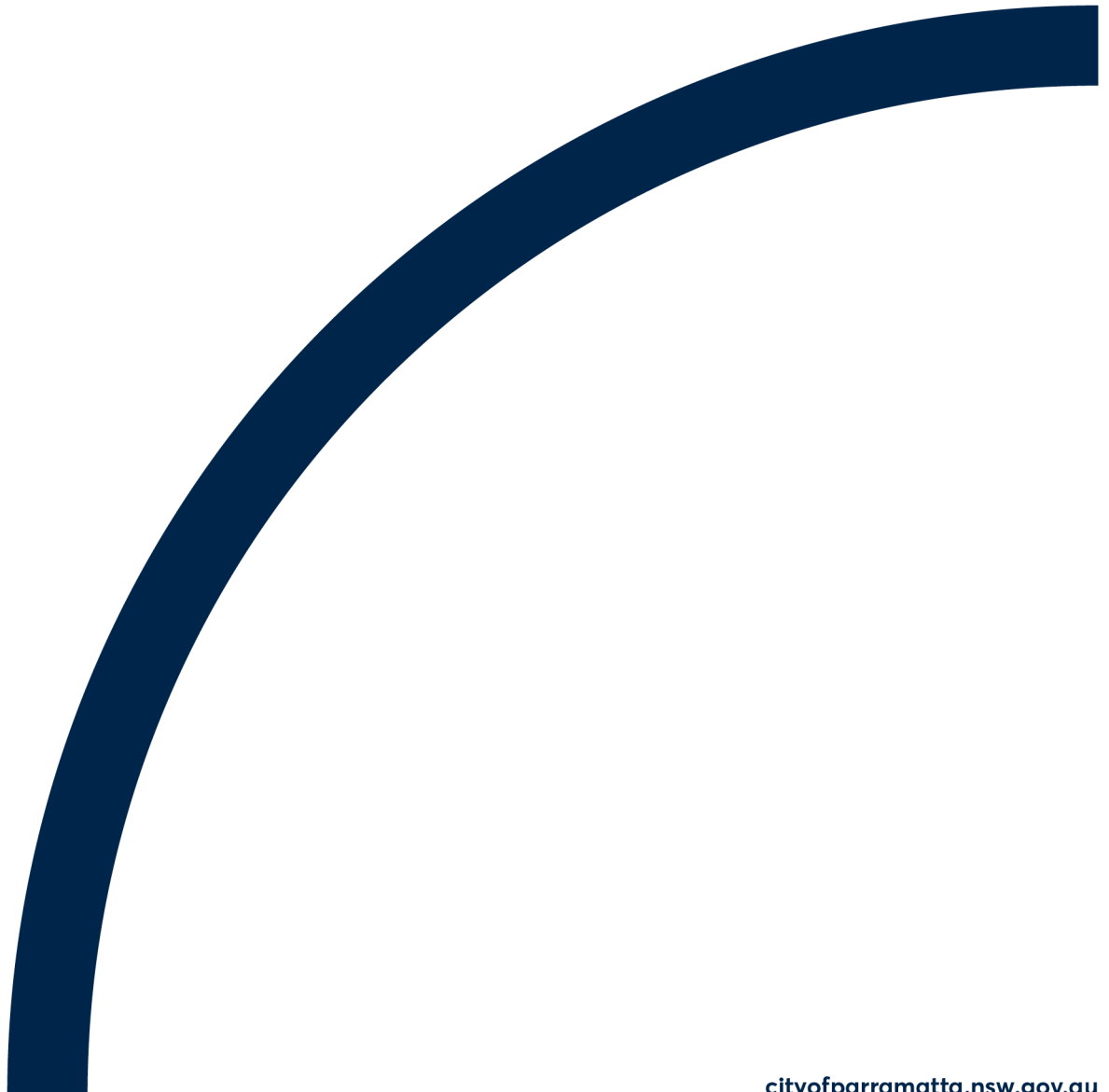


Asset Management Plan

Buildings Portfolio 2025-2034





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1. Definitions

Explanation of definitions and acronyms used in this plan.

Term/Acronym	Definition
AASB	Australian Accounting Standards Board
AM Strategy	Asset Management Strategy
AMSC	Asset Management Steering Committee
Backlog	<p>The quantum of assets that meet the levels of service reflected in the modelling rule base and hence due for a capital treatment, however, funding is not enough to treat these assets.</p> <p>The current hypothetical cost of recouping this backlog (i.e PDAMP funding required to bring every asset in condition state 5, Very Poor, back to a condition state 1, being Very Good) by immediate capital renewal</p>
CIS	Community Infrastructure Strategy 2018-2038
CSP	City of Parramatta Council Community Strategic Plan 2018-2038
Condition or Service State	The service state involves the use of a single integer between 1 and 5 to describe the ability of the asset in question to fulfill its function; where 1 is very good and 5 is very poor
ICT	Information and Communication Technology
IIMM	International Infrastructure Management Manual
ISO55000	55000 Series, International Suite of Asset Management Standards
LTFP	Long-Term Financial Plan (10 year)
Average Annual Lifecycle Cost	Total cost lifecycle scenario strategy. Calculation; Total Capital Cost over 10 Years + Total Maintenance & Operational Cost over 10 Years – Backlog Movement Over 10 Years.
Non-current assets	Physical and intangible infrastructure assets, including information and communication technology (ICT) assets, controlled by the organisation
BAMP or AMP	Building Asset Management Plan
SAM	Strategic Asset Management

1. Executive Summary

1.1. Purpose of this Plan

The purpose of this Asset Management Plan for the Buildings Portfolio is to inform the City of Parramatta Council (Council) commitment to best practice asset management and provide principles for sound asset investment decision making. The Plan extends to 10 years and the adopted financial model is based on deliberative internal assessment of multiple future scenarios to ensure that the Building Portfolio is maintained at desired long term service levels.

The Asset Management Plan (AMP) documents the overall integrated planning framework to guide and improve Council's long-term strategic management of its building assets in order to cater for the community's required levels of service into the future as detailed in Section 4. The AMP defines the state of Council's building assets as per the 2023/2024 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, with forecast 10-year capital renewal funding allocation.

This AMP is to be read in conjunction with Council's Asset Management Policy and Strategy.

1.2. Current State of Council's Assets

The value of the building assets covered by this AMP is estimated at \$483M with an additional \$168M in WIP (PAC, Townhall, 9 Wentworth), as at 30th June 2024 and is summarised in Table 1.

Replacement Cost	\$483,671,551
Accumulated Depreciation	\$86,279,721
Written Down Value	\$397,391,830
Annual Depreciation Expense	\$9,124,883
Work in Progress ¹	\$168,000,000

Table 1 - Financial Asset Register 30-12-23

Figure 1 provides a high-level overview of the current condition of all building assets within the City of Parramatta Council Local Government Area (LGA), that are owned and maintained by Council.

The condition score is a numerical score assigned to each asset to represent its current performance (i.e., where the asset is on its lifecycle path). Where 1 represents the best condition at the start of an assets life cycle and 5 represents an asset in poor condition, at the end of its life cycle as demonstrated in Figure 2.

Utilising modelling and simulation techniques, Council can simulate each asset's deterioration (the

¹ PAC \$88m, Town hall \$35m and 9 Wentworth Street \$45m

pattern of its movement from one condition state to another throughout its life cycle) to predict when assets are likely to fail and require future treatment intervention. Refer to the condition definitions and Table 2 Building Hierarchy Condition Intervention Point for Renewal.

1.3. Asset Funding Levels

The Financial Summary in this AMP recognises that Council has considered multiple modelling scenarios in the process of deriving its 10-year long-term financial budget, in line with the guiding principles of best practice asset management.

At present, based on the scenarios considered, Council has allocated funds through its Long-Term Financial Plan (LTFP), to maintain its building portfolio as follows:

Existing Assets	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Maintenance \$M	\$4.73	\$4.85	\$4.97	\$5.09	\$5.21	\$5.34	\$5.47	\$5.61	\$5.75	\$5.89
Operating \$M	\$17.38	\$15.79	\$16.21	\$16.25	\$16.64	\$17.40	\$17.46	\$17.88	\$18.67	\$19.12
Renewal \$M	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20

Table 3 - Asset Funding Levels

The total funding is deemed to be sufficient to enable the building portfolio to meet its current service levels through capital and maintenance activities.

The amount of new building assets being created during the LTFP will strain Councils financial resources which will need to be tested in the Asset Strategy and combined LTFP to determine if the financial Levels of Service are sustainable.

Further financial scenario details are provided in the **Error! Reference source not found.** Section. It is envisaged the financial projections will be continually monitored and improved as part of the ongoing management of the building portfolio.

1.4. Monitoring and Improvement Program

The improvement action items identified can be found in the Improvement Plan and Monitoring Section.

2. Leadership and Accountability

2.1. Organisational Context

LOCATION	The City of Parramatta covers 84km ² at the centre of metropolitan Sydney, 24km west of Sydney CBD
CONNECTION	Home to the Dharug peoples for more than 60,000 years Australia's oldest inland European settlement
HERITAGE	Parramatta Park is a World Heritage Listed site. More than 750 significant archaeological sites More than 50 State significant heritage sites.
ENVIRONMENT	105km of waterways including 88.2km (or 84%) of natural waterways. 863ha of green and open space including 389ha bushland and 64 sporting fields. 36.7% vegetation cover including 22.6% tree canopy cover. 600 unique species of flora and 230 unique species of fauna More than 11 days per year over 35°C An average of over 31 evenings and days per year experience heatwave conditions
POPULATION	256,729 in 2021 (3,056 people per km ²) 446,021 forecast for 2041 (5,310 people per km ²) Median age = 35 years (NSW = 39 years) 84% feel welcome living in our city
DWELLINGS	92,109 occupied dwellings in 2021 188,447 dwellings forecasted for 2041 40.5% residents live in a flat or apartment.

DIVERSITY	<p>53.3% of residents were born overseas</p> <p>56.4% speak a language other than English at home</p> <p>12.4% Mandarin</p> <p>6.4% Cantonese</p> <p>5.5% Korean</p>	
EDUCATION & EMPLOYMENT	<p>36.1% of residents hold a bachelor's degree or higher</p> <p>97.6% employment rate in June 2023</p> <p>23.6% of residents work within the LGA</p> <p>Median household income = \$2,051 per week (NSW = \$1,829)</p>	
VULNERABLE COMMUNITIES	<p>13.1% of households 'low income', earning < \$650 per week</p> <p>15.6% of households are in housing stress</p> <p>4.1% of people require assistance with daily living activities</p> <p>16.5% of residents report they do not speak English well</p>	
ECONOMY	<p>2.3 million people live within a 45-minute commute to the Parramatta CBD</p> <p>Gross Regional Product = \$28.21 billion</p> <p>168,019 people work in the City of Parramatta</p> <p>31,600 jobs created in the past 5 years.</p> <p>More than 30,591 businesses call Parramatta home.</p> <p>23.4% vacancy in Parramatta's A-grade premium commercial office buildings</p>	
NEW BUILDINGS IN PERIOD	<p>PHIVE Community Hub</p> <p>Parramatta Aquatic Centre PAC</p> <p>Upgraded Parramatta Town Hall</p> <p>9 Wentworth Street Offices</p>	<p>\$136M</p> <p>\$88M</p> <p>\$38M</p> <p>\$45M</p>
EXISTING PORTFOLIO	<p>8 Affordable Housing Apartments</p> <p>31 Amenities Buildings in Parks</p> <p>5 Amenities Building not in Parks</p> <p>2 Aquatic Centres (Pools)</p> <p>4 Multi-Level Commercial Car Parking Buildings</p> <p>4 Commercial Buildings</p>	<p>\$5.6M</p> <p>\$7.4M</p> <p>\$0.9M</p> <p>\$93.5M</p> <p>\$63.3M</p> <p>\$2.2M</p>

21	Community Centre Buildings	\$56.9M
1	Community Hub (PHIVE)	\$136.1M
1	Council Office	\$45.1M
1	Council Depot	\$18.4M
9	Early Childhood Education	\$12.6M
1	Emergency Services (SES)	\$55K
11	Scout & Girl Guide Halls	\$4.8M
5	Health Medical Centres	\$3.6M
13	Leased Sports Facilities	\$13.3M
4	Libraries (Neighbourhood)	\$9.3M
2	Parramatta Square Building Structures	\$6.8M
70	Sports Pavilions/Clubhouses	\$48.6M
3	Theatres, Performance & Cultural Spaces	\$35.4M

As the largest city centre in Greater Western Sydney, Parramatta is building on its strengths as a hub of economic activity, essential services, natural assets, culture and creativity. The City of Parramatta is one of the fastest growing regions in Australia. Between 2018 and 2038, City of Parramatta will welcome more than 166,000 new residents and 33,000 new workers to our City and neighbourhoods.

Parramatta is also the geographic and demographic centre of Sydney – accessible to 2.3 million people by car or public transport within 45 minutes, and home to communities with a rich array of cultural backgrounds. With increasing government services, corporations and private enterprise all relocating into the Parramatta CBD, the geographic importance of Parramatta has never been more certain.

Our central location and diverse culture provide a unique stage for Australia’s growing economy and attracting global talent. Accordingly, our City is increasingly recognised as a leading destination for business, education, research, art and culture, dining, nature and heritage experiences.

Despite our many strengths, Parramatta is also working hard to manage the challenges that accompany growth - including housing, transport, health, urban planning and our growing workforce. City of Parramatta Council is focused on supporting our communities through these challenges, so that everyone in our community can reach their full potential. Council continues to advocate to State and Federal governments for improved funding and services, to ensure all who live in and visit Parramatta get a good deal from the change occurring in our region.

Over the next five years, \$20 billion will be invested into City of Parramatta’s infrastructure and development, giving rise to unprecedented development across our area and creating a diverse and rich experience for workers, residents, students and visitors. Together with partners, Council is setting long-term plans for the provision of infrastructure and green spaces that will support our suburbs and neighbourhoods as they transform into higher density living, so that all people can access the facilities and services they need to live well. By building these considerations into our

planning, we can make our City more liveable for our community today, and for future generations. As Sydney's Central City, Parramatta has an important role to play in shifting investment, jobs growth and prosperity westward. Positioned at the heart of Greater Sydney, the success of City of Parramatta will benefit not just those living within the City of Parramatta, but all of Greater Sydney. As more people and industries discover the advantages our region can provide, the City of Parramatta will continue to play an important role for generations to come.

2.2. Roles and Responsibilities

Responsibility, authority and accountability for all stages of the asset lifecycle are clearly defined and allocated within an organisation.

The 'Responsibility Matrix' below identifies which Business Unit / Officer within Council is responsible for which asset management function to provide clearer accountability.

The Roles and Responsibilities Framework is provided below:

OWNER	Owns the Strategy and ensures Asset is maintained to the appropriate standards.	Council
OPERATOR	Provide a service to the community and represents the customer or user's needs	Varies
OCCUPANT	Uses and occupies asset	Varies
MAINTENANCE	Provide a service delivery role for maintaining of all councils' buildings.	Varies
FACILITY MAINTENANCE	Building (HVAC, Utilities, Security) and Operating Equipment & Loose Fit out, seats, roof etc	Council

Table 4 - Roles and Responsibilities

2.3. Strategic and Corporate Goals Alignment

This AMP has been prepared to demonstrate responsive management of assets (and services provided from these building assets), compliance with regulatory requirements, and to communicate funding required to provide the defined levels of service.

Council's Asset Management Policy adopted in 2017, guides the management of Council's assets.

The AMP is to be read with Council's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- Community Strategic Plan 2018-2038
- Resourcing Strategy 2023/24

This AMP is prepared and aligned with 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. As the owner of the building assets, Council will oversee its management to ensure ongoing prioritisation of community values. There are two guiding documents;

1. Community Strategic Plan 2018-2038
2. Parramatta Place Vision

2.4. Alignment with the Community Strategic Plan

CSP Goal	Strategies to achieve Goal	How Goals are in the Plan
<p>Fair</p> <p>We can all benefit from the opportunities the City offers</p>	<p>Invest in services and facilities for our growing population.</p> <p>Support people to live active and healthy lives.</p> <p>Deliver effective, responsible and ethical decision-making, reflective of community needs and aspirations</p>	<p>Provide fit-for-purpose and cost-effective infrastructure that meets community needs.</p> <p>Enable provision of infrastructure to enable healthy lifestyles, for example aquatic facilities, indoor sporting facilities and building infrastructure to support outdoor sporting facilities.</p> <p>Engage the community on levels of service and test satisfaction.</p>
<p>Accessible</p> <p>We can all get to where we want to go.</p>	<p>Design our City so that it is usable by people of all ages and abilities.</p> <p>Make our City more enjoyable and safer for walking and accessing facilities.</p>	<p>Council's infrastructure provides places to walk, ride and drive, and meeting points for the community.</p> <p>DDA compliance improvement of Council's Buildings.</p>
<p>Green</p> <p>We care for and enjoy our environment</p>	<p>Protect and enhance our natural environment.</p> <p>Prepare for and lessen the impacts of extreme weather events.</p>	<p>Promote ecologically sustainable development, meeting the needs of the present without compromising the ability of future generations to meet their own needs.</p> <p>Support conservation and enhancement of the City's environment, and promote energy, water and waste efficiencies.</p> <p>Help to manage the impact of planned and unplanned events on existing assets.</p>
<p>Thriving</p> <p>We benefit from having</p>	<p>Plan and deliver a vibrant, attractive and safe CBD and</p>	<p>Facilitate and support the growth of our City, businesses and community through the provision</p>

CSP Goal	Strategies to achieve Goal	How Goals are in the Plan
a thriving CBD and local centres	local centres.	of infrastructure.
<p>Welcoming</p> <p>We celebrate culture and diversity – past, present, and future.</p>	<p>Recognise that Parramatta has always been a gathering place, and our diversity is our strength.</p>	<p>Provide and advocate for facilities that are inclusive, enabling people and communities to connect.</p> <p>Provide for renewal of heritage buildings.</p>
<p>Innovative</p> <p>We collaborate and champion new ideas to create a better future</p>	<p>Embrace technology, creativity and innovation to solve complex problems and improve our City.</p> <p>Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community</p>	<p>Improve our knowledge management to ensure appropriate data is accessible and supports asset management activities.</p> <p>Keep Council accountable, responsible, and sustainable when planning our future infrastructure needs.</p> <p>Ensure asset management drives Council strategy for asset creation, use, management, maintenance, renewal, rationalisation and disposal of assets through strong integration with Council policies and strategies, levels of service, and Council's Long Term Financial Plan.</p> <p>Provide risk management and decision-making frameworks.</p>

Table 5 - Community Strategic Plan Alignment

2.5. Alignment with Parramatta Place Vision

Community Vision Statement:

Sydney's Central City: sustainable, liveable and productive – inspired by our communities.

Parramatta Property Vision:

Parramatta always was, and always will be, a gathering place. A place for inspiration, discovery, and connection – the world's gateway to the fascinating mosaic that is Parramatta.

The buildings portfolio has been collaboratively generated and reflects Council's many strategic

aims that guide its work on behalf of the community. Four (4) guiding principles have been defined to help the City of Parramatta achieve its objective with respect to the public buildings and surrounding domain. The guiding principles are:

Principle 1	Where Everyone feels welcome: our buildings are the City's Open Door.
Principle 2	Where we connect, collaborate, and celebrate: our buildings are Global Sydney's gathering place.
Principle 3	Where Parramatta's story is dynamically represented: our past, our present, and our future.
Principle 4	Where the public is proud of their buildings: they are impeccably clean, maintained and functional

The following Tables highlights the Place Plan Principles and Objectives relevant to this Asset Management Plan and the Community Strategic Plan 2018-2038 and how they plan to be addressed:

Principle	Objectives	How Goals are in Plan
Where Everyone feels welcome: it is the City's Open Door	Everyone feels safe within the buildings and public domain at all times of the day and night.	Provision of shared buildings and public areas that are fit for use and purpose, accessible, safe and well maintained. The technical and community levels of service in Section 4.5 address how we measure this.
	Residents and visitors use the buildings and public domain for their work, study and recreation.	Needs recognised and reflected in future Service Frameworks. Assets required for these services are reflected in the modelling of this AMP. Provision of Wi-Fi for public use, wireless charging pads and GPOs
Where we connect, collaborate, and celebrate: our buildings are Global Sydney's gathering place.	Buildings are activated at least 16 hours per day and made available for leasing, booking or short-term arrangements.	Provision of infrastructure that is fit for use and purpose, accessible, safe and well maintained. The technical and community levels of service in section 4.5 address how we measure this.
Where Parramatta's	Experimentation, trials and pilot	Precinct activation plan and

Principle	Objectives	How Goals are in Plan
story is dynamically represented: our past, our present, and our future	programs are encouraged in the buildings if aligned with building and public domain principles.	community engagement strategy. This engagement includes deliberative engagement for monitoring technical and community service levels.
	Technological assets improve the way we work, study, play and explore.	Provision of infrastructure that is fit for use and purpose, accessible, safe and well maintained. The technical and community levels of service in Section 4.5 address how we measure this.
	Facility Management and Building Operations meet and showcase best practice sustainability outcomes.	Incorporating climate adaptability into future strategic asset modelling to simulate climate impact analysis for decision making. We address this by attaching a future climate risk score to each asset based on its location, use and material.
	Activities and experiences are representative the diversity of Western Sydney, including Dharug and diverse migrant cultures.	Through the scenario-based planning in this AMP, Council intends to engage with the community in deliberative engagement for active decision making.
Where the public is proud of their buildings: they are impeccably clean, maintained and functional.	Spills, litter and other issues detracting from a user's place experience are addressed quickly.	Conduct regulatory functions in accordance with legislative requirements.
	Damaged or broken assets are repaired in a timely manner.	Provision of 10-year capital improvement programs to reduce asset renewal gap and to ensure that assets are fit for the purpose they were intended for including demographic and population demands of the future. The introduction of simulation modelling techniques will ensure that asset works programs are optimised as opposed to ad-hoc or fix when fail.

Principle	Objectives	How Goals are in Plan
	Best practice environmentally sustainable waste management solutions are used.	Environmentally sensitive design, renewal and asset acquisition criteria developed in future Service Frameworks.
	The public have appropriate access to public amenities, including toilets.	Needs recognised and reflected in future Service Frameworks.

Table 6 - Place Plan Objectives relevant to this AMP

2.6. Plan Framework

Key elements of the plan are:

State of the Assets	What is covered by this plan?
Level of Services	What Service is delivered by this plan?
Asset Performance	How is it currently performing and projected to perform?
Risk Management	What are the associated risks and how do we plan to control them?
Lifecycle Management	How do we plan to manage these assets to deliver the required services?
Financial Summary	What will it cost, and can we afford it?
AM Practices & Performances	How do we plan to improve?

2.7. Community Engagement

The buildings asset management plan is prepared to facilitate community engagement, to incorporate community consultation on service levels and affordability of providing the services. This plan will assist Council and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

Specialised Community Engagement for the Building Portfolio is scheduled to commence June 2024. The Community Engagement will be in accordance with Councils [City of Parramatta Community Engagement Strategy \(2022-24\)](#) which follows the International Association of Public

Participation Spectrum process of:

Inform

Consult

Involve

Collaborate

Empower

This version of the Buildings Asset Management Plan is at the Inform and Consult stage with stakeholder involvement activity commencing internally to align with the Parramatta 2050 Strategy building needs and then leading to future deliberative consultation with Counsellors and then with the residents in the 24/25 Financial Year.

2.8. Asset Accounting and Valuation

One of the requirements of NSW Office or Local Government reporting is accounting for building assets which provide a service to the community. Councils are expected to report on the annual depreciation that best reflects the pattern in which the future economic benefits are being consumed.

With circa \$650M of Buildings identified in the Parramatta Local Government Areas five wards, with an annual depreciation figure of \$4M the quantification of such assets in this Plan are fundamental to this compliance.

Valuation of building asset portfolio occurs every 5th year on a rolling program. The next full condition assessment and Valuation is scheduled to be completed June 2024 and will be undertaken so that the carrying amount Policy of assets does not differ materially from a fair value calculation at reporting date, in accordance with Council's Asset Management.

Replacement Cost	Accumulated Depreciation	Annual Depreciation Expense
\$650,671,551 ²	\$86,279,721	\$9,124,883

Valuation of Council's building assets (non-current assets) for the purposes of Accounting Compliance (Fair Value) will be undertaken in accordance with the Australian Accounting Standards which include:

- AASB13 Fair Value Measurement
- AASB116 Property Plant and Equipment
- AASB5 Assets Held for Sale
- AASB136 Impairment

² Includes new assets that will be capitalised 30-June-2024. PAC, Town Hall, 9 Wentworth Street circa \$167M

3. State of Assets

3.1. Service Description

Parramatta's building portfolio assets, represent a significant investment by Council and are of vital importance to providing its residents and visitors with quality services. In recent times, the City's building assets has been identified as being more valued by communities, with increasing proportions of people using their local buildings for fitness, gathering, community engagement, education, health services, social interaction childcare and fitness.

The way people use Council's building portfolio and facilities will continue to change over time for individual and small group activities, social cohesion and connection, health and wellbeing, and for informal recreation and access to community.

Parramatta have identified the culture, heritage and identity of Parramatta in the building assets in PHIVE, PAC and Town Hall and highlights interpretation as a priority for people to share and experience Parramatta's culture and to develop a connection to the place and its people. The buildings interpretation of Parramatta's cultural meanings, sense of place, archaeology and heritage has an important role in creating place, preserving cultural memory, education and city identity.

As the responsible authority for the provision and maintenance of the building portfolio, Council recognises the need to ensure the management of the valuable building asset portfolio, to ensure that the current and future benefit to the community is delivered at a cost that the community can afford.

“PHIVE, PAC, Town Hall, 9 Wentworth Street Office, Wentworth Point Library & Community Centre and the refurbished Riverside Centre are considered to be high-profile building assets, that need to be managed to provide a high level of service or “very good” standard over the next 30 years”.

The Buildings Asset Management Plan has been prepared to facilitate community engagement, to incorporate community consultation on service levels and affordability of providing the service. This will assist Council and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

3.2. Building Hierarchy

The City of Parramatta Council is increasingly getting more complex building assets, the portfolio has doubled in value in two years and is expected to double again, these new building assets provide a wide range of services. Council anticipates that all buildings will have varying usage, occupancy, community impact, user vulnerability, service impact, financial impact and

cultural/heritage significance asset.

To guide maintenance and capital project decisions Council uses a building hierarchy which groups buildings of a similar level of importance and priority. The building hierarchy scheme uses a series of indicators and scores each building.

To ensure that appropriate management, engineering standards and planning practices are applied to Council's building assets, a hierarchy system has been applied in accordance with the International Infrastructure Management Manual and based on the asset's function. This enables a more efficient use of resources, by allocating increased funding to those assets that are in higher demand.

The building's hierarchy is rated on a scale of 1 (highest) and 4 (lowest) and is based on a building's usage, occupancy levels, community impact, user vulnerability, service impact, financial impact and building significance (Cultural and/or heritage). The table below sets out typical characteristics of buildings in each Hierarchy Level.

Level of Hierarchy	Typical characteristics of a building
1	Buildings that are intensively used 5-7 days per week. Buildings that provide services to the entire municipality and surrounding areas. Building that are notable for cultural or heritage reasons.
2	Buildings that are heavily used 5 days per week. Buildings that provide services to suburbs or regions within the municipality.
3	Buildings that are moderately used or not used daily. Buildings that provide services to local communities.
4	Buildings that are used on an ad hoc basis for small numbers of occupants. Buildings that are usually unoccupied. Buildings that are redundant or programmed for disposal or demolition.

Table 7 - City of Parramatta Council Buildings Hierarchy

Council has documented a level of service framework that classifies the building assets into different levels based on the current function and criticality of the individual asset.

The table below provides a summary of these hierarchies as it applies to the building assets.

Asset	Level of Service	Definition
Parks Buildings City Assets & Operations	High	Identifies high order assets that require a high level of service
	Medium	Identifies medium order assets that require a moderate level of service

Asset	Level of Service	Definition
	Low	Identifies low order assets that require a lower level of service
Community Buildings Community Services	High	Identifies high order assets that require a high level of service
	Medium	Identifies medium order assets that require a moderate level of service
	Low	Identifies low order assets that require a lower level of service
Commercial & Operational Finance & Investment	High	Identifies high order assets that require a high level of service
	Medium	Identifies medium order assets that require a moderate level of service
	Low	Identifies low order assets that require a lower level of service

Table 8 - Asset Class - Levels of Service

Council carried out a detailed consultation process 2016 with building owners, operators, occupants, and maintainers within Council to identify each building's individual hierarchy in respect to the overall portfolio.

A summary of the assessment is contained below:

Asset Category	Total	Hierarchy 1	Hierarchy 2	Hierarchy 3	Hierarchy 4
Parks Buildings City Assets & Operations	106 \$56.9M	0	36	70	0
Community Buildings Community Services	5 \$337.4M	5	0	0	0
Commercial & Operational Finance & Investment	78 \$256.4M	6	39	27	6
TOTAL	189	11	75	97	6

Table 9 - Building Hierarchy by Building Category Summary

3.3. Assets Covered by this Plan

1. Community Services

#	Building Classification/Type	CRC \$M
1	Community Hub and Library (PHIVE)	\$136.1M
2	Aquatic Centres (Pools)	\$93.5M
1	Parramatta Town Hall	\$40.0M
3	Theatres (Riverside), Performance & Cultural Spaces	\$35.4M
1	Wentworth Point Community Centre and Library	\$33.0M
		\$337.4M

2. City Assets and Operations

#	Building Classification/Type	CRC \$M
70	Sports Pavilions/Clubhouses	\$48.6M
31	Amenities Buildings in Parks	\$7.4M
5	Amenities Building not in Parks	\$0.9M
		\$56.9M

3. Finance & Investment

#	Building Classification/Type	CRC \$M
1	Council Office	\$89.1M
4	Multi-Level Car Parking Buildings	\$63.3M
20	Community Centre Buildings	\$56.9M
1	Depot Rydalmere Operation Centre ROC	\$18.4M
13	Leased Sports Facilities	\$13.3M
9	Early Childhood Education	\$12.6M
4	Libraries (Neighbourhood)	\$9.3M
2	Parramatta Square Building Structures	\$6.8M
8	Affordable Housing Apartments	\$5.6M
11	Scout & Girl Guide Halls	\$4.8M
4	Commercial Buildings	\$2.2M
5	Health Medical Centres	\$3.6M

1	Emergency Services (SES)	\$55K
		\$256.4M

A detailed list of all the above building assets for which Council has included in this Buildings Asset Management Plan are recorded in Council's Financial Asset Register.

3.4. Assets Excluded from this Plan

This Plan excludes 'Other Structures' being generally structures that do not have walls such as BBQ shelters, Wayfinding Structures and other Buildings leased by Council.

3.5. Services Provided by these Assets

1. Community Service oriented Buildings

#	Building Classification/Type	CRC \$M
1	Community Hub and Library (PHIVE)	\$136.1M
2	Aquatic Centres (Pools)	\$93.5M
20	Community Centre Buildings	\$56.9M
70	Sports Pavilions/Clubhouses	\$48.6M
1	Parramatta Town Hall	\$40.0M
3	Theatres (Riverside), Performance & Cultural Spaces	\$35.4M
1	Wentworth Point Community Centre and Library	\$33.0M
9	Early Childhood Education	\$12.6M
4	Libraries (Neighbourhood)	\$9.3M
11	Scout & Girl Guide Halls	\$4.8M
5	Health Medical Centres	\$3.6M
	Total	\$416.9M

2. Income producing assets within Building Portfolio

Income Source	#	Current Income \$ p.a.	Potential Income \$ p.a.
Car Parking	3	\$9,000,000	\$14,000,000
9 Wentworth Street (leased or vacant)	1	\$0	\$500,000
Community Centres (Booking System)	70	\$1,343,818	\$1,343,818
Casual & Seasonal Sports Facilities	20	\$410,956	\$410,956
Tennis Building		\$241,000	\$241,000
Air Space and Billboards	9	\$1,289,179	\$1,289,179
Telecommunication	10	\$329,193	\$329,193
Retail	14	\$269,062	\$632,920
Early Childhood Education	7	\$260,883	\$625,276
Other	17	\$204,336	\$209,112
Infrastructure	12	\$189,558	\$189,558
Affordable Housing Apartments	8	\$150,809	\$204,880
Sports Club	3	\$106,610	\$245,360
Community Halls and Services	10	\$35,931	\$97,835
Residential	1	\$27,114	\$27,114
Tennis Clubs	4	\$22,472	\$242,000
Scouts & Girl Guides Buildings	10	\$1,147	\$100,000
Health Medical Centres	6	\$157	\$130,000
Bridge Street Granville	5	\$-	\$352,245
Total		\$13,882,225	\$21,170,446

3. Operational

#	Building Classification/Type	CRC \$M
1	Head Office 9 Wentworth Street (\$64 million Purchase)	\$89.1M
2	Depot Rydalmere Operations Centre ROC Building	\$18.4M
	Total	\$107.5M

3.6. Current State of the Assets

The City of Parramatta Council had a stable portfolio of building assets of circa \$327M value post Council amalgamation 2017 to 2023. In late 2022 a significant amount of new Condition 1 building assets were added as part of the Parramatta Square development and surrounding assets;

- PHIVE \$136M and Wentworth Point Library and Community Centre \$26M
- 9 Wentworth Street building purchase \$45M and \$44M of upgrade
- Town Hall had a \$35M upgrade; and the

PAC Swimming Pool \$88M replacing the Parramatta Pool closed to allow for the new Commonwealth Bank Parramatta Stadium.

	Non-Specialised	Specialised	Swimming Pools
Pre-2023	\$286.1M	\$39.6M	\$1.6M
Post- 2023	\$347.3M	\$213.6M	\$89.0M
Change %	18%	81%	98%

Table 10 - Building Asset Growth by Classification

Condition Scoring

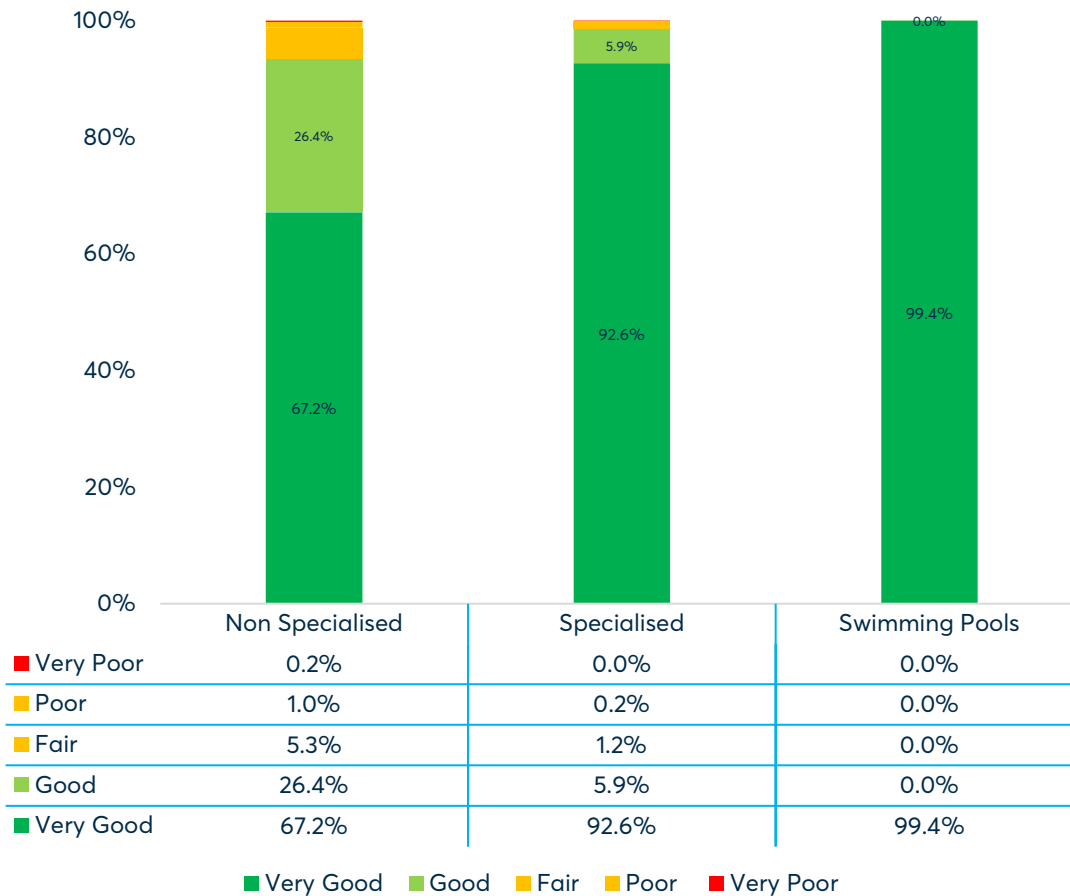


Figure 3 - Current State of Building Assets

3.7. Current Replacement Cost

The value of the building assets covered by this Asset Management Plan is estimated at \$650M with an additional business as usual Work in Progress as at 30th June 2024. The break-up of the asset classification by replacement value is illustrated in the Table below.

Replacement Cost	Accumulated Depreciation	Annual Depreciation Expense
\$650,671,551 ³	\$86,279,721	\$9,124,883

It is noted for the purpose of this Buildings Asset Management Plan that depreciation is a measure of accounting for consumption based on an accounting estimate of useful life and is used for Council's financial reporting. In terms of determining future funding, depreciation is seldom used. Modern practice focuses on sustainability-based analysis of asset service level (long term financial plans based on strategic lifecycle modelling & scenarios). This Plan is based on such modern practice as recommended by IPWEA (Institute of Public Works Engineering) and IIMM (International Infrastructure Management Manual), whereby renewal modelling and forecasting informs the

³ Includes new assets that will be capitalised 30-June-2024. PAC, Town Hall, 9 Wentworth Street circa \$167M

development of useful lives for financial reporting and valuation and depreciation calculations.

3.8. Asset Information Management

All information pertaining to asset type and function, location, constructed year and condition of these building assets are recorded and stored in Council’s Financial Asset Register which is a module of the Finance System. At the time of preparing this AMP, it is estimated that Council’s Financial Asset Register is 100% complete with regards to the Building list and around 98% up to date with the asset’s classification, componentisation and condition rating.⁴

The Improvement Plan identifies actions to further enhance and improve Council’s Financial Asset Register information, by collecting and maintaining additional asset attribute details such as hierarchy, materials and asset quantities.

3.9. Current Asset Performance

The following table provides a high-level overview of the current condition of all building assets owned and maintained by Council. The condition state is a numerical score assigned to each asset to represent its current performance (i.e. where is the asset on its life cycle path), with condition 1 representing an excellent condition (start of life cycle) and condition 5 representing a very poor condition (towards end-of-life cycle).

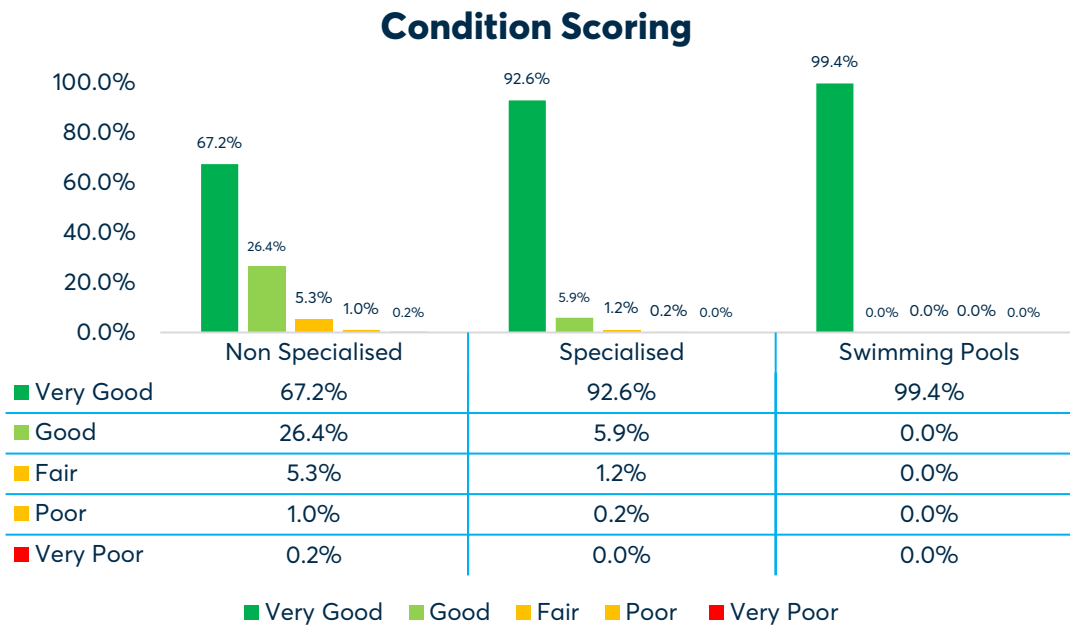


Figure 4 - Condition Rating of Current Building Assets

⁴ Condition and Valuation of Building Portfolio due for 3 yearly refreshes to be completed in June 2024

Existing Building Portfolio &- impact of new Assets

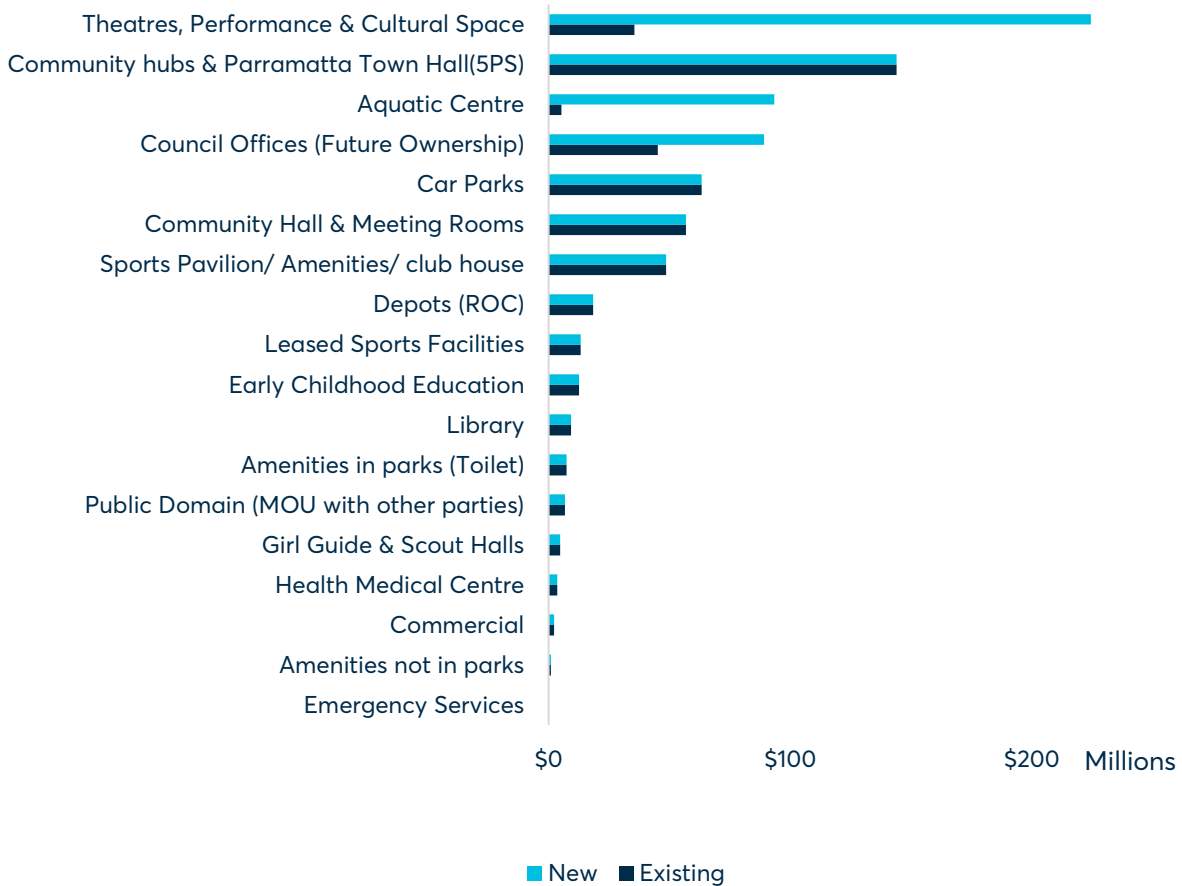


Figure 5 - Building Portfolio Asset Values

Council's building assets are estimated to be in good condition as shown above, with 99% in very good condition, this average is impacted because Council has added \$167M of new condition assets this year and \$137M the year before. The average network portfolio condition is 1 out of 5. It should be noted that buildings costs are mainly made up of expensive and long life assets (60% of CRC) such as deep basements, concrete structures and complex substructures and those assets in Poor Very Poor are assets that short useful lives like carpet, lights and fixture and fittings.

Changing patterns of use and demand with differing maintenance practices and techniques will result in a complex portfolio of building assets in varying conditions as time goes by. The focus of this building asset management plan is optimising the future expenditure, so we keep assets in PVP at lowest possible level over 10 years.

3.10. Condition Assessment

Council has formally documented a detailed building asset condition assessment manual that is used to assess the building portfolio asset network condition. The Framework provides further information on the methodology for rating and assessing the condition/performance of these assets.

Typically, network wide condition assessments are undertaken on a three-to-five-year cycle

(coinciding with the financial revaluations) and used to identify where building assets are within their defined useful lives at any given point in time. A condition audit covering 100% of the building assets will be carried out in April and completed in June 2024.

The condition rating system is summarised in the Figure below – Asset Condition Rating Guidelines.

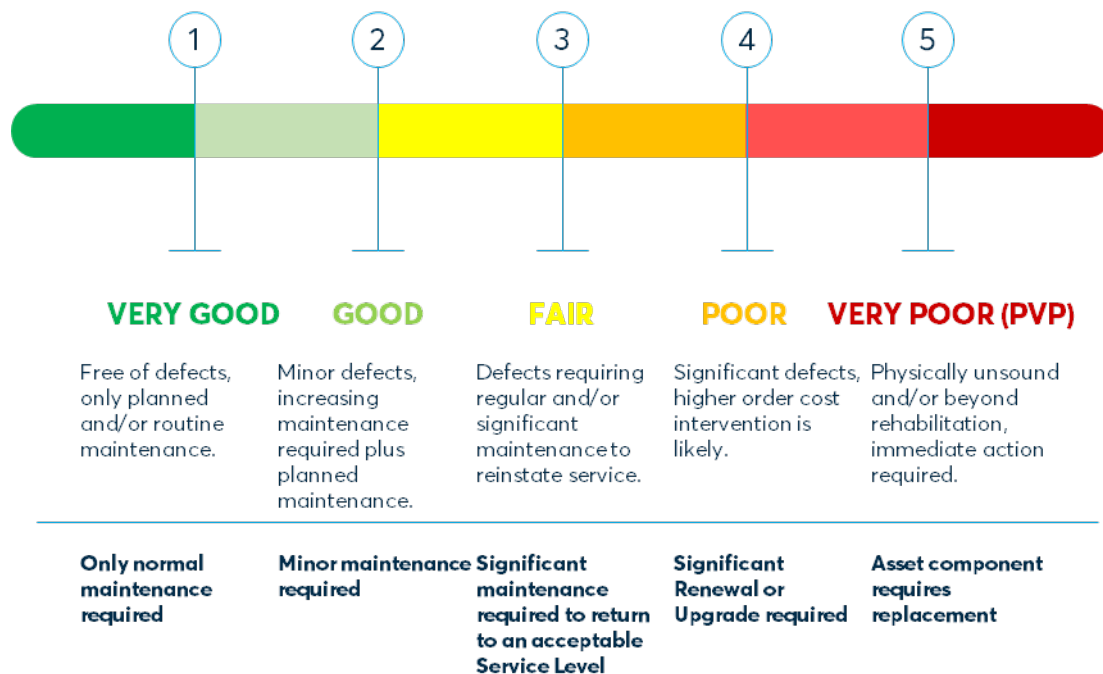


Figure 6 - Asset Condition Rating Guidelines

Assets with known deficiencies in service performance are detailed in the table below. This is renewal program is the 2024/2025 Capital Renewal Plan for the 'Existing' building assets. The newer asset start requiring capital renewal of short life assets in the following years.

2024/25 – Buildings Capital Renewal Program				
Ward	Building Address	Building Name	Project description	Budget (D&C)
Community Buildings Capital Renewal Program				\$2,210,000
North Rocks	9 Baden Powell Place, North Rocks	North Rocks Girl Guides	Install concrete ramp, balustrades, and handrails. Replace non-conforming glass. Renew Floor Covering	\$200,000
North Rocks	9 Baden Powell Place North Rocks	1 st North rocks Scout hall	Remedial high pressure water jetting of rear storm water services and re-shaping of land. Access Audit recommendations: D2; Paint doorways in contrasting colours D3; Install crash bars to exit door. D6; Rectify exit signage Ceiling renewal	\$115,000

2024/25 – Buildings Capital Renewal Program

Ward	Building Address	Building Name	Project description	Budget (D&C)
Rosehill	Burnett Street Mays Hill	Jones Park Community Centre	Roof renewal	\$150,000
Epping	9 Oxford Street, Epping	Epping Community Centre - School of Arts	Design documentation for BCA Compliance upgrade in line with BCA report Trim D060800786 Architect, Fire engineer, Mechanical Engineer, Electrical Engineer, Hydraulics Engineer, Structural Engineer, Heritage consultant	\$300,000
Epping	15X Ward Street Epping	West Epping Park Community Centre	Repairs and improvements of external areas of the building	\$50,000
Parramatta	47 Hassall Street Parramatta	Hambledon cottage Coach House	Change all internal lighting to Low watt LED Renew timber floor in meeting room Heritage report required State heritage	\$20,000
Parramatta	41 Fyall Ave, Wentworthville	Reg Byrne Community Centre	Building refurbish	\$220,000
Rosehill	15X Ward Street Epping	West Epping (YMCA)	External works to Balcony Replacing of lighting to LED throughout building Renew/Upgrade accessible car parking space	\$100,000
Rosehill	Burnett Street Mays Hill	Jones Park Croquet club building	Engineer investigation into foundation footings and external walls – (Cracking of external masonry walls)	\$20,000
Rosehill	Burnett Street Mays Hill	Jones Park Croquet club building	Roof & gutter renewal	\$150,000
Rosehill	8 River Road Ermington	Ermington Community Centre	Roof and gutter renewal	\$200,000
North Rocks	385Z North Rocks Rd Carlingford	North Rocks senior Citizen's centre	Internal & External Refurbishment	\$260,000
Dundas	316 Victoria Rd Rydalmere	Rydalmere Operations Centre (Animal Pound)	External Clean down, prepare and paint all previously painted surfaces. Repair sagging, ceiling, lining. Ground Clean down, prepare and paint all previously painted surfaces.	\$100,000

2024/25 – Buildings Capital Renewal Program				
Ward	Building Address	Building Name	Project description	Budget (D&C)
			Repair blistering or bubbling.	
Parramatta	18A Marion Street Parramatta	Jubilee Park Community Centre	Access Upgrade Council resolution Remove small stage and make good floor, Sand and finish entire floor	\$75,000
Rosehill	11 Albion Street Harris park	Harris Park Community Centre	External Improvement Works	\$150,000
Dundas	17A Cowells Lane Ermington	Cowells Lane Ermington workshop	Paint Renewal	\$100,000
Libraries Capital Renewal Program				\$270,000
Dundas	21 Stuart Street Telopea	Dundas Library	External refurbish – Painting and gutters	\$120,000
Epping	17 Lloyds Avenue Carlingford	Carlingford library	Floor covering renewal	\$150,000
Child Care Centres Capital Renewal Program				\$220,000
Parramatta	18A Marion Street Parramatta	Jubilee Early learning Centre	Floor covering renewal	\$100,000
Parramatta	18A Marion Street Parramatta	Jubilee Early learning Centre	Kitchen renewal	\$60,000
North Rocks	21Z Farnell Avenue Carlingford	North Rocks Childcare centre	External area Path, soft fall and stormwater renewal	\$60,000
Multilevel Carpark Renewal Program				\$200,000
Rosehill	15 Wentworth Street Parramatta	Station Carpark	Stairwell renewal, paint, Epoxy, and new slip resistance to fire stair wells.	\$100,000
Parramatta	4-14 Hunter Street Parramatta	Justice street carpark	Renewal accessibility toilets	\$100,000
Tennis courts and pavilion building Renewal				\$900,000
Parramatta	197 Binalong Road, Old Toongabbie	Binalong Park Tennis Kiosk	Northern Pergola. Install mesh under translucent roof sheet. Renew epoxy flooring to Changerooms. Tennis Courts Resurfacing.	\$120,000
Parramatta	62A Redbank Road Northmead	Arthur Phillip Park Pavilion	Awning replacement & roof and gutter renewal	\$200,000
North Rocks	Ixion Street Winston Hills	Timbergetters Reserve- Tennis	Lighting upgrade	\$60,000

2024/25 – Buildings Capital Renewal Program				
Ward	Building Address	Building Name	Project description	Budget (D&C)
		Courts		
Epping	Alexander Street Dundas Valley	Sir Thomas Mitchell Reserve Pavilion	Refurbishment	\$260,000
Rosehill	20B Spurway Street Ermington	Ermington Town Centre Public Toilets	Installation of Access Control to automate the operation of the public toilets so that a daily lock and unlock service through a security company would no longer be required.	\$15,000
North Rocks	17B Lloyds Avenue Carlingford	Lloyds Avenue Public Toilets	Installation of Access Control to automate the operation of the public toilets Provide grabrails to existing WC Provisions for accessible cubicle Update signage Access report – D07012491	\$45,000
Epping	33 Dunrossil Avenue, Carlingford	Dunrossil Park Tennis Courts	Tennis Court resurfacing	100,000
Rosehill	1 Ella Street Rydalmere	Eric Primrose Reserve Pavilion	External Paint renewal	\$50,000
North Rocks	21 Huxley Drive Winston Hills	John Curtain Reserve Pavilion	Renewal floor	\$50,000

Table 11 - 2024/25 Building Assets Renewal Program

4. Level of Service

4.1. Customer Research and Expectations

Council undertakes an annual community satisfaction survey⁵ to understand how satisfied the residents and business are with Council's performance across key areas of Council. In 2020, 66% of respondents indicated that they are 'satisfied or very satisfied' with the 'Maintenance of community halls and centres' and 'public places'.

To understand and identify community priorities for the building asset portfolio and identify the community's overall level of satisfaction, the City of Parramatta Council undertook a comprehensive community consultation exercise in February 2018, prior to COVID19, on the condition of its infrastructure assets as part of the development of the Community Strategic Plan and Resourcing Strategy to direct future investment in the activation, management and the future needs of the buildings.

Council conducted a two-stage quantitative and qualitative community engagement program: Quantitative engagement: Telephone survey with an initial 455 residents, followed by 300 re-contact interviews after participants had received and reviewed an asset information pack: and a Qualitative engagement with five different workshops/focus groups made up of internal and external stakeholders and community focus groups. The results are listed in the table below.

Asset	Usage % used regularly/occasionally	Acceptable Standard % good condition	Investment % need more investment
Parks Amenities (Toilets)	37%	48%	64%
Community facilities and buildings	42%	44%	57%
Major town centres	64%	61%	56%
Park and Sports Buildings	72%	58%	55%
Parramatta CBD	52%	65%	53%

Table 12 - Results from Community Consultation regarding building assets

These results are pre COVID19 and the delivery of PHIVE, PAC, Town Hall, Wentworth Point Library and Community Centre, announcement of Riverside Theatre redevelopment and several subsequent building improvements therefore in 2024 Council have budgeted⁶ to undertake a comprehensive customer research of Councils building portfolio to specially test and develop the buildings customer experience and expectations and to reset the Levels of Service for each asset hierarchy for the various groups.

⁵ Micromex Research, 2020, Community Satisfaction – 2020 Wave

⁶ Post comprehensive buildings condition assessment and valuation and delivery of the interactive digital dashboard for stakeholders use

4.2. Social Infrastructure Planning

A service centric approach starts with determining what services are needed, and then connecting assets to those services. At Parramatta, assets need to be in the most appropriate locations for future community use, they are functionally adequate for future demographics and consider demand and Council's vision. It also ensures that there is a clear prioritisation of capital and maintenance based on criticality of the service and considers repurposing, redundancy or relocation of services when balancing future budgets.

In 2018, Council published their Community Infrastructure Strategy (CIS)⁷, which outlines the City of Parramatta's long-term direction for community infrastructure and social infrastructure provision. The CIS is used by the City of Parramatta to identify priorities for future community infrastructure and guides decision making about planning, funding, delivering and negotiating for community infrastructure.

Buildings Assets required in the CIS to meet Community Infrastructure Needs	Total Cost Total Building Cost \$M	Annualised Cost \$M/yr, over 10 Year
New Community Space	\$219.6M	\$21.9M
New Library Space	\$131.0M	\$13.1M
New Indoor Recreation Space	\$82.0M	\$8.2M
New Sports Buildings (Pavilions)	\$62.0M	\$6.2M
New Parks Buildings (Amenities)	\$23.5M	\$2.35M

Table 13 - Community Infrastructure Strategy 2018-38 Building Asset Needs

The CIS identified that Council aspires to continue to deliver increased and improved community spaces and social infrastructure to meet growth and change, and to maintain, where possible, prioritised delivery of community infrastructure based on community need, available funding and opportunities arising. It aims to ensure that its community can lead a healthy lifestyle and be socially connected and resilient.

City of Parramatta Council has commenced a 'Parramatta 2050 Strategy' project which are currently a 'Parramatta 2050' – our vision for the future City of Parramatta, with an outlook to 2050 and beyond.

Parramatta 2050 will be the City of Parramatta's long-term vision document which will guide the City's future and advocate for its global recognition. Parramatta 2050 will build on what previous community research, consultation and engagement have told Council, what we've learnt from the development of the recent 10-year strategies across Council, and it will also help guide our review of the Community Strategic Plan in 2024.

⁷ Community Infrastructure Strategy 2018-2038

Parramatta 2050 goals that impact the Building Portfolio will need to be built into future versions of this Building Asset Management Plan.

4.3. Key Stakeholders

The Building Portfolio Assets that are controlled by Council are utilised by a broad cross-section of businesses, commuters, and the local community. It is critical that assets are maintained and renewed based on needs and fit for purpose.

The table below identifies stakeholders where consultation is necessary when Council seeks input in relation to the determination of Levels of Service and intervention levels relevant to the Building Portfolio assets.

Stakeholder Group	Role or Involvement
Internal Stakeholders	
Elected Council	Custodian of the asset, with Councillors representing the residents and setting strategic direction as per the Corporate & Operational Plans.
Executive Team	To ensure that the Asset Management Policy and Strategy are being implemented as adopted, and to ensure that long-term financial needs to sustain the assets for the services they deliver are advised to Council for its strategic & financial planning processes.
Asset Operators	As the designated Strategic Custodian of building assets, responsible for the overall operation of the buildings and overseeing standards and funding of cleansing, maintenance, events, activation, regulation, security, marketing and stakeholder relationships.
Asset Planning Team	Maintaining Council's asset registers and performing strategic predictive modelling analysis works to inform Council's Long Term Financial Plans and Capital Works Program. Responsible for coordinating the development and implementation of asset management processes, GIS support, administration and frameworks within the Council.
Finance Team	Ensuring that the asset valuations are accurate. Development of supporting policies such as capitalisation and depreciation. Preparation of asset sustainability and financial reports incorporating asset depreciation in compliance with current Australian accounting standards.
Information Technology Managers	To ensure that the relevant IT systems are functioning and that any data within the systems are secure, and its integrity is not compromised.
Risk Managers	To ensure that risk management practices are conducted as per

	Council Policy and assist operations managers with advice on risk issues.
Internal Auditors	To ensure that appropriate policy practices are carried out and to advise and assist in improvements
External Stakeholders	
Community	General users of the various building assets.
Strata Owners Committees	Landowner Committee for a growing number of Strata buildings which Council is occupying (Wentworth Point, Uhrig Street etc). Consulted on major issues relating to management operation of Councils stratum within the building strata and its ongoing funding.
Ground Lessors	PAC, SES Buildings and other building Stakeholder groups comprising key landowners that are focussed on delivering projects relating to connectivity, sustainability, customer experience and promotions and activations.
Maintenance Personnel (contractors)	To ensure provision of the required/agreed level of maintenance services for assets.
Utility Service Providers	Agencies that provide utility services such as electricity, gas, water, sewerage and telecommunications necessary to facilitate services.
State & Federal Government Depts	Periodic provision of advice, instruction and support funding to assist with management of the parks and sporting grounds.
Council's Insurer	Insurance and risk management issues.

4.4. Legislative Requirements

There are many legislative requirements relating to the management of Council building assets. Council will ensure compliance with any Legislative requirements that impact the delivery of Council's building assets. A number have been outlined in the Table below.

Legislation	Requirement
Local Government Act 1993	<p>Sets out the role, purpose, responsibilities and powers of local governments. The purposes of this Act are as follows:</p> <p>(a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales,</p> <p>(b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales,</p> <p>(c) to encourage and assist the effective participation of local</p>

Legislation	Requirement
	<p>communities in the affairs of local government,</p> <p>(d) to give councils:</p> <ul style="list-style-type: none"> • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public • the responsibility for administering some regulatory systems under this Act • a role in the management, improvement and development of the resources of their areas, <p>(e) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.</p> <p>The land management provisions of the Act require that Council prepare plans of management for all community land. The plan of management identifies the management objectives for the land category, performance indicators and performance measures to meet the objectives identified.</p>
Local Government Amendment (Planning and Reporting) Act 2009	Local Government Amendment (Planning and Reporting) Act 2009 includes the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery.
Local Government Amendment (Community Land Management) Act 1998	Sets out provisions for the classification and management of community land (parks and reserves) including the preparation of community land plans of management.
Disability Discriminations Act, 1992	The Disability Act establishes a framework for providing support and services to people with disabilities throughout New South Wales.
Roads Act 1993	<p>Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road and provides for the classification of roads. It also provides for declaration of the RTA and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RTA and other roads authorities. Finally, it provides for distribution of functions conferred by this Act between the RTA and other roads authorities, and regulates the carrying out of various activities on public roads.</p> <p>This act applies to a small number of parks located on road closures or other road land.</p>

Legislation	Requirement
Work Health & Safety Act 2011	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.
Environmental Planning and Assessment Act 1979	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Environmental Protection Act 1994	This act sets out requirements with respect to environmental protection.
Public Works and Procurement Act 1912	Sets out the role of Council in the planning and construction of new assets.
Heritage Act 1977	Provides for the protection and conservation of places and objects of cultural heritage significance and the registration of such places and objects.
Development Control Plans	The primary purpose of a Development Control Plan (DCP) is to guide development according to the aims of the corresponding Local Environmental Plan (LEP).
Local Environmental Plan	The LEP is a legal document that provides controls and guidelines for development in an area. It determines what can be built, where it can be built, and what activities can occur on land.
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects the council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.
Contaminated Lands Management Act 1997	This Act and related regulations set out requirements for the management and remediation of contaminated lands.
Threatened Species Conservation Act 1995	This Act sets out provisions for the assessment and protection of threatened species populations and ecological communities of animals and plants.
Plant Protection Act 1989	This act sets out requirements with respect to Flora Protection.
Electrical Safety Act 2002	This act sets out the installation, reporting and safe use with electricity
Plumbing and Drainage Act 2002	This act sets out requirements with respect to Plumbing Requirements

Legislation	Requirement
Building Act 1993 & Building Regulations 2018	The Act sets out the legal framework for the regulation of construction of buildings, building standards and maintenance of specific building safety.
Building Code of Australia (BCA)	A uniform set of technical provisions for the design and construction of buildings and other structures. This code has direct relevance for building maintenance, renewals and upgrades.

The following is a list of Council policies relevant to building assets. Many of these policies are available from Council's website.

- Asset Management Policy
- Building Compliance Policy
- Business Ethics Policy
- City of Parramatta Governance Framework
- Enterprise Risk Management Policy
- Equal Access Play Facilities Policy
- Legislative Compliance Policy
- Work Health and Safety Policy

Regulations, Standards & Guideline requirements that impact the delivery of Council's building services are outlined below.

Regulation / Standard / Guide	Requirement
Integrated Planning and Reporting (IP&R) framework	<p>All councils in NSW are required to work within the IP&R framework to guide their planning and reporting activities.</p> <p>IP&R provides a pathway for elected representatives to:</p> <ul style="list-style-type: none"> - work directly with their community to identify long-term priorities for local identity, growth and lifestyle; - understand the range of services the community wants, the service standards they expect and the infrastructure that will be required; - report to the community on their success in achieving these goals; and - be assured that their council is meeting planning, consulting and reporting requirements under other laws.
ISO 55000 Suite,	The International Organization for Standardization's <i>ISO 55000:2014</i>

Regulation / Standard / Guide	Requirement
2014	<p><i>Asset Management</i> (ISO 55000) provides a global guide to better practice in asset management, including asset information management.</p> <p>ISO 55000 specifies that entities should align information requirements to asset management needs and risks, along with requirements for collecting, managing, evaluating, and ensuring consistency and availability of information for asset management decision-making.</p>
<p>Australian Accounting Standards Board (AASB)</p>	<p>Provides direction and guidance on the financial and reporting expectations of entities, to ensure a consistent approach to accounting records. The following regulations apply to Council:</p> <p>AASB 116 Parks and Sporting Grounds, Plant & Equipment – prescribes requirements for recognition and depreciation of Parks and Sporting Grounds, plant and equipment assets.</p> <p>AASB 136 Impairment of Assets – aims to ensure that assets are carried at amounts that are not more than their recoverable amounts.</p> <p>AASB 1021 Depreciation of Non-Current Assets – specifies how depreciation is to be calculated.</p> <p>AAS 1001 Accounting Policies – specifies the policies that an organisation is to have for recognition of assets and depreciation.</p> <p>AASB 1041 Accounting for the reduction of Non-Current Assets – specifies the frequency and basis of calculating depreciation and revaluation basis used for assets; and</p> <p>AAS 1015 Accounting for the acquisition of assets – method of allocating the value to new assets on acquisition.</p>
All other relevant Australian Standards	AS/NZ Standards such as Risk Management Standard.
All Local Laws and relevant policies of the Organisation	Construction standards, Maintenance contracts, etc.
International Infrastructure Management Manual, Sixth Edition, IPWEA, V6.0, 2020	The IIMM has been developed with public and private sector industry input from Australia, New Zealand, the United States Canada, South Africa and the United Kingdom to promote best asset management practice for all infrastructure assets.

Table 14 - Regulations & Standards Relevant to Management of Building Assets

4.5. Level of Service

It is considered that this building asset management plan has improved the level of sophistication in the documentation of the levels of service that will be delivered by Council's building assets. The levels of service delivered by Council have been documented considering the expectations of Council's residents/users and visitors to the buildings.

This has required a clear understanding of customer needs, expectations and preferences that will be explored in this Section and continually reviewed and updated as required in future building asset management plan iterations.

The levels of service defined are intended:

- to inform community and Council of the proposed type and level of service to be offered.
- to enable community and Council to assess suitability, affordability and equity of the services offered.
- to measure the effectiveness of the services provided by Council.
- to identify the costs and benefits of the services offered.

Council's defined levels of service that have been adopted because of this AMP, are tabulated in the table below as follows:

Level of Service	Description
Community	Driven by deliberative Community engagement
Strategic	Driven by Strategic analysis, balancing cost, risk and performance against community outcomes
Operational	Driven by planned / scheduled technical/operational levels of service; and
Maintenance	Driven by reactive technical/maintenance levels of service

Table 15 - Defined Level of Service

Levels of Service detailed table.

Service Measure (Level of Service)	Community (Level of Service)	Strategic (Level of Service)	Operational (Level of Service)	Maintenance (Level of Service)
Safety (Risk)	Perception of safety for residents. safe > 80% (based on satisfaction survey)	<1% assets with high or very high-risk rating	Operational SLA's (based on business processes) are met >90% of time	All urgent repairs 'made safe' immediately

Service Measure (Level of Service)	Community (Level of Service)	Strategic (Level of Service)	Operational (Level of Service)	Maintenance (Level of Service)
Reliability	Buildings are accessible and reliable 95% of the time for high hierarchy assets	Measured by intervention levels: High Hierarchy LoS intervention at <u>Condition 3</u> Medium Hierarchy LoS intervention at <u>Condition 4</u> Low Hierarchy LoS intervention at <u>Condition 5</u>	Asset remains operational 95% of time	Maintenance SLA's (based on business processes) met >90% of time
Responsiveness	Responsive to customer requests, Service Request's responded to within SLA's 90% of the time	% of budgeted required capital funding i.e. required budget vs allocated in LTFP		
Comfort	Less than 5% in poor or very poor condition (PVP) at end of model period i.e. 10years	Renewal works undertaken within 1 years of their deemed intervention date, 90% of the time	> 90% of all cyclic/ planned / preventative maintenance carried out on time	> 80% of all requests adequately responded to within target.
	Ambience in building space	Average Customer Voice Score Satisfied		
Climate Adaptation	Perception of Climate Change responsiveness % Satisfaction	>90% Climate adapted Infrastructure Climate resilient infrastructure requirements are met		

Table 16 - Level of Service

4. Community Levels of Service

Community Levels of Service are what Council expects to provide in terms of key customer outcomes based on perceptions of expected quality and future financial allocations, for example:

- Appropriateness of service.
- Accessibility to users 24 hours a day, 7 days a week.
- Affordability – acknowledging that Council can only deliver what it can afford.
- Relevance of the service being provided – in terms of demand characteristics, future demographics, current backlogs and where the pressure points are.

5. Operational Levels of Service

Operational Levels of Service are what Council will do in real terms, i.e. reliability, functionality and adequacy of the services provided. Typically, this AMP has documented Council's standards – i.e. at what point will Council repair, renew or upgrade to meet the customer outcomes listed in the strategic levels.

Operational levels of services are also referred within Council as Technical Levels of Service, and have been defined for each of the following:

New Asset	If Council provides new building space assets like PAC and PHIVE, then what design and maintainability standards shall apply to make them meet Council's strategic outcomes
Upgraded or Reconstructed Asset to original standard	If Council upgrades or reconstructs building space assets like Parramatta Town Hall, what design and maintainability standards shall apply to make them meet Council's strategic outcomes
Maintenance	When will Council intervene with a maintenance repair and what will be Council's responsiveness in terms of customer requests for maintenance faults

6. Maintenance Levels of Service

For the Levels of Service delivered on a day-to-day nature (i.e., responding to customer requests for maintenance faults), Council has listed guidelines containing intervention.

It details the following:

1. The task or work expected to be undertaken, e.g. repair trip hazards.
2. The schedule of inspections to be undertaken of specified matters at specified intervals.
3. The circumstances under which intervention action is to be taken with respect to repair or maintenance needs for defects reported or found on inspection;
4. The priority to be given to intervention level;
5. The type of priority intervention action that will be carried out;

6. Provision, as far as practicable, for the unpredictable, i.e. emergencies, natural disasters; and
7. Assessment of resources required to deliver the specified maintenance services.

Responsibility for immediate dangerous situations with respect to building assets, is initially assessed or undertaken by Councils operational staff or the after-hours response team.

This AMP acknowledges the importance of understanding and monitoring the linkage between workload indicators and intervention actions, as a substantial increase in the number of buildings to be maintained (PAC, PHIVE and Town Hall) can materially impact upon intervention action (and citizen satisfaction and duty of care requirements) if not accompanied by a comparable increase in budget allocation or productivity improvement.

Given the outcomes of an internal review with respect to Council's maintenance services, the standards of maintenance detailed in this Asset Management Plan are considered reasonable and meeting community expectations in the context of responsible and reasonable asset management.

5. Current & Future Performance

This section identifies the effect of expected growth and consequent demand on Council’s building assets. Forecasting future demand is essential in determining lifecycle management for assets. The management of building assets is directly affected both by growth in the number of assets and growth in the resident population as well as visiting populations.

5.1. Demand

Drivers affecting building asset demand, include factors such as population change, changes in demographics, technological changes and environmental changes.

The City of Parramatta population for 2023 is recorded at 274,059 and is forecast to grow to 446,021 by 2041. This is a projected change of 62.75%⁸.

It is envisaged that over the next 10 years, there will be major growth in the need for all categories and types of building assets. The increased demand for building assets that contain Council services will increase proportionally with the predicted population growth and utilisation of not only the Central Business District but also the 55 Neighbour Centres and the major new vertical suburbs being constructed and considered.

Census data shows changing demographics including an increasing population and new cultural groups. Providing for the varied needs of a diverse community, within each building, will mean that community activities must support flexible uses, support sharing and conviviality, and reduce conflict between users.

New transport links, revitalised commercial precincts and the revamp of the Riverside Theatre and new Powerhouse Museum will also attract people and businesses to Parramatta. The ‘Parramatta Square’ Light Rail stop is expected to be operational in 2024, and a Metro Station will be built help distribute the community around the LGA. These mass transit initiatives will significantly impact movement throughout the LGA and use of Councils buildings.

It’s worth noting that the City of Parramatta Council has several transformation projects underway (Telopea, Carter Street, Wentworth Point, North Parramatta and Rosehill Racecourse) and there are still a number of game-changing infrastructure projects in the pipeline that will continue to transform Parramatta into a thriving metropolis.

Demand factor trends and impacts on service delivery over the following 10 years are summarised below;

Demand Driver	Impact on Services
Increase of population and population density at a rate of approximately 1.7% per annum over the following 5 years	Increased utilisation of building assets will be expected, proportional to population growth.

⁸ Source: Community Profile.id Community

Demand Driver	Impact on Services
Growing number of families in the area.	Increase the need for Council building space to cater for changing patterns.
Climate change will see an increased risk of extreme weather events including storm events, heatwave, flooding, sea-level rise and fire events.	There will be an increase in structural damage caused by extreme events and an increase in deterioration rates of building assets. The increased wind speeds and Urban Heat Indexes will have an impact on the building portfolio. Introducing climate risk assessments will determine the impact on building asset performance and useful lives.
Sustainability	Introducing new sustainability technology when renewing and upgrading building assets will ensure that ratepayers' dollars go further meaning the cost savings can be put towards improving additional building assets.

Table 17- Demand Drivers, Projections and Impacts on Services

5.2. Changes in Technology

Council is continuously monitoring new asset treatments and technology that may be available to increase the life of its assets. The table below details technology changes that are forecasted to affect the delivery of services provided by buildings covered by this plan.

Technology Change	Effect on Service Delivery
Improvement in techniques and materials	Changes in methodology, longer life materials and better rehabilitation techniques enable building assets to be maintained and managed more cost effectively, with a potentially longer useful life.
Low energy design	Increased efficiencies of low energy design therefore certain new building space designs for example lights can incorporate energy efficient and sustainable practices.
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 short-life inspection regime to match the amount of usage and fatigue on this equipment.

Technology Change	Effect on Service Delivery
Material	Moving away from timber especially CCA treated products to materials with a longer asset life such as recycled plastic.
Senor Flow Tap Wear	By upgrading and/or renewing internal water systems to senor flow, this technology will reduce water waste to match usage.
Smart City Technologies	Smart City technologies will also continue to be further implemented in new buildings. PHIVE, PAC, Town Hall Wentworth Point, Depot Building, new Head Office and soon to be completed Riverside Theatre have multiple complex 'smart technologies' this enhances them for delivering multifunctional Services.
Internet Speed	Increasing high-speed Internet therefore increasing demand for e-Commerce solutions resulting in larger and more complex technology systems for Council buildings

Table 18 - Changes in Technology and Forecast Impact on Service Delivery

These technological factors need to be assessed in determining the scoping requirements for maintenance works, renewal, upgrade building 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.

5.3. New Assets for Growth

Council envisages that over the next 10 years, Council will acquire new building assets and/or build new building assets to meet demand needs.

In the CBD it is also anticipated that the new Civic Link, Powerhouse Parramatta, Riverside redevelopment (currently in development) will recognise the need to ensure the public building assets function to meet the increasing demand. As additional information becomes available with regards to new growth and development areas, Council will continue to identify the community infrastructure needs via strategies and masterplans and these will be included in future revisions of this building's asset management plan.

The investment in expanding Mass Transit Systems (MTS) within the LGA, like the Metro and Parramatta Light Rail 1 & 2, will require significant community assets to be surrounding the new stations and surround increased vertical villages cause by associated increases in Floor Space Ratio's FSR.

It is important to note that when new assets are acquired, or assets are expanded or upgraded, this results in an increase in commitment of annual operational and maintenance funding to ensure continued service delivery of the asset over its lifecycle.

These have been quantified in the Community Infrastructure Strategy 2018-2038 and supporting

strategies. In the CIS Council published their Community Infrastructure Strategy (CIS)⁹, which outlines the City of Parramatta's long-term direction for community infrastructure and social infrastructure provision.

The Community Infrastructure Strategy 2018-2038 is used by the City of Parramatta to identify priorities for future community infrastructure and guides decision making about planning, funding, delivering and negotiating for community infrastructure.

Within the current planning horizon the NSW Government Funding Program WestInvest and Voluntary Planning Agreements with major property developers are providing a significant amount of the projects nominated in the Community Infrastructure Strategy 2018-2038.

The impact of this new asset delivery is demonstrated in the Figure below, the funding and investment keep growing the value of the portfolio which will activate increased renewal, maintenance and operating over time.

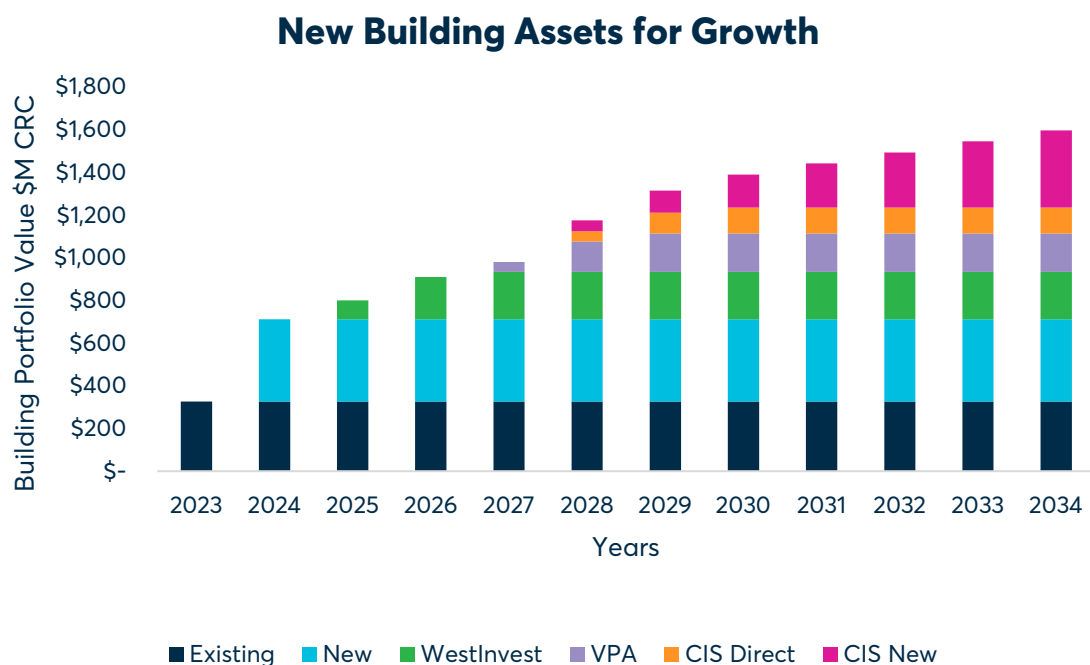


Figure 7 - New Building Assets for Growth from CIS

The Figure above demonstrates that funding programs 'layer' more assets over a base of long-life building assets and have a cumulative effect. The long-term effect of layering is that it must be matched with the corresponding layering of LTFP funding for maintenance, operating, capital renewal and upgrading otherwise the Council will become unsustainable or a major portion of building assets will be beyond Councils Risk Appetite (having no building assets in PVP Condition).

The funding sources of this growth are;

1. WestInvest

The NSW Government created a \$2 billion Western Sydney Infrastructure Grants Program (formerly known as WestInvest) that is funding transformational infrastructure projects across Western Sydney, home to one of the fastest growing and most diverse populations in the nation and the

⁹ Community Infrastructure Strategy 2018-2038

City of Parramatta Council was successful in applying for 19 grants from the WestInvest program for key community projects worth a staggering \$200 million. The main building assets that this funding source will fund are listed below;

Project	Estimated \$
Riverside Theatre Refurbishment ¹⁰ \$182.6M	\$40.0M
Don Moore Community Hub	\$20.4M
Uhrig Community Centre	\$6.1M
Rydalmere Bowling and Sports Club	\$6.4M
Max Ruddock Park Pavilion & Amenities	\$5.3M
	\$72.5M

Table 19 - WestInvest Funded Buildings from the CIS

WestInvest projects are a priority and will be delivered within the next two to three financial years.

2. Voluntary Planning Agreement¹¹

Voluntary Planning Agreements VPA are legal documents created under the Environmental Planning and Assessment Act 1979 (EP&A Act) between developers and Councils (and other government agencies) for the provision of funds or works by the developer for infrastructure, services or other public amenities typically negotiated at the time of rezoning (Section 93F EP&A Act).

The funds or works are not required to have a direct nexus with the proposal but should be related. They must achieve an outcome other than the facilitation of a development and deliver a planning benefit. This means that the proposed development, when considered as a package within the VPA, results in a positive planning outcome.

The City of Parramatta Council has over 55 active VPA's at various stages of the process. Commonly most of the VPA's are delivering the infrastructure detailed in the Community Infrastructure Strategy 2018-2038 however not all VPA's produce building assets. The following is a table of the VPA's that are currently either under negotiation or construction and need to be included in this Plan and the LTFP.

¹⁰ The project is estimated to cost \$182.6M with \$40M of that coming from WestInvest Funding Grant.

¹¹ Can be called 'Works in Kind' 'Planning Agreements' 'Works Agreements' or a range of other agreements.

Project	Building Assets	Estimated \$
Dundas/Teloepa	Community Hub, Library, Indoor Recreation	\$47.5M
Carlingford	Community Hub, Library, Indoor Recreation	\$52.4M
Melrose Park	Community Hub, Library, Indoor Recreation, Affordable Housing Apartments	\$24.0M
Uhrig Community Centre	Community Centre (stratum only)	\$10.0M
Parramatta North	Community Hub, Library, Indoor Recreation	\$40.0M
		\$170M

Table 20 - VPA Building Assets being delivered during LTFP

The delivery of the VPA building assets is determined by the developer however the above VPA's are underway therefore the buildings need to be included in the LTFP.

3. Development

The following table outlines the land assets which Council has purchased to deliver critically needed assets outlined in the Community Infrastructure Strategy 2018-2038. A separate Corporate Property Strategy is being drafted to understand how to realise these building assets from various development scenarios being explored.

Project	Building Assets	Estimated \$
Granville Bridge Street	Community Hub	\$10.0M
Epping Car Park	Community Hub, Library	\$40.0M
Fennell Street Car park	Community Hub, Library	\$35.5M
Marion Street Car park	Community Hub, Library	\$35.5M
		\$121.0M

Table 21 - Land Assets with ability to deliver Building Assets detailed in the CIS

As Council directly owns this land and Council has detailed and agreed that these building assets are required in the CIS there is greater certainty of delivery.

4. Direct Investment from Development Contributions

The remaining building assets outlined in the Community Infrastructure Strategy 2018-2038 are directly funded from the collected development contributions. The budgeting decision that Council has made is that WestInvest and VPA will fund the next three years of new assets and the remaining project outlined in the CIS will be averaged over a 10-year investment cycle.

Buildings Assets required in the CIS to meet Community Infrastructure Needs	Average Total Cost 10 year LTFP Buildings \$M	Annualised Cost \$M/pa, over 10 Year
New Community Space	\$219.6M	\$21.9M
New Library Space	\$131.0M	\$13.1M
New Indoor Recreation Space	\$82.0M	\$8.2M
New Sports Buildings (Pavilions)	\$62.0M	\$6.2M
New Parks Buildings (Amenities)	\$23.5M	\$2.35M

Table 22 - Community Infrastructure Strategy 2018-38 Building Asset Needs

5.4. Demand Plan

It has been identified that demand for building assets at Council will increase proportionally with the predicted population growth and predicted demographic changes. This is also in line with the community surveys which identify that community building assets is of importance to the community.

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 23. Further opportunities will be developed in future revisions of this AMP.

Service Activity	Demand Management Plan
Increased patronage and usage of community building assets will be expected, proportional to population growth.	<ul style="list-style-type: none"> Plan to identify and develop strategically located building assets to accommodate growing communities. Monitor population growth through census data and traffic counts and use the data as input into developing future works programs. Investigate construction of multi-use assets where possible and encourage sharing of existing building assets to maximise utilisation and allows planning for optimum use of all building assets.
Increased population density will result in increased usage of community building assets.	<ul style="list-style-type: none"> Undertake strategic planning to identify the change in service demand across all services, who will use the services, and identify the best location for future services. Service Planning is used to identify the best mix of provision and development to provide the best possible services at a sustainable level; which can include some shifts in service levels, both up and down across the

Service Activity	Demand Management Plan
	<p>Parramatta Local Government Area LGA.</p> <ul style="list-style-type: none"> Identify programs that support the aged and youth as alternatives to infrastructure related activities.
Community awareness	<p>There are several ways Council can inform the community of building assets availability within the LGA. These include:</p> <ul style="list-style-type: none"> Improved signage to support Active Transport through the network of community facilities; Inclusion of information brochures with other correspondence provided to the community, such as rates notices, or the website.
Partnerships	<ul style="list-style-type: none"> Council continue to seek opportunities to share community facilities with private landowners and other levels of government to maximise the number of sporting pavilions, community facilities and other building assets, available for public use and to meet short to medium term demands in a sustainable manner.
Passive surveillance	<p>It is generally accepted that community perceptions regarding the safety of a building assets have an impact on people's desire to visit. It is therefore important that Council seek to improve perceptions of the safety of Council building assets. 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.</p>
<p>There will be an increase in structural damage caused by extreme events and an increase in deterioration rates of building assets.</p> <p>Climate risk assessment will determine the impact on asset useful lives.</p>	<ul style="list-style-type: none"> Develop a Council specific Climate Change Adaption Toolkit. Include environmental policies and considerations in building asset planning and capital works. Utilise Government environmental subsidy and funding programs. Monitor developments and potential impacts on asset management. Identify opportunities for water harvesting and recycling for irrigation and other grey water purposes within the buildings.

Table 24 - Demand Management Plan Summary

6. Lifecycle Management

Life Cycle Management is an essential component of any good asset management plan. This section of the Building Asset Management Plan identifies the processes required to effectively manage, maintain, renew and upgrade Council's building assets.

Council has purchased an Enterprise Asset Management System¹² that has a full works management system that delivers Life Cycle Management procedures, plans, defect triaging, renewal interventions, planned preventative maintenance schedules. These are all built in and integrated asset governance across all of Council's building assets.

The introduction of this technology is the missing link as it will allow the various groups that have a role/responsibility to manage the assets to centralise there;

- Manual Planned Preventative Maintenance PPM contracts and schedules.
- Reactive Procedures for Defect Management
- Newer commissioned buildings that are progressively documenting individual PPM for each building
- LTFP renewal into the same system and not managed separately.

The 2024 Condition and Valuation of the Building Portfolio Council is getting individual AMP done for the three new buildings and the other Asset Hierarchy 1 assets. This will include a management Dashboard setting out the LTFP for these significant assets and will then be modelled onto the other buildings over time.

The Plans are a strategic document providing a planning and management framework for the future use, development and maintenance of building. The Improvement Plan recognises that Council will need to progressively review and these Building Plans for all building assets.

6.1. Operations and Maintenance Plan

Operations activities can be described as actions that are delivered on a day-to-day basis necessary to meet the levels of service delivery requirements. Operational activities can include service delivery items such as cleaning and graffiti removal. Operational activities also include proactive and reactive inspections, undertaken by in-house technical staff and/or specialist contractors. Operational activities do not improve the condition of assets.

Over time, minor faults can occur within the building asset portfolio. Council addresses the repairs and maintenance of these faults (i.e. faulty building Wi-Fi coverage or broken toilet) based on defined intervention levels and response times. The intervention level defines the condition, state or risk level associated with an asset/component, i.e. the point in time at which the asset is considered to be below an acceptable level of service. Maintenance is scheduled as soon as the asset reaches this point.

¹² Technology One, One Council Enterprise Asset Management and CiA

Operations and maintenance activities do not improve the condition of the building assets, but rather enable the asset to deliver its expected service levels as related to its function.

For the Levels of Service delivered on a day-to-day nature (i.e. responding to customer requests for maintenance faults and responding to localised asset failures), these intervention levels are currently documented in Council's and manual and will soon be automated on the City of Parramatta Councils Enterprise Asset Management and Works Management maintenance management system¹³. At present, Council considers that these current operations and maintenance service levels meet the community's needs and expectations.

Council has documented Planned Preventative Maintenance Service Level Agreements (SLA) applicable to most building assets however they are not systemised or automated. The Improvement Plan identifies the need to expand the SLA's to be migrated to the new Works Management System CiA OneCouncil, Technology Ones Enterprise Solutions.

6.2. Renewal/Replacement Plan

Activities such as renewal, rehabilitation, reconstruction and replacement will return the degraded service of the asset back to its original condition. Renewal activities such as replacement of floor coverings, roof coverings, or toilets will return the degraded service capability of the asset back to its original designed capability or modern-day equivalent.

Renewal and replacement strategies are based on the most current asset condition inspections available to Council at the time of developing the forward works programs. The rule bases which reflect the policy decisions that Council will employ to determine when they will select building assets for inclusion in their capital works program will be documented in a building assets Service Framework.

The built nature of new, upgraded and renewed building assets will always be provided in accordance with Council's design standards, relevant Australian Standards, industry guidelines and best practices.

6.3. Upgrade/Expansion Plan

Upgrade and expansion works are associated with improving service levels beyond the original designed capability or modern-day equivalent. Additionally, expansion works include activities that extend the capacity of an existing asset, to provide higher levels of service and/or meet changes in asset resilience requirements. Upgrade/expansion is different to renewal/replacement which only improves the degraded service capability within the boundaries of the original design capability.

Building asset upgrades are usually undertaken where the asset has been identified as deficient with regards to providing its intended function such as being 'fit for use' and 'fit for purpose'. Council assesses the building asset's capability of catering for the current and near future user numbers and also assesses the asset's ability to be adapted or reconfigured to provide for changing user needs and service requirements (such as a activation precinct which catered for pre-school play and now should be catering to teens due to changing demographics).

Typically upgrade/expansion works are identified from a combination of methods which include Councillor and/or community requests, project candidates identified via other Strategic or Master Plans and/or from asset condition audits.

Council utilises a methodology framework to prioritise and schedule identified project candidates

¹³ Technology One, One Council Enterprise System CiA, EAM and SAM.

for the 10-Year Works Program.

As PHIVE, PAC, Town Hall, Head Office, Wentworth Point building assets are relatively new, Council does not have any plans to upgrade or expand them in the near future. However the Community Infrastructure Strategy 2018-2038 has a long list of building assets that will require expansion/upgrade over the LTFP.

6.4. Creation/Acquisition Plan

New works are those works that create a new asset that did not previously exist. Council can acquire existing built assets or new assets from developers or new assets via capital projects to meet community needs. Typically, new asset candidates are identified from a combination of methods which include Councillor and/or community requests or identified via other Strategic or Master Plans.

6.5. Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition, relocation or transfer of ownership. The Corporate Property Strategy may include some of these properties in the Disposal Plan with the sale funds transferred to the Property Reserve to keep it at a constant balance or recycled into creating other assets within the building asset class. This plan is being developed in a separately.

Some building assets within the Buildings Portfolio are on land which has significant land value uplift which can capitalised on disposal. Properties available for consideration.

Location	Potential	Possible Disposal
Granville Bridge Street	Rezone, Build or Divest	Community purposes in CIS
Marion Street Car-Park	Rezone,	Community purposes in CIS
Fennell Street Car-Park	Agglomerate, rezone	Community purposes in CIS
Metro (former Car-Park)	Land & Environment Court	Due to be determined and settled
Justice Street Car-Park	Rezone, Build or Divest	Corporate Property Strategy
Eat Street Car-Park	Rezone, Build or Divest	Corporate Property Strategy
Station Street Car-Park	Rezone, Build or Divest	Corporate Property Strategy
Boronia (Epping)	Rezone, Build or Divest	Community purposes in CIS
Ermington Centre	Agglomerate, rezone	Corporate Property Strategy
Brodie Street Depot	Divest	Corporate Property Strategy
Wigram Street Car-Park	Divest	Corporate Property Strategy

Table 25 - Possible Land/Building Assets included in Disposal Planning

7. Risk Management Planning

7.1. Risk Management Plan

Council has developed a corporate Risk Management Policy which sets the overall framework for addressing risk within the context of International Standard ISO31000-2018, Risk management – Principles and Guidelines. The policy was adopted December 2023.

Risk Management is defined in ISO31000:2018 as: 'coordinated activities to direct and control with regard to risk'.

The development and adoption of this Policy outlines Council's commitment to manage its resources and responsibilities in a manner which is intended to minimise harm or loss. The elements of this framework are illustrated in Figure below.

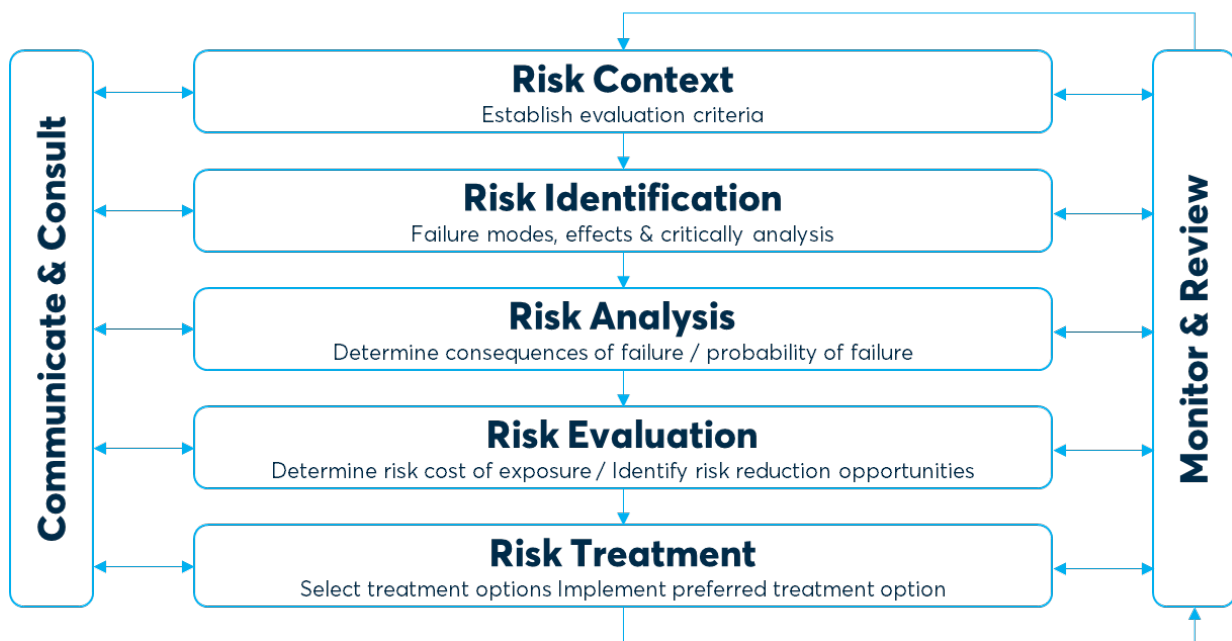


Figure 8 - Risk Management Process, Source: ISO31000:2018

7.2. Risks Assessment

Council has developed an asset criticality framework, giving higher importance to risk assessment and the appropriate levels of inspection and maintenance for each classification.

Critical assets are those which have a high consequence of failure causing significant loss or

reduction of service. Similarly, critical failure modes are those which have the highest consequences.

By identifying critical assets and failure modes, investigative activities, condition inspection programs, maintenance and capital expenditure plans can be targeted at the critical areas. Activities may include items such as increased inspection frequency and higher maintenance intervention levels.

The Consequence of Failure (CoF) score is calculated by assessing the consequence of failure (1 to 5), for the most likely failure mode.

Table 26 details the COF Scores for this AMP that have been adopted and applied based on the asset hierarchy.

Asset Type	Consequence of Failure (COF)
Superstructure	5
Substructure	5
Site Services	2
Site Infrastructure	3
Lift	2
Roof Structure	5
Roof Coverings	3
Mechanical Services	4
Hydraulic Services	4
Fire Services	5
Electrical Services	5
Security Services	3
Floor Coverings	3
Fit out & Fittings	3

Table 27 COF Scores by Asset Type

7.3. Risk Matrix

The Consequence of Failure assigned to each asset is linked to the criticality framework evaluated at the 'Asset Reporting Name' level as depicted above.

Likelihood of Failure (LoF) is defined through the condition of an asset: the more an asset degrades in condition the higher the likelihood of it failing.

		Likelihood (LoF)				
		1	2	3	4	5
Consequence (CoF)	1	1	2	3	4	5
	2	2	4	6	8	10
	3	3	6	9	12	15
	4	4	8	12	16	20
	5	5	10	15	20	25

Figure 9 The Risk Matrix defined within the model.

7.4. Risk Ratings

Calculated risk scores based on likelihood and consequence as illustrated in the above risk matrix. Each score is allocated to a risk rating, as outlined below, to assign to each asset to assess and aggregate risk throughout the simulation forecast.

	Risk Rating	Minimum Risk Score	Maximum Risk Score
	Within Risk Appetite	1	10
	Low Risk Appetite	11	19
	No Risk Appetite	20	25

Table 28 - Each Risk Rating and their minimum and maximum risk scores.

7.5. Risk Appetite

The risk appetite is the level of risk that Council is prepared to accept in pursuit of its objectives, before action is deemed necessary to reduce Risk.

Council's Risk Appetite is classified as follows:

Risk Rating	Councils Risk Appetite
Within Risk Appetite	Council's preferred state
Low Risk Appetite	Council does not prefer this state, however the state will be tolerated whilst moving to the desired state

Risk Rating	Councils Risk Appetite
No Risk Appetite	Council does not wish to operate in this state

Table 29 - Risk Appetite Definitions

7.6. Risk Plan

As a result of this AMP revision, an assessment of risks associated with service delivery from Council's building assets has identified the critical risks that will result in significant loss, 'financial shock' or a reduction in service.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action), and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment cost after the selected treatment plan is implemented is shown in the Table below.

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment / Costs
Asset Maintenance	Maintenance costs increasing due to inadequate renewal program	High	Continue to improve data. Ensure maintenance is managed appropriately at an operational level. Future planning improvements can be made by documented service level risks and utilisation of these in establishing future maintenance priorities.	Medium	Ongoing staff time and existing budget
Increasing financial pressure to adequately maintain the building portfolio	Growth in asset portfolio	High	Although grants and other funding may be made available for the capital cost of new or expanded facilities, due consideration should be made to ensure sufficient ongoing operation and maintenance funds can be provided to support these additional assets. Whole of life costs are to be reported to the Leadership Team and/or Council as appropriate.	Medium	Ongoing staff time
All assets	Asset defect or non-compliance with regulations resulting in	High	Regular inspection programme targeted and prioritised based on risk, levels of use and types of use.	Low	Ongoing staff time, existing budgets

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment / Costs
	injury e.g. lighting and public structures.		Maintenance and defects rectification program implemented.		
Utilisation	Building does not suit community needs and inclusion targets.	High	<p>Continue to monitor not only the condition of assets but how well they suit the needs of users.</p> <p>Monitor and review the Place Plan/Strategy to inform decisions on which facilities suit community needs.</p> <p>Respond to user needs with well-considered measures and communicate needs that cannot be met within existing budgets.</p>	Low	Ongoing staff time

Table 30 – Critical Risks and Treatment Plan

7.7. Infrastructure Resilience and Sustainability Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to ‘withstand a given level of stress or demand’, and to respond to possible disruptions to ensure continuity of service.

We do not currently measure our resilience in service delivery. This will be included in future iterations of the AM Plan. It is worth noting that the City of Parramatta does have one of Australia’s largest Libraries and Recreations Centres and a 5 Star Green Star rated Buildings. PHIVE, PAC, Town Hall and Parramatta Square Public Domain are also carbon neutral public domain certified¹⁴. Sustainability and environmental performance has been at the helm of the design and building process, considered by the team to be not only a responsibility, but a chance to show the positive impacts that can be made when you choose to act for a greener, healthier and more resilient built environment.

The Green Star Communities rating recognises best practice strategy formulation, engagement, and delivery of sustainability initiatives, including:

- Implementation of the local government area’s only public place recycling scheme
- Collaboration between the builders and City of Parramatta to implement a formulated strategy that appropriately engages on a defined community vision, including the provision of public space and buildings for community use Initiatives to reduce waste and pollution, whilst promoting sustainable initiatives relating to active transport and disability access





¹⁴ <https://www.cityofparramatta.nsw.gov.au/about-parramatta/news/media-release/parramatta-certified-carbon-neutral>

- High social sustainability supported by community use and facilities in PHIVE, PAC, Townhall and educational opportunities at Western Sydney University

Looking ahead the Council is following the ongoing development and refinement of the Green Star Communities tool and will review updates in consideration of continuing sustainability efforts to achieve a 6 Star rating.

7.8. Climate Impact and Adaptability

The Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C, released in 2018, alerted readers of the dire consequences we face if we fail to limit the global temperature increase to 1.5°C, as shown in the figure below. The impacts that we are experiencing now at around a 1.2°C rise in average temperature. It is essential as asset managers to ensure climate adaptation and mitigation strategies are incorporated into Asset Management Planning.

Climate Council	1.5°C	2.0°C	IMPACT
 LOSS OF PLANTS	8% Of plants will lose ½ their habitable area	16% Of plants will lose ½ their habitable area	2x worse
 LOSS OF INSECTS SPECIES	6% Of insect will lose ½ their habitable area	18% Of insect will lose ½ their habitable area	3x worse
 FURTHER DECLINE IN CORAL REEFS	70% to 80%	99%	Up to 29% worse
 EXTREME HEAT	14% Of the global population exposed to severe heat every 1 in 5 years	37% Of the global population exposed to severe heat every 1 in 5 years	2.6x worse

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Figure 10 - Impact of 2 compared to 1.5 degrees of Temperature Change

Whilst Climate Adaptation Strategies will be incorporated into next iteration of the AMP it is worth noting the significant amount of work undertaken by staff at City of Parramatta in this space.

¹⁵ <https://www.climatecouncil.org.au/>

Council have commenced work on developing assets management guides for the future of Parramatta climate change and how to mitigate its impacts. Studies include:

- Future of Parramatta climate projections in *"Improving the present and future climate and microclimate in the city of Parramatta"* study.
- Various UHI mitigation strategies and their effectiveness *"2019-03-18 Final report Philip St project"*
- Impact of the new development on the Parramatta Square wind pattern + recommendation *"Parramatta Square development Microclimate study"*
- Recommendation on the Urban heat mitigation measurements *"Cooling parramatta scoping paper"*
- The cooling potential of the civic link and its impact on the Parramatta Square *"Civic Link sustainability study"*
- Building façade reflection study *"UHI Vertical Facade Basis March 2020, City of Parramatta Proposed Urban Heat Island Effect Façade Controls Review Summary"*

To date the studies indicate that a heatwave will significantly affect Council's building assets. And indicates further studies are required to understand the impact on the building portfolio assets. Initial analysis and studies indicate further mitigation measures are needed.

8. Financial Summary

The provision of adequate financial resources ensures that Council's building assets are appropriately managed and preserved. Financial provisions below requirements impact directly on community development and if prolonged, results in substantial needs for "catch up" expenditure imposed on the community in the future. Additionally, deferred renewal results in increased and escalating reactive maintenance as aged assets deteriorate at increasing rates.

8.1. Forecast Funding Requirements

1. Renewal Expenditure Forecasting

The objective of this Section has been to model the deterioration of Council's building assets portfolio, by developing modelling and simulation techniques.

This process typically involves setting up life cycle paths for each building component asset, along with their inspected condition, identifying the appropriate treatments and unit rates to deliver these treatments and configuring the treatment rule base (matrices based on selected condition criteria that when matching will drive a treatment based on the condition).

The Technical Level of Service identifies the condition level at which Council will intervene and renew each asset for example Council will undertake a renewal activity on Fire Services assets when it reaches condition 2 or worse, in a Hierarchy 1- building asset such as Riverside Theatre.

The lower the Hierarchy, the Technical Level of Service model identifies the minimum level of service, or minimum condition at which Council will intervene and undertake a renewal activity on an asset i.e. Council will replace hand basins (Hydraulic Service) when it reaches condition 5 or worse in a Park amenities toilet block (Hierarchy 4).

The Table 31 below provides a high-level rule-base for the intervention levels of service for the four Council Hierarchy categories.

Asset Type	Hierarchy 1	Hierarchy 2	Hierarchy 3	Hierarchy 4
Superstructure	3	4	5	5
Substructure	3	4	5	5
Site Services	2	4	4	5
Site Infrastructure	2	3	4	4
Lift	2	3	4	5
Roof Structure	3	5	5	5
Roof Coverings	2	3	4	5
Mechanical Services	3	4	5	5
Hydraulic Services	3	4	4	5
Fire Services	2	3	4	5
Electrical Services	5	5	5	5
Security Services	2	3	3	4
Floor Coverings	2	3	3	4
Fit out & Fittings	2	3	4	5

Table 32 - Building Hierarchy Condition Intervention Point for Renewal

By utilising the above intervention points and setting up the criteria and logic utilising modelling and simulation techniques, it is possible to model the future costs of Council's building asset portfolio renewal requirements and to predict the future condition of these assets under varying funding scenarios.

Future versions of this AMP will model the impact of these intervention levels into the LTFP Renewal Program after the June 24 Condition and Valuation process is complete through an external Predictive Modelling Contractor. Council has purchased and is installing (due for operationalisation in FY 24/25) and once it is commissioned Council can undertake this work internally and digitally twin the portfolio and model different asset lifecycle scenarios internally.

This current AMP Council is focusing on the impact of rapid growth of building assets, mainly driven by the delivery over the LTFP horizon of the Community Infrastructure Strategy 2018-2038;

- Delivered PHIVE, PAC, Town Hall, Wentworth Point and 9 Wentworth Street \$386M
- WestInvest Funding which is delivering \$221M of CIS deliverables.
- Current VPA's that are delivering \$174M of CIS deliverables.
- Projects outlined in the CIS, which the Land has been secured \$121M.
- CIS Program which we have commenced in FY4 of the LTFP of \$51M p.a. and \$311M over the term of the LTFP.

The impact of this growth is recorded in the table below, noting that buildings come into operation at different times, the structure (40% of CRC) doesn't require renewal, they require zero renewal in the first 1-2 years of operation, then 1% of CRC for years 3-6 and 1.5% of CRC for year 7 onwards. This phasing has been modelled into the LTFP;

Service Activity	CRC	Current Renewal \$p.a.	Benchmark \$p.a.	LTFP \$ p.a.
Existing (older buildings)	\$327M	\$4.2M	\$4.5M	\$4.2M
New (PHIVE, PAC, etc)	\$386M	\$0M	\$2.3M	\$2.3M
WestInvest	\$221M	\$0M	\$1.3M	\$1.3M
VPA	\$174M	\$0M	\$1.0M	\$1.0M
CIS Owned	\$121M	\$0M	\$0.7M	\$0.7M
CIS Program	\$311M	\$0M	\$3.0M	\$3.0M

Table 33 - Renewal projections in LTFP

Organisationally Council has not entered the renewals into the Enterprise Budgeting system for the above building assets, except buildings older than 2022 (\$4.2M), and these newer buildings significantly increase in building assets will need to be part of the improvement plan to ensure that the LTFP demonstrates Councils Sustainability.

2. Operational Expenditure Forecasting

Similar to the above our current protection Maintenance and Operating Expenditure for the existing portfolio is;

Existing Assets	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Maintenance	\$4.73	\$4.85	\$4.97	\$5.09	\$5.21	\$5.34	\$5.47	\$5.61	\$5.75	\$5.89
Operating	\$17.38	\$15.79	\$16.21	\$16.25	\$16.64	\$17.40	\$17.46	\$17.88	\$18.67	\$19.12

And for the new building assets projected financial cost as they are commissioned as detailed in the New Building Assets for Growth graph in the New Demand.

New Assets	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Maintenance	\$1.93	\$1.93	3.03	\$4.77	\$5.03	\$5.29	\$5.55	\$5.80	\$6.06	\$6.32

New Assets	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Operating	\$3.86	\$3.86	\$6.07	\$9.54	\$10.05	\$10.57	11.09	\$11.61	\$12.13	\$12.64

This means that the project total maintenance and operating budget for the LTFP is;

LTFP Total	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Maintenance	\$6.66	\$6.78	\$8.00	\$9.86	\$10.24	\$10.63	\$11.02	\$11.41	\$11.81	\$12.21
Operating	\$21.24	\$19.65	\$22.28	\$25.78	\$26.70	\$27.97	\$28.55	\$29.49	\$30.80	\$31.77

Table 34 LTFP Maintenance and Operating Projection Summary

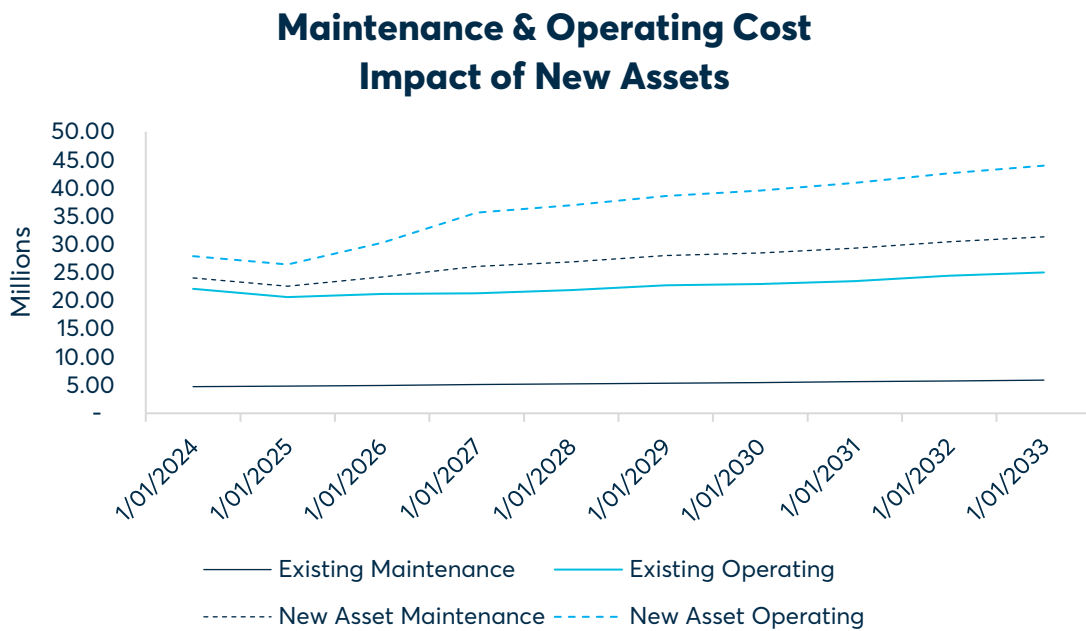


Figure 11 - Maintenance & Operating Cost Impact of New Assets

The impact of the new building assets has not been budgeted into the Enterprise Budgeting System and needs to be confirmed into the LTFP as part of the improvement program.

Examples of required asset expenditure covered in the Asset Management Plan

- Cleansing
- Waste Collection
- Pest Control
- Security Operations
- Fire and evacuation training and management

- Utilities and Charges
- Building and Property Management
- Asset Management & Planning
- Facility Management & Co-ordinators

a. Planned Preventative Maintenance Expenditure

- Landscape (Green Spaces) Maintenance
- Irrigation Maintenance Program
- Art Feature Planned Maintenance
- Lighting Replacement Program
- Hydraulic Maintenance Program
- Electrical Maintenance Program
- Fire evacuation system Maintenance Program
- Security Maintenance Program
- Physical Security Maintenance Program (Keys and locks)
- Plant Room Maintenance Program
- Lift servicing
- Painting program

b. Reactive Maintenance Expenditure

- Defect inspection and management
- Defect Maintenance
- General Maintenance

Future iterations of this AMP will more accurately report and project the maintenance and operating costs as the Enterprise Asset Management, CiA and Strategic Asset Management Modules of the new Technology One system is implemented and made operational.

8.2. Forecast Service Cost Expenditure

Council maintenance and operational service provision scenarios have been considered in compiling this AMP and rather than apply Councils current % of Current Replacement Cost or the industry benchmark to the new building assets Council have access the type of building assets that are being delivered and they are generally within a Strata, which is managed as an operating expense and the maintenance portion is limited to few assets.

Council has adopted;

- a. Continue to apply the current rate of maintenance to the existing older assets, and
- b. A lower rate of maintenance and operating for the newer and projected building assets.

The Table below demonstrates how Council determined its maintenance and operating service standard requirements for inclusion and consideration of adopting the most appropriate service provision model.

Service Activity	Current % of CRC ¹⁶	Benchmark % of CRC	LTFP % of CRC
Maintenance	1.5%	1.5%	0.5%
Operating	5.3%	3.0%	1.0%

Table 35 - Maintenance & Operating Benchmarks

8.3. Funding Scenarios

In June 2024, as part of the Building Condition and Valuation process Council will undertake strategic modelling analysis which will accurately predict the deterioration of Council's buildings portfolio by calculating the results of different funding options for a 20-year period.

The building asset portfolio modelling analysis will be prepared using 4 different funding options;

Option	Scenario	Description
1	Desired TLoS	This option identifies and models the current asset portfolio at the necessary funding levels each year to maintain the desired optimal levels of service over 20-year period keeping Council building assets within Councils Risk Appetite.
2	Minimum TLoS	This option models the impact on condition and associated service levels of its assets, if Council were to deliver the minimum required level of service over 20-year period maintaining Council building assets within tolerance of Councils Risk Appetite.
3	Controlled Funding TLoS	This option identifies and models the current asset portfolio at the necessary funding levels each year, to maintain the ideal level of service with an affordable funding allocation, over 20-year period optimising Councils Risk Appetite.
4	Run to Fail TLoS	This funding option models the impact on condition and associated service levels of its assets, if Council were to only intervene only when an asset has failed, over 20-year period, only replacing the building asset when it is beyond Councils Risk Appetite.

¹⁶ CRC is based on existing asset base of \$327M

Table 36 - Simulation Modelling Funding Options

The scenarios are intended to produce the following outcomes.

Option	Funding over 20 Years	Outcome Achieved over 20 Years	Observations
Option 1 Desired	HIGH	LOW 0% of assets will be in very poor condition	<p>Very high funding maintains building assets in very good condition state over 20 years. Balancing between investment and risk mitigation positions this option as the lowest risk option.</p> <p>However, this substantial investment may not align with Council's financial priorities and/or available capacity to fund this option and human resources to deliver all these projects.</p>
Option 2 Minimal	LOW	HIGH \$ value of assets will be in poor or very poor condition state in YR 20	<p>This option increases Council's current asset liability.</p> <p>The average condition will decline to 3 out of 5 by year 20.</p> <p>Whilst this option costs less, it still results in very high risk progressively as the building assets will be in a very poor state of assets over 20 years.</p>
Option 3 Controlled Funding	MEDIUM	MEDIUM \$ of assets will be in poor or very poor condition state in YR 20	<p>Results in a stable average portfolio condition of by year 20.</p> <p>By addressing the most critical assets without excessively burdening the budget, this option effectively mitigates risk.</p> <p>It ensures that assets in very poor condition are managed without overcommitting financial resources, when compared to other options. It also returns a significantly better outcome compared to Options 2 and 4.</p>
Option 4 Run to Fail	VERY LOW	VERY HIGH \$ assets will be in poor or very poor condition state in YR 20	<p>Despite requiring the least investment, this option substantially inflates the asset liability making it the riskiest option without any corresponding return on investment.</p> <p>The reduced LoS deems this the worst funding option, considering both return on investment and funding feasibility</p>

Table 37 - Likely outcome of Modelling Scenarios

The purpose of the scenario modelling is to forecast the actual renewal capital funding required to achieve the following performance outcomes.

Community Level of Service CLoS Performance				Option 1	Option 2	Option 3	Option 4
Average Annualised Renewal Cost over 20 Years				HIGH	LOW	MEDIUM	VERY LOW
CLoS	Measure	Standard					
Safety (Risk)	Percentage of assets with a very high-risk rating	Red	15%<100% in very high risk				
		Amber	2%<15% in very high risk				
		Green	0<2% in very high risk				
Reliability	Asset health (intervention levels met, measure as average % remaining useful life)	Red	Average remaining Useful Life 0<40%				
		Amber	Average remaining Useful Life 40%<75%				
		Green	Average remaining Useful Life 75%<100%				
Responsiveness (Asset Liability)	Value of Assets in PVP as a % of Replacement Value	Red	25%<100%				
		Amber	10%<25%				
		Green	0%-10%				
Comfort (Asset Condition)	% In Poor & Very Poor (PVP) Condition	Red	20%<100%				
		Amber	5%<20%				
		Green	0%-5%				

Table 38 - Community Level of Service Performance

8.4. Forecast 10-Year Capital Renewal Funding

After June 24, the Condition and Valuation process for the building assets will be completed through an external Predictive Modelling Contractor. The preferred renewal funding option for this AMP likely to be Option 3 being the best balance between funding and Councils Risk Appetite. Future internal discussions will deliberate on the most acceptable financial scenario to deliver an agreed level of service once Council has the condition and valuation data. Deliberative community engagement is scheduled to take place during 2024/25.

Future versions of this AMP will model the impact of these intervention levels into the LTFP Renewal Program.

For this AMP we have;

- a. Continued the Existing Renewal Expenditure \$4.2M p.a.
- b. Recommended the insertion of additional Renewal for buildings delivered in LTFP period.
- c. Continue to apply the current rate of maintenance and operating to the existing older assets.
- d. Include a maintenance and operating for the newer and projected building assets.

YR	Existing \$M				New Building Assets \$M				LTFP
	Renewal	Maintain	Operate	Total	Renewal	Maintain	Operate	Total	Grand Total
24	4.20	4.73	17.38	26.31	-	1.93	3.86	5.79	32.10
25	4.20	4.85	15.79	24.84	-	1.93	3.86	5.79	30.63
26	4.20	4.97	16.21	25.38	2.32	3.03	6.07	11.42	36.80
27	4.20	5.09	16.25	25.54	2.32	4.77	9.54	16.62	42.16
28	4.20	5.21	16.64	26.06	3.64	5.03	10.05	18.72	44.78
29	4.20	5.34	17.40	26.94	4.68	5.29	10.57	20.54	47.48
30	4.20	5.47	17.46	27.13	6.88	5.55	11.09	23.52	50.65
31	4.20	5.61	17.88	27.69	7.19	5.80	11.61	24.60	52.30
32	4.20	5.75	18.67	28.62	8.16	6.06	12.13	26.35	54.97
33	4.20	5.89	19.12	29.21	9.00	6.32	12.64	27.96	57.18
	42.00	52.91	172.80	267.71	44.19	45.71	91.43	181.33	449.04

Table 39 - LTFP 10 Year Funding Strategy

Council acknowledges that additional work is required to improve its understanding of the future new and upgrade funding requirements, and this has been identified as an improvement item in this AMP.

9. Asset Management Performance

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

9.1. Assumptions

The key assumptions made in this Asset Management Plan and risks that these may change are shown below.

Key Assumption	Risk of Change to Assumption / Impact to Model
Asset and component conditions reflect the assets' = condition as at 2021.	High (data was assessed in 2021, by valuer at a high level, last detailed condition was 2017) Full condition assessment and valuation is being completed June 2024
The allocation of renewal funds has been based on the asset replacement costs developed as part of past valuations.	Low as the financials and engineering rates have been reconciled for the existing building assets
Current maintenance funding levels are considered adequate.	Medium
Future maintenance funding levels are considered	To be an estimate based on industry benchmarks and the type of assets that are projected to be delivered within the LTFP
The funding needs for new &/or upgrade building assets will be identified as the new assets are commissioned.	Medium. Future renewal for new assets has estimate based on industry benchmarks and the type of assets that are projected to be delivered within the LTFP
Capital renewal treatments are like for like and do not account for additional costs to upgrade and/or utilise new technologies and materials.	Medium to Low
Current Levels of Service are considered appropriate and meet community needs.	Low

Key Assumption	Risk of Change to Assumption / Impact to Model
Existing inspections and maintenance contracts will not change.	Medium
Asset register currency pertaining to asset quantities.	Low
Network strategic condition inspections will be funded on a 3–4-year cyclic basis and incorporated into the Operational budget.	Low
Current human resource plan will not change in the near future.	Low

9.2. Improvement Plan

The Asset Management Improvement Plan which is set out in Table below details the key improvement tasks. Completion of these tasks will improve Council's asset management capabilities for the building asset class.

Improvement Items	Responsibility	Timeline
Critical to include into the Enterprise Budgeting System and LTFP the impact of new building assets on; maintenance, operating and renewal planning.	Finance & Information	March 2024
As the Defects Liability Periods DLP ends for each of the newer building assets (PAC PHIVE, Town Hall, 9 Wentworth Street) implement an agreed Level of Service with a Planned Preventative Maintenance with internal Service Level Agreements and External Specialist Service Providers and update the EB system.	Finance & Information (FM & AP) to facilitate the Asset Operators	April 2024
Engage Councils Governance Directorate to review the documentation of the delivery of all reactive, planned preventative maintenance, capital renewal, operational management using an Asset Management Maturity Audit and report the findings to the Asset Management Committee.	Finance & Information – Governance	June 2024
Comprehensive Condition Assessment and Valuation of the building portfolio and update the Financial Asset Register with the outcome fully enabling the new Enterprise Asset Management and Works Management System.	Finance & Information – Asset Planning	January – December 2024. Valuation May 2024
Undertake Community Engagement to adopt a	Asset Planning &	July -

Improvement Items	Responsibility	Timeline
Level of Service that balances Council's cost and risk appetite, and also consider varying Council's risk appetite to allow no more than 10% of the assets (by value) to be in Poor, Very Poor condition at any time.	Community Engagement	December 2024
Refine the Roles and Responsibilities of the building asset portfolio to ensure better synergy of planning the building portfolio.	Asset Management Steering Committee	July 2024
Create Financial Transparency consolidating the asset register into one Service Asset and set up the Asset and Finance Systems to report Profit and Loss and Balance Sheet report for each; building, ward, class and hierarchy across the whole asset portfolio.	Finance & Information	June 2024 - June 2025
<p>Formally document the Rule Bases which reflect the policy decisions that Council employs to determine when they will select building assets for inclusion on their capital works program.</p> <p>This includes consistent alignment between this plan, the Asset Management Strategy, Long Term Financial Plan, Technology One asset registers, Levels of Service for all building asset classes, data collection, validation and reporting, Condition, Risk, Inspection frequency for the building asset portfolio.</p>	Finance & Information – Asset Strategy Co-Ordinator in conjunction with Community Services FM, Asset Planning and City Assets and Operations AM	June 2024 - June 2025
<p>Document the current operations and maintenance Levels of Service about all building assets owned or maintained by Council.</p> <p>These activities should consider the buildings function, legislative requirements and utilisation needs when documenting activities and response times.</p>	Finance & Information (FM & AP) to facilitate the Asset Operators	December 2024
Review and formally document Council's building asset condition assessment manual methodology framework.	Finance & Information – Asset Planning	January – June 2024.
Review financial forecasts annually as better data becomes available, update and submit any supporting budget bids.	Finance & Information – Asset Planning	Annually
Review resourcing plan to ensure adequate human resources are available to deliver this plan including building human resourcing under Community Services (asset owner) and City Assets and Operations with professional asset management expertise and capacity.	Finance & Information – Asset Strategy Co-Ordinator in conjunction with Community Services FM, Asset Planning and City Assets	June 2024 - June 2025

Improvement Items	Responsibility	Timeline
	and Operations AM	
Develop climate adaptation and reporting	Finance & Information – Asset Planning	December 2024

Table 40- Improvement Actions

9.3. Monitoring and Review Procedures

The AMP has a planning horizon of 10 years, and it is based on details documented within the Asset Management Strategy. The AMP should be reviewed and updated in the year following Council Local Government elections.

This AMP will be reviewed and amended to recognise any changes in service levels, needs arising from strategies, studies and master plans and/or resources available to provide those services as a result of the budget decision process.

9.4. Performance Measures

The effectiveness of this AMP will be measured and monitored based on annual strategic Council indicators as follows:

- The performance of Council against the Levels of Service documented in this AMP; and
- Performance against the Asset Management Ratios
- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan LTFP.