



PARKS & LEISURE
AUSTRALIA

Asset Management through the looking glass



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The People Behind the Places promoting the good use of leisure time for the wellbeing of Australia

Asset Management through the looking glass



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Where are we going?



"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where—" said Alice.





"Then it doesn't matter which way you go," said the Cat.

"—so long as I get *somewhere*," Alice added as an explanation.

"Oh, you're sure to do that," said the Cat, "if you only walk long enough."




Where are we going today?

-  What is asset management?
-  How does it apply in a parks and open space environment?
-  What can we learn from the Australian experience?
-  How can we benefit from this experience to build a stronger and more sustainable Singapore?



A definition

 Asset Management is the **process** of guiding the acquisition, use and disposal of assets to make the most of their **service delivery** potential and **manage** the related risks and costs over their entire life.



Parks and Open Space Assets



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Parks and Open Space Assets



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Asset Management 101

Asset Management



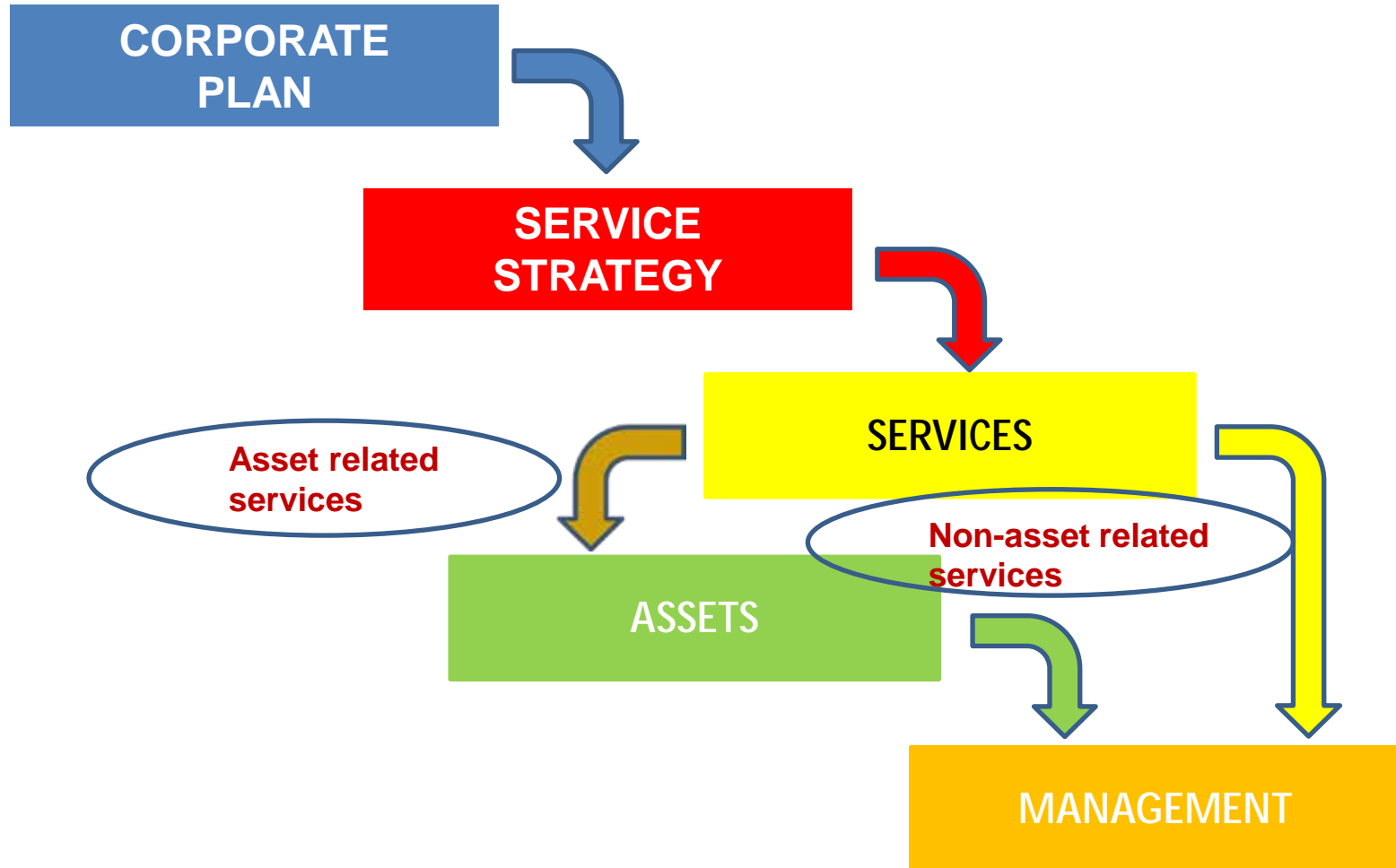
The things council owns or controls in order to deliver services.

Council may have:

- Bought them
- Received them as part of a government program
- Been given them as a donation



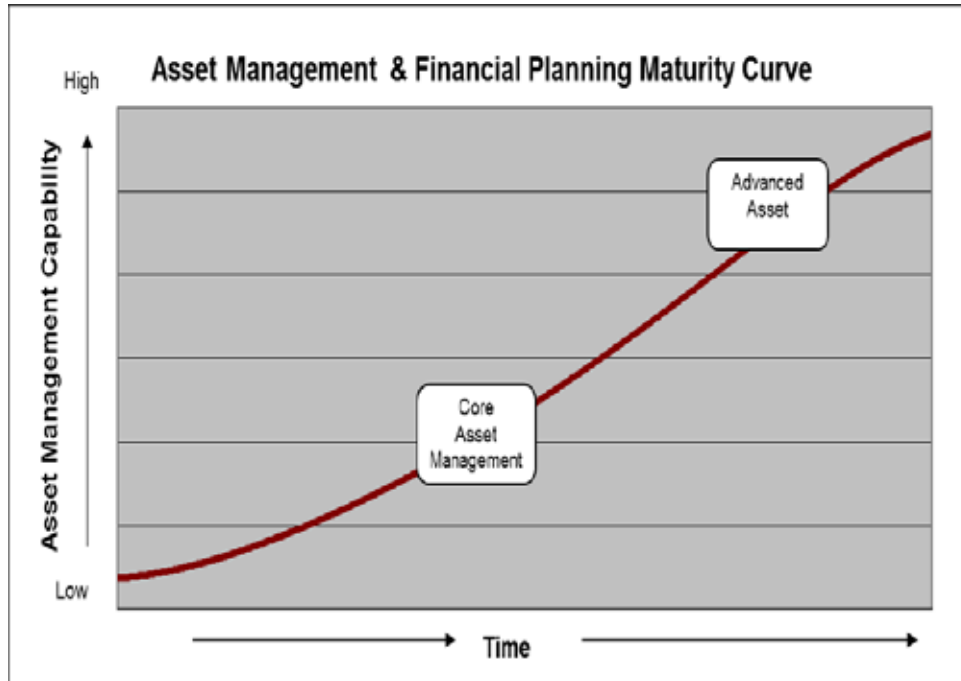
Asset Management 101



Asset Management 101

Asset Management is the **process**

- system
- method
- culture
- way of thinking



It's a
never
ending
journey



Asset Management 101

Asset Management is the process of guiding the acquisition, use and disposal of assets to make the most of their **service delivery potential**

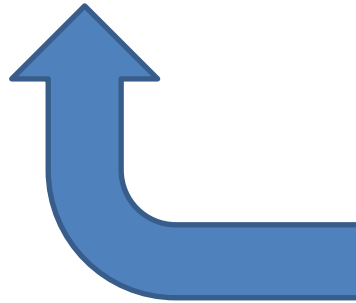


- Make the assets work really hard for us and achieving value for money
- Deliver quality services within budget capacity



Asset Management 101

Asset Management is the process of guiding the acquisition, use and disposal of assets to make the most of their service delivery potential and manage the related **risks**



Assets can:

- Injure or kill people
- Send businesses bankrupt
- Ruin your reputation
- Distract you from what you should be doing



Asset Management 101

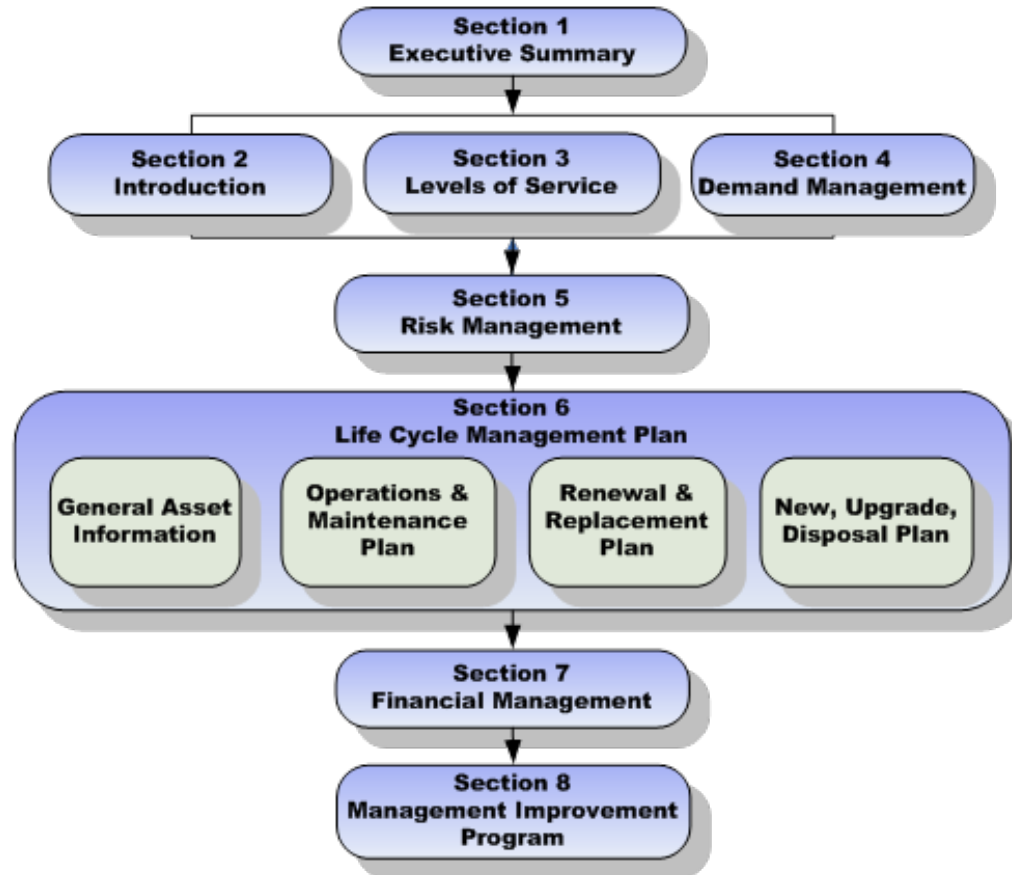
Asset Management is the process of guiding the acquisition, use and disposal of assets to make the most of their service delivery potential and manage the related risks and **costs over their entire life.**



- Most of the costs come after we have the asset.
- Every asset impacts on our budget for a long, long time, sometimes even after we have got rid of them.



Asset Management Plans



It all started ...



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Annual Service Cost Public BBQ

Assume 10 yr life

	Capital	Annual	Remarks
Capital	\$8,000		
Interest		\$400 5 % pa	
Depreciation		\$800 pa	
Operations–Electricity		\$400 pa	If used twice per week on average
Operations - Cleaning		\$2,600 pa	
Maintenance (Ave)		\$500 pa	
Demolition		\$100 pa	\$46.15 per use

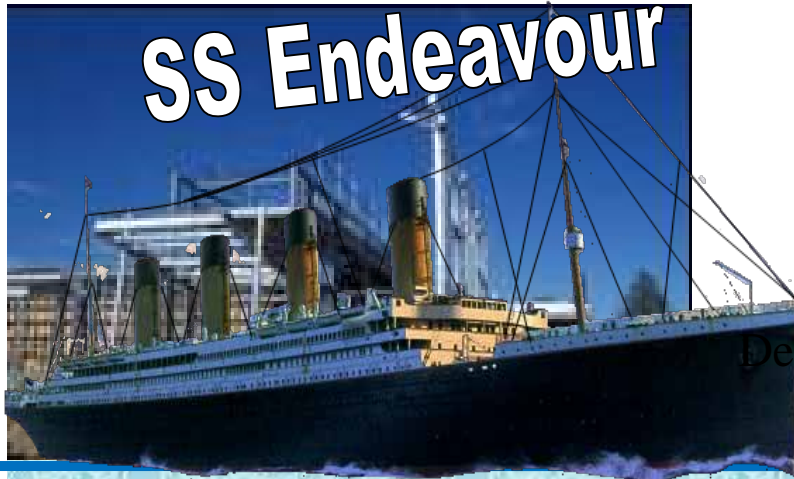
Total:

\$8,000

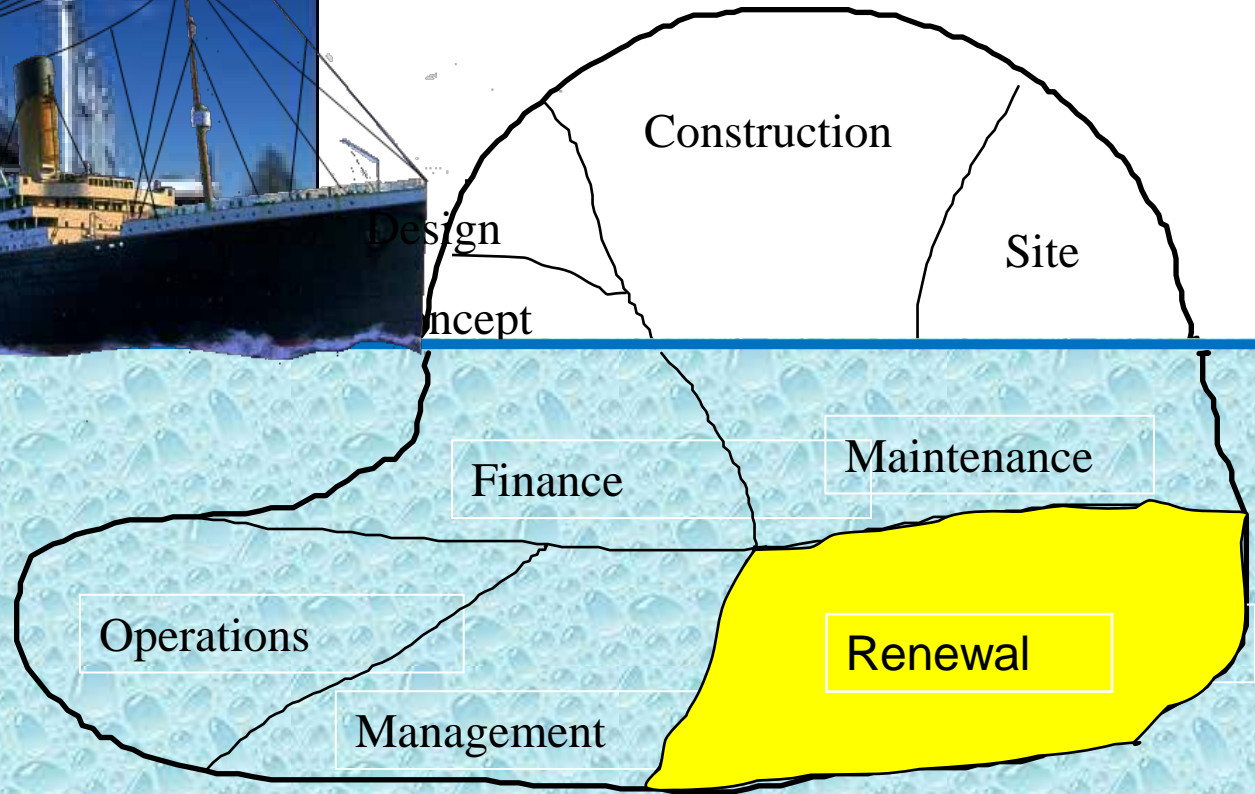
\$4,800

= \$48K over 10 yrs)

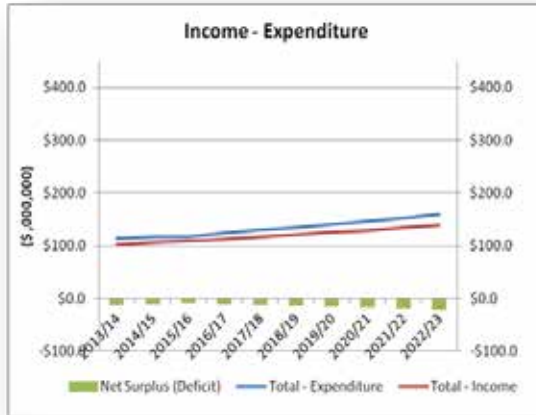
Asset Management 101



SS Endeavour



More recently?



At Budget time most Councils are initially faced with the issue:-

Expenditure demands exceed funding capacity

Other factors to consider:

- External funding is declining
- **Future service costs are not fully recognised, (internal and external)**
- Renewal demand not fully funded
- Lifecycle costs of new capital investment not fully recognised
- Rate increases limited by community's capacity to pay



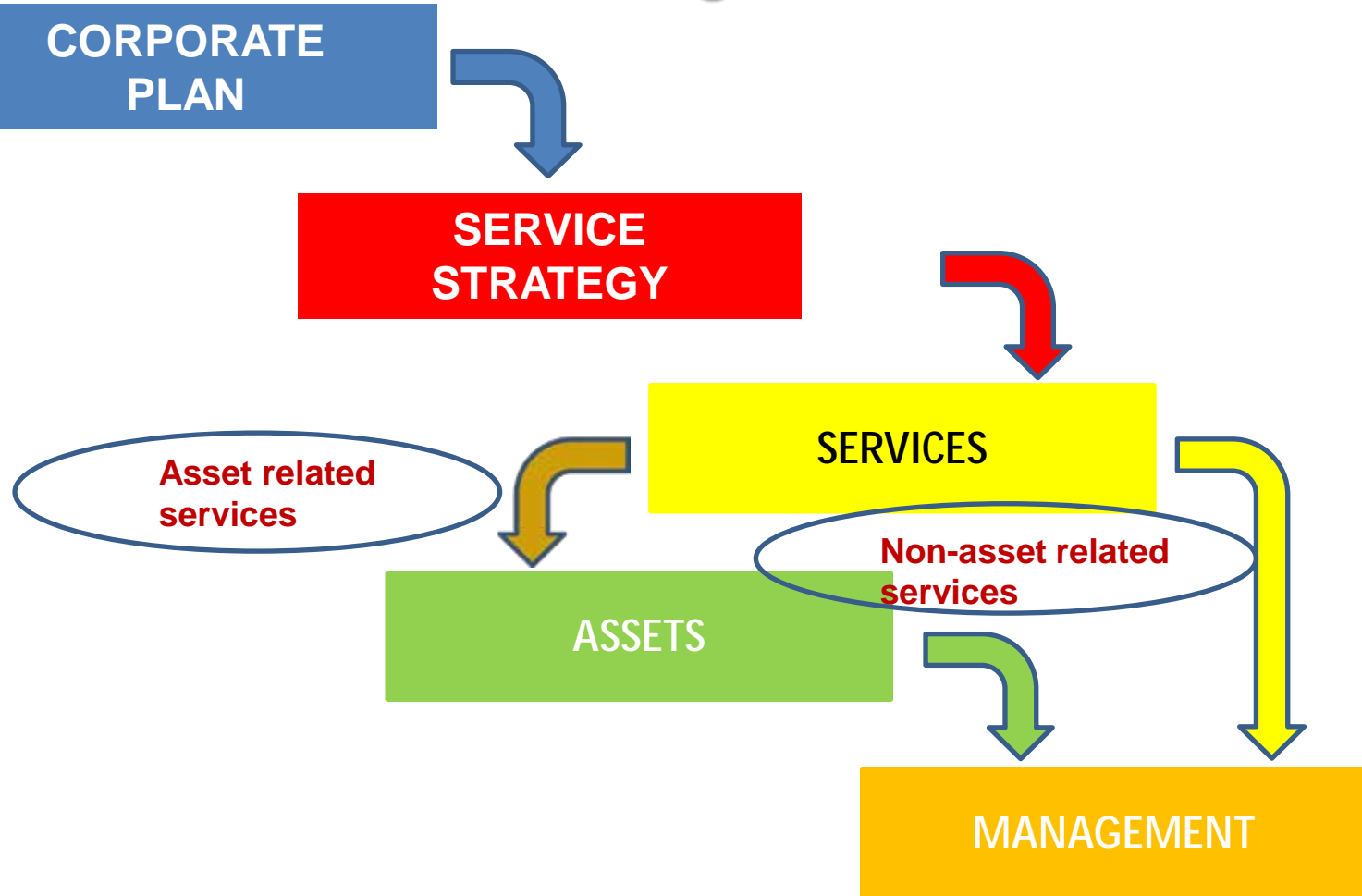
So what happened next?

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Paradigm Change

The core of asset management is NOT assets



Services Management

-  A **service** is defined as a collection of intangible benefits that can be produced and consumed;
-  **Service provision** requires work to be done by one or more parties for the benefit of others;
-  **Council must have discretion about the** range of services and the **Level of Service** provided to the community;

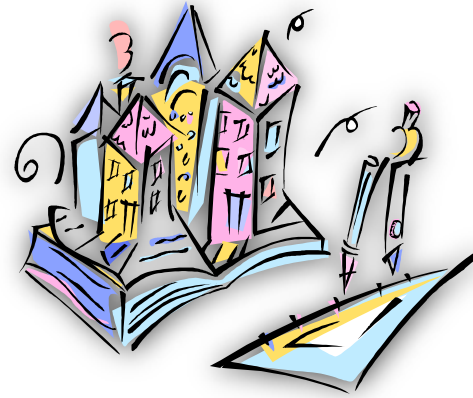


'Intangible benefits resulting from use of a Council service may include improved self confidence and wellbeing. This cannot be measured directly but may be felt, for example, by parents attending a playgroup meeting in a Council building.'



Services Management

Community focus is
service outcomes



Council focus is
service delivery



Service Planning aligns these elements



Start with the big picture

Benchmark figures	PRSC	CSC	RCC
Area of Parks and Reserves	3,614ha	2,858ha	338ha
Number of Parks and Reserves	744	743	167
Parks and Reserves operational expenditure	\$13.541M	\$10.806M	\$3.123M
Parks and Reserves capital expenditure	\$4.500M	\$1.893M	\$0.558
Number of employees (Permanent)	101.5	73	40
Area of Parks and Reserves per 1,000 residents	23.9ha	20.6ha	6.8ha
Parks and Reserves related expenditure per resident	\$89.68	\$77.74	\$62.46
Parks and Reserves related expenditure per hectare	\$3,747	\$3,781	\$9,240
Parks employees per 1,000 residents	0.672	0.525	0.8



Getting Feedback



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Look at all the dimensions



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Levels of Service Parks and Open Space

Service Category	Equivalent Labels	Description
Provision and Function	Planning Scheme: Desired Standards of Service	The purpose of the asset/service; The distribution and quantity of the service provision.
Development and Design	Planning Scheme: Levels of Embellishment	The requirements and design features of the asset/service.
Operations and Presentation	Service Level Agreement Service Targets	The servicing/maintenance of the asset and the standard of presentation to the customer.



Provision/Function

Park Type	Hierarchy of provision	Preferred size	Road frontage minimum	Useable area for main purpose	Slope and topography (Maximum)	Flooding and other hazards	Paths and Access	Other comments
Local Park	Local neighbourhood	0.4Ha to 2Ha	50%	80% Square or compact in shape.	1:20 for main use area 1:6 for remainder	Main use area free of regular flooding (ie above Q20) with at least 25% of area above Q50 Free of hazards	Safe walking access and pathway links to park	Should have good visibility from surrounding residences. Narrow linear shapes to be avoided.
District Park	Whole of town or district	2Ha+	40%	60%	1:20 for main use area Variable for remainder	Main area free of regular flooding (ie above Q20) with at least 10% of area above Q50 Free of hazards	Safe walking access and recreation trails in the park and facilities.	Will also provide Local Park function for immediate neighbourhood.

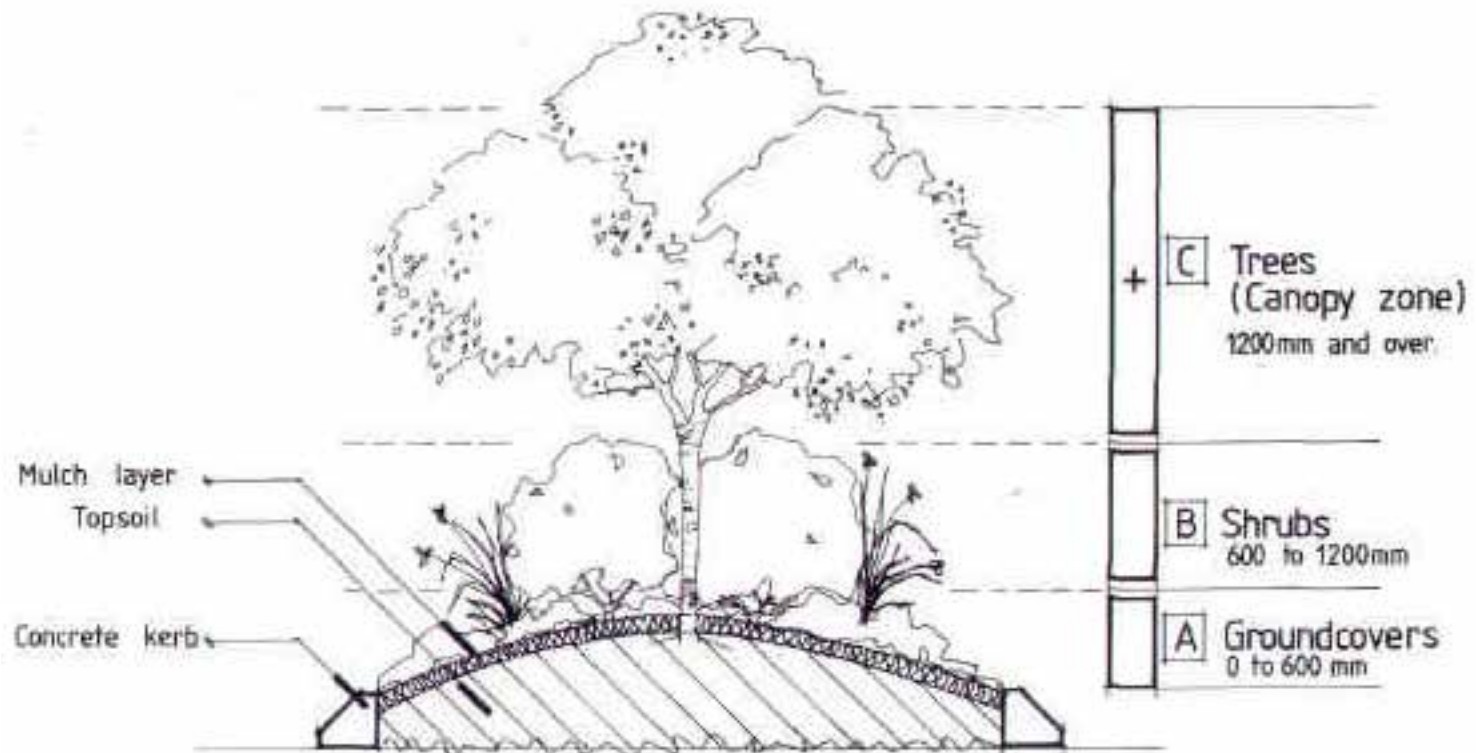


Provision/Function

Documentation	Metrics
Planning Scheme	<ul style="list-style-type: none">• Ha/1,000 population• \$/Ha annual cost• \$/1,000 population• Number of parks meeting classification criteria• Compare costs against population trended and area of parks.



Development/Design



Development/Design

Documentation	Metrics
Landscape guidelines	<ul style="list-style-type: none">• \$/sqm per park or park group• Measurements based on management area• Compare costs of different levels of embellishment• Identify costs of features.



Operations/Presentation

Parks Maintenance – 4 star

Service Summary

High maintenance regime

Used in high presentation / high profile park areas such as regional parks and sports field surrounds

Note: Includes any Walkways associated with these sites. Park infrastructure maintained to same service level.

Service/Intervention Levels

Mowing maintenance 18-20 cuts per year (base level is 18 with additional cut to select sites to cover special events and weather variation)

Service Rationale

Level of service determined to meet user expectations, historically measured via CSR numbers, grass height at levels appropriate for ball games and picnic use, sites are frequently used for events, community gathering or larger groups, cut grass (windrows) at a minimum to prevent turf damage and user inconvenience, to limit flower heads to minimise the presence of bees.

Customer Service Response Times

Repair of damage initiated within 48 hours of report

Maintenance Performance Standards

After cut height – 30 - 50mm (optimum 38mm)

90 - 100% grass cover. Variation due to season

Edging / Trimming totally mechanical for pavements Trimming is to be chemically completed around the base of specimen trees, to a maximum treated width of 100mm, fence lines to a maximum treated width of 200mm

Mower type – High tip speed rotary or flail

Automatic irrigation operating +75% efficient and in accordance with an approved

Water Efficiency Management Plan (W.E.M.P.) where applicable.

Total litter removal from site at the time of any maintenance visit

All grass, leaf litter and/or mulch is to be cleared from all pavement areas, gutters and drains at the completion of each maintenance visit.

All grass cutting activities are to ensure no grass clipping are directed onto any softfall area.

Clippings not removed but evenly distributed with no noticeable clumps or windrows.

Clippings are not to be dispersed into garden beds or bushland areas

Grass clippings are not to be used as mulch around trees

Less than 10% affected by weed / pest. 20m wide bindii weed free buffer around playground, buildings and picnic facility.



Operations/Presentation

Documentation	Metrics
Service Targets	<ul style="list-style-type: none">• Number of individual service applications• Annual cost and \$/sqm for individual services eg:<ul style="list-style-type: none">○ Mowing○ Pruning○ Mulching○ Weed control



Make sure you know what is really happening



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Looking for trends

Request Code	04/05	05/06	06/07
BLR510 – Bushland Reserves	97	81	61
FPT510 – Footpath (Trees)	1264	1543	1281
PEP510 – Play equipment	66	71	68
PKG510 – Parks Miscellaneous	263	128	339
PKS510 – Parks (Management)	571	565	324
RRV510 – Road Reserve	349	333	172
SBN218 – Street Bins (Parks)	39	57	114



Follow the money



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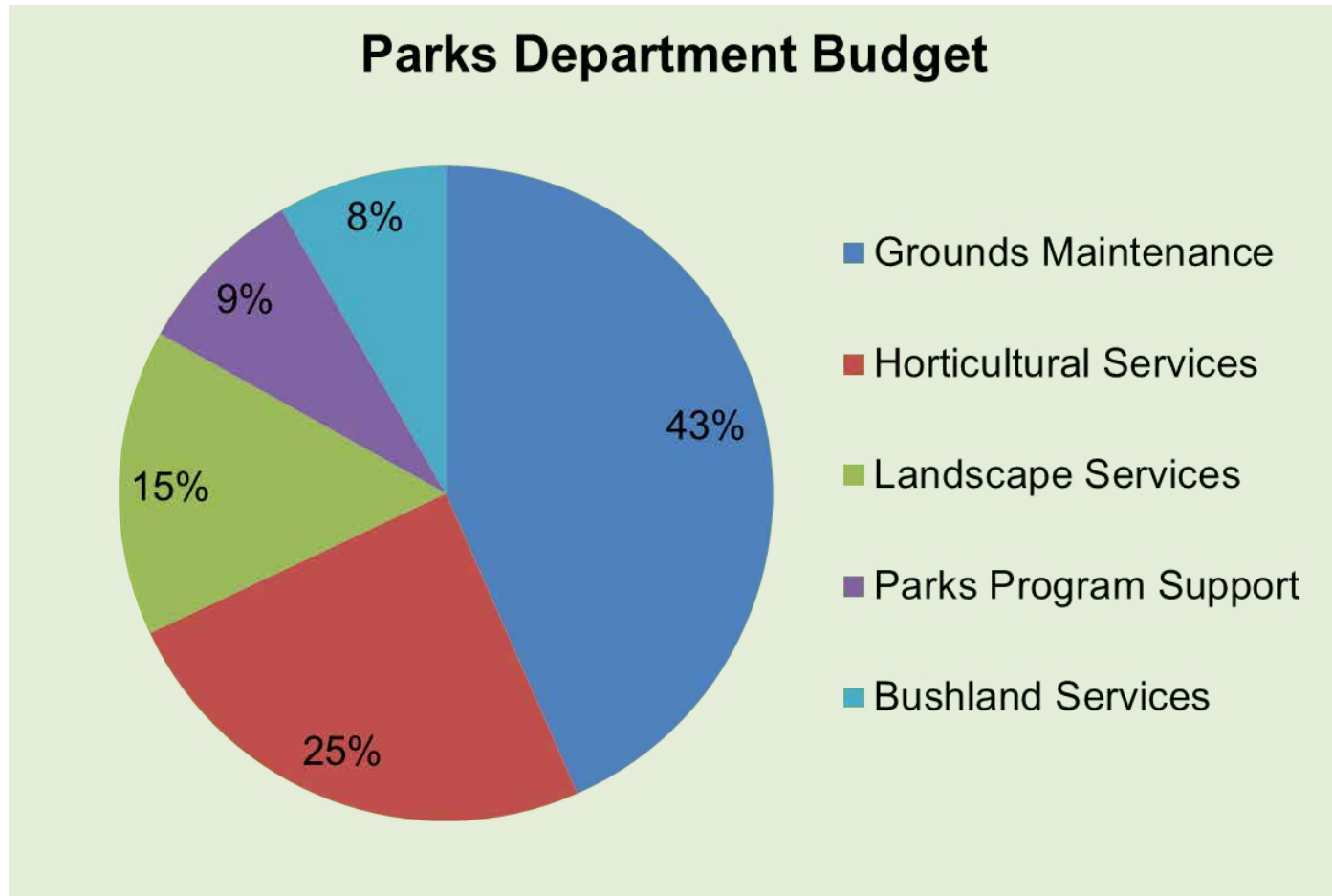


A typical budget

Service Area	Tasks	Budget
Grounds Maintenance	Mowing and general parks maintenance	\$6.5M
Horticultural Services	Streetscape, Nursery, Tree Services	\$3.7M
Landscape Services	Playgrounds, BBQ, shelters, boardwalks, paths, etc	\$2.3M
Parks Program Support	Office staff and systems	\$1.3M
Bushland Services	Tracks, fire and pest management	\$1.3M
TOTAL BUDGET		\$15.1M



A typical budget



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Your asset management team

Fleet Manager:

- kms/hours, fuel usage, costs of ownership, downtime statistics

Accountant:

- Financial management data

HR:

- Injury and lost time statistics, workers comp costs

Planners:

- Future subdivisions, on/off maint scheduling



Asset management in action



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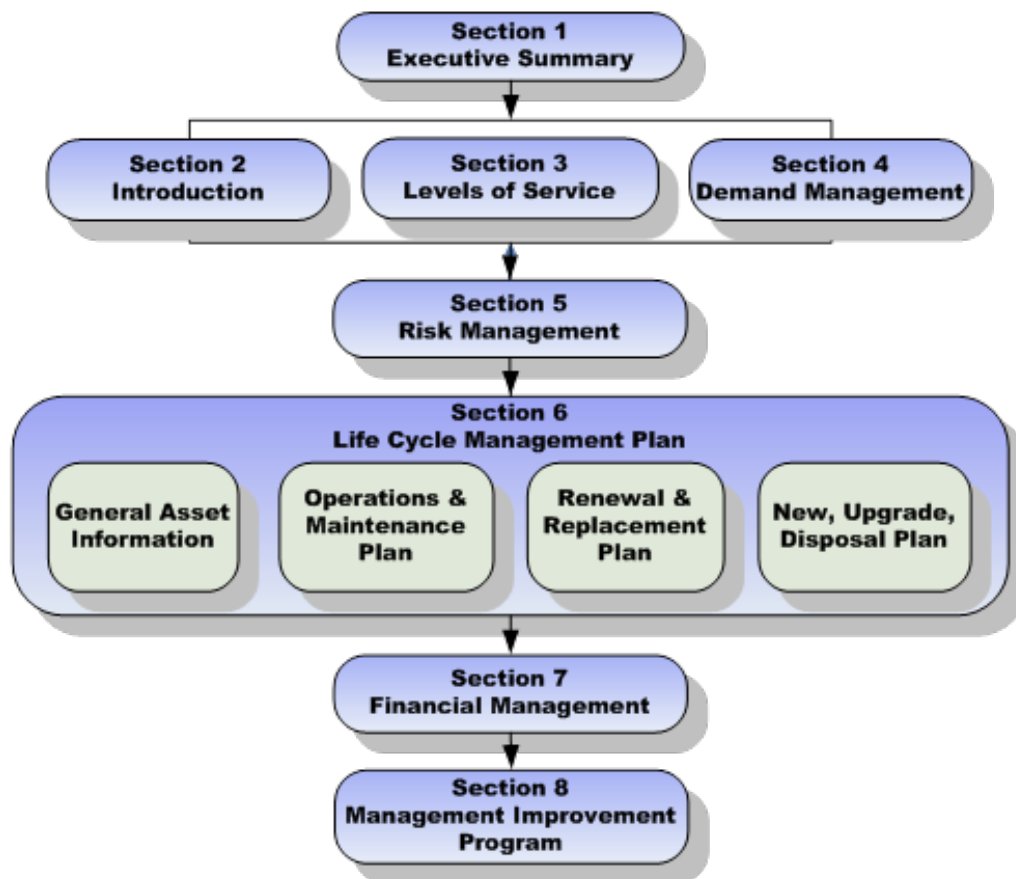
Communicating Actions & Results



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Implementing Asset Management





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