



PARKS AND RECREATION
ASSET MANAGEMENT PLAN

EXECUTIVE SUMMARY



2013

PARKS AND RECREATION ASSET MANAGEMENT PLAN

Prepared by: Holroyd City Council

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1 EXECUTIVE SUMMARY

1.1 Overview of Parks and Recreation Assets

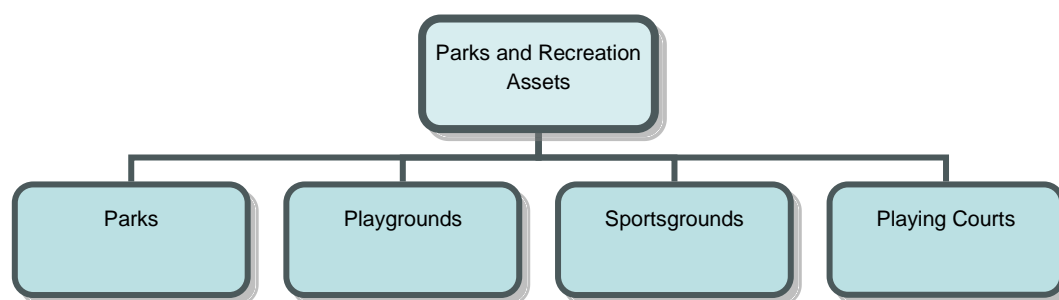
Council's parks and recreation assets include natural areas, parks, sports grounds and other areas used for general community purposes such as drainage reserves. Fixed park's assets include playgrounds, fencing, lighting, irrigation systems, signage, park furniture, seating, playing courts, cricket wickets and playing surfaces.

Services relating to parks, playgrounds and sports fields are among the most noticeable services that Council provides. They are used by a broad cross-section of our communities for a range of different activities throughout the year. Regional facilities are used by people from beyond the Holroyd City Council area.

Reasonably comprehensive data collection and condition assessment has been conducted in 2011 to understand the full extent and condition of Parks and Recreation assets (some further asset data collection required for some assets). As a result of the data collection exercise, Council now has a very good understanding of the extent and current condition of most (all major) Parks and Recreation assets (Data Confidence Grade B (ref IIMM 2011 Sec 2.4.5)).

There are 253 parks and recreation and open space areas in the Holroyd LGA covering 440 hectare. Assets covered by this Asset Management Plan are defined in the asset hierarchy chart below.

Parks and Recreation Asset Hierarchy



Parks and Recreation assets include:

- 44 (approx. 50 hectares) playing fields
- 158 playgrounds including 407 items of play equipment
- 18 netball courts
- Approx. 63 kilometres of fencing
- Approx. 86,000m² of footpaths
- 965 bench seats
- 184 floodlights
- 46 irrigation systems
- 23 cricket pitches
- 10 cricket practice nets

1.2 Parks and Recreation Assets Valuation

Asset valuation as at 30 June 2013

ASSET GROUP	CURRENT REPLACEMENT COST (\$)	ANNUAL DEPRECIATION (\$/yr)	DEPRECIATED REPLACEMENT COST (\$)
Parks	\$61,955,055	\$840,819	\$51,749,104
Playing Courts	\$4,331,600	\$88,125	\$3,385,772
Playgrounds	\$7,514,650	\$289,287	\$5,820,094
Sportsgrounds	\$19,338,150	\$495,330	\$11,743,830
TOTAL	\$93,139,455	\$1,713,561	\$72,698,800

1.3 Parks and Recreation Assets Important Issues

Parks

- Current funding priorities for park maintenance does not provide the levels of service that meet community expectations.
- Park maintenance procedures need to be expanded to allow for maintenance of a variety of landscape facilities
- Perimeter post and rail timber fencing is ageing and requires funding for replacement.
- Some smaller local parks are undeveloped and require funding for establishment to provide a basic level of amenity for the community.
- Signage needs to be updated in all of Council's parks and reserves to match Council's new corporate identity.
- Future park upgrades should consider increasing native tree and shrub planting to provide habitat, create sustainable environments by reducing the extent of mowing and the social well-being for the community
- Tree planting should be carried out to provide greater shade amenity for park users.
- Town centre parks need to be upgraded to meet the expectations of the community and the requirements of an increased population.
- Council needs to consider the construction of specialised facilities in appropriate areas to meet specific user group needs, eg; skateboard parks and community gardens.

Sportsgrounds

- Many playing surfaces exhibit compaction and general surface unevenness. This is a result of poor soil structure, poor drainage and over use. Remedial works for sportsgrounds will to be considered to bring these facilities up to a standard that meets community expectations.
- The level of use of Council's sportsgrounds by sporting groups exceeds industry guidelines.
- Sportsgrounds watering is becoming expensive due to the cost of water. Reduced watering results in damage to the playing field surfaces. An alternative may be to seek funding to install water harvesting / recycling facilities.
- Council may need to consider installing high quality sporting surfaces in some high use parks in the future to alleviate the issues associated with over use and downtime of playing fields in wet weather.

Playing Courts

- Court surfaces are deteriorating and many will likely require renewal or rejuvenation in the medium term.
- The perimeter fencing around many of Council's playing courts are generally in average condition only and renewal of many will likely be required in the medium term

Playgrounds

- Some existing older play equipment does not conform to current standards.
- All play equipment must be safe and usable. Play equipment components requiring repair should be removed to maintain safety and then replaced within a suitable time frame
- A Safety Management Program in accordance with AS4486.1 1997 is required with Routine inspections monthly, Operational inspections quarterly and Comprehensive inspections yearly for all play equipment. This practice needs to be formalised and funded.
- When compared to other Councils in Sydney, Holroyd has a large number of playgrounds, some of which are located in close proximity to each other. A playground strategy should be undertaken to rationalise the type and location of playgrounds in Holroyd.
- The installation of rubber softfall should be avoided in areas other than in specifically designated parks due to the high capital cost of installation and the short life span of this material.

Natural Areas

- Many of Council's natural areas, including bushland reserves containing important remnant Cumberland Plain bushland, are in fair to poor condition and require ongoing maintenance to remove weeds and rubbish

Historical Expenditure Levels

Over the past three year period (2012 to 2014):

- Operations expenditure has varied between \$267K and \$603K pa.
- Maintenance expenditure has varied between \$3.1M to \$5.4M pa.
- Renewal expenditure has varied between \$489K and \$1.870M pa.
- Council New Works expenditure has varied between \$188K and \$723K pa.

Condition of Open Space Assets

Condition surveys were conducted over the last three (3) years using a 1 to 5 condition rating scale where 1 is new and 5 is very poor. Assets in condition 1 and 2 are considered to be in “excellent” to “good” condition. Assets in condition 3 are considered to be in “average” condition. Assets in condition 4 are considered to be in “poor” to “very poor” condition. Condition 5 assets are considered to be “failed”. The condition surveys have indicated the following asset condition. The percentages are weighted by \$ value of the asset:

ASSET GROUP	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
	Excellent	Good	Average	Poor	Very Poor
Parks	49%	32%	14%	4%	1%
Playing Courts	27%	65%	5%	2%	1%
Playgrounds	53%	27%	13%	6%	1%
Sportsgrounds	31%	19%	27%	8%	15%

Strategic Context

This Parks and Recreation Asset Management Plan integrates with Council’s Community Strategic Plan and complies with the Department of Local Government Integrated Planning and Reporting requirements.

The Parks and Recreation Asset Management Plan provides important input into Council’s Resourcing Strategy and Long term Financial Plan.

Levels of Service

Levels of Service framework has been developed for all Parks and Recreation assets based on Community and Technical considerations.

The Levels of Service consider Quality, Safety, Function, Condition, Cost/Affordability, Responsiveness, and Appearance/Presentation.

The Levels of Service are a blend of existing and desired Levels of Service which take into account recent feedback and input from the community. Further work will be done in the next 3 years prior to the development of the next version of Council’s Community Strategic Plan, to further develop and refine Levels of Service.

These Levels of Service will guide asset management and decision making in the future.

Maintenance Management

In conjunction with development of this Asset Management Plan, a Parks and Recreation asset maintenance specification is to be developed which will include maintenance strategies and intervention levels and response times for the various asset groups.

The asset maintenance specification will guide future maintenance subject to allocation of appropriate resourcing.

Asset Defect Inspections

Currently there is a semi-formal asset defect inspection system in place. It is proposed to formalise the asset defect inspection system to cover all major and critical assets including playgrounds. An initial inspection framework has been developed. Asset criticality and risk guide the inspection frequency and maintenance response framework developed.

The asset defect inspection system will be implemented subject to allocation of appropriate resourcing.

Risk Management

A comprehensive risk assessment has been completed in conjunction with the development of this Asset Management Plan.

A Risk Management Plan has been developed and identifies risks that require planned and priority action.

The Risk Management Plan informs and supports responsible asset risk management and will assist in guiding Parks and Recreation asset management in the future.

1.4 Lifecycle Costs/Sustainability Index

There are two key high-level indicators of cost to provide the Parks and Recreation service. The life cycle cost being the average cost over the life of the asset, and

The total maintenance and capital renewal expenditure required to deliver existing/desired service levels in the next 10 years covered by Council's long term financial plan.

The average life cycle cost (annual average asset maintenance, operational cost and asset consumption over a 10 year period) to provide the parks and recreation service is estimated at \$10.5M pa. Council's budgeted life cycle expenditure is \$7.5M which gives a life cycle sustainability index of 0.71.

(A Sustainability Ratio of 1.0 indicates that the current funding provided is equal to the required lifecycle funding estimate. A sustainability ratio of less than 1.0 indicates a lifecycle funding gap).

The projected maintenance, operational and capital renewal expenditure required to provide the open space service in the next 10 years is estimated at \$94.4M. This is an average of \$9.4M per annum.

Council's budgeted maintenance and capital renewal expenditure is \$5.7M giving a 10 year sustainability index of 0.60.

The following table shows important ratios that reflect the funding requirements for Parks & Recreation assets:

Funding Ratio		
Actual Maintenance /Required maintenance	Annual Depreciation/ Value	Bring To Satisfactory/ WDV
0.76	0.02	0.04

1.5 Backlog and 10 Year Maintenance and Renewal Plan

The level of asset maintenance and renewal expenditure required to effectively sustain assets into the future and to provide the asset related levels of service desired has been analysed for existing and new assets.

Projected Maintenance Requirement and Maintenance Funding Gap (\$000s)				
Year	Projected Maintenance (\$000)	Current/Planned Maintenance (\$000)	Maintenance Funding Gap (\$000)	Cumulative Maintenance Funding Gap (\$000)
2014/2015	\$1,386	\$1,011	\$375	\$375
2015/2016	\$1,361	\$1,011	\$350	\$725
2016/2017	\$1,369	\$1,011	\$358	\$1,083
2017/2018	\$1,389	\$1,011	\$378	\$1,461
2018/2019	\$1,425	\$1,011	\$414	\$1,875
2019/2020	\$1,497	\$1,011	\$486	\$2,361
2020/2021	\$1,576	\$1,011	\$565	\$2,926
2021/2022	\$1,649	\$1,011	\$638	\$3,564
2022/2023	\$1,718	\$1,011	\$707	\$4,271
2023/2024	\$1,735	\$1,011	\$724	\$4,995

Assuming a Condition 4 to 5 Renewals Intervention Strategy, analysis of maintenance practices and expenditure levels indicates that Parks and Recreation maintenance funding should be increased from the current average annual level of \$1.01M pa to \$1.74M pa over the period 2014/15 to 2023/24.

Assets falling under Condition 5 are considered to be 'Backlog'. The estimated cost to bring these assets to a satisfactory standard in 2013/2014 is shown in the table below:

Asset Group	\$ 000
Parks	\$177
Playing Courts	\$60
Playground	\$62
Sportsground	\$2,805
Total	\$3,104

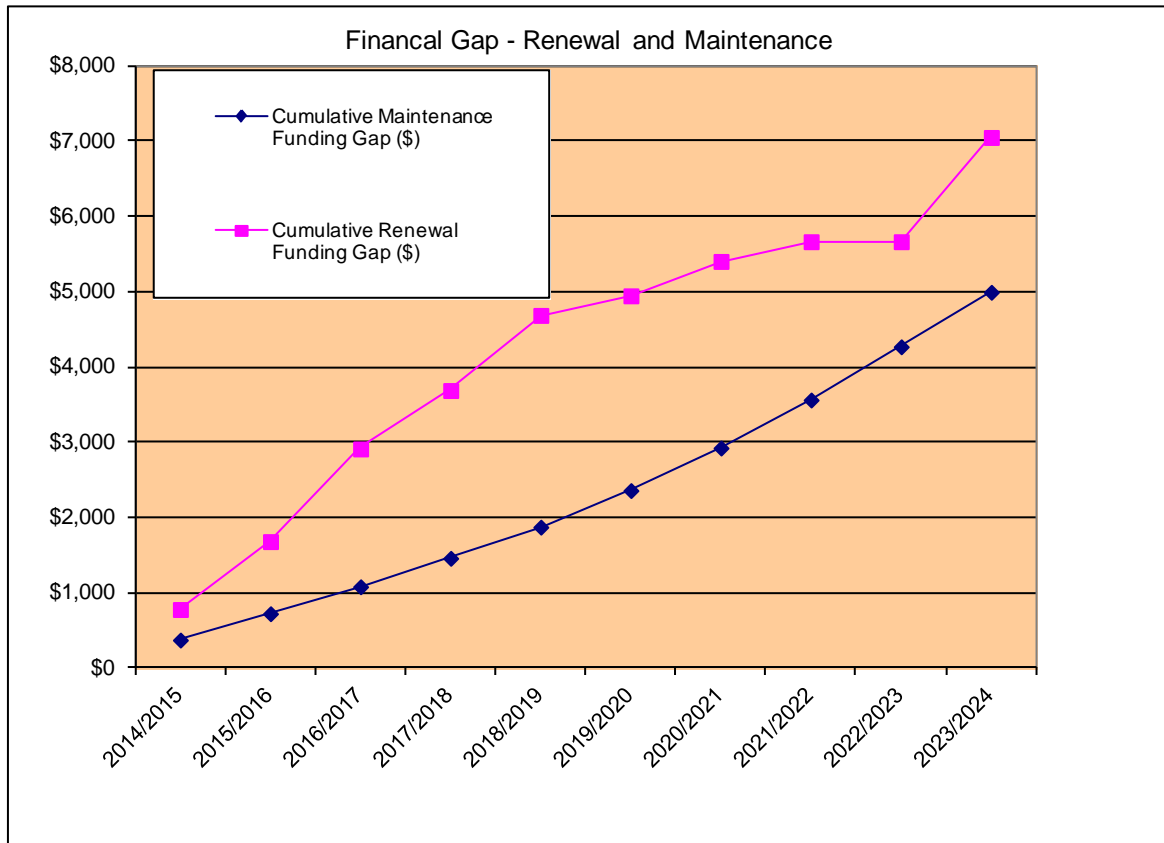
The forecast 10 Year Annual Renewal expenditure required is based on a “Condition 4 Renewals Intervention Strategy” of assets. It also includes the total backlog spread over 2014/2015 to 2017/018

Projected Renewal (Including Backlog)										
	2014/15 \$000s	2015/16 \$000s	2016/17 \$000s	2017/18 \$000s	2018/19 \$000s	2019/20 \$000s	2020/21 \$000s	2021/22 \$000s	2022/23 \$000s	2023/24 \$000s
Parks	49	170	46	44	521	242	211	79	0	410
Playing Courts	15	15	15	15	0	18	0	0	0	60
Playgrounds	16	16	420	16	0	0	246	0	0	825
Sportsgrounds	701	701	750	701	477	0	0	183	0	90
Total	781	902	1,231	776	998	260	457	262	0	1,385

The current planned renewal expenditure and funding gap are summarised as follows:-

Projected Renewals Requirement and Renewal Funding Gap (\$000s)						
Year	Backlog (\$000)	Projected Renewals (\$000)	Current/ Planned Renewals (\$000)	Renewal Funding Gap (\$000)	Total Renewals incl. Backlog	Cumulative Renewal Funding Gap (\$000)
2014/2015	\$776	\$5	\$0	\$5	\$781	\$781
2015/2016	\$776	\$126	\$0	\$126	\$902	\$1,683
2016/2017	\$776	\$455	\$0	\$455	\$1,231	\$2,914
2017/2018	\$776	\$0	\$0	\$0	\$776	\$3,690
2018/2019	\$0	\$998	\$0	\$998	\$998	\$4,688
2019/2020	\$0	\$260	\$0	\$260	\$260	\$4,948
2020/2021	\$0	\$457	\$0	\$457	\$457	\$5,405
2021/2022	\$0	\$262	\$0	\$262	\$262	\$5,667
2022/2023	\$0	\$0	\$0	\$0	\$0	\$5,667
2023/2024	\$0	\$1,385	\$0	\$1,385	\$1,385	\$7,052

A graphical representation of the above gaps is shown in the graph below:



Council has projects funded through S94 and SEPP 59 planning instruments.

The Tables below shows the Projected Long Term Financial Plan for Parks and Recreation Assets:

Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Existing Assets										
Renewals	\$780,750	\$901,780	\$1,231,160	\$776,100	\$997,600	\$259,590	\$456,730	\$261,580	\$0	\$1,385,140
Maintenance	\$1,385,988	\$1,360,988	\$1,361,738	\$1,362,513	\$1,363,308	\$1,364,122	\$1,364,966	\$1,365,835	\$1,366,730	\$1,366,730
Depreciation	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561	\$1,713,561
Operations	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431	\$6,606,431
SUBTOTALS	\$10,486,730	\$10,582,760	\$10,912,890	\$10,458,605	\$10,680,900	\$9,943,704	\$10,141,688	\$9,947,407	\$9,686,722	\$11,071,862
S94 - New										
Land Acquisition	\$0	\$0	\$3,755,000	\$3,755,000	\$3,755,000	\$0	\$0	\$0	\$0	\$0
New or Upgrade	\$0	\$0	\$163,477	\$653,907	\$1,634,767	\$3,269,534	\$3,269,534	\$3,269,534	\$3,269,534	\$817,384
Maintenance	\$0	\$0	\$3,395	\$16,974	\$50,922	\$118,817	\$186,713	\$254,609	\$322,504	\$339,478
Depreciation	\$0	\$0	\$0	\$3,557	\$17,785	\$53,356	\$124,497	\$195,638	\$266,779	\$337,920
Operations	\$0	\$0	\$1,628	\$8,141	\$24,423	\$56,987	\$89,551	\$122,115	\$154,679	\$162,820
SUBTOTALS	\$0	\$0	\$3,923,500	\$4,437,579	\$5,482,897	\$3,498,694	\$3,670,295	\$3,841,896	\$4,013,496	\$1,657,602
SEPP 59										
Capital	\$0	\$397,862	\$505,119	\$196,360	\$303,377	\$1,041,593	\$429,136	\$0	\$682,906	\$0
Maintenance	\$0	\$0	\$3,979	\$9,030	\$10,993	\$14,027	\$24,443	\$28,734	\$28,734	\$28,734
Depreciation	\$0	\$0	\$11,936	\$27,089	\$32,980	\$42,082	\$73,329	\$86,203	\$86,203	\$86,203
Operations	\$0	\$30	\$98	\$180	\$285	\$469	\$684	\$900	\$1,166	\$1,166
SUBTOTALS	\$0	\$397,892	\$521,132	\$232,659	\$347,635	\$1,098,171	\$527,592	\$115,837	\$799,009	\$116,103
TOTAL	\$10,486,730	\$10,980,652	\$15,357,522	\$15,128,843	\$16,511,432	\$14,540,569	\$14,339,575	\$13,905,140	\$14,499,227	\$12,845,567

Council will continue to review maintenance and renewal expenditure forecasts with a view to improved understanding of the maintenance and renewal expenditure requirements. The need and options for increased funding will be considered.

1.6 Plans for the Future

Council plans to operate and maintain the Parks and Recreation assets to achieve the following strategic objectives:

1. Ensure the Parks and Recreation assets and facilities are maintained at a safe and functional standard.
2. Provide for the recreational needs of the community and lifestyle priorities; present and future.
3. Manage assets in a sustainable manner.

1.7 Measuring our Performance

Performance Measures

We will measure our performance against Key Performance Indicators that have been developed to support defined Levels of Service.

Quality

Parks and Recreation assets will be maintained in a reasonably usable condition, fit for their intended purpose and in line with adopted Levels of Service. Defects found or reported that are outside our service standard will be repaired. Our maintenance response service levels detail defect prioritisation and response times.

Function

Our intent is that an appropriate Parks and Recreation network is maintained in partnership with other levels of government and stakeholders to meet the recreational needs of our community.

We need to ensure key functional objectives are met. These relate to:

- safety
- accessibility
- sustainability

To achieve this we need to ensure that adequate funding is provided to sustain assets and appropriate management practices are in place to effectively and efficiently manage works and expend available funds.

Safety

Parks and Recreation assets will be maintained at a safe level and associated facilities will be provided as needed to ensure public safety.

We inspect all major and critical Parks and Recreation assets on a regular/cyclical basis and prioritise and repair defects in accordance with our inspection schedule to ensure they are safe.

1.8 The Next Steps

Key actions resulting from this asset management plan are:

- review the parks and recreational strategy and prepare a more detailed strategy for playgrounds and sporting fields
- review maintenance management including condition monitoring and risk management system and processes
- review/develop level of service
- review asset management systems, processes and resourcing
- undertake further asset management development work to better understand assets and related financial requirements
- undertake a Safety Management Program in accordance with AS4486.1 1997 for all playgrounds