



ASSET MANAGEMENT PLAN #03

LAND, BUILDINGS AND OPEN SPACE

September 2023



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SUMMARY

OVERVIEW

This Asset Management Plan provides for the strategic purchase of land, effective and responsible management of building and open space assets, their replacement cycles and funding requirements. The Plan incorporates information from a variety of sources including data stored in Council's Asset Register and should be read in conjunction with the Asset Management Policy.

It should be read in conjunction with the Asset Management Policy and incorporates information from a variety of sources including data stored in Council's Asset Register.

Land includes both vacant land, community land and developed land with a replacement cost of \$68,774,675 as at 30 June 2022. Forecast expenditure over the term of the Plan is \$2,831,500.

Building assets include the Civic Centre, community buildings, sporting clubrooms, public conveniences, the Recreation Centre and Town Hall with a replacement cost of \$55,384,573 as at 30 June 2022. Forecast capital expenditure over the term of the Plan is \$47,208,300.

Open space assets include artworks, boardwalks and coastal access, irrigation, playgrounds signage and reserve furniture with a replacement cost of \$20,337,187 as at 30 June 2022. Forecast capital expenditure over the term of the plan is \$23,038,900.

Forecast expenditure for these asset classes over the term of this Plan is \$73,078,700 with the annual breakdown provided in the table below:

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
Renewal and Replacement									
\$1,793	\$866	\$548	\$564	\$481	\$852	\$3,758	\$3,366	\$3,366	\$3,366
New and Upgrade									
\$3,473	\$12,305	\$12,652	\$2,512	\$1,211	\$1,118	\$2,610	\$1,170	\$7,498	\$9,570
Total Capital Expenditure									
\$5,266	\$13,171	\$13,200	\$3,076	\$1,692	\$1,970	\$6,368	\$4,536	\$10,864	\$12,936
TOTAL EXPENDITURE OVER TERM OF PLAN									\$73,079

The impacts of climate change, including sea level rise, coastal inundation and erosion, extreme temperatures, and flood risk, continue to be assessed as new information is gathered. The Plan will be updated as new data becomes available.



PROJECT SELECTION

Projects are selected for inclusion in Asset Management Plans (AMPs) based on several factors.

Renewal and replacement projects are determined by risk, useful life, age of the asset, condition rating, defect and failure levels, external reports, utilisation, impact on users, operational and maintenance costs.

New and upgrade projects are identified from various sources including strategic plans of Council, community or Council Member requests, grant funding availability and partnership proposals from other organisations.

Council is committed to the replacement of existing assets as per the life cycle and condition rating of the asset. The expectation is that all renewal and replacement projects will be fully funded in Council's Long Term Financial Plan in line with optimal replacement cycles.

New and upgrade projects included in these AMPs exceed Council's ability to fund sustainably without external contributions from grants and/or private partnerships.

An annual review of the projects in the AMPs will be undertaken to re-assess the optimal replacement schedule and re-prioritise works in consideration of community needs, risk assessments, external factors and funding opportunities. This review will form part of the Annual Business Plan and Budget process.

The appendices to this document provide a list of the capital projects under consideration with timing and budget estimates. In line with above, these estimates are subject to change and the appendices will remain in draft as they are working documents.

Feedback from the public consultation may also affect the timing of the projects. Projects will be confirmed once the Annual Business Plan and Budget has been adopted by Council each year.

LAND

OUR ASSETS

Land assets include community land, vacant land and land under buildings. There are no specific maintenance requirements and land is not subject to depreciation.

VALUATION

Land assets are valued in accordance with AASB13 (Fair Value Measurement) with revaluations programmed on a four-year cycle.

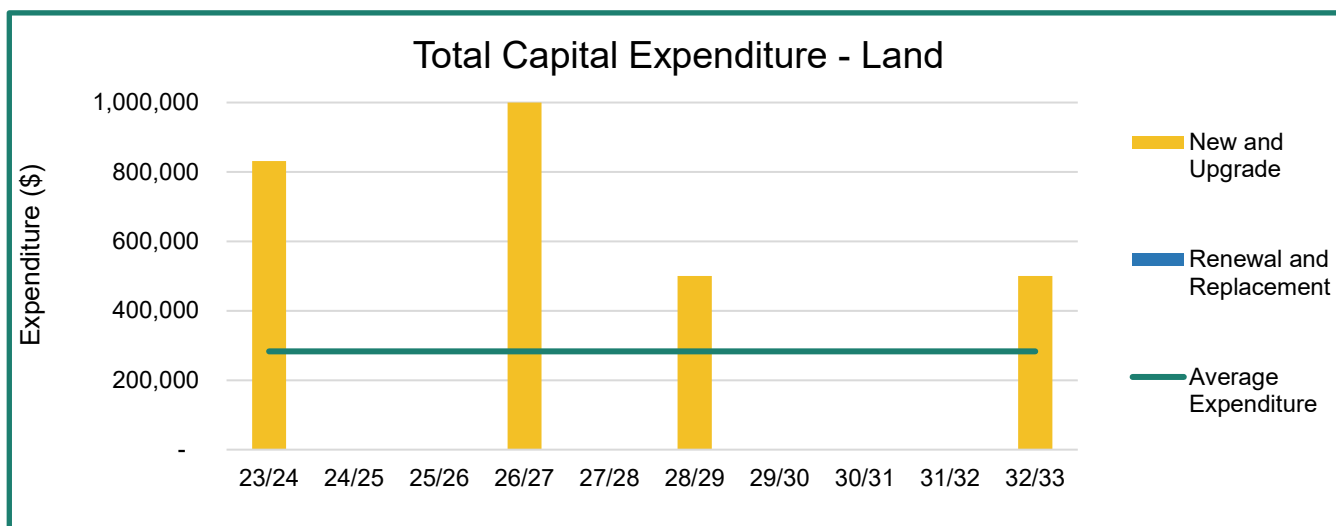
The value of land assets recorded in the Asset Register as at 30 June 2022 that are covered by this Plan are shown in the table below:

Asset Sub-Class	Replacement Value	Accumulated Depreciation	Written Down Value
Community	\$52,688,197	\$0	\$52,688,197
Other	\$16,086,478	\$0	\$16,086,478
TOTAL	\$68,774,675	\$0	\$68,774,675

FORECAST EXPENDITURE

Forecast expenditure over the next ten years totals \$2,832,000. This is made up of allowances for strategic land purchases as shown in the table and graph below:

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$832	\$0	\$0	\$1,000	\$0	\$500	\$0	\$0	\$0	\$500
Total Expenditure on New / Upgrade									\$2,832



BUILDINGS

OUR ASSETS

Council owns building assets for community use, to encourage active participation and provide safe, welcoming and accessible places in accordance with Council's strategic aspirations:

ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

Council has 123 buildings including:



Civic Centre



Recreation Centre



Town Hall



Public Conveniences

These assets are further broken down into 347 components in Council's Asset Register and categorised by location. Components include the structure, sub-structure, services, roof, fit out and fittings. Each component has an individual replacement value based on the construction material, utilisation levels and industry pricing.

The following table provides the building sub-class categories including number of assets and components for each category:

Asset Sub Class	Assets (#)	Components (#)
Caravan Park	7	31
Depot Buildings	16	40
Halls	2	10
Office	3	21
Open Space Facilities	2	2
Community Facilities	31	67
Public Conveniences	17	17
Recreation Facilities	3	15
Sporting Facilities	34	118
Horse Tram Facilities	2	14
Waste Facilities	5	5
Whale Centre	1	7
TOTAL	123	347

LEVELS OF SERVICE

Levels of service for building assets are defined in relation to both community and technical requirements. The assets are assessed in terms of quality, function and capacity.

The City of Victor Harbor aims to maintain building assets at a condition rating of < 3.

Current levels of service and performance measures for each asset per annum (p/a) are provided in the table below:

Service Level*	Description	Measurement Process	Desired Level of Service
Quality	Asset Maintenance	Condition assessments	Condition Rating < 3
	Community Feedback	Customer service requests and complaints requiring action	< 3 requests and/or complaints p/a
	Structural defects	Maintenance requirements	< 1 reactive works p/a
Function	Fit for purpose	Meets standards and design specifications	Compliant
		Inclusive Access	Improvements for existing assets as per program
	Fit for purpose	Materials and construction meets usage needs	< 3 requests and/or complaints p/a
Capacity	Safety	Installation for safety and usage requirements	Compliant
	Quantity	Customer service requests and complaints potentially impacting capital budgets	< 3 requests and/or complaints p/a will trigger budget bids

**Major emergencies and disaster events are excluded from the service level measurement*

A service level hierarchy is also used to prioritise competing works dependent on utilisation rates of the assets (how many people are affected) and risk assessments.

VALUATION

Building assets are valued in accordance with AASB13 (Fair Value Measurement) with revaluations programmed on a four-year cycle.

The value of assets by financial asset sub-class recorded in the Asset Register as at 30 June 2022 that are covered by this Plan are shown in the table below:

Asset Class	Replacement Value	Accumulated Depreciation	Written Down Value
Caravan Park	\$1,971,000	\$495,410	\$1,475,590
Depot	\$2,104,000	\$743,120	\$1,360,880
Town Hall and Cinema	\$5,999,939	\$1,593,667	\$4,406,273
Civic Centre	\$13,697,160	\$3,043,714	\$10,653,446
Garden Sheds	\$111,000	\$27,750	\$83,250
Community Facilities	\$7,405,000	\$2,432,593	\$4,972,407
Public Conveniences	\$1,735,807	\$399,460	\$1,336,347
Recreation Centre	\$7,487,993	\$1,647,501	\$5,840,492
Sporting Facilities	\$11,393,061	\$3,551,655	\$7,841,406
Horse Tram	\$1,015,613	\$231,413	\$784,200
Waste Facilities	\$470,000	\$211,800	\$258,200
Whale Centre	\$1,994,000	\$554,199	\$1,439,801
TOTAL	\$55,384,573	\$14,932,282	\$40,452,292



USEFUL LIVES

Useful lives of building assets are determined at the component level and are provided in the table below:

Asset Class	Minimum	Maximum	Average
Fitouts & Fittings Main	2	28	19
Roof Main	3	40	36
Services (Other) Main	7	100	62
Site Infrastructure Main	5	30	19
Site Services Main	6	50	45
Sub-Structure Main	100	240	136
Super-Structure Main	7	120	50

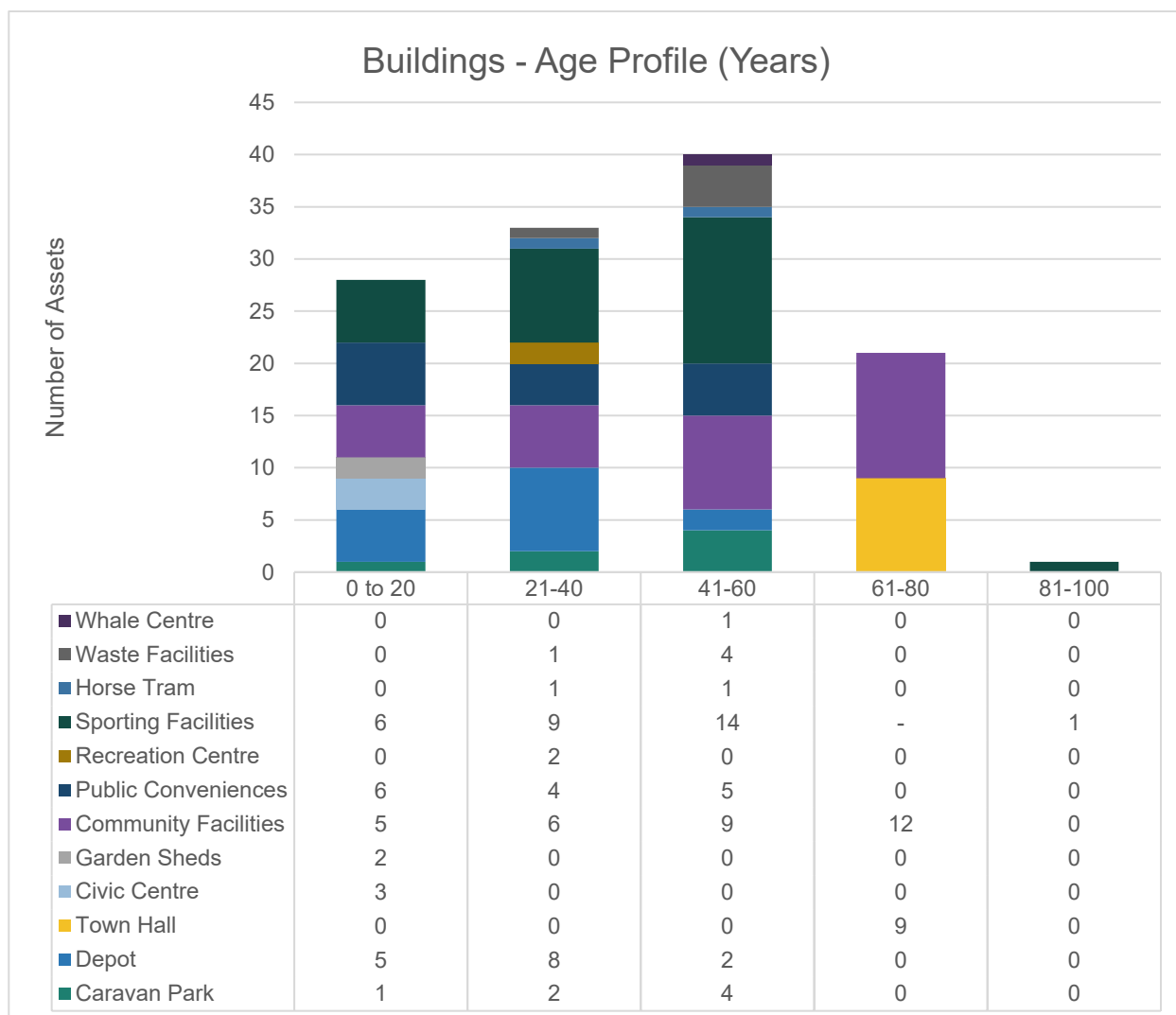
The useful life sets the depreciation rate net of any residual values of the asset at end of life.

The average useful life for all building assets is 52 years, with the minimum useful life set at 2 years and the maximum set at 240 years.

AGE PROFILE

The age profile of building assets is determined by the principal component (super-structure main) and construction date where known.

The average age of building assets by classification is provided in the graph below:



Building assets range in age from 0 years to 82.

**THE AVERAGE AGE OF
ALL BUILDING ASSETS IS
35 YEARS.**

Minimum, maximum and average ages are provided in the table below:

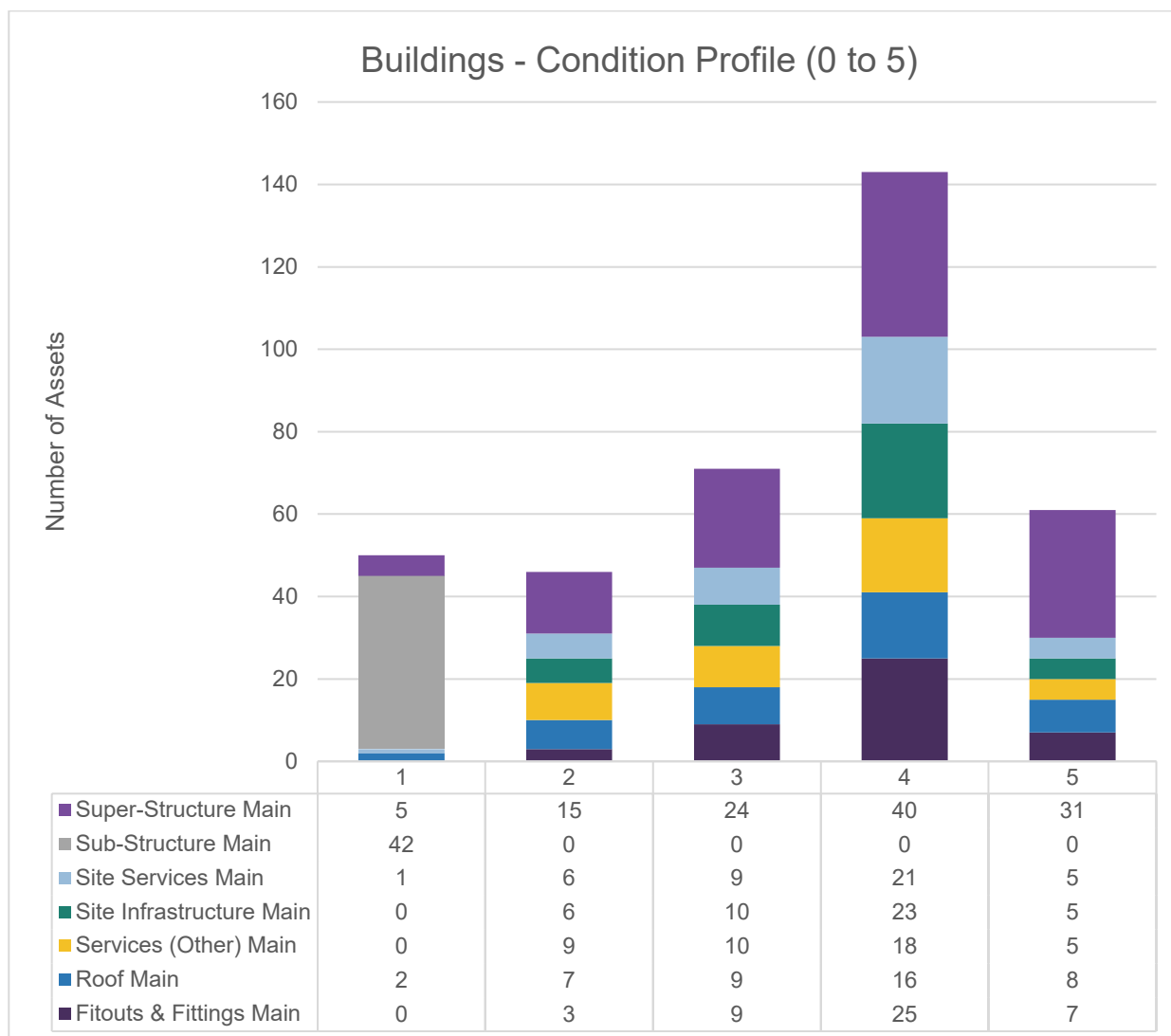
Asset Type	Minimum	Maximum	Average
Caravan Park	13	53	34
Depot	3	46	29
Town Hall and Cinema	82	82	82
Civic Centre	14	26	17
Garden Sheds	9	20	14
Community Facilities	4	82	46
Public Conveniences	0	46	17
Recreation Centre	3	40	19
Sporting Facilities	9	82	35
Horse Tram	19	49	32
Waste Facilities	38	57	47
Whale Centre	22	59	39

CONDITION PROFILE

Condition of building assets is monitored through ongoing data collection which is incorporated into relevant attribute criteria within Council's corporate asset software. The data is reviewed and updated during revaluation cycles, after significant weather events, with community feedback or complaints as well as during routine maintenance duties. Condition ratings and descriptions are provided in the table below:

Condition Rating	Summary Description	Detailed Description
0	Brand New	Asset is brand new
1	Very Good	Near as new condition with no defects
2	Good	Superficial deterioration, reliable and no maintenance is required.
3	Fair	Minor deterioration present and routine maintenance may be required
4	Poor	Significant deterioration present, maintenance required to keep the asset serviceable with program for renewal within the next five years
5	Very Poor	Extensive deterioration present, significant maintenance required to keep the asset serviceable with program for renewal within the following year

The condition profile of building assets is determined by the components and the construction materials with the condition ratings demonstrated in the graphs below:



THE AVERAGE CONDITION RATING FOR BUILDING ASSETS IS 4

Components with a condition rating of 3 or less make up 40% of the total class, with 17% at condition rating 4 and 43% at condition rating 5.

This indicates that expenditure on replacement, repairs and maintenance has not been sufficient to effectively maintain these assets and increased expenditure will be required over the term of this Plan in both capital and operating budgets.

FORECAST EXPENDITURE

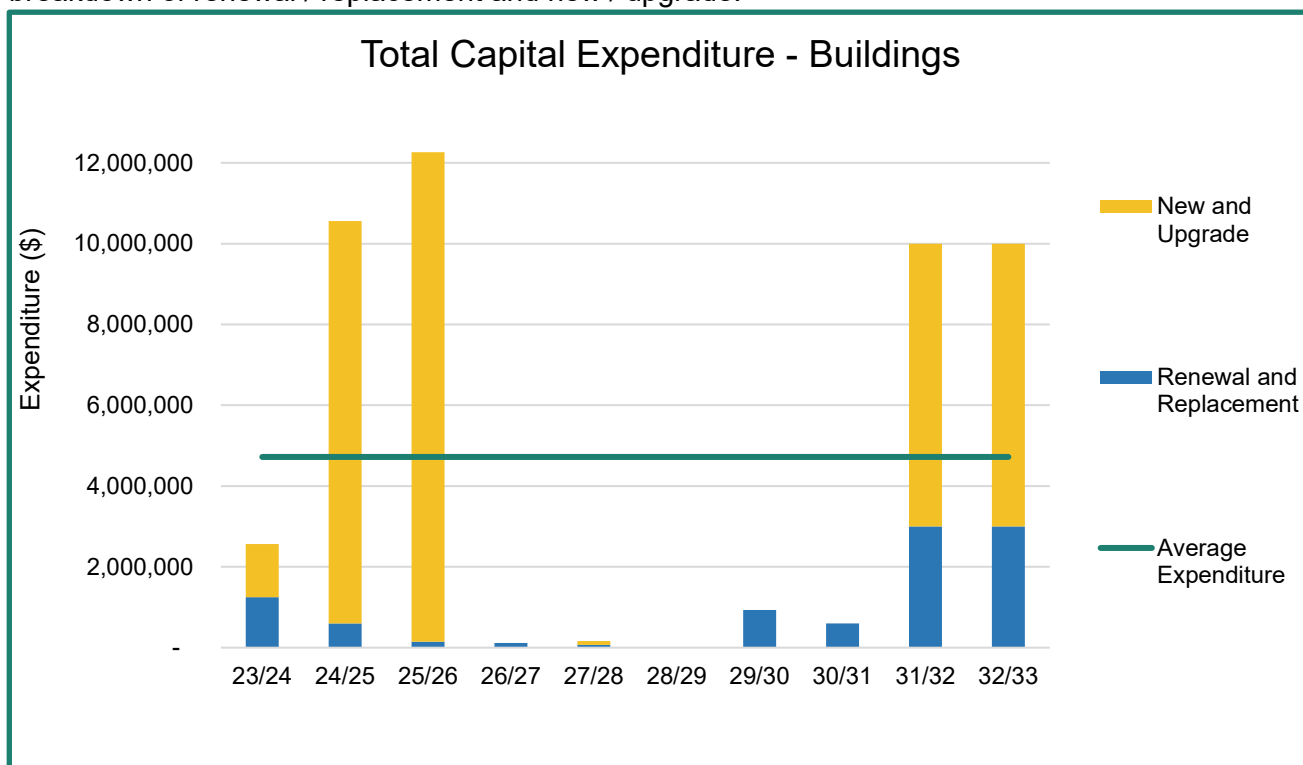
Forecast expenditure over the next ten years totals \$47,208,300. This is made up of 21% renewal and replacement works and 79% new and upgrade works. The average annual spend over the ten-year plan is \$4,720,830 per year.

Projects are determined to be renewal / replacement or new / upgrade depending on the project scope and the existing asset attributes. Renewal and replacement applies where the asset is reconstructed to the same size / capacity of the existing asset. Changes in the use of materials and/or useful lives does not constitute an increase in capacity.

New and upgrade applies where the asset did not previously exist or where there is an increase in the size / capacity of the asset. The principal attribute considered for determining whether there is an increase for building is size (m²).

In addition to the above, capitalisation thresholds need to be considered in line with Council's Asset Accounting Policy with projects that fall below the financial limits considered to be operating and maintenance rather than capital.

The graph below shows the total expenditure over the ten years of the Plan as well as the breakdown of renewal / replacement and new / upgrade:



The expenditure spikes above average from 2024/25 to 2025/26 due to the planned Community, Recreation and Sport Precinct (\$20m) and again in 2031/32 to 2032/33 due to the Arts and Culture Precinct (\$20m), both of which are subject to securing grant funding.

These projects may need to be deferred or brought forward to take advantage of grant funding opportunities.

CAPITAL – RENEWAL AND REPLACEMENT

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but returns the asset to its original or required service potential.

Renewal of a land asset is typically undertaken to ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate or to ensure that it is of sufficient quality to meet the service requirements.

Renewal schedules are determined by undertaken an assessment based on risk, useful life, age of the asset, condition rating, defect and failure levels, external reports, utilisation, impact on users, operational and maintenance costs. The assessment and weighting is summarised in the table below:

Criteria	Weighting
Condition Rating (4 and 5)	70%
Risk Rating (residual high or extreme)	30%
TOTAL	100%

Forecast expenditure on renewal and replacement of building over the next ten years totals \$9,518,600 and is summarised in the table below with a detailed listing provided in the Capital Works Program for Buildings at Appendix B.

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$1,251	\$602	\$146	\$120	\$67	\$0	\$932	\$600	\$3,000	\$3,000
Total Expenditure on Renewal and Replacement									\$9,719

CAPITAL – NEW AND UPGRADE

New and upgrade expenditure is major work that creates a new asset or upgrades an existing asset to increased capacity. Increased capacity may be required due to growth, social or environmental needs. Changes to appearance or materials used is not an increase in capacity.

New and upgrade projects are identified from various sources including strategic plans of Council, community or elected member requests, grant funding availability and partnership proposals from other organisations.

Throughout the year, new proposals and requests are added to a Project Register for consideration during the annual budget process and strategic document review.

Inclusions are determined by undertaking an assessment based on risk, community benefit, utilisation, impact on users, future operational and maintenance costs (life cycle costs). The assessment and weighting are summarised in the table below:

Criteria	Weighting
Public Need	30%
Risk (residual high or extreme)	30%
Strategic Directions	40%
Total	100%

Forecast expenditure on new and upgrade of building assets over the next ten years totals \$37,489,700 and is summarised in the table below with a detailed listing provided in the Capital Works Program for Buildings at Appendix B.

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$1,314	\$9,957	\$12,118	\$0	\$101	\$0	\$0	\$0	\$7,000	\$7,000
Total Expenditure on New and Upgrade									\$37,490

OPERATING – REPAIRS AND MAINTENANCE

Repairs and maintenance includes all costs and actions necessary for retaining an asset at the appropriate service levels and includes both planned and reactive works, as well as administrative expenses such as insurance. Regular cyclic replacement may also be included where the capitalisation threshold is not met.

Operating budgets for maintenance are generally driven by historic costs and the Consumer Price Index and do not always allow for variances, peaks and troughs in maintenance cycles, weather and environmental conditions or new / upgraded assets. Increases above these levels are detailed in the annual budget process as separate budget proposals.

Operating expenditure on building assets over the previous ten years is provided below:

2012/13 \$ '000	2013/14 \$ '000	2014/15 \$ '000	2015/16 \$ '000	2016/17 \$ '000	2017/18 \$ '000	2018/19 \$ '000	2019/20 \$ '000	2020/21 \$ '000	2021/22 \$ '000
\$157	\$164	\$192	\$158	\$195	\$219	\$255	\$214	\$200	\$158

This represents an average spend over the ten years of \$191,200 per year. This historic expenditure is insufficient due to new and gifted assets. In addition, there is a high percentage of buildings with a condition rating of 4 or 5, indicating that expenditure has either not met maintenance requirements, renewal project have been deferred, or the buildings are due for replacement.

The historic cost has been used as a base to forecast the maintenance expenditure requirements for the next ten years, as well as an increase for maintenance on new and gifted assets.

Forecast operating expenditure for this asset class is as follows:

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$256	\$262	\$312	\$373	\$373	\$373	\$373	\$373	\$373	\$408

CLIMATE CHANGE

The impacts of climate change will have consequences for infrastructure assets. Rising sea levels in low lying areas may affect not only individual assets but also connectivity. Higher temperatures are expected to increase heat stress, particularly on transport infrastructure.

Projected sea level rise is unlikely to impact on the majority building assets with the exception of foreshore properties. Planning for new assets will consider the anticipated sea level rise and flood plain mapping.

OPEN SPACE

OUR ASSETS

Council owns open space assets for community use, to encourage active participation and provide safe, welcoming and accessible places in accordance with Council's strategic aspirations:

ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

Open Space includes the following asset classes:



Boardwalks



Structures




Artworks



Playgrounds

Open Space is made up of 3,700 individual assets within the register broken down into asset classes as below:



Asset Class	Asset Type	Quantity (#)
Artworks	Outdoor memorials, sculptures and plaques	119
Boardwalks	Boardwalks, platforms and footbridges	123
Structures	Sheds and shelters	44
Fences	Brick, brush, picket, mesh, post and rail	293
Walking Trails	Walking trails	183
Irrigation	Pipes and controllers	110
Lighting	Flood, bollard and decorative	117
Ancillary	Furniture, fountains, BBQ, flagpoles	1335
Park Active	Tennis, netball, basketball, volleyball courts	12
Park Equipment	Power boxes	66
Garden Beds	Garden beds	493
Playgrounds	Playground, equipment and skate parks	58
Retaining Walls	Retaining walls	212
Signage	Information, interpretive and naming	437
Access	Reserve and beach access	98

LEVELS OF SERVICE

Levels of service for land assets are defined in relation to both community and technical requirements. The assets are assessed in terms of quality, function and capacity.

The City of Victor Harbor aims to maintain land assets at a condition rating of < 3.

Current levels of service and performance measures for each asset per annum (p/a) are provided in the table below:

Service Level*	Description	Measurement Process	Desired Level of Service
Quality	Asset Maintenance	Condition assessments	Condition Rating < 3
	Community Feedback	Customer service requests and complaints requiring action	< 3 requests and/or complaints p/a
	Structural Defects	Maintenance requirements	< 1 reactive works p/a
Function	Fit for Purpose	Meets standards and design specifications	Compliant
		Inclusive access	Improvements for existing assets as per program
		Materials and construction meets usage needs	< 3 requests and/or complaints p/a
Capacity	Safety	Installation for safety and legal requirements	Compliant
	Quantity	Customer service requests and complaints potentially impacting capital budgets	< 3 requests and/or complaints p/a will trigger budget bids

**Major emergencies and disaster events are excluded from the service level measurement*

A service level hierarchy is also used to prioritise competing works dependent on utilisation rates of the assets (how many people are affected) and risk assessments.

VALUATION

Open Space assets are valued in accordance with AASB13 (Fair Value Measurement) with revaluations programmed on a four-year cycle.

The value of assets by asset class recorded in the Asset Register as at 30 June 2022 that are covered by this Plan are shown in the table below:

Asset Class	Replacement Value	Accumulated Depreciation	Written Down Value
Artworks	\$1,412,956	\$160,720	\$1,252,235
Bins	\$566,572	\$53,386	\$513,186
Bridges	\$1,354,160	\$260,055	\$1,094,105
Electrical Plant and Equipment	\$920,563	\$35,755	\$884,808
Fences	\$2,649,665	\$776,208	\$1,873,458
Irrigation	\$1,718,793	\$662,031	\$1,056,762
Irrigation Regulators	\$105,823	\$38,592	\$67,230
Lighting	\$681,251	\$76,935	\$604,316
Other Structures	\$963,340	\$121,833	\$841,507
Park Active Areas	\$1,127,052	\$164,440	\$962,612
Park Infrastructure	\$2,057,762	\$200,096	\$1,857,666
Parks and Gardens	\$882,933	\$177,918	\$705,015
Pathways	\$867,934	\$261,202	\$606,733
Playgrounds	\$3,017,004	\$326,044	\$2,690,961
Retaining Walls	\$1,315,212	\$261,204	\$1,054,008
Signs	\$709,712	\$60,949	\$648,762
Steps	\$797,401	\$164,272	\$633,129
Total	\$21,148,133	\$3,801,639	\$17,346,494

USEFUL LIVES

Useful lives of open space assets are as shown in the table below:

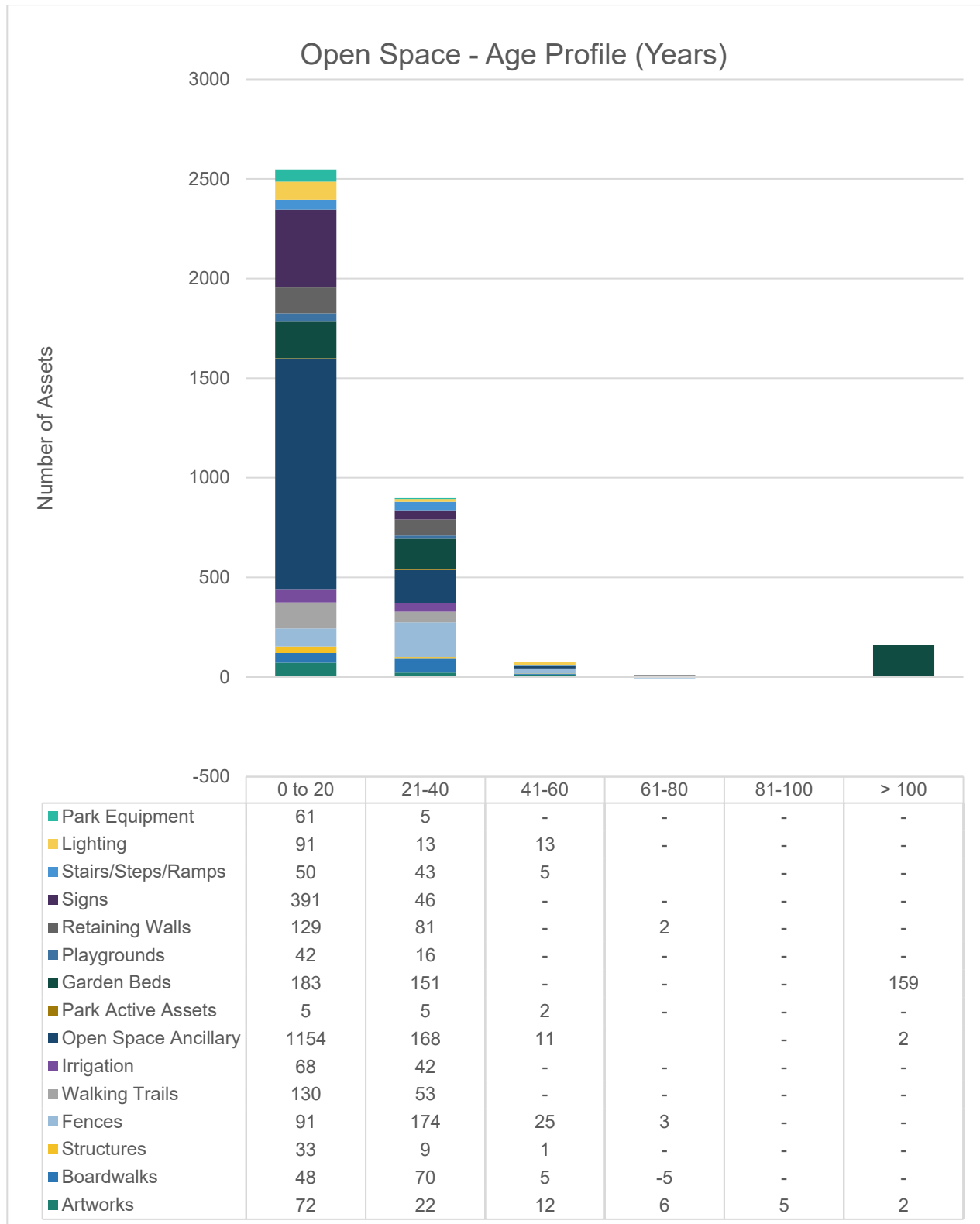
Asset Class	Minimum	Maximum	Average
Artworks	15	150	116
Boardwalks	25	75	48
Structures	30	60	38
Fences	25	50	32
Walking Trails	5	120	41
Irrigation	12	22	18
Lighting	25	40	36
Ancillary	0	80	35
Park Active	10	60	36
Park Equipment	18	50	41
Garden Beds	30	30	30
Playgrounds	18	50	20
Retaining Walls	50	120	78
Signage	15	15	15
Access	15	50	33


The useful life sets the depreciation rate, net of any residual values of the asset at end of life.

The average useful life for all open space assets is 41 years, with the minimum useful life set at 0 years and the maximum set at 150 years.

AGE PROFILE

The age profile of open space assets is determined by the construction date, and is illustrated in the graph below:





Open space assets range in age from 0 years to 135 years with 73% of assets in the 0 to 20 year range, and 23% in the 21 to 40 year range. Only 3% of assets are over 40 years.


Minimum, maximum and average ages are provided in the table below:

Asset Type	Minimum	Maximum	Average
Artworks	1	135	23
Boardwalks	2	49	23
Structures	2	44	16
Fences	0	64	25
Walking Trails	2	39	16
Irrigation	1	35	17
Lighting	1	44	15
Ancillary	0	124	11
Park Active	7	44	25
Park Equipment	0	34	8
Garden Beds	0	124	51
Playgrounds	0	26	13
Retaining Walls	2	64	17
Signage	1	34	11
Access	1	49	20

CONDITION PROFILE

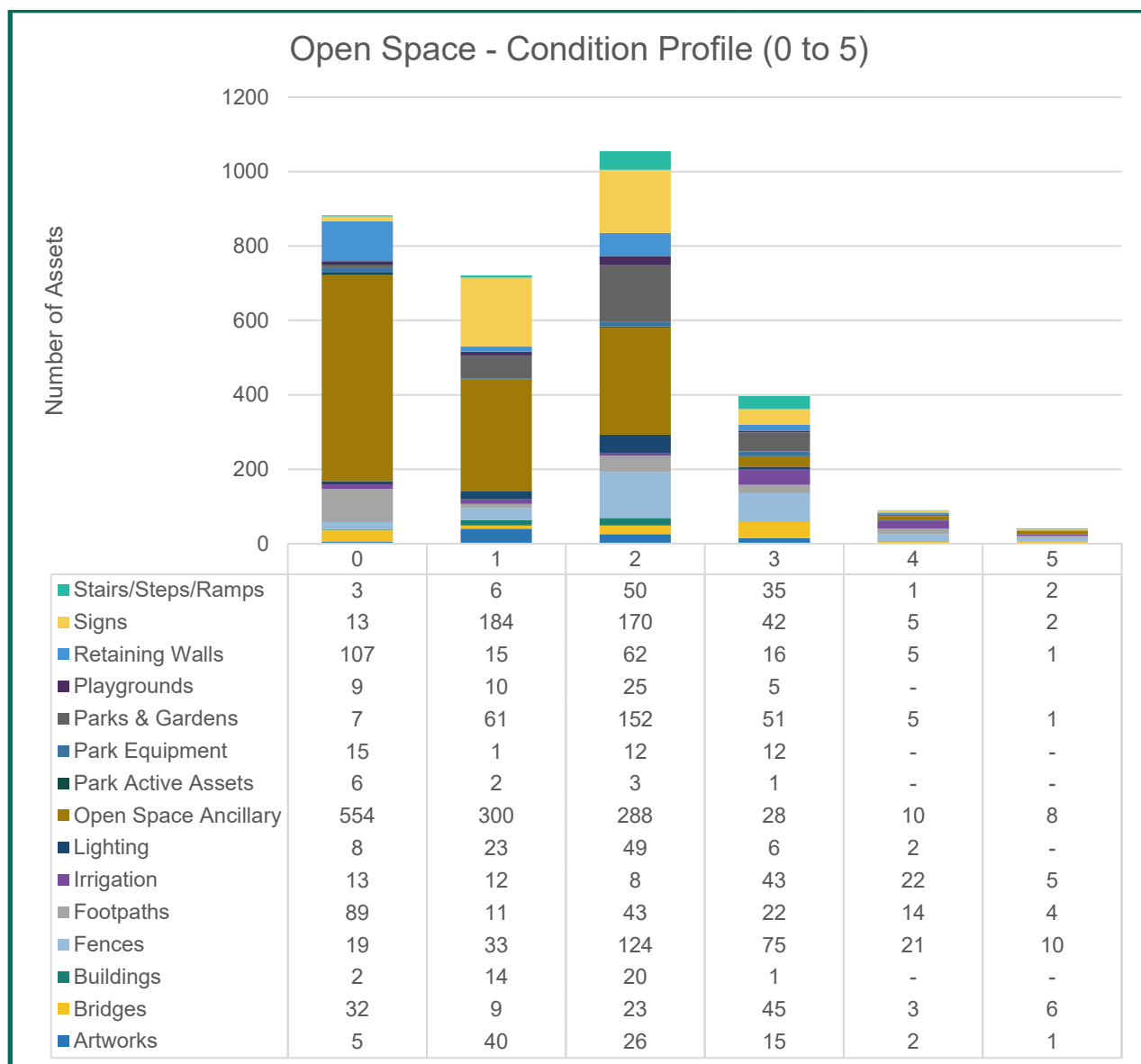
The condition of open space assets is monitored through ongoing data collection which is incorporated into relevant attribute criteria within Council's corporate asset software. The data is reviewed and updated during revaluation cycles, after significant weather events, with community feedback or complaints as well as during routine maintenance duties. Condition ratings and descriptions are provided in the table below:

**THE AVERAGE AGE OF
ALL OPEN SPACE
ASSETS IS 16 YEARS.**



Condition Rating	Summary Description	Detailed Description
0	Brand New	Asset is brand new
1	Very Good	Near as new condition with no defects
2	Good	Superficial deterioration, reliable and no maintenance is required.
3	Fair	Minor deterioration present and routine maintenance may be required
4	Poor	Significant deterioration present, maintenance required to keep the asset serviceable with program for renewal within the next five years
5	Very Poor	Extensive deterioration present, significant maintenance required to keep the asset serviceable with program for renewal within the following year

The condition profile of open space assets is determined by the components and the construction materials with the condition ratings demonstrated in the graphs below:



Assets with a condition rating of 3 or less make up 95% of the total class with 4% at condition rating 4 and 1% at condition rating 5.

THE AVERAGE CONDITION RATING FOR OPEN SPACE

FORECAST EXPENDITURE

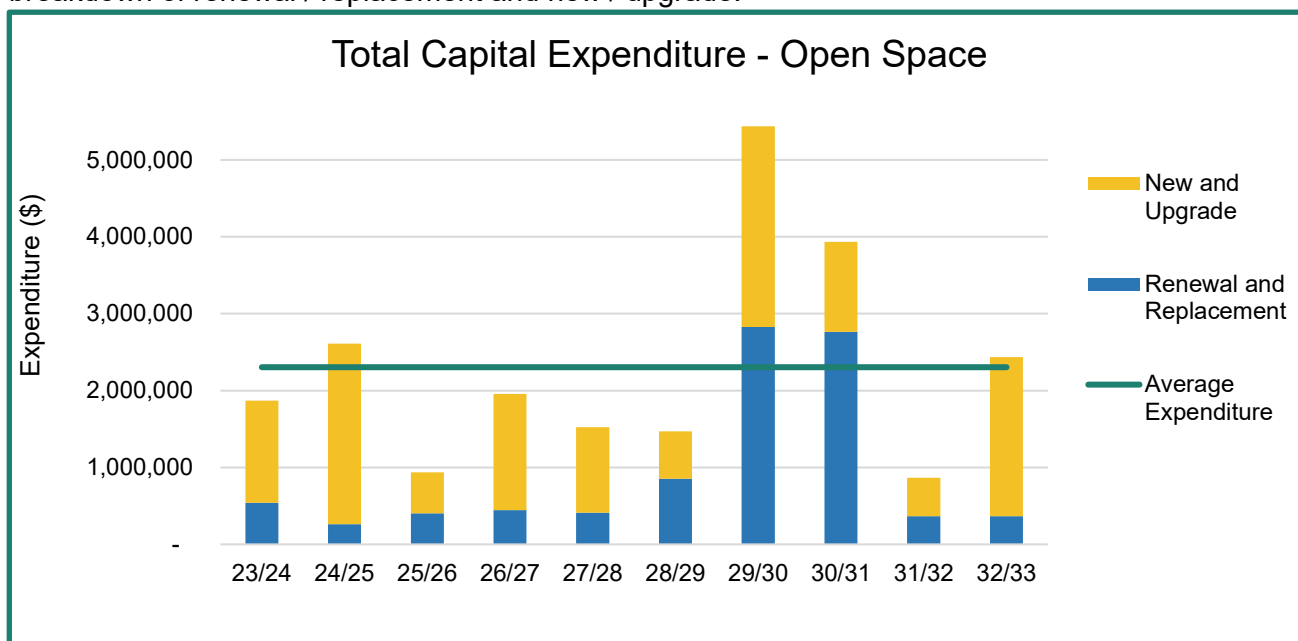
Forecast expenditure over the next ten years totals \$23,038,900. This is made up of 40% renewal and replacement works and 60% new and upgrade works. The average annual spend over the ten-year plan is \$2,303,890 per year.

Projects are determined to be renewal / replacement or new / upgrade depending on the project scope and the existing asset attributes. Renewal and replacement applies where the asset is reconstructed to the same size / capacity of the existing asset. Changes in the use of materials and/or useful lives does not constitute an increase in capacity.

New and upgrade applies where the asset did not previously exist or where there is an increase in the size / capacity of the asset. The principal attribute considered for determining whether there is an increase for open space is size (m²).

In addition to the above, capitalisation thresholds need to be considered in line with Council's Asset Accounting Policy with projects that fall below the financial limits considered to be operating and maintenance rather than capital.

The graph below shows the total expenditure over the ten years of the Plan as well as the breakdown of renewal / replacement and new / upgrade:



The expenditure spikes above average in 2029/30 and 2030/31 due to the foreshore redevelopment project with \$6,480,000 for this project forecast to be split across three years 2028 - 2031.

This project is subject to grant funding and may need to be deferred or brought forward to take advantage of grant funding opportunities.

CAPITAL – RENEWAL AND REPLACEMENT

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but returns the asset to its original or required service potential.

Renewal of a land asset is typically undertaken to ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate or to ensure that it is of sufficient quality to meet the service requirements.

Renewal schedules are determined by undertaken an assessment based on risk, useful life, age of the asset, condition rating, defect and failure levels, external reports, utilisation, impact on users, operational and maintenance costs. The assessment and weighting are summarised in the table below:

Criteria	Weighting
Condition Rating (4 and 5)	30%
Risk Rating (residual high or extreme)	30%
Utilisation	40%
TOTAL	100%

Forecast expenditure on renewal and replacement of open space over the next ten years totals \$9,241,700 and is summarised in the table below with a detailed listing provided in the Capital Works Program for lands at Appendix A.

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$542	\$264	\$402	\$444	\$414	\$852	\$2,826	\$2,766	\$366	\$366
Total Expenditure on Renewal and Replacement									\$9,242

CAPITAL – NEW AND UPGRADE

New and upgrade expenditure is major work that creates a new asset or upgrades an existing asset to increased capacity. Increased capacity may be required due to growth, social or environmental needs. Changes to appearance or materials used are not an increase in capacity.

New and upgrade projects are identified from various sources including strategic plans of Council, community or elected member requests, grant funding availability and partnership proposals from other organisations.

Throughout the year, new proposals and requests are added to a Project Register for consideration during the annual budget process and strategic document review.

Inclusions are determined by undertaking an assessment based on risk, community benefit, utilisation, impact on users, future operational and maintenance costs (life cycle costs). The assessment and weighting are summarised in the table below:

Criteria	Weighting
Public Need	30%
Risk (residual high or extreme)	30%
Strategic Directions	40%
Total	100%

Forecast expenditure on new and upgrade of open space assets over the next ten years totals \$13,797,200 and is summarised in the table below with a detailed listing provided in the Capital Works Program for lands at Appendix A.

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$1,327	\$2,348	\$534	\$1,512	\$1,110	\$618	\$2,610	\$1,170	\$498	\$2,070
Total Expenditure on New and Upgrade									\$13,797

OPERATING – REPAIRS AND MAINTENANCE

Repairs and maintenance includes all costs and actions necessary for retaining an asset at the appropriate service levels and includes both planned and reactive works, as well as administrative expenses such as insurance. Regular cyclic replacement may also be included where the capitalisation threshold is not met.

Operating budgets for maintenance are generally driven by historic costs and the Consumer Price Index and do not always allow for variances, peaks and troughs in maintenance cycles, weather and environmental conditions or new / upgraded assets. Increases above these levels are detailed in the annual budget process as separate budget proposals.

Operating expenditure on land assets over the previous ten years is provided below:

2012/13 \$ '000	2013/14 \$ '000	2014/15 \$ '000	2015/16 \$ '000	2016/17 \$ '000	2017/18 \$ '000	2018/19 \$ '000	2019/20 \$ '000	2020/21 \$ '000	2021/22 \$ '000
\$444	\$442	\$496	\$465	\$460	\$465	\$503	\$509	\$346	\$415

This represents an average spend over the ten years of \$454,300 per year. This historic expenditure is not sufficient to meet maintenance requirements for these assets due to the increase in the assets base from new and gifted assets.

Maintenance expenditure requirements for the next ten years has been based on historic costs as well as an index for new and gifted assets.

Forecast operating expenditure for this asset class is as follows:

Year 1 2023/24 \$ '000	Year 2 2024/25 \$ '000	Year 3 2025/26 \$ '000	Year 4 2026/27 \$ '000	Year 5 2027/28 \$ '000	Year 6 2028/29 \$ '000	Year 7 2029/30 \$ '000	Year 8 2030/31 \$ '000	Year 9 2031/32 \$ '000	Year 10 2032/33 \$ '000
\$487	\$494	\$506	\$508	\$516	\$521	\$524	\$537	\$543	\$546

CLIMATE CHANGE

The impacts of climate change will have consequences for infrastructure assets. Rising sea levels in low lying areas may affect not only individual assets but also connectivity. Higher temperatures are expected to increase heat stress, particularly on transport infrastructure.

Projected sea level rise is unlikely to impact on the majority of open space assets with the exception of beach access, coastal walkways and foreshore infrastructure. These assets are considered as part of Council's Coastal Adaptation Strategy, and planning for any new assets will consider the projected sea level rise.

APPENDIX A


CAPITAL WORKS PROGRAM - POTENTIAL LAND PURCHASES

DESCRIPTION	Year 1 23/24 \$'000	Year 2 24/25 \$'000	Year 3 25/26 \$'000	Year 4 26/27 \$'000	Year 5 27/28 \$'000	Year 6 28/29 \$'000	Year 7 29/30 \$'000	Year 8 30/31 \$'000	Year 9 31/32 \$'000	Year 10 32/33 \$'000
Strategic Land Purchases Allowance	832	-	-	1,000	-	500	-	-	-	500
ANNUAL TOTALS	832	-	-	1,000	-	500	-	-	-	500

APPENDIX B

CAPITAL WORKS PROGRAM - POTENTIAL BUILDING PROJECTS

DESCRIPTION	Year 1 23/24 \$'000	Year 2 24/25 \$'000	Year 3 25/26 \$'000	Year 4 26/27 \$'000	Year 5 27/28 \$'000	Year 6 28/29 \$'000	Year 7 29/30 \$'000	Year 8 30/31 \$'000	Year 9 31/32 \$'000	Year 10 32/33 \$'000
Sport and Recreation Facilities Design (23/24 and Construction (25/26) *Subject to Grant Funding	1,070	8,000	12,000	-	-	-	-	-	-	-
Arts and Culture Precinct Design (23/24) to (25/25) Construction (31/32) to (32/33) *Subject to Grant Funding	400	868	-	-	-	-	-	-	10,000	10,000
Civic Centre - New Solar System	155	775	-	-	-	-	-	-	-	-
Civic Centre - HVAC replacement	300	300	-	-	-	-	-	-	-	-
Croquet Club House - Septic System and Façade	157	-	-	-	-	-	-	-	-	-
Rec Centre - Stadium One floor replacement	154	-	-	-	-	-	-	-	-	-
Transportable office building at depot	144	-	-	-	-	-	-	-	-	-
Horse Tram Storage Barn - Panel Lift Doors Mechanics Replacement x 4 - \$5k per year Door Replacement (26/27)	5	6	-	48	-	-	-	-	-	-
Carrickalinga House (salt damp) Stone wall replacement Stage 1	60	-	-	-	-	-	-	-	-	-
Public Conveniences Investigator Carpark Renovations	90	-	-	-	-	-	-	-	-	-
Yacht Club - Clubroom Replace Eaves - Fascia and Gutter	18	-	-	-	-	-	-	-	-	-
Yacht Club - Bridge & Storage Shed Replace timber fascia & barges	12	-	-	-	-	-	-	-	-	-
Fire Safety Egress Provisions Various Locations	-	250	-	-	-	-	50	-	-	-
Town Hall - Stone Facade Replacement	-	22	-	-	-	-	-	-	-	-
Fleurieu FM - bathroom replacement	-	65	-	-	-	-	-	-	-	-
Public Conveniences Causeway Renovations	-	273	-	-	-	-	-	-	-	-



DESCRIPTION	Year 1 23/24 \$'000	Year 2 24/25 \$'000	Year 3 25/26 \$'000	Year 4 26/27 \$'000	Year 5 27/28 \$'000	Year 6 28/29 \$'000	Year 7 29/30 \$'000	Year 8 30/31 \$'000	Year 9 31/32 \$'000	Year 10 32/33 \$'000
Carrickalinga House - Roof replacement	-	-	96	-	-	-	-	-	-	-
Public Conveniences Kleinigs Hill Construction	-	-	168	-	-	-	-	-	-	-
Public Conveniences - Toilet Refurbishment (Qahwa Café)	-	-	-	36	-	-	-	-	-	-
Yacht Club - Clubroom Refurnish Kitchen	-	-	-	36	-	-	-	-	-	-
Public Conveniences - Barker Reserve	-	-	-	-	168	-	-	-	-	-
Back Valley Hall Timber flooring and restumping	-	-	-	-	-	-	54	-	-	-
Carrickalinga House - Kitchen replacement	-	-	-	-	-	-	90	-	-	-
Carrickalinga House Suspended Ceiling Replacement	-	-	-	-	-	-	78	-	-	-
Civic Centre - carpet replacement	-	-	-	-	-	-	360	-	-	-
Encounter Bay Bowls Clubrooms - Roof	-	-	-	-	-	-	132	-	-	-
Fleurieu FM - roof replacement	-	-	-	-	-	-	66	-	-	-
Civic Centre - Solar System Replacements	-	-	-	-	-	-	102	-	-	-
Allowance for major building projects	-	-	-	-	-	-	-	600	-	-
ANNUAL TOTALS	2,565	10,559	12,264	120	168	-	932	600	10,000	10,000

APPENDIX C

CAPITAL WORKS PROGRAM – POTENTIAL OPEN SPACE PROJECTS

DESCRIPTION	Year 1 23/24 \$'000	Year 2 24/25 \$'000	Year 3 25/26 \$'000	Year 4 26/27 \$'000	Year 5 27/28 \$'000	Year 6 28/29 \$'000	Year 7 29/30 \$'000	Year 8 30/31 \$'000	Year 9 31/32 \$'000	Year 10 32/33 \$'000
Coastal										
Coastal Protection - High priority sea wall along Franklin Parade / Esplanade	842	2,000	-	840	600	-	1,500	-	-	1,500
Beach and Reserve Access Points - Allowance	110	96	96	96	96	96	96	96	96	96
Irrigation										
Irrigation Renewal and Upgrade Kleinig's Lookout and Joy Beer Reserve	73	-	-	-	-	-	-	-	-	-
EB Oval sprinkler system replacement	237	-	-	-	-	-	-	-	-	-
Warland Reserve - Irrigation Design (28/29) and Construct (29/30)	-	-	-	-	-	60	72	-	-	-
Irrigation Renewal and Upgrade - Allowance	-	72	60	60	132	60	60	60	60	60
Playgrounds										
Junior Scooter Park Construction	179	-	-	-	-	-	-	-	-	-
Playground Renewal - Tuck Reserve	18	-	-	-	-	-	-	-	-	-
Playground renewal - Swings and Basketball McCracken and Kent	-	96	-	-	-	-	-	-	-	-
Playground Renewals and Upgrades - Allowance	-	-	96	66	84	180	84	84	84	84
Reserves										
Reserve Development - The Bluff Trails, shelters, access, car parks, signage	100	-	-	-	-	-	-	-	-	-
John Crompton Reserve Ramp upgrade and infrastructure	-	30	-	-	-	-	-	-	-	-
Foreshore Reserve Bridge Tce - Yacht to Bowling Club Development - Stage 1 (25/26) and Stage 2 (26/27)	-	-	240	240	-	-	-	-	-	-
Foreshore Upgrades - Design (28/29) Stage 1 (29/30) and Stage 2 (30/31)	-	-	-	-	-	480	3,000	3,000	-	-
Street Furniture - Allowance	36	48	42	48	48	48	48	48	48	48
Reserve Furniture - Allowance	72	78	84	96	96	96	96	96	96	96
Reserve Development - Allowance	-	-	120	228	228	228	228	228	228	228
Various										
Community Garden - Design	50	-	-	-	-	-	-	-	-	-
Replacement of Pump Enclosure - Whale Tail	16	-	-	-	-	-	-	-	-	-
Bus Shelter Program	22	72	-	72	-	72	-	72	-	72
Structures - Rotundas and Shelters	-	60	60	72	72	72	84	84	84	84
Cemetery Development (Finnis Rd) Annual Allowance	42	42	42	42	42	42	42	42	42	42
Walking Trails - Allowance	72	18	96	96	126	36	126	126	126	126
ANNUAL TOTALS	1,869	2,612	936	1,956	1,524	1,470	5,436	3,936	864	2,436



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