to Council within two months after the end of each quarter (except the June quarter).

**The requirements of Local Government Act 1993, Section 428** are as follows:

- Within 5 months after the end of each year, a council must prepare a report (its "annual report") for that year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.
- The annual report in the year in which an ordinary election of councillors is to be held must also report as to the council's achievements in implementing the community strategic plan over the previous 4 years.
- An annual report must be prepared in accordance with the guidelines under section 406 of the Act.
- An annual report must contain the following--
  - a copy of the council's audited financial reports prepared in accordance with the *Local Government Code of Accounting Practice and Financial Reporting* published by the Department, as in force from time to time,
  - such other information or material as the regulations or the guidelines under section 406 of the Act may require.

- A copy of the council's annual report must be posted on the council's website and provided to the Minister and such other persons and bodies as the regulations may require. A copy of a council's annual report may be provided to the Minister by notifying the Minister of the appropriate URL link to access the report on the council's website.

**Local Government (General) Regulation 2021), Clause 217** requires the following information to be included in the annual report:

- Details of overseas visits by councillors and council staff
- Details of mayoral and councillor fees, expenses and facilities
- Contracts of over \$150,000 awarded by council
- Amounts incurred in relation to legal proceedings
- Private works and financial assistance
- Details of external bodies, companies and partnerships
- Statement of activities undertaken to implement the EEO management plan
- Details of the General Manager's total remuneration
- Details of the total expenditure on Senior Staff remuneration
- Statement of total number of persons employed by Council
- Information on stormwater management levies and charges
- Information on companion animals management

### 3. Strategic Framework

Narromine Shire Council developed a comprehensive Community Engagement Strategy to ensure that a broad range of opinions, ideas and visions was considered to help shape the Narromine Shire Council Community Strategic Plan. A number of key outcomes of the Plan are supported by the effective management of assets. These key outcomes include, but are not limited to:

- Ongoing maintenance and levels of service for Shire Local Road network;
- Maintaining and improving parks;
- Improving sport and recreational facilities (multi-purpose centre);
- Footpaths and cycleway.

To assist in delivering these outcomes, Council will operate and maintain its assets to:

- Ensure adequate provision for the long-term management of assets, the delivery of new assets and the renewal or upgrading of existing assets to meet service delivery objectives.
- Ensure that the assets are maintained in a safe and functional condition.
- To encourage and support the economic and social development in and around Narromine Shire Council.
- Ensure that infrastructure is managed to deliver the requirements of Council's Asset Management Policy and Community Strategic Plan.

These objectives can be achieved by:

- Maximising the service potential of existing assets by ensuring that they are appropriately used and maintained;
- Identifying opportunities to reduce demand for new / upgraded assets by implementing demand management techniques and considering alternative service delivery options;
- Increasing value for money in the identification and delivery of new works by considering life cycle costing and / or alternative construction techniques;
- Focusing attention on results by clearly assigning responsibility, accountability and reporting requirements in relation to asset management.

The key principles guiding the development of Council's Asset Management Strategy are:

- Sound information and systems are needed to influence decision making;
- Comprehensive asset management planning is required to ensure decisions are based on an evaluation of alternatives that take into account life cycle costs, benefits and risks of assets;
- The Community will be informed and have an opportunity to have involvement in establishing levels of service standards based on a willingness to pay;
- Responsibility for asset management, including accountability and reporting requirements, is clearly established, communicated and implemented;
- An effective Policy Framework is established for the strategic management of assets.

To assist in the delivery of the objectives in this Plan, a number of key documents and systems have been prepared, and should be referred to in considering the findings presented. These key documents and systems are listed in **Table 3.1**.

**Table 3.1: Where can I find additional information?**

Document / System	Content
Community Strategic Plan	Outcomes and Strategies identified by the community and includes the delivery, operational plan, annual report and resourcing strategy
Council Asset Management Policy	How we manage assets
Asset Management Plans	Detailed analysis for each asset portfolio including Transport, Buildings, Water, Sewer, Urban Stormwater, and Parks & Landcare
Asset Management Manual	Procedures and Processes that guide the management of assets
Asset Inspection Manual	Details on the process of assessing condition, including photographic examples of various conditions
Enterprise Risk Management Plan	The identification and management of risks across Council operations
Civica Asset Management System (AM)	Electronic system that contains the asset register, condition ratings and used to model future renewals

The Strategy is influenced by the following factors, but not limited to:

1. The increasing community expectations for a higher quality but affordable service to be provided by Council;
2. An increasing focus on lifestyle and environmental issues;
3. The combination of ageing asset stock and increased community expectations will make risk management an increasingly important asset management activity;
4. The trend for the cost of materials, labour, and risk management will continue to be much greater than CPI in the short to medium term due to, but not limited to:
  - a) The cost of materials due to a range of factors - increasing production, wages, cartage, insurances, quality assurance and other ancillary costs.
  - b) Escalations in the price of petroleum products will continue to have a significant impact because of the high proportion of the budget allocated to maintaining the road network, an area highly sensitive to the price of oil;
  - c) The continuing increased cost of risk management processes and public liability insurance;
  - d) The increased cost of workplace health and safety regulation and superannuation contributions.
5. The impact environmental factors have upon the rate of deterioration.



6. The ageing infrastructure will require renewal in future if service levels are to be maintained.
7. Continuing volatility in the global supply chain market.
8. Large unplanned in flux of property development

To effectively manage the long-term financial impact of new assets developed as the Shire grows, an increase in maintenance, operational and renewal costs will be factored into the plan.

The Shire's population is projected to grow at -1.19% per annum, based on the latest projections developed by NSW.

The population, according to ABS can be seen in the following table:

Town	Year	Value	Percentage Change	Population Value	Percentage Change
NSC	2016	2,897	-2.6%	6,541	-2.1%
NSC	2021	2,871	-0.9%	6460	-1.3%

The survey area did not change over the different survey periods.

#### 4. Services Provided

Council recognises the importance of asset management planning. The preparation of this Asset Management Strategy is another step in providing guidance to Council on improving its asset management systems and practices.

The establishment of a classification system for asset groups will be included in each Asset Management Plan (AMP) to ensure the efficient allocation of resources to maintain levels of service appropriate to their function. These classifications will be developed within each AMP specifically based on functionality, utilisation, and community requirements.

The fair value of infrastructure assets managed by Council are summarised in **Table 4.1**.

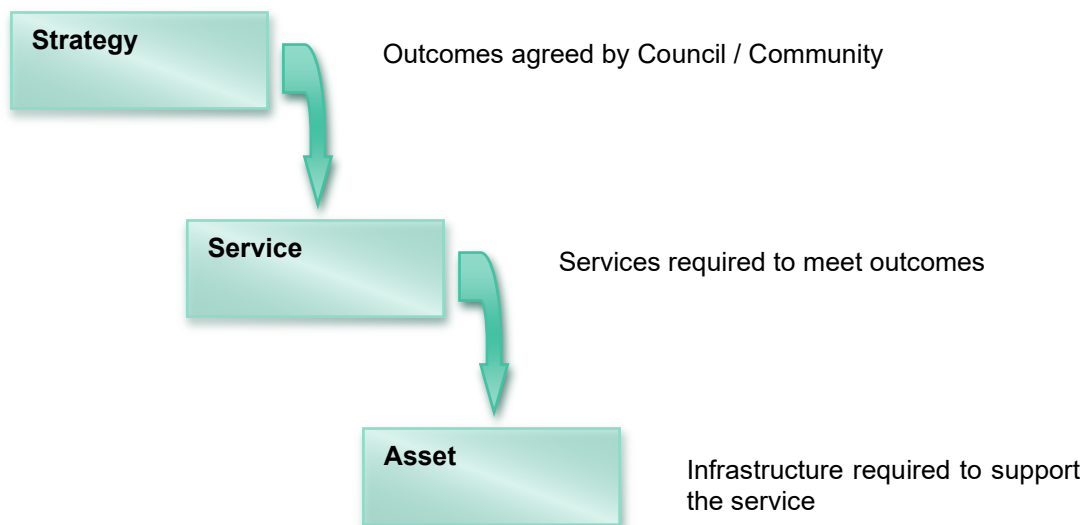
**Table 4.1: Council Asset Portfolio**

AMP #	Asset Category	Fair Value
1	Water	\$23,010,731
2	Sewer	\$25,151,134
3	Waste	\$908,583
4	Aerodrome	\$18,790,224
5	Recreation & Community Facilities	\$18,460,986
6	Transport	\$289,755,079
7	Buildings	\$47,169,006
8	Drainage	\$25,782,192
	<b>Total</b>	<b>\$449,027,935</b>

## 5. Levels of Service

One of the basic tenets of sound, asset management practice is to provide the level of service the current and future community want and are prepared to pay for, in the most cost effective way (NZ NAMS 2007). The final determination of service levels will be undertaken in conjunction with the community as the Superior Asset Management Project progresses. This will enable Council to make informed decisions on the allocation of community resources in accordance with community priorities and willingness to pay.

**Figure 5.1 – How we develop Levels of Service:**



The level of service and the cost to deliver services at that level is an essential component in strategic asset management planning. Council must know the true cost of service delivery, priorities placed by the community on infrastructure, the service levels desired by the community and at what level they are willing to pay.

**Figure 5.2 – How we determine a framework for a sustainable Level of Service:**

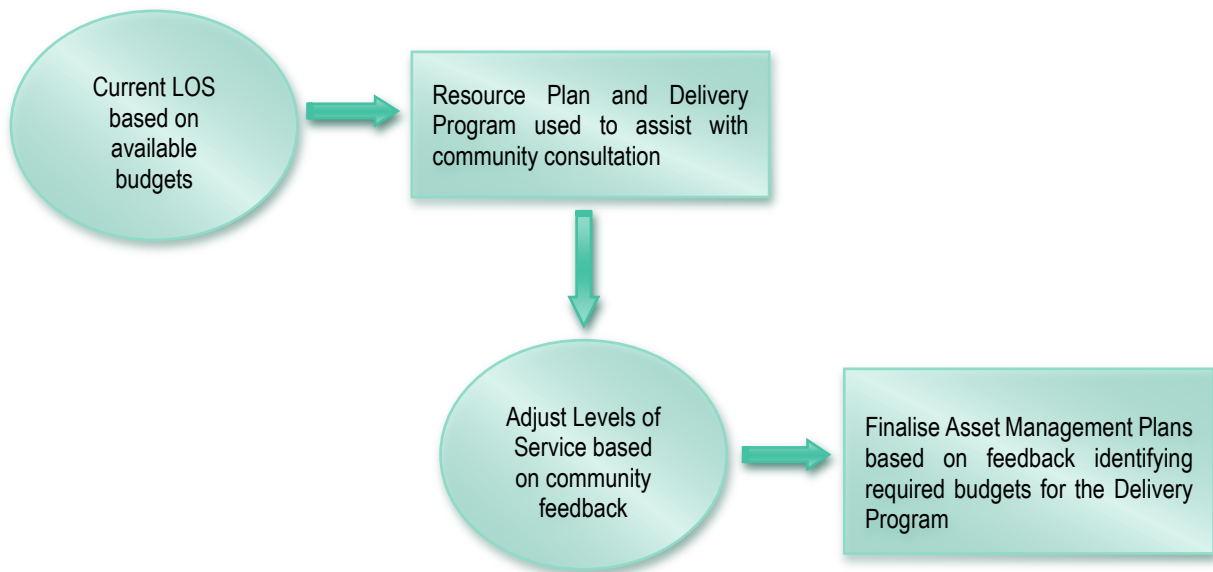


The development of each Asset Management Plan, historical defined levels of service will be identified, together with options to increase, or decrease these levels and the cost savings/increases associated with those options. This will provide an excellent starting point for the consultation required as indicative costs for various service levels will be available.

Council will continue to develop service levels in the future revisions of each Asset Management Plan and link these service levels to the Delivery Program. This will provide the link between service levels and costs of service delivery, providing a tool for community consultation on these levels to enable Council to make decisions on service levels and costs in setting budgets and rate levels.

To assist in this process, consideration of life cycle costing and funding models is required to better inform Council and the Community.

**Figure 5.3 – How Levels of Service influence the Delivery Program:**



Two primary types of level of service are defined in the AMP's:

- Community LOS – relates to how the community receives the service in terms of safety, quality, quantity, reliability responsiveness, cost efficiency and legislative compliance; and
- Technical LOS – are the technical measures of performance developed to ensure the minimum community levels of service are met.

## 6. Condition of Council's Assets

Council maintains an Inspection Assessment Manual that details the frequency of inspection, and condition rating to be used for all assets. This data is recorded in Council's Asset Management System, and used to predict the timing of renewal / maintenance requirements, in the Long-Term Financial Plan.

Assets are rated on a 1 (Near New) to 5 (Completely Failed) scale consistent with the Practice Note models and advanced asset management practices as outlined in the Institute of Public Works and Engineering Australia (IPWEA) International Infrastructure Management Manual. Details on how Council assesses condition and further information on the rating scale are contained in the Condition Assessment Manual.

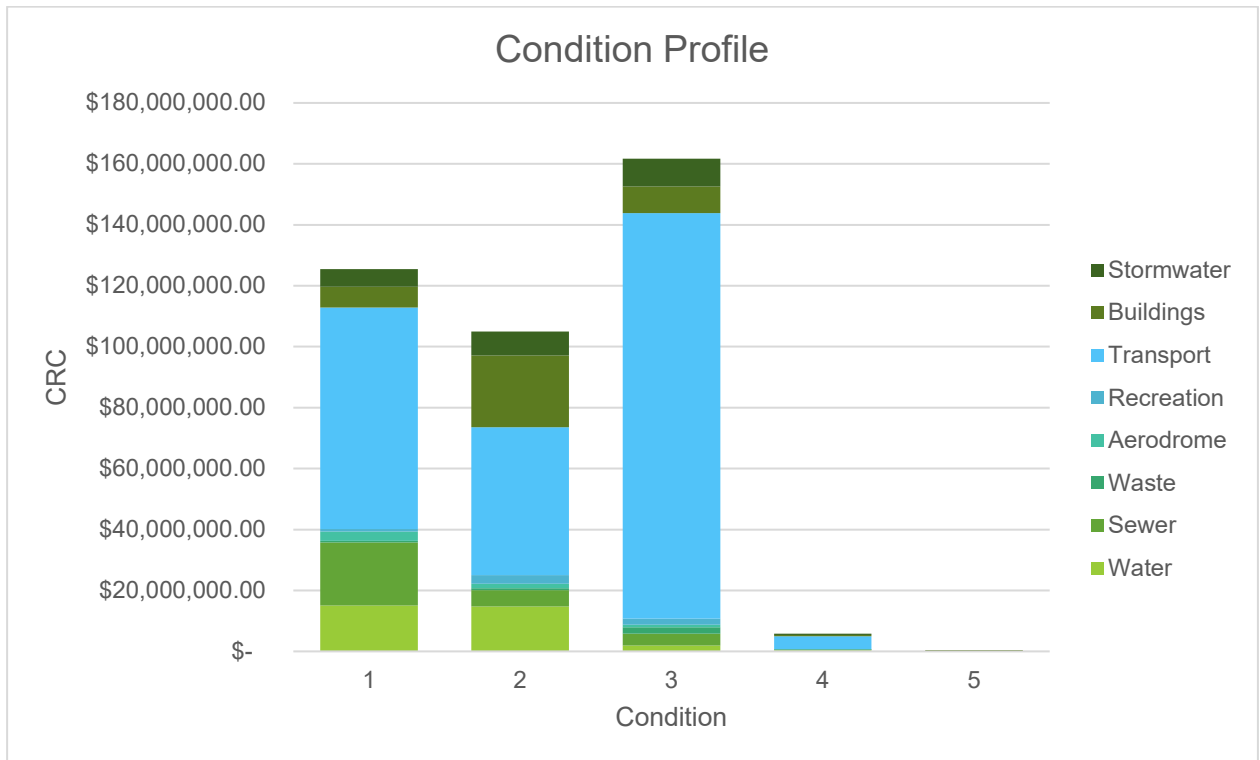
The intent of Council is not to undertake renewal on an asset until it reaches its 'Intervention Level'; that is the condition at which the community has determined renewal is required based on the LOS analysis. Typically, assets will be renewed between condition rating 3 and 4, which ranges from fair to poor depending on their classification. Details of the intervention level and useful lives will be contained within each of the AMPs, a sample from each is presented in **Table 6.1** below:

**Table 6.1: What are Council's Intervention Levels to Renew an Asset?**

Component	Classification	Intervention Level
Water Reticulation network	1	3 - 4
Sewer collection network	1	3 - 4
Playground Equipment	2	3 - 4
Road Seals	1	3 - 4
Ducted Air Conditioning	3	4
Drainage collection network	3	4

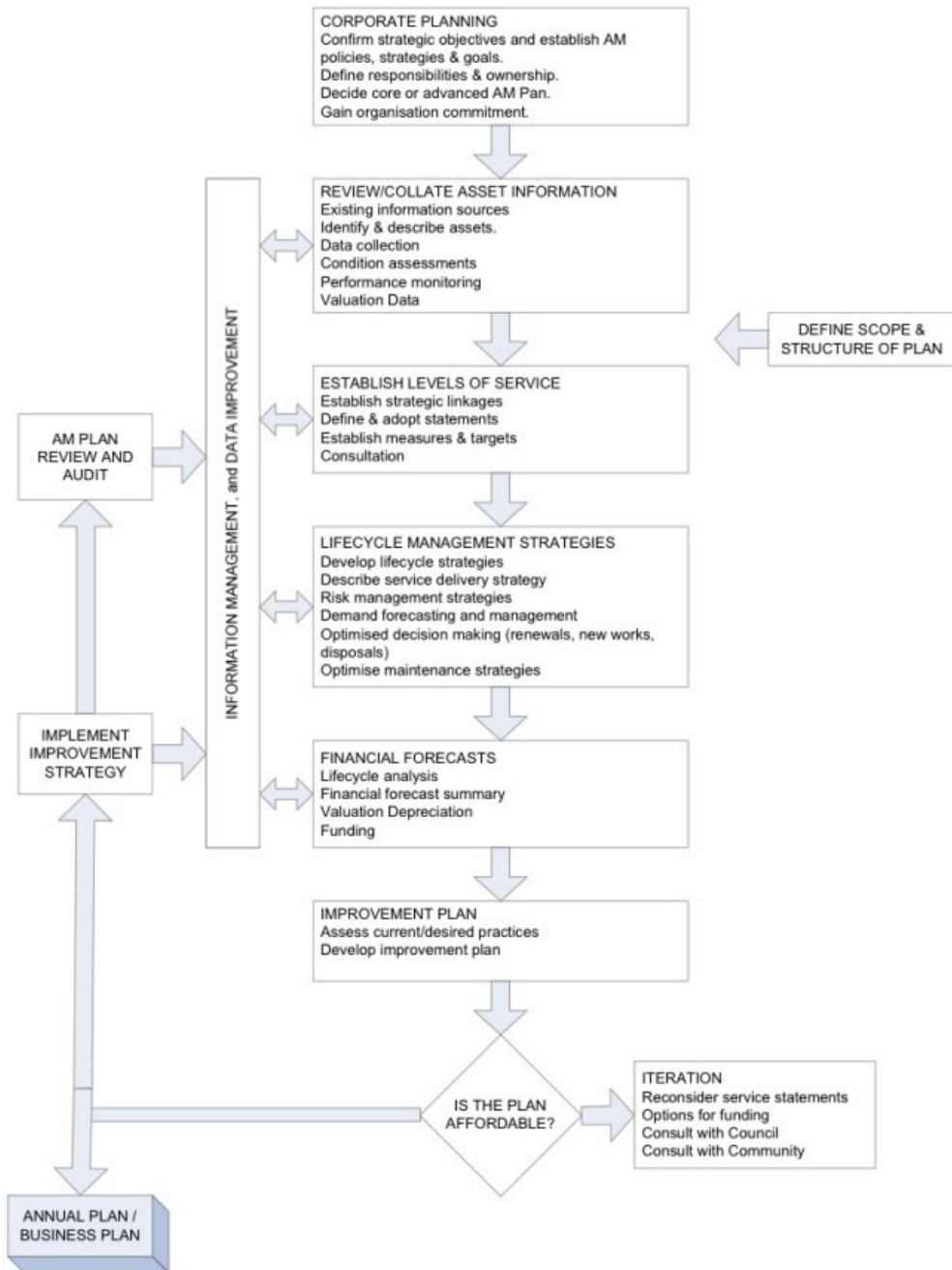
The condition of each Asset is documented in the Asset Register and the graph below details the condition profile.

Figure 6.1: What Condition Are Council's Assets in (\$,000)?



## 7. Asset Management Plans

An Asset Management Plan provides a long-term assessment of the asset activities and actions required to deliver services related to Civil Infrastructure. Council utilises the guidelines for the development of Asset Management Plans as show in the IPWEA International Infrastructure Management Manual (IIMM)6.

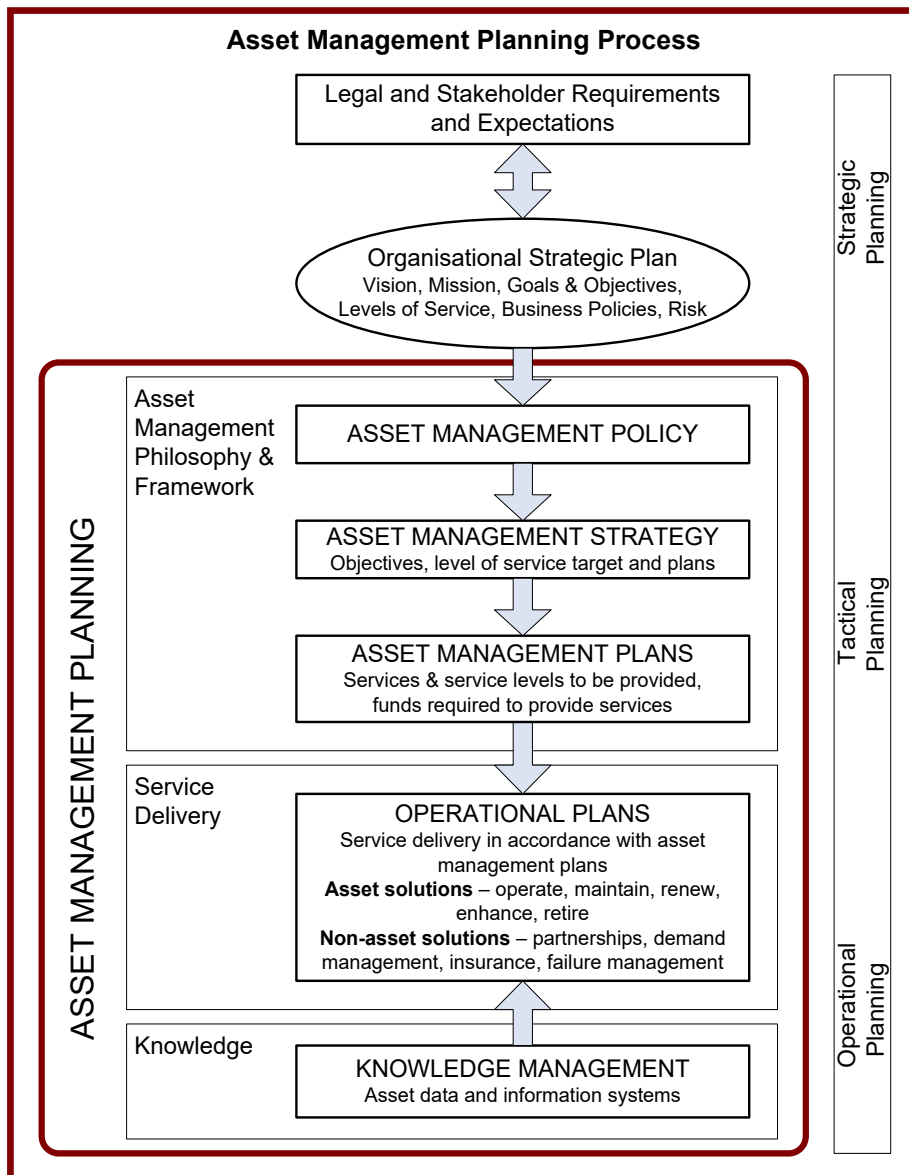




## Asset Management Planning Process

Asset management planning is a comprehensive process to ensure that assets are managed and maintained in a way that enables affordable services from infrastructure to be provided in an economically optimal way. In turn, affordable service levels can only be determined by assessing Council's financial sustainability under scenarios with varying proposed service levels.

Asset management planning commences with defining stakeholder and legal requirements and needs, incorporating these needs into the organisation's strategic plan, developing an asset management policy, strategy, asset management plan and operational plans, linked to a long-term financial plan with a funding plan.<sup>6</sup>



<sup>6</sup> IPWEA, 2009, AIFMG, Quick Guide, Sec 4, p 5.

## **Narromine Shire Council Asset Management Plans**

Council's Asset Management Plans are considered to be 'core' asset management plans in accordance with this International Infrastructure Management Manual (IIMM). Whilst they have been prepared to meet minimum legislative and organisation requirements for sustainable service delivery, and long term financial planning and reporting, core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Future revisions of the plans will move towards 'advanced' or 'superior' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels.

The objective of the Asset Management Plan is to outline the particular actions and resources required to provide a defined level of service in the most cost effective manner.

This Asset Management Strategy is a summary of our detailed Asset Management Plans and provides guidance in their development. Individual plans are evolving and an ideal Asset Management Plan will only be achieved after many stages of development and knowledge improvement.

Council's detailed Asset Management Plans have been based on the following group of assets:

- Water (AMP1)
- Sewer (AMP2)
- Waste (AMP3)
- Aerodrome (AMP4)
- Recreation & Community Facilities (AMP5)
- Transport (AMP6)
- Buildings and Other (AMP7)
- Drainage (AMP8)

Council recognises that there are improvements that need to be made to achieve ideal asset management planning and the asset management framework is to support improved asset management performance and sustainability.

A key issue facing Narromine Shire Council and all local government areas throughout Australia is the management of ageing assets in need of renewal and replacement. Infrastructure assets such as roads, drains, water and sewerage assets, bridges and public buildings present particular challenges as their condition and longevity can be difficult to determine, and the increasing demands in terms of quality and standards. The creation of new assets also presents challenges in terms of funding for initial construction and ongoing service costs.

In March 2007 the Local Government and Planning Ministers' Council published 'Nationally Consistent Framework 2 Asset Planning and Management'. The objective was to enhance the effectiveness of local government and planning in Australia and New Zealand.

The paper outlines why a national asset management framework is important for the overall financial sustainability of local governments:

- Presents key challenges that councils face in managing their assets;
- Identifies the key principles that underpin a national asset management framework; and
- Identifies the proposed elements of a national asset management framework.

Council's asset management planning, management and operation is consistent with the national framework. It is a transparent and accountable management of infrastructure assets and takes a strategic approach to meet current and emerging challenges.

### **Asset Expenditure Definitions**

Council provides a wide range of infrastructure assets and services, and knowledge of the type of expenditure is an important requirement for preparing an Asset Management Plan. The Asset Management Plan distinguishes between Operations, Maintenance, Capital Renewal, Capital Upgrade and Expansion, which enhance Council's existing operating capacity.

- **Operating Expenditure**

Expenditure on providing a service, which is continuously required, including staff salaries and wages, plant hire, materials, power, fuel, accommodation and equipment rental, on-costs and overheads. Operating Expenditure excludes maintenance and depreciation.

- **Maintenance**

Expenditure on an asset which maintains the asset in use but does not increase its service potential or life, e.g. repairing a pothole in a road, repairing the decking on a timber bridge, repairing a simple pipe in a drainage network, repairing work to prevent early failure of an asset.

- **Capital Renewal**

Expenditure on renewing an existing asset or a portion of an infrastructure network which returns the service potential or the life of the asset up to which it had originally, e.g. resurfacing a sealed road, pavement rehabilitation, Resheeting a gravelled road, renewing a section of a drainage system, major maintenance on bridge pylons, etc.

- **Capital Upgrade / Expansion**

Capital upgrade of an existing asset or infrastructure network to provide a higher level of service to users, e.g. widening the pavement and sealed area of an existing road, sealing an existing gravelled road, replacing drainage pipes with pipes of a greater capacity, replacing an existing bridge with one having a greater carrying capacity, etc.

Capital expansion of an asset to a new group of users at the same standard as currently enjoyed by others (e.g. extending a drainage or road networks). This expenditure is generally limited to new subdivisions or new links in the network.

## 8. Operations

Operational Activities are those regular activities that are required to continuously provide the service including asset inspection, electricity costs, fuel and overheads. Inspections are an important operational activity and details of some of those undertaken are provided below. Further information is available in each AMP and in the Asset Inspection Manual.

**Table 8.1: When do we undertake an Asset Inspections?**

AMP #	Inspection	Frequency
1	Water – Condition of above ground assets	Biannually
2	Sewer – Condition of above ground assets	Biannually
3	Waste – Internal Roads	Annually
4	Aerodrome – Runway	Annually
5	Recreation & Community Facilities – Condition assessments	Annual
6	Transport (Hierarchy One Roads)	Fortnightly
7	Buildings – safety for medium / high classed buildings	Annually
8	Drainage – CCTV inspection of underground pipe network	5 yearly

## 9. Maintenance

Routine maintenance is the regular on-going work that is necessary to keep assets operating to ensure they reach their useful life. It includes work on an asset where a portion may fail and need immediate repair to make it operational again. It may be either planned where works are programmed in or cyclic in nature or reactive in response to storm damage, vandalism etc.

Maintenance is either planned or reactive, defined as:

- **Reactive maintenance** – unplanned repair work carried out in response to service requests.
- **Planned maintenance** – repair work that is identified and managed through a Maintenance Management System (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting actions to develop a maintenance history, and improvement of maintenance and service delivery performance.

Maintenance expenditure levels are considered to be adequate to meet required service levels. Future revision of this Strategy will include linking required maintenance expenditures with required service levels in the Community Strategic Plan. The level of service and standards of care for maintenance is carried out in accordance with details in each AMP.

Example maintenance activities are outlined in **Table 9.1**.

**Table 9.1: Examples of Maintenance Activities and the frequency we undertake them are:**

<b>Asset Group</b>	<b>Activity</b>	<b>Class</b>	<b>Frequency</b>
Transport	Maintenance Grading	Hierarchy 3 (Unsealed)	Annual (as per Roads Strategy)
Water	Valve Exercise	All	Annual
Sewer	CCTV Inspections	All	10 Yearly
Waste	Grade of internal road	All	Yearly
Aerodrome	Line marking	All	4 Yearly
Recreation and Community Facilities	BBQ Repairs	Regional	Reactive
Buildings	Fire Systems	All	Yearly
Drainage	Underground pipe network cleaning	All	5 yearly

**Adjusting Levels of Service**

Council can adjust the level of service and reduce the cost of providing the service by either reducing the time to respond to maintenance requests (e.g. only undertaking work during business hours), or by reducing the frequency of maintenance activities (e.g. grading roads on a less frequent basis). Conversely increasing the frequency of maintenance activities will increase the cost of providing the service.

The proposed Maintenance Programs are detailed within each AMP.

## 10. Capital Renewal / Rehabilitation

Renewal or rehabilitation includes work on an existing asset to replace or rehabilitate it to a condition that restores the capability of the asset back to that which it had originally.

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 the full replacement cost.

This Asset Management Strategy contains an analysis based on broad assumptions and best available knowledge to date. Modelling is not an exact science so we deal with long term averages across the entire asset stock. Work will continue on improving the quality of Council's asset registers and systems to increase the accuracy of Council's renewal models.

Assets requiring renewal will be generally identified from estimates of remaining life and condition assessments obtained from the Asset Register and models. Asset renewal proposals will be inspected to verify the accuracy of the remaining life estimate, and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds, and then scheduled in future works programmes.

Details of planned renewal activities proposed over the next 4 years are contained in each Asset Management Plan. The first year of the program will be considered in the development of the next Operational Plan and the remaining 3 years of work will be assessed each year to confirm that the asset has reached its intervention level prior to the work being scheduled.

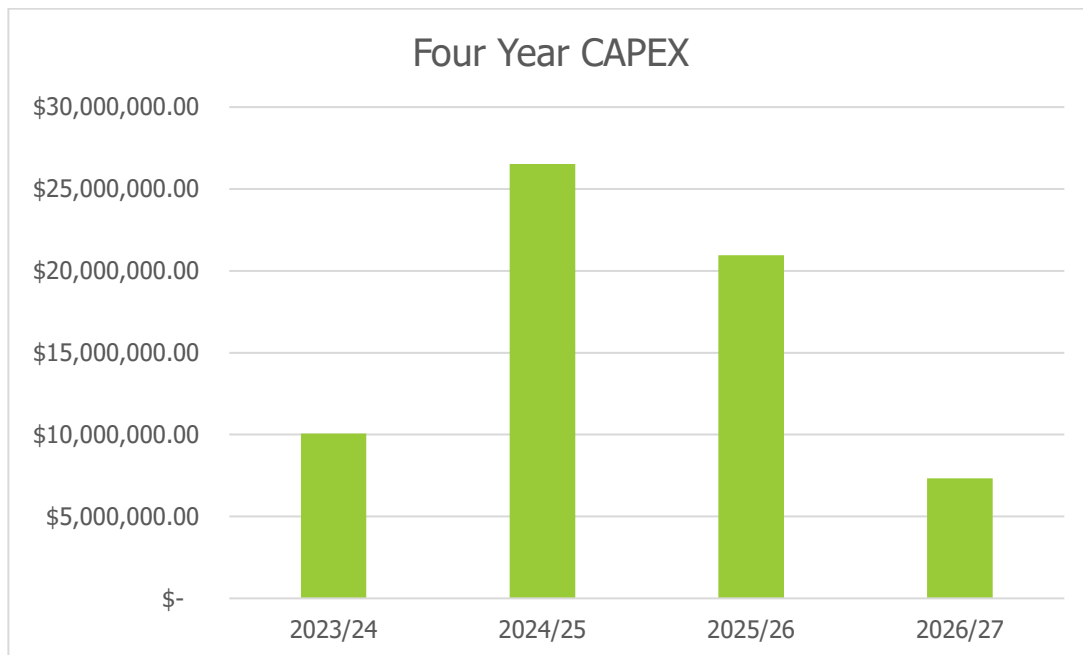
A number of options are available to manage this required funding, including:

- Improving knowledge of the condition of assets and their remaining life, thereby deferring renewal as late as possible;
- Improving maintenance to extend the life of assets and defer projected renewal;
- Improving efficiency and introducing innovative practices for carrying out maintenance and renewal works;
- Using lower cost renewal / rehabilitation methods;
- Rationalising (disposing of unnecessary assets);
- Lowering service levels;
- Increasing funding; and / or a
- Combinations of each option.

Asset Management Plans for each asset class consider these options in the analysis of service levels.

It should also be recognised that the acquisition of additional assets (expansion and upgrade) will add to the funding constraints for projected renewal and to annual operating and maintenance costs.

**Figure 10.1: What will we spend over the next 4 years on Renewal (2022 \$)?**



**Figure 10.1** indicates that, based on current projections, Council will spend approximately on average \$5 million per annum on renewals across the 8 major asset groups.

**Lifecycle costs**

The lifecycle costs are determined based on the total cost of ownership of each asset including operations, maintenance, renewal and disposal costs. The average annualised lifecycle costs for a number of components is presented in each of the individual Asset Management Plans.



## 11. Capital Creation / Acquisition / Upgrade

Upgrades enhance an existing asset to provide a higher level of service, for example widening an existing road seal. New assets are those created to meet an additional service level requirement or increase the size of a network, for example, new subdivisions, or extension of the stormwater drainage network.

Capital upgrade and expansion expenditure adds to future liabilities. These works commit Council to fund ongoing budget liabilities for operations, maintenance, depreciation and finance costs (where applicable) for the life of the asset. They are discretionary expenditure, which increases future operating and maintenance costs because it increases Council's asset base, but may be associated with additional revenue from the new user group.

The requirements for new assets may result from growth, social or environmental needs. The impact from growth is included and will be further developed in the next suite of Asset Management Plans and this Strategy.

Upgrades or new assets may be funded, at least in part, through Developer Contributions in the form of a Section 7.11 or 7.12 Contribution, a Voluntary Planning Agreement, or as part of a subdivision development.

New assets and upgrade/expansion of existing assets are identified from various sources such as Council or community requests, proposals identified by strategic plans or partnerships with other organisations. Project proposals are assessed to verify need and to develop a preliminary lifecycle cost estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

Council has developed a framework for the prioritisation of capital projects and that information is used in the consideration of all new projects above the threshold set in the framework. Included in the analysis is the identification of life cycle costs as outlined in **Appendix B**.

## 12. Disposal Plan

Disposal is any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets with a condition rating of 4 (poor condition), where Council has received no contact through the Customer Request System, indicating that the community don't require the asset (as they have raised concerns or complaints about the asset condition), may be considered to be a redundant asset or not utilised, and therefore decommissioned and disposed, unless considered critical infrastructure.

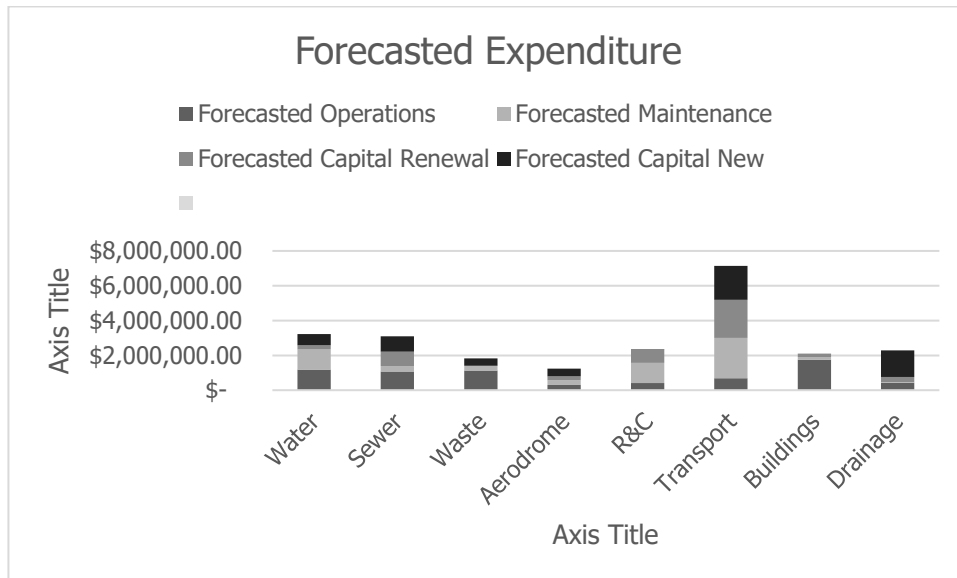
Through careful analysis of all the existing assets Council may become aware of assets no longer required, and finance can, therefore, be raised through their disposal. An example of this may be surplus areas of land. An added advantage is that, if such assets are sold, there will be a saving on maintenance expenditure in relation to those assets.

Prior to consideration of any proposed disposal, a detailed report will be presented to Council.

### 13. Financial Plan

It is important to recognise that the forecasts developed in each AMP, and therefore, this Strategy are based on delivering the levels of service identified in each Plan. This information will be used to assist in the development of the overall Council Long-Term Financial Plan that is adopted with the Community Strategic Plan, Delivery Program and Operational Plan. Any changes made to the overall Long-Term Financial Plan, adopted by Council, will be reflected in the next Asset Management Strategy and AMP's. Figure 13.1 outlines the expenditure on Assets in 2022 Financial Year.

**Figure 13.1: 2017 Asset Expenditure Summary**



#### Implications of Capital Decisions

Capital upgrade and expansion expenditure adds to future liabilities. These works commit Council to fund ongoing budget liabilities for operations, maintenance, depreciation and finance costs (where applicable) for the life of the asset. They are discretionary expenditure, which increases future operating and maintenance costs because it increases Council's asset base, but may be associated with additional revenue from the new user group.

Capital renewal works restore existing service levels, and do not add to budget liabilities. Well-planned capital renewal works can reduce operating and maintenance costs by reviewing service levels, use of automation and more energy efficient equipment.

It is critical that Council and the community understand the financial effect of capital project decisions and that if a rate revenue increase is required, this information is known and considered, as part of the decision to approve the project.

## 14. Key Performance Measures

AMPs document the linkage between levels of service and life cycle costs. Performance Levels are target Levels of Service. The performance measures for Council services typically are:

- Quality
- Functionality
- Safety
- Condition
- Accessibility
- Cost Effectiveness

To monitor these performance standards, the following asset knowledge needs to be assembled:

- Demand projections and forecasts;
- A description of the current asset portfolio;
- A broad description of the management activities (operations and maintenance, renewals, capital works and asset disposals) required to deliver the defined service levels;
- Identification of strategies and actions required to ensure service sustainability, including resources and timeframes;
- A cash-flow forecast outlining the asset related expenditure required over the term of the plan;
- Compliance and risk strategies and costs.
- Customer Request Management

As part of identifying the best value mix of service, there needs to be a clearly understood link between the economic, social and environmental prosperity for the community and the asset stock needed and revenues needed to deliver these objectives.

This information allows Council to make better informed decisions on the allocation of limited resources based on community values of service and cost. It stands to reason that the provision of services, providing the highest benefit, at the least cost will give the greatest value.

## 15. Plan Improvements

It is not the intention of this strategic document to identify recommendations for individual areas of Council's operations, but to establish the key areas for asset management improvement.

**Figure 15.1: Improvement Program at a High Level**

Ref	Task	Responsibility	Target Date
1	Succession Planning (Work Force Management Plan)	Human Resources	On-going
2	Corporate Risk Management	Governance	On-going
3	Asset Management Plan Updates	Services	On-going
4	Technical Levels of Service	Services	On-going
5	Update condition information of Assets	Services	On-going
6	Maturity Assessment Report	Services	On-going
7	Link Spatial Database to the Asset Register	Services	On-going
8	Implement IOT within KPI measures	Services	On-going

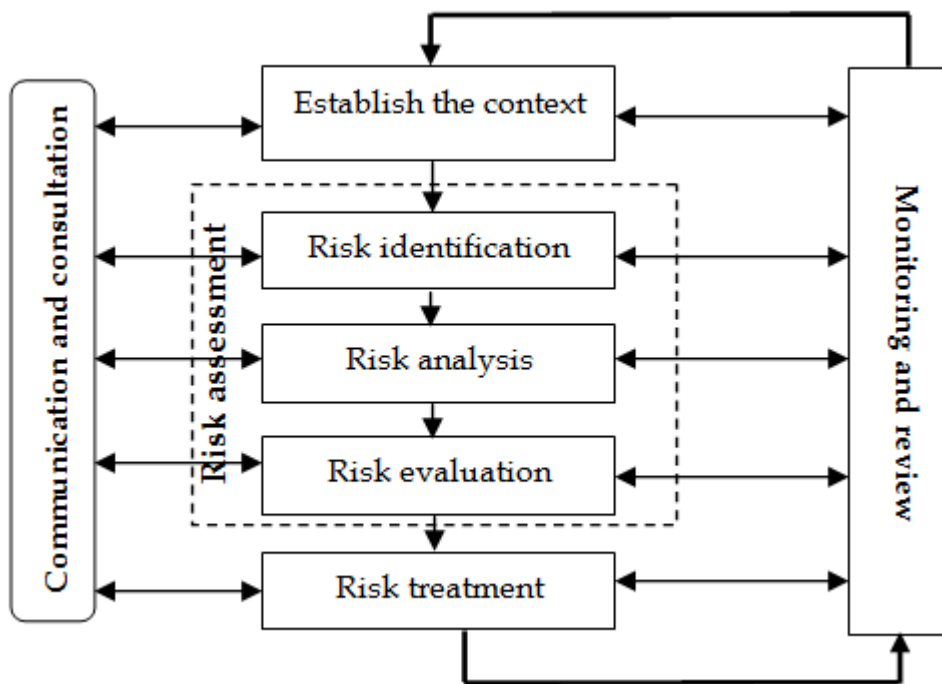
The action plan has been updated to incorporate the priorities. This Plan will ensure that Council fulfils its legal Asset Management obligations, maintains its current level and guides Council to the next level of Asset Management.

## 16. Risk Management Plan

Council is committed to the identification and elimination or reduction of risks in relation to the performance of Council's functions and the delivery of services. Council's management of risk will be in accordance with the processes set out in AS/NZ ISO 31000:2018 – *Risk management – Guidelines*.

Council has developed an Enterprise Risk Management Plan, which integrates the processes for managing Council's risk into overall governance, strategy and planning, management, reporting processes, policies, value and culture.

The Risk Management process in accordance with AS/NZ ISO 31000:2018 will involve a seven step processes as outlined below-



Communication and consultation with external and internal stakeholders take place during all stages of the risk management process.

The following risks will be considered within the context of the internal and external environment and consider internal and external stakeholders:

- Local, regional or national political, legal, regulatory, financial, technological, economic, social and cultural environment
- Key drivers and trends which impact Council's objectives
- Relationships with, perceptions and values of external and internal stakeholders
- Governance, organisational structure, roles and accountabilities
- Policies, objectives, and strategies
- Capabilities (e.g. capital, time, people, processes, systems and technologies)
- Council's culture

- Information systems, information flows and decision making processes
- Standards, guidelines and models adopted by Council
- Form and extent of contractual relationships

Key stakeholders include but are not limited to the following:

- Government (Federal and State)
- Local Citizens
- Local Businesses
- Local Communities
- Councillors
- Contractors
- Employees
- Other Government Agencies (e.g. police, planning, emergency, health, fire etc)
- Local Media
- Trade Unions
- Lobby/Advocacy Groups

Risk Assessments include the processes of risk identification, risk analysis and risk evaluation and will use the qualitative method (i.e. determining the respective likelihood and consequence for each identified risk).

Risk assessments will be undertaken for each Asset to determine risks that can potentially impact on the achievement of Council's strategic objectives; and to identify key operational risks that are inherent in the main functions performed by Council.

On completion of the Risk Assessment for each Asset, critical assets will be determined according to the severity of the impact on Council's functions and delivery of services if use of the asset were lost.

Risk treatment for critical assets may include increased inspection frequency, higher maintenance intervention levels, increased allocation of funding and resources etc.

The Executive Leadership Team and Audit, Risk and Improvement Committee will be responsible for monitoring and periodically reviewing the Enterprise Risk Management Plan under which risks are managed as well as the process of risk management.

## **17. Asset Management Practices**

### **17.1 Accounting/Financial**

#### **Accounting and financial systems**

Council currently uses Authority to record financial transactions which link to its Asset Registers. The linked financial information is used to formulate the Asset Capital Values outlined within the Annual Financial Statements.

#### **Accountabilities for financial systems**

The Finance and Corporate Strategy Department is responsible for the financial systems of council.

#### **Accounting standards and regulations**

Council is required to prepare their financial statements in accordance with all relevant Australian Accounting Standards. Council must comply with but not limited to the following accounting standards:

- AASB 116 Property, Plant & Equipment – prescribes requirements for the recognition and depreciation of property, plant and equipment assets.
- AASB 136 Impairment of Assets – ensures that assets are carried at amounts that are not in excess of their recoverable amount.
- AASB 1001 Accounting Policies – specifies the policies that Council is to have recognition of assets and depreciation.
- AASB 1041 Accounting for the revaluation of Non-Current Assets – specifies the frequency and basis of calculating depreciation and revaluation basis used for assets.
- AAS27 Financial reporting by Local Governments

#### **Capital/maintenance threshold**

Items of infrastructure, property, plant and equipment are capitalised in accordance specified in A1-1 of Council Financial Statements.

#### **Required changes to accounting financial systems arising from this AM Plan**

Council is continually reviewing its financial systems, this may include a process of acquiring new/additional software to assist in the storing and managing asset data.



## 17.2 Asset Management Systems

### Asset management system

Currently, Council has the following systems for its Asset Management System:

- CIVICA – registers, depreciation, Capitalisation, financial records, defects, scheduling etc.
- Intramaps / QGIS – GIS data that is GPS tagged and contains metadata of that Asset
- REFLECT – Road Associated asset component defect monitoring system
- Mobile Apps – formal inspection logging etc.

### Asset registers

Council maintains asset registers in the database CIVICA Authority.

### Linkage from asset management to financial system

The asset registers are used to determine the input for C1-6 in the council financial reports.

### Accountabilities for asset management system and data

The Director of Infrastructure and Engineering Services is directly responsible for maintaining the asset management data. The managers (generally in the Engineering Directorate) are responsible for providing details of capital works proposed and/or undertaken.

### Information Flow Requirements and Processes

The key information that flows into this asset management plan is:

- Council strategic and operational plans,
- Service requests from the community,
- Network assets information,
- The unit rates for categories of work/materials,
- Current levels of service, expenditures, service deficiencies and service risks,
- Projections of various factors affecting future demand for services and new assets acquired by Council,
- Future capital works programs,
- Financial asset values.
- Key Performance Indicators information

The key information flows from this asset management plan are:

- The projected Works Program and trends,
- The resulting budget and long term financial plan expenditure projections,
- Financial sustainability indicators.

These will impact the Long-Term Financial Plan, Strategic Longer-Term Plan, annual budget and departmental business plans and budgets.

## Standards and Guidelines

Standards, guidelines and policy documents referenced in this asset management plan are:

- IPWEA, 2009, Australian Infrastructure Financial Management Guidelines, Institute of Public Works Engineering Australia, Sydney, [www.ipwea.org.au/AIFMG](http://www.ipwea.org.au/AIFMG).
- IPWEA, 2006, International Infrastructure Management Manual, Institute of Public Works Engineering Australia, Sydney, [www.ipwea.org.au](http://www.ipwea.org.au).
- IPWEA, 2002, Practice Note 1: Footpath & Cycleways
- IPWEA, 2002, Practice Note 2: Kerb & Channel (Gutter)
- IPWEA, 2002, Practice Note 3: Buildings
- IPWEA, 2002, Practice Note 5: Stormwater Drainage
- IPWEA, 2002, Practice Note 6: Long Term Financial Planning
- IPWEA, 2002, Practice Note 7: Water Supply & Sewerage
- IPWEA, 2002, Practice Note 9: Pavement
- IPWEA, 2002, Practice Note 10.1: Parks
- Narromine Shire Council Asset Management Policy
- Narromine Shire Council Asset Management Strategy
- Narromine Shire Council Asset Management Manual
- Narromine Shire Council Asset Inspection Manual
- NSW Department of Local Government, Integrated Planning and Reporting Manual
- NSW Department of Local Government, Integrated Planning and Reporting Guidelines

## 18. APPENDIX A: Glossary & Abbreviations

### **Annual service cost (ASC)**

An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operating, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

### **Asset class**

Grouping of assets of a similar nature and use in an entity's operations (AASB 166.37).

### **Asset condition assessment**

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

### **Asset management**

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

### **Assets**

Future economic benefits controlled by the entity as a result of past transactions or other past events (AAS27.12).

Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 month.

### **Average annual asset consumption (AAAC)\***

The amount of a local government's asset base consumed during a year. This may be calculated by dividing the Depreciable Amount (DA) by the Useful Life and totalled for each and every asset OR by dividing the Fair Value (Depreciated Replacement Cost) by the Remaining Life and totalled for each and every asset in an asset category or class.

### **Brownfield asset values\*\***

Asset (re)valuation values based on the cost to replace the asset including demolition and restoration costs.

### **Capital expansion expenditure**

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

### **Capital expenditure**

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

### **Capital funding**

Funding to pay for capital expenditure.

### **Capital grants**

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

### **Capital investment expenditure**

See capital expenditure definition

### **Capital new expenditure**

Expenditure which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.

### **Capital renewal expenditure**

Expenditure on an existing asset, which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value

compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

#### **Capital upgrade expenditure**

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

#### **Carrying amount**

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

#### **Class of assets**

See asset class definition

#### **Component**

An individual part of an asset which contributes to the composition of the whole and can be separated from or attached to an asset or a system.

#### **Cost of an asset**

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its

acquisition or construction, plus any costs necessary to place the asset into service. This includes one-off design and project management costs.

#### **Current replacement cost (CRC)**

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

#### **Current replacement cost "As New" (CRC)**

The current cost of replacing the original service potential of an existing asset, with a similar modern equivalent asset, i.e. the total cost of replacing an existing asset with an as NEW or similar asset expressed in current dollar values.

#### **Cyclic Maintenance\*\***

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

#### **Depreciable amount**

The cost of an asset, or other amount substituted for its cost, less its residual value (AASB 116.6)

#### **Depreciated replacement cost (DRC)**

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

### **Depreciation / amortisation**

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

### **Economic life**

See useful life definition.

### **Expenditure**

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

### **Fair value**

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

### **Greenfield asset values \*\***

Asset (re)valuation values based on the cost to initially acquire the asset.

### **Heritage asset**

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

### **Impairment Loss**

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

### **Infrastructure assets**

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

### **Investment property**

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

- (a) use in the production or supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business (AASB 140.5)

### **Level of service**

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

### **Life Cycle Cost \*\***

The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

### **Life Cycle Expenditure \*\***

The Life Cycle Expenditure (LCE) is the actual or planned annual maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to Life Cycle Expenditure to give an initial indicator of life cycle sustainability.

### **Loans / borrowings**

Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

### **Maintenance and renewal gap**

Difference between estimated budgets and projected expenditures for maintenance and renewal of assets, totalled over a defined time (eg 5, 10 and 15 years).

**Maintenance and renewal sustainability index**

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

**Maintenance expenditure**

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

**Materiality**

An item is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial report. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

**Modern equivalent asset.**

A structure similar to an existing structure and having the equivalent productive capacity, which could be built using modern materials, techniques and design. Replacement cost is the basis used to estimate the cost of constructing a modern equivalent asset.

**Non-revenue generating investments**

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

**Operating expenditure**

Recurrent expenditure, which is continuously required excluding maintenance and depreciation, eg power, fuel, staff, plant equipment, on-costs and overheads.

**Pavement management system**

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

**Planned Maintenance\*\***

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

**PMS Score**

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

**Rate of annual asset consumption\***

A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

**Rate of annual asset renewal\***

A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

**Rate of annual asset upgrade\***

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

**Reactive maintenance**

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

**Recoverable amount**

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

**Recurrent expenditure**

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

**Recurrent funding**

Funding to pay for recurrent expenditure.

**Rehabilitation**

See capital renewal expenditure definition above.

**Remaining life**

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

**Renewal**

See capital renewal expenditure definition above.

**Residual value**

The net amount which an entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

**Revenue generating investments**

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

**Risk management**

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

**Section or segment**

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

**Service potential**

The capacity to provide goods and services in accordance with the entity's objectives, whether those objectives are the generation of net cash inflows or the provision of goods and services of a particular volume and quantity to the beneficiaries thereof.

**Service potential remaining\***

A measure of the remaining life of assets expressed as a percentage of economic life. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (DRC/DA).

**Strategic Management Plan (SA)\*\***

Documents Council objectives for a specified period (3-5 yrs), the principle activities to achieve the objectives, the means by which that will be carried out, estimated income and expenditure, measures to assess performance and how rating policy relates to the Council's objectives and activities.

**Sub-component**

Smaller individual parts that make up a component part.

**Useful life**

Either:

- (a) the period over which an asset is expected to be available for use by an entity, or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council. It is the same as the economic life.

**Value in Use**

The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate new cash flows, where if deprived of the asset its future economic benefits would be replaced.

Source: DVC 2006, Glossary

Note: Items shown \* modified to use DA instead of CRC

Additional glossary items shown \*\*

## 19. APPENDIX B: Example of Annual Service Costs

This **example** details the costs to provide, operate (including daily cleaning), and maintain a new public Barbeque that is expected to have a life of 10 years. The annual service cost is detailed in Table B.1.

**Table B.1 Annual Service Cost for a Public BBQ**

	Capital Cost	Annual Service Cost	Remarks
Capital Cost	8,000		
Finance/Opportunity cost		320	4% pa
Depreciation		800	10 years
Operations (cleaning)		7,300	Daily cleaning
Maintenance		400	
Demolition		100	\$1,000 @ 10 yrs
Revenue		0	
<b>TOTAL</b>	<b>\$8,000</b>	<b>8,920</b>	

The Annual Service Cost for the provision of the public barbeque is \$8,920 for the 10 year life required. The cost per use can be calculated by dividing the Annual Service Cost by the number of uses.

The Costs shown in **bold** are the ongoing budget commitments that the Council must fund in future budgets for the service provided by the new barbeque. These total \$8,920 per annum for the next 10 years (depreciation, operations, and maintenance).

The Annual Service Cost is a tool for evaluating capital works projects. Council should be satisfied that it will obtain value or community benefits greater than \$8,920 per annum for this project, otherwise the project should not be approved.

This information will be used when considering annual capital works programs to assist in assessing projects. This shows the project estimate, apportioned into renewal and new asset components, the budget commitment and equivalent rate increase required to fund the budget commitment and the annual service cost.

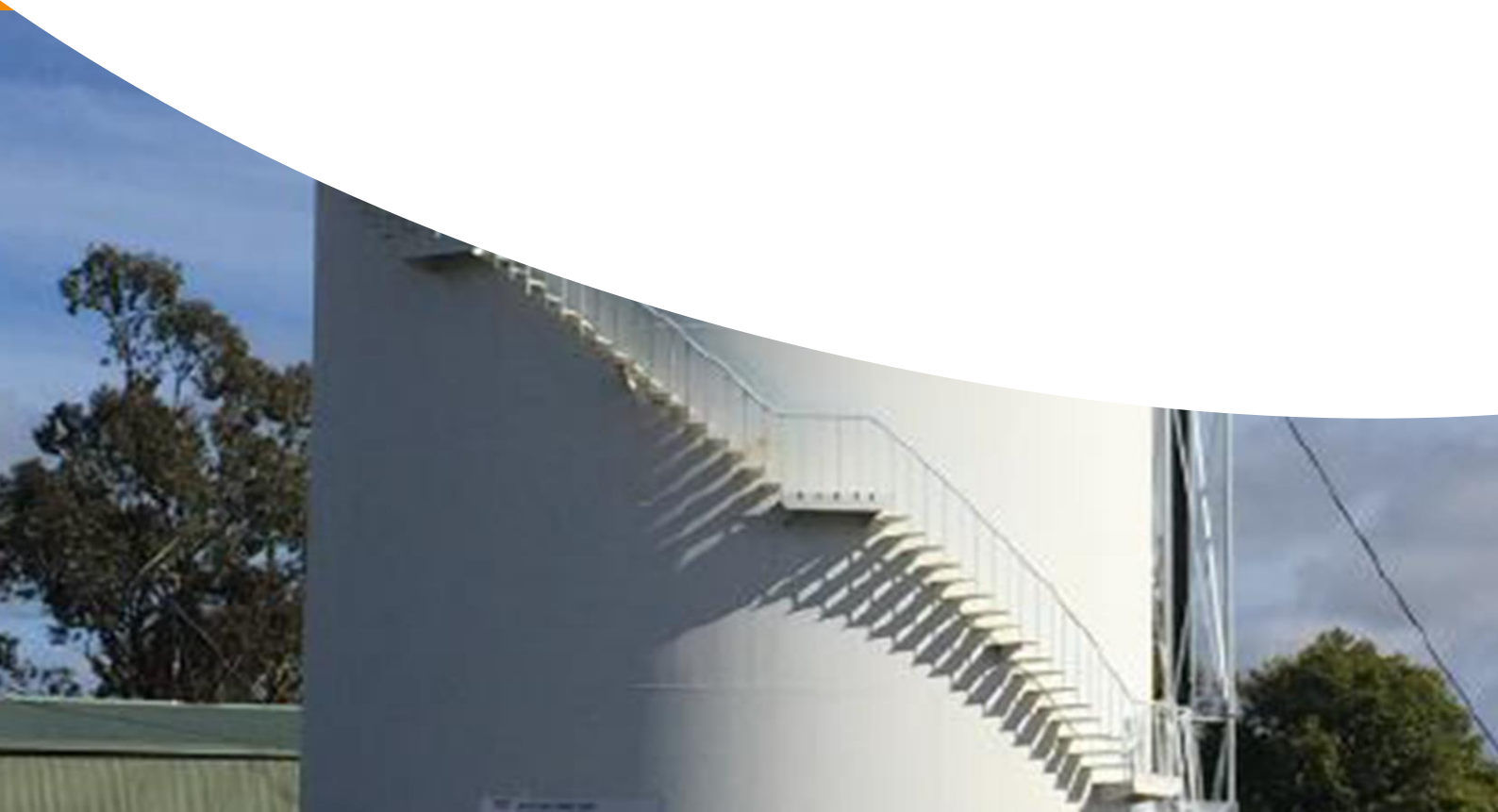
In determining its capital works program, Council will make a policy decision to allocate funds for asset renewal in accordance with its Asset Management Plans under the principle of allocating the value of depreciation expense progressively for asset renewals



# Asset Management Plan

## June 2024

**Adopted by Council 26.06.2024, Resolution No. 2024/098**



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# 1 Executive Summary

This Asset Management Plan (AMP) outlines the strategic framework and management approach for the comprehensive infrastructure assets managed by Narromine Shire Council. The document covers a diverse range of essential services and facilities crucial to the community including: water, sewer, waste management, Narromine aerodrome, recreational and community facilities, transport infrastructure, buildings, and drainage systems.

The primary purpose of this AMP is to provide a structured and proactive strategy for the sustainable management of these assets throughout their lifecycle. By adopting a systematic approach to asset management, Council aims to ensure optimal service delivery, asset performance, and reliability while effectively managing risks and costs associated with asset ownership and operation.

Key components of the AMP include:

- **Asset Inventory and Condition Assessment:** Comprehensive inventory and detailed condition assessments of all assets to inform maintenance, renewal, and replacement strategies.
- **Lifecycle Management:** Strategies for effective lifecycle management to maximize asset performance and longevity, considering factors such as deterioration, technological advancements, and community needs.
- **Risk Management:** Identification, assessment, and mitigation of risks associated with asset failure or underperformance to maintain service levels and community safety.
- **Financial Planning:** Long-term financial forecasting and planning to support sustainable asset management practices, including budget allocation for maintenance, renewal, and operational costs.
- **Stakeholder Engagement:** Engagement with stakeholders, including the community, to understand service expectations and incorporate feedback into asset management strategies.

Through this AMP, Council seeks to enhance the resilience and sustainability of its infrastructure assets, ensuring they continue to meet the needs of current and future generations. By aligning asset management practices with strategic objectives and community priorities, the council aims to deliver reliable, efficient, and cost-effective services while fulfilling its responsibilities as a custodian of public infrastructure.

This document serves as a guiding framework for decision-making and resource allocation, supporting Council in achieving its goals of infrastructure asset stewardship, service excellence, and community well-being.

This Plan should be read in conjunction with the following related planning documentation:

- Narromine Shire Council - Community Strategic Plan
- Narromine Shire Council – Delivery Program
- Narromine Shire Council – Operational Plan
- Narromine Shire Council – Asset Management Strategy

## 2 Goals and Objectives of asset ownership

Council exists to provide services to its community. Some of these services are provided by infrastructure assets. Council's goal in managing infrastructure assets is to meet the defined level of service in the most cost-effective and sustainable manner for present and future consumers.

Central to these objectives is the commitment to providing reliable and safe services to the community across water supply, sewer systems, waste management, aerodrome operations, recreational facilities, transportation networks (including roads and footpaths), buildings, and drainage systems.

Council's primary goal is to maintain and enhance the quality and reliability of essential services, aligning with regulatory standards and community expectations. This includes optimizing water quality and availability, managing waste effectively, and maintaining safe and functional recreational spaces for public enjoyment and health.

Furthermore, the AMP emphasizes the importance of infrastructure resilience and sustainability. By adopting lifecycle management principles, Council aims to prolong asset life, reduce lifecycle costs, and minimize environmental impacts. This approach includes proactive maintenance strategies and strategic investments in infrastructure renewal and upgrades to meet growing demands and enhance operational efficiency.

Financial sustainability underpins all objectives, with the AMP outlining prudent financial planning and budgeting practices. This includes forecasting long-term financial requirements, prioritizing investment in critical infrastructure, and exploring innovative funding opportunities to support ongoing maintenance and development initiatives.

In the Community Strategic Plan 2032, Council has identified four (4) priority themes with related goals and objectives that relate to the management of their assets. These are outlined in the Asset Management Strategy and shown below:

1. Vibrant Communities
2. Growing Our Economy
3. Protecting and Enhancing Our Environment
4. Proactive Leadership

### 2.1 Stakeholders

The stakeholders identified for this plan and its implementation are, but are not limited to:

- Customers – land owners within the Narromine Local Government Area
- The Community – Ratepayers, Businesses, etc;
- Developers;
- Regulators;
- Councillors; and
- Council Staff – Asset Management Working Group, etc.

## 2.2 Plan Framework

The key elements of the plan are:

- Levels of Service;
- Future Demand;
- Life Cycle Management;
- Financial Summary;
- Asset Management Practices;
- Monitoring; and Operational Management of Risk
- Asset Management Improvement Plan.

## 2.3 Council Commitment

Council aims to provide the following:

1. Provide safe, reliable and sustainable services to customers while meeting legislative requirements.
2. Operate, maintain, renew and upgrade infrastructure to meet all statutory and regulatory requirements and service level agreements. Infrastructure classes include:
  - Bores, pumping equipment, water and sewer mains
  - Treatment plants and reservoirs
  - Buildings
  - Roads
  - Drainage infrastructure
  - Curb and Gutter
  - Footpaths
  - Plant and equipment
  - Signage
  - Recreational facilities
  - Community facilities
3. Within a 10-year planning horizon, and going forward, continue with the implementation of relevant strategies and long term plans to ensure a sustainable water business.

It should be appreciated that Council does not have sufficient funds in the Water Reserve to provide some services to the desired service levels (technical or community expectations).

Works and services that cannot be provided under present funding levels, include substantial expansion of services into presently unserviced areas without substantial investigation or capital expansion and investment.

Council will continue to apply for funding from various agencies for asset renewal, replacement or upgrades as funding opportunities become available.

### 3 Planning Framework

A planning framework outlines how conceptually the strategic plan will be based. The framework details the activities that are performed within the organisation's strategy plan.

Key elements of this framework are:

- Levels of Service
- Future Demand
- Life Cycle Management
- Monitoring

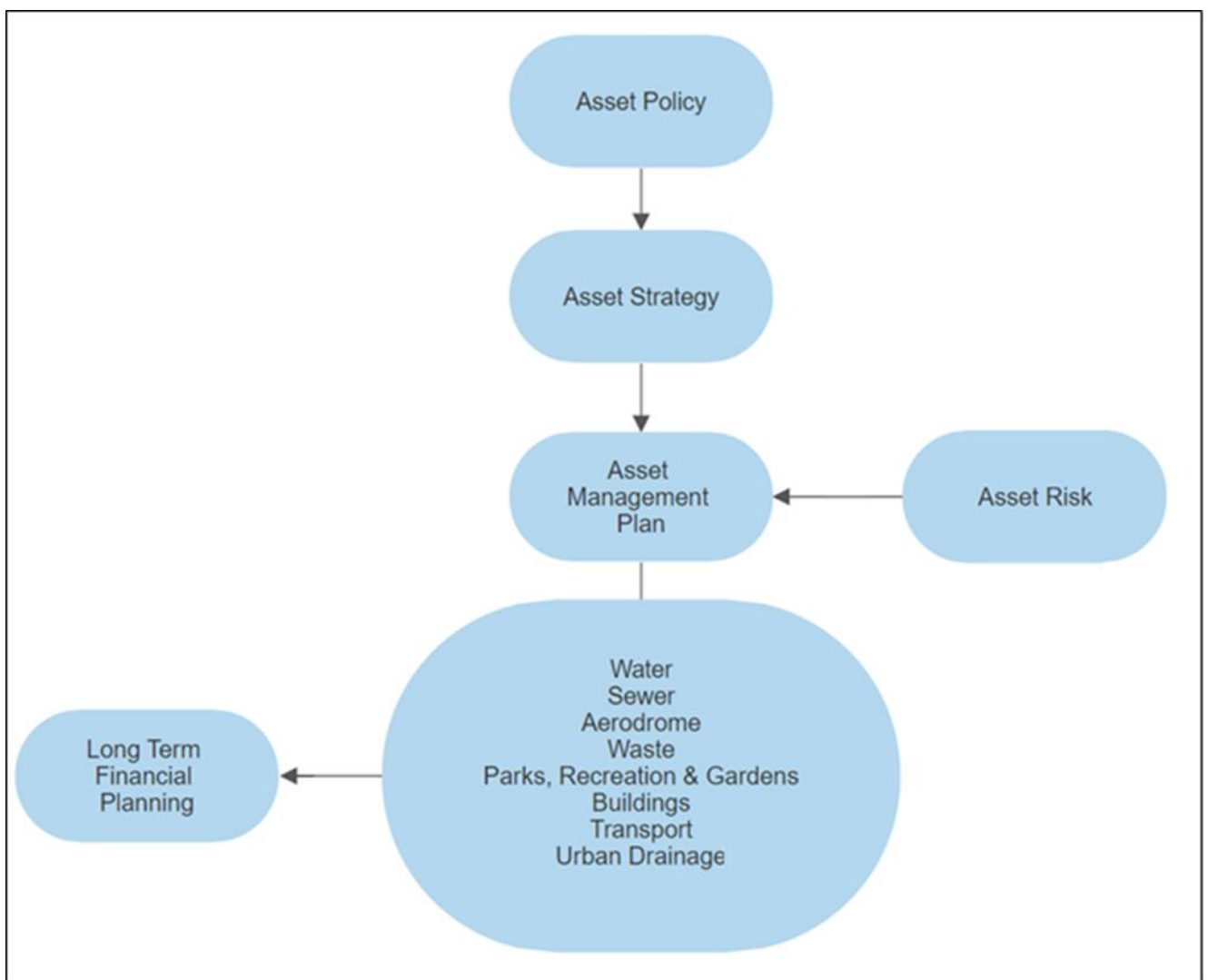


Figure 1: Asset Management Framework



## 4 Asset Conditions

### 4.1 Value based

Council's asset information, including condition rating is stored within an Asset Register. Council undertakes revaluations on each asset class every four years to ensure valuations and condition assessments remain current.

## 5 Stakeholder Management

Council has a number of methods for collecting feedback on their performance in managing assets. These have been used to measure customer expectations and include:

- Narromine Shire Council - Community Survey 2022;
- Informal feedback from stakeholders
- Analysis of community service requests and customer request management.

The table below describes stakeholder roles and responsibilities.

Table 1: Stakeholder Management

Stakeholder	Stakeholder Issues	Key messages	Participation & Feedback
Councillors	<ul style="list-style-type: none"> <li>• Have a say in proposed strategy</li> </ul>	<ul style="list-style-type: none"> <li>• This Strategic plan is a communication tool and a way to a sustainable fair network, without burdening residents, business, or industry.</li> <li>• The system determines the requirement and priority of the work.</li> <li>• Regular benchmarking and quality management and measuring KPI's, ensures Council is</li> </ul>	Councillor Workshop, and community consultation
Residents	<ul style="list-style-type: none"> <li>• Have a say in proposed strategy</li> <li>• Perception of fairness</li> <li>• Getting value for money</li> </ul>		Community consultation
State Government	<ul style="list-style-type: none"> <li>• Regulation of LWU provision of Water and Sewage services</li> </ul>		Review of Best Practice and DWQM documentation Provision of Capital Funding via Grants
Council Indoor Staff	<ul style="list-style-type: none"> <li>• Have a say in proposed strategy,</li> <li>• Minimal additions to current workloads</li> </ul>		Engineering and Assets team reviews, Councillor workshop

Stakeholder	Stakeholder Issues	Key messages	Participation & Feedback
Council Outdoor Staff	<ul style="list-style-type: none"> <li>• Have a say in proposed strategy,</li> <li>• Structured programs</li> <li>• Want to understand place in process</li> </ul>	<p>getting value for money.</p> <ul style="list-style-type: none"> <li>• A strategy and a fair planning and delivery mechanism in place.</li> <li>• Certainty and trust of project delivery when proposed.</li> </ul>	Team leader workshops Engineering and Assets team reviews

## 6 Strategic and Corporate Goals

Council's goal in managing assets is to meet the required level of service in a sustainable manner for present and future stakeholders. The key elements to strategic goals of asset management are:

- Demonstrating responsible stewardship;
- Taking a life cycle approach to asset ownership;
- Defining the infrastructure assets physically and financially;
- Providing a defined Level of Service and monitoring the performance against service levels and service expectations;
- Understanding and meeting the demands of growth through demand management and infrastructure investment;
- Managing risks associated with asset failure; and
- Support long term financial planning.

## 7 Legislative Requirements

Council must meet many legislative requirements including Australian and State legislation and State regulations. Relevant legislation is shown in Table 7.

Table 2: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by Asset Management Plans for sustainable service delivery.
The Australian Accounting Standards	The Australian Accounting Standards Board Standard, AASB 116 Property Plant & Equipment requires that assets be valued, and reported in the annual accounts, which also includes depreciation value (i.e. how fast are these assets wearing out).
Roads Act 1993	Other issues affecting asset service levels include judicial decisions relating to Council's role as roads authority for local roads as conferred by the Roads Act 1993, and legislative powers granted to public utilities relating to road openings.
Environmental Planning and Assessment Act 1979	Sets out guidelines for land use planning and promotes sharing of responsibilities between various levels of government in the state.
Protection of the Environment Operations Act 1997	Sets out Council responsibility and powers of local area environment and its planning functions.
Local Government (General) Regulations 2021	Determines developer charges.
Independent Pricing and Regulatory Tribunal Act 1992	Gives powers to the Independent Pricing and Regulatory Tribunal to inquire into and regulate prices. IPART has developed a set of consistent pricing principles to be adopted by local government authorities. Charging guidelines. Trend towards a user pay system in the industry.
Soil Conservation Act 1938	Conserves soil resources, farm water resources, and the mitigation of erosion and land degradation. Preservation of watercourse environments.
Catchment Management Act 1989	Promotes the coordination of activities within catchment areas. This Act has implications for the management of river quality and quantity. Requirement for ongoing management plan.
Water Management Act 2000	The act provides for sustainable and integrated management of NSW's water sources, water rights, licences, allocations
Public Health Act 2010	Prevention of the spread of disease. Effluent disposal methods. Delivery of Safe Drinking Water

Legislation	Requirement
NSW Public Health Regulation 2012	Part 5 Safety measures for drinking water
Work Health and Safety Act 2011 (and Regulations)	Council's responsibility to ensure health, safety and welfare of employees and others at places of work.

## 8 Levels of Service

### 8.1 Introduction

Council is responsible for providing a safe, reliable, cost-effective customer focused services that enhance the environment and caters for the sustainable growth of the Shire. Ongoing consultation is undertaken with the community to ensure the provision of services is acceptable to the wider community.

Levels of service indicators have been formulated in alignment with the goals outlined in Council's Community Strategic Plan. These objectives serve as the foundation for defining Community Levels of Service (CLOS), which assess how the community experiences services in terms of safety, quality, quantity, reliability, responsiveness, cost efficiency, and compliance with legislative standards.

From these CLOS, Technical Levels of Service (TLOS) have been developed that detail how these services will be delivered in terms of quantity, frequency and standard.

Finally, Key Performance Measures and how they will be measured provide the detail on how we determine whether we are delivering what the community are asking for.

Council's current service targets are shown in Table 3.

Table 3: Community Service Target

Key Performance Measure	Level of Service Objective
<b>Community Levels of Service</b>	
Quality	Provide safe uninterrupted services
Function	Ensure the services meet regulatory requirements (including department of Health, Environmental legislation, Local Government Act, Aviation Act and the Roads Act).
Safety	Ensure works do not create safety hazards
<b>Technical Levels of Service</b>	
Condition	Provide appropriate services to meet user requirements
Function/Accessibility	Ensure services are available to all occupied properties as appropriate
Cost Effectiveness	Provide services in a cost-effective manner
Safety	Effectiveness of WHS programs and Work Method Statements/Standard Operating Procedures

## 8.2 Community Levels of Service

Community Levels of Service relate to the service outcomes that the community wants in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance.

Community levels of service measures used in the Asset Management Plan are:

- *Quality*                      *How good is the service?*
- *Function*                    *Does it meet users' needs?*
- *Safety*                        *Is the service safe?*

## 8.3 Technical Levels of Service

Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that Council undertakes to best achieve the desired community outcomes.

Technical levels of service measures align with annual budgets covering:

- **Operations**  
The regular activities to provide services such as administration, electricity.
- **Maintenance**  
The activities necessary to retain an asset as near as practicable to its original condition
- **Acquisition**  
The activities required to ensure that new assets and acquired assets are to the required service level.
- **Expansion**  
The activities and assets required to ensure that the needs are met by future developments.
- **Renewals**  
The activities that return the service capability of an asset up to that which it had originally
- **Upgrades**  
The activities to provide a higher level of service (e.g. increase reservoir capacity, replacing a pipeline with a larger size etc.) or a new service that did not exist previously

Levels of Criticality Service and Intervention should also align with Councils Business Continuity Plans and all NSW Legislative Disaster Management Plans and Practice.

## 8.4 Intervention Levels

Council maintains a Condition Assessment Manual outlining the frequency of inspection and condition rating, used for all assets. This data is recorded in the Council Asset Management System and is used to predict the timing of renewal/maintenance requirements in the Long-Term Financial Plan.

Assets are rated on a 1 (Near New) to 5 (Completely Failed) scale consistent with the IPWEA Condition Assessment & Asset Performance Guidelines

The intent of Council is not to undertake renewal on an asset until it reaches its 'Intervention Level'. That is, the condition at which the community has determined renewal is required based on the LOS analysis. Typically, assets are renewed between condition 3 and 4, ranging from fair to poor depending on their classification.

Table 4 outlines the rating scale and association with the remaining life percentages. These ratings are also applied to Long Term Renewal Planning.

Table 4: Intervention Levels

Condition Rating	Description	Remaining Life / CWDV (% of CRC)
1	Excellent condition: Only planned maintenance required.	100-80%
2	Very good: Minor maintenance required and planned maintenance.	80-60%
3	Good: Significant maintenance required.	60-40%
4	Fair: Significant renewal/upgrade required.	40-20%
5	Poor: Unserviceable.	20-0%

Each asset's condition is kept in the Water Asset Register and is maintained on a cyclic basis.

## 9 Operations

Operational activities are regular activities required to continuously provide Council services including inspections, electricity costs, fuel and overheads.

### 9.1 Asset Inspections

Inspections can be in the form of condition, compliance, operational, project etc. Asset Management principles focus on the condition inspections for programming and monitoring as other areas, staff and positions within Council are responsible for the delivery and reporting of other inspections associated with operations and delivery.

A full list of condition inspections is outlined in Council's internal inspection program

**Above Ground Assets:** Council currently undertakes inspections on its above ground assets. This condition inspection programme includes the above ground infrastructure for all asset classes.

**Below Ground Assets:** Due to the challenges with inspecting below ground assets, Council aims to inspect portions of these assets via camera at various intervals. The cost of inspections for underground assets is prohibitive.

Some of the condition inspections are summarised in the table below.

Table 5: Summary of inspections

Inspection	Frequency
Visual Inspection of all Above Ground Assets	Annually
Water Hydrants	Annually
Gas Chlorination Equipment	Annually
Water Valves	Triannually
Back Up Power Generators	Quarterly

Inspection	Frequency
Water Quality Monitoring Instruments	Quarterly
Safety Inspections	Annually
Condition inspection of failed asset	Per occurrence
Buildings	Annually
Road Network	Annually
Plant and Equipment	Daily (before use)
Security Fencing	Annually

All Assets are reviewed and recommended by external consultants during the revaluation period.

## 10 Maintenance

Maintenance Work is the regular on-going work that is necessary to ensure the asset is as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets functional, excluding rehabilitation. These activities are required to ensure that the asset reach their expected useful life with no addition to their existing useful life and typically increases as the asset ages. It includes work on an asset where a portion of the asset may fail and need repairs to make it operational again. It may be planned or reactive maintenance work, where works that are programmed, are cyclic in nature and reactive is not programmed and usually reactive such as storm damage or vandalism.

Maintenance may be classified as Planned, Reactive, Specific or Unplanned Maintenance.

### Planned Maintenance

Planned Maintenance falls into three categories:

1. Periodic Maintenance – also known as routine maintenance necessary to ensure the reliability or to sustain the design life of an asset.
2. Predictive Maintenance – condition monitoring activities used to predict failure.
3. Preventive Maintenance – maintenance that can be initiated without routine or continuous checking and is not condition based.

### Reactive Maintenance

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

### Specific Maintenance

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

### Unplanned Maintenance

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

## 11 Capital

Capital Works encompass the acquisition activities involving the creation, renewal, upgrading, and disposal of assets within the planning period. This includes assets acquired through purchase, construction, or contributions. Expenditure is categorized into New, expanding the asset's capacity to serve new users at existing standards, Upgrade, enhancing an asset's capability or function, Renewal, restoring or replacing an asset to its original state without altering its design capacity based on remaining life estimates and condition assessments, and Disposal, which includes associated costs.

### 11.1 New / Upgrade / Expansion

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 other organisations. Risk analysis of statutory regulatory requirements, business improvements are used to develop candidate proposals. These proposals are inspected and evaluated to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

A detailed table of the ten year works program can be seen in Appendix A.

### 11.2 Capital Renewal Asset

Renewal expenditure is major work that restores, rehabilitates, or replaces an existing asset to its original capacity. Work over and above restoring an asset to original capacity is classed as an upgrade or expansion.

It is expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. Renewal activities allow the service to continue to be used after the original asset has reached the end of its useful life. As it reinstates existing service capacity, it generally has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

Assets requiring renewal are identified from estimates of remaining life and condition assessments. Assets that are scheduled for renewal are assessed to verify the remaining life/serviceability and to develop a preliminary renewal estimate. These assets are prioritised based on that assessment and available funds, then scheduled in future works programmes.

Assets requiring renewal are identified from one of three methods:

1. Method 1: Asset Register data is used to project the renewal costs for renewal years using acquisition year and useful life, or
2. Method 2: Capital renewal expenditure projections from external condition modelling systems
3. Method 3: Combination of average network renewals plus defect repairs

Method 1 is the primary method of renewal identification within Council, in conjunction with asset inspections and prioritisation based upon hierarchy and condition rating.



### **11.3 Renewal Standards**

Renewal work is carried out in accordance with the relevant Standards and Specifications.

### **11.4 Summary of Projected Renewal Expenditure**

A summary of projected renewal expenditure includes the following:

1. Projected future renewal expenditures are forecast to increase over time as the asset stock ages. The costs are summarised in Figure 5.
2. The projected capital renewal program is shown in Appendix A.

### **11.5 Asset Disposal**

The Disposal lifecycle involves identifying costs associated with decommissioning assets when they are taken out of service. This includes activities such as selling, demolishing, or relocating assets. Assets rated in poor condition (Condition 5) with no recent community usage, and determined unnecessary through analysis and cost assessment, may be deemed redundant and recommended for disposal pending approval from the General Manager and Council. By conducting thorough asset evaluations, the Council identifies surplus or underutilized assets, such as excess land, which can generate revenue upon sale. Furthermore, selling such assets reduces ongoing maintenance costs, offering additional financial benefits to the Council.

## **12 Future Demand**

New works encompass projects that either establish entirely new assets or enhance existing ones beyond their current capabilities. These initiatives may arise from factors such as growth, societal demands, regulatory requirements, or environmental considerations.

### **12.1 Demand Drivers**

Demand drivers can be broadly divided into two categories:

- Demand for increased levels of service such as improvements to network capacity; and
- Increased costs from creation or acquisition of new assets.

### **12.2 Demand Forecast**

ABS census data statements regarding demand within the shire can be seen below:

#### **2016:**

The 2016 Census data indicates that there were 6,451 people in Narromine (A) (Local Government Areas). Of these 49.9% were male and 50.1% were female. Aboriginal and/or Torres Strait Islander people made up 19.9% of the population.

#### **2021:**

The 2021 Census data indicates that there were 6,460 people in Narromine (A) (Local Government Areas). Of these 51% were male and 49 % were female. Aboriginal and/or Torres Strait Islander people made up 20.4% of the population, these results are shown in Table 6.

Table 6: Australian Bureau of Statistics Data

Town	Year	Value	Percentage Change	Population Value	Percentage Change
NSC	2016	2,897	-2.6%	6,541	-2.1%
NSC	2021	2,871	-0.9%	6460	-1.3%

### 12.2.1 Narromine

Narromine ABS study area experienced a small decline in population between the study in 2016 and the study of 2021 of 32 persons. It is expected that Narromine's future population growth will primarily occur in residential developments to the East and South of the township due to land availability. Narromine's total dwelling information is shown in Table 7.

Table 7: Total data for dwellings in Township of Narromine

Town	Year	Dwelling	%	Male	Female	Population	%
Narromine	2016	2,100	-1.1%	2,353	2,452	4,810	-2.7%
Narromine	2021	2,089	-0.5%	2,386	2,399	4,779	-0.7%

### 12.2.2 Trangie

Trangie ABS study area experienced a decline in population between the study in 2016 and the study of 2021 of 85 persons.

It is expected that Trangie's future population growth will primarily occur in residential developments to the West and East of the township. A summary of Trangie's data can be seen in Table 8.

Table 8: Total data for dwellings in Township of Trangie

Town	Year	Dwelling	%	Male	Female	Population	%
Trangie	2016	659	-1.4%	744	683	1425	1.3%
Trangie	2021	613	-7.5%	702	630	1340	-6.3%

### 12.2.3 Tomingley

Tomingley ABS study area experienced a decline in population between the study in 2016 and the study of 2021 of 36 persons. Tomingley's future population growth will primarily occur due to mining developments within the area due to the existing local gold mine. It is expected the township will grow in dwellings and population. A summary of Tomingley's data is shown in Table 9.

Table 9: Total data for dwellings in Township of Tomingley

Town	Year	Dwelling	%	Male	Female	Population	%
Tomingley	2016	138	-31.2%	171	134	306	-7.8%
Tomingley	2021	169	18.3%	184	156	342	10.5%

### **12.3 Anticipated Changes in Customer Expectations**

Based on past experience, community expectations regarding quality, delivery, and cost-effectiveness of Council services tend to rise over time, especially in areas affecting risk. While specific data on community expectations for community service levels is limited over the duration of this Asset Management Plan, it is reasonable to anticipate that expectations will not diminish during this period.

### **12.4 Demand Impacts on Water Assets**

A steady development growth across the local government area will lead to an increase in services by Council. Council must ensure they understand future service requirements to allow for continued service into the future.

### **12.5 Demand Management**

Narromine Shire Council utilizes various techniques to effectively manage assets, including establishing a detailed hierarchy aligned with service levels and implementing a capital evaluation program. These strategies help allocate funds efficiently and mitigate risks associated with the management of major water assets.

## **13 Risk Management**

Council is committed to a structured and systematic approach to the management of risk and has committed resources to the implementation of a Risk Management Program. This program aims to embed the principles of risk management in all aspects of Council's operations, which will ultimately:

- Increase the likelihood of Council achieving its objectives;
- Create an environment where all employees have a key role in managing risk;
- Encourage proactive management;
- Improve the identification of opportunities and threats;
- Improve stakeholder confidence and trust;
- Improve financial stability and minimise losses; and
- Improve organisational performance.

Council is committed to the identification, elimination and/or reduction of risks associated with hazards that arise throughout Council operations as far as reasonably practicable. To facilitate this process a Risk Management Plan has been developed.

## 14 Asset Monitoring

The Asset Improvement Plan aims to enhance our understanding and management of assets. It is designed to ensure continuous improvement in asset management processes and procedures, with clear mechanisms for monitoring and measuring progress. This plan is essential for maintaining a steady pace of improvement and ensuring that our asset management practices consistently move in the right direction, fostering ongoing enhancement in our operations.

### 14.1 Accounting/ Financial Systems

Council uses an application called Authority for its core Financial Management. The financial system is managed by Council's Finance and Corporate Strategy Department. Financial reporting is to follow the requirements of the Local Government Act 1993 and relevant Australian Accounting Standards.

### 14.2 Asset Management Information System (AMIS)

Council has installed an Asset Management System 'Authority" and "REFLECT" with the following functionality:

- Asset Register;
- Capital Values;
- Defect Management;
- Customer Request Management;
- Asset capitalisation;
- Inspection/defect logging;
- Store dimension/ numeric data;
- Historic information about each assets condition, work and valuation;
- Valuation and depreciation;
- Condition or failure mode ratings;
- Maintenance management with periodic/cyclic scheduling; and
- Producing work order.

### 14.3 Telemetry

Telemetry systems are integral to modern asset management, enabling real-time monitoring and control of infrastructure. These systems continuously gather data such as pressure, flow rates, temperature, and water quality, facilitating immediate detection of anomalies like leaks or equipment malfunctions. Historical data analysis identifies trends, aiding in performance assessment and predictive maintenance models that forecast maintenance needs based on actual conditions rather than fixed schedules. Operational efficiency improves through adjustments in pump speeds and load distribution management. During emergencies, telemetry data supports swift decision-making and response coordination. Compliance and reporting benefit from detailed records that demonstrate regulatory adherence and support stakeholder communication. Integration of telemetry into Narromine Shire Council's Asset Management Plan enhances decision-making, reduces costs, improves service reliability, ensures compliance, and promotes sustainability, marking a strategic step towards operational excellence and long-term viability.

## 14.4 Geographical Information System (GIS)

Geographic Information System are integral to Asset Management, providing spatial analysis and visualisation capabilities that enhance the planning, operation and maintenance of infrastructure systems. GIS allows Asset Managers to:

- Asset Mapping and Inventory: enables the creation of detailed maps and inventories of infrastructure assets such as pipelines, valves, pumps, treatment facilities etc. These maps are precise geographic locations and attributes for each asset, facilitating efficient asset tracking and management
- Spatial Analysis and Planning: GIS allows for spatial analysis of asset data, identification of patterns, relationships and trends that are not apparent in non-spatial data.
- Risk Assessment and Management: Spatial data helps identify areas at risk from natural disasters, climate change or other and contributes to Risk assessment process. It also aids in the development of risk mitigation strategies and emergency response plans, ensuring the resilience and reliability of infrastructure systems.
- Maintenance and Operations: GIS supports the scheduling and management of maintenance activities by providing a spatial context for works orders, inspections and maintenance. It enables efficient routing and resource allocation for operational staff, reducing travel time and operational costs.
- Public Engagement and Transparency: Spatial Services can be used to create interactive maps and dashboards for public engagement, allowing stakeholders to view and understand infrastructure projects. It enhances transparency by providing accessible and comprehensible information about activities
- Regulatory Compliance and Reporting: GIS facilitates compliance with regulatory requirement by providing accurate and comprehensive spatial data for reporting and audits.

Integration of GIS into Asset Management Systems offers numerous benefits including, but not limited to, enhanced decision making, cost saving, improved service delivery, regulatory compliance and future sustainability of the infrastructure.

Council currently uses Intramaps and QGIS for its Geographic Information System.

## 14.5 Hydraulic Model – Water and Sewer

The use of hydraulic models in Asset Management is a critical component for optimising the performance, maintenance and expansion of water and sewer systems. These models simulate the behaviour of water flow within the infrastructure, providing valuable insights that support decision-making processes. The model serves several key functions within the Asset Management Framework:

- System Analysis and Design: this enables detailed analysis of current systems performance, identifying areas of inefficiency, capacity issues, and potential failure points.
- Development Analysis: when developers are undertaking design for future projects, the development model can be combined with the existing network and allow Engineers to analyse the impact within the current network
- Operational Optimisation
- Maintenance Planning
- Emergency Response Planning
- Compliance and Reporting

This data allows Engineers to better understand, make decisions, cost analyse, improve service reliability, regulatory compliance and formulate programs for Capital, Maintenance and Operational Programs.

Hydraulic Models in conjunction with Asset Management principals enhance the efficiency, reliability, and sustainability of wastewater systems. By leveraging the capabilities of this model, the organisation can better deliver and maintain its reputation with the customer base, the community of Narromine Shire Council.

## **14.6 Customer Request Management System (CRM)**

Council currently operates a Customer Request Management System in "Authority". This system is used to track customer requests and issues. Workforce Planning and Training

Job specific training is identified during annual performance appraisals where relevant training requirements are discussed and included in a training plan.

Council currently has a succession strategy and is in progress of developing a position/skills matrix that is to be employed within its operations.

## **14.7 Performance Measures**

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

- The degree to which the required cashflows identified in this asset management plan are incorporated into the organisation's Long Term Financial Plan and Community/Strategic Planning processes and documents.
- The degree to which the four (4) year detailed works programs, budgets, corporate business plans and organisational structures consider the 'global' works program trends provided by the asset management plan.
- Measurement of particulars associated with general inspections on a frequency base to measure the performance of the operations vs the AMP LOS. Reporting of the outcomes of these performance measures will be as required by the General Manager and Director of Infrastructure and Engineering Services
- Operational data in association with the Key Performance Measures
- Customer Request Management vs Operational delivery time

## **15 Financial Plan**

Three key indicators of financial sustainability have been analyzed for the services provided within this asset category. These indicators include long-term lifecycle costs/expenditures and medium-term projected/budgeted expenditures over 5 and 10 years of the planning period.

### **15.1 Long Term Life Cycle Cost**

Life cycle costs (or whole of life costs) are the average cost estimates that are required to sustain the service levels over the longest asset life. Life cycle costs include operations and maintenance expenditure and asset consumption (depreciation expense).

Life cycle costs estimates can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes operations, maintenance and capital expenditure. Life cycle expenditure peaks and troughs will experience volatility

primarily due to the timing of the capital work due to the sharp increase of the costs associated with the work.

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap. A positive gap indicates a surplus reserve and a negative gap indicated a gap in the reserve.

The life cycle costs, and life cycle expenditure estimates comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or reductions in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the Asset Management Plans and long-term financial plan including strategies that are required to attempt to bridge the gap associated, such as, but not limited to:

- Reduction in level of service for capital, maintenance or operational;
- Sale of disused assets;
- Grant funding;
- Increased revenue;
- Improved technology; and
- Reduction in service requirements, and so on.

### **Funding Strategy**

Projected expenditure identified is to be funded from future operating and capital budgets from reserves and grant funding. The funding strategy is detailed in the organisation's 10 year long-term financial plan.

### **Key Assumptions made in Financial Forecasts**

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

Key assumptions made in this Asset Management Plan are:

- Asset useful lives are achieved before they require replacement.
- Regulation does not require significant change to the operations.
- The operating environment (physical, demographic and technical) does not change significantly.
- Operating and maintenance averages and associated costs do not fluctuate substantially.
- All delivery requirements can be met within the allotted time.

## 16 Improvement Plan

The asset management improvement plans are shown in the appendices. The improvement plan is categorized by the following types:

- Legislative: compliance requirements
- Performance: development of existing asset principles associated performance of assets and staff
- Knowledge: based on improvement of asset knowledge base or development of existing asset knowledge base
- Service Focused: improvements associated with the development of services
- Skills: any skills associated with the improvement of Asset Management within the Organisation including operational asset management such as Human Resources.

### 16.1 Monitoring and Review Procedures

This asset management plan will be reviewed each year during budget preparation. It will be updated to reflect any significant changes in service levels or available resources resulting from budget decisions. Additionally, it aligns with the annual review of Strategic Planning for delivering water services under the NSW Water Supply Regulatory Framework

## 17 References

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## A. Appendix A – Water Assets

Council's intention is to provide the residents in the townships of Narromine, Trangie and Tomingley with safe reticulated drinking water through infrastructure serviced and maintained to a level reflective of the community's expectations. The standard achieved must meet the requirements of statutory and regulatory bodies that regulate Drinking Water in NSW they. The NSW Department of Planning and Environment Water and NSW Department of Health. These systems must operate in a manner that is both functional, cost effective and sustainable.

Council's water assets currently have a Gross Carrying Value (GCV) of approximately \$33,620,000, as reported in the Financial Statements. The GCV represents the initial cost or replacement value of Council's asset. The Net Carrying Value (NCV), which accounts for depreciation over time, stands at \$26,022,000. Council's Water Asset class constitutes 6.60% of Council's total assets.

### 1. Water Supply Service

The water supply network comprises of the following major assets:

- Bores
- Trunk Supply Mains including valves and hydrants
- Treatment Plants
- Pumping Stations
- Service Reservoirs
- Reticulation network including vales and hydrants
- Water Services, including the water meter fleet.

A breakdown of the major water assets, within the Shire of Narromine, is given in Table 10.

Table 10: Breakdown of Major Water Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (years)
Bores	Ea.	8	5
Storage Dam	Ea.	1	30
Trunk Main	Km	6	19
Treatment Plant	Ea.	2	13
Pumping Station	Ea.	1	36
Service Reservoir	Ea.	3	16
Reticulation Network (<150mm Dia.)	Km	119	20

While several assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing their end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, puts further additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in Table 11.

Table 11: Water Asset Assigned Useful Life

Asset Class	Asset Type	Asset Subtype	Component	Theoretical Useful Life (years)
Water Passive Asset	Water Main	UPVC	Pipework	120
Water Passive Asset	Water Node	Sluice Valve	Sluice Valve	80
Water Passive Asset	Water Main	AC	Pipework	80
Water Passive Asset	Water Main	CICL	Pipework	140
Water Passive Asset	Water Main	Copper	Pipework	100
Water Passive Asset	Water Main	DICL	Pipework	140
Water Passive Asset	Water Main	FRC	Pipework	140
Water Passive Asset	Water Main	Gal	Pipework	30
Water Passive Asset	Water Main	GRP	Pipework	100
Water Passive Asset	Water Main	MSCL	Pipework	140
Water Passive Asset	Water Main	PE	Pipework	100
Water Passive Asset	Water Meters	Water Meter	Water Meter	7
Water Passive Asset	Water Services	Water Service	Water Service	40
Water Passive Asset	Water Node	Air Valve	Air Valve	90
Water Passive Asset	Water Node	Altitude Valve	Altitude Valve	90
Water Passive Asset	Water Node	Backflow Prevention	Backflow Prevention	90
Water Passive Asset	Water Node	Ball Valve	Ball Valve	30
Water Passive Asset	Water Node	Blank Cap	Blank Cap	90
Water Passive Asset	Water Node	Butterfly Valve	Butterfly Valve	40
Water Passive Asset	Water Node	Gate Valve	Gate Valve	90
Water Passive Asset	Water Node	Hydrant	Hydrant	90
Water Passive Asset	Water Node	Non-Return Valve	Non-Return Valve	30
Water Passive Asset	Water Node	Other	Other	90
Water Passive Asset	Water Node	Reducer	Reducer	90
Water Passive Asset	Water Node	RPZ	RPZ	20
Water Passive Asset	Water Node	Scour Valve	Scour Valve	90
Water Passive Asset	Water Node	Stop Valve	Stop Valve	90

### 3. Key Performance Measures

Key Performance Measures (KPMs) derived from the Strategic Business Plan (2013) initially encompassed statutory regulated water quality and agreed customer service levels. Changes in regulations in 2022 necessitated adjustments to these standards, now integrated into the annual IP&R review process. Council is currently finalizing the IWCM Strategic Planning review, inclusive of community input on these Performance Measures, transitioning from the Strategic Business Plan to an annual strategic planning review. While some KPMs are operational, they retain classification as Asset delivery indicators.

Table 12: Key Performance Measures - Water Assets

DESCRIPTION	UNIT of Measure	TARGET
<b>AVAILABILITY OF SUPPLY</b>		
Quantity Available		
• Domestic Peak Day	L/tenement/ day	<5,000
• Domestic Annual	kL/tenement / year	< 215
• Total Annual Average Consumption	ML/yr	<660
• Total Peak Daily Consumption	L/tenement/day	<5,000
<b>WATER FOR FIRE FIGHTING:</b>		
• Availability from hydrants at minimum flow rates at determined by LG Regulations and NSW Fire and Rescue and relevant Australian Standards and Plumbing Code	% Urban Area Serviced	100%
<b>PRESSURE:</b>		
• Minimum pressure at the water meter when delivering 0.1L/sec	Meters Head	> 12 for 90% of Properties
<b>CONSUMPTION RESTRICTIONS</b>		
• Long run proportion of time with water restrictions applied	%	<5%
• Average frequency of restriction events		<1 event per 3 years
• Supply capacity during of normal worst recorded drought demand	% of Normal Demand	90%
<b>WATER QUALITY (POTABLE WATER) Compliance with 2022NHMRC &amp; NRMCC Australian Drinking Water Quality Guidelines including Health Based Targets</b>		
Physical parameters	%	100
Chemical parameters	%	100

DESCRIPTION	UNIT of Measure	TARGET
Faecal coliforms	%	100
<b>MICROBIOLOGICAL PARAMETERS</b>		
• E-coliforms	Mean CFU/100m1	< 1
• Sampling frequency	Samples/wk./ zone	1
<b>PHYSICAL-CHEMICAL PARAMETERS:</b>		
• pH	Unit	6.5 — 8.5
• Colour	HU	<15 Hazen Units
• Turbidity	NTU	< 2.0
• Fluoride	mg/L	<1.5 mg/L
• Free available chlorine (WTP)	mg/L	1.3 to 2.5mg/L
• Free available chlorine (Reticulation)	mg/L	0.2 — 1.3 mg/L
• Iron	mg/L	< 0.3 mg/L
• Manganese	mg/L	<0.5 mg/L
<b>RESPONSE TIME TO CUSTOMER COMPLAINTS OF SUPPLY FAILURE</b>		
Priority 1: failure to maintain continuity or quality of supply to a large number of customers or to a critical use at a critical time		
• During working hours	Minutes	60
• Out of working hours	Minutes	120
Priority 2: failure to maintain continuity or quality to a critical use at a non-critical time		
• During working hours	Minutes	180
• Out of working hours	Minutes	240

DESCRIPTION	UNIT of Measure	TARGET
Priority 3: failure to maintain continuity or quality of supply to a single customer		
Priority 4: a minor problem or complaint that can be dealt with at a mutually convenient time		
<b>CUSTOMER COMPLAINTS &amp; GENERAL INQUIRIES</b> i.e. complaints other than a supply failure		
• Written complaints or enquiries: 95% response time	Working Days	10
• Personal complaints or enquiries: 95% response time	Working Days	1
<b>SPECIAL CUSTOMERS</b>		
• Specific service levels and associated charges will be negotiated with customers on an individual basis.		

Reporting to the NSW Health Department and DPE-Water on these KPMs is mandatory and is done via the Drinking Water Management System Annual Report and the DPE-Water Annual Performance Monitoring Report. In each case it is carried out as follows:

1. *Drinking Water Management Report*: This outlines Council's Drinking Water Management System implementation, outcomes and drinking water performance and management of agreed critical control limits at specific points in each system for each calendar year.
2. *DPE-Annual Performance Management Report*: This substantive report is compiled and lodged every financial year. It details all aspects of the operations, finance, maintenance and performance of Councils assets and the delivery of Water and Sewer services to the community. Data from this report is also reported to federal government via the Bureau of Meteorology

Table 13: Asset Management Improvement Plan - Water Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2025/26
2	Performance	Review Renewal of all Assets	1	Ongoing
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	Ongoing
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Ongoing
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	In progress
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Water Assets	1	Complete and Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	Complete
18	Knowledge	Hydraulic Model completion	1	2024/25
19	Knowledge	REFLECT Defect Management System completion	1	2024/25

#### 4. Appendix A: Ten Year Capital Works Program

WATER INFRASTRUCTURE	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE RENEWAL</b>										
NETWORK MAINS REPLACEMENT	202,155	212,263	212,263	212,263	212,263	212,263	212,263	212,263	212,263	212,263
AUTOMATED METER READING				62,688	62,688	62,688	62,688	62,688	62,688	62,688
HARRIS STREET TRANGIE MAIN REPLACEMENT	67,980									
DRINKING WATER RESERVOIR REHAVILITATION			320,000	550,000						
TELEMETRY CAPITAL RENEWAL PROGRAM									600,000	
<b>LIFE CYCLE RENEWAL MINOR</b>										
WATER QUALITY ONLINE MONITORING SYSTEM	27,825									
<b>NEW ACQUISITIONS</b>										
RELOCATION AND INSTALLATION OF FORMER DUFFY STREET GENERATOR AT TOMINGLEY WTP	15,000	30,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
NEW TANK AT TOMINGLEY	100,000									
INSTALLATION OF SMART WATER METER RECEIVER IN TOMINGLEY	15,000									
COMMUNICATIONS UPGRADE TOMINGLEY	12,000									
NORTHERN ZONE BOOSTER PUMP STATION	200,000									
RELOCATION OF NARROMINE STANDPIPES		150,000								
CONCEPT AND DETAILED DESIGN OF NARROMINE WTP	300,000	700,000								
CONCEPT AND DETAILED DESIGN OF NARROMINE RISING MAIN (SECONDARY WATER SUPPLY)		300,000								
NEW WATER TREATMENT PLANT – NARROMINE										
NEW RESERVOIR – NARROMINE										
NEW RIVER OFFTAKE - NARROMINE										

## B. Appendix B – Sewerage Assets

Narromine Shire Council provides essential sewerage services to the communities of Narromine and Trangie through a comprehensive sewerage collection network. Unlike Narromine and Trangie, Tomingley relies on localised septic tanks due to the absence of a sewerage service. As of the latest financial reporting period, the Council's Sewerage Network Asset Class holds a Gross Carrying Value (GCV) of \$35,744,000 and a Net Carrying Value (NCV) of \$27,786,000, accounting for 7.22% of Council's total assets.

The AMP is currently undergoing review in alignment with Council's Integrated Water Cycle Management (IWCM) Plan update. Upon completion and Council's acceptance of the revised IWCM, which includes stakeholder consultation and detailed financial analyses, this AMP will be updated to reflect strategic initiatives aimed at enhancing sewerage infrastructure reliability, efficiency, and sustainability across the Shire.

### 1. Sewerage Services

Narromine Shire Council supplies sewerage services to the township of Narromine and Trangie only.

The supply of sustainable sewerage services is critical to community and environmental health. It is critical that systems do not deteriorate to a level where community or environmental health is at risk or compromised.

In summary, the sewerage collection network comprises of the following major assets:

- Sewer Trunk Mains;
- Sewer Collection Mains;
- Sewer Manholes
- Sewer Rising Mains;
- Pump stations; and
- Treatment Plants.

A breakdown of the major sewerage assets, within Narromine Shire, is given in the table below.

Table 14: Breakdown of Major Sewerage Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (years)
Sewer trunk mains	Km	3,317	17
Sewer collection mains	Km	41,120	20
Sewer rising mains	Km	4,906	22
Sewer pump stations	Ea.	15	5
Sewer manholes	Ea.	620	35
Sewer Treatment plants	Ea.	2	35

As part of Council's ongoing program to renew or replace assets, many of these have already been upgraded. However, some assets are approaching the end of their expected useful life and will soon need to be replaced or renewed. The pressure from development and growth is further straining these existing assets.



## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 15: Sewerage Asset Assigned Useful Life

Asset Class	Asset Type	Asset Subtype	Component	Theoretical Useful Life (years)
Sewer Passive Asset	Gravity Main	UPVC	Pipework	120
Sewer Passive Asset	Manhole	1050	Structure	85
Sewer Passive Asset	Rising Main	DICL	Pipework	140
Sewer Passive Asset	Sewer Point	Air Valve	Air Valve	70
Sewer Passive Asset	Gravity Main	AC	Pipework	85
Sewer Passive Asset	Gravity Main	CICL	Pipework	140
Sewer Passive Asset	Gravity Main	DICL	Pipework	140
Sewer Passive Asset	Gravity Main	MSCL	Pipework	140
Sewer Passive Asset	Gravity Main	PE	Pipework	100
Sewer Passive Asset	Gravity Main	RCP	Pipework	85
Sewer Passive Asset	Gravity Main	VC	Pipework	120
Sewer Passive Asset	Manhole	1200	Structure	85
Sewer Passive Asset	Manhole	1500	Structure	85
Sewer Passive Asset	Manhole	900	Structure	85
Sewer Passive Asset	Rising Main	AC	Pipework	85
Sewer Passive Asset	Rising Main	CICL	Pipework	140
Sewer Passive Asset	Rising Main	GRP	Pipework	140
Sewer Passive Asset	Rising Main	MSCL	Pipework	140
Sewer Passive Asset	Rising Main	MS	Pipework	140
Sewer Passive Asset	Rising Main	PE	Pipework	100
Sewer Passive Asset	Rising Main	UPVC	Pipework	120
Sewer Passive Asset	Sewer Point	Inspection Riser	Inspection Riser	85
Sewer Passive Asset	Sewer Point	Manhole Circular - Concrete - Precast	Manhole Circular - Concrete - Precast	100
Sewer Passive Asset	Sewer Point	Scour Valve	Scour Valve	70
Sewer Passive Asset	Sewer Point	Stop Valve	Stop Valve	70

### 3. Key Performance Measures

Key Performance Measures (KPM's) based on condition have been developed by considering both environmental, health and safety, and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in the CSP that support the outcomes identified in Levels of Service section of this document.

Table 16: Key Performance Measures - Sewerage Assets

DESCRIPTION	UNIT	LEVEL OF SERVICE TARGET
<b>AVAILABILITY OF SERVICE:</b>		
• Connections for Domestic Sewage		Available to all houses, units of business in the defined service area
• Trade waste acceptance		In accordance with approval conditions for each discharge
<b>UNCONTROLLED, UNEXPECTED SERVICE INTERRUPTION</b>		
• Public Property - sensitive areas e.g. main street, hospitals or schools	Frequency	< 2 per year
• Public Property - other areas	Frequency	< 5 per 10km main per year
<b>95th PERCENTILE REPOSE TIMES TO SYSTEM FAULTS</b>		
<i>Defined as the elapsed time to once staff have been informed of failure.</i>		
<b>Priority 1: (failure to contain sewage within the sewer system or any problem affecting a critical user at a critical time)</b>		
<b>Response time:</b>		
• Working hours	Minutes	60
• After Hours	Minutes	180
<b>Priority 2: Minor failure to contain sewage within the sewer system or any problem affecting a critical user at a non-critical time</b>		
<b>Response time:</b>		
• Working hours	Minutes	180
• After Hours	Minutes	240
<b>Priority 3: Minor failure to contain sewage affecting a single property or as bad odours</b>		
Response time	minutes	180
<b>RESPONSE TIMES TO CUSTOMER COMPLAINTS AND INQUIRIES OF A GENERAL NATURE</b>		
<i>Defined as a minor operational problem, complaint or enquiry that can be addressed at a mutually convenient time.</i>		
• Time to advise customer of intended action.	Working Days	Respond to 95% of written complaints within 10 working days
	Working Days	Respond to 95% of written complaints within 2 working days

<b>ODOURS / VECTORS</b>		
• Number of incidents annually that result in complaints		<2
<b>IMPACT OF STP ON SURROUNDING RESIDENTS</b>		
• Max noise level above background noise	dB	<5

Table 17: Asset Management Improvement Plan - Sewer Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2025/26
2	Performance	Review Renewal of all Assets	1	Ongoing
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	Ongoing
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Complete
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	In progress
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Sewer Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	Complete
18	Knowledge	Hydraulic Model completion	1	2024/25
19	Knowledge	REFLECT Defect Management System completion	1	2024/25

#### 4. Ten Year Capital Works Program – Sewerage Assets

SEWERAGE INFRASTRUCTURE	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE RENEWAL</b>										
TELEMETRY HIGH END SERVER, DRIVES AND SOFTWARE	\$20,000							\$25,335		
MINOR CAPITAL WORKS	\$24,487	\$25,222	\$25,978	\$26,758	\$27,561	\$28,387	\$29,239	\$30,116	\$31,020	\$31,020
<b>LIFE CYCLE RENEWAL MAJOR</b>										
NEW SWITCH BOARDS - NARROMINE	\$240,000	\$240,000								
SEWER MAIN REPLACEMENT - RELINING POGRAM		\$640,042							\$640,042	
<b>NEW ACQUISITIONS</b>										
NARROMINE HEAD OF WORKS AND TANKERED WASTE RECEIVAL STATION		\$ 400,000	\$ 400,000							
TRANGIE SPS 4 MAJOR UPGRADE	\$60,000									
NARROMINE NEW PS AND RISING MAINS (SPS1)		\$ 124,886								
TRANGIE SEWER TREATMENT PLANT CAPITAL UPGRADE	\$247,774									

## C. Appendix C – Waste Assets

Council aims to deliver waste services in the Shire through infrastructure that meets community expectations, ensuring functionality and cost-effectiveness. As of June 30, 2023, the waste services infrastructure holds a Gross Carrying Value (GCV) of approximately \$983,254 (excluding plant). The GCV reflects the initial cost or replacement value of the assets to Council. The Net Carrying Value (NCV) of these assets, accounting for depreciation, stands at \$356,879. The Waste Asset Class constitutes 0.10% of Council's total assets.

### 1. Waste Services

Narromine Shire Council supplies waste services to the township of Narromine, Trangie and Tomingley. The supply of waste services is critical to community and environmental health. It is critical that systems do not deteriorate to a level where community or environmental health is at risk or compromised. The Waste Services comprises of the following major assets:

- Buildings;
- Internal Roads;
- Security devices such as fencing, CCTV;
- Access Management;
- Signage; and
- Plant & Equipment

A breakdown of the major sewerage assets, within Narromine Shire, is given in the table below.

Table 18: Breakdown of Major Waste Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (years)
Buildings	Ea	6.0	30
Internal Roads	Km	1.10	10
Fencing	Km	1.80	10
Buildings	Ea	6.0	30

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 19: Waste Asset Assigned Useful Life

Asset Class	Component	Useful Life
Buildings	Sub-structure	50
Buildings	Super structure	50
Buildings	Finishes	15
Buildings	Fittings	10
Buildings	Services	25
Buildings	Finishes	9
Internal Road	Formation	100
Internal Road	Pavement	20
Internal Road	Wearing Surface	15
Fencing	External Chain Fence	50

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 20: Key Performance Measures – Waste Assets

Key Performance Measure	Capability Consideration	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Service (4 years)	Current Performance Measure
<b>Community Levels of Service</b>							
Quality	Environmental / Health & Safety	Rubbish is collected without spillage or damage to property	Customer Service requests	<2 complaints per quarter	Satisfactory	Excellent to Good	TBD
Function	Health & Safety	Rubbish is collected to schedule	Customer requests relating to missed collection	Zero reported incidences	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Service is safe and free from hazards	Reported accidents	Zero reported accidents	Satisfactory	Excellent to Good	TBD
<b>Technical Levels of Service</b>							
Condition	Health & Safety	Machinery is reliable and well maintained	Machine availability	100% compliance with schedule	Satisfactory	Excellent to Good	TBD
Accessibility	Infrastructure	Provision of waste collection	Percentage of properties unable to be collected due to accessibility	99.9% compliance	Satisfactory	Excellent to Good	TBD
Cost Effectiveness	Operational	Provide service in cost effective manner	Budget compliance	Expenses within budget	Satisfactory	Excellent to Good	TBD



Key Performance Measure	Capability Consideration	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Service (4 years)	Current Performance Measure
Safety	Health & Safety	Ensure facilities (Landfill) are safe	Regular safety audits carried out, action customer request within 5 working days	Safety inspections – Clear of contaminants, objects that could cause injury	Satisfactory	Excellent to Good	TBD

Table 21: Asset Management Improvement Plan - Waste Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2026/27
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	2024/25
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Complete
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	2022/23
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Water Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GiS system	4	2024/25
17	Knowledge	Review Narromine Waste Strategy	1	2024/25
18	Knowledge	REFLECT Defect Management System completion	1	2024/25

#### 4. Ten Year Capital Works Program – Waste Assets

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL</b>										
<b>NARROMINE</b>										
35405 - Narromine Waste Depot Buildings - - General Capital Repairs			\$11,255		\$11,941		\$12,668		\$13,439	
35384 - Narromine Waste Depot Road - Reseal								\$13,798		
35384 - Narromine Waste Depot Road - Pavement - Gravel Resheet					\$5,970					
35389 - Narromine Waste Depot Security - CCTV - Upgrade	\$102,830					\$6,149				
35389 - Narromine Waste Depot Security - Fencing - Upgrade	\$50,000									\$13,439
<b>TRANGIE</b>										
35417 - Trangie Waste Depot Buildings - - Capital Repairs				\$14,100					\$16,346	
35412 - Trangie Waste Depot Road - Pavement - Gravel Resheet								\$6,922		
35427 - Trangie Waste Depot Security - CCTV - Upgrade				\$5,796					\$6,720	

35427 - Trangie Waste Depot Security - Fencing - Upgrade										\$6,720
<b>TOMINGLEY</b>										
35476 - Tomingley Waste Depot Road - Pavement - Gravel Resheet	\$50,000		\$3,377					\$3,914		
Tomingley Waste Depot Security - Fencing - Upgrade									\$9,980	

	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
<b>NARROMINE</b>										
Fencing, lighting, security & hard stand for return and earn										
Skip Bin Purchase				\$ 13,911				\$15,657		
Office & Amenities		\$104,750								
Cyclic Signage Management									\$ 6,720	
Fencing Night Soil Paddock		\$ 53,316								
Trash Screen Mobile Plant								\$24,725		
Shed Extension			\$ 47,450							
Hard Stand				\$101,593						
Irrigation Upgrade	\$ 36,850					\$ 45,321				

Fire Fighting Tanks incl. Pumps and Sprays	\$32,862									
New Meals Room Facilities	\$60,000									
Trees for Perimeter										
Slashing Attachment for Bobcat								\$9,786		
Truck Wash Road and Drainage Modifications										
Transfer Station Design										
Transfer Station Rehabilitation						\$750,000				
<b>TRANGIE</b>										
Purchase Mobile Generator			\$1,688							
Irrigation Upgrade						\$24,597				
Trees for Perimeter										\$6,720
Cyclic Signage Management									\$6,720	
Transfer Station Design	\$25,000									
Transfer Station Rehabilitation		\$250,000								

## D. Appendix D – Aerodrome Assets

Council manages Aerodrome Infrastructure and Services through the Narromine Aerodrome located in the township of Narromine. As of June 30, 2023, the Narromine Aerodrome holds a Gross Carrying Value (GCV) of approximately \$20,606,000. The GCV signifies the initial cost or replacement value of Council's assets. The Net Carrying Value (NCV), accounting for depreciation, amounts to \$5,139,000. The Aerodrome Asset Class constitutes 1.14% of Council's total assets.

### 1. Aerodrome Services

Narromine Shire Council provides aerodrome infrastructure and services exclusively to the township of Narromine. The aerodrome features two major runways that serve nearby industrial and residential estates. In 2021, the Council resolved to dispose of the local airstrip in Trangie. The provision of aerodrome services is crucial for the community's connectivity and economic activities. Maintaining these systems at a high operational standard is essential to ensure the safety and reliability of services for all users.

The aerodrome services comprise of the following major assets:

- Taxiways
- Aprons
- Runways
- Footpaths
- Furniture
- Navigation Aids
- Security Devices
- Buildings
- Plant & Equipment
- Water reticulation main

A breakdown of the major aerodrome assets, within Narromine Shire, is given in the table below.

Table 22: Breakdown of Major aerodrome Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (years)
Runway	km	3,108	7
Taxiway	km	1,935	27
Apron	m <sup>2</sup>	29,515	40
Footpath	m	193	10
Buildings	ea.	13	20

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 23: Aerodrome Asset Assigned Useful Life

Asset Class	Asset Type	Asset Subtype	Useful Life Max
Aerodrome	Runway	Formation	100
Aerodrome	Runway	Pavement	50
Aerodrome	Runway	Wearing Surface	15
Aerodrome	Runway	Linemarking	5
Aerodrome	Taxiway	Formation	100
Aerodrome	Taxiway	Pavement	50
Aerodrome	Taxiway	Wearing Surface	15
Aerodrome	Taxiway	Linemarking	5
Aerodrome	Apron	Formation	100
Aerodrome	Apron	Pavement	50
Aerodrome	Apron	Wearing Surface	15
Aerodrome	Apron	Linemarking	5
Aerodrome	Signage		10
Aerodrome	Navigations Aids		10
Aerodrome	Lighting System		30
Aerodrome	Fencing		40
Aerodrome	Footpath		80

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 24: Key Performance Measures – Aerodrome Assets

Key Performance Measures	Capability Considerations	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Services (4 Years)	Current Performance Measures
<b>COMMUNITY LEVELS OF SERVICE</b>							
Quality	Environmental / Health & Safety	Aerodrome meets CASA and user expectations requirements	User complaints	Less than three per year	Good	Excellent to Good	Less than four per year
Function	Operational / Health & Safety	Aerodrome is serviceable and accessible to aircraft	User complaints	Nil	Excellent	Excellent to Good	Nil
Safety	Health & Safety	Hazards on the movement area are minimised or, where possible, eliminated	Aircraft incidents or aerodrome serviceability deficiency	Less than five per year	Excellent	Excellent to Good	Less than five per year
	Health & Safety	Incursions onto airside area	NSC Aerodrome Vehicle Control Policy	Less than three per year	Good	Excellent to Good	Less than five per year
<b>TECHNICAL LEVELS OF SERVICE</b>							
Condition	Operational	Aerodrome meets CASA and user expectations requirements	CASA aerodrome audit	Requests for Corrective Action less than 3	Excellent	Excellent to Good	Audit findings addressed as per Corrective Action Plan and Requests for Corrective Action less than 1



Key Performance Measures	Capability Considerations	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Services (4 Years)	Current Performance Measures
	Health & Safety	Loose stones and surface texture of sealed surfaces on movement area	Visual and tactile assessment	Satisfactory surface texture and loose stone count	Average	Excellent to Good	Loose stone count is above average
Amenity	Operational	Maintenance of remainder of airside area outside movement area	Mowing conducted as required to minimise animal hazard	Nil complaints received and nil record of bird strikes	Excellent	Excellent to Good	Nil complaints received and nil record of bird strikes
Cost Effectiveness	Operational	Provide appropriate aerodrome facilities commensurate with level of use and value to the community	Avg. Maintenance cost per year is \$184,000 (Narromine)	On or Under budget	Excellent	Excellent to Good	On Budget
	Operational	Provide an aerodrome that meets the current and foreseeable needs of users in line with community expectations and available resources.	Users and community agree with resources allocated to aerodrome	Less than 10 complaints per year	Excellent	Excellent to Good	5-8 complaints per year

Table 25: Asset Management Improvement Plan - Aerodrome Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2023/24
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	2024/25
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Complete
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	Complete
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Aerodrome Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AMS to the GIS system	4	2024/25
17	Knowledge	Review of the Aerodrome Manual to meet CASA standards	1	2024/25

#### 4. Ten Year Capital Works Program – Aerodrome Assets

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>CAPITAL LIFE CYCLE</b>										
Runway 11/29 - Wearing Surface - Reseal				\$560,602						
Runway 11/29 - Line Marking - Line Renewal				\$3,169						
Runway 04/22 - Wearing Surface - Reseal						\$422,345				
Runway 04/22 - Line Marking - Line Renewal						\$1,088				
Taxiway A - Wearing Surface - Reseal								\$19,669		
Taxiway A - Line Marking - Line Renewal										
Taxiway B - Wearing Surface - Reseal								\$19,878		
Taxiway B - Line Marking - Line Renewal										
Taxiway D - Wearing Surface - Reseal								\$68,305		
Taxiway D - Line Marking - Line Renewal										
Apron - Wearing Surface - Reseal										\$185,072
Apron - Line Marking - Line Renewal										
Taxiway C - Wearing Surface - Reseal									\$13,103	
Taxiway C - Line Marking - Line Renewal									\$132	
Taxiway E - Wearing Surface - Reseal									\$6,048	

Taxiway E - Line Marking - Line Renewal									\$60	
Aeroclub Car Park - Wearing Surface - Reseal									\$7,257	
Aeroclub Car Park - Line Marking - Line Renewal									\$60	
Internal Roads - Wearing Surface - Reseal									\$16,127	
Internal Roads - Line Marking - Line Renewal									\$403	

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
New Gravel Taxi-way										
Tree Removal										
Additional Cable Tie Downs										
Old Hangar Slab Removal		\$63,258								
Irrigation & Landscaping - Aerodrome Entrance			\$100,578							
Irrigation & Landscaping - Other Public Area				\$69,394						
Additional Grass Runway						\$85,937				
Irrigation of Grassed Runway						\$60,210				
Glider Trailer Parking Area Development							\$46,686			
Crack Sealing Program			\$112,551			\$122,987			\$134,392	

## E. Appendix E – Community and Recreational Facilities Assets

Narromine Shire Council plays a vital role in providing essential community and recreational facilities, including pools, sporting complexes, community halls, and showgrounds. These facilities are integral to fostering community engagement, promoting health and well-being, and supporting local events and activities. As of June 30, 2023, Council's Recreation and Community Services sector has a Gross Carrying Value (GCV) of approximately \$19,720,963, with a Net Carrying Value (NCV) of \$12,139,142, constituting 3.68% of Council's total assets. This Asset Management Plan (AMP) outlines strategic initiatives to effectively manage and enhance these assets, ensuring they continue to meet community expectations and contribute positively to the Shire's vibrant community life and recreational opportunities.

### 1. Community and Recreational Services

Narromine Shire Council supplies recreational and community facilities infrastructure and services to the townships of Narromine, Trangie and Tomingley.

In Narromine, Trangie and Tomingley, there are currently a wide range of facilities open to the public which include parks, ovals, sports complexes, race courses and showgrounds to name a few. The supply of recreational and community facilities services is critical to the community especially in terms of public health and wellbeing. It is critical that systems do not deteriorate to a level where community users are at risk or compromised.

In summary, the recreational and community facilities comprise of the following major assets:

- Cemeteries
- Sports Complex
- Parks
- Ovals
- Gardens
- Sports Grounds
- Swimming Pools
- Showgrounds

A breakdown of the major recreational assets, within Narromine Shire, is given in the table below.

Table 26: Breakdown of Major community and recreational Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (Years)
Cemeteries	Ea.	2	NA
Sports Complex	Ea.	1	35
Parks	Ea.	13	NA
Ovals (excl. Sporting Ovals)	Ea.	3	NA
Sports Grounds	Ea.	2	NA
Swimming Pools	Ea.	2	2
Showgrounds	Ea.	2	20

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 27: Recreational Asset Assigned Useful Life

Asset Class	Sub-Asset Class	Component	Theoretical Useful Life
Recreational & Community Facilities	Buildings	Sub-structure	50
Recreational & Community Facilities	Buildings	Super structure	50
Recreational & Community Facilities	Buildings	Finishes	15
Recreational & Community Facilities	Buildings	Fittings	10
Recreational & Community Facilities	Buildings	Services	25
Recreational & Community Facilities	Buildings	Finishes	9
Recreational & Community Facilities	Internal Road	Formation	100
Recreational & Community Facilities	Internal Road	Pavement	20
Recreational & Community Facilities	Internal Road	Wearing Surface	15
Recreational & Community Facilities	Fencing	External Chain Fence	50
Recreational & Community Facilities	Play Equipment		25
Recreational & Community Facilities	Furniture	BBQ	5
Recreational & Community Facilities	Furniture	Benching	25
Recreational & Community Facilities	Pumps		20
Recreational & Community Facilities	Pool Liner		50
Recreational & Community Facilities	Culverts		50
Recreational & Community Facilities	Artificial Turf		5
Recreational & Community Facilities	Shade Structure		10
Recreational & Community Facilities	Protective Coating of Surface		20
Recreational & Community Facilities	Basketball Ring		20

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 28: Key Performance Measures – Recreational Assets

Key Performance Measure	Capability Consideration	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Service (4 years)	Current Performance Measures
<b>COMMUNITY LEVELS OF SERVICE</b>							
Quality	Operational	Provide clean accessible well-maintained recreational services	Customer services requests/complaints, customer surveys	<5 complaints per month	Satisfactory	Excellent to Good	TBD
Function	Operational / Health & Safety	Recreation Facilities are fit for purpose, meet users' requirements & industry standards	Customer service requests/complaints, customer surveys	< 2 complaints per month	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Provide safe suitable facilities, free from hazards	Reported accidents	Zero reported accidents	Satisfactory	Excellent to Good	TBD
<b>TECHNICAL LEVELS OF SERVICE</b>							
Condition	Operational	Recreation Facilities functionality is not compromised by condition	Regular condition inspections	Allocate appropriate funding and resources	Satisfactory	Excellent to Good	TBD

Function /Accessibility	Operational	Legislative compliance	Provide access and service for all user groups	100% compliance	Satisfactory	Excellent to Good	TBD
Cost Effectiveness	Operational	Provide service in cost effective manner	Budget compliance	Expenses within budget	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Ensure facilities are safe	Regular safety audits carried out, action customer request within 5 working days	Safety inspections – electrical tagging/testing as per standards, Legislative audit. – Safety inspection, 6 months/annually -Defects repaired within approved timeframes	Satisfactory/Ongoing	Excellent to Good	TBD



Table 29: Asset Management Improvement Plan – Recreational and Community Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2025/26
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	Ongoing
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Ongoing
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	Ongoing
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Recreational & Community Facilities Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	2024/25
18	Knowledge	Develop Master Plan for Dundas Park/Payton Oval	1	In Progress
19	Knowledge	REFLECT Defect Management System completion	1	2024/25

#### 4. Ten Year Capital Works Program – Recreational and Community Assets

PLAYGROUND EQUIPMENT	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Argonauts Park - Playground Equipment - REPLACEMENT / REHABILITATION				\$23,185						
Commodore Park - Playground Equipment - REPLACEMENT / REHABILITATION					\$17,911					
McKinnon Park - Playground Equipment - REPLACEMENT / REHABILITATION						\$24,597				
Pool Upgrade Works - Fencing, Benches & Seating, Entrance Landscaping	\$88,161									
Rotary Park Playgrounds - Playground Equipment - REPLACEMENT / REHABILITATION										\$26,879
<b>TRANGIE</b>										
Argonauts Park Playground - Playground Equipment - REPLACEMENT / REHABILITATION							\$25,335			

Bicentennial Park Playground - Playground Equipment - REPLACEMENT / REHABILITATION									\$26,878	
Dandaloo Street - Public Toilets Screening (Section 7.12 Contributions)	\$5,000									

<b>PLAYGROUND SURFACE REPLACEMENT</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Argonauts Park - Playground Surface - REPLACEMENT / REHABILITATION										\$3,361
Fowler Engine Restoration	\$5,000	\$5,000	\$5,000	\$5,000						
Commodore Park - Playground Surface - REPLACEMENT / REHABILITATION					\$2,985				\$3,360	
Dundas Park - Playground Surface - REPLACEMENT / REHABILITATION	\$13,659	\$13,659				\$15,373				
McKinnon Park - Playground Surface - REPLACEMENT / REHABILITATION			\$4,221				\$4,750			
Rotary - Endurance Equipment Surface - REPLACEMENT / REHABILITATION				\$7,245				\$8,155		
Rotary - Strength Equipment Surface - REPLACEMENT / REHABILITATION					\$1,194				\$1,344	\$1,345

Rotary Park - Playground Equipment Surface - REPLACEMENT / REHABILITATION										
Apex Park - Basketball Court Surface - REPLACEMENT / REHABILITATION					\$71,643					
Apex Park - Netball Court Surface - REPLACEMENT / REHABILITATION					\$193,436					
<b>TRANGIE</b>										
Argonauts Park - Playground Surface - REPLACEMENT / REHABILITATION					\$14,329					
Swift Park - Playground Surface - REPLACEMENT / REHABILITATION					\$14,329					
<b>TOMINGLEY</b>										
Dicken Park - Surface - REPLACEMENT / REHABILITATION					\$9,314					
Eric Woods - Surface - REPLACEMENT / REHABILITATION										

SPORTS GROUND FACILITIES	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Argonauts Park - TABLES & CHAIRS - REPLACEMENT / REHABILITATION										\$2,689
Argonauts Park - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Commodore Park - TABLES & CHAIRS - REPLACEMENT / REHABILITATION									\$4,032	
Dundas Park - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
McKinnon Park - TABLES & CHAIRS - REPLACEMENT / REHABILITATION				\$3,478						
McKinnon Park - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Rotary Park - FENCING - REPLACEMENT / REHABILITATION										\$2,689

Rotary Park - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Noel Powell Oval - LIGHTING - REPLACEMENT / REHABILITATION							\$40,537			
Noel Powell Oval - FENCING - REPLACEMENT / REHABILITATION										\$2,689
Noel Powell Oval - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688.00	
Cale Oval - LIGHTING - REPLACEMENT / REHABILITATION							\$39,356			
Cale Oval - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Dundas Oval - TABLES & CHAIRS - REPLACEMENT / REHABILITATION				\$3,478						
Dundas Oval - FENCING - REPLACEMENT / REHABILITATION				\$23,185						
Dundas Oval - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Payten Oval - TABLES & CHAIRS - REPLACEMENT / REHABILITATION			\$3,377							

Payten Oval - LIGHTING - REPLACEMENT / 5 REHABILITATION									\$43,005	
Payten Oval - FENCING - REPLACEMENT / REHABILITATION					\$29,851					
Payten Oval - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
Olsen Park - FENCING - REPLACEMENT / REHABILITATION									\$26,878	
Main Street & Other - TABLES & CHAIRS - REPLACEMENT / REHABILITATION		\$3,278								
Main Street & Other - SIGNAGE - REPLACEMENT / REHABILITATION									\$2,688	
<b>TRANGIE</b>										
Argonauts Park - TABLES & CHAIRS - REPLACEMENT / REHABILITATION								\$3,914		
Argonauts Park - FENCING - REPLACEMENT / REHABILITATION	\$21,855	\$21,855								
Main Street & Other - FENCING - REPLACEMENT / REHABILITATION									\$26,878	



<b>ACQUISITION, NEW AND/OR OTHER CAPITAL WORKS</b>										
<b>NARROMINE</b>										
BIN UPGRADES					\$5,970				\$6,720	

	1	2	3	4	5	6	7	8	9	10
<b>CEMETERY UPGRADES</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
TOILET UPGRADE	\$11,746									
BABY GRAVE UPGRADE	\$25,000									
HEADSTONE SLABS	\$6,000		\$6,000		\$6,000		\$6,000		\$6,000	
<b>TRANGIE</b>										
HEADSTONE SLABS		\$6,000		\$6,000		\$6,000		\$6,000		
LANDSCAPE AND UPGRADES	\$15,000									

## F. Appendix F – Transport Assets

Narromine Shire Council is committed to providing the community with reliable and well-maintained transport infrastructure that meets community expectations while remaining functional and cost-effective. As of June 30, 2023, the Council's Transport Network boasts a substantial Gross Carrying Value (GCV) of approximately \$310,877,346. The GCV reflects the initial cost or replacement value of Council's transport assets. With a Net Carrying Value (NCV) of \$242,155,754, constituting 66.80% of Council's total assets, the Transport Network Asset Class forms a cornerstone of Council's infrastructure portfolio. This Asset Management Plan outlines strategic priorities and initiatives aimed at effectively managing and enhancing the transport network.

By prioritizing sustainability, innovation, and community-centric service delivery, the AMP ensures that our transport infrastructure continues to support economic vitality, connectivity, and the quality of life for residents and businesses across the Shire.

### 1. Transport Asset Services

Narromine Shire Council supplies transport infrastructure and services to the entire shire council with regional, rural and urban road networks and associated infrastructure such as bridges, rural drainage, floodway's, signage, footpath etc.

The supply of transport services is critical to the community. It is critical that systems do not deteriorate to a level where community users are at risk or safety compromised.

The transport services comprise of the following major assets:

- Road Formation
- Road Pavement
- Road Seal/ Wearing Course
- Floodways
- Roadside furniture such as signage, guideposts, barriers, etc.
- Footpaths
- Bridges and Large Culverts
- Car Parks

A breakdown of the major recreational assets, within Narromine Shire, is given in the table below.

Table 30: Breakdown of Major Transport Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (Years)
Road Formation	Km	1,574	NA
Road Pavement	Km	1,186	20
Road Seal	Km	819	15
Floodway's	Km	49.80	11
Footpath	Km	20.66	22
Bridges incl. Large Culverts	Ea.	52	30

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 31: Transport Asset Assigned Useful Life

Description	Material	Theoretical Useful Life
Footpath	Gravel	50
Footpath	Reinforced Concrete	50
Hand railing	Steel	20
Pedestrian Crossing Linemarking	Thermoplastic	10
Median	Reinforced Concrete	50
Crash Barrier	Reinforced Concrete	50
Bus Shelter	Steel	30
Guard Railing	Steel	30
Signage	Steel	5
Longitudinal, Transverse Linemarking	Water Based Paint	5
Wearing Surfacing	Bitumen Surfacing	10
Wearing Surface	Asphalt	20
Pavement	Select Fill	20
Pavement	DGB20	20
Pavement	DGS40	20
Formation	Soil	100
Superstructure	Reinforced Concrete	100
Abutments	Reinforced Concrete	100
Substructure	Reinforced Concrete	100

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 32: Key Performance Measures – Transport Assets

Key Performance Measure	Capability Considerations	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Services (4 Years)	Current Performance Measures
<b>COMMUNITY LEVELS OF SERVICE</b>							
Quality	Operational	Construct a road to the design standards and guidelines adopted	Customer Service request	<10 requests per month	Needs improvement	Excellent to Good	TBD
Function	Infrastructure	Ensure the requirements for travel time and availability	Customer service request relating to travel time and road conditions availability	95% compliance	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Ensure roads are safe, free from hazards as best reasonably practicable	Limit the number injury accidents /incidents	< 10 reported accidents per annual	Satisfactory	Excellent to Good	TBD
<b>TECHNICAL LEVELS OF SERVICE</b>							
Condition	Infrastructure / Operational	Provide a road that meets the minimum condition adopted	Sealed and unsealed condition inspections	Inspections as per Inspection Manual	Satisfactory	Excellent to Good	TBD
Function /Accessibility	Infrastructure	Legislative compliance	Provide access and service for all user groups	100% compliance	Satisfactory	Excellent to Good	TBD
Cost Effectiveness	Operational	Provide service in cost effective manner	Budget compliance	Expenses within budget	Satisfactory	Excellent to Good	TBD

Safety	Health & Safety	Ensure safe roads, free from hazards as best reasonably practicable	Regular safety audits carried out, action customer request within 10 working days	Safety inspections – carried out monthly	Satisfactory /Ongoing	Excellent to Good	TBD
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Table 33: Asset Management Improvement Plan – Transport Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2023/24
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	Ongoing
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Complete
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	Complete (AMS)
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Transport Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	2024/25
18	Performance	Update the Roads Manual/Strategy to align with current practice	1	Complete
19	Knowledge	RETINA Vision to REFLECT Integration	1	2024/25

#### 4. Ten Year Capital Works Program – Transport Assets

RURAL ROAD RESEAL RENEWAL	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Rural Road Reseal Program		652,966	672,555	692,732	713,514	734,920	756,967	779,676	803,067	827,159

RURAL ROAD RENEWAL PROGRAM RENEWAL	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Gravel Resheet Program		382,454	393,928	405,746	417,918	430,456	443,370	456,671	470,371	484,482
Rural Culvert Replacement Program	116,699	120,200	123,806	127,520	131,346	135,286	139,345	143,525	147,831	152,265
Rural Guard Rails Replacement and Upgrades	200,000									

REGIONAL ROAD RESEAL PROGRAM RENEWAL	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Regional Road Reseal Program		424,360	437,091	450,204	463,710	477,621	491,950	506,708	521,909	537,566

REGIONAL ROAD REPAIR GRANT NEW, ACQUISITION AND/OR UPGRADE	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Capital Upgrade Program		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Gainsborough – Tomingley Int – Road Upgrade	814,729									

URBAN ROAD RESEALS	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
Narromine		95,481	98,345	101,296	104,335	107,465	110,689	114,009	117,430	120952.9
Trangie		42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53756.73
Tomingley		17,552	18,078	18,620	19,179	19,754	20,347	20,957	21,586	22233.58
FOOTPATHS	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
Narromine	377,351	93,281	96,079	98,961	101,930	104,988	108,138	111,382	114,724	118165.7
Trangie	43,963	46,640	48,039	49,480	50,965	52,494	54,069	55,691	57,362	59082.86
Tomingley	14,654	15,546	16,013	16,493	16,988	17,498	18,023	18,563	19,120	19693.6

BRIDGES (OPERATIONAL)	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
Bridge Strategy Capital Program	250,000	0	0	0	0	0	0	0	0	0
Annual Bridges Maintenance Program	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

RESHEET AND RESEAL ALL RURAL AND REGIONAL ROADS	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
Rural and Urban Road Capital Program	3,360,500	0	0	0	0	0	0	0	0	0



<b>OTHER GRANTS</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>
<b>RENEWALS</b>										
Betterment Improvement Funding – Various Roads	2,121,351									
Upgrade of Bus Stops	15,000									
Resources for Regions Round 9 - Road Resheeting & Sealing Across the Shire	982,197									

## G. Appendix G – Building Assets

Narromine Shire Council oversees a diverse portfolio of buildings critical to community services and operations, with a current Gross Carrying Value (GCV) of approximately \$61,294,412 as of June 30, 2023. The GCV signifies the initial cost or replacement value of Council's building assets. With a Net Carrying Value (NCV) of \$28,727,459, constituting 5.70% of Council's total assets, the Building Asset Class plays a pivotal role in supporting essential municipal functions and public services. The AMP ensures that Council buildings continue to meet the evolving needs of the community while maximizing their long-term value and functionality.

### 1. Building Asset Services

Narromine Shire Council provides building infrastructure and services to the township of Narromine, Trangie and Tomingley.

The supply of building services is critical to the community. It is critical that systems do not deteriorate to a level where community users are at risk or compromised.

Council's Building assets comprise of the following major components:

- Civic Buildings
- Community Buildings
- Recreation Buildings
- Public Amenities / Storage
- Leased Buildings
- Other equipment

A breakdown of the major building assets, within Narromine Shire, is given in the table below.

Table 34: Breakdown of Major building Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (Years)
Civic Buildings	Ea.	17	30
Community Buildings	Ea.	31	30
Recreational Buildings	Ea.	56	20
Public Amenities / Storage	Ea.	18	30

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 35: Building Asset Assigned Useful Life

Asset Class	Component	Useful Life
Buildings	Sub-structure	50.00
Buildings	Super structure	50.00
Buildings	Finishes	15.00
Buildings	Fittings	10.00
Buildings	Services	25.00

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 36: Key Performance Measures – Building Assets

Key Performance Measure	Capability Considerations	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Services (4 Years)	Current Performance Measures
<b>COMMUNITY LEVELS OF SERVICE</b>							
Quality	Operational	Provide clean accessible well-maintained facility	Customer services requests/complaints, customer surveys	<5 complaints per year/per building	Satisfactory	Excellent to Good	TBD
Function	Infrastructure	Facilities are fit for purpose, meet users' requirements & industry regulatory standards	Customer service requests/complaints, customer surveys	< 3 complaints per year/per building	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Ensure facilities are safe	Reported accidents	Zero reported accidents	Satisfactory	Excellent to Good	TBD
<b>TECHNICAL LEVELS OF SERVICE</b>							
Condition	Operational	Building/Office equipment / Furniture & Fittings/ Other Equipment functionality is not compromised by condition	Regular condition inspections	Allocate appropriate funding and resources	Satisfactory	Excellent to Good	TBD

Key Performance Measure	Capability Considerations	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Services (4 Years)	Current Performance Measures
Function / Accessibility	Health & Safety / Operational	Legislative compliance	Provide access and service for all user groups	100% compliance	Satisfactory	Excellent to Good	TBD
Cost Effectiveness	Operational	Provide service in cost effective manner	Budget compliance	Expenses within budget	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Ensure facilities are safe	Regular safety audits carried out, action customer request within 5 working days	Safety inspections: <ul style="list-style-type: none"> <li>- Electrical tagging/testing as per standards, Legislative audit.</li> <li>- Safety inspection, 6 months/annually</li> <li>- Defects repaired within approved timeframes</li> </ul>	Satisfactory/ Ongoing	Excellent to Good	TBD

Table 37: Asset Management Improvement Plan – Building Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2025/26
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	2024/25
5	Knowledge	Input Maintenance Program into AMS	2	2024/25
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	Complete
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	2024/25
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2023/24
13	Performance	Risk Management Plan for Buildings Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	Complete

#### 4. Ten Year Capital Works Program – Building Assets

COMMUNITY BUILDINGS	1	2	3	4	5	6	7	8	9	10
	2024/25	2024/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Narromine, Waste Facility, Staff Room - INTERNAL WALLS & ROOFING - REHAB / REPLACEMENT									6,720	
Narromine, Waste Facility, Staff Room - INTERNAL FLOORING - REHAB / REPLACEMENT									6,720	
CALE OVAL - CLUB HOUSE, GRANDSTAND & FACILITIES										
NEW TENNIS COURT CLUBHOUSE										
NARROMINE ANIMAL SHELTER										
Shire - Mungery Hall Upgrade (CAP 023)	278,964									
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185.45		2,319		2,460		2,610		
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251		2,388		2,534		2,688	
Aeroclub - STRUCTURE - UPGRADES										
Aeroclub - INTERNAL - UPGRADES		316,512								

<b>TRANGIE</b>										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM										
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185		2,319		24,560		2,610		
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251.02		2,388		2,534		2,688	

	1	2	3	4	5	6	7	8	9	10
<b>CIVIC BUILDINGS</b>	<b>2024/25</b>	<b>2024/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Council Chamber - ROOF - RENEWAL / REHAB										
Council Chamber - FLOORING - RENEWAL / REHAB									65,222	
Council Chamber - INTERNAL WALLS & ROOFING - RENEWAL / REHAB									40,317	
Council Chamber – Amenities										
Council Chamber - FIXTURES - RENEWAL / REHAB										
Council Chamber - FENCING - RENEWAL / REHAB										
Administration Buildings - ROOF - RENEWAL / REHAB	18,000		9,701							
Administration Buildings - FLOORING - RENEWAL / REHAB									40,317	



Administration Buildings - INTERNAL WALLS & ROOFING - RENEWAL / REHAB									40,317	
Administration Buildings - FIXTURES - RENEWAL / REHAB			15,417							
Administration Buildings - FENCING - RENEWAL / REHAB										
Council Chamber Rear Shed - INTERNAL WALLS & ROOFING & ROOFING - RENEWAL / REHAB										
Council Chamber Rear Shed) - FLOORING - RENEWAL / REHAB										
<b>CAPITAL ACQUISITION, NEW AND/OR UPGRADE</b>										
Council Chamber - REAR SHED FLOORING	20,000									
AIR CONDITIONING CAPITAL UPGRADE PROGRAM										
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185		2,318		2,459		2,609		
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251		2,388		2,533		2,687	
Administration Buildings - EXTERNAL WALLS - UPGRADE			29,848							
Administration Buildings - MODIFICATIONS TO BUILDING - UPGRADE										

NARROMINE DEPOT	1	2	3	4	5	6	7	8	9	10
	2024/25	2024/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
28328 - NARROMINE DEPOT WORKSHOP (147.981106, -32.032811) - INTERNAL FITTINGS - RENEWAL / REHAB			20,600		20,600					
NARROMINE DEPOT (147.981106, -32.032811) - WEARING SURFACE - RENEWAL / REHAB									23,185	
NARROMINE DEPOT – Improved Storage, Automated Gates, Awning, Generator, Switchboard	80,000									
NARROMINE DEPOT (147.981106, -32.032811) - LINE MARKING - RENEWAL / REHAB								25,000		
<b>TRANGIE</b>										
28501 - TRANGIE DEPOT (147.981106, -32.032811) - INTERNAL FITTINGS - RENEWAL / REHAB										
28501 - TRANGIE DEPOT (147.981106, -32.032811) - WEARING SURFACE - RENEWAL / REHAB									10,000	

<b>CAPITAL ACQUISITION, NEW AND/OR UPGRADE</b>										
<b>NARROMINE</b>										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM								39,393		
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM							25,860			
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM		15,000								
STORE OFFICE UPGRADE										
STORES UPGRADE										
SKILLION ROOFING NARROMINE DEPOT										
<b>TRANGIE</b>										
DEPOT BUILDING UPGRADES										30,000
DEPOT PARKING FLOORING UPGRADES										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM										
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM										
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM										

LIBRARY	1	2	3	4	5	6	7	8	9	10
	2024/25	2024/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Narromine, Narromine Library Extension	180,000									
<b>Source Funding</b>										
Council										
Grant										
<b>TRANGIE</b>										
Trangie, Trangie Library Extension	220,000				31,941					
<b>CAPITAL ACQUISITION, NEW AND/OR UPGRADE</b>										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM				5,796						
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185		2,319		2,460		2,610		2,767
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251		2,388		2,534		2,688	

	1	2	3	4	5	6	7	8	9	10
MEDICAL CENTRE	2024/25	2024/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>CAPITAL ACQUISITION, NEW AND/OR UPGRADE</b>										
<b>Narromine</b>										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM										
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185		2,318		2,459		2,609		2,767
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251		2,388		2,533		2,687	
<b>Trangie</b>										
AIR CONDITIONING CAPITAL UPGRADE PROGRAM										
ELECTRICITY CAPITAL UPGRADE PROGRAM										
EQUIPMENT CAPITAL UPGRADE PROGRAM		2,185		2,318		2,459		2,609		
SECURITY & SAFETY SYSTEMS CAPITAL UPGRADE PROGRAM			2,251		2,388		2,533		2,687	

## H. Appendix H – Drainage Assets

Council provides urban drainage services across the Narromine, Trangie and Tomingley communities through the drainage collection network and rural road culverts.

The drainage network had a Gross Carrying Value (GCV) of approximately \$27,385,146 on the 30<sup>th</sup> June 2023, as reflected in the Financial Statements Note C1-7 Infrastructure, Property, Plant and Equipment.

This plan assists Council in the decision-making process and is presented at a high level to provide key information that can be used in determining the levels of service, program scheduling and funding requirements etc.

### 1. Drainage Asset Services

Narromine Shire Council plays a crucial role in providing drainage services essential to the communities of Narromine, Trangie, and Tomingley. In Narromine, the urban stormwater catchment area comprises eight separate sub-catchments, each draining to individual outlets and natural detention basins, as detailed in the Narromine Stormwater Management Strategy. Conversely, Trangie features two urban sub-catchments connected by a single underground pipe network, with minimal elevation from the highest point to the catchment outlet, outlined in the Trangie Drainage Strategy. These drainage services are vital for community health, environmental sustainability, and asset protection. It is imperative that these systems are maintained to prevent any deterioration that could jeopardize community and environmental well-being or compromise critical assets.

As of June 30, 2023, Council's Drainage Network Asset Class holds a Gross Carrying Value (GCV) of \$27,385,146 and a Net Carrying Value (NCV) of \$16,817,111, constituting 4.67% of Council's total assets. This AMP outlines strategic priorities and initiatives to effectively manage and enhance the drainage network, ensuring resilience, sustainability, and continued service reliability for the benefit of our communities and environment.

In summary, the drainage collection network comprises of the following major assets:

- Underground Pipe network
- Lined Open Channel Drainage
- Unlined Open Channel Drainage
- Kerb and Gutter incl. pits
- Gross Pollutant Traps
- Detention Basins
- Retention Basins
- Urban Drainage Culverts
- Rural Drainage Culverts

A breakdown of the major drainage assets, within Narromine Shire, is given in the table below.

Table 38: Breakdown of Major drainage Assets

Asset Description	Unit of Measurement	Units	Average Asset Age (Years)
Lined Open Channel Drainage	Km	0.66	30
Urban Unlined Open Channel Drainage	Km	14.04	NA
Kerb and Gutter incl. pits	Km	79.45	30
Gross Pollutant Traps	Ea.	1	10
Detention Basins	Ea.	10	NA
Retention Basins	Ea.	2	NA
Rural Drainage Culverts	Ea.	751	30
Urban Drainage Culverts	Ea.	421	30

For the purposes of this plan, rural unlined drainage, better known as table drains, are not included.

While a number of assets have been renewed as part of an ongoing asset renewal or replacement program, some assets are nearing its end of theoretical useful life and will require replacement or renewal. Development pressures due to growth, further puts additional strain on existing assets.

## 2. Theoretical Useful Life

Useful life is the period over which an asset is expected to be available for use by an entity, shown in the table below.

Table 39: Drainage Asset Assigned Useful Life

Description	Material	Useful Life
Boxed Kerb & Gutter	Plain Concrete	50
Vehicle Layback	Plain Concrete	50
Concrete - Pipe Culvert	Reinforced Concrete	50
Concrete - Boxed Culvert	Reinforced Concrete	50
Open Channel Drain	Reinforced Concrete	50
Open Channel Drain	Loam	100
Kerb incl. Pit	Reinforced Concrete	50
Formation	Soil	100
Gross Pollutant Trap	Concrete	50

### 3. Key Performance Measures

Key Performance Measures (KPM's) have been developed by considering environmental, health and safety, operational and infrastructure capabilities. The KPM's are to be reviewed to align with the Technical LOS and the Strategies identified in Levels of Service section of this document.

Table 40: Key Performance Measures – Drainage Assets

Key Performance Measure	Capability Consideration	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Service (4 years)	Current Performance Measured
<b>Community Levels of Service</b>							
Quality	Infrastructure	Flow of water is to a minimum of ARI 1:5 (AEP 18.13%)	Proven Customer requests	<2 complaints per quarter during the rain event	Satisfactory	Excellent to Good	TBD
Function	Infrastructure	Zero overflow of water during a 1:5 (AEP 18.13%) rain event	Proven Customer requests	Zero reported incidences per annum	Satisfactory	Excellent to Good	TBD
Safety	Environment	Zero pondage of water in drainage network > 1 week <b>after</b> rain fall	Zero confirmed reports of water pondage	Zero reported accidents per annum	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	No reports of near misses in conjunction with Council Infrastructure	Zero confirmed reports of near misses	Zero reported accidents per annum	Satisfactory	Excellent to Good	TBD
<b>Technical Levels of Service</b>							
Condition	Operational	All asset conditions are maintained to a level of 3-4	Condition inspections / Revaluation	100% compliance with maintenance	Satisfactory	Excellent to Good	TBD



Key Performance Measure	Capability Consideration	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service	Predicted Level of Service (4 years)	Current Performance Measured
Accessibility	Infrastructure	Provision of connection to the drainage network including network expansion into existing	Percentage of properties unable to be connect to the existing network	99.9% compliance	Satisfactory	Excellent to Good	TBD
Cost Effectiveness	Infrastructure	Provide service in cost effective manner	Budget compliance	Expenses within budget	Satisfactory	Excellent to Good	TBD
Safety	Health & Safety	Ensure facilities are safe	Regular safety audits in conjunction with the condition inspections are carried out, action customer requests within 5 working days	Safety inspections – Clear of contaminants, objects that could cause injury	Satisfactory	Excellent to Good	TBD
Quality	Infrastructure / environment	Design, construct and maintain Infrastructure to appropriate technical standards such as NATSPEC or adopted Council Technical Procedures	Technical Specification checklists and document storage	NATSPEC	Satisfactory	Excellent to Good	TBD

Table 41: Asset Management Improvement Plan – Drainage Assets

#	Type	Task	Priority	Expected Completion
1	Legislative	Revaluation of Assets	1	2023/24
2	Performance	Review Renewal of all Assets	1	2024/25
3	Knowledge	Update Asset Register	3	Ongoing
4	Knowledge	Finalise Maintenance Program	2	2024/25
5	Knowledge	Input Maintenance Program into AMS	2	Ongoing
6	Performance	Maintain Levels of Service	3	Ongoing
7	Knowledge	Develop 10 Year Plans	3	Ongoing
8	Performance	Review Inspection Procedures	2	2022/23
9	Knowledge	Update Attributes in AMS	3	Ongoing
10	Service Focus	Review Levels of Service	2	2024/25
11	Service Focus	LOS Performance Measurement	1	Ongoing
12	Skills	Development of an Operational Staff skills matrix	2	2024/25
13	Performance	Risk Management Plan for Drainage Assets	1	Ongoing
14	Performance	Align AMP with Business Continuity Plan	5	As required
15	Legislative	Review of existing inspections program and compliance with Legislation	1	2024/25
16	Knowledge	Link Assets in AIMS to the GIS system	4	2024/25
17	Knowledge	Determine and input income of Infrastructure into the AMP to determine Return on Asset (ROA)	4	2024/25
18	Service Focus	Implement findings of drainage strategies	1	Ongoing

#### 4. Ten Year Capital Works Program – Drainage Assets

STORMWATER DRAINAGE	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL COSTS</b>										
<b>NARROMINE</b>										
Lined & Unlined Open Channel Drain - Capital Program				8,695					10,079	
Underground Drainage Pipe Network - CCTV And Cleaning Program					59,703					69,212
Wetlands - Capital Program			11,255			12,299			13,439	
<b>TRANGIE</b>										
Lined & Unlined Open Channel Drain - Capital Program	150,000				5,970					
<b>TOMINGLEY</b>										
Lined & Unlined Open Channel Drain - Capital Program	10,000					3,075				
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
<b>NARROMINE</b>										
Urban Storm Water Environmental - Safety & Control Program		13,659	14,069	14,491	14,926	15,373	15,835	16,310	16,799	17,303
Urban Storm Water Strategy - Capital Program		218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783	276,846
Wetlands - Capacity Upgrade										
Flood Mitigation Narromine Levee Project										
Northern Catchment Stormwater Project	1,923,713									
<b>TRANGIE</b>										
Urban Storm Water Environmental - Safety & Control Program										
Urban Storm Water Strategy - Capital Program		54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	69,212

KERB & GUTTER	1	2	3	4	5	6	7	8	9	10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>LIFE CYCLE CAPITAL RENEWAL PROGRAM</b>										
NARROMINE	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	100,793
TRANGIE	81,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
TOMINGLEY				23,185	23,881	24,597	25,335	26,095	26,878	27,684
<b>NEW, ACQUISITION AND/OR UPGRADE</b>										
<b>NARROMINE</b>										
A 'Beckett Street										
Meringo Street	40,836									

