CITY OF MELTON

Open Space Asset Management Plan

MELTON CITY COUNCIL

Contents

Executive **Summary**

Purpose of the Plan

The fundamental purpose of this Open Space Asset Management Plan (OSAMP) is to improve Council's long-term strategic management of its open space assets, in order to cater for the community's required levels of service in the future as detailed on page 10, Levels of Service. The plan defines the state of Council's infrastructure assets at the close of the past financial year, the 10-year funding required to achieve Council's adopted asset performance targets and planned asset management activities over a 10-year planning period.

Current State of Council's Assets

The value of assets covered by this OSAMP is $68.28 million, broken down to the asset categories shown in Table 1.

Figure 2 provides a high level overview of the current condition of open space assets. The Overall Score Index (OSI) is a numerical score given to an asset to represent its condition. This index takes into account all of the condition parameters and averages them to provide a score out of 5, where 5 means nearing the end of life.

Asset Funding Levels

The forecast lifecycle cost necessary to provide the services covered by this OSAMP is $40 million over a 10 year planning period or $4 million on average per year. This includes maintenance and capital expenditure.

[1] In the Asset Register as 'Parks Active Areas'

[2] These include Bins, Fences, Gates, Irrigation, Open Space Furniture and Parks Passive Areas.

ASSET CATEGORY	REPLACEMENT VALUE	ANNUAL DEPRECIATION	ACCUMULATED DEPRECIATION	WRITTEN DOWN VALUE
Playing Courts and Fields[1]	$36,229,882	$1,677,032	$10,202,968	$26,026,914
Play Equipment	$7,078,072	$337,324	$941,197	$6,136,875
Open Space Structures	$6,495,053	$398,705	$1,324,078	$5,170,974
Open Space Ancillary Assets[2]	$18,477,941	$621,174	$1,877,442	$16,600,498
Total	**$68,280,948**	**$3,034,235**	**$14,345,686**	**$53,935,262**

Table 1: Open Space Assets Valuations as at 30 June 2020

Open Space
Replacement Value

$36,229,882 **(53%)**
Playing Courts and Fields[1]

$7,078,072 **(10%)**
Play Equipment

$6,495,053 **(10%)**
Open Space Structures

$18,477,941 **(27%)**
Open Space Ancillary Assets[2]

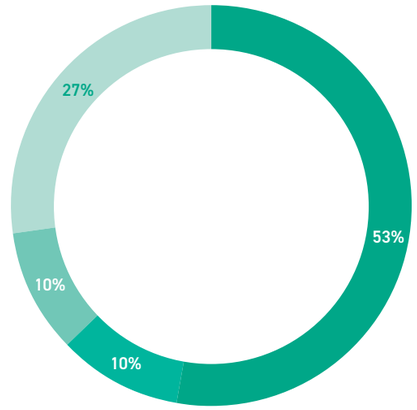


Figure 1: Open Space Assets Snapshot as at 30 June 2020

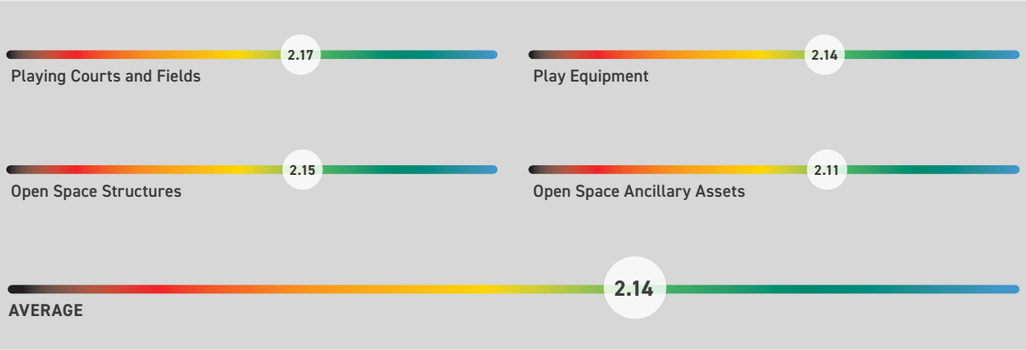


Figure 2: Open Space Asset Condition Snapshot as at 30 June 2020

PLAYING COURTS AND FIELDS	PLAY EQUIPMENT	OPEN SPACE STRUCTURES	OPEN SPACE ANCILLARY ASSETS
$13,895,021 Renewal Cost	$1,999,071 Renewal Cost	$3,085,955 Renewal Cost	$5,519,112 Renewal Cost
$6,775,160 Maintenance Cost	$2,458,491 Maintenance Cost	$905,188 Maintenance Cost	$5,546,663 Maintenance Cost
$20,670,181 TOTAL COST	**$4,457,562 TOTAL COST**	**$3,991,143 TOTAL COST**	**$11,065,775 TOTAL COST**

TOTAL		
$24,499,159 Renewal Cost	$15,685,502 Maintenance Cost	**$40,184,661 SUM TOTAL COST**

Table 2: Estimated Asset Funding Level over a 10-year planning period

The breakdown of funding by asset category over 10 years is summarised in Table 2.

Historically, asset renewal funding estimates were provided to Finance by the Operation management team. Council is progressively moving towards the use of predictive modelling as the main driver for future renewal projects. Simulation models have been developed for play equipment assets, using a prediction modeling software, with the goal of rolling this out to the rest of open space assets categories.

Further details are provided on page 22, Asset Funding levels.

Monitoring and Improvement Program

The next steps identified for this OSAMP to improve asset management practices are as follows:

- Review existing open space hierarchy and classification to ensure alignment with service planning. Also to enable easier management and reporting;
- Engage with users and service providers to ensure that information relating to capacity, functionality and fit for purpose from Council's Community Infrastructure Plan is used to inform renewal planning for Open Space;
- Improve information in AMS for Open Space assets, based on gap analysis review on active recreation facilities;
- Renewal programs on Playing Courts and Fields, Play Equipment and Open Space Structures to be driven by renewal modelling based on reliable and current information;
- Integrated asset management and maintenance data.

Further details are provided on page 26, Plan Improvement and Monitoring.

Current State of **Council's Assets**

Background

Council has documented a detailed open space condition assessment manual that has been used to assess the condition of playing courts and fields, play equipment and open space structures. This is referred to as Open Space Business Process Model (OSBPM). By understanding the condition of Council's assets and the various types of distresses that affect Council's assets, Council can utilise this data to endeavour to maintain the levels of service the community wants, in the context of affordability and also minimise the risk of asset failure.

Open Space assets have historically been managed through the Open Space Maintenance Contract for their maintenance, renewal and disposal. Collaboration between the Engineering Services unit and the Operations team was initiated in 2019, to establish a collaborative approach for the management of Open Space assets through a shared information strategy. Work started with play equipment, where the routine maintenance inspection was modified to allow condition scores to be captured. This enabled asset revaluation, and the condition scores to be utilised in the predictive modelling to produce a long term financial plan for renewal. Similar work is being undertaken on playing courts and fields.

Open Space Structures condition assessments are conducted at the same time as the building condition audit, at four yearly intervals. The last inspection was completed in October 2018.

Excellent — RATING 0
Brand new asset or recently rehabilitated to as new condition. Only cyclical routine maintenance is required.

Very Good — RATING 1
Asset is in very good overall condition only routine maintenance is required.

Good — RATING 2
Superficial defects may be present requiring minor maintenance, in addition to cyclical routine maintenance.

Fair — RATING 3
Moderate deterioration. More frequent maintenance is required in addition to cyclical routine maintenance, in order to maintain adequate serviceability.

Poor — RATING 4
High deterioration is evident. Maintenance costs rising in order to maintain serviceability. The asset would be at the point where it can be considered for renewal.

Very Poor — RATING 5
Evidence of high level of deterioration affecting serviceability. Maintenance cost is high. The asset is now nearing the end of its useful life and should be considered for renewal.

End of Life — RATING 6
Asset is no longer serviceable and should not remain in service.

Table 3: Asset Condition Rating Description

Open Space Ancillary Assets will continue to be managed and maintained through the Open Space Contract. Condition on these assets will therefore be age based.

Table 3 provides an overall view with regards to the details of the condition rating scales for Council's open space asset stock.

Key Indicators

Table 4 provides the quantum of open space assets by asset category managed by Council as at 30 June 2020:

In addition to the above, Council maintains 179 playgrounds, 132km of fencing and gates, 259 irrigation assets, over 1,000 hectares of parks and gardens, close to 1,000 rubbish and recycling bins, over 3,000 open space furniture and other open space services and amenities.

A well informed Plan ensures the delivery of services in the most efficient way, and in a sustainable manner.

PLAYING COURTS AND FIELDS	PLAY EQUIPMENT	OPEN SPACE STRUCTURES
284	1,016	630
NUMBER/COUNT	NUMBER/COUNT	NUMBER/COUNT

Table 4: Open Space Asset Categories

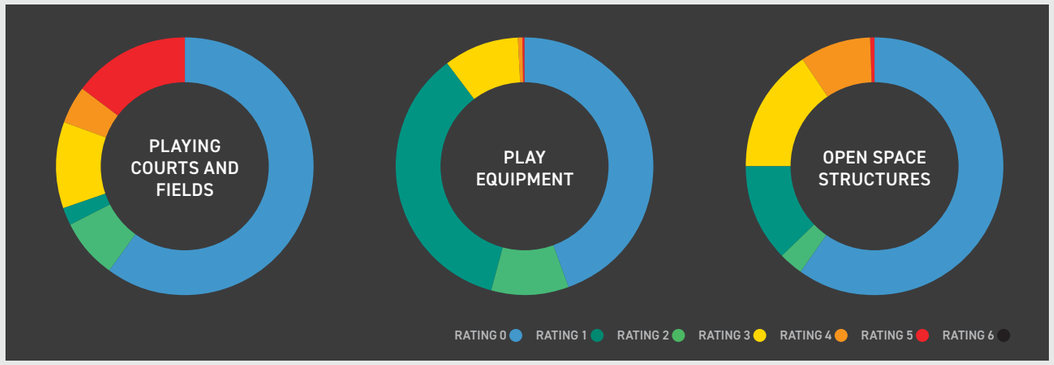


Figure 3: Open Space Assets Overall Score Index

Asset Category Status

Figure 3 illustrates Council's open space assets overall condition distribution by replacement value.

In accordance with the International Infrastructure Management Manual, Council acknowledges that the primary purpose of an asset hierarchy is to ensure that appropriate management, engineering standards and planning practices are applied to the asset based on its function. It also enables a more efficient use of limited resources, by allocating increased funding to those assets that are in higher demand.

Melton City Council has documented an open space asset hierarchy that classifies the portfolio into four different levels based on the current function and criticality of the individual asset. Hierarchy has been established and documented in the Open Space Business Process Model (OSBPM). The hierarchy classification has been summarised in Table 5.

The breakdown of condition scores by hierarchy for play equipment is displayed in Figure 4:

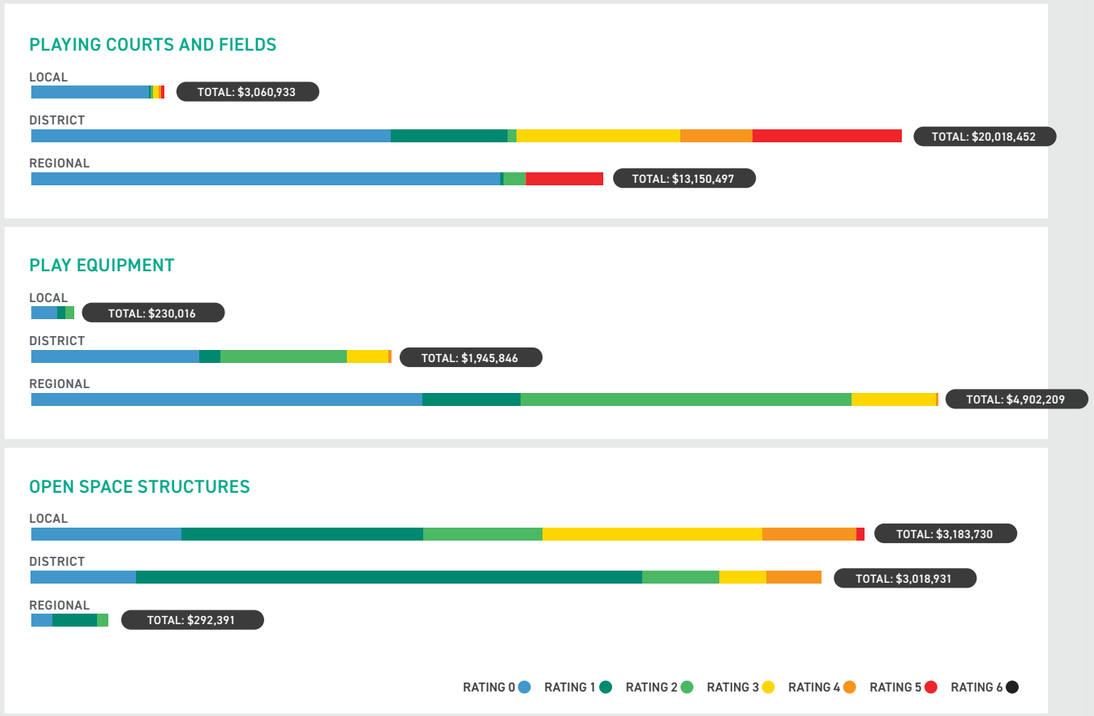


Figure 4: Open Space Assets Overall Score Index

ASSET CATEGORY	HIERARCHY	DEFINITION
Open Space	Regional	Regional significance where a large proportion of users come from outside of the district.
	District	District significance where assets are used mainly by people living in and from adjacent municipal districts.
	Local	Local area significance where assets are used mainly by people living within a suburb, town, ward, local area or within a block or two of where they live.

Table 5: Open Space Hierarchy Description

Key Stakeholders

Assets controlled by Council are utilised by a broad cross-section of the community. It is critical that assets are maintained and renewed based on need and fit for purpose. The best judge of an asset being fit for purpose is likely to be the user of the asset. Asset users are key stakeholders of this Open Space Asset Management Plan.

Table 6 in this document identifies stakeholders where consultation is necessary when Council seeks input in relation to the determination of levels of service and intervention levels.

COUNCIL

Endorsement of the asset management policy, strategy and plans. Set high level direction through the development of asset management principles in the Community Strategic Plan.

SENIOR MANAGEMENT

Endorse the development of asset management plans and provide the resources required to complete this task. Set high level priorities for asset management development in Council and raise the awareness of this function among Council staff and contractors. Support the implementation of actions resulting from this plan and prepared to make changes to a better way of managing assets and delivering services. Support for asset management driven budget and Long Term Financial Plans.

ASSET MANAGEMENT & GIS DEPARTMENT

Maintaining Council's asset registers and performing strategic predictive modelling analysis works to inform Council's Long Term Financial Plans. Responsible for coordinating the development and implementation of asset management processes and frameworks within Council and for developing a 10 year renewal schedule for all asset categories based on adopted Strategic Asset Management Framework (SAMF).

FINANCE DEPARTMENT

Ensuring that the asset valuations are accurate. Development of supporting policies i.e. Asset Capitalisation Policy and Asset Valuation and Revaluation Policy. Preparation of asset sustainability and financial reports, incorporating asset depreciation in compliance with current Australian accounting standards.

CAPITAL PROJECT MANAGER

Responsible for the delivery of renewal and upgrade projects to Council's approved design standards, and for ensuring efficient handover of project information to enable accurate update of Council's official register of assets.

OPERATIONS AND MAINTENANCE MANAGERS

Business Unit Managers are responsible for understanding expectations of levels of service through effective, ongoing engagement with the community (users of the service). Planning for changes to operations and maintenance as well as undertake minor renewal works.

COUNCIL OFFICERS

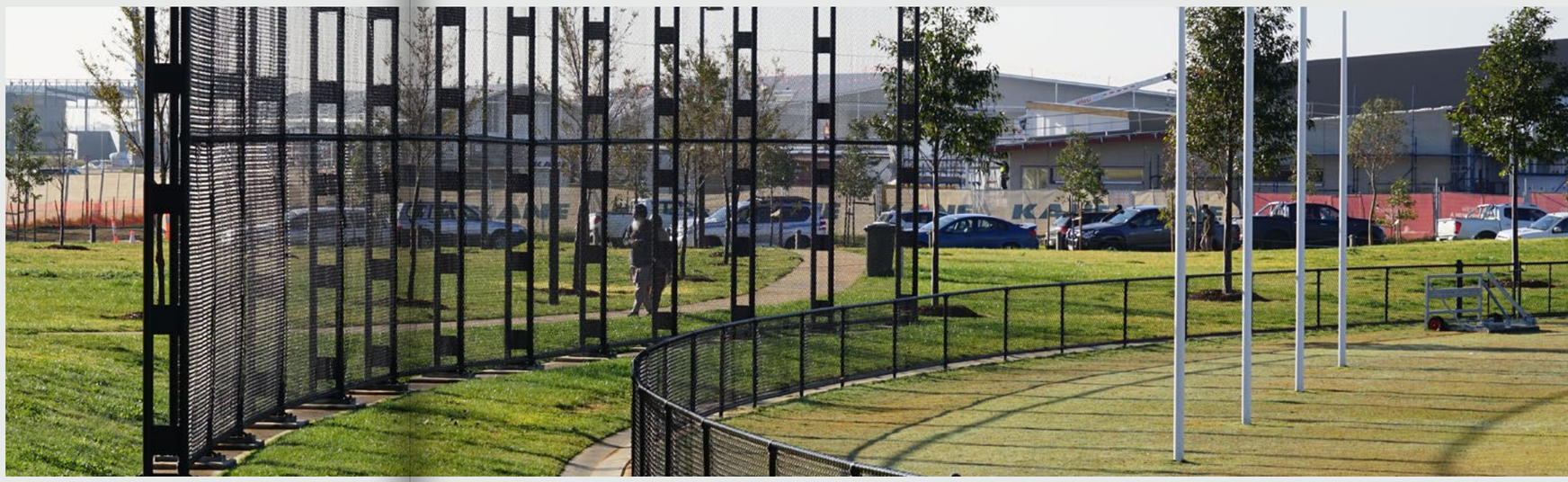
Provide local knowledge level detail on all infrastructure assets. They verify the size, location and condition of assets. They can describe the maintenance standards deployed and Council's ability to meet technical and customer levels of service.

MAINTENANCE CONTRACTORS

Provide regular inspections on Council's assets and perform routine maintenance works.

Table 6: Key Stakeholders

Levels of **Service**



Customer Research and Expectation

Council is continually working to improve its community consultation practices through implementing a combination of methods to encourage stakeholder engagement to gain knowledge of expectations.

The most recent customer satisfaction survey which was conducted in 2018, reported satisfaction levels on key service areas as illustrated in Table 7.

Further details on the customer satisfaction survey can be found on Council's website below:

https://www.melton.vic.gov.au/files/assets/public/council/about-the-city/community-satisfaction-survey/overview-report-melton-2018-community-satisfaction-survey-overview-report-final.pdf

Strategic and Corporate Goals Alignment

This Open Space Asset Management Plan is prepared under the direction of Council's vision, mission, goals and objectives and has been aligned to deliver cost-effective, transparent, realistic and affordable service levels in accordance with community expectations.

Council's vision is

"A Thriving Community Where Everyone Belongs"

Council's mission is:

"Support The Growth, Wellbeing and Aspirations of Our Community Through Leadership, Excellence and Inclusion."

Relevant Council goals and objectives and how these are addressed in this OSAMP are detailed in Table 8.

PERFORMANCE MEASURE	SATISFACTION LEVEL							
	MEAN SCORE	EXTREMELY POOR	VERY POOR	POOR	SOLID	GOOD	VERY GOOD	EXCELLENT
Sports grounds and associated facilities	7.58						●	
Provision and maintenance of playgrounds	7.35						●	
Maintenance of parks and gardens	7.19					●		
Provision of parks and gardens	7.44						●	
Recreation and Leisure Centres	7.33						●	

Table 7: Community Satisfaction Survey Levels

Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of Council open space services are outlined in Table 9.

Strategic Levels of Service

Council's Strategic Levels of Service that have been adopted as a result of this OSAMP are detailed in Table 10.

Operational Levels of Service

For the levels of service delivered on a day to day nature (i.e. responding to customer requests for maintenance faults and responding to breakdowns), these are detailed in the Open Space Maintenance Contract for each asset category within this group. The contract document specifies the required services which include but not limited to the annual service program, monthly service reporting requirements, 24-hour emergency response service, customer service response details and quality assurance.

Open Space Asset Management Plan sets the strategic direction for Council service planning for open space assets over the next 10 years.

STRATEGIC OBJECTIVE	OUTCOME	HOW GOAL AND OBJECTIVES ARE ADDRESSED IN OSAMP
A well planned and built City	A City with a clear vision to manage growth in a sustainable and accessible way	Identify and address gaps in community infrastructure and open space assets. Undertake integrated open space planning to ensure new neighbourhoods have timely access to reserves, parks, gardens, heritage places and natural assets. Maintaining local parks.
A proud, inclusive and safe community	A City of people leading happy and healthy lives	Continued investment in infrastructure assets.
A thriving and resilient natural environment	A City that preserves and Enhances its natural environment for future generations	Facilitating the provision of waste management and cleaning services that include kerbside waste, recycling and organics collection, street and footpath sweeping services, litter collection, graffiti removal and the operation of the Melton Recycling Facility. Maintenance of our parks, open spaces, trees, property, drainage and roads.

Table 8: Council's Goals and how these are addressed in this Plan

LEGISLATION	REQUIREMENT
Local Government Act 1989 Local Government Finance and reporting Regulations 2004	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by open space assets asset management plans for sustainable service delivery.
Building Act 1993 & Building Regulations 2006	The Act sets out the legal framework for the regulation of construction of recreation and open spaces and other structures, recreation and open space standards and maintenance of specific recreation and open space safety features in Victoria. The Regulations are derived from the Act and contain, amongst other things, the requirements relating to recreation and open space permits and recreation and open space inspections. The Regulations call up the Building Code of Australia (BCA) as a technical reference that must be complied with.
Heritage Act 1995	The main purposes of this Act are (a) to provide for the protection and conservation of places and objects of cultural heritage significance and the registration of such places and objects; and (b) to establish a Heritage Council; and (c) to establish a Victorian Heritage Register.
Building Code of Australia (BCA)	The goal of BCA is to enable the achievement of nationally consistent, minimum necessary standards of relevant, health, safety (including structural safety and safety from fire), amenity and sustainability objectives efficiently.
Planning and Environment Act 1987	Planning and Environment Act 1987. Sets of legislative requirements for planning and environmental concerns in new and upgrades areas. It allows for the impact of asset construction and growth and sets parameters to trigger Council activities/actions.
Environment Protection Act 1970	The purpose of this Act is to create a legislative framework for the protection of the environment in Victoria having regard to the principles of environmental protection.
Playground Australian Standard AS4685:2014	Sets out standards to ensure the fun yet safe activity of children using playground equipment
Disability Act (Vic) 2006	The Disability Act establishes a framework for providing support and services to people with disabilities throughout Victoria.
Occupational Health and Safety Regulations 2007	Outlines minimum actions to be taken to comply with OH&S Act. It explains plants such as Lifts, boilers maintenance, inspection and testing and WorkCover registration requirements.
Occupational Health and Safety Act 2004	Aims to secure the health, safety and welfare of people at work. It lays down general requirements that must be met at places of work in Victoria. The provisions of the Act cover every place of work in Victoria. The Act covers self-employed people as well as employees, employers, students, contractors and other visitors.
National Asset Management Framework Legislation 2010	Focuses on long term financial sustainability and provides a mandate to have long term strategy, financial statements and annual reporting mechanisms. AM plans are likely to be audited.

Table 9: Legislative and Strategic Requirements

How we engaged with our community

In February 2021, through the establishment of Council's first Community Panel people from a broad, representative range of social, economic, age, religious, and cultural backgrounds, shared what they loved about the City of Melton; what they felt needed improvement; and what their hopes for the future of our community were.

The result is a unique vision that captures the aspirations of our residents for what our municipality will become in the next 20 years, along with the principles to guide the development of the Asset Plan 2021-2031 (see *Asset Management Strategy* page 14).

The Community Panel ensured the community's voice was at the heart of Council's strategic planning and formed part of Council's deliberative engagement requirements under the *Local Government Act 2020*.

KEY PERFORMANCE MEASURE	LEVELS OF SERVICE	PERFORMANCE MEASURE
COMMUNITY LEVELS OF SERVICE		
Quality	Well maintained and suitable passive and active open space infrastructure assets.	Community Satisfaction Survey for the maintenance of parks and gardens. Customer requests relating to open space assets.
Quality	Parkland and open space assets are accessible, clean, presentable, appropriate and fit for purpose for users.	Community Satisfaction Survey for the provision of parks and gardens.
Quality	Sports grounds are suitable, accessible and appropriately maintained to an acceptable level.	Community Satisfaction Survey for sports grounds and associated facilities.
Quality	All playgrounds are appropriately maintained, clean, presentable, accessible, suitably equipped and fit for purpose.	Community Satisfaction Survey for provision and maintenance of playgrounds.
Quality	Availability and capacity of open space assets.	Closure due to poor maintenance.
Operations	Safe and healthy tree network.	Tree planting on parks and reserves across the municipality.
Safety	Provide safe and accessible public open space assets.	Internal audits, assessments and community feedback.
Function	Open space assets meet users' and program delivery needs.	Community Satisfaction Survey for the provision of parks and gardens.
Responsiveness	Response time to customer requests for open space related assets.	Reactive service requests completed within adopted timeframes.
Upgrade/New	Open space asset capacity and function match usage.	Open space upgrades and expansions are guided by Council strategies.
TECHNICAL LEVELS OF SERVICE		
Quality	Open space assets maintained to an acceptable level.	Lesser than 30% of the total network in condition above score 4 out of 5.
Quality	Maintenance works carried out efficiently and effectively i.e. fortnightly visitation cycle.	A measure of 95% conformance.
Condition	Condition assessment of open space assets every 3 years.	Overall Condition Index to be in condition 3 (out of 5) or better.

Table 10: Strategic Levels of Service - MCC Open Space Assets

Future
Demand

Demand Drivers

Drivers affecting demand include things such as population change, changes in demographics, technological changes, environmental awareness and new assets.

Demand Forecasts

The present position and projection for demand drivers due to population growth that may impact future service delivery can be found at the link below:

https://forecast.id.com.au/melton

Demand factor trends and impacts on service delivery are summarised in Table 12 below:

Changes in Technology

Council is continuously monitoring new asset treatments that may be available to increase the life of its assets. Table 12 details technology changes that are forecasted to affect the delivery of services covered by this plan.

These technological factors need to be assessed in determining the scoping requirements for maintenance works, renewal, upgrade and new open space projects. There will be changes to asset management technology, in particular the monitoring and data collection roles. These upgrades in technology may require consideration of modifications to service levels as and when appropriate.

[3] City of Melton – .idCommunity

DEMAND FACTOR	PRESENT POSITION	PROJECTION	IMPACT ON SERVICES
Population	172,017[3] in 2019 which is an increase of 8,095 from the previous year	485,061 by 2051, a 194.79% increase	Population growth will be mostly supported by green-field development, resulting in a greater number of gifted assets to Council. This will lead to increased use of public open spaces and therefore increased demand. It is also likely that increased demand can be attributed to reduction in private open space available to residents.
DEMOGRAPHIC Age group 0-4 years	12,396 in 2016	The largest 5 year age group in 2031 is 0 to 4 years, with a total of 24,340 persons.	Increased demand for community recreation and leisure facilities, eg parks and playgrounds.
DEMOGRAPHIC Age group 5-9 years	12,330 in 2016	Projected to increase to 24,029 in 2031	Demand for improved accessibility to reserves and recreational facilities, eg parks, playgrounds and sporting facilities.
DEMOGRAPHIC Age group 10-14 and 15-19 years	A total of 19,587 in 2016	Projected to increase to 43,463 in 2031	Demand for improved accessibility to reserves and recreational facilities, eg sporting facilities and parks.

Table 11: Demand Factors, Projections and Impact on Services

The Open Space Plan 2016 - 2026 has set the framework for the provision of open space and recreation services over the coming decade. The information is used to inform and guide investigation into the impact of changes in services expectations and new technologies will have on the management of open space assets. This flow-on investigation has been included in the improvement plan. Further details can be found in the link below:

https://www.melton.vic.gov.au/files/assets/public/council/publications/documentsreports strategies/plans/open-space-plan-background-report.pdf

Drivers affecting demand include population growth, changes in demographic, technological changes, environmental awareness and acquisition of new assets.

TECHNOLOGY CHANGE	EFFECT ON SERVICE DELIVERY
Solar Power	When installing new lighting or replacing existing lighting, these will be installed with solar power panels which will power the lights and reduce greenhouse gas emissions.
Asset Information System	Improved information systems for mapping, recording information and managing assets. Adjustment of the playground inspection regime to match the amount of public usage and fatigue on play equipment.
Material	Movement away from timber especially CCA treated products to materials with a longer asset life such as recycled plastic
Time Flow Tap Wear	Require additional funds to convert existing irrigation systems to this new system. By setting irrigation systems to time flow, will reduce evaporation and keep all playing fields and parks adequately irrigated.
Mobile Device Usage	The use of this technology is already in place for a range of purposes however will continue to be assessed to assist in service delivery efficiency.
Playgrounds	Playground standards have continually evolved over the past 20 years and are likely to follow and similar pattern in the future. New materials and concepts on the provision of these facilities will also continue to evolve.
Sportsfields	The impact of climate change has confirmed the need to look at drought resistant grasses and more sustainable maintenance methods on sporting fields.

Table 12: Changes in Technology and Forecast effect on Service Delivery

New Assets from Growth

Since the publication of the last OSAMP in 2014, Council's open space portfolio has expanded significantly with new asset additions. These additions are considered to have increased the replacement value of Council's open space portfolio in the vicinity of $33 million (allowing for CPI increases). This equates to a total annual increase in the order of $5.5 million over the past 6 years. Table 13 provides the quantum of asset increases in the open space asset portfolio over the last 6 years since 2014.

It is envisaged that over the next 10 years, there will be more major development and growth in the precinct structure plan areas of: Plumpton, Rockbank, Rockbank North, Toolern, Mt Atkinson and Kororoit, which will directly add new assets into Council's open space asset portfolio. Council approved precinct structure plans which have been incorporated into the Melton Planning Scheme can be found in the link below:

https://www.melton.vic.gov.au/Services/Building-Planning-Transport/Strategic-Planning/Precinct-Structure-Plans

Demand Management Plan

The demand for open space assets at MCC will increase proportionally with the predicted population growth and predicted demographic changes. This is also in line with the community expectation where sports grounds and associated facilities have scored high as a priority for increased services by Council.

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

Opportunities identified to date for demand management are shown in Table 14. Further opportunities will be developed in future revisions of this OSAMP.

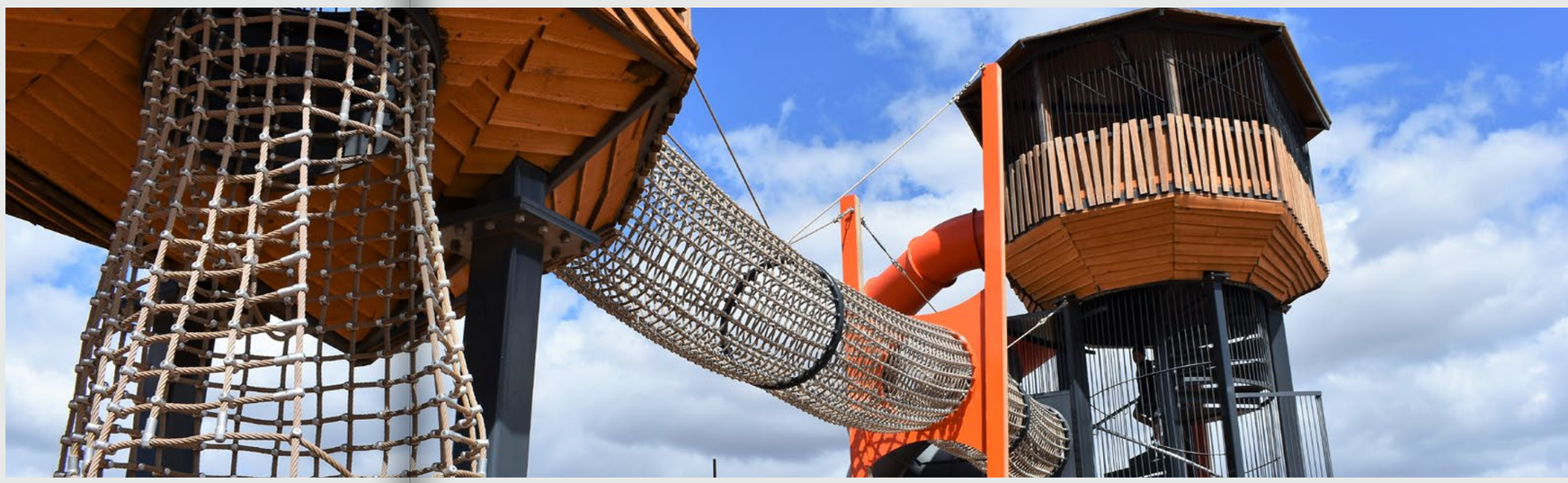
ASSET GROUP	2014 REPLACEMENT VALUE (MILLION)	2020 REPLACEMENT VALUE (MILLION)	INCREASED REPLACEMENT VALUE (MILLION)
Open Space	$35,057,384	$68,280,948.04	$33,223,564.04¶

Table 13: New Assets From Growth

SERVICE ACTIVITY	DEMAND MANAGEMENT PLAN
Provide pleasant and safe open spaces	Monitor and provide effective cleaning and maintenance services in high profile areas. Provision for unstructured recreational/leisure options that provide more flexibility than structured recreation. Revise maintenance service levels with community consultation to deliver pleasant and safe open space.
Planning scheme controls	Council is responsible for the local planning system. The Melton Planning Scheme identifies the long term direction for land use and development within the municipality. It provides the rationale for zones and overlays that automatically trigger development constraints in environmentally significant areas. It also provides for open space contributions when land development projects are undertaken.
Support sporting clubs	Sporting clubs can be supported to more effectively use sporting grounds to which they have access. There are opportunities for Council to continue to assist with timetabling of training sessions and matches between, and within, clubs to maximise the usage of all facilities while minimising the damage that can occur due to overuse.
Partnerships	Council engages with other authorities to maximise the facilities available for community use. It is considered important that Council continues to seek opportunities to share open space facilities with private landowners and other levels of government to maximise the number of sporting ovals, and other facilities available for public use. Care must be taken when developing partnership agreements to ensure that there are overall community benefits and responsibilities are clearly defined.
Community awareness	There are a number of ways Council can inform the community of passive and active open space available within the municipality. These include: • Improved signage to support walking and cycling through the network of open space sites; • Construction of missing pathways that link parks and other public spaces so that people can more easily move through the municipality; • Inclusion of information brochures with other correspondence provided to the community, such as rates notices, or the website.
Passive surveillance	It is generally accepted that community perceptions regarding the safety of a park have an impact on people's desire to visit. It is therefore important that Council seek to improve perceptions of the safety of open space sites. Opportunities for maximising passive surveillance should be actioned wherever possible. Clear lines of sight from roadways and adjoining properties can be maximised by removing visual obstructions such as solid fences or thick vegetation.
Leisure trends	The Open Space Plan 2016 - 2026 has identified that there is a perception that the existing open space network is limited in the choice of amenities it offers. To ensure the provision of a diverse, flexible and well-used open space network, Council requires an indicative embellishment list for each open space type. This list will be used by Council to guide the development of future parks and to avoid unnecessary like-for-like infrastructure replacement at the end of the asset's useful life, where diversity is needed.

Table 14: Demand Management Plan Summary

Risk Management **Planning**



Risk Management Plan

Council's Risk Management Policy sets the overall framework for addressing risk within the framework of ISO31000-2009. The elements of this framework are described as follows:

- **Risk Management Context:** Establishes the objectives, stakeholders, key issues and criteria against which risks will be evaluated;
- **Identify the Risk:** Identifies what risk events are likely to impact on assets and services;
- **Analyse the Risk**: Reviews the existing controls and then analyses the likelihood of an event occurring and the consequence of the event to determine the level of risk;
- **Assess the Risk:** Assesses and ranks the identified risks in a Risk Register;
- **Treat the Risks:** Identifies actions to reduce/control the risk.

Risks Assessment

Council has developed an asset hierarchy, giving higher importance to risk assessment and the appropriate levels of inspection and maintenance for each classification. A robust risk identification and management approach has the following anticipated benefits:

- A reduction in risk related events;
- Improved open space assets knowledge;
- Managers better understand and manage risk. That is, risk is articulated and the relationship of risk and an individual's accountabilities and responsibilities are more clearly understood;
- Improved open space performance such that services are not unexpectedly impacted by failure resulting in uncontrolled reactive maintenance works;
- Open Space assets remain in a fair condition for a longer period of time extending their economic life;
- Improved compliance levels;
- Improved financial and environmental sustainability via more strategic investment in open space asset management.

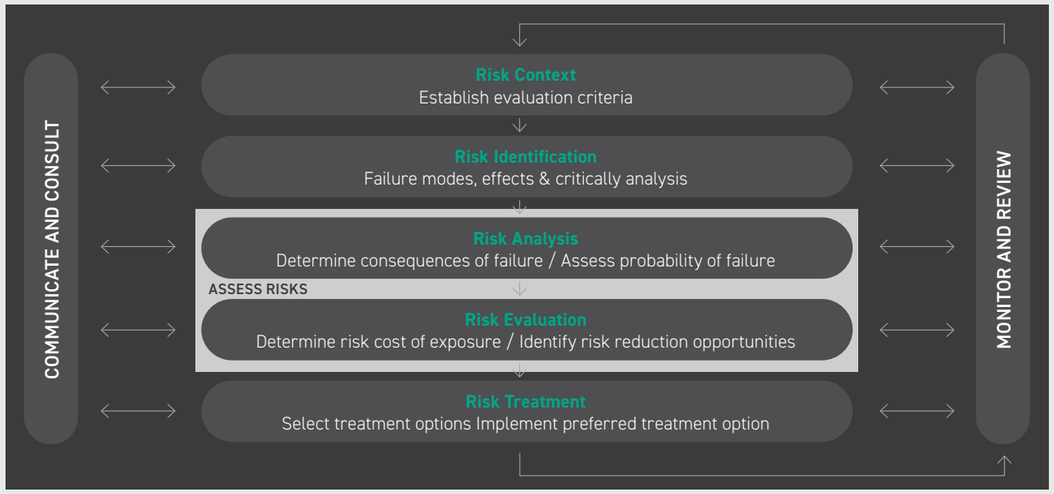


Figure 5: Risk Management Process, Source: ISO31000:2018, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring and the consequences should the risk event occur. Council's risk register is a high level document that covers all the key risks that Council is exposed to which can be found in the link below:

https://www.melton.vic.gov.au/Services/Building-Planning-Transport/Engineering/Asset-management

Table 15 summarises identified key open space risks.

Climate change and resource sustainability are environmental factors that will be considered as part of the risk assessment process. Risks associated with climate change and strategy are detailed under City of Melton Environmental Plan 2017-2027 which can be found in the link below:

https://www.melton.vic.gov.au/files/assets/public/services/environment-and-sustainability/environment-plan/environment-plan-2017-2027.pdf.

Open Space asset hierarchies help establish appropriate levels of service and risk management measures based on usage, where assets that are in higher demanded are inspected and maintained more frequently.

PRIMARY CONSEQUENCE	CAUSE	CURRENT CONTROLS
Reduction in open space service levels.	Funding shortfall from rate capping	Undertaking appropriate service planning for open space services to allocate available resources effectively and to plan for future demand. Develop and implement open space service standards with community involvement.
Open space assets no longer needed by the community.	Continued investment in infrastructure that is not fit for purpose.	Undertake service planning and service review to identify assets that require rationalisation. Carry out a desktop review and detailed investigation of assets that are identified as not being fit for purpose.
Increasing the likelihood of unexpected maintenance expenditure or asset failure resulting in service disruptions.	Inadequate management of unsafe assets.	Develop and revise both community and technical levels of service to manage and maintain open space services to an agreed standard. Undertake a rolling condition audit program in line with the review of the OSAMP to ensure updated asset data and accurate financial forecasting.
Failure to execute renewal works in a timely manner thereby creating a personal safety risk or premature loss of an asset	Lack of planning to develop and deliver the renewal program and delaying decisions to dispose of an open space asset or undertake renewal works.	Implementation of an ongoing condition audit program and subsequent preparation of renewal programs.
Provision of community infrastructure does not meet current day needs or operates as originally designed or intended	Failure to provide an appropriate amount of funding to renew Council assets in a sustainable manner to maintain the desired levels of service and support service provision. Deferral of asset renewal projects due to changing priorities. Surplus assets yet to be disposed of or retired.	Capital Works Program/ Long Term Financial Plan Asset Management Policy & Strategy
Open space facilities do not meet user or community expectations	Poor design or design is inconsistent with current guidelines, including disability access, energy and water efficiency, etc.	Project Implementation Plan (PIPs) Standard Drawings for Infrastructure / Access Design Guidelines / ESD Standards

Table 15: Council Open Space Risks

Asset
Funding Levels

Forecast 10-Year Funding

Funding for maintenance and renewal for all open space assets have been based on educated estimates provided by by the Operations & Maintenance Managers and Coordinators. However in order to optimise benefits from available resources and to allow for long term renewal funding plan, collaborative work between the Operations & Maintenance and the Asset Management & GIS Department team was undertaken. This enabled better integration of data and information to inform the long term renewal plan based on conditions.

The initial scope involved play equipment where the latest condition data was captured in April 2019. Therefore for the first generation of open space asset modelling only play equipment assets are modelled using current asset conditions to derive the renewal budget. The long term renewal funding projections for other open space asset categories, i.e. playing courts and fields, open space structures, open space furniture, playgrounds and irrigations, were derived based on the current year adopted renewal budget and a year on year 3% increase over a period of 10 years.

Table 16 provides the year on year proposed renewal budget for open space assets.

[4] Source: Projected using predictive modelling tool

[5] Source: Projected based on current year adopted budget based on pre allocated budget for the next three years, and on Predictor estimate for subsequent years.

[6] Source: Projected based on current year adopted budget and applied 3% per annum over a period of 10 years

ASSET CATEGORY	PLAY EQUIPMENT [4]	PLAYING COURTS AND FIELDS [5]	STRUCTURES [6]	TOTAL
2021	$193,051	$1,702,518	$268,041	$966,495
2022	$199,036	$1,253,890	$276,331	$996,145
2023	$204,600	$1,527,117	$284,877	$1,026,362
2024	$211,547	$1,263,620	$293,688	$1,058,724
2025	$218,311	$1,293,082	$302,771	$1,091,689
2026	$132,727	$1,316,915	$312,135	$1,033,117
2027	$158,142	$1,342,412	$321,789	$1,086,380
2028	$180,750	$1,372,126	$331,741	$1,137,696
2029	$246,476	$1,396,930	$342,001	$1,233,018
2030	$254,183	$1,426,411	$352,579	$1,271,237
Total	**$1,998,823**	**$13,895,021**	**$3,085,953**	**$18,979,797**

Table 16: Year on year asset funding level over a 10-year planning period

In addition, Council has allocated a total of $5.6 million over a 10-year period for open space ancillary assets. The breakdown was $2.3 million for open space furniture, $0.7 million for playground and $2.4 million for irrigation over a period of 10 years.

Building on the sucess of data and information integration for play equipment, Council will be rolling this to other asset categories. It is noted that Council has commissioned a condition audit on playing courts and fields this financial year with the intention of modelling the asset condition to drive the renewal program in the next financial year.

Figure 6 below displays the adopted budget spending and predicted average conditions for play equipment over the following ten years.

Estimated Funding

Council had considered multiple scenarios in the process of deriving a 10-year budget to be adopted in the Long Term Financial Plan (LTFP). The estimated capital expenditure on the renewal of open space asset portfolio over the next 10 years is $24.5 million.

The LTFP is based on a series of internal consultations on a range of budget vs service level scenarios. These scenarios include and are not limited to the following:

- Funding constraints
- Service level interventions
- Criticality based levels of service
- Political influences
- Community aspirations

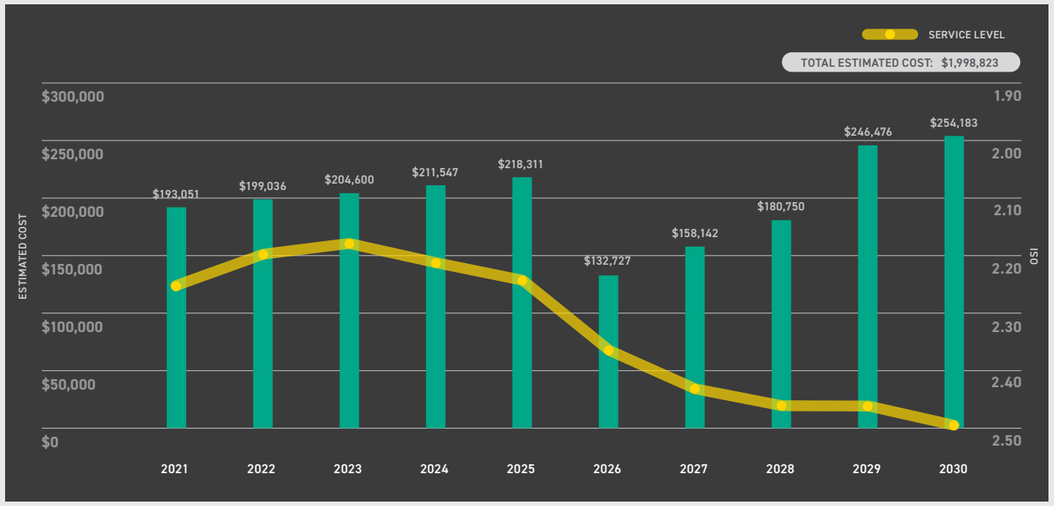


Figure 6: Forecast 10-Year Funding Analysis for Play Equipment

The adopted scenario is the committed funding and agreed by Council Executive Leadership Team (ELT) as the most affordable and equitable from the community perspective and based on comparatives with other asset groups. This is also in line with the LTFP required by Victorian regulation as well as the principles of Victorian Asset Management Accountability Framework (AMAF).

New open space assets and upgrades or expansion of existing assets are identified from various sources such as Councillor or community requests, proposals identified by strategic plans or partnerships with other neighbouring municipalities or organisations. Candidate proposals are governed by the Melton Open Space Plan 2016 – 2026 and Community Infrastructure Plan (CIP). These drivers will require annual review and the CIP outputs are progressively updated by Council's Community Infrastructure Planner. Further information on CIP can be found in the link below:

https://www.melton.vic.gov.au/Services/Building-Planning-Transport/Engineering/Infrastructure-planning

It must be recognised and clearly understood that new assets add to Council's total life-cycle expenditure and thus the whole of life costs including operations, maintenance and renewal must be accurately forecasted and included in the asset register for strategic modelling.

Financial Ratios

Asset management ratios provide insight into an organisation's performance and success in managing its assets. Council's asset management ratios for its asset portfolio calculated as at April 2019 have been reported in Table 17.

The definition and calculation of the ratios above are as follows:

Asset Sustainability

Definition: This ratio is an approximation of the extent to which assets managed by a local government are being replaced as these reach the end of their useful lives.

Calculation: Capital Renewal Expenditure divided by Depreciation Expense

Remaining Service Potential

Definition: This ratio seeks to highlight the aged condition of a local government's stock of physical assets. If a local government is responsibly maintaining and renewing/replacing its assets in accordance with a well prepared asset management plan, then the fact that the Asset Consumption Ratio may be relatively low and/or declining should not be cause for concern - providing it is operating sustainably.

Calculation: Written Down Value divided by Current Replacement Value

Asset Renewal Funding

Definition: This ratio indicates whether the local government has the financial capacity to fund asset renewal as required, and can continue to provide existing levels of services in future, without additional operating income; or reductions in operating expenses.

Calculation: Net Present Value (NPV) of planned capital Renewal expenditure divided by the Net present value of desired capital renewal expenditure

Average Annual Asset Consumption

Definition: This ratio indicates whether the local government has the financial capacity to fund asset renewal as required, and can continue to provide existing levels of services in future, without additional operating income; or reductions in operating expenses.

Calculation: Annual Depreciation divided by Depreciable Amount

[7] Whilst sustainability ratio is below industry target across all open space assets this is to be expected because the rate of depreciation is higher due to the fact that it is measured using straight line. The renewal expenditure on the other hand is projected based on levels of service and deemed as most affordable and equitable from the community perspective. Therefore the misalignment between these two where one is a finance driven measure and the other a community and lifecycle costing driven measure will result in this indicator being a somewhat less accurate sustainability indicator.

	ASSET SUSTAINABILITY[7]	REMAINING SERVICE POTENTIAL	ASSET RENEWAL FUNDING	AVERAGE ANNUAL ASSET CONSUMPTION
Industry Target	90%	>70%	>75%	0–3%
Council Score	65%	58%	100%	5%

Table 17: Asset Management Ratios

Funding Strategy

Projected expenditure identified in Table 16 is to be funded from Council's operating and capital budgets, loans and reserves and Federal and State Government grants. The funding strategy is detailed in Council's 10-year long term financial plan. The 10-year LTFP is a dynamic document in that it is reviewed and refined on a continual basis, to reflect as accurately as possible changes in financial circumstances.

The key assumptions made in presenting the information contained in this OSAMP and in preparing forecasts of required capital expenditure and asset values, depreciation expense and carrying amount estimates. It the to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this OSAMP are:

- The current levels of service will remain constant over the life of this OSAMP;
- The treatment and maintenance costs are based on Council's current schedule of rates and may not directly compare to Council's internal service provision actual costs;
- All predicted financial figures are based on current rates and are not adjusted by the inflation rate for the particular year of works;
- Continued use of current construction techniques and materials in alignment with current standards;
- Current maintenance funding levels are meeting service level requirements;
- Capital renewal is generally 'like for like' however mandated improvements are factored into replacement costs;
- Depreciation is in accordance with Council Policy;
- The proposed capital renewal program will be funded as per the scenario recommended.

The estimated funding required for the next 10 years is directly related to service level targets that aligns with Council mission:

"A Thriving Communities Where Everyone Belongs"

Plan Improvement **and Monitoring**

This section outlines how Council measures its asset management performance. The identified action items in Table 18 will enable Council to improve our asset management capability, to enhance asset value and deliver more for stakeholders while balancing cost, risk and performance.

AM Document Register

Refer to Table 19.

Improvement Plan

In the course of preparing this OSAMP, it has been identified that there is a need to further develop Council's asset management processes and practices in relation to its open space assets. The asset management improvement plan which is set out in Table 19 below details the key improvement tasks. Completion of these tasks will improve Council's asset management capabilities for the open space asset portfolio.

Monitoring and Review Procedures

This OSAMP will be reviewed during annual budget preparation and amended to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process. The OSAMP is a 10 year document, to be revised every 4 years. The revision will consider emerging trends, changing priorities and technological advances in asset management.

An asset management plan is a dynamic document, reflecting and responding to change over time. Monitoring of this open space asset management plan is required to:

- Ensure compliance with the proposed improvement program milestones;
- Ensure compliance with adopted standards and procedures for condition and performance.

DOCUMENTS	DOCUMENT LINK	ADOPTED DATE	PLANNED REVISION
AM Policy	https://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies	Jul-2018	Jul-2022
AM Strategy	https://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies	Feb-2020	Jul-2022

Table 18: AM Document Register

Performance Measures

The effectiveness of this OSAMP will be measured and monitored on the basis of annual strategic Council indicators as follows:

- The degree to which the required cash flows identified in this asset management plan are incorporated into Council's long-term financial planning process and works planning;
- The performance of Council against the Strategic Levels of Service documented in this OSAMP. Measuring the target levels and actual achievement levels; and
- The degree to which detailed works programs, budgets, business plans and organisational structures take into account the trends provided by the OSAMP;
- Performance against the Asset Management Ratios;
- The level of execution of the identified actions in the plan.

TASK NO	IMPROVEMENT TYPE	IMPROVEMENT ITEMS	RESPONSIBLE SERVICE UNIT	TIMELINE
1	Data Management	Review existing open space hierarchy and classification to ensure alignment with service planning. Also to enable easier management and reporting.	Engineering Services	Jul-2021
2	Data Management	Engage with users and service providers to ensure that information relating to capacity, functionality and fit for purpose from Council's Community Infrastructure Plan is used to inform renewal planning for Open Space.	Engineering Services Recreation & Youth Community Planning	Jun-2022
3	Data Management	Renewal programs on Playing Courts and Fields, Play Equipment and Open Space Structures to be driven by renewal modelling based on reliable and current information.	Engineering Services	Jul-2021
4	Data Management	Improve information in AMS for Open Space assets, based on gap analysis review on active recreation facilities.	Engineering Services	Jun-2022
5	Data Management	Integrated asset management and maintenance data.	Engineering Services	Jun-2023

Table 19: Improvement Plan

CITY OF MELTON

Melton Civic Centre
232 High Street, Melton
T 9747 7200

Melton Library and Learning Hub
31 McKenzie Street, Melton
T 9747 7200

Caroline Springs Library and Learning Hub
193 Caroline Springs Boulevard
Caroline Springs
T 9747 7200

melton.vic.gov.au