



SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION)

MINUTES

5 JUNE 2018

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

TABLE OF CONTENTS

Item Subject	Page No.
Table of Contents	2
1.0 Meeting Opened	4
2.0 Leave of Absence	5
2.1 Leave of Absence	5
3.0 Declaration of any Material Personal Interests/Conflicts of Interest by Councillors and Senior Council Officers.....	6
4.0 Mayor's Budget Address and Presentation	6
5.0 Executive Office Reports	9
5.1 Service Strategy Plans and Service Management Strategy	9
5.2 Operational Plan 2018-2019	321
6.0 Corporate and Community Services Reports	364
6.1 2018/2019 Financial Policies	364
6.2 2018/2019 Revenue Policy	374
6.3 2018/2019 Revenue Statement	382
6.4 2018/2019 Rating Categorisation Policy	433
6.5 Adoption of the 2018/2019 Budget and Long Term Financial Forecast 2018/2019 to 2027/2028	449
6.6 2018/2019 to 2027/2028 Long Term Financial Plan	481
7.0 Confidential Items	520
8.0 Meeting Closed	520

ATTENDANCE:

Councillors Present

- **Cr Tanya Milligan (Mayor) (Chairperson)**
- **Cr Kathy McLean**
- **Cr Janice Holstein**
- **Cr Chris Wilson**
- **Cr Michael Hagan**
- **Cr Rick Vela**

Officers Present

- **Ian Church, Chief Executive Officer**
- **Lyle Kajewski, Acting Executive Manager Organisational Development & Planning Services**
- **David Lewis, Executive Manager Corporate & Community Services**
- **Tony Brett, Manager Finance & Customer Service**
- **John Keen, Manager Infrastructure Support**
- **Seren McKenzie, Acting Executive Manager Infrastructure Works & Services**
- **Erin Carkeet, Governance & Strategy Officer**
- **Alice Macdonald, Project Officer**
- **Karina Brauer, Communications Officer**
- **Neil Williamson, Community Development & Engagement Officer**
- **Elizabeth Jones, Community Development & Engagement Officer**
- **Corrin Bischoff, Coordinator Governance & Strategy**

Apologies

- **Cr Jason Cook (Deputy Mayor)**
- **Dan McPherson, Executive Manager Organisational Development & Planning Services**

Media Present

- **Josh Cummings, Nine News**
- **Mitch Hook, Nine News**
- **Ash Porter, Seven Local News**
- **Kasey Bratley, Seven Local News**

1.0 MEETING OPENED

The meeting commenced at 9:00am.

The Mayor, Cr Milligan as the Chairperson, opened the meeting and welcomed all present.

GENERAL BUSINESS

THAT Council authorise those media outlets present to film during the Special Meeting for the adoption of Council's 2018/19 Budget.

Moved By: Cr Holstein

Seconded By: Cr Hagan

Resolution Number: 16-20/0963

CARRIED

6/0



2.1 Leave of Absence

Officer's Recommendation:

RESOLUTION

Moved By: Cr Holstein **Seconded By:** Cr McLean
Resolution Number: 16-20/0964

Page 5

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

3.0 DECLARATION OF ANY MATERIAL PERSONAL INTERESTS/CONFLICTS OF INTEREST BY COUNCILLORS AND SENIOR COUNCIL OFFICERS

3.1 Declaration of Material Personal Interest on any Item of Business

Pursuant to Section 172 of the *Local Government Act 2009*, a councillor or senior council officer who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

- (a) inform the meeting of the councillor's material personal interest in the matter; and
- (b) leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

3.2 Declaration of Conflict of Interest on any Item of Business

Pursuant to Section 173 of the *Local Government Act 2009*, a councillor or senior council officer who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest in the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

No declarations were made by Councillors or Senior Council Officers at this time.

4.0 MAYOR'S BUDGET ADDRESS AND PRESENTATION

It is my pleasure to present the 2018/19 Lockyer Valley Regional Council Budget to the community.

This Budget is about the future. It's about positioning this Council and our community for the challenges and opportunities that lie ahead. It's about sustainably improving the liveability of our community even as we grow.

This Budget is a team effort and it gives me an enormous sense of pride to see how well our current team of councillors has worked together to ensure a wide range of ideas and views have been considered.

This 2018/19 Budget further cements our back-to-basics approach and continues to cut down on spending. It is all about being accountable while planning for the long-term future of the Lockyer Valley.

Like the previous budget, our focus is on sustainable management of the region's current assets and ensuring they are maintained and upgraded when necessary.

We have worked hard to strike the right balance between meeting community expectations and delivering what we are financially able to deliver and maintain.

Council officers at all levels have reviewed their operations and priorities to ensure that Council maintains its focus on the services and efficiencies that are most important to the community.



SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION) MEETING MINUTES - 5 JUNE 2018

The Budget I am presenting today is responsible and sustainable, and will help to secure a bright long-term future for our region.

The 2018/19 Budget provides \$57.56 million in operating revenue and \$55.49 million in expenditure. This will give Council a predicted operating surplus of \$2.07 million for the year ahead which is another outstanding result.

Council will continue to look at options to pay down debt at an accelerated rate and later this month will pay down an additional \$5 million.

Doing this ensures that we are in a financial position to maximise future projects and opportunities, as well as absorbing any unexpected shocks such as those brought on by natural disasters.

We looked at a number of rate models this year to ensure that the various rating categories were fair and appropriate. We have been able to keep the general rate increase to 2.5% for residential properties, which equates to less than \$1 a week for 9 out of 10 residential ratepayers.

The general rate increase on farms will vary between 3.5 and 6.5 percent, which for the majority of farm properties will mean an increase of just under \$120 for the financial year.

Commercial Category 1 has not been increased at all which should be good news for all those businesses. The other Commercial Categories will see an increase of 2.5%.

The Emergency Preparedness Levy has remained the same, as have the Resilient Rivers, and Rural Fire Service Levies.

The Domestic Waste (Bin) Collection Charge has increased by \$11 in line with contract cost increases, and the Waste Management Levy has increased by just \$4.

The Environment Levy has increased to \$16 this year, which will partially fund Council's environmental initiatives including Pest Management. It is vital that we continue to address the bio-security threats that jeopardise our long-term agricultural productivity.

Council will continue to support pensioners through concessions, and will continue to reward prompt payment of General Rates, Waste, and Recycling Collection Charges.

In simple terms, this is a responsible budget aimed at managing our expenditure, delivering a high standard of services, and reducing debt.

It focuses on our core services such as road maintenance, parks and gardens, customer service and delivering a substantial capital works program that manages and renews the existing assets in our region.

It's a Budget that demonstrates that Council is listening to the community, reviewing its priorities and operations, and constantly improving.

So while this may not be a glitzy Budget; while we're not building a lot of shiny new things; we are continuing to get our house in order and are operating within our means.



<p>SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION) MEETING MINUTES - 5 JUNE 2018</p>
--

Thank you again to my fellow Councillors, the Executive Leadership Team and Council staff for their roles in building the firm foundation that sets us up for a strong future; a future that can be enjoyed by the whole community including our children and future generations.

Thank you.



**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

5.0 EXECUTIVE OFFICE REPORTS

5.1 Service Strategy Plans and Service Management Strategy

Date: 30 May 2018

Author: John Keen, Manager Infrastructure Support Services

Responsible Officer: Seren McKenzie, Acting Executive Manager Infrastructure Works & Services

Summary:

The Service Management Strategy and Service Management Plans are strategic documents that outline the considerations that Council and officers will make in relation to the provision of infrastructure and other assets to provide services to the community. These documents will help Council to achieve the strategic directions from the Corporate Plan 2017-22, in particular

- *“Develop an asset management improvement plan that establishes minimum core level of asset maturity and competence”.*

Officer’s Recommendation:

THAT Council adopt the Service Management Strategy (2018-2021) and the Service Management Plans for Buildings and Facilities, Disaster Management, Fleet, Information and Communication Technology, Parks and Gardens, Cemeteries, Waste and Transport.

RESOLUTION

THAT Council adopt the Service Management Strategy (2018-2021) and the Service Management Plans for Buildings and Facilities, Disaster Management, Fleet, Information and Communication Technology, Parks and Gardens, Cemeteries, Waste and Transport, as attached to these Minutes.

Moved By: Cr McLean

Seconded By: Cr Wilson

Resolution Number: 16-20/0965

CARRIED

6/0

Report

1. Introduction

The Service Management Strategy is a document that defines how Council will review and improve the provision of services through either infrastructure or other assets as a means of

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

continuous improvement. The subordinate service management plans provide the detail of what assets Council stewards and the necessary funding streams required over the planning period to provide defined levels of service. The service management plans document service levels, projected growth and risk profiles to assist with decision making.

2. Background

The Lockyer Valley Regional Council has invested significant time and resources into understanding the asset inventory that Council stewards on behalf of the community and the services provided through those assets. The creation and review of a Service Management Strategy and Service Management Plans are seen as a positive step towards effective stewardship of the community's assets by the Council in a sustainable manner.

3. Report

The preparation of the Service Management Plans followed a defined process that consists of the following:

- Assessing the levels of service through reviewing what has historically been provided;
- Identifying the risks associated with ownership and management of assets;
- Defining the operating parameters of the assets and services;
- Noting the operations and maintenance demands;
- Planning for renewal and replacement of the assets within the available funding envelopes;
- Considering future demand for the asset portfolios.

As part of the ongoing development and implementation of Council's Service Management Strategy, new plans have been created for Cemeteries and Waste in consultation with the responsible officers. These plans have followed the same process and format as the existing plans and reflect the current levels of service and forecast requirements.

Existing plans have been reviewed and updated with no material changes made. The updated estimates have been incorporated in the current long term financial plan. A major review of the Building and Facilities Service Management Plan is scheduled for the 2018/2019 financial year, as well as Council's road pavements and bituminous seals are undergoing a laser survey to provide a qualitative review of their conditions.

4. Policy and Legal Implications

The Local Government Act 2009, Chapter 4, Part 3, Section 104 requires Council to maintain various financial management, planning and accountability documents. These documents include but are not limited to:

- A long-term financial plan
- A long-term asset management plan
- Community plan

The Service Management Plans, provide the structure for Council to manage its assets in a sustainable manner showing that it has planned, taken a long term view, been financially prudent, and is meeting the legislative requirements of the Local Government Act 2009.

5. Financial and Resource Implications

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

The financial implications for Council are understood at this point based on current levels of service and what is understood of growth projections and risk profiles and documented in the Service Management Plans.

6. Delegations/Authorisations

Authorise the Chief Executive Officer to take all necessary actions to enact the resolution of Council on this matter.

7. Communication and Engagement

The plans will be made available on Council's website.

8. Conclusion

The adoption of the updated Service Management Plans and newly created Service Management Plans for Cemeteries and Waste will recognise the importance of the assets and the function they perform in relation to the ability of Council to deliver services to the community in a sustainable manner.

9. Action/s

Council Business Unit managers to undertake an annual review of the relevant Service Management Plan for incorporation into the long-term financial plan and publish adopted plans on Council's website.

Attachments

1View	Service Management Plan 2018, Cemeteries	27 Pages
2View	Service Management Plan 2018, Disaster Management	19 Pages
3View	Service Management Plan 2018, Fleet	19 Pages
4View	Service Management Plan 2018, Information and Communication Technology	18 Pages
5View	Service Management Plan 2018, Parks and Gardens	29 Pages
6View	Service Management Plan 2017, Building and Facilities	112 Pages
7View	Service Management Plan 2018, Transport	35 Pages
8View	Service Management Plan 2018, Waste	32 Pages
9View	Service Management Strategy (2018-2021)	19 Pages



Cemeteries

Service Management Plan

May 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	01/12/2017	Initial Draft	Matt Burdett	Brendan Sippel	

TABLE OF CONTENTS

1	Executive Summary	4
1.1	Expenditure Analysis.....	5
1.2	SMP Improvement Plan.....	7
2	Introduction	8
2.1	Background	8
2.2	Council's Goals and Objectives for Cemeteries Services.....	8
2.3	The purpose of this cemeteries Plan	8
3	Level of Service	9
3.1	Community Consultation	9
3.2	Current Levels of Service	9
4	Future Demand.....	11
5	Risk Management.....	12
5.1	Risk Assessment	12
6	Lifecycle Management Plan.....	13
6.1	Input Data and Parameters	13
6.2	Renewal Planning	14
6.3	New/Upgrade Planning (Creation or Acquisition)	14
6.4	Operations and Maintenance planning	14
6.5	Condition & Performance Monitoring.....	15
6.6	Disposal Plan	15
7	Cemetery Assets Analysis	16
7.1	Asset Class Summary	16
7.2	Age Profile	16
7.3	Asset condition Profile	17
8	Financial Summary	18
8.1	Assumptions.....	18
8.2	Current Long term Financial Plan	18
8.3	Forecast operations and maintenance expenditures.....	20
8.4	Expenditure Summary	20
8.5	Expenditure projections for long term financial plan.....	21
8.6	Asset Valuations.....	22
8.7	Funding Strategy.....	22
8.8	Financial Recommendations.....	22
9	Plan Improvement and Monitoring.....	23
9.1	Performance Measures.....	23
9.2	Improvement Plan	23
9.3	Monitoring and Review Procedures.....	23
10	Appendices	24
	Appendix A 10 Year Condition Renewal Program.....	25
	Appendix B 10 Year New/Upgrade Program.....	26

1 EXECUTIVE SUMMARY

This services management plan (SMP) describes the cemeteries assets provided to the community, and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future.

What Does This Plan Cover?

The cemetery services and assets are valued at \$191,788 (Fair Value) as at 30 June 2017 and are apportioned as shown in Figure 1-1:

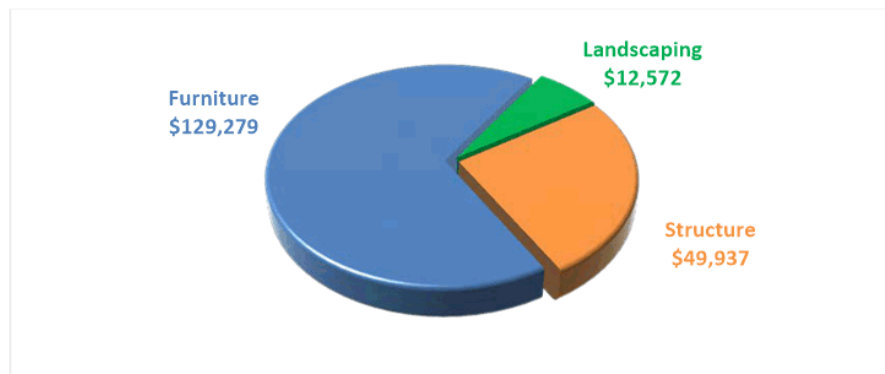


FIGURE 1-1: CEMETERY ASSETS FAIR VALUE SUMMARY

What is the current condition of these assets?

The assets have been assessed as being in good condition overall with only 11% or \$7,873 of cemetery assets in poor or very poor condition and in need of urgent repair, renewal or replacement.

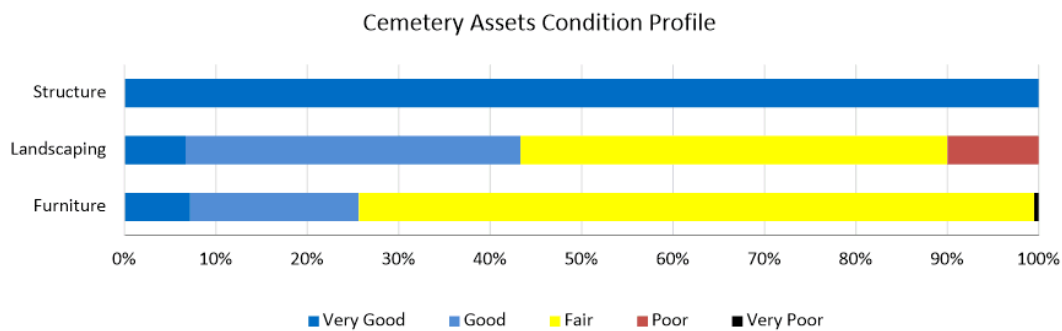


FIGURE 1-2: CEMETERY CONDITION PROFILE

1.1 EXPENDITURE ANALYSIS

There are three major categories that make up the total expenditure for Council's cemetery assets:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service.

The following expenditure analysis has been undertaken to understand what it costs to own, operate, maintain and replace Council's cemetery assets over a 10 year planning period. This is based on what is currently understood of the services and likely demand over that planning period.

1.1.1 CAPITAL RENEWAL EXPENDITURE

Renewal expenditure shown below in Table 1-1 has been generated through analysis of asset conditions and remaining useful lives. It is the best available knowledge at the time of forming this SMP.

TABLE 1-1: RENEWAL EXPENDITURE (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
Replacement Cost	\$4.8	\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$67	\$7.5

The total renewal expenditure estimate for the next 10 years is \$74,878 hence the annualised amount of \$7,488 should be adopted as baseline for renewal of assets. This is the required investment to ensure services are maintained at current levels over the planning period; anything less would see a decline in those services. Future iterations of this plan will look further into the future and consider a 20 year planning period.

1.1.2 NEW/UPGRADE CAPITAL EXPENDITURE

Council has detailed a number of capital works projects planned for the next 10 years. The annualised expenditure for these works can be seen against the budget allocation in Table 1-2 below with full capital project list included in Appendix B 10 Year New/Upgrade Program.

TABLE 1-2: NEW/UPGRADE EXPENDITURE (\$'000s)

New/Upgrade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
CAPEX Program	\$29	\$258	\$10	\$120	\$148	\$80	\$0	\$0	\$0	\$0	\$64

The total 10 year expenditure estimate based on the current new/upgrade capital works program is \$643,650. The current CAPEX program has been developed from knowledge and experience of the parks staff incorporating known trends in the use of these facilities.

The large comparative expenditure to that of renewal is indicative of the lack of capital investment in past years, and involves a significant upgrade to the Gatton Cemetery over the next 5 years. This investment is required to ensure there will be sufficient space within Gatton Cemetery to continue providing service.

1.1.3 OPERATIONS AND MAINTENANCE EXPENDITURE

The forecast operations and maintenance expenditure can be seen in Table 1-3 below. It has been assumed that the current level of maintenance expenditure is the appropriate amount to maintain the assets in a condition that delivers the adopted levels of service however it is recommended that a 'base budget review' be undertaken to confirm the accuracy of current maintenance and operations expenditure levels.

TABLE 1-3: OPERATIONS AND MAINTENANCE EXPENDITURE (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
<i>Operations</i>	\$153	\$156	\$159	\$163	\$166	\$169	\$173	\$176	\$180	\$183	\$168
<i>Maintenance</i>	\$11	\$11	\$11	\$11	\$11	\$12	\$12	\$12	\$12	\$13	\$12
Total	\$164	\$167	\$170	\$174	\$177	\$181	\$184	\$188	\$192	\$196	\$179

Increases in this expenditure over the next 10 years are due to growth of the population and/or the asset base.

1.1.4 REVENUE

The projected revenue over the life of this SMP is based on that received in 2017 and indexed at 2%, as shown in Table 1-4 below.

TABLE 1-4: REVENUE (\$'000s)

Cemeteries	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Projected Revenue	102	104	106	108	110	112	115	117	119	122

1.1.5 OVERALL

The total expenditure (operations and maintenance, renewals, new/upgrade) is projected as approximately \$2,511,000 over 10 years, which can be seen in Figure 1-3 below.

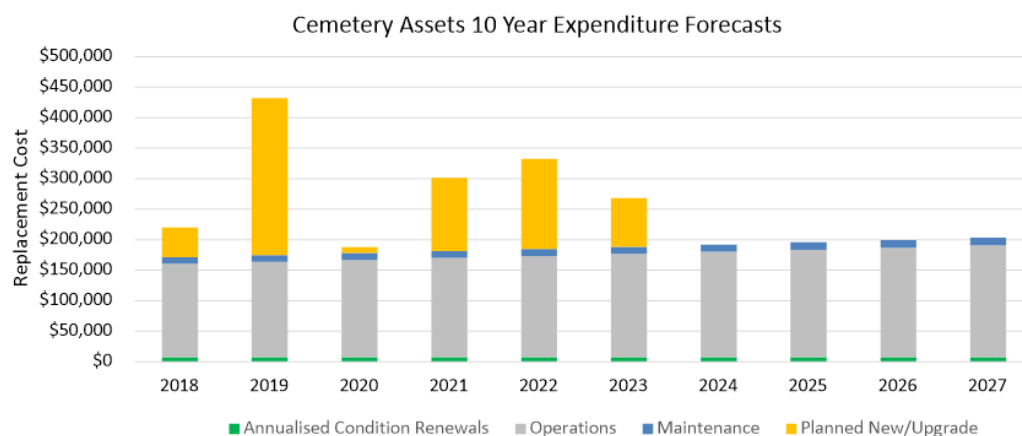


FIGURE 1-3: FUNDING REQUIRED TO DELIVER CEMETERY SERVICES

To maintain current service levels over the next 10 years, Council will have to spend on average \$187,000 every year for maintenance, operations, and the renewal of existing assets. Council's LTFP should be updated to include this required amount.

What are our Options?

Council has the option to alter the funding allocations through a range of methods;

- Revenue can be managed to provide sufficient funding to deliver the agreed levels of service.
- Revenue can be managed by reviewing the current fee structure and making changes to reflect cost to deliver the service to the community and provide cemetery infrastructure for the future.
- Funding can be redistributed to, from or within asset classes to ensure that all asset classes and funding allocations receive the appropriate funding.
- Service levels can be changed to better reflect available funds.
- Council can determine what new/upgrade works are undertaken in line with the ability to attract external funds to undertake these works and the ability of Council's own source funding to operate and maintain these assets into perpetuity.
- New/upgrade works from growth will partially come from developer contributed assets that will require more stringent development conditions to ensure that the community is not left with infrastructure that does not perform satisfactorily. Appropriate funding streams will need to be made available to own and operate these contributed assets into perpetuity.

1.2 SMP IMPROVEMENT PLAN

It is recommended the improvement plan set out at the end of this SMP be implemented. Summarising the improvement plan it is recommended that:

1. The current Maintenance and Operations expenditure levels be maintained.
2. A base budget review of maintenance costs be undertaken.
3. Maintenance practices be reviewed and driven by identified asset needs
4. A condition based renewal program of works be adopted.
5. Funding be reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
6. The New/Upgrade program be reviewed and ensure alignment with agreed service levels.
7. Introduce a funding allocation for forward planning and design to better execute capital works projects.

The above expenditure analysis and resulting improvement plan highlights the necessity for reviewing and improving the long term financial plan and the capital works program.

2 INTRODUCTION

2.1 BACKGROUND

This cemeteries service management plan is to demonstrate responsive management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The Lockyer Valley Regional Council cemetery assets include the following asset classes:

- Furniture
- Landscaping
- Structures

This service management plan is to be read in conjunction with:

- Lockyer Valley Regional Council Corporate Plan 2017-2022
- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Customer Service Charter
- Lockyer Valley Regional Council Operational Plan 2016-2017
- Council Strategic Plan for cemeteries (in development)
- Gatton Cemetery Masterplan 2016-2017

2.2 COUNCIL'S GOALS AND OBJECTIVES FOR CEMETERIES SERVICES

Council operates and maintains the cemeteries assets to achieve the following strategic objectives:

- Meet legislative requirements;
- Ensure that Council's cemetery services and assets are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and appropriate financial resources for those services;
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated;
- Ensure that the cemetery network provides full functionality;
- Ensure the network is planned appropriately to cater for future growth.
- Maximise the asset's useful life whilst minimising lifecycle expenditure.
- Maintain a high level of community satisfaction in the delivery of cemetery services.

2.3 THE PURPOSE OF THIS CEMETERIES PLAN

The purpose of this Cemeteries Plan is to:

1. Improve our understanding of the cemetery assets and services managed by ensuring access to quality data describing the network and the network condition, as well as the condition of all asset attributes;
2. Provide a framework of alignment for the cemetery assets and the levels of service derived from the assets;
3. Improve the organizational capabilities for the management of the cemetery assets and services;
4. Improved confidence levels in future works programs for renewal and maintenance programs and the associated funding requirements for the management options; and
5. Provide guidance for the Council in continuous improvement and toward advanced service management planning.

3 LEVEL OF SERVICE

3.1 Community Consultation

Community consultation is an essential part of the determination and confirmation of the levels of service framework. The consultation with the community regarding the management of cemeteries is part of Council's Community Plan roll-out. The Council has developed a Customer Service Charter for sharing information with and receiving feedback from the community. Specifically to the Lockyer Valley the elected Councillors are seen as an effective conduit to receive and understand the needs and concerns of the ratepayers and to provide this feedback through to Council management for appropriate actions and considerations. Council has currently adopted a Customer Service Strategy which provides recommendations to improve customer and community member experience when dealing with Council.

3.2 CURRENT LEVELS OF SERVICE

In accordance with the requirements of the International Maintenance Management Manual, service levels have been defined in two terms.

3.2.1 COMMUNITY LEVELS OF SERVICE

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

Community levels of service measures used in the service management plan are:

- | | |
|------------------------|------------------------------------|
| • Quality | How good is the service? |
| • Function | Does it meet users' needs? |
| • Capacity/Utilisation | Is the service over or under used? |

3.2.2 TECHNICAL LEVELS OF SERVICE

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

Council's current levels of service, detailed in Table 3-1, have been drafted based on anecdotal and historical information available.

These levels will be further developed based on their cost of delivery and the community's willingness to pay.

TABLE 3-1: CURRENT LEVELS OF SERVICE

Cemetery Services			
Classification			
Level of Service	Clean, Safe, accessible and sustainable Cemeteries to all residents.		
Performance Measure	Number of complaints and incidents (<5 per annum)		
Service Factors	Customer Service Standards	Technical Service Standards	Performance Measure
High Quality Cemeteries	Consistently clean, safe Cemetery facilities,	Maintenance programs contribute to timely removal of rubbish/graffiti, vegetation control, landscape maintenance and to the cleaning of toilets.	<5 Complaints/Annum
Accessible	Residents have access to Cemetery facilities	Cemetery facilities available between daylight hours, 7 days a week. Rapid response times	90% availability Response in 24 hours
Safe	Cemetery facilities are safe to use	Maintenance programs comply with safety requirements and timeframes. CEPTD principles considered in all designs	Nil Accidents as a result of unsafe assets
Recording requirements	Notification of burials	Notification of birth, death and marriages within 7 days of interments	100% Compliance
Cemetery servicing	Mowing, brush cutting of cemeteries	Grass control to be undertaken to a high standard fortnightly as per current adopted service level through voice of customer	<5 Complaints/Annum

4 FUTURE DEMAND

Factors affecting future demand for services include population change, changes in demographics, seasonal factors, consumer preferences and expectations, economic factors, etc. Known demand impacts for the Lockyer Valley in relation to impacts on service delivery are summarised in Table 4-1.

TABLE 4-1: DEMAND FACTORS, PROJECTIONS AND IMPACT ON SERVICES

Demand factor	Present position	Projection	Impact on services
Population	38,312 persons (2014)	Increase population to 63,000 by 2031.	An increase in population will have a direct impact on the operational cost and availability of plots of Councils cemeteries.
Demographic	Median age 37 (2011)		An aging population will have an increase in the need for cemetery services, principally associated with access to plots.

Demand for new services will be managed through a combination of managing existing cemeteries and upgrades. No new cemeteries are planned at this stage.

TABLE 4-2: DEMAND MANAGEMENT PLAN SUMMARY

Service Activity	Demand Management Plan
Community demand for cemeteries.	Study cemeteries usage to better understand the community needs. Base asset provision on utilisation, in preference to providing for historical trends. There is a growing trend in the community for ashes interments instead of the traditional burial and this change will effect Council cemetery land usage
Replacement or repair of cemetery assets	Progressive repair or replacement cemetery assets in line with known utilisation trends.
Capital Works – Renewals / Replacement	Schedule long-term capital works program. Renewal/Upgrade projects will need to be assessed with a balance between competing demands for investment to renew existing assets as well as providing expenditure for new assets to meet growing service delivery demand.

5 RISK MANAGEMENT

Council has a 'duty of care' to the community in relation to management of the cemetery service assets. This covers the various phases of design, construction through to operations and maintenance of the system.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets;
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed Levels of Service; and
- Operational risks where data and information are not maintained to standards which enable competent management outputs.

5.1 RISK ASSESSMENT

Council undertakes regular inspections of its Cemeteries with defects identified being logged and prioritised for repair. Common cemetery defects include the subsidence of new graves after weather events.

Council has identified the limited capacity remaining in its largest cemetery and has begun work on the Gatton Cemetery Masterplan to assess available options and expenditure impacts. Council has developed the plan in a staged approach to manage capital expenditure and use future forward reservation revenues sales from new stage to fund ongoing stages

6 LIFECYCLE MANAGEMENT PLAN

Lifecycle planning uses current asset and financial data to detail how Council will manage and operate the assets to deliver sustainable levels of service (defined in Section 4) while optimising life cycle costs.

The diagram below demonstrates the asset management whole of life approach:

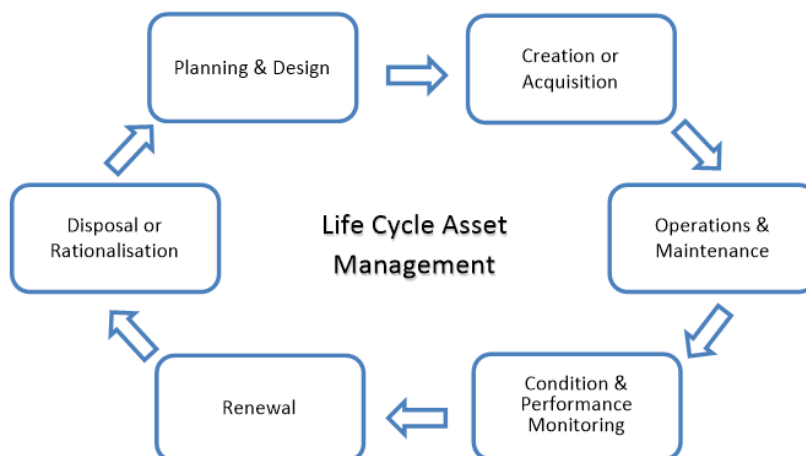


FIGURE 6-1: ASSET LIFECYCLE
Source: IIMM

6.1 INPUT DATA AND PARAMETERS

6.1.1 DATA CONFIDENCE

This lifecycle assessment is based on Council's revaluation data, financial data and asset register as detailed in Section 8. The data is considered to have an accuracy rating of 2 in accordance with the rating scale in Table 6-1.

TABLE 6-1: DATA CONFIDENCE RATING

Grade	Description	Accuracy
1	Accurate	100%
2	Minor inaccuracies	± 5%
3	50% estimated	± 20%
4	Significant data estimated	± 30%
5	All data estimated	± 40%

(Section 4.3.7 of the *International Infrastructure Management Manual (IIMM) Version 3.0, 2006*)

6.1.2 ADOPTED USEFUL LIVES OF CEMETERY ASSETS

An asset's useful life is defined as a period over which a depreciable asset is expected to be fully consumed. This period can be significantly impacted by Council's maintenance practices.

The useful life of an asset is initially based on the manufacturer's recommended (expected) life. However, this may be adjusted based on historical evidence of the impact of local environmental conditions on the expected life.

Council's adopted useful lives for each asset type are shown below.

TABLE 6-2: CEMETERY ASSET HIERARCHY AND LIVES

Asset Class	Asset Type	Materials	Asset Lives (Years)
Furniture	Seam strip	Concrete	60
	Entrance Statement	Metal, Plastic, Stone, Timber	40
	Fencing	Metal, Other, Plastic, Stone, Timber	30
	Rubbish Bin	Metal, Plastic, Timber	30
	Seat	Brick, Metal, Plastic, Stone, Timber	40
Landscaping	Garden Edging	Concrete, timber	40
	Water Tap	Metal	
	Vegetation Support		30
Structures	Memorial		90
	Columbarium	Concrete	
	Shade Shelter		45

6.2 RENEWAL PLANNING

Renewal expenditure does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to its original service potential is upgrade or new works expenditure.

This plan provides indicative program information for the renewal of the cemetery assets in Appendix A 10 Year Condition Renewal Program.

6.3 NEW/UPGRADE PLANNING (CREATION OR ACQUISITION)

New/Upgrade works are those that:

- Create a new asset that did not previously exist, or
- Upgrade or improve an existing asset beyond its existing capacity.

This plan provides indicative program information for the new/upgrade works of the cemetery assets in Appendix B 10 Year New/Upgrade Program.

6.4 OPERATIONS AND MAINTENANCE PLANNING

Current maintenance management is undertaken based on historical practices and trends supported by documented routines.

The maintenance service objectives are to:

- To maintain the system in a safe, serviceable and aesthetic condition, displaying a defensible duty of care within Council's financial and physical constraints to the satisfaction of Council and the community;
- To maintain and preserve the functionality and value of the existing assets;
- Ensure the provision of an affordable standard of customer service, ensuring that customer requests are responded to in an efficient and effective manner.

Establishing a Maintenance Management Plan enables Council to measure performance and build confidence that the network will consistently deliver against the nominated levels of service.

Currently assets have programmed inspections undertaken that cover safety, incidents investigations, defect identification, condition assessment and responses to customer enquiries.

6.5 CONDITION & PERFORMANCE MONITORING

6.5.1 CONDITION RATING

Council has adopted a condition assessment method using a rating scale of 1 to 5. The Condition Ratings and their corresponding upper and lower remaining useful life limits are detailed in Table 6-3.

TABLE 6-3: STRUCTURAL CONDITION GRADING MODEL

Grade	Condition	% Useful Life remaining	Description
1	Very Good	>70%	Sound physical condition. No signs of deterioration. Only normal maintenance required.
2	Good	70%-51%	Acceptable physical condition; minor deterioration visible, no short-term failure risk. Minor defects only. Only minor work required, if any.
3	Fair	50%-11%	Acceptable physical condition; minimal short-term failure risk but potential for deterioration in long-term. Minor defects only. Minor components or isolated sections of the asset may need replacement or repair now but asset functions safely at adequate level of service. Work may be required but asset is serviceable. Maintenance required to restore the asset to an acceptable level of service.
4	Poor	10%- 4%	Significant deterioration evident. Failure likely in short-term. Likely need to replace most or all of asset. No immediate risk to health or safety but works required to ensure asset remains safe. Substantial work required in short-term, asset barely serviceable. Asset requires renewal – work to be programmed.
5	Very Poor	<4%	Failed or failure imminent. Immediate need to replace most or the entire asset. Health and safety hazards exist which present a possible risk to public safety, or asset cannot be serviced/operated without risk to personnel. Asset is effectively unserviceable. Major work or replacement required urgently.

(International Infrastructure Management Manual (IIMM) Version 3.0, 2006 Section 3.3.6)

6.5.2 ASSET CAPACITY AND PERFORMANCE

Council's services are generally provided to meet design standards where these are available. Locations of identified deficiencies in service performance will be provided in future revisions of this Plan. In addition, if these deficiencies are to be addressed the project details will be included in the New/Upgrade program and evaluated through this plan.

6.5.3 CRITICAL ASSETS

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, Council targets inspection and investigative activities, maintenance plans and capital expenditure plans. The identification of critical assets, their failure modes and required operations and maintenance activities will be developed in future revisions of this service management plan.

6.6 DISPOSAL PLAN

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. No assets have been identified for possible decommissioning and disposal, and this will be developed in future iterations of this SMP.

7 CEMETERY ASSETS ANALYSIS

7.1 ASSET CLASS SUMMARY

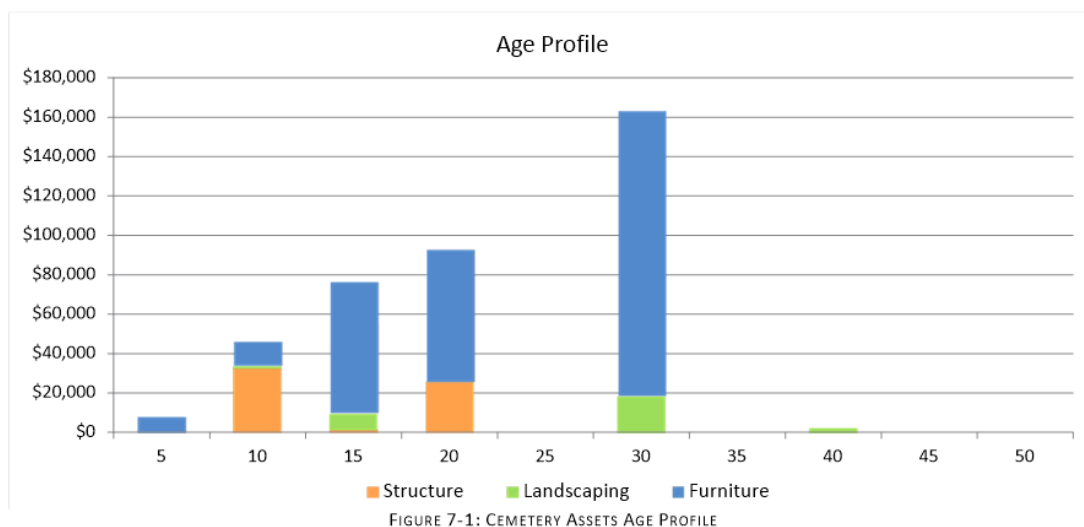
The cemetery assets covered by this service management plan are shown in Table 7-1. Replacement values are based on revaluation data as at 30 June 2017.

TABLE 7-1: ASSETS COVERED BY THIS PLAN

Asset Class	Asset Type	Units	Replacement Cost
Furniture	Seam strip	2668m	\$146,749
	Entrance Statement	4 items	\$2,750
	Fencing	2432m	\$130,514
	Rubbish Bin	3 items	\$1,500
	Seat	17 items	\$22,100
Landscaping	Garden Edging	527m	\$31,495
Structures	Memorial	1 item	\$2,000
	Columbarium	5 items	\$26,000
	Shade Shelter	1 item	\$33,120
Total			\$396,228

7.2 AGE PROFILE

Asset Age profile information is summarised in Figure 7-1 below. What is outlined in this graph is the high portion of aging furniture assets which will come up for renewal in the short to medium term.



The asset lives adopted have been derived from the expertise of staff and compared to that used in industry. As additional data is collected over coming years these adopted lives will be verified and altered as needed.

7.3 ASSET CONDITION PROFILE

Condition ratings for cemetery assets were captured in a full audit exercise in 2016 and have since joined Councils rolling four year condition rating program which therefore sees 25% of assets rated each year. The condition profile of cemetery assets is shown in Figure 7-2 below.

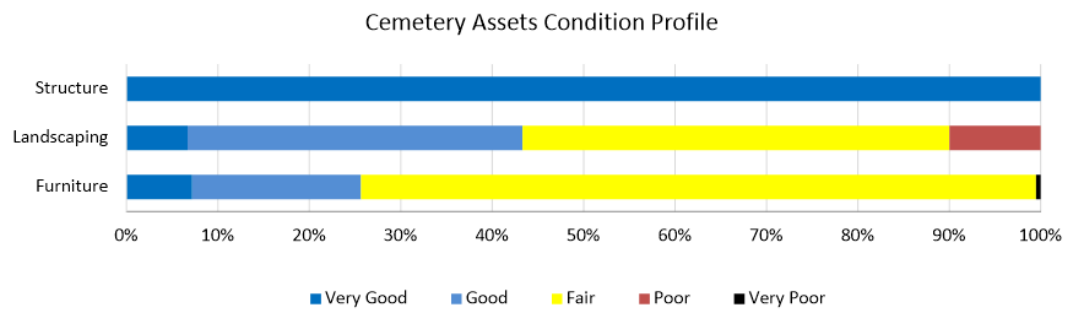


FIGURE 7-2: ASSET CONDITION PROFILE

The majority of Council's assets have been assessed as being in good condition. Only furniture assets, valued at \$4,797 have been assessed as being in very poor condition (condition grade 5) and in urgent need of renewal. Additionally, \$3,076 worth of landscaping assets have been assessed as being in poor condition (condition grade 4) and will require attention in the near future.

8 FINANCIAL SUMMARY

The financial planning provisions must acknowledge that there is no residual value in cemetery assets once they reached the end of their useful life. Furthermore cemetery operational services are highly reactive in nature and this causes some difficulty in accurately projecting future expenditure requirements.

8.1 ASSUMPTIONS

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

In the preparation of renewal forecasts and works programs it has been assumed the Council will continue to deliver cemetery services in the current manner and at the current levels.

This Plan is based on:

- Revaluation and condition assessment data as at 30 June 2016
- Council's financial statements for 2012/2013, 2013/2014 and 2014/2015

Key assumptions made in this service management plan are:

- This plan will be adopted and implemented;
- Works programs will be adopted and funded;
- Funding priorities are based on "renew before new";
- Asset age and condition/age ratio is in accordance with the relevant tables in Section 7
- No works undertaken unless addressed through SMP and cemetery strategic works programs;
- Existing maintenance & operation funding levels will be maintained.
- Reducing expenditure on unplanned infrastructure maintenance and using these funds for planned reconstruction, rehabilitation, and component replacement programs;
- Steady state condition of infrastructure as identified by condition surveys;
- Expected and adopted asset useful life will be achieved; and
- Normal wear and tear conditions.

Further, this plan will need to be updated annually to reflect changes to valuation, condition and impairment of assets.

Council is currently undergoing a review of its Local Government Infrastructure Plan. When the implications of LGIP are fully understood they will be incorporated in this plan.

8.2 CURRENT LONG TERM FINANCIAL PLAN

There is no current Long Term Financial Plan for cemetery asset management and service provision. It is intended that this service management plan will become the initial LTFP data source. Expenditure projections for the LTFP are summarised below in Section 9.3.

8.2.1 RENEWAL EXPENDITURE

Figure 8-1 shows the projected asset renewal expenditure over the 10 years of the SMP. This expenditure has been verified against a baseline of replacement cost to adopted useful life to check the validity of data used and this resulted in a baseline of approximately \$10,500 per year with the current asset inventory. Additionally this has been compared to a 20 year model that is projecting an average of \$14,210 per year. This indicates there is some refinement required in the useful life and unit rates adopted, but is sufficiently close to provide confidence that the stated \$7,488 per year is reasonable at this stage and should be adopted. Future iterations of this plan will develop a longer term strategy.

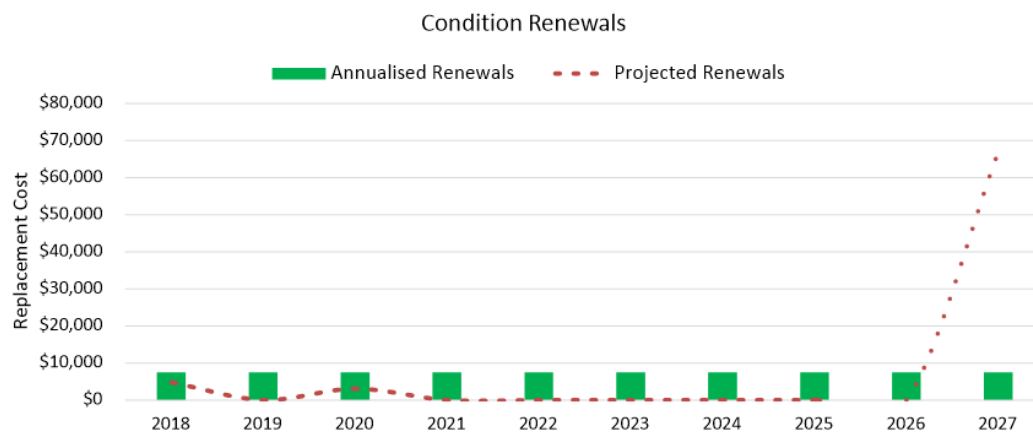


FIGURE 8-1: PROJECTED AND ANNUALISED RENEWAL EXPENDITURE

8.2.2 PLANNED NEW/UPGRADE EXPENDITURE

Projected upgrade/new asset expenditures are summarised in Figure 8-2. **Error! Reference source not found..** The projected new/upgrade capital works program is shown in Appendix B 10 Year New/Upgrade Program.

The current capital works program should be revised to give a more consistent annual figure. The long term financial plan should also be developed to ensure there are adequate funds for all planned works.

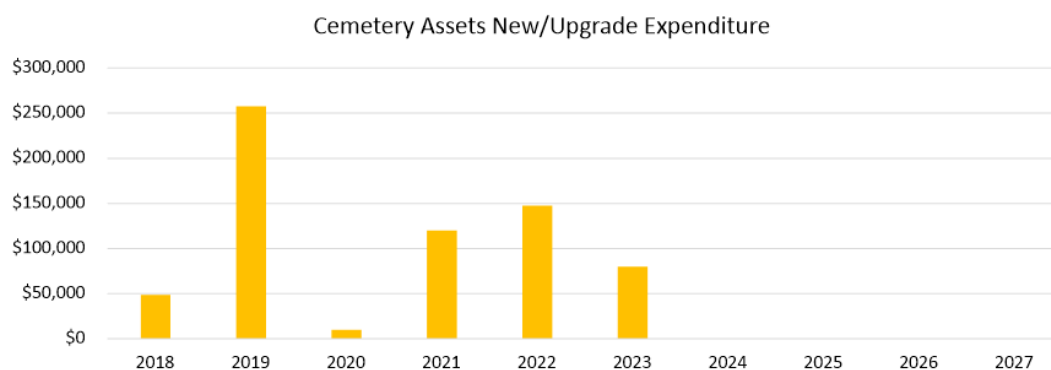


FIGURE 8-2: 10 YEAR NEW/UPGRADE EXPENDITURE PLAN

8.3 FORECAST OPERATIONS AND MAINTENANCE EXPENDITURES

No Operations and Maintenance modelling has been undertaken. Therefore, operations and maintenance expenditure shown in Figure 8-3 below is based on 2014-15 budget, indexed at 2%.

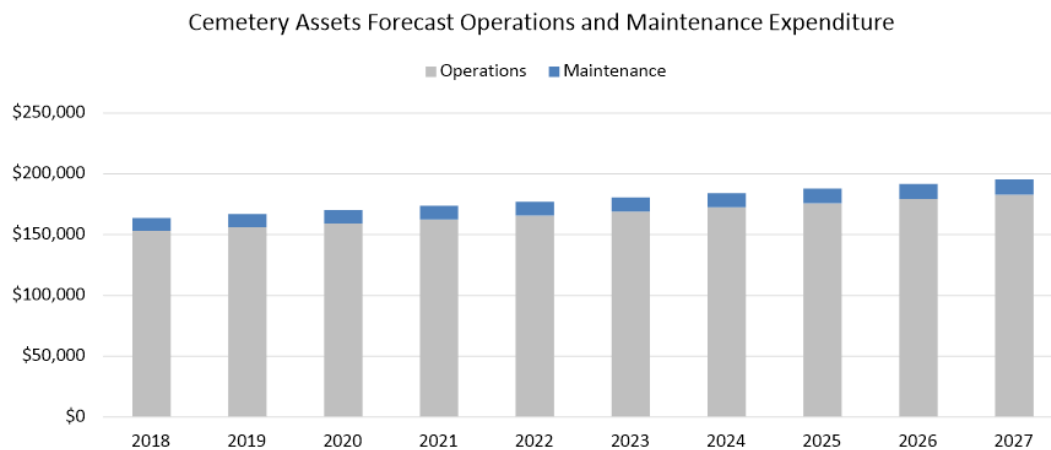


FIGURE 8-3: FORECAST OPERATIONS & MAINTENANCE EXPENDITURE

8.4 EXPENDITURE SUMMARY

The financial projections and the available funding are shown in Figure 8-4 for forecast operating (operations and maintenance) and capital expenditure (renewal and new/upgrade assets).

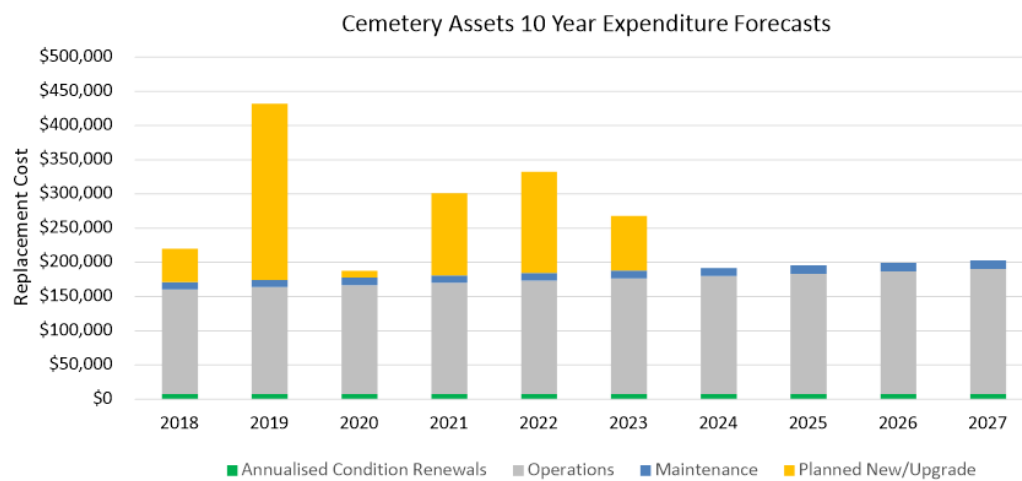


FIGURE 8-4: 10 YEAR EXPENDITURE FORECAST

8.5 EXPENDITURE PROJECTIONS FOR LONG TERM FINANCIAL PLAN

Condition Renewal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Furniture	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$7,180	\$71,802
Landscaping	\$308	\$308	\$308	\$308	\$308	\$308	\$308	\$308	\$308	\$308	\$3,076
Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Renewal Total	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$7,488	\$74,878
New/Upgrade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Furniture	\$0	\$10,000	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$30,000
Landscaping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Structures	\$18,650	\$27,500	\$0	\$0	\$27,500	\$0	\$0	\$0	\$0	\$0	\$73,650
Other	\$10,000	\$220,000	\$0	\$120,000	\$120,000	\$70,000	\$0	\$0	\$0	\$0	\$540,000
New/Upgrade Total	\$28,650	\$257,500	\$10,000	\$120,000	\$147,500	\$80,000	\$0	\$0	\$0	\$0	\$643,650
Operations & Maintenance	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Operations	\$153,164	\$156,228	\$159,352	\$162,539	\$165,790	\$169,106	\$172,468	\$175,938	\$179,456	\$183,046	\$1,677,106
Maintenance	\$10,548	\$10,759	\$10,974	\$11,193	\$11,417	\$11,646	\$11,879	\$12,116	\$12,358	\$12,606	\$115,496
Operations & Maintenance Total	\$163,712	\$166,986	\$170,326	\$173,733	\$177,207	\$180,751	\$184,366	\$188,054	\$191,815	\$195,651	\$1,792,602
Expenditure Total	\$199,850	\$431,974	\$187,814	\$301,220	\$332,195	\$268,239	\$191,854	\$195,542	\$199,303	\$203,139	\$2,511,131

TABLE 8-1: EXPENDITURE PROJECTIONS FOR LTFP

8.6 ASSET VALUATIONS

The value of the assets recorded in the asset register as at 30 June 2016 covered by this Plan are shown in Table 8-2.

Cemetery assets were not valued at a component level prior to the 2016/2017 financial year and will be continually refined over the subsequent valuation periods. The valuation is based on:

- A review of the asset register;
- Unit rates provided in the valuation service;
- Adopted asset useful lives;
- Condition assessments to determine remaining useful lives.

TABLE 8-2: ASSET VALUATIONS AS AT 30 JUNE 2016 (\$000's)

Service	Replacement Cost	Accumulated Depreciation	Fair Value	Annual Depreciation
Cemetery	\$396	\$204	\$192	

Asset values are forecast to increase as additional assets are added to the asset register from construction and acquisition by Council. Specifically the impacted additions as a result of the Gatton Cemetery Masterplan will likely see asset values increase significantly if estimated works go ahead.

8.7 FUNDING STRATEGY

Cemetery revenue calculation is based on the current revenue figure of \$100 000 per year, with a modest increase of 2% in fees and charges. Cemetery revenue is demand driven making it difficult to project over the long term. Council reviews its fees and charges every 12 months and is anticipating an increase in fees over the next 5 years to ensure cost recover is maintained.

8.8 FINANCIAL RECOMMENDATIONS

In order to maintain current service levels over the next 10 years, Council will have to spend on average \$187,000 every year on operations, maintenance and the renewal of existing assets. The Gatton Cemetery is nearing capacity and requires significant investment to ensure services can be continued in the future. **It is therefore highly recommended the new and upgrade expenditure outlined in the SMP be adopted without delay.**

It is recommended that:

1. The current Maintenance and Operations expenditure levels be maintained.
2. A base budget review of maintenance costs be undertaken.
3. A condition based renewal program of works be adopted.
4. Funding be reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
5. The New/Upgrade program be adopted.

9 Plan Improvement and Monitoring

9.1 PERFORMANCE MEASURES

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents;
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the service management plan;
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans;
- The Asset Renewal Funding Ratio achieving the target of 1.0.

9.2 IMPROVEMENT PLAN

An asset management improvement plan generated from this service management plan is shown in Table 9-1.

TABLE 9-1: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1.	Develop classifications and hierarchy against each of Councils Cemeteries.	Asset Coordinator /Parks Advisor		June 2018
2.	Review asset naming and descriptions. Update where necessary.	Asset Coordinator		June 2018
3.	Confirm current levels of service for parks and open space assets and identify future demand impacts on levels of service.	Parks Advisor		June 2018
4.	Develop a condition assessment manual for parks and open space assets	Asset Inspector		June 2018
5.	Develop a demand management plan and associated models.	Parks Advisor / Asset Coordinator		June 2018
6.	Align the Long Term Financial Plan to the expenditure forecasts found in this SMP.	Manager Finance & Customer Service		June 2018
7.	Set intervention levels for maintenance	Parks Advisor / Asset Coordinator		June 2018
8.	Perform a base budget review of maintenance costs	Parks Advisor		December 2018
9.	Create a funding allocation specifically for forward planning & design of capital works projects.	Parks Advisor		December 2018
10.	Refine asset useful lives	Asset Coordinator		September 2018
11.	Undertake an annual review and update this service management plan	Asset Coordinator		December 2018

9.3 MONITORING AND REVIEW PROCEDURES

This Plan will be reviewed during annual budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

This Plan has a life of 3 years and is due for major review in early 2020.

10 Appendices

Appendix A Condition Renewal 10 year Program

Appendix B Planned New/Upgrade 10 year Program

Last updated 01/12/2017

Page | 25

APPENDIX B: 10 YEAR NEW/UPGRADE PROGRAM

Project ID	Project Title	Project Description	Project Category	Capital Work Type	Priority	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Garston Cemetery	Erect a fence/screening to the Lake Apex Drive frontage	Furniture	Capital New	0	0	10,000	10,000	0	0	0	0	0	0	0
	Jacklyn Valley All Cemeteries	Master Plan for all Council Cemeteries	Other	Capital New		10,000	0	0	0	0	0	0	0	0	0
	Forest Hill Cemetery	Erect a columbarium in cemetery	Structure	Capital New	23,550	0	0	0	0	0	0	0	0	0	0
	Garston Cemetery Columbarium		Structure	Capital New	0	0	0	0	0	27,500	0	0	0	0	0
	Garston Cemetery	Investigation, soil sampling, clearing and preparation	Other	Capital Upgrade	0	0	220,000	0	120,000	120,000	20,000	0	0	0	0
	Ladbroke Cemetery Columbarium		Structure	Capital New	0	0	27,500	0	0	0	0	0	0	0	0
	Ladbroke Cemetery		Furniture	Capital New	0	0	0	0	0	0	10,000	0	0	0	0



Disaster Management Service Management Plan

May 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
1	15 December 2017	Version 1	P. Hillcoat		
2	23 May 2018			J. Keen	

TABLE OF CONTENTS

1	CONTENTS	
1	<i>Executive Summary</i>	4
1.1.3	Overall View	5
1.2	SMP Improvement Plan	5
2	<i>Introduction</i>	6
2.1	Background	6
2.2	Council's Goals and Objectives for Disaster management Services	6
2.3	The purpose of this disaster management Services Management Plan	7
2.4	Levels of Service & Key Performance Indicators	7
2.4	Levels of Service	7
3	<i>Future Demand</i>	11
3.1	Demand Forecast	11
3.2	Disposal Plan	13
4	<i>Disaster management Asset Analysis</i>	13
4.1	Assumptions	13
4.2	Asset Class summary	14
4.2.1	Summary of future operations and maintenance expenditures	15
4.2.2	Summary of future renewal and replacement expenditure	15
4.3	Financial Recommendations	16
5	<i>Plan Improvement and Monitoring</i>	16
5.1	Performance Measures	16
5.2	Improvement Plan	17
5.3	Monitoring and Review Procedures	17
6	<i>APPENDICES</i>	17
	<i>Appendix A Capital Investment Table</i>	18
	<i>Appendix B Capital Improvement Program</i>	19
	19	

1 EXECUTIVE SUMMARY

Lockyer Valley Regional Council (LVRC) maintains a network of flood warning infrastructure within the LVRC Local Government Area (LGA). This infrastructure includes a range of CCTV cameras and river height and rainfall gauges and is integral to the LVRC Disaster Management intelligence gathering process and forms part of the larger regional oversight of emerging flood situations and catchment conditions. In addition to the CCTV cameras and gauges is a flood warning siren located in Grantham.

LVRC Disaster Management also manages the maintenance of fire trails throughout the Lockyer Valley. The fire trails within the maintenance plan are restricted to land parcels owned by Lockyer Valley Regional Council and do not include private or State controlled land.

LVRC Disaster Management also manages certain assets allocated to the Lockyer Valley State Emergency Service. SES Disaster management and plant assets are *not* included in this document.

Council's Asset Management Goal in managing Disaster Management infrastructure assets is to meet the required level of service for each asset category in the most cost effective manner for present and future operations.

What Does This Plan Cover?

The disaster management assets are valued at \$1.4m (WDV) as at 30 June 2017.

Owning and operating cost analysis

The cost to own and operate the disaster management infrastructure includes the following expenses:

- Depreciation
- Maintenance (physical)
- Maintenance (software)
- Parts
- Labour

1.1.1 RENEWAL EXPENDITURE ANALYSIS

Through the analysis conducted for this SMP, Table 1 details the funding requirements to replace the existing disaster management with like for like items.

TABLE 1- FUNDING REQUIREMENTS (10 YEAR) FOR RENEWALS BASED ON CURRENT LTFF (2017 VALUES)

	\$ (10 year)
Renewal Cost (Gross exc GST)	1,300,000
Disposals	Nil
LTFF	
Surplus/Deficit (10 year)	\$ -130,000

1.1.2 NEW/UPGRADE EXPENDITURE ANALYSIS

Over a ten year period it is envisaged that additional assets with an approximate value of \$425,000 will be added to the disaster management asset register. In addition to the actual assets, an additional annual cost of approximately \$24,500 will be required to maintain these assets.

1.1.3 OVERALL VIEW

The funding available for the disaster management services is not adequate to keep the service sustainable over the 10 year planning period. The lack of funding to support the replacement program is inadequate when compared to the current LTFF.

What are our Options?

Council has the option to fund appropriate service provision through a range of methods:

- Revenue can be managed to provide sufficient funding to deliver the agreed levels of service.
- Funding can be redistributed to or from other asset classes to ensure that all asset classes receive the appropriate funding.
- Disaster management revenue earned above owning and operating costs could be distributed to allow the disaster management replacement program to return to a sustainable level.
- Additional funding through State or Federal grants could be attained.

1.2 SMP IMPROVEMENT PLAN

In order to maintain current Disaster management service levels over the next 10 years, Council will need to continue to maintain disaster management assets to a high standard. As the major assets are component-based equipment (that is major components can be replaced or upgraded without the need for total replacement of the asset).

2 INTRODUCTION

2.1 BACKGROUND

This disaster management service management plan is to demonstrate responsive management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The Lockyer Valley Regional Council disaster management assets include the assets contained within Table 2 below:

TABLE - 2. DISASTER MANAGEMENT BREAKDOWN

Asset Type	Qty's
Flood Early Warning System and Siren Grantham	1
Flood Cameras stand-alone	5
Rain/River Height ALERT/Camera stations	3
Flood Early Warning System (Woodlands Rd)	1
Rain / River Height ALERT stations	12
Rain ALERT stations	13
Sandbagging machines	2
Rain ALERT/Repeater stations	3
SES concrete sand bays	2
SES furniture & fittings	Numerous
SES computers & accessories	5
SES Gatton storage structure (shipping container)	1
Fire trails	Numerous

This service management plan is to be read in conjunction with

- Council Corporate Plan 2017-2022
- Lockyer Valley Regional Council Operational Plan 2017-2018

2.2 COUNCIL'S GOALS AND OBJECTIVES FOR DISASTER MANAGEMENT SERVICES

Council operates and maintains the disaster management assets to achieve the following strategic objectives:

- Meet legislative requirements
- Ensure that Council's disaster management services and assets are provided in a sustainable manner, with the appropriate levels of service to customers
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and providing appropriate financial resources for those services
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated
- Ensure that the disaster management service provides full functionality and reliability
- Ensure the disaster management asset base is planned appropriately to cater for future service delivery growth and risk mitigation
- Maximise the asset's useful life whilst minimising lifecycle expenditure
- Maintain a high level of satisfaction in the delivery of disaster management services to our customers

2.3 THE PURPOSE OF THIS DISASTER MANAGEMENT SERVICES MANAGEMENT PLAN

The purpose of this plan is to:

1. Improve our understanding of the disaster management assets and services managed by ensuring access to quality data describing the disaster management asset base and its condition
2. Provide a framework of alignment for the disaster management assets and the levels of service derived from the assets
3. Improve the organizational capabilities for the management of the disaster management assets and services they provide
4. Improve confidence levels in future programs for replacement, provision and maintenance programs with the projected funding requirements understood to deliver the required services
5. Provide guidance for the Council in continuous improvement and working towards advanced service management planning

1.1 LEVELS OF SERVICE & KEY PERFORMANCE INDICATORS

2.4 LEVELS OF SERVICE

In general terms the acceptable minimum level of service for Disaster Management Warning System assets is determined as outlined in Table 3.

Table 3

Level of Service	Description	Key Performance Indicator Description	KPI
Reliability	Due to the nature of the infrastructure and its use in determining flood risk, either as a planning tool or as a means of responding to an emerging event, it is imperative that the equipment works as expected when it is called upon to do so.	<ul style="list-style-type: none"> Any piece of flood-related infrastructure which is found to be faulty and unusable must be reinstated as soon as possible. The timeframes for reinstatement vary depending on the season. For example during storm season during the months September to March, the expectation for repairs and reinstatement is 24-48 hours. For the same equipment during the remainder of the year, the expectation for repairs and reinstatement is 24-96 hours. 	<p><u>Storm Season:</u> Repairs and reinstatement is 24-48 hours.</p> <p><u>Remainder of Year:</u> Repairs and reinstatement is 24-96 hours.</p>
Usability	The ability to easily operate the equipment to achieve the outcomes required. It is also important to be able to train new users of the equipment by simple and efficient means.	<ul style="list-style-type: none"> The level of usability is based on the amount of time it takes to train new staff on the operation of the equipment. The maximum amount of time it should take to train a new staff member to become proficient in the use of the equipment should be no longer than one working day. 	<p><u>Time to Train New User:</u> 8 hours.</p>
Relevance to the Network	The equipment should be able to maintain its effectiveness as a component in the overall infrastructure network and stand the test of time. If the equipment is no longer able to maintain its effectiveness or relevance in the network either in its current form or by means of upgrade then it should be considered for replacement or decommissioning.	NA	NA

Cost Effectiveness	<p>If it becomes apparent that the equipment is no longer the best value for money option to carry out its task then other alternate options should be considered. This situation may occur due to factors such as the inability to be upgraded further as required, or the introduction to the market of newer more efficient technology.</p>	<ul style="list-style-type: none">▪ The minimum standard for this indicator will be based on the interaction with a particular piece of equipment with the rest of the network. If it is shown that the cost of upgrading a piece of equipment is greater than replacement cost then it will be deemed to be inefficient and ineffective, and will be replaced.	Upgrade cost Versus Replacement cost.
--------------------	--	---	---------------------------------------

Table 4-. Current Service Levels

Classification	Disaster management		
Service Statement	Lockyer Valley Regional Council has effective, well maintained disaster management infrastructure that complies with regulatory requirements and is 'fit for purpose' for the intended use.		
Performance Measure	Internal customers' satisfaction with the performance of plant and disaster management services is high. External customers' (community) benefits greatly from the infrastructure particularly during disaster events.		
Service Factors	Internal Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained disaster management items Disaster management items are available when required Disaster management items are generally in good condition	Operations & Maintenance	• 100% of assets inspected annually
		• Inspect disaster management items on a routine basis to identify condition and to identify defects	
		Renewal	
		• Renew/replace disaster management items when the funding is provided sufficient to undertake this task	• 10 year replacement program developed
		• Replace disaster management items at or nearing its end of economic life.	• Funding needs developed and communicated
Function			
Fit for Purpose	Disaster management items perform the intended task	<ul style="list-style-type: none">• When replacing disaster management items new technologies and methods of service delivery are explored• Disaster management items when operated within manufacturers performance limits complete the intended tasks efficiently	<ul style="list-style-type: none">• Business cases presented when seeking new asset items not previously held
Capacity/Utilisation			
	Disaster management items are utilised within industry accepted benchmarks	<ul style="list-style-type: none">• Disaster management items utilisation compared to industry benchmarks for reasonableness	<ul style="list-style-type: none">• Reporting on disaster management item utilisation undertaken regularly

3 FUTURE DEMAND

3.1 DEMAND FORECAST

Factors affecting future demand for disaster management services include what services Council delivers to the community, these services in turn are influenced by; population projections, demographics, seasonal factors, economic factors, etc. Disaster management requirements are tied to the quantity and type of services supplied to the Lockyer Valley community. Demand for new disaster management services will be managed through a combination of managing existing assets, upgrades, provision of new assets to meet demand and demand management. Demand management practices may include non-asset based solutions, insuring against risks, appropriate risk mitigation strategies and managing failures.

TABLE 5. DEMAND MANAGEMENT INFRASTRUCTURE PLAN SUMMARY

Disaster management	
Service Activity	Demand Management Plan
Demand for new disaster management items not previously held	<ul style="list-style-type: none"> Business case developed with all options considered including delivering services from non-asset based solutions
Infrastructure creep from growth	<ul style="list-style-type: none"> Disaster management holdings matched to service delivery Flexible approach to disaster management services with disaster management items held to provide core service delivery and peaks in outputs managed by non-owned disaster management solutions
Revenue Management	<ul style="list-style-type: none"> Manage financial resources to correlate with trending deterioration of assets and commit to disaster management infrastructure replacement program appropriately funded
Increased disaster management age	<ul style="list-style-type: none"> Accept proposed disaster management useful lives contained in this SMP Ensure effective maintenance regimes are undertaken Review utilisation to ensure that disaster management holdings are 'right sized' for Councils agreed service provision Plan to make the disaster management business sustainable over this planning period

The Demand Management Planning process will need to be applied to all disaster management infrastructure types, to ensure that the Council understands the funding requirements to deliver the necessary disaster management assets and what is required going forward to adequately provide the disaster management items to provide services to the community.

TABLE 6. CRITICAL RISKS/ INCIDENTS AND TREATMENTS FOR DISASTER MANAGEMENT ASSETS

ASSET AT RISK	CRITICAL INCIDENT	CAUSE	LIKELIHOOD	RISK RATING	RISK TREATMENT PLAN
River height gauges	Damage from Flood event	Damage caused by water flow and/or debris	Possible	Moderate	<ul style="list-style-type: none"> These assets are designed and built to withstand flood events and they are located in positions so that the risk is reduced as much as possible while still remaining effective.
	Vandalism	Willful damage	Possible	Moderate	<ul style="list-style-type: none"> These assets are designed and built to be robust and are difficult to render inoperable through willful damage.
	Equipment failure	Failure of components	Possible	Moderate	<ul style="list-style-type: none"> These assets have proven to be reliable and rarely fail. A regular maintenance regime adds to the reliability.
Flood Warning Cameras	Damage from Flood event	Damage caused by water flow and/or debris	Possible	Moderate	<ul style="list-style-type: none"> These assets are designed and built to withstand flood events and they are located in positions so that the risk is reduced as much as possible while still remaining effective.
	Vandalism	Willful damage	Possible	Moderate	<ul style="list-style-type: none"> These assets are designed and built to be robust and are difficult to render inoperable through willful damage.
	Equipment failure	Failure of components	Possible	Moderate	<ul style="list-style-type: none"> These assets have proven to be reliable and rarely fail. A regular maintenance regime adds to the reliability.
State Emergency Service Assets	Damage to or theft of asset	Accidental damage caused by personnel Theft	Possible	Moderate	<ul style="list-style-type: none"> Any damage to items is reported to Council by Local Controller Regular audits are carried out by Local Controller and any missing items are reported and investigated.
Fire Trails	Trail becomes impassable due to degradation of surface	Adverse weather conditions and/or unauthorised use by recreational off road enthusiasts	Likely	Moderate	<ul style="list-style-type: none"> Regular inspection and maintenance program for fire trails. Program priorities are based on input from Rural Fire Service Qld, customer feedback and Council advice.

Council's adopted useful lives and anticipated residual values at time of disposal for each asset type are shown in Table 7 below.

TABLE 7. DISASTER MANAGEMENT ASSET LIVES AND RESIDUAL VALUES (ADOPTED)

Asset type	Life	% Residual
Flood Early Warning System and Siren Grantham	10	10%
Flood Cameras stand-alone	10	10%
Rain/River Height ALERT/Camera stations	10	10%
Flood Early Warning System	10	5%
Rain / River Height ALERT stations	10	10%
Rain ALERT stations	10	10%
Sandbagging machines	10	20%

The useful lives contained within Table 7 are generally slightly higher than the standard local government industry accepted useful lives for disaster management assets, however these adopted lives have been proven to be acceptable based on the Councils own experience of operating this equipment in service over many years in the local environment.

3.2 DISPOSAL PLAN

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation.

No assets have been identified for possible decommissioning and disposal; rather all current disaster management assets would be replaced at the end of their economic life or their relevance or viability was reduced to an unworkable level. As the flood warning infrastructure assets are component based I.E the assets are comprised of modular components which can be replaced or upgraded as required without the need to replace the whole unit, there is no timetable for asset disposal.

SES assets covered in the plan are domestic items and no disposal timetable is required, rather they will be replaced on as as-needs basis.

4 DISASTER MANAGEMENT ASSET ANALYSIS

4.1 ASSUMPTIONS

This section details the key assumptions made in presenting the information contained in this service management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the analysis and forecasts. In the preparation of replacement forecasts and programs it has been assumed the Council will continue to deliver disaster management services in the current manner and at the current levels.

This Plan is based on:

- Capital outlay for Disaster management assets;
- Current disaster management holdings

Further, this plan will need to be updated annually to reflect changes to disaster management inventory, values and disaster management practices.

Key assumptions made in this service management plan are:

- SMP is adopted and implemented
- Replacement strategy will be adopted and funded
- Funding priorities are based on bringing the disaster management asset replacement into line with the requirements of this SMP
- Existing maintenance funding levels will be maintained
- No sudden extensive changes in current disaster management practices
- Expected and adopted asset useful lives will be achieved

4.2 ASSET CLASS SUMMARY

The disaster management assets covered by this SMP are shown in Table 8. Replacement values are based on analysis undertaken in December 2017

TABLE 8. DISASTER MANAGEMENT ASSETS COVERED BY THIS PLAN

Asset Type	Units	Replacement Cost
Flood Early Warning System and Siren Grantham	1	100,000
Flood Cameras stand-alone	5	150,000
Rain/River Height ALERT/Camera stations	2	120,000
Flood Early Warning System	1	115,000
Rain / River Height ALERT stations	12	400,000
Rain ALERT stations	13	130,000
Sandbagging machines	2	60,000
Rain ALERT/Repeater stations	3	40,000
SES concrete sand bays	2	20,000
SES furniture & fittings	Numerous	50,000
SES computers & accessories	5	Information Services
SES Gatton storage structure (shipping container)	1	10,000
Fire trails	Numerous	NA

4.2.1 SUMMARY OF FUTURE OPERATIONS AND MAINTENANCE EXPENDITURES

Future operations and maintenance expenditure is shown in Figure 8. In addition, an allowance for a 2.5% per year increase in expenditure has been included to account for anticipated growth.

4.2.2 SUMMARY OF FUTURE RENEWAL AND REPLACEMENT EXPENDITURE

Projected future replacement expenditures are forecast to increase over time. The current adopted growth rate for the region (population) is less than 2% per year, which does not necessarily equate to a growth in required disaster management assets. Increased demand for disaster management assets will in the first instance be managed through effectiveness and optimisation reviews.

For Council to be sustainable it is assumed that the assets will be renewed in line with the assets consumption (depreciation). The Local Government Act 2009 and Regulations 2012 set a target of 90% of depreciation to be spent annually on asset renewal as one of the indicators of financial sustainability.

4.3 FINANCIAL RECOMMENDATIONS

One of Council's main objectives is to deliver agreed levels of service to its customers; disaster management is an enabler of this service provision. To do this Council must continue to renew its Disaster management assets and keep them in an operable state, continue to maintain the items to ensure reliability and reduce risk. Council continuously looks for more efficient means of delivering services to the community at the lowest possible unit cost. Through a focus on understanding Councils provision of services to the community, Disaster management has been undertaking reviews and rationalisation to support efficient and effective service delivery across the organisation and region.

The funding allocations set out in the currently adopted long term financial plan do not align well with the forecast and planned expenditure for disaster management. It is recommended that the long term financial plan be reviewed to meet the forecast expenditure shown in this report. Failure to do so will result in a likely loss of reliability and deteriorating financial position for the disaster management business with increasing costs and diminishing returns.

To maintain the disaster management assets at a sustainable level, Council has a number of options;

- Use the revenues generated by Disaster management to fund a planned replacement of disaster management items over time
- Continue reviewing utilisation and 'fit for purpose' to 'right size the disaster management assets' to assist with delivering affordable services
- Explore different disaster management provision models
- Increase the funding for essential maintenance on flood warning infrastructure to allow for outsourcing of field-based maintenance activities
 - This is an important element of the future maintenance regime of the flood warning assets. As these assets are critical to the flood warning network, maintenance carried out by the most professional means available is important to maintaining the required level of reliability. The most efficient way to achieve this is to engage contracted resources with the capability to carry out the work in a timely manner and to a high standard. Such capability does not currently exist within council.

5 PLAN IMPROVEMENT AND MONITORING

5.1 PERFORMANCE MEASURES

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents,
- The degree to which the detailed replacement programs are implemented
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans

5.2 IMPROVEMENT PLAN

A service management improvement plan generated from this service management plan is shown in Table 10-1.

TABLE 9 IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1.	Undertake an annual review and update of this SMP	Manager Disaster Coordination		
2.	Align the Long Term Financial Plan to the expenditure forecasts found in this SMP.	Manager Finance & Customer Service		
3.	Review disaster management data and confirm asset lives and condition.	Manager Disaster Coordination		
4.				

5.3 MONITORING AND REVIEW PROCEDURES

This Plan will be reviewed prior to budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

6 APPENDICES

Appendix A Capital Investment Table

Appendix B Capital Improvement Program

APPENDIX A CAPITAL INVESTMENT TABLE

Capital & Maintenance Costs As at March 2018					
Description	Detailed Description	Initial Capital Cost	Annual Maintenance Costs	Annual Associated Dashboards	Annual Additional Parts & Labour
Flood Warning Infrastructure					
Flood Early Warning System and Siren Grantham	Known as "Grantham Siren"	99,000.00	3,500.00	1,500.00	15,000.00
Flood Early Warning Systems Woodlands Road Inc. flashing lights, camera & river height gauge	Rain/River/Camera/Automated signage	113,000.00	2,750.00	1,500.00	
Rain ALERT stations x 13	Rain Alert only	130,000.00	32,500.00		
Rain / River Height ALERT stations x 12		400,000.00	65,000.00		
Rain ALERT/ Repeater stations x 3		36,000.00	7,500.00		
Rain/River Height ALERT/Camera stations x 3 - Narda Lagoon, Whiteway Rd, Thornton School Rd		180,000.00	8,250.00	1,500.00	
Cameras stand alone x 5 Spring Bluff, Mulgowie (Creek view), Mulgowie School Road, Glenore Grove, Laidley	CCTV Flood Camera only	150,000.00	12,000.00	5,000.00	
Sand Bagging machines x 2	Initially donated from Laidley Community Group	60,000.00	1,000.00		
SES					
Gatton SES Storage Structure	Shipping container	5,000.00			
Sand Bays x 2 concrete walls and floor/SES Building Forest Hill & Laidley	Sand bays	20,000.00			
Furniture & Fittings - SES Forest Hill		28,000.00			
SES Equipment 2015-2016	SES Equipment	49,000.00			
SES 5 x Dell Computers and Accessories	SES Computers	15,000.00	1,000.00		
Local Disaster Coordination Centre					
Local Disaster Coordination Centre Fitout		50,000.00			
		Total	Total	Total	Total
		\$1,335,000	\$133,500	\$9,500	\$15,000
					Total Annual Maintenance Costs
					\$158,000
* Costings for expansion plans are estimates only and are subject to need, budget and resources.					

APPENDIX B CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Program (Expansion Plan)													
Description	No. of Units as at 2017	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	10 Year Expansion Plan Total Capital Costs
Flood Early Warning Systems: Woodlands Road Inc. flashing lights, camera & river height gauge	1					120,000.00				120,000.00			240,000.00
Rain ALERT stations	13			20,000.00						20,000.00			40,000.00
Rain / River Height ALERT stations	16	+1 (Thornton)				25,000.00						25,000.00	75,000.00
Rain ALERT/repeater stations	3						15,000.00						15,000.00
Rain/River Height ALERT/Camera stations x 3 - Narra Lagoon, Whiteway Rd, Thornton School Rd	3							60,000.00					60,000.00
Cameras stand alone x 5 Spring Bluff, Mulgoone (Creek view), Mulgoone School Road, Glenore Grove, Laidley	5	+1 (Laidley)	70,000.00								40,000.00		110,000.00
Software & Dashboard upgrades			5,000.00	10,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Local Disaster Coordination Centre Fitout					5,000.00					5,000.00			10,000.00
													Total
													660,000.00
													Total
													29,500.00



Fleet

Service Management Plan

May 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	11/12/2017	Draft	John Keen	Matthew Burdett	
V2	6/3/2018	Draft	John Keen	Robert Breen, BDO	

TABLE OF CONTENTS

1	<i>Executive Summary</i>	4
2	<i>Expenditure Analysis</i>	5
3	<i>Introduction</i>	7
	3.1 Background	7
	3.2 Council's goals and objectives for fleet services	7
	3.3 The purpose of the fleet services management plan	7
	3.4 Corporate Plan and Operational Plan linkage.....	7
4	<i>Service logic</i>	8
	4.1 Service Objective	9
5	<i>Future Demand</i>	12
	5.1 Demand Forecast.....	12
6	<i>Risk Management</i>	13
	6.1 Risk Assessment	13
	6.2 Risk Treatment	13
7	<i>Data and Parameters</i>	15
	7.1 Adopted Useful Lives and Residual Values of Fleet Assets	15
	7.2 Maintenance Strategies	16
	7.3 Replacement Plan.....	16
	7.4 Disposal Plan	16
8	<i>Fleet Asset Analysis</i>	16
	8.1 Assumptions.....	16
9	<i>Fleet Asset Financial Analysis</i>	17
	9.1 Expenditure projections for long term financial plan.....	17
	9.2 Financial Recommendations	18
10	<i>Plan Improvement and Monitoring</i>	18
	10.1 Performance Measures.....	18
	10.2 Improvement Plan	18
	10.3 Monitoring and Review Procedures.....	18

1 EXECUTIVE SUMMARY

The services management plan (SMP) describes the fleet assets provided to the organisation as a means to deliver services to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner.

The fleet assets are valued at \$9.9m (WDV) as at 30 June 2017 and are apportioned as shown in Figure 1-1.

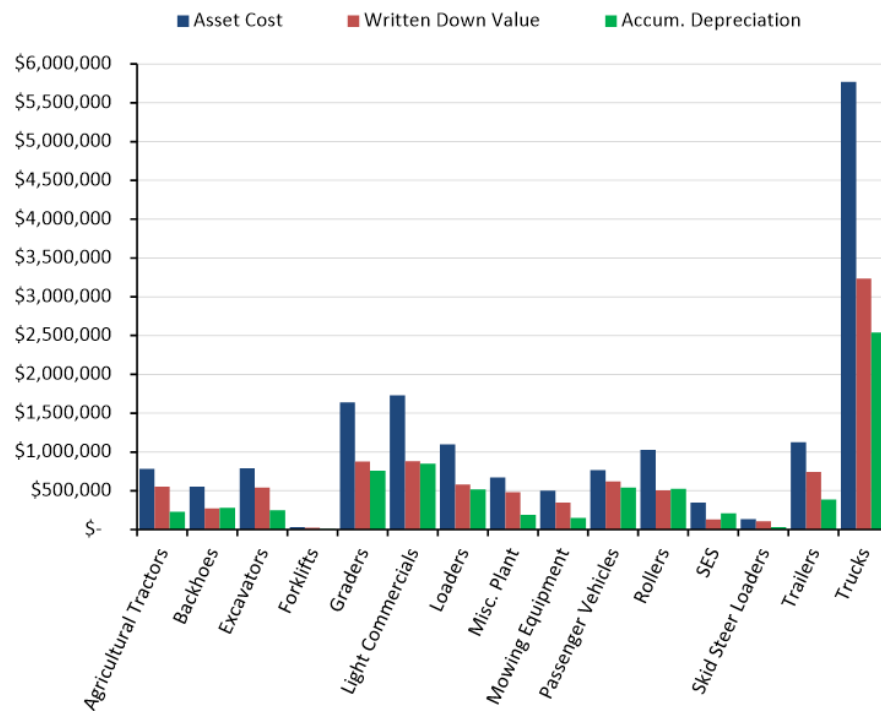


Figure 1-1 Fleet Asset Summary as at 30 June 2017

Table 1-1: fleet composition and percentage consumed per plant type

Plant Type	Qty	Asset Cost	Written Down Value	Accumulated Depreciation	% of Asset Base Consumed
Agricultural Tractors	8	\$ 781,843	\$ 553,878	\$ 227,965	29%
Backhoes	4	\$ 553,816	\$ 272,290	\$ 281,526	51%
Excavators	5	\$ 789,876	\$ 540,369	\$ 249,507	32%
Forklifts	2	\$ 29,823	\$ 22,888	\$ 6,935	23%
Graders	5	\$ 1,636,302	\$ 877,564	\$ 758,739	46%
Light Commercials	50	\$ 1,730,634	\$ 879,997	\$ 850,637	49%
Loaders	4	\$ 1,095,795	\$ 578,820	\$ 516,975	47%
Miscellaneous Plant	96	\$ 672,496	\$ 480,603	\$ 191,893	29%
Mowing Equipment	27	\$ 499,907	\$ 348,869	\$ 151,038	30%
Passenger Vehicles	22	\$ 768,642	\$ 619,063	\$ 539,112	70%
Rollers	9	\$ 1,029,612	\$ 505,008	\$ 524,603	51%
State Emergency Service	21	\$ 344,940	\$ 132,661	\$ 212,279	62%
Skid Steer Loaders	2	\$ 136,367	\$ 106,699	\$ 29,668	22%
Trailers	37	\$ 1,128,284	\$ 741,674	\$ 386,610	34%
Trucks	49	\$ 5,770,402	\$ 3,233,600	\$ 2,536,802	44%
		\$ 16,968,740	\$ 9,893,983	\$ 7,464,289	44%

2 EXPENDITURE ANALYSIS

An expenditure analysis has been undertaken to understand what it costs to own, operate, maintain and replace Council's fleet assets, this is based on what is currently understood of the services and likely demand over the planning period.

2.1.1 Repairs and Maintenance

Repairs and maintenance expenditure is shown in Figure 1-2 from 2014/15 through to the current year.

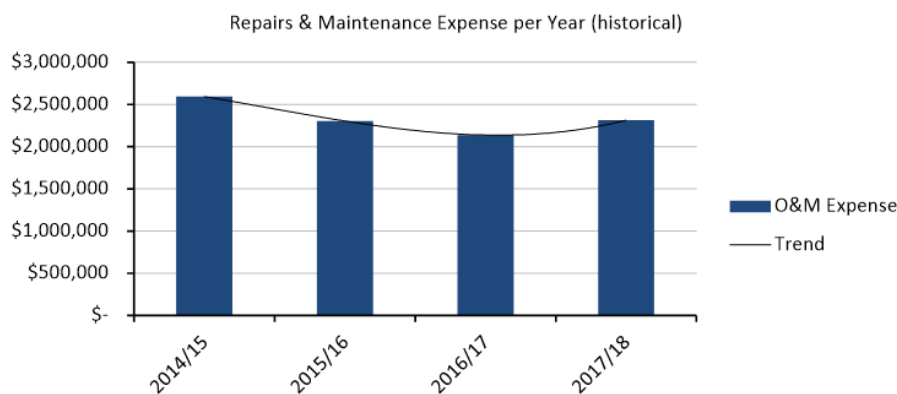


Figure 1-2 Repairs and Maintenance Expenditure

*2017/18 expenses have been prorated based on part year expenditure

*Does not include fuel expenses

2.1.2 Owning and operating cost vs. revenue

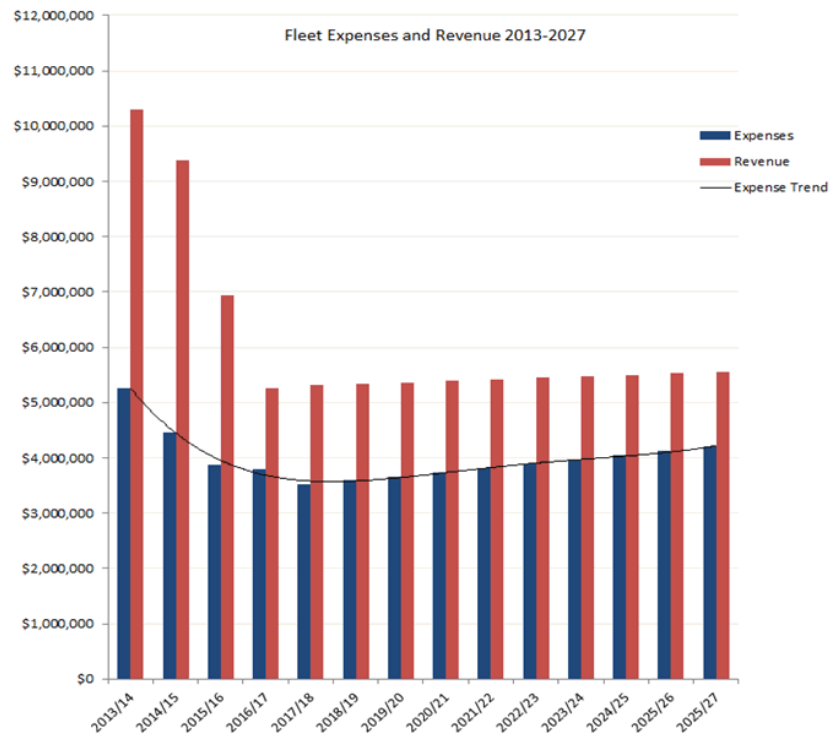


Figure 1-3 Total Fleet Expenses and Revenue 2013 – 2027 (historic and projected)

*2017/18 figures prorated on actual expense and revenue for part year, future years projected.

2.1.3 Required Capital Investment

The capital expenditure requirements for the replacement of existing fleet items can be found in Table 1-11, pg.17. The capital investment that Council has made to the fleet assets in the financial year has resulted in a projected return to a surplus of \$682,000 over the 10 year planning period.

Council will need to invest \$1.67m (smoothed) each year to replace the current fleet as it comes to the end of its useful life to maintain the current service potential.

3 INTRODUCTION

3.1 Background

The fleet service management plan is to demonstrate responsible management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required service over a 10 year planning period.

This service management plan is to be read in conjunction with:

- Lockyer Valley Regional Council Corporate Plan 2017-2022
- Lockyer Valley Regional Council Operational Plan 2017-2018

3.2 Council's goals and objectives for fleet services

Council operates and maintains the fleet to achieve the following strategic objectives:

- Meet legislative requirements
- Ensure that Council's fleet services and assets are provided in a sustainable manner, with the appropriate service to customers
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and providing appropriate financial resources for those services
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated
- Ensure that the fleet service provides functionality and reliability
- Ensure the fleet is planned appropriately to cater for current and future service delivery, growth and risk mitigation
- Maximise the asset's useful life whilst minimising lifecycle expenditure
- Provide fit for purpose plant and fleet items to internal business units to allow Council to deliver a full suite of services across the region

3.3 The purpose of the fleet services management plan

The purpose of this plan is to:

1. Improve our understanding of the fleet assets and services managed
2. Improve the organizational capabilities for the management of the fleet assets and services they provide
3. Improve confidence levels in programs for replacement and maintenance regimes
4. Define funding requirements to operate the fleet service to agreed standards
5. Identify how Fleet assists LVRC to provide services to the community

3.4 Corporate Plan and Operational Plan linkage

Lockyer Valley Regional Council – *'Operational Plan 2017-18, Lockyer Planned – we have unique, well connected communities. We have places that bring people together. Local services match the needs of the community. Our built infrastructure is designed and constructed to enable access for all'*.

The Operational Plan captures key projects and priorities for a financial year to ensure Council delivers the outcomes and commitments of the Corporate Plan 2017-2022.

Operational Plan Outcomes relevant to the provision of Fleet Services are:

- 4.2 Provision of fit-for-purpose infrastructure which meets the current and future needs of the region.

Operational Plan 2017-18 deliverable –

4.2.4 Review and update the Service Management Plan for the Plant and Fleet Business Unit.

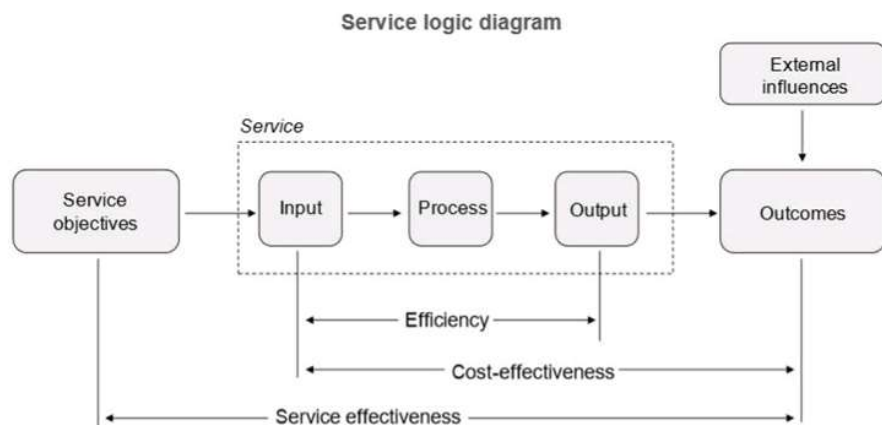
KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Service Management Plan adopted by Council	Plan reviewed and updated	Council business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2017/18

Figure 1-4 Operational Plan – deliverable

4 SERVICE LOGIC

In relation to Fleet services the service logic model has been applied to define:

- service objective
- inputs
- activities
- outputs
- desired outcomes



Source: Queensland Audit Office adapted from Report on Government Services 2015, Productivity Commission

Figure 1-5 Service Logic Diagram – Queensland Audit Office

4.1 Service Objective

Lockyer Valley Regional Council has quality, appropriately maintained fleet that complies with regulatory requirements and is fit-for-purpose to provide services to the community. The fleet will be operated and maintained in a manner that protects Councils organizational reputation, displays a positive public image and is sustainable.

4.1.1 Inputs

The table below details the current operational inputs to deliver the Fleet service.

Table 1-2: Fleet Services – Inputs (Operational)

Financial (2017/18 FY)		
Labour		\$699,854
Goods and Services		\$1,880,701
Plant		\$131,782
Depreciation		\$1,032,000
Total		\$3,744,337
Physical		
Labour	Plant and Fleet Coordinator	1
	Workshop Foreman (Trades person)	1
	Diesel Fitters (Trades person)	4
	Diesel Fitter (Apprentice)	1
	Boilermakers (Trades person)	2
	Trades Assistant	1
	Total	10
Plant	Utilities	2
	Light Truck	1
	Forklift (shared with depot and stores)	0.5
	Total	3.5
Facilities	Workshop	1
	Total	1

Table 1-3: Fleet Services – Inputs (Capital) as at 30 June 2017

Renewal \$ (10 year) required	\$21,443,000
Disposals \$ (10 year)	\$4,653,000
Nett	\$16,790,000
LTFP (current)	\$17,472,000
Surplus (10 year)	\$682,000
10 year smoothed (nett)	\$1,670,000

4.1.2 Activity

Table 1-4: Fleet Services – current activities and labour requirements

Activity	Description	FTE's
Repairs and maintenance	Repairs and maintenance includes all activities not considered as original equipment manufacturers recommended servicing requirements. Includes breakdowns, component rebuilds, modifications, tyres and windscreens, auto electrical and unfair wear and tear. All work undertaken to equipment not deemed scheduled servicing.	5
Scheduled servicing	Original equipment manufacturers recommended scheduled servicing based on either time or kilometres/hours. Returning the vehicle serviced and cleaned to the customer.	3
Fabrication	Repair of damaged or worn equipment components to return them to a serviceable condition utilising the boilermaker trade functions. Modification to various items of plant to customer's specifications.	1.5
Capital	All work associated with the renewal, procurement and disposal of fleet items. Includes all work to bring the equipment to an operationalized state.	0.5

4.1.3 Outputs

The outputs from the Fleet service can be defined as either operational or capital in nature. Operational outputs are those activities that keep the fleet in a state of operational availability. Capital activities are those related to the renewal and planning for the organizations fleet requirements to meet agreed service standards to the community.

4.1.3.1 OPERATIONAL OUTPUTS

Table 1-5: Mechanical effort – servicing and repair (operational output)

Plant Type	No. Repaired or maintained items	% of total repairs and maintenance effort	Labour Hours
Passenger vehicles	23	4.10%	476
Light commercials	62	11.65%	1354
Light trucks	26	7.85%	912
Heavy trucks	26	33.37%	3878
Graders	4	4.11%	478
Backhoes	4	3.55%	412
Rollers	11	3.10%	360
Excavators	3	1.02%	119
Skid steer loaders	2	0.61%	71
Tractors	10	3.87%	450
Loaders	4	4.43%	515
Mowers	25	2.78%	323
Wide area mowers	2	0.98%	114
Heavy trailers	11	7.55%	877
Slashers	9	3.27%	380
Forklifts	2	0.05%	6
Light trailers	64	3.16%	367
State emergency service	12	1.01%	117
Misc. plant	98	3.55%	412

*2016/17 data used for the mechanical effort analysis, % split based on cost.

4.1.3.2 CAPITAL OUTPUTS

The following quantities of fleet are to be replaced during the 2018/19 financial year:

- 4 x Heavy trucks
- 2 x Medium trucks
- 1 x Vibratory roller
- 5 x Mowers (4 x zero turns & 1 x wide area mower)
- 1 x Multi tyred roller
- 11 x Light commercial vehicles
- 4 x Passenger vehicles

4.1.3.3 OUTCOMES

The desired outcomes for Council maintaining the Fleet business is the ability to deliver services across the region in a sustainable manner. To do this Council needs access to an appropriate, fit for purpose, reliable fleet that is matched to the type and quantity of services that are delivered.

Table 1-6: Fleet Services – Identified outcomes

Activity	Outcomes	Performance Measure	KPI
Plant and vehicle repairs and maintenance	Plant and Fleet will be available to deliver services	Equipment requiring >2 days repair time will be discussed with our customers as to timing of repairs if not urgent or compromising safety	<5 instances where plant is not available for >2 days
Plant and vehicle servicing	Plant and fleet items will be reliable	No. of scheduled services undertaken	100% of OEM's scheduled services undertaken
Fabrication services	Plant and fleet items will be reliable and comply with WH&S requirements	Equipment requiring >2 days repair time will be discussed with our customers as to timing of repairs if not urgent or compromising safety.	<2 instances where plant is not available for >2 days
Capital	Plant and fleet items will be provided at the lowest possible whole of life costs, to minimise the financial burden on ratepayers	Capital renewal program will be completed within agreed timeframes	90% of the fleet capital budget will be expended in the financial year

4.1.3.4 LOCAL GOVERNMENT INFRASTRUCTURE PLAN

The information contained within this Service Management Plan does not contain any data relating to the Local Government Infrastructure Plan. It has been assumed that future infrastructure requirements required because of population growth and identified within the LGIP will be provided as contributed assets by others, either directly, or through infrastructure charges levied by Council to provide infrastructure at a later date.

5 FUTURE DEMAND

5.1 Demand Forecast

Demand drivers for fleet services include the type and quantity of services Council delivers to the community. The services in turn are influenced by; population projections, demographics, seasonal factors, consumer preferences and expectations, economic factors, agricultural practices, environmental awareness, etc. Known demand impacts for the Lockyer Valley in relation to impacts on service delivery are summarised in Table 1-7.

Table 1-7. Demand Factors

Demand factor	Present position	Projection	Impact on services
Population	38,312 persons (2014)	Increase population to 63,000 by 2031.	Increased demand for services (based on projected population position).
Demographic	Median age 37 (2011)		An aging population will have a nominal increase in the need for infrastructure services, principally associated with access. (E.g. footpaths, access to buildings and facilities, aged care, medical services etc.)
Tourism	Approximately 304,000 visitors per annum.		Tourism increases will result in a nominal increase in usage of infrastructure, particularly those providing access to and servicing tourist attractions.
Housing	In 2015, 260 residential dwellings were approved.	Potential infill housing and take up of current land stocks.	New dwelling starts across the region do not indicate significant demand for additional infrastructure assets or services; however Council will need to maintain contributed assets.

Demand for new fleet services will be managed through a combination of managing existing assets, upgrades, provision of new assets to meet demand and demand management. Demand management practices may include non-asset based solutions, insuring against risks, appropriate risk mitigation strategies and managing failures.

Table 1-8. Demand Management Plan Summary

Service Activity	Demand Management Plan
Demand for new fleet items not previously held	<ul style="list-style-type: none"> Business case developed with all options considered including delivering services from non-asset based solutions Review current fleet holdings for excess capacity
Infrastructure creep from growth	<ul style="list-style-type: none"> Fleet holdings matched to service delivery Flexible approach to fleet services with fleet held to provide core service delivery and peaks in outputs managed by non - owned fleet solutions
Revenue Management	<ul style="list-style-type: none"> Manage financial resources to correlate with trending deterioration of assets and commit to fleet replacement program appropriately funded
Increased fleet age	<ul style="list-style-type: none"> Accept proposed fleet useful lives contained in the SMP Ensure effective maintenance regimes are undertaken Review utilisation to ensure that fleet holdings are 'right sized' for Councils agreed service provision

6 RISK MANAGEMENT

Council has a 'duty of care' to the community in relation to the management of all assets. This covers the various phases of supply, commissioning and use of the fleet assets through to operations and maintenance of the assets.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed levels of service
- Operational risks where data and information are not used to competently manage the risks associated with the delivery of fleet related services i.e. maintenance practices, replacement programs, regulatory inspections, environmental harm mitigation.

6.1 Risk Assessment

Council undertakes regular inspections of all its fleet assets. Original equipment manufacturers recommended service schedules are adhered to. The heavy truck fleet is inspected fortnightly as an increased level of servicing to ensure that our highest risks are managed.

6.2 Risk Treatment

The risk treatments nominated in Table 1-9 have regard for a practical approach to risk management based on:

- Available resources, (and skills);
- Funding; and
- Fleet needs based on the magnitude and consequence of the risk.

The treatments have regard for the factors that Council can capably manage to ensure that the risks are minimised. Table 1-9 records the critical risks (as identified) for incidents with the fleet assets, together with the cause, likelihood, risk rating and risk treatment, (both short and long term). It is not possible to identify all possible risks.

Table 1-9. Critical Risks/ Incidents and Treatments for Fleet Assets

ASSET AT RISK	RISK ID	CRITICAL INCIDENT	CAUSE	LIKELIHOOD	RISK RATING	RISK TREATMENT PLAN
Fleet Item	F01	Engine failure	Age/condition of item leads to catastrophic failure	Possible	Moderate	<ul style="list-style-type: none"> Addressed through fleet replacement program, if failure occurs, beyond economic repair analysis undertaken to determine whether or not engine replacement is viable
Fleet Item	F02	Major component failure	Age/condition of item leads to catastrophic failure	Possible	Moderate	<ul style="list-style-type: none"> Addressed through fleet replacement program, if failure occurs, beyond economic repair analysis undertaken to determine whether or not component replacement is viable
Fleet Item	F03	Vehicle damage	Traffic accident	Possible	Moderate	<ul style="list-style-type: none"> Report to police immediately (potentially) Insure
Fleet Item	F04	Vehicle damage	Willful	Possible	Moderate	<ul style="list-style-type: none"> Address through employee 'Code of Conduct' Report to police immediately (if required) Insure
Fleet Item	F05	Brake failure	Failure of component	Possible	Moderate	<ul style="list-style-type: none"> Addressed through regular servicing, increased servicing on heavy truck/trailer fleet
Fleet Item	F06	Item stolen	Theft of fleet item	Possible	Low	<ul style="list-style-type: none"> Report to police immediately GPS tracking in vehicle will aid recovery Minor items - address through employee 'code of conduct' Investigate Insure

7 DATA AND PARAMETERS

7.1 Adopted Useful Lives and Residual Values of Fleet Assets

A fleet asset's useful life is defined as a period over which the asset is operated to a point where it becomes cost prohibitive to keep the asset in service or the derived level of service has declined to an unacceptable level (i.e. the equipment is no longer reliable).

The remaining useful lives of the fleet assets are based on:

- Calculated from acquisition dates and adopted asset lives
- Moderated by local experience of plant and fleet in service within the LVRC region

Council's adopted useful lives and anticipated residual value based on percentage of the original purchase price at time of disposal for each asset type are shown in Table 1-10 below.

Table 1-10. Fleet Asset Lives and Residual values (Adopted)

Plant Type	Life	% Residual
Agricultural Tractors	10	25%
Backhoes	10	20%
Excavators	10	20%
Loaders	12	20%
Graders	12	25%
Rollers (Vibratory)	12	20%
Rollers (Multi - Tyred)	15	15%
Skid Steer Loaders	5	20%
Slashers (Implement)	10	5%
Mowing Equipment	6	15%
Specialised Plant - (Road Stabilisation Unit)	10	10%
Specialised Plant - (Wide Area Mowers)	7	15%
Specialised Plant - (Truck Mounted Crane)	10	0%
Heavy Truck (22,500 GVM)	12	20%
Medium Truck (8001 to 16000 GVM)	12	20%
Light Truck (5000 to 8000 GVM)	12	20%
Heavy Trailers (over 4000 GVM)	15	20%
Medium Trailers (1000 to 4000 GVM)	15	10%
Light Trailers (under 1000GVM)	15	10%
Light Commercial Vehicles	5/ (200,000 km)	25%
Passenger Vehicles	5/ (150,000 km)	25%
SES Vehicles and plant	10	20%
SES Trailers (other than boat trailers)	15	10%

The useful lives contained within Table 1-10 are generally slightly higher than the standard local government industry accepted useful lives for fleet assets, however these adopted lives have been proven to be acceptable based on the Councils own experience of operating this equipment in service over many years in the local environment.

7.2 Maintenance Strategies

Council services and maintains the fleet assets in line with Original Equipment Manufacturers recommendations as well as consults with internal customers to ensure continuity of service delivery to our internal and external customers. Council understands the local operating conditions and ensures that high risk plant items receive an increased level of servicing to ensure they remain in a safe and serviceable condition for operational service delivery throughout the region.

7.3 Replacement Plan

This plan provides indicative program information for the renewal of fleet assets. The replacement plan can be found in Table 1-11 on pg. 17 of this SMP.

7.4 Disposal Plan

No assets have been identified for possible decommissioning and disposal; rather all current fleet assets would be replaced at the end of their economic life or if they were to fail prematurely. The State Emergency Service boats and trailers are no longer included in the replacement schedule of this plan as this plant is a state responsibility and funded by them.

8 FLEET ASSET ANALYSIS

8.1 Assumptions

This section details the key assumptions made in presenting the information contained in this service management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the analysis and forecasts. In the preparation of replacement forecasts and programs it has been assumed the Council will continue to deliver fleet services in the current manner and at the current levels.

This Plan is based on:

- valuation data held in Technology One as of 30 June 2017;
- Current fleet holdings

Further, this plan will need to be updated annually to reflect changes to fleet inventory, values and fleet management practices.

Key assumptions made in this service management plan are:

- SMP is adopted and implemented
- Replacement strategy will be adopted and funded
- Funding priorities are based on bringing the fleet replacement into line with the requirements of this SMP
- Existing maintenance funding levels will be maintained
- No sudden extensive changes in current fleet management practices
- Expected and adopted asset useful lives will be achieved

9 FLEET ASSET FINANCIAL ANALYSIS
9.1 Expenditure projections for long term financial plan
Table 1.11 Funding requirements (10 Year) for renewals

Vehicle	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Acquisition	1200.000	114.000	1700.000	1170.114	2403.000	104.000	8410.000	104.000	11.400.000	124.000
Depreciation	50	50	50	50	50	50	50	50	50	50
Light Commercial	1700.000	1007.500	50	50	50	50	50	50	50	50
Medium	100.000	50.750	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
Heavyweight Vehicle	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
Light	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Heavy	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Trucks	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Tractors	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
TOTAL	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Depreciation	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Acquisition	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Depreciation	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Light	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Heavy	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Trucks	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
Tractors	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000
TOTAL	11.100.000	1000.000	11.100.000	1222.000	11.100.000	100.000	11.100.000	100.000	11.100.000	100.000

9.2 Financial Recommendations

One of Council's main objectives is to deliver agreed levels of service to its customers; fleet is an enabler of this service provision. To do this Council must continue to renew its fleet assets and keep them in an operable state, continue to maintain the items to ensure reliability and reduce risk. Council continuously looks for more efficient means of delivering services to the community at the lowest possible unit cost. Through a focus on understanding Councils provision of services to the community, Fleet has been undertaking reviews and rationalisation to support efficient and effective service delivery across the organisation and region.

The funding allocations set out in the currently adopted long term financial plan align well with the forecast and planned expenditure for fleet business.

10 PLAN IMPROVEMENT AND MONITORING

10.1 Performance Measures

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents,
- The degree to which the detailed replacement programs are implemented
- The Asset Renewal Funding Ratio achieving the target of 1.0.

10.2 Improvement Plan

A service management improvement plan generated from this service management plan is shown in Table 1-11.

Table 1-11 Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1.	Undertake an annual review and update of this SMP	John Keen		1sr qtr. 2018

10.3 Monitoring and Review Procedures

This Plan will be reviewed prior to budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.



ICT

Service Management Plan

May 2018

Document Control

This page will be re-issued every time amendments are made to controlled documents. Amended documents will have their revision status and issue date updated accordingly.

Version	Clause(s)	Changes	Author	Issue Date
0.1 Draft	All	Initial Document Creation	Madonna Gibson & Graham Cray	
0.2 Draft	All	Addition of Audio Visual Equipment & Waste CCTV	Madonna Gibson	
1.0	All	Approved Document		
2.0	All	Annual Review	Madonna Gibson & Graham Cray	
2.1		Update of Priority Timeframes	Madonna Gibson & Graham Cray	

Contents

Introduction	4
Background	4
Plan Purpose	4
Goals and Objectives.....	4
Key Stakeholders.....	5
Context.....	5
Overview	6
Asset Classes / Sub Classes	6
Service Levels	8
Levels of Service	8
4.2 Performance Measures	9
Lifecycle Management.....	10
Asset management system.....	10
Useful Life	10
SES & QGAP Assets.....	12
Replacement Planning	12
Depreciation.....	12
Maintenance	12
Equipment Disposal	12
ICT Asset Analysis.....	13
Expenditure Analysis.....	13
Future Demand	15
Demand Drivers	15
Demand Management Plan	15
Managing the Risks	16
Quality.....	16
Function	16
Reliability.....	16
Flexibility	16
Critical assets	16
Improvement & Monitoring.....	17
Assumptions.....	17
Quality of Data	17
Reliability of Estimates.....	17
Improvement Plan	17
Monitoring & Review	17
Appendix A.....	18

Introduction

Background

The expectations associated with Information and Communication Technology (ICT) levels of service held by Council staff and the community continue to increase. A strategic and planned approach to ICT investment has been taken to ensure that Council can respond to current needs and to anticipate future opportunities.

The ICT Service Management Plan (SMP) has been developed in conjunction with and complements the following planning documents:

- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Corporate Plan 2017-2022
- Lockyer Valley Regional Council Operational Plan 2017-2018
- ICT Strategy 2015 to 2020 and Beyond

Plan Purpose

Lockyer Valley Regional Council exists to provide services to its community. Many of these services are underpinned by ICT assets. This ICT SMP covers the ICT assets that serve the Lockyer Valley Regional Council. The purpose of this plan is to:

- Improve the understanding of ICT assets and services by ensuring access to quality data
- Provide a framework to align ICT assets and levels of service required from the assets
- Improve the organisational capabilities for the management of ICT assets and the associated services provided
- Improve confidence levels in future replacement and maintenance programs with the projected funding requirements understood to deliver the required services

Goals and Objectives

Our goal in managing ICT assets is to meet the defined level of service in the most cost-effective manner for consumers, both present and future. The key elements of ICT asset management are to:

- Provide a defined level of service and monitoring performance
- Manage the impact of growth through demand management and ICT investment
- Take a life cycle approach to developing cost-effective management strategies for the long term that meet the defined level of service
- Identify, assess and appropriately control risks
- Have a long term financial plan which identifies required, affordable expenditure and how it will be financed

Key Stakeholders

Stakeholder	Role
Councillors	<ul style="list-style-type: none"> • Represent needs of community/shareholders • Allocate resources to meet Council's objectives in providing services while managing risks • Ensure organisation is financially sustainable • Custodians of the assets and services, providing the interface with the community related to levels of service and good governance / management practices
CEO	<ul style="list-style-type: none"> • Manage operational activities and future strategic planning direction
Executive Manager Corporate and Community Services	<ul style="list-style-type: none"> • Long Term Financial Plans and operational financial data • Defining information requirements for Audit and reporting purposes
Manager Information Services	<ul style="list-style-type: none"> • Manage delivery of initiatives • Capital projects planning and delivery • Operational and service levels, data information and analysis
Council Staff	<ul style="list-style-type: none"> • End user of internal services
Community & Ratepayers	<ul style="list-style-type: none"> • End user of public facing services

Context

This ICT SMP covers the ICT assets that serve the Lockyer Valley Regional Council. ICT assets are provided to enable the capture, organisation, sharing and use of information to meet our strategic objectives, including supporting the organisation in the delivery of services to the community. These assets include ICT applications/software, endpoints and the underpinning ICT network and infrastructure.

In previous years the majority of ICT equipment was purchased outright. However, from the 2013-2014 financial year, this approach moved to the lease of ICT equipment where appropriate e.g. where the value is over \$1,000 with a lifetime of 5 years or less that is used in a controlled environment.

For the purposes of this SMP it is assumed that the current approach will continue; however, there is potential for our use of cloud computing to increase in the coming years. This may result in a reduction of some equipment.

Overview

Asset Classes / Sub Classes

Asset Class	Sub Class	Qty	Estimated Replacement Cost \$*
Desktop Equipment	Desktops	201	201,000
	Monitors	437	109,500
	Laptops	107	176,500
Mobile Devices	Mobile Phones	126	94,500
	Satellite Phones & Data Modems	13	26,000
	Tablets / Semi Ruggedised Windows Tablets	10	28,000
	iPads	26	19,500
	GPS Devices	49	87,000
Network Equipment	Servers	10	144,000
	Storage	18	226,000
	Network Switches	38	234,700
	UPS	13	69,000
	Firewalls	9	77,000
	Wireless Access Points	28	26,000
	Gateways	4	30,000
	Cabinets, cabling, etc.	-	1,035,000
ICT Applications (intangible assets)**	Major software assets (i.e. TechOne products & Spydus)	3	3,000,000
	Major software license only assets (i.e. Microsoft, Adobe)	2	400,000
	Minor software (GIS, SysAid, Skype)	8	500,000
CCTV Camera Infrastructure***	Desktops	3	3,000
	Monitors	8	2,000
	Cameras	153	205,000
	Servers	4	48,000
	Switches	13	5,000
	UPS	3	1,500
	Poles, Cabinets, Cabling	-	223,000
	Wireless Radio Transceivers	18	5,000
	Waste CCTV Systems	10	52,000
	Body Cameras	12	5,500
Audio Visual Equipment^	Projectors	7	13,500
	Screens - fixed	4	3,500
	Televisions	28	20,000
	Council Chambers Audio System	1	40,000
	LVCC Audio Systems	6	162,000
	LVCC Visual Systems	6	217,000
Other Equipment	Printers	48	356,000
	Mondo Pads	7	86,000
	Plotters / Scanners	2	40,000
	Telephony Systems^^	2	3,500
	LVCC POS Equipment^^^	1	40,000
TOTAL VALUE			8,015,200

Service Management Plan
Information and Communication Technology

Version 2.1
Page 6

*Estimated replacement costs have been based on current lease and purchase costs of like equipment.

**Intangible asset replacement costs have been estimated using previously defined budget estimates and actual costings which include implementation costs. Software as a Service product have not been included.

***CCTV Infrastructure is inclusive of sites monitored / controlled by Information Services and Waste Management. It also includes Body Cameras.

^ Audio Visual Equipment is not inclusive of photographic or video cameras and camera equipment.

^^ Telephony systems are limited to the Comtel system at Grantham Butter Factory and the Siemens system at Gatton SES Building. All Skype for Business headsets, speakerphones and handsets are considered consumable items.

^^^ LVCC POS equipment is included in this Plan. However, ownership of this asset is under investigation and yet to be confirmed.

Service Levels

Levels of Service

Within the ICT environment there are two aspects to service levels. These are:

- Appropriate assets provided to enable ICT customers to complete their work efficiently and effectively
- Availability of ICT services in terms of robust systems and resolution of user problems

In respect to the above, an ICT request's priority is usually determined by assessing its impact and urgency, where:

- Urgency is a measure of how quickly a resolution of the incident is required
- Impact is a measure of the extent of the incident and of the potential damage caused by the incident before it can be resolved

The following table provides direction in determining a request's urgency:

Category	Description
High	<ul style="list-style-type: none"> • Staff are not able to do their job at all • Customers are being acutely disadvantaged in some way (financial impact to the customer)
Medium	<ul style="list-style-type: none"> • Staff are unable to do their job properly (no work around available) • Customers are inconvenienced in some way (customers are being advised we will get back to them tomorrow or next week)
Low	<ul style="list-style-type: none"> • Staff are able to deliver an acceptable service but this requires extra effort (work around available) • Customers are inconvenienced but not in a significant way (customers are being advised we will get back to them today)

To determine the request's impact, the highest relevant category is to be chosen from those below:

Category	Description
High	<ul style="list-style-type: none"> • A large number of users are affected (an entire directorate, >50) • A large number of customers are affected (more than 100) • The financial impact of the Incident is likely to exceed \$10,000 • The damage to the reputation of the business is likely to be high – incident likely to be newsworthy (Front page news) • Someone has been injured or is at risk of injury
Medium	<ul style="list-style-type: none"> • A moderate number of users is affected (5 to 50) • A moderate number of customers is affected (50 to 100) • The financial impact of the Incident is likely to exceed \$1,000 but will not be more than \$10,000 • The damage to the reputation of the Council is likely to be moderate (Not front page news)
Low	<ul style="list-style-type: none"> • A minimal number of users are affected (<5) • A minimal number of customers are affected (<50) • The financial impact of the Incident is likely to be less than \$1,000 • The damage to the reputation of the Council is likely to be minimal or nothing. (letters to the editor etc))

The priority given to any request is derived from an Urgency-Impact Matrix.

Urgency		Impact		
		High	Medium	Low
	High	1	2	3
Urgency	Medium	2	3	4
	Low	3	4	5

The Incident Priority Model is based on a matrix of urgency and impact and outlined below:

Priority Code	Description	Target Response Time	Target Resolution Time
1	Urgent	15 minutes	9 hours / 1 business day
2	Very High	2 hours	18 hours / 2 business days
3	High	4 hours	3 business days
4	Medium	9 hours / 1 business day	10 business days
5	Low	18 hours / 2 business days	20 business days

Any service request that is expected to take longer than 20 days will be considered as a 'Project'. The above is a revision of the original model put forward and is yet to be approved by the Information Services Steering Committee and communicated to the organisation.

These service levels, when fully developed, will apply across all asset classes and will be updated in ICT's service desk software in order to accurately track performance against SLA's. It should be noted a decision to provide increased levels of service will require additional funding to provide the service. Conversely, a decision to reduce funding will generally result in lower service levels.

4.2 Performance Measures

Current performance can be measured with the help of existing information within ICT's service desk software. During the 2017 calendar year to 12 December 4,647 service requests were received. Of these, 552 or approximately 12% breached the SLA currently used in the system (note that these SLA's differ from those outlined above). Current performance can be measured as outlined below:

Service Factor	What that means to the end user	How we achieve this	Performance measures
Quality	Assets are maintained in good order	<ul style="list-style-type: none"> Regular inspections of ICT equipment Leasing of equipment to ensure regular replacement of assets at the end of their useful life 	<ul style="list-style-type: none"> Full audit of ICT equipment undertaken annually Audit of 10% of ICT equipment undertaken quarterly Where practicable, ICT equipment is leased over a 4 year period
Timeliness	Service and equipment is provided in line with pre-determined service levels	<ul style="list-style-type: none"> Develop and refine priority model and service levels in consultation with the organisation 	<ul style="list-style-type: none"> 85% of Service Requests meet SLA Service Level reviews undertaken annually
Efficiency & Effectiveness	ICT equipment that is fit for purpose Service provided to end users	<ul style="list-style-type: none"> Consultation with end users and Managers to determine requirements Best use of available technologies 	<ul style="list-style-type: none"> Meetings held with Managers to determine upcoming requirements User satisfaction survey undertaken

Lifecycle Management

Asset management system

ICT assets are managed using the SysAid helpdesk system (LISA) which associates problem tickets with ICT assets and tracks the history of asset service requests and complaints. The use of this system can assist in improving our ability to effectively manage ICT assets throughout their life cycle.

A matrix is to be developed to outline the required equipment for each substantive position within Council. This will be developed in conjunction with appropriate Managers and Executive Managers providing automatic approval for IT equipment. Any requests for new equipment outside this matrix will require a business case that has Manager and Executive Manager approval.

Continuous improvement of our asset management practices, processes and procedures will ensure an increased maturity in the continuing development of this ICT SMP.

Useful Life

The useful lives of assets used to develop projected asset replacement timeframes and expenditures are shown in the following table. Due to the nature of the assets, estimated remaining useful life has not been included.

Asset Class	Asset Sub Class	Purchase / Lease	Estimated Useful Life	Replacement Timeframe	Comments
Desktop Equipment	Notebooks, desktops, monitors	Lease	4 years	On expiry of lease	Exceptions to lease are QGAP and SES assets
Mobile Devices	Mobile Phones	Purchase	3 years	On failure or when no longer suitable	Managed as attractive and portable items
	Satellite Phones	Purchase	3 years	On failure or when no longer suitable	Managed as attractive and portable items
	Tablets / iPads	Purchase	3 years	On failure or when no longer suitable	Managed as attractive and portable items
	Semi ruggedised windows tablets	Purchase	3 years	On failure or when no longer suitable	Purchased outright due to life inconsistency and environment they are used in
	GPS Devices	Purchase	5 years	On failure or when no longer suitable	Managed as attractive and portable items
Network Equipment	Servers, storage	Lease	4 years	4 years or on expiry of lease	
	Network switches	Purchase	8 years	On failure or when to longer suitable	
	UPS	Purchase	5 years		Maintenance agreements may be leveraged to improve lifetime of asset. Batteries may need to be replaced within lifetime of asset
	Firewalls	Purchase	3 years	When no longer suitable	
	Wireless Access Points	Purchase	4 years	On failure or when no longer suitable	
	Gateways	Purchase	5 years	On failure or when no longer suitable	
	Cabinets, copper cabling and fibre cabling	Purchase	15 years	On failure, relocation or when to longer suitable	

Asset Class	Asset Sub Class	Purchase / Lease	Estimated Useful Life	Replacement Timeframe	Comments
ICT Applications / Software (intangible assets)	Major software assets (i.e. Technology One products)	Purchase	10 years	Replacement generally planned at 10 years from initial implementation	Original purchase capitalised with ongoing maintenance being an operational expense.
	Major software license only assets (i.e. Microsoft, Adobe etc)	Purchase	3 years	When no longer suitable	Annual payment for use based on (generally) 3 year agreements.
	Minor software	Purchase	3 years	As required	Generally supported on an annual basis that includes new versions etc. Initial cost determines if capital or operational expense.
	Software as a service (SAAS)	Purchase	N/A	Replacement on failure or when no longer suitable	Cloud based software that is considered operational. Implementation costs capitalised with replacement not scheduled due to the unknown timeframes.
Camera Equipment	Fixed CCTV Cameras	Purchase	5 years	On failure or when no longer suitable	
	Portable Cameras	Purchase	3 years	On failure or when no longer suitable	Managed as attractive and portable items.
	Body Cameras	Purchase	5 years	On failure or when no longer suitable	Managed as attractive and portable items.
Audio Visual Equipment	Projectors	Purchase	5 years	On failure or when no longer suitable	Will move to lease on replacement
	Screens	Purchase	10 years	On failure or when no longer suitable	
	Televisions	Purchase	5 years	On failure or when no longer suitable	
	Control Equipment	Purchase	5 years	On failure or when no longer suitable	
	Speakers, Mics etc	Purchase	10 years	On failure or when no longer suitable	
Other Equipment	Printers	Lease	5 years	On expiry of lease or when required	
	Plotters	Purchase	5 years	On failure or when no longer suitable	
	Scanners	Purchase	5 years	On failure or when no longer suitable	
	Mondo pads	Purchase	5 years	On failure or when no longer suitable	Existing machines will be replaced with leased items.
	Telephony	Purchase	10 years	On failure or when no longer suitable	
	LVCC POS Equipment	Purchase	5 years	On failure or when no longer suitable	

SES & QGAP Assets

Due to the unknown use of SES ICT assets, all will be treated as replace on failure, or when no longer suitable. Time frames will be based generally on five years for budgeting purposes. Assets currently used by SES include notebooks, printers, small MFD's, projectors, standard phones and a Siemens phone system. The phone system will be kept under an annual maintenance process for repairs and maintenance.

QGAP assets will also be treated as replace on failure or when no longer suitable. These items (including 2 desktops and 2 monitors) are invoiced to state government and incur no replacement cost to Council and therefore are not budgeted for in replacement planning.

Replacement Planning

For the purpose of this plan, replacement expenditure is the replacement of an asset with equipment suitable for requirements within the same asset class.

Assets requiring replacement are identified using either one of two methods:

- Method 1 uses LISA CI List data to project the renewal costs using acquisition year and useful life to determine the renewal year
- Method 2 uses lease dates

Budgeted expenditure for replacement of identified assets is outlined in Appendix A.

Depreciation

Most IT equipment is managed as attractive or portable items and therefore depreciation is generally not applied. However, where depreciation is applied it is over a 3-15 year timeframe as indicated for each asset sub class in the Useful Life table.

Maintenance

Ongoing maintenance activities for asset classes included in this plan are on an 'as-needed' basis, based on user feedback and proactive monitoring. No formal scheduled maintenance program is in place.

Maintenance expenses are included in Appendix A and are made up of the general operating budget for ICT. This does not include Navman device hire and operating costs which are funded by business units access this service as well as SES equipment and satellite devices which are funded by Disaster Management.

Equipment Disposal

Purchased hardware assets are disposed of at the end of their useful life through an approved third party provider. The entity performing the service must certify that each item has been disposed of securely and in compliance with ISO 9001:2000 (Quality Management Standard) and ISO 14001:2004 (Environmental Management Standard). Data sanitisation and destruction must comply with Australian Government Information Security Controls. Generally speaking, the value of the equipment at the end of its useful life is sufficient only to offset the costs of disposal and therefore has no residual value.

Leased hardware is handled similarly at the end of the lease period with equipment being returned to the Lessor via a third party who provides the required end of lease services. Leased equipment has no residual value to Council at the end of the lease period. Disposal costs of leased equipment are included in Appendix A.

Software assets similarly have no residual value at the time of disposal.

ICT Asset Analysis

Expenditure Analysis

Expenditure on ICT assets can be categorised into three main areas being:

- Operations and maintenance – day to day costs to keep the assets in serviceable condition.
- Renewals – replacing assets with like for like equipment to deliver the same level of service, at or near the end of the assets serviceable life. Generally ICT equipment is replaced like for like unless there is a change of requirements or technology makes the equipment obsolete.
- New/Upgrade – replacing items with a new or improved item to provide a higher level of service than was previously provided or a new service to improve efficiencies.

Current Asset Situation / Condition

Asset	Situation / Condition (As new, Good, Fair, Poor, Very Poor)
Desktop Equipment (Desktops, Laptops, Monitors)	While there is still a mix of leased and purchased desktops, laptops and monitors, it is anticipated equipment that is being replaced will be leased by early 2018. All equipment will then be on a (mostly) four year lease. Average Condition: Good.
Mobile Devices (iPads, Tablets, Mobile Phones etc)	One third of iPads are overdue for replacement, but are still functioning well. The Bring Your Own Device (BYOD) strategy may reduce capital cost in respect to smartphones and tablets. Due to our Mobile Device Management (MDM) solution not supporting Windows devices, these phones will be replaced with Apple devices. Satellite phones have been replaced through grant funding along with satellite modems in 2016/2017. In addition to our existing mobile devices, a number of GPS devices have been purchased during 2017/2018 financial year. Average Condition: Good.
Network Equipment (Servers, Storage Firewalls etc)	Servers - Council relies on a combination of physical and virtual server technology to deliver requirements. Physical servers which have previously been purchased outright will be replaced with leased equipment on a four yearly cycle. This replacement is due in the current financial year (2017/2018). Storage - Our existing fast network storage environment is appropriate. Fast storage requirements are not expected to continue to grow at previous rates as Council moves toward cloud based services. Slow network storage equipment will be replaced in the 2017/2018 financial year on a four year lease arrangement. Firewalls - There is a fundamental requirement to protect Council systems, information and physical assets. Firewalls require updating on a regular schedule to keep pace with the changing dynamic of cyber threats. Current firewall equipment is due for replacement but is still in fair condition. UPS's – this equipment provides business continuity protection by protecting key physical network infrastructure from unexpected power abnormalities. A number of key UPS's were replaced as part of the recent server room upgrade. Cabinets, cabling etc - The current infrastructure is variable due to the age of buildings and new cabling being installed on an as required basis. Future renewals and replacements will only be considered on an as needs basis. From a budget perspective operating budget is put aside every year to conduct cabling work. Large building projects will include a cabling component. Average Condition: Good.
ICT Applications / Software (Intangible assets)	Technology One enterprise software was introduced at Lockyer Valley Regional Council in 2013. Additional modules are being added as required. At present, most applications / software are hosted on premise, with some cloud based software as a service (SAAS). Opportunities to move to cloud based solutions are considered based on the solution being fit for purpose and cost effective. Average Condition: Good.
Camera Equipment	Current CCTV infrastructure is in good condition and operating well. Body cameras are a recent acquisition and are in an 'as new' condition. Average Condition: As New.

Asset	Situation / Condition (As new, Good, Fair, Poor, Very Poor)
Audio Visual Equipment	The majority of high value audio visual equipment is installed at the Lockyer Valley Cultural Centre. AV equipment at the centre was replaced mid 2017. Equipment at other locations has been purchased on an 'ad hoc' basis with some being purchased with grant funding. Potentially there is some equipment that may not need to be replaced. Average Condition: Good.
Other Equipment	Printers / Plotters Scanners - Council's current fleet of multifunction devices and smaller printers is on a five year agreement which commenced in July 2014. The large A0 printer will be due for replacement in the 2018/19 financial year. The large format scanner is overdue for replacement having been procured in September 2007 but is still functioning as required. ModoPads – existing machines are due for replacement in 2018/2019 financial year. It is expected they will be replaced with leased items at that time. Telephony - While Council's main telephony system is an application based platform, there are two telephone systems still in use at Grantham Butter Factory and the Gatton SES. These systems are maintained and updated under an annual maintenance agreement and will only be replaced on failure. Average Condition: Good.

Future Demand

Demand Drivers

Drivers affecting demand include:

- Technological changes – while new technologies are a given, they are difficult to predict. Therefore the financial forecasts in this plan are based on current technologies and service provision methodologies. Some factors that may drive future demand within this category may include:
 - Cloud computing – change in the potential location and ownership structure of assets.
 - Remote computing – changes in business needs may require solutions to deliver applications and information remotely.
 - Mobile computing – the use of mobile technology within the organisation will increase the ability of our workforce to respond to customer needs.
- Financial sustainability
- Asset renewal and maintenance demands – with the move toward more ICT assets being leased rather than purchased, changes can be expected in maintenance costs.
- Customer expectations and continuous improvement – new demands in service level and/or new services will drive the delivery of new or increased ICT assets. Population increases and changing community demographics will also play a part in an increased demand for these assets.

The impact of demand drivers that may affect future service delivery and utilisation of assets is the need for increased investment and resources required to meet demand and maintain existing services.

Demand Management Plan

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

Managing the Risks

Lockyer Valley Regional Council recognises the need for risk management to feature as a consideration in strategic and operational planning, day to day management and decision making at all levels in the organisation.

As such, there is a commitment to managing and minimising risk by identifying, analysing, evaluating and treating exposures that may impact on Council achieving its objectives and / or the continued efficiency and effectiveness of its operations. An ICT Key Risk Register is currently under development.

The following principles will apply to managing risks relating to ICT assets:

Quality - ICT assets will be maintained in a usable condition. Warranties are included in the procurement process to ensure items are covered for the entirety of their expected life. Warranty claims are processed as required. Where the issue is not covered by warranty, the item will be replaced.

Function - ICT assets will be maintained at a secure and reliable level and associated equipment and tools will be provided to ensure the following key business goals are met:

- Improve customer experience
- Achieve financial sustainability
- Deliver continuous improvement

The main functional consequence of our ICT services is to enable us to deliver more efficient and effective services to our community, and thereby achieve Council's strategic objectives.

Reliability - The ICT network is monitored through actioning user requests and ensuring that maintenance programs are undertaken in a proactive manner with consideration to staffing resource restrictions. We will endeavour to manage these risks by:

- Monitoring and prioritising the risks
- Keeping ICT users informed
- Managing ICT assets throughout their lifecycle

Flexibility - Our ICT strategies balance a due diligence approach through the development of business cases, which examine the cost benefit of various options and offer the flexibility to adapt to emerging trends and opportunities.

Critical assets

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. Within the ICT SMP, the following asset classes/sub classes are considered critical:

- Network equipment
- Major software

By identifying critical assets and critical failure modes, we can target and refine investigative activities, maintenance plans and capital expenditure plans at the appropriate time. Operations and maintenance activities may be targeted to mitigate critical asset failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels, etc.

Improvement & Monitoring

Assumptions

A number of assumptions have been made within this plan including:

- Expected asset useful life timeframes will be achieved
- No sudden changes will occur in the condition of assets
- Current service levels will be maintained / no changes in hardware requirements
- The move toward leasing of assets will continue
- Budget allocations will be sufficient to allow replacement within designated timeframes
- Information Services will be responsible for budgeting for replacement of the asset classes and sub classes listed
- Items purchased through grant funding are expected to be replaced through like funding and have not been budgeted for in this plan
- Individual items with a value less than \$500 have not been included with the exception of leased monitors

Quality of Data

Data is maintained in LISA and is reviewed on an annual basis through a full audit of IT equipment. There can be a 98% confidence in the accuracy of the number of assets included in this plan.

Reliability of Estimates

Asset valuation estimates have been made using:

- Current lease costings
- Cost to purchase 'like' equipment
- Best estimates on value of older equipment

Estimates used will be refined as necessary. At the time of the preparation of this second draft for 2018, there is a high degree of confidence in the estimates provided except in the case of Mobile Phones, CCTV Systems and AV Equipment. In these cases the figures reflect those used in the previous plan and have not been updated. Ongoing review to ensure best possible data is being undertaken.

Improvement Plan

Further improvements to the plan will be undertaken as set out below:

Task No	Task	Responsibility	Resources Required	Timeline
1	Monitor performance and customer satisfaction to better understand asset performance and service delivery	Manager Information Services	Internal resources	Ongoing
2	Continuous improvement of ICT asset management practices, processes and procedures	Manager Information Services	Internal resources	Ongoing
3	Annual review and update of the Service Management Plan	Manager Information Services	Internal resources	December 2018

Monitoring & Review

In order to achieve the most accurate costings for the budget decision process, this plan will be reviewed again as necessary to ensure the most up to date information is provided. Ongoing reviews of customer expectations in regards to service levels will also be undertaken to ensure the most relevant technologies are being implemented.

Appendix A

The table below shows the projected budgeted estimates for maintenance, operational and capital expenditure as at 19 April 2018.

Operational Expenditure	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Desktop Equipment Leases	122,500	122,500	122,500	122,500	122,500	122,500	122,500	122,500	122,500	122,500
Mobile Phones	24,000	6,000	48,000	24,000	6,000	48,000	24,000	6,000	48,000	24,000
Sat Phones & Modems	0	0	0	199,950	6,000	0	0	0	19,950	6,000
Tablets/Pad	20,250	1,500	750	12,000	5,250	17,250	0	12,000	5,250	2,250
GPS Devices	27,110	27,110	8,421	1,500	25,190	27,110	27,110	8,421	1,500	25,190
Server Leases	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Storage Leases	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000
Software Licences	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Printer Leases	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
Mondo Pad Leases	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Maintenance Costs	1,203,500	1,548,500	1,223,500	1,143,500	1,153,500	1,818,500	1,273,500	1,213,500	1,098,500	1,223,500
Totals	2,431,360	2,739,610	2,437,171	2,537,450	2,352,440	3,067,360	2,481,110	2,396,421	2,329,700	2,437,440
Capital Expenditure										
Desktop Equipment (not leased)	0	9,500	0	0	0	9,500	0	0	0	9,500
Switches	63,000	25,400	64,300	53,600	13,000	12,000	0	25,700	39,800	25,400
Uninterruptible Power Supplies	25,000	11,000	0	38,000	16,200	8,500	11,000	0	38,000	16,200
Firewalls	75,000	0	74,000	0	0	74,000	0	0	74,000	0
Wireless Access Points	25,000	0	0	0	31,500	0	0	0	37,600	0
Gateways	0	0	30,000	0	0	0	0	30,000	0	0
Network Cabinets & Cabling	70,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Software	1,020,000	1,000,000	1,250,000	650,000	450,000	350,000	2,300,000	850,000	350,000	500,000
CCTV Camera System	0	47,000	72,000	125,000	12,990	0	47,000	72,000	125,000	12,990
Audio Visual Equipment	90,000	46,000	166,000	74,000	4,000	20,000	6,000	0	4,000	18,000
Printers/Scanners/Shredders	60,000	1,000	0	0	0	33,900	1,000	0	0	7,350
Totals	1,428,000	1,159,900	1,676,300	960,600	547,690	527,900	2,385,000	997,700	688,400	609,440

Service Management Plan
Information and Communication Technology

Version 2.1
Page 18



Parks and Open Spaces Service Management Plan

MAY 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	20/01/2017	Initial Draft	Matthew Burdett	John Keen	
V2	18/12/2017	2017/18 Revision	Matthew Burdett	Brendan Sippel	

TABLE OF CONTENTS

1	Executive Summary	4
	1.1 Expenditure Analysis.....	5
	1.2 SMP Improvement Plan.....	7
	1.3 LOCAL GOVERNMENT INFRASTRUCTURE PLAN	7
2	Introduction	8
	2.1 Background	8
	2.2 Council's Goals and Objectives for Parks and Open Space Services	8
	2.3 The purpose of this Parks and Open Space Plan	8
3	Level of Service	9
	3.1 Community Consultation	9
	3.2 Current Levels of Service	9
4	Future Demand.....	11
5	Risk Management	12
	5.1 Risk Assessment	12
6	Lifecycle Management Plan	13
	6.1 Input Data and Parameters	13
	6.2 Renewal Planning	14
	6.3 New/Upgrade Planning (Creation or Acquisition)	14
	6.4 Operations and Maintenance planning	15
	6.5 Condition & Performance Monitoring.....	15
	6.6 Disposal Plan	16
7	Parks and Open Space Assets Analysis	17
	7.1 Asset Class Summary.....	17
	7.2 Age Profile	17
	7.3 Asset condition Profile	18
8	Financial Summary	19
	8.1 Assumptions.....	19
	8.2 Current Long term Financial Plan	19
	8.3 Forecast renewal expenditure.....	20
	8.4 Planned new/upgrade expenditure	20
	8.5 Forecast operations and maintenance expenditures.....	21
	8.6 Expenditure Summary	21
	8.7 Expenditure projections for long term financial plan.....	23
	8.8 Asset Valuations.....	24
	8.9 Financial Recommendations.....	24
9	Plan Improvement and Monitoring	25
	9.1 Performance Measures.....	25
	9.2 Improvement Plan	25
	9.3 Monitoring and Review Procedures.....	25
10	Appendices	26
	Appendix A Condition Renewal Program.....	27
	Appendix B Planned New/Upgrade 10 year Capital Works Program	28

1 EXECUTIVE SUMMARY

This services management plan (SMP) describes the parks and open space assets provided to the community, and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future.

What Does This Plan Cover?

The parks and open space assets are valued at \$6.3M (fair value) as at 30 June 2016 and are apportioned as shown in Figure 1-1:

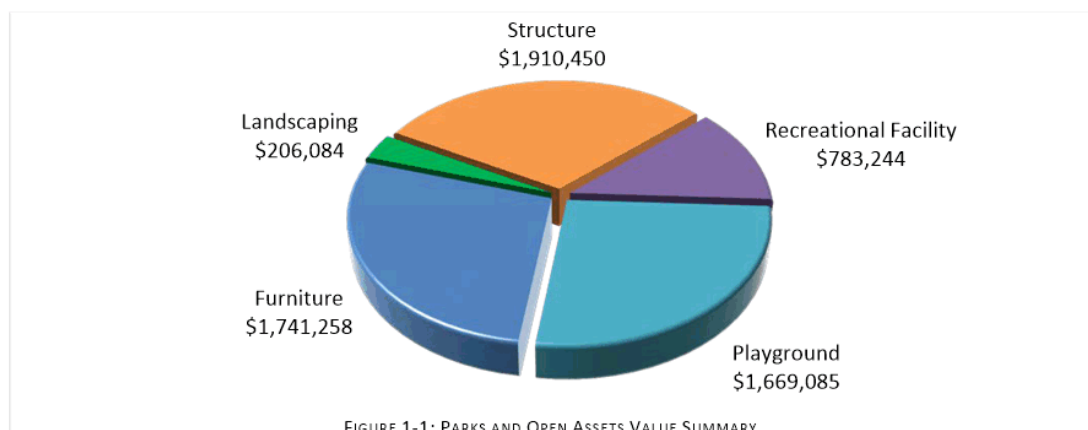


FIGURE 1-1: PARKS AND OPEN ASSETS VALUE SUMMARY

What is the current condition of these assets?

The assets have been assessed as being in good condition overall with only 2%, or \$203,000 in replacement cost, of parks and open space assets in poor or very poor condition and in need of urgent repair, renewal or replacement.

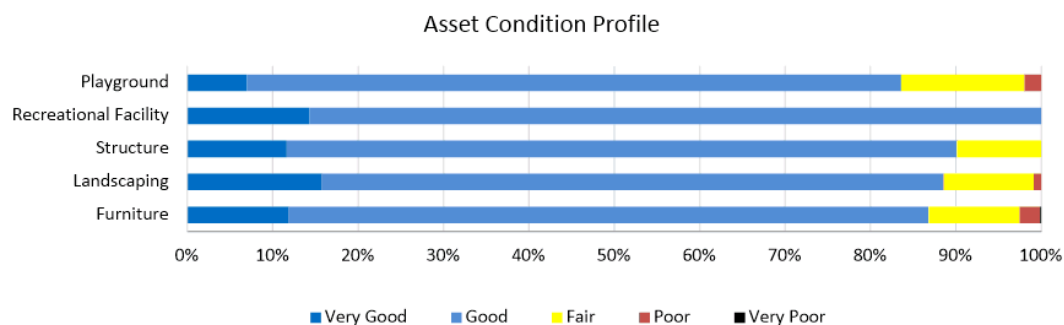


FIGURE 1-2: PARKS AND OPEN SPACE CONDITION PROFILE

1.1 EXPENDITURE ANALYSIS

There are three major categories that make up the total expenditure for Councils parks assets:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service, i.e. safer road, reduced travel times, improved drainage, providing a service that did not previously exist in that location etc.

The following expenditure analysis has been undertaken to understand what it costs to own, operate, maintain and replace Councils park assets over a 10 year planning period. This is based on what is currently understood of the services and likely demand over that planning period.

1.1.1 OPERATIONS AND MAINTENANCE EXPENDITURE

The forecast operations and maintenance expenditure can be seen in Table 1-1 below. It has been assumed that the current level of maintenance expenditure is the appropriate amount to maintain the assets in a condition that delivers the adopted levels of service, however it is recommended that a 'base budget review' be undertaken to confirm the accuracy of current maintenance and operations expenditure levels. As can be seen from Table 1-1, operations expenditure greatly outweighs maintenance expenditure and this is considered appropriate for this asset type.

TABLE 1-1: OPERATIONS AND MAINTENANCE EXPENDITURE (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
Operations	\$1,440	\$1,469	\$1,498	\$1,528	\$1,559	\$1,590	\$1,622	\$1,654	\$1,687	\$1,721	\$1,577
Maintenance	\$360	\$367	\$375	\$382	\$390	\$397	\$405	\$414	\$422	\$430	\$394
Total	\$1,800	\$1,836	\$1,873	\$1,910	\$1,948	\$1,987	\$2,027	\$2,068	\$2,109	\$2,151	\$1,971

Increases in this expenditure over the next 10 years are due to growth of the population and/or the asset base.

1.1.2 CAPITAL RENEWAL EXPENDITURE

The condition based renewal analysis, which is considered to be the most accurate, shows that in order to keep park assets delivering the current levels of service over the 10 year planning period, Council will need to spend on average \$69,000 per year on asset renewals. It's worth noting however that park assets, more so than other asset types, are not only renewed on the basis of poor condition but also due to service obsolescence. Park assets may be renewed with modern day equivalents purely on the basis of aesthetics or utilisation and this must be factored into the asset's remaining useful life. There is not currently enough data to accurately predict the full impact of obsolescence on park asset renewal forecasts however **it is believed that the combined condition and obsolescence funding requirement should be \$100,000 annualised for the 10 year planning period.** Future iterations of this SMP will develop this further and introduce data to support accurate projections.

TABLE 1-2: CONDITION RENEWAL EXPENDITURE (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
Projected Renewal	\$1	\$0	\$194	\$5	\$0	\$0	\$0	\$4	\$0	\$318	\$52

1.1.3 NEW/UPGRADE CAPITAL EXPENDITURE

Council has detailed a number of capital works projects planned for the next 10 years. The annualised expenditure for these works can be seen against the budget allocation in Table 1-3 below.

TABLE 1-3: NEW/UPGRADE EXPENDITURE (\$'000s)

New/Upgrade Type	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
Capital Program	\$425	\$175	\$155	\$105	\$90	\$75	\$75	\$75	\$75	\$0	\$125
LTFP	\$540	\$75	\$75	\$75	\$75	\$95	\$75	\$220	\$70	\$0	\$130

The total 10 year expenditure estimate based on the current new/upgrade capital works program is \$1,250,000, the allowance in the LTFP is \$1,300,000. This provides a funding surplus at the end of the 10 year planning period of \$50,000 if the current capital program is followed for its duration. The program has been developed from knowledge and experience of the parks staff incorporating known trends in community park use. An annual review of the current program should be undertaken to ensure it meets community expectations and agreed service levels.

1.1.4 OVERALL

The total expenditure (operations and maintenance, renewals, new/upgrade) is projected as approximately \$21,480,000 over 10 years which can be seen in Figure 1-3 below.

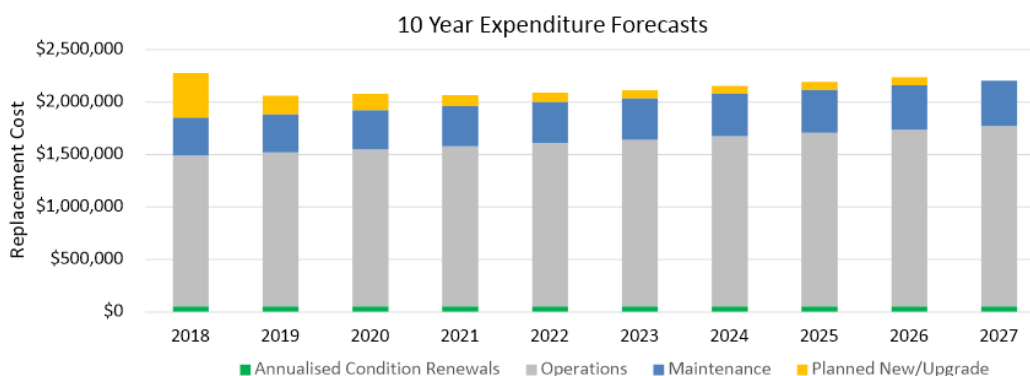


FIGURE 1-3: FUNDING REQUIRED TO DELIVER PARK SERVICES AGAINST AVAILABLE FUNDING IN THE CURRENT LTFP

To maintain current service levels over the next 10 years Council will have to spend on average approximately \$2M every year for maintenance, operations, and the renewal of existing assets. The total expenditure over the 10 year planning period is \$20,230,000. Council's LTFP should be updated to include this required amount.

What are our Options?

Council has the option to alter the funding allocations through a range of methods;

- Revenue can be managed to provide sufficient funding to deliver the agreed levels of service.
- Funding can be redistributed to, from or within asset classes to ensure that all asset classes and funding allocations receive the appropriate funding.
- Service levels can be changed to better reflect available funds.
- Council can determine what new/upgrade works are undertaken in line with the ability to attract external funds to undertake these works and the ability of Council's own source funding to operate and maintain these assets into perpetuity.

- New/upgrade works from growth will partially come from developer contributed assets that will require more stringent development conditions to ensure that the community is not left with infrastructure that does not perform satisfactorily. Appropriate funding streams will need to be made available to own and operate these contributed assets into perpetuity.

1.2 SMP IMPROVEMENT PLAN

It is recommended that the improvement plan set out at the end of this SMP be implemented. Summarising the improvement plan it is recommended that:

1. The current Maintenance and Operations expenditure levels to be maintained.
2. A base budget review of maintenance costs to be undertaken.
3. Maintenance practices be reviewed and driven by identified asset needs.
4. A condition based renewal program of works to be adopted.
5. Funding to be reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
6. The New/Upgrade program be reviewed and ensure alignment with agreed service levels.
7. Introduce a funding allocation for forward planning and design to better execute capital works projects.

The above expenditure analysis and resulting improvement plan highlights the necessity for reviewing and improving the long term financial plan and the capital works program.

1.3 LOCAL GOVERNMENT INFRASTRUCTURE PLAN (Assessment of infrastructure requirements due to future growth)

The information contained within this Service Management Plan does not contain any data relating to the Local Government Infrastructure Plan (LGIP). It has been assumed that future infrastructure requirements required because of population growth and identified within the LGIP will be provided as contributed assets by others, either directly, or through infrastructure charges levied by Council to provide infrastructure at a later date. The cost of maintaining these potential assets has been accommodated in the Service Management Plan through a 2 % increase per annum to the required maintenance budgets going forward.

2 INTRODUCTION

2.1 BACKGROUND

This parks and open space service management plan is to demonstrate responsive management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The Lockyer Valley Regional Council parks & open space assets include the following asset classes:

- Furniture
- Landscaping
- Playground
- Structures
- Recreational Facilities (limited to courts, sporting fields and skate parks)

This service management plan is to be read in conjunction with:

- Lockyer Valley Regional Council Corporate Plan 2017-2022
- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Customer Service Charter
- Lockyer Valley Regional Council Operational Plan 2017-2018

2.2 COUNCIL'S GOALS AND OBJECTIVES FOR PARKS AND OPEN SPACE SERVICES

Council operates and maintains the parks and open space assets to achieve the following strategic objectives:

- Meet legislative requirements;
- Ensure that Council's parks and open space services and assets are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and appropriate financial resources for those services;
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated;
- Ensure that the parks and open space network provides full functionality;
- Ensure the network is planned appropriately to cater for future growth;
- Maximise the asset's useful life whilst minimising lifecycle expenditure;
- Maintain a high level of community satisfaction in the delivery of parks and open space services.

2.3 THE PURPOSE OF THIS PARKS AND OPEN SPACE PLAN

The purpose of this Parks and Open Space Plan is to:

1. Improve our understanding of the parks and open space assets and services managed by ensuring access to quality data describing the network and the network condition, as well as the condition of all asset attributes;
2. Provide a framework of alignment for the parks and open space assets and the levels of service derived from the assets;
3. Improve the organizational capabilities for the management of the parks and open space asset and services;
4. Improved confidence levels in future works programs for renewal and maintenance programs and the associated funding requirements for the management options; and
5. Provide guidance for the Council in continuous improvement and toward advanced service management planning.

3 LEVEL OF SERVICE

3.1 Community Consultation

Community consultation is an essential part of the determination and confirmation of the levels of service framework.

The consultation with the community regarding the management of parks and open spaces is part of Council's Community Plan roll-out. The Council has developed a Customer Service Charter for sharing information with and receiving feedback from the community. Specifically to the Lockyer Valley, the elected Councillors are seen as an effective conduit to receive and understand the needs and concerns of the ratepayers and to provide this feedback through to Council management for appropriate actions and considerations.

3.2 CURRENT LEVELS OF SERVICE

In accordance with the requirements of the International Maintenance Management Manual, service levels have been defined in two terms.

3.2.1 COMMUNITY LEVELS OF SERVICE

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

Community levels of service measures used in the service management plan are:

- | | |
|------------------------|------------------------------------|
| • Quality | How good is the service? |
| • Function | Does it meet users' needs? |
| • Capacity/Utilisation | Is the service over or under used? |

3.2.2 TECHNICAL LEVELS OF SERVICE

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

Council's current levels of service, detailed in Table 3-1, have been drafted based on anecdotal and historical information available.

These levels will be further development based on their cost of delivery and the community's willingness to pay.

TABLE 3-1: CURRENT LEVELS OF SERVICE

Parks Services			
Classification			
Level of Service	Clean, Safe, accessible and sustainable Parks to all residents.		
Performance Measure	Number of complaints and incidents (<5 per annum)		
Service Factors	Customer Service Standards	Technical Service Standards	Performance Measure
High Quality Parks	Consistently clean, safe Parks facilities,	Maintenance programs contribute to timely removal of rubbish/graffiti, vegetation control, and landscape maintenance and to the cleaning of BBQs and toilets.	<5 Complaints/Annum
Accessible	Residents have access to Parks and park facilities	Parks and facilities available 24 hours a day, 7 days a week. Rapid response times	90% availability Response in 24 hours
Safe	Playground, BBQs and Parks are safe to use	Maintenance programs comply with safety requirements and timeframes. CEPTD principles considered in all designs	Nil Accidents as a result of unsafe assets
Safe	Playgrounds safe to use	Playgrounds to be audited every 3 months as per Australian Standards	100% compliance with statutory requirements
Affordability and Whole of Life Management	Parks services remain affordable	Service Management Plan accounts for improved whole of life asset management	Investment and return on investment known
Maintenance of Parks	Mowing to a high standard with a good finish	Park mowing standards <ul style="list-style-type: none"> • 1-2 weeks high usage parks • 2-3 weeks medium usage parks • 3-4 low usage parks • Other parks as requested 	<2 complaints per month

4 FUTURE DEMAND

Factors affecting future demand for services include population change, changes in demographics, seasonal factors, vehicle ownership, consumer preferences and expectations, economic factors, agricultural practices, environmental awareness, etc. Known demand impacts for the Lockyer Valley in relation to impacts on service delivery are summarised in Table 4-1.

TABLE 4-1: DEMAND FACTORS, PROJECTIONS AND IMPACT ON SERVICES

Demand factor	Present position	Projection	Impact on services
Population	38,312 persons (2014)	Increase population to 63,000 by 2031.	No impact based on projected population position.
Demographic	Median age 37 (2011)		An aging population will have a nominal increase in the need for infrastructure services, principally associated with access. (e.g. Footpaths, access to buildings and facilities, aged care, medical services etc.)
Tourism	Approximately 304,000 visitors per annum.		<i>Tourism increases will result in a nominal increase in usage of infrastructure, particularly those providing access to and servicing tourist attractions.</i>
Housing	In 2015, 260 residential dwellings were approved.	Potential infill housing and take up of current land stocks.	<i>New dwelling starts across the region do not indicate demand for additional infrastructure assets or services, however Council will need to maintain adopted assets.</i>

Demand for new services will be managed through a combination of managing existing assets, upgrades, provision of new assets to meet demand and demand management. Demand management practices may include non-asset based solutions, insuring against risks, appropriate risk mitigation strategies and managing failures.

TABLE 4-2: DEMAND MANAGEMENT PLAN SUMMARY

Service Activity	Demand Management Plan
Community demand for parks and open spaces.	Study parks and open space utilisation to better understand the community needs. Base asset provision on utilisation, in preference to providing for historical trends
Replacement or repair of park and playground equipment.	Progressive repair or replacement of parks and open space assets in line with known utilisation trends.
Capital Works – Renewals / Replacement	Schedule long-term capital works program and investigate partners with the adjacent Councils to achieve economies of scale and cost savings. Replacement projects will need to be assessed with a balance between competing demands for investment to renew existing assets as well as providing expenditure for new assets to meet growing service delivery demand.

The Demand Management Planning process will need to be applied to all asset groups, types and components to ensure that the Council understands the funding requirements to deliver the necessary works and what is required going forward to adequately provide services to the community. This work should be undertaken as a matter of priority and certainly prior to consideration of any new parks and open space assets.

5 RISK MANAGEMENT

Council has a 'duty of care' to the community in relation to management of the parks and open space service assets. This covers the various phases of design and construction through to operations and maintenance of the system.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets;
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed Levels of Service; and
- Operational risks where data and information are not maintained to standards which enable competent management outputs.

5.1 RISK ASSESSMENT

Council undertakes regular inspections of its Parks and Open Spaces with defects identified being logged and prioritised for repair. Playground equipment in parks are inspected on an annual and quarterly cycle to meet legislative requirements and community safety. Remedial actions are undertaken based on severity of risk and hierarchy of park or open space.

6 LIFECYCLE MANAGEMENT PLAN

Lifecycle planning uses current asset and financial data to detail how Council will manage and operate the assets to deliver sustainable levels of service (defined in Section 4) while optimising life cycle costs.

The diagram below demonstrates the asset management whole of life approach:

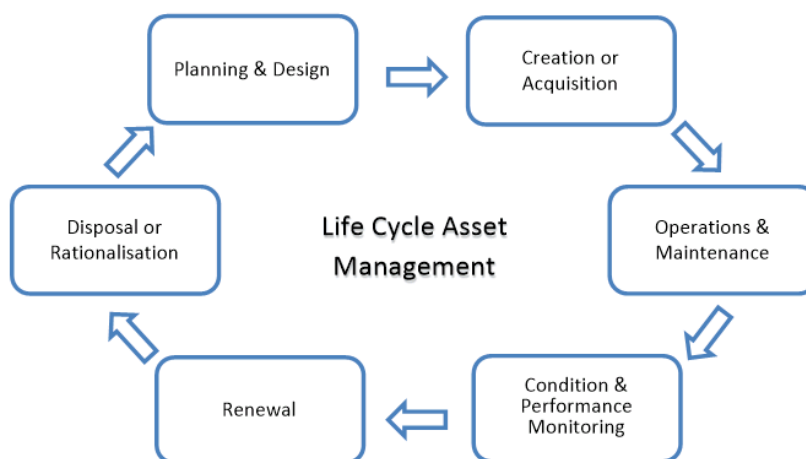


FIGURE 6-1: ASSET LIFECYCLE
Source: IIMM

6.1 INPUT DATA AND PARAMETERS

6.1.1 DATA CONFIDENCE

This lifecycle assessment is based on Council's revaluation data, financial data and asset register as detailed in Section 8. The data is considered to have an accuracy rating of 2 in accordance with the rating scale in Table 6-1.

TABLE 6-1: DATA CONFIDENCE RATING

Grade	Description	Accuracy
1	Accurate	100%
2	Minor inaccuracies	± 5%
3	50% estimated	± 20%
4	Significant data estimated	± 30%
5	All data estimated	± 40%

(Section 4.3.7 of the *International Infrastructure Management Manual (IIMM) Version 3.0, 2006*)

6.1.2 ADOPTED USEFUL LIVES OF PARKS & OPEN SPACE ASSETS

An asset's useful life is defined as a period over which a depreciable asset is expected to be fully consumed. This period can be significantly impacted by Council's maintenance practices.

The useful life of an asset is initially based on the manufacturer's recommended (expected) life. However, this may be adjusted based on historical evidence of the impact of local environmental conditions on the expected life. Obsolescence, mentioned in Section 1, may also have significant impacts on asset utilisation which may lead to redundancy; however Council is yet to hold sufficient data to use in informing this SMP.

Council's adopted useful lives for each asset type are shown in Table 6-2 below.

TABLE 6-2: PARKS AND OPEN SPACE ASSET HIERARCHY AND LIVES

Asset Class	Asset Type	Components	Materials	Asset Lives (Years)
Furniture	Barbeque		Brick, Block, Metal	35
	Drinking Fountain		Metal	30
	Entrance Statement		Metal, Plastic, Stone, Timber	40
	Fencing		Metal, Other, Plastic, Stone, Timber	30
	Lighting		Concrete, Metal	40
	Rubbish Bin		Metal, Plastic, Timber	30
	Seat		Brick, Metal, Plastic, Stone, Timber	40
	Table		Brick, Concrete, Metal, Plastic, Timber	50
Landscaping	Garden Edging			40
	Retaining Wall		Block, Stone	80
	Vegetation Support			30
Playground	Playground Equipment	Flying Fox, Rocker, Seesaw, Slide, Swing, Play Structure		30
	Playground Softfall		Rubber	7
			Bark	20
Recreational Facilities	Courts			80
	Skate Park			80
Structures	Memorial			90
	Ornament			90
	Shade Shelter			45

6.2 RENEWAL PLANNING

Renewal expenditure does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to its original service potential is upgrade or new works expenditure.

This plan provides indicative program information for the renewal of the parks and open space assets. The program includes the funding requirements and identifies any funding surplus or deficit, i.e. 'Renewal Gap' (the difference between 10 year LTFP budget allocation and 10 year renewal needs). As stated in previous sections the full impact of asset obsolescence on renewals is not yet fully understood, and how much of an impact this makes on renewal funding requirements will be determined in the future iterations of this plan.

This plan provides indicative program information for the renewal of the cemetery assets in Appendix A Condition Renewal Program.

6.3 NEW/UPGRADE PLANNING (CREATION OR ACQUISITION)

New/Upgrade works are those that:

- Create a new asset that did not previously exist, or
- Upgrade or improve an existing asset beyond its existing capacity.

This plan provides indicative program information for the new acquisition and upgrade of cemetery assets in Appendix B Planned New/Upgrade 10 year Capital Works Program.

6.4 OPERATIONS AND MAINTENANCE PLANNING

Current maintenance management is undertaken based on historical practices and trends supported by documented routines.

The maintenance service objectives are to:

- To maintain the system in a safe, serviceable and aesthetic condition, displaying a defensible duty of care within Council's financial and physical constraints to the satisfaction of Council and the community;
- To maintain and preserve the functionality and value of the existing assets;
- Ensure the provision of an affordable standard of customer service ensuring that customer requests are responded to in an efficient and effective manner.

6.5 CONDITION & PERFORMANCE MONITORING

6.5.1 CONDITION RATING

Council has adopted a condition assessment method using a rating scale of 1 to 5. The Condition Ratings and their corresponding upper and lower remaining useful life limits are detailed in Table 6-3.

TABLE 6-3: STRUCTURAL CONDITION GRADING MODEL

Grade	Condition	% Useful Life remaining	Description
1	Very Good	>70%	Sound physical condition. No signs of deterioration. Only normal maintenance required.
2	Good	70%-51%	Acceptable physical condition; minor deterioration visible, no short-term failure risk. Minor defects only. Only minor work required, if any.
3	Fair	50%-11%	Acceptable physical condition; minimal short-term failure risk but potential for deterioration in long-term. Minor defects only. Minor components or isolated sections of the asset may need replacement or repair now but asset functions safely at adequate level of service. Work may be required but asset is serviceable. Maintenance required to restore the asset to an acceptable level of service.
4	Poor	10%- 4%	Significant deterioration evident. Failure likely in short-term. Likely need to replace most or all of asset. No immediate risk to health or safety but works required to ensure asset remains safe. Substantial work required in short-term, asset barely serviceable. Asset requires renewal – work to be programmed.
5	Very Poor	<4%	Failed or failure imminent. Immediate need to replace most or the entire asset. Health and safety hazards exist which present a possible risk to public safety, or asset cannot be serviced/operated without risk to personnel. Asset is effectively unserviceable. Major work or replacement required urgently.

(International Infrastructure Management Manual (IIMM) Version 3.0, 2006 Section 3.3.6)

6.5.2 ASSET CAPACITY AND PERFORMANCE

Council's services are generally provided to meet design standards where these are available. Locations of identified deficiencies in service performance will be provided in future revisions of this Plan. In addition, if these deficiencies are to be addressed the project details will be included in the New/Upgrade program and evaluated through this plan.

6.5.3 CRITICAL ASSETS

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, Council targets inspection and investigative activities, maintenance plans and capital expenditure plans. The identification of critical assets, their failure modes and required operations and maintenance activities will be developed in future revisions of this service management plan.

6.6 DISPOSAL PLAN

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. No assets have been identified for possible decommissioning and disposal, and this will be developed in future iterations of this SMP.

7 PARKS AND OPEN SPACE ASSETS ANALYSIS

7.1 ASSET CLASS SUMMARY

The parks and open space assets covered by this service management plan are shown in Table 7-1. Replacement values are based on revaluation data as at 30 June 2017.

TABLE 7-1: ASSETS COVERED BY THIS PLAN

Asset Type	Major Components	Count	Replacement Cost	Fair Value
Furniture	Furniture	645	\$1,651,000	\$1,248,725
	Fencing	113	\$728,700	\$492,533
Landscaping	Retaining Walls & Garden Edging	114	\$264,654	\$206,084
Playground	Playground Equipment	147	\$748,500	\$544,425
	Playground Soft Fall	54	\$1,550,060	\$1,124,660
Recreation Facility	Courts	5	\$200,000	\$191,750
	Skate Park	7	\$843,260	\$571,494
Structures	Memorials	59	\$380,200	\$273,675
	Shade Shelter	157	\$2,176,100	\$1,618,775
Total			\$8,587,474	\$6,310,121

7.2 AGE PROFILE

Asset Age profile information is summarised in Figure 7-1 below. The parks and open space assets are overall in a good condition.

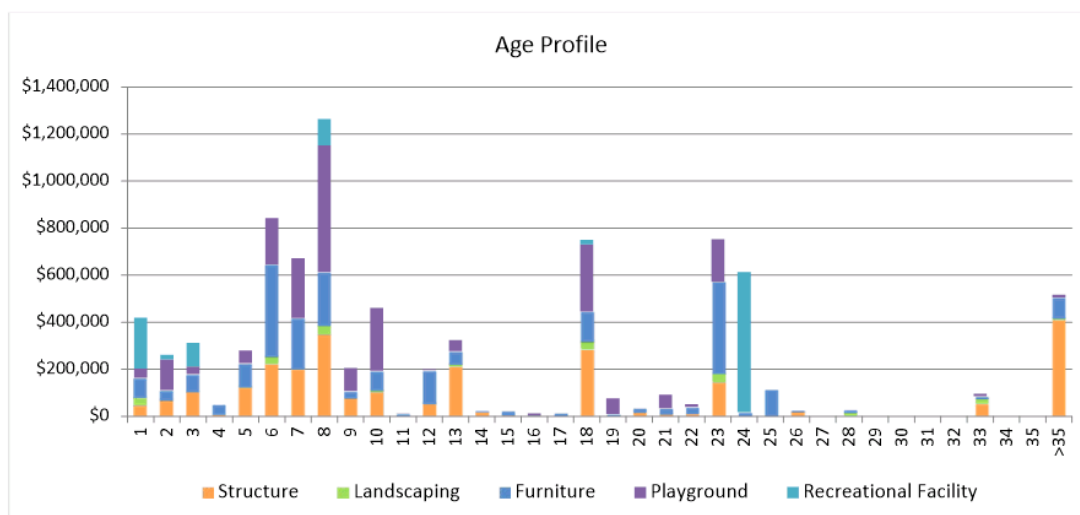
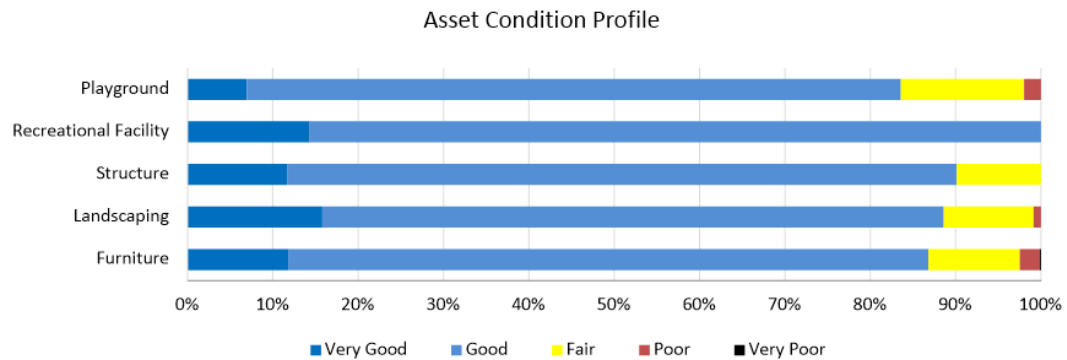


FIGURE 7-1: PARKS & OPEN SPACE ASSETS AGE PROFILE

Some Council parks and open space structures have recorded ages far in excess of the 36 years (up to 116 years) indicated in the graph above. These ages will be verified in future updates of this plan.

7.3 ASSET CONDITION PROFILE

Condition ratings for the parks and open space assets are being collected continuously at 25% per annum (starting in 2015). The condition profile of our assets is shown Figure 7-2 below.



The majority of Council's assets have been assessed as being in good condition. Only 0.1% are currently in very poor condition (condition grade 5) with an estimated \$1,050 required in replacement cost and only 1.8% or \$202,074 worth of assets have been assessed as being in poor condition (condition grade 4) and in need of renewal.

Council has a rolling four year program for condition rating its park assets, which therefore sees 25% of assets rated each year. In addition defect and legislative playground inspections occur several times each year providing opportunity to more frequently condition rate these assets as required.

8 FINANCIAL SUMMARY

The financial planning provisions must acknowledge that there is no residual value in park assets once they reached the end of their useful life. Furthermore park assets more so than other asset types may be replaced out of obsolescence identified by Council planning, or customer requests. This causes some difficulty in accurately projecting future expenditure requirements.

8.1 ASSUMPTIONS

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

In the preparation of renewal forecasts and works programs, it has been assumed that Council will continue to deliver parks and open space services in the current manner and at the current levels.

This Plan is based on:

- Revaluation and condition assessment data as at 30 June 2016
- Council's financial statements for 2012/2013, 2013/2014 and 2014/2015, and
- Unconfirmed current service levels

Further, this plan will need to be updated annually to reflect changes to valuation, condition and impairment of assets.

Key assumptions made in this service management plan are:

- This plan will be adopted and implemented;
- Works programs will be adopted and funded;
- Funding priorities are based on "renew before new";
- No works undertaken unless addressed through AMP and works programs;
- Existing maintenance & operation funding levels will be maintained.
- Reducing expenditure on unplanned infrastructure maintenance and using these funds for planned reconstruction, rehabilitation, and component replacement programs;
- Steady state condition of infrastructure as identified by condition surveys;
- Expected and adopted asset useful life will be achieved; and
- Normal wear and tear conditions.

Other assumptions include:

- The calculation of depreciation cost (and resultant funding cost) does not include provision for the residual value of the asset; in effect increasing annual depreciation costs and resultant funding costs.

Assumptions regarding asset age and condition/age ratio is in accordance with the relevant tables in Section 7.

8.2 CURRENT LONG TERM FINANCIAL PLAN

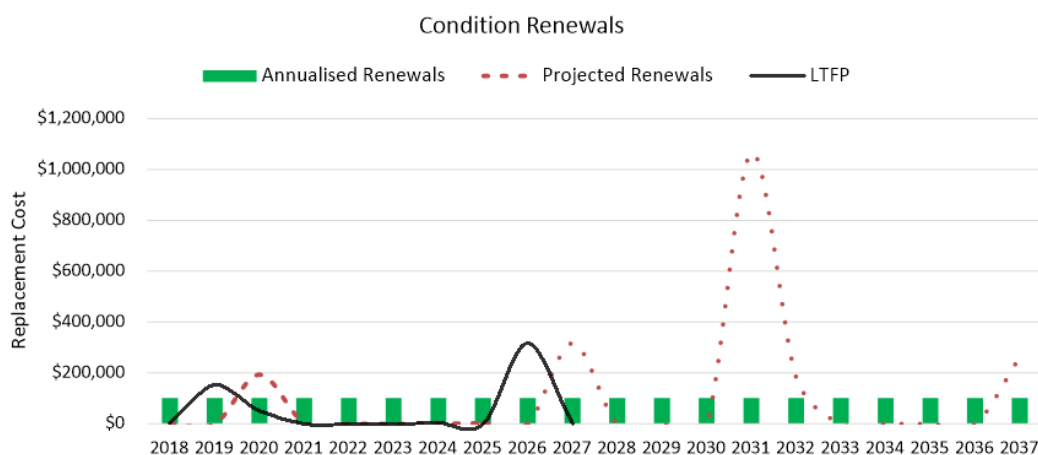
The current Long Term Financial Plan (LTFP) for parks and open space asset management and service provision is shown in Table 8-1 below.

TABLE 8-1: CURRENT LONG TERM FINANCIAL PLAN (\$000's)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Renewal	\$5	\$152	\$53	\$0	\$0	\$0	\$4	\$0	\$318	\$0	\$531
New/Upgrade	\$540	\$75	\$75	\$75	\$75	\$95	\$75	\$220	\$70	\$0	\$1,300
Total	\$545	\$227	\$128	\$75	\$75	\$95	\$79	\$220	\$388	\$0	\$1,831

8.3 FORECAST RENEWAL EXPENDITURE

Figure 8-1 shows the projected asset renewal expenditure over the 10 years of the AM Plan and beyond. This expenditure is compared to renewal allocation in the LTFP which shows only slight misalignment with a \$9,000 surplus over 10 years. The peaks shown in Figure 8-1 require smoothing and this will be resolved in future iterations of this plan.



In addition to the outcomes derived from the condition model, a consideration also needs to be made for the impact of park asset obsolescence on forecasting renewal funding requirements. **It is suggested that a combined condition and obsolescence based annualised funding requirement of around \$100,000 is needed.** At this stage the impact of obsolescence is derived from the experience and skills of Council officers, and not enough physical data is available to affect the financial recommendations resulting from this SMP. This will be developed further and incorporated in future revisions of this plan along with supporting data.

8.4 PLANNED NEW/UPGRADE EXPENDITURE

Projected upgrade/new asset expenditures are summarised in Table 8-2 and Figure 8-2 below. The current capital works program should be revised to give a more consistent annual figure. The current long term financial plan should also be revised to ensure there are adequate funds for all planned works.

TABLE 8-2: PARKS & OPEN SPACE PLANNED NEW/UPGRADE EXPENDITURE (\$000)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Furniture	\$85	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$0	\$685
Landscaping	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20
Structure	\$200	\$0	\$0	\$0	\$15	\$0	\$0	\$0	\$0	\$0	\$215
Playground	\$0	\$100	\$80	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$210
Recreational Facility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120
Total	\$425	\$175	\$155	\$105	\$90	\$75	\$75	\$75	\$75	\$0	\$1,250

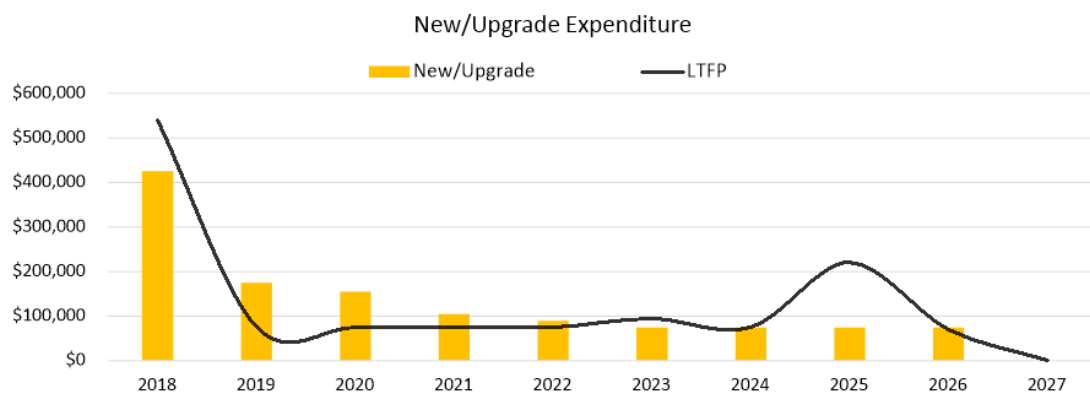


FIGURE 8-2: CURRENTLY PLANNED CAPITAL UPGRADE/NEW ASSET EXPENDITURE

8.5 FORECAST OPERATIONS AND MAINTENANCE EXPENDITURES

No Operations and Maintenance modelling has been undertaken. Therefore, operations and maintenance expenditure shown in Figure 8-3 below is based on the previous 3 year expenditure and staff experience, indexed at 2%.

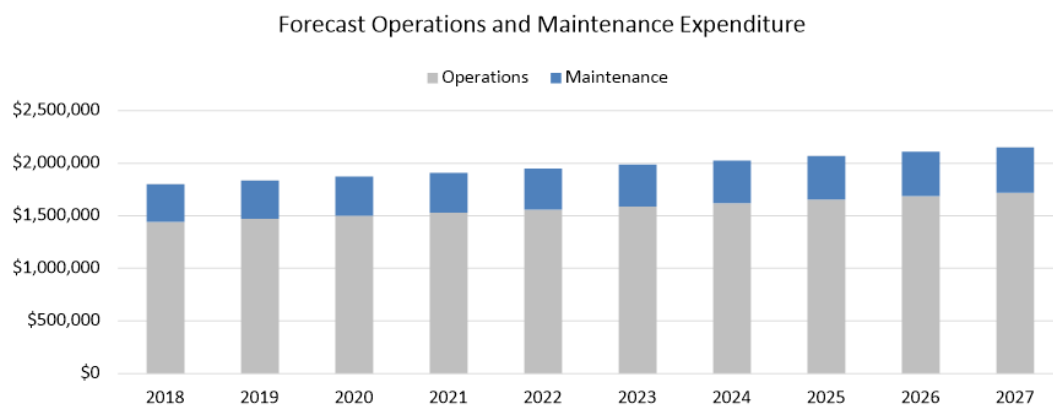


FIGURE 8-3: FORECAST OPERATIONS & MAINTENANCE EXPENDITURE

8.6 EXPENDITURE SUMMARY

The financial projections and the available funding are shown in Figure 8-4 for forecast operating (operations and maintenance) and capital expenditure (renewal and new/upgrade assets).

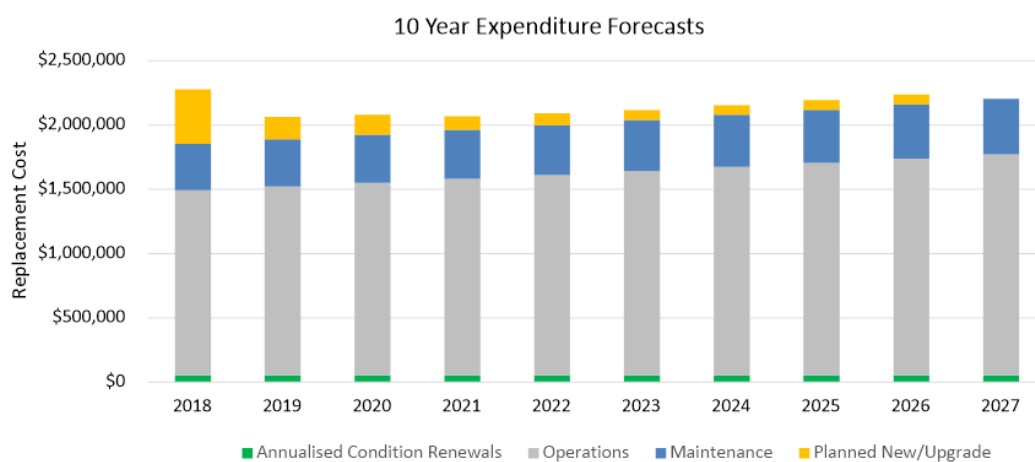


FIGURE 8-4: 10 YEAR EXPENDITURE FORECAST

The cumulative surplus/gap between the currently allocated funding and the required expenditure is included in Table 8-3 below for renewal and New/Upgrade expenditure. It illustrates the need for a greater allocation for renewals in the LTFFP.

TABLE 8-3: PARKS & OPEN SPACE CUMULATIVE GAP/SURPLUS (\$000)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Renewal	\$4	\$155	\$14	\$9	\$9	\$9	\$13	\$9	\$327	\$9
New/Upgrade	\$115	\$15	-\$65	-\$95	-\$110	-\$90	-\$90	\$55	\$50	\$50

8.7 EXPENDITURE PROJECTIONS FOR LONG TERM FINANCIAL PLAN

TABLE 8-4: EXPENDITURE PROJECTS FOR LTFFP

Condition Renewal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Furniture	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$19,036	\$190,360
Landscaping	\$356	\$356	\$356	\$356	\$356	\$356	\$356	\$356	\$356	\$356	\$3,564
Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Facility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Playground	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$32,720	\$327,200
Renewal Total	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$52,112	\$521,124
New/Upgrade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Furniture	\$85,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$685,000
Landscaping	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
Structures	\$200,000	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$215,000
Recreational Facility	\$0	\$100,000	\$80,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$210,000
Playground	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
New/Upgrade Total	\$425,000	\$175,000	\$155,000	\$105,000	\$90,000	\$75,000	\$75,000	\$75,000	\$75,000	\$0	\$1,250,000
Operations & Maintenance	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Operations	\$1,440,000	\$1,468,800	\$1,498,176	\$1,528,140	\$1,558,702	\$1,589,876	\$1,621,674	\$1,654,107	\$1,687,190	\$1,720,933	\$15,767,598
Maintenance	\$360,000	\$367,200	\$374,544	\$382,035	\$389,676	\$397,469	\$405,418	\$413,527	\$421,797	\$430,233	\$3,941,900
Operations & Maintenance Total	\$1,800,000	\$1,836,000	\$1,872,720	\$1,910,174	\$1,948,378	\$1,987,345	\$2,027,092	\$2,067,634	\$2,108,987	\$2,151,167	\$19,709,498
Expenditure Total	\$2,277,112	\$2,063,112	\$2,079,832	\$2,067,287	\$2,090,490	\$2,114,458	\$2,154,205	\$2,194,747	\$2,236,099	\$2,203,279	\$21,480,622

8.8 ASSET VALUATIONS

The value of the assets recorded in the asset register as at 30 June 2016 covered by this Plan are shown in Table 8-5.

Parks and open space assets were not valued at a component level prior to the 2015/2016 financial year and will be continually refined over the subsequent valuation periods. The valuation is based on:

- A review of the asset register;
- Unit rates provided in the valuation service;
- Condition assessments to determine remaining useful lives.

TABLE 8-5: ASSET VALUATIONS AS AT 30 JUNE 2016 (\$000's)

Service	Replacement Cost	Accumulated Depreciation	Fair Value
Parks and Open Space	\$8,587	\$2,277	\$6,310

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by Council, from construction by land developers, and those donated to Council.

8.9 FINANCIAL RECOMMENDATIONS

In order to maintain current service levels over the next 10 years, Council will have to spend, on average approximately \$2,040,000 every year on operations, maintenance and the renewal of existing assets. There is currently a funding shortfall of approximately \$159,000 for renewal of parks and open space assets.

It is recommended that:

1. The current Maintenance and Operations expenditure levels be maintained.
2. A base budget review of maintenance costs be undertaken.
3. A condition based renewal program of works be adopted.
4. Funding be reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
5. The New/Upgrade program be reviewed to reflect available funding.
6. Introduce a funding allocation for forward planning and design to better execute capital works projects.

9 Plan Improvement and Monitoring

9.1 PERFORMANCE MEASURES

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents;
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the service management plan;
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans.

9.2 IMPROVEMENT PLAN

An asset management improvement plan generated from this service management plan is shown in Table 9-1.

TABLE 9-1: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1.	Develop classifications and hierarchy against each of Councils parks.	Asset Coordinator		June 2017
2.	Review asset naming and descriptions. Update where necessary.	Asset Coordinator		July 2017
3.	Confirm current levels of service for parks and open space assets and identify future demand impacts on levels of service.	Parks Advisor		September 2017
4.	Develop a condition assessment manual for parks and open space assets.	Asset Coordinator		June 2017
5.	Develop a corporate risk framework that is applicable to parks and open space risks.	Parks Advisor / Asset Coordinator		December 2017
6.	Develop a demand management plan and associated models.	Parks Advisor / Asset Coordinator		December 2017
7.	Align the Long Term Financial Plan to the expenditure forecasts found in this SMP.	Manager Finance & Customer Service		June 2017
8.	Set intervention levels for maintenance.	Parks Advisor / Asset Coordinator		September 2017
9.	Perform a base budget review of maintenance costs.	Parks Advisor		December 2017
10.	Create a funding allocation specifically for forward planning & design of capital works projects.	Parks Advisor		December 2017
11.	Develop asset useful lives that are reflective of the nature of park assets being replaced often through obsolescence rather than deteriorating condition.	Asset Coordinator		September 2017
12.	Undertake an annual review and update this service management plan.	Asset Coordinator		December 2018

9.3 MONITORING AND REVIEW PROCEDURES

This Plan will be reviewed during annual budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

This Plan has a life of 3 years and is due for major review in early 2020.

10 Appendices

Appendix A Condition Renewal 10 year Program

Appendix B Planned New/Upgrade 10 year Program

[illegible]

APPENDIX B PLANNED NEW/UPGRADE 10 YEAR CAPITAL WORKS PROGRAM

Project ID	Project Title	Project Description	Project Category	Capital Work Type	Priority	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Hatfield Park engagement and design			Capital New		\$50,000	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0
	Old Westminster Park	Stage 1 - Park development		Capital New		\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lake Apes tree planting	Lake Apes masterplan		Capital New		\$4,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lake Apes Shelter	Lake Apes masterplan		Capital New		\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lions Park Irrigation			Capital New		\$16,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lake Apes signage	Lake Apes masterplan		Capital New		\$8,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Placed new Park	shelter, playground		Capital New		\$0	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Parks Structure Assessment			Capital New		\$16,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Laidley Recreation Reserve Playground	Playground		Capital New		\$0	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Springbrook Park BBQ and Shelter	BBQ and shelter		Capital New		\$0	\$16,500	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0
	Lake Apes Storage shed	Storage shed		Capital New		\$4,850	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Honey Park Shelter	Shelter		Capital New		\$4,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Gordon Rejuvenation	Lighting		Capital New		\$49,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Lockyer Valley Regional Council





Buildings and Facilities

Service Management Plan



Data Set - Scenario 2 - Version 4

May 2017

Document Control	<div><div>IPWEA INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALASIA</div></div>				
Document ID: 59 299 140531 nams plus3 amp template v3.1					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	15/12/2016	First Draft	John Byrnes	Mike Lisle	
V2	15/01/2017	Modify data and match format of other SMP's	John Byrnes	Mike Lisle	
V3	28/02/2017	Includes 10 year capital works program	John Byrnes	Mike Lisle	
V4 (final)	22/05/17	Includes Non-Replacement Building Data	Mike Lisle	Mike Lisle	

© Copyright 2014 – All rights reserved.

The Institute of Public Works Engineering Australia.

www.ipwea.org.au/namsplus

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	1
1. Context	1
2. What Does This Plan Cover?.....	1
3. Facilities Condition profile.....	3
4. Expenditure Analysis	3
5. Operations and Maintenance Expenditure	4
6. Capital Expenditure	5
7. Total Expenditure	7
8. Challenges.....	10
9. What we will do.....	10
10. What we cannot do	10
11. Managing the Risks.....	10
12. Confidence Levels	10
13. The Next Steps.....	11
1 INTRODUCTION	12
1.1 Background.....	12
1.2 Council's Goals and Objectives for Facilities Services	12
1.3 Goals and Objectives of this Facilities Service Management Plan	13
1.4 Key Stakeholders	13
1.5 Plan Framework.....	16
1.6 Core and Advanced Service Management	18
2 Context	19
2.1 Corporate Requirements.....	19
2.2 Customer Research and Expectations	19
2.3 Strategic and Corporate Goals	19
2.4 Legislative Requirements	21
3 LEVELS OF SERVICE	24
3.1 Community Consultation.....	24
3.2 Current Levels of Service	24
3.3 Desired Levels of Service	26
4 FUTURE DEMAND	27
4.1 Demand Drivers.....	27
4.2 Demand Forecast.....	27
4.3 Demand Impact on Assets.....	27
4.4 Demand Management Plan.....	27
4.5 Asset Programs to meet Demand.....	29
5 INFRASTRUCTURE RISK MANAGEMENT PLAN.....	31
5.1 Risk Assessment	31
5.2 Risk Treatment	32
5.3 Prioritising Risks for Treatment.....	32
6 LIFECYCLE MANAGEMENT PLAN	34

6.1	Background Data	34
6.2	Routine Operations and Maintenance Plan	39
6.3	Asset hierarchy	40
6.4	Critical Assets.....	41
6.5	Standards and specifications	41
6.6	Renewal/Replacement Plan	43
6.7	Renewal ranking criteria.....	44
6.8	Renewal and replacement standards.....	44
6.9	Creation/Acquisition/Upgrade Plan	46
6.10	Disposal Plan.....	48
7	SERVICE CONSEQUENCES AND RISKS	49
7.1	What we cannot do	49
7.2	Service consequences.....	49
7.3	Risk consequences.....	49
8	FINANCIAL SUMMARY	50
8.1	Financial Statements and Projections	50
8.2	Sustainability of service delivery	51
8.3	Asset Renewal Funding Ratio	52
8.4	Long term - Life Cycle Cost	52
8.5	Medium term – 10 year financial planning period.....	52
8.6	Medium Term – 5 year financial planning period	53
8.7	Asset management financial indicators	53
8.8	Projected expenditures for long term financial plan	58
8.9	Funding Strategy.....	61
8.10	Valuation Forecasts	61
8.11	Key Assumptions made in Financial Forecasts	65
8.12	Forecast Reliability and Confidence	65
9	PLAN IMPROVEMENT AND MONITORING	67
9.1	Status of Asset Management Practices	67
9.2	Improvement Program	68
9.3	Monitoring and Review Procedures	69
9.4	Performance Measures	69
10	Renewal Projects by Age	70
11	REFERENCES	72
12	APPENDICES.....	73
	Appendix A Asset Management Practices.....	74
	Appendix B Maintenance Response Levels of Service	75
	Appendix C Projected 10 year Capital Renewal and Replacement Works Program	76
	Appendix D Projected Upgrade/Exp/New 10 year Capital Works Program	77
	Appendix E Budgeted Expenditures Accommodated in LTFP	79
	Appendix F Abbreviations.....	82

Appendix G Glossary.....	83
Appendix H Risk Register	90
Appendix I– Asset Register – Top 10	94
Appendix J – Asset Register Remainder Assets.....	95
Appendix K - Non Replacement of Council Buildings.....	101

- 1 -

EXECUTIVE SUMMARY

This Service Management Plan describes the building related assets provided to the community and the considerations that need to be made to ensure that provision of these assets is carried out in a sustainable and equitable manner, now and in the future.

1. CONTEXT

Lockyer Valley Regional Council is a rural council with a population of 38,312¹ and a diverse range of buildings and facilities.

The Buildings and Facilities provide the essential and recreational amenities to the Lockyer Valley community. The area has a significant anticipated population increase by 2031, which may mean investing in new or extending existing facilities.

The majority of Buildings and Facilities have been inherited from two previous Shires in the amalgamation process. This has created some duplication of facilities and a surplus asset inventory. Lockyer Valley Regional Council is in the process of consolidating the Buildings and Facilities asset inventory. The project growth in population is not expected to create a demand for new facilities for in the near future due to the current excess capacity. A demand is anticipated to upgrade existing facilities before major new facilities are provided.

This Service Management Plan is considered a foundation for the future of facilities service management within LVRC. It is snapshot of the current status of the viability of the facilities and the capability of LVRC to effectively manage assets into the future. It has highlighted that more information about the buildings is required to enable decisions to be made.

In the compilation of this SMP some shortcomings in data and processes have been highlighted. While these shortcomings are been addressed the SMP will be updated regularly. Future review of the SMP will include bore assets following a review of this operation. The shortcomings are typical during the initial stages of asset maturity development and are by no means unique to LVRC.

This SMP shows that assets are generally being maintained at acceptable levels and that capital expenditure is in line with current requirements. LVRC is, in general, managing the facilities assets at an acceptable level. The major concern is the current investment level in renewals. The investment is less than the current depreciation charge, which in turn is less than the project renewal requirement. The renewal requirement will need investigation before the next iteration of the Service Management Plan. It also shows that LVRC require improved data on the assets and a focused strategic service management capability to increase the confidence of decision making and provide more detailed an accurate long term financial forecasts.

2. WHAT DOES THIS PLAN COVER?

The Buildings and Facilities comprise of the following categories:

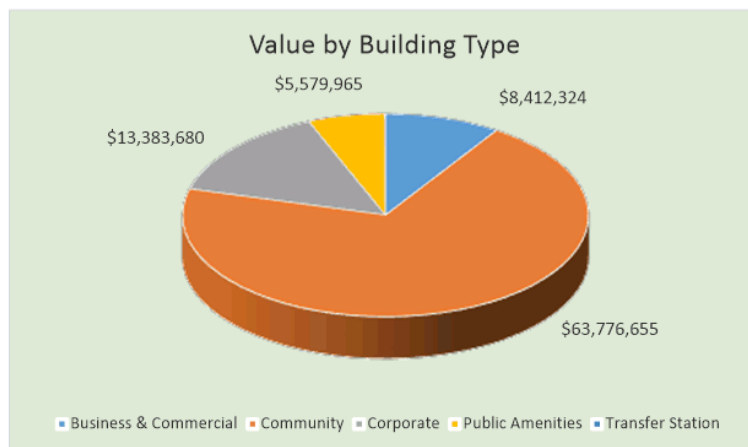
- Business and Commercial
- Community Halls and other public buildings
- Corporate offices and depots
- Public Amenities
- Transfer Stations

Table 1: Facility Values by Type

	Total	Top 10	Remainder
Business & Commercial	\$8,412,324	\$0	\$8,412,324
Community	\$63,776,655	\$40,054,081	\$23,722,574
Corporate	\$13,383,680	\$3,076,250	\$10,307,430
Public Amenities	\$5,579,965	\$0	\$5,579,965
Transfer Station	\$51,280	\$0	\$51,280
Total	\$91,203,905	\$43,130,331	\$48,073,573

¹ Australian Bureau of Statistics 2016

- 2 -

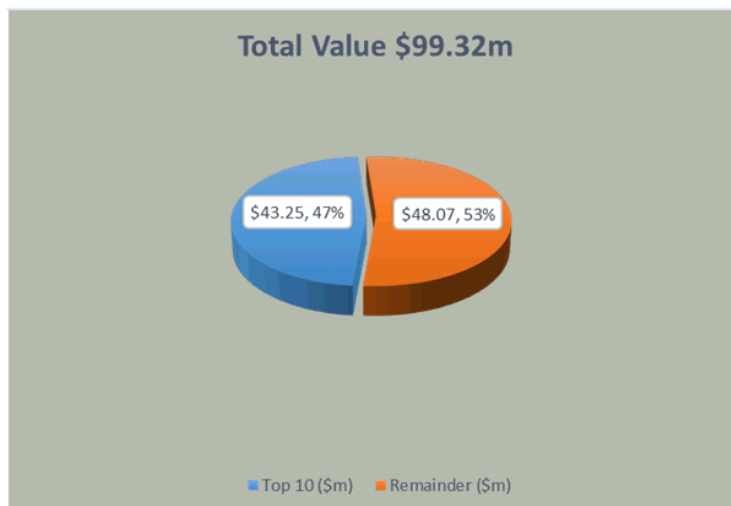
**Figure 1: Facility Values by Type**

In order to provide a focused Facilities Strategy LVRC have identified their Top 10 Facilities with this plan showing the split between the Top 10 and the remainder of the facilities.

The Top 10 Facilities are:

- Lockyer Valley Sports and Aquatic Centre
- Lockyer Valley Cultural Centre
- Grantham Butter Factory
- Murphys Creek Community Hall
- Helidon Soldiers Memorial
- Laidley Multi-purpose Community / Sports Centre
- Gatton Administration Building
- Laidley Cultural Centre
- Gatton Shire Hall
- Withcott Indoor Sports Centre

These infrastructure assets have the following replacement values:

**Figure 2: Facilities Assets Current Replacement Value**

- 3 -

3. FACILITIES CONDITION PROFILE

The condition of the facilities has been assessed by having the Top 10 facilities inspected by external parties and using in-house knowledge for the remainder. Figure 3 below shows the condition profile of the facilities. This shows that the facilities are generally in a fair to very good condition.

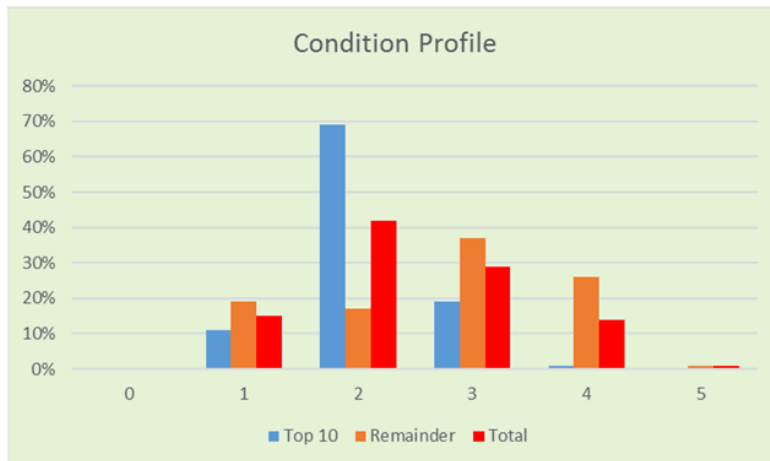


Figure 3: Facilities Condition Profile

4. EXPENDITURE ANALYSIS

Expenditure is incurred on facilities related assets in three main areas, these being:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade works - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service, i.e. safer road, reduced travel times, improved drainage, providing a service that did not previously exist in that location etc.

- 4 -

5. OPERATIONS AND MAINTENANCE EXPENDITURE

The forecast operations and maintenance expenditure can be seen in Table 2. It has been assumed the current levels of maintenance will be continued for the 10 years of this plan and that current levels of service are deemed appropriate. As the facilities asset portfolio is expected to initially decrease as excess buildings are disposed of the operations and maintenance expenditure is assumed to be level over the next 10 years. Although new facilities are expected to be developed in the last few years of the 10 year plan the maintenance effort on these is expected to be minimal with the time frame of the 10 year plan.

Table 2: Operations and Maintenance Expenditure (\$000's)

	Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
	Operations	\$1,205	\$1,214	\$1,217	\$1,220	\$1,222	\$1,225	\$1,228	\$1,231	\$1,234	\$1,237
Total	Maintenance	\$2,595	\$2,615	\$2,622	\$2,626	\$2,632	\$2,639	\$2,645	\$2,652	\$2,658	\$2,665
	Total	\$3,800	\$3,829	\$3,839	\$3,846	\$3,854	\$3,864	\$3,873	\$3,883	\$3,892	\$3,902
Top 10	Operations	\$589	\$597	\$600	\$602	\$604	\$607	\$609	\$612	\$614	\$617
	Maintenance	\$1,201	\$1,218	\$1,223	\$1,227	\$1,232	\$1,237	\$1,242	\$1,248	\$1,253	\$1,258
	Total	\$1,790	\$1,815	\$1,823	\$1,829	\$1,836	\$1,844	\$1,851	\$1,860	\$1,867	\$1,875
Remainder	Operations	\$616	\$617	\$618	\$618	\$618	\$619	\$620	\$620	\$621	\$621
	Maintenance	\$2,011	\$2,014	\$2,017	\$2,018	\$2,019	\$2,021	\$2,023	\$2,024	\$2,027	\$2,028
	Total	\$2,627	\$2,631	\$2,635	\$2,636	\$2,637	\$2,640	\$2,643	\$2,644	\$2,648	\$2,649

The table above is summarised in the following two pie charts: Figure 4 and Figure 5:

Figure 4: Operations Expenditure over 10 Years



- 5 -

Figure 5: Maintenance Expenditure over 10 years



Based on asset value the expenditure seems to be within acceptable proportions. Based on the number of facilities the spending is weighted heavily in favour of the Top 10 facilities. Considering the public interaction, the use of the facilities and the risk of the Top 10 facilities compared to the Remainder the proportion of spend still seems to be within acceptable proportions.

The expenditure for Operations and Maintenance is according to budget. The basis for the budget is experience based on past budgets and estimate annual requirements. The only measure of the adequacy of this is to assess the maintenance condition of the facilities and note whether they are deteriorating, improving or remaining constant. The facilities team, backed by a consistent volume customer requests, are confident that the average condition is remaining relatively constant. This indicates that the operations and maintenance expenditure is at approximately the correct level.

6. CAPITAL EXPENDITURE

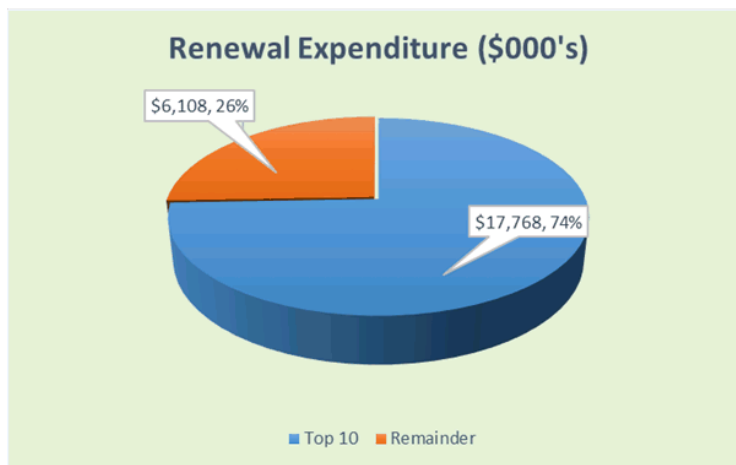
Renewal Expenditure Analysis (Replacing like with like)

Through the analysis conducted for this SMP, the only method of forecasting the asset renewal funding needs is projected renewals based on the depreciation of the assets (top down). Conditions are currently based on whole of facility and this is not sufficient detail to provide any capital renewal program that provides an improvement on depreciation based renewal. Council currently does not have a capital expenditure program for facilities. Detail for the 10 year Long Term Financial Plan is been carried out manually using the experience of the Facilities supervisors who have identified capital works to be undertaken at the building component level of detail.

Table 3: Project Renewal Expenditure

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Top 10	\$1,819	\$1,955	\$1,984	\$1,348	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777
Remainder	\$1,004	\$512	\$336	\$590	\$611	\$611	\$611	\$611	\$611	\$611
Total	\$2,823	\$2,467	\$2,320	\$1,938	\$2,388	\$2,388	\$2,388	\$2,388	\$2,388	\$2,388

- 6 -

**Figure 6: Renewal Expenditure****New and Upgrade Expenditure**

LVRC currently have an over capacity in building assets due to redundancies inherited in the amalgamation process. As a result of this the goal is to minimize the provision of any new facilities and upgrades to existing facilities. However, to meet the demand due to anticipated population growth there will be some upgrades required in the next few years and some provision of new facilities required in future years. An estimate has been made of this and has been discussed fully in section 4.

Table 4: Project Upgrade and New Expenditure

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Top 10	\$620	\$186	\$125	\$186	\$186	\$186	\$186	\$186	\$186	\$186
Remainder	\$76	\$60	\$39	\$20	\$39	\$50	\$39	\$39	\$39	\$39
Total	\$696	\$246	\$164	\$206	\$225	\$236	\$225	\$225	\$225	\$225

Figure 7 below shows the estimate total expenditure on upgrades and new estimates of the 10 year period.

- 7 -

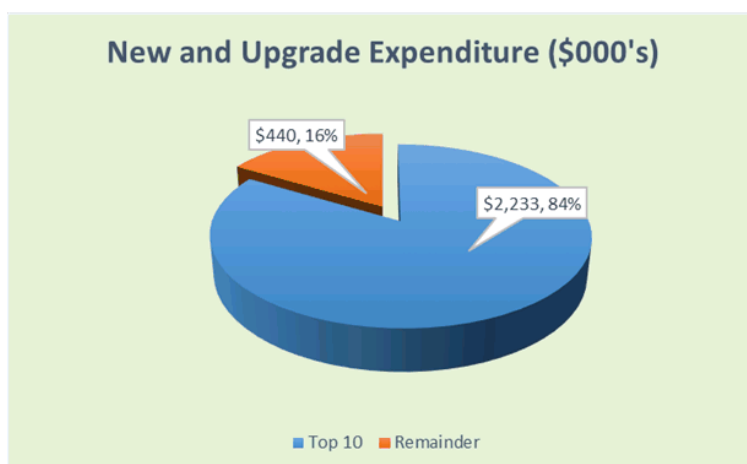


Figure 7: New and Upgrade Expenditure

7. TOTAL EXPENDITURE

The total expenditure combines the Operations, Maintenance, Renewals, New and Disposals. This is compared to the available budget noting the annual variation in expenditure demand and the cumulative variation.

The future budget at this stage is simply an extrapolation using the budgets and expenditure from the last few years. It is expected that the budget will change at the next revision to balance the requirements of all asset classes. Council is currently in the process of updating all service management plans and creating an overall summarised service plan. This process will provide more appropriate budgets for each asset class. It must be noted that the current budget of \$1.5m does not match the current depreciation of \$1.9m. The projection shows that significant funding is required for renewals requiring at full depreciation to be reflected in the budget.

Table 5: Total Expenditure for All Assets

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
New	\$696	\$246	\$164	\$206	\$225	\$236	\$225	\$225	\$225	\$225
Renewal	\$2,823	\$2,467	\$2,320	\$1,938	\$2,388	\$2,388	\$2,388	\$2,388	\$2,388	\$2,388
Maintenance	\$3,801	\$3,829	\$3,840	\$3,847	\$3,855	\$3,865	\$3,874	\$3,884	\$3,894	\$3,903
Disposals	\$19	\$15	\$18	\$25	\$25	\$18	\$18	\$18	\$18	\$18
Total	\$7,339	\$6,557	\$6,342	\$6,016	\$6,493	\$6,507	\$6,505	\$6,515	\$6,525	\$6,534
Budget	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400
Difference	-\$1,939	-\$1,157	-\$942	-\$616	-\$1,093	-\$1,107	-\$1,105	-\$1,115	-\$1,125	-\$1,134
Cumulative	-\$1,939	-\$3,096	-\$4,038	-\$4,654	-\$5,747	-\$6,854	-\$7,959	-\$9,074	-\$10,199	-\$11,333

- 8 -

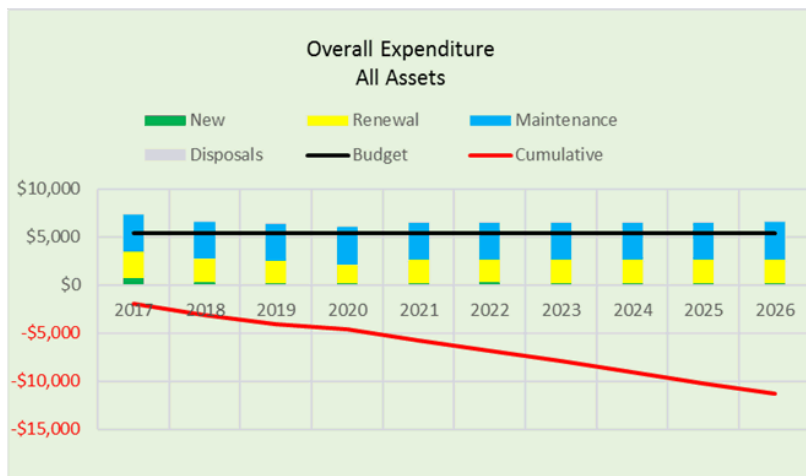


Figure 8: Overall Expenditure for All Facilities

Table 6: Total Expenditure for Top 10 Assets

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
New	\$620	\$186	\$125	\$186	\$186	\$186	\$186	\$186	\$186	\$186
Renewal	\$1,819	\$1,955	\$1,984	\$1,348	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777
Maintenance	\$1,790	\$1,815	\$1,823	\$1,829	\$1,836	\$1,844	\$1,851	\$1,860	\$1,867	\$1,875
Disposals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,229	\$3,956	\$3,932	\$3,363	\$3,799	\$3,807	\$3,814	\$3,823	\$3,830	\$3,838
Budget	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550
Difference	-\$1,679	-\$1,406	-\$1,382	-\$813	-\$1,249	-\$1,257	-\$1,264	-\$1,273	-\$1,280	-\$1,288
Cumulative	-\$1,679	-\$3,085	-\$4,467	-\$5,280	-\$6,529	-\$7,786	-\$9,050	-\$10,323	-\$11,603	-\$12,891

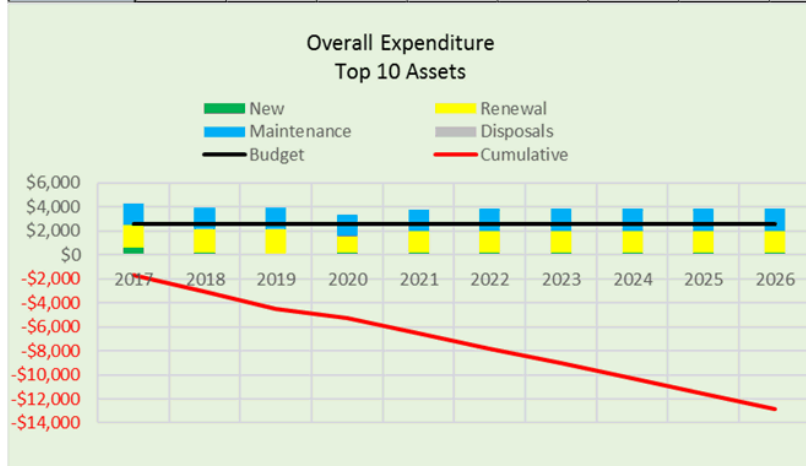


Figure 9: Overall Expenditure for Top 10 Facilities Assets

- 9 -

Table 7: Total Expenditure for Remainder Assets

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
New	\$76	\$60	\$39	\$20	\$39	\$50	\$39	\$39	\$39	\$39
Renewal	\$1,004	\$512	\$336	\$590	\$611	\$611	\$611	\$611	\$611	\$611
Ops & Maint	\$2,011	\$2,014	\$2,017	\$2,018	\$2,019	\$2,021	\$2,023	\$2,024	\$2,027	\$2,028
Disposals	\$19	\$15	\$18	\$25	\$25	\$18	\$18	\$18	\$18	\$18
Total	\$3,110	\$2,601	\$2,410	\$2,653	\$2,694	\$2,700	\$2,691	\$2,692	\$2,695	\$2,696
Budget	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850
Difference	-\$260	\$249	\$440	\$197	\$156	\$150	\$159	\$158	\$155	\$154
Cum Deficit	-\$260	-\$11	\$429	\$626	\$782	\$932	\$1,091	\$1,249	\$1,404	\$1,558

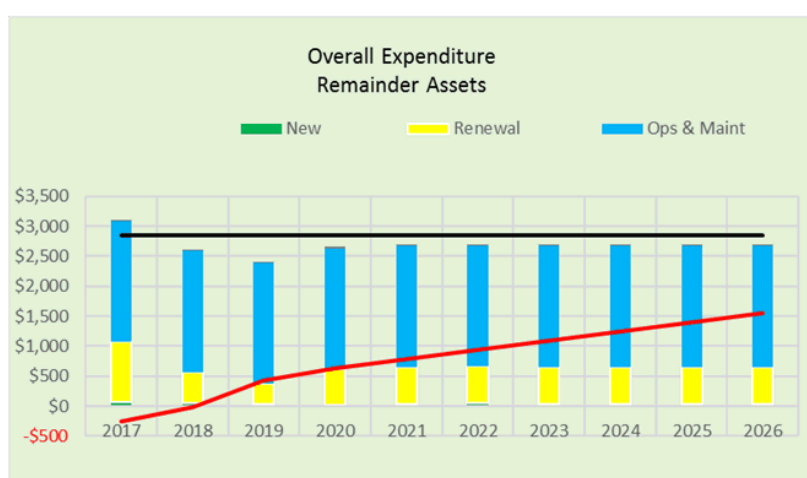


Figure 10: Overall Expenditure For Remainder Assets

Estimated available funding for this period is \$53.7m or 5.4m on average per year which is 83% of the cost to provide the service. This is a funding shortfall of \$122k on average per year. The following table is a summary of the above information.

Table 8: Financial Sustainability Indicator

Asset Group	10 Year Cost (\$m)	10 Year Budget (\$m)	Annual Shortfall (\$m)	10 Year Financial Indicator (%)
Total	65.3	54	11.3	83%
Top 10	38.4	25.5	13.9	66%
Remainder	26.9	28.5	-2.6	106%

This shows that LVRC facilities are not fully sustainable over the long term with current levels of funding and expenditure. The goal is to attain a minimum of 85%, and preferably 90% or more. Note that the current renewal budget has been split between the Top 10 assets and the Remainder Assets according to the asset values. Table 8 shows that there is a high focus on the Top 10 facilities. The budget must be reallocated to better reflect the requirement. The main reason for the deficit is the renewal shortfall that has been estimated from the first four years of this plan.

- 10 -

8. CHALLENGES

A number of challenges have been identified in the process of compiling this document. The following are the most significant:

- The level of detail of the data for the facilities is at entire building level and in some instance broken to 5 components. This is a standard method of managing facilities. Providing too much detail makes the process very difficult to manage. To estimate renewal expenditure project must be individually identified. This requires an in-depth knowledge of capital works for at least a four year period.
- This expenditure is bundled into the whole of building life of 80 years. Any facility constructed after 1955 will show no renewal demand within the life of this service plan. Future plans will start showing high renewal expenditure as the expected life of buildings approaches.
- The current facilities team is highly focused on operations and maintenance. The team currently does not have the capacity to focus on strategic service management. This is due to be addressed by the creation of a role focused on strategic service management.
- Many assets are underutilised, but do provide some community benefit. The cost of maintaining these assets is high compared to the benefit. Some examples are small community halls that are used only on a few occasions in a year. The decision on the future of these assets should be taken in consultation with the community.
- The workload for the facilities is high and diverse. There is currently a proposal to employ an asset management and projects officer within the facilities area who will assist in delivering strategic asset management. This asset management strategy suggest a number of tasks to improve the quality of data and asset management capability. With the proposed resource the facilities team should be well placed to achieve effective strategic asset goals..

9. WHAT WE WILL DO

We plan to provide Buildings and Facilities services for the following:

- Operation, maintenance, renewal and upgrade of all buildings and facilities to meet service levels set in annual budgets.
- Programmed major renewals and upgrades over the next ten years have been valued at \$0.79m within the 10 year planning period.

10. WHAT WE CANNOT DO

With current budgets the following works and services that cannot be provided:

- Increase the current levels of service.
- Provide new or upgraded infrastructure.
- Maintain current depreciation levels for underutilised assets.
- Adequately manage strategic service management without additional resource

11. MANAGING THE RISKS

There are risks associated with providing the service and not being able to complete all identified activities and projects.

We have identified major risks as:

- Reduced building capacity
- Reduced building functionality through space unavailability
- Potential closure of facilities
- Injury risks should the buildings be inadequately maintained.

We will endeavour to manage these risks within available funding by:

- Inspecting the assets and establishing the issues
- Refining the FWP in place to address and prioritise repairs

12. CONFIDENCE LEVELS

This service management plan is based on a medium level of confidence information. Although a previous service management plan has been created, the current facilities staff were not involved and cannot confirm that the information used for the report was correct. This report is being used to set a baseline, highlighting deficiencies and improvement

- 11 -

tasks. The current facilities team is committed to updating this strategic service management plan on a six monthly basis until the confidence level on the base data is at a high level.

The current plan is based on detailed inspections of the Top 10 facilities in 2015. The remainder of the facilities have estimated replacement values, condition ratings and remaining lives.

There is a high confidence level in the inventory, a medium confidence level in the remaining lives and a fair to poor confidence level in the condition rating.

The results provide an important indicator that the data is not detailed enough and effort into strategic service management is insufficient, probably due to resourcing levels.

13. THE NEXT STEPS

The actions resulting from this a service management plan are:

- Confirm the asset inventory.
- Develop simple and practical condition data inspection methods.
- Inspect all buildings to ascertain age and accurate condition data
- Use the condition data to develop a long term forwards works programme to assist in justifying future budget requests.
- Create a post for a dedicated facilities service management technical coordinator. This is critical as the current work load on the facilities team does allow for service management development and operations.

1 INTRODUCTION

1.1 BACKGROUND

This services management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 20 year planning period.

The service management plan follows the format for SM Plans recommended in Section 4.2.6 of the International Infrastructure Management Manual².

The service management plan is to be read with Council's Service Management Policy and the following associated planning documents:

- LVRC Approved Budgets
- LVRC Fair Value Report
- Council Corporate Plan 2012-2017
- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Customer Service Charter
- Lockyer Valley Regional Council Operational Plan 2015-2016

The infrastructure assets covered by this service management plan are shown in Table 9. These assets are used to provide building and facility services to its community.

Table 9 Assets covered by this plan

	Total	Top 10	Remainder
Business & Commercial	\$8,412,324	\$0	\$8,412,324
Community	\$63,776,655	\$40,054,081	\$23,722,574
Corporate	\$13,383,680	\$3,076,250	\$10,307,430
Public Amenities	\$5,579,965	\$0	\$5,579,965
Transfer Station	\$51,280	\$0	\$51,280
Total	\$91,203,905	\$43,130,331	\$48,073,573

1.2 COUNCIL'S GOALS AND OBJECTIVES FOR FACILITIES SERVICES

Council operates and maintains the facilities to achieve the following strategic objectives:

- Meet legislative requirements
- Ensure that Council's transport services and assets are provided in a sustainable manner, with the appropriate levels of service to residents and visitors
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and appropriate financial resources for those services
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated
- Ensure that the facilities provide the required functionality for safe council operations and public use.
- Ensure the facilities are planned appropriately to cater for future growth and risk mitigation
- Maximise the asset's useful life whilst minimising lifecycle expenditure
- Maintain a high level of community satisfaction in the provision of facilities.

² IPWEA, 2011, Sec 4.2.6, Example of an Asset Management Plan Structure, pp 4|24 – 27.

- 13 -

1.3 GOALS AND OBJECTIVES OF THIS FACILITIES SERVICE MANAGEMENT PLAN

Council exists to provide services to the community. Some of these services are provided by infrastructure assets. We have acquired infrastructure assets by 'purchase', by contract, construction by our staff and by donation of assets constructed by developers and others to meet increased levels of service.

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure service management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Having a long-term financial plan which identifies required, affordable expenditure and how it will be financed.³

1.4 KEY STAKEHOLDERS

Key stakeholders in the preparation and implementation of this service management plan are shown in Table 10.

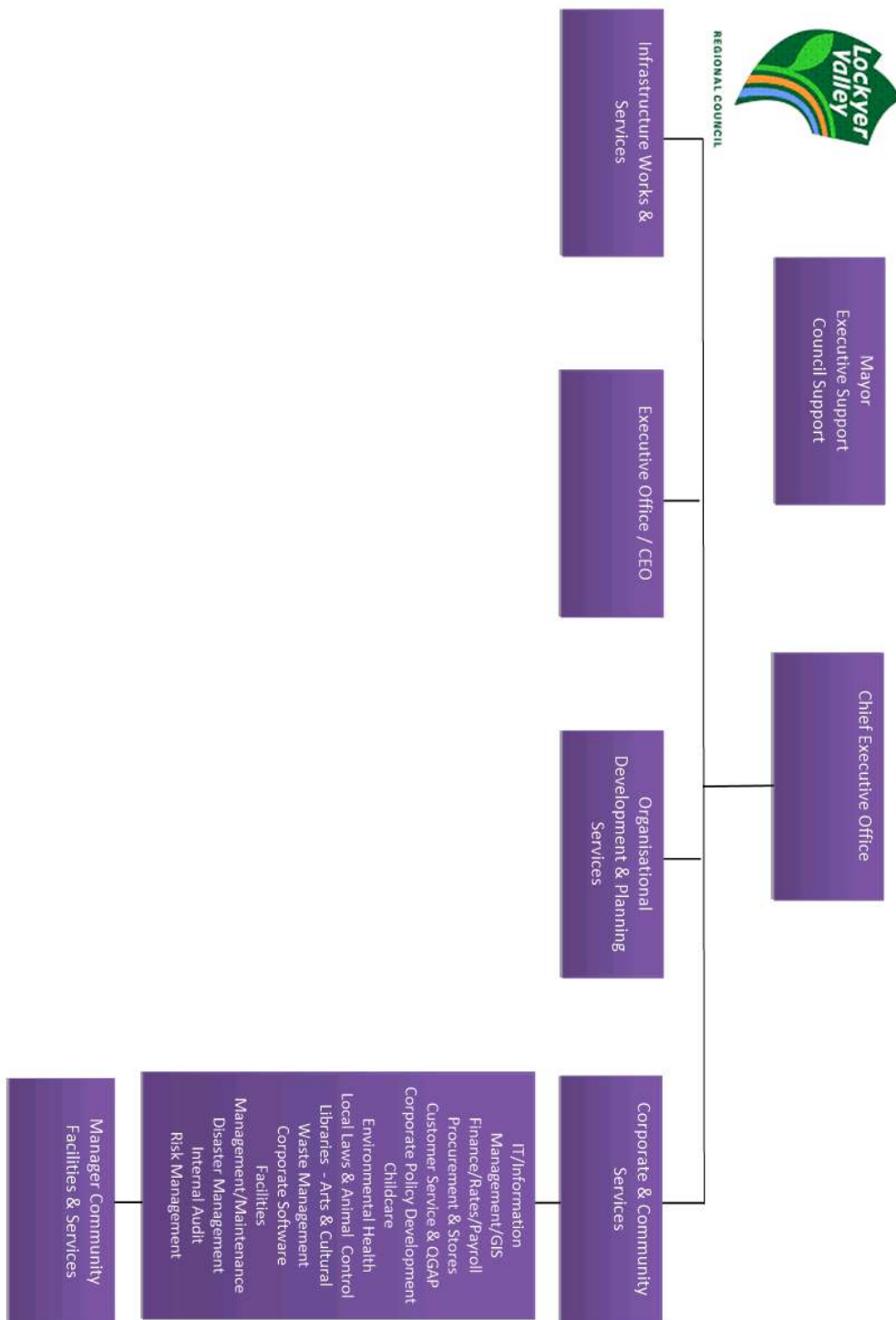
Table 10 Key Stakeholders in the SMP

Key Stakeholder	Role in Service Management Plan
Councillors Members	<ul style="list-style-type: none"> • Represent needs of community/shareholders, • Allocate resources to meet Council's objectives in providing services while managing risks, • Ensure Council is financial sustainable.
CEO/Executive Manager	<ul style="list-style-type: none"> • Recommend allocations of resources to meet Council's objectives in providing services while managing risks, • Ensure customer satisfaction, • Manage staff and resources effectively.
Community Services	Operates maintains and renews Corporate, Community and Recreation Buildings throughout the Region with some exceptions. Also provides communication to users on customer services relating to assets.
Engineering Operations	Operates maintains and renews Council Depot and Public Convenience buildings throughout the Region
Council Staff	Users of the assets
Finance	Financial assessments associated with valuations and accounting for Council assets
Corporate Services	Operates Tourism and Business Development Assets
General Public	Provide the demand for Council assets
Lessees	Rent properties leased by Council

Our Council's structure for service delivery from infrastructure assets is detailed below:

³ Based on IPWEA, 2011, IIMM, Sec 1.2 p 1|7.

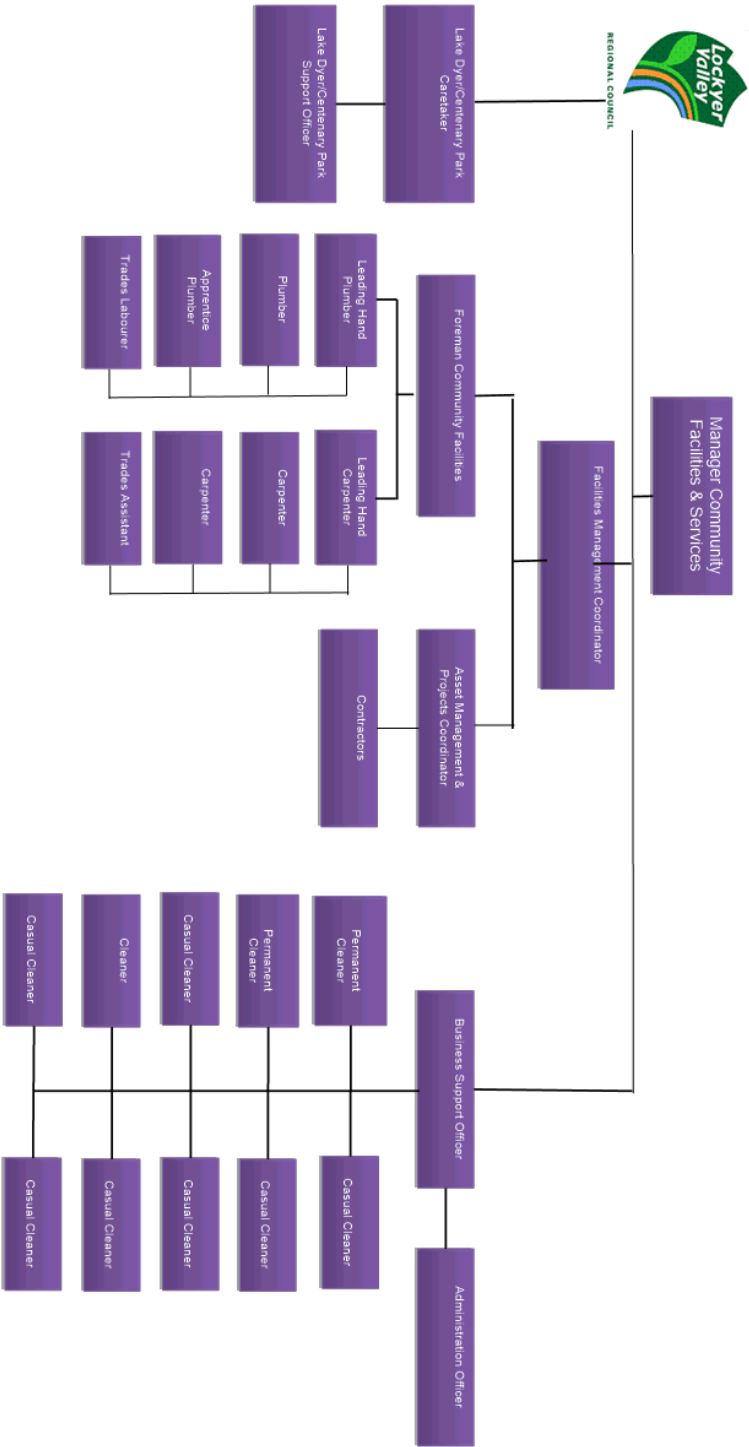
- 14 -

LOCKYER VALLEY Regional Council Corporate Structure

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

LOCKYER VALLEY Regional Council Facilities Structure

- 15 -



- 16 -

1.5 PLAN FRAMEWORK

Key elements of the plan are

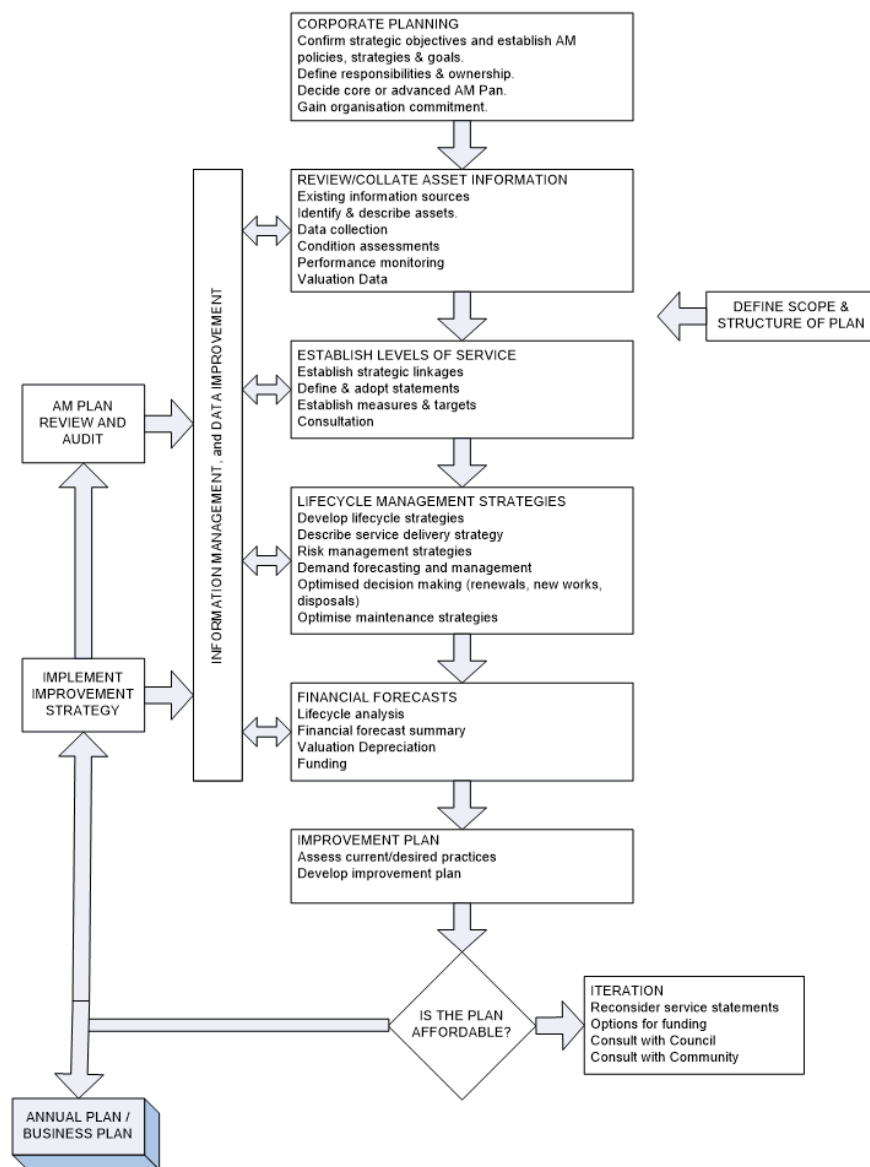
- Levels of service – specifies the services and levels of service to be provided by Council,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Life cycle management – how we will manage our existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Services management practices,
- Monitoring – how the plan will be monitored to ensure it is meeting Council's objectives,
- Service management improvement plan.

A road map for preparing an service management plan is shown below.

- 17 -

Road Map for preparing an Service Management Plan

Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11.



- 18 -

1.6 CORE AND ADVANCED SERVICE MANAGEMENT

This service management plan is prepared as a 'core' service management plan over a 20 year planning period in accordance with the International Infrastructure Management Manual⁴. It is prepared to meet minimum legislative and Council requirements for sustainable service delivery and long term financial planning and reporting. Core Service Management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

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

⁴ IPWEA, 2011, IIMM.

2 CONTEXT

2.1 CORPORATE REQUIREMENTS

This service management plan is prepared under the direction of Council's vision, mission, goals and objectives.

Our vision

LOCKYER VALLEY- Growing Lifestyle

Our mission

"To be the region of choice for vibrant rural living".

More specifically, and consistent with Council's Corporate Plan, goals and objectives and how these are addressed in this service management plan are shown in Table 2.1.

2.2 CUSTOMER RESEARCH AND EXPECTATIONS

Council has not carried out any community consultation on customer expectations. This will be investigated for future updates of the service management plan and tabulated in this section.

Council uses this information in developing its Strategic Plan and in allocation of resources in the budget.

2.3 STRATEGIC AND CORPORATE GOALS

This service management plan is prepared under the direction of the Council's vision, mission, goals and objectives.

Our vision is made up of seven themes. Detail of these themes can be found in the Community Plan and are outlined below:

LOCKYER COMMUNITY - Working together for an inclusive, safe and healthy community

LOCKYER LEADERSHIP - Working together to unify our community

LOCKYER FARMING - Working together to secure our farming future

LOCKYER LIVELIHOOD - Working together to strengthen education, training and career pathways

LOCKYER BUSINESS - Working together to enhance, attract and diversify business and tourism opportunities

LOCKYER NATURE - Working together to enhance and protect our environment and landscape

LOCKYER PLANNED - Working together for well-planned and connected communities

Relevant Council goals and objectives and how these are addressed in this service management plan are:

TABLE 2-1: COUNCIL GOALS AND HOW THESE ARE ADDRESSED IN THIS PLAN

Goal	Objective	How Goal and Objectives are addressed in SM Plan
WORKING TOGETHER FOR AN INCLUSIVE, SAFE AND HEALTHY COMMUNITY	<ul style="list-style-type: none"> • Activate existing community spaces such as the library and cultural centre • Develop new community spaces and facilities • Improve access to health services including hospitals and afterhours doctors • Improve care services and facilities for the elderly 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Advocate to the State and Federal government for increased capacity around high support beds in the hospital, particularly for the elderly • Plan and develop infrastructure such as bikeways and pathways that facilitates healthy lifestyle opportunities
WORKING TOGETHER TO UNIFY OUR	<ul style="list-style-type: none"> • Provide regular feedback to the community about Council's decisions 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Develop an Service Management Plan, Financial

- 20 -

Goal	Objective	How Goal and Objectives are addressed in SM Plan
COMMUNITY	<p>and achievements through the website, local newspapers etc.</p> <ul style="list-style-type: none"> • Ensure Council's decision making is progressive and has a view to the long-term • Advocate the aspirations of the local community (as identified in the community plan) to State and Federal government, community agencies, National organisations, philanthropic groups and businesses 	<p>Management Plan and Corporate Plan that reflects the intent of the community plan</p> <ul style="list-style-type: none"> • Provide yearly feedback to the community outlining progress made on the community plan • Respond to residents and businesses within five working days of receipt of email, online, telephone and other correspondence • Imbed community plan priorities in business unit plans, reporting on activities and resources used for implementation • Implement a 'no wrong door' policy to ensure the community member receives some level of resolution
WORKING TOGETHER TO SECURE OUR FARMING FUTURE	<ul style="list-style-type: none"> • Ensure good farming land is valued and preserved while balancing the need for sub-division through the planning scheme • Ensure safe and appropriate housing for seasonal workers and travellers 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Explore the reduction of regulations that improve opportunities and options for development of housing for seasonal workers
WORKING TOGETHER TO STRENGTHEN EDUCATION, TRAINING AND CAREER PATHWAYS	<ul style="list-style-type: none"> • Advocate to State government to enhance the quality and quantity of school and childcare (public and private) to respond to population growth and changing demographics • Advocate for a TAFE facility in the region with specialist programs responding to the demographics of the region (e.g. horticulture or rural production) 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Advocate to Queensland government for the establishment of a TAFE facility
WORKING TOGETHER TO ENHANCE, ATTRACT AND DIVERSIFY BUSINESS AND TOURISM OPPORTUNITIES	<ul style="list-style-type: none"> • Meet the entertainment and recreation needs of the community by supporting the development of entertainment precincts 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Develop a tourism strategy that supports Lockyer as a tourism and recreation destination • Undertake an audit of the accommodation and housing issues to ensure quality options are provided for tourists, workers and residents
WORKING TOGETHER FOR WELL PLANNED AND CONNECTED COMMUNITIES	<ul style="list-style-type: none"> • Plan future infrastructure that adds capability for commercial airline usage to support our growth • Develop a planned approach to building community's environmental, economic, infrastructure, social and disaster resilience in relation to disaster management and planning • Develop relationships with community housing and affordable housing providers to respond to our diverse housing needs • Develop a planned approach to tourist and seasonal accommodation development and options • Ensure the Planning Scheme strategic framework protects our lifestyle by balancing rural environment with the development of residential areas • Develop a planned approach to building community's environmental, economic, 	<p>IN THE NEXT 5 YEARS COUNCIL WILL ENDEAVOUR TO:</p> <ul style="list-style-type: none"> • Facilitate an annual regional forum with all State government departments to advocate for the region and the community plan vision • Provide and promote accurate land use planning and Development Application provision information to community • Develop a Planning Scheme that places an importance on low impact living (supporting space, animals, less noise, rural noise, safe areas for children and families) which aligns with the community plan • Provide and promote accurate land use planning and Development Application provision information to community

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 21 -

Goal	Objective	How Goal and Objectives are addressed in SM Plan
	infrastructure, social and disaster resilience in relation to disaster management and planning <ul style="list-style-type: none"> • Develop a Long Term Service Management Plan for Council owned infrastructure in collaboration with the Long Term Financial Plan and South East Queensland Regional Plan • Build basic amenity and infrastructure (such as roads, public toilets) to meet the needs of the growing population 	

The Council will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this Service Management Plan. Management of infrastructure risks is covered in Section 5.2.

2.4 LEGISLATIVE REQUIREMENTS

We have to meet many legislative requirements including Australian and State legislation and State regulations. These include:

TABLE 2-2: LEGISLATIVE REQUIREMENTS

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by service management plans for sustainable service delivery.
Sustainable Planning Act 2009	An Act to provide for planning and regulate development locally, regionally and in the State and to regulate the design, construction and use of buildings. Managing the effects of developments on the environment
Public Health Act 2005	An Act to promote the health of the Queensland public.
Occupational Health, Safety and Welfare Act	Responsibilities of Council in providing safe work practices and worksites.
Disability Discrimination Act 2005	Responsibilities and powers of Council in providing equitable access for persons with a disability.
Neighbourhood Disputes (Dividing Fences and Trees) Act 2011	An act relating to the construction and repair of dividing fences between certain lands
Electrical Safety Act 2002	Establishing benchmarks for industry and community for electrical safety
Building Act 1975 - Building Fire Safety Regulations 2008	An act to regulate building development approvals, building work, building classification and building certifiers. Regulation to ensure persons can evacuate buildings safely and to ensure prescribed fire safety installations for building are maintained
Plumbing and Drainage Act 2002 - Plumbing and drainage Regulation 2003 - Standard Plumbing and Drainage Regulation 2003	The Plumbing and Drainage Act and regulations sets the standards for the plumbing and drainage components of the assets.
Land Act 1994 (Crown Lands Act 1928)	An Act relating to Crown lands.
Housing Act 2003	An Act about the provision of housing and related matters
Workplace Health & Safety Act 2011	Sets out role, purpose and responsibilities for workplace health and safety in relation to maintenance and construction work undertaken on building assets.

- 22 -

Legislation	Requirement
Civil Liability Act Liability of Road Authorities	Responsibilities of Council in regards to Civil Liability
Queensland Heritage Act 1992 (updated 2007)	An Act to conserve places of heritage value.
Environmental Health Act	Responsibilities and powers of Council in maintaining public health
Highways Act	Legislative framework for roads and road authorities.
Native Vegetation Act	Responsibilities and powers of Council in providing protection for native vegetation.
Natural Resources Act	The role, purpose, responsibilities and powers of local government in controlling the use of natural resources.
Building Code of Australia	Sets the standard requirements for works on buildings
Environment Protection Authority, Code of Practice for Stormwater Pollution Prevention	Responsibilities of Council in maintaining storm water discharge quality and controlling erosion.
Environmental Protection Act 1994	Responsibilities of Council in protecting the environment
AS/NZS 3666.2 –Air Conditioning	Legislation regarding air handling and water systems of buildings
AS 4085 Automatic Doors	Automatic sliding door assemblies
AS/NZS 1891.1/2/3/4 Building Access Safety System	Industrial fall-arrest systems and devices
AS/NZS 4676 Public Address/Intercom System	Electrical Safety Act and Regulations & Structural design requirements for utility services poles
AS/NZS 3000 Electrical Installations	Electrical Installations - Wiring rules
AS/NZS 3019 Electrical Installations	Periodic verification, Electrical Safety Act and Regulations
AS/NZS 3760 Electrical Installation - Fixed Wiring	In-service safety inspection and testing of electrical equipment
AS 2293.1 / 2 Emergency Evacuation Lighting System - Single Point System	Emergency escape lighting and exit signs for buildings - System design, installation and operation, inspection and maintenance.
AS 1670.1 / 4 Fire Detection System / Fire Intercom System	Fire detection, warning control and intercom systems - System design, installation and commissioning - Part 1 – Fire,
AS 1851 – Fire protection	Maintenance of Fire Protection Systems and Equipment, Fire and Rescue Service Act including Building Fire Safety Regulation
AS 62040.3 Uninterruptible Power Supply [< 25kVA]	Method of specifying the performance and test requirements
AS 1850 - Fire Extinguishers and Fire Blankets	Portable fire extinguishers-Classification, rating and performance testing
AS 2030 / AS 2444 / AS/NZS 3504 / , AS/NZS 1841.1 Fire Services	The approval, filling, inspection, testing and maintenance of cylinders for the storage and transport of compressed gases, Portable fire extinguishers and fire blankets - Selection and location, portable fire extinguishers - General requirements, Fire Blankets, Fire and Rescue Service Act including Building Fire Safety Regulation
AS 1530.1 / AS 1905.1 / , AS 1905.2 / AS/NZS 1530 - Fire Resistant Door sets, Smoke Doors and Fire Shutters	Methods for fire tests on building materials, components and structures
AS 1530.1 / AS 1905.1 / , AS 1905.2 / AS/NZS 1530 - Fire Resistant Door sets, Smoke Doors and Fire Shutters	Methods for fire tests on building materials, components and structures
AS 5601 Gas installations, AS/NZS 1596 LP gas	Gas storage and handling
AS/NZS 3666.2 - Air Conditioning Cooling Towers	Workplace Health and Safety Act and Regulations, Air handling and water systems of buildings - Microbial control - Operation and maintenance
AS/NZS 1677.1 / AS/NZS 1677.2 Reciprocating Refrigeration Compressors	Refrigerating systems safety requirements for fixed applications.
HB 40.1 - Room Air Conditioners	The Australian Refrigeration and Air-conditioning Code of Good Practice
AS/NZS 4276.3.2 Water Treatment - Cooling Towers	Water microbiology
AS 2845.3 Backflow Prevention Devices	Water supply - Backflow prevention devices

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 23 -

Legislation	Requirement
AS/NZS 3500.1 / AS 3500.4 National Plumbing and Drainage Code	Water services, Plumbing and Drainage Act including Standard Plumbing and Drainage Regulation
AS 4032.3 Water supply	Hot water supply systems
AS/NZS 4020 Drinking water	Products for use in contact with
AS 1735 Lifts, Escalators and Moving Walks	General requirements
AS 2201 - Security Alarm System - Detectors	Intruder alarm systems
Local Law No.3 Community and Environmental Management	To protect the environment and public health, safety and amenity by managing and reducing certain risks.
Local Law No.4 Local Government Controlled Areas, Facilities and Roads	To protect the health and safety of persons using local government controlled areas, facilities and roads and preserve natural and built environment.
Local Law No.1.1 Alteration or Improvement to Local Government Controlled Areas and Roads	To regulate alterations and improvements to Local Government controlled areas and roads.
Local Law No.1.2 Commercial Use of Local Government Controlled Areas and Roads	To regulate the commercial use of local government controlled areas and roads
Local Law No.1.3 Establishment or Occupation of a Temporary Home	To regulate the establishment or occupation of a temporary home
Local Law No.1.4 Installation of Advertising Devices	To regulate the installation of advertising devices
Local Law No.1.8 Operation of Caravan Parks	To regulate the operation of caravan Parks
Local Law No.1.9 Operation of Cemeteries	To regulate the operation of cemeteries
Local Law No.1.10 Operation of Public Swimming Pools	To regulate the operation of public swimming pools
Local Law No.1.11 Operation of shared facility accommodation	To regulate the operation of shared facility accommodation

3 LEVELS OF SERVICE

3.1 COMMUNITY CONSULTATION

This 'core' service management plan is prepared to facilitate community consultation initially through feedback on public display of draft service management plans prior to adoption by the Council. Future revisions of the service management plan will incorporate community consultation on service levels and costs of providing the service. This will assist the 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 CURRENT LEVELS OF SERVICE

We have defined service levels in two terms.

Community Levels of Service measure how the community receives the service and whether the Council is providing community value.

Community levels of service measures used in the service management plan are:

Quality	How good is the service?
Function	Does it meet users' needs?
Capacity/Utilisation	Is the service over or under used?

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the Council undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as running costs, cleansing frequency, pest management, servicing, etc.
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition (e.g. painting, graffiti removal, minor component repairs / replacement, building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (eg frequency and cost of reconstruction and building component replacement),
- Upgrade – the activities to provide a higher level of service (e.g. extensions), or a new service that did not exist previously (eg a new library).

Asset managers plan, implement and control technical service levels to influence the customer service levels.⁵

Our current service levels would be detailed in Table 3-1. However this has not been measured to date. The current level of service is anecdotal. This task is included in the improvement plan.

TABLE 3-1: CURRENT AND DESIRED SERVICE LEVELS

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	Optimal Level of Service
COMMUNITY LEVELS OF SERVICE				
Quality	Clean and with adequate maintenance and equipment and access at all facilities.	Demand studies and community satisfaction surveys / works requests	Meets expectation	Reduced customer complaints and increased usage of facilities.
Function	Buildings accessible	Community	Exceeds expectation	% of community satisfied

⁵ IPWEA, 2011, IIMM, p 2.22

- 25 -

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	Optimal Level of Service
	to all at appropriate times with minimal interruptions – standards of accessible facilities	satisfaction surveys		with accessibility of facilities
Function	Ensure all buildings are safe and secure	Number of reported incidents of injury to users attributed to the buildings or security complaints. Monitored by incident, police or hospital reports.	Meets Expectation	No reported incidents due to faults with facilities
Function	That assets are managed with respect for current and future generations	Community satisfaction surveys	Meets Expectations	Customer feedback on SMPs recorded and reviewed
Capacity/ Utilisation	Appropriate capacity to cater for community requirements	Demand studies and community satisfaction surveys	Below expectation	Reduced customer complaints and increased usage of facilities.
Capacity/ Utilisation	Utilisation of Swimming Pools or other facilities	Demand studies and community satisfaction surveys	Exceeds expectation	Reduced customer complaints and increased usage of facilities.
Capacity/ Utilisation	No of attendees at library No of visitors at Cultural Centre No of toilets available	Demand studies and community satisfaction surveys	Meets expectation	Reduced customer complaints and increased usage of facilities.
TECHNICAL LEVELS OF SERVICE				
Operations	Energy consumption managed to optimise efficiency with least impact to environment	Monitor consumption	Meets expectation	Reduced power consumption
Operations	Ensure all buildings used by staff and the community are compliant with regulations, legislation and other mandatory requirements.	Regular audits of all facilities	Meets expectation	Compliance issues are recorded as part of an annual inspection and defects ranked and addressed.
Maintenance	Ensure cost to	Capture costs, broken	Exceeds expectation	A system from which sq. m

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 26 -

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	Optimal Level of Service
	maintain and operate per sq. metre compares favourably other Councils SEQ	down into each building / facility		costs per year per building are available.
Maintenance or Upgrade/New	% of buildings complying with all legislative and technical requirements e.g. building acts	Capture compliance by carrying out annual inspections.	Meets expectation	A system where compliance issues are raised, prioritised and repaired.

3.3 DESIRED LEVELS OF SERVICE

Indications of desired levels of service are obtained from community consultation/engagement. The service management planning process includes the development of 3 scenarios to develop levels of service that are financially sustainable. Further development of levels of service is subject to increased knowledge on the assets, such as condition, use, compliance, accident data, maintenance costs, maintenance inspections and community satisfaction levels.

The desired levels of service are captured in the tables above as the 'Optimal Level of Service'. To enhance the measurement of these and the current LOS, consideration should be given to developing performance measures for building services which link to financial and service management information. There is potential for development of ratio indicators, such as the average cost of maintenance per square metre, expenditure on scheduled e maintenance and renewal work.

- 27 -

4 FUTURE DEMAND

4.1 DEMAND DRIVERS

Drivers affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 DEMAND FORECAST

The present position and projections for demand drivers that may impact future service delivery and utilisation of assets were identified and are documented in Table 4.1.

4.3 DEMAND IMPACT ON ASSETS

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown in Table 4-1.

TABLE 4-1: DEMAND DRIVERS, PROJECTIONS AND IMPACT ON SERVICES

Demand drivers	Present position	Projection	Impact on services
Increase in population	Satisfactory	40% growth by 2031	Thought to be minor, however building usage requires monitoring.
Tourism – increase in visitors to the National parks	Satisfactory	Uncertain at the current time	Estimated as a medium impact on facilities. See reasoning below

The population is expected to increase of 40% by 2031, representing an annual increase of approximately 2.5%. The current population is estimated at approximately 40 000. The projected increase amounts to an additional 16000 residents by 2031, bringing the population to 56000.

The current growth centre is some distance from currently available facilities in Gatton, Laidley and Helidon. This may result in disposing of some underutilised assets in these areas and creating new assets in the growth area.

The growth will most likely result in a few new facilities, an upgrade of existing facilities and an increase in general administration and maintenance facilities. This detail is not yet available, therefore assumptions need to be made for the service management plan and the 10 year capital works program. The estimate of annual expenditure for new and upgraded facilities has been estimated as follows:

- The current population is 40 000.
- The current asset value is \$90 million.
- Facilities excess to requirements is estimated at \$15 million, leaving \$75 million of useful assets.
- The use of the facilities is estimated to be at 75% of capacity. Office is over utilised while some amenities are underutilised. With data available the average utilisation is approximately 75%.
- This means that the population can increase by 33% to 51300 before full capacity is reached. (40 000 represents 75%, then 51 300 represents 100%).
- As the expected growth is 40% council needs to provide for the additional 7% growth (40% less 33%).
- The population not catered for is 56000 less 51300 giving 4700.
- 4700 is about 9.2% of the 100% capacity.
- Therefore it is reasonable to expect that facility assets must increase by 9.2% or 10% in rounded figures.
- This represents an investment required of \$7.5 million over 15 years (to 2031) or \$0.5 million per year.
- With the current excess capacity in mind, a conservative view has been taken and \$0.25 million per year has been allowed for new facilities due to growth. This does not include any special projects that council may construct in the future.

The above reasoning has been applied to all facilities. As office facilities are already at capacity, these would be the first facilities to be targeted for upgrade.

4.4 DEMAND MANAGEMENT PLAN

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. **As there is currently a surplus of assets providing new assets or upgrading existing assets will be kept to a minimum.** Demand management practices include non-asset solutions, insuring against risks and managing failures.

- 28 -

Non-asset solutions focus on providing the required service without the need for the Council to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures⁶. Examples of non-asset solutions include providing services from existing infrastructure such as aquatic centres and libraries that may be in another community area or public toilets provided in commercial premises.

Opportunities identified to date for demand management are shown in Table 4-2. Further opportunities will be developed in future revisions of this service management plan.

TABLE 4-2: DEMAND MANAGEMENT PLAN SUMMARY

Demand Driver	Impact on Services	Demand Management Plan
Increase in population	Over utilisation	Monitor the number of people using all facilities. Graph the results in order to plan for expansion, duplication and increased maintenance.
Increase in tourism to the National parks	Over utilisation	Monitor the number of people using all facilities. Graph the results in order to plan for expansion, duplication and increased maintenance.

⁶ IPWEA, 2011, IIMM, Table 3.4.1, p 3|58.

- 29 -

4.5 ASSET PROGRAMS TO MEET DEMAND

There are no predicted contributed assets for facilities in the life of this plan. Contributed assets are more common in infrastructure assets where developers contribute, roads, parks and services for new developments. Predicted population growth by 2031 is very high, resulting in an increase in population of 40%. This is a 2.5% growth per annum. New and upgraded infrastructure will be required to meet the demand. The anticipated growth areas are away from the current council owned facilities. While an effort will be made to utilise the current facilities, it is anticipated that a number of current facilities will be disposed of and new facilities created to service the new growth areas. In addition to providing facilities with direct public interaction, council will need to provide increased internal facilities to accommodate an increase in staff and equipment required to service the growing population. The cumulative value of constructed asset values are summarised in Figure 4-1a, Figure 4-1b and Figure 4-1c. Note that growth demand is weighted toward the Top 10 assets. These assets are typically the type of asset where public interaction is high and facilities to accommodate staff to manage the higher demand.

FIGURE 4-1A: UPGRADE AND NEW ASSETS TO MEET DEMAND (TOTAL)

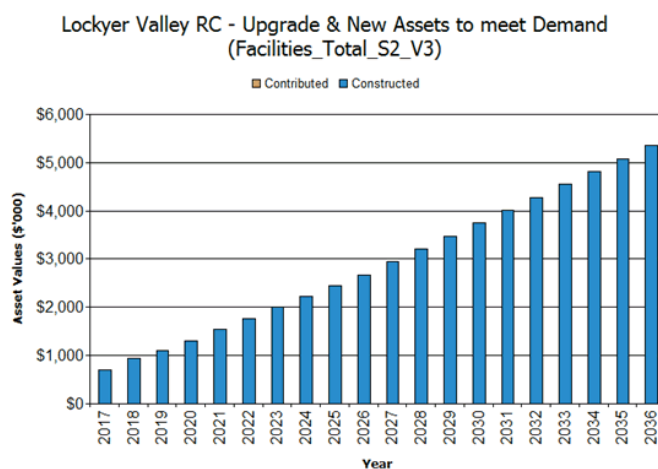


FIGURE 4-1B: UPGRADE AND NEW ASSETS TO MEET DEMAND (TOP 10)

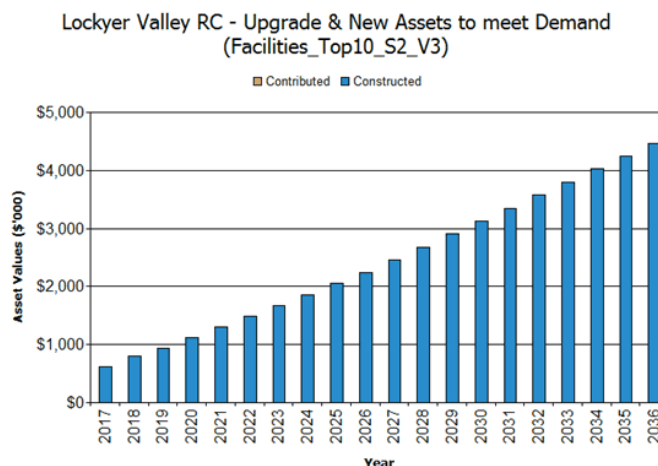
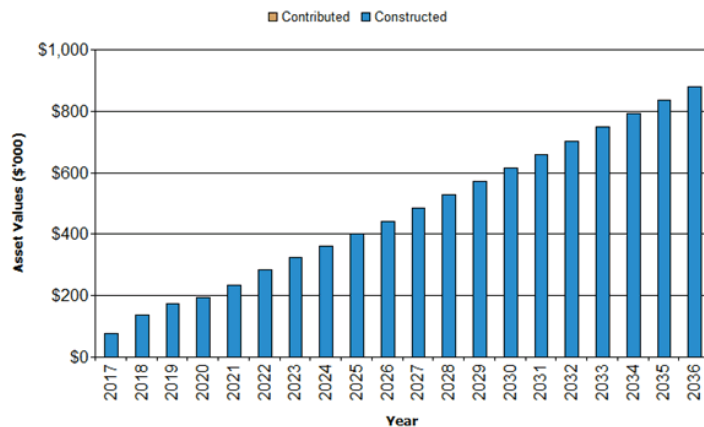


FIGURE 4-1C: UPGRADE AND NEW ASSETS TO MEET DEMAND (REMAINDER)

- 30 -

Lockyer Valley RC - Upgrade & New Assets to meet Demand
(Facilities_Remainder_S2_V3)



Acquiring these new assets will commit the Council to fund ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs in Section 6.

5 INFRASTRUCTURE RISK MANAGEMENT PLAN

Council has a 'duty of care' to the community in relation to the management of all assets. This covers the various phases of design and construction through to operations and maintenance of the networks.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed levels of service
- Operational risks where data and information are not used to competently manage the risks associated with the delivery of transport related services i.e. asset maintenance practices

5.1 RISK ASSESSMENT

Council undertakes regular inspection regimes for all of its transport related assets. Each identified defect is put through a risk management process to determine its criticality based on all defects present on the asset networks to direct the repair effort. Remedial actions are undertaken based on the criticality of the defect with allowance made for the type of asset and asset hierarchy to ensure that the risk is given the appropriate attention to minimise impacts on the users of the service and protect Councils interests.

The acceptable risk level in relation to public safety depends very much on the likelihood and consequence descriptors used for the assessment. Lockyer Valley Regional Council chose to use conservative criteria for consequence. For example, the first two categories, "Insignificant" and "Minor" have no health impact. The Risk assessment is based on the formal assessment processes described in the standard and represented in Figure 5-1 below.

LIKELIHOOD	CONSEQUENCES				
	1	2	3	4	5
	Negligible	Minor	Moderate	Major	Catastrophic
A. Rare	L	L	L	M	H
B. Unlikely	L	L	M	H	H
C. Possible	L	M	M	H	E
D. Likely	M	M	H	E	E
E. Almost Certain	M	H	H	E	E

Figure 5-1: Risk Assessment Process (Source: AS/NZS 4360:2004 Risk Management)

Note the condition assessment 1 – 5 rating scale is aligned to the likelihood assessment level in the risk management process.

A reasonable rule of thumb for "take the risk" would be "medium" or less. However, the decision on taking action to reduce a risk depends on two factors:

- the magnitude of the risk, and
- the cost/difficulty of action to reduce the risk.

Thus there will be cases when it is sensible to reduce a "Low" risk and others when it may not be practical to reduce a "High" or "Extreme" risk

- 32 -

5.2 RISK TREATMENT

The risk treatments nominated in Table 5-1 have regard for the practical approach to risk management based on:

- Available resources, (and skills);
- Funding; and
- Network needs based on hierarchy and the associated seasonal factors.

The treatments also have regard for the factors that Council can capably manage to ensure that the risks are minimised.

Table 5-2: Risk Treatments for Risk Categories

<i>Risk Category</i>	<i>Control / Treatment</i>
<i>L = Low Risk</i>	<ul style="list-style-type: none"> • <i>Reactive Inspection</i> • <i>Manage risk by routine procedures</i> • <i>Typically, response within 48 hours</i>
<i>M = Moderate Risk</i>	<ul style="list-style-type: none"> • <i>Incident Inspection</i> • <i>Management responsibility must be specified</i> • <i>Typically, response within 24 hours</i>
<i>H = High Risk</i>	<ul style="list-style-type: none"> • <i>Incident Inspection</i> • <i>Risk and management strategy identified in Services Management Plan</i> • <i>Typically, immediate to short term response, (make safe)</i>
<i>E = Extreme Risk</i>	<ul style="list-style-type: none"> • <i>Incident Inspection</i> • <i>Risk and management strategy identified in Services Management Plan</i> • <i>Typically, immediate response and remedy as far as is practicable</i>

For each identified risk Council can elect to adopt one of the following positions:

- Take the risk,
- Transfer the risk,
- Treat the risk, or
- Terminate the risk.

5.3 PRIORITISING RISKS FOR TREATMENT

Risk events classified as extreme should be prioritised when defining and implementing risk treatment strategies and risk controls.

Table 5-3 records the critical risks (as identified) for incidents to the transport and drainage network, together with the cause, likelihood, risk rating and risk treatment, (both short and long term). It is not possible to identify all possible risks.

An assessment of risks⁷ associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock' to the Council. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' - requiring prioritised corrective action identified in the Infrastructure Risk Management Plan, together with the estimated residual risk after the selected treatment plan is operational are summarised in Table 5.2. These risks are reported to management and Council.

See also the risk register in Appendix H.

⁷ Risk Management Practice Manual

- 33 -

TABLE 5-3: CRITICAL RISKS AND TREATMENT PLANS

Service or Asset at Risk (Buildings)	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Fire	Damage to property and persons	H	Regular maintenance checks, including electrical checks, smoke alarm testing. Ensure evacuation drills are carried out and all fire equipment is to current standards and regularly assessed.	M	Undertaken as part of existing maintenance costs
Flood	Inundation of property.	H	Monitor flood levels and close facilities if required. Ensure all stormwater drainage is fully functional at all times. Produce a risk management plan per building which stipulates where anti flood devices are kept and specific placement.	H	Undertaken as part of existing maintenance costs
Termite Damage	Critical / costly damage to structural timber components	H	Annual termite checks. Ensure any termite barriers are current.	M	Operational cost
Electrocution	Fire / Death, or serious injury	H	Ensure all required electrical testing is regularly carried out.	M	Operational cost
Rodent Damage	Damage to property	H	Ensure pest control is carried out regularly	M	Operational cost
Personnel injury	Damage to public / staff caused by unsafe facilities	H	Ensure regular maintenance checks, are carried out. Act on customer defect reports within an agreed timeframe.	M	Operational cost
Deterioration	Lack of maintenance resulting in deterioration of the asset	M	Ensure maintenance activities are undertaken	L	Operational cost
Funding	Reduce ability to fund future capital renewals	M	Monitor funding sources and apply for additional funding in a timely manner	L	Undertaken as part of the financial plan

Note * The residual risk is the risk remaining after the selected risk treatment plan is operational.

- 34 -

6 LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the Council plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

Lifecycle planning uses current asset and financial data to detail how Council will manage and operate the assets to deliver sustainable levels of service (defined in Section 3) while optimising life cycle costs.

The diagram below demonstrates the asset management 'whole of life' approach:



Figure 6.1: Asset Lifecycle

6.1 BACKGROUND DATA

6.1.1 Physical parameters

The assets covered by this Service Management Plan are shown in Table 6-1.

The age profile of the assets included in this SM Plan is shown in Figure 6-2a, Figure 6-2b and Figure 6-2c. The current data shows that all assets were constructed post 1957. This may not be absolutely correct. However there are no records to provide more accurate data and therefore ages have been assumed. The correct use of condition rating will override the renewal demand due to age. The age profile is a major reason for the very low renewal demand in this plan. With the majority of facilities having an 80 year life the earliest a renewal demand will be realised is 2037.

- 35 -

FIGURE 6-2A: ASSET AGE PROFILE (TOTAL)

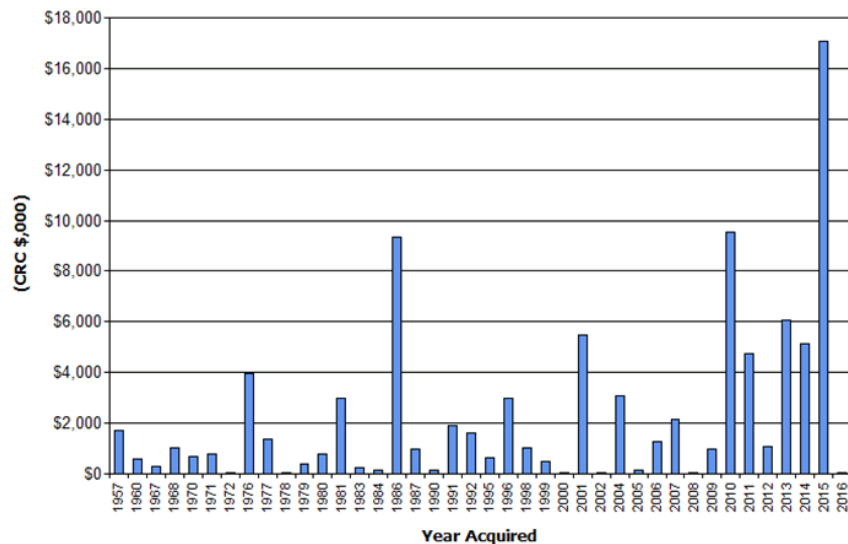
Lockyer Valley RC - Age Profile (Facilities_Total_S2_V3)

FIGURE 6-2B: ASSET AGE PROFILE (TOP 10)

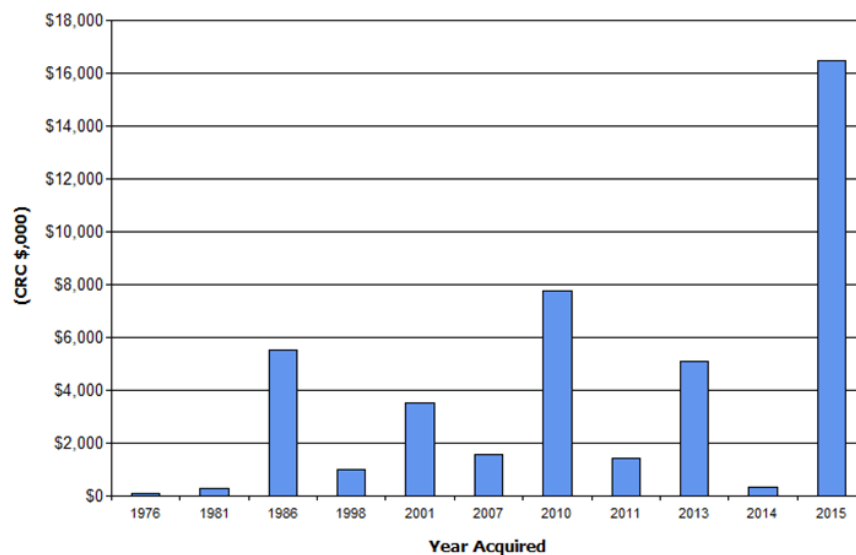
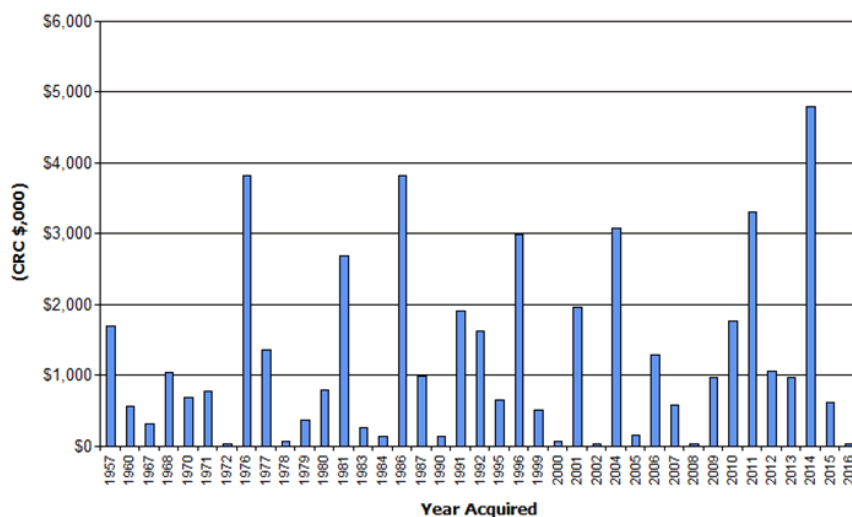
Lockyer Valley RC - Age Profile (Facilities_Top10_S2_V3)

FIGURE 6-2C: ASSET AGE PROFILE(REMAINDER)

- 36 -

**Lockyer Valley RC - Age Profile
(Facilities_Remainder_S2_V3)****6.1.2 Asset capacity and performance**

The Council's services are generally provided to meet design standards where these are available.

Locations where deficiencies in service performance are known are detailed in Table 6-1.

TABLE 6-1: KNOWN SERVICE PERFORMANCE DEFICIENCIES

Location	Service Deficiency
Future task	This task is an improvement task as better understanding of the assets is achieved
	It is proposed to update this in updated plan in June 2017

6.1.3 Asset condition

At present assumed condition of the building assets is included in the asset registers. The inspections of the assets is undertaken on an ad hoc basis to investigate specific issues reported by the building users. The Top 10 condition ratings are relatively accurate as they have been inspected by an external party in 2015. The condition of the remainder has been estimated with the assistance of council facilities maintenance supervisors. The condition ratings are consequently considered less accurate but within a fair band of confidence. Council are presently preparing condition rating guidelines to cover:

- Building hierarchy
- Inspection types based on hierarchy
- Inspection frequencies based on hierarchy

Once developed these procedures will ensure Council will have up to date asset registers including condition scores at an appropriate elemental level. This will also ensure that current backlog maintenance, backlog renewal, and compliance issues can be programmed along with the current programming that comprises of operational and planned maintenance activities. Financial liabilities in regards to compliance works and backlog activities are not known.

- 37 -

The current estimated asset conditions are as follows:

FIGURE 6-3A CONDITION PROFILE (TOTAL)

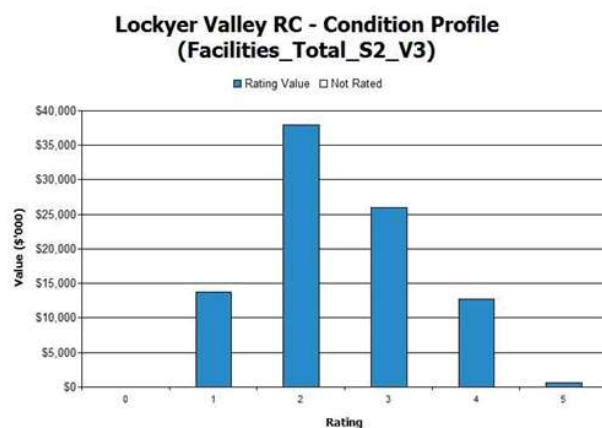


Figure 6-3b Condition Profile (Top 10)

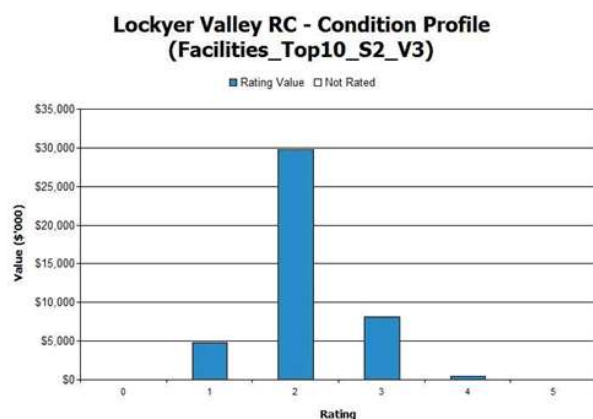
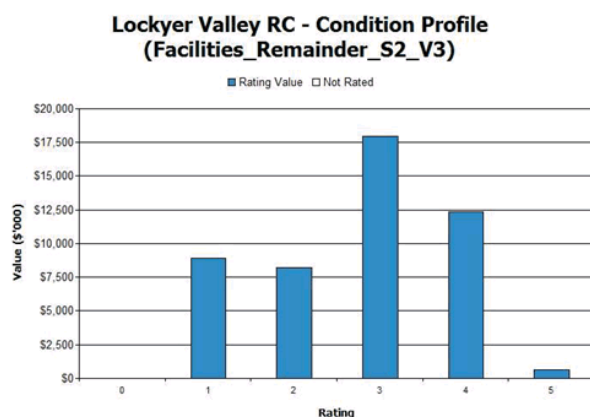


Figure 6-3c Condition Profile (Remainder)

- 38 -



6.1.4 Asset valuations

The value of assets recorded in the asset register as at 2016 covered by this service management plan is shown below. The Top 10 assets were last revalued at \$43.245m in 2015. The remainder of the assets have been valued based on estimates from previous values and the facilities team's knowledge of the assets. The value of the remainder is estimated at \$48.074m. The total asset value is estimated at \$91.318m. Assets are valued using the fair value calculation in accordance with AASB116. There is a medium level of confidence in the asset valuations.

Current Replacement Cost	\$84.969m
Depreciable Amount	\$80.417m
Depreciated Replacement Cost ⁸	\$45.686m
Annual Depreciation Expense	\$1.608m

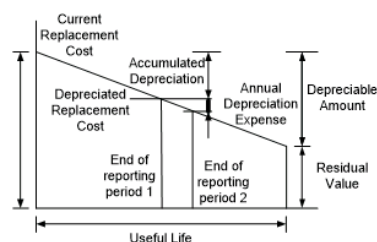


TABLE 6-2: CURRENT REPLACEMENT COSTS WITH DEPRECIATION

Description	Total (\$m)	Top 10 (\$m)	Remainder (\$m)
Current Replacement Cost	91.319	43.245	48.074
Depreciable Amount	91.319	43.245	48.074
Depreciated Replacement Cost	57.959	31,130	26.828
Annual depreciation Expense	1.948	0.980	.968

⁸ Also reported as Written Down Current Replacement Cost (WDCRC).

- 39 -

Useful lives were reviewed in 2012 by with regard given to physical deterioration, functional obsolescence and economic obsolescence .

Various ratios of asset consumption and expenditure have been prepared to help guide and gauge service management performance and trends over time.

TABLE 6-3: PERFORMANCE MEASURES

Description	Total (%)	Top 10 (%)	Remainder (%)
Rate of Annual Asset Consumption (Depreciation/Depreciable Amount)	2.1	2.3	2
Rate of Annual Asset Renewal (Capital renewal exp/Depreciable amount)	1.6	1.7	1.6
Rate of Annual Asset Upgrade/New (Capital upgrade exp/Depreciable amount)	0.8	1.4	0.2
Rate of Annual Asset Upgrade/New (including contributed assets)	0.8	1.4	0.2
Asset renewals as percentage of consumption	77	74.8	79.2
Percentage increase in Asset Stock	0.8	1.4	0.2

This table indicate renewals are not keeping pace with depreciation charged. There are a number of possible ways to correct this:

- Lower depreciation.
- Increase renewals
- Re-value the assets
- Re-examine useful lives
- Componentise the assets to provide better detail

As mentioned previously a better level of detail on the data, and componentisation, will create a better renewal profile. This may result in the renewal demand exceeding the depreciation.

6.1.5 Historical Data

Historical data is not readily available, with the exception of the last four years annual reports.

6.2 ROUTINE OPERATIONS AND MAINTENANCE PLAN

Operations include regular activities to provide services such as public health, safety and amenity, e.g. Pest management, cleaning, servicing, etc.

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again.

6.2.1 Operations and Maintenance Plan

Operations activities affect service levels including quality and function through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, e.g. repairs but excluding rehabilitation or renewal. Maintenance may be classified into reactive, planned and specific maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

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

- 40 -

Specific maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, replacing air conditioning units, etc. This work falls below the capital/maintenance threshold but may require a specific budget allocation.

Actual past maintenance expenditure is shown in Table 6-4.

Table 6-4: Maintenance Expenditure Trends

Year	Maintenance Expenditure	
	Planned and Specific	Unplanned
2016	Included in unplanned (split unknown)	3,800,000
2014	Included in unplanned (split unknown)	3,200,000
2013	Included in unplanned (split unknown)	3,442,216
2012	Included in unplanned (split unknown)	3,553,231
2011	Included in unplanned (split unknown)	3,131,897

Planned maintenance work is currently an unknown of total maintenance expenditure. Council has introduced a maintenance management system for facilities. This will provide information on planned maintenance in the future.

Maintenance expenditure levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance expenditure levels are such that will result in a lesser level of service, the service consequences and service risks have been identified and service consequences highlighted in this SM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and prioritisation of reactive maintenance is undertaken by the Council's staff using experience and judgement, however a full condition assessment for the building assets is planned for 2017/2018, which will highlight whether expenditure is sufficient.

Maintenance and operations expenditure is currently not being allocated to specific assets. This makes it difficult to analyse any trends on specific facilities. The recently introduced facilities maintenance system should assist staff in allocating maintenance expenditure to the correct assets.

6.2.2 Operations and Maintenance Strategies

Council will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner,
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost),
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council,
- Review current and required skills base and implement workforce training and development to meet required operations and maintenance needs,
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options,
- Maintain a current hierarchy of critical assets and required operations and maintenance activities,
- Develop and regularly review appropriate emergency response capability,
- Review management of operations and maintenance activities to ensure the Council is obtaining best value for resources used.

6.3 ASSET HIERARCHY

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

At present there is no hierarchy in place for the building assets. It is a task listed in the improvement plan.

- 41 -

6.4 CRITICAL ASSETS

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, Councils can target and refine investigative activities, maintenance plans and capital expenditure plans at the appropriate time.

Operations and maintenance activities may be targeted to mitigate critical assets failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels, etc. Critical assets failure modes and required operations and maintenance activities are yet to be determined.

Lockyer Valley Regional Council have highlighted the Top 10 critical facilities and created a separate strategic view for them.

6.5 STANDARDS AND SPECIFICATIONS

Maintenance work is carried out in accordance with the following Standards and Specifications.

- Building Code of Australia
- Workplace Health and Safety Act and Regulations
- AS 1428-2003 Design for Access and Mobility
- Building Fire Safety Regulations 2008
- Building Act 1975
- Electrical Safety Act 2002

6.5.1 Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend at a steady level as shown in Figure 6-4a, figure 6-4b and Figure 6-4c. This is mainly due to the intention to decrease asset inventory coupled with the requirement to increase maintenance. Note that all costs are shown in current 2016 dollar values (i.e. real values). The figures below simply show that LVRC is working to a budget. There is no indication as to whether the expenditure is within acceptable bounds. While the amounts, expressed as a percentage of capital value, do seem to fall within the norms information should be sourced from neighbouring councils to verify the level of expenditure.

FIGURE 6-4A: PROJECTED OPERATIONS AND MAINTENANCE EXPENDITURE (TOTAL)

Lockyer Valley RC - Projected Operations & Maintenance Expenditure (Facilities_Total_S2_V3)

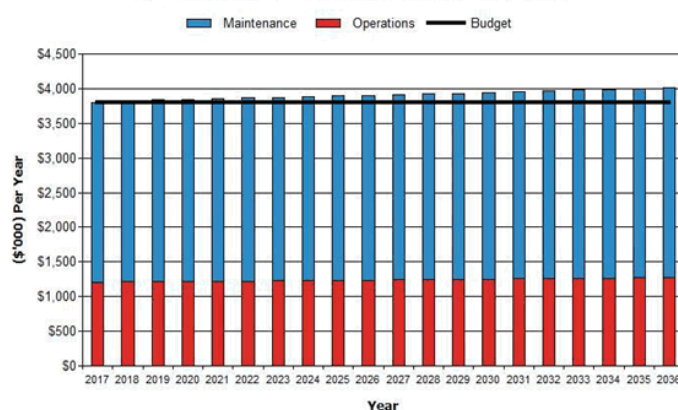


FIGURE 6-4B: PROJECTED OPERATIONS AND MAINTENANCE EXPENDITURE (TOP 10)

- 42 -

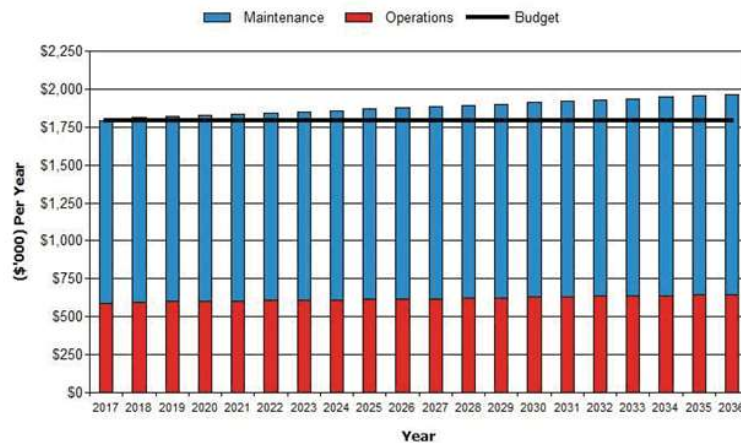
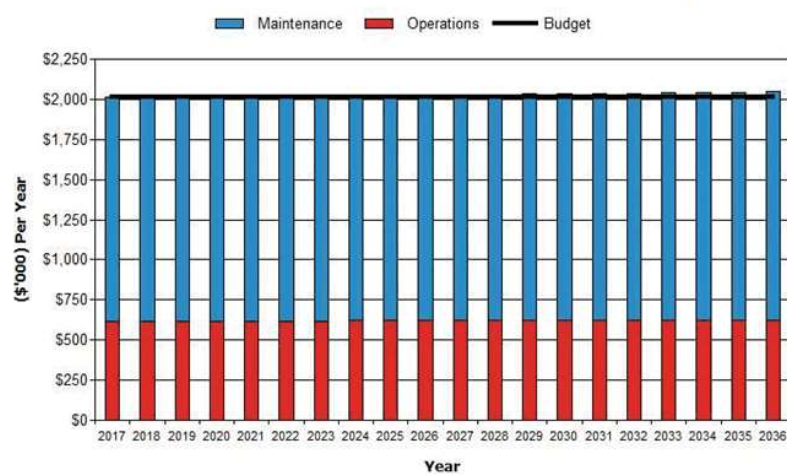
**Lockyer Valley RC - Projected Operations & Maintenance
Expenditure (Facilities_Top10_S2_V3)**

FIGURE 6-4C: PROJECTED OPERATIONS AND MAINTENANCE EXPENDITURE (REMAINDER)

**Lockyer Valley RC - Projected Operations & Maintenance
Expenditure (Facilities_Remainder_S2_V3)**

Deferred maintenance, ie works that are identified for maintenance and unable to be funded are to be included in the risk assessment and analysis in the infrastructure risk management plan.

The current operations and maintenance expenditure, expressed as a percentage of current replacement cost, is as follows:

- 43 -

Table 6-5: Maintenance and Operations Proportions by Capital Replacement Cost

Description	Maintenance (%)	Operations (%)	Total (%)
Total	1.32	2.84	4.16
Top 10	1.36	2.78	4.14
Remainder	1.28	2.90	4.18

As the facilities team has additional responsibilities, the staff costs are over stated resulting in a higher operations cost. There are no statistics to estimate the percentage of resource that is consumed by facilities only. It has been decided to take a conservative view and include all the staff costs in facilities strategic plan until better information is available.

The above division of costs is acceptable. It matches the asset current replacement cost split between the Top 10 and the remainder. It makes sense to spend funds protecting high risk facilities.

The percentage amounts seem to be reasonable. There is very little information to benchmark whether council is over or under spending on Operations and Maintenance. The accepted measure is to ascertain whether the service levels at facilities are remaining constant, improving or deteriorating. If the service levels remain constant the expenditure is at the correct level.

Maintenance is funded from the operating budget where available.

6.6 RENEWAL/REPLACEMENT PLAN

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

6.6.1 Renewal plan

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average *network renewals* plus *defect repairs* in the *Renewal Plan* and *Defect Repair Plan* worksheets on the 'Expenditure template'.

Method 3 was used for this service management plan.

The useful lives of assets have not been developed at a component level. At this stage the majority of assets have been valued as complete structures. A few have been valued down to the 5 major components. Componentisation and development of asset lives is part of the improvement plan.

6.6.2 Renewal and Replacement Strategies

Council will plan capital renewal and replacement projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner,
- Undertaking project scoping for all capital renewal and replacement projects to identify:
 - the service delivery 'deficiency', present risk and optimum time for renewal/replacement,
 - the project objectives to rectify the deficiency,
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
 - and evaluate the options against evaluation criteria adopted by the Council, and
 - select the best option to be included in capital renewal programs,

- 44 -

- Using 'low cost' renewal methods (cost of renewal is less than replacement) wherever possible,
- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and the Council,
- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required ,
- Review management of capital renewal and replacement activities to ensure the Council is obtaining best value for resources used.

6.7 RENEWAL RANKING CRITERIA

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5 t load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. roughness of a road).⁹

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have a high utilisation and subsequent impact on users would be greatest,
- The total value represents the greatest net value to the Council,
- Have the highest average age relative to their expected lives,
- Are identified in the SM Plan as key cost factors,
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.¹⁰

LVRC have identified the Top 10 facilities that carry the most risk and have high utilisation. These are typically the buildings that experience high public interaction and office buildings

6.8 RENEWAL AND REPLACEMENT STANDARDS

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

- National Construction Code (formally the Building Code of Australia)
- Documents adopted by reference in the National Construction Code
- Other legislation affecting buildings affecting buildings as noted in the National Construction Code

6.8.1 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth, although this expected only once surplus asset stock has been disposed of. The estimated time frame for this is seven years. The current renewal strategy is simply to renew according to an annual \$1.5m budget, with the selection of projects being largely reactive. The expenditure is summarised in Fig 6-5a, Fig 6-5b, Fig 6-5c. Note that all amounts are shown in real values.

The projected capital renewal and replacement program is shown in Appendix C.

⁹ IPWEA, 2011, IIMM, Sec 3.4.4, p 3|60.

¹⁰ Based on IPWEA, 2011, IIMM, Sec 3.4.5, p 3|66.

- 45 -

Fig 6-5a: Projected Capital Renewal and Replacement Expenditure (Total)

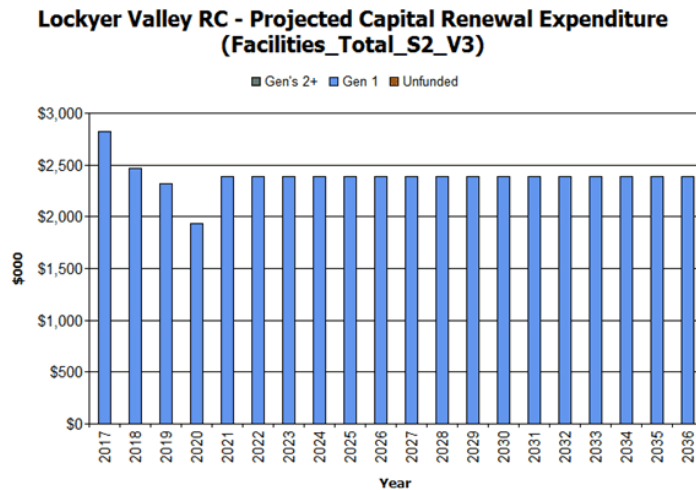
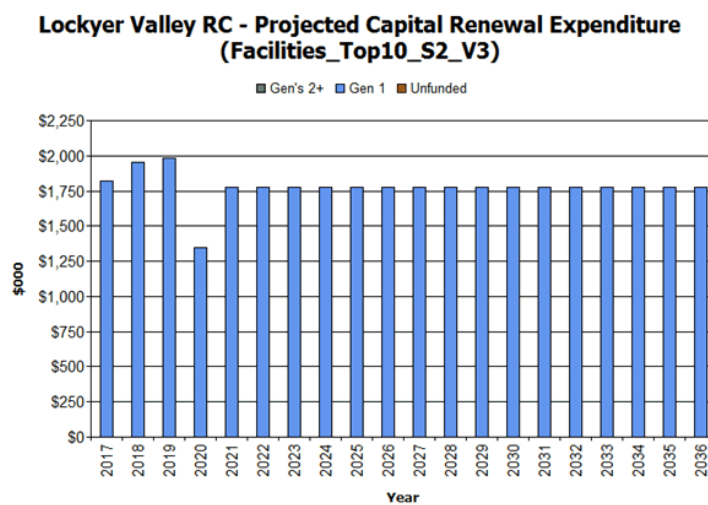
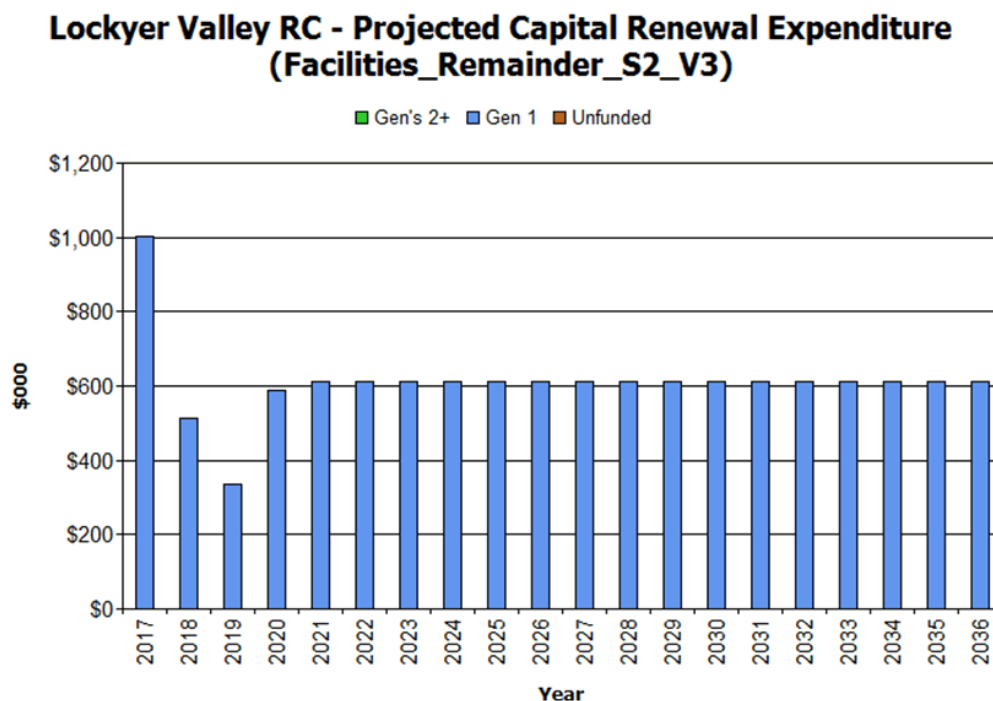


Fig 6-5b: Projected Capital Renewal and Replacement Expenditure(Top 10)



- 46 -

Fig 6-5c: Projected Capital Renewal and Replacement Expenditure (Remainder)



LVRC carry out renewals on facilities components on an annual basis. As many components have a shorter useful life than for the whole facility, renewal is required before the renewal of the facility. LVRC budget for this based on historical expenditure and is approximately \$1.5m per year. The known renewal projects over the next 4 years exceed the budget. The average of the first four years has been used estimate renewal in the following years. This average is also in excess of the current budget. Council will either have to defer projects or allocate additional budget.

Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

Renewals and replacement expenditure in the Council's capital works program will be accommodated in the long term financial plan.

6.9 CREATION/ACQUISITION/UPGRADE PLAN

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the Council from land development. These assets from growth are considered in Section 4.5.

6.9.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority (within Delta) and available funds and scheduled in future works programmes.

6.9.2 Capital Investment Strategies

Council will plan capital upgrade and new projects to meet level of service objectives by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner,
- Undertake project scoping for all capital upgrade/new projects to identify:

- 47 -

- the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset,
- the project objectives to rectify the deficiency including value management for major projects,
- the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
- management of risks associated with alternative options,
- and evaluate the options against evaluation criteria adopted by Council, and
- select the best option to be included in capital upgrade/new programs,
- Review current and required skills base and implement training and development to meet required construction and project management needs,
- Review management of capital project management activities to ensure Council is obtaining best value for resources used.

6.9.3 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Fig 6-6a, Fig 6-6b, Fig 6-6c. All amounts are shown in real values.

Fig 6-6a: Projected Capital Upgrade/New Asset Expenditure (Total)

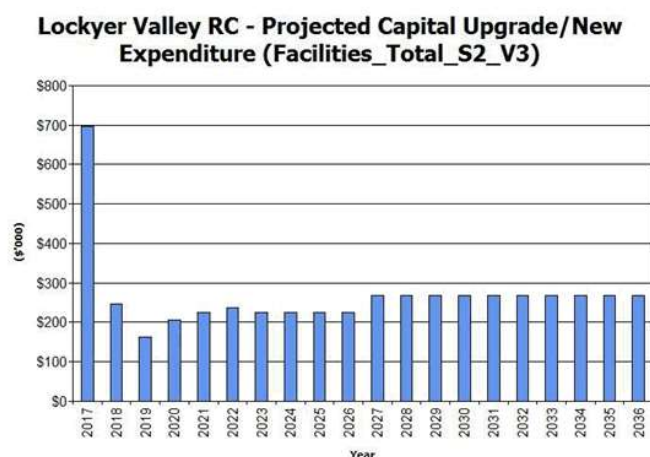
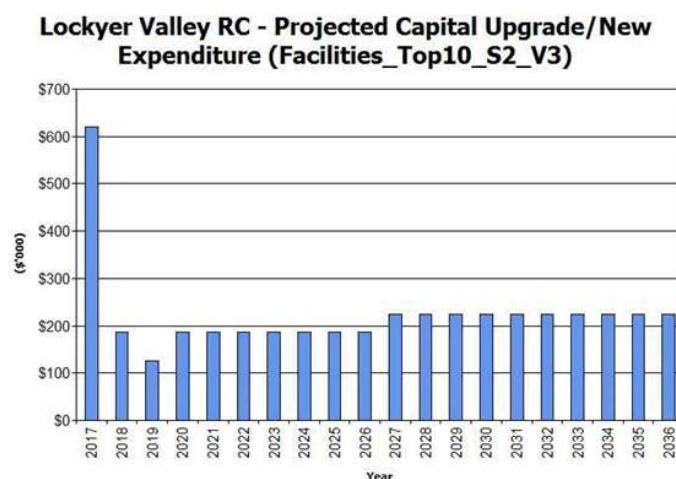
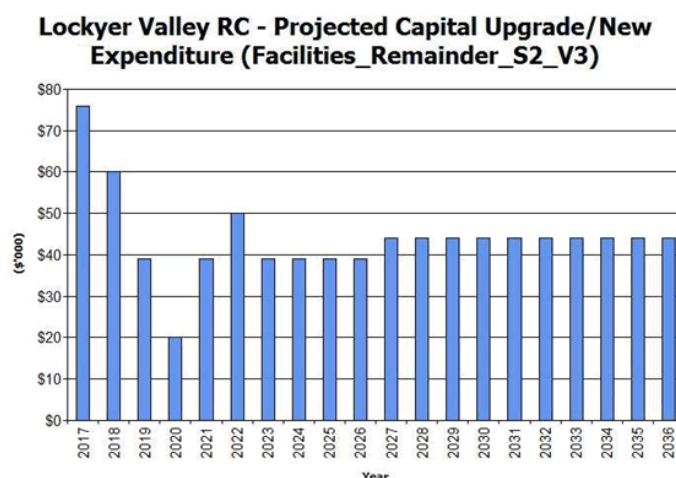


Fig 6-6b: Projected Capital Upgrade/New Asset Expenditure (Top 10)



- 48 -

Fig 6-6c: Projected Capital Upgrade/New Asset Expenditure (Remainder)



The upgrade costs in the first few years are known projects. Thereafter new and upgrade works are required to meet the population growth.

Expenditure on new assets and services in the Council's capital works program will be accommodated in the long term financial plan.

6.10 DISPOSAL PLAN

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal would be shown in Table 6.6, together with estimated annual savings from not having to fund operations and maintenance of the assets. However the facilities team is currently in the process of identifying the assets for disposal. The assets will be identified and listed in the table before June 2017. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any. Any revenue gained from asset disposals is accommodated in the Council's long term financial plan.

Disposals have been estimated for the first four years of this Service Management Plan. There is no value to the assets being disposed, resulting in a net disposal cost to council.

Table 6.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Expenditure	Operations & Maintenance Annual Savings
Showgrounds	Toilets removed	2018/19	15000	Minor
Laidley Temporary Library	Removal	2017/18	20000	Minor
Gatton Depot	Remove old sheds	2020/2022	50000	Minor
Smithfield road	Dwelling removal	2017/18	30000	Minor
Gatton Squash Courts	Demolish squash courts	2017/18	40000	Minor

7 SERVICE CONSEQUENCES AND RISKS

Council has prioritised decisions made in adopting this SM Plan to obtain the optimum benefits from its available resources. Decisions were made based on the following:

The renewal estimate is based on known renewal requirements for the first four years of this plan. The renewal estimate for the subsequent years is the average cost of the first four years. This estimate exceeds the current budget.

Council needs to make decisions on renewals based on available budget, and risk associated with not undertaking renewals. In this iteration of the Service Management Plan, the data to quantify the benefits and risk is not available. This task is included in the improvement plan to be available at the next iteration of the Service Management Plan.

7.1 WHAT WE CANNOT DO

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Increase the level of service
- Cannot maintain outlying underutilised facilities
- Cannot increase budget significantly.

7.2 SERVICE CONSEQUENCES

Operations and maintenance activities and capital projects that cannot be undertaken will maintain or create service consequences for users. These include:

- Unavailability of facilities
- Facilities in poor condition
- Increased travel costs to facilities further from their homes

7.3 RISK CONSEQUENCES

The operations and maintenance activities and capital projects that cannot be undertaken may maintain or create risk consequences for the Council. These include:

- Unsafe facilities for community use.
- Level of service will decline below the desired.
- Increased backlog maintenance, compliance and renewal works
- Reduce ability to fund future capital renewals, and impact on long term financial sustainability

These risks have been included with the Infrastructure Risk Management Plan summarised in Section 5.2 and risk management plans actions and expenditures included within projected expenditures.

- 50 -

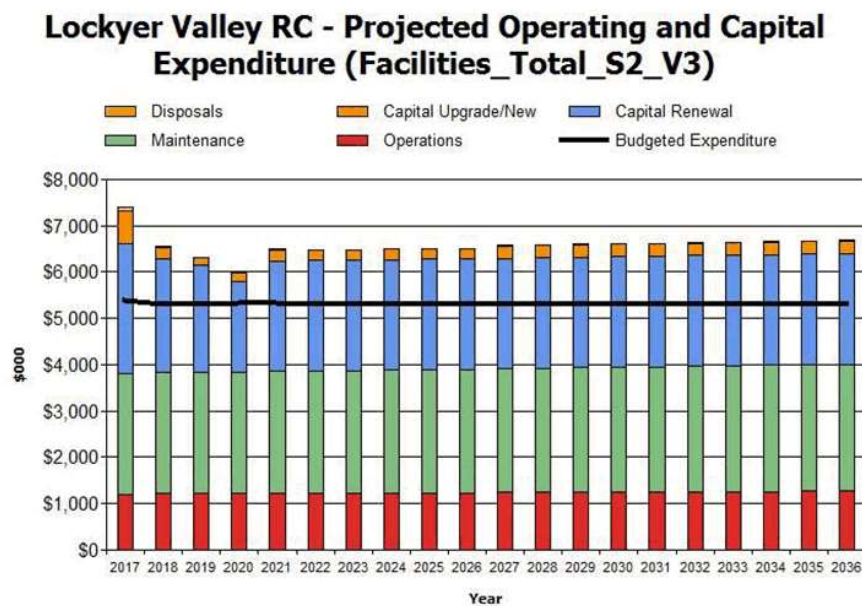
8 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this service management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

8.1 FINANCIAL STATEMENTS AND PROJECTIONS

The financial projections are shown in Figure 8-1a, figure 8-1b and Figure 8-1c: for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

Fig 8-1a: Projected Operating and Capital Expenditure (Total)



- 51 -

Fig 8-1b: Projected Operating and Capital Expenditure (Top 10)

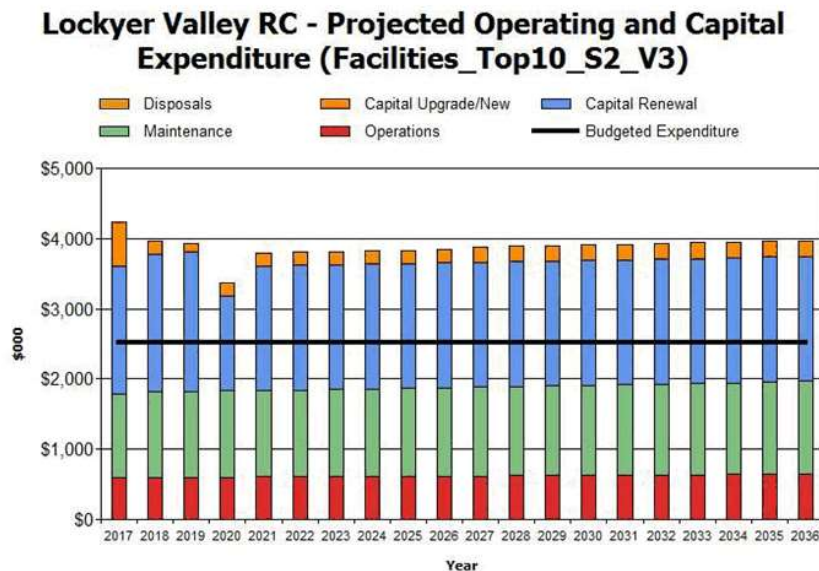
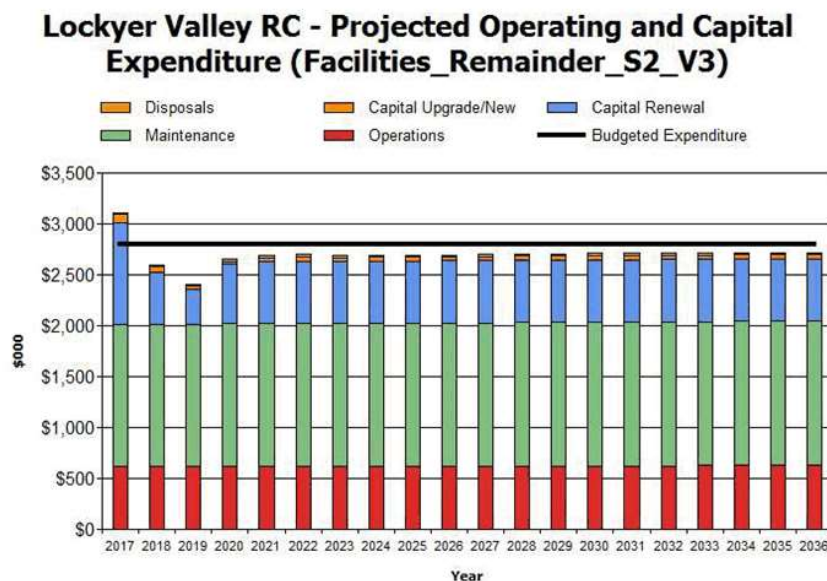


Fig 8-1c: Projected Operating and Capital Expenditure (Remainder)



8.2 SUSTAINABILITY OF SERVICE DELIVERY

There are four key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the asset renewal funding ratio, long term life cycle costs/expenditures and medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

- 52 -

8.3 ASSET RENEWAL FUNDING RATIO

Asset Renewal Funding Ratio ¹¹ (Total)	63%
Asset Renewal Funding Ratio ¹² (Top 10)	41%
Asset Renewal Funding Ratio ¹³ (Remainder)	125%

The Asset Renewal Funding Ratio is the most important indicator and reveals that over the next 10 years, Council is forecasting that it will have only 63% of the funds required for the optimal renewal and replacement of its assets. As more detailed data becomes available the expectation is that these ratios may improve, as a result of improved knowledge and balancing of funding of projects.

8.4 LONG TERM - LIFE CYCLE COST

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include operations and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this service management plan is \$4.4m per year (average operations and maintenance expenditure plus depreciation expense projected over 10 years).

Life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. Life cycle expenditure includes operations, maintenance and capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure over the 10 year planning period is \$2.8m per year (average operations and maintenance plus capital renewal budgeted expenditure in LTFP over 10 years). As the majority of renewals fall outside the time frame of this plan the true renewal cost is can only be determined when assets are componentised to provide better detail and shorter renewal cycles. The renewals for the next 10 years is very low and therefore the figures contained in this section would be relatively accurate.

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap. The life cycle gap for services covered by this service management plan is (-ve = gap, +ve = surplus).

Total	-\$0.51m per year
Top 10	-\$0.3m per year
Remainder	-\$0.2m per year

Life cycle expenditure to life cycle costs is as follows:

Total	91%
Top 10	90%
Remainder	93%

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future. These acceptable band for these ratios is above 85% with a goal of between 90% and 95%. This shows that council is currently managing the life cycle cost acceptably. As renewal investment is low it would indicate that operations and maintenance may be slightly too high, or that all the shortfall is due to the renewal shortfall.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist Councils in providing services to their communities in a financially sustainable manner. This is the purpose of the service management plans and long term financial plan.

8.5 MEDIUM TERM – 10 YEAR FINANCIAL PLANNING PERIOD

This service management plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core service management plan, a gap is generally due to increasing asset renewals for ageing assets.

¹¹ AIFMG, 2009, Financial Sustainability Indicator 8, Sec 2.6, p 2.18

¹² AIFMG, 2009, Financial Sustainability Indicator 8, Sec 2.6, p 2.18

¹³ AIFMG, 2009, Financial Sustainability Indicator 8, Sec 2.6, p 2.18

- 53 -

The projected operations, maintenance and capital renewal expenditure required over the 10 year planning period is:

Total	\$6.2m on average per year.
Top 10	\$3.6m on average per year.
Remainder	\$2.7m on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is:

Total	\$5.3m on average per year giving a 10 year funding shortfall of \$0.9m per year.
Top 10	\$2.5m on average per year giving a 10 year funding shortfall of \$1.1m per year.
Remainder	\$2.8m on average per year giving a 10 year funding shortfall of \$0.10m per year.

This indicates that Council expects to have 85% of the projected expenditures needed to provide the services documented in the service management plan.

8.6 MEDIUM TERM – 5 YEAR FINANCIAL PLANNING PERIOD

The projected operations, maintenance and capital renewal expenditure required over the first 5 years of the planning period is:

Total	\$6.2m on average per year.
Top 10	\$3.6m on average per year.
Remainder	\$2.7m on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is:

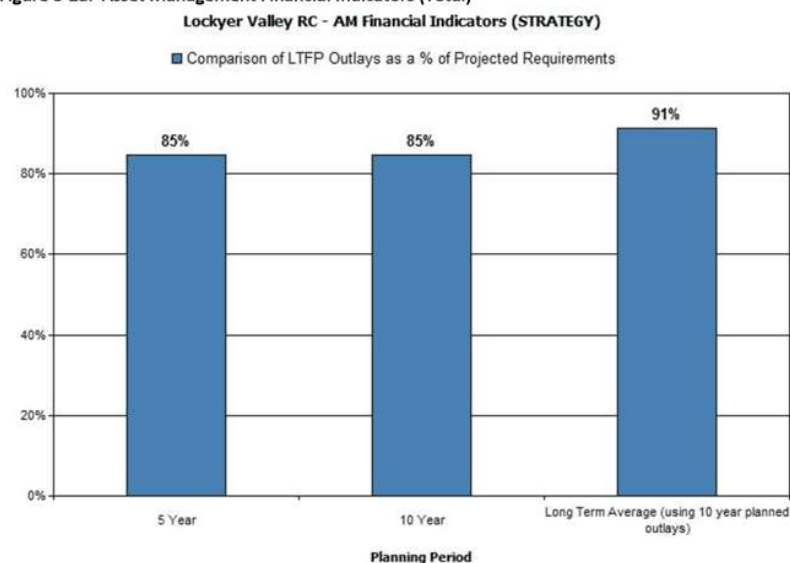
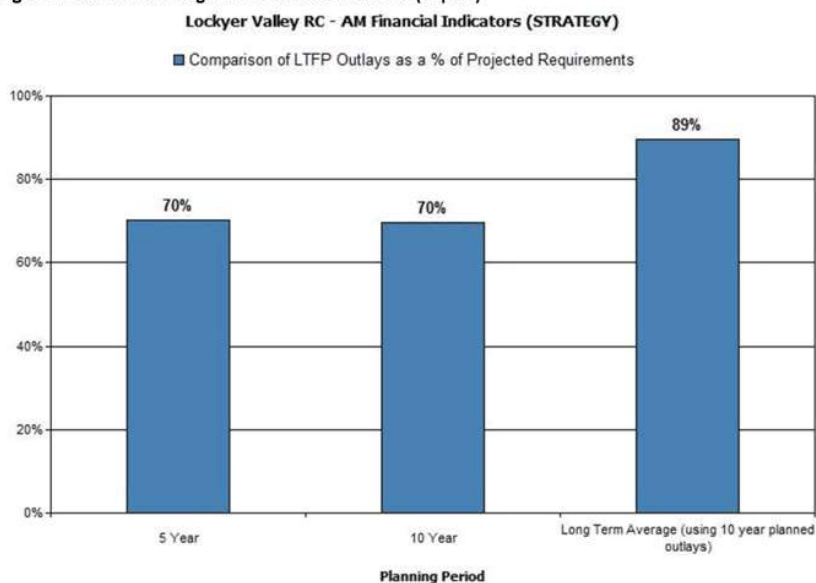
Total	\$5.3m on average per year giving a 5 year funding shortfall of \$0.9m.
Top 10	\$2.5m on average per year giving a 5 year funding shortfall of \$1.1m.
Remainder	\$2.8m on average per year giving a 5 year funding shortfall of \$0.1m.

This indicates that Council expects to have 85% of projected expenditures required to provide the services shown in this service management plan.

8.7 ASSET MANAGEMENT FINANCIAL INDICATORS

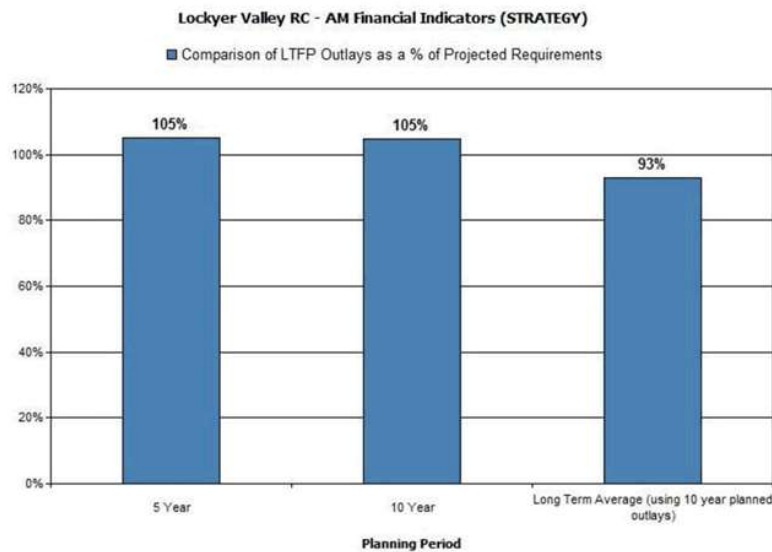
Figure 8-2a, Figure 8-2b and Figure 8-2c show the asset management financial indicators over the 10 year planning period and for the long term life cycle. These figures are expected to reduce with more detailed data. The reduction in the 5 and 10 year plan will not be significant. A larger difference is expected over the long term.

- 54 -

Figure 8-2a: Asset Management Financial Indicators (Total)**Figure 8-2b: Asset Management Financial Indicators(Top 10)**

- 55 -

Figure 8-2c: Asset Management Financial Indicators (Remainder)

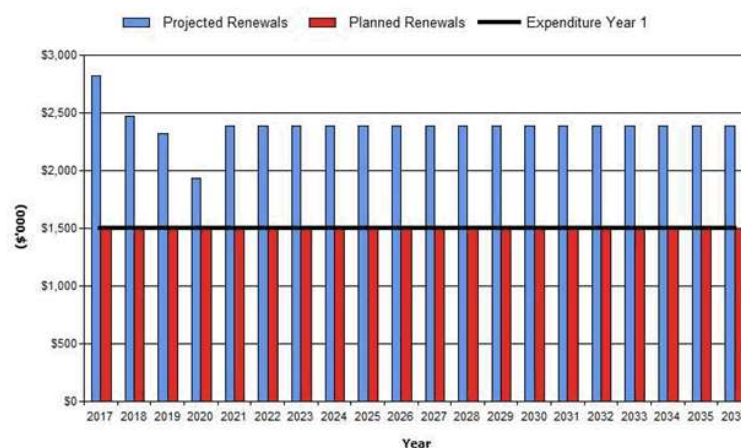


Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 0.9 for the first years of the service management plan and ideally over the 10 year life of the Long Term Financial Plan.

Figure 8-3a, Figure 8-3b and Figure 8-3c show the projected asset renewal and replacement expenditure over the 20 years of the SM Plan. The projected asset renewal and replacement expenditure is compared to renewal and replacement expenditure in the capital works program, which is accommodated in the long term financial plan. With more detailed data the projected renewals will create a graph with many more spikes, showing frequent component renewal requirements.

Figure 8-3a: Projected and LTFP Budgeted Renewal Expenditure (Total)

Lockyer Valley RC - Projected & LTFP Budgeted Renewal Expenditure (Facilities_Total_S2_V3)



LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 56 -

Figure 8-3b: Projected and LTFP Budgeted Renewal Expenditure (Top 10)

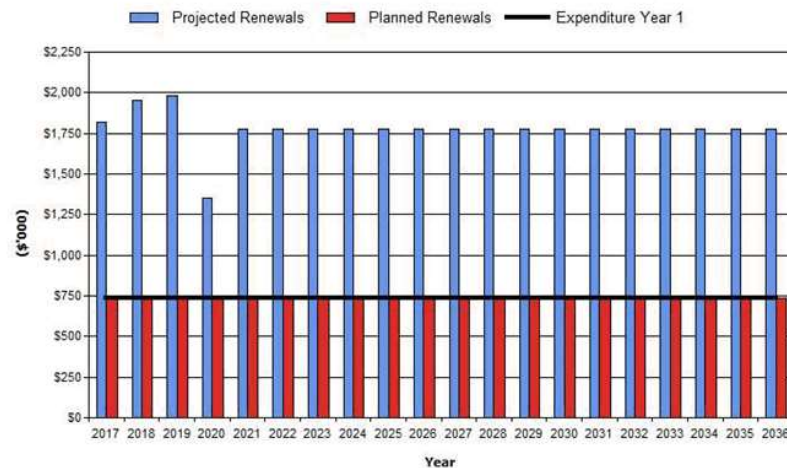
Lockyer Valley RC - Projected & LTFP Budgeted Renewal Expenditure (Facilities_Top10_S2_V3)

Figure 8-3c: Projected and LTFP Budgeted Renewal Expenditure (Remainder)

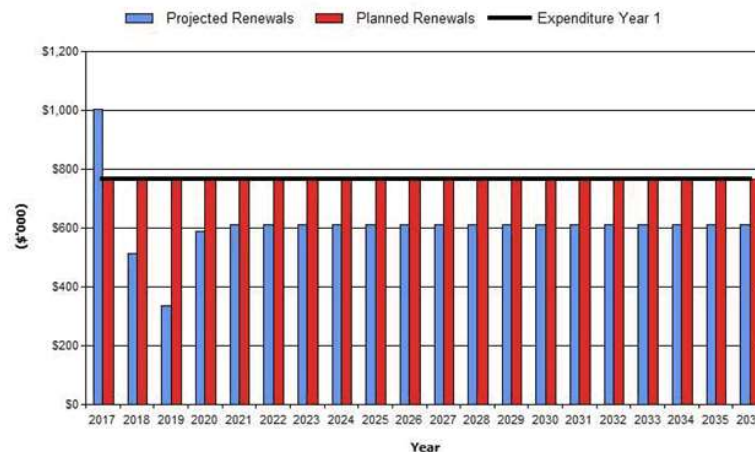
Lockyer Valley RC - Projected & LTFP Budgeted Renewal Expenditure (Facilities_Remainder_S2_V3)

Table 8-1a, Table 8-1b and Table 8-1c shows the shortfall between projected renewal and replacement expenditures and expenditure accommodated in long term financial plan.

- 57 -

TABLE 8-1A: PROJECTED AND LTFP BUDGETED RENEWALS AND FINANCING SHORTFALL (TOTAL)

Year End June 30	Projected Renewals (\$'000)	LTFP Renewal Budget (\$'000)	Renewal Financing Shortfall (- gap, + surplus) (\$'000)	Cumulative Shortfall (- gap, + surplus) (\$'000)
2017	\$2,823	\$1,500	\$-1,323	\$-1,323
2018	\$2,467	\$1,500	\$-967	\$-2,290
2019	\$2,320	\$1,500	\$-820	\$-3,110
2020	\$1,938	\$1,500	\$-438	\$-3,548
2021	\$2,387	\$1,500	\$-887	\$-4,435
2022	\$2,387	\$1,500	\$-887	\$-5,322
2023	\$2,387	\$1,500	\$-887	\$-6,209
2024	\$2,387	\$1,500	\$-887	\$-7,096
2025	\$2,387	\$1,500	\$-887	\$-7,983
2026	\$2,387	\$1,500	\$-887	\$-8,870
2027	\$2,387	\$1,500	\$-887	\$-9,757
2028	\$2,387	\$1,500	\$-887	\$-10,644
2029	\$2,387	\$1,500	\$-887	\$-11,531
2030	\$2,387	\$1,500	\$-887	\$-12,418
2031	\$2,387	\$1,500	\$-887	\$-13,305
2032	\$2,387	\$1,500	\$-887	\$-14,192
2033	\$2,387	\$1,500	\$-887	\$-15,079
2034	\$2,387	\$1,500	\$-887	\$-15,966
2035	\$2,387	\$1,500	\$-887	\$-16,853
2036	\$2,387	\$1,500	\$-887	\$-17,740

TABLE 8-1B: PROJECTED AND LTFP BUDGETED RENEWALS AND FINANCING SHORTFALL (TOP 10)

Year End June 30	Projected Renewals (\$'000)	LTFP Renewal Budget (\$'000)	Renewal Financing Shortfall (- gap, + surplus) (\$'000)	Cumulative Shortfall (- gap, + surplus) (\$'000)
2017	\$1,819	\$733	\$-1,086	\$-1,086
2018	\$1,955	\$733	\$-1,222	\$-2,308
2019	\$1,984	\$733	\$-1,251	\$-3,559
2020	\$1,348	\$733	\$-615	\$-4,174
2021	\$1,777	\$733	\$-1,044	\$-5,218
2022	\$1,777	\$733	\$-1,044	\$-6,261
2023	\$1,777	\$733	\$-1,044	\$-7,305
2024	\$1,777	\$733	\$-1,044	\$-8,348
2025	\$1,777	\$733	\$-1,044	\$-9,392
2026	\$1,777	\$733	\$-1,044	\$-10,435
2027	\$1,777	\$733	\$-1,044	\$-11,479
2028	\$1,777	\$733	\$-1,044	\$-12,522
2029	\$1,777	\$733	\$-1,044	\$-13,566
2030	\$1,777	\$733	\$-1,044	\$-14,609
2031	\$1,777	\$733	\$-1,044	\$-15,653
2032	\$1,777	\$733	\$-1,044	\$-16,696
2033	\$1,777	\$733	\$-1,044	\$-17,740
2034	\$1,777	\$733	\$-1,044	\$-18,783
2035	\$1,777	\$733	\$-1,044	\$-19,827
2036	\$1,777	\$733	\$-1,044	\$-20,870

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 58 -

TABLE 8-1C: PROJECTED AND LTFP BUDGETED RENEWALS AND FINANCING SHORTFALL (REMAINDER)

Year End June 30	Projected Renewals (\$'000)	LTFP Renewal Budget (\$'000)	Renewal Financing Shortfall (- gap, + surplus) (\$'000)	Cumulative Shortfall (- gap, + surplus) (\$'000)
2017	\$1,004	\$767	\$-237	\$-237
2018	\$512	\$767	\$255	\$18
2019	\$336	\$767	\$431	\$449
2020	\$590	\$767	\$177	\$626
2021	\$611	\$767	\$157	\$783
2022	\$611	\$767	\$157	\$939
2023	\$611	\$767	\$157	\$1,096
2024	\$611	\$767	\$157	\$1,252
2025	\$611	\$767	\$157	\$1,409
2026	\$611	\$767	\$157	\$1,565
2027	\$611	\$767	\$157	\$1,722
2028	\$611	\$767	\$157	\$1,878
2029	\$611	\$767	\$157	\$2,035
2030	\$611	\$767	\$157	\$2,191
2031	\$611	\$767	\$157	\$2,348
2032	\$611	\$767	\$157	\$2,504
2033	\$611	\$767	\$157	\$2,661
2034	\$611	\$767	\$157	\$2,817
2035	\$611	\$767	\$157	\$2,974
2036	\$611	\$767	\$157	\$3,130

Note: A negative shortfall indicates a financing gap, a positive shortfall indicates a surplus for that year.

Providing services in a sustainable manner will require matching of projected asset renewal and replacement expenditure to meet agreed service levels with the corresponding capital works program accommodated in the long term financial plan.

A gap between projected asset renewal/replacement expenditure and amounts accommodated in the LTFP indicates that further work is required on reviewing service levels in the SM Plan (including possibly revising the LTFP) before finalising the service management plan to manage required service levels and funding to eliminate any funding gap.

We will manage the 'gap' by developing this service management plan to provide guidance on future service levels and resources required to provide these services, and review future services, service levels and costs with the community.

8.8 PROJECTED EXPENDITURES FOR LONG TERM FINANCIAL PLAN

Table 8-2a, Table 8-2b and Table 8-2c show the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2016 real values.

- 59 -

TABLE 8-2A: PROJECTED EXPENDITURES FOR LONG TERM FINANCIAL PLAN (\$000) (TOTAL)

Year	Operations	Maintenance	Projected Capital Renewal	Capital Upgrade/New	Disposals
2017	\$1,205	\$2,595	\$2,823	\$696	\$90
2018	\$1,214	\$2,615	\$2,467	\$246	\$15
2019	\$1,217	\$2,622	\$2,320	\$164	\$0
2020	\$1,220	\$2,626	\$1,938	\$206	\$25
2021	\$1,222	\$2,632	\$2,387	\$225	\$25
2022	\$1,225	\$2,639	\$2,387	\$236	\$0
2023	\$1,228	\$2,645	\$2,387	\$225	\$0
2024	\$1,231	\$2,652	\$2,387	\$225	\$0
2025	\$1,234	\$2,658	\$2,387	\$225	\$0
2026	\$1,237	\$2,665	\$2,387	\$225	\$0
2027	\$1,240	\$2,671	\$2,387	\$267	\$16
2028	\$1,244	\$2,679	\$2,387	\$267	\$16
2029	\$1,247	\$2,686	\$2,387	\$267	\$16
2030	\$1,251	\$2,694	\$2,387	\$267	\$16
2031	\$1,254	\$2,701	\$2,387	\$267	\$16
2032	\$1,258	\$2,709	\$2,387	\$267	\$16
2033	\$1,261	\$2,717	\$2,387	\$267	\$16
2034	\$1,265	\$2,724	\$2,387	\$267	\$16
2035	\$1,269	\$2,732	\$2,387	\$267	\$16
2036	\$1,272	\$2,739	\$2,387	\$267	\$16
All dollar values are in (\$'000)'s					

- 60 -

TABLE 8-2B: PROJECTED EXPENDITURES FOR LONG TERM FINANCIAL PLAN (\$000) (TOP 10)

Year	Operations	Maintenance	Projected Capital Renewal	Capital Upgrade/New	Disposals
2017	\$589	\$1,201	\$1,819	\$620	\$0
2018	\$597	\$1,218	\$1,955	\$186	\$0
2019	\$600	\$1,223	\$1,984	\$125	\$0
2020	\$602	\$1,227	\$1,348	\$186	\$0
2021	\$604	\$1,232	\$1,777	\$186	\$0
2022	\$607	\$1,237	\$1,777	\$186	\$0
2023	\$609	\$1,242	\$1,777	\$186	\$0
2024	\$612	\$1,248	\$1,777	\$186	\$0
2025	\$614	\$1,253	\$1,777	\$186	\$0
2026	\$617	\$1,258	\$1,777	\$186	\$0
2027	\$619	\$1,263	\$1,777	\$224	\$0
2028	\$622	\$1,269	\$1,777	\$224	\$0
2029	\$626	\$1,275	\$1,777	\$224	\$0
2030	\$629	\$1,282	\$1,777	\$224	\$0
2031	\$632	\$1,288	\$1,777	\$224	\$0
2032	\$635	\$1,294	\$1,777	\$224	\$0
2033	\$638	\$1,300	\$1,777	\$224	\$0
2034	\$641	\$1,307	\$1,777	\$224	\$0
2035	\$644	\$1,313	\$1,777	\$224	\$0
2036	\$647	\$1,319	\$1,777	\$224	\$0
All dollar values are in (\$'000)'s					

TABLE 8-2C: PROJECTED EXPENDITURES FOR LONG TERM FINANCIAL PLAN (\$000) (REMAINDER)

Year	Operations	Maintenance	Projected Capital Renewal	Capital Upgrade/New	Disposals
2017	\$616	\$1,395	\$1,004	\$76	\$19
2018	\$617	\$1,397	\$512	\$60	\$15
2019	\$618	\$1,399	\$336	\$39	\$18
2020	\$618	\$1,400	\$590	\$20	\$25
2021	\$618	\$1,401	\$611	\$39	\$25
2022	\$619	\$1,402	\$611	\$50	\$18
2023	\$620	\$1,403	\$611	\$39	\$18
2024	\$620	\$1,404	\$611	\$39	\$18
2025	\$621	\$1,406	\$611	\$39	\$18
2026	\$621	\$1,407	\$611	\$39	\$18
2027	\$622	\$1,408	\$611	\$44	\$19
2028	\$622	\$1,409	\$611	\$44	\$19
2029	\$623	\$1,410	\$611	\$44	\$19
2030	\$623	\$1,412	\$611	\$44	\$19
2031	\$624	\$1,413	\$611	\$44	\$19
2032	\$624	\$1,414	\$611	\$44	\$19
2033	\$625	\$1,415	\$611	\$44	\$19
2034	\$626	\$1,417	\$611	\$44	\$19
2035	\$626	\$1,418	\$611	\$44	\$19
2036	\$627	\$1,419	\$611	\$44	\$19
All dollar values are in (\$'000)'s					

- 61 -

8.9 FUNDING STRATEGY

After reviewing service levels, as appropriate to ensure ongoing financial sustainability projected expenditures identified in Section 7.1.2 will be accommodated in Council's 10 year long term financial plan.

8.10 VALUATION FORECASTS

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by the Council and from assets constructed by land developers and others and donated to the Council. Figure 8-3a, Figure 8-3b and Figure 8-3c show the projected replacement cost asset values over the planning period in real values.

Figure 8-3a: Projected Asset Values (Total)

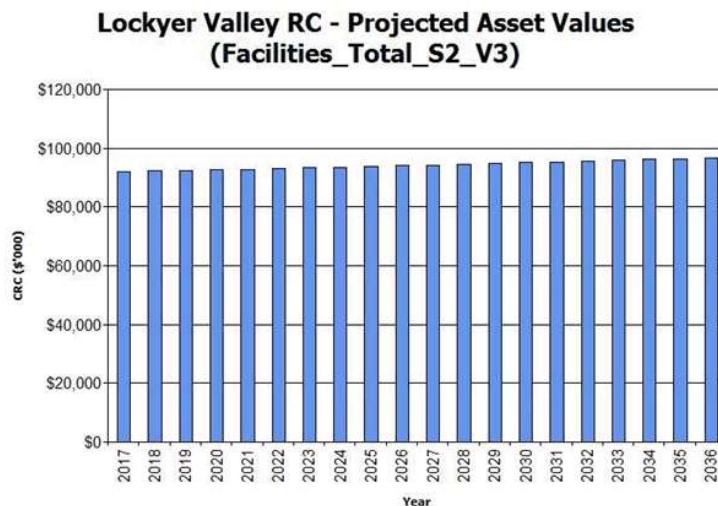
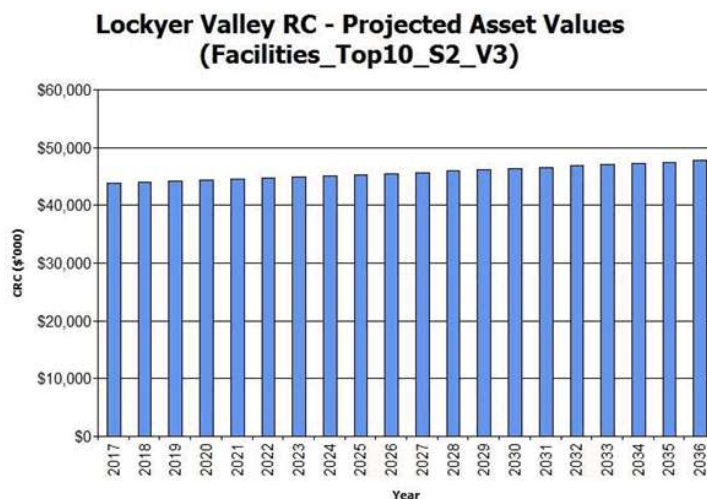
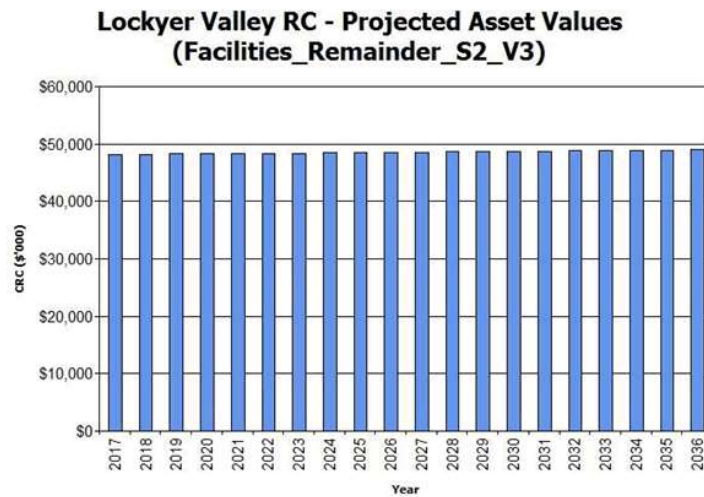


Figure 8-3b: Projected Asset Values (Top 10)



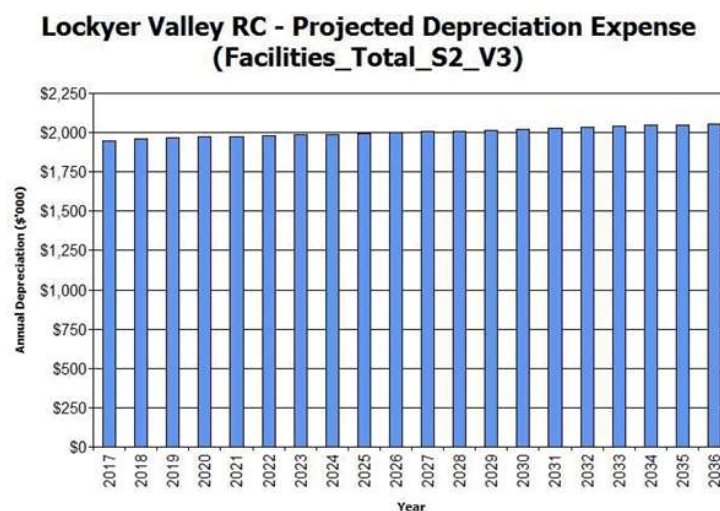
- 62 -

Figure 8-3c: Projected Asset Values (Remainder)



Depreciation expense values are forecast in line with asset values as shown in Figure 8-4a, Figure 8-4b and Figure 8-4c.

Figure 8-4a: Projected Depreciation Expense (Total)



- 63 -

Figure 8-4b: Projected Depreciation Expense (Top 10)

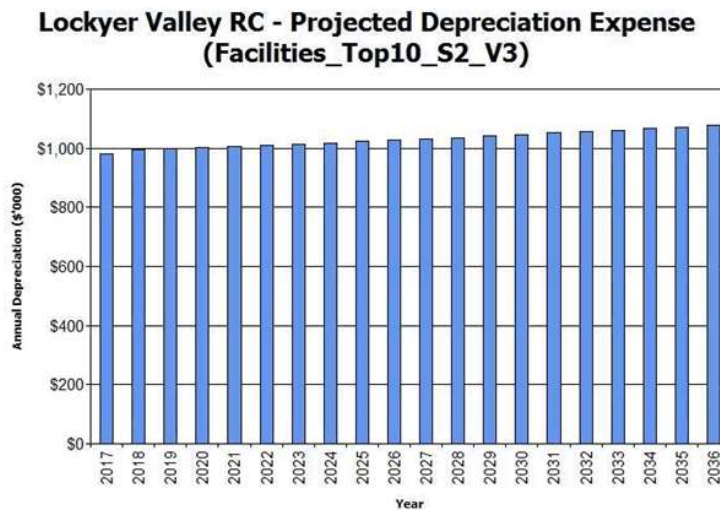
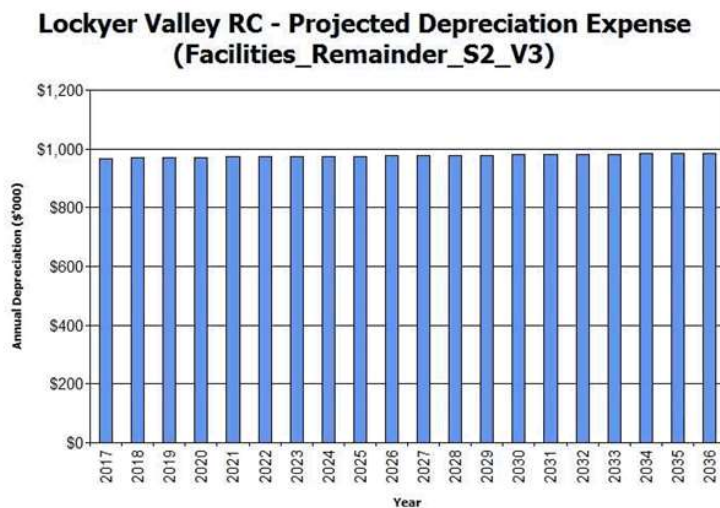


Figure 8-4c: Projected Depreciation Expense (Remainder)



The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets' depreciated replacement cost is shown in Figure 8-5a, Figure 8-5b and Figure 8-5c. The depreciated replacement cost of contributed and new assets is shown in the darker colour and in the lighter colour for existing assets.

- 64 -

Figure 8-5a: Projected Depreciated Replacement Cost (Total)

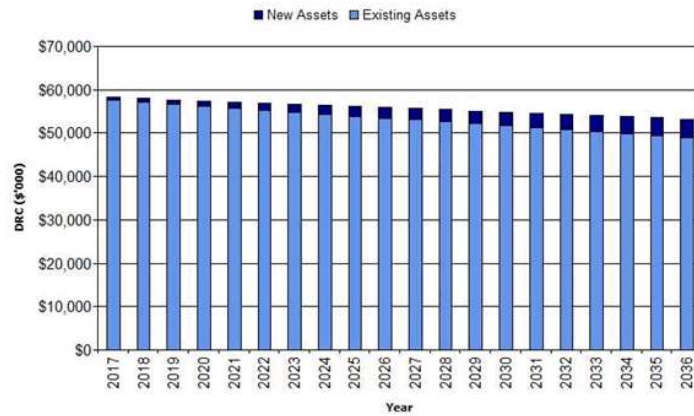
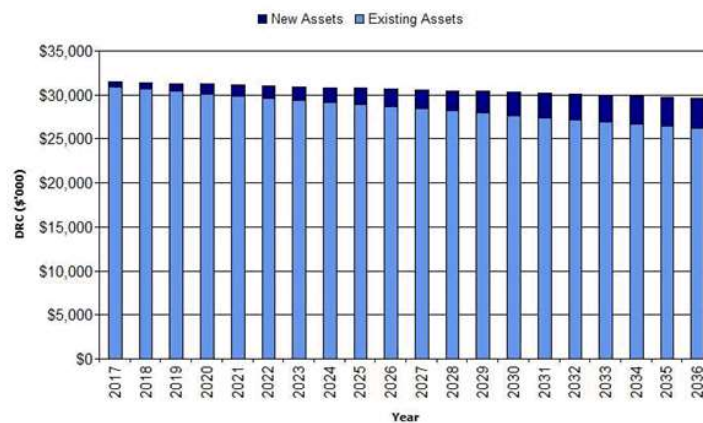
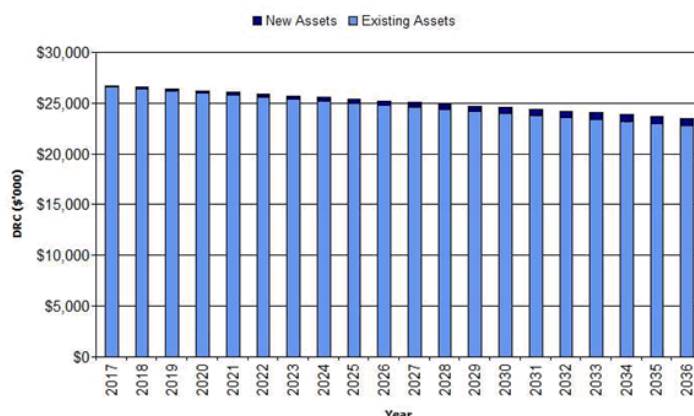
Lockyer Valley RC - Projected Depreciated Replacement Cost (Facilities_Total_S2_V3)

Figure 8-5b: Projected Depreciated Replacement Cost (Top 10)

Lockyer Valley RC - Projected Depreciated Replacement Cost (Facilities_Top10_S2_V3)

- 65 -

Figure 8-5c: Projected Depreciated Replacement Cost (Remainder)

Lockyer Valley RC - Projected Depreciated Replacement Cost (Facilities_Remainder_S2_V3)**8.11 KEY ASSUMPTIONS MADE IN FINANCIAL FORECASTS**

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

Key assumptions made in this service management plan and risks that these may change are shown in Table 8-3.

TABLE 8-3: KEY ASSUMPTIONS MADE IN SM PLAN AND RISKS OF CHANGE

Key Assumptions	Risks of Change to Assumptions
Conditions used in the valuation truly reflect actual condition.	Only samples were assessed for each asset type and conditions extrapolated. If not truly representative the fair value and depreciation will be inaccurate.
Useful lives in the valuation truly reflect actual lives achieved.	Typical useful lives are used from an unknown methodology, if these do not reflect achieved useful lives fair value and depreciation will be inaccurate.
Asset register is full and correct	It is unknown if the asset register used in the valuation of the infrastructure is the recently developed and validated register, the impact of this is that the valuation could be under or over reporting the value of the assets.

8.12 FORECAST RELIABILITY AND CONFIDENCE

The expenditure and valuations projections in this SM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale¹⁴ in accordance with Table 8-4.

¹⁴ IPWEA, 2011, IIMM, Table 2.4.6, p 2|59.

- 66 -

TABLE 8-4: DATA CONFIDENCE GRADING SYSTEM

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this SM Plan is shown in Table 8-5.

TABLE 8-5: DATA CONFIDENCE ASSESSMENT FOR DATA USED IN SM PLAN

Data	Confidence Assessment	Comment
Demand drivers	Reliable	Further work needed in developing technical LOS
Growth projections	Reliable	Appear high, when considered against ABS projections
Operations expenditures	Reliable	Further breakdown in capturing cost data is required
Maintenance expenditures	Reliable	Further breakdown in capturing cost data is required
Projected Renewal exps.	Uncertain	Asset values have been estimated internally.
- Asset values		
- Asset residual values	Uncertain	Top 10 assets have been externally valued. The remainder have been valued internally.
- Asset useful lives	Uncertain	Industry Standard Useful Lives used.
- Condition modelling	Uncertain	Not undertaken
- Asset renewals	Reliable	Unclear as to how the programme is developed and prioritised
- Defect repairs	Uncertain	Unclear of the level of backlog maintenance that exists
Upgrade/New expenditures	Reliable	
Disposal expenditures	Unknown	

Over all data sources, the data confidence is assessed as Reliable confidence level for data used in the preparation of this SM Plan.

- 67 -

9 PLAN IMPROVEMENT AND MONITORING

9.1 STATUS OF ASSET MANAGEMENT PRACTICES

9.1.1 Accounting and financial systems

The accounting and financial system is Technology one (One Council).

9.1.2 Accountabilities for financial systems

Tanya Skopp

9.1.3 Accounting standards and regulations

Queensland Government Act 2009, Queensland Local Government (Finance, Plans and reporting) Regulations 2012 and Australian Accounting Standards – Fair Value Methodology.

9.1.4 Capital/maintenance threshold

The council has a threshold of \$10 000.

9.1.5 Required changes to accounting financial systems arising from this SM Plan

The main changes within the financial management system as a result of the development of this plan is to align the asset numbers with those used in the service Management team, and to improve the capture of cost data.

9.1.6 Service management system

The asset management system recently implemented is the Technology One's service Management module. This system talks directly to Finance 1.

9.1.7 Asset registers

Technology One is used to hold all of council's data.

9.1.8 Linkage from service management to financial system

Technology one is used for asset and financial data.

9.1.9 Accountabilities for service management system and data maintenance

The Service Management team within Council is responsible for the system and data maintenance.

9.1.10 Required changes to service management system arising from this SM Plan

The main changes within the service management system as a result of the development of this plan is to align the asset numbers with those used in the Service Management team.

9.2 IMPROVEMENT PROGRAM

The service management improvement plan generated from this service management plan is still in progress. There is recognition that LVRC is at a basic level of service management. Before creating an improvement plan the IPWEA Nams.Plus Asset Maturity and Risk analysis will be undertaken. From this exercise a comprehensive task list will be developed. It is planned to undertake this in January and February 2017. Some tasks have been listed in table 9-1. This table will be expanded and completed during the risk and maturity assessment workshops to be held from mid-January.

TABLE 9-1: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1	Carry Risk and Maturity Assessment	Manager Buildings & Facilities		Mar 2017
2	Define organisational structure to manage strategic asset management.	Manager Buildings & Facilities		Mar 2017
3	Define to which of detail facilities should be managed	Manager Buildings & Facilities		Mar 2017
4	Categorise buildings	Manager Buildings & Facilities		Mar 2017
5	Arrange facilities inspections and valuations. The valuations to include capital work estimates.	Manager Buildings & Facilities		Mar 2017 to May 2017
6	Create a detail list of tasks	Manager Buildings & Facilities		Mar 2017
7	Create a rolling plan to manage Strategic Asset Management.	Manager Buildings & Facilities		Mar 2017
8	A detailed condition assessment of buildings and facilities is needed to determine backlog maintenance and renewal works, and compliance works. Ensure all legislative requirements are met, including fire and DDA standards.	Manager Buildings & Facilities		Mar 2017 to May 2017
9	Check records and as-builts to access building ages and implement a system to ensure capital and renewal work is captured and recorded.	Manager Buildings & Facilities		By June 2017
10	Develop a building hierarchy so inspections are targeted at the appropriate levels for each building type, and to assist in the prioritisation of the works.	Manager Buildings & Facilities		By June 2017
11	Carry out Community Consultation to assist with defining community consultation, service requirements and willingness to pay, etc.	Manager Buildings & Facilities		By December 2017
12	Capture customer complaints and monitor outstanding repair duration against an approved action schedule.	Manager Buildings & Facilities		On going
13	Develop a renewal / replacement strategy.	Manager Buildings & Facilities		By December 2017
14	Monitor and record building usage to assist with capital planning & value for money analysis.	Manager Buildings & Facilities		By December 2017
15	Review disaster preparedness			

- 69 -

9.3 MONITORING AND REVIEW PROCEDURES

This service management plan will be reviewed during annual budget planning processes and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The SM Plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the Council's long term financial plan.

The SM Plan has a life of 4 years (Council election cycle) and is due for complete revision and updating within 1 year of each Council election.

9.4 PERFORMANCE MEASURES

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

- The degree to which the required projected expenditures identified in this service management plan are incorporated into the Council's long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the service management plan,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans,
- **The Asset Renewal Funding Ratio achieving the target of 0.9.**

- 70 -

10 Renewal Projects by Age

The following have **not** been used to forecast the renewal expenditure. The renewal due to age is used in Method 1 in Nams.Plus. It has been included to show that in the life of the plan approximately \$6.8m renewal would be required. As this considers whole of building only it is insensitive to renewal of components. When renewal of components are considered a considerably higher renewal requirement is realised.

Asset ID	Sub Category	Asset Name	From	To	Rem Life (Years)	Planned Renewal Year	Renewal Cost (\$)	Useful Life (Years)
BD000386	Building Component	Gatton Pool Change Rooms and Conveniences Super- Structure, 23 East Street, Gatton			-40	1977	\$160,000	10
Subtotal							\$160,000	
BD000106	Building	Gatton Swimming Pool Kiosk, 23 East Street, Gatton			-30	1987	\$70,000	20
BD000385	Building Component	Gatton Pool Change Rooms and Conveniences Sub- Structure, 23 East Street, Gatton			-30	1987	\$80,000	20
Subtotal							\$150,000	
BD000293	Building	Blenheim Public Hall, 14 Mount Berryman Road, Blenheim			-27	1990	\$570,750	30
Subtotal							\$570,750	
BD000387	Building Component	Gatton Pool Change Rooms and Conveniences Finishes, 23 East Street, Gatton			-5	2012	\$40,000	10
BD000354	Building Component	Laidley Regional Office Services, 9 Spicer Street Laidley			-5	2012	\$996,608	25
Subtotal							\$1,036,608	
BD000289	Building	Laidley Youth Centre, Ambrose Street, Laidley			-1	2016	\$151,600	20
Subtotal							\$151,600	
BD000388	Building Component	Gatton Pool Change Rooms and Conveniences Fittings, 23 East Street, Gatton			0	2017	\$25,000	10
BD000389	Building Component	Gatton Pool Change Rooms and Conveniences Services, 23 East Street, Gatton			0	2017	\$20,000	25
Subtotal							\$45,000	
BD000342	Building	Cahill Park Storage Building 43 Princess Street, Gatton Unidentified Donga moved there?			2	2019	\$28,800	10
Subtotal							\$28,800	

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 71 -

BD000334	Building	Cahill Park Canteen, 43 Princess Street, Gatton	7	2024	\$164,280	15
BD000138	Building	Pioneer Village - Accessioning Building, Pioneer Village	7	2024	\$40,000	15
BD000352	Building Component	Laidley Regional Office Finishes, 9 Spicer Street Laidley	7	2024	\$362,403	25
Subtotal					\$566,683	
BD000349	Building Component	Gatton Administration Building Services, 26 Railway Street, Gatton	9	2026	\$1,015,163	25
BD000379	Building Component	Gatton Indoor Equestrian Centre Services, Woodlands Road, Gatton	9	2026	\$558,096	20
BD000369	Building Component	Gatton Shire Hall Services, 50 North Street, Gatton	9	2026	\$852,968	25
BD000359	Building Component	Laidley Cultural Centre Services, 3 Laidley - Plainland Road, Laidley North	9	2026	\$1,657,240	25
Subtotal					\$4,083,466	
Program Total					\$6,792,907	

- 72 -

11 REFERENCES

- IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM
- IPWEA, 2008, 'NAMS.PLUS Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/namsplus.
- IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AIFMG.
- IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM

- 73 -

12 APPENDICES

Appendix A	Asset Management Practises
Appendix B	Maintenance Response Levels of Service
Appendix C	Projected 10 year Capital Renewal and Replacement Works Program
Appendix D	Projected 10 year Capital Upgrade/New Works Program
Appendix E	Budgeted Expenditures Accommodated in LTFP
Appendix F	Abbreviations
Appendix G	Glossary
Appendix H	Buildings Risk Register
Appendix I	Asset Register - Top 10 Assets
Appendix J	Asset Register - Remainder Assets

Appendix A Asset Management Practices

What is this plan about?

This service management plan covers the infrastructure assets that serve the Lockyer Valley Regional Council community's Buildings and Facilities needs. These assets include community halls and other public buildings, corporate offices and depots, aged care facilities and cemeteries throughout the community area that enable people to function as a community recreationally, functionally and in providing essential services.

What is a Service Management Plan?

Service management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

A service management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

Why is there a funding shortfall?

Most of Council's Buildings and Facilities network was constructed from government grants, often provided and accepted without consideration of ongoing operations, maintenance and replacement needs.

Many of these assets are approaching the later years of their life and require replacement, services from the assets are decreasing and maintenance costs are increasing.

Our present funding levels are insufficient to continue to provide existing services at current levels in the medium term.

Note that the current low funding shortfall is only achieved through reducing operations and maintenance funding on underutilised assets that are under consideration for disposal.

What options do we have?

Resolving the funding shortfall involves several steps:

1. Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels,
2. Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs,
3. Identifying and managing risks associated with providing services from infrastructure,
4. Making trade-offs between service levels and costs to ensure that the community receives the best return from infrastructure,

5. Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs,
6. Consulting with the community to ensure that Buildings and Facilities services and costs meet community needs and are affordable,
7. Developing partnership with other bodies, where available to provide services,
8. Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to infrastructure services.

What happens if we don't manage the shortfall?

It is likely that we will have to reduce service levels in some areas, unless new sources of revenue are found. For Buildings and Facilities, the service level reduction may include a reduction in the availability of services.

What can we do?

We can develop options, costs and priorities for future Buildings and Facilities services, consult with the community to plan future services to match the community service needs with ability to pay for services and maximise community benefits against costs.

What can you do?

We will be pleased to consider your thoughts on the issues raised in this service management plan and suggestions on how we may change or reduce the Buildings and Facilities mix of services to ensure that the appropriate level of service can be provided to the community within available funding.

- 75 -

Appendix B Maintenance Response Levels of Service

To be further developed:

BUILDINGS LEVELS OF SERVICE

Harm to the Environment.

- % of buildings complying with all legislative and technical requirements e.g. building acts
- Energy consumption managed to optimise efficiency with least impact to environment

Affordable level of service

- Ensure cost to maintain and operate per square metre compares favourably with other Councils SEQ

Demand

- Buildings accessible to all at appropriate times with minimal interruptions –standards of accessible facilities
- Appropriate capacity to cater for community requirements
- Utilisation of Swimming Pools or other facilities
- No of complaints regarding repairs and maintenance
- % satisfaction with Council buildings
- No of attendees at library
- No of visitors at Cultural Centre
- No of toilets available

Quality

- % community satisfied with cultural facilities, pools, libraries, sporting facilities, Housing for elderly, no of requests for service, % community satisfied public toilets.

- 76 -

Appendix C Projected 10 year Capital Renewal and Replacement Works Program

This will form part of the improvement plan. Buildings are considered as a single asset at this stage.

- 77 -

Appendix D Projected Upgrade/Exp/New 10 year Capital Works Program

Total

Projected Expenditure	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Capital Expenditure on Renewal/Replacement of existing assets	\$2,823	\$2,467	\$2,320	\$1,938	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387
Capital Expenditure on Upgrade/New assets	\$696	\$246	\$164	\$206	\$225	\$236	\$225	\$225	\$225	\$225
Operational cost of existing assets	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205
Maintenance cost of existing assets	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595	\$2,595
Operational cost of New assets	\$0	\$9	\$12	\$15	\$17	\$20	\$23	\$26	\$29	\$32
Maintenance cost of New assets	\$0	\$20	\$27	\$31	\$37	\$44	\$50	\$57	\$63	\$70
Disposal of Surplus assets	\$90	\$15	\$0	\$25	\$25	\$0	\$0	\$0	\$0	\$0

Top 10

Projected Expenditure	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Capital Expenditure on Renewal/Replacement of existing assets	\$1,819	\$1,955	\$1,984	\$1,348	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777	\$1,777
Capital Expenditure on Upgrade/New assets	\$620	\$186	\$125	\$186	\$186	\$186	\$186	\$186	\$186	\$186
Operational cost of existing assets	\$589	\$589	\$589	\$589	\$589	\$589	\$589	\$589	\$589	\$589
Maintenance cost of existing assets	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201	\$1,201
Operational cost of New assets	\$0	\$8	\$11	\$13	\$15	\$18	\$20	\$23	\$25	\$28
Maintenance cost of New assets	\$0	\$17	\$22	\$26	\$31	\$36	\$41	\$47	\$52	\$57
Disposal of Surplus assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

Remainder

- 78 -

Projected Expenditure	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Capital Expenditure on Renewal/Replacement of existing assets	\$1,004	\$512	\$336	\$590	\$611	\$611	\$611	\$611	\$611	\$611
Capital Expenditure on Upgrade/New assets	\$76	\$60	\$39	\$20	\$39	\$50	\$39	\$39	\$39	\$39
Operational cost of existing assets	\$616	\$616	\$616	\$616	\$616	\$616	\$616	\$616	\$616	\$616
Maintenance cost of existing assets	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395	\$1,395
Operational cost of New assets	\$0	\$1	\$2	\$2	\$2	\$3	\$4	\$4	\$5	\$5
Maintenance cost of New assets	\$0	\$2	\$4	\$5	\$6	\$7	\$8	\$9	\$11	\$12
Disposal of Surplus assets	\$19	\$15	\$18	\$25	\$25	\$18	\$18	\$18	\$18	\$18

NAMS PLUS3 Asset Management

Lockyer Valley RC

© Copyright All rights reserved. The Institute of Public Works Engineering Australia is a

Facilities_Top10_s2_V3

Asset Management Plan

IPWEA

JRA

First year of expenditure projections

2017

(financial yr ending)

Facilities_Top10

Asset values at start of planning period

Current replacement cost
\$43,255,000
Depreciated amount
\$43,255,000
Annual depreciation cost
\$960,000

Calc CQC from Asset Register
\$43,120,000
This is a check for you.

Additional operations costs
Additional maintenance
Additional depreciation
Planned renewal budget (information only)

% of asset value
1.365%
2.78%
2.78%
2.78%

Existing Assets
calculated from
data in worksheet
1.365% CQC (10 yr average)
2.78% CQC (10 yr average)
2.78% Dep. Amt.
1.675% CQC (Year 1 comparison)

Planned Expenditures from LTP

Note: Enter all values in current values

20 Year Expenditure Projections

Financial year ending

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

2031

2032

2033

2034

2035

2036

Expenditure Outlays included in Long Term Financial Plan (in current \$ values)

Average of first 10 years Expenditure Outlays from LTP

Operations

Operations budget
Management budget
All systems budget

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

\$206
\$322
\$61

Total operations

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

\$589

Maintenance

Reactive maintenance budget
Planned maintenance budget
Specific maintenance items budget

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

\$180
\$960
\$61

Total maintenance

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

\$1,201

Capital

Planned renewal budget

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

\$733

Planned upgrade/new budget

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

\$0

Non growth contributed asset value

Est Cost to dispose of assets
Carrying value (CVC) of disposed assets

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

\$0
\$0

Asset Disposes

Additional Expenditure Outlays Requirements (e.g. from Infrastructure Risk Management Plan)

Additional Expenditure Outlays required from RAMP

Additional Expenditure Outlays required
Operations
Maintenance

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

\$000
\$0
\$0

Capital Upgrade
Capital Renewal
User Comments #2

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

\$0
\$0
\$0

Forecasts for Capital Renewal using Methods 2 & 3 (From 2A & 2B) & Capital Upgrade (From 2C)

Average of first 10 years Capital Renewal & Upgrade Forecasts

Forecast Capital Renewal
From Form 2A & 2B
Forecast Capital Upgrade
From Form 2C

\$000
\$1,839
\$620

\$000
\$1,995
\$186

\$000
\$1,984
\$125

\$000
\$1,248
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

\$000
\$1,777
\$186

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 82 -

Appendix F Abbreviations

AAAC	Average annual asset consumption
SM	Service management
SM Plan	Service management plan
ARI	Average recurrence interval
ASC	Annual service cost
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
DRC	Depreciated replacement cost
EF	Earthworks/formation
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
LTFP	Long term financial plan
MMS	Maintenance management system
PCI	Pavement condition index
RV	Residual value
SoA	State of the Assets
SS	Suspended solids
vph	Vehicles per hour
WDCRD	Written down current replacement cost

Appendix G Glossary

Annual service cost (ASC)

- 1) Reporting actual cost
The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.
- 2) For investment analysis and budgeting
An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

Asset

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

Asset category

Sub-group of assets within a class hierarchy for financial reporting and management purposes.

Asset class

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

Asset condition assessment

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

Asset hierarchy

A framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function or asset type or a combination of the two.

Service management (SM)

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

Asset renewal funding ratio

The ratio of the net present value of asset renewal funding accommodated over a 10 year period in a long term financial plan relative to the net present value of projected capital renewal expenditures identified in a service management plan for the same period [AIFMG Financial Sustainability Indicator No 8].

Average annual asset consumption (AAAC)*

The amount of an Council's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

Borrowings

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

Capital expenditure

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

Capital expenditure - expansion

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

Capital expenditure - new

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

Capital expenditure - renewal

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

Capital expenditure - upgrade

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the Council's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

Capital funding

Funding to pay for capital expenditure.

Capital grants

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

Capital investment expenditure

See capital expenditure definition.

Capitalisation threshold

The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

Carrying amount

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

Class of assets

See asset class definition

Component

Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

Core asset management

Asset management which relies primarily on the use of an asset register, maintenance management systems, job resource management, inventory control, condition assessment, simple risk assessment and defined levels of service, in order to establish alternative treatment options and long-term cashflow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than detailed risk analysis and optimised decision-making).

Cost of an asset

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, including any costs necessary to place the asset into service. This includes one-off design and project management costs.

Critical assets

Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than noncritical assets.

Current replacement cost (CRC)

The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second

- 85 -

hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Deferred maintenance

The shortfall in rehabilitation work undertaken relative to that required to maintain the service potential of an asset.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value.

Depreciated replacement cost (DRC)

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

Depreciation / amortisation

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

Economic life

See useful life definition.

Expenditure

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

Expenses

Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or increases in liabilities that result in decreases in equity, other than those relating to distributions to equity participants.

Fair value

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

Financing gap

A financing gap exists whenever an entity has insufficient capacity to finance asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current financing gap means service levels have already or are currently falling. A projected financing gap if not addressed will result in a future diminution of existing service levels.

Heritage asset

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

Impairment Loss

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

Infrastructure assets

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

Investment property

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

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

Key performance indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service

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

Life Cycle Cost *

1. **Total LCC** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
2. **Average LCC** The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises average operations, maintenance expenditure plus asset consumption expense, represented by depreciation expense projected over 10 years. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure

The Life Cycle Expenditure (LCE) is the average operations, maintenance and capital renewal expenditure accommodated in the long term financial plan over 10 years. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of affordability of projected service levels when considered with asset age profiles.

Loans / borrowings

See borrowings.

Maintenance

All actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- **Planned maintenance**
Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.
- **Reactive maintenance**
Unplanned repair work that is carried out in response to service requests and management/ supervisory directions.
- **Specific maintenance**
Maintenance work to repair components or replace sub-components that needs to be identified as a specific maintenance item in the maintenance budget.
- **Unplanned maintenance**
Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance expenditure *

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

Materiality

The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)

The value to the Council of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of

- 87 -

the discounted total cash outflows arising from e.g. the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Non-revenue generating investments

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

Operations

Regular activities to provide services such as public health, safety and amenity, e.g. street sweeping, grass mowing and street lighting.

Operating expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense

The gross outflow of economic benefits, being cash and non cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Operating expenses

Recurrent expenses continuously required to provide a service, including power, fuel, staff, plant equipment, maintenance, depreciation, on-costs and overheads.

Operations, maintenance and renewal financing ratio

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

Operations, maintenance and renewal gap

Difference between budgeted expenditures in a long term financial plan (or estimated future budgets in absence of a long term financial plan) and projected expenditures for operations, maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

Pavement management system (PMS)

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

PMS Score

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

Rate of annual asset consumption *

The ratio of annual asset consumption relative to the depreciable amount of the assets. It measures the amount of the consumable parts of assets that are consumed in a period (depreciation) expressed as a percentage of the depreciable amount.

Rate of annual asset renewal *

The ratio of asset renewal and replacement expenditure relative to depreciable amount for a period. It measures whether assets are being replaced at the rate they are wearing out with capital renewal expenditure expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade/new *

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

Recoverable amount

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

Recurrent expenditure

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

Recurrent funding

Funding to pay for recurrent expenditure.

- 88 -**Rehabilitation**

See capital renewal expenditure definition above.

Remaining useful life

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

Renewal

See capital renewal expenditure definition above.

Residual value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue generating investments

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

Risk management

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

Section or segment

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

Service potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Specific Maintenance

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

Strategic Longer-Term Plan

A plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the Council's longer-term plans such as the service management plan and the long-term financial plan. The plan is prepared in consultation with the community and details where the Council is at that point in time, where it wants to go, how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the plan will be resourced.

Sub-component

Smaller individual parts that make up a component part.

Useful life

Either:

(a) the period over which an asset is expected to be available for use by an entity, or

(b) the number of production or similar units expected to be obtained from the asset by the entity.

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

Value in Use

The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the

- 89 -

asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: IPWEA, 2009, AIFMG Glossary

Additional and modified glossary items shown *

Appendix H Risk Register

-30-

RISK IDENTIFICATION						RISK ANALYSIS				RISK TREATMENT				RISK TREATMENT PLAN					
Risk No.	Asset at Risk	What can happen?	When can it occur?	Possible cause	Existing controls	Is risk credible?	Likelihood	Consequences	Risk rating	Action required	Is risk acceptable?	Treatment options?	Residual risk	Risk treatment plan	Actions	Responsibility	Resources	Budget	Date due
1	Stores	Loss of inventory, safety risk and storage	Anytime in the future	Floods	Waterway maintenance, however the wall does prevent low level floods and water discharge	Yes	Annual safety	Moderate	High	Prevent flood action required	No	Improved drainage largely, often during a possible flood, with the (soil) trench there will always be risk of flooding	Due to the nature of the LVRG, with its large lake, (soil) trench there will always be risk of flooding	Design for greater flood intensity	Upgrade all drainage paths	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
2	Buildings	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
3	Library, Library Mail Centre, Penck Street Library	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
4	Library Youth Centre, 13 Mary Street Library	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
5	Old Neuman House Public Works, Wilson Street Library	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
6	Shoreline Grove Tennis Club, Tulla	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
7	Shoreline Grove Village Public Works, Douglas Road, Shoreline Grove	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
8	Shoreline Grove Tennis Club, Ragsdale Street, Ragsdale Hill	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
9	Shoreline Grove Tennis Club, Ragsdale Hill	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020
10	Shoreline Grove Tennis Club, Ragsdale Hill	Damage to infrastructure and surrounds	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prevent flood action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRG & State Govt	LVRG & State Govt	Direct labour and contractors	When necessary?	Ongoing until 22/07/2020

LOCHER VILLAGE REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

RISK IDENTIFICATION						RISK ANALYSIS				RISK TREATMENT				RISK TREATMENT PLAN					
Risk No.	Asset at Risk	What can happen?	When can it occur?	Possible cause	Existing controls	Is risk credible?	Likelihood	Consequences	Risk rating	Action required	Is risk acceptable?	Treatment options	Residual risk	Risk treatment plan	Actions	Responsibility	Resources	Budget	Date due
11	London View Tribunals M1 Stylus Road, London View	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
12	Tribunals New Subdivision Cresthaven Broomour Gerrheim	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
13	Tribunals Bay Park, Wilson Street, Gerrheim	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
14	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
15	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
16	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
17	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
18	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
19	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
20	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
21	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
22	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
23	Lady Rye Riverside, Dand Street, Wilson Road, Ladyby	Damage to infrastructure and services	Anytime in the future	Floods	As Above	Yes	Low	Moderate	High	Prohibited action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & State cabinets over a 20 year period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	

LOCHER WALKER REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

RISK IDENTIFICATION							RISK ANALYSIS				RISK TREATMENT				RISK TREATMENT PLAN				
Risk No.	Asset at Risk	What can happen?	When can it occur?	Possible cause	Existing controls	Is risk credible?	Likelihood	Consequences	Risk rating	Action required	Is risk acceptable?	Treatment options?	Residual risk	Risk treatment plan	Actions	Responsibility	Resources	Budget	One due
24	Giddons Indoor Centre, Woodlands Road, Cefn	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
25	Indoor Centre, Woodlands Road, Cefn	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
26	Laundry Room, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
27	School Paddock Village, Dwygan and Porthorpe, Dwygan and Porthorpe Road	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
28	Laundry Room, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
29	Shed, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
30	Workshop, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
31	Shed, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
32	Laundry Room, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
33	Day Centre, Porthorpe Road, Dwygan and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
34	Wagon, Dwygan Road, Porthorpe and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030
35	Garage, Dwygan Road, Porthorpe and Porthorpe	Damage to infrastructure and surrounds	Anytime in the month	As Above	As Above	Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood immunity	Upgrade all VWRG & Sials over a 10 year period	Direct labour and contractors	When working?	When	Ongoing until 22/07/2030

LODGE VALLEY REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 92 -

- 93 -

RISK IDENTIFICATION							RISK ANALYSIS			RISK TREATMENT				RISK TREATMENT PLAN					
Risk No.	Asset at Risk	What can happen?	When can it occur?	Possible cause	Existing controls	Is risk credible?	Likelihood	Consequences	Risk rating	Action required	Is risk acceptable?	Treatment options	Residual risk	Risk treatment plan	Actions	Responsibility	Resources	Budget	Date due
36	Post Office Street Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
37	Stam Charles Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
38	Trinity Industry Display Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
39	Stab Cottage Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
40	Blacksmith Shop Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
41	Cow Bats Street Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
42	Church Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
43	Trinity House Power Village Design and Permit Streets Lighting	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
44	Power Village Accessing Building	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
45	Das Neumann Hall, Old Nelson & Parks Sts, Ladbroke	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	Moderate	High	Frontboard action required	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	
46	George 4th, Das Neumann Hall, Old Nelson & Parks Sts, Ladbroke	Damage to infrastructure and services	Anytime in the month	As Above		Yes	Low	High	Frontboard action required	No	No	As Above	As Above	Design for greater flood intensity	Upgrade all LVRC & Stale cables over a 10yr period	Direct labour and contractors	When working?	Ongoing until 22/07/2030	

LONDON VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

Appendix I – Asset Register – Top 10

Asset ID	Sub_Category	Asset Name	Year Acquired	CRC Now	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000083	Building	Ladley Multi Purpose Community/Sports Centre Grand Stand, Ladley	2013	111,000.00	80		1		
80000088	Building	Lockyer Valley Sports & Aquatic Centre, 136 Spencer Street, Garton	2015	10,352,400.00	80		2		
80000147	Building Component	Lockyer Valley Cult Cent Substructure, 34 Lake Apex Drive Garton	2010	1,076,845.00	80		2		
80000148	Building Component	Lockyer Valley Cult Cent Substructure, 34 Lake Apex Drive Garton	2010	6,153,400.00	80		2		
80000150	Building Component	Lockyer Valley Cultural Centre-Finishes, 34 Lake Apex Drive Garton	2015	2,307,525.00	25		2		
80000151	Building Component	Lockyer Valley Cultural Centre-Finishes, 34 Lake Apex Drive Garton	2015	766,175.00	25		2		
80000152	Building Component	Lockyer Valley Cultural Centre Services, 34 Lake Apex Drive Garton	2013	5,076,555.00	25		2		
80000238	Building	Granham Butte Factory 6 Victor Street, Granham	1998	1,012,440.00	80		2		
80000283	Building	Murphys Creek Community Hall, 29 Murphys Creek School Road, Murphys Creek	1981	301,050.00	80		4		
80000320	Building	Helidon Soldiers Memorial Hall at Historical Village, Lake Apex, Garton	1976	112,050.00	80		4		
80000345	Building Component	Garton Administration Building Sub-Structure, 26 Railway Street, Garton	1986	184,575.00	80		3		
80000346	Building Component	Garton Administration Building Super Structure, 26 Railway Street, Garton	1986	1,384,312.50	80		3		
80000347	Building Component	Garton Administration Building Finisher, 26 Railway Street, Garton	2007	369,150.00	25		3		
80000348	Building Component	Garton Administration Building Fittings, 26 Railway Street, Garton	2010	123,050.00	25		3		
80000349	Building Component	Garton Administration Building Services, 26 Railway Street, Garton	2001	1,015,162.50	25		3		
80000355	Building Component	Ladley Cultural Centre Sub-Structure, 3 Ladley - Parliament Road, Ladley North	1986	351,535.80	80		3		
80000356	Building Component	Ladley Cultural Centre Super-Structure, 1 Ladley - Parliament Road, Ladley North	1986	2,008,776.00	80		3		
80000357	Building Component	Ladley Cultural Centre Finisher, 3 Ladley - Parliament Road, Ladley North	2007	753,291.00	25		3		
80000358	Building Component	Ladley Cultural Centre Fittings, 3 Ladley - Parliament Road, Ladley North	2010	362,968.04	25		3		
80000359	Building Component	Ladley Cultural Centre Services, 3 Ladley - Parliament Road, Ladley North	2001	1,657,240.20	25		3		
80000365	Building Component	Garton Share Hall Sub-Structure, 50 North Street, Garton	1986	213,241.88	80		2		
80000366	Building Component	Garton Share Hall Super-Structure, 50 North Street, Garton	1986	1,371,145.67	80		2		
80000367	Building Component	Garton Share Hall Finisher, 50 North Street, Garton	2007	456,946.88	25		2		
80000368	Building Component	Garton Share Hall Fittings, 50 North Street, Garton	2010	157,328.23	25		2		
80000369	Building Component	Garton Share Hall Services, 50 North Street, Garton	2001	852,967.50	25		2		
80000380	Building Component	Whitcott Indoor Sports Centre Sub-Structure, Parkridge Drive, Whitcott	2011	276,864.00	80		1		
80000381	Building Component	Whitcott Indoor Sports Centre Super Structure, Parkridge Drive, Whitcott	2011	1,353,600.00	80		1		
80000382	Building Component	Whitcott Indoor Sports Centre Finisher, Parkridge Drive, Whitcott	2015	438,568.00	25		1		
80000383	Building Component	Whitcott Indoor Sports Centre Fittings, Parkridge Drive, Whitcott	2015	92,288.00	25		1		
80000384	Building Component	Whitcott Indoor Sports Centre Services, Parkridge Drive, Whitcott	2014	346,080.00	25		1		

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

Appendix J – Asset Register Remainder Assets

- 95 -

Asset_ID	Sub_Category	Asset_Name	Year_Acquired	CRC_New	Updated_Useful_Life	Renewal_Cost	Condition_ (1-5)	Function_ (1-5)	Capacity/Utilisation_ (1-5)
80000005	Building	Garage in Council Carpark - Garton, 26 Railway Street, Garton	2006	31,146.00	60		2		
80000006	Building	Trading Donga Doc047, 26 Railway Street, Garton	2010	68,800.00	20		2		
80000007	Building	Lake's Place Lockyer, 17 Campbell Street, Laidley	1981	450,000.00	80		3		
80000008	Building	Crisi Centre House, Trone Street, Laidley	1976	111,960.00	80		4		
80000010	Building	Laidley Cultural Centre - South Crt, Laidley - Flaxman Road Laidley North	2001	150,000.00	40		2		
80000011	Building	Laidley Cultural Centre - South Crt, Laidley - Flaxman Road Laidley North	1986	92,850.00	60		3		
80000012	Building	Laidley Cultural Centre - Tenth Crt, Laidley - Flaxman Road Laidley North	1995	100,000.00	80		4		
80000013	Building	Kennington Grove Hall, Bertland Avenue, Kennington Grove	1986	228,000.00	60		3		
80000014	Building	Medsons Place, 130 Parrell Street, Laidley	1980	755,040.00	80		3		
80000015	Building	Laidley Youth Centre, 13 Bakery Street, Laidley	1986	743,125.00	80		3		
80000016	Building	Lockyer Waters Community Hall, 36 Topaz Crescent, Lockyer Waters	1981	299,700.00	80		4		
80000017	Building	Kennington Grove Child Care Centre, 24 Bertland Avenue, Kennington Grove	2001	314,925.00	80		2		
80000018	Building	Garton Child Care Centre, Lake Apex Drive, Garton	2001	838,600.00	80		2		
80000019	Building	Garage at Garton Child Care Centre, Lake Apex Drive, Garton	2006	11,920.00	60		2		
80000022	Building	Whitcott CWA Hall, 4 Biggs Road, Whitcott	1976	166,200.00	80		4		
80000023	Building	Crisi Centre House - Smithfield Road, Garton	1968	319,440.00	80		4		
80000024	Building	Car Garage (9 x 6m) with roller doors Smithfield Rd Crisi House	1978	32,886.00	60		4		
80000025	Building	Garton Donation Building, Safeguard Road Garton	2011	772,310.00	60		1		
80000033	Building	Hendon Donation Building, 6 Plant Street Hendon	1971	144,000.00	60		3		
80000042	Building Component	Murphys Creek Comm Buid Substructure, Goodes Road Murphys Creek	2009	31,632.30	80		1		
80000043	Building Component	Murphys Creek Comm Buid Substructure, Goodes Road Murphys Creek	2009	168,705.60	80		1		
80000045	Building Component	Murphys Creek Comm Building - Flatheads, Duds Road Murphys Creek	2014	63,264.60	75		1		
80000046	Building Component	Murphys Creek Comm Building - Flatheads, Duds Road Murphys Creek	2015	10,544.10	75		1		
80000047	Building Component	Murphys Creek Comm Building - Services, Duds Road Murphys Creek	2013	77,323.40	25		1		
80000049	Building	Des Sheenham Hain Public Toilets, William Street Laidley	1986	76,400.00	80		3		
80000050	Building	Blenheim Public Toilets, Laidley Mount Berryman Road Blenheim	1979	78,240.00	80		4		
80000051	Building	Forest Hill Public Toilets, Garton-Laidley Road Forest Hill	1979	89,040.00	80		4		
80000053	Building	Elmore Grove Village Public Toilets, Brightview Road Elmore Grove	2004	45,840.00	80		2		
80000054	Building	Lake Clarendon Toilets, Main Green Swamp - Lake Clarendon	1979	81,360.00	80		4		
80000055	Building	Forest Hill Recreation Reserve Grnts Toilets, 24 Railway Street, Forest Hill	1979	73,200.00	80		4		
80000056	Building	Johnson Park (Lockwood) Public Toilets, Johnson Drive Lockwood	2004	26,880.00	80		2		
80000057	Building	Kennington Grove Toilets, Bertland Ave Park Bertland Av Kennington	1981	78,000.00	80		4		
80000058	Building	Commercial Building, 33B Victoria St, Forest Hill	1971	416,001.90	80		4		
80000059	Building	Linn Park Toilets - Vaux Street Laidley	1968	112,560.00	80		4		
80000060	Building	Thomson Toilets, McAlpine Road Thornton	1971	95,280.00	80		4		
80000061	Building	Narda Lagoon Toilets, Drayton Road, Laidley	1981	89,520.00	80		4		
80000062	Building	Laidley Cemetery Amenities, Southern Street Laidley	1972	35,040.00	80		4		
80000063	Building	Black Lake Apex Park Public Toilets, God Links Drive, Garton	1970	153,360.00	80		4		
80000064	Building	North Street Public Toilets, North Street, Garton	1981	193,680.00	80		4		
80000065	Building	Sodders - Memorial Pk Toilets, Helidon, 11 Turner Street, Helidon	1983	71,760.00	80		4		
80000066	Building	Acacia Park Toilets, Acacia Avenue, Grantham	2011	131,280.00	80		1		
80000067	Building	Juncton View Toilets, Mc Sivas Road, Junction View	1976	122,640.00	80		4		
80000069	Building	Unionton Park Toilets - New, 24 Old College Road, Garton	2011	17,040.00	80		1		
80000070	Building	Murphys Creek Toilets, School Rd, Murphys Creek	1978	24,800.00	80		4		
80000071	Building	Hopetill Sports Ctr Toilets, Hopetill Rd, Tenhill	1979	57,380.00	80		4		
80000072	Building	Springbrook Park Toilets, Whitcott, Baulton Court, Whitcott	1986	111,320.00	80		3		
80000073	Building	McGovern Park Toilets, Helidon, 6 Front St, Helidon	2006	126,000.00	80		2		
80000074	Building	Racey Park Toilets, Spencer Street Garton	2006	60,480.00	80		1		
80000075	Building	Covered Parking Shed 40 bays, Garton Depot	2004	104,778.00	80		2		
80000076	Building	Garton Cemetery Toilets, Lake Apex Drive, Garton	1986	11,760.00	80		3		
80000077	Building	Whitcott CWA Public Toilets - 4 Biggs Road, Whitcott	1976	36,960.00	80		4		
80000078	Building	Toilets - New Subdivision Grantham, Bannister Grantham	2011	67,680.00	80		1		

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

Asset ID	Sub-Category	Asset Name	Year Acquired	CRG New	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000079	Building	Tobels Burger Park, William Street Grafton	2011	37,200.00	80		1		
80000080	Building	Lake Apex Public Toilets, Lake Apex Grafton	1991	83,200.00	80		3		
80000082	Building	Ladley Recreation Reserve Covered Gym Access, Wilton Road, Ladley	2014	880,000.00	80		1		
80000084	Building	Ladley Recreation Reserve Soccer/Medical Amenity Building, Wilton Road Ladley	2015	156,825.00	80		1		
80000085	Building	Ladley Recreation Reserve Caravan/Multi Use, Wilton Road, Ladley	2006	119,550.00	80		1		
80000087	Building	Ladley Swimming Pool School, 44 John Street, Ladley	1981	295,850.00	80		3		
80000088	Building	Ladley Swimming Pool Club Facility, 44 John Street, Ladley	1976	71,250.00	80		4		
80000089	Building	Ladley Swimming Pool Pump House, 44 John Street, Ladley	1976	57,100.00	80		4		
80000090	Building	Ladley Swimming Pool Storage Shed, 44 John Street, Ladley	1976	23,340.00	60		4		
80000091	Building	Forest Hill Rec. Hn., Tennis Clubhouse	1976	53,125.00	80		4		
80000092	Building	Forest Hill Cricket Clubhouse	2001	59,340.00	60		3		
80000093	Building	Glenore Grove Oval Club House	2001	130,750.00	80		3		
80000094	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000095	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000097	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000100	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000101	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000102	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000103	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000104	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000105	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000106	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000107	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000108	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000109	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000110	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000111	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000112	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000113	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000114	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000115	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000116	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000117	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000118	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000119	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000120	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000121	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000122	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000123	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000124	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000125	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000126	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000127	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000128	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000129	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000130	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000131	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000132	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000133	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000134	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000135	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000136	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000137	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000138	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000139	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000140	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000142	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		
80000143	Building	Ladley Recreation Reserve Storage Facility, Wilton Road Ladley	2013	196,200.00	80		1		

LOCKHEW WALLINGFORD COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 97 -

Asset ID	Sub-Category	Asset Name	Year Acquired	CRG New	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000144	Building	Lake Dyer Caravan Residence, Ladbroke Forest Hill Road, Ladbroke	1986	160,500.00	80		3		
80000145	Building	Leslie Cottage, 18 Maple Lane, Morphett Creek	1970	103,180.00	80		4		
80000154	Building	Weightbridge Office, 32 Treatment Plant Road, Garton	2013	5,280.00	20		1		
80000155	Building	Garton Salvageyard & King, Salvage Road, Garton	2004	529,550.00	80		3		
80000156	Building	Sales Office of Ladbroke Sales Yards, Ladbroke - Rosewood Road, Ladbroke	1957	186,500.00	80		4		
80000157	Building	Vietnam Veterans Building, Rosewood - Ladbroke Road, Ladbroke	1980	203,250.00	80		3		
80000159	Building	Garton Salvageyard Stock and Trolley, Salvage Road, Garton	1980	208,560.00	80		3		
80000160	Building	Commercial Property was previously Old Garton Squash Courts, 115 Spencer Street, Garton	1992	520,050.00	80		3		
80000162	Building	Commercial Office Building, 119 Spencer Street, Garton	1981	179,250.00	80		4		
80000163	Building	Workshop 75a Philips Road, Garton	1984	40,000.00	50		4		
80000164	Building	Workshop/Hay Shed 75a Philips Road, Garton	1976	107,700.00	80		4		
80000165	Building	Residential House (bed 2 bath), 75a Philips Road, Garton	1992	407,700.00	80		3		
80000166	Building	Garage - Rental House, 75b Philips Road, Garton	2004	21,850.00	80		2		
80000167	Building	Main Residence (4 bed 3 bath), 75a Philips Road, Garton	1992	488,290.00	80		2		
80000168	Building	Garage - Main Residence 75a Philips Road, Garton	2000	31,450.00	80		2		
80000169	Building	Helidon Donor Centre School Street Helidon (decommissioned previously located at Innisbrook Garton)	2009	23,200.00	20		3		
80000170	Building	Rented Shed 28 Anzac Avenue, Garton	1981	321,600.00	60		4		
80000171	Building	Garton Tip Shop, 32 Treatment Plant Road, Garton	2004	413,940.00	60		2		
80000172	Building	Garton Tip Site Office, 32 Treatment Plant Road, Garton	2010	10,260.00	60		2		
80000174	Building Component	Garton Material Recycling Facility Substructure, 32 Treatment Plant Road, Garton	2011	229,587.54	80		2		
80000175	Building Component	Garton Material Recycling Facility Superstructure, 32 Treatment Plant Road, Garton	2011	1,059,634.80	80		2		
80000177	Building Component	Garton Material Recycling Facility Finishes, 32 Treatment Plant Road, Garton	2015	88,107.90	25		2		
80000178	Building Component	Garton Material Recycling Facility Fittings, 32 Treatment Plant Road, Garton	2015	52,987.74	25		2		
80000179	Building Component	Garton Material Recycling Facility Services, 32 Treatment Plant Road, Garton	2014	335,551.02	25		2		
80000181	Building	Dog Pound - Ladbroke, Ladbroke Rosewood Road, Ladbroke	1986	166,100.00	80		4		
80000182	Building	Parking Cover 1 Ladbroke, Rosewood - Ladbroke Road, Ladbroke	1992	67,800.00	60		3		
80000183	Building	Ladbroke Depot Main Workshop, Rosewood - Ladbroke Road, Ladbroke	1991	772,715.00	60		3		
80000184	Building	Community Services Building, Rosewood - Ladbroke Road, Ladbroke	1986	401,440.00	80		3		
80000185	Building	Timber Store Ladbroke Depot, Ladbroke Rosewood Road, Ladbroke	1980	56,100.00	80		5		
80000186	Building	Steel Office Ladbroke Depot, Ladbroke Rosewood Road, Ladbroke		0.00	80		4		
80000187	Building	Steel Store Ladbroke Depot, Ladbroke Rosewood Road, Ladbroke	1980	100,000.00	80		4		
80000188	Building	Nursery at Ladbroke Depot	1992	50,000.00	80		5		
80000189	Building	Ladbroke Store - Cages external, Ladbroke Rosewood Road, Ladbroke	1992	8,000.00	80		4		
80000190	Building	Chemical Store Drones, Ladbroke - Rosewood Road, Ladbroke	2009	11,360.00	20		4		
80000191	Building	Records Storage Shed, Rosewood - Ladbroke Road, Ladbroke	1986	40,200.00	80		3		
80000192	Building	Garton Depot Store Building, 81 Tenhill Creek Road, Garton	2004	256,302.80	60		2		
80000193	Building	Chemical Storage Shed No 1, Rosewood Wards Inspector, 81 Tenhill Creek Road, Garton	2004	6,850.00	60		2		
80000194	Building	Chemical Storage Shed No 2 (6m x 2.4m), Works Depot, Tenhill Creek Road, Garton	2004	6,700.00	60		2		
80000195	Building	Chemical Storage Shed No 3 (2.4m x 2.4m), Works Depot, Tenhill Creek Road, Garton	2004	3,000.00	60		2		
80000197	Building	Foreman's Office and Toilet, 81 Tenhill Creek Road, Garton	2013	441,600.00	80		2		
80000198	Building	Foreman Storage Shed 1, 81 Tenhill Creek Road, Garton	2004	114,500.00	60		2		
80000199	Building	Trades Shed, 81 Tenhill Creek Road, Garton	2004	75,500.00	60		2		
80000200	Building	Water and Sewerage Building No 2, 81 Tenhill Creek Road, Garton	2013	43,875.00	80		2		
80000201	Building	Garton Depot Workshop, 81 Tenhill Creek Road, Garton	2004	54,780.00	60		2		
80000202	Building	Covered Parking Shed 20 Bays Garton Depot West, 81 Tenhill Creek Road, Garton	2006	91,500.00	60		2		
80000203	Building	Garage / Storage for Water Services, 81 Tenhill Creek Road, Garton	2006	18,250.00	60		2		
80000204	Building	Store Shed No 1, Tenhill Creek Road, Garton	2004	60,000.00	80		2		
80000205	Building	Store Shed No 2, Tenhill Creek Road, Garton	2004	60,000.00	80		2		
80000206	Building	Garton Livestock Pound, Treatment Plant Rd, Garton	2001	25,000.00	80		2		
80000207	Building	Steel Garton Livestock Pound, Garton	1991	39,440.00	80		3		
80000208	Building	Dog and Cat Pound - Garton, Treatment Plant Rd, Garton	1986	136,100.00	80		3		
80000209	Building	Carport Dog & Cat Pound, Garton	1996	10,260.00	80		3		
80000210	Building	Ladbroke S.E. S. Headquarters, Rosewood - Ladbroke Road, Ladbroke	1996	223,790.00	60		2		

LOCAL GOVERNMENT COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

Asset ID	Sub-Category	Asset Name	Year Acquired	CRG New	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000211	Building	Forest Hill S.E. Headquarters, Railway Street Forest Hill	1966	211,540.00	60		2		
80000212	Building	Garton 165 Headquarters, 116 Spencer Street, Garton	1996	221,000.00	60		2		
80000213	Building	Luckey Waters S.E. Headquarters, Topal Creek Luckey Waters	1996	175,000.00	60		2		
80000214	Building	Residence (Crisis House), 48 Cochran Street, Garton	1986	175,950.00	80		3		
80000215	Building	Teller Donga Doc009, 81 Tenthall Creek Road, Garton	2010	64,080.00	20		2		
80000216	Building	Office Donga 1, 81 Tenthall Creek Road, Garton	2010	58,320.00	20		2		
80000217	Building	Office Donga 2, 81 Tenthall Creek Road, Garton	2010	56,700.00	20		2		
80000218	Building	Office Donga 3, 81 Tenthall Creek Road, Garton	2010	57,600.00	20		2		
80000219	Building	Office Donga 4, 81 Tenthall Creek Road, Garton	2010	58,120.00	20		2		
80000220	Building	Office Donga 5, 81 Tenthall Creek Road, Garton	2010	59,280.00	20		2		
80000221	Building	Office Donga 6, 81 Tenthall Creek Road, Garton	2010	58,260.00	20		2		
80000222	Building	Disaster Management Donga Doc018, 26 Railway Street Garton	2009	53,920.00	20		3		
80000223	Building	Accommodation Donga Doc020, 168 Woodlands Road, Garton	2012	22,220.00	20		2		
80000224	Building	Accommodation Donga Doc021, 168 Woodlands Road, Garton	2012	21,560.00	20		2		
80000225	Building	Accommodation Donga Doc022, 168 Woodlands Road, Garton	2012	22,550.00	20		2		
80000226	Building	Accommodation Donga Doc023, 168 Woodlands Road, Garton	2012	21,740.00	20		2		
80000227	Building	Accommodation Donga Doc024, 168 Woodlands Road, Garton	2012	21,780.00	20		2		
80000228	Building	Accommodation Donga Doc025, 168 Woodlands Road, Garton	2012	20,080.00	20		2		
80000229	Building	Accommodation Donga Doc026, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000230	Building	Accommodation Donga Doc027, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000231	Building	Accommodation Donga Doc028, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000232	Building	Accommodation Donga Doc029, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000233	Building	Accommodation Donga Doc030, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000234	Building	Accommodation Donga Doc031, 168 Woodlands Road, Garton	2012	22,110.00	20		2		
80000235	Building	Accommodation Donga Doc032, 168 Woodlands Road, Garton	2012	81,180.00	20		2		
80000236	Building	Laundry Donga Doc033, 168 Woodlands Road, Garton	2012	38,600.00	20		2		
80000237	Building	Kitchen Donga Doc034, 168 Woodlands Road, Garton	2012	69,000.00	20		2		
80000238	Building	Solar show toilets at Shungwagwe, 136 Spencer Street, Garton	1970	124,800.00	80		3		
80000239	Building	Showground Toilets near Yakes Street, 136 Spencer Street, Garton	1970	151,440.00	80		3		
80000240	Building	Large Showground Stables, 136 Spencer Street, Garton	1995	451,600.00	80		3		
80000241	Building	Accommodation Donga Doc054, 168 Woodlands Road, Garton	2012	37,400.00	20		2		
80000242	Building	Accommodation Donga Doc056, 168 Woodlands Road, Garton	2012	36,120.00	20		2		
80000243	Building	Accommodation Donga Doc058, 168 Woodlands Road, Garton	2012	37,950.00	20		2		
80000244	Building	Accommodation Donga Doc057, 168 Woodlands Road, Garton	2012	37,950.00	20		2		
80000245	Building	Accommodation Donga Doc058, 168 Woodlands Road, Garton	2012	90,200.00	20		2		
80000246	Building	Accommodation Donga Doc059, 168 Woodlands Road, Garton	2012	38,430.00	20		2		
80000247	Building	Accommodation Donga Doc060, 168 Woodlands Road, Garton	2012	35,090.00	20		2		
80000248	Building	Cochrane St Aged Units - Nos. 1, 2 & 3, 40 Cochrane Street, Garton	1977	421,200.00	80		3		
80000249	Building	Carport at Unit 2, 46 Cochrane Street, 46 Cochrane Street Garton	1990	6,060.00	60		4		
80000250	Building	Car Port - Unit 1, 46 Cochrane St, Garton	1990	5,160.00	60		4		
80000251	Building	Cochrane St Aged Units - Nos. 4, 5 & 6, 44 Cochrane Street, Garton	1977	502,650.00	80		3		
80000252	Building	Chabes Lane Aged Units - Nos. 1, 2 & 3, Clunkers Lane, Garton	1977	443,550.00	80		3		
80000253	Building	Chabes Lane Aged Units - Nos. 4, 5 & 6, Clunkers Lane, Garton	1980	428,400.00	80		3		
80000254	Building	Hilldon Tennis Club Store Room, 28 to 32 Arthur Street, Hilldon	1976	4,500.00	80		4		
80000255	Building	Garton Cemetery Store Building, Lake Apex Drive, Garton	1996	15,600.00	80		2		
80000256	Building	Lake Apex Storage Shed, Lake Apex Access Road, Ladbys Heights	2010	15,800.00	60		1		
80000257	Building	Rental House, 2 Singh Street, Grantism	2013	286,625.00	80		1		
80000258	Building	Garton Depot Lunch Room Donga, 81 Tenthall Creek Road, Garton	2013	71,000.00	20		2		
80000259	Building	Pump House, 32 Treatment Plant Road, Garton	1996	8,880.00	60		2		
80000260	Building	Damoumbe 1, 32 Treatment Plant Road, Garton	2007	33,660.00	60		3		
80000261	Building	Damoumbe 2, 32 Treatment Plant Road, Garton	2007	69,000.00	60		3		
80000262	Building	Damoumbe 3, 32 Treatment Plant Road, Garton	2007	8,010.00	60		3		
80000263	Building	Whitcott Transfer Station Office, Spa Water Road, Blanchview	2007	11,760.00	60		3		
80000264	Building	Murphy's Creek Transfer Station Office, 92 Miluna Road, Upper Luckey	2007	11,680.00	20		3		

LOCKER VALLEY REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 98 -

Asset ID	Sub-Category	Asset Name	Year Acquired	CRG New	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000273	Building	Heldon Transfer Station Office, 70 Severnham Vale Road, Helsdon	2007	9,360.00	20		3		
80000274	Building	Grantham Transfer Station Office, Grantham - Wincoll Road, Wincoll	2007	9,920.00	20		3		
80000275	Building	Lockyer Waters Transfer Station Office, 38 Kelly Road, Spring Creek	2007	8,560.00	80		3		
80000276	Building	Progress Park Toilet, 32 Arthur Street, Helsdon	2006	61,200.00	60		1		
80000277	Building	Il M William Park Toilet, 14 Gorman Gap Road, Preston	2006	36,960.00	60		5		
80000278	Building	Carrollside Tennis Courts Building, 1091 Garton - Cifton Road, Ma Ma Creek	1986	49,560.00	80		3		
80000279	Building	Chemical Shed 75a Philip Road, Grantham	1995	21,180.00	80		4		
80000280	Building	Murphys Creek Grounds Toilet, 18 Heale Lane, Murphys Creek	1986	53,280.00	80		3		
80000281	Building	Garton SES Storage Structure, 136 Spencer Street, Garton	2001	81,900.00	60		3		
80000282	Building	Small Storage Shed, 27 Treatment Plant Road, Garton	2001	3,090.00	60		3		
80000284	Building	Postmans Ridge Public Hall, 199 Murphys Creek Road, Murphys Creek	1981	433,950.00	80		4		
80000285	Building	Postmans Ridge Hall Toilet, 199 Murphys Creek Road, Murphys Creek	1981	43,680.00	80		4		
80000286	Building	Lockrose Transfer Station Office, Village Road, Lockrose	2009	8,160.00	20		3		
80000287	Building	Garton Shed, 36 Topaz Crescent, Lockyer Waters	2009	12,800.00	60		2		
80000288	Building	Garton Shed, 24 Bertrand Avenue, Kensington Grove	2009	9,760.00	60		2		
80000289	Building	Laidley Youth Centre, Ambrose Street, Laidley	1996	151,600.00	20		2		
80000290	Building	Workshop Shed, 75a Philip Road, Grantham	1995	54,800.00	60		4		
80000291	Building	Shed, 75a Philip Road, Grantham	1995	19,250.00	60		4		
80000292	Building	Garton Shed, Salsford Road, Garton	2001	3,675.00	60		3		
80000293	Building	Blenheim Public Hall, 16 Mount Berryman Road, Blenheim	1980	570,750.00	30		3		
80000294	Building	Laidley Salsford Toilets, Rosewood - Laidley Road, Laidley	1981	41,040.00	80		4		
80000295	Building	Estimate Grove Fire Brigade, 3 Leader Street, Estimate Grove	2008	109,320.00	60		1		
80000296	Building	Parking Cover 2 Laidley Depot, Rosewood - Laidley Road, Laidley	1984	103,150.00	60		4		
80000297	Building	Laidley Sale Yard Main Ring, Rosewood - Laidley Road, Laidley	1999	147,825.00	60		4		
80000298	Building	Craball Park Toilet Block, 43 Princess Street, Garton	1976	130,080.00	80		4		
80000299	Building	Emergency Callbox Shed, 81 Tennhill Creek Road, Garton	2007	4,050.00	60		2		
80000300	Building	Storage Shed 1, 81 Tennhill Creek Road, Garton	2007	5,130.00	60		2		
80000301	Building	Storage Shed 2, 81 Tennhill Creek Road, Garton	2007	4,700.00	60		2		
80000302	Building	Foreman Storage Shed 2, 81 Tennhill Creek Road, Garton	2007	65,400.00	60		2		
80000303	Building	Dangerous Goods Shed, 81 Tennhill Creek Road, Garton	2007	2,600.00	60		2		
80000304	Building	Facilities Maintenance Storage Shed 1, 81 Tennhill Creek Road, Garton	2007	8,400.00	60		2		
80000305	Building	Facilities Maintenance Storage Shed 2, 81 Tennhill Creek Road, Garton	2007	4,450.00	60		2		
80000306	Building	Covered Parking Shed 20 Bays Garton Depot East, 81 Tennhill Creek Road, Garton	2007	55,530.00	60		2		
80000307	Building	Oil Storage Donga, Rosewood - Laidley Road, Laidley	2004	4,680.00	60		4		
80000308	Building	Parks Storage Shed, Rosewood - Laidley Road, Laidley	1992	19,700.00	60		4		
80000309	Building	Old Foremans Shed, Rosewood - Laidley Road, Laidley	1992	30,250.00	60		4		
80000310	Building	Entrance Hut at Pheasant Village, 92 Dunsford Street, Laidley	1976	11,640.00	80		4		
80000311	Building	Cross Centre Shed, 25 Frome Street, Laidley	2008	27,750.00	60		1		
80000312	Building	Forest Hill Recreation Reserve Laidley Toilets, 24 Railway Street, Forest Hill	2006	67,920.00	80		1		
80000313	Building	Hemal House Carport, 2 Shiph Street, Grantham	2012	13,160.00	80		1		
80000314	Building	House Stone Room at Historical Village, Lake Apex, Garton	1976	70,200.00	80		4		
80000315	Building	House at Historical Village, Lake Apex, Garton	1976	225,600.00	80		4		
80000316	Building	School Residence at Historical Village, Lake Apex, Garton	1976	240,710.00	80		4		
80000317	Building	Lockup at Historical Village, Lake Apex, Garton	1976	31,050.00	80		4		
80000318	Building	Upper Tennhill Congregation Chapel at Historical Village, Lake Apex, Garton	1976	76,400.00	80		4		
80000319	Building	General Store at Historical Village, Lake Apex, Garton	1976	32,020.00	80		4		
80000321	Building	Historical Museum at Historical Village, Lake Apex, Garton	1976	378,000.00	80		4		
80000322	Building	Store Building 1 at Historical Village, Lake Apex, Garton	1992	7,350.00	60		4		
80000323	Building	Store Building 2 at Historical Village, Lake Apex, Garton	1992	9,350.00	80		4		
80000324	Building	Toilet Block at Historical Village, Lake Apex, Garton	1976	21,320.00	80		4		
80000325	Building	Zooche Produce Shed at Historical Village, Lake Apex, Garton	1968	94,140.00	60		4		
80000326	Building	Garton Fire Station at Historical Village, Lake Apex, Garton	1976	114,000.00	60		4		
80000327	Building	BI Contemporary Machinery Shed at Historical Village, Lake Apex, Garton	1968	76,980.00	60		4		
80000328	Building	Logan Shed at Historical Village, Lake Apex, Garton	1968	166,560.00	60		4		

LOCKYER VALLEY REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 105 -

Asset ID	Sub-Category	Asset Name	Year Acquired	CRG New	Updated Useful Life	Renewal Cost	Condition (1-5)	Function (1-5)	Capacity/Utilisation (1-5)
80000320	Building	Sub hut at Historical Village, Lake Apsen, Garton	1976	59,400.00	80		4		
80000330	Building	Wheelwright and Blacksmith Shop at Historical Village, Lake Apsen, Garton	1976	139,000.00	80		4		
80000331	Building	Gartons Railway Station at Historical Village, Lake Apsen, Garton	1976	278,000.00	80		4		
80000332	Building	Machine Shed, Lake Apsen, Garton	2007	112,200.00	60		3		
80000333	Building	Linn Park Public Toilet, Garton - Hildon Road, Lower Tenthill	2011	74,400.00	60		3		
80000334	Building	Cahill Park Carreen, 43 Princess Street, Garton	2009	164,280.00	15		1		
80000335	Building	Cahill Park Change Rooms, 43 Princess Street, Garton	2012	79,200.00	20		1		
80000337	Building	Menhies, Garton Aquatic Centre, Spencer Street, Garton	2014	1,345,500.00	50		1		
80000338	Building	Cubhouse, Garton Aquatic Centre, Spencer Street, Garton	2014	577,500.00	50		1		
80000339	Building	50m Pool Pumphouse, Garton Aquatic Centre, Spencer Street, Garton	2014	486,500.00	50		1		
80000340	Building	LTS Pool Pumphouse, Garton Aquatic Centre, Spencer Street, Garton	2014	350,000.00	50		1		
80000341	Building	Equipment Shed, Garton Aquatic Centre, Spencer Street, Garton	2014	290,200.00	50		1		
80000342	Building	Cahill Park Storage Building 43 Princess Street, Garton Unidentified Donga moved there?	2009	28,800.00	10		3		
80000343	Building	Men's Shed Toilets Garton Donation Building, Sackville Road, Garton	2016	43,200.00	30		3		
80000344	Building	Vietnam Vets Donga at the Ladies Sackville	2012	70,220.23	30		3		
80000350	Building Component	Ladies Regional Office Sub-Structure, 9 Spicer Street, Ladies	1967	211,401.68	80		4		
80000351	Building Component	Ladies Regional Office Super-Structure, 9 Spicer Street, Ladies	1967	1,208,610.32	80		4		
80000352	Building Component	Ladies Regional Office Finishes, 9 Spicer Street, Ladies	1999	362,402.88	25		4		
80000353	Building Component	Ladies Regional Office Finishes, 9 Spicer Street, Ladies	2005	151,001.20	25		4		
80000354	Building Component	Ladies Regional Office Services, 9 Spicer Street, Ladies	1987	996,007.92	25		4		
80000360	Building Component	Community Centre Hildon Hall Sub-Structure 15 Arthur Street, Hildon	1991	130,365.00	80		3		
80000361	Building Component	Community Centre Hildon Hall Super-Structure 15 Arthur Street, Hildon	1991	743,280.00	80		3		
80000362	Building Component	Community Centre Hildon Hall Finishes 15 Arthur Street, Hildon	2009	278,730.00	25		3		
80000363	Building Component	Community Centre Hildon Hall Finishes 15 Arthur Street, Hildon	2011	46,455.00	25		3		
80000364	Building Component	Community Centre Hildon Hall Services 15 Arthur Street, Hildon	2004	340,670.00	25		3		
80000370	Building Component	Ladies Recreation Reserve Indoor Gym Complex Sub-Structure, Whittier Road, Ladies	2011	82,212.40	80		1		
80000371	Building Component	Ladies Recreation Reserve Indoor Gym Complex Super-Structure, Whittier Road, Ladies	2011	639,551.60	80		1		
80000372	Building Component	Ladies Recreation Reserve Indoor Gym Complex Finishes, Whittier Road, Ladies	2015	203,485.60	25		1		
80000373	Building Component	Ladies Recreation Reserve Indoor Gym Complex Finishes, Whittier Road, Ladies	2015	116,281.20	25		1		
80000374	Building Component	Ladies Recreation Reserve Indoor Gym Complex Services, Whittier Road, Ladies	2014	406,091.20	25		1		
80000375	Building Component	Garton Indoor Equestrian Centre Sub-Structure, Woodlands Road, Garton	1996	390,667.20	60		3		
80000376	Building Component	Garton Indoor Equestrian Centre Super-Structure, Woodlands Road, Garton	1996	1,590,573.60	60		3		
80000377	Building Component	Garton Indoor Equestrian Centre Finishes, Woodlands Road, Garton	2010	139,524.00	20		3		
80000378	Building Component	Garton Indoor Equestrian Centre Finishes, Woodlands Road, Garton	2012	111,619.20	20		3		
80000379	Building Component	Garton Indoor Equestrian Centre Services, Woodlands Road, Garton	2006	558,096.00	20		3		
80000385	Building Component	Garton Pool Change Rooms and Conveniences Sub-Structure, 23 East Street, Garton	1967	80,000.00	20		5		
80000386	Building Component	Garton Pool Change Rooms and Conveniences Super-Structure, 23 East Street, Garton	1967	160,000.00	10		5		
80000387	Building Component	Garton Pool Change Rooms and Conveniences Finishes, 23 East Street, Garton	2002	40,000.00	10		5		
80000388	Building Component	Garton Pool Change Rooms and Conveniences Finishes, 23 East Street, Garton	2007	25,000.00	10		5		
80000389	Building Component	Garton Pool Change Rooms and Conveniences Finishes, 23 East Street, Garton	1992	20,000.00	25		5		
80000390	Building Component	Garton Main Workshop Sub-Structure, 81 Tenthill Creek Road, Garton	2004	243,284.89	60		3		
80000391	Building Component	Garton Main Workshop Super-Structure, 81 Tenthill Creek Road, Garton	2004	704,267.46	60		3		
80000392	Building Component	Garton Main Workshop Finishes, 81 Tenthill Creek Road, Garton	2013	81,261.63	20		3		
80000393	Building Component	Garton Main Workshop Finishes, 81 Tenthill Creek Road, Garton	2014	54,374.42	20		3		
80000394	Building Component	Garton Main Workshop Services, 81 Tenthill Creek Road, Garton	2010	270,872.10	20		3		
80000408	Building	Ladies Community Shed, South Street, Ladies	2010	34,090.25	30		3		
80000412	Building	Mozzer Street, 81 Tenthill Creek Road, Garton	2010	18,986.20	30		3		
80000413	Building	Pest Compound Covered Parking Shed 5 Bays Garton Depot, 81 Tenthill Creek Road, Garton	2010	31,636.47	30		3		
80000414	Building	Transportable Toilet Block 6999 Male and Female Non-disabled ablution, 81 Tenthill Creek Road, Garton	2010	49,861.25	30		3		
80000415	Building	Transportable Toilet Block 6999 Disabled and ambulant ablution, 81 Tenthill Creek Road, Garton	2010	49,861.25	30		3		
80000416	Building	Removable 'De Van Donga' Kitchen Canteen and Freezer 81 Tenthill Creek Road, Garton	2010	6,261.94	30		3		

LOCAL GOVERNMENT SERVICE MANAGEMENT PLAN

Appendix K – Non Replacement of Council Buildings

- 101 -

Reference No.	Property	Depreciation \$
Chemical Rental		
1	75a Philips Road, Main Residence, 75a Philips Road, Grantham	6,104
2	75a Philips Road, Chemical Shed, Grantham	266
3	75a Philips Road, Garage Main Residence, Grantham	393
4	75a Philips Road, Machinery/Hay Shed, 75a Philips Road, Grantham	1,346
5	75a Philips Road, Workshop, Grantham	0
6	75b Philips Road, Garage Rental House, Grantham	273
7	75b Philips Road, Rental House, Grantham	5,096
8	75b Philips Road, Shed, Grantham	321
9	75b Philips Road, Workshop, Grantham	913
10	Sales Office of Laidley Sale Yards, Laidley - Rosewood Road, Laidley	2,331
11	Garton Salvayards, Garden Shed, Salvayard Road, Garton	61
12	Laidley Salvayards, Main Ring, 2107 Rosewood - Laidley Road, Laidley	2,464
13	Laidley Salvayards, Toilets, 2107 Rosewood - Laidley Road, Laidley	513
		20,081
Community Housing Units		
14	Clarks Lane Units 1, 2 & 3, Clarks Lane, Garton	5,544
15	Clarks Lane Units 4, 5 & 6, Clarks Lane, Garton	5,365
16	Cochrane Street Units 1, 2 & 3, 46 Cochrane Street, Garton	5,265
17	Cochrane Street Units 4, 5 & 6, 44 Cochrane Street, Garton	6,283
18	Cris Centre House, 25 Frerne Street, Laidley	1,400
19	Cris Centre House, 369 Smithfield Road, Garton	3,983
20	Cris Centre House, 48 Cochrane Street, Garton	2,199
21	Cris Centre House, Car Garage (9 x 6m) with roller doors, Smithfield Rd	548
22	Cris Centre House, Machinery Shed (35x10m), Smithfield Road, Garton	3,010
23	Cris Centre House, Shed, 25 Frerne Street, Laidley	463

LOCKER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 102 -

24	Unit 1, 46 Cochrane Street, Carport, Garton	86
25	Unit 2, 46 Cochrane Street, Carport, Garton	101
		34,247
Commercial		
26	Commercial Office Building, 119 Spencer Street Car William Street, Garton	2,241
27	Commercial Property, 115 Spencer Street, Garton	6,501
28	Commercial Building, 338 Victoria St., Forest Hill	5,211
29	Rented Shed, 28 Anzac Avenue, Grantlham	6,360
		19,313
Council Administration		
30	Garton Admin, Disaster Management Donga, 26 Railway Street, Garton	2,696
31	Garton Admin, Garage in Carpark, 26 Railway Street, Garton	519
32	Garton Admin, Training Donga, 26 Railway Street, Garton	3,440
34	Laidley Admin Building, 9 Spicer Street, Laidley	37,750
		44,405
Council Depot/Works		
35	Garton Depot, Covered Parking Shed 40 Boys West, 81 Tenthill Creek Road, Garton	1,310
36	Garton Depot, Donga 1, 81 Tenthill Creek Road, Garton	2,916
37	Garton Depot, Donga 2, 81 Tenthill Creek Road, Garton	2,836
38	Garton Depot, Donga 3, 81 Tenthill Creek Road, Garton	2,880
39	Garton Depot, Donga 4, 81 Tenthill Creek Road, Garton	2,916
40	Garton Depot, Donga 5, 81 Tenthill Creek Road, Garton	2,964
41	Garton Depot, Donga 6, 81 Tenthill Creek Road, Garton	2,913
42	Garton Depot, Store Shed 1, 81 Tenthill Creek Road, Garton	750
43	Garton Depot, Store Shed 2, 81 Tenthill Creek Road, Garton	750
44	Laidley Depot, Cages external, Laidley-Rosewood Road Laidley	100
45	Laidley Depot, Chemical Store Donga, Laidley - Rosewood Road, Laidley	568

LOCAL GOVERNMENT REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 103 -

46	Laidley Depot, Community Services Building, 2109 Rosewood-Laidley Road, Laidley	5,043
47	Laidley Depot, Main Workshop, Rosewood - Laidley Road, Laidley	12,076
48	Laidley Depot, Nursery, Rosewood - Laidley Road, Laidley	0
49	Laidley Depot, Oil Storage Donga, Rosewood - Laidley Road, Laidley	78
50	Laidley Depot, Old Foremans Shed, Rosewood - Laidley Road, Laidley	514
51	Laidley Depot, Parking Cover 1, Rosewood - Laidley Road, Laidley	1,130
52	Laidley Depot, Parking Cover 2, Rosewood - Laidley Road, Laidley	1,723
53	Laidley Depot, Parks Storage Shed, Rosewood - Laidley Road, Laidley	328
54	Laidley Depot, Records Storage Shed, Rosewood - Laidley Road, Laidley	503
55	Laidley Depot, Steel Office, Laidley-Rosewood Road, Laidley	0
56	Laidley Depot, Steel Store, Laidley-Rosewood Road, Laidley	1,250
57	Laidley Depot, Timber Store, Laidley-Rosewood Road, Laidley	0
		44,345
Child Care		
58	Gatton Child Care Centre, Garage, Lake Apex Drive, Gatton	232
59	Gatton Child Care Centre, Lake Apex Drive, Gatton	10,483
60	Kensington Grove Child Care Centre, 24 Bertrand Avenue, Kensington Grove	3,935
61	Kensington Grove Child Care, Garden Shed, 24 Bertrand Avenue, Kensington Grove	163
		14,812
Community		
62	Cahill Park, APL Demountable Kitchen Donga 43 Princess Street, Gatton	892
63	Carriale Tennis Courts Building, 1092 Gatton - Clifton Road, Ma Ma Creek	620
64	Gatton Depot, Removable Pie Van/Donga, 81 Tenthill Creek Road, Gatton	313
65	Gatton Depot, Transportable Toilet Block 6999 Male and female Non-disabled abutment, 81 Tenthill Creek Road, Gatton	623
66	Gatton Depot, Transportable Toilet Block 6900 Disabled and Ambulant abutment, 81 Tenthill Creek Road, Gatton	623
67	Gatton Indoor Equestrian Centre, Woodlands Road, Gatton	46,509
68	Gatton Pool, Change Rooms, 23 East Street, Gatton	0
69	Gatton Pool, Equipment Building, 23 East Street, Gatton	0

LOCKYER VALLEY REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 104 -

70	Garton Pool, Kiosk, 23 East Street, Garton	0
71	Garton Pool, Storage Shed, 23 East Street, Garton	0
72	Garton Shire Hall, 50 North Street, Garton	38,145
72	Garton Showgrounds, Farnes Shed, 136 Spencer Street, Garton	1,086
73	Garton Showgrounds, Red Brick Toilets, 136 Spencer Street, Garton	0
74	Garton Showgrounds, Spray Booth, Woodlands Road, Garton	250
75	Garton Showgrounds, Yellow Toilets, 136 Spencer Street, Garton	0
76	Grantlham Butter Factory, 6 Victor Street, Grantlham	12,666
77	Healdon Community Hall, 15 Arthur Street, Healdon	19,356
78	Healdon Dinapton Demountable, School Street, Healdon	1,160
79	Healdon Information Booth, Railway Street, Healdon	0
80	Healdon Tennis Club, Store Room, 28-32 Arthur Street, Healdon	66
81	Healdon Tennis Clubhouse, 28-32 Arthur Street, Healdon	1,281
82	Indoor Equestrian Centre, Amenities, Woodlands Road, Garton	1,875
83	Indoor Equestrian Centre, Large Stables, Woodlands Road, Garton	5,545
84	Indoor Equestrian Centre, Stables, Woodlands Road, Garton	4,375
85	Kensington Grove Hall, Bertrand Avenue, Kensington Grove	3,800
86	Laidley Cultural Centre, 3 Laidley-Painland Road, Laidley North	62,923
87	Laidley Cultural Centre, Squash Ctrs, Laidley-Painland Road, Laidley North	0
88	Laidley Cultural Centre, Tennis Club House, 3 Laidley-Painland Road, Laidley North	1,548
89	Laidley Cultural Centre, Tennis Ctrs, Laidley-Painland Road, Laidley North	1,260
90	Laidley Pool, Pool Storage Shed, 44 John Street, Laidley	399
91	Laidley Pool, Pump House, 44 John Street, Laidley	714
92	Laidley Pound, Laidley-Rosewood Road, Laidley	1,828
93	Laidley Rec Reserve, Canteen/Bar, Whites Road, Laidley	1,484
94	Laidley Rec Reserve, Storage Facility, Whites Road, Laidley	2,453
95	Laidley Sports Complex, Grandstand, Whites Road, Laidley	1,438
96	Laidley Swimming Pool, Club Facility, 44 John Street, Laidley	891

LOCKHEW VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 105 -

97	Laidley Swimming Pool, Kiosk, 44 John Street, Laidley	3,711
98	Lockyer Waters Community Hall, 36 Topaz Crescent, Lockyer Waters	3,746
99	Lockyer Waters Community Hall, Garden Shed, 36 Topaz Crescent, Lockyer Waters	213
100	Murphys Creek Office Donga DocD14, 18 Jessie Lane, Murphys Creek	4,288
101	Winthcott CWA Hall, 4 Biggs Road, Winthcott	2,078
102	Winthcott CWA Hall, Toilets, 4 Biggs Road, Winthcott	462
103	Forest Hill Rec Reserve, Cricket Clubhouse, 24 Railway Street, Forest Hill	989
104	Forest Hill Rec Reserve, Tennis Clubhouse, 24 Railway Street, Forest Hill	664
		230,951
Historical		
105	Dat Neumann Haus, Cnr William & Patrick Sts, Laidley	5,375
106	Dat Neumann Haus, Garage 4 Bay, Cnr William & Patrick Streets, Laidley	640
107	Historical Village, Bi-Centenary Machinery Shed, Lake Apex, Gatton	1,283
108	Historical Village, Fire Station, Lake Apex, Gatton	1,433
109	Historical Village, General Store, Lake Apex, Gatton	474
110	Historical Village, Grantham Railway Station, Lake Apex, Gatton	2,860
111	Historical Village, Heldon Soldiers Memorial Hall, Lake Apex, Gatton	1,401
112	Historical Village, Historical Village, Lake Apex, Gatton	4,733
113	Historical Village, House Store Room, Lake Apex, Gatton	878
114	Historical Village, House, Lake Apex, Gatton	2,820
115	Historical Village, Lockup, Lake Apex, Gatton	388
116	Historical Village, Logan Shed, Lake Apex, Gatton	2,776
117	Historical Village, School Residence, Lake Apex, Gatton	3,003
118	Historical Village, Sub Hut, Lake Apex, Gatton	743
119	Historical Village, Store Building 1, Lake Apex, Gatton	123
120	Historical Village, Store Building 2, Lake Apex, Gatton	119
121	Historical Village, Toilet Block, Lake Apex, Gatton	264
122	Historical Village, Upper Tenthill Congregation Chapel, Lake Apex, Gatton	960

LOCKYER VALLEY REGIONAL COUNCIL - BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN

- 106 -

123	Historical Village, Wheeshright and Blacksmith Shop, Lake Apex, Garton	1,738
124	Historical Village, Zwickler Produce Shed, Lake Apex, Garton	1,569
125	Jessies Cottage, 18 Jessie Lane, Murphys Creek	1,290
126	Neilsons Place, 130 Patrick Street, Laidley	9,438
127	Pioneer Village, Accessioning Building, 92 Drayton Street, Laidley	0
128	Pioneer Village, Agricultural Shed, 92 Drayton Street, Laidley	1,217
129	Pioneer Village, Blacksmith Shop, 92 Drayton Street, Laidley	1,155
130	Pioneer Village, Butcher Shop, 92 Drayton Street, Laidley	784
131	Pioneer Village, Carriage Display Building, 92 Drayton Street, Laidley	1,086
132	Pioneer Village, Church, 92 Drayton Street, Laidley	893
133	Pioneer Village, Cow Bails Shed, 92 Drayton Street, Laidley	551
134	Pioneer Village, Dairy, 92 Drayton Street, Laidley	340
135	Pioneer Village, Entrance Hut, 92 Drayton Street, Laidley	146
136	Pioneer Village, Jail House, 92 Drayton Street, Laidley	619
137	Pioneer Village, Machinery Shed, 92 Drayton Street, Laidley	575
138	Pioneer Village, Museum, 92 Drayton Street, Laidley	1,443
139	Pioneer Village, Post Office, 92 Drayton Street, Laidley	512
140	Pioneer Village, School, 92 Drayton Street, Laidley	1,682
141	Pioneer Village, Shelter Shed, 92 Drayton Street, Laidley	688
142	Pioneer Village, Shire Chambers, 92 Drayton Street, Laidley	1,290
143	Pioneer Village, Slab Cottage, 92 Drayton Street, Laidley	959
144	Pioneer Village, Timber Industry Display, 92 Drayton Street, Laidley	1,468
145	Pioneer Village, Toilet Block, 92 Drayton Street, Laidley	2,604
146	Pioneer Village, Tractor Shed, 92 Drayton Street, Laidley	2,218
147	Pioneer Village, Wagon Display Building, 92 Drayton Street, Laidley	166
148	Pioneer Village, Workshop, 92 Drayton Street, Laidley	576
		55,325
Total		473,480

LOCKYER VALLEY REGIONAL COUNCIL – BUILDINGS & FACILITIES SERVICE MANAGEMENT PLAN



Transport

Service Management Plan

May 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	20/01/2017	Initial Draft	John Keen	Matthew Burdett	
V1	31/01/2017	Final	John Keen	Matthew Burdett	
V2	20/12/2017	2017/18 Revision	John Keen	Matthew Burdett	

TABLE OF CONTENTS

1	Executive Summary.....	4
	What Does This Plan Cover?.....	4
	1.1 Expenditure Analysis	5
	What are Council's Options?	7
	1.2 SMP Improvement Plan.....	8
2	Introduction	9
	2.1 Background.....	9
	2.2 Council's Goals and Objectives for Transport Services	9
	2.3 The purpose of this Transport Services Management Plan	9
3	Level of Service	10
	3.1 Community Consultation.....	10
	3.2 Current Levels of Service	10
4	Future Demand	18
	4.1 Demand Forecast	18
5	Risk Management.....	19
	5.1 Risk Assessment	19
6	Transport Assets Analysis	20
	6.1 Asset Class summary	20
	6.2 Age Profile	22
	6.3 Asset condition Profile	22
7	Financial Summary	24
	7.1 Assumptions	24
	7.2 Current Long Term Financial Plan	24
	7.3 Expenditure Comparison.....	27
	7.4 Expenditure projections for long term financial plan	28
	7.5 Financial Recommendations	29
8	Plan Improvement and Monitoring	30
	8.1 Performance Measures	30
	8.2 Improvement Plan.....	30
	8.3 Monitoring and Review Procedures.....	30
9	Appendices	31
	Appendix A 10 Year Condition Renewal Program	32
	Appendix B 10 Year New/Upgrade Program	33

1 EXECUTIVE SUMMARY

This services management plan (SMP) describes the road related assets provided to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future.

WHAT DOES THIS PLAN COVER?

The transport related assets are valued 395m (fair value) as at 30 June 2017 and are apportioned as shown in Figure 1-1.

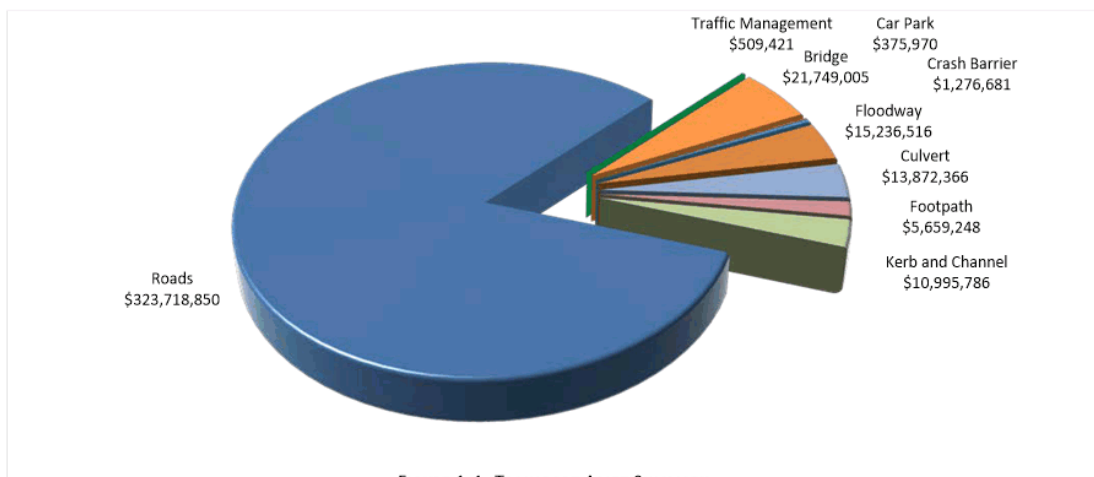


FIGURE 1-1: TRANSPORT ASSET SUMMARY

What Is The Current Condition Of These Assets?

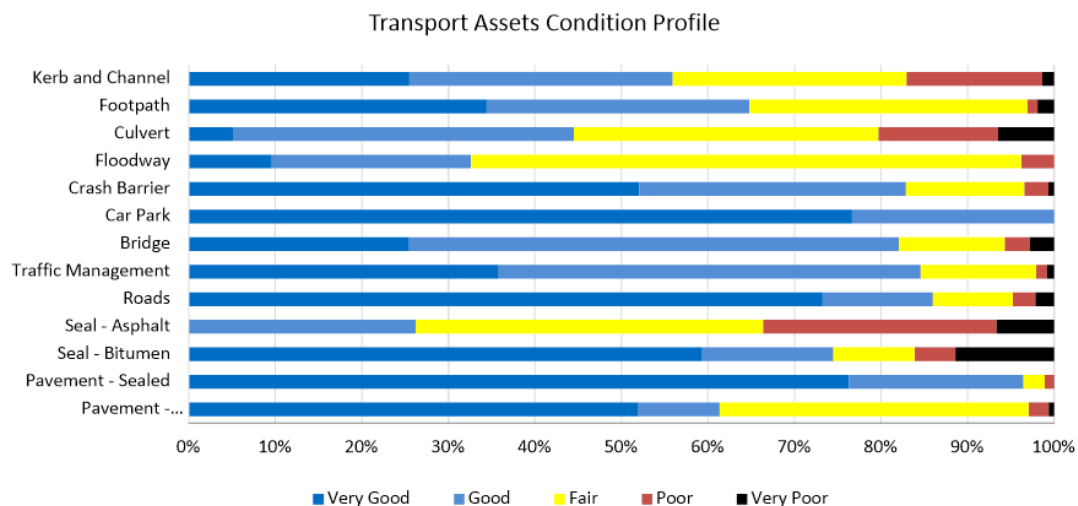


FIGURE 1-2: TRANSPORT CONDITION PROFILE

Note: The condition profiles above are currently based on 76% of the assets being physically inspected and assessed by Council staff. The remaining 24% of asset condition has been based on extrapolation of sample inspections undertaken by a licensed valuer. While this extrapolation is an acceptable industry practice, work is being undertaken in-house to improve on the accuracy of the recorded condition data. All asset types are being physically inspected on a rolling four year program. In response to the considerable financial proportion of Councils asset base being held by pavement assets Council will be undertaking a qualitative condition assessment of the road pavements and seal assets using a laser profilometer in early 2018. This condition assessment will give Council a more accurate representation of how these asset types are performing in service and a more realistic renewal investment profile. This analysis will be included in the next iteration of this plan.

1.1 EXPENDITURE ANALYSIS

Expenditure is incurred on transport related assets in three main areas, these being:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade works - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service, i.e. safer road, reduced travel times, improved drainage, providing a service that did not previously exist in that location etc.

The required expenditure analysis has been undertaken to understand what it costs to own, operate, maintain and replace Council's road related assets over a 10 year planning horizon, this is based on what is currently understood of the services and likely demand over the 10 year planning period.

1.1.1 OPERATIONS AND MAINTENANCE EXPENDITURE

The forecast operations and maintenance expenditure can be seen in Table 1-1. It has been assumed the current levels of maintenance will be continued for the 10 years of this plan and that current levels of service are deemed appropriate. Projected increases in maintenance are due to projected growth of the asset base. These come about through either developer contributed assets (i.e. new subdivisions etc.) and new or upgraded assets funded through either external funding streams, or own source funding that deliver a higher standard of service, be it a safer network or better service outcomes.

TABLE 1-1: REQUIRED OPERATIONS AND MAINTENANCE EXPENDITURE (\$'000s)

Transport	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Operations	\$1,925	\$1,963	\$2,002	\$2,042	\$2,083	\$2,125	\$2,167	\$2,211	\$2,255	\$2,300
Maintenance	\$4,906	\$5,004	\$5,104	\$5,206	\$5,310	\$5,417	\$5,525	\$5,635	\$5,748	\$5,863
Total	\$6,831	\$6,967	\$7,107	\$7,249	\$7,394	\$7,542	\$7,692	\$7,846	\$8,003	\$8,163
Benchmark Maintenance (1.75% FV)	\$6,884	\$7,022	\$7,163	\$7,306	\$7,452	\$7,601	\$7,753	\$7,908	\$8,066	\$8,227

1.1.2 CAPITAL RENEWAL EXPENDITURE

TABLE 1-2: RENEWAL EXPENDITURE ANALYSIS (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condition Renewal	\$6,468	\$6,694	\$6,794	\$7,659	\$7,064	\$6,290	\$6,239	\$6,304	\$8,349	\$6,710
Annualised	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857	\$6,857

The condition based renewal analysis, which is deemed to be the most accurate, shows that, to keep the transport assets delivering the current levels of service over the 10 year planning period, Council will need to spend on average \$6.9M per year on asset renewals.

1.1.3 NEW/UPGRADE EXPENDITURE

Council has identified a number of new and/or upgraded capital works planned for the next 10 years. The annualised expenditure for these works can be seen against the LTFP budget in Table 1-3 below.

TABLE 1-3: NEW/UPGRADE EXPENDITURE (\$'000s)

New/Upgrade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total	Surplus /Deficit when compared to LTFP \$
Planned (Capex New/Upgrade)	\$5,902	\$3,689	\$1,134	\$1,134	\$1,134	\$1,134	\$1,134	\$1,134	\$1,134	\$0	\$17,525	\$1,905
LTFP (Budgeted)	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$19,430	

1.1.4 OVERALL

THE TOTAL EXPENDITURE (OPERATIONS, MAINTENANCE, RENEWALS, NEW/UPGRADE) AND THE TOTAL FUNDING REQUIREMENTS BASED ON THE ANNUALISED CONDITION RENEWALS IS SUMMARISED IN

Figure 1-3 and Table 1-4.

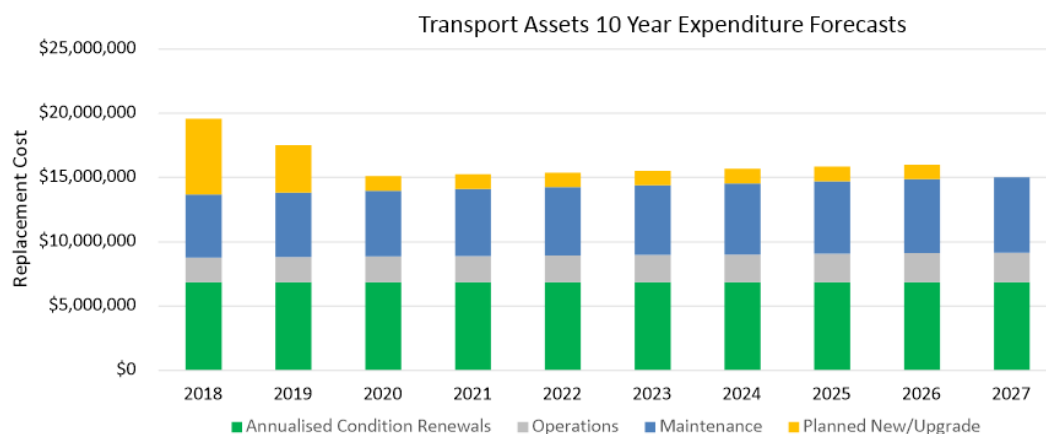


FIGURE 1-3: FUNDING REQUIRED TO DELIVER TRANSPORT SERVICES

TABLE 1-4: FUNDING SURPLUS/DEFICIT TO DELIVER TRANSPORT SERVICES AGAINST LTFP FUNDING (\$'000s)

Transport	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
SMP Identified	\$12,370	\$10,383	\$7,927	\$8,792	\$8,198	\$7,423	\$7,373	\$7,438	\$9,482	\$6,710
LTFP	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721
Cumulative Gap/Surplus	-\$3,649	-\$5,312	-\$4,518	-\$4,590	-\$4,067	-\$2,770	-\$1,422	-\$139	-\$901	\$1,110

As shown in Table 1-5 below, the funding available for the transport services are adequate over the 10 year period to keep the services sustainable over that period.

TABLE 1-5: SURPLUS/DEFICIT TO DELIVER TRANSPORT SERVICES AGAINST LTFP FUNDING (\$'000s)

SMP Identified	\$86,096
LTFP	\$87,207
Gap/Surplus	\$1,110 (surplus)

WHAT ARE COUNCIL'S OPTIONS?

Council has the option to fund appropriate service provision through a range of methods:

- Revenue can be managed to provide sufficient funding to deliver the agreed levels of service.
- Funding can be redistributed to or from other asset classes to ensure that all asset classes receive the appropriate funding.
- Service levels can be reviewed to determine appropriateness to align with the community's ability and willingness to pay.
- Council can determine what new/upgrade works are undertaken in line with the ability to attract external funds to undertake these works and the ability of Council's own source funding to operate and maintain these assets into perpetuity.
- New/upgrade works from growth will generally come from developer contributed assets that will require more stringent development conditions to ensure that the community is not left with infrastructure that does not perform satisfactorily. Appropriate funding streams will need to be made available to own and operate these contributed assets into perpetuity.

1.2 SMP IMPROVEMENT PLAN

In order to maintain current transport service levels over the next 10 years, Council will need to allow, on average \$6.9m per year to replace existing assets as they come to the end of their life. The established growth rate (population) of LVRC area is currently <2% per annum (population), however the capital works program is not reflective of this and is significantly overstated. Increases to population do not necessarily equate to a need for an increase in transport related assets, this is dependent on factors including demographics, location and affordability constraints.

It is recommended that the improvement plan, set out at the end of this SMP, be implemented. The improvement plan highlights the necessity for the following:

Review and improve;

- Long term financial planning
- Capital works programming
- Forecast planning for service delivery
- Maintenance practices

These reviews, if completed, will ensure that Council is delivering value for money to the ratepayer through the provision of services at the lowest cost in a sustainable manner.

2 INTRODUCTION

2.1 BACKGROUND

This transport service management plan is to demonstrate responsive management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The Lockyer Valley Regional Council transport assets include the following asset classes:

- Roads
- Bridges, Culverts and Floodways
- Carparks
- Crash Barriers
- Kerb and Channel
- Footpaths and Cycleways
- Traffic Management Devices (traffic islands, median strips etc.)

This service management plan is to be read in conjunction with

- Council Corporate Plan 2012-2017
- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Customer Service Charter
- Lockyer Valley Regional Council Operational Plan 2015-2016

2.2 COUNCIL'S GOALS AND OBJECTIVES FOR TRANSPORT SERVICES

Council operates and maintains the transport network to achieve the following strategic objectives:

- Meet legislative requirements
- Ensure that Council's transport services and assets are provided in a sustainable manner, with the appropriate levels of service to residents and visitors
- Safeguard Council assets including physical assets and employees by implementing appropriate management strategies and providing appropriate financial resources for those services
- Ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated
- Ensure that the transport network provides full functionality
- Ensure the network is planned appropriately to cater for future growth and risk mitigation
- Maximise the asset's useful life whilst minimising lifecycle expenditure
- Maintain a high level of community satisfaction in the delivery of transport services

2.3 THE PURPOSE OF THIS TRANSPORT SERVICES MANAGEMENT PLAN

The purpose of this plan is to:

1. Improve our understanding of the transport assets and services managed by ensuring access to quality data describing the network and the network condition, as well as the condition of all asset components
2. Provide a framework of alignment for the transport assets and the levels of service derived from the assets
3. Improve the organizational capabilities for the management of the transport assets and services they provide
4. Improve confidence levels in future works programs for asset replacement, provision and maintenance programs with the projected funding requirements understood to deliver the required services
5. Provide guidance for the Council in continuous improvement and working towards advanced service management planning

3 LEVEL OF SERVICE

3.1 Community Consultation

Community consultation is an essential part of the determination and confirmation of the levels of service framework.

The consultation with the community regarding the management of the transport network is part of Council's Community Plan roll-out. Council has developed a Customer Service Charter for sharing information with and receiving feedback from the community. Specifically to the Lockyer Valley, the elected Councillors are seen as an effective conduit to receive and understand the needs and concerns of the ratepayers and to provide this feedback through to Council management for appropriate actions and considerations.

3.2 CURRENT LEVELS OF SERVICE

In accordance with the requirements of the International Maintenance Management Manual, service levels have been defined in two terms.

3.2.1 COMMUNITY LEVELS OF SERVICE

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

Community levels of service measures used in the service management plan are:

- | | |
|------------------------|------------------------------------|
| • Quality | How good is the service? |
| • Function | Does it meet users' needs? |
| • Capacity/Utilisation | Is the service over or under used? |

3.2.2 TECHNICAL LEVELS OF SERVICE

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

Council's current service levels are detailed in the tables below; these have been drafted based on anecdotal and historic information.

The levels of service will require further development based on their cost of delivery and the community's willingness and ability to pay.

TABLE 3-1: ROAD NETWORK CURRENT LEVELS OF SERVICE

Road Network			
Classification	Lockyer Valley Regional Council has good quality, well maintained roads that comply with Council's road hierarchy requirements and are fit for purpose.		
Service Statement			
Performance Measure	Community feedback through surveys or complaints and the average condition of the road network.		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained roads Do not pond water Look well maintained Transport infrastructure condition meets hierarchy requirements for condition measure	<u>Operations & Maintenance</u> <ul style="list-style-type: none">Inspect assets on a routine basis to identify their conditionInspect assets on a routine basis to identify and address any defect and safety concernsMaintain assets in a tidy, safe, and functional condition	25% of Asset Base condition assessed annually Defect inspections 100% of roads <0.1 Complaints/Km/annum >95% compliance with maintenance plan
		<u>Renewal</u> <ul style="list-style-type: none">Renew/replace road surface when the level of ride-ability becomes unacceptable and maintenance becomes more expensive than resal/rehabilitation.Renew/replace road pavement at, or nearing, its end of useful life.	Average road condition being maintained 90% delivery of renewal programs 10% reduction in "run to failure" roads
		Function	
Access	Ensure access to facilities and services is provided that is suited to the use Transport infrastructure meets hierarchy requirements for traffic volumes, design speed, width, alignment, access etc.	<u>New/Upgrade</u> <ul style="list-style-type: none">Provide new/upgraded infrastructure to cater for community growth in accordance with the Priority Infrastructure Plan, and existing community demandProvide new/upgraded infrastructure as required to comply with industry standards or statutory requirementsEnsure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
		Capacity/Utilisation	
	Network meets the capacity requirements appropriate to hierarchy	<u>New/upgraded</u> <ul style="list-style-type: none">Ensure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	100% Compliance with design standards and guidelines Customer surveys and traffic counts

TABLE 3-2: BRIDGE, CULVERT AND FLOODWAYS CURRENT LEVELS OF SERVICE

Bridges, Culverts and Floodways			
Classification	Lockyer Valley Regional Council has good quality, well maintained bridges, culverts and floodways that meet community expectations.		
Service Statement	Community feedback through surveys or complaints and the average condition of Council's bridges, culverts and floodways		
Performance Measure	Community Levels of Service	Technical Levels of Service	Performance Measures
Service Factors	Quality		
Condition	Well maintained bridges, culverts and floodways Look well maintained Transport infrastructure condition meets hierarchy requirements for condition measure	Operations & Maintenance	100% annual Level 1 inspections 2 year Level 2 inspection program Level 3 inspections on an "as needs" basis >95% compliance with maintenance plan
		Renewal	Number of load limited bridges and culverts 90% delivery of renewal programs
		• Renew/replace Bridge, culvert and floodway components when level 3 inspections determine that further maintenance is not an option and assets need to be renewed/replaced.	
Function			
Access	Ensure access to facilities and services is provided that is suited to the use	New/Upgrade	90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
	Transport infrastructure meets hierarchy requirements for traffic volumes, design speed, width, alignment, access etc.	• Provide new/upgraded infrastructure to cater for community growth in accordance with the Priority Infrastructure Plan, and existing community demand • Provide new/upgraded infrastructure as required to comply with industry standards or statutory requirements • Ensure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	
Capacity/Utilisation			
	Bridges, culverts and floodways meet the capacity requirements appropriate to hierarchy	New/upgraded	100% Compliance with design standards and guidelines Traffic counts as required
		• Ensure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	

TABLE 3-3: KERB & CHANNEL CURRENT LEVELS OF SERVICE

Kerb & Channel			
Classification			
Service Statement	Lockyer Valley Regional Council has good quality, well maintained kerb and channel that comply with Council's road hierarchy requirements and are fit for purpose.		
Performance Measure	Community feedback through surveys or complaints		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained kerb & channel Look well maintained Do not pond water	<u>Operations & Maintenance</u> <ul style="list-style-type: none"> Inspect assets on a routine basis to identify their condition Inspect assets on a routine basis to identify and address any defect and safety concerns Maintain assets in a tidy, safe, and functional condition. <u>Renewal</u> <ul style="list-style-type: none"> Renew/replace K&C inspections determine that further maintenance is not an option and asset need to be renewed/replaced. Renew/replace K&C is at, or nearing, its end of useful life. 	Condition assessed annually Defect inspections 100% of K&C <0.1 Complaints/Km/annum >95% compliance with maintenance plan
Function			
Access	Ensure access to facilities and services is provided that is suited to the use	<u>New/Upgrade</u> <ul style="list-style-type: none"> Provide new/upgraded infrastructure to cater for community growth in accordance with the Priority Infrastructure Plan, and existing community demand Provide new/upgraded infrastructure as required to comply with industry standards or statutory requirements Ensure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines. 	90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
Capacity/Utilisation			
	Network meets the capacity requirements.	<ul style="list-style-type: none"> Provide K&C where necessary to collect road runoff or protect property from low flow inundation. 	Guidelines for the installation of K&C developed and implemented.

TABLE 3-4: FOOTPATH & CYCLEWAYS CURRENT LEVELS OF SERVICE

Footpaths & Cycleways			
Classification	Lockyer Valley Regional Council has a network of quality, well maintained footpaths and Cycleways.		
Service Statement	Community utilization rates and feedback through surveys or complaints		
Performance Measure	Community utilization rates and feedback through surveys or complaints		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained footpaths Do not pond water Look well maintained No trip hazards	<u>Operations & Maintenance</u> <ul style="list-style-type: none"> Inspect assets on a routine basis to identify their condition Inspect assets on a routine basis to identify and address any defect and safety concerns Maintain assets in a tidy, safe, and functional condition <u>Renewal</u> <ul style="list-style-type: none"> Renew/replace assets when further maintenance is not an option. 	100% of footpath & cycleways inspected annually for defects. 100% high classification footpaths, with a selection of remaining footpaths to meet minimum 25% total assets inspected <0.1 Complaints/Km/annum >95% compliance with maintenance plan
Function			
Access	Ensure footpath and cycleway network connects to facilities and services and is suited to the use	<u>New/Upgrade</u> <ul style="list-style-type: none"> Provide footpaths and cycleways to cater for community growth in accordance community demand Provide footpaths and cycleways that comply with industry standards or statutory requirements Ensure footpaths and cycleways are designed and constructed in accordance with Council's Guidelines. 	90% delivery of CAPEX programs 100% Compliance with CPTED principles and Council's design standards and guidelines
Capacity/Utilisation			
	Network meets the capacity requirements appropriate to hierarchy	<ul style="list-style-type: none"> Ensure footpaths & cycleways are being used and meet community needs. 	Pedestrian and Bike counts as required

TABLE 3-5: TRAFFIC MANAGEMENT CURRENT LEVELS OF SERVICE

Traffic Management			
Classification			
Service Statement	Local traffic management devices and street furniture will be well maintained and contribute to improved road amenity.		
Performance Measure	Community feedback through surveys, requests for new assets or complaints		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained traffic islands, speed humps etc. Look well maintained	<u>Operations & Maintenance</u> <ul style="list-style-type: none">Inspect assets on a routine basis to identify their conditionInspect assets on a routine basis to identify and address any defect and safety concernsMaintain assets in a tidy, safe, and functional condition	Traffic Management assets inspected annually for defects and condition assessment <5 Complaints/annum >95% compliance with maintenance plan
		<u>Renewal</u> <ul style="list-style-type: none">Renew/replace maintenance becomes more expensive than renewal/replacement.	Average condition being maintained 90% delivery of renewal programs Reduction in complaints
		Function	
Access	Traffic Management infrastructure meets standards and guidelines.	<u>New/Upgrade</u> <ul style="list-style-type: none">Provide infrastructure to cater for community growth in accordance with existing community demandProvide infrastructure to improve traffic/pedestrian movement.Provide infrastructure to comply with changing industry standards or statutory requirementsEnsure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	Establish baseline for measuring movement improvements. 90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
Capacity/Utilisation			
Traffic Management infrastructure addresses identified needs.		<ul style="list-style-type: none">Ensure assets are fit for purpose, accord with Council's Guidelines and deliver the expected benefits/outcomes.	Measure benefit delivery.

TABLE 3-6: CRASH BARRIER CURRENT LEVELS OF SERVICE

Crash Barrier			
Classification			
Service Statement	Crash Barriers will be well maintained and contribute to improved road safety.		
Performance Measure	Community feedback through surveys, requests for new assets or complaints		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained crash barriers. Look well maintained.	<u>Operations & Maintenance</u> <ul style="list-style-type: none">Inspect assets on a routine basis to identify their conditionInspect assets on a routine basis to identify and address any defect and safety concernsMaintain assets in a tidy, safe, and functional condition	Crash Barrier assets inspected annually for defects and condition assessment <5 Complaints/annum >95% compliance with maintenance plan
		<u>Renewal</u> <ul style="list-style-type: none">Renew/replace maintenance becomes more expensive than renewal/replacement.	Average condition being maintained 90% delivery of renewal programs Reduction in complaints
Function			
Access	Crash Barriers meet standards and guidelines.	<u>New/Upgrade</u> <ul style="list-style-type: none">Provide infrastructure to comply with changing industry standards or statutory requirementsEnsure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
		Capacity/Utilisation	
	Crash Barriers address identified needs.	<ul style="list-style-type: none">Ensure assets are fit for purpose, accord with Council's Guidelines and deliver the expected benefits/outcomes.	Measure benefit delivery.

TABLE 3-7: CARPARKS CURRENT LEVELS OF SERVICE

Carparks			
Classification			
Service Statement	Lockyer Valley Regional Council has well maintained, safe car parking areas with appropriate capacity.		
Performance Measure	Community feedback through surveys, requests for new assets or complaints		
Service Factors	Community Levels of Service	Technical Levels of Service	Performance Measures
Quality			
Condition	Well maintained pavement, traffic management, kerb and channel. Look well maintained	<u>Operations & Maintenance</u> <ul style="list-style-type: none">Inspect assets on a routine basis to identify their conditionInspect assets on a routine basis to identify and address any defect and safety concernsMaintain assets in a tidy, safe, and functional condition	Carpark assets inspected annually for defects and condition assessment <5 Complaints/annum >95% compliance with maintenance plan
		<u>Renewal</u> <ul style="list-style-type: none">Renew/replace maintenance becomes more expensive than renewal/replacement.	Average condition being maintained 90% delivery of renewal programs Reduction in complaints
Function			
Access	Carparks meets standards and guidelines.	<u>New/Upgrade</u> <ul style="list-style-type: none">Provide infrastructure to cater for community growth in accordance with existing community demandProvide infrastructure to improve traffic/pedestrian movement.Provide infrastructure to comply with changing industry standards or statutory requirementsEnsure new/upgraded infrastructure is designed and constructed in accordance with Council's Guidelines.	90% delivery of CAPEX programs 100% Compliance with design standards and guidelines
Capacity/Utilisation			
	Carpark capacity meets or exceeds required level.	<ul style="list-style-type: none">Ensure assets are fit for purpose, accord with Council's Guidelines and deliver the expected benefits/outcomes.	Measure benefit delivery.

4 FUTURE DEMAND

4.1 DEMAND FORECAST

Factors affecting future demand for services include population projections, demographics, seasonal factors, vehicle ownership, consumer preferences and expectations, economic factors, agricultural practices, environmental awareness, etc. Known demand impacts for the Lockyer Valley in relation to impacts on service delivery are summarised in Table 4-1.

TABLE 4-1: DEMAND FACTORS, PROJECTIONS AND IMPACT ON SERVICES

Demand factor	Present position	Projection	Impact on services
Population	38,312 persons (2014)	Increase population to 63,000 by 2031.	Increased demand for services (based on projected population position).
Demographic	Median age 37 (2011)		An aging population will have a nominal increase in the need for infrastructure services, principally associated with access. (E.g. Footpaths, access to buildings and facilities, aged care, medical services etc.)
Tourism	Approximately 304,000 visitors per annum.		Tourism increases will result in a nominal increase in usage of infrastructure, particularly those providing access to and servicing tourist attractions.
Housing	In 2015, 260 residential dwellings were approved.	Potential infill housing and take up of current land stocks. Potential for more rural residential subdivisions.	New dwelling starts across the region do not indicate significant demand for additional infrastructure assets or services; however Council will need to maintain contributed assets.

Demand for new services will be managed through a combination of managing existing assets, upgrades, provision of new assets to meet demand and demand management. Demand management practices may include non-asset based solutions, insuring against risks, appropriate risk mitigation strategies and managing failures.

TABLE 4-2: DEMAND MANAGEMENT PLAN SUMMARY

Service Activity	Demand Management Plan
Community demand for Transport services.	Promote infill development to increase services at a reduced cost.
Replacement or repair of streets and roads	Progressive repair or replacement of transport assets, based on condition, utilisation and appropriateness of service delivery.
Revenue Management	Manage financial resources to correlate with trending deterioration of assets
Capital Works – Renewals / Replacement	Schedule long-term capital works, ensuring that renewal funding is deemed non-discretionary. Replacement projects will need to be assessed with a balance between competing demands for investment to renew existing assets as well as providing capacity for new assets to meet growing service delivery demand.

The Demand Management Planning process will need to be applied to all asset groups, types and components to ensure that the Council understands the funding requirements to deliver the necessary works and what is required going forward to adequately provide services to the community.

5 RISK MANAGEMENT

Council has a 'duty of care' to the community in relation to the management of all assets. This covers the various phases of design and construction through to operations and maintenance of the networks.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed levels of service
- Operational risks where data and information are not used to competently manage the risks associated with the delivery of transport related services i.e. asset maintenance practices

5.1 RISK ASSESSMENT

Council undertakes regular inspection regimes for all of its transport related assets. Each identified defect is put through a risk management process to determine its criticality based on all defects present on the asset networks to direct the repair effort. Remedial actions are undertaken based on the criticality of the defect, with allowance made for the type of asset and asset hierarchy to ensure that the risk is given the appropriate attention to minimise impacts on the users of the service and protect Council's interests.

6 TRANSPORT ASSETS ANALYSIS

6.1 ASSET CLASS SUMMARY

The transport assets covered by this SMP are shown in Table 6-1. Values are based on revaluation data at 30 June 2016.

TABLE 6-1: ASSETS COVERED BY THIS PLAN

Asset Class	Asset Type	Units	Replacement Cost	Fair Value
Roads	Seal	1053km	\$63,461,246	\$49,367,663
	Pavement	1535km	\$221,802,553	\$195,624,506
	Formation	1535km	\$79,102,651	\$79,102,651
Bridge	Bridge	30 Items	\$24,633,022	\$21,749,005
Culvert	Culvert	2690 Items	\$23,433,557	\$13,872,366
Floodway	Floodway	395 Items	\$24,940,848	\$15,236,516
Traffic Management	Traffic Management	240 Items	\$736,460	\$509,421
Car Park	Car Park	10 Items	\$399,252	\$375,970
Footpath	Footpath	101,600m2	\$8,130,768	\$5,659,248
Crash Barrier	Crash Barrier	146 Items	\$1,610,925	\$1,276,681
Kerb and Channel	Kerb and Channel	298328m	\$17,129,567	\$10,995,786
		Total	\$465,380,849	\$393,769,813

The asset lives adopted are shown in Table 6-2. These lives are a combination of industry standard and lives achieved in practice.

TABLE 6-2: TRANSPORT ASSET LIVES

Asset Class	Asset Type	Components	Material	Adopted Useful Lives (Years)
Bridges, Culverts and Floodways	Bridge	Deck	Timber	40
			Concrete	80
		Retaining Works	Not Defined	80
		Substructure	Concrete	80
			Timber	50
			Aluminium	80
		Superstructure	Timber	50
			Concrete	80
			Aluminium	80
	Culvert	Reinforced Concrete Pipe	Concrete	100
		Reinforced Concrete Box	Concrete	100
		PVC Pipe	PVC	100
Floodway		Concrete	100	
		Gravel/Seal	20	
Carpark	Carpark	Landscaping	Not Defined	40
		Lighting	Not Defined	40
		Line Marking	Paint	20
		Pavers	Concrete/Clay	40
		Retaining Walls	Not Defined	40
		Signage	Aluminium/Steel	20
		Stormwater	Concrete	80
Crash Barrier	Crash Barrier	TRI Beam	Steel	40
		W Beam	Steel	40
		Thrie Beam	Steel	40
Footpath and Cycleways	Footpath		Asphalt	40
			Concrete	60
			Paved	40
Kerb and Channel	Kerb and Channel		Concrete	50
Roads	Road	Formation	Earth	200
		Pavement - Subbase	Gravel	200
		Pavement - Base	Gravel – Rural (Sealed)	65
			Gravel – Urban (Sealed)	50
			Gravel – (Unsealed)	20
		Seal	Asphalt	25
Bitumen & Aggregate	20			
Traffic Management	Traffic Management	Traffic islands, kerb and infill	Concrete	40

6.2 AGE PROFILE

The Asset Age profile information is summarised in Figure 6-1 below. The transport assets are generally considered relatively “new”. This can be attributed to the large number of works undertaken to restore Councils infrastructure after recent disasters, post-2011.

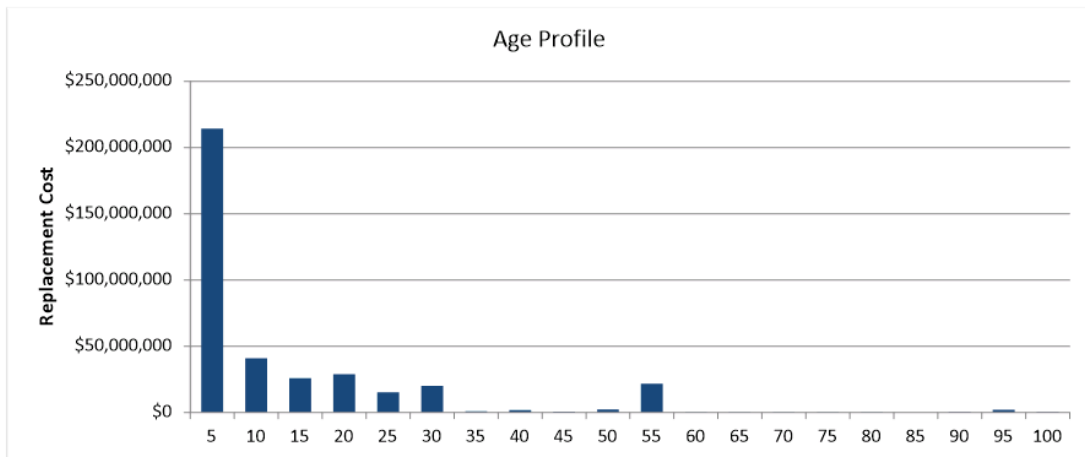


FIGURE 6-1: TRANSPORT ASSETS AGE PROFILE

6.3 ASSET CONDITION PROFILE

Condition ratings for the transport assets are being collected continuously at 25% per annum (starting in 2015). The condition profile of our assets is shown

Figure 6-2. The formation component of the roads assets are not included in this chart as they generally remain in condition 1 and would misrepresent the condition profile.

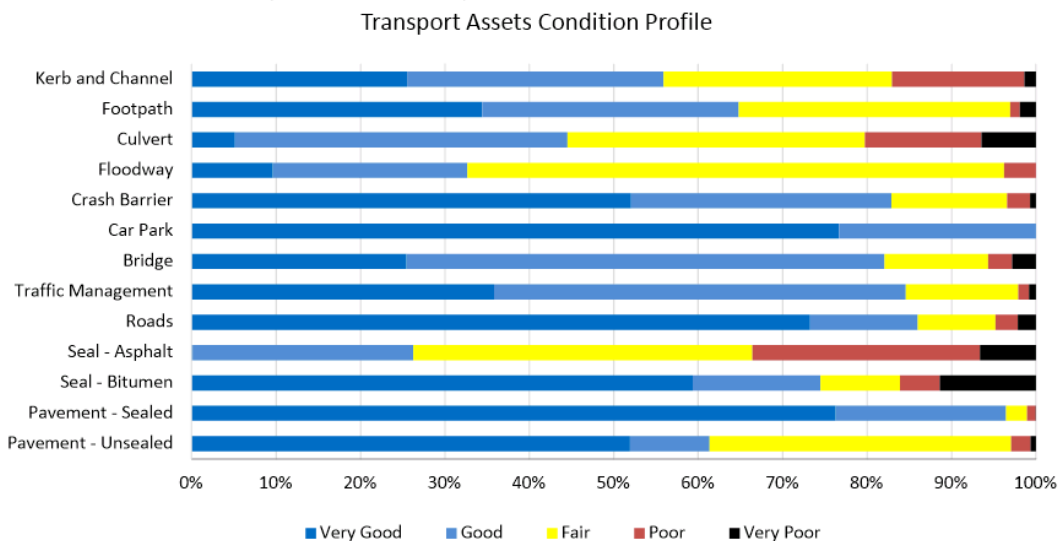


FIGURE 6-2: ASSET CONDITION PROFILE

The condition profile is driven by a 1-5 scoring system which is shown below in Table 6-3, taken from the International Infrastructure Management Manual (IIMM).

TABLE 6-3: STRUCTURAL CONDITION GRADING MODEL

Rating	Condition	% Useful Life Remaining	Description
1	Very Good	>70%	Sound physical condition. Very limited, isolated signs of deterioration. Only routine maintenance required.
2	Good	70%-51%	Acceptable physical condition; minor deterioration visible, no short-term failure risk. Minor defects only. Only minor work required in addition to that of routine maintenance.
3	Fair	50%-11%	Acceptable physical condition; minimal short-term failure risk but potential for deterioration in long-term. Minor defects only. Minor components or isolated sections of the asset may need replacement or repair now but asset functions safely at adequate level of service. Work may be required but asset is serviceable. Maintenance required to restore the asset to an acceptable level of service.
4	Poor	10%- 4%	Significant deterioration evident. Failure likely in short-term. Likely need to replace most or all of asset. No immediate risk to health or safety but works required to ensure asset remains safe. Substantial work required in short-term, asset barely serviceable. Asset requires renewal – work to be programmed.
5	Very Poor	<4%	Failed or failure imminent. Immediate need to replace most or the entire asset. Health and safety hazards exist which present a possible risk to public safety or asset cannot be serviced/operated without risk to personnel. Asset is effectively unserviceable. Major work or replacement required urgently.

(International Infrastructure Management Manual (IIMM) Version 3.0, 2006 Section 3.3.6)

7 FINANCIAL SUMMARY

This section contains information on the current long term financial plan. The forecast expenditure contained within this plan should be used as a basis to revise and improve the long term financial plan for the next 10-years.

7.1 ASSUMPTIONS

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

In the preparation of renewal forecasts and works programs it has been assumed that Council will continue to deliver transport services in the current manner and at the current levels.

This Plan is based on:

- Revaluation and condition assessment data as at 30 June 2016;
- Council's financial statements for 2012/2013, 2013/2014 and 2014/2015; and
- Historical service levels and performance targets.

Further, this plan will need to be updated annually to reflect changes to valuation, condition and impairment of assets.

Key assumptions made in this service management plan are:

- Service management plan is adopted and implemented
- Works programs will be adopted and funded
- Funding priorities are based on "renew before new"
- Council will pursue external funding opportunities where possible when upgrading or providing new assets
- Existing maintenance & operation funding levels will be maintained
- No sudden extensive changes in the condition of infrastructure assets
- Expected and adopted asset useful lives will be achieved
- Condition information is what is contained in the asset register

Assumptions regarding asset age and condition/age ratio is in accordance with the relevant tables in Section 7 Transport Assets.

7.2 CURRENT LONG TERM FINANCIAL PLAN

The Long Term Financial Plan has been created from the 2015 Roads, Bridges and Stormwater LTFP and escalated by 5% per annum with additional increases in years where known funding is required. The long term financial plan seen in Table 7-1 is incomplete and inaccurate and needs to be reviewed. No information was provided for the latter years of the 10-year planning period so an average value was assumed.

TABLE 7-1: LONG TERM FINANCIAL PLAN (\$000's)

Transport	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Renewal	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778	\$6,778
New/Upgrade	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943	\$1,943
Total	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721	\$8,721

7.2.1 RENEWAL EXPENDITURE

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth. The current adopted growth rate for the Lockyer Valley Region is less than 2% per year. Figure 7-1 shows the projected asset renewal and replacement expenditure over the 10 years of the SMP and beyond. If the annualised condition based renewals approach is adopted it is clearly shown that there is sufficient funds available in the LTFP to sustainably deliver the current levels of service.

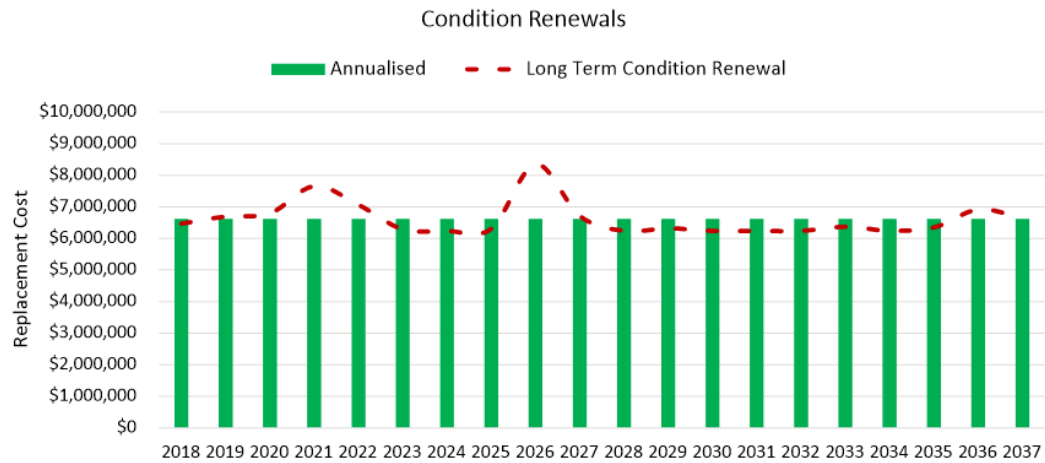


FIGURE 7-1: PROJECTED AND LTFP BUDGETED RENEWAL EXPENDITURE

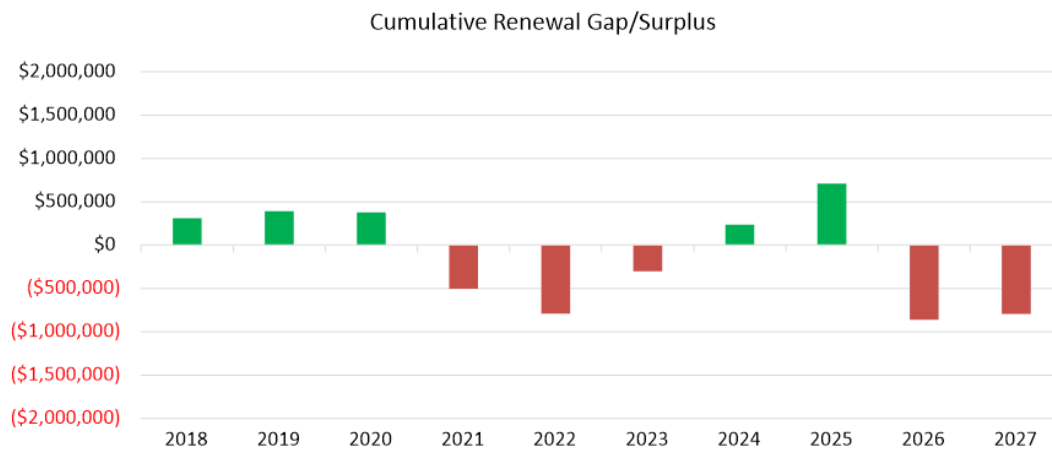


FIGURE 7-2: CUMULATIVE RENEWAL GAP

This graph shows that the current Renewal Program is underfunded for the 10 year planning period to the amount of approximately \$794 over the planning period.

7.2.2 PLANNED NEW/UPGRADE EXPENDITURE

Projected upgrade/new asset expenditures are summarised in Figure 7-3. The projected upgrade/new capital works program is shown in Appendix B.

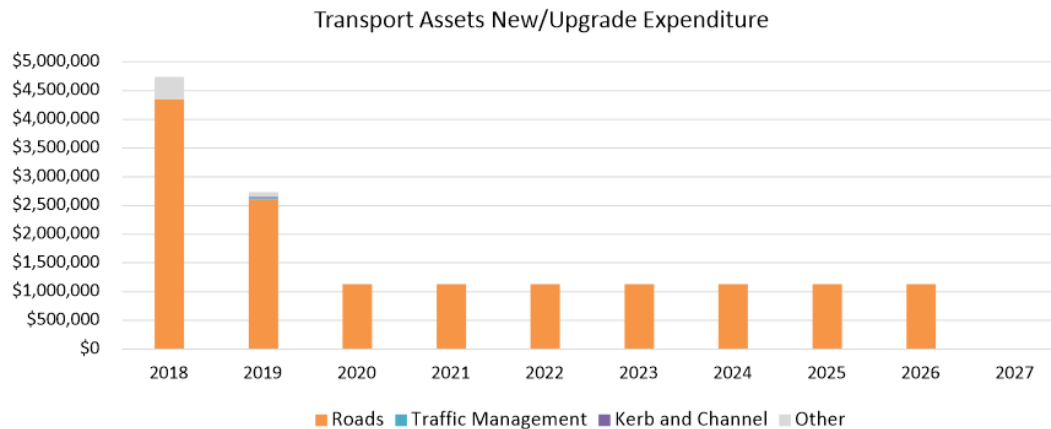


FIGURE 7-3: NEW/UPGRADE EXPENDITURE PLAN

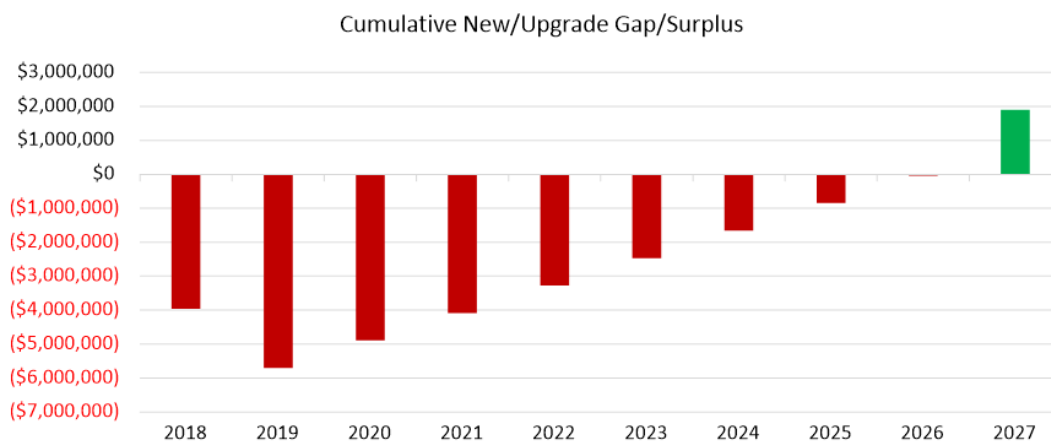


FIGURE 7-4: CUMULATIVE NEW/UPGRADE GAP

Based on the current CAPEX program and the available funding in the current LTFP, there is insufficient funding to undertake all planned New/Upgrade works. For Council to continue to deliver its levels of service and minimise risk, Council must revise and improve both the capital works program and funding allocations. The funding allocations for capital works should closely align with a revised planned CAPEX program based on need.

7.2.3 OPERATIONS & MAINTENANCE EXPENDITURE

No Operations and Maintenance modelling has been undertaken. Therefore, operations and maintenance expenditure shown is based on 2014-15 budget indexed at 2.5% to represent 2015-16 amounts.

Transport Assets Forecast Operations and Maintenance Expenditure

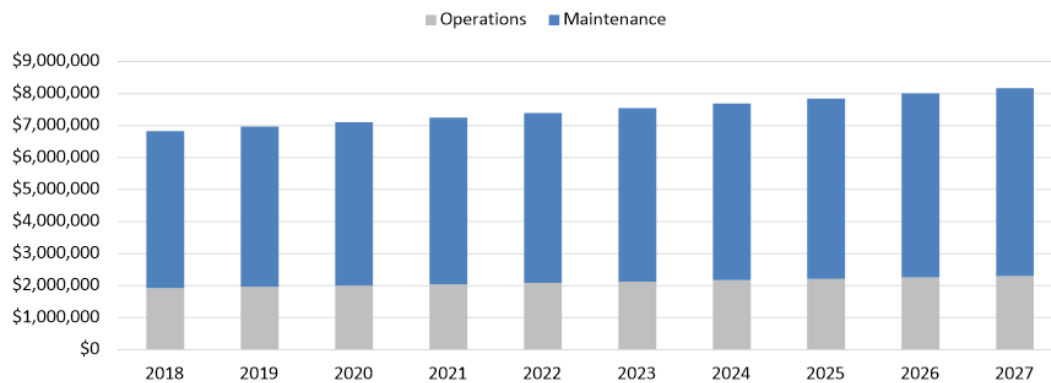


FIGURE 7-5: TRANSPORT MAINTENANCE SUMMARY

Operations and maintenance expenditure levels will be assessed via a base budget review process in future upgrades of this Plan.

All of the expenditure forecasts have been detailed against the currently adopted long term financial plan and presented in Section 7.4 below.

7.3 EXPENDITURE COMPARISON

The financial projections are shown in Figure 7-6 for projected operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in 2016 values.

Transport Assets 10 Year Expenditure Forecasts

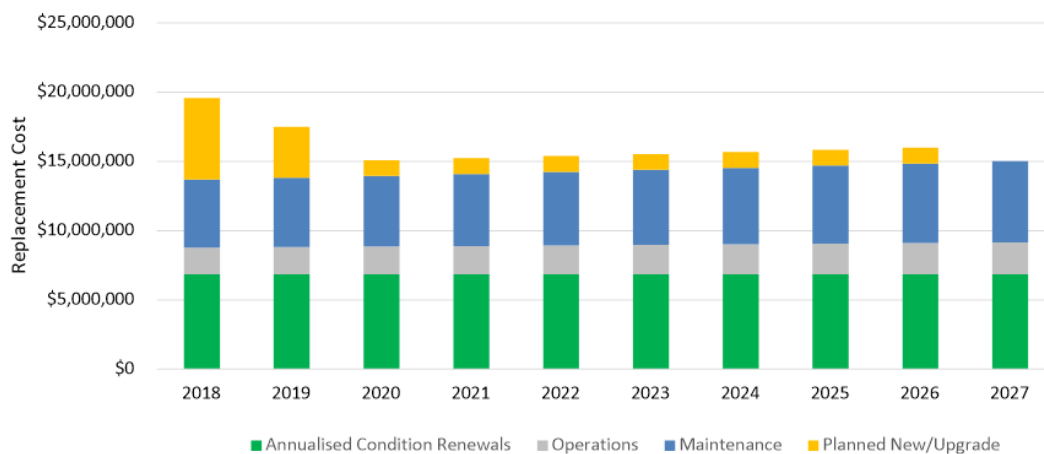


FIGURE 7-6: PROJECTED OPERATING AND CAPITAL EXPENDITURE

7.4 EXPENDITURE PROJECTIONS FOR LONG TERM FINANCIAL PLAN

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Capital Renewal											
Seal	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$2,929,837	\$29,298,370
Pavement	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$1,800,982	\$18,009,820
Unsealed Pavement	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$1,508,275	\$15,082,750
Traffic Management	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$1,380
Bridge	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$41,476	\$414,757
Car Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Crash Barrier	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$5,559	\$55,593
Floodway	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$51,512	\$515,116
Culvert	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$253,300	\$2,533,004
Footpath	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$43,295	\$432,948
Kerb and Channel	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$222,770	\$2,227,696
Renewal Total	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$6,857,143	\$68,571,413
New/Upgrade											
Roads	\$4,346,892	\$2,603,892	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$14,885,494
Traffic Management	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
Bridge	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
Car Park	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
Crash Barrier	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Floodway	\$0	\$325,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$325,000
Culvert	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Footpath	\$940,000	\$635,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,575,000
Kerb and Channel	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
Other	\$395,000	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$475,000
New/Upgrade Total	\$5,901,892	\$3,688,892	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$1,133,530	\$17,525,494
Maintenance & Operations											
Operations	\$1,924,625	\$1,963,117	\$2,002,380	\$2,042,427	\$2,083,276	\$2,124,941	\$2,167,440	\$2,210,789	\$2,255,005	\$2,300,105	\$21,074,105
Maintenance	\$4,905,984	\$5,004,103	\$5,104,185	\$5,206,269	\$5,310,395	\$5,416,602	\$5,524,934	\$5,635,433	\$5,748,142	\$5,863,105	\$53,719,153
Maintenance & Operations Total	\$6,830,608	\$6,967,221	\$7,106,565	\$7,248,696	\$7,393,670	\$7,541,544	\$7,692,375	\$7,846,232	\$8,003,147	\$8,163,209	\$74,793,257
Expenditure Total	\$19,589,644	\$17,553,256	\$15,097,238	\$15,239,370	\$15,384,944	\$15,532,217	\$15,683,048	\$15,836,805	\$15,993,820	\$16,020,353	\$160,890,185
Cumulative Gap/Surplus	\$3,649,005.98	\$5,311,540.10	\$4,518,309.57	\$4,590,083.71	\$4,006,944.42	\$2,709,692.63	\$1,421,613.30	\$138,909.97	\$900,548.23	\$1,110,105.94	

7.5 FINANCIAL RECOMMENDATIONS

One of Council's main objectives is to deliver the agreed levels of service to its customers. To do this Council must continue to renew its assets and keep them in an operable state, continue to maintain the assets to reduce risk to the public, and deliver new and upgraded capital works to cater for identified increases in demand.

The funding allocations set out in the currently adopted long term financial plan do not align well with the forecast and planned expenditure. It is recommended that the long term financial plan be reviewed and overhauled to meet the forecast expenditure shown in this report. Failure to do so will result in Council failing to deliver the levels of service to existing and future customers.

The condition based renewals can be considered as the minimum renewal expense to continue to deliver the agreed levels of service to Council's existing customers. The current long term financial plan has enough funding to deliver these renewals, however they are not reflected in the current capital works program. It is therefore recommended that the condition renewals found in this SMP and outlined in the Works Programs document be used as the basis to develop a new capital works program and long term financial plan.

Council will not be able to deliver the current new and upgraded capital works program with the current funding allocation from the long term financial plan. Council will need approximately \$3.3 M more to deliver the capital works program and continue to deliver the levels of service to any new customers. Council should review the current new/upgraded capital works and the funding allocation for it, and based on the new information found in this report create a new capital works program with correct funding allocations to ensure project delivery is achievable.

The accuracy and relevance of the works in the current capital works programs needs to be considered, ensuring that any planned works in the future aim to deliver the agreed levels of service to customers, both existing and new. In the revision of the Capital Works program, it is recommended that works be prioritised based on restoring or continuing the agreed levels of service in an equitable manner across all services. This applies to both renewals and new/upgrade capital works.

8 PLAN IMPROVEMENT AND MONITORING

8.1 PERFORMANCE MEASURES

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents;
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the service management plan;
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans;
- The Asset Renewal Funding Ratio achieving the target of 1.0.

8.2 IMPROVEMENT PLAN

An asset management improvement plan generated from this service management plan is shown in Table 8-1.

TABLE 8-1: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1.	Develop priority ranking system for renewal / maintenance program.	Manager Infrastructure Support Services/Asset Coordinator		July 2018
2.	Undertake an annual review and update of this Asset management plan.	Manager Infrastructure Support Services		3rd qtr. 2018
3.	Develop a condition assessment manual for transport assets	Asset Coordinator		October 2018
4.	Align the Long Term Financial Plan to the expenditure forecasts found in this SMP.	Manager Finance & Customer Service		May 2018
5.	Set intervention levels for maintenance	Manager Infrastructure Delivery		October 2018
6.	Review asset data and confirm asset lives and condition.	Asset Coordinator		October 2018

8.3 MONITORING AND REVIEW PROCEDURES

This Plan will be reviewed prior to budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

9 Appendices

Appendix A Condition Renewal 10 year Program

Appendix B Planned New/Upgrade 10 year Program

APPENDIX A 10 YEAR CONDITION RENEWAL PROGRAM
(Renewal Program contains 3900 items and has been excluded from this document)

APPENDIX B 10 YEAR NEW/UPGRADE PROGRAM

Project ID	Project Name	Project Description	CRS	Capital Work Type	Priority	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	6th Avenue Road, Ladbroke	Drainage improvements, subject to scope funding - new drainage from Green town to 10th Avenue	Road	Capital New	Medium	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10064	UC to Garden Cityway, Carlton	Urban infrastructure project - road and safety	Freight	Capital New	High	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Heathman Bridge Park, Ladbroke	Urban infrastructure project - road and safety	Other	Capital Upgrade	Low	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Ladbroke Road, Carlton - CR 1230 - 1410	Streetscape widening & road safety	Road	Capital Upgrade	Medium	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10137	Arena Road, Warrack - CR 0-340	Upgrade to a sealed surface (bitumen paving) and drainage	Road	Capital Upgrade	Medium	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	French Creek, Ladbroke Green - CR 10-240	Drainage - new culverts	Road	Capital New	Low	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	La Arca Avenue, Grafton	Road widening	Other	Capital New	Low	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Western Drive, Grafton	Shared pathway	Freight	Capital New	Low	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Coastal Road and 11 Drive intersection, Murrumbidgee	Intersection widening and upgrade	Road	Capital Upgrade	Medium	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Frederick Road, Yarragon	Bridge renewal	Bridge	Capital Upgrade	Medium	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	May Street, Ladbroke - CR 50-110	Paving for Ladbroke Community Centre	CR Park	Capital New	Low	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Murrumbidgee Road, Murrumbidgee - CR 102-1250	Shared path (bicycle lane) to cemetery road	Freight	Capital New	Low	\$0	\$65,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Paynter Road, Murrumbidgee	Floodway across Grafton Creek	Floodway	Capital Upgrade	Medium	\$0	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Great Quarry Road, Ladbroke - CR 1200	Bus shelter at existing bus stop near intersection with Paynter Road	Road	Capital New	Low	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Sub Spring Road, Grafton - CR 22-30	Emergency access track extension to existing Westbank Road to Sub Spring Road	Road	Capital New	Low	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Grafton Road, Murrumbidgee	Sealing of roadwork section	Road	Capital Upgrade	Medium	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	From Warrack - Ladbroke	Website signs (24hr/7day/24hr/24hr)	Road	Capital New	Low	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital Upgrade	Medium	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban infrastructure project - road and safety	Road	Capital New	Low	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10013	Frederick Road, Murrumbidgee - CR 102-1250	Urban													

Page | 34



Waste

Service Management Plan

May 2018

Document Control					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1	8/12/2017	Initial Draft	Kate Crosby	Matt Burdett	
V2	27/04/2018	Draft	Matt Burdett	Peter Driemel	

TABLE OF CONTENTS

1	Executive Summary	4
1.1	Expenditure Analysis	5
1.2	SMP Improvement Plan.....	7
2	Introduction	8
2.1	Background.....	8
2.2	Council's Goals and Objectives for waste Services	8
2.3	The purpose of this waste Plan	8
3	Context	9
3.1	Corporate Requirements.....	9
4	Level of Service	10
4.1	Community Consultation.....	10
4.2	Current Levels of Service.....	10
5	Future Demand	12
6	Risk Management	14
6.1	Risk Assessment	14
7	Lifecycle Management Plan	15
7.1	Input Data and Parameters	15
7.2	Renewal Planning	16
7.3	New/Upgrade Planning (Creation or Acquisition).....	16
7.4	Operations and Maintenance planning.....	16
7.5	Condition & Performance Monitoring	17
7.6	Disposal Plan	17
8	Waste Assets Analysis	19
8.1	Assumptions	19
8.2	Asset Class Summary.....	19
8.3	Age Profile	20
8.4	Asset condition Profile	20
8.5	Asset Replacement Forecast	22
9	Financial Summary	23
9.1	Current Long term Financial Plan	23
9.2	Forecast operations and maintenance expenditures	24
9.3	Expenditure Summary	25
9.4	Expenditure projections for long term financial plan	26
9.5	Asset Valuations	27
9.6	Funding Strategy	27
9.7	Financial Recommendations	27
10	Plan Improvement and Monitoring	28
10.1	Performance Measures	28
10.2	Improvement Plan.....	28
10.3	Monitoring and Review Procedures.....	28
11	Appendices	29
	Appendix A Planned New/Upgrade 10 year Capital Works Program.....	30
	Appendix B Condition Renewal Program	31

1 EXECUTIVE SUMMARY

This services management plan (SMP) describes the waste assets provided to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future.

What Does This Plan Cover?

The waste assets were valued at \$1,367,895 as at 30 June 2015, apportioned as shown in Figure 1-1.

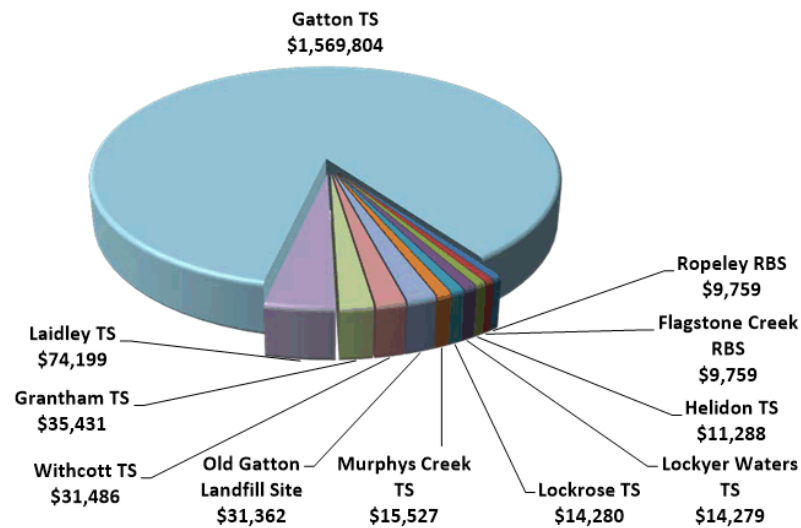


FIGURE 1-1: WASTE ASSET VALUE SUMMARY

What is the current condition of these assets?

The assets have been assessed as being in good condition overall with only 4.3% of waste assets in poor or very poor condition and in need of urgent repair, renewal or replacement.

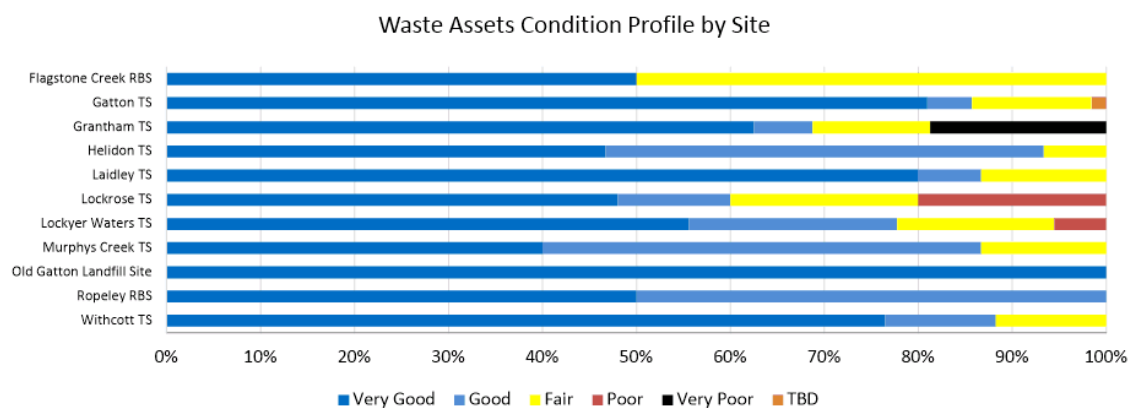


FIGURE 1-2: WASTE CONDITION PROFILE

1.1 EXPENDITURE ANALYSIS

There are three major categories that make up the total expenditure for Councils waste assets:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service, i.e. safer road, reduced travel times, improved drainage, providing a service that did not previously exist in that location etc.

The following expenditure analysis has been undertaken to understand what it costs to own, operate, maintain and replace Councils waste assets over a 10 year planning period. This is based on what is currently understood of the services and likely demand over that planning period.

1.1.1 OPERATIONS AND MAINTENANCE EXPENDITURE

The forecast operations and maintenance expenditure can be seen in Table 1-1 below. It has been assumed that the current level of maintenance expenditure is the appropriate amount to maintain the assets in a condition that delivers the adopted levels of service, however it is recommended that a 'base budget review' be undertaken to confirm the accuracy of current maintenance and operations expenditure levels.

TABLE 1-1: OPERATIONS AND MAINTENANCE EXPENDITURE (\$'000s)

Waste	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average	Total
Operations	\$2,921	\$2,980	\$3,040	\$3,100	\$3,162	\$3,226	\$3,290	\$3,356	\$3,423	\$3,491	\$3,199	\$31,989
Maintenance	\$990	\$1,010	\$1,030	\$1,051	\$1,072	\$1,093	\$1,115	\$1,137	\$1,160	\$1,183	\$1,084	\$10,840
Total	\$3,911	\$3,990	\$4,070	\$4,151	\$4,234	\$4,319	\$4,405	\$4,493	\$4,583	\$4,675	\$4,283	\$42,830

Increases in this expenditure over the next 10 years are due to growth of the population and/or the asset base. The asset base will grow due to both council and developer contributed capital works.

1.1.2 CAPITAL RENEWAL EXPENDITURE

Renewal expenditure shown below in Table 1-2 has been generated through analysis of asset conditions and remaining useful lives. It is the best available knowledge at the time of forming this SMP.

TABLE 1-2: RENEWAL EXPENDITURE (\$'000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condition Renewal	\$0	\$0	\$29	\$0	\$0	\$0	\$84	\$0	\$21	\$286
Annualised	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42

The condition based renewal analysis, which is considered to be the most accurate, shows that in order to keep waste assets delivering the current levels of service of the 10 year planning period, Council will need to spend an average of \$42,000 per year on asset renewals. The current LTFP is stating an average of \$20,000 annually in renewals, which falls short of the required \$42,000 predicted by the asset analysis.

1.1.3 NEW/UPGRADE CAPITAL EXPENDITURE

Council has detailed a number of capital works projects planned for the next 10 years. The annualised expenditure for these works can be seen against the budget allocation in Table 1-3 below.

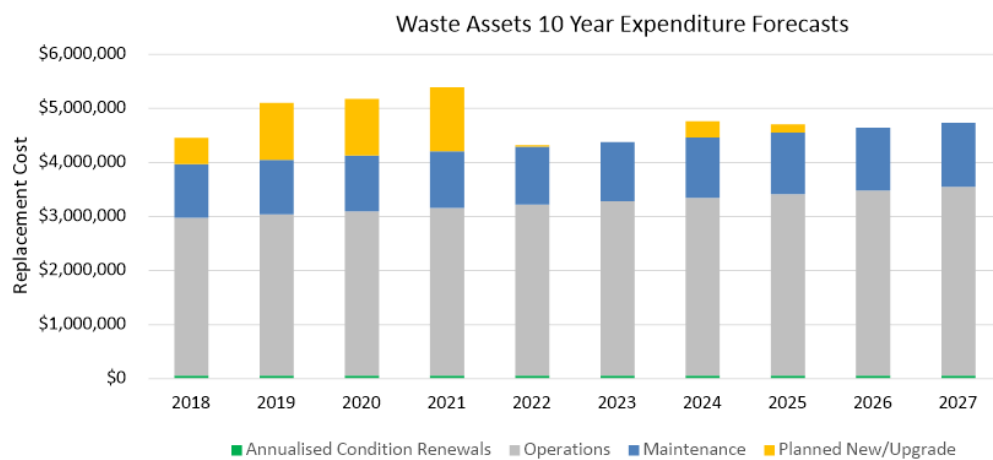
TABLE 1-3: NEW/UPGRADE EXPENDITURE (\$'000s)

New/Upgrade Type	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Average
CAPEX Program	\$484	\$1,055	\$1,050	\$1,180	\$30	\$0	\$300	\$155	\$0	\$0	\$425

The total 10 year expenditure estimate based on the current new/upgrade capital works program is \$4,254,000.

1.1.4 OVERALL

Total expenditure is projected as \$47,503,661 over 10 years which can be seen in Figure 1-2 below.



To maintain current service levels over the next 10 years Council will have to spend on average \$4,324,966 every year for maintenance, operations, and the renewal of existing assets.

These figures over 10 years do not take into account the future decision by Council on its position of long term waste management (20+ years). The existing life of the major facility has approximately 10 – 13 years remaining. Council must decide whether to obtain a “greenfield” site or move to transport its waste outside the Lockyer area to another approved landfill site. Further investigations and consideration will be made in time and those will influence the projections in this plan.

What are our Options?

Council has the option to alter the funding allocations through a range of methods;

- Revenue can be managed to provide sufficient funding to deliver the agreed levels of service. Revenue can be managed by reviewing the current fee structure and making changes to reflect cost to deliver the service to the community and provide waste infrastructure for the future
- Funding can be redistributed to, from or within asset classes to ensure that all asset classes and funding allocations receive the appropriate funding.
- Service levels can be changed to better reflect available funds.
- Council can determine what new/upgrade works are undertaken in line with the ability to attract external funds to undertake these works and the ability of Council's own source funding to operate and maintain these assets into perpetuity.
- New/upgrade works from growth will partially come from developer contributed assets that will require more stringent development conditions to ensure that the community is not left with infrastructure that does not perform satisfactorily. Appropriate funding streams will need to be made available to own and operate these contributed assets into perpetuity.

1.2 SMP IMPROVEMENT PLAN

It is recommended the improvement plan set out at the end of this SMP be implemented with recommendations as detailed below:

1. The current Maintenance and Operations expenditure levels be maintained.
2. A base budget review of maintenance costs be undertaken.
3. A review of unit rates used in predicating asset replacement cost.
4. Maintenance practices be reviewed and driven by identified asset needs
5. A condition based renewal program of works be adopted.
6. Funding be reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
7. The New/Upgrade program be reviewed and ensure alignment with agreed service levels.
8. Introduce a funding allocation for forward planning and design to better execute capital works projects.

The above expenditure analysis and resulting improvement plan highlights the necessity for reviewing and improving the long term financial plan and the capital works program.

2 INTRODUCTION

2.1 BACKGROUND

This waste service management plan is to demonstrate responsive management of services provided by Lockyer Valley Regional Council's assets, compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The Lockyer Valley Regional Council waste assets include the following asset classes:

- Fixtures;
- Structures;

This service management plan is to be read in conjunction with:

- Lockyer Valley Regional Council Corporate Plan 2012-2017
- Lockyer Valley Regional Council Community Plan 2012-2022
- Lockyer Valley Regional Council Customer Service Charter
- Lockyer Valley Regional Council Operational Plan 2015-2016
- Waste Reduction and Recycling Plan
- Environmental Authority (Gatton Licence EPPR00457513, Laidley Licence - EPPR00620313)

2.2 COUNCIL'S GOALS AND OBJECTIVES FOR WASTE SERVICES

Council operates and maintains the waste assets to achieve the following strategic objectives:

- meet legislative requirements;
- ensure that Council's waste services and assets are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- safeguard Council assets including physical assets and employees by implementing appropriate management strategies and appropriate financial resources for those services;
- ensure resources and operational capabilities are identified and responsibility for service delivery and management is allocated;
- Ensure that the waste network provides full functionality;
- Ensure the network is planned appropriately to cater for future growth.
- Maximise the asset's useful life whilst minimising lifecycle expenditure.
- Maintain a high level of community satisfaction in the delivery of waste services.

2.3 THE PURPOSE OF THIS WASTE PLAN

The purpose of this Waste Plan is to:

1. Improve our understanding of the waste assets and services managed by ensuring access to quality data describing the network and the network condition, as well as the condition of all asset attributes;
2. Provide a framework of alignment for the waste assets and the levels of service derived from the assets;
3. Improve the organizational capabilities for the management of the waste asset and services;
4. Improved confidence levels in future works programs for renewal and maintenance programs and the associated funding requirements for the management options; and
5. Provide guidance for the Council in continuous improvement and toward advanced service management planning.

3 CONTEXT

3.1 Corporate Requirements

This service management plan is prepared under the direction of Council's vision, mission, goals and objectives.

Our vision:

"We will deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity."

Our mission:

"Lead, Engage and Empower"

More specifically, and consistent with Council's Corporate Plan, relevant goals and objectives and how these are addressed in this service management plan are shown in Table 3-1.

TABLE 3-1: COUNCIL'S GOALS AND HOW THESE ARE ADDRESSED IN THIS PLAN

Theme & Role	Council will	How Goal and Objectives are Addressed in SMP
Lockyer Community Provider	Develop a regional plan for bikeways and pathways to promote and encourage their use.	The capital, operating and maintenance expenditure for the whole of life assessment is available through the SMP.
Lockyer Planned Provider	Develop and operationalise the 10 year Asset Management Plan for all Council infrastructure (including roads).	The Waste SMP addresses Waste Asset Management needs.
Lockyer Council Practice & Policy	Develop and operationalise the 10 year Asset Management Plan for all Council infrastructure.	The Waste SMP addresses Council Waste Asset Management needs.
	Develop and operationalise the 10 Year Financial Plan for the delivery and development of council business.	The 10 year Operations, Renewal and New/upgrade programs developed in the SMP contribute to the development of a sustainable LTFP
	Develop practices and policies to support responsible management in relation to clearly defined service standards.	The SMP aligns with Council's Corporate plan and includes the development of service standards including funding requirements.
	Strive to ensure council is financially sustainable through provision of core business while seeking alternative funding sources and commercial opportunities.	The SMP provides 10 year estimates for the sustainable delivery of current service standards.
	Develop corporate, business and information systems and processes that support Council.	The SMP is developed from Council's asset register and clearly defines the service delivery data needs and structure.
Leadership and Communication	Improve Councils Customer Service across the region.	The provision of costed 10 year asset renewal and New/upgrade programs.

4 LEVEL OF SERVICE

4.1 Community Consultation

Community consultation is an essential part of the determination and confirmation of the levels of service framework.

The consultation with the community regarding the management of waste facilities is part of Council's Community Plan roll-out. The Council has developed a Customer Service Charter for sharing information with and receiving feedback from the community. Specifically to the Lockyer Valley the elected Councillors are seen as an effective conduit to receive and understand the needs and concerns of the ratepayers and to provide this feedback through to Council management for appropriate actions and considerations. Council has currently adopted a Customer service strategy which provide recommendations to improve customer and community member experience when dealing with Council

4.2 CURRENT LEVELS OF SERVICE

In accordance with the requirements of the International Maintenance Management Manual, service levels have been defined in two terms.

4.2.1 COMMUNITY LEVELS OF SERVICE

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

Community levels of service measures used in the service management plan are:

- | | |
|------------------------|------------------------------------|
| • Quality | How good is the service? |
| • Function | Does it meet users' needs? |
| • Capacity/Utilisation | Is the service over or under used? |

4.2.2 TECHNICAL LEVELS OF SERVICE

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to best achieve the desired community outcomes.

Council's current levels of service detailed in Table 4-1 have been drafted based on anecdotal and historic information available.

These levels will be further development based on their cost of delivery and the community's willingness to pay.

TABLE 4-1: CURRENT LEVELS OF SERVICE

Classification	Waste Services		
Level of Service	Clean, safe, accessible and sustainable Waste Management Facilities to all residents.		
Performance Measure	Number of complaints, incidents and non-compliance issues (<10 per annum).		
Service Factors	Customer Service Standards	Technical Service Standards	Performance Measure
High Quality Waste Facilities	Consistently clean and compliance waste facilities	Maintenance programs contribute to timely removal of windblown litter, landscape maintenance, vegetation and pest control and.	<5 Complaints/Annum
Accessible	Residents have access to waste facilities	Waste facilities hours are specific to each site and range from 3 days to 7 days a week. Consideration by Council will be given to drive time access to a waste management facility of 20 to 30 minutes as part of the Waste Reduction and Recycling review.	90% availability
Safe	Waste facilities are safe to use	Maintenance programs comply with safety requirements and timeframes. Quarterly hazard inspections undertaken at each site.	Nil Accidents as a result of unsafe assets. Timely rectification of RAPs
Affordability and Whole of Life Management	Waste services remain affordable	Service Management Plan and full cost pricing model for business unit accounts for improved whole of life asset management.	Dividend and return on investment known
Environmental Compliance	Waste practices meets relevant environmental guidelines	Leachate and waste practices comply with environmental statutory requirements.	Within 95% compliance with statutory requirements
Energy Consumption	Minimum energy consumption	Annually reviewed for sustained energy / fuel / power usage. Understand power supply alternatives and competition available	Implement outcomes of annual review.

5 FUTURE DEMAND

Factors affecting future demand for services include population change, changes in demographics, seasonal factors, vehicle ownership, consumer preferences and expectations, economic factors, agricultural practices, environmental awareness, etc. Known demand impacts for the Lockyer Valley in relation to impacts on service delivery are summarised in Table 5-1.

As part of the pending review of the Waste Reduction and Recycling Plan, Council will consider its long term position in waste management. The existing life of the major facility has approx. 10 – 13 years remaining. Council must decide whether to obtain a “greenfield” site or move to transport its waste outside the Lockyer area to another approved landfill site.

Council has an established relationship with Anuha to manage kerbside recycling and operate a material recovery facility as well as other recycling/reuse activities that divert waste from landfill.

TABLE 5-1: DEMAND FACTORS, PROJECTIONS AND IMPACT ON SERVICES

Demand factor	Present position	Projection	Impact on services
Population	38,312 persons (2014)	Increase population to 63,000 by 2031.	Yes however impacts will be measured due to legislated reviews of Waste Reduction & Recycling Plan, review of Waste management collection contracts & other major contracts and other statutory impacts (eg Qld State Levy, Federal Carbon Tax levy).
Demographic	Median age 37 (2011)		Potentially need to consider improved signage to accommodate various nationalities. Assistance equipment for physically impaired and aged populations.
Tourism	Approximately 304,000 visitors per annum.		Appropriate waste management & recycling services provided at events.
Housing	In 2015, 260 residential dwellings were approved.	Potential infill housing and take up of current land stocks.	Competing interests for compatible land uses can create conflict (e.g. housing encroachment next to Waste management facilities.)

Demand for new services will be managed through a combination of managing existing assets, upgrades, provision of new assets to meet demand and demand management. Demand management practices may include non-asset based solutions, insuring against risks, appropriate risk mitigation strategies and managing failures.

TABLE 5-2: DEMAND MANAGEMENT PLAN SUMMARY

Service Activity	Demand Management Plan
Community demand for waste services.	Demand can be understood by feedback required by the Waste Reduction and Recycling Plan process every three years which will be considered by Council prior to the release of an updated plan.
Replacement or repair of waste assets	Progressive repair or replacement waste management assets in line with contemporary waste and recycling practices.
Capital Works – Renewals / Replacement	Replacement projects will need to be assessed with a balance between competing demands for investment to renew existing assets as well as providing expenditure for new assets to meet growing service delivery demand.

The Demand Management Planning process will need to be applied to all asset groups, types and components to ensure that the Council understands the funding requirements to deliver the necessary works and what is required going forward to adequately provide services to the community. This work should be undertaken as a matter of priority and certainly prior to consideration of any new waste assets.

6 RISK MANAGEMENT

Council has a 'duty of care' to the community in relation to management of the waste service assets. This covers the various phases of design, construction through to operations and maintenance of the system.

The risk management framework derives from:

- Risks associated with the loss of service by the failure of critical assets;
- Financial risks from a lack of due diligence in the management of funding for the renewal, maintenance and operation of the assets to provide agreed Levels of Service; and
- Operational risks where data and information are not maintained to standards which enable competent management outputs
- Compliance with Workplace, Health & Safety Act, Environmental Protection Act and Environmental Authorities.

6.1 RISK ASSESSMENT

A range of risks (both hazardous and environmental) exist at all waste management facilities.

Risks include:

- Uneven road surfaces
- Chemicals (Oils, acids, flammable substances)
- Leachates
- Gases/odours
- Sharp objects (scrap metal)
- Stockpile stability
- Large plant movement
- Steep landfill batters

Staff undertake the following mitigation activities to address identified risks on a daily to weekly and quarterly basis. Eg daily vehicle logs, hazard inspection reports, incident and near miss reports, toolbox talks, Safe work method statements, MSDS documents & site based management plans/post closure plans.

It needs to be acknowledged that landfill sites that have now been converted for use as waste transfer station sites, will need to be capped to meet environmental management obligations. Whilst preliminary documents suggest a capital spend around \$20,000,000 - \$25,000,000, future investigations in the next 6 – 12 months will result in up to date costs to undertake such capping works. During this time long haul financial forecasts will be prepared for inclusion in the 10 year capital plan.

7 LIFECYCLE MANAGEMENT PLAN

Lifecycle planning uses current asset and financial data to detail how Council will manage and operate the assets to deliver sustainable levels of service (defined in Section 4) while optimising life cycle costs.

The diagram below demonstrates the asset management whole of life approach:

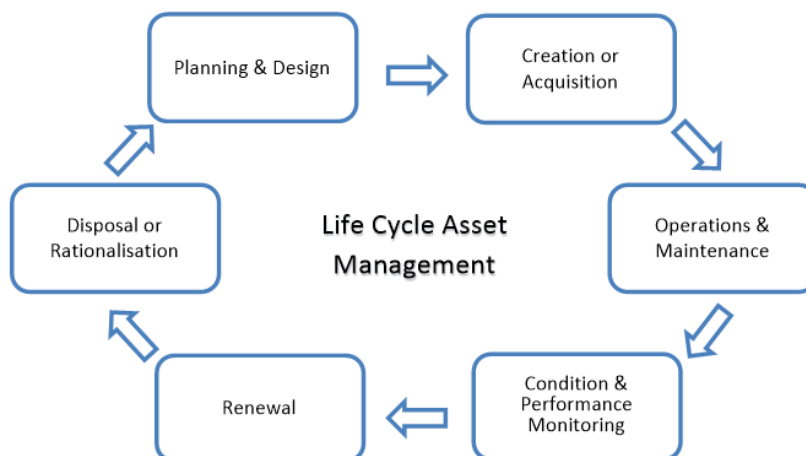


FIGURE 7-1: ASSET LIFECYCLE
Source: IIMM

7.1 INPUT DATA AND PARAMETERS

7.1.1 DATA CONFIDENCE

This lifecycle assessment is based on Council's revaluation data, financial data and asset register as detailed in Section 8. The data is considered to have an accuracy rating of 2 in accordance with the rating scale in Table 7-1. Allocation of historical costs for maintenance and operations at individual asset level cannot be verified.

TABLE 7-1: DATA CONFIDENCE RATING

Grade	Description	Accuracy
1	Accurate	100%
2	Minor inaccuracies	± 5%
3	50% estimated	± 20%
4	Significant data estimated	± 30%
5	All data estimated	± 40%

(Section 4.3.7 of the *International Infrastructure Management Manual (IIMM) Version 3.0, 2006*)

7.1.2 ADOPTED USEFUL LIVES OF WASTE ASSETS

An asset's useful life is defined as a period over which a depreciable asset is expected to be fully consumed. This period can be significantly impacted by Council's maintenance practices.

The useful life of an asset is initially based on the manufacturer's recommended (expected) life. However, this may be adjusted based on historical evidence of the impact of local environmental conditions on the expected life. Obsolescence, mentioned in section 1, also may have significant impacts on asset utilisation which may lead to redundancy; however Council is yet to hold sufficient data to use in informing this SMP.

Council's adopted useful lives for each asset type are shown in Table 7-2 below.

TABLE 7-2: WASTE ASSET HIERARCHY AND LIVES

Asset Class	Asset Type	Materials	Asset Lives (Years)
Fixture	Bulk Bin	Metal	20
	CCTV		25
	Compound	Metal	25
			30
			50
			30
	Fencing	Metal	40
	Lighting		15
	Safety Equipment	Metal	20
	Signage	Metal, concrete	25
	Tank	Concrete	30
		Plastic	30
		Metal	30
Structures	Cell		Until full capacity + 30yrs monitoring
	Retaining Wall	Concrete	20
			40
	Sedimentation Pond		200
	Weighbridge	Concrete, metal	30

7.2 RENEWAL PLANNING

Renewal expenditure does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to its original service potential is upgrade or new works expenditure.

7.3 NEW/UPGRADE PLANNING (CREATION OR ACQUISITION)

New/Upgrade works are those that:

- Create a new asset that did not previously exist, or
- Upgrade or improve an existing asset beyond its existing capacity.

7.4 OPERATIONS AND MAINTENANCE PLANNING

Current maintenance management is undertaken based on historical practices and trends supported by documented routines.

The maintenance service objectives are to:

- To maintain the system in a safe, serviceable and aesthetic condition, displaying a defensible duty of care within Council's financial and physical constraints to the satisfaction of Council and the community;
- To maintain and preserve the functionality and value of the existing assets;
- Ensure the provision of an affordable standard of customer service ensuring that customer requests are responded to in an efficient and effective manner

Establishing a Maintenance Management Plan enables Council to measure performance and build confidence that the network will consistently deliver against the nominated levels of service.

Currently assets have programmed inspections undertaken that cover safety, incidents investigations, defect identification, condition assessment and responses to customer enquiries.

7.5 CONDITION & PERFORMANCE MONITORING

7.5.1 CONDITION RATING

Lockyer Valley's extensive network of assets are generally visible and can be readily inspected to determine their condition. Council has adopted a condition assessment method using a rating scale of 1 to 5. This aligns with the remaining life model in Section 7.1.2. The Condition Ratings are detailed in Table 7-3.

TABLE 7-3: STRUCTURAL CONDITION GRADING MODEL

Grade	Condition	% Useful Life remaining	Description
1	Very Good	>70%	Sound physical condition. No signs of deterioration. Only normal maintenance required.
2	Good	70%-51%	Acceptable physical condition; minor deterioration visible, no short-term failure risk. Minor defects only. Only minor work required, if any.
3	Fair	50%-11%	Acceptable physical condition; minimal short-term failure risk but potential for deterioration in long-term. Minor defects only. Minor components or isolated sections of the asset may need replacement or repair now but asset functions safely at adequate level of service. Work may be required but asset is serviceable. Maintenance required to restore the asset to an acceptable level of service.
4	Poor	10%- 4%	Significant deterioration evident. Failure likely in short-term. Likely need to replace most or all of asset. No immediate risk to health or safety but works required to ensure asset remains safe. Substantial work required in short-term, asset barely serviceable. Asset requires renewal – work to be programmed.
5	Very Poor	<4%	Failed or failure imminent. Immediate need to replace most or the entire asset. Health and safety hazards exist which present a possible risk to public safety, or asset cannot be serviced/operated without risk to personnel. Asset is effectively unserviceable. Major work or replacement required urgently.

(International Infrastructure Management Manual (IIMM) Version 3.0, 2006 Section 3.3.6)

7.5.2 ASSET CAPACITY AND PERFORMANCE

Council's services are generally provided to meet design standards where these are available. Locations of identified deficiencies in service performance will be provided in future revisions of this Plan. In addition, if these deficiencies are to be addressed the project details will be included in the New/Upgrade program and evaluated through this plan.

7.5.3 CRITICAL ASSETS

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, Council targets inspection and investigative activities, maintenance plans and capital expenditure plans. The identification of critical assets, their failure modes and required operations and maintenance activities will be developed in future revisions of this service management plan. Identified critical assets include landfill liner failure, landfill cap failure & leachate system failure.

7.6 DISPOSAL PLAN

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Under the Environmental Authority post closure plans are mandatory and are now currently being

prepared for closed landfill sites identified under the authority. These sites may still be operated as waste transfer stations however must be environmentally monitored for a minimum of thirty (30) years.

8 WASTE ASSETS ANALYSIS

8.1 ASSUMPTIONS

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

In the preparation of renewal forecasts and works programs it has been assumed the Council will continue to deliver waste services in the current manner and at the current levels.

This Plan is based on:

- Waste asset audit conducted in September/October 2017
- Condition assessment data as at November 2017
- Asset valuations as at 30 June 2015

Further, this plan will need to be updated annually to reflect changes to valuation, condition and impairment of assets.

Key assumptions made in this service management plan are:

- This plan will be adopted and implemented;
- Works programs will be adopted and funded;
- Funding priorities are based on "renew before new";
- Existing maintenance & operation funding levels will be maintained.
- Reducing expenditure on unplanned infrastructure maintenance and using these funds for planned reconstruction, rehabilitation, and component replacement programs;
- Steady state condition of infrastructure as identified by condition surveys;
- Expected and adopted asset useful life will be achieved; and
- Normal wear and tear conditions.

Assumptions regarding asset age and condition/age ratio is in accordance with the relevant tables in Section 7.

8.2 ASSET CLASS SUMMARY

The waste assets covered by this service management plan are shown in Table 8-1. Replacement values are based on revaluation data as at 30 June 2017.

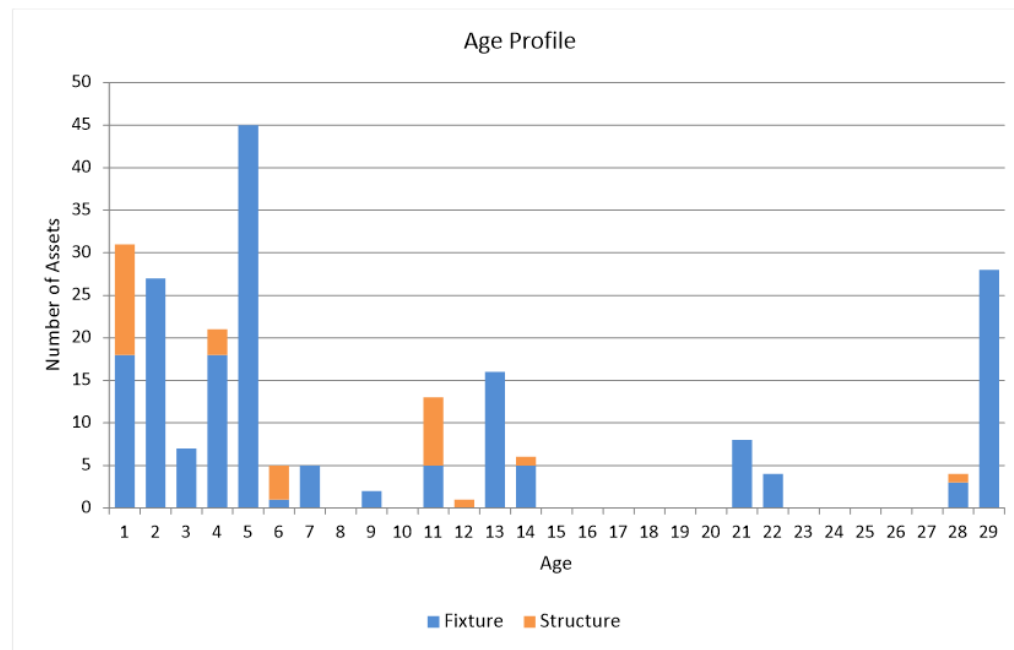
TABLE 8-1: ASSETS COVERED BY THIS PLAN

Asset Class	Asset Type	Asset Count	Total Units
Fixture	Bulk Bin	16	
	CCTV	14	
	Compound	27	
	Fencing	83	8823 metres
	Lighting	6	8 individual lights
	Safety Equipment	4	
	Signage	16	
	Tank	24	
Structures	Cell	13	259,934 square metres
	Retaining Wall	16	357.5 metres
	Sedimentation Pond	1	
	Weighbridge	1	

8.3 AGE PROFILE

Asset age profile information is summarised in

Figure 8-1 below. Asset age was established based on construction date where known. For assets with an unknown construction date, age was estimated based on expected useful lives and remaining useful lives (established through condition assessments). These ages will be verified where possible going forward and data improved in future



updates of this plan.

FIGURE 8-1: WASTE ASSETS AGE PROFILE

8.4 ASSET CONDITION PROFILE

Condition ratings for waste assets were captured in a full audit exercise in 2017 and commencement of a rolling four year condition rating program, which therefore sees 25% of assets rated each year, has begun. The condition profile of waste assets, grouped by site, is shown in Figure 8-2 below.

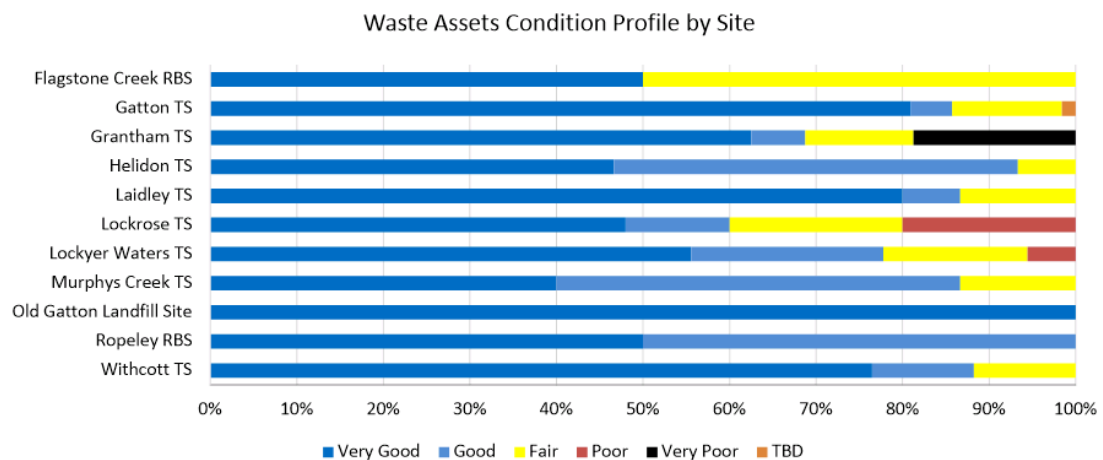


FIGURE 8-2: ASSET CONDITION PROFILE

The following (Figure 8-3) shows a breakdown of the waste assets condition profile at the component level.

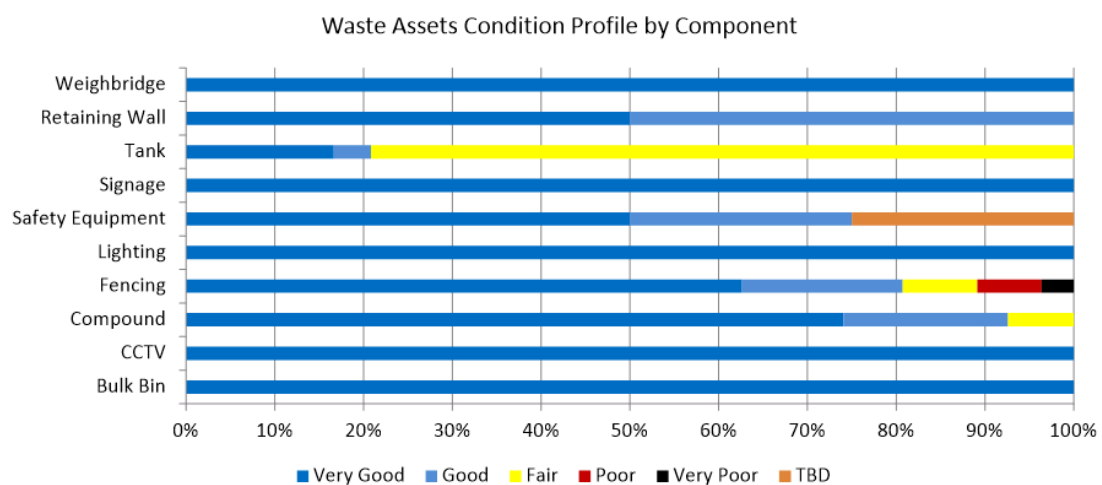


FIGURE 8-3: ASSET CONDITION PROFILE

Landfill Cells and Sedimentation Ponds have been omitted from the asset condition profiles as their condition ratings are indicative of remaining capacity rather than remaining life. When these assets reach condition 5, they will not be renewed.

The majority of Council's waste assets have been assessed as being in very good condition. Only fencing assets have been assessed as being in poor or very poor condition, and will require attention in the near future.

8.5 ASSET REPLACEMENT FORECAST

Asset replacement forecasts are summarised in Figures 8-4 and 8-5, at the site and component level respectively. Over the next 20 years, an estimated \$1,026,815 worth of waste assets will be reaching the end of their useful lives and requiring replacement.

20 Year Replacement Forecast by Waste Site

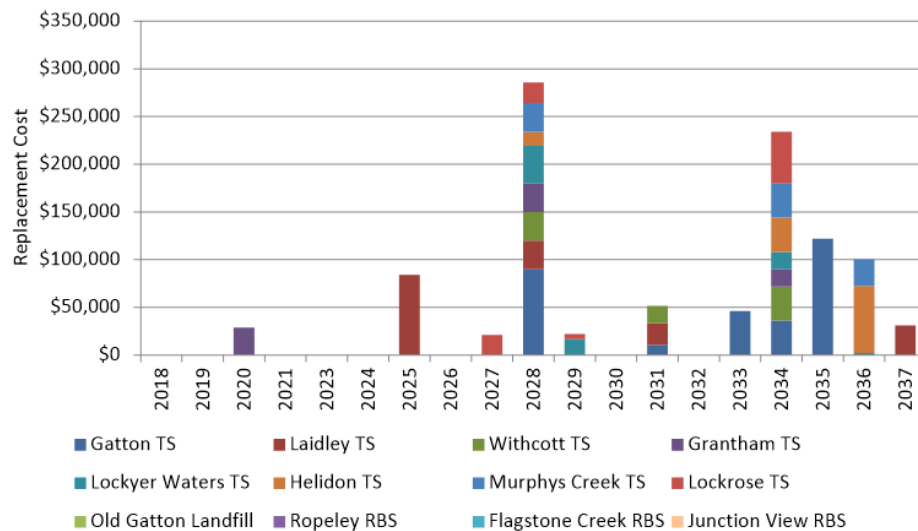


FIGURE 8-4: ASSET REPLACEMENT FORECAST (SITE)

20 Year Replacement Forecast by Component

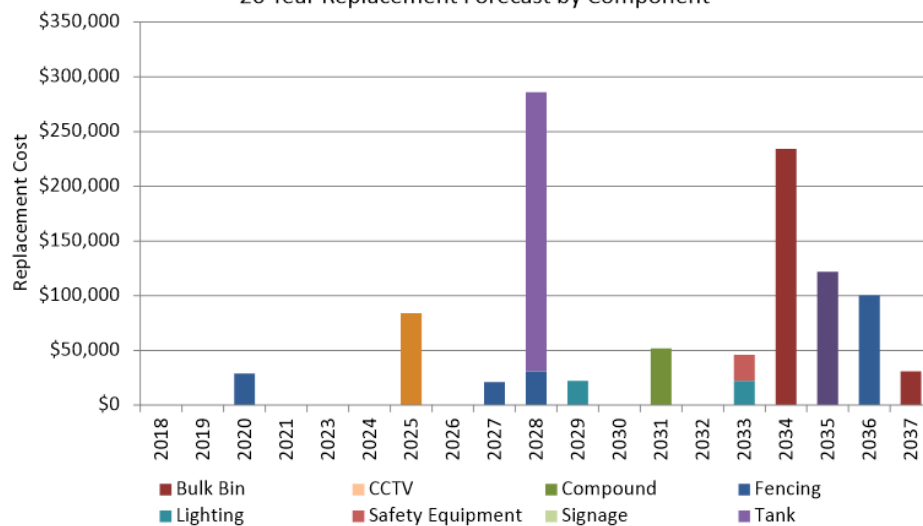


FIGURE 8-5: ASSET REPLACEMENT FORECAST (COMPONENT)

9 FINANCIAL SUMMARY

This section contains information on the current long term financial plan. The forecast expenditure contained within this plan should be used as a basis to revise and improve the long term financial plan for the next 10-years. The financial planning provisions must acknowledge that there is no residual value in waste assets once they reach the end of their useful life.

9.1 CURRENT LONG TERM FINANCIAL PLAN

It is assumed that operations and maintenance totals identified in Table 1-1 will be continued for the term of this assessment and have been included in the funding available in the LTFP expenditure projection.

9.1.1 RENEWAL EXPENDITURE

Figure 9-11 shows the projected asset renewal and replacement expenditure over 20 years to indicate future peaks and troughs. The planning period concerned for this SMP is however only the first 10 years, to 2027. The projected asset renewal and replacement expenditure is compared to renewal expenditure in the capital works program and the renewal allocation in the LTFP. The condition renewals identified are based on assumed unit rates applied against the 2017 asset audit and will be updated at next valuation.

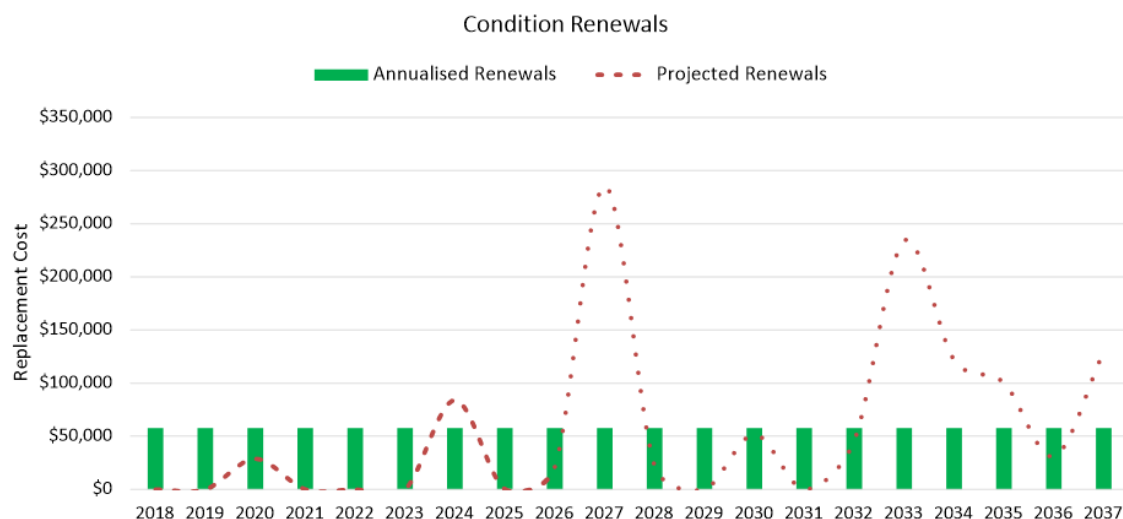


FIGURE 9-1: PROJECTED AND LTFP BUDGED RENEWAL EXPENDITURE

9.1.2 PLANNED NEW/UPGRADE EXPENDITURE

Projected upgrade/new asset expenditures are summarised in Figure 9-2 with specific projects outlined in Appendix A.

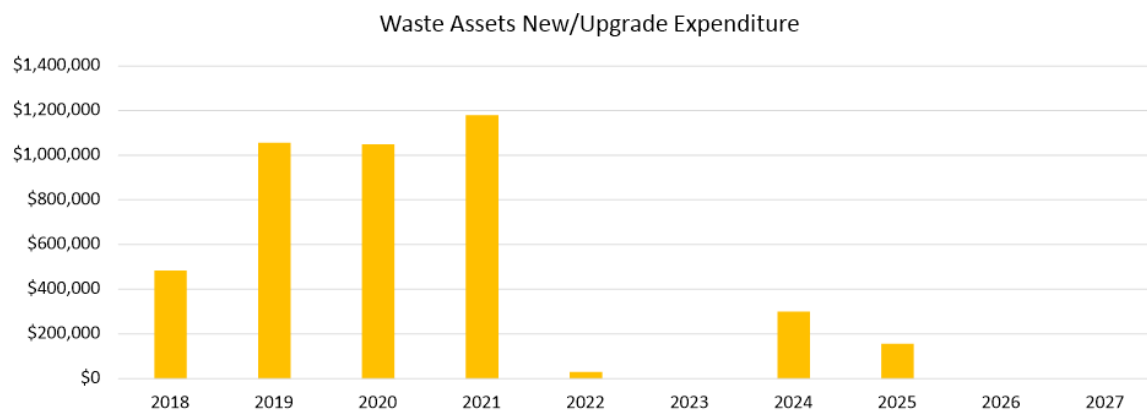


FIGURE 9-2: CURRENT 10 YEAR NEW/UPGRADE EXPENDITURE PLAN

9.2 FORECAST OPERATIONS AND MAINTENANCE EXPENDITURES

Operations and maintenance expenditure shown in figure 9-3 is based on 2016-17 actual expenditure, indexed at 2%.

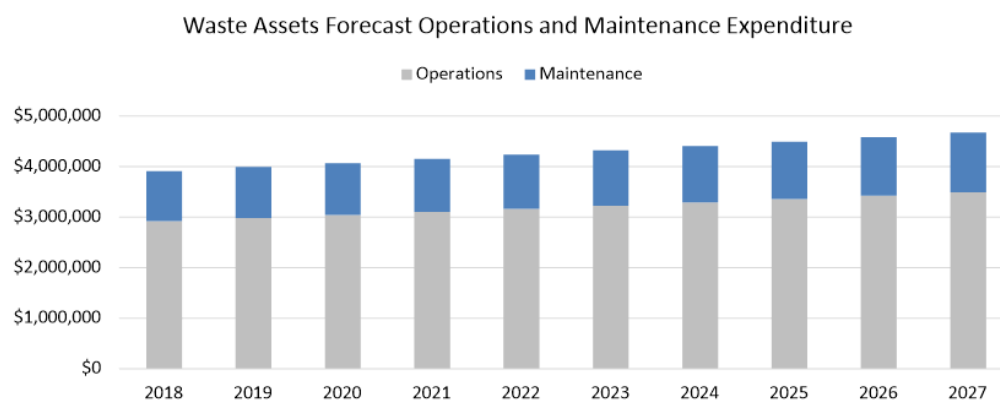


FIGURE 9-3: FORECAST OPERATIONS & MAINTENANCE EXPENDITURE

9.3 EXPENDITURE SUMMARY

The financial projections and the available funding are shown in Figure 9-4 for forecast operating (operations and maintenance) and capital expenditure (renewal and new/upgrade assets).

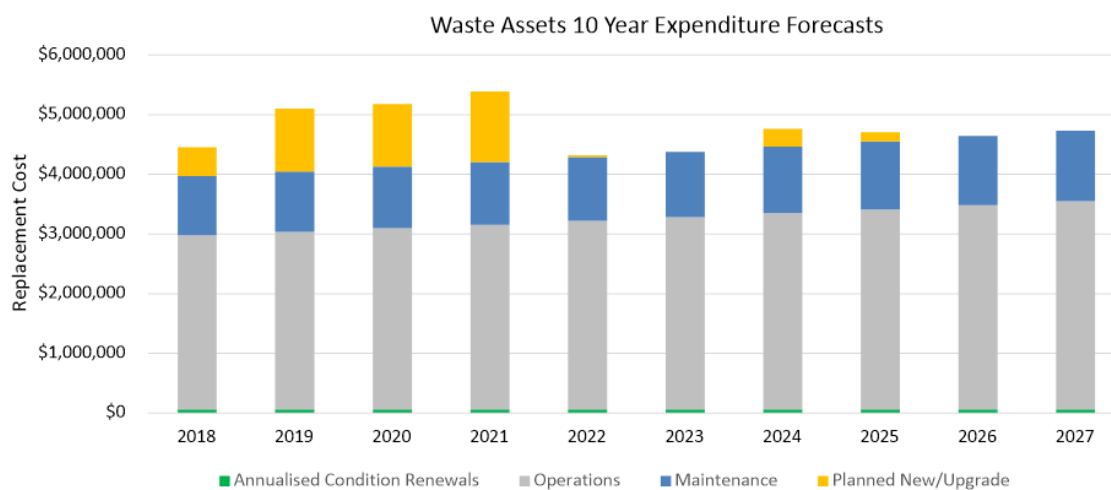


FIGURE 9-4: 10 YEAR EXPENDITURE FORECAST

9.4 EXPENDITURE PROJECTIONS FOR LONG TERM FINANCIAL PLAN

Condition Renewal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Fixture	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588	\$335,880
Structure	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$84,000
Renewal Total	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$41,988	\$419,880

New/Upgrade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Driveway	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fixture	\$150,000	\$50,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,000
Landscaping	\$95,000	\$85,000	\$90,000	\$0	\$30,000	\$0	\$0	\$155,000	\$0	\$0	\$455,000
Structure	\$164,000	\$920,000	\$950,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,134,000
Other	\$75,000	\$0	\$0	\$80,000	\$0	\$0	\$300,000	\$0	\$0	\$0	\$455,000
New/Upgrade Total	\$484,000	\$1,055,000	\$1,050,000	\$1,180,000	\$30,000	\$0	\$300,000	\$155,000	\$0	\$0	\$4,254,000

Maintenance & Operations	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Operations	\$2,921,476	\$2,979,905	\$3,039,503	\$3,100,293	\$3,162,299	\$3,225,545	\$3,290,056	\$3,355,857	\$3,422,974	\$3,491,434	\$31,989,344
Maintenance	\$990,019	\$1,009,820	\$1,030,016	\$1,050,617	\$1,071,629	\$1,093,061	\$1,114,923	\$1,137,221	\$1,159,966	\$1,183,165	\$10,840,437
Maintenance & Operations Total	\$3,911,495	\$3,989,725	\$4,069,520	\$4,150,910	\$4,233,928	\$4,318,607	\$4,404,979	\$4,493,078	\$4,582,940	\$4,674,599	\$42,829,781
Expenditure Total	\$4,437,483	\$5,086,713	\$5,161,508	\$5,372,898	\$4,305,916	\$4,360,595	\$4,746,967	\$4,690,066	\$4,624,928	\$4,716,587	\$47,503,661

9.5 ASSET VALUATIONS

The values of the assets recorded in this SMP are based off a high level valuation in 2015. The asset components have since been identified in an audit in late 2017 and are due to be revalued in March of 2018. The asset valuation summary in Table 9-1 is based on assumed unit rates applied to asset components from the 2017 audit.

TABLE 9-1: ASSET VALUATIONS AS AT 30 JUNE 2016 (\$000's)

Service	Replacement Cost	Accumulated Depreciation	Fair Value
Waste	\$2,607	\$825	\$1,781

9.6 FUNDING STRATEGY

The Waste management function is to be operated under a Full Cost Pricing model. Revenue streams include separable rating category for collection services, an environmental levy and "user pay" type gate fees at each site. In the coming year it is expected there will be a revenue source available by way of a "grant" from the Qld waste levy.

9.7 FINANCIAL RECOMMENDATIONS

In order to maintain current service levels over the next 10 years, Council will have to spend, on average \$4.9M every year on operations, maintenance and the renewal of existing assets.

It is recommended that:

1. The current Maintenance and Operations expenditure levels are maintained.
2. A base budget review of maintenance costs is undertaken.
3. A condition based renewal program of works is adopted.
4. Funding is reallocated to new/upgrade works while still prioritising renewals, operations and maintenance.
5. The New/Upgrade program is reviewed to reflect available funding.
6. Introduce a funding allocation for forward planning and design to better execute capital works projects.

10 Plan Improvement and Monitoring

10.1 PERFORMANCE MEASURES

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

- The degree to which the required cash flows identified in the development of the final Plan are incorporated into Council's long term financial plan and Community/Strategic Planning processes and documents,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the service management plan;
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the Council's Strategic Plan and associated plans,
- The Asset Renewal Funding Ratio achieving the target of 1.0.

10.2 IMPROVEMENT PLAN

An asset management improvement plan generated from this service management plan is shown in Table 10-1.

TABLE 10-1: IMPROVEMENT PLAN

Task No	Task	Responsibility	Resources Required	Timeline
1.	Update Future Demand (section 5) and Risk Management (section 6) to include decision/plan regarding future waste management strategies (e.g. continued landfill vs. long-haul).	Manager Health, Waste & Regulatory Services		December 2018
3.	Develop a condition assessment manual for waste assets.	Manager Health, Waste & Regulatory Services		December 2018
4.	Align the Long Term Financial Plan to the expenditure forecasts found in this SMP.	Manager Finance & Customer Service		December 2018
5.	Set intervention levels for maintenance.	Manager Health, Waste & Regulatory Services		December 2018
6.	Perform a base budget review of maintenance costs.	Manager Health, Waste & Regulatory Services		December 2018
7.	Review useful lives for accuracy.	Manager Health, Waste & Regulatory Services		December 2018
8.	Undertake an annual review and update this service management plan.	Manager Health, Waste & Regulatory Services		December 2018

10.3 MONITORING AND REVIEW PROCEDURES

This Plan will be reviewed during annual budget preparation and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of the budget decision process.

This Plan has a life of 1 year and is due for major review in late 2018.

11 Appendices

Appendix A Planned New/Upgrade 10 Year Capital Works Program

Appendix B Condition Renewal 10 year Program

APPENDIX A PLANNED NEW/UPGRADE 10 YEAR CAPITAL WORKS PROGRAM

Project ID	Project Title	Project Description	Capital Work Type	Priority	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Glass Flies to Sand Recycling Equipment	Processing of glass through MRF to sand rather than coarse fines for reuse	Capital New	0	\$0	\$225,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Carton - Long Haul Transfer Station	Underwrite final flow assessment	Capital New	47	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Carton - Weighbridge Platform/Ramp	Safety platform to prevent persons falling off weighbridge	Capital New	38	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10069	Lockrope Transfer Station	Investigation into future waste transfer station site (approach, roadworks etc)	Capital New	44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Lockrope Transfer Station	Purchase shed for storage of backhoe and misc. items	Capital New	27	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Carton and Laidley - Telemetry	Install telemetry and comms to locate tanks and site dams	Capital New	48	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Pest (weeds & fireants) washdown provision	Install 10,000 litre rainwater tanks and pumps to hose down equipment (borescans, purchase germi) and install bunded area	Capital New	51	\$70,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Carton Site - long haul options	Investigate and develop further concept designs for long haul options	Capital New	12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Carton Site - sedimentation	sedimentation pathway sample location	Capital New	25	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Additional digital cameras for sites	cameras at front entrance and over bulk waste stockpiles and bins	Capital New	46	\$30,000	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Construct liner against Cell 1	Expansion of Cell 4 vertically includes additional GCL lining against Cell 1	Capital New	0	\$0	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Carton landfill - Cell 3 (Design)	Develop and design specification for Cell 3	Capital New	0	\$0	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Carton Landfill - Cell 3 (Superintendent & Construct)	Superintendent overview and construction of cell	Capital New	0	\$0	\$0	\$0	\$1,300,000	\$0	\$0	\$0	\$0	\$0	\$0
101121	Carton Landfill Capping	Investigation and Design (Yr 1) then construction (Yr 2)	Capital New	0	\$0	\$650,000	\$650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
101505	Landcapping	Carton and Laidley Sites	Capital Upgrade	45	\$15,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Transfer Station Landscaping	Plant for various sites for screening	Capital Upgrade	45	\$20,000	\$0	\$30,000	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0
3	Brummen Sealing at Transfer Station	Provide bitumen sealing to minimise dust and soil movements	Capital Upgrade	36	\$60,000	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Waste Transfer Station for improved compliance	Provide roofed area over bins, concrete apron, upgrade fall protection, litter controls, etc	Capital Upgrade	44	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total					\$644,000	\$1,055,000	\$1,050,000	\$1,330,000	\$50,000	\$0	\$300,000	\$155,000	\$0	\$0

APPENDIX B CONDITION RENEWAL PROGRAM

Last updated 12/12/2017

Asset Number	Asset Type	Asset Description	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
T000132	Fencing	Grantham TS			\$1,600							
T000133	Fencing	Grantham TS			\$2,400							
T000136	Fencing	Grantham TS			\$800							
T000137	Fencing	Grantham TS			\$7,200							
T000254	Retaining Wall	Ludley TS			\$800							
T000157	Fencing	Lockroy TS							\$94,000			
T000161	Fencing	Lockroy TS										
T000162	Fencing	Lockroy TS									\$9,840	
T000163	Fencing	Lockroy TS									\$800	
T000155	Fencing	Lockroy TS									\$720	
T000156	Fencing	Lockroy TS										\$2,080
T000158	Fencing	Lockroy TS										\$2,560
T000159	Fencing	Lockroy TS										\$5,020
T000160	Fencing	Lockroy TS										\$4,000
T000164	Fencing	Lockroy TS										\$2,080
T000165	Fencing	Lockroy Waters TS										\$5,040
T000212	Stormwater Tank	Gatton TS										\$9,208
T000213	Septic Tank	Gatton TS										\$15,000
T000218	Stormwater Tank	Gatton TS										\$15,000
T000219	Septic Tank	Gatton TS										\$15,000
T000220	Septic Tank	Gatton TS										\$15,000
T000221	Septic Tank	Gatton TS										\$15,000
T000222	Septic Tank	Grantham TS										\$15,000
T000223	Water Tank	Grantham TS										\$15,000
T000224	Septic Tank	Helidon TS										\$15,000
T000225	Water Tank	Ludley TS										\$15,000
T000227	Septic Tank	Ludley TS										\$15,000
T000228	Water Tank	Lockroy Waters TS										\$15,000
T000229	Septic Tank	Lockroy Waters TS										\$15,000
T000230	Septic Tank	Murphys Creek TS										\$15,000
T000231	Water Tank	Murphys Creek TS										\$15,000
T000232	Septic Tank	Whitcott TS										\$15,000
T000233	Water Tank	Whitcott TS										\$15,000



Service Management Strategy (2018 – 2021)

Document Control					
Rev no.	Date	Stage	Author	Reviewer	
1	22 Nov 2016	Initial draft	JK	MB	
2	26 Mar 2018	Update	JK	MB	
3					
4					
5					

3

1	INTRODUCTION	5
1.1	BACKGROUND TO SERVICE MANAGEMENT	5
1.2	FORECASTING LONG-TERM SUSTAINABILITY OF LOCAL GOVERNMENT	6
1.3	COUNCIL'S CORPORATE PLAN.....	8
1.4	SERVICE MANAGEMENT PLANNING PROCESS	8
2	WHAT ASSETS DOES COUNCIL MANAGE ON BEHALF OF THE COMMUNITY?	9
2.1	HOW OUR ASSETS REALISE VALUE	10
2.2	STATE OF THE ASSETS	10
2.2.1	<i>Building and Facilities</i>	11
2.2.2	<i>Disaster Management</i>	11
2.2.3	<i>Fleet Management</i>	12
2.2.4	<i>Information, Communication and Technology</i>	12
2.2.5	<i>Transport</i>	12
2.2.6	<i>Parks and Open Spaces</i>	12
2.2.7	<i>Stormwater</i>	12
2.2.8	<i>Waste Management</i>	13
3	THE LOCKYER VALLEY REGION AS PART OF THE GREATER SEQ REGION	13
3.1	GROWTH PROJECTIONS.....	14
4	UNDERSTANDING THE CONNECTION BETWEEN SERVICES AND ASSETS	14
4.1	RENEWAL VS. UPGRADE VS. NEW	15
5	CONTINUOUS IMPROVEMENT - THE WAY FORWARD	15
5.1	RIGHT DECISIONS.....	15
5.2	RIGHT INFORMATION.....	16
5.3	DESIGN STANDARDS AND LEVELS OF SERVICE.....	16
5.4	SKILLS	17
6	PERFORMANCE IMPROVEMENT PLAN.....	17
7	REVIEW	18
	APPENDIX 1. MAP OF THE LOCKYER VALLEY REGION	19

Executive Summary

This Service Management Strategy has been prepared to assist Lockyer Valley Regional Council (Council) to improve the way it delivers services from its assets including roads, bridges, footpaths, stormwater drainage, parks, gardens and cemeteries, waste facilities, carparks, buildings and fleet. Council's assets have a replacement value of \$630m (approx.) as at 30 June 2017.

The service management strategy is to enable Council to show:

- How its asset portfolio will meet the service delivery needs of its community into the future
- Enable Council's asset management policies to be achieved, and
- Ensure the integration of Council's asset management with its long term strategic plan.

Adopting this Service Management Strategy will assist council in meeting the requirements of the national sustainability frameworks, the Local Government Act 2009 (QLD) and regulations by providing services needed by the community in a financially sustainable manner.

The service management strategy is prepared following a review of the council's service delivery practices, financial sustainability indicators, and asset management maturity to fit with council's vision for the future outlined in Council's Corporate Plan 2017-2022. The strategy outlines an asset management improvement plan detailing a program of tasks to be completed that is required to bring council to a minimum 'core' level of asset maturity and competence.

In relation to our Service Management Strategy, the focus will need to be directed at the following:

- Decision making – making the right decisions for the greater good of the region
- Information – accurate and timely, giving our decision makers accurate and credible information on which to make decisions. Providing a central repository for all planned infrastructure projects to allow a global understanding of what needs to be achieved
- Standards – appropriate and affordable in line with community expectations
- Levels of Service – consulted, defined and agreed upon to provide an appropriate and affordable level of service that is applied equitably throughout the region
- Skills – upskilling the organisation in service delivery, customer service and infrastructure management
- Sustainability – creating a sustainable and customer centric organisation meeting the needs of our ratepayers and stakeholders.

In relation to our infrastructure that we manage on behalf of the community we need to take the stewardship of our assets seriously and ensure we provide services at the lowest possible unit cost, this will be achieved through:

- Renewing existing assets before investing too much in new or upgraded assets, and in principle aiming to fund renewals through own source funding and seeking external funding opportunities for upgrades and new infrastructure
- Understanding the nexus between service delivery and infrastructure and the opportunity for exploring other non-asset based solutions for assisting service delivery
- Continuously reviewing maintenance practices and outcomes to look for 'better outcomes' to ensure our infrastructure life is maximised at the lowest possible cost and risk is mitigated
- Being innovative when looking at the renewal or provision of assets, are there new methods or technologies that can provide the service at a reduced 'whole of life cost'? In some instances crystal balling to see where the opportunities or threats may come from may be appropriate
- Ensuring that all infrastructure whether own source or developer contributed is built to the appropriate current engineering standards to provide positive legacies for the region.

1 INTRODUCTION

1.1 BACKGROUND TO SERVICE MANAGEMENT

For Lockyer Valley Regional Council (Council), a key issue facing the organisation is the sustainable financial management of ageing assets in need of renewal and replacement. Council's assets exist to enable the delivery of important public services to the community. Changes to the amount and type of services that the Council delivers to the community has a direct correlation to the way Council needs to plan for and provide infrastructure to either provide a service or assist the delivery of the service. A legitimate decision for Council is how to provide the service, the delivery of services through infrastructure is just one mechanism and at times the delivery of a service through non-asset based solutions is an appropriate, responsible outcome.

This Service Management Strategy (SMS) has been produced to enable Council to show:

- How it will achieve compliance with regulatory requirements
- How the asset portfolio will meet the service delivery needs of the community
- How Council's asset management policies are to be achieved, and
- The integration of Council's service and asset management with the long-term strategic plan.

Infrastructure assets such as public buildings, roads, drains, and bridges present particular asset management challenges because their condition and longevity can be difficult to accurately determine. Financing needs for these assets can be large, requiring planning for large peaks and troughs in expenditure for asset renewal and replacement. The demand for new and improved services adds to the planning and financing complexity of asset management.

Councils can at times fail to accurately quantify the ongoing operations and maintenance costs and renewal costs when making the initial capital investment decision. The creation of new assets presents challenges in quantifying and funding the ongoing operating and replacement costs necessary to provide the needed service over the asset's full life cycle.

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

A strategic longer-term plan covering, as a minimum, for the term of office of the councillors:

- Service management plans linked to the long term financial plans,

Demonstrating how council intends to;

- Resource the plan, and
- Consult with communities on the plan
- Budget annually that funds the strategic objectives, and

the production of an Annual report with;

- Explanation to the community on variations between the budget and actual results
- Any impact of such variances on the strategic longer-term plan
- Report of operations with review on the performance of the council against strategic objectives.

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

The seven elements are:

1. An asset management policy
2. Strategy and planning that includes;
 - a. service management strategy
 - b. service management plans
3. Governance and management arrangements
4. Defined levels of service
5. Data and systems
6. Skills and processes, and
7. Evaluation.

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

- In the most cost effective manner
- Through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets,
- or through non asset based solutions
- For present and future consumers in an equitable manner

The objective of this strategy (SMS) is to define a framework to guide Council's planning, construction, maintenance and operation of infrastructure and other assets essential for Council to provide the appropriate services to the community.

1.2 FORECASTING LONG-TERM SUSTAINABILITY OF LOCAL GOVERNMENT

Across Australia there are concerns about the ability of Councils to generate sufficient revenue (a significant portion of which comes from state and federal government grants and subsidies) to cover capital, maintenance and operating costs for the assets under their stewardship. In October 2016, the Queensland Audit Office (QAO) report, *'Forecasting long-term sustainability of local government'*, was tabled in parliament. The QAO examined all of the state's 77 councils, with several councils being more closely examined. The broad intention of the audit was to find out how well the council sector balances its revenue sources and expenditure demands in order to form a sustainable long-term financial model for its respective council area. In part, the audit found that *"most councils plan poorly for the long term. Their long-term financial forecasts and service management plans lack substance and rigour"*. The QAO recommended Queensland councils improve the quality of their long-term forecasts and financial planning by:

1. Maintaining complete and accurate asset condition data and service management plans
2. Implementing a scalable project decision making framework for all infrastructure asset investments
3. Engaging directly with their communities on future service levels
4. Developing financial plans to explain their financial forecasts and how they intend to financially manage the council and its long-life assets

Lockyer Valley Regional Council has made significant progress in the updating of service management plans (renamed from asset management plans to provide a greater focus on the delivery of services) to better reflect the affordable service level requirements and future investment demands. In addition, there is now a greater focus across the organisation on the timely renewal of assets rather than an over emphasis on the provision of new assets.

1.2.1 SOURCES OF REVENUE

Council operates in a fiscally constrained environment with the ability to raise revenue limited by:

- ratepayer ability and willingness to pay for services
- amount of grants and subsidies available from various levels of governments
- council's own ability to attract revenue through other means
- appetite of the community for the sale of assets that are deemed no longer required.

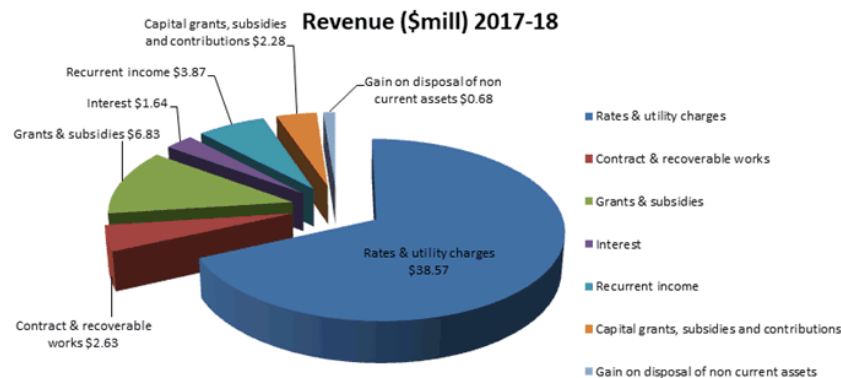
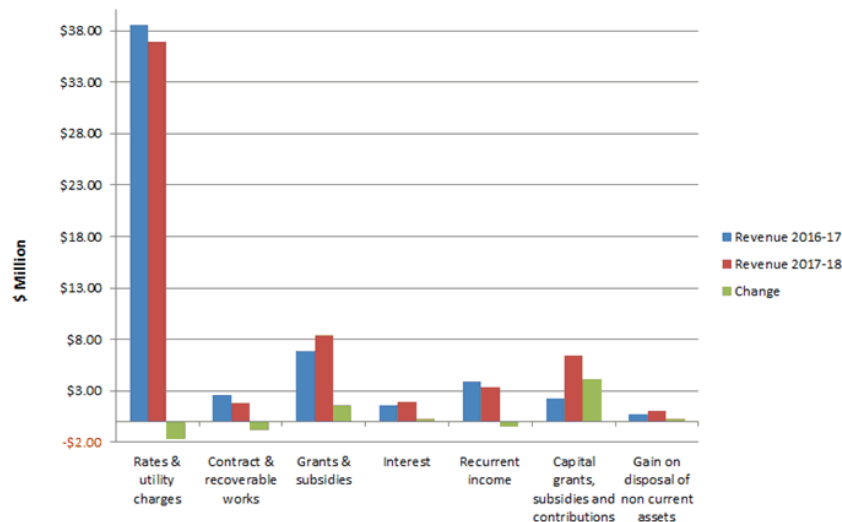


Figure 1. Revenue by Source, 2017-18 Financial Year

Approximately 14% of revenue for the Lockyer Valley Regional Council has been supplied through general purpose government grants. This high reliance on external funding streams makes it imperative for Council to manage the balance between services, assets and controlling operational expenditure to achieve long term sustainability.



Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

Figure 2. Revenue Comparison by Source, 2016-17 and 2017-18 Financial Years

1.3 COUNCIL'S CORPORATE PLAN

Council's 2017-2022 Corporate Plan under the 'Lockyer Planned' theme states that Council will 'Deliver an asset management improvement plan that establishes a minimum core level of asset maturity and competence'.

It is recognised that this situation must be improved for an organisation with governance over assets with a current replacement cost in the vicinity of \$630 million. The production of this Service Management Strategy document and the updating of the subordinate service management plans is a significant step forward for the cultural journey of Council in the field of asset management and service provision.

1.4 SERVICE MANAGEMENT PLANNING PROCESS

Service management planning is a comprehensive process to ensure that assets are managed and maintained in a way that enables affordable services from infrastructure to be provided in an economically optimal way. Service management planning commences with defining stakeholders, legal and service requirements and balancing needs vs. 'nice to haves'. These quantified needs flow into the organisations strategic planning processes. They help to define inputs and outputs of service management and operational plans, that link through to a long-term financial plan that identifies revenue sources balanced to financing needs to ensure that Council can remain sustainable whilst delivering appropriate services to the community.

1.4.1 SERVICE MANAGEMENT VS. ASSET MANAGEMENT

Service Management involves the defining of services that the Council provides to the community. This is based on providing services that are either regulated (must be provided by Council, dictated by legislative or regulatory requirements) or are determined by Council as a service that the community either needs or wants and is willing to pay for which can be sustained over the longer term. Asset Management comes into play where the Council has decided to provide a service through the provision of infrastructure and involves managing the assets in the most cost effective way over the assets whole of life.

2 WHAT ASSETS DOES COUNCIL MANAGE ON BEHALF OF THE COMMUNITY?

Council provides services to the community through the provision of assets that either deliver a service or enable the delivery of the service. The list below is not exhaustive and will need to be expanded upon once a greater understanding of the full suite of services that the Council delivers is fully defined. The range of assets and the services provided from the assets is shown in Table 1.

TABLE 1. ASSETS USED FOR PROVIDING OR ENABLING SERVICES

Asset Type	Description	Services Provided
Buildings and Facilities	Various corporate and community buildings	Administration, libraries, depots, cultural centres, community halls, pools and other facilities that enhance the liveability of the LVRC region and provide corporate accommodation for the service delivery units.
Bores	Water bores and other water infrastructure	Water bores support the operations of Council particularly in the Parks & Open Spaces, Infrastructure Delivery and Disaster Management areas.
Plant and Equipment	Motor vehicles, trucks, earthmoving equipment, vegetation control equipment and ancillary equipment.	Supports corporate and operational areas of Council as well as the SES, to enable the Council to deliver services throughout the region.
Roads, Crash barriers, Carparks and Traffic Management	Formation, pavement and seals and other road infrastructure that make up the road network throughout the region.	Roads provide accessibility for the community and visitors to engage in commercial, educational, medical and social activities throughout the region.
Bridges, Culverts and Floodways	Traffic and pedestrian bridges and concrete floodway's.	Provide the ability for the community to cross water courses located within the road reserves and parks and open spaces throughout the region.
Kerb and Channel	Various types of kerb and channel and crossovers in predominately urban areas.	Kerb and channel allows the movement of surface runoff from rain events to be moved in an efficient manner from the road surface to drainage lines. It limits the opportunity for rainfall runoff to enter private properties.
Stormwater Drainage	Various pipes and pits in a network to take rainfall runoff and transport it to natural drainage lines i.e. creeks, gullies etc.	Stormwater assets remove surface runoff to appropriate disposal locations to protect community and private infrastructure from inundation.
Parks Assets	Various playgrounds, seats, waste receptacles, structures, and landscaped areas.	Various parks embellishments to allow the enjoyment of parks and open spaces for the pursuit of cultural and recreational opportunities.
Waste Management	Landfill, and supporting infrastructure	Various infrastructure for the disposal of waste to meet legislative and environmental compliance and provide security for Council assets located at the facilities.

Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

Asset Type	Description	Services Provided
Disaster Management	Various assets to assist with the planning and response to disaster events.	Flood warning Disaster preparedness Community education Disaster support and response Provision of information
Information, Communication and Technology	Various hard and soft assets that support the operation of the business through the provision of computers and other technologies that allow efficient communications and information processing.	Management of Councils suite of computers, printers and business technologies to allow the provision of services to the community across the region in an efficient manner.

2.1 HOW OUR ASSETS REALISE VALUE

Throughout the region, we have thousands of physical objects and many kilometres of linear assets. In financial terms these assets are often referred to as fixed assets because unlike liquid assets, such as cash, their potential value is locked and realised over time. In the case of some assets, such as roads, bridges and buildings, this can be 50 to 100 years or more. The key focus of service management is to realise value for the significant investment that the community makes in these assets.

2.2 STATE OF THE ASSETS

The financial status of the regions assets is shown in Table 2 below.

TABLE 2. FINANCIAL STATUS OF THE REGIONS ASSETS AS AT 30 JUNE 2017

Type	Current Replacement Cost	Accumulated Depreciation	Depreciated Replacement Cost	% Consumed of Asset Class
Buildings and Facilities	90,396,444	33,009,480	57,386,965	36.52%
Bores	1,278,399	987,962	290,438	77.28%
Bridges	24,633,022	2,884,017	21,749,005	11.71%
Crash Barriers	1,610,925	334,244	1,276,681	20.75%
Car Parks	2,300,810	660,073	1,640,737	28.69%
Culverts	23,433,557	9,561,191	13,872,366	40.80%
Formation	79,102,651	0	79,102,651	0.00%
Pavements	221,802,553	26,178,047	195,624,506	11.80%
Seals	63,461,246	14,093,583	49,367,663	22.21%
Stormwater (Urban)	38,527,071	9,593,893	28,933,179	24.90%
Floodways	24,940,848	9,704,332	15,236,516	38.91%
Footpaths	8,130,768	2,471,520	5,659,248	30.40%
Kerb & Channel	17,129,567	6,133,781	10,995,786	35.81%
Traffic Islands	736,460	227,039	509,421	30.83%
Parks Related	8,587,474	2,277,353	6,310,121	26.52%
Plant & Fleet	17,370,527	7,350,551	10,019,975	42.32%
Waste Management	6,667,020	994,746	5,672,274	14.92%
Total	\$630,505,570	\$126,666,253	\$503,839,320	

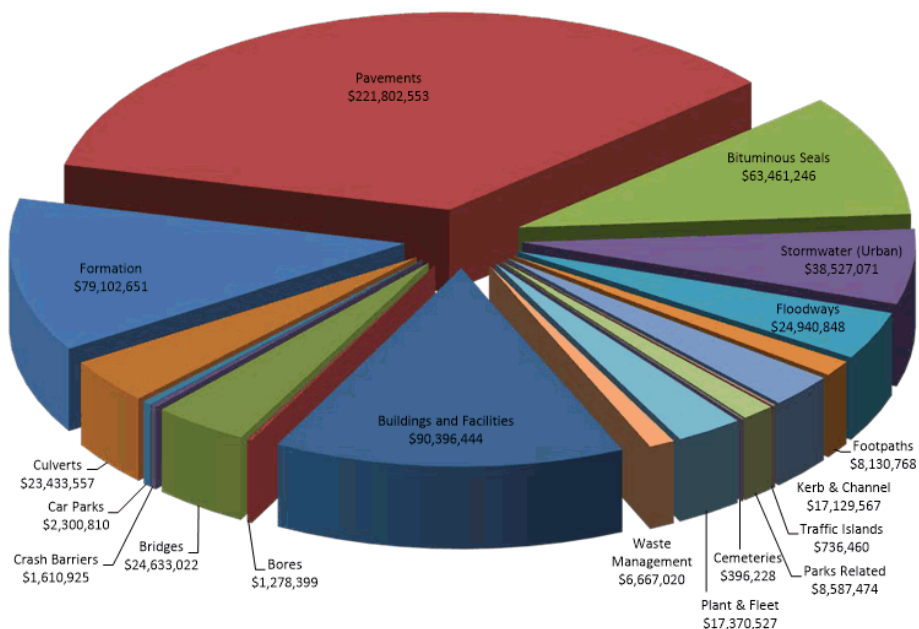


Figure 4. Current replacement cost of the regions assets by proportion

Service Management Plan Summaries

2.2.1 BUILDING AND FACILITIES

Lockyer Valley Regional Council is in the process of reviewing the accuracy of the Buildings and Facilities asset inventory, condition and service requirements throughout the region. The projected population growth for the Lockyer Valley is unlikely to require an increase in buildings and facilities assets into the foreseeable future due to the significant number of buildings and facilities that are currently maintained. However, the projected growth in the Plainland and Hattonvale areas may require a review of the distribution of current buildings and facilities assets as the residents of these areas seek access to equitable Council services.

The SMP shows that assets are generally being maintained at acceptable levels and that capital expenditure is in line with current requirements. One major concern is the current investment level in renewals, meaning that although the level of investment is appropriate the split between providing new assets and renewing current assets may be out of alignment. Council will need to improve the asset information on the buildings and facilities assets so that informed decisions can be made in the provision of services provided by the buildings and facilities assets across the region. Councils significant holding of water bores will be included in future iterations of this plan

2.2.2 DISASTER MANAGEMENT

The Disaster Management Service Management Plan is based on Councils field based flood warning infrastructure, The Local Disaster Coordination Centre equipment (LDCC) and minor assets allocated to the Lockyer Valley State Emergency Service (SES).

All infrastructure covered under the plan is related to disaster management operations which directly impact the Lockyer Valley Regional Councils ability to maintain effective response capability for disaster events as well as planning and maintaining preparedness for future events. There is a risk attached to not upgrading equipment as this will ultimately lead to failure or inability to integrate with other systems which have been modernised over time.

Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

2.2.3 FLEET MANAGEMENT

Council currently operates and maintains a significant fleet with a current depreciated replacement cost of approximately \$10m. To replace this fleet in current costs would require an investment of over \$17m. In 2011 devastating floods impacted the Lockyer valley and Council kept the fleet inventory at the levels at the time to assist with the recovery effort. Since 2016 Council has embarked on a review of its fleet and has worked on a 'right sizing' of the fleet to meet service delivery requirements and remain within affordability constraints. The fleet 'right sizing' has been undertaken and largely completed during the 2016/17 financial year. The current fleet holdings are deemed appropriate to the levels of service that are delivered across the region. Within the Fleet SMP fleet requirements have been defined and a replacement program developed for the 10 year planning period. The SMP will be reviewed each year to ensure that it remains relevant to the organisation.

2.2.4 INFORMATION, COMMUNICATION AND TECHNOLOGY

The Information Communication & Technology (ICT) Service Management Plan covers the ICT assets that serve the Lockyer Valley Regional Council. ICT assets are provided to enable the capture, organisation, sharing and use of information to meet our strategic objectives, including supporting the organisation in the delivery of services to the community. These assets have an approximate value of \$8.01M and include ICT applications/software, Desktops and notebooks (laptops), Mobile Devices, Network Equipment, Servers, Data Storage, Uninterruptable Power Supplies (UPS), Wireless Access Points (WAP), ICT Security Appliances, CCTV, Audio Visual Equipment, Printers, Scanners, and Plotters.

In previous years the majority of ICT equipment was purchased outright. However, from the 2013-2014 financial year, this approach moved to the lease of ICT equipment where appropriate e.g. where the value is over \$1,000 with a lifetime of 5 years or less that is used in a controlled environment.

2.2.5 TRANSPORT

Council maintains stewardship over approximately \$395m (fair value) of the community's roads and road related assets that make up the transport networks throughout the region. Since the 2011 flooding event approximately \$200m worth of assets have had significant repairs and renewal occur. The unplanned result of this occurrence is that Council has had a high level of investment in the transport infrastructure through largely external funding streams. Councils transport assets when viewed at a macro level are in relatively good condition and Council is well placed to maximise the benefit from this significant investment. Council has devoted significant effort over the past two (2) years inspecting and condition rating its transport assets. The SMP is based on a good knowledge of the networks and their performance in service. Future iterations of the SMP will need to include a greater focus on the deterioration modelling of the asset classes and better modelling of future renewal expenditure. Council is undertaking a laser profilometer survey of all sealed pavements to understand the condition of these assets (it is likely that the seal and pavement asset conditions will be in poorer condition than what is currently known using visual assessment techniques) this year (2017/18).

2.2.6 PARKS AND OPEN SPACES

Council maintains stewardship over approximately \$6.3m (fair value) of the community's parks and open space related assets that make up the various parks, playgrounds and open space recreation areas throughout the region. The parks assets are in relatively good condition. Most parks assets will remain in service for a long time and generally will not be replaced due to their structural deterioration but more from the fact that overtime they will lose appeal to the users of the playground equipment. Council has had a planned approach of replacing park equipment with modern engineering equivalents that have a higher level of durability and less maintenance requirements i.e. replacing timber seats with anodised aluminium seats. Council this year has also started a program of refurbishing park embellishments to encourage renewed usage of these facilities. The longer term view of this asset class will require a focus on understanding the residential spread throughout the region and providing equitable access to recreational facilities throughout the region. In some instances an opportunity may exist to review the level of service provided at some parks and realign to the current and future community's needs in preference to maintaining the status quo.

Council has recently captured an inventory of all cemetery assets across the region and a service management plan will be developed to recognise the significant investment in cemetery assets that exists across the Lockyer Valley to ensure adequate planning is undertaken to maintain service levels in this area.

2.2.7 STORMWATER

Council has collected an inventory of known stormwater networks throughout the residential areas of the region where these networks are known. A comprehensive condition survey of the Gatton stormwater network was undertaken in 2016. This information is to be used to guide a network assessment of the stormwater network in Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

Gatton to understand any deficiencies in capacity. Following on from this assessment and further work on the inventory and condition of the Laidley stormwater network a service management plan will be written to provide investment needs for this asset class over the 10 year planning period.

2.2.8 WASTE MANAGEMENT

Council provides a range of waste management services to the Lockyer community. Eight (8) sites are available for the deposition of waste. Six (6) sites are designated as transfer stations and two (2) are landfill operations, one (1) for general waste is located at Gatton and one (1) for inert waste is located at Laidley. Each site caters for recycling and reuse opportunities. A purpose built tip shop is available to buy recycled/reusable items at Gatton.

Council faces a continuing exposure in relation to the rehabilitation and ongoing management of several uncapped former waste sites throughout the region. The management of these sites will form a component of the Waste Services Management Strategy that is under development.

A detailed Waste Services Management Plan has been developed. Known impacts on waste services will be highly dependent on the review of the Waste Reduction and Recycling Strategy which will be undertaken in 2017/18. This review will include an assessment of the preferred method of waste disposal for the Lockyer Valley community going forward; being either continued landfill operations or the potential for long haul operations to other waste disposal operators.

3 THE LOCKYER VALLEY REGION AS PART OF THE GREATER SEQ REGION

The Lockyer Valley Region is part of the greater South East Queensland Region. In the draft South East Queensland Regional Plan, *"ShapingSEQ, October 2016"* the Lockyer Valley is recognised as a major agricultural production area, as well as a regionally significant area for what is termed in the Regional Plan as a *'special uses area'*. The special uses area includes the Helidon hazardous industry precinct and the Southern Queensland high security correctional centre which both support regionally and nationally significant, special and hard to locate uses in south east Queensland whose activities must be protected.

Other factors of significance which may impact the region going forward include:

- Proposed inland railway line from Melbourne to Brisbane traversing through the Lockyer Valley
- Long term plan for a rail passenger service from Brisbane to Toowoomba
- Impacts of the Wellcamp International Airport and the desire to see more high value agricultural production being directly exported on air freight
- Second range crossing and changes to road freight dynamics
- Residential and commercial development at Plainland and Hattonvale
- Potential for increased urban footprint at both Gatton and Laidley
- Possibility for industrial land development west of Gatton
- Population growth projections
- University of Queensland education precinct focussing on animal and horticultural production

3.1 GROWTH PROJECTIONS

TABLE 3. POPULATION GROWTH PROJECTIONS

2015	2041	% Growth Movement
38,800	61,000	57 ↑

TABLE 4. DWELLINGS SUPPLY BENCHMARKS

2015	2041	Additional Dwellings
13,300	23,900	10,600

TABLE 5. JOBS WITHIN THE REGION

2015	2041	Additional Jobs Created
12,100	19,200	7,100

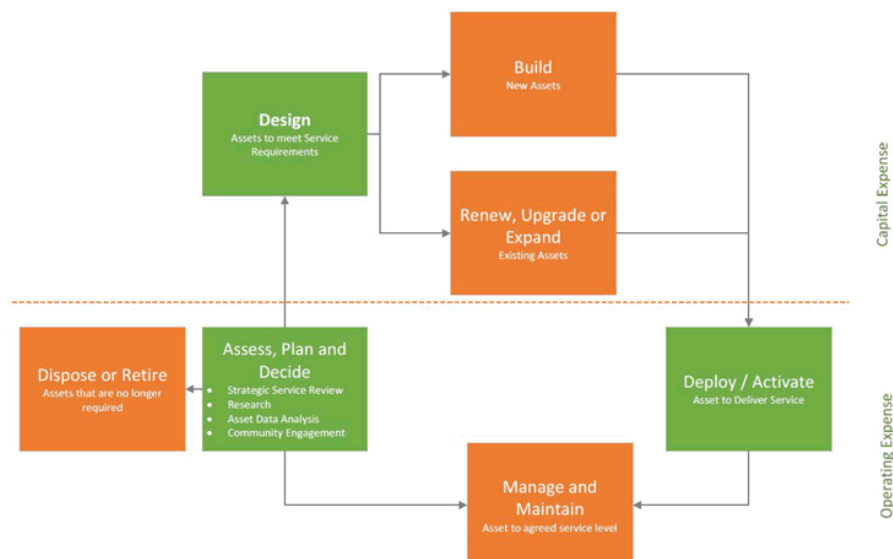
TABLE 6. GROWTH PROJECTIONS

Type	2015	2041	% Change
Population	38,800	61,000	57 ↑
Dwellings	13,300	23,900	79 ↑
Jobs	12,100	19,200	58 ↑

The Lockyer Valley regions growth projections will inevitably lead to a greater demand for Council services. An interesting projection in the draft South East Queensland Regional Plan is the increase in additional dwellings which will come from greenfield developments. The plan identifies limited opportunities for infill developments throughout the regional towns. Greenfield developments will see an increase in Council's asset stocks in the areas of roads, stormwater and open space infrastructure.

4 UNDERSTANDING THE CONNECTION BETWEEN SERVICES AND ASSETS

FIGURE 6. UNDERSTANDING ASSET LIFECYCLE DECISIONS



Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

Source: Adapted from *Asset Decision Cycle*, City of Melbourne, Asset Management Strategy 2015-25.

The first thing that must be understood is what is the service that Council either is delivering or wishes to deliver? Once this is clarified Council follows a logical process that:

- Defines the issue
- Understands what the community need vs. wants
- Decides how the Council will address the issue
- Reviews that the service is affordable, sustainable and equitable
- Researches other options that may deliver the service more efficiently
- Decides to deliver the service through infrastructure or other means
- Once a decision is made to deliver a service through infrastructure then the diagram above applies and becomes cyclic in nature until the service is either ceased or its form of delivery changes.

4.1 RENEWAL VS. UPGRADE VS. NEW

Council in principle will endeavour to renew assets in preference to establishing new assets. What this means is that where possible Council will replace existing assets with like for like, even though these assets will be replaced with modern engineering equivalents at the time of renewal. Upgraded assets will come into existence where Council has made a decision to improve either the levels of service or the function offered by an asset or assets, e.g., if the decision is made to take a single lane road and upgrade it to a double lane road. In this instance both the function and the level of service is increased and results in an upgrade.

New assets will come from contributed assets, these assets will generally come through the development industry when new subdivisions are created to offer land for sale for residential or commercial purposes. Other opportunities may arise for new assets to come into existence where a need is identified for a new service and a funding source can be identified to pay for the service extension.

In principle council will aim to fund asset renewals from own source funding and upgrades and new will be funded either partially or in full from external funding sources or from contributed assets provided to Council at no initial cost. All assets no matter their source will have ongoing operations, maintenance and depreciation expenses for the life of the asset for as long as the service requirement remains.

5 CONTINUOUS IMPROVEMENT - THE WAY FORWARD

A number of strategic improvements have been identified for Council to lift its asset management capability; they include improvements in the areas of:

- Decision-making
- Information
- Design standards and levels of service
- Skills

Decision-making capabilities will be critical in making the right investment decisions, at the right time. To make these decisions, the right information needs to be presented to our decision-makers. To assemble the right information we need access to the right data in a timely manner, supported by the right processes and systems.

5.1 RIGHT DECISIONS

We will:

- Establish an agreed approach to decision-making that is more evidence-based yet still allows for agility

We will:

- Find more resourceful asset solutions and establish new ways of engaging the community about our decisions, plans and performance.

There are a number of key decisions made throughout the life of an asset. These decisions are often triggered and supported by information sources such as strategic service reviews, opportunity assessments, research, asset performance data and customer or community feedback.

Four key decisions underpin what is often referred to as the 'asset cycle' with each having significant and interdependent financial implications (both capital and operating) now and in the future:

- Decision to procure or build a new asset
- Decision to renew or upgrade an existing asset
- Decision to continue to maintain the asset
- Decision to retire or dispose of an asset

The decision to commit capital funding to procure or build a new asset must always be made with an understanding of the downstream consequence. It commits the ratepayer to ongoing operating costs and future capital costs. The annual operating costs may not only include the cost to activate the asset by operating the service for which the asset was intended but also the scheduled and unscheduled operating and maintenance regimes that will be required throughout its entire useful life.

To support better decision-making, the Council will establish an evidence-based decision framework for asset management that considers the following:

- Strategic service reviews and opportunity assessments
- Research
- Asset performance data and analysis
- Customer and community feedback
- Prioritization tools to guide investment decisions

5.2 RIGHT INFORMATION

We will:

- Find innovative ways of engaging and collaborating with our community and strategic partners

We will:

- Establish an agreed baseline of current design standards and service levels, set targets and report on our asset performance.

We will:

- Continue with improvements to the asset data including inventory and condition. This will need to include work to capture a full inventory of all of the communities assets across the region with a standardised condition rating model (currently IPWEA condition rating 1-5)

We will:

- Develop degradation modelling for all long life assets to provide greater reliability for long term financial projections for asset renewals.
- Develop for all assets a 10 year capital, maintenance and operations financial projections, prepared to inform the service management plans and the long term financial plan.

We will:

- Identify, procure and implement software that includes a central repository for all of Councils ongoing capital works project requirements that include the ability to store project information and a prioritization tool that allows all projects to be ranked in an equitable and sustainable manner.

In order to make the right decisions it will be important to present options and recommendations to our decision-makers based on solid evidence.

5.3 DESIGN STANDARDS AND LEVELS OF SERVICE

Design standards provide a standard design for selected assets that can be used to guide procurement, construction or reinstatement. The standards describe the typical features of the assets and include technical drawings and specifications. A design standard baseline would provide a transparent reference point for decision-making and potentially support economies of scale as asset solutions are standardised.

Establishing a baseline for asset service levels would require discussions with our customers and stakeholders about functionality, capacity and condition. Through community consultation Council would get a greater understanding of what is important to 'the community' which in turn would guide Council's deliberations on appropriate levels of service that the community needs and is willing to pay for.

Lockyer Valley Regional Council – Service Management Strategy 2018 - 2021

We will:

- Develop 'levels of service' for each asset class including condition, function and capacity.

5.4 SKILLS

The skills and knowledge of our people are paramount to Council's ability to plan effectively to deliver services to our community through the provision of appropriate and affordable infrastructure. Our people must be appropriately trained and qualified. Council will achieve this through providing the opportunity for staff to gain the necessary skills and abilities to undertake effective service planning and provision through either infrastructure or non-asset based services. Skills and knowledge may be gained through both 'on the job' and more formalised skills development programs to achieve the required level of competency.

We will:

- Identify skills gaps
- Identify appropriate training and development opportunities
- 'Grow from within' where appropriate
- Provide on-the-job training
- Set clear and realistic performance goals in line with available information, resources and operational plans
- Encourage membership of relevant industry associations
- Provide opportunities for attendance at forums and industry supported events where a clear benefit can be identified

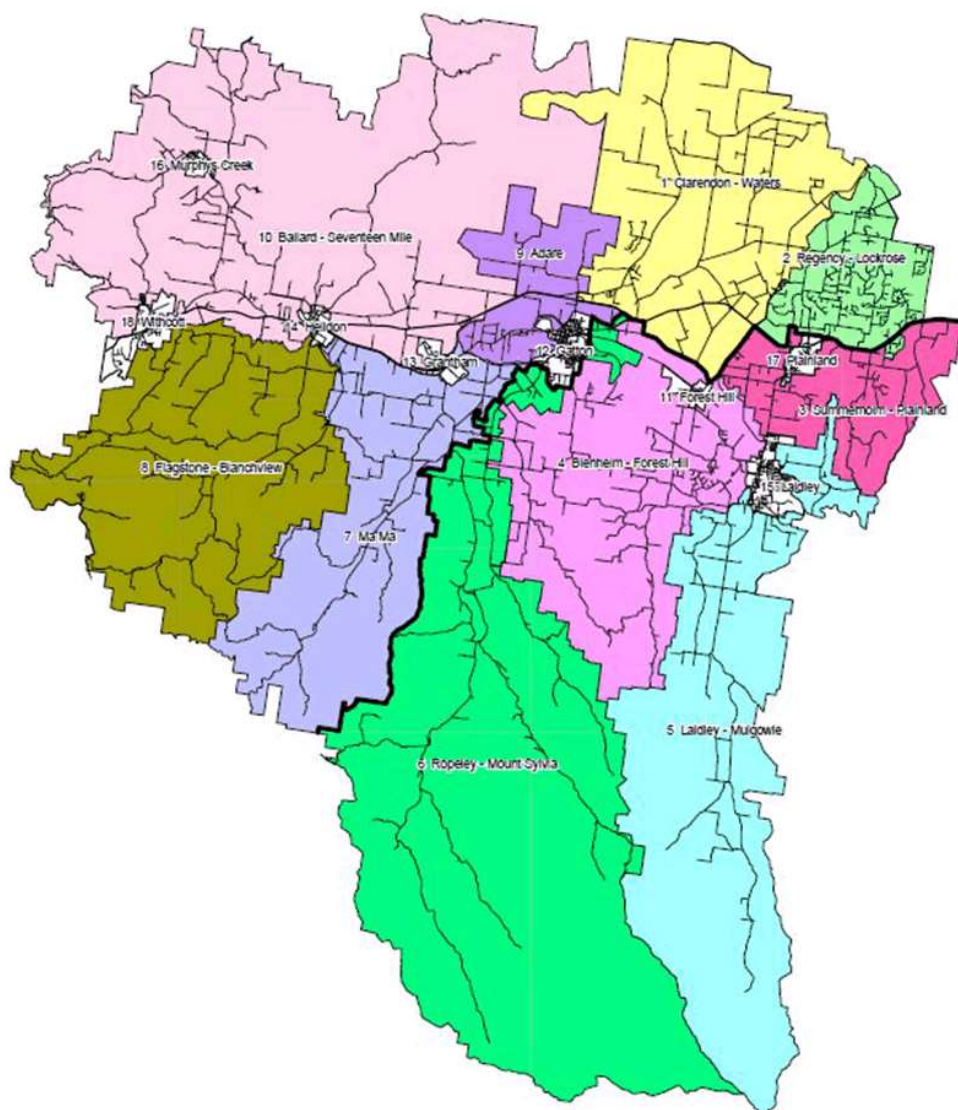
6 PERFORMANCE IMPROVEMENT PLAN

Element	How	Accountability	Timeline
Skills	<ul style="list-style-type: none"> ▪ Undertake skills gap analysis and identify development opportunities 		
Standards	<ul style="list-style-type: none"> ▪ Develop standard drawings and specifications for each infrastructure type linked to level of service to current engineering standards ▪ Establish effective controls for development standards and control to ensure that the community is getting the right infrastructure 		
Information	<ul style="list-style-type: none"> ▪ Establish needs for central repository for asset replacement project collation and investment prioritisation ▪ Develop and agree upon prioritisation model to guide investment decisions 		
Service Management Planning	<ul style="list-style-type: none"> ▪ Agree upon a standardised format for SMP's that provide consistent information that meets statutory and organisational requirements ▪ Develop Levels of Service for each service in consultation and agreement with council ▪ Develop maintenance methodologies and Works Order structures to capture costs for infrastructure assets where none exist ▪ Create standardised processes within Technology One for works management across all asset groups 		
Community Engagement	<ul style="list-style-type: none"> ▪ Conduct community engagement on Levels of Service 		
Performance Reporting	<ul style="list-style-type: none"> ▪ Develop reporting metrics based on condition, function and capacity for all asset types for communication with the community 		

7 REVIEW

This strategy will be reviewed annually for effectiveness through the Asset Management Working Group and any necessary variations will be discussed with Council before formal adoption to ensure that the strategy remains relevant for the Lockyer Valley Regional Council now and into the future.

APPENDIX 1. MAP OF THE LOCKYER VALLEY REGION





Date: 29 May 2018
Author: Corrin Bischoff, Coordinator Governance & Strategy
Responsible Officer: Ian Church, Chief Executive Officer

The Operational Plan for 2018-2019 is based on the Corporate Plan for 2017-2022, with the key strategic themes based on the adopted Community Plan. The Operational Plan recognises Council's key strategies and how these and core business will be resourced in the delivery of the plan.

THAT Council adopt the Operational Plan 2018-2019, as attached to this report.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

The 2018-2019 Operational Plan provides the detail of the key programs and identified outcomes to be achieved against the Corporate Plan for the 2018-2019 financial year.

3. Report

The annual Operational Plan 2018-2019 (as attached) is provided for adoption before Council considers and accepts the 2018-2019 Budget.

Section 104(5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents of Council. The annual Operational Plan is required to be prepared under Section 174(1) of the *Local Government Regulation 2012* and must be consistent with the annual Budget, showing how Council will progress the implementation of the five (5) year Corporate Plan and state how Council will manage its operational risks. Section 174(5) of the *Local Government Regulation 2012* requires Council to discharge its responsibilities in a way that is consistent with its annual Operational Plan.

As such, the 2018-2019 Operational Plan is presented in accordance with the legislative requirements from the *Local Government Act 2009* and the *Local Government Regulation 2012*.

The Operational Plan 2018-2019 has been developed in consultation with officers, the Leadership Team and Councillors through the development of the 2018-2019 Budget.

This Operational Plan has direct linkages to the Corporate and Community Plans and directs the key initiatives to be undertaken by Council throughout the year. The Community Plan Themes have been combined in the Corporate Plan 2017-2022 to streamline the reporting process and this has continued through to the development of the 2018-2019 Operational Plan.

There are a total of 74 initiatives to be delivered in the 2018-2019 year. A breakdown of the initiatives for each theme is as follows:

Theme	Total Initiatives for 2018 -2019
Lockyer Community	14
Lockyer Business, Farming & Livelihood	8
Lockyer Nature	8
Lockyer Planned	18
Lockyer Leadership & Council	26

4. Policy and Legal Implications

Section 174(1) of the *Local Government Regulation 2012* requires Council to prepare and adopt an annual Operational plan for each financial year. Further, Section 175(1) *Local Government Regulation 2012* requires the Operational Plan to be: consistent with Council's annual Budget; state how Council will progress the implementation of the five (5) year Corporate Plan during the period of the annual Operational Plan; manage operational risks; and include an annual performance plan for each commercial business unit of Council.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

5. Financial and Resource Implications

Financial performance aligns with the budget and allocation of resources to deliver the outcomes of the Operational Plan. The financial allocations in the 2018-2019 Budget are included in the Operational Plan against each key strategic theme.

6. Delegations/Authorisations

No further delegations are required for the matters raised in this report and existing authorities are appropriate for the delivery of the Operational Plan outcomes.

7. Communication and Engagement

The significant achievements of the Operational Plan 2018-2019 will be regularly reported through corporate communications and media channels as required. Overall achievements will be documented in quarterly progress reports to Council and will be incorporated into Council's Annual Report and published on Council's website.

8. Conclusion

The Operational Plan 2018-2019 is to be adopted as part of the overall annual Budget process and it is recommended that the Operational Plan as tabled be approved.

9. Action/s

1. Publish the adopted Operational Plan for 2018-2019 on Council's website.
2. Report quarterly to Council on progress against the 2018-2019 Operational Plan.

Attachments

1 [View](#) Lockyer Valley Regional Council Operational Plan 2018-2019 40 Pages



Lockyer Valley Regional Council
Operational Plan 2018-2019







CONTENTS

About the Operational Plan.....	2
Building Our Operational Plan.....	2
Vision, Mission and Values	3
Vision.....	3
Mission.....	3
Our Values	3
Federal, State and Local Government Responsibilities	4
Our Role.....	4
Monitoring Our Progress.....	6
Council's Strategic Planning Framework	6
Financing Our Operations	6
Managing Our Operational Risks	7
Operational Plan Themes and Strategies	8
1. Lockyer Community	8
2. Lockyer Business, Farming and Livelihood	14
3. Lockyer Nature.....	18
4. Lockyer Planned.....	22
5. Lockyer Leadership and Council	28





ABOUT THE OPERATIONAL PLAN

The Operational Plan (the Plan) is a key strategic document that is developed and adopted annually with the annual Budget. The Plan captures key projects and priorities for the 2018–19 financial year to ensure Council delivers the outcomes and commitments of the Corporate Plan 2017–2022.

The Operational Plan 2018–2019 sets the one year direction for Council. The Plan articulates our deliverables, areas of responsibility, addresses Council's risks and monitors the overall performance of Council.

Section 104 (5)(v) of the *Local Government Act 2009* requires that Council must under its system of financial management establish an annual Operational Plan. Sections 175 and 176 of the *Local Government Regulation 2012* determine the preparation, adoption and the content requirements of the annual Operational Plan.

BUILDING OUR OPERATIONAL PLAN

The Operational Plan 2018–2019 was prepared in response to achieving the outcomes of the Corporate Plan 2017–2022. The development process was undertaken in conjunction with the 2018/19 budget process in consultation with key Council staff.

Like the Corporate Plan, the Operational Plan utilises the seven (7) themes of the Community Plan as the framework with the inclusion of an eighth theme, Lockyer Council.

Below are the eight themes, some of which have been combined in the Corporate and Operational Plans where similar outcomes exist:

- Lockyer Community
- Lockyer Business, Farming and Livelihood
- Lockyer Nature
- Lockyer Planned
- Lockyer Leadership and Council

The draft Operational Plan was presented to Council at its workshop on 15 May 2018 for review and was adopted prior to the budget at the Special Meeting of Council on 5 June 2018.



VISION, MISSION AND VALUES

VISION

We will deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity.



MISSION

Lead, engage and empower.



OUR VALUES

Values form the basis of our culture. They add meaning to work and they provide a basis for consistent planning and decision making across the organisation. The desired values and behaviours that every employee of Lockyer Valley Regional Council is expected to demonstrate in their daily activities, in the way they behave and in the way they make decisions are:



LEADERSHIP

We lead through excellence and partner with the community to achieve Council's vision and mission.

ACCOUNTABILITY

We accept ownership of our role and take responsibility for our actions. We are results focused, take pride in our successes and efforts and learn from our mistakes.

INTEGRITY

We strive to be valued and trusted by the Lockyer Valley community. We are respectful, open, transparent and honest in our dealings with the community. At all times we act in the best interests of the community.

COMMUNICATION

We embrace diversity and communicate openly and honestly. We listen actively, consider and value the views of others. Our communication is clear, concise and consistent.

CUSTOMER FOCUS

We strive to engage and communicate with our internal and external customers to meet agreed outcomes. We identify and aim to meet the needs of all customers in a responsive and equitable manner.

TEAMWORK AND COLLABORATION

We value creative thinking and look for opportunities to collaborate and connect to deliver a better Lockyer Valley. We work together by recognising and sharing our talents, skills, experience and knowledge.





FEDERAL, STATE AND LOCAL GOVERNMENT RESPONSIBILITIES

The priorities raised by the community present challenges which cannot be addressed by Council alone. Many of these priorities are the responsibility of other organisations such as Federal Government, State Government and community organisations. In *Lockyer: Our Valley, Our Vision Community Plan 2017–2027* these organisations are identified for the Lockyer Valley region.



Where Council is not responsible for the provision of a particular service we can advocate to the relevant agency to secure support, funding and agreements for the benefit of the Lockyer Valley community.

OUR ROLE

As we work towards our outcomes, we recognise that not all of them can be achieved by Council alone. Council will fulfil a range of roles in working to achieve the outcomes outlined in this plan.



THESE ROLES INCLUDE:

COUNCIL ROLE	DESCRIPTION
Provider	Delivering services
Funder	Funding other parties to deliver services
Regulator	Regulating activities through legislation, local laws or policies
Partner	Forming partnerships and strategic alliances with other parties in the interests of the community
Facilitator	Assisting others to be involved in activities by bringing groups and interested parties together
Advocate	Promoting the interest of the community to other decision makers and influencers



MONITORING OUR PROGRESS

QUARTERLY PERFORMANCE REPORT

Every quarter, a performance report is prepared and presented to Council by the Chief Executive Officer. This report outlines performance against the outcomes of the Corporate Plan and activities of the annual Operational Plan.

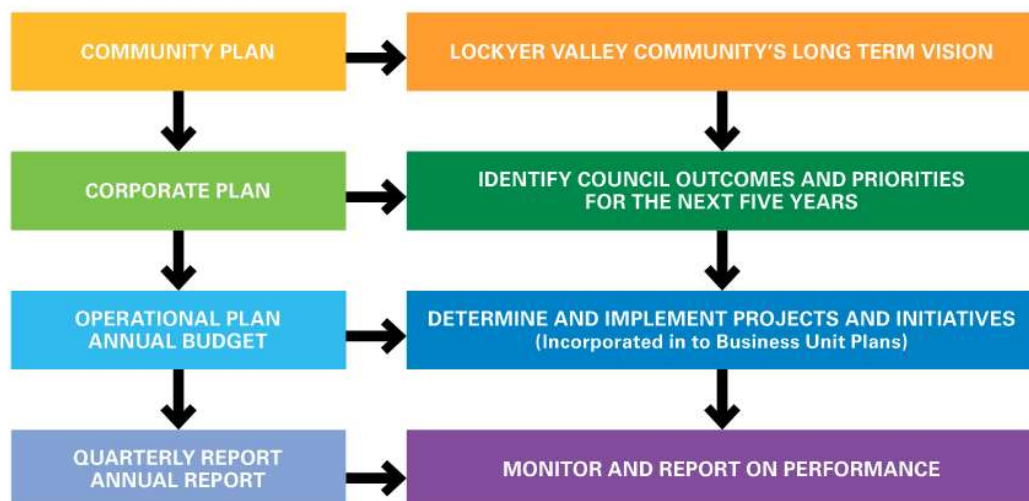
ANNUAL REPORT

At the end of the financial year, Council produces an Annual Report that reviews the performance achieved. The Annual Report provides the community with operational and financial information about Council's performance against the outcomes and service delivery commitments set out in the Corporate and Operational Plans.



COUNCIL'S STRATEGIC PLANNING FRAMEWORK

The diagram below represents the strategic planning framework used by Council:





FINANCING OUR OPERATIONS

The following table outlines Council's 2018/19 Budget against the themes of the Corporate Plan 2017-2022.

THEME	OPERATING REVENUE	OPERATING EXPENSE	CAPITAL REVENUE	CAPITAL EXPENSE
Lockyer Community	914,760	3,678,843	4,980	154,980
Lockyer Business, Farming and Livelihood	2,236,234	4,112,169	0	170,000
Lockyer Nature	325,480	1,468,680	0	51,250
Lockyer Planned	13,598,018	16,379,248	3,092,211	15,489,481
Lockyer Leadership and Council	40,657,819	29,889,470	419,000	4,245,500
Total	57,732,311	55,528,410	3,516,191	20,111,211



MANAGING OUR OPERATIONAL RISKS

To enable a more streamlined and simplified approach to managing risk, a revised corporate risk register and framework has been developed for Council. The following key focus areas have been determined as Council's overarching risk register and have been incorporated into the strategic planning process, with risk identification included against each initiative of the Operational Plan:

- Financial and Economic (FE1) – financial sustainability
- Financial and Economic (FE2) – decision making governance, due diligence, accountability and sustainability
- Infrastructure and Assets (IA1) – Planning, managing and maintaining assets for the future
- Infrastructure and Assets (IA2) – Deliver major projects (time, cost, scope and quality)
- Infrastructure and Assets (IA3) – Information and technology strategy
- Business Continuity and Systems (BC1) – Provision of core services now and into the future
- Environmental and Community (EC1) – Environmental health and protection
- Legal compliance and liability (LCL1) – compliance management
- Political (P1) – Intergovernmental relationships / relationships with other key stakeholders.
- Reputation (R1) – Reputation and goodwill
- Staff (S1) – Strategic workforce planning and management
- Workplace Health and Safety (WHS1) – Health and Safety



1

LOCKYER COMMUNITY

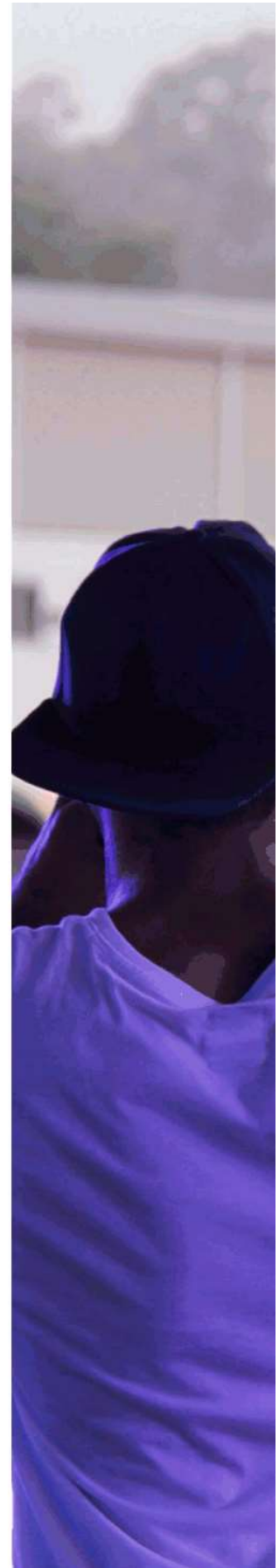
Our healthy community welcomes the spirited diversity found within our region. Times of hardship highlight our resilience. Our high standards support our quality of life and vibrancy while providing a dynamic and safe place full of opportunity. We strive to build on who we are and all that our region has to offer by connecting business, the community and government.

OUTCOMES

- 1.1 A community with fair and reasonable access to services.
- 1.2 Council optimises the use of its open spaces and facilities by improving access to and the quality of the facilities for individuals and groups for cultural, recreational and community activities.
- 1.3 Enhanced wellbeing and safety of the community.
- 1.4 Council seek to understand community needs, resulting in partnerships that realise long-term benefits for the community in a timely manner.
- 1.5 Events and activities that bring together and support greater connectivity in the community.
- 1.6 The community's preparedness for disasters is improved through community education, training and strong partnerships between Council and other agencies.



8 Lockyer Valley Regional Council



1.1 A COMMUNITY WITH FAIR AND REASONABLE ACCESS TO SERVICES**1.1.1 Work with a wide range of stakeholders and the community to increase accessibility to human and social services.**

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Deliver development and engagement activities	Number of activities delivery and feedback provided	Monthly report	Executive Office	P1 – Political R1 – Reputation and Goodwill	2018/19

**1.1.2 Provision and use of child care services.
Implement agreed child care review outcomes.**

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Enrolment numbers at child care centres	Centres operating at a minimum of 75% capacity	Enrolment numbers at child care centres	Corporate and Community Services	BC1 – Business Continuity and Systems	2018/19
Agreed review outcomes implemented	100% of agreed review outcomes implemented	Review documentation		FE1 – Financial and Economic	

1.2 COUNCIL OPTIMISES THE USE OF ITS OPEN SPACES AND FACILITIES BY IMPROVING ACCESS TO AND THE QUALITY OF THE FACILITIES FOR INDIVIDUALS AND GROUPS FOR CULTURAL, RECREATIONAL AND COMMUNITY ACTIVITIES

1.2.1 Review Public Parks Strategy document to develop an investment plan for the region's parks and gardens.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Prepare a fully costed investment plan	Investment Plan adopted by Council	Strategy document Council business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

1.2.2 Library services for the community are optimised by:

- Providing activities for all ages
- Collections that meet the needs of the community
- Enhance use of self service
- The implementation of the remaining agreed outcomes from the Library Review.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Increase in use of library services	5% increase in annual visitors to library	Visitor counter, activity booking system and	Corporate and Community Services	BC1 – Business Continuity and Systems	2018/19
Increase in use of self service	5% increase in active library membership	Spydus, library management system		R1 – Reputation and Goodwill	
Remaining review outcomes implemented	15% increase in self service 100% of the remaining review outcomes implemented				

1.3 ENHANCED WELLBEING AND SAFETY OF THE COMMUNITY

1.3.1 Monitor food safety compliance across the region.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
All food premise licences renewed and inspected and new food premise licences issued	100% of licences renewed and inspected seeking compliance	Food licence records	Corporate and Community Services	LCL1 – Legal Compliance and Liability EC1 – Environmental and Community FE2 – Financial and Economic	2018/19



1.3.2 Maintain animal management practices and standards within the community:

- Undertake annual dog survey
- Deliver a dog off leash area.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Undertake animal management compliance activities in line with Council policy and laws (State and local)	Compliance with animal management policies and local laws	Customer Requests Impounding records Audit program	Corporate and Community Services	LCL1 – Legal Compliance and Liability EC1 – Environmental and Community	2018/19
Complete annual survey	Decrease in number of unregistered dogs			FE2 – Financial and Economic	
Develop and construct a dog off leash area	Dog off-leash area completed for use				

1.3.3 Provision of building and plumbing certification assessment and building and plumbing regulatory compliance.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Undertake plumbing and building certification assessments and inspections in accordance with the statutory requirements	100% of applications are processed within or better than Building and Plumbing statutory timeframes	TechOne Building and plumbing records	Organisational Development and Planning	LCL1 – Legal Compliance and Liability	2018/19

1.3.4 Improve flood warning capability by expansion and improvement of flood modelling across the region.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Deliver flood modelling which compliments existing modelling and is readily able to be introduced into existing software	Completion of flood modelling to enable effective flood predictions during inundation events	Council's 'WaterRide' system	Corporate and Community Services	EC1 – Environmental and Community P1 – Political	2018/19

1.3.5 Ensure flood warning and intelligence infrastructure is serviceable and maintained to ensure reliability through regular preventative routine maintenance.

KEY PERFORMANCE INDICATOR	TARGET	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TIMEFRAME
Disruption to flood intelligence system is monitored and recorded	Infrastructure anomalies to be rectified as soon as practicable.	Unscheduled maintenance activity monitored and recorded	Corporate and Community Services	IA1 – Infrastructure and Assets BC1 – Business Continuity and Systems	2018/19
Critical outages are reported to contractor within 24 hours					



1.4 COUNCIL SEEK TO UNDERSTAND COMMUNITY NEEDS, RESULTING IN PARTNERSHIPS THAT REALISE LONG-TERM BENEFITS FOR THE COMMUNITY IN A TIMELY MANNER

1.4.1 Implement the following initiatives of the Sport and Recreation Plan:

- Support local clubs and associations with their facilities by providing opportunities to enable them to obtain external funding
- Support local clubs and association to identify suitable facilities that meet their needs
- Assist sporting groups to implement recommendations from their site specific master plans.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Deliver identified initiatives of the Sport and Recreation Plan	All identified initiatives delivered	Successful grant applications Facilities identified	Organisational Development and Planning Services	R1 – Reputation and Goodwill P1 – Political	2018/19

1.4.2 Administer Council's Community Grants and Assistance Program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Deliver community grants program	Community grant budget 100% allocated	Budget Council business papers	Organisational Development and Planning Services	R1 – Reputation and Goodwill P1 – Political	2018/19

1.4.3 Deliver community development activities in partnership with various organisations to improve connections and increase the range of support services for the community.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Community development activities delivered including youth, multicultural etc.	Number of activities delivered and feedback received	Monthly report	Executive Office	R1 – Reputation and Goodwill P1 – Political	2018/19



1.5 EVENTS AND ACTIVITIES THAT BRING TOGETHER AND SUPPORT GREATER CONNECTIVITY IN THE COMMUNITY**1.5.1 Deliver and support events and activities for the community.**

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Community events and activities supported and delivered	32 events and activities delivered and supported and feedback from participants received	Monthly report Post-event evaluation	Executive Office	R1 – Reputation and Goodwill P1 – Political	2018/19

1.6 THE COMMUNITY'S PREPAREDNESS FOR DISASTERS IS IMPROVED THROUGH COMMUNITY EDUCATION, TRAINING AND STRONG PARTNERSHIPS BETWEEN COUNCIL AND OTHER AGENCIES**1.6.1 Participate in joint exercises and training.**

Co-present at community events and hold joint meetings to discuss risk reduction strategies.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Exercises and training sessions are assessed	At least one exercise conducted	Final assessment reports Meeting minutes	Corporate and Community Services	LCL1 – Legal Compliance and Liability P1 – Political	2018/19



2

LOCKYER BUSINESS, FARMING AND LIVELIHOOD

Lockyer Business

Our business community is a thriving and inclusive network where it is easy to do business. We create opportunities and encourage innovation that inspires business confidence and collaborative partnerships.

Lockyer Farming

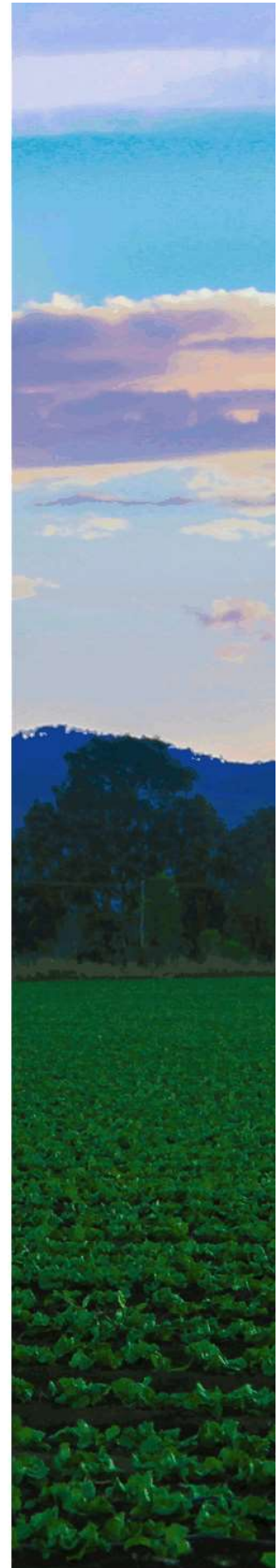
As custodians we manage our water and land assets to ensure our farming future. We pride ourselves on our innovation and clean, green reputation. We work together to support our farmers of current and future generations.

Lockyer Livelihood

We are a community where lifelong learning opportunities exist. Our quality education facilities are highly regarded and provide diverse career pathways. We look to develop skills and generate job opportunities for all.

OUTCOMES

- 2.1 Encourage opportunities for the Lockyer Valley to drive economic and community outcomes.
- 2.2 Maximise opportunities through engagement and partnership with stakeholders to achieve a strong resilient economy.
- 2.3 Promote and market the Lockyer Valley as a destination for commerce, tourism and lifestyle.
- 2.4 Attract and support education and employment opportunities for the community.
- 2.5 Foster a flexible, supportive and inclusive business environment.



2.1 ENCOURAGE OPPORTUNITIES FOR THE LOCKYER VALLEY TO DRIVE ECONOMIC AND COMMUNITY OUTCOMES

2.1.1 Facilitate opportunities for business/industry to seek further information for regional economic outcomes.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Facilitate business and industry opportunities	Number of opportunities facilitated	Forum documentation Monthly reporting	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19

2.1.2 Advocate for improved water security and supply for the region.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Funding secured for business case Completion of business case for additional water supply to the region	Business case completed	Completed business case documentation	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19

2.2 MAXIMISE OPPORTUNITIES THROUGH ENGAGEMENT AND PARTNERSHIP WITH STAKEHOLDERS TO ACHIEVE A STRONG RESILIENT ECONOMY

2.2.1 Advocate opportunities for improved and connected infrastructure for the region:

- Inland rail
- Passenger rail.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Mitigate the adverse impacts to the region from the Inland Rail Project	Develop Council position paper outlining actions and infrastructure to mitigate adverse impact	Position paper Business case scoping documents	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19
Support the business case for passenger rail from Toowoomba to Brisbane	Influence the outcomes of the business case to the advantage of the region				

2.2.2 Work with other stakeholders such as Council of Mayors South East QLD (CoMSEQ), Local Government Association Queensland (LGAQ), Brisbane Marketing and Regional Development Australia (RDA) to advocate for improved economic outcomes for the region.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Regular engagement of stakeholders	Participation in stakeholder meetings and working groups	Stakeholder meeting minutes	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19
Participation in and facilitation of forums	Opportunities leveraged				

2.2.3 Provision of support to the region's business and industry groups including:

- Lockyer Growers Group
- Lockyer Chamber of Industry and Commerce
- Lockyer Valley Tourism.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Participation in and facilitation of forums and events that will support the regions business and industry groups	12 forums and events supported and outcomes achieved	Monthly reporting	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19



2.3 PROMOTE AND MARKET THE LOCKYER VALLEY AS A DESTINATION FOR COMMERCE, TOURISM AND LIFESTYLE

2.3.1 Utilise marketing channels to successfully promote and market the region as destination for commerce, tourism and lifestyle.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
The region as a destination is marketed	4 quarterly marketing activities undertaken and feedback received	Social media statistics Visitor Information Centre and Queensland Transport Museum visits Council business papers	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19

2.4 ATTRACT AND SUPPORT EDUCATION AND EMPLOYMENT OPPORTUNITIES FOR THE COMMUNITY

2.4.1 Facilitate partnership opportunities between employers, education and training providers.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Facilitate and participate in collaboration activities between employers and education and training providers	10 collaboration activities supported and outcomes actioned	Meeting business papers	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19

2.5 FOSTER A FLEXIBLE, SUPPORTIVE AND INCLUSIVE BUSINESS ENVIRONMENT

2.5.1 Provide support to new and existing local business:

- Operate Laidley Business Incubator
- Seek to attract new investment in key priority sectors.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Providing a single point of contact for business enquiries	Provide information and advice to 20 business enquiries per quarter	Spreadsheet entry and monthly reporting	Executive Office	R1 – Reputation and goodwill P1 – Political	2018/19
Supporting new business to start-up and grow	Complete a review on the use and requirements of the Incubator to achieve identified outcomes and benefits	Incubator Usage Guide and booking records			
Face to face meetings, learning and networking opportunities	Two new business leads per month	Monthly reporting Mayor/CEO updates			



3

LOCKYER
NATURE

Our natural assets are valued and protected to sustain our unique rural lifestyle.

OUTCOMES

- 3.1 Lockyer Valley's natural assets are managed, maintained and protected.
- 3.2 Council's policies and plans support environmentally sustainable development.
- 3.3 Community and private landholders' stewardship of natural assets increases.
- 3.4 Locals and visitors experience our natural assets.
- 3.5 Council and the community actively reduce waste, recycle and reuse more.
- 3.6 Council and the community actively reduce consumption of non-renewable resources.



3.1 LOCKYER VALLEY'S NATURAL ASSETS ARE MANAGED, MAINTAINED AND PROTECTED

3.1.1 Implement the following initiatives of the Lockyer Catchment Action Plan:

- Lockyer Creek sediment stabilisation
- Tenthill catchment community resilience.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Implementation of identified projects	100% of identified projects completed	Project plan Budget	Organisational Development and Planning Services	EC1 – Environmental and Community IA2 – Infrastructure and Assets	2018/19

3.1.2 Develop and implement strategic environmental management plans to ensure that the region's natural assets are valued and protected including:

- Natural Resource Management Plan
- Biosecurity Plan
- Flying Fox Roost Management Plan
- Integrated Land Management Plan.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Plans developed	100% of plans developed and implementation commenced	Plan Meeting business papers (project and Council) Budget	Organisational Development and Planning Services	EC1 – Environmental and Community IA1 – Infrastructure and Assets	2019/20

3.2 COUNCIL'S POLICIES AND PLANS SUPPORT ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT

3.2.1 The Lockyer Valley Planning Scheme includes provisions that ensure development in the Lockyer Valley is environmentally sustainable.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Scheme provisions require development to demonstrate that it is environmentally sustainable.	Finalisation of planning scheme	Audit of content of new planning scheme	Organisational Development and Planning Services	EC1 – Environmental and Community IA2 – Infrastructure and Assets	2018/19

3.3 COMMUNITY AND PRIVATE LANDHOLDERS' STEWARDSHIP OF NATURAL ASSETS INCREASES

3.3.1 Achieve the following outcomes of the Land for Wildlife Program:

- Increase identified habitat land in the Land for Wildlife Program in the region
- The landholder assistance program
- Education workshops and field days for members
- Free native plant program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Increase in identified habitat land in the region	2.5% increase in land for wildlife identified habitat land (hectares)	Habitat mapping Budget	Organisational Development and Planning Services	EC1 – Environmental and Community	2018/19
Complete annual grant subsidy	100% funding dispersed to identified landholders in the region	Participant feedback			
Conduct education workshops and field days	3 environmental education programs conducted				
Complete the free native plant program	100% of the free native plant program dispersed to identified landholders in the region				

3.3.2 Deliver Council's environmental and pest management programs including:

- Undertake the revegetation programs on Lockyer Creek and Tenthill Creek
- Provide a herbicide subsidy program (including spray equipment)
- Conduct pest animal baiting program
- Conduct community education programs on pest management
- Undertake weed management on roads (local and main roads) and Council land.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Revegetation program conducted on Lockyer and Tenthill Creeks	80% of revegetation program on Lockyer and Tenthill Creeks completed	Budget Road Maintenance Performance Contract	Organisational Development and Planning Services	EC1 – Environmental and Community	2018/19
Annual herbicide subsidy program conducted	100% of herbicide subsidy program budget allocated	TechOne			
Annual pest animal baiting program conducted	4 pest animal baiting programs conducted				
Community education programs on pest management conducted	4 community education programs conducted and feedback received				
Weed management programs for roads and council land conducted	90% of weed management program completed				



3.4 LOCALS AND VISITORS EXPERIENCE OUR NATURAL ASSETS**3.4.1 In collaboration with neighbouring regions identify and map recreational trails promoting the region's natural assets to locals and visitors.**

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Connectivity of trails between regions	Connected trails between regions	Mapping information Meeting minutes	Executive Office	EC1 – Environmental and Community P1 – Political	2018/19

3.5 COUNCIL AND THE COMMUNITY ACTIVELY REDUCE WASTE, RECYCLE AND REUSE MORE

3.5.1 Maintain waste and recycling service across the region.
Implement the adopted Waste Reduction and Recycling Plan (WRRP).
Deliver the waste management capital works program
(Waste transfer station for improved compliance).

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Waste and recycling service delivered across the region	Services delivered Schools and community groups	Contract meeting minutes Waste/recycling presentations	Corporate and Community Service	LCL1 – Legal Compliance and Liability	2018/19
Community Education	WRRP actions strategically completed	WRRP		EC1 – Environmental and Community	
Implement recommendations of WRRP	Delivery of capital works program	Budget		FE2 – Financial and Economic	
Complete capital works program					

3.6 COUNCIL AND THE COMMUNITY ACTIVELY REDUCE CONSUMPTION OF NON-RENEWABLE RESOURCES

3.6.1 Develop and implement an energy reduction strategy for the Gatton Showgrounds.
Implement phase 2 of Council's solar initiative program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Energy reduction strategy developed and implemented	The energy reduction strategy 100% developed and implemented	Budget Service management plan	Corporate and Community Service	FE2 – Finance and Economic	2018/19
Phase 2 of the solar initiative program implemented	Phase 2 of the solar initiative program 100% implemented			EC1 – Environmental and Community	



4

LOCKYER
PLANNED

We have unique, well connected communities. We have places and spaces that bring together people. Local services match the needs of the community. Our built infrastructure is designed and constructed to enable access for all.

OUTCOMES

- 4.1 Growth and development in the region is sustainably managed through the adoption and implementation of the Lockyer Valley Planning Scheme.
- 4.2 Provision of fit-for-purpose infrastructure which meets the current and future needs of the region.
- 4.3 A development assessment process that delivers quality development that is consistent with legislation, best practice and community expectations.
- 4.4 Regional collaboration and targeted advocacy that drives external funding, for timely delivery of key infrastructure and enhanced community outcomes.
- 4.5 An integrated approach to the planning of all communities that strengthens local identity and lifestyle.



4.1 GROWTH AND DEVELOPMENT IN THE REGION IS SUSTAINABLY MANAGED THROUGH THE ADOPTION AND IMPLEMENTATION OF THE LOCKYER VALLEY PLANNING SCHEME

4.1.1 Develop a new Lockyer Valley Planning Scheme for the region.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Adoption of a new planning scheme for the Lockyer Valley region	Planning scheme adopted by Council, approved by the State	Planning Scheme Council Business papers Project meeting minutes	Organisational Development and Planning Services	IA2 – Infrastructure and Assets	2018/19

4.2 PROVISION OF FIT-FOR-PURPOSE INFRASTRUCTURE WHICH MEETS THE CURRENT AND FUTURE NEEDS OF THE REGION

4.2.1 Develop a strategic plan for the region's cemeteries.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Strategic plan for cemeteries developed	Strategic Plan completed and adopted by Council	The Strategic Plan Council business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.2 Stormwater catchment modelling, planning and design for Laidley sub-catchments.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Project completed and report received	Project complete and reported to Council	Council business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.3 Strategic planning of the Plainland transport network:

- Conduct a transport planning study for Plainland and surrounds
- Conduct a transport link study for Plainland and surrounds.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Strategic Planning of the Plainland transport network completed	Study finalised and approved by Council	Project documentation Council business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19
Transport planning study for Plainland completed					
Transport link study for Plainland completed					

4.2.4 Deliver the capital expenditure program for Council facilities.

Develop and implement preventative maintenance programs for all Council facilities in line with its revised Service Management Plan (SMP).

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Deliver the capital works program for Council facilities	90% of the program delivered	Service management plan	Corporate and Community Services	IA1 – Infrastructure and Assets	2018/19
Preventative maintenance programs for Council facilities developed and implemented	100% preventative maintenance programs developed and 50% implemented	Budget			

4.2.5 Deliver the Council-funded road maintenance program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Deliver annual road maintenance program	90% of total annual road maintenance program delivered on scope, time and within 10% of budget	Council Budget reporting	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.6 Deliver Council-funded road capital expenditure program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Deliver the Council funded capital works program for roads	90% of projects delivered on scope, time and within 10% of budget	Council budget reporting	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.7 Deliver the externally-funded road projects in accordance with the funding agreement.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Externally-funded road projects completed in accordance with funding agreement	100% of the projects delivered	Project documentation Budget	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19



4.2.8 Review and update the Service Management Plan (SMP) for roads and drainage.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Service management plan reviewed and updated	100% of service management plan reviewed and updated	Service management plan Budget	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.9 Develop a 5 year program of works for north Gatton that will include:

- Kerb replacement
- Road pavement replacement.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
A 5 year program of works developed for north Gatton	100% of program developed and 20% of the program delivered	Program documentation Budget	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.10 Develop a 5 year program of works for Laidley that will include:

- Kerb replacement
- Road pavement replacement.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
A 5 year program of works developed for Laidley	100% of program developed and 20% of the program delivered	Program documentation Budget	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.11 Develop a 'new for old' road signage replacement program for the Lockyer Valley Region.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Road signage replacement program developed	100% of program developed and 20% of program delivered	Program documentation Budget	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19



4.2.12 Refurbishment of water bores located within the north-eastern and south-eastern areas of the Lockyer Valley to increase maintenance works efficiencies and assist in drought-proofing the region.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Water bores are refurbished and in use	100% of project is completed	Council budget reporting	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.2.13 Develop the Lockyer Valley Local Government Infrastructure Plan (LGIP) to set out the desired standards of services for the region's future roads, stormwater and public open space and trunk infrastructure networks.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Adoption of desired standards of service are completed for Lockyer Valley Local Government Infrastructure Plan (LGIP)	Desired standards of service finalised and adopted by Council and progress made towards implementation of recommendations	LGIP Council Business papers	Infrastructure Works and Services	IA1 – Infrastructure and Assets FE1 – Finance and Economic	2018/19

4.3 DEVELOPMENT ASSESSMENT PROCESS THAT DELIVERS QUALITY DEVELOPMENT THAT IS CONSISTENT WITH LEGISLATION, BEST PRACTICE AND COMMUNITY EXPECTATIONS

4.3.1 Council's Development Assessment (DA) Team undertakes assessment of development applications to manage community expectations and best practice that are reflected in the Lockyer Valley Planning Schemes.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
DA internal timeframes and standards of customer service	DA internal timeframes and standards of service are met	TechOne reporting	Organisational Development and Planning Services	FE2 – Financial and Economic LCL1 – Legal Compliance and Liability IA1 – Infrastructure and Assets	2018/19



4.4 REGIONAL COLLABORATION AND TARGETED ADVOCACY THAT DRIVES EXTERNAL FUNDING, FOR TIMELY DELIVERY OF KEY INFRASTRUCTURE AND ENHANCED COMMUNITY OUTCOMES

4.4.1 Toowoomba Second Range Crossing (TSRC) – minimisation of construction impacts on the Lockyer Valley Region.

Handover works received by Council are of a suitable standard and condition.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Ongoing representation and participation in the state government's Toowoomba Second Range Crossing project	Representation at relevant meetings Feedback on relevant issues to Department Transport and Main Roads and the constructor	TSRC comment logs Council business papers Meetings with the constructor and Department Transport and Main Road	Infrastructure Works and Services	IA1 – Infrastructure and Assets	2018/19

4.5 AN INTEGRATED APPROACH TO THE PLANNING OF ALL COMMUNITIES THAT STRENGTHENS LOCAL IDENTITY AND LIFESTYLE

4.5.1 The Lockyer Valley Planning Scheme includes provisions that ensure development in the Lockyer Valley strengthens local identity and lifestyle.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Planning Scheme provisions require development to demonstrate that it addresses local identity and lifestyle	A finalised Planning Scheme that addresses local identity and lifestyle	Planning Scheme Council business papers Project meeting minutes	Organisational Development and Planning Services	IA1 – Infrastructure and Assets	2018/19

4.5.2 Review the role and determine the strategic outcomes of the Gatton Revitalisation and Laidley Futures project committees.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Conduct review and determine outcomes	Review completed and outcomes identified	Meeting minutes	Executive Office	IA1 – Infrastructure and Assets P1 – Political	2018/19



5

LOCKYER LEADERSHIP AND COUNCIL

Lockyer Leadership

Our leaders are visionary and seek coordinated outcomes for the benefit of the whole community.

Lockyer Council

A well-managed, transparent and accountable organisation that gives the community confidence, demonstrates financial sustainability, where customers are satisfied with our services and our employees are proud to work.

OUTCOMES

- 5.1 Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- 5.2 Excellence in customer service to our community.
- 5.3 Actively engage with the community to inform Council decision making processes.
- 5.4 Commit to open and accountable governance to ensure community confidence and trust in Council and our democratic values.
- 5.5 Promote a values based culture that appreciates and empowers its workforce.
- 5.6 Provide leadership and contemporary management systems that drive a coordinated and connected organisation.
- 5.7 Compliant with relevant legislation.
- 5.8 Deliver reliable internal support services.



5.1 UNDERTAKE ROBUST AND ACCOUNTABLE FINANCIAL, RESOURCE AND INFRASTRUCTURE PLANNING AND MANAGEMENT TO ENSURE AFFORDABLE AND SUSTAINABLE OUTCOMES FOR OUR COMMUNITY

5.1.1 Provision of quality financial services to internal and external customers including:

- Management of Council's rating, general revenue and payable functions
- Manage and delivery of Council's statutory financial reporting obligations
- Manage and provide advice on procurement processes in accordance with legislation and Council policy.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Average level of satisfaction identified with services provided.	5 point scale where 1 is highly dissatisfied and 5 is highly satisfied. Score to be 3.5 or higher	Internal survey of staff.	Corporate and Community Services	FE2 – Financial and Economic	2018/19

5.1.2 Undertake a utilisation review of Council's plant and fleet to compare with Institute of Public Works Engineering Australasia (IPWEA) benchmark hours.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Completion of review	Utilisation of Council's heavy plant and fleet (that IPWEA benchmarks are available for) are reviewed and benchmarked	TechOne Council business papers	Infrastructure Works and Services	FE1 – Financial and Economic	2018/19

5.1.3 Develop and implement a management strategy for all Council properties by:

- Finalising a dedicated register of Council land and integrate it into Council's TechOne and GIS systems
- Develop a service management plan for land assets
- Review and implement Tranche 2 of the land rationalisation program.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Management strategy for all Council properties developed and identified year one outcomes completed	The management strategy for all Council properties completed and approved by Council 100% of the identified year 1 outcomes completed	TechOne Land asset service management plan	Executive Office	FE1 – Financial and Economic IA1 – Infrastructure and Assets	2021/22

5.1.4 Business review of operations of the Staging Post Café and Function Centre to identify areas for growth and financial sustainability.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Identify revenue growth and savings	5% improvement on bottom line	TechOne	Executive Office	FE1 – Financial and Economic	2018/19
Complete a marketing strategy	Marketing strategy completed	Marketing strategy documentation			

5.1.5 Develop and implement a strategy for the management and ongoing use of Council's buildings and facilities, including:

- Analysis of community use of Council facilities
- Review the Service Management Plan (SMP).

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Strategy is developed and implementation commenced	Strategy completed and 20% implemented	Strategy documentation	Corporate and Community Service	FE1 – Financial and Economic	2018/19
Service Management Plan reviewed	Service Management Plan review completed	Service Management Plan		IA1 – Infrastructure and Assets	

5.2 EXCELLENCE IN CUSTOMER SERVICE TO OUR COMMUNITY**5.2.1 Provision of quality customer service to internal and external customers, including:**

- Front counter services at the Gatton and Laidley Offices
- Community contact centre operations using 'live chat'
- Distribution of customer requests to other areas of the organisation
- Booking service for community facilities and cemeteries
- Implement deliverables of the Customer Service Strategy.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
(a) Phone wait time	(a) 75% of calls answered within 25 seconds	Statistics from telephone and Customer Request Management (CRM) systems.	Corporate and Community Services	R1 – Reputation and Goodwill	2018/19
(b) Call abandonment rates	(b) Less than 15% of calls abandoned before answering	External survey results			
(c) Contact resolution	(c) 80% of requests answered at first point of contact				
(d) Customer service strategy deliverables implemented	(d) Year one deliverables of the customer services strategy implemented				



5.2.2 Implement the improvements identified in Council's Customer Service Strategic Plan and Connected Council Project including voice of the customer business reviews and the phone fox initiatives.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Improvements implemented	100% of identified improvements implemented by due date	Customer Service Strategic Plan	Corporate and Community Services	R1 – Reputation and Goodwill	2018/19

5.2.3 Implement Development Assessment Service Improvement Plan:

- Develop an agreement with Customer Service that will enable more planning enquiries to be resolved at the first point of contact.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Identified priorities of the improvement plan implemented	Current financial year priorities completed	Service improvement plan	Corporate and Community Services	R1 – Reputation and Goodwill	2019/20
Agreement with customer service developed	Agreement with customer service 100% completed	Agreement documentation			

5.3 ACTIVELY ENGAGE WITH THE COMMUNITY TO INFORM COUNCIL DECISION MAKING PROCESSES

5.3.1 Provide well-planned engagement advice and support in response to Council's needs.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Respond to internal enquiries and issues of high concern in the community	Number of projects supported	Monthly reports	Executive Office	FE2 – Financial and Economic R1 – Reputation and Goodwill	2018/19



5.4 COMMIT TO OPEN AND ACCOUNTABLE GOVERNANCE TO ENSURE COMMUNITY CONFIDENCE AND TRUST IN COUNCIL AND OUR DEMOCRATIC VALUES

5.4.1 Develop a corporate risk register for the organisation that is formulated from operational risk registers for each business unit.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Corporate risk register complete	Register 100% complete and adopted by council	Risk Register Council business papers	Executive Office	FE2 – Financial and Economic	2018/19

5.4.2 Implementation of business unit planning for all business units to capture forward planning and business as usual activities.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
% of Business Units with plans developed and implemented	100% of plans commenced	Business plan reports	Executive Office	FE2 – Financial and Economic	2018/19
% of business unit plans that respond to the corporate plan strategies	100% plans responding to corporate plan				

5.4.3 Review and rationalise reporting to Council and the Executive Leadership Team including:

- Implementation of report writing training.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Completion of review Implement recommendations Report authors trained	Review completed Agreed recommendations implemented 100% of report authors trained	Review documentation including briefing notes and attendance records	Executive Office	FE2 – Financial and Economic	2018/19



5.4.4 Strategic review of Council's insurance function including:

- Rationalisation of insured property
- Classification of self-insured property
- Establishment of standards for third party claims.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Property insurance schedule accurate and complete	100% Property insurance schedule accurate and complete	Council business papers	Executive Office	FE2 – Financial and Economic	2018/19
Insurance standards complete	100% Insurance standards complete	Property insurance schedule			

5.5 PROMOTE A VALUES BASED CULTURE THAT APPRECIATES AND EMPOWERS ITS WORKFORCE**5.5.1 Develop and implement a new Enterprise Bargaining Agreement (EBA).**

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Enterprise bargaining agreement developed and implemented	Enterprise bargaining agreement adopted by Council, certified by Industrial Relations Commission and 100% implemented	Enterprise Bargaining Agreements	Organisational Development and Planning Services	S1 – Staff	2018/19

5.5.2 Implement a staff performance planning process within the organisation that will enable the development of staff.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Staff performance planning process implemented for use across the organisation	Staff performance planning 100% implemented	Performance plan program	Organisational Development and Planning Services	S1 – Staff	2018/19



5.5.3 Develop a cohesive Joint Consultative Committee (JCC) that enables the opportunity to discuss, resolve and agree on matters of concern to the organisations workforce.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
An appointed Joint Consultative Committee and meetings conducted	An appointed Joint Consultative Committee Meetings held quarterly	Meeting minutes Business papers for JCC	Organisational Development and Planning Services	S1 – Staff	2018/19

5.5.4 In consultation with the Connected Council Progress Group, identify and implement processes for reducing employee opinion survey identified gaps by:

- Developing actions to address the ten outcomes identified in the 2017 Employee Opinion Survey.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Strategy developed and opportunities identified	Pulse survey conducted to demonstrate improvements in employee satisfaction	Survey results Strategy documents Meeting notes	Executive Office	S1 – Staff	2018/19

5.6 PROVIDE LEADERSHIP AND CONTEMPORARY MANAGEMENT SYSTEMS THAT DRIVE A COORDINATED AND CONNECTED ORGANISATION

5.6.1 Provision of training and development to the organisation including:

- Ensure that legislative training requirements are met
- Deliver the identified leadership training program for managers and supervisors.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Training and development programs delivered in the organisation	Statutory requirements and identified training needs met	TechOne	Organisational Development and Planning Services	S1 – Staff LCL1 – Legal Compliance and Liability	2018/19



5.7 COMPLIANT WITH RELEVANT LEGISLATION

5.7.1 Ensure that Council meets its obligations under the *Queensland State Disaster Management Act 2003*.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Lockyer Valley Disaster Management Plan is assessed annually	Inspector General Emergency Management Assessment completed	Office of the Inspector General Emergency Management annual assessment report	Corporate and Community Services	LCL1 – Legal Compliance and Liability	2018/19

5.7.2 Ongoing delivery of Council's Local Laws Project including:

- Repeal of irrelevant local laws
- Review of priority local laws to reflect operational requirements.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Irrelevant Local Laws Repealed	100% of irrelevant Local Laws repealed	Local Laws register	Executive Office	LCL1 – Legal Compliance and Liability	2019/20
Priority Local Laws Identified and Reviewed	100 % of identified priority local laws reviewed	Council business papers			

5.7.3 Ensure that Council meets its obligations under the *Work Health and Safety Act 2011* by:

- Developing an accurate reporting method for its Rectification Action Plans (RAPs)
- Conducting an internal Work Health & Safety (WHS) management system audit
- Conducting hazard inspections
- Completing of monthly action plans (MAPs) and rectification action plans (RAPs).

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Reporting method for RAPs developed	An accurate reporting method for RAPs developed and implemented	SAFEPlan TechOne	Organisational Development and Planning Services	LCL1 – Legal Compliance and Liability	2018/19
WHS audit completed				WHS1 – Workplace Health and Safety	
Monthly action plans (MAPs), hazard inspections and rectification action plans (RAPs) completed	MAPs 100% completed 90% of hazard inspections completed RAPs 90% completed in accordance with identified timeframe				



5.8 DELIVER RELIABLE INTERNAL SUPPORT SERVICES**5.8.1 Upgrade Council's Core Property and Rating System to CiAnywhere.**

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Property and Rating functionality working on the CIA platform	80% of TechOne property and rating running in CIA	Business systems reporting	Corporate and Community Services	IA3 – Infrastructure and Assets	2018/19

5.8.2 Develop the Information Services Business Unit Plan that will identify the strategic direction for Council's Information Services.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Information Service Business Unit Plan Developed	Information Services Business Unit Plan developed to draft stage	Business unit plan	Corporate and Community Services	BC1 – Business Continuity and Systems IA3 – Infrastructure and Assets	2018/19

5.8.3 Implement the Information Management Policy and Procedure to improve the management of the organisations records.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Information Management Policy and Procedure implemented within the organisation	60% of staff with network access viewed, acknowledged and understood policy and procedure	Electronic (Elearning, ECM, Email) acknowledgement of understanding	Corporate and Community Services	BC1 – Business Continuity and Systems IA3 – Infrastructure and Assets	2018/19



**5.8.4 Undertake all of Council's external and internal communication requirements.
Develop and implement an internal communications strategy to improve
communications within the organisation.**

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Delivery of internal and external communication requirement	Internal communications delivered	Media releases, newsletters, social media statistics	Executive Office	R1 – Reputation and Goodwill P1 – Political	2018/19
Internal communications strategy developed and implemented	<ul style="list-style-type: none"> 12 in the loop 52 watercoolers External communications delivered <ul style="list-style-type: none"> media deadlines met social media monitored and responded as required Internal communications strategy 100% completed and 50% implemented	Internal communication strategy			

5.8.5 Provision of legal and property services to the organisation.

KEY PERFORMANCE INDICATOR	DESCRIPTION OF MEASURE	SOURCE OF VALIDATION DATA	RESPONSIBILITY	KEY RISK CATEGORY	TARGET
Meet the organisational needs on legal and property requirements	80% of legal and property requests responded to within agreed timeframes	Land register Council business papers	Executive Office	LCL1 – Legal Compliance and Liability	2018/19





For more information phone **1300 005 872**,
email **mailbox@lvrc.qld.gov.au** or visit **www.lockyervalley.qld.gov.au**

Lockyer Valley Regional Council, PO Box 82, Gatton Qld 4343
© Lockyer Valley Regional Council | 8428BR10



6.1 2018/2019 Financial Policies

The adoption of these policies satisfies Council's legislative obligations and provides clear guidance to staff to ensure ongoing understanding and compliance.

THAT Council adopt the 2018/2019 Investment Policy, 2018/2019 Debt Policy and 2018/2019 Procurement Policy.

CARRIED
6/0

Page 364

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

The Investment Policy, Debt Policy and Procurement Policy are key statutory policies of Council.

3. Report

The *Local Government Regulation 2012* requires Council to prepare an Investment Policy, Debt Policy and Procurement Policy.

Investment Policy

Under Section 191 of the *Local Government Regulation 2012*, Council must prepare and adopt an investment policy that outlines Council's investment objectives and overall risk philosophy together with the procedures for achieving the goals outlined in the policy.

The attached Investment Policy provides Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short term cash requirements. In order of priority the order of investment activities is preservation of capital, liquidity and return.

As the investment policy is performing well, no changes to the counterparty thresholds are recommended.

Debt Policy

Under Section 192 of the *Local Government Regulation 2012*, Council must prepare and adopt a debt policy each financial year. The debt policy must state new borrowings for the current financial year and the next nine years and the time over which Council plans to repay existing and new borrowings.

The attached Debt Policy forecasts no borrowings for the life of the long term financial plan.

Under Council's debt policy, Council will not utilise loan funds to finance operating activities and where capital assets are funded through borrowings, Council will repay the loans within the shortest term possible with the maximum term not exceeding the life of the asset. Current loans are planned to be repaid within their existing loan terms.

Additional repayments will be made where sufficient funds are available and it is advantageous to do so.

Procurement Policy

The Procurement Policy covers the principles of procurement applicable under the *Local Government Regulation 2012* and remains unchanged from the previous year.

4. Policy and Legal Implications

The adoption of these policies satisfies Council's legislative obligations and provides clear guidance to staff to ensure ongoing understanding and compliance.

5. Financial and Resource Implications

These policies underpin elements of the 2018/2019 budget.

6. Delegations/Authorisations

Matters arising from this report will be dealt with in accordance with existing delegations.

7. Communication and Engagement

The implications of these policies will be incorporated into extensive communications associated with the 2018/2019 Budget.

8. Conclusion

These policies are used in the formulation of Council's annual budget and have been reviewed as part of the 2018/2019 Budget process with the policies remaining largely unchanged.

9. Action/s

Update Council's Policy Register and upload to the internet.

Attachments

- | | | |
|------------------------|------------------------------|---------|
| 1 View | Investment Policy 2018/2019 | 3 Pages |
| 2 View | Debt Policy 2018/2019 | 2 Pages |
| 3 View | Procurement Policy 2018/2019 | 1 Page |



Policy document

Statutory S02

Investment

Head of Power

Section 191 of the *Local Government Regulation 2012* states a Local Government must prepare an investment policy each financial year. Council must also consider the *Statutory Bodies Financial Arrangements (SBFA) Act 1982* and *Statutory Bodies Financial Arrangements Regulation 2007*.

Key Supporting Council Document

Corporate Plan (2017 – 2022) Lockyer Leadership and Council “To be financial sustainable”

Definitions

NA

Policy Objective

To provide Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short term cash requirements.

Policy Statement

This policy is applicable to the investment of Lockyer Valley Regional Council's cash balances as they occur throughout the year. It specifically does not apply to the long term loan arrangement with Queensland Urban Utilities.

Council's overall objective is to invest its funds at the most advantageous interest rate available to it at the time, for that type of investment and in a way that it considers most appropriate.

Without specific approval from Council or the treasurer, investments are limited to those prescribed by Part 6 of the *Statutory Bodies Financial Arrangements Act 1982* for local governments with Category 1 investment power.

In order of priority, the order of investment activities will be preservation of capital, liquidity and return.

This policy prohibits any investments carried out for speculative purposes.

Council's bank balances and short term cash flows will be reviewed daily.

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 5/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Investment Policy S 02 2017/2018

Page 1 of 3



Policy document

Statutory S02

Investments will be placed so as to minimise the cash held in low/no interest operating bank accounts whilst ensuring sufficient cash is available to meet Council's financial obligations on a day to day basis.

Funds will be invested for a term not exceeding 12 months.

To mitigate risk and protect the Capital value of Investments, funds will only be placed with recognised financial institutions with a Standard and Poors Long Term Rating of BBB- or better and operating in Australia.

Investments will be placed with various financial institutions such that the maximum percentage of the total investment portfolio does not exceed:

Standard and Poors Long Term Rating	Maximum % Investment in any one Institution	Maximum % Investment all institutions in this category
QTC (currently AA+)	100%	100%
AAA to A+ (excluding QTC)	30%	80%
A to BBB+	20%	40%
BBB to BBB-	15%	25%

The Manager Finance and Customer Services is to ensure an appropriate system is maintained at all times to ensure all investments are accounted for and the portfolio managed appropriately.

The Manager Finance and Customer Services will ensure that effective internal controls are established to ensure that investment objectives are met and that investments are protected from loss, theft or inappropriate use. These controls will address control of collusion, separation of transaction activity from accounting and record keeping, safekeeping, physical delivery of securities, delegation to investment officers, requirements for the settlement of securities, compliance and oversight of investment parameters and compliance reporting.

Investments and associated internal controls will be subject to periodic reviews by Council's Internal Audit function to verify compliance with this policy and legislation.

Any breach of this policy must be reported to the Executive Manager Corporate & Community Services and be rectified within 24 hours of the breach occurring.

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 5/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Investment Policy S 02 2017/2018

Page 2 of 3



Policy document

Statutory S02

Quarterly reports detailing compliance with the policy and earning performance compared to the benchmark are to be prepared by the Manager Finance and Customer Services and provided to Council.

Earning Performance will be benchmarked against the Bank Bill Swap Rate and the Bloomberg AUSBOND Index which includes the 90 day bank bills from a number of Australian institutions.

Related Documents

2018-2019 Lockyer Valley Regional Council Budget

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 5/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Investment Policy S 02 2017/2018
Page 3 of 3



Policy document

Statutory S 01

Debt

Head of Power

Section 192 of the *Local Government Regulation 2012* requires a Local Government to annually prepare a Debt Policy. Council's borrowing activities continue to be governed by the *Statutory Bodies Financial Arrangements Act 1982* and the *Statutory Bodies Financial Arrangements Regulation 2007*.

Key Supporting Council Document

Corporate Plan (2017 – 2022) Lockyer Leadership and Council "To be financial sustainable"

Definitions

NA

Policy Objective

To establish a responsible debt management framework for the management of Council's existing and future debt.

Policy Statement

This policy provides clear guidance for staff in the management of Council's debt portfolio and the maintenance of appropriate debt and debt servicing levels.

External Loans

Council will not utilise loan funds to finance operating activities.

Council recognises that the infrastructure requirements placed upon it in many instances can only be funded through borrowings, but is mindful of the additional cost incurred by ratepayers when assets are acquired through borrowings.

Council will endeavor to fund all capital renewal projects from operating cash flows and borrow only for new or upgrade projects having regard to sound financial management principles and giving consideration to inter-generation equity for the funding of long term assets.

Borrowings for infrastructure that provide a return on assets will take priority over borrowings for other assets.

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 05/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Debt Policy 2017-18

Page 1 of 3



Policy document

Statutory S 01

Where capital assets are funded through borrowings, Council will repay the loans within the shortest term possible with the maximum term not exceeding the life of the asset. Current loans are planned to be repaid within their existing loan terms.

Consideration will be given to renegotiating loans where it is in Council's long term interests to do so.

If surplus funds become available and where it is advantageous to do so, one-off loan repayments will be made to reduce the balance of existing loans.

Council will maintain close scrutiny of debt levels to try and ensure that sustainability indicators do not exceed the target parameters recommended by the Queensland Treasury Corporation and the *Local Government Regulation 2012*.

Council will raise all external borrowings at the most competitive rates available from sources defined by legislation.

Loans will be drawn down annually subject to cash flow requirements so as to minimise interest expenses.

Pursuant to Section 192 of the *Local Government Regulation 2012*, proposed borrowings for capital works projects as outlined in the adopted budget for the current financial year and subsequent financial years are as follows:

Financial Year	\$'000
2018/2019	-
2019/2020	-
2020/2021	-
2021/2022	-
2022/2023	-
2023/2024	-
2024/2025	-
2025/2026	-
2026/2027	-
2027/2028	-

Internal Loans

The provision of internal loans will depend upon the availability of excess Council funds and the capacity of the internal business unit to repay the loan.

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 05/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Debt Policy 2017-18

Page 2 of 3



Policy document

Statutory S 01

The term of the internal loan will not exceeding the life of the asset being financed.

The interest rate of the internal loan will be the sum of the equivalent Queensland Treasury Corporation borrowing rate, the Queensland Treasury Corporation administrative charge for the loan and an addition risk margin of no less than 1%.

The provision for the interest and redemption payments of internal loans will be included in the annual budget for the business unit.

Related Documents

2018-2019 Lockyer Valley Regional Council Budget

Group: Corporate & Community Services
Unit: Finance
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.7 Last Updated: 05/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Debt Policy 2017-18

Page 3 of 3



Policy document

Statutory S 03

Procurement

Head of Power

Chapter 5: Part 6: section 198 *Local Government Regulation 2012*

Key Supporting Council Document

Corporate Plan (2017 – 2022) Lockyer Leadership and Council “To be financial sustainable”

Definitions

NA

Policy Objective

This policy establishes the procurement principles to be used by Lockyer Valley Regional Council in undertaking all procurement activities for the organization.

Policy Statement

Lockyer Valley Regional Council will carry out all of its procurement activities in accordance with the prescribed legislative framework and its Procurement Procedures Handbook.

To do so, Council will apply the sound contracting principles of; value for money, open and effective competition, the development of competitive local business and industry, environmental protection, and ethical behavior and fair dealing.

Council will apply the ethics principles of integrity and impartiality, promoting the public good, commitment to the system of government, and accountability and transparency in undertaking its procurement activities.

Council will apply sound contracting practices when making its contracts to carry out work, supply goods or services, or dispose of non-current assets.

Council will also provide a framework for the development and implementation of systems, practices and controls for efficient, effective and economic financial and performance management in its procurement activities.

Related Documents

Procurement Procedures Handbook

Group: Corporate & Community Services
Unit: Finance Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.3 Last Updated: 05/06/2018
Review Date: 30/06/2019
Superseded/Revoked: Procurement Policy 2017/2018

Page 1 of 1



**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

**CARRIED
6/0**

Report

1. Introduction

Council is required under Section 169 of the *Local Government Regulation 2012* to include a Revenue Policy in its annual budget.

This report recommends the adoption of the Revenue Policy as part of the 2018/2019 Budget.

2. Background

The Revenue Policy is a key statutory document of Council and is required to be adopted as part of the annual budget. The Revenue Policy is reviewed every year as part of the budget development process. Changes made to the document reflect the wishes of Council in making and levying rates for the coming financial year.

3. Report

Section 193 (3) of the *Local Government Regulation 2012* requires Council to review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

The purpose of the Revenue Policy is to set out the principles used by Lockyer Valley Regional Council for:

- the making and levying rates and charges;
- determining the purpose of and the granting of concessions for rates and charges;
- recovering overdue rates and charges;
- methods for setting cost recovery fees; and
- the extent to which physical and social infrastructure costs for a new developments are to be funded by charges for the development.

Council levies rates and charges to fund the provision of valuable services to our community. When adopting its annual budget Council will set rates and charges at a level that will provide for both current and future community requirements. Council also provides concessions to pensioners to assist property owners to remain in their own homes, and concessions to non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

The Revenue Policy also sets out the principles that will apply in the management of and recovery of debt. These principles are as follows:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
- efficiency by ensuring the processes used to recover overdue rates and charges are simple to administer and cost effective;

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

- equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- flexibility by responding where necessary to changes in the local economy.

The Revenue Policy has been reviewed as part of the 2018/2019 budget process and no changes were required to be made.

4. Policy and Legal Implications

The adoption of the Revenue Policy ensures Council's compliance with the requirements of the *Local Government Regulation 2012*. Section 169 (2) (c) of the *Local Government Regulation 2012* requires Council to include a Revenue Policy in its annual budget.

5. Financial and Resource Implications

The adoption of the 2018/2019 Revenue Policy and 2018/2019 Revenue Statement ensures that Council can rate in accordance with the proposed 2018/2019 Budget.

6. Delegations/Authorisations

No further delegations are required to manage the issues raised in this report. The Chief Executive Officer will manage the requirements within existing delegations.

7. Communication and Engagement

The implications of the 2018/2019 Revenue Policy will be incorporated into extensive communications associated with the 2018/2019 Budget.

8. Conclusion

The 2018/2019 Revenue Policy is used in the formulation of Council's 2018/2019 Revenue Statement and 2018/2019 Budget and must be included in the adoption of the annual budget each financial year. Council's annual budget must be consistent with its Revenue Policy.

9. Action/s

1. Council to adopt the attached Revenue Policy as required under the *Local Government Regulation 2012*
2. The 2018/2019 Revenue Policy to be used as the basis for the preparation of the 2018/2019 annual budget.

Attachments

1 [View](#) 2018/2019 Revenue Policy 5 Pages



Policy document

Statutory S 05

Revenue

Head of Power

*Local Government Act 2009**Section 193 Local Government Regulation 2012*

Key Supporting Council Document

Corporate Plan (2017 – 2022) Lockyer Leadership and Council “To be financially sustainable”

Definitions

All terms within this policy have the meaning assigned under the Dictionary from the schedule contained within the *Local Government Regulation 2012*.

Policy Objective

The purpose of the 2018/2019 Revenue Policy is to set out the principles used by Lockyer Valley Regional Council for:

- the making & levying rates and charges;
- determining the purpose of and the granting of concessions for rates and charges;
- recovering overdue rates and charges;
- methods for setting cost recovery fees;
- the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

Policy Statement

The Levying of Rates and Charges

Rates and charges are defined in the *Local Government Regulation 2012* as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

Council levies rates and charges to fund the provision of valuable services to our community. When adopting its annual budget Council will set rates and charges at a level that will provide for both current and future community requirements. Council will apply the principle of transparency in making rates and charges.

Group: Corporate and Community Service
Unit: Financial Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.2 Last Updated 16/05/18
Review Date: 30/06/2019
Superseded/Revoked: Revenue Policy S 05 2017/2018

Page 1 of 5



Policy document

Statutory S 05

General Rates

General Rates revenue provides essential whole of community services not funded through trading income, subsidies, grants, contributions or donations received from other entities or not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the region as a whole. In deciding how that revenue is raised, Council has formed the opinion that a differential general rating scheme, based primarily on land use, provides the most equitable basis for the distribution of the general rate burden.

The rateable value for each property is the basis for determining the amount of the general rate levied. The value, of land for a financial year, is its value under the *Land Valuation Act 2010* when a liability for payment of rates or charges for the land arises for the financial year.

The *Local Government Regulation 2012* allows Council in accordance with Section 77 (1) to fix a minimum amount of general rates. Under Section 80, Council may levy differential general rates.

Separate and Special Rates and Charges

Where appropriate, Council will fund certain services, facilities or activities by means of separate or special rates or charges.

Special rates:

In accordance with Section 94 of the *Local Government Regulation 2012* Council will levy special rates and charges on certain properties that are considered to be specially benefited by the provision of a specific service, facility or activity.

Special rates are charged on the rateable value of the land and special charges are a flat charge per assessment, other than specifically identified exclusions, as this is considered to provide a more equitable basis for the sharing of the cost.

Separate rates:

In accordance with Section 103 of the *Local Government Regulation 2012* Council will levy a separate rate or charge on all rateable land, subject to stated exceptions, in the region to fund a particular service, facility or activity.

The Levying of Rates and Charges

In levying rates and charges, Council will apply the principles of:

- *consistency* in timing the levy of rates in a predictable way to enable rate payers to plan for their rating obligations by the issue of rate notices on a half yearly basis;

Group: Corporate and Community Service
Unit: Financial Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.2 Last Updated 16/05/18
Review Date: 30/06/2019
Superseded/Revoked: Revenue Policy S 05 2017/2018



Policy document

Statutory S 05

- *flexibility* by providing short-term payment commitment plans to ratepayers in financial difficulty, along with a wide array of payment options;
- *communication* by clearly setting out the Council's and each ratepayer's obligations in relation to rates and charges by advising ratepayers about rate notice issue dates and discount dates;
- *clarity* by providing meaningful information on rate notices to enable ratepayers to clearly understand their responsibilities.

In making and levying rates and charges, Council will be guided by the principles of:

- efficiency through having a rating regime that is efficient to administer;
- full cost pricing and user pays where appropriate;
- equitable distribution of the general rates burden as broadly as possible;
- transparency in the making and levying of rates;
- flexibility, to take account of changes in the local economy;
- clarity in terms of responsibilities (Council's and ratepayers') in regard to the rating process;
- National Competition Policy legislation where applicable.

The Purpose of and Granting of Concessions for rates and charges

Council Pension Subsidy:

Council has determined that pensioners as defined by the *Local Government Regulation 2012* are entitled to receive concessions on rates and charges levied by Council. Council may grant a concession for land that is owned by a pensioner under Section 120(1)(a) of the *Local Government Regulation 2012*.

The Lockyer Valley Regional Council Pension Subsidy aims to help pensioner property owners to remain in their own homes by reducing the financial impact of rates and charges levied.

Council Remissions – Non Profit Community, Cultural and Sporting Groups:

In accordance with section 120(1)(b) of the *Local Government Regulation 2012* non-profit community, sporting and cultural groups may be entitled to concessions.

The purpose of these concessions is to encourage and support non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

Upon written application, Council will consider applications for concessions on rates and charges received from property owners who are qualifying pensioners or non-profit community, cultural and sporting organisations.

Group: Corporate and Community Service
Unit: Financial Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.2 Last Updated 16/05/18
Review Date: 30/06/2019
Superseded/Revoked: Revenue Policy S 05 2017/2018

Page 3 of 5



Policy document

Statutory S 05

In exercising these concession powers, Council will be guided by the principles of:

- transparency by making clear the requirements necessary to receive concessions; and
- equity by ensuring that all applicants of the same type receive the same concession.

The Recovery of Overdue Rates and Charges

Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4 Part 12 of the *Local Government Regulation 2012* in order to reduce the overall rate burden on ratepayers.

Council has adopted a policy for the recovery of outstanding rates and charges. The objective of this policy is to set out Council's principles in regard to the management of debt, and to provide consistent and ethical recovery of outstanding rates and charges across the organisation in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

The principles that will apply in the management of and recovery of debt are as follows:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
- efficiency by ensuring the processes used to recover overdue rates and charges are simple to administer and cost effective;
- equity by having regard to providing the same treatment for ratepayers with similar circumstances;
- flexibility by responding where necessary to changes in the local economy.

Fees and Charges

In general, Council will be guided by the principle of user pays in making all other charges. All fees and charges will be set with reference to full cost pricing.

When determining Commercial Charges, Council takes into account "user pays" principles and market conditions when determining commercial charges for Council services and facilities.

When determining Regulatory Fees, Council takes into account "user pays" principles and sets regulatory fees at a level sufficient to recover no more than the full cost of providing the service or taking the action for which the fee is charged.

All fees set by Council are included in a Register of Fees and Charges as adopted by Council at the meeting held on 16 May 2018 and amended from time to time.

New Development Costs

Developer contributions for infrastructure are determined each year in accordance with the philosophy that a developer should pay reasonable and relevant contributions towards the

Group: Corporate and Community Service
Unit: Financial Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.2 Last Updated 16/05/18
Review Date: 30/06/2019
Superseded/Revoked: Revenue Policy S 05 2017/2018

Page 4 of 5



Policy document

Statutory S 05

capital cost of the provision of infrastructure to meet past and future augmentation costs associated with this new development. Council assesses the level of contribution towards physical and social infrastructure in respect of new developments during the development application approval process to ensure an equitable contribution is made by developments which increase the demand on Council infrastructure. Infrastructure agreements are negotiated outcomes between council and the developer.

Guiding Principles

Council is required to prepare and adopt Financial Policies under Chapter 5 Part 4 of the *Local Government Regulation 2012* that comprise of an Investment Policy, a Debt Policy and a Revenue Policy.

Accordingly, the principles contained within the Revenue Policy are applied in the determination of Council's revenue statement, rates, fees and charges, rating concessions and recovery of overdue rates and charges.

Roles and responsibilities

All Council staff are bound by the principles outlined in this policy in determining the level of rates, fees and charges, and in the application of rebates and concessions relating to those fees.

Related Documents

Local Government Act 2009

Local Government Regulation 2012

Rates and Charges Debt Collection and Recovery Policy

2018/2019 Revenue Statement

Group: Corporate and Community Service
Unit: Financial Services
Approved:
Date Approved:

Effective Date: 01/07/2018
Version: 1.2 Last Updated 16/05/18
Review Date: 30/06/2019
Superseded/Revoked: Revenue Policy S 05 2017/2018

Page 5 of 5



**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

6.3 2018/2019 Revenue Statement

Date: 25 May 2018
Author: Tony Brett, Manager Finance & Customer Services
Responsible Officer: David Lewis, Executive Manager Corporate & Community Services

Summary:

Section 169(2) (b) of the *Local Government Regulation 2012* requires Council to include a Revenue Statement in its annual budget.

The 2018/2019 Revenue Statement is an explanatory statement, detailing the revenue measures adopted in Council's 2018/2019 Budget. The Revenue Statement has been reviewed and updated as part of Council's budget process and provides the basis for the generation of Council's rates revenue for 2018/2019.

The 2018/2019 Revenue Statement will achieve an initial yield of \$41.04 million in rates and utility charges with \$1.63 million allowed for discounts and remissions. Budget parameters include a conservative growth rate of approximately 1.50%.

The increase in the yield from general rates for 2018/2019 compared to the previous year is 2.86%. When the changes to the levies, charges and other rates are taken into account the overall increase in yield is 2.60%. The increase in yield from 2017/2018 is a combination of natural growth in assessments, changes in categorisation, and the general increase to the minimum rates and rates in the dollar and other charges applied by Council. An average residential property will see a combined increase of all rates and charges of around 2.63% which equates to approximately \$48.00 for the year.

Officer's Recommendation:

THAT Council resolve:

- a) Pursuant to Section 81 of the *Local Government Regulation 2012*, to adopt the categories in to which rateable land is categorised, and the description of those categories as follows:

Category No	Category Name	Description
1	Commercial <= \$200,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value less than or equal to \$200,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
2	Commercial \$200,001 & <=\$700,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$200,000 and up to or equal to \$700,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

3	Commercial > \$700,000 & <=\$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$700,000 and less than or equal to \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
4	Commercial > \$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
5	Supermarkets <= \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value of less than or equal to \$1 million.
6	Supermarkets > \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value greater than \$1million.
7	Shopping Centres <= 7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area of up to or equal to 7000 sq metres, or less than or equal to 120 onsite carparking spaces.
8	Shopping Centres >7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area greater than 7000 sq metres, or more than 120 onsite carparking spaces.
9	Motels <= 25 Rooms	Land used or intended to be used, in whole or in part for a motel with no more than 25 rooms.
10	Motels 26 - 50 Rooms	Land used or intended to be used, in whole or in part for a motel with 26 to 50 rooms.
11	Motels >= 51 Rooms	Land used or intended to be used, in whole or in part as a motel with 51 or more rooms.
12	Farming/Agriculture <=\$200,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of less than or equal to \$200,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
13	Farming/Agriculture \$200,001-\$380,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$200,001 and \$380,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
14	Farming/Agriculture \$380,001-\$610,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$380,001 and \$610,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
15	Farming/Agriculture >= \$610,001	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of \$610,001 or greater, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

16	Rural Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is within the Rural Fire Service boundaries.
17	Service Stations/Garages <=100,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of up to and including 100,000 litres. In addition, the category includes any land used for a fuelling area, fuel storage area, retail shop or parking area associated with land used for fuel retailing.
18	Service Stations/Garages 100,001 to 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of between 100,001 and up to and including 200,000 litres.
19	Service Stations/Garages Over 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is an associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.
20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is not any associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.
21	Transmission Sites	Land used or intended to be used, in whole or in part for the transmission or distribution of electricity from a coal or gas-fired power plant including, but not limited to, a substation.
22	Gas Compressor Sites	Land used or intended to be used, in whole or in part for the transportation of gas under compression and/or any purpose associated or connected with the transportation of gas under compression.
23	Workers Accommodation	Land used or intended to be used, in whole or in part for the provision of intensive accommodation for more than 50 persons (other than the ordinary travelling public) in rooms, suites, dongas, caravan sites, or a combination of these specifically built or provided for this purpose. Land within this category is commonly known as “workers accommodation”, “single person’s quarters”, “work camps”, “accommodation village”, or “barracks”.
24	Urban Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is not within the Rural Fire Service boundaries.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

25	Farming/Agriculture On Farm Packing Operation	Land used or intended to be used, in whole or in part for farming or agricultural purposes containing an on farm packing operation. An on farm packing operation: shall mean land containing a facility where fruit and/or vegetables are received and/or processed prior to distribution to market. Operations may include but are not limited to sorting, trimming, washing, drying, waxing, curing, chemical treatment, packaging, pre-cooling, storage, and transportation.
26	Intensive Agriculture Poultry <=200,000 birds	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of up to or equal to 200,000 birds.
27	Intensive Agriculture Poultry 200,001 birds and over	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of over 200,000 birds.
28	Intensive Agriculture Piggeries <=3,000 SPU	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of up to or equal to 3,000 SPU.
29	Intensive Agriculture Piggeries 3,001 SPU and over	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of over 3,000 SPU.
30	Multiple Dwelling	Residential land used for a multi-unit residential building, which does not form part of a community title scheme or residential group title consisting of 2 or more flats or units or a duplex. This also includes properties with 2 or more residential dwellings.
31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	Land which is subject to chapter 2, part 2 subdivision 3 of the Land Valuation Act 2010.
32	Nursing Homes/Retirement Villages	Land used or intended to be used, in whole or in part for the provision private medical care, the provision of aged care nursing or as a Retirement Village.
33	Sporting Clubs & Facilities	Land used or intended to be used, in whole or in part for sporting clubs and facilities associated with a sporting club where the operator does not hold a liquor and/or gaming licence, except land included in category 34.
34	Licensed Clubs & Sporting Clubs	Land used or intended to be used, in whole or in part for the operation of a sporting club and facilities associated with a sporting club where the land is subject to a liquor and/or gaming licence.
35	Non-Principal Place of Residence	Land with a dwelling used or intended to be used, in whole or in part for a residential purpose, including rural residential land, that is not a Principal Place of Residence and not included in Category 16, 24, 30, or 31.
36	Sundry Purposes	Land used or intended to be used, in whole or in part for a permit to occupy, water storage, or a pump site and land which is not otherwise categorized.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

37	Extractive & Mining Lease > 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where more than 100,000 tonnes of material is removed per annum.
38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where between 5,001 and 100,000 tonnes of material is removed per annum.
39	Extractive & Mining Lease up to 5,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where up to 5,000 tonnes of material is removed per annum.
40	Noxious/Offensive Industry – Explosive Factories	Land used or intended to be used, in whole or in part for the manufacture and/or storage of explosives.
41	Noxious/offensive Industry – Abattoirs	Land used or intended to be used, in whole or in part as an abattoir having more than 20 employees and a valuation greater than \$500,000.
42	Noxious/offensive Industry – Other	Land used or intended to be used, in whole or in part for the purpose of a sawmill, tannery or any other industrial purpose or any use associated or connected with an industrial purpose, other than land included in categories 40 or 41.
43	Caravan Parks & Camping Grounds <= \$300,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of less than or equal to \$300,000.
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of between \$300,001 up to and including \$600,000.
45	Caravan Parks and Camping Grounds > \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of greater than \$600,000.
46	Power Stations <= 50MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of no more than 50MW.
47	Power Stations >=51MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of 51MW or more.
48	Residential Vacant Land	Vacant Land used, or capable of being used, for residential purposes not included in Category 31.

- b) To delegate to the Chief Executive Officer the power, pursuant to Sections 81(4) and 81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.
- c) Pursuant to Section 94 of the *Local Government Act 2009* and Section 80 of the *Local Government Regulation 2012*, that the differential general rate to be made and levied for each differential general rate category and, pursuant to Section 77 of the *Local*

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

Government Regulation 2012, that the minimum general rate to be made and levied for each differential general rate category, is as follows:

Category No	Category Name	Rate in Dollar	Minimum General Rate
1	Commercial ≤ \$200,000	\$0.009919	\$ 1,978.00
2	Commercial \$200,001 & ≤ \$700,000	\$0.010901	\$ 2,533.00
3	Commercial > \$700,000 & ≤ \$2Million	\$0.010962	\$ 9,348.00
4	Commercial > \$2Million	\$0.010961	\$ 25,708.00
5	Supermarkets ≤ \$1Million	\$0.011403	\$ 8,668.00
6	Supermarkets > \$1Million	\$0.013314	\$ 28,681.00
7	Shopping Centres ≤ 7000 sq m	\$0.039388	\$ 54,858.00
8	Shopping Centres >7000 sq m	\$0.041625	\$ 164,572.00
9	Motels ≤ 25 Rooms	\$0.024225	\$ 1,921.00
10	Motels 26 - 50 Rooms	\$0.028219	\$ 8,029.00
11	Motels ≥ 51 Rooms	\$0.031041	\$ 26,760.00
12	Farming/Agriculture ≤ \$200,000	\$0.008978	\$ 1,380.00
13	Farming/Agriculture \$200,001-\$380,000	\$0.009741	\$ 1,958.00
14	Farming/Agriculture \$380,001-\$610,000	\$0.009901	\$ 3,762.00
15	Farming/Agriculture ≥ \$610,001	\$0.011221	\$ 6,847.00
16	Rural Residential – Owner Occupied	\$0.012440	\$ 1,068.00
17	Service Stations/Garages ≤ 100,000 litres	\$0.036678	\$ 5,486.00
18	Service Stations/Garages 100,001 to 200,000 litres	\$0.036754	\$ 27,429.00

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

	19	Service Stations/Garages Over 200,000 litres	\$0.024852	\$ 82,286.00	
	20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	\$0.026770	\$ 5,486.00	
	21	Transmission Sites	\$0.025132	\$ 10,955.00	
	22	Gas Compressor Sites	\$0.044388	\$ 10,955.00	
	23	Workers Accommodation	\$0.031041	\$ 26,760.00	
	24	Urban Residential – Owner Occupied	\$0.012630	\$ 1,075.00	
	25	Farming/Agriculture On Farm Packing Operation	\$0.012365	\$ 9,010.00	
	26	Intensive Agriculture Poultry <=200,000 birds	\$0.018612	\$ 5,859.00	
	27	Intensive Agriculture Poultry 200,001 birds and over	\$0.036545	\$ 7,032.00	
	28	Intensive Agriculture Piggeries <=3,000 SPU	\$0.043710	\$ 5,859.00	
	29	Intensive Agriculture Piggeries 3,001 SPU and over	\$0.066863	\$ 7,032.00	
	30	Multiple Dwelling	\$0.015788	\$ 1,344.00	
	31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	\$0.013754	N/A	
	32	Nursing Homes/Retirement Villages	\$0.014705	\$ 6,177.00	
	33	Sporting Clubs & Facilities	\$0.010047	\$ 1,181.00	

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

34	Licensed Clubs & Sporting Clubs	\$0.010656	\$ 3,482.00
35	Non-Principal Place of Residence	\$0.015156	\$ 1,290.00
36	Sundry Purposes	\$0.015964	\$ 226.00
37	Extractive & Mining Lease > 100,000 tonnes.	\$0.080217	\$ 42,273.00
38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	\$0.028725	\$ 21,740.00
39	Extractive & Mining Lease up to 5,000 tonnes.	\$0.024330	\$ 9,422.00
40	Noxious/Offensive Industry – Explosive Factories	\$0.022422	\$ 30,674.00
41	Noxious/offensive Industry – Abattoirs	\$0.030279	\$ 30,674.00
42	Noxious/offensive Industry – Other	\$0.026348	\$ 5,259.00
43	Caravan Parks & Camping Grounds ≤ \$300,000	\$0.024925	\$ 2,744.00
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	\$0.028219	\$ 8,029.00
45	Caravan Parks and Camping Grounds > \$600,000	\$0.031041	\$ 26,760.00
46	Power Stations ≤ 50MW	\$0.025132	\$ 52,265.00
47	Power Stations ≥ 51MW	\$0.027645	\$ 104,530.00
48	Residential Vacant Land	\$0.012440	\$ 1,068.00

d) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the “Emergency Preparedness Levy”), in the sum of \$104.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, and a pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year. The purposes of the levy are:

- 1) Funding infrastructure restoration projects (such as bridges, roads) funding shortfalls,

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

interest and redemption payments on loans associated with recovery work and community resilience recovery through community recovery programs, and

- 2) Funding expenditure on the disaster management initiatives associated with improving the region's preparedness for and response to future natural disasters including the implementation of the recommendations of the Queensland Floods Commission of Inquiry, and
 - 3) Funding recurrent and capital expenditure for the Volunteer State Emergency Services Units operating within the Lockyer Valley Regional Council area together with the provision of disaster planning and management support for the units.
- e) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the "Environmental Levy"), in the sum of \$16.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding expenditure on the implementation of physical/biological, cultural, social and economic environmental initiatives throughout the Region. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
- f) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the "Resilient Rivers Initiative Levy"), in the sum of \$2.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding Council's contribution for the Council of Mayors South East Queensland's (COMSEQ's) Resilient Rivers Initiative, which will deliver projects to keep soil on the land, protect water security, promote partnerships and improve climate resilience. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
- g) Pursuant to Section 94 of the *Local Government Act 2009* and Section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the "Rural Fire Levy") of \$30.00 per annum on all rateable land to which the overall plan applies to fund the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
- 1) The overall plan for the Rural Fire Levy is as follows:
 - i) To fund the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee.
 - ii) The rateable land to which the plan applies is all land in areas serviced by a Rural Fire Brigade.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

iii) The estimated cost of carrying out the overall plan is \$305,000.00.

iv) The estimated time for carrying out the overall plan is one year.

2) The rateable land or its occupier specially benefits from the service, facility or activity funded by the special charge because of the Rural Fire Brigade Group operating in the area.

h) Pursuant to Section 94 of the *Local Government Act 2009* and Section 99 of the *Local Government Regulation 2012*, Council make and levy waste management utility charges, for the supply of waste management services by the Council, as follows:

1) Waste Recycling and Collection Charges:

i) Subject to paragraphs ii) and iii) below, waste recycling and collection charges shall be levied according to the service type and the service description identified in the following table ("Waste Recycling and Collection Charge"):

Service Type	Service Description	Annual Charge Amount
Residential	First Service - Dual Bins	\$277.00
Residential	Additional Dual Bins	\$277.00
Residential	Additional Waste Bin	\$173.00
Residential	Additional Recycling Bin	\$104.00
Commercial	First Service - Dual Bins	\$472.00
Commercial	Additional Waste Bin	\$322.00
Commercial	Additional Recycle Bin	\$150.00

ii) The Waste Recycling and Collection Charge shall be levied for the First Service on every parcel of land in the Region where waste services are made available except where:

(1) there is a demolition of premises, as certified by an approved person; or

(2) land is vacant for a full year, as established by a Statutory Declaration.

iii) Any services required in addition to the first service for a parcel of land shall be levied at the applicable amount stated in paragraph i) above for each additional service provided.

iv) For new first services or new additional services, the charge will be levied on a pro-rata basis from the date of commencement of the service.

2) Waste Management Charge:

i) A utility charge of \$157.00 per annum per assessment will be levied on all rateable land in the Region ("Waste Management Charge") to fund recurrent and capital expenditure and the administration costs associated with the provision, improvement and management of Council's waste management facilities throughout the region. Waste management facilities include landfill sites, transfer stations,

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

weighbridge and waste bins located throughout the Region.

- ii) The Waste Management charge will also be levied to all non-rateable land to which a waste collection service is provided.
- iii) For new assessments created during the year, the charge will be levied on a pro-rata basis from the effective date of valuation for the assessment.
- i) Pursuant to Section 130 of the *Local Government Regulation 2012*, the differential general rates and waste recycling and collection charges made and levied shall be subject to a discount of five percent (5%) if paid within the discount period of 30 days of the date of issue of the rate notice provided that:
 - 1) all of the aforementioned rates and charges are paid within 30 days of the date of issue of the rate notice; and
 - 2) all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 30 days after the date of issue of the rate notice; and
 - 3) all other overdue rates and charges, and interest relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice.
- j) Pursuant to section 133 of the *Local Government Regulation 2012*, compound interest on daily rests at the rate of eleven percent (11%) per annum is to be charged on all overdue rates and charges.
- k) Pursuant to Section 107 of the *Local Government Regulation 2012* and Section 114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied:
 - 1) For the half year 1 July 2018 to 31 December 2018 in August 2018; and
 - 2) For the half year 1 January 2019 to 30 June 2019 in February 2019.
- l) Pursuant to Section 118 of the *Local Government Regulation 2012*, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 30 days of the date of the issue of the rate notice.
- m) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of the differential general rate to a maximum of \$30.00 per half year per rateable assessment will be granted following an application in the approved form and where the eligibility requirements in paragraphs 1) to 6) below are met:
 - 1) The applicant is the sole owner, joint owner, part owner or life tenant of a property; and
 - 2) The property is the principal place of residence of the pensioner or life tenant; and
 - 3) The applicant has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined herein, which are made and levied by Council in respect of the property; and

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

- 4) The rate account is not in arrears at any time during the rating period; and
- 5) The applicant must be a current holder of one of the following cards:
 - i) Queensland 'Pensioner Concession Card' issued by Centrelink;
 - ii) a Veterans' Affairs Gold card;
 - iii) a Veterans' Affairs Pensioner Concession card; or
 - iv) Repatriation Health card for all conditions, and
- 6) The applicant receives a full pension entitlement under one of these Government Pensions:
 - i) Age pension;
 - ii) Carer payment;
 - iii) Disability Support pension;
 - iv) Wife pension;
 - v) Widow pension;
 - vi) Parenting Payment Single and Service pension;
 - vii) War Widow/Widower pensions with full Income Support Supplement; or
 - viii) Veterans' Affairs' Disability/TPI pension.
- 7) Where the applicant meets all of the criteria in paragraphs 1) to 5) above, but receives a part pension entitlement for a Government Pension identified in paragraph 6) above, the rebate shall be a maximum of \$15.00 per half year per rateable assessment.
- 8) Where eligibility for the rebate in relation to a rateable assessment is established by more than one applicant, only one rebate (the rebate of the higher value) will be applied to the assessment per half year.
- n) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of one hundred percent (100%) of the differential general rate will be granted on a property following an application in the approved form where the following eligibility requirements are met:
 - 1) The applicant organisation must be a non-profit community based organisation; and
 - 2) The applicant organisation must be the owner or lessee of the land and be able to demonstrate that they are required to pay the rates levied; and
 - 3) The land or any part of the land must not be rented or leased to a third party on a

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

commercial basis; and

- 4) A Liquor Licence (allowing trading on more than three days per week) must not be held by the organisation or any affiliate relating to the property subject to the application.
- o) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for separately rateable mining leases where the land over which the leases are granted are already subject to these charges.
- p) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for land used for a permit to occupy, water storage or as a pump site where the payment of the charges would cause hardship to the property owner.
- q) Pursuant to Section 169 (2)(b) of the *Local Government Regulation 2012* to adopt the 2018/2019 Revenue Statement (Attachment 1) for inclusion in the 2018/2019 Budget.

RESOLUTION

THAT Council resolve:

- a) Pursuant to Section 81 of the *Local Government Regulation 2012*, to adopt the categories into which rateable land is categorised, and the description of those categories, as follows:

Category No	Category Name	Description
1	Commercial <= \$200,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value less than or equal to \$200,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
2	Commercial \$200,001 & <=\$700,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$200,000 and up to or equal to \$700,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
3	Commercial > \$700,000 & <=\$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$700,000 and less than or equal to \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.
4	Commercial > \$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

5	Supermarkets ≤ \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value of less than or equal to \$1 million.
6	Supermarkets > \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value greater than \$1million.
7	Shopping Centres ≤ 7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area of up to or equal to 7000 sq metres, or less than or equal to 120 onsite carparking spaces.
8	Shopping Centres >7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area greater than 7000 sq metres, or more than 120 onsite carparking spaces.
9	Motels ≤ 25 Rooms	Land used or intended to be used, in whole or in part for a motel with no more than 25 rooms.
10	Motels 26 - 50 Rooms	Land used or intended to be used, in whole or in part for a motel with 26 to 50 rooms.
11	Motels ≥ 51 Rooms	Land used or intended to be used, in whole or in part as a motel with 51 or more rooms.
12	Farming/Agriculture ≤ \$200,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of less than or equal to \$200,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
13	Farming/Agriculture \$200,001-\$380,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$200,001 and \$380,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
14	Farming/Agriculture \$380,001-\$610,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$380,001 and \$610,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
15	Farming/Agriculture ≥ \$610,001	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of \$610,001 or greater, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.
16	Rural Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is within the Rural Fire Service boundaries.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

17	Service Stations/Garages ≤100,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of up to and including 100,000 litres. In addition, the category includes any land used for a fuelling area, fuel storage area, retail shop or parking area associated with land used for fuel retailing.
18	Service Stations/Garages 100,001 to 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of between 100,001 and up to and including 200,000 litres.
19	Service Stations/Garages Over 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is an associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.
20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is not any associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.
21	Transmission Sites	Land used or intended to be used, in whole or in part for the transmission or distribution of electricity from a coal or gas-fired power plant including, but not limited to, a substation.
22	Gas Compressor Sites	Land used or intended to be used, in whole or in part for the transportation of gas under compression and/or any purpose associated or connected with the transportation of gas under compression.
23	Workers Accommodation	Land used or intended to be used, in whole or in part for the provision of intensive accommodation for more than 50 persons (other than the ordinary travelling public) in rooms, suites, dongas, caravan sites, or a combination of these specifically built or provided for this purpose. Land within this category is commonly known as “workers accommodation”, “single person’s quarters”, “work camps”, “accommodation village”, or “barracks”.
24	Urban Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is not within the Rural Fire Service boundaries.
25	Farming/Agriculture On Farm Packing Operation	Land used or intended to be used, in whole or in part for farming or agricultural purposes containing an on farm packing operation. An on farm packing operation: shall mean land containing a facility where fruit and/or vegetables are received and/or processed prior to distribution to market. Operations may include but are not limited to sorting, trimming, washing, drying, waxing, curing, chemical treatment, packaging, pre-cooling, storage, and transportation.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

26	Intensive Agriculture Poultry ≤200,000 birds	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of up to or equal to 200,000 birds.
27	Intensive Agriculture Poultry 200,001 birds and over	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of over 200,000 birds.
28	Intensive Agriculture Piggeries ≤3,000 SPU	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of up to or equal to 3,000 SPU.
29	Intensive Agriculture Piggeries 3,001 SPU and over	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of over 3,000 SPU.
30	Multiple Dwelling	Residential land used for a multi-unit residential building, which does not form part of a community title scheme or residential group title consisting of 2 or more flats or units or a duplex. This also includes properties with 2 or more residential dwellings.
31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	Land which is subject to chapter 2, part 2 subdivision 3 of the Land Valuation Act 2010.
32	Nursing Homes/Retirement Villages	Land used or intended to be used, in whole or in part for the provision private medical care, the provision of aged care nursing or as a Retirement Village.
33	Sporting Clubs & Facilities	Land used or intended to be used, in whole or in part for sporting clubs and facilities associated with a sporting club where the operator does not hold a liquor and/or gaming licence, except land included in category 34.
34	Licensed Clubs & Sporting Clubs	Land used or intended to be used, in whole or in part for the operation of a sporting club and facilities associated with a sporting club where the land is subject to a liquor and/or gaming licence.
35	Non-Principal Place of Residence	Land with a dwelling used or intended to be used, in whole or in part for a residential purpose, including rural residential land, that is not a Principal Place of Residence and not included in Category 16, 24, 30, or 31.
36	Sundry Purposes	Land used or intended to be used, in whole or in part for a permit to occupy, water storage, or a pump site and land which is not otherwise categorized.
37	Extractive & Mining Lease > 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where more than 100,000 tonnes of material is removed per annum.
38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where between 5,001 and 100,000 tonnes of material is removed per annum.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

39	Extractive & Mining Lease up to 5,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where up to 5,000 tonnes of material is removed per annum.
40	Noxious/Offensive Industry – Explosive Factories	Land used or intended to be used, in whole or in part for the manufacture and/or storage of explosives.
41	Noxious/offensive Industry – Abattoirs	Land used or intended to be used, in whole or in part as an abattoir having more than 20 employees and a valuation greater than \$500,000.
42	Noxious/offensive Industry – Other	Land used or intended to be used, in whole or in part for the purpose of a sawmill, tannery or any other industrial purpose or any use associated or connected with an industrial purpose, other than land included in categories 40 or 41.
43	Caravan Parks & Camping Grounds <= \$300,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of less than or equal to \$300,000.
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of between \$300,001 up to and including \$600,000.
45	Caravan Parks and Camping Grounds > \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of greater than \$600,000.
46	Power Stations <= 50MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of no more than 50MW.
47	Power Stations >=51MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of 51MW or more.
48	Residential Vacant Land	Vacant Land used, or capable of being used, for residential purposes not included in Category 31.

- b) To delegate to the Chief Executive Officer the power, pursuant to Sections 81(4) and 81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.
- c) Pursuant to Section 94 of the *Local Government Act 2009* and Section 80 of the *Local Government Regulation 2012*, that the differential general rate to be made and levied for each differential general rate category and, pursuant to Section 77 of the *Local Government Regulation 2012*, that the minimum general rate to be made and levied for each differential general rate category, is as follows:

Category No	Category Name	Rate in Dollar	Minimum General Rate
1	Commercial <= \$200,000	\$0.009919	\$ 1,978.00

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

2	Commercial \$200,001 & ≤\$700,000	\$0.010901	\$ 2,533.00
3	Commercial > \$700,000 & ≤\$2Million	\$0.010962	\$ 9,348.00
4	Commercial > \$2Million	\$0.010961	\$ 25,708.00
5	Supermarkets ≤ \$1Million	\$0.011403	\$ 8,668.00
6	Supermarkets > \$1Million	\$0.013314	\$ 28,681.00
7	Shopping Centres ≤ 7000 sq m	\$0.039388	\$ 54,858.00
8	Shopping Centres >7000 sq m	\$0.041625	\$ 164,572.00
9	Motels ≤ 25 Rooms	\$0.024225	\$ 1,921.00
10	Motels 26 - 50 Rooms	\$0.028219	\$ 8,029.00
11	Motels ≥ 51 Rooms	\$0.031041	\$ 26,760.00
12	Farming/Agriculture ≤\$200,000	\$0.008978	\$ 1,380.00
13	Farming/Agriculture \$200,001-\$380,000	\$0.009741	\$ 1,958.00
14	Farming/Agriculture \$380,001-\$610,000	\$0.009901	\$ 3,762.00
15	Farming/Agriculture ≥ \$610,001	\$0.011221	\$ 6,847.00
16	Rural Residential – Owner Occupied	\$0.012440	\$ 1,068.00
17	Service Stations/Garages ≤100,000 litres	\$0.036678	\$ 5,486.00
18	Service Stations/Garages 100,001 to 200,000 litres	\$0.036754	\$ 27,429.00
19	Service Stations/Garages Over 200,000 litres	\$0.024852	\$ 82,286.00
20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	\$0.026770	\$ 5,486.00
21	Transmission Sites	\$0.025132	\$ 10,955.00

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

22	Gas Compressor Sites	\$0.044388	\$ 10,955.00
23	Workers Accommodation	\$0.031041	\$ 26,760.00
24	Urban Residential – Owner Occupied	\$0.012630	\$ 1,075.00
25	Farming/Agriculture On Farm Packing Operation	\$0.012365	\$ 9,010.00
26	Intensive Agriculture Poultry <=200,000 birds	\$0.018612	\$ 5,859.00
27	Intensive Agriculture Poultry 200,001 birds and over	\$0.036545	\$ 7,032.00
28	Intensive Agriculture Piggeries <=3,000 SPU	\$0.043710	\$ 5,859.00
29	Intensive Agriculture Piggeries 3,001 SPU and over	\$0.066863	\$ 7,032.00
30	Multiple Dwelling	\$0.015788	\$ 1,344.00
31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	\$0.013754	N/A
32	Nursing Homes/Retirement Villages	\$0.014705	\$ 6,177.00
33	Sporting Clubs & Facilities	\$0.010047	\$ 1,181.00
34	Licensed Clubs & Sporting Clubs	\$0.010656	\$ 3,482.00
35	Non-Principal Place of Residence	\$0.015156	\$ 1,290.00
36	Sundry Purposes	\$0.015964	\$ 226.00
37	Extractive & Mining Lease > 100,000 tonnes.	\$0.080217	\$ 42,273.00

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	\$0.028725	\$ 21,740.00
39	Extractive & Mining Lease up to 5,000 tonnes.	\$0.024330	\$ 9,422.00
40	Noxious/Offensive Industry – Explosive Factories	\$0.022422	\$ 30,674.00
41	Noxious/offensive Industry – Abattoirs	\$0.030279	\$ 30,674.00
42	Noxious/offensive Industry – Other	\$0.026348	\$ 5,259.00
43	Caravan Parks & Camping Grounds <= \$300,000	\$0.024925	\$ 2,744.00
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	\$0.028219	\$ 8,029.00
45	Caravan Parks and Camping Grounds > \$600,000	\$0.031041	\$ 26,760.00
46	Power Stations <= 50MW	\$0.025132	\$ 52,265.00
47	Power Stations >=51MW	\$0.027645	\$ 104,530.00
48	Residential Vacant Land	\$0.012440	\$ 1,068.00

d) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the “Emergency Preparedness Levy”), in the sum of \$104.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, and a pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year. The purposes of the levy are:

- 1) Funding infrastructure restoration projects (such as bridges, roads) funding shortfalls, interest and redemption payments on loans associated with recovery work and community resilience recovery through community recovery programs, and
- 2) Funding expenditure on the disaster management initiatives associated with improving the region’s preparedness for and response to future natural disasters including the implementation of the recommendations of the Queensland Floods Commission of Inquiry, and
- 3) Funding recurrent and capital expenditure for the Volunteer State Emergency Services Units operating within the Lockyer Valley Regional Council area together with the

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

provision of disaster planning and management support for the units.

- e) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the “Environmental Levy”), in the sum of \$16.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding expenditure on the implementation of physical/biological, cultural, social and economic environmental initiatives throughout the Region. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
- f) Pursuant to Section 94 of the *Local Government Act 2009* and Section 103 of the *Local Government Regulation 2012*, that Council make and levy a separate charge (to be known as the “Resilient Rivers Initiative Levy”), in the sum of \$2.00 per annum per rateable assessment, to be levied equally on all rateable land in the region, for the purposes of funding Council’s contribution for the Council of Mayors South East Queensland’s (COMSEQ’s) Resilient Rivers Initiative, which will deliver projects to keep soil on the land, protect water security, promote partnerships and improve climate resilience. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
- g) Pursuant to Section 94 of the *Local Government Act 2009* and Section 94 of the *Local Government Regulation 2012*, Council make and levy a special charge (to be known as the “Rural Fire Levy”) of \$30.00 per annum on all rateable land to which the overall plan applies to fund the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee. A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.
 - 1) The overall plan for the Rural Fire Levy is as follows:
 - i) To fund the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee.
 - ii) The rateable land to which the plan applies is all land in areas serviced by a Rural Fire Brigade.
 - iii) The estimated cost of carrying out the overall plan is \$305,000.00.
 - iv) The estimated time for carrying out the overall plan is one year.
 - 2) The rateable land or its occupier specially benefits from the service, facility or activity funded by the special charge because of the Rural Fire Brigade Group operating in the area.
- h) Pursuant to Section 94 of the *Local Government Act 2009* and Section 99 of the *Local Government Regulation 2012*, Council make and levy waste management utility

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

charges, for the supply of waste management services by the Council, as follows:

1) Waste Recycling and Collection Charges:

- i) Subject to paragraphs ii) and iii) below, waste recycling and collection charges shall be levied according to the service type and the service description identified in the following table ("Waste Recycling and Collection Charge"):

Service Type	Service Description	Annual Charge Amount
Residential	First Service - Dual Bins	\$277.00
Residential	Additional Dual Bins	\$277.00
Residential	Additional Waste Bin	\$173.00
Residential	Additional Recycling Bin	\$104.00
Commercial	First Service - Dual Bins	\$472.00
Commercial	Additional Waste Bin	\$322.00
Commercial	Additional Recycle Bin	\$150.00

- ii) The Waste Recycling and Collection Charge shall be levied for the First Service on every parcel of land in the Region where waste services are made available except where:

- (1) there is a demolition of premises, as certified by an approved person; or
- (2) land is vacant for a full year, as established by a Statutory Declaration.

- iii) Any services required in addition to the first service for a parcel of land shall be levied at the applicable amount stated in paragraph i) above for each additional service provided.

- iv) For new first services or new additional services, the charge will be levied on a pro-rata basis from the date of commencement of the service.

2) Waste Management Charge:

- i) A utility charge of \$157.00 per annum per assessment will be levied on all rateable land in the Region ("Waste Management Charge") to fund recurrent and capital expenditure and the administration costs associated with the provision, improvement and management of Council's waste management facilities throughout the region. Waste management facilities include landfill sites, transfer stations, weighbridge and waste bins located throughout the Region.

- ii) The Waste Management charge will also be levied to all non-rateable land to which a waste collection service is provided.

- iii) For new assessments created during the year, the charge will be levied on a pro-rata basis from the effective date of valuation for the assessment.

- i) Pursuant to Section 130 of the *Local Government Regulation 2012*, the differential general rates and waste recycling and collection charges made and levied shall be

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

subject to a discount of five percent (5%) if paid within the discount period of 30 days of the date of issue of the rate notice provided that:

- 1) all of the aforementioned rates and charges are paid within 30 days of the date of issue of the rate notice; and
 - 2) all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 30 days after the date of issue of the rate notice; and
 - 3) all other overdue rates and charges, and interest relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice.
- j) Pursuant to section 133 of the *Local Government Regulation 2012*, compound interest on daily rests at the rate of eleven percent (11%) per annum is to be charged on all overdue rates and charges.
- k) Pursuant to Section 107 of the *Local Government Regulation 2012* and Section 114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied:
- 1) For the half year 1 July 2018 to 31 December 2018 in August 2018; and
 - 2) For the half year 1 January 2019 to 30 June 2019 in February 2019.
- l) Pursuant to Section 118 of the *Local Government Regulation 2012*, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 30 days of the date of the issue of the rate notice.
- m) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of the differential general rate to a maximum of \$30.00 per half year per rateable assessment will be granted following an application in the approved form and where the eligibility requirements in paragraphs 1) to 6) below are met:
- 1) The applicant is the sole owner, joint owner, part owner or life tenant of a property; and
 - 2) The property is the principal place of residence of the pensioner or life tenant; and
 - 3) The applicant has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined herein, which are made and levied by Council in respect of the property; and
 - 4) The rate account is not in arrears at any time during the rating period; and
 - 5) The applicant must be a current holder of one of the following cards:
 - i) Queensland 'Pensioner Concession Card' issued by Centrelink;
 - ii) a Veterans' Affairs Gold card;
 - iii) a Veterans' Affairs Pensioner Concession card; or

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

- iv) Repatriation Health card for all conditions, and
- 6) The applicant receives a full pension entitlement under one of these Government Pensions:
 - i) Age pension;
 - ii) Carer payment;
 - iii) Disability Support pension;
 - iv) Wife pension;
 - v) Widow pension;
 - vi) Parenting Payment Single and Service pension;
 - vii) War Widow/Widower pensions with full Income Support Supplement; or
 - viii) Veterans' Affairs' Disability/TPI pension.
- 7) Where the applicant meets all of the criteria in paragraphs 1) to 5) above, but receives a part pension entitlement for a Government Pension identified in paragraph 6) above, the rebate shall be a maximum of \$15.00 per half year per rateable assessment.
- 8) Where eligibility for the rebate in relation to a rateable assessment is established by more than one applicant, only one rebate (the rebate of the higher value) will be applied to the assessment per half year.
- n) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a rebate of one hundred percent (100%) of the differential general rate will be granted on a property following an application in the approved form where the following eligibility requirements are met:
 - 1) The applicant organisation must be a non-profit community based organisation; and
 - 2) The applicant organisation must be the owner or lessee of the land and be able to demonstrate that they are required to pay the rates levied; and
 - 3) The land or any part of the land must not be rented or leased to a third party on a commercial basis; and
 - 4) A Liquor Licence (allowing trading on more than three days per week) must not be held by the organisation or any affiliate relating to the property subject to the application.
- o) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for separately rateable mining leases where the land over which the leases are granted are already subject to these charges.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

- p) Pursuant to Sections 120, 121, and 122 of the *Local Government Regulation 2012*, a one hundred percent (100%) rebate of the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and the Emergency Preparedness Levy may be granted for land used for a permit to occupy, water storage or as a pump site where the payment of the charges would cause hardship to the property owner.
- q) Pursuant to Section 169 (2)(b) of the *Local Government Regulation 2012* to adopt the 2018/2019 Revenue Statement (Attachment 1) for inclusion in the 2018/2019 Budget.

Moved By: Cr Wilson

Seconded By: Cr Holstein

Resolution Number: 16-20/0969

CARRIED

6/0

Report

1. Introduction

Council is required under Section 169 (2) (b) of the *Local Government Regulation 2012* to include a revenue statement in its annual budget. This report recommends the adoption of this document as part of the 2018/2019 Budget as well as other key measures that Council will use to generate its rating revenue.

2. Background

The Revenue Statement is a key statutory document of Council and is required to be adopted as part of the annual budget. The Revenue Statement is reviewed every year as part of the budget development process. Changes made to the documents reflect the wishes of Council in making and levying rates for the coming financial year.

3. Report

Section 172 of the *Local Government Regulation 2012* details what must be included in the revenue statement while Section 193 (2) of the *Local Government Regulation 2012* states that the guidelines for preparing the revenue statement may be included in the revenue policy.

Following a series of budget workshops, Council is now in a position to formalise its Revenue Statement for the 2018/2019 financial year. In 2018/2019, general rates revenue will continue to be levied using a system of differential rating. The system includes forty eight (48) differential categories.

The Department of Natural Resources, Mines and Energy has not issued new property valuations for the region for 2018/2019 and therefore the values as at 1 July 2016 still apply.

The key items in the attached Revenue Statement include:

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

- An overall 2.50% increase in the minimum general rate and the rate in the dollar for all categories except for properties in the Agriculture General, Intensive Farming, On Farm Packing Sheds, Non-Principal Place of Residence and Multiple Dwellings, Vacant Land and Commercial categories;
- An overall 6.77% increase in the minimum general rate and the rate in the dollar for properties in the Multiple Dwelling category;
- An overall 3.50% increase in the minimum general rate and the rate in the dollar for properties in category 12 – Farming/Agriculture <= \$200,000;
- An overall 4.50% increase in the minimum general rate and the rate in the dollar for properties in Category 13 – Farming/Agriculture \$200,001 - \$380,000;
- An overall 5.50% increase in the minimum general rate and the rate in the dollar for properties in Category 14 – Farming/Agriculture \$380,001-\$610,000;
- An overall 6.50% increase in the minimum general rate and the rate in the dollar for properties in Category 15- Farming/Agriculture >= \$610,001, and the Packing Sheds and Intensive Farming Categories;
- The creation of a new rating category for vacant land with the minimum general rate and rate in the dollar set at the same level as the Rural Residential – Owner Occupied category.
- Domestic and Commercial Waste Recycling and Collection Charges to increase by 4.00%;
- The Waste Management Charge has increased by \$4.00 to \$157.00 per annum;
- The separate charge Emergency Preparedness Levy has remained at \$104.00 per annum;
- The separate charge Environmental Levy has increased by \$2.00 to \$16.00 per annum;
- The separate charge Resilient Rivers Initiative Levy has remained at \$2.00 per annum;
- The special charge for Rural Fire Brigades remains unchanged at \$30.00 per assessment;
- The special charge for increased road maintenance requirements on Thomas Road has been discontinued due to an update in development approvals for the property on which the levy was made;
- Retention of early payment discounts of 5% on general rates and waste recycling and collection charges; and
- Retention of the amount for Council's pensioner concessions at \$30 per half year for full concessions and \$15 per half year for partial concessions.

The 2018/2019 Revenue Statement will achieve an initial yield of \$41.04 million in rates and utility charges with \$1.63 million allowed for discounts and remissions. Budget parameters include a conservative growth rate of approximately 1.50%. The increase in the yield from general rates for 2018/2019 compared to the previous year is 2.86%. When the changes to the levies, charges and other rates are taken into account the overall increase in yield is 2.60%.

The increase in yield from 2017/2018 is a combination of natural growth in assessments, changes in categorisation, and the general increase to the minimum rates and rates in the dollar and other charges applied by Council. An average residential property will see a combined increase of all rates and charges of around 2.63% which equates to approximately \$48.00 for the year.

4. Policy and Legal Implications

The adoption of the Revenue Statement ensures Council's compliance with the requirements of the *Local Government Regulation 2012* and provides the basis for the levying of rates and charges for the 2018/2019 financial year.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

The Revenue Statement may only be adopted at the budget meeting for the year and once passed, it cannot be changed until the following year.

The 2018/2019 Revenue Statement is consistent with Council's 2018/2019 Revenue Policy.

As no significant changes were made to the structure of the Revenue Statement when compared to the previous year, advice has not been sought from Council's external legal advisors.

5. Financial and Resource Implications

Rates and charges are the largest source of revenue for Council. The adoption of the 2018/2019 Revenue Statement ensures that Council can rate in accordance with the proposed 2018/2019 Budget.

The budget assumes a growth rate in assessments of 1.50%. As this is dependent on changes in the number of properties through land development, this growth may not always be achieved. The growth rate will need to be monitored throughout the year with any loss in revenue matched by corresponding expenditure reductions in formal amendments to Council's 2018/2019 Budget.

Council's Long Term Financial Plan assumes annual rate increases on top of natural growth between 2.00% and 2.30% over the next nine years. Natural growth in assessments is estimated at 1.50% over the term of the plan.

Changes in the future rate increases or natural growth estimates will impact on the amount of rates revenue generated and will affect Council's long term sustainability unless there are corresponding reductions in costs or increases in other revenues.

6. Delegations/Authorisations

The Chief Executive Officer has been delegated the power to determine the category that each parcel of rateable land belongs. This delegation is exercised with regard to the definitions contained within the Revenue Statement and the Rating Category Identification Policy.

Any other issues arising from this report will be dealt with in accordance with existing delegations.

7. Communication and Engagement

The implications of the 2018/2019 Revenue Statement will be incorporated into extensive communications associated with the 2018/2019 Budget.

8. Conclusion

Section 169 (2) (b) of *the Local Government Regulation 2012* requires Council to include a revenue statement in its annual budget. The 2018/2019 Revenue Statement is an explanatory statement, detailing the revenue measures adopted in Council's 2018/2019 Budget and provides the basis for the generation of Council's rates revenue.

9. Action/s



**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

1. Update Council's rating system to reflect the rates and charges identified in the Revenue Statement which will be used as the basis for rating properties during the 2018/2019 financial year.
2. Place a copy of the Revenue Statement on Council's Website.

Attachments

1 [View](#) 2018/2019 Revenue Statement 23 Pages

LOCKYER VALLEY REGIONAL COUNCIL

2018/2019 - REVENUE STATEMENT

1. INTRODUCTION

Section 169 of the *Local Government Regulation 2012* requires Council to prepare and adopt each financial year a Revenue Statement as part of its Annual Budget. Section 172 of the *Local Government Regulation 2012* specifies the content to be included in the Revenue Statement.

Pursuant to Sections 169 and 172 of the *Local Government Regulation 2012*, Council adopts the following Revenue Statement, which provides details of:

- General Rates;
- Separate Charges (a charge made and levied equally on all rateable land, subject to stated exclusions);
 - Emergency Preparedness Levy
 - Environmental Levy
 - Resilient Rivers Initiative Levy
- Special Charges (a charge made and levied on some, but not all, rateable land in the region);
 - Rural Fire Levy
- Utility charges including Waste Management Levy and Waste Collection and Recycling Charges;
- Administration which covers Pensioner Concessions, Early Payment Discounts, Payment Commitments, General Rate Concessions and Interest;
- The criteria used to decide the amount of cost-recovery fees;
- The criteria used to decide the amount of charges for any business activity conducted on a commercial basis;
- Any resolution limiting an increase of Rates and Charges; and
- Levies Council may charge on behalf of the Queensland State Government.

Guiding Principles

Council is required to prepare and adopt Financial Policies under Chapter 5 Part 4 of the *Local Government Regulation 2012* that comprise of an Investment Policy, a Debt Policy and a Revenue Policy. These Financial Policies must be consistent with Council's five year corporate plan and annual operational plan.

Accordingly, the principles contained within the Revenue Policy are applied in the determination of the Revenue Statement; rates, fees and charges; rating concessions and recovery of overdue rates and charges.

Roles and Responsibilities

All Council officers are bound by the principles outlined in this statement in determining the level of rates, fees and charges, in the application of rebates and concessions relating to those fees, and in the recovery of overdue rates and charges.

Interpretation

Section 7 of this Revenue Statement sets out definitions specific to this statement. Other words within this statement should be given the meaning assigned, if any, under the *Local Government Regulation 2012*.

Related Policies and Legislation

Local Government Act 2009

REVENUE STATEMENT

Local Government Regulation 2012
Lockyer Valley Regional Council Rates and Charges Debt Collection and Recovery Policy
Rating Category Identification Policy for Financial Year 2018/2019

2. ADMINISTRATION**2.1 Issue of rate notices**

Under Section 104 of the *Local Government Regulation 2012* Council may only levy rates and charges by the issue of a rate notice.

A **rate notice** is a document stating—

- (a) the date when the rate notice is issued; and
- (b) the due date for payment of the rates or charges; and
- (c) if the local government has decided a discount applies to the rates or charges—
 - (i) the terms of the discount; and
 - (ii) the last day of the discount period; and
- (d) if the local government has decided rates or charges may be paid by instalments—the requirements for paying by instalments; and
- (e) the ways in which the rates or charges may be paid.

Separate rate notices shall be issued in the first six months of the financial year (July to December) and in the second (January to June) halves of the financial year, for the billing periods 1 July 2018 to 31 December 2018 and 1 January 2019 to 30 June 2019 respectively. Each notice will include one half of the annual Rates and Charges to be levied.

Supplementary rate notices for variations in rates and charges payable may be issued as required during the year.

A rate notice, including a rating category statement contained in or accompanying the notice, may be given electronically to a person who has provided written consent to Council.

2.2 The Levying of Rates and Charges**2.2.1 General**

Rates and charges are defined in the *Local Government Regulation 2012* as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

Council levies rates and charges to fund the provision of valuable services to our community. When adopting its annual budget Council will set rates and charges at a level that will provide for both current and future community requirements. Council will apply the principle of transparency in making rates and charges.

In levying rates and charges, Council will apply the principles of:

- *consistency* in timing the levy of rates in a predictable way to enable property owners to plan for their rating obligations by the issue of rate notices on a half yearly basis;
- *flexibility* by providing short-term payment commitment plans to property owners in financial difficulty, along with a wide array of payment options;
- *communication* by clearly setting out the Council's and each property owner's obligations in relation to rates and charges by advising property owners about rate notice issue dates and discount dates; and
- *clarity* by providing meaningful information on rate notices to enable property owners to clearly understand their responsibilities.

In making and levying rates and charges, Council will be guided by the principles of:

REVENUE STATEMENT

- efficiency through having a rating regime that is efficient to administer;
- full cost pricing and user pays where appropriate;
- equitable distribution of the general rates burden as broadly as possible;
- transparency in the making and levying of rates;
- flexibility, to take account of changes in the local economy;
- clarity in terms of responsibilities (Council's and property owners') in regard to the rating process; and
- National Competition Policy legislation where applicable.

2.2.2 Time Within Which Rates Must be Paid

For the twelve months ending 30 June 2019, Council resolves under Section 118 of the *Local Government Regulation 2012* that rates and charges are due to be paid within thirty days of the issue date shown on the rates notice.

The land owner is liable to pay the amount on the rate notice even if the owner lodges a Notice of Objection and/or any enquiries relating to or not relating to the assessment. The rate notice remains due and payable by the due date.

2.2.3 Early payment discount on Rates and Charges

In accordance with Section 130 of the *Local Government Regulation 2012*, Council resolves that a discount shall be allowed where full payment of the current period rates and charges, plus any overdue rates and charges and interest thereon, is received on or before the due date (30 (thirty) days from the date of issue shown on the rate notice) at a Council customer service centre, an approved agency, or by electronic means, and this payment is recorded on Council's accounts on or before the due date.

For the twelve months ending 30 June 2019, Council will allow an early payment discount of five percent (5%) subject to the terms above on the below listed Rates and Charges:

- Differential General Rates (Section 3.1 below); and
- Waste Collection and Recycling Charges (Section 4.1 below).

No discount is allowable on the following charges which may appear on the rate notice:-

- Special Charges;
- Separate Charges not listed above;
- Utility Charges not listed above;
- Any property charge relating to the carrying out of Council works on or in connection with the property;
- Any non-rate item included on rate notice;
- Legal costs incurred by Council in rate collection;
- Interest charges on overdue rates;
- Overdue rates or charges;
- Any other rate, charge or amount unless a discount is specifically permitted by this Revenue Statement.

2.2.4 Allowance of early payment discount for late payments.

There are limited occasions when payment by the due date is not achieved through circumstances beyond the control of the property owner. The *Local Government Act 2009* provides Council with a discretionary power to allow the discount to an individual in such circumstances. All applications must be made in writing for consideration by Council's duly appointed officer.

Payment of rates and charges in full must be paid before Council will consider any allowance of early discount for late payments and the property owner's prior payment history may also

REVENUE STATEMENT

be taken into account when considering to allow the discount. The property owner will be notified of the outcome in writing and Council's decision will be final.

A discount may be allowed if the full payment of the overdue rates and charges is made within the period specified by Council AND the applicant provides **proof satisfactory** to Council of any of the following:

- Illness involving hospitalisation and/or incapacitation of the property owner at or around the time of the rates being due for payment;
- The death or major trauma (accident/life threatening illness/emergency operation) of the property owner and/or associated persons (Spouse/Children/Parents) at or around the time of the rates being due for payment; or
- The loss of records or failure of mail delivery resulting from factors beyond the property owner's control (Fire/Flood etc),

and Council is satisfied that the event was the cause of the property owner's failure to make full payment by the due date.

Discount will **NOT** be allowed due to:

- the failure of the property owner to ensure that Council was given correct notification of its postal address prior to the issue of the Rate Notices;
- the failure of the property owner to ensure that Council was given the correct notification of the email address for notices prior to the issue of the Rate Notices where the option for delivery by electronic means has been selected; or
- a change of ownership, where Council received notification of the change of ownership after the issue of the Rates Notice.

Property owners are obliged to notify Council of their change of address in writing. A mail re-direction or verbal communication with Council is not sufficient notice to Council.

2.2.5 Interest on Overdue Rates and Charges

In accordance with Section 133 of the *Local Government Regulation 2012*, Council resolves that for the twelve months ending 30 June 2019, interest will be charged at the rate of 11.0% per annum calculated and compounded on daily balances on all rates and charges which remain unpaid after the expiration of the discount period and on any arrears of rates and charges.

2.3 General Rates

General rates revenue provides essential whole of community services not funded through trading income, subsidies, grants, contributions or donations received from other entities and not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the region as a whole. In deciding how that revenue is raised, Council has formed the opinion that a differential general rating scheme, as provided for in Section 80 of the *Local Government Regulation 2012*, based primarily on land use categories, provides the most equitable basis for the distribution of the general rate burden.

The rateable value for each property is the basis for determining the amount of the general rate levied. The value of land for a financial year is its value under the *Land Valuation Act 2010* when a liability for payment of rates or charges for the land arises for the financial year.

The *Local Government Regulation 2012* allows Council, in accordance with Section 77(1), to fix a minimum amount of general rates.

REVENUE STATEMENT

2.4 Separate and Special Rates and Charges

Where appropriate, Council will fund certain services, facilities or activities by means of separate or special rates or charges.

2.5 Separate rates

In accordance with Section 103 of the *Local Government Regulation 2012* Council will levy a separate rate or charge on all rateable land, subject to stated exceptions, in the region to fund a particular service, facility or activity.

2.6 Special rates

In accordance with Section 94 of the *Local Government Regulation 2012* Council will levy special rates and charges on properties that are considered to be specially benefited by, or contribute to the need for, the provision of a specific service, facility or activity.

Special rates are charged on the rateable value of the land and special charges are a flat charge per assessment.

2.7 Concessions on rates and charges**2.7.1 Council Pension Subsidy**

The Lockyer Valley Regional Council Pension Subsidy and the Queensland State Government Pension Subsidy scheme aim to help pensioner property owners to remain in their own homes by reducing the financial impact of rates and charges levied.

Council has determined that pensioners as defined by the *Local Government Regulation 2012* are entitled to receive concessions on rates and charges levied by Council. Council may grant a concession for land that is owned by a pensioner under Section 120(1)(a) of the *Local Government Regulation 2012*.

In exercising these concession powers Council will be guided by the principles of:

- *transparency* by making clear the requirements necessary to receive concessions; and
- *equity* by ensuring that all applicants of the same type receive the same concession.

General Eligibility

Upon written application to Council, a pensioner may be eligible for a pension concession. To be eligible under the Council Pension Subsidy Scheme for a full or part remission of rates, the applicant must be an approved pensioner who meets **all** of the criteria below:

- The applicant is the sole owner, joint owner, part owner or life tenant of a property;
- The property is the principal place of residence of the pensioner or life tenant;
- The applicant has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined herein, which are levied by Council in respect of the property; and
- The applicant must be a current holder of one of the following cards:
 - Queensland 'Pensioner Concession Card' issued by Centrelink;
 - a Veterans' Affairs Gold card;
 - a Veterans' Affairs Pensioner Concession card; or
 - Repatriation Health card for all conditions.

The following cards do not satisfy the concession criteria: Seniors cards, Health Care Card and Health Benefit cards.

In the case of life tenancy, the applicant must meet the above criteria and provide:

REVENUE STATEMENT

- a certified copy of the will, stating the applicant is a life tenant and responsible for paying the rates; **OR**
- a court order and a duly signed copy of death certificate.

Where eligibility for the rebate in relation to a property is established by more than one applicant, only one rebate (of the higher amount) will be applied to the rateable assessment per half year.

Accounts in arrears

If a pensioner's rates account goes into arrears at any time for any rate notice issued, Council will cease to apply the Council Pensioner Subsidy concession. When all arrears are paid in full, the concession will be reinstated from the beginning of the following half yearly rating period.

The Queensland State Government component of the pension subsidy will continue even if the rates account is in arrears.

Additional Concession eligibility

A pensioner may be eligible for a **full** concession on rates payable if the pensioner receives the **full pension entitlement** under one of these Government pensions:

- Age pension;
- Carer payment;
- Disability Support pension;
- Wife pension;
- Widow pension;
- Parenting Payment Single and Service pension;
- War Widow/Widower pensions with full Income Support Supplement; or
- Veterans' Affairs' Disability/TPI pension.

Council may grant a concession by way of rebate on rates up to a maximum of \$30 per half year per rateable assessment.

A pensioner may be eligible for a **partial** concession by way of rebate on rates payable if the pensioner receives the **part pension entitlement** under one of these Government pensions:

- Age pension;
- Carer payment;
- Disability Support pension;
- Wife pension;
- Widow pension;
- Parenting Payment Single and Service pension;
- War Widow/Widower pensions with partial or no Income Support Supplement; or
- Veterans' Affairs' Disability/TPI pension.

Council may grant a concession by way of rebate on rates up to a maximum of \$15 per half year per rateable assessment.

2.7.2 Queensland State Government Pension Subsidy

Upon written application, a concession by way of rebate on rates will be granted to all pensioners who are eligible in accordance with the Administrative Guidelines of the Queensland State Government Pensioner Rate Subsidy Scheme. The Queensland State Government currently grants a 20% remission on rates up to a maximum of \$100 per half year (\$200 per year).

Council adheres to the Administrative Guidelines of the Queensland State Government Pension Rate and Subsidy Scheme when determining the proportional eligibility of the applicant in terms of ownership.

REVENUE STATEMENT

This Subsidy concession will only be granted for a particular half year where the application is received by Council prior to the commencement of the period. No pro-rata adjustments will be applied.

2.7.3 Non Profit Community, Cultural and Sporting Groups

In accordance with Section 120 of the *Local Government Regulation 2012* non-profit community, sporting and cultural groups may be eligible for rates concessions.

The purpose of these concessions is to encourage and support non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

In exercising these concession powers Council will be guided by the principles of:

- *transparency* by making clear the requirements necessary to receive concessions; and
- *equity* by ensuring that all applicants of the same type receive the same concession.

Eligibility Criteria for Community Group Rate Remissions

Under Council's Community Grants and Assistance Policy, Council may consider an application for concession on rates in the following circumstances:

- The organisation must be a non-profit community based organization;
- The applicant organisation must be the owner or lessee of the land and be able to demonstrate that they are required to pay the rates levied;
- The land or any part of the land must not be rented or leased to a third party on a commercial basis; and
- A Liquor Licence (allowing trading on more than three days per week) must not be held by the organisation or any affiliate relating to the property subject to the application.

Where General Rates do not apply to a property by virtue of a condition contained in a lease of a reserve from Council, no further relief will be available.

Council may grant a maximum rebate of 100% of the General Levy to approved applicants.

Council will not approve requests for financial contributions to reimburse rate payments unless hardship under the *Local Government Act 2009* can be demonstrated in writing.

Applications for Community Group Rate Rebates must be made to Council in writing for assessment and resolution by elected members at a Council meeting.

2.7.4 Mining Leases

In accordance with Section 120(1)(g) and Section 122(1)(a) of the *Local Government Regulation 2012*, Council may grant a concession for separately rateable mining leases for the following rates and charges:-

- Rural Fire Levy;
- Waste Management Charge;
- Environmental Levy;
- Resilient Rivers Initiative Levy; and
- Emergency Preparedness Levy.

The concession may be granted because the land over which the mining leases are granted is already subject to these charges, such that Council considers that it would be unfair or inequitable to levy the charges twice over the same area of land.

REVENUE STATEMENT

2.7.5 Other Land

In accordance with Section 120(1)(c) and Section 122(1)(a) of the *Local Government Regulation 2012*, Council may grant a concession for land used for a permit to occupy, water storage or as a pump site where the payment of rates or charges would cause hardship to the property owner for the following rates and charges:-

- Rural Fire Levy;
- Waste Management Charge;
- Environmental Levy;
- Resilient Rivers Initiative Levy; and
- Emergency Preparedness Levy.

The concession may be granted in circumstances where Council is satisfied that the payment of the aforementioned levies would cause a property owner hardship.

2.8 The Recovery of Overdue Rates and Charges

Council will exercise its rate recovery powers pursuant to the provisions of Chapter 4 Part 12 of the *Local Government Regulation 2012* in order to reduce the overall rate burden on property owners.

Council has adopted a Rates and Charges Debt Collection and Recovery Policy for the recovery of outstanding rates and charges. The objective of this policy is to set out Council's principles in regard to the management of debt, and to provide consistent and ethical recovery of outstanding rates and charges across the region in accordance with the parameters and requirements of the *Local Government Regulation 2012*.

The principles that will apply in the management of and recovery of debt are as follows:-

- *communication* by making clear the obligations of property owners and the processes used by Council in assisting them meet their financial obligations;
- *transparency* by making the processes used to recover overdue rates and charges simple to administer and cost effective;
- *equity* by treating all property owners in similar circumstances in the same manner; and
- *flexibility* by responding where necessary to changes in the local economy.

Payment Commitments

As a general guide a periodic payment commitment may be agreed between Council and the property owner. To avoid recovery action being taken, requests are to be made to Council in writing before the last date on the legal action letter at which time the relevant Council officer or Council delegate will consider the offer on a case by case basis. The property owner must begin payments on the date they have supplied to Council. If approved, the Council officer or Council delegate will document the commitment and a copy will be provided in writing to the property owner. Council's preferred payment method with regards to payment commitments is direct debit.

Regular reviews will be undertaken by Council officers of all payment commitments.

An agreed periodic payment commitment should ensure all current rates and charges are paid as issued to ensure the account does not fall further into arrears. An appropriate periodic payment commitment will generally result in all overdue rates and charges being paid in full by the end of the half year period in which the payment commitment is made.

Council reserves the right to renegotiate or cancel a payment commitment should circumstances change where the debt will not be paid within Council's current policy time frame. In these circumstances, Council will not initiate further recovery action without reference to the property owner concerned.

REVENUE STATEMENT

Council will not pursue further recovery action against a property owner who has an agreed written periodic payment commitment, while the commitment is current and the property owner adheres to the agreed repayment schedule. In the event that a payment commitment is not maintained within the agreed terms, the following action will occur:

The first payment default - A Payment Commitment First Notice of Default letter will be issued to the property owner advising that the commitment has been dishonoured and stating the overdue amount and the next payment commitment due date.

The second and final default - The payment commitment will be removed from Council's rate assessment and the debt forwarded to Council's external debt recovery agency with written notice to the property owner.

All payment commitments are removed from Council's rating system at the end of the six (6) month rating period. The property owner will be required to enter into a new approved payment commitment once the new rates are issued.

2.9 Fees and Charges (including cost-recovery fees)

In general, Council will be guided by the principle of user pays in making all other charges. This includes cost-recovery fees as defined under Section 97(2) of the *Local Government Act 2009* (Qld). For a significant business activity, all fees and charges will be set with reference to full cost pricing.

When determining Commercial Charges for Council services and facilities that are not defined as a cost-recovery fee but relate to a business activity Council conducts on a commercial basis, Council takes into account "user pays" principles and market conditions.

When determining Regulatory Fees which are defined as cost-recovery fees, Council takes into account as the criteria for deciding the amount of the cost-recovery fee "user pays" principles and sets regulatory fees at a level sufficient to recover no more than the full cost of providing the service or taking the action for which the fee is charged.

All fees set by Council are included in a Register of Fees and Charges as originally adopted by Council at the meeting held on 16 May 2018 and amended from time to time.

New Development Costs

Developer contributions for infrastructure are determined each year in accordance with the philosophy that a developer should pay reasonable and relevant contributions towards the capital cost of the provision of infrastructure to meet past and future augmentation costs associated with this new development. Council assesses the level of contribution towards physical and social infrastructure in respect of new developments during the development application approval process to ensure an equitable contribution is made by developments which increase the demand on Council infrastructure. Infrastructure charges are determined with reference to Council's charges resolution made under the *Sustainable Planning Act 2009* (Qld). Infrastructure agreements are sometimes used to negotiate outcomes between council and the developer.

3. 2018-2019 RATES AND CHARGES

Pursuant to Section 94 of the *Local Government Act 2009*, Council will make and levy the rates and charges for the twelve months ended 30 June 2019 as set out in this section of the Revenue Statement.

REVENUE STATEMENT

3.1 Differential General Rates

Pursuant to Section 94(1)(a) of the *Local Government Act 2009* and Section 80 of the *Local Government Regulation 2012*, for the twelve months ending 30 June 2019, Council resolves to levy differential general rates on all rateable land in the Region.

3.2 Categorisation of Land and Minimum General Rates

Pursuant to Section 81 of the *Local Government Regulation 2012*, the different categories of rateable land in the Region, and a description of each of those rating categories, are set out in **Table 1**.

Pursuant to Section 80 of the *Local Government Regulation 2012*, the differential general rate which will be levied for each category of land is set out in **Table 1**.

Pursuant to Section 77 of the *Local Government Regulation 2012*, the minimum general rate for each category of rateable land is set out in **Table 1**.

Council has delegated its power under Section 81(4) of the *Local Government Regulation 2012* to identify the rating category to which each parcel of rateable land in the Region belongs, to the Chief Executive Officer (Resolution Number 4565 on 9 March 2016).

Further, Council has delegated its power under Section 82(2) of the *Local Government Regulation 2012* to decide what rating category the land referred to in Section 82(1) should be in, to the Chief Executive Officer (Resolution Number 4565 on 9 March 2016).

The Council has made the Rating Category Identification Policy as a guide to correct identification.

3.3 Limiting increase in rates and charges

Council has not resolved to limit any increase in rates and charges relative to the previous financial year.

Table 1 - Differential General Rates Table

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
1	Commercial <= \$200,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value less than or equal to \$200,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.	\$0.009919	\$ 1,978.00
2	Commercial \$200,001 & <=\$700,000	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$200,000 and up to or equal to \$700,000, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.	\$0.010901	\$ 2,533.00
3	Commercial > \$700,000 & <=\$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$700,000 and less than or equal to \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.	\$0.010962	\$ 9,348.00
4	Commercial > \$2Million	Land used or intended to be used, in whole or in part for commercial purposes, other than primary production, with a rateable value greater than \$2M, other than land included in category 5 to 11, or 17 to 23, or 37 to 47.	\$0.010961	\$ 25,708.00
5	Supermarkets <= \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value of less than or equal to \$1 million.	\$0.011403	\$ 8,668.00
6	Supermarkets > \$1Million	Land used or intended to be used, in whole or in part for a Supermarket, with a rateable value greater than \$1million.	\$0.013314	\$ 28,681.00
7	Shopping Centres <= 7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area of up to or equal to 7000 sq metres, or less than or equal to 120 onsite carparking spaces.	\$0.039388	\$ 54,858.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
8	Shopping Centres >7000 sq m	Land used or intended to be used, in whole or in part for a Shopping Centre that has a property land area greater than 7000 sq metres, or more than 120 onsite carparking spaces.	\$0.041625	\$ 164,572.00
9	Motels </= 25 Rooms	Land used or intended to be used, in whole or in part for a motel with no more than 25 rooms.	\$0.024225	\$ 1,921.00
10	Motels 26 - 50 Rooms	Land used or intended to be used, in whole or in part for a motel with 26 to 50 rooms.	\$0.028219	\$ 8,029.00
11	Motels >/= 51 Rooms	Land used or intended to be used, in whole or in part as a motel with 51 or more rooms.	\$0.031041	\$ 26,760.00
12	Farming/Agriculture <=\$200,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of less than or equal to \$200,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.	\$0.008978	\$ 1,380.00
13	Farming/Agriculture \$200,001-\$380,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$200,001 and \$380,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.	\$0.009741	\$ 1,958.00
14	Farming/Agriculture \$380,001-\$610,000	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value between \$380,001 and \$610,000, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.	\$0.009901	\$ 3,762.00
15	Farming/Agriculture >/= \$610,001	Land used or intended to be used, in whole or in part for farming or agricultural purposes with a rateable value of \$610,001 or greater, except land included in categories 25-29. Properties in this category receive a concessional value for primary production.	\$0.011221	\$ 6,847.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
16	Rural Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is within the Rural Fire Service boundaries.	\$0.012440	\$ 1,068.00
17	Service Stations/Gar ages <=100,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of up to and including 100,000 litres. In addition, the category includes any land used for a fuelling area, fuel storage area, retail shop or parking area associated with land used for fuel retailing.	\$0.036678	\$ 5,486.00
18	Service Stations/Gar ages 100,001 to 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is or is not an associated shop and/or fuel outlet and approved onsite bulk fuel storage of between 100,001 and up to and including 200,000 litres.	\$0.036754	\$ 27,429.00
19	Service Stations/Gar ages Over 200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is an associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.	\$0.024852	\$ 82,286.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	Land used or intended to be used, in whole or in part for fuel retailing where there is not any associated shop and/or fuel outlet and approved onsite bulk fuel storage of more than 200,000 litres.	\$0.026770	\$ 5,486.00
21	Transmission Sites	Land used or intended to be used, in whole or in part for the transmission or distribution of electricity from a coal or gas-fired power plant including, but not limited to, a substation.	\$0.025132	\$ 10,955.00
22	Gas Compressor Sites	Land used or intended to be used, in whole or in part for the transportation of gas under compression and/or any purpose associated or connected with the transportation of gas under compression.	\$0.044388	\$ 10,955.00
23	Workers Accommodation	Land used or intended to be used, in whole or in part for the provision of intensive accommodation for more than 50 persons (other than the ordinary travelling public) in rooms, suites, dongas, caravan sites, or a combination of these specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village", or "barracks".	\$0.031041	\$ 26,760.00
24	Urban Residential – Owner Occupied	Residential land with a dwelling used or intended to be used, in whole or in part for residential purposes that is a Principal Place of Residence owned by a natural person that is not within the Rural Fire Service boundaries.	\$0.012630	\$ 1,075.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
25	Farming/Agriculture On Farm Packing Operation	Land used or intended to be used, in whole or in part for farming or agricultural purposes containing an on farm packing operation. An on farm packing operation: shall mean land containing a facility where fruit and/or vegetables are received and/or processed prior to distribution to market. Operations may include but are not limited to sorting, trimming, washing, drying, waxing, curing, chemical treatment, packaging, pre-cooling, storage, and transportation.	\$0.012365	\$ 9,010.00
26	Intensive Agriculture Poultry <=200,000 birds	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of up to or equal to 200,000 birds.	\$0.018612	\$ 5,859.00
27	Intensive Agriculture Poultry 200,001 birds and over	Land used or intended to be used, in whole or in part for intensive poultry farming with an approved capacity of over 200,000 birds.	\$0.036545	\$ 7,032.00
28	Intensive Agriculture Piggeries <=3,000 SPU	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of up to or equal to 3,000 SPU.	\$0.043710	\$ 5,859.00
29	Intensive Agriculture Piggeries 3,001 SPU and over	Land used or intended to be used, in whole or in part for intensive pig farming with an approved capacity of over 3,000 SPU.	\$0.066863	\$ 7,032.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
30	Multiple Dwelling	Residential land used for a multi-unit residential building, which does not form part of a community title scheme or residential group title consisting of 2 or more flats or units or a duplex. This also includes properties with 2 or more residential dwellings.	\$0.015788	\$ 1,344.00
31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	Land which is subject to chapter 2, part 2 subdivision 3 of the Land Valuation Act 2010.	\$0.013754	N/A
32	Nursing Homes/Retirement Villages	Land used or intended to be used, in whole or in part for the provision private medical care, the provision of aged care nursing or as a Retirement Village.	\$0.014705	\$ 6,177.00
33	Sporting Clubs & Facilities	Land used or intended to be used, in whole or in part for sporting clubs and facilities associated with a sporting club where the operator does not hold a liquor and/or gaming licence, except land included in category 34.	\$0.010047	\$ 1,181.00
34	Licensed Clubs & Sporting Clubs	Land used or intended to be used, in whole or in part for the operation of a sporting club and facilities associated with a sporting club where the land is subject to a liquor and/or gaming licence.	\$0.010656	\$ 3,482.00
35	Non-Principal Place of Residence	Land with a dwelling used or intended to be used, in whole or in part for a residential purpose, including rural residential land, that is not a Principal Place of Residence and not included in Category 16, 24, 30, or 31.	\$0.015156	\$ 1,290.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
36	Sundry Purposes	Land used or intended to be used, in whole or in part for a permit to occupy, water storage, or a pump site and land which is not otherwise categorized.	\$0.015964	\$ 226.00
37	Extractive & Mining Lease > 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where more than 100,000 tonnes of material is removed per annum.	\$0.080217	\$ 42,273.00
38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where between 5,001 and 100,000 tonnes of material is removed per annum.	\$0.028725	\$ 21,740.00
39	Extractive & Mining Lease up to 5,000 tonnes.	Land used or intended to be used, in whole or in part for extractive industry and land which is a mining lease, where up to 5,000 tonnes of material is removed per annum.	\$0.024330	\$ 9,422.00
40	Noxious/Offensive Industry – Explosive Factories	Land used or intended to be used, in whole or in part for the manufacture and/or storage of explosives.	\$0.022422	\$ 30,674.00
41	Noxious/offensive Industry – Abattoirs	Land used or intended to be used, in whole or in part as an abattoir having more than 20 employees and a valuation greater than \$500,000.	\$0.030279	\$ 30,674.00

REVENUE STATEMENT

Category No	Category Name	Description	Rate in \$ 2018/19	Minimum General Rate 2018/19
42	Noxious/offensive Industry – Other	Land used or intended to be used, in whole or in part for the purpose of a sawmill, tannery or any other industrial purpose or any use associated or connected with an industrial purpose, other than land included in categories 40 or 41.	\$0.026348	\$ 5,259.00
43	Caravan Parks & Camping Grounds <= \$300,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of less than or equal to \$300,000.	\$0.024925	\$ 2,744.00
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of between \$300,001 up to and including \$600,000.	\$0.028219	\$ 8,029.00
45	Caravan Parks and Camping Grounds > \$600,000	Land used or intended to be used, in whole or in part as a Caravan Park with a rateable value of greater than \$600,000.	\$0.031041	\$ 26,760.00
46	Power Stations <= 50MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of no more than 50MW.	\$0.025132	\$ 52,265.00
47	Power Stations >=51MW	Land used or intended to be used, in whole or in part for ancillary to the generation of electricity from a coal and/or gas fired power station with an output capacity of 51MW or more.	\$0.027645	\$ 104,530.00
48	Residential Vacant Land	Vacant Land used, or capable of being used, for residential purposes not included in Category 31.	\$0.012440	\$ 1,068.00

4. WASTE MANAGEMENT

4.1 WASTE RECYCLING AND COLLECTION CHARGES

Pursuant to Section 94(1)(b)(ii) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019, a utility charge for waste and recycling collection charges will be made and levied in accordance with the following provisions.

Charges shall apply to all lands and/or premises within Council's Serviced Area (where waste services are made available).

The charge will be levied on a pro-rata basis from the date of commencement for additional services or new first services.

4.1.1 Residential:

First service: \$277.00 per annum. The First Service consists of one x 240 litre waste bin collected on a weekly basis and one x 240 litre recycle bin collected fortnightly and applies to all Residential properties serviced by Council's waste collection contractor in accordance with their contract with the Lockyer Valley Regional Council.

Additional services: Additional Services may be made available upon application to Council. Additional services consist only of additional bins which will be collected on the normal service day of the property concerned. Council will not provide additional services to the property on any other day.

Charges for additional services:

Dual bins: \$277.00 per annum
Additional Waste Bin collected weekly: \$173.00 per annum
Additional Recycling Bin collected fortnightly: \$104.00 per annum

4.1.2 Commercial:

First service: Waste Commercial Service (240L) Dual - \$472.00 per annum. The First Service consists of one x 240 litre waste bin collected on a weekly basis and one x 240 litre recycle bin collected fortnightly and applies to all commercial properties serviced by Council's waste collection contractor in accordance with their contract with the Lockyer Valley Regional Council.

Additional services: Additional services may be made available on application to Council. Additional services consist only of additional bins which will be collected on the normal service day of the property concerned. Council will not provide additional services to the property on any other day.

Charges for additional services:

Waste Commercial Service (240L) Waste only - \$322.00 per annum
Waste Commercial Service (240L) Recycle only - \$150.00 per annum

4.1.3 Service Cancellations and Suspensions

Council has resolved that the whole of the Lockyer Valley Region is in the 'Serviced Area'.

As such, the waste recycling and collection charge shall be levied for the First Service on every parcel of land in the Region where waste services are made available except where:-

- there is a demolition of premises, as certified by an approved person; or

REVENUE STATEMENT

- land is vacant for a full year, as established by a Statutory Declaration.

Permitted cancellations as above or cancellation of additional services must be made in the form required by Council and a pro rata adjustment from the date of service cancellation or suspension will be allowed.

Bins remain the property of Lockyer Valley Regional Council's waste collection contractor and are provided to be used specifically for the storage of waste and recycling materials only.

4.2 WASTE MANAGEMENT CHARGE

Pursuant to Section 94(1)(b)(ii) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019, a utility charge of \$157.00 per annum per assessment will be levied on all rateable land in the Region for the services and activities detailed herein.

This utility charge will also be levied to all non-rateable land to which a waste collection service is provided.

The proceeds from the charge shall be applied to fund recurrent and capital expenditure and the administration costs associated with the provision, improvement and management of Council's waste management facilities throughout the region. Waste management facilities include landfill sites, transfer stations, weighbridge and waste bins located throughout the Region.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

5. SPECIAL CHARGES**5.1 Special Charge – Rural Fire Levy**

Pursuant to Section 94(1)(b)(i) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019 a special charge of \$30.00 per annum per assessment will be made and levied on all rateable properties which are in an area serviced by a Rural Fire Brigade.

All such lands are deemed to benefit from this charge as a result of the Rural Fire Brigade Group operating in the area. This special charge shall continue to apply for the 2018/2019 year regardless of any levies that may be introduced by State or Federal Governments.

The proceeds from the Special Charge collected shall be distributed as follows:

- \$50,000 will be retained by Lockyer Valley Regional Council for the maintenance of fire trails within the Lockyer Valley Council Region; and
- The balance will be remitted to the Lockyer Local Area Finance Committee which acts for the rural fire brigade groups within the Lockyer Valley Regional Council area.

This Special Charge is levied for the maintenance of fire trails within the Lockyer Valley Council Region and to provide for the operations, maintenance and provision of buildings, land and/or equipment for Rural Fire Brigade groups in accordance with agreements between Council and the Lockyer Local Area Finance Committee.

For each property attracting this Special Charge, Council retains an administration charge of \$1.50 per assessment to cover administration of the plan.

Overall Plan

The overall plan for the Rural Fire special charge is as follows:-

1. The service, facility or activity is described above.

REVENUE STATEMENT

2. The rateable land to which the charge shall be applied is all land in areas serviced by a Rural Fire Brigade.
3. The estimated cost of the overall plan is \$305,000.
4. The time for implementing the overall plan is one year ending on 30 June 2019.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6. SEPARATE CHARGES

6.1 Emergency Preparedness Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019 a separate charge of \$104.00 per assessment will be made and levied on all rateable land within the Region.

This separate charge is levied to fund infrastructure restoration projects (such as bridges, roads) funding shortfalls, interest and redemption payments on loans associated with recovery work and community resilience recovery through agreed community recovery programs.

The proceeds from the separate charge shall also be applied to fund expenditure on the disaster management initiatives associated with improving the region's preparedness for and response to future natural disasters including the implementation of the recommendations of the Queensland Floods Commission of Inquiry.

Furthermore, the proceeds from the separate charge shall be applied to fund recurrent and capital expenditure for the Volunteer State Emergency Services Units operating within the Lockyer Valley Regional Council area together with the provision of disaster planning and management support for the units

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6.2 Environmental Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019 a separate charge of \$16.00 per assessment will be made and levied on all rateable land within the Region.

This separate charge is levied to fund expenditure on the implementation of physical/biological, cultural, social and economic environmental initiatives throughout the Region.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

6.3 Resilient Rivers Initiative Levy

Pursuant to Section 94(1)(b)(iii) of the *Local Government Act 2009*, for the twelve months ending 30 June 2019 a separate charge of \$2.00 per assessment will be made and levied on all rateable land within the Region.

This separate charge is levied to fund Council's contribution for the Council of Mayors South East Queensland's (COMSEQ's) Resilient Rivers Initiative, which will deliver projects to keep soil on the land, protect water security, promote partnerships and improve climate resilience.

A pro-rata charge effective from the date of valuation will apply to new assessments created during the financial year.

REVENUE STATEMENT

7. DEFINITIONS

Differential General Rates Table: means Table 1 in this Revenue Statement.

Due date: is the due date for payment as shown on the rate notice.

Dwelling: a self-contained unit of approved residential accommodation that is not a caravan or mobile home and is internally or externally provided with:

- a) a kitchen sink and facilities for the preparation of food; and
- b) a bath or shower; and
- c) clothes washing facilities, comprising at least one wash-tub and space for a clothes washing machine; and
- d) a toilet; and
- e) a wash basin.

Full payment: shall be the amount of the most recently issued rates notice less any applicable discount. These payments are also cleared on the transaction date. 'Cleared' payment means money which can be transferred to Council's bank accounts at the time of the transaction or at the end of the day.

Land parcel: any parcel which is registered with the Titles Office as a separate subdivision, re-subdivision, allotment, lot, section or portion and which is capable of being occupied separately regardless of whether a separate title is held for such parcel.

On Farm Packing Operation: land containing a facility where fruit and/or vegetables are received and/or processed prior to distribution to market. Operations may include but are not limited to sorting, trimming, washing, drying, waxing, curing, chemical treatment, packaging, pre-cooling, storage, and transportation.

Premises: includes –

- (a) the whole or any part of any building, structure, or land, and;
- (b) any construction works whether on private land, Crown land, Council land or any public place.

Primary production purposes: land available for the business or industry of grazing, dairying, pig farming, poultry farming, viticulture, orcharding, apiculture, horticulture, aquiculture, vegetable growing, the growing of crops of any kind, forestry; or any other business or industry involving the cultivation of soils, the gathering in of crops or the rearing of livestock; and where a farming concession is granted by the Department of Natural Resources and Mines in accordance with Chapter 2, Part 2, Subdivision 2 of the *Land Valuation Act 2010*.

Principal Place of Residence: a "principal place of residence" is defined as a single approved dwelling house or approved dwelling unit, owned by one or more natural person(s) at least one of whom predominately reside there. In establishing principal place of residence, Council may consider, but not be limited to, the owner's declared address for electoral, taxation, government social security or national health registration purposes, driver's licencing or any other form of evidence deemed acceptable by Council.

Residential premises which are owned by a pensioner who is residing in alternative accommodation for health and care reasons may still be considered a principal place of residence if Council is satisfied that the pensioner is still solely responsible for the payment of rates and the property is not occupied on a paid tenancy basis.

Residential premises that have not met these criteria will be deemed a non-principal place of residence.

Other than the exception for pensioners outlined above, premises which are vacant for more than 6 months of the year will not be considered a principal place of residence.

REVENUE STATEMENT

Property: a parcel or parcels of land recorded together within Council's systems for rating and charging purposes.

Retirement Village: is a registered premise where older members of the community or retired persons reside, or are to reside, in independent living units or serviced units in accordance with the *Retirement Villages Act 1999*.

Rural Fire Service boundaries: means the boundaries of those parts of the local government area within which the Rural Fire Service operates and subject to the State Government Emergency Management Levy Class E, as shown on the map available from Queensland Fire and Emergency Services:
(www.fire.qld.gov.au/about/EmergencyManagementFireandRescue-Levy.asp)

Shopping Centre: land which is used or intended to be used, in whole or in part for retail activities comprising multiple shops or retail warehouses (including a combination of both).

Supermarket: land which is used or intended to be used, in whole or in part for a detached supermarket purpose typically involving a self-service retail store or market selling food and other domestic goods but not forming part of a Shopping Centre.

Vacant land: land devoid of buildings or structures with the exception of outbuildings or other minor structures not designed or used for human habitation or occupation. It does not apply to land that is used for car parking or in conjunction with any commercial activity, e.g. heavy vehicle or machinery parking, outdoor storage areas, assembly areas or rural activities such as cultivation, grazing or agistment.

Any terms not defined in this Revenue Statement shall be as defined under the *Local Government Act 2009* and *Local Government Regulation 2012* and if not there defined the term will be given the meaning determined by Council.



**SPECIAL MEETING OF
ORDINARY COUNCIL
MEETING MINUTES
5 JUNE 2018**

3. Report

Section 81 of the *Local Government Regulation 2012* deals with the categorisation of land for differential general rates. Council is required to decide the different categories of rateable land and describe each of the categories. Once the categories have been determined and described, the category to which each parcel of land belongs must be identified. The Regulation allows Council to do this in any way it considers appropriate.

This policy provides guidance to Council delegates in the identification process by referral to the description of the category in Council's Revenue Statement, the actual use of the parcel of land and the land use code attached to the parcel by the Department of Natural Resources, Mines and Energy.

The policy clarifies the role that land use codes play in the categorisation process and where the land use code is in conflict with the actual use of the land, the categorisation will be based on the actual use.

The policy is to be adopted on an annual basis as part of the budget process to reflect changes in the rating categories for the new financial year.

4. Policy and Legal Implications

The adoption of this policy will assist in the categorisation process undertaken in accordance with Section 81(4) and 81(5) of the *Local Government Regulation 2012*. It will provide guidance to the delegates of Council in identifying the relevant rating category to which each parcel of rateable land belongs.

5. Financial and Resource Implications

This policy assists with the generation of revenue in accordance with Council's 2018/2019 Budget and Revenue Statement.

6. Delegations/Authorisations

Matters arising from this report will be dealt with in accordance with existing delegations.

7. Communication and Engagement

The implications of this policy will be communicated to the staff involved in the categorisation process.

8. Conclusion

The adoption of this policy will assist officers in the categorisation process and reduce opportunities for legal challenges to Council's Revenue Statement.

9. Action/s

Update Council's Policy Register and upload to the internet.



**SPECIAL MEETING OF
ORDINARY COUNCIL
MEETING MINUTES
5 JUNE 2018**

Attachments

1 [View](#) Rating Categorisation Policy for Financial Year 2018/2019 13 Pages



Policy document

Strategic Governance SG 25

Rating Category Identification Policy for Financial Year 2018/2019

Head of Power

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

Key Supporting Council Document

Corporate Plan (2017 – 2022) Lockyer Leadership and Council “To be financially sustainable”

Definitions

Reference in this policy to the term ‘Land Use Codes’ means those land use codes as given to Council by the Department of Natural Resources, Mines and Energy and recorded in Council’s land record kept under the *Local Government Act 2009* (Qld).

Policy Objective

The purpose of this policy is to provide guidance to Lockyer Valley Regional Council (Council) and its delegate in the exercise of identifying the rating category to which each parcel of rateable land in Council’s local government area belongs for financial year 2018/2019.

This policy should be read in conjunction with section 81(4) and (5) of the *Local Government Regulation 2012* (Qld) and with Council’s revenue statement for the financial year 2018/2019 (Revenue Statement).

This policy does not limit the way in which Council identifies the rating category to which each parcel of rateable land in Council’s local government area belongs.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 1 of 13



Policy document

Strategic Governance SG 25

Section 81(5) of the *Local Government Regulation 2012* (Qld) allows Council to undertake the identification exercise specified in section 81(4) of that Regulation in a way Council considers appropriate.

Policy Statement

In undertaking the exercise required under section 81(4) and (5) *Local Government Regulation 2012* (Qld), Council will have regard to the Revenue Statement.

In the Revenue Statement, the rating categories and descriptions for rateable land associated with the levying of differential general rates for Financial Year 2018/2019 have been set out in Table 1 of that document. The Council has adopted the categories and descriptions by resolution passed at its budget meeting for 2018/2019.

The matters set out in the table below are intended to provide guidance to Council and its delegate in identifying the rating category to which each parcel of rateable land in Council's local government area belongs for Financial Year 2018/2019.

The Land Use Codes referred to for each category are those which describe uses which will generally correspond with the description for the category. However, it is the actual use which determines the correct category. If in any case the use described by the assigned Land Use Code is found to not reflect the actual land use, categorisation must be based on the category and description which correspond to the actual use.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 2 of 13



Policy document

Strategic Governance SG 25

Table

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
1	Commercial <= \$200,000	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to 46.
2	Commercial \$200,001 & <=\$700,000	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to 46.
3	Commercial > \$700,000 & <=\$2Million	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to 46.
4	Commercial > \$2Million	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to 46.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 3 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
5	Supermarkets ≤ \$1Million	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to15, 17 to 27 but not Land with Land Use Code 16.
6	Supermarkets > \$1Million	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to15, 17 to27 but not Land with Land Use Code 16.
7	Shopping Centres ≤ 7000 sq m	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 16.
8	Shopping Centres >7000 sq m	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 16.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 4 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
9	Motels <= 25 Rooms	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 43.
10	Motels 26 -50 Rooms	(c) The Description for this category in the Revenue Statement. (d) Land with Land Use Code 43.
11	Motels >= 51 Rooms	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 43.
12	Farming/Agriculture <=\$200,000	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to71 and 73 to89.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 5 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
13	Farming/Agriculture \$200,001-\$380,000	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
14	Farming/Agriculture \$380,001-\$610,000	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
15	Farming/Agriculture >= \$610,001	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
16	Rural Residential – Owner Occupied	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 2, 3, 5, 8 and 9.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 6 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
17	Service Stations/Garages </=100,000 litres	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 30 and 31.
18	Service Stations/Garages 100,001 to 200,000 litres	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 30 and 31.
19	Service Stations/Garages Over 200,000 litres	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 30 and 31.
20	Services Stations & Garages without Shops or Food Outlets >200,000 litres	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 30 and 31.
21	Transmission Sites	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 91.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 7 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
22	Gas Compressor Sites	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 10 to 27.
23	Workers Accommodation	The Description for this category in the Revenue Statement.
24	Urban Residential – Owner Occupied	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 2, 3, 5, 8 and 9..
25	Farming/Agriculture On Farm Packing Operation	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
26	Intensive Agriculture Poultry < /=200,000 birds	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 8 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
27	Intensive Agriculture Poultry 200,001 birds and over	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
28	Intensive Agriculture Piggeries <=3,000 SPU	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
29	Intensive Agriculture Piggeries 3,001 SPU and over	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 60 to 71 and 73 to 89.
30	Multiple Dwelling	(a) The Description for this category in the Revenue Statement (b) Land with Land Use Codes 2, 3, 5, 8 and 9

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 9 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
31	Land which is Subject to Chapter 2, Part 2, Subdivision 3 of the Land Valuation Act 2010	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 72.
32	Nursing Homes/Retirement Villages	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 27.
33	Sporting Clubs & Facilities	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 48 and 50.
34	Licensed Clubs & Sporting Clubs	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 47 and 48.
35	Non-Principal Place of Residence	The Description for this category in the Revenue Statement.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 10 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
36	Sundry Purposes	The Description for this category in the Revenue Statement.
37	Extractive & Mining Lease > 100,000 tonnes.	The Description for this category in the Revenue Statement.
38	Extractive & Mining Lease 5,001 tonnes – 100,000 tonnes.	The Description for this category in the Revenue Statement.
39	Extractive & Mining Lease up to 5,000 tonnes.	The Description for this category in the Revenue Statement.
40	Noxious/Offensive Industry – Explosive Factories	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 35 to 40.
41	Noxious/offensive Industry – Abattoirs	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 35 to 40.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 11 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
42	Noxious/offensive Industry – Other	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Codes 35 to 40.
43	Caravan Parks & Camping Grounds <= \$300,000	(a) The Description for this category in the Revenue Statement. (b) Land with a Land Use Code 49.
44	Caravan Parks and Camping Grounds \$300,001 to \$600,000	(a) The Description for this category in the Revenue Statement. (b) Land with a Land Use Code 49.
45	Caravan Parks and Camping Grounds > \$600,000	(a) The Description for this category in the Revenue Statement. (b) Land with a Land Use Code 49.
46	Power Stations <= 50MW	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 91.

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 12 of 13



Policy document

Strategic Governance SG 25

No of Rating Category for FY2018/2019 in the Revenue Statement	Name of Rating Category for FY2018/2019 in the Revenue Statement	Guidance for identifying the rating category to which each parcel of rateable land in Council's local government area belongs for FY2018/2019
47	Power Stations >= 51MW	(a) The Description for this category in the Revenue Statement. (b) Land with Land Use Code 91.
48	Residential Vacant Land	(a) The Description for this category in Revenue Statement. (b) Land with Land Use Code 1, 3, 4, 6, 8, 9, or 94.

Related Documents

Local Government Act 2009
Local Government Regulation 2012
2018-2019 Revenue Statement

Group: Corporate & Community Services
Unit: Finance & Customer Services
Approved:
Date Approved:

Effective Date: 1 July 2018
Version: 1.1
Review Date: 30 June 2019
Superseded/Revoked: SG25 Rating Category
Identification Policy for Financial Year 2017-2018
Page 13 of 13

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

6.5 Adoption of the 2018/2019 Budget and Long Term Financial Forecast 2018/2019 to 2027/2028

Date: 24 May 2018
Author: Tony Brett, Manager Finance & Customer Services
Responsible Officer: David Lewis, Executive Manager Corporate & Community Services

Summary:

Under the *Local Government Regulation 2012*, Council must prepare an accrual based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

The 2018/2019 Budget presents the overall position of a surplus of \$5.58 million, with expenditure on Council operations of \$55.49 million and a capital works program of \$20.11 million. Total budgeted revenues for the year are \$61.07 million which includes capital revenue of \$3.52 million. Excluding capital revenues, the budget forecasts a \$2.07 million operating surplus.

Officer's Recommendation:

THAT Council resolve to adopt pursuant to Section 107A of the *Local Government Act 2009* and Sections 169 and 170 of the *Local Government Regulation 2012* the Budget for the financial year 2018/2019 and the long term financial forecast for the financial years 2018/2019 to 2027/2028 as contained in the document entitled 2018/2019 Budget and Long Term Financial Forecast (attachment 1) and set out in the pages contained therein:

- i. Statement of Income and Expenditure.**
- ii. Statement of Financial Position.**
- iii. Statement of Cash Flows.**
- iv. Statement of Changes in Equity.**
- v. Relevant Measures of Financial Sustainability.**
- vi. Detailed Statements of Income and Expenditure:**
 - 1. Business Unit – Child Care Centres 2018/2019 to 2020/2021.**
 - 2. Business Unit – Waste Management 2018/2019 to 2020/2021.**
 - 3. Business Unit – Staging Post Café 2018/2019 to 2020/2021.**
- vii. Percentage Change in Rates Levied from 2017/2018.**

Further;

THAT Council note the Statement of Estimated Financial Position at 30 June 2018 (Attachment 2), as presented by the Chief Executive Officer in accordance with Section 205 of the *Local Government Regulation 2012*.

Further;

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Staging Post Business Activity as applying the Code would result in unnecessary administrative costs for Council.

And further;

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Child Care Centres and Waste Management Business Unit Activities as they demonstrate a strong community service and social policy function compared to the extent of their business trading activities.

RESOLUTION

THAT Council resolve to adopt, pursuant to Section 107A of the *Local Government Act 2009* and Sections 169 and 170 of the *Local Government Regulation 2012*, the Budget for the financial year 2018/2019 and the Long Term Financial Forecast for the financial years 2018/2019 to 2027/2028, as contained in the document entitled 2018/2019 Budget and Long Term Financial Forecast as attached to these Minutes) and set out in the pages contained therein:

- i. Statement of Income and Expenditure.**
- ii. Statement of Financial Position.**
- iii. Statement of Cash Flows.**
- iv. Statement of Changes in Equity.**
- v. Relevant Measures of Financial Sustainability.**
- vi. Detailed Statements of Income and Expenditure:**
 - 1. Business Unit – Child Care Centres 2018/2019 to 2020/2021.**
 - 2. Business Unit – Waste Management 2018/2019 to 2020/2021.**
 - 3. Business Unit – Staging Post Café 2018/2019 to 2020/2021.**
- vii. Percentage Change in Rates Levied from 2017/2018.**

Further;

THAT Council note the Statement of Estimated Financial Position at 30 June 2018 (as attached to these Minutes), as presented by the Chief Executive Officer in accordance with Section 205 of the *Local Government Regulation 2012*.

Further;

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Staging Post Business Activity as applying the Code would result in unnecessary administrative costs for Council.

And further;

THAT Council resolve not to apply the Code of Competitive Conduct to Council's Child Care Centres and Waste Management Business Unit Activities as they demonstrate a strong community service and social policy function compared to the extent of their business trading activities.

Moved By: Cr McLean

Seconded By: Cr Vela

Resolution Number: 16-20/0971

CARRIED

6/0

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

Report

1. Introduction

This report presents the 2018/2019 Budget and forward estimates for the Lockyer Valley Regional Council for adoption as part of the 2018/2019 Budget process.

2. Background

Sections 169 and 170 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of council's budget. This report complies with the disclosure requirements of the *Local Government Regulation 2012*.

3. Report

Under the *Local Government Regulation 2012*, Council must prepare an accrual based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

To meet the legislative requirements, included in the 2018/2019 Budget (Attachment 1) are the following financial statements:

- Statement of Income and Expenditure.
- Statement of Financial Position.
- Statement of Cash Flows.
- Statement of Changes in Equity.
- Relevant Measures of Financial Sustainability.
- Detailed Statements of Income and Expenditure:
 - Business Unit – Child Care Centres 2018/2019 to 2020/2021.
 - Business Unit – Waste Management 2018/2019 to 2020/2021.
 - Business Unit – Staging Post Café 2018/2019 to 2020/2021.
- Percentage Change in Rates Levied from 2017/2018.

The Statement of Income and Expenditure, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity have all been prepared on an accrual basis and contain Council's Budget for 2018/2019 and the next two financial years and Council's long term financial forecast.

The budget must also contain Council's Revenue Policy and Revenue Statement which due to the complex nature of the Revenue Statement, will be adopted via separate reports.

The 2018/2019 Budget presents the overall position of a surplus of \$5.58 million, with expenditure on Council operations of \$55.49 million and a capital works program of \$20.11 million. Total budgeted revenues for the year are \$61.07 million which includes capital revenue of \$3.52 million. Excluding capital revenues, the budget forecasts a \$2.07 million operating surplus.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

Brief discussions on each of the major line items of the budget are outlined below.

Revenue

Rates and Utility Charges

Full details of council's rates and utility charges are outlined in Council's Revenue Statement which is the subject of a separate report. Total budgeted rates and utility charges for the year is \$41.55 million with estimated discounts of \$1.63 million. The budgeted amount includes the rates to be levied, plus an estimated growth in property assessments of approximately 1.50%.

The increase in the yield from general rates for 2018/2019 compared to the previous year is 2.86%. When the changes to the levies, charges and other rates are taken into account the overall increase in yield is 2.60%. The increase in yield from 2017/2018 is a combination of natural growth in assessments, changes in categorisation and the general increase to the minimum rates and rates in the dollar and other charges applied by Council. An average residential property will see a combined increase of all rates and charges of around 2.63% which equates to approximately \$48.00 for the year.

Fees & Charges

Budgeted fees and charges are \$4.84 million which is around \$0.20 million more than the original budget for the previous financial year. A conservative approach has been taken to estimating the potential increase in Planning and Building fees due to development activity within the region, and this will be monitored throughout the year and updated as part of the regular budget review process.

Sales, Contract and Recoverable Works

General recoverable works has been reduced based on known contracting opportunities and the level of Council's infrastructure workloads. This line item also includes sales revenue from the Staging Post Café.

Operating Grants and Subsidies

Grants and subsidies have reduced due to the reduction in the allocation of the Roads to Recovery Grant for the year from \$1.26 million to \$0.28 million which is in line with the amounts advised over the life of the current program. The majority of the remaining grant funding relates to the Commonwealth Government's financial assistance grant estimated at \$4.19 million with other minor grants received for libraries, child care, and diesel fuel rebates.

Interest Received

Interest from investments will be approximately \$0.25 million lower than the 2017/2018 financial year due to interest rates remaining low; the change in the timing of the capital works cash flows, and a reduced cash balance from the debt repayment to be made in the 2017/2018 year. The estimated interest rate on investments is 2.50% per annum which is reflective of the current average investment rate on Council's term deposits.

Other Recurrent Income

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

Other recurrent income includes the dividends from Council's investment in Queensland Urban Utilities (QUU), rental income, reimbursements and other miscellaneous revenue items. Council's share of QUU returns is approximately \$3.00 million including dividend and tax equivalent payments.

Expenditure

Employee Costs

Employee costs represent the operational employee costs of the organisation and include all employee related expenditure including items such as superannuation, fringe benefits tax, training, and workers compensation insurance.

Employee costs have been increased by \$0.66 million or 2.80% to \$24.16 million in the 2018/2019 budget. The increase is mainly related to the estimated enterprise bargaining wage increase, recruitment for vacant positions, and accounting adjustments to leave provisions. As with previous years, the capital works program has a significant day labour component. The operating budget assumes that the capital program will be completed as planned.

Goods and Services

The budget for goods and services has been decreased by \$0.60 million to \$17.01 million by reducing contingency funding, reductions in funding from one-off operational projects and an increased understanding of the actual amounts required to provide current services. The budget reflects the anticipated changes in applicable allowances for growth and price.

Finance Costs

This line item is mainly made up of interest on council's loans from Queensland Treasury Corporation. Finance costs have reduced by approximately \$0.25 million due to the changing mix of interest and principal repayments as well as the reduced loan balance following the bulk repayment to be made in the 2017/18 financial year.

Council's debt is forecast to reduce from \$24.73 million in 2019 to \$7.80 million at the end of 2028. This assumes no further borrowings during the life of the forecast, and Council will continue to review options to further accelerate debt repayments.

Depreciation

Depreciation expenses of \$13.00 million are included in the 2018/2019 Budget. There may be some change in this line item during the year as the ongoing reviews of council service management plans, asset replacement values and useful lives are completed.

Capital

The main sources of capital funding are internal sources of \$17.07 million, grants and subsidies of \$3.10 million, sale proceeds of \$1.24 million and estimated developer contributions of \$0.18 million.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

These funding sources will be used for the construction or acquisition of assets worth \$20.11 million and loan principal repayments of \$1.48 million.

Financial Sustainability

Under the *Local Government Regulation 2012*, Council must prepare an accrual based budget for each financial year which is consistent with the 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, Council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

The 2018/2019 Budget results against each relevant measure of financial sustainability are given in the following table.

Relevant Measure of Financial Sustainability	Result	Recommended Target
Asset Sustainability Ratio	134.20%	greater than 90%
Net Financial Liabilities Ratio	69.90%	not greater than 60%
Operating Surplus Ratio (excluding capital revenue)	3.60%	between 0% and 10%

While the Net Financial Liabilities Ratio is greater than the recommended target, this is mainly due to the provisions for landfill and quarry rehabilitation which are reviewed on an annual basis. The ratio is forecast to drop below the upper level of the target by 2022.

The results for the full ten years are included in Attachment 1 and show that on average, all three of the measures are within the indicators over the long term.

Business Units

The estimated costs of Council's business units have been shown in separate schedules in Attachment 1. The budgeted results of Council's Business Units for the 2018/2019 year are as follows:

SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION) MEETING MINUTES - 5 JUNE 2018

Unit	Income	Expenditure	Operating Surplus / (Deficit)
Child Care Centres	\$1.03 million	\$1.09 million	(\$0.06 million)
Waste Management	\$7.57 million	\$5.18 million	\$2.39 million
Staging Post Café	\$1.05 million	\$1.33 million	(\$0.28 million)
Total	\$9.65 million	\$7.60 million	\$2.05 million

The budget and forecast assumes no changes to the operating models of Council's Business Units.

Statement of Estimated Financial Position 2017/2018

Section 205 of the *Local Government Regulation 2012* requires the CEO to present Council with a Statement of Estimated Financial Position at the annual budget meeting. This Statement, comprising of a Statement of Estimated Income and Expenditure, Estimated Statement of Financial Position and Estimated Statement of Cash Flows, is at Attachment 2 and shows the estimated financial results for the Council as at 30 June 2018.

The result is an overall estimated operating surplus of \$11.48 million, while the estimated result excluding capital revenue and expenses is a surplus of \$2.72 million which is \$1.10 million more than the current budgeted surplus of \$1.60 million. The main reason for this is lower than expected expenditure on goods and services which is consistent with monthly variances throughout the year. The reduced level of expenditure is a combination of across the board savings and incomplete operational projects.

It should be noted that the amounts shown in this report are based on assumptions of transactions undertaken during May and June and a final budget review for the 2017/2018 financial year which is also pending finalisation. The results are still subject to audit adjustments and will change as the end of year process is undertaken until the audit is finalised in early September. Financial analysis of the result will be provided at that time.

4. Policy and Legal Implications

Under the *Local Government Regulation 2012*, council must prepare an accrual based budget for each financial year which is consistent with Council's 5-year Corporate Plan and Annual Operational Plan. To comply with the *Local Government Regulation 2012*, council must also publish results against a series of measures of financial sustainability for the budget year and the next nine (9) years.

5. Financial and Resource Implications

The budgeted operating surplus is largely contingent upon containing costs within the budgeted amount. There is limited scope for new projects and additional funding for services in the short term while maintaining a balanced budget. Should the need arise for additional funds during the year, offset savings and a reprioritisation of resources will be required and these will be addressed through regular budget reviews.

The use of Council's day labour on capital projects will also need to be maintained and any diversion from capital projects to operational works will impact on the operating result.

**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**

If Council can contain its costs and maintain revenue at the level outlined in the 2018/2019 Budget and forward estimates, Council is forecasted to maintain operating surpluses for the life of the long term financial plan. Based on the estimated requirements in the current Service Management Plans, the forecast provides sufficient funding to adequately maintain Council's asset base.

Changes in accounting standards which come into effect over the next three financial years will impact on the timing of revenues being brought to account. The largest impact will be in relation to rates paid in advance which are currently brought to account at the time of receipt. Under the new standards the revenue will need to be treated as received in advance and therefore a timing issue will arise in the first year the new standard is implemented. This will result in a lower than forecast surplus for that year, with the surplus the following year being larger than forecast as the revenue is brought to account. Once the full impact and timing of this change is identified, the future forecasts will be adjusted accordingly.

The Federal Government has announced that 50% of the 2018/2019 Federal Assistance Grants (FAGs) will be paid in June 2018. This is consistent with the 2017/2018 financial year; however, the present schedule included in the Federal Budget Papers has no indication that there will be an advance payment of the 2019/2020 grant in June 2019. Based on past history, Council's budget assumes that the advance payments continue; however, if this doesn't occur then the actual surplus for 2018/2019 will be reduced by approximately \$2.00 million as a timing difference.

6. Delegations/Authorisations

Matters arising from this report will be dealt with in accordance with existing delegations.

7. Communication and Engagement

The implications of the financial statements will be incorporated into extensive communications associated with the 2018/2019 Budget. Following its adoption, the various components of the budget will be consolidated into one document.

8. Conclusion

Section 107A of the *Local Government Act 2009* and Sections 169 and 170 of the *Local Government Regulation 2012* prescribe the requirements for the adoption of council's budget. This report complies with the requirements of the regulation.

9. Action/s

1. Publish the adopted budget on Council's website.
2. Distribute to internal staff.

Attachments

- | | | |
|------------------------|---|----------|
| 1 View | 2018/2019 Budget and Long Term Financial Forecast | 20 Pages |
| 2 View | 2017/2018 Statement of Estimated Financial Position | 3 Pages |



**SPECIAL MEETING OF
COUNCIL (BUDGET
ADOPTION) MEETING
MINUTES - 5 JUNE 2018**



LOCKYER VALLEY REGIONAL COUNCIL

2018/2019 BUDGET AND LONG TERM FINANCIAL FORECAST



CONTENTS	
Item	Page
BUDGET DOCUMENTS	3
STATEMENT OF INCOME AND EXPENDITURE	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN EQUITY	7
RELEVANT MEASURES OF FINANCIAL SUSTAINABILITY	8
PERCENTAGE CHANGE IN RATES LEVIED FROM 2017/2018	9
DETAILED SCHEDULES	10
BUSINESS UNITS	11 – 13
FOR INFORMATION	14
LISTING OF PROPOSED CAPITAL WORKS	15 - 19

BUDGET DOCUMENTS

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Income and Expenditure

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Recurrent revenue:										
Rates & Utility Charges	41.55M	43.23M	44.87M	46.53M	48.26M	50.04M	51.90M	53.83M	55.83M	57.90M
Less Discounts	(1.63M)	(1.69M)	(1.75M)	(1.82M)	(1.88M)	(1.95M)	(2.02M)	(2.09M)	(2.16M)	(2.24M)
Net rates and utility charges	39.92M	41.54M	43.11M	44.71M	46.38M	48.10M	49.89M	51.74M	53.66M	55.66M
Fees and charges	4.84M	4.98M	5.13M	5.29M	5.45M	5.61M	5.78M	5.95M	6.13M	6.31M
Sales, contract and recoverable works	1.90M	1.95M	2.01M	2.06M	2.12M	2.18M	2.24M	2.30M	2.37M	2.43M
Operational Grants & subsidies	5.57M	6.08M	6.22M	6.37M	6.53M	6.70M	6.88M	7.07M	7.26M	7.46M
Interest received	1.37M	1.43M	1.42M	1.43M	1.51M	1.64M	1.73M	1.85M	2.02M	2.22M
Other recurrent income	3.96M	4.07M	4.18M	4.29M	4.40M	4.52M	4.64M	4.76M	4.89M	5.02M
Total recurrent revenue	57.55M	60.06M	62.08M	64.16M	66.39M	68.75M	71.16M	73.68M	76.33M	79.10M
Capital revenue:										
Capital Grants	3.10M	0.63M	0.44M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M
Developer Contributions	0.19M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Gain/(loss) on sale of property, plant & equipment	0.23M	(0.04M)	0.49M	0.29M	0.31M	0.25M	0.23M	0.19M	0.09M	0.09M
Total capital revenue	3.52M	1.09M	1.43M	1.23M	1.24M	1.19M	1.33M	1.29M	1.19M	1.19M
Total income	61.07M	61.15M	63.50M	65.38M	67.63M	69.94M	72.48M	74.97M	77.51M	80.29M
Expenses										
Recurrent expenses:										
Employee costs	24.16M	24.93M	25.85M	26.49M	27.53M	28.77M	30.21M	31.11M	32.65M	33.91M
Materials and services	17.01M	17.42M	17.85M	18.31M	18.79M	19.31M	19.86M	20.42M	21.01M	21.60M
Depreciation and amortisation	13.00M	13.67M	14.14M	15.27M	15.52M	14.93M	13.95M	14.35M	14.72M	15.68M
Finance costs	1.31M	1.25M	1.17M	1.09M	1.02M	0.93M	0.85M	0.75M	0.65M	0.56M
Total expenses	55.49M	57.27M	59.01M	61.15M	62.87M	63.93M	64.85M	66.54M	69.03M	71.76M
Result from ordinary activities	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M
Operating Result										
Adj for Capital Income	2.06M	2.78M	3.07M	3.00M	3.53M	4.82M	6.30M	7.04M	7.30M	7.34M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Financial Position

	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 \$	2027 \$	2028 \$
Current assets	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash assets and cash equivalents	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M	35.02M
Other inventory	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M
Receivables	2.97M	3.09M	3.21M	3.32M	3.43M	3.54M	3.68M	3.81M	3.94M	4.06M
Prepayments	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Total current assets	21.75M	21.72M	19.67M	20.58M	23.59M	26.08M	27.43M	31.47M	36.77M	42.99M
Non-current assets										
Land held for development or sale	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M
Joint Ventures & Associates	31.94M	33.13M	34.34M	35.59M	36.87M	38.19M	39.53M	40.91M	42.32M	43.77M
Property, plant and equipment	616.35M	618.24M	660.03M	661.66M	661.65M	702.09M	703.72M	704.88M	747.25M	754.46M
Intangible assets	6.25M	6.21M	6.04M	5.08M	4.12M	3.90M	5.61M	5.63M	5.14M	4.69M
Capital works in progress	8.33M	7.94M	7.89M	7.89M	7.89M	7.89M	7.89M	7.89M	7.81M	-
Other non-current assets	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M
Total non-current assets	679.45M	682.10M	724.89M	726.81M	727.11M	768.65M	773.33M	775.89M	819.11M	819.50M
Total assets	701.20M	703.82M	744.56M	747.39M	750.69M	794.73M	800.76M	807.36M	855.88M	862.49M
Current liabilities										
Trade and other payables	3.73M	3.82M	3.94M	4.04M	4.16M	4.28M	4.43M	4.56M	4.72M	4.85M
Borrowings	1.54M	1.62M	1.70M	1.78M	1.87M	1.96M	2.05M	2.15M	2.26M	2.37M
Employee payables/provisions	4.72M	4.90M	5.08M	5.26M	5.44M	5.62M	5.80M	5.99M	6.17M	6.35M
Other provisions	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M
Total current liabilities	10.14M	10.48M	10.86M	11.22M	11.61M	12.00M	12.44M	12.84M	13.28M	13.71M
Non-current liabilities										
Borrowings	23.19M	21.57M	19.87M	18.08M	16.22M	14.26M	12.20M	10.05M	7.79M	5.43M
Employee payables/provisions	0.49M	0.51M	0.53M	0.54M	0.56M	0.58M	0.60M	0.62M	0.64M	0.66M
Other provisions	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M
Total non-current liabilities	51.84M	50.24M	48.56M	46.73M	44.94M	43.00M	40.97M	38.83M	36.60M	34.25M
Total liabilities	61.98M	60.72M	59.41M	58.01M	56.55M	55.00M	53.40M	51.68M	49.88M	47.96M
Net community assets	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M
Community equity										
Asset revaluation reserve	254.96M	254.96M	292.51M	292.51M	292.51M	332.09M	332.09M	332.09M	373.92M	373.92M
Retained surplus (deficiency)	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M	440.61M
Total community equity	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Cash Flows

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities:										
Receipts from customers	54.26M	56.45M	58.44M	60.46M	62.55M	64.74M	66.97M	69.32M	71.74M	74.26M
Payment to suppliers and employees	(41.41M)	(42.17M)	(43.49M)	(44.60M)	(46.12M)	(47.87M)	(49.82M)	(51.32M)	(53.42M)	(55.31M)
Interest received	1.37M	1.43M	1.42M	1.43M	1.51M	1.64M	1.73M	1.85M	2.02M	2.22M
Finance costs	(1.21M)	(1.14M)	(1.06M)	(0.99M)	(0.90M)	(0.82M)	(0.73M)	(0.63M)	(0.53M)	(0.43M)
Net cash inflow (outflow) from operating activities	13.00M	14.57M	15.31M	16.30M	17.05M	17.69M	18.15M	19.22M	19.80M	20.73M
Cash flows from investing activities:										
Payments for property, plant and equipment	(20.08M)	(15.01M)	(17.87M)	(15.78M)	(14.19M)	(15.22M)	(16.92M)	(15.17M)	(14.34M)	(14.26M)
Subsidies, donations and contributions for new capital expenditure	3.10M	0.63M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M	0.60M
Proceeds from sale of property, plant and equipment	1.24M	0.34M	0.70M	0.64M	0.45M	0.39M	0.37M	0.33M	0.23M	0.23M
Net transfer (to) from cash investments	0.84M	0.86M	0.88M	0.90M	0.93M	0.95M	0.97M	1.00M	1.02M	1.05M
Net cash inflow (outflow) from investing activities	(14.91M)	(13.18M)	(15.85M)	(13.81M)	(12.37M)	(13.44M)	(14.98M)	(13.24M)	(12.49M)	(12.38M)
Cash flows from financing activities										
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(1.48M)	(1.54M)	(1.62M)	(1.70M)	(1.78M)	(1.87M)	(1.96M)	(2.05M)	(2.15M)	(2.26M)
Net cash inflow (outflow) from financing activities	(1.48M)	(1.54M)	(1.62M)	(1.70M)	(1.78M)	(1.87M)	(1.96M)	(2.05M)	(2.15M)	(2.26M)
Net increase (decrease) in cash held	(3.39M)	(0.16M)	(2.16M)	0.80M	2.89M	2.38M	1.21M	3.92M	5.16M	6.09M
Cash at beginning of reporting period	18.27M	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M
Cash Balance	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M	35.02M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Changes in Equity

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset revaluation surplus										
Opening balance	254.96M	254.96M	254.96M	292.51M	292.51M	292.51M	332.09M	332.09M	332.09M	373.92M
Increase in asset revaluation surplus	-	-	37.54M	-	-	39.58M	-	-	41.83M	-
Closing balance	254.96M	254.96M	292.51M	292.51M	292.51M	332.09M	332.09M	332.09M	373.92M	373.92M
Retained surplus										
Opening balance	378.68M	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M
Net result	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M
Closing balance	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M	440.61M
Total										
Opening balance	633.64M	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M
Net result	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M
Increase in asset revaluation surplus	-	-	37.54M	-	-	39.58M	-	-	41.83M	-
Closing balance	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Relevant Measures of Financial Sustainability

	Target	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average
1 Operating Surplus Ratio (Net Operating Surplus / Total Operating Revenue) (%)	Between 0% and 10%	3.6%	4.6%	4.9%	4.7%	5.3%	7.0%	8.8%	9.5%	9.5%	9.2%	6.7%
2 Net Financial Asset / Liability Ratio ((Total Liabilities - Current Assets) / Total Operating Revenue)	<= 60%	69.9%	64.9%	64.0%	58.3%	49.7%	42.8%	38.0%	29.6%	20.0%	9.7%	44.7%
3 Asset Sustainability Ratio (Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	>90%	134.2%	90.5%	107.0%	96.5%	84.4%	89.3%	95.3%	93.0%	88.4%	81.3%	96.0%

Lockyer Valley Regional Council
2018/2019 Budget
Percentage Change in Rates Levied from 2017/2018

General Rates Summary Category	2018 Levy	2019 Levy	Increase	% Change
Urban Residential	4,811,811	4,932,001	120,190	2.50%
Rural Residential	9,909,545	10,157,262	247,718	2.50%
Vacant Land ¹	2,503,468	2,570,739	67,270	2.69%
Non-Principal Place of Residence & Multiple Dwellings	6,084,086	6,250,887	166,800	2.74%
Commercial	1,218,780	1,239,711	20,931	1.72%
Supermarkets	137,295	140,728	3,433	2.50%
Shopping Centres	413,067	423,394	10,327	2.50%
Small Petrol Stations	97,442	99,878	2,437	2.50%
Medium Petrol Stations	114,345	117,204	2,859	2.50%
Large Petrol Stations	160,558	164,572	4,014	2.50%
Extractive Industries	417,376	427,810	10,434	2.50%
Noxious & Offensive	101,152	103,681	2,528	2.50%
Motels, Caravan Parks & Camping Grounds	154,276	158,134	3,858	2.50%
Agriculture General	3,924,850	4,118,149	193,300	4.93%
Intensive Farming	104,681	111,487	6,806	6.50%
On Farm Packing Operations	67,680	72,080	4,400	6.50%
Compressors & Transformers	117,568	120,505	2,937	2.50%
Other	455,339	466,728	11,389	2.50%
TOTAL	30,793,319	31,674,950	881,631	2.86%

Special & Separate Charges	2018 Levy	2019 Levy	Increase	% Change
Rural Fire Levy	301,779	302,280	501	0.17%
Emergency Preparedness Levy	1,754,721	1,758,224	3,503	0.20%
Environmental Levy	236,157	270,496	34,339	14.54%
Resilient Rivers Initiative	33,737	33,812	75	0.22%
Thomas Road Special Maintenance ²	5,000	-	(5,000)	-100.00%
TOTAL	2,331,394	2,364,812	33,418	1.43%

Waste Collection and Recycling Charges	2018 Levy	2019 Levy	Increase	% Change
Waste Collection Commercial Dual Bins	256,417	284,616	28,199	11.00%
Waste Commercial Bins Waste Only	13,950	14,490	540	3.87%
Waste Collection Domestic Dual Bins	3,929,948	3,952,236	22,288	0.57%
Waste Domestic Dual Service UNI ONLY	9,576	9,972	396	4.14%
Extra Waste Bin Commercial	27,536	27,370	(166)	-0.60%
Extra Waste Bin Domestic	10,279	11,591	1,312	12.76%
Extra Waste Recycling Bin Commercial	2,908	3,300	392	13.48%
Extra Waste Recycling Bin Domestic	2,131	2,288	157	7.37%
Waste Management Charge	2,616,577	2,690,038	73,461	2.81%
TOTAL	6,869,322	6,995,901	126,579	1.84%

TOTAL RATES & CHARGES LEVIED
(inc. Growth in assessments
1 Jul 17 to 30 Jun 18)

39,994,035 41,035,663 1,041,628 2.60%

¹ A new category for Vacant Land has been created with properties transferred from Urban and Rural Residential.

² This charge has been discontinued from 1 July 2018.

DETAILED SCHEDULES

Business Unit - Child Care Centres

	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021
Operating Revenue			
Charges and Fees	400,000	412,000	424,360
Operating Grants and Subsidies	630,000	644,490	659,313
Total Operating Revenue	1,030,000	1,056,490	1,083,673
Operating Expenses			
Employee Costs	971,499	995,786	1,020,681
Goods and Services	100,516	102,979	105,502
Depreciation	16,000	16,392	16,794
Total Operating Expenses	1,088,015	1,115,157	1,142,976
Operating Surplus/(Deficit) Before Capital Items	(58,015)	(58,667)	(59,303)
Capital Revenues and Expenses			
Capital Grants, Subsidies and Contributions	-	-	-
Operating Surplus/(Deficit) After Capital Items	(58,015)	(58,667)	(59,303)
Capital Expenses			
Capital Expenditure Renewal / Upgrade	85,000	-	-
Capital Expenditure New	5,000	-	-
Total Capital Expenses	90,000	-	-
Net Surplus/(Deficit) After Operating & Capital Items	(148,015)	(58,667)	(59,303)

Business Unit - Waste Management

	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021
Operating Revenue			
Rates and Utility Charges (Gross)	7,007,200	7,252,452	7,506,288
Discount	(170,000)	(175,950)	(182,108)
Charges and Fees	566,000	582,980	600,469
Interest	31,000	31,155	31,311
Operating Contributions and Donations	45,600	46,968	48,377
Other Revenue	94,500	97,335	100,255
Total Operating Revenue	7,574,300	7,834,940	8,104,592
Operating Expenses			
Employee Costs	548,998	562,723	576,791
Goods and Services	4,051,548	4,150,811	4,252,506
Finance costs	174,000	165,718	157,829
Depreciation	410,000	420,045	430,336
Total Operating Expenses	5,184,546	5,299,296	5,417,462
Operating Surplus/(Deficit) Before Capital Items	2,389,754	2,535,644	2,687,129
Capital Revenues and Expenses			
Capital Grants, Subsidies and Contributions	-	-	-
Operating Surplus/(Deficit) After Capital Items	2,389,754	2,535,644	2,687,129
Capital Expenses			
Capital Expenditure Renewal / Upgrade	295,000	42,000	42,000
Capital Expenditure New	289,000	1,050,000	1,180,000
Loan Redemption	201,000	210,568	220,591
Total Capital Expenses	785,000	1,302,568	1,442,591
Net Surplus/(Deficit) After Operating & Capital Items	1,604,754	1,233,076	1,244,539

Business Unit - Staging Post Café

	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021
Operating Revenue			
Revenue - Sales	1,050,000	1,081,500	1,113,945
Total Operating Revenue	1,050,000	1,081,500	1,113,945
Operating Expenses			
Employee Costs	898,779	921,248	944,280
Goods and Services	409,200	419,225	429,496
Finance costs	900	921	942
Depreciation	24,000	24,588	25,190
Total Operating Expenses	1,332,879	1,365,983	1,399,908
Operating Surplus/(Deficit) Before Capital Items	(282,879)	(284,483)	(285,963)
Capital Revenues and Expenses			
Capital Grants, Subsidies and Contributions	-	-	-
Operating Surplus/(Deficit) After Capital Items	(282,879)	(284,483)	(285,963)
Capital Expenses			
Capital Expenditure Renewal / Upgrade	-	-	-
Capital Expenditure New	20,000	-	-
Total Capital Expenses	20,000	-	-
Net Surplus/(Deficit) After Operating & Capital Items	(302,879)	(284,483)	(285,963)

FOR INFORMATION

LISTING OF PROPOSED CAPITAL WORKS

Worksheet Name	2019		
	Values		
	Grant Funding	Total Costs	Net Cost To Council
Corporate & Community Services			
Disaster Management			
Flood Camera System Upgrade	-	70,000	70,000
Flood Intelligence System	-	10,000	10,000
Alert Forecaster Gauge Mulgowie	-	40,000	40,000
Flooded Road Hot Spot Sensors	-	30,000	30,000
Disaster Management Total	-	150,000	150,000
Facilities			
Buildings & Facilities Asset Replacement Program	-	221,000	221,000
Cochrane Street Units	-	20,000	20,000
Laidley Swimming Pool	-	35,000	35,000
Static safety lines - various facilities building	-	30,000	30,000
Laidley Pioneer Village	-	50,000	50,000
Murphys Creek Community Centre	-3,000	9,000	6,000
Gatton Showgrounds	-305,000	605,000	300,000
Laidley Cultural Centre	-	100,000	100,000
Lockyer Valley Sports & Aquatic Centre	-	25,000	25,000
Gatton Depot	-	205,000	205,000
Laidley Community Centre	-	30,000	30,000
Gatton Shire Hall	-	100,000	100,000
Lockyer Valley Indoor Sports Centre	-	55,000	55,000
Withcott Sports Centre - Sewerage	-	20,000	20,000
Blenheim Public Toilets	-	25,000	25,000
Lockyer Valley Equestrian Centre	-	50,000	50,000
Multiple Venues - Solar Initiatives	-	250,000	250,000
Office Accommodation Review	-	30,000	30,000
Facilities Total	-308,000	1,860,000	1,552,000
Gatton Child Care Centre			
Landscaping	-	10,000	10,000
Replace all internal & child proof gates and doors	-	5,000	5,000
Gatton Child Care Centre	-	45,000	45,000
Update Children's equipment	-	5,000	5,000
Gatton Child Care Centre Total	-	65,000	65,000
Gatton Library			
Gatton Library redevelopment	-	20,000	20,000
Gatton Library Total	-	20,000	20,000
Information Technology			
GIS Enhancement	-	50,000	50,000
Implement BCP Functionality	-	50,000	50,000
Website Upgrade	-	50,000	50,000
LVCC Point of Sale	-	20,000	20,000
Skype for Business	-	20,000	20,000
Data Centre Upgrades	-	50,000	50,000
Technology One (P&R, CES, ECM, IntraMaps)	-	650,000	650,000
Audio Video Equipment	-	30,000	30,000
Network Perimeter Security (Firewalls)	-	75,000	75,000
Network Cabinets & Cabling	-	20,000	20,000
MS Office 365	-	50,000	50,000
Digital Signatures	-	50,000	50,000
Cyber Security	-	100,000	100,000
Printers/Scanners Renewal	-	60,000	60,000
UPS Renewal	-	25,000	25,000
Switches Renewal	-	63,000	63,000
Wireless Access Points	-	25,000	25,000
Information Technology Total	-	1,388,000	1,388,000
Public Order & Safety			
Unidentified CCTV Works	-	10,000	10,000
Das Neumann Haus CCTV	-4,980	4,980	0
Public Order & Safety Total	-4,980	14,980	10,000

Worksheet Name	2019		
	Values		
	Grant Funding	Total Costs	Net Cost To Council
SES			
Laidley SES Floor Coverings	-	14,000	14,000
Gatton SES Driveway Improvement	-	10,000	10,000
Roof ventilation	-	5,000	5,000
SES Total	-	29,000	29,000
Transfer Stations			
Bitumen Sealing at Transfer Stations	-	60,000	60,000
Survey and Fencing of Transfer Stations	-	35,000	35,000
Transfer Stations Landscaping	-	20,000	20,000
Landscaping	-	15,000	15,000
Gatton - Weighbridge Platform/ramp	-	25,000	25,000
Laidley Waste Facility - Shed	-	75,000	75,000
Gatton and Laidley - Telemetry	-	50,000	50,000
Waste Transfer Station for improved compliance	-	130,000	130,000
Pest (weeds & fireants) washdown provision	-	70,000	70,000
Gatton Site - sedimentation dam	-	9,000	9,000
Waste management signage review and replacement	-	15,000	15,000
Oil buildings	-	10,000	10,000
Gatton Plant shed	-	10,000	10,000
Additional digital cameras for sites	-	30,000	30,000
Transfer Stations Total	-	554,000	554,000
Waste Collection			
Garbage Truck Turnarounds	-	30,000	30,000
Waste Collection Total	-	30,000	30,000
Information Management			
Records Relocation	-	100,000	100,000
Information Management Total	-	100,000	100,000
Health and Regulatory Services			
Shade Shelters for Cattle Yards	-	10,000	10,000
Upgrade Gate	-	15,000	15,000
Dog Off Leash Area(s)	-	50,000	50,000
Security fencing for dog runs	-	7,500	7,500
Lockyer Valley Animal Management Facility	-	20,000	20,000
Health and Regulatory Services Total	-	102,500	102,500
Kensington Grove Community Childcare			
Refurbish and Paint interior & exterior of building	-	15,000	15,000
Kensington Grove Child Care	-	5,000	5,000
Update children's furniture & outdoor equipment	-	5,000	5,000
Kensington Grove Community Childcare Total	-	25,000	25,000
Corporate & Community Services Total	-312,980	4,338,480	4,025,500
Executive Office			
Regional Development Management			
Entry Statements	-	40,000	40,000
Regional Development Management Total	-	40,000	40,000
Tourism Initiatives			
Event Promotion Stands and Props	-	40,000	40,000
Tourism Initiatives Total	-	40,000	40,000
Legal Services			
Property Management & Disposal Strategy	-585,000	335,000	-250,000
Legal Services Total	-585,000	335,000	-250,000
Executive Office Total	-585,000	415,000	-170,000
Infrastructure Works & Services			
Capital Program Delivery			
Hickey Street, Gatton	-	390,000	390,000
Kerb and channel rehabilitation programme - various	-	290,000	290,000
Culvert renewals - Lake Clarendon Way (TIDS)	-60,000	150,000	90,000
Bitumen Reseal Program - Various (R2R)	-181,115	800,000	618,885
Stormwater improvements, Gatton	-	250,000	250,000

Worksheet Name	2019		
	Values		
	Grant Funding	Total Costs	Net Cost To Council
NDRRA Capital Works	-980,000	1,175,000	195,000
Gaul Street, Gatton CH 0 - 300	-	350,000	350,000
Forestry Road bridge, Vinegar Hill	-	130,000	130,000
William St footpaths, Gatton	-	20,000	20,000
Gravel Resheeting Program (R2R)	-100,000	850,000	750,000
Peters Street, Gatton CH 0 - 173	-	240,000	240,000
Summerholm Road, Summerholm (TIDS)	-50,000	100,000	50,000
Black Spot programme - awaiting funding decision	-600,500	750,500	150,000
Centenary Park lighting, Gatton	-41,500	83,000	41,500
Railway Street Gatton town lighting	-52,500	105,000	52,500
Dolleys Rd upgrade, Withcott	-	240,000	240,000
Blanchview Road signage, Blanchview (TIDS)	-10,000	20,000	10,000
Lockyer Valley District School, Gatton (TIDS)	-50,000	100,000	50,000
Laidley High School, Laidley (TIDS)	-50,000	100,000	50,000
Mountain Road widening, Summerholm (TIDS)	-75,000	150,000	75,000
Back Flagstone Road, Iredale	-	260,000	260,000
Airforce Road culvert and approaches (TIDS)	-156,765	313,530	156,765
Railway crossings safety improvements	-	30,000	30,000
Stevens Road. upgrade and bitumen seal	-	150,000	150,000
Drainage works - Tew Ct and Rogers Drive, Gatton	-	50,000	50,000
Drainage works - White Gums Road, Hatton Vale	-	80,000	80,000
Urban stormwater drain inlet protection audit	-	40,000	40,000
Golf Links Drive, Gatton, signs and lines safety improvements	-	17,500	17,500
Spencer Street Shared Pathway Upgrade - PCNP application	-99,000	198,000	99,000
Hannant Road, Kensington Grove (TIDS)	-50,000	100,000	50,000
Guardrail renewals	-	45,000	45,000
Lake Clarendon Way, Lake Clarendon CH 0 - 1500	-	385,000	385,000
Princess Street road pavement, Gatton	-	250,000	250,000
Jordan Street, Gatton CH 0 - 150	-	210,000	210,000
Edward Street, Laidley CH 0 - 270	-	290,000	290,000
Head Street, Laidley CH 0 - 450	-	400,000	400,000
Gehrke Hill Road, Summerholm CH 100 - 1000	-	350,000	350,000
Thallon Road, Kensington Grove CH 2700 - 4500 (TIDS)	-225,446	450,892	225,446
Bridge - minor remedial works	-	90,000	90,000
Cooper Street, Laidley	-60,000	120,000	60,000
Hayes Street, Laidley CH 340 - 730	-	400,000	400,000
Capital Program Delivery Total	-2,841,826	10,523,422	7,681,596
Depot			
Loose Tools & Equipment	-	10,000	10,000
Gatton Depot Quarry Bays	-	20,000	20,000
Depot Total	-	30,000	30,000
Fleet			
Trucks	-338,000	1,240,000	902,000
Trailers	-	25,000	25,000
Mowers	-25,000	164,000	139,000
Passenger Vehicles	-74,000	296,000	222,000
Light Commercial Vehicles	-165,000	663,000	498,000
Earthmoving equipment	-50,000	250,000	200,000
Crane Mechanism in Workshop	-	15,000	15,000
Fleet Total	-652,000	2,653,000	2,001,000
Parks & Open Spaces			
Lake Apex Tree Planting	-	4,400	4,400
Lake Apex Storage Shed	-	4,950	4,950
Rotary Park BBQ Shelter	-	4,400	4,400
Centenary Park, Gatton	-	83,000	83,000
Hatton Vale Park engagement & design	-	60,000	60,000
Centenary Park	-	4,050	4,050
Laidley Recreation Reserve bollard replacement	-	49,000	49,000
Lake Apex - upgrade of steps	-	27,500	27,500
Lake Apex Shelter, Gatton	-	19,800	19,800
Lake Apex fingerboard signage	-	8,800	8,800

Worksheet Name	2019		
	Values		
	Grant Funding	Total Costs	Net Cost To Council
Lions Park, Laidley - install bollards	-	62,390	62,390
Lions Park irrigation renewal, Laidley	-	16,500	16,500
Rotary Park BBQ, Gatton	-	10,169	10,169
Jean Biggs Park, Withcott	-	21,000	21,000
Fred Gillam Park Play equipment	-	7,000	7,000
Murphys Creek Ground seating	-	8,500	8,500
Murphys Creek Cricket Ground fence	-	30,000	30,000
6 Elizabeth Street, Withcott	-	10,000	10,000
Sprinbrook Park bollard installation	-	32,000	32,000
Forest Hill Place	-	10,000	10,000
Plainland roundabout landscaping upgrades	-37,500	75,000	37,500
Gatton Revitalisation - various	-	49,500	49,500
Park Structure Assessment	-	16,500	16,500
Parks & Open Spaces Total	-37,500	614,459	576,959
Cemetery			
Gatton Cemetery Seating	-	7,700	7,700
Laidley Columbarium	-	29,150	29,150
Gatton Cemetery Expansion Works	-	275,000	275,000
Cemetery Total	-	311,850	311,850
Infrastructure Works & Services Total	-3,531,326	14,132,731	10,601,405
Organisational Development & Planning			
Staging Post Café			
Roadside Signage for whole of complex	-	20,000	20,000
Staging Post Café Total	-	20,000	20,000
Sport Recreation and Community Grants			
Implementation of Sport & Rec Plan	-	50,000	50,000
Purchase of new wide area mower	-	70,000	70,000
Sport Recreation and Community Grants Total	-	120,000	120,000
Planning Scheme			
Planning Scheme	-	430,000	430,000
Scheme feedback/BRFS Phase 4 - local flood planning	-40,000	100,000	60,000
Master Planning - future urban - Gatton cbd	-30,000	75,000	45,000
Flood Modelling - DM & planning - Thornton	-20,000	50,000	30,000
Flood Modelling - DM & planning - LTPS	-20,000	50,000	30,000
Engineering (not included in expert report to come)	-24,000	60,000	36,000
Cooper St Mitigation	-40,000	100,000	60,000
Flood modelling - DM & planning	-18,000	45,000	27,000
Local Government Infrastructure Plan	-	50,000	50,000
Flood investigations	-30,000	75,000	45,000
Plainland Structure Planning	-	50,000	50,000
Planning Scheme Total	-222,000	1,085,000	863,000
Organisational Development & Planning Total	-222,000	1,225,000	1,003,000
Grand Total	-4,651,306	20,111,211	15,459,905



Lockyer Valley Regional Council
Estimated Statement of Comprehensive Income
For Period Ending 30 June 2018

	2017-2018 Full Year Budget	2017-2018 Estimated Actuals	Variance	%
Operating Revenue:				
Rates and Utility Charges (Gross)	40,057,990	40,065,822	(7,832)	(0.02%)
Discount	(1,610,000)	(1,621,884)	(11,884)	0.74%
Charges and Fees	5,284,500	5,608,551	324,051	6.13%
Interest	1,682,880	1,749,500	66,620	3.96%
Operating Grants and Subsidies	6,843,306	6,771,898	(71,408)	(1.04%)
Operating Contributions and Donations	158,000	161,788	3,788	2.40%
Revenue - Contract/Recoverable Works	2,630,300	2,664,879	34,579	1.31%
Other Revenue	2,114,900	2,193,927	79,027	3.74%
Profit from Investments	1,807,000	1,807,000	-	0.00%
Total Operating Revenue	58,968,876	59,401,480	416,940	0.71%
Operating Expenses:				
Employee Costs	24,705,635	24,518,926	(186,709)	(0.76%)
Goods and Services	18,374,606	17,453,225	(921,382)	(5.01%)
Finance costs	1,639,430	2,081,249	441,819	26.95%
Depreciation	12,647,310	12,629,885	(17,425)	(0.14%)
Total Operating Expenses	57,366,981	56,683,285	(683,696)	(1.19%)
Operating Surplus/(Deficit)	1,601,894	2,718,196	1,100,636	68.71%
Capital Revenue:				
Capital Grants, Subsidies	4,882,500	4,772,376	(110,124)	(2.26%)
Developer Contributions	29,000	6,867,183	6,838,183	23579.94%
Profit (Loss) on Disposal of Non Current Assets	120,000	(2,878,707)	(2,998,707)	(2498.92%)
Total Capital Revenue	5,031,500	8,760,852	3,729,352	74.12%
Operating Surplus/(Deficit) After Capital Items	6,633,394	11,479,048	4,829,988	72.81%

Lockyer Valley Regional Council
Estimated Statement of Financial Position
As at 30 June, 2018

	2017-2018 Full Year Budget	2017-2018 Estimated Result
<u>Current Assets</u>		
Cash assets and cash equivalents	12,370,000	3,643,000
Cash investments	10,000,000	14,600,000
Trade and other receivables	3,540,000	3,782,760
Inventories	348,000	458,319
Non-current assets classified as held for sale	3,052,000	2,297,137
Total Current Assets	29,310,000	24,781,216
<u>Non Current Assets</u>		
Trade and other receivables	14,740,000	14,745,256
Equity investments	30,780,000	29,702,587
Investment properties	1,850,000	1,847,000
Property, plant and equipment	619,140,000	604,310,206
Intangible assets	5,520,000	4,384,799
Total Non Current Assets	672,020,000	654,989,849
TOTAL ASSETS	701,330,000	679,771,065
<u>Current Liabilities</u>		
Trade and other payables	4,000,000	3,159,294
Provisions	4,680,000	4,678,139
Borrowings	1,770,000	1,457,000
Total Current Liabilities	10,450,000	9,294,434
<u>Non Current Liabilities</u>		
Provisions	28,630,000	28,633,269
Borrowings	28,320,000	24,760,000
Total Non Current Liabilities	56,950,000	53,393,269
TOTAL LIABILITIES	67,390,000	62,687,702
NET COMMUNITY ASSETS	633,940,000	617,083,362
<u>Community Equity</u>		
Retained surplus (deficiency)	367,465,311	367,465,610
Asset revaluation surplus	254,960,000	233,257,410
Reserves	4,881,295	4,881,295
Current Surplus/(Deficit)	6,633,394	11,479,048
TOTAL COMMUNITY EQUITY	633,940,000	617,083,362

LOCKYER VALLEY REGIONAL COUNCIL
Estimated Statement of Cash Flows
For the period ended 30 June, 2018

	2017-2018 Full Year Budget	2017-2018 Estimated Actuals
<u>Cash flows from operating activities:</u>		
<u>Receipts</u>		
Receipts from customers	56,110,000	55,002,443
Dividend received	800,000	867,360
Interest received	1,680,000	1,749,500
<u>Payments</u>		
Payments to suppliers and employees	(45,390,000)	(45,440,714)
Interest expense	(1,470,000)	(1,553,226)
Net cash inflow (outflow) from operating activities	11,740,000	10,625,363
<u>Cash flows from investing activities:</u>		
Capital grants, subsidies and contributions	4,610,000	4,772,376
Payments for property, plant and equipment	(19,870,000)	(17,785,507)
Net transfer (to) from cash investments	770,000	-
Proceeds from sale of property plant and equipment	240,000	50,000
Net cash inflow (outflow) from investing activities	(14,250,000)	(12,963,131)
<u>Cash flows from financing activities:</u>		
Repayment of borrowings	(2,360,000)	(6,660,000)
Proceeds from borrowings	-	-
Net cash inflow (outflow) from financing activities	(2,360,000)	(6,660,000)
Net increase (decrease) in cash and cash equivalents held	(4,870,000)	(8,997,768)
Cash and cash equivalents at beginning of the financial year	27,240,000	27,240,768
Cash and cash equivalents at end of the financial year	22,370,000	18,243,000



Date: 28 May 2018
Author: Tony Brett, Manager Finance & Customer Services
Responsible Officer: David Lewis, Executive Manager Corporate & Community Services

In adopting the plan, Council is clearly stating the assumptions and parameters that have been used in the development of its 2018/2019 budget and associated financial forecast.

THAT Council resolve to adopt the attached 2018/2019 to 2027/2028 Long Term Financial Plan.

**SPECIAL MEETING OF
ORDINARY COUNCIL
MEETING MINUTES
5 JUNE 2018**

between a plan, which provides details on assumptions, risks, and conducts sensitivity analysis, and a forecast, which only sets out the financial results with little additional detail.

In 2017 the Queensland Audit Office (QAO) conducted a performance review into forecasting long term sustainability within the local government sector. In that report a number of recommendations were made including recommending that Councils reinstate the practice of developing a financial plan in addition to the legislative requirements. Whilst not mandatory, Council has accepted that recommendation.

3. Report

With a renewed focus on financial sustainability, Council has recognised the importance of good financial planning and this plan has been developed in response to the QAO Performance Audit “Forecasting long-term sustainability of local government (Report 2: 2016–17)” and specifically recommendation 4:

‘We recommend councils improve the quality of their long-term forecasts and financial planning by developing financial plans to explain their financial forecasts and how they intend to financially manage the council and its long-life assets.’

This is Council’s second long term financial plan and it provides detailed information on the parameters that have been used in developing its 2018/2019 Budget and Long Term Financial Forecast. Future versions of the plan will look to include more detailed information on Council’s policy intentions for key items within the plan. The content of this plan is in line with the items identified by QAO as forming part of a ‘better practice’ long term financial plan.

The plan will be updated at least annually as part of Council’s annual budget development process or in response to major changes in Council’s financial situation as they occur.

4. Policy and Legal Implications

The adoption of a Long Term Financial Plan is not required by legislation and is seen as a “better practice” method to improve financial forecasting and budgeting.

The Long Term Financial Plan references relevant Council policies and plans, including the Corporate Plan, Service Management Plans and budget related policies.

5. Financial and Resource Implications

The Long Term Financial Plan documents the assumptions and parameters Council has used to develop its budget. The ability to reference the data that underpins Council’s budget will make it easier to understand the implications of changes in circumstances for future forecasts.

Sensitivity analysis has been performed and it has shown that the financial items, which have the largest impact on Council’s sustainability, are rate revenues and employee costs. Understanding the impacts of these potential changes assists Council in its decision making process in the setting of budget parameters.

6. Delegations/Authorisations

**SPECIAL MEETING OF
ORDINARY COUNCIL
MEETING MINUTES
5 JUNE 2018**

No further delegations are required to manage the issues raised in this report. The Chief Executive Officer will manage the requirements within existing delegations.

7. Communication and Engagement

The implications of the Long Term Financial Plan will be incorporated into extensive communications associated with Council's 2018/2019 Budget.

8. Conclusion

The adoption of Council's Long Term Financial Plan demonstrates Council's commitment to improved financial sustainability. The Long Term Financial Plan documents the assumptions and parameters used in developing the 2018/2019 Budget and Long Term Financial Forecast and will be used as a reference when explaining Council's expected financial results.

9. Action/s

1. Council to adopt the attached Long Term Financial Plan.
2. Publish the plan on Council's website.

Attachments

1 [View](#) Long Term Financial Plan 2018/2019 to 2027/2028 36 Pages



LOCKYER VALLEY REGIONAL COUNCIL

LONG TERM FINANCIAL PLAN

2018/2019 – 2027/2028

Table of Contents

Introduction	3	Buildings & Facilities	12
Summary of Key Items	4	Information Services	12
Background	5	Fleet & Plant	13
Council's Financial History	5	Disaster Management	13
Operational & Capital Income and Expenditure	5	Parks, Gardens	13
Assets	6	Cemeteries	14
Liabilities	6	Waste	14
Relevant Measures of Sustainability	7	Assumptions & Risks	14
Queensland Treasury Corporation Reviews	7	Sources of Information	15
Current Financial Situation	9	Identified Risks	15
Strategic Alignment	9	Key Plan Outcomes	16
Legislative Requirements	9	Rating Revenues	16
Policy Linkages	10	General Rates	17
Revenue Policy	10	Waste Charges	17
Revenue Statement	10	Separate & Special Charges	18
Debt Policy	10	Other Revenues	18
Investment Policy	10	Fees & Charges	18
Strategic Planning Linkages	11	Sales Revenue	19
Service Management Planning	11	Interest & Investment Income	19
Transport	11	Grants & Subsidies	19
		Other Revenue	20
		Employee Costs	20
			2

Materials and Services	21
Finance Costs	21
Depreciation.....	22
Capital Revenues.....	22
Capital Expenditure.....	23
Cash and Investments.....	23
Other Assets.....	23
Liabilities.....	24
Ratio Analysis.....	25
Key Sustainability Ratios	25
Operating Surplus Ratio	25
Net Financial Asset/Liability Ratio	26
Asset Sustainability Ratio	26
Other Sustainability Ratios.....	26
Cash Coverage Ratio	26
Sensitivity Analysis	27
Financial Statements 2019 - 2028.....	32
Statement of Comprehensive Income	33
Statement of Financial Position	34
Statement of Changes in Equity	35
Statement of Cash Flows.....	36

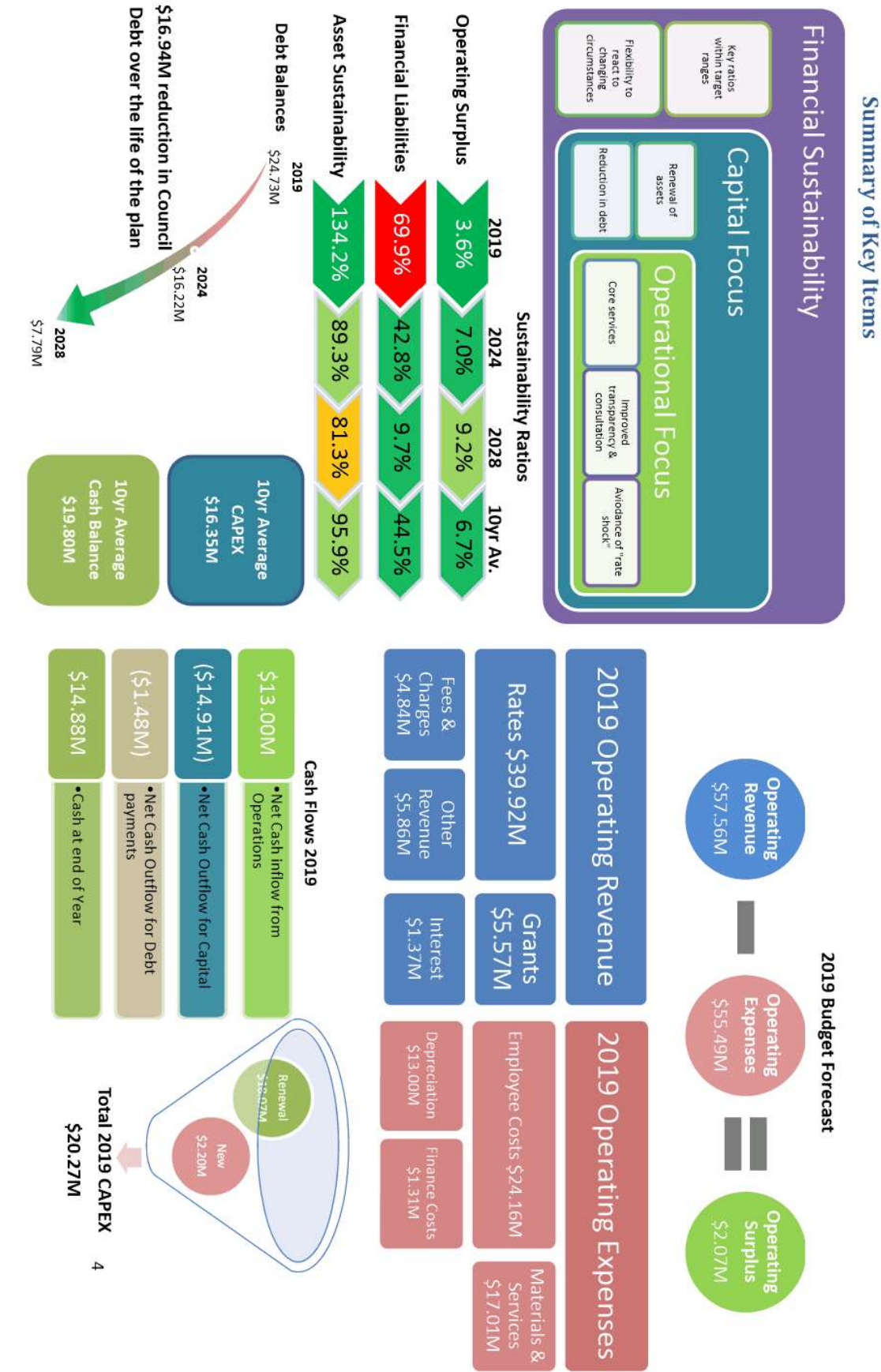
Introduction

With a renewed focus on financial sustainability, in 2017 Council recognised the importance of good financial planning and the first version of this plan was developed in response to the Queensland Audit Office (QAO) performance audit “Forecasting long-term sustainability of local government (Report 2: 2016–17)” and specifically recommendation 4:

‘We recommend councils improve the quality of their long-term forecasts and financial planning by developing financial plans to explain their financial forecasts and how they intend to financially manage the council and its long-life assets.’

In this updated long term financial plan Council seeks to provide detailed information on the parameters that have been used in developing the 2018/2019 Budget and Long Term Financial Forecast. Subsequent versions of the plan will look to include more detailed information on Council’s policy intentions for key items within the plan. The content of this plan is in line with the items identified by QAO as forming part of a ‘better practice” long term financial plan.

The plan will be updated at least annually as part of the budget development process or in response to major changes in Council’s financial situation as they occur.



Background

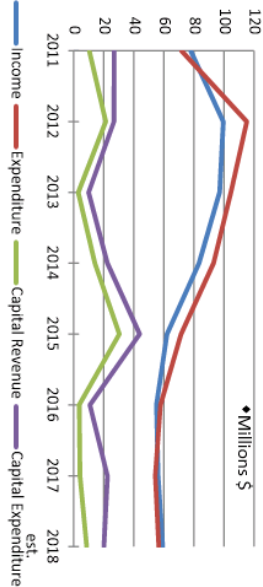
Council's Financial History

Operational & Capital Income and Expenditure

In 2008 the Lockyer Valley Regional Council was created through the amalgamation of the Laidley Shire Council and the Gatton Shire Council. For its first full financial year of operations in 2010 the total revenue was \$45.44M and total expenditure was \$43.27M; while capital revenues were \$23.32M and capital expenditures were \$27.60M. In 2011, Council's water and waste water services were incorporated into Queensland Urban Utilities with a consequent reduction in revenues and expenditures.

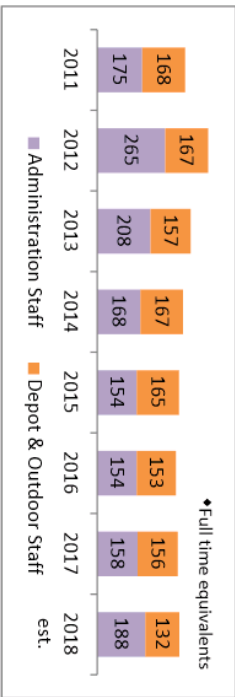
In January 2011 the region was subjected to serious flooding which stretched Council's resources beyond capacity. In terms of Council's physical assets, damage was sustained to 77% of our road infrastructure, 83% of our bridges, 58% of our floodways and 20% of our culverts. The cost of the damage was in the order of \$200M. While the recovery from this disaster was still underway, a further flood event occurred in January 2013 which was on the same magnitude as the previous event, but affecting different locations within the region.

In order to recover from these disaster events, Council employed a significant level of additional resources across multiple areas of Council. Funding was provided under the National Disaster Relief and Recovery Arrangements to provide immediate disaster relief and also for the longer term restoration of public assets. The income and expenditure related to the disaster events spanned the years 2011 to 2015, when the recovery programme came to a close. The following graphs show a snapshot of the income, expenditure and full time equivalent employee numbers for those years.



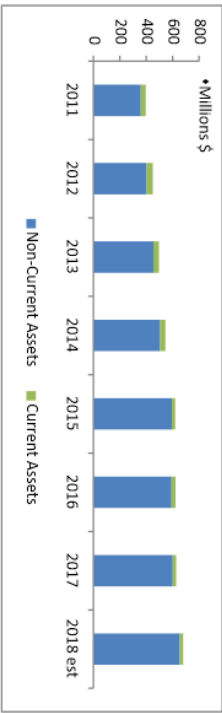
As can be seen from the graphs Council income and expenditures have reduced since its peak in 2012 when the flood recovery effort was in full swing. The second disaster event in 2013 did not have as large an impact on Council's finances as they were already at a heightened level. In the 2014 financial year, the flood recovery effort moved from operational type works to capital works with the restoration of damaged assets. This work was completed prior to June 2015.

The 2015 and 2016 years saw a reduction in the recovery related revenues and expenditures and associated staff levels, with Council looking to make the reductions over a period of two years. The reductions were necessary as additional costs could not be funded through rates or any other own source revenues.



Assets

Infrastructure, property, plant and equipment make up the majority of Council's assets. Other assets include cash, trade receivables, the investment in Queensland Urban Utilities (QUU) and the loan to QUU.



Council invests its surplus cash in either a QTC 'at call' account or in term deposits. The amount of cash depends on the completion of the capital works programme, and the timing of income and expenditure. During the year the cash balance will peak in August/September and January/February as this is when the majority of the rates will be paid. The average end of year balance over the past eight years has been \$26.15M.

Council's trade receivable debtor balances have reduced from \$9.60M in 2011 to an estimated \$3.78M in 2018. This has been the result of an improved debt collection process which has been consistently applied. This debt collection process remains in place and collections continue to improve on previous years.

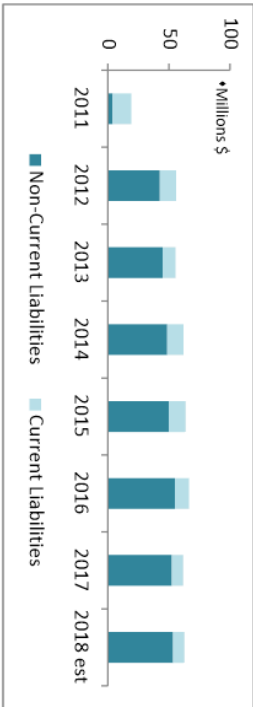
As compensation for the transfer of Council's water and waste water business to QUU Council received a 0.96% stake in the new business. In 2018 this was worth an estimated \$29.70M which has generated an average return of \$1.5M per year. Council also has a \$14.75M interest

only shareholder loan arrangement with QUU which contributes around \$0.71M to Council's annual interest earnings.

Infrastructure, property plant and equipment have increased by \$286.66M since 2011 both as a result of additions to the asset base through the upgrade of existing assets, construction of new assets, developer contributions and the revaluation process. In order to comply with accounting standards, Council engages the services of an external professional valuer to provide regular updates on the value of its assets. Over the years 2011 to 2018, the value of the assets has increased an estimated \$186.69M through this process.

Liabilities

Council's liabilities are comprised of trade payables, balances owing to employees for accumulated leave, loan borrowings and provisions. While current liabilities have remained relatively stable over the past seven years, non-current liabilities have grown significantly in that time.



Like most other Local Government Authorities throughout Australia, Lockyer Valley Regional Council utilises loan borrowing to fund the construction of new infrastructure to service the needs of our growing community.

During the financial years 2011/12 to 2014/15, Council borrowed a total of \$38.15M, with the majority of borrowings occurring in the 2011/12 year. These loans were used to fund the construction of the Lockyer Valley Aquatic Centre (\$10.25M), Laidley Multisports Centre (\$2.20M), information technology systems (\$4.03M), upgrades to waste facilities (\$3.06M) and the Grantham Land Swap (\$7.50M). The loans have been consolidated and the repayments are funded through general revenues.

Included in the borrowing total was \$11.00M to fund some of the disaster recovery costs that were not eligible under grant arrangements. The repayments on this loan are funded through a levy on all rateable properties in the region.

In 2018, Council's total debt represents just 3.86% of its total assets. The other significant change in Council's liabilities over this period was the recognition of a provision for the estimated future costs of monitoring and rehabilitating Council's landfill and quarry sites. The provision is reviewed annually and is subject to change through the discount rate used to calculate the net present value and the unit rates of costs incurred. The provision may also change due to legislative requirements or technology innovations. In 2018 the provision represents 53.14% of Council's total liabilities.

Relevant Measures of Sustainability

The Local Government Act 2009 defines financial sustainability as being able to maintain financial capital and infrastructure capital over the long-term. Councils need to generate sufficient finances to continue to operate without eroding their physical asset base.

Due to the fluctuations in operational and capital expenditures caused by the disasters and the uncertain timing of grant funding, Council's sustainability results have been difficult to forecast. Despite forecasting a return to an operating surplus, each year since 2011 has resulted in an

operational deficit which has placed Council outside of the recommended parameters for the sustainability measures used in the *Local Government Regulation 2012*. The forecast operating surplus in 2017 was delivered and although still subject to finalisation and audit confirmation, it is expected that there will be an operating surplus in 2018.

The increase in the Net Financial Asset/Liability ratio is as a result of reduced cash assets and increased total liabilities. While this is not of concern while it remains just outside of the recommended parameters in the short term, it will need to be addressed over the medium to long term.

The Asset Sustainability ratio will fluctuate each year depending on the level and type of capital works completed. These annual fluctuations are not of a concern as long as the long term average is within the parameter or Council's service management plans can demonstrate that a lower level of expenditure is appropriate. It is also highly dependent on the accuracy of the depreciation estimates and as the asset base is revealed upwards, the amount of depreciation increases. The results for 2011 and 2012 are unable to be calculated as the data was not required to be kept at that time.

	Target ¹ Between 7% and 10%	2011	2012	2013	2014	2015	2016	2017	2018 e=1	Average e=1 (4.5)%
Operating Surplus Ratio (Net Operating Surplus / Total Operating Revenue) (%)		7.87%	15.70%	17.77%	11.69%	14.88%	14.57%	8.79%	2.24%	
Net Financial Asset/Liability Ratio (Total Liabilities - Current Assets) / Total Operating Revenue)	<= 60%	(23.38)%	9.47%	15.23%	29.00%	60.15%	64.07%	60.15%	63.22%	35.0%
Asset Sustainability Ratio (Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	>60%	N/A	N/A	76.2%	88.5%	255.2%	47.6%	88.5%	111.5%	111.6%

Queensland Treasury Corporation Reviews

The Queensland Treasury Corporation (QTC) undertakes a financial review as part of the Local Government Borrowings Program or as requested by the Department of Infrastructure, Local Government and

Planning (the Department) or Council. These reviews are predominately aimed at whether or not Council can repay existing debt and any additional borrowings that have been applied for. The review looks at data drawn from Council's financial forecast model, prior year audited financial results and information gained by interviewing key staff.

While the review is predominately credit related, it provides a rating which assesses Council's financial sustainability in accordance with a scale developed by QTC. The assessed outlook focusses on foreseeable future events which could cause the potential movement in the rating over the short term. Ratings range over seven levels from "Very Strong" to "Distressed" while the outlook can be "Positive", "Negative", "Neutral" or "Developing".

The QTC Review is a useful tool in reviewing Council's financial sustainability as it provides an independent assessment of Council's position at the time of the review.

The following table shows the outcomes of Council's QTC reviews since 2012:

Review Date	Rating	Outlook
2012	Moderate	Neutral
2013	Moderate	Negative
2014 (March)	Moderate	Negative
2014 (December)	Weak	Neutral
2016	Weak	Neutral

The most recent review rated Council as "Weak with a Neutral outlook" which was unchanged from the December 2014 review. As per QTC's definitions, a rating of weak means:

"A local government with an acceptable capacity to meet its financial commitments in the short to medium-term and a limited capacity in the long-term. It has a record of reporting

moderate to significant operating deficits with a recent operating deficit being significant. It is unlikely to be able to address its operating deficits, manage unforeseen financial shocks, and any adverse changes in its business, without the need for significant revenue and/or expense adjustments. The expense adjustments would result in significant changes to the range of and/or quality of services offered. It may experience difficulty in managing core business risks."

A neutral outlook means:

"There are no known foreseeable events that would have a direct impact on the local government's capacity to meet its financial commitments. It may be possible for a rating upgrade or downgrade to occur from a neutral outlook, if such an event or circumstance warranted as such."

QTC identified the following factors which influenced the rating:

- Large operating deficit in 2015 which was larger than originally budgeted,
- Operating deficits continuing over the forecast period, and
- Asset management plans not being sufficiently developed.

According to the report, "the key financial challenge will be to achieve the forecast rate revenue increases while restricting materials and services expenses and reducing employee expenses so that Council's annual operating deficit is reduced to an acceptable level."

Council would like to see its QTC rating return to "Moderate" over the short-term with a longer term goal of "Sound". The key differences between the ratings are around the level of operating deficits and surpluses and the Council's ability to handle potential financial shocks without significant changes in service levels, revenues or expenditures.

Discussions with QTC have indicated that there is no intention to conduct a further review at this time, however Council's adopted 2018/2019 budget, and this long term financial plan are supporting Council's rating goals by continuing to address the challenges identified by QTC and deliver a financially sustainable future.

Current Financial Situation

The 2018/2019 budget continues to consolidate the savings measures adopted in the previous years. It is the third budget without any significant disaster grant funding and it is once again targeting an operating surplus. With surpluses delivered for the 2016/2017 and 2017/2018 financial years, this plan sees the third successive surplus and is a strong indication that Council's financial situation has turned around.

As with the 2017/2018 budget, Council wanted to provide a framework for securing its financial sustainability over the life of the forecast period. To achieve this they aim for:

- Operating surpluses for the forecast period.
- Smoother increases in rates from year to year to avoid any "rate shock".
- Reductions in debt balances on top of the scheduled repayments.
- Review of operations and service levels to focus on core services.
- Improved transparency and consultation in developing future budgets.

The current forecast has the levels of income and expenditure at what should be considered as 'normal' operations. It also sees operating surpluses for the life of the long term plan and a more sustainable level of capital works which is focussed on renewals.

Improved asset data and a planned inspection regime will ensure that Council's understanding of the condition of its assets is better than it has

ever been. This will in turn improve the outputs from the service management plans for each class of assets and ensure a more realistic forecast of the required levels of expenditure.

Strategic Alignment

Legislative Requirements

The following table outlines the sections of the legislation relating to financial sustainability:

Section	Description
LGA s104(2)	Definition of sustainable local government.
LGA s104(5)	Components of a financial management system.
LGR s167	Requirement for a long-term asset management plan.
LGR s168	Contents of a long-term asset management plan.
LGR s169(2)(a)	Long-term financial forecast must be included in budget process.
LGR s169(5)	Measures of financial sustainability.
LGR s171(1)	Definition of a long-term financial forecast.
LGR s171(2)	Annual review of long-term financial forecast.
LGR s176	Current year financial sustainability statement and long-term financial sustainability statement must be prepared.
LGR s178(1)	Current year financial sustainability statement requirements.
LGR s178(2)	Long-term financial sustainability statement requirements.
LGR 179(2)(c)	Measures of financial sustainability to be included in community financial report.
LGR s183(b) & (c)	Must include current year and long-term financial sustainability statements in the annual report.

Section	Description
LGR s212(1)	Current year financial sustainability statement to be audited.
LGR s212(2)	Long-term financial sustainability to be provided to Auditor General for information.

LGA = Local Government Act 2009, LGR = Local Government Regulation 2012

Council is fully compliant with the requirements of the legislation and the adoption of this Long Term Financial Plan is in addition to these requirements. A Long Term Financial Plan is considered to be an example of a better practice approach to financial sustainability.

Policy Linkages

The long term financial plan is influenced by the following policy documents. The policies are reviewed on an annual basis and adopted as part of the budget process.

Revenue Policy

Section 169 (2) (c) of the *Local Government Regulation 2012* requires Council to include a Revenue Policy in its annual budget.

The purpose of the Revenue Policy is to set out the principles used by Lockyer Valley Regional Council for the making and levying rates and charges, determining the purpose of and the granting of concessions for rates and charges, recovering overdue rates and charges, methods for setting cost recovery fees, and the extent to which physical and social infrastructure costs for a new developments are to be funded by charges for the development.

Revenue Statement

Section 169(2)(b) of the *Local Government Regulation 2012* requires Council to include a Revenue Statement in its annual budget. The Revenue Statement is an explanatory statement, detailing the revenue

measures adopted in the current budget. The Statement is reviewed annually and adjustments are made in line with Council's requirements for revenue generation and changes in the types of rateable properties within the region.

Debt Policy

Under Section 192 of the *Local Government Regulation 2012*, Council must prepare and adopt a debt policy each financial year. The debt policy must state new borrowings for the current financial year and the next nine years and the time over which Council plans to repay existing and new borrowings. The current Debt Policy forecasts no borrowings for the life of the long term financial plan.

Under Council's debt policy, Council will not utilise loan funds to finance operating activities and where capital assets are funded through borrowings, Council will repay the loans within the shortest term possible with the maximum term not exceeding the life of the asset. Current loans are planned to be repaid within their existing loan terms. Additional repayments will be made where sufficient funds are available and it is advantageous to do so.

Investment Policy

Under Section 191 of the *Local Government Regulation 2012*, Council must prepare and adopt an investment policy that outlines Council's investment objectives and overall risk philosophy together with the procedures for achieving the goals outlined in the policy.

The Policy provides Council's finance officers with an investment framework within which to place Council investments to achieve competitive returns whilst adequately managing risk exposure and ensuring cash funds are available to meet Council's short term cash requirements. In order of priority, the order of investment activities is preservation of capital, liquidity and return.

Strategic Planning Linkages

Council's Corporate Plan 2017-2022 contains five themes that support the stated vision of "We will deliver sustainable services to enhance the *liveability of our community while embracing our economic, cultural and natural diversity*". The theme that most directly influences this long term financial plan is "Lockyer Leadership and Council". The relevant strategic commitments under that theme are as follows:

- Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- Actively engage with the community to inform council decision making processes.
- Commit to open and accountable governance to ensure community confidence and trust in council and our democratic values.
- Compliant with relevant legislation.

The status of these commitments is reported on each year in the Annual Report.

Service Management Planning

As part of its asset management planning process, Council has developed Service Management Plans for each of its key asset groups as well as an overarching Service Management Strategy. The service management strategy is to enable Council to show:

- How its asset portfolio will meet the service delivery needs of its community into the future
- Enable Council's asset management policies to be achieved, and

- Ensure the integration of Council's asset management with its long term strategic plan.

Infrastructure assets such as public buildings, roads, drains, and bridges present particular asset management challenges because their condition and longevity can be difficult to accurately determine. Financing needs for these assets can be large, requiring planning for large peaks and troughs in expenditure for asset renewal and replacement. The demand for new and improved services adds to the planning and financing complexity of asset management.

Throughout the plans the following descriptions of expenditure are used:

- Operations and maintenance - day to day costs to keep the assets in a serviceable condition and to slow the rate of deterioration.
- Renewals - replacing assets with like for like to deliver the same level of service, at or near the end of the assets economic life.
- New/upgrade works - replacing assets with a new or improved asset to provide a higher level of service than was previously provided or a new service, i.e. safer road, reduced travel times, improved drainage, providing a service that did not previously exist in that location etc.

A summary of each plan's key points and focus is shown below. The capital expenditure projections from these plans have been included in the financial forecast for the next ten years. Plans are under development for Stormwater assets.

Transport

This services management plan (SMP) describes the road related assets provided to the community and the considerations that need to be made

to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future. The transport related assets were valued at \$393.00M (fair value) as at 30 June 2017.

Expenditure is incurred on transport related assets in three main areas, these being:

- Operations and maintenance - Estimated at an annual average of \$7.48M per year over the life of the plan.
- Renewals - Estimated at an annual average of \$6.86M per year over the life of the plan.
- New/upgrade works - Estimated at an annual average of \$1.94M per year over the life of the plan.

Buildings & Facilities

This Service Management Plan describes the building related assets provided to the community and the considerations that need to be made to ensure that provision of these assets is carried out in a sustainable and equitable manner, now and in the future. The building and facility related assets were valued at \$91.20M (fair value) as at 30 June 2016.

The majority of Buildings and Facilities have been inherited from two previous Shires in the amalgamation process. This has created some duplication of facilities and a surplus asset inventory. Lockyer Valley Regional Council is in the process of consolidating the Buildings and Facilities asset inventory. The project growth in population is not expected to create a demand for new facilities in the near future due to the current excess capacity. Demand is anticipated to upgrade existing facilities before major new facilities are provided.

- Operations and maintenance - Estimated at an annual average of \$3.85M per year over the life of the plan.

- Renewals - Estimated at an annual average of \$2.40M per year over the life of the plan.
- New/upgrade works - Estimated at an annual average of \$0.22M per year over the life of the plan.

A major review of the SMP is to be undertaken during the 2018/2019 financial year.

Information Services

Lockyer Valley Regional Council exists to provide services to its community. Many of these services are underpinned by ICT assets, which include ICT applications/software, endpoints and the underpinning ICT network and infrastructure. Our goal in managing ICT assets is to meet the defined level of service in the most cost-effective manner for consumers, both present and future. The key elements of ICT asset management are:

- Providing a defined level of service and monitoring performance.
- Managing the impact of growth through demand management and ICT investment.
- Taking a life cycle approach to developing cost-effective management strategies for the long term that meet the defined level of service.
- Identifying, assessing and appropriately controlling risks.
- Having a long term financial plan which identifies required, affordable expenditure and how it will be financed.

In previous years the majority of ICT equipment was purchased outright. However, from the 2013-2014 financial year, this approach moved to the lease of ICT equipment where appropriate e.g. where the value is over \$1,000 with a lifetime of 5 years or less that is used in a controlled environment.

For the purposes of this SMP it is assumed that the current approach will continue; however, there is potential for our use of cloud computing to increase in the coming years. This may result in a reduction of some equipment.

- Operations and maintenance - Estimated at an annual average of \$2.52M per year over the life of the plan.
- Renewals & New/upgrade works - Estimated at an annual average of \$1.10M per year over the life of the plan.

Fleet & Plant

This services management plan (SMP) describes the fleet assets provided to the organisation as a means to deliver services to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future. The fleet assets were valued at \$9.9M (WDV) as at 30 June 2017.

Due to the limited replacement activities that have been undertaken in the preceding years there is a significant funding requirement to bring the fleet replacement back into line with acceptable industry standards. Failure to address this issue will lead to increasing maintenance expenditure and less reliability of the fleet items in service.

In order to maintain the required Fleet service levels over the next 10 years, Council will need to allow, on average \$1.67M (nett) per year to replace existing assets as they come to the end of their life. A significant portion of this expenditure is required in the first few years of the plan in order to address the backlog issue and obtain the right plant and fleet items to support current operations.

Disaster Management

Council maintains a network of flood warning infrastructure within the LVRC Local Government Area (LGA). This infrastructure includes a range of CCTV cameras and river height and rainfall gauges and is integral to the LVRC Disaster Management intelligence gathering process and forms part of the larger regional oversight of emerging flood situations and catchment conditions. In addition to the CCTV cameras and gauges is a flood warning siren located in Grantham.

Disaster Management also manages the maintenance of fire trails throughout the Lockyer Valley. The fire trails within the maintenance plan are restricted to land parcels owned by Council and do not include private or State controlled land.

Disaster Management also manages certain assets allocated to the Lockyer Valley State Emergency Service. SES Fleet and plant assets are not included in the Disaster Management Service Plan.

Operational costs for these assets are approximately \$0.10M per year and approximately \$0.50M has been identified to expand and upgrade the infrastructure in key areas.

Parks, Gardens

This services management plan (SMP) describes the parks and open space assets provided to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future. The parks and open space services and assets were valued at \$6.30M as at 30 June 2016.

- Operations and maintenance -. Estimated at an annual average of \$1.97M per year over the life of the plan.

- Renewals - Estimated at an annual average of \$0.05M per year over the life of the plan.
- New/upgrade works - Estimated at an annual average of \$0.13M per year over the life of the plan.

It is worth noting that park assets, more so than other asset types, are not only renewed on the basis of poor condition but also due to service obsolescence. Park assets may be renewed with modern day equivalents purely on the basis of aesthetics or utilisation and this needs to be factored into the assets remaining useful life.

Cemeteries

This services management plan (SMP) describes the cemetery assets provided to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future. The cemeteries assets were valued at \$0.19M as at 30 June 2017.

- Operations and maintenance -. Estimated at an annual average of \$0.18M per year over the life of the plan.
- Renewals - Estimated at an annual average of \$0.01M per year over the life of the plan.
- New/upgrade works - Estimated at an annual average of \$0.06M per year over the life of the plan.

Waste

This services management plan (SMP) describes the waste assets provided to the community and the considerations that need to be made to ensure that the provision of these assets is done in a sustainable and equitable manner, now and into the future. The parks and open space services and assets were valued at \$1.37M as at 30 June 2015 and are currently in the process of being revalued as at 30 June 2018.

- Operations and maintenance -. Estimated at an annual average of \$4.28M per year over the life of the plan.
- Renewals - Estimated at an annual average of \$0.05M per year over the life of the plan.
- New/upgrade works - Estimated at an annual average of \$0.43M per year over the life of the plan.

The current SMP does not take into account the future decision by Council on its position of long term waste management (20+ years). The existing facility has approximately 10 to 13 years of remaining life and Council must decide whether to obtain a new site or transport the waste to another approved facility outside of the Region. The plan will be updated to reflect Council's decision when it is made.

Assumptions & Risks

The key assumptions used in developing this plan include:

- Council will continue to provide the current range and scope of services.
- No change in council structure or boundaries.
- No significant change in legislative requirements.
- No natural disasters impacting the region.
- The completion of the service management plans will not result in a significant increase in capital expenditure.

Sources of Information

Information from external parties used within this plan has been sourced as follows:

Data Used	Source	Impact
LGAQ CCI (CCI)	LGAQ Circular	Cost driver for goods and services.
		The forecast future rate is 0.15% above CPI.
CPI	Australian Bureau of Statistics (actual) Reserve Bank of Australia (RBA) (forecast) 2018 Federal Budget Papers	Reference for future CCI. Cost driver for Bank fees. The forecast future rate is set between the desired RBA inflation target of 2.00% to 3.00%.

Identified Risks

The following risks have been identified as having a potential impact on the results outlined in this plan:

Item	Potential Impact	Likelihood	Comment
Rates Growth not achieved	Loss of revenue of up to \$0.31k.	Possible	Without reducing services, offset savings would need to be identified or the surplus decreased.

Item	Potential Impact	Likelihood	Comment
			The achievement of the growth target is not known until late in each financial year.
Interest revenues less than expected	Increased reliance on other revenue sources.	Possible	A more conservative interest rate has been used for investment interest and indications are that rates are likely to remain steady in the short to medium term. QUU interest is as advised by QUU and as such Council has no control over the amount.
Reduced government grants	Additional revenue from rates would be required to make up the shortfall.	Low	Projects with the reduced grant funding could be cancelled or scaled back. A conservative increase of 1.0% has been estimated.
Uncontrollable materials and services increases	Increased deficit.	Low	Close monitoring of the monthly results will be used to identify any cost increase

Item	Potential Impact	Likelihood	Comment
			issues early. Known cost increases for contracted services will be factored into the budget.
Capital works not utilising day labour	Excess capacity in the day labour workforce (inc. plant). Increased operational costs.	Possible	The selection of capital works projects needs to consider the use of Council's day labour workforce.
Changes in provisions due to bond rate variations	Increased "finance costs" and reduced operating surplus	Low	Long term bond rates remain fairly stable although a better understanding of the sensitivity to change is required.

Key Plan Outcomes

Rating Revenues

Council's main source of revenue is from rates and they are levied to fund the provision of valuable services to the community. When adopting its annual budget Council will set rates and charges at a level that will provide for both current and future community requirements.

Council also provides concessions to pensioners to assist property owners to remain in their own homes, and concessions to non-profit community, sporting and cultural groups as they contribute to the health and well-being of the community and to the social cohesion of the region.

A 5% on time payment discount is offered on the general rate and waste collection rates to encourage property owners to pay by the due date and is currently around \$1.23M. There are no plans at present to remove or further reduce the discount.

The different types of rates levied by Council are:

- General rates – calculated based on property values.
- Waste collection charges – charged per service.
- Separate charges – charged per rateable assessment to fund a particular service, facility or activity.
- Special charges – charged on particular assessments which benefit from, contribute to a need for, a particular service, facility, or activity.

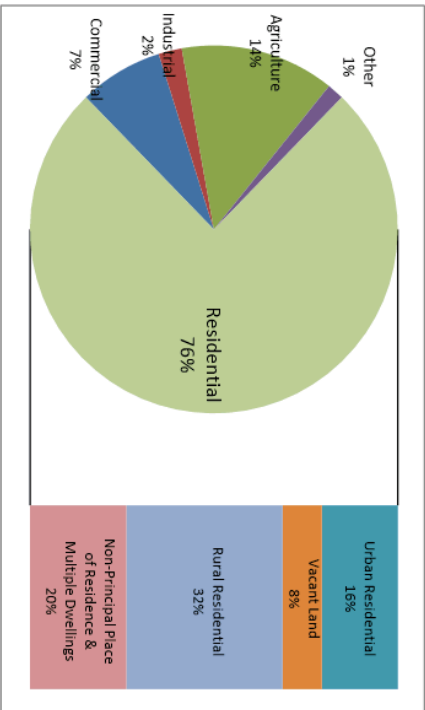
Each year the rating categories are reviewed to ensure that the level and type of rates are in line with Council's revenue requirements. Council undertakes detailed rates modelling to determine the impact of proposed increases on the various rating categories. Future rating reviews will look at options to improve the relativity between residential, commercial, agricultural and industrial rates. Any significant changes will be brought in following an appropriate period of community engagement.

The equitable distribution of the rating charges is challenging as there are two main population centres with several dispersed smaller centres connected by large lengths of rural roads. Between these centres there is a mixture of agricultural land and rural lifestyle properties. The dispersed

nature of the region results in a higher cost base for the provision of services.

At present there are 48 separate rating categories although the majority of Council's rates revenue comes from the residential categories.

The breakdown by major category shown in the following chart:



General Rates

General rates are forecast to increase from \$32.14M in 2019 to \$44.05M in 2028 with the average rates per property moving from \$1,878 to \$2,251 over that time. The key drivers for general rates are increases in yield (as decided by Council from time to time) coupled with the growth in rateable properties (as driven by development activity within the region). The growth factor is conservative as the actual growth is subject to fluctuations due to market forces and the timing of the completion of developments. Historically, growth has been between 0.9% and 1.8% over the past four years.

The parameters used in developing this plan are:

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Yield	2.50	2.30	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Growth	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total	4.00	3.80	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50

Waste Charges

Council provides a dual bin service to the majority of residential properties in the region. This service is contracted out until 2021 (plus a two year option) with the contract rate subject to an industry standard rise and fall clause. The waste collection charge is only levied on those properties with a collection service and is set to cover the cost of the collection contract with a small margin for administration. The amount of revenue generated is forecast to move from \$4.32M to \$6.51M over the life of the plan.

A waste management charge is levied on all rateable assessments in the region to cover the costs of the operation of Council's landfill and transfer stations. The waste management charge generates \$2.68M in revenue (forecast 2028 \$4.04M).

At present, the percentage increase in yield is based on historical increases in the contract and future years are amended as required. The natural growth increase is in line with the general rates increase.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Yield	4.00	3.50	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Growth	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total	5.50	5.00	5.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Council is looking at moving towards a full cost pricing model to fund its waste operations and provide adequately for future capital and

rehabilitation expenditures. It is expected that this model will be finalised in 2018/2019 and implemented over a number of years.

Separate & Special Charges

Council currently levies the following separate and special charges:

- Special Charge – Rural Fire Levy: charged on properties within the rural fire area to assist with funding the Queensland Rural Fire Service Brigades operating in the region with a small amount set aside for maintaining Council's fire trails.
- Separate Charge – Environmental Levy: charged on all properties within the region to partially fund the operations of the environmental and pest management sections.
- Separate Charge – Resilient Rivers Initiative: charged on all properties to fund Council's contribution to the SEQ Mayor's Healthy Waterways project.
- Separate Charge – Emergency Preparedness Levy: charged on all properties within the region to fund Council's disaster management section and the repayments on the loan associated with the flood recovery works. Part of the levy also funds the State Emergency Services Groups operating in the region.

Increases in these charges are modelled in line with the general rates parameters.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Yield	2.50	2.30	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Growth	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total	4.00	3.80	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50

Special and separate rates are reviewed on annual basis to determine if the charge is still required and is an appropriate method of generating revenue to support Council services.

Other Revenues

Fees & Charges

Revenue generated from fees and charges increases from \$4.84M in 2019 to \$6.31M in 2028. Council's two types of fees and charges are defined as:

- Cost Recovery – fees are set to recover no more than the essential costs incurred by providing the service. Examples of these are: Animal Management, Health and Regulatory, and Planning and Development Fees. Council intends to review these fees to ensure that costs are being recovered, or if a subsidy is required, then that amount is acknowledged and understood.
- Commercial – fees are set to generate a return to Council over and above the cost of providing the service. Examples of these are: Saleyards, Waste Disposal, Hall and Facility Hire, and Library Services. Council intends to progressively review these fees to ensure that an appropriate margin is being made and that the fees are appropriate for the service provided.

The majority of fees and charges come from planning and development fees including building and plumbing permits. While some of the fees and charges can be estimated with some certainty, fee revenue generated within the Planning and Building areas will fluctuate wildly depending on the economic conditions and level of development within the region. The amounts for these fee types are conservatively estimated and reviewed on a regular basis during the budget year.

The base increase in fees and charges are modelled around a combination of CCI and changes in Council's employee costs.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Increase	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Sales Revenue

Total sales revenue is estimated to average \$2.16M per year over the life of the plan and is derived from its Private works operations and the Staging Post Café.

- Private works relate to infrastructure works undertaken on behalf of private individuals and business, as well as works under the Road Maintenance Performance Contract (RMPC) with the Department of Transport and Main Roads (TMR). Revenue generated in this way will fluctuate depending on demand and the availability of Council resources to complete the works. At the moment Council does not outwardly seek private works but will provide quotations if requested. Council seeks a margin of 20% on the cost of the work completed.
- The Staging Post Café operates out of the Lockyer Valley Cultural Centre and provides a café style lunch menu seven days a week with a buffet breakfast on Sunday and dinner on Friday. There is also function management for events, meetings and weddings held at the Cultural Centre. Operations of the Café are being reviewed as it is currently making a loss.

The parameters applied to Sales Revenue in developing this plan are:

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Increase	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Interest & Investment Income

Council receives interest income from three main sources: interest on short to medium term cash investments, interest from QUU on our shareholder loan, and interest from overdue rates. Of these three sources, the interest from the QUU loan is the most stable and can be predicted with accuracy.

Interest from cash investments is dependent on a number of factors including the interest rates on offer, the amount of cash available to invest, and the term of investment. Currently the returns from Council's investments are very low due to the continuing period of low interest rates. In successive years, the forecast interest revenue has been reduced to maintain a conservative position. The future forecast continues this trend with minimal increases in interest rates over the next few years. Interest on overdue rates has also been reducing as property owners take advantage of the prompt payment discount as well as the ability to make regular payments in advance. It is expected that this will remain steady and with minor increases solely due to the increased quantum of rates being levied each year. The interest rate charged is currently 11.00% which is the maximum allowed under legislation.

The shareholding in QUU provides a return that averages \$2.70M per year. Some of this is in cash and the balance is an increase in the value of the shareholding. QUU's current forecast is that these returns will remain steady for the foreseeable future.

Grants & Subsidies

Council receives grants and subsidies from both the State and Federal Governments. As a guideline, grant funding should not exceed 40% of operating revenue as the more funding that is not controlled by Council, the greater the risk to sustaining operations should the funding amounts change. Over the period of this plan, Council's reliance on grant funding remains steady from 9.70% in 2019 to 9.40% in 2028.

Apart from the Federal Assistance Grant, the funding is provided for specific projects such as libraries, Queensland Government Agency Program (QGAP), multi-cultural services, childcare, and without the grant funding it is unlikely that Council would provide the service to its current standard.

Federal Assistance Grants make up the largest component of grant funding and are distributed based on formulas developed by the Queensland Grants Commission with the funding pool determined by the Federal Government. The formula used is complex and the amount may change from year to year, however significant reductions are minimised through capping arrangements. In the past few years the annual indexation of the grant has been frozen as a federal budget savings measure, however this has been reinstated from 1 July 2017. The annual indexation is linked to CPI.

The parameters used in developing this plan are:

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Increase	-20.50	9.30	2.30	2.40	2.50	2.60	2.70	2.70	2.70	2.70

The reduction in 2019 is as a result of the planned reduction in funding for the Roads to Recovery Program as per Council's approved schedule. Pending announcement of the ongoing program, it is expected that it will return to historical average levels in 2020.

Other Revenue

Council also derives revenues from the rental of Council properties as well as other miscellaneous items such as commissions on Queensland Government Agency (QGAP) transactions, sponsorships and insurance recoveries. The main component of Other Revenue is the Income Tax Equivalent (ITE) received from QUU. The ITE is paid to shareholder Councils as part of the requirements for QUU to operate on a commercial basis and the amount paid is dependent on the profit results over the year. The amounts included in the financial plan are based on the forecasted profit figures provided by QUU.

Apart from the QUU ITE, the parameters used in developing this plan are:

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Increase	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Employee Costs

Employee costs are the largest component of Council's costs and include:

- Wages and salaries,
- Leave entitlements,
- Councilor remuneration,
- Superannuation,
- Workers compensation insurance,
- Training and development costs such as travel, accommodation, course or conference fees, and
- Recruitment costs.

Council intends to keep employee costs down by using technology to drive efficiency and to carefully review all vacancies before they are filled. While this has been effective in recent years, as the population of the region increases, there will come a time when additional staff will be needed. Understanding the level of resources required to maintain service standards is key and this will be determined through a workforce planning review and service level review which is now underway. Council is currently budgeting for around 324 Full Time Equivalent employees (FTE), increasing to 360 FTE over the life of the plan.

Employee costs are split between operating and capital depending on the type of work being undertaken in the capital program. Reductions in the capital program, or an increase in work outside of the expertise of the current workforce will impact on this split and pose challenges to maintain the operating surplus position without reductions in the workforce.

The other driver in employee costs is the enterprise bargaining (EB) process. This process provides for an increase to wages generally on an annual basis. At present the estimated amounts are based on historical increases and in no way reflect Council's official position in negotiating any increases. As the negotiations are finalised, the amounts will be amended.

Within the model, employee costs are forecast to increase from \$24.16M to \$33.91M over the ten years.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
EB inc.	2.50	2.50	2.50	2.50	2.50	2.75	2.75	3.00	3.00	3.00
Growth	0.92	0.91	1.20	-	1.48	1.75	2.29	-	1.96	0.91
Total	3.42	3.41	3.70	2.50	3.98	4.50	5.04	3.00	4.96	3.91

Materials and Services

Council's second largest cost is materials and services. Costs included in this section are:

- Materials,
- Contractor and consultants,
- Insurance,
- Electricity and water,
- Communications,
- Legal costs, and
- Fleet costs.

The materials and services budget is carefully reviewed each year with the responsible officers being required to justify any increases in the budget bids from the previous year. Operational projects are individually approved to ensure that they align with Council's objectives and consultants, advertising, promotions, legal costs, and contractors are all subject to detailed scrutiny by the Executive Leadership Team and the Council.

Improved financial reporting has meant that a better understanding of Council's expenditure is now possible. This has led to more of a risk management approach to funding certain areas where the actual costs are uncertain.

The driver for materials and services is the Council Cost Index (CCI). This index is developed by the Local Government Association of Queensland (LGAQ) as a better estimate than the Consumer Price Index (CPI) as it reflects the difference between the types of goods and services that households typically procure and those that Council procures.

The future CCI estimates are set 0.15% higher than estimated CPI to account for the fact that Council's costs historically increase at a higher rate than households.

The forecasted costs are derived by indexing the base year's budgeted amounts by the CCI. Specific adjustments may be made to future years where they can be identified as having an impact (for example a contract is being discontinued or short term projects being completed). Materials and services are forecast to increase from \$17.01M to \$21.60M over the ten years.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
CCI	2.15	2.45	2.45	2.55	2.65	2.75	2.85	2.85	2.85	2.85

Finance Costs

Council's finance costs are predominantly the interest charged on its loans. Other items are bank fees and the adjustments in the quarry and landfill rehabilitation due to the change in the present value calculations.

The interest costs are calculated by the QTC Long Term Financial Forecasting model based on the debt balances and the rate applicable to

each loan. As the loans are fixed rate loans they are not subject to any market volatility. Over the life of the plan interest expense reduces from 2.40% of operating costs to 0.80% of operating costs. This does not assume any additional repayments are made.

Due to the complexity of the calculations, no allowance is made for the changes in the discount rate for the provisions. The value of the provisions is calculated with reference to long term bond rates and there is an inverse relationship between the bond rates and the calculated value.

Bank fees are indexed by CPI from the base year budget.

%	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
CPI	2.00	2.30	2.30	2.40	2.50	2.60	2.70	2.70	2.70	2.70

Depreciation

While depreciation is an estimate of the cost of an asset being used, it is treated as an expense in financial reports. Council is continually reviewing its asset data to ensure that the depreciation figure reflects the consumption of its assets based on their value, condition, and remaining life. Work is needed to identify the appropriate useful lives for local conditions which may assist in reducing the depreciation costs. Over the life of the plan depreciation is estimated to increase from \$13.00M to \$15.68M. It should be noted that with Council holding its fleet assets for longer, there is a large reduction in depreciation between 2023 and 2025 due to the majority of Council's current plant and equipment being fully depreciated at that time. With the implementation of the Plant and Fleet Service Management Plan, this may change if the backlog of renewals is eliminated.

To comply with the accounting standards, Council conducts regular independent valuations of its assets. Where the value increases, there will

be an increase in depreciation costs which has an immediate impact on two of the three sustainability ratios, even though it may not have any operational impact on Council's management of the assets.

Due to the nature of the valuation process, the changes cannot be predicted with any accuracy. In the financial model, the valuation increases for the non-current assets have been based on the average increases in past years and total \$118.95M over the ten years. The increases have been applied every three years as this was the cycle that the assets were generally revalued under, although Council is now implementing an annual revaluation process. Additions to the asset base will also increase the amount of depreciation, although as Council's focus is moving towards the renewal of existing assets the effect will be minimal.

Capital Revenues

The main source of capital revenues are grants from the State or Federal Government. Council seeks grant funding to assist with the delivery of its planned capital works program and the majority of funding is accessed through a competitive application process. Where a funding application is unsuccessful, Council will decide whether to proceed with the project using other funds or not.

Grant funding for capital works is often tied to a particular funding program objective of the government. Once approved, the grant will be for a specific project and therefore changes to the scope or type of the project is not permitted. There is a risk that where a project exceeds the funded component, Council will be required to pick up the shortfall.

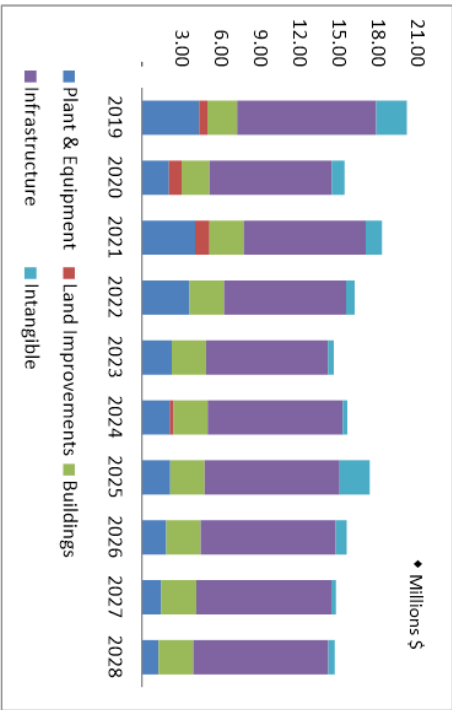
The capital grant funding in the forecast model is based on historical amounts for those funding programs which it is expected will continue in the future. These programs are the Roads Blackspot funding, TIDS and Local Government Grants and Subsidy Program (LGGSP), and other specific grant programs as offered by the State and Federal Governments

from time to time. Additional grants will be applied for in future years as the details of the funding programs become known.

Capital Expenditure

The amount of capital expenditure is based on the amounts identified in the Service Management Plans for each asset class and includes a proportion for renewal, upgrade and new expenditure. As can be seen from the following graph, the majority of capital spending is on infrastructure assets. Over the ten years the average spending across all asset classes is \$16.35M.

As the Service Management Plans are reviewed and refined, the forecast will change. The expenditure in each year is reviewed as part of the budget adoption process for that year and therefore some identified projects may be brought forward, delayed or removed as priorities and resources dictate. Additional projects may be added where required.



Cash and Investments

QTC recommends a minimum coverage for cash expenses of three months. This means that Council should retain enough cash on hand at any one time to pay its expenses for three months. The long term forecasting model indicates that a balance of \$10.32M in year one, rising to \$15.08M in year ten is required with the average over the life of the plan being \$12.38M.

Council maintains this coverage in each of the years of the plan with the ten year average balance being \$19.80M. The years 2021 to 2022 have the lowest cash balances although the ratio remains just over three months which is within the recommended parameters. The ten year average coverage is just under five months.

The biggest impact to Council's cash balances is the timing of the capital works program and particularly the amount of projects funded solely by Council. As the capital works program is fairly flexible, the works schedule can be varied to maintain appropriate cash levels.

In accordance with the Investment Policy, the cash is invested in term deposits of less than twelve months or at call with QTC. The maturity of the term deposits are spread across the year so as to maintain regular access to funds should they be needed.

Other Assets

The major component of Council's other assets are the equity share in QUU (2019 est. \$31.94M), and the shareholder loan to QUU (2019 \$14.74M). As the loan is an interest only loan, the balance will not change over the life of the plan, with the interest payments being taken up in the interest revenue component of the Income Statement. There is a process for Council to follow if it wishes to call in the loan; however there is no financial benefit to doing this at this time. The value of the equity

Investment changes depending on the dividends and operating result of QUU. Over the first few years of the plan, this increase is based a growth factor of 2.50% per annum which is in line with the QUU estimates.

Debtors and receivables are forecast to remain in proportion to the revenue. The main debtor balance is rates arrears and as these are secured on the land they relate to, they are not considered bad or doubtful. Council has a statutory right to recover the arrears through the sale of land and it conducts a sale for this reason at least annually.

The final component to other assets is the land held for sale, which comprises of parcels of land that have been identified as surplus to Council's needs and are being marketed for sale. As the sale timeframes are uncertain, and some of the land has been available for sale for some time, the value remains unchanged over the life of the plan. This will be reviewed during the 2019 financial year to better understand the likelihood of sale and whether or not the land should remain as it is classified.

Liabilities

The main liabilities that Council has are the loans from QTC. At present there are three loans, most of which were taken up during the 2011 and 2012 financial years. The loans are paid on an interest and principal basis and the balances in the plan are forecast on the current loan schedules.

The details of the loans are:

Loan	Interest Rate	Nominal Maturity Date	Balance 30 June 2018	Qtrly Payment P&I
Other Council Capital Works	4.71%	15/06/2032	\$17.48	\$0.43M
General	4.96%	15/03/2031	\$7.89M	\$0.23M

Loan	Interest Rate	Nominal Maturity Date	Balance 30 June 2018	Qtrly Payment P&I
Gatton Landfill 2016	3.11%	15/03/2036	\$0.85M	\$0.01M

There are no further borrowings forecast for the life of this plan, however Council may change this in future budgets. The current annual total debt redemption payment (principle and interest) is \$2.69M.

Council has also expressed a desire to use surplus cash to make additional repayments and therefore reduce the loan costs with additional payments being made in both 2016/2017 and 2017/2018. A review will be conducted annually to determine if sufficient surplus cash exists and there is a net benefit to making an additional loan repayment.

The other liabilities of Council are employee provisions, rehabilitation provisions and trade creditors. Due to the complexity of the calculations, the provisions have not been changed in the model and remain at historical values. The trade creditor balances are generated through the model based on historical relationships between expenditures, payment terms and the proportion of creditors at the end of each financial year.

Ratio Analysis

Key Sustainability Ratios

The results for Council's measures of financial sustainability are shown below. The future ratios are based on the 2018/19 budget and long term financial forecast with the parameters as outlined above:

Lockyer Valley Regional Council 2018/2019 Budget and Long Term Financial Forecast 2019 to 2028													
Relevant Measures of Financial Sustainability													
	Target	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average	
Operating Surplus Ratio	Between 0% and 10%	3.6%	4.6%	4.9%	4.7%	5.3%	7.0%	8.8%	9.5%	9.5%	9.2%	6.7%	
(Net Operating Surplus / Total Operating Revenue) (%)													
Net Financial Asset / Liability Ratio	<= 60%	69.9%	64.9%	64.0%	58.3%	49.7%	42.8%	38.0%	29.6%	20.0%	9.7%	44.7%	
((Total Liabilities - Current Assets) / Total Operating Revenue)													
Asset Sustainability Ratio	>90%	134.2%	90.5%	107.0%	96.5%	84.4%	89.3%	95.3%	93.0%	88.4%	81.3%	96.0%	
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)													

Operating Surplus Ratio

Measures the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes. The operating surplus ratio is calculated as: Operating Surplus (Net result excluding all capital items) divided by total operating revenue (excluding capital items).

This ratio shows significant improvement over the ten years as the cumulative effects of the rate increases and expenditure controls of the years prior to 2019 are realised. The surpluses for the first three years are healthy although the actual results will need to be carefully monitored in order to maintain the planned result. In the second half of the plan there is scope to reduce the increase in rates or increase operational expenditures as the ratio approaches the recommended upper limit from 2026. With planned service reviews to be undertaken, the level of expenditure may need to increase in some areas to meet the needs and expectations of the community.

Net Financial Asset/Liability Ratio

Measures the extent to which net financial liabilities of Council can be repaid from operating revenue. The ratio is calculated as: Total liabilities less current assets divided by total operating revenue.

Although this ratio starts off outside of the 60% target threshold it averages 44.70% over the ten years. This ratio has been at the higher level due to a reduction in the cash balances following the completion of the flood works, and the significant increase in rehabilitation provisions. The improvement in the ratio in the second half of the plan is linked to the build-up of cash balances which is offsetting the liabilities.

Asset Sustainability Ratio

This ratio reflects the extent to which infrastructure assets managed by Council are being replaced as they reach the end of their useful lives. The ratio is calculated as: Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

Over the life of the plan, the ratio is above the 90% target threshold. The level of forecast spending has been based on the current Service Management Plans and as such there will be changes in the outer years as the plans are further refined. If the assets are in good condition, it is possible that Council does not need to spend at the recommended level and therefore the ratio will remain below the target of 90%. The healthy operating surpluses being generated will provide sufficient funding should a higher level of renewal spending be required.

Other Sustainability Ratios

There are a number of other sustainability ratios that QTC use when conducting a credit review assessment however Council only uses one of these other ratios when setting its long term financial plan.

Cash Coverage Ratio

	Target	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average
Cash Expense Cover Ratio	> 3	4.3	4.2	3.4	3.6	4.2	4.5	4.5	5.2	6.0	7.0	4.7
Number of months of operations supported by cash balance												

This ratio shows the number of months of operations supported by the cash balance. The recommended threshold is at least three months. Over the life of the plan, the number of months of operations supported by the cash balance averages 4.7 months. The higher balances in 2027 and 2028 may be moderated by additional capital works in the prior years or further reductions in debt. Council has not made any decisions at this stage on how to use the surplus cash and therefore the higher balances remain reflected in this plan.

Sensitivity Analysis

In order to understand the potential impacts of changes to key drivers over the life of the plan, the following sensitivities have been performed:

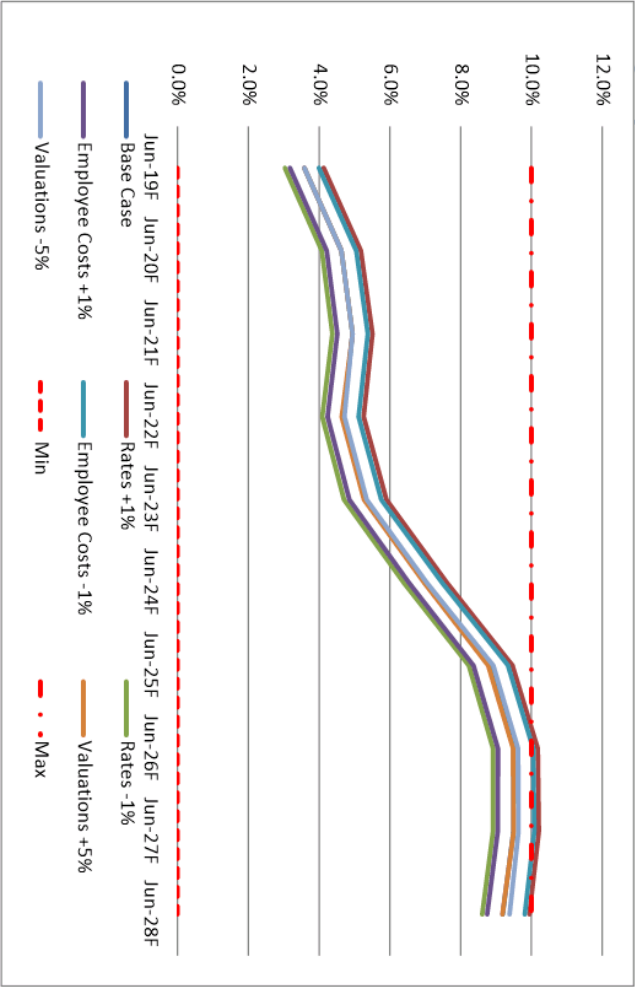
1. General Rates Revenues +/- 1%.
2. Employee costs +/- 1% on EB increase.
3. Depreciation – tri annual valuation +/- 5% of asset base 2018.
4. CAPEX – renewals -\$1.00M.

For simplicity, the above changes have been modelled separate to the others. The change has also been applied to each year of the forecast which apart from the reduction in the CAPEX renewals, will result in a cumulative effect. The difference in the 10 year average by applying each sensitivity can be seen in the following table; information on each of the ratios can be found below:

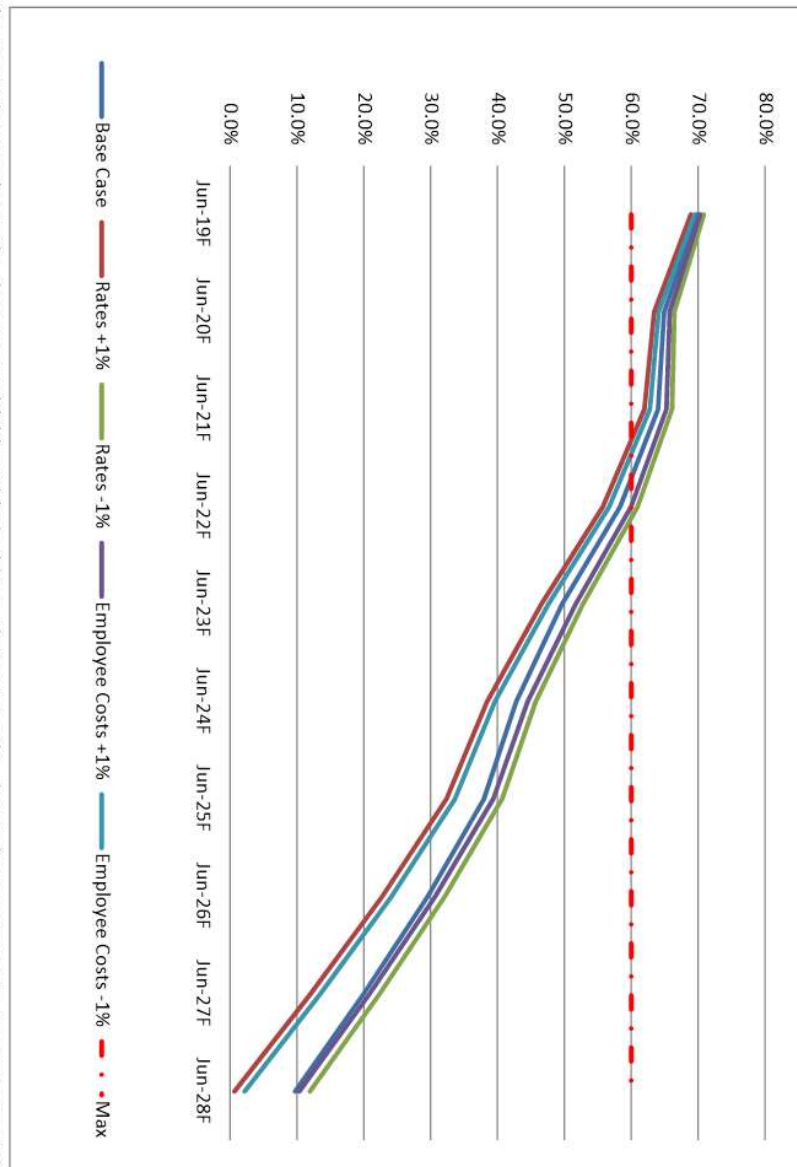
		Rates		Employee Costs		Valuations		Renewals
	Base Case	+1.00%	-1.00%	+1.00%	-1.00%	+ 5.00% of Base	- 5.00% of Base	-\$1.00M
Operating Surplus	6.7%	7.3%	6.1%	6.3%	7.2%	6.7%	6.8%	N/A
Net Financial Asset/Liability	44.7%	40.3%	47.0%	45.9%	41.4%	N/A	N/A	N/A
Asset Sustainability	96.0%	N/A	N/A	N/A	N/A	95.8%	96.2%	88.5%
Cash Coverage	4.68	5.38	4.34	4.46	5.27	N/A	N/A	6.33

Over the ten years it is apparent that apart from the Asset Sustainability ratio, all of the ratios are within the recommended targets however on a year by year basis the Cash Coverage Ratio does come close to the minimum threshold. The ten year average for the Asset Sustainability ratio remains relatively unchanged for changes in valuations although as expected, a reduction of \$1.00M in renewals has the greatest effect.

Sensitivity Analysis - Operating Surplus Ratio

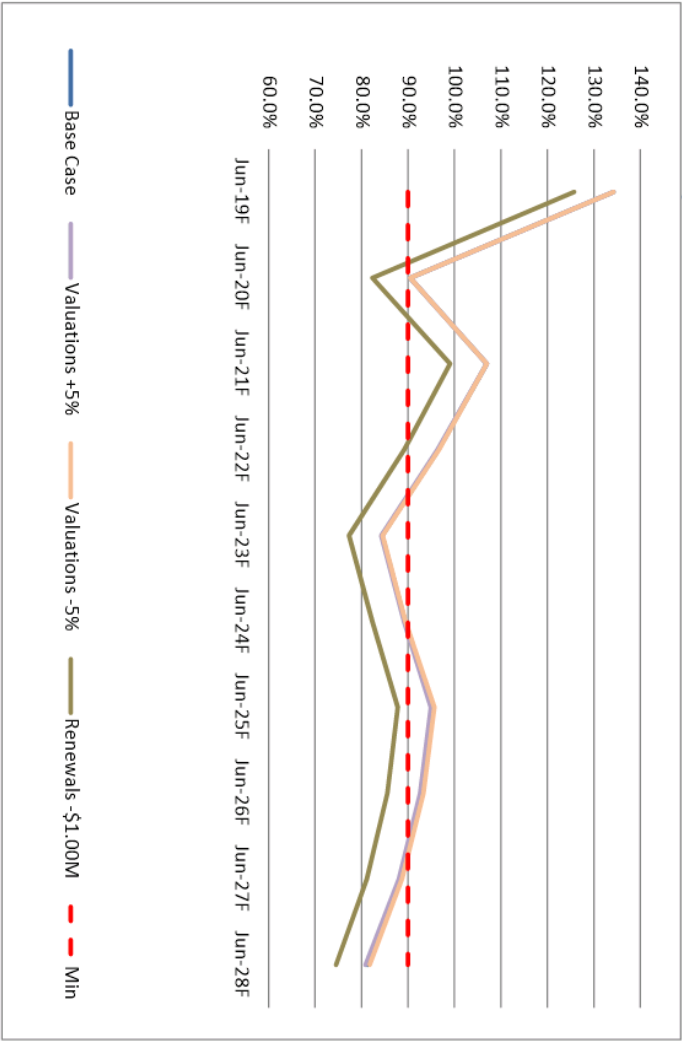


- Of the sensitivities modelled, rates have the biggest impact on the operating surplus ratio although even a reduction in rate revenue by 1.00% will not cause an operating deficit at any time during the ten years. A 1.00% increase results in a larger surplus and will put it outside of the upper limit from 2026 onwards.
- All of the other sensitivities modelled keep the ratio within the upper and lower thresholds although a 1.00% reduction in employee costs puts the surplus above 10.00% from 2026.

Sensitivity Analysis – Net Financial Liabilities Ratio

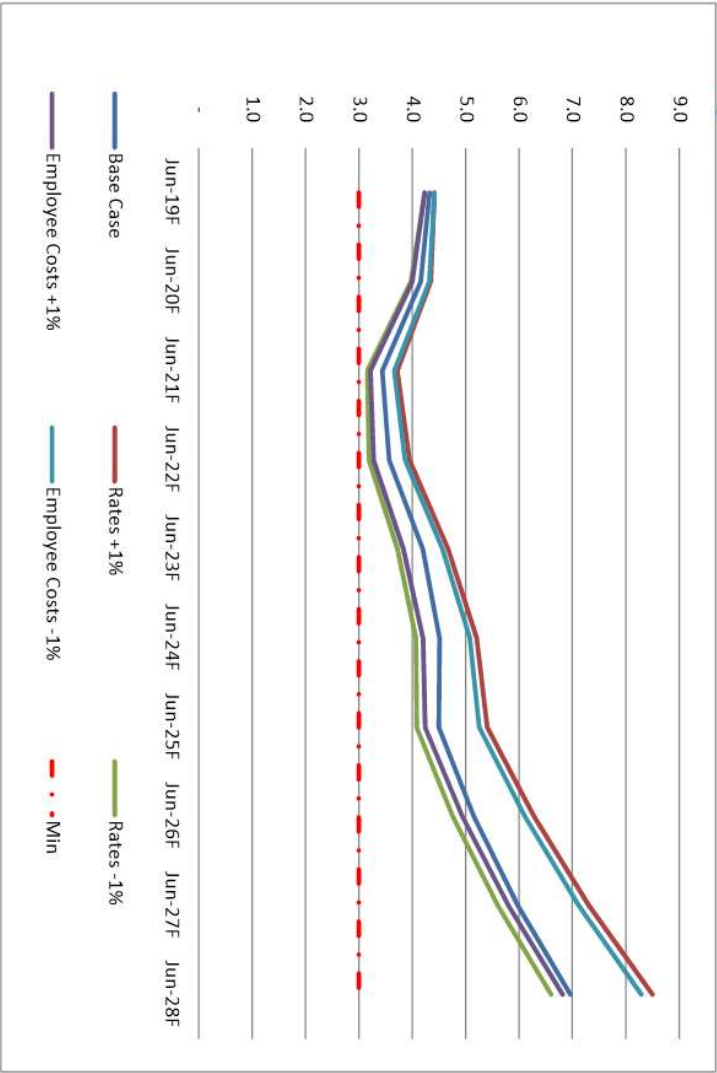
- As with the Operating Surplus Ratio, the two sensitivities with the biggest impact are the change in rates revenue. A one percent decrease in rates would keep the ratio above the threshold for another year.
- The remaining sensitivities only have a minor effect on the ratio as the ratio is below the threshold from 2022.

Sensitivity Analysis – Asset Sustainability Ratio



- The biggest change to the ratio is to reduce expenditure on renewals by \$1.00M per year which brings the ratio below the threshold of 90.00% in all of the forecast years except for 2021.
- As has been noted previously, the actual spend will be determined through the finalisation of the Service Management Plans and amounts below the threshold may be appropriate.

Sensitivity Analysis – Cash Coverage Ratio



- The biggest impact on the Cash Coverage Ratio is a reduction in rates revenue, which brings the level of cash close to the minimum in 2021 and 2022, although sufficient cash is available for all years of the forecast.
- A 1.00% increase in employee costs causes the ratio to come close to the minimum threshold in 2024, however it is maintained just above that level.

Financial Statements 2019 - 2028

The **Statement of Comprehensive Income** measures how Council performed in relation to income and expenses during the financial year. This statement illustrates how money received from Council operations is spent.

The **Statement of Financial Position** measures what we own (our assets) and what we owe (our liabilities) and our net worth (equity) at the end of the Financial Year.

The **Statement of Changes in Equity** measures the changes in our net wealth and shows the movements in our retained earnings, reserves and asset revaluation surplus. This statement outlines how we received and spent cash throughout the year. The closing balance reflects how much cash Council had at year end.

The **Statement of Cash Flows** outlines how much cash was received and spent throughout the year and whether or not Council is spending more than it is receiving. The closing balance reflects how much cash Council had at year end.

Statement of Comprehensive Income

Lockyer Valley Regional Council 2018/2019 Budget and Long Term Financial Forecast 2019 to 2028 Statement of Income and Expenditure												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Revenue	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
Recurrent revenue:												
Rates & Utility Charges	41.55M	43.23M	44.87M	46.53M	48.26M	50.04M	51.90M	53.83M	55.83M	57.90M		
Less Discounts	(1.63M)	(1.69M)	(1.75M)	(1.82M)	(1.88M)	(1.95M)	(2.02M)	(2.09M)	(2.16M)	(2.24M)		
Net rates and utility charges	39.92M	41.54M	43.11M	44.71M	46.38M	48.10M	49.89M	51.74M	53.66M	55.66M		
Fees and charges	4.84M	4.98M	5.13M	5.29M	5.45M	5.61M	5.78M	5.95M	6.13M	6.31M		
Sales, contract and recoverable works	1.90M	1.95M	2.01M	2.06M	2.12M	2.18M	2.24M	2.30M	2.37M	2.43M		
Operational Grants & subsidies	5.57M	6.08M	6.22M	6.37M	6.53M	6.70M	6.88M	7.07M	7.26M	7.46M		
Interest received	1.37M	1.43M	1.42M	1.43M	1.51M	1.64M	1.73M	1.85M	2.02M	2.22M		
Other recurrent income	3.96M	4.07M	4.18M	4.29M	4.40M	4.52M	4.64M	4.76M	4.89M	5.02M		
Total recurrent revenue	57.55M	60.06M	62.08M	64.16M	66.39M	68.75M	71.16M	73.68M	76.33M	79.10M		
Capital revenue:												
Capital Grants	3.10M	0.63M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M	0.60M		
Developer Contributions	0.19M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M		
Gain/(loss) on sale of property, plant & equipment	0.23M	(0.04M)	0.49M	0.29M	0.31M	0.25M	0.23M	0.19M	0.09M	0.09M		
Total capital revenue	3.52M	1.09M	1.43M	1.23M	1.24M	1.19M	1.33M	1.29M	1.19M	1.19M		
Total income	61.07M	61.15M	63.50M	65.38M	67.63M	69.94M	72.48M	74.97M	77.51M	80.29M		
Expenses												
Recurrent expenses:												
Employee costs	24.16M	24.93M	25.85M	26.49M	27.53M	28.77M	30.21M	31.11M	32.65M	33.91M		
Materials and services	17.01M	17.42M	17.85M	18.31M	18.79M	19.31M	19.86M	20.42M	21.01M	21.60M		
Depreciation and amortisation	13.00M	13.67M	14.14M	15.27M	15.52M	14.93M	13.95M	14.35M	14.72M	15.68M		
Finance costs	1.31M	1.25M	1.17M	1.09M	1.02M	0.93M	0.85M	0.75M	0.66M	0.56M		
Total expenses	55.49M	57.27M	59.01M	61.15M	62.87M	63.93M	64.86M	66.64M	69.03M	71.76M		
Result from ordinary activities	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M		
Operating Result												
Adj for Capital Income	2.06M	2.78M	3.07M	3.00M	3.53M	4.82M	6.30M	7.04M	7.30M	7.34M		

Statement of Financial Position

Lockyer Valley Regional Council 2018/2019 Budget and Long Term Financial Forecast 2019 to 2028 Statement of Financial Position										
	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 \$	2027 \$	2028 \$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Current assets										
Cash assets and cash equivalents	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M	35.02M
Other inventory	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M	3.40M
Receivables	2.97M	3.09M	3.21M	3.32M	3.43M	3.54M	3.68M	3.81M	3.94M	4.06M
Prepayments	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Total current assets	21.75M	21.72M	19.67M	20.58M	23.58M	26.08M	27.43M	31.47M	36.77M	42.99M
Non-current assets										
Land held for development or sale	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M
Joint Ventures & Associates	31.94M	33.13M	34.34M	35.58M	36.87M	38.19M	39.53M	40.91M	42.32M	43.77M
Property, plant and equipment	616.35M	618.24M	660.03M	661.66M	661.65M	702.09M	703.72M	704.88M	747.25M	754.46M
Intangible assets	6.25M	6.21M	6.04M	5.08M	4.12M	3.90M	5.61M	5.63M	5.14M	4.69M
Capital works in progress	8.33M	7.94M	7.89M	7.89M	7.89M	7.89M	7.89M	7.89M	7.81M	-
Other non-current assets	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M
Total non-current assets	679.45M	682.10M	724.89M	726.81M	727.11M	768.65M	773.33M	775.89M	819.11M	819.50M
Total assets	701.20M	703.82M	744.56M	747.39M	750.69M	794.73M	800.76M	807.36M	855.88M	862.49M
Current liabilities										
Trade and other payables	3.73M	3.82M	3.94M	4.04M	4.16M	4.28M	4.43M	4.56M	4.72M	4.85M
Borrowings	1.54M	1.62M	1.70M	1.78M	1.87M	1.96M	2.05M	2.15M	2.26M	2.37M
Employee payables/provisions	4.72M	4.90M	5.08M	5.26M	5.44M	5.62M	5.80M	5.99M	6.17M	6.35M
Other provisions	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M	0.14M
Total current liabilities	10.14M	10.48M	10.86M	11.22M	11.61M	12.00M	12.44M	12.84M	13.28M	13.71M
Non-current liabilities										
Borrowings	23.19M	21.57M	19.87M	18.08M	16.22M	14.26M	12.20M	10.05M	7.79M	5.43M
Employee payables/provisions	0.49M	0.51M	0.53M	0.54M	0.56M	0.58M	0.60M	0.62M	0.64M	0.66M
Other provisions	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M	28.16M
Total non-current liabilities	51.84M	50.24M	48.56M	46.79M	44.94M	43.00M	40.97M	38.83M	36.60M	34.25M
Total liabilities	61.98M	60.72M	59.41M	58.01M	56.55M	55.00M	53.40M	51.68M	49.88M	47.96M
Net community assets	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M
Community equity										
Asset revaluation reserve	254.96M	254.96M	282.51M	282.51M	282.51M	332.09M	332.09M	332.09M	373.92M	373.92M
Retained surplus (deficiency)	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M	440.61M
Total community equity	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M

Statement of Changes in Equity

Lockyer Valley Regional Council 2018/2019 Budget and Long Term Financial Forecast 2019 to 2028											
Statement of Changes in Equity											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset revaluation surplus	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Opening balance	254.96M	254.96M	254.96M	292.51M	292.51M	292.51M	332.09M	332.09M	332.09M	373.92M	-
Increase in asset revaluation surplus	-	-	37.54M	-	-	39.58M	-	-	41.83M	-	-
Closing balance	254.96M	254.96M	292.51M	292.51M	292.51M	332.09M	332.09M	332.09M	373.92M	373.92M	
Retained surplus											
Opening balance	378.68M	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M	-
Net result	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M	-
Closing balance	384.26M	388.14M	392.64M	396.87M	401.63M	407.64M	415.27M	423.60M	432.08M	440.61M	
Total											
Opening balance	633.64M	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	-
Net result	5.58M	3.88M	4.50M	4.23M	4.77M	6.00M	7.63M	8.33M	8.49M	8.53M	-
Increase in asset revaluation surplus	-	-	37.54M	-	-	39.58M	-	-	41.83M	-	-
Closing balance	639.22M	643.10M	685.14M	689.37M	694.14M	739.73M	747.36M	755.68M	806.00M	814.53M	

Statement of Cash Flows

Lockyer Valley Regional Council 2018/2019 Budget and Long Term Financial Forecast 2019 to 2028 Statement of Cash Flows												
	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 \$	2027 \$	2028 \$		
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
Cash flows from operating activities:												
Receipts from customers	54.26M	56.45M	58.44M	60.46M	62.55M	64.74M	66.97M	69.32M	71.74M	74.26M		
Payment to suppliers and employees	(41.41M)	(42.17M)	(43.49M)	(44.60M)	(46.12M)	(47.87M)	(49.82M)	(51.32M)	(53.42M)	(55.31M)		
Interest received	1.37M	1.43M	1.42M	1.43M	1.51M	1.64M	1.73M	1.85M	2.02M	2.22M		
Finance costs	(1.21M)	(1.14M)	(1.06M)	(0.99M)	(0.90M)	(0.82M)	(0.73M)	(0.63M)	(0.53M)	(0.43M)		
Net cash inflow (outflow) from operating activities	13.00M	14.57M	15.31M	16.30M	17.05M	17.69M	18.15M	19.22M	19.80M	20.73M		
Cash flows from investing activities:												
Payments for property, plant and equipment	(20.08M)	(15.01M)	(17.87M)	(15.78M)	(14.19M)	(15.22M)	(16.92M)	(15.17M)	(14.34M)	(14.26M)		
Subsidies, donations and contributions for new capital expenditure	3.10M	0.63M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M	0.60M		
Proceeds from sale of property, plant and equipment	1.24M	0.34M	0.70M	0.64M	0.45M	0.39M	0.37M	0.33M	0.23M	0.23M		
Net transfer (to) from cash investments	0.84M	0.86M	0.88M	0.90M	0.93M	0.95M	0.97M	1.00M	1.02M	1.05M		
Net cash inflow (outflow) from investing activities	(14.91M)	(13.18M)	(15.85M)	(13.81M)	(12.37M)	(13.44M)	(14.98M)	(13.24M)	(12.49M)	(12.38M)		
Cash flows from financing activities												
Proceeds from borrowings	(1.48M)	(1.54M)	(1.62M)	(1.70M)	(1.78M)	(1.87M)	(1.96M)	(2.05M)	(2.15M)	(2.26M)		
Repayment of borrowings	(1.48M)	(1.54M)	(1.62M)	(1.70M)	(1.78M)	(1.87M)	(1.96M)	(2.05M)	(2.15M)	(2.26M)		
Net cash inflow (outflow) from financing activities	(3.39M)	(0.16M)	(2.16M)	0.80M	2.89M	2.38M	1.21M	3.92M	5.16M	6.09M		
Net increase (decrease) in cash held												
Cash at beginning of reporting period	18.27M	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M		
Cash Balance	14.88M	14.73M	12.56M	13.36M	16.25M	18.63M	19.85M	23.77M	28.93M	35.02M		



<p>SPECIAL MEETING OF COUNCIL (BUDGET ADOPTION) MEETING MINUTES - 5 JUNE 2018</p>
--

7.0 CONFIDENTIAL ITEMS

No Confidential Items.

8.0 MEETING CLOSED

There being no further business, the meeting closed at 9:23am