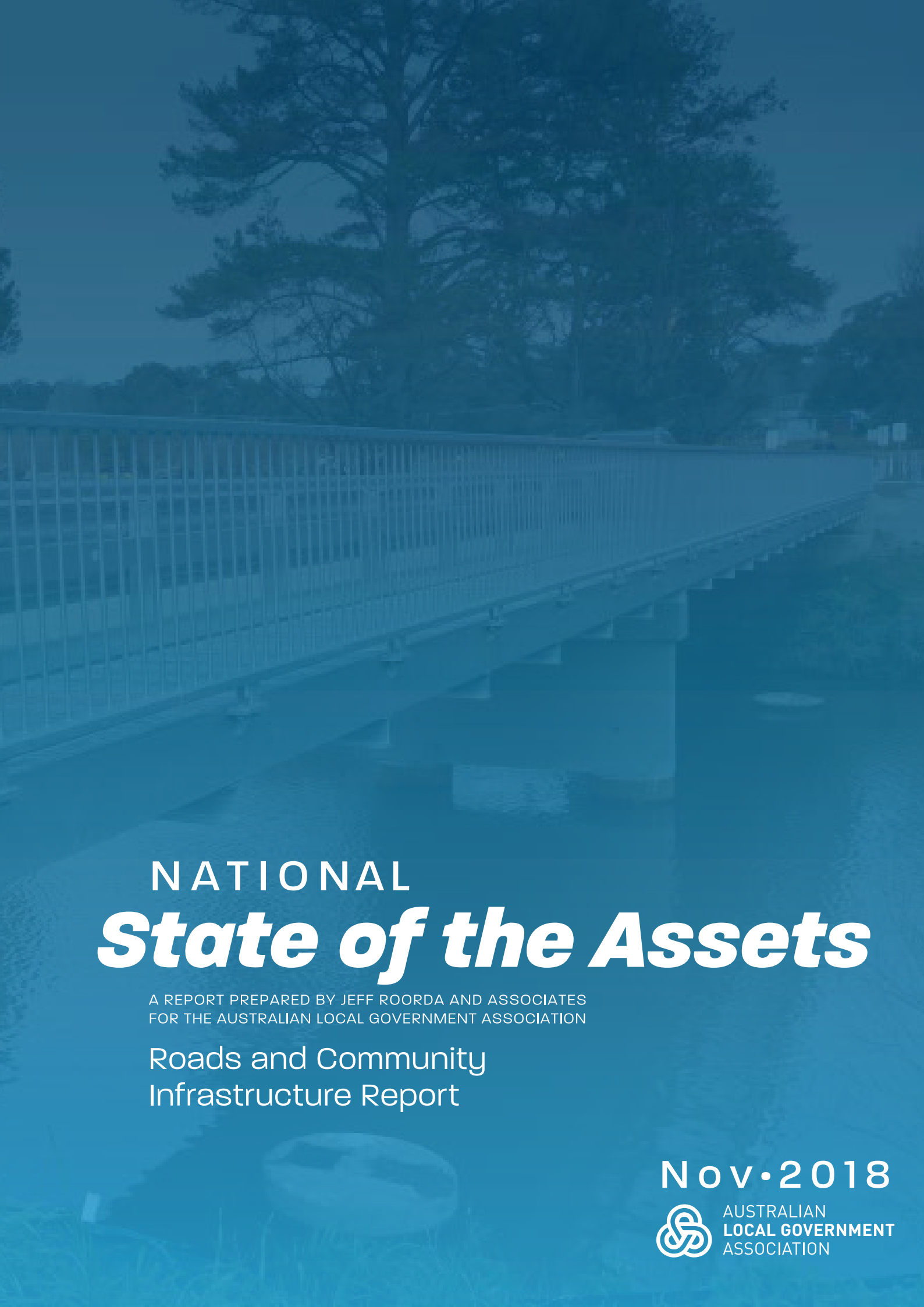

NATIONAL

State of the Assets

A REPORT PREPARED BY JEFF ROORDA AND ASSOCIATES
FOR THE AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

Roads and Community Infrastructure Report

Nov•2018

AUSTRALIAN
LOCAL GOVERNMENT
ASSOCIATION

National State of the Assets 2018

Roads & Community Infrastructure Report

Australian Local Government Association

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Acknowledgements

The ALGA gratefully acknowledges the valued input from the local governments who participated and provided data for the report which was entirely optional.

This high level of response is greatly appreciated by ALGA and demonstrates local government is well positioned to report on the State of the Assets providing an excellent basis for an examination of local government road and community assets and associated funding issues.

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November 2018

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What This Report Delivers

Since 2012, the Australian Local Government Association has encouraged all local governments in Australia to participate in a self-assessment survey of their infrastructure performance and management practices known as the National State of the Assets (NSoA) Project.

The project aims to report the value, performance, and management of local government infrastructure assets across the nation on a consistent basis.

The project commenced with the collection of roads and bridges data in 2012. The subsequent National State of the Assets (NSoA) Report was formally presented to the Federal government in 2014.

In 2015 the Project was expanded to include all other key asset groups for which local government is typically responsible. This now provides an informed analysis of performance trends for roads, bridges, and other community infrastructure assets such as buildings, stormwater drainage, water supply, wastewater treatment, parks, airports and aerodromes.

To date, the NSoA Project has delivered the following outcomes:

- Proof of concept that local government can provide consistent, evidence-based infrastructure performance reporting for use by all levels of government. (ref: NSoA Pilot 2012);
- A complete performance reporting result for sealed and unsealed road assets and concrete and timber bridges in terms of condition, function, and capacity indicators. (ref: NSoA Report 2013 & NSoA Report 2014);
- An updated and complete performance reporting result for all key infrastructure groups for which local government has responsibility (ref: NSoA Report 2015); and
- Consistent trend analysis enabling past comparisons and projections for future investment in local government infrastructure in Australia (ref: NSoA Report 2018).

Whilst optional, participation has increased with 408 or 75% of local governments across Australia providing data for the 2018 National State of the Assets Roads and Community Infrastructure Report. Of note, close to a third more local governments in urban areas participate than their rural counterparts.

Victoria and New South Wales has the highest participation rate (>90%) followed by Tasmania (83%). South Australia and Northern Territory were slightly lower at 70% and 65% respectively. Less than 60% of Queensland and Western Australian local governments have participated suggesting consistent reporting within a national framework is considered optional and less important in these States.

The underpinning methodology for the NSoA Project and Report is outlined in Appendix A. Details on participation rates and trends are presented in Appendix B and data confidence levels are shown in Appendix C.

Structure of the report

This Report consists of an Executive Summary, an Introduction, three Parts. Findings, Concluding Remarks and Recommendations.

The **Executive Summary** overviews the background, objectives, approach, key findings and recommendations for the Report.

The **Introduction** provides the context. Local government in Australia is operating in a challenging environment now and will continue to do so in the future, particularly in relation to the management of its infrastructure assets. The Indicator framework for assessing asset management performance in the 2017 NSoA Report is summarised in this introductory section.

Part 1 – Local Government Infrastructure Investment

Part 1 provides information in relation to the level of current investment in local government infrastructure followed by data (current and trends) on infrastructure investment performance.

Part 2 –Asset Management Knowledge and Capability

This section of the Report highlights the critical role played by decision makers who have responsibility for asset management and financial planning in local government in Australia.

Part 3 –Infrastructure Performance

Part 3 presents detailed data by asset class (current and trends) that adds to our understanding of the state of local government infrastructure in terms of condition, function, and capacity / utilisation.

Findings

The results from the above three Parts are consolidated and discussed in this section.

Concluding Remarks

Observations based on the findings are presented.

Recommendations

A list of recommendations that respond to current and future challenges for asset management planning and decision making for local, state, and federal government across Australia.

Executive Summary

Overview

$30 billion is required to renew and replace ageing infrastructure that is needed now. This is the beginning of the renewal of the infrastructure built during the “baby boom” and rapid growth period in the 60’s and 70’s. There has been a steady increase in renewal spending since 2005, but the proportion of infrastructure in poor condition is not going down indicating it is likely that we are moving into a major renewal phase over the coming 20 years. This is compounded by the requirement to upgrade infrastructure to meet changing functional requirements. For example, old kerbside infrastructure built in the 60’s and 70’s was not built to meet Disability Discrimination Act (DDA) requirements and needs to be upgraded when assets are due for renewal at a higher cost. This will become a growing safety and equity requirement with an aging demographic that increases the proportion of the Australian population with limited mobility.

NSoA is reporting on Infrastructure Capacity as well as function. Capacity is linked to productivity and productivity is a major focus in infrastructure investment. Australia’s freight task is expected to increase by 80 per cent between 2010 and 2030 and triple by 2050, with truck traffic alone predicted to increase by around 50 per cent to 2030. Councils estimate $24 billion of current infrastructure value has poor capacity. The actual upgrade cost of substandard infrastructure is likely to be up to five times that value. Narrow winding local road will need widening and realignment to safely meet the needs of larger vehicles to farm gate and local distribution centres.

Findings

The need for investment in infrastructure today exceeds $30 billion and is likely to continue to grow to meet productivity and safety requirements. This exceeds the funding capacity of the local government sector under current revenue arrangements. State and National Infrastructure planning and funding has focussed on major connecting projects and now additional attention is needed for local infrastructure to complete a plan for bringing local infrastructure up to a state of good repair and fit for purpose as part of the national infrastructure network that supports productivity and safety improvement.

The joint funding initiatives on timber bridges has been a successful example of funding from the three levels of government needed to meet rapid growth in assets reaching end of life and provides a good starting point for a coordinated approach to infrastructure planning and funding.

Asset and risk management plans are an essential and mandatory planning document for each council to report infrastructure funding needed for the next 10 years to achieve productivity and risk targets. Unlike New Zealand, Australia currently has no consistent requirement for asset management plans. In addition, there is no link between asset management plans and funding, which makes a coordinated and effective approach to national infrastructure planning and funding reactive where people live locally.

Recommendations

It is recommended the Australian Local Government Association:

1. Includes the following questions in future updates of the NSoA Report:
    a. The current year and 10-year forward estimate of planned expenditure, i.e. Long-term Financial Plan (LTFP); and
    b. Projected outlays, i.e. Asset Management Plan (AM Plan) for operations, maintenance, renewal and upgrade/new.
2. Advocates for ongoing focus on and funding for asset management capability and capacity building.
3. Advocates for required investment in local government infrastructure to manage risks and increase productivity for local communities.

It is recommended local government regulators:

4. Audit asset management and long-term financial plans so that they are aligned, credible, reliable, up-to-date, and compliant with best practice.
5. Assist local councils increase their knowledge and confidence in determining unit costs and useful life of key asset classes.

It is recommended local government:

6. Ensures asset management and long-term financial plans are aligned, credible, reliable, up-to-date, and compliant with best practice.
7. Continues to improve their asset management capability to a position that they can demonstrate and provide a sustainable and affordable service delivery model to their communities.

Introduction

Management of infrastructure remains a fundamental challenge for the local government sector. Of the three levels of government, local government has the largest relative infrastructure task in terms of asset management and the smallest relative revenue base.

Australian Local Government Association, Submission to Infrastructure Australia responding to the Infrastructure Australia Audit 2015

The NSoA Project provides a consistent and evidence-based approach for infrastructure reporting that responds to the challenges facing local government in Australia.

The Project aims to **improve safety, equity, and productivity for communities at the national and local level** by;

- Identifying current and future national and local infrastructure challenges;
- Providing opportunities to invest in local government infrastructure to ensure rural and regional towns, villages and cities meet future community service needs; and
- Presenting a basis for ongoing measurement regarding infrastructure service levels and risk management that provides;
    - A framework for accountability and value for money; and
    - A measure of asset management and long-term financial planning capability.

The NSoA 2015 Report highlighted the need for local governments across Australia to address the following challenges:

- Infrastructure ownership is highly concentrated in local government, which raised around 3.6 per cent of Australia's total tax revenue in the 2016–17 financial year[1] while accounting for six per cent of total public-sector spending[2] and evidence suggests local infrastructure plans have been poorly integrated with state and federal initiatives;
- Infrastructure needs are changing fast due to new technologies and an increasing (and aging) population forcing a reallocation of available resources to where the greatest need is; and
- Long term national infrastructure plans needing to account for regional differences in population, climate, and topography, to manage risk and to ensure equitable access to local services and infrastructure for all communities.

This NSoA 2017 Report provides up to date data and trends that reinforce the need for local governments across Australia to acknowledge these challenges and to act now.

[1] 5506.0 - Taxation Revenue, Australia, 2016-17

[2] 5512.0 - Government Finance Statistics, Australia, 2016-17

How Infrastructure and Asset Management Performance is Assessed

The NSoA Report provides the evidence for asset custodians to make informed decisions about the future of local government infrastructure for local and regional communities that serve a much broader context at the state and national level.

This evidence is presented in a performance indicator framework that reports past, present, and future trends in infrastructure investment, management knowledge and capability, and performance. For future reports, the NSoA project will recommend including questions on expenditure for all asset classes to determine if local government is accommodating investment in an optimal and cost-effective way from a timing perspective relative to the risk it is prepared to accept and the service levels it wishes to maintain.

The Indicators used in the NSoA 2017 Report are presented in Table 1 below.

Table 1 NSoA 2017 Report Performance Indicators

Indicator	What it measures	What it means	Industry Target
Local Government Infrastructure Investment (Part 1)			
Asset Renewal Funding Ratio[3] *Data not currently available for the NSoA.*	The ratio of asset renewal expenditure for a period relative to the asset renewal expenditure identified as warranted in an asset management plan for the same period	Measures whether local government is accommodating asset renewal and replacement in an optimal and cost-effective way from a timing perspective relative to the risk it is prepared to accept and the service levels it wishes to maintain.	Between 90% and 110%.
Asset Sustainability Ratio[4] *Data only available for Roads and Bridges via the NLRDS.*	Measures whether assets are being renewed at the rate they are wearing out at a point in time.	If 100% on average over time ensures the value of existing assets is maintained. When assets are young, this can be at a rate 50% or less of the annual depreciation expense. When assets are old, the ratio may appropriately be considerably more than 100%.	Often suggested to be 100%[5].

[3] Primary Indicator

[4] Primary Indicator

[5] This is reasonable on average over the long-term but, the target for any lesser period should be set having regard for the relative age and renewal profile of the asset class.

Indicator	What it measures	What it means	Industry Target
Asset Consumption Ratio[6] *Data only available for Roads and Bridges via the NLRDS.*	Indicates the level of service potential ('as new' condition) remaining in existing infrastructure.	The higher the percentage, the greater future service potential is available to provide services to the community.	Between 40% and 80%.[7]
Depreciation Rate *Data only available for Roads and Bridges via the NLRDS.*	Indicates the asset's estimated productive or useful life measured by dividing the annual depreciation expense by the depreciable amount.	An upward trend over time indicates assets are being consumed at an increasing rate. A downward trend indicates assets are lasting longer.	Not applicable.
Asset Management Knowledge and Capability (Part 2)			
Proportion of Asset Management Plans Adopted	Asset management capability	Good practice in managing assets can be demonstrated by the adoption and use of reliable data and processes to manage service levels, risk, and costs.	100%
Proportion of Long Term Financial Plans Adopted	Long term financial planning capability	A long-term financial plan provides a strategy to balance competing priorities with the available finance.	100%
Proportion of Asset Management Plan Projections included in the Long-term Financial Plan	Identifies the cost required to renew or preserve the asset which is addressed in the Long-term Financial and is the focus of future annual budgets.	The appropriate continued allocation of funding towards the preservation of the asset results in a positive investment for the community in the future.	100%
Infrastructure Performance (Part 3)			

[6] Secondary Indicator

[7] IPWEA AIFMG (2012), p 2.19.

Indicator	What it measures	What it means	Industry Target
Assets in Poor to Very Poor Condition	The proportion of asset value in need of repair and/or replacement.	How good is the service? Helps us understand the age and remaining life of existing assets.	Between 0% and 10% depending on risk profile.
Assets in Poor to Very Poor Function	The proportion of asset value in need of investment to meet functional needs now and in the future.	Is it the right service? Helps us understand future needs in response to changing circumstances.	
Assets in Poor to Very Poor Capacity	The proportion of asset value in need of investment to meet utilisation needs now and in the future.	Is the service under or over utilised? Helps us understand future needs due to demand and growth.	

For NSoA reporting, indicators based on Function and Capacity are considered Network Indicators, i.e. they indicate the asset performance of local government in the context of state and national networks.

Part 1 – Local Government Infrastructure Investment

A key responsibility of local government in Australia is to provide, develop and maintain infrastructure necessary to provide communities with access to safe and sustainable economic and social services.

This task has increased over recent decades with local government not only providing traditional core services such as roads, buildings, stormwater drainage, water supply and wastewater treatment, parks, airports and aerodromes, and waste disposal but also an increasing range of new services in the areas of recreation, health, environment, and welfare services.

The investment necessary to deliver and sustain the supporting infrastructure for these services is outlined below.

Current Local Government Infrastructure Investment

The replacement cost of land and fixed assets supporting the various economic (e.g. roads, buildings, water supply, etc.) and social services (e.g. health, welfare services, etc.) mentioned above is estimated in the order of $426 billion as reported at the end of June 2017[8].

When categorising Land, Infrastructure and Other Assets, the total replacement cost as reported to the Australian Bureau of Statistics, plus the depreciable amount, depreciated replacement cost (written down value) and depreciation expense for local government at the end of June 2017 is summarised in Table 2 below.

Table 2 Local Government Land and Fixed Assets Asset Valuation[9]

Asset Class	Replacement Cost ($M)	Depreciable Amount ($M)	Depreciated Replacement Cost ($M)	Annual Depreciation Expense ($M)
Land				
Non-depreciable land	$66,865	$-	$66,865	$-
Land improvements	$3,530	$3,530	$2,224	$94
Sub-total	*$70,396*	*$3,530*	*$69,090*	*$94*
Infrastructure				
Roads	$136,418	$120,160	$100,122	$2,101
Bridges	$13,880	$13,507	$9,263	$182
Buildings	$56,915	$52,103	$35,378	$1,073
Parks	$15,930	$14,084	$10,196	$508
Stormwater	$61,823	$59,104	$43,201	$628
Water / Wastewater	$58,847	$55,941	$37,096	$997
Airport / Aerodromes	$1,773	$1,645	$1,349	$37

[8] ABS cat. no. 5512.0, TABLE 339, 2016-17 Balance Sheet – Land & Fixed Assets.

[9] Values extrapolated from participating local governments and proportions sampled from 52 NSW local governments 2016-17 Financial Statements.

Asset Class	Replacement Cost ($M)	Depreciable Amount ($M)	Depreciated Replacement Cost ($M)	Annual Depreciation Expense ($M)
Sub-total	*$345,585*	*$316,544*	*$236,605*	*$5,527*
Other Assets				
Other assets	$10,003	$10,003	$4,339	$747
Sub-total	*$10,003*	*$10,003*	*$4,339*	*$747*
TOTAL	**$425,984**	**$330,078**	**$310,034**	**$6,367**

Of the land and fixed assets, it is typically civil infrastructure that holds the largest investment on the balance sheet for local government, estimated at $345 billion at the end of June 2017. This represents an investment of $14,050 for each of the 24.6 million people[10] in Australia.

It is therefore incumbent on decision makers to ensure there is effective and transparent management and oversight of this investment now and into the future.

In 2017 the estimated replacement cost of the infrastructure component expressed as a percentage for each asset class reported by participating local governments is shown in Figure 1 below.

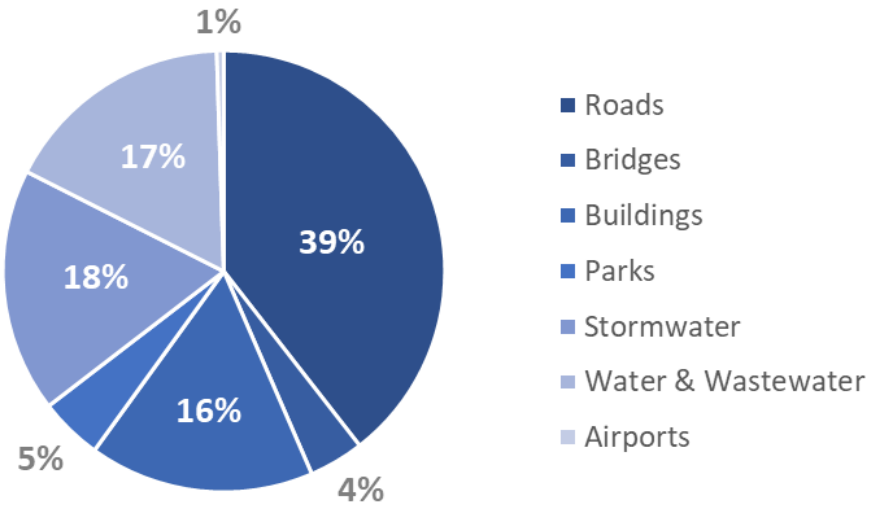


Figure 1 Proportion of Infrastructure by Replacement Cost

The greatest proportion of infrastructure assets by value is Roads (Sealed and Unsealed pavements) at 39%. Stormwater represents 18%, Water & Wastewater 17% and Buildings at 16%. Park & Recreation represent 5%, Bridges at 4% and Airports & Aerodromes at 1% represent the least in terms of infrastructure asset value.

[10] ABS cat. no. 3101.0 - Australian Demographic Statistics, Jun 2017, TABLE 4. Estimated Resident Population, States and Territories (Number).

Infrastructure Investment Performance

Infrastructure investment performance is measured by the:

1. Asset Renewal Funding Ratio
2. Asset Sustainability Ratio
3. Asset Consumption Ratio
4. Depreciation Rate

The Asset Renewal Funding Ratio is a forward-looking indicator measuring whether local government is accommodating asset renewal and replacement in an optimal and cost-effective way from a timing perspective relative to the risk it is prepared to accept and the service levels it wishes to maintain identified as warranted in councils' infrastructure asset management plans.

The Asset Renewal Funding Ratio *not currently measured.*

The Asset Sustainability Ratio is a present and historical-looking indicator measuring whether local government has been replacing or renewing its stock of infrastructure assets at the rate they are wearing out. It measures asset replacement expenditure relative to depreciation for a period over time.

It is a reasonable indicator for groups of assets that have relatively short lives, e.g. parks, unsealed roads, and sealed road surface treatments.

It is less suitable for assets with long-lives, e.g. sealed road pavements, bridges, and pipelines as optimal renewal expenditure for such asset classes is likely to be lumpier between periods.

Notwithstanding its limitations the application of this indicator is worth cautious consideration in the absence of a reasonably reliable asset management plan.

Data and trends for the Asset Sustainability Ratio are available for Sealed Roads via the National Local Roads Data System (NPM 7, NLRDS) and is shown below.

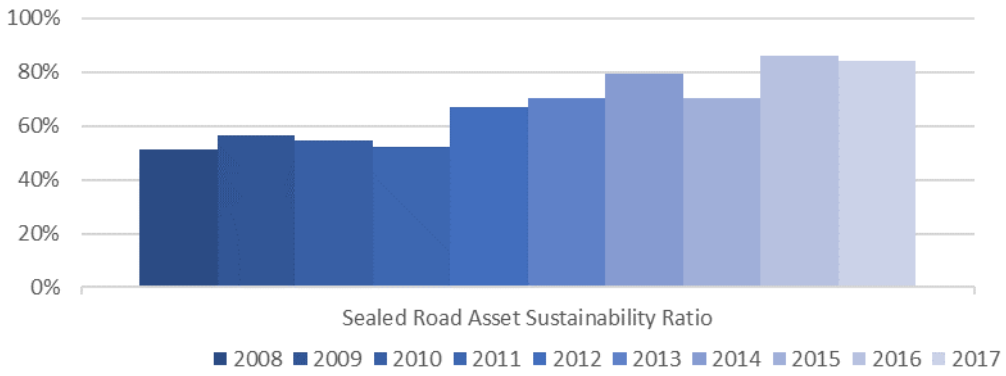


Figure 2 Sealed Road Asset Sustainability Ratio Trend

The desired, likely, and actual trend approximating the extent to which Sealed Roads (via the NLRDS) are being replaced as they reach the end of their useful lives is reported in Table 3 below.

Table 3 Sealed Road Asset Sustainability Ratio -Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2010 - 2017	Comment
Asset Sustainability Ratio (%)	↑	↑	↑	Indicates an increase in replacement or renewal of road infrastructure from 50% (2010) to >80% in 2016.

The Asset Consumption Ratio indicates the level of service potential ('as new condition') remaining in existing infrastructure managed by local government. The higher the percentage, the greater future service potential is available to provide services to the community. Considered a secondary indicator to the asset renewal funding and sustainability ratios as it seeks to highlight the aged condition of an entity's stock of infrastructure assets.

If local government is maintaining and renewing/replacing it assets in accordance with a well-prepared asset management plan, then the fact that its Asset Consumption Ratio may be relatively low and/or declining should not be a cause for concern – providing it is operating sustainably.

The Asset Consumption Ratio trend for all local government road infrastructure assets are available from the National Local Roads Data System (NPM 2, NLRDS) and is shown below.

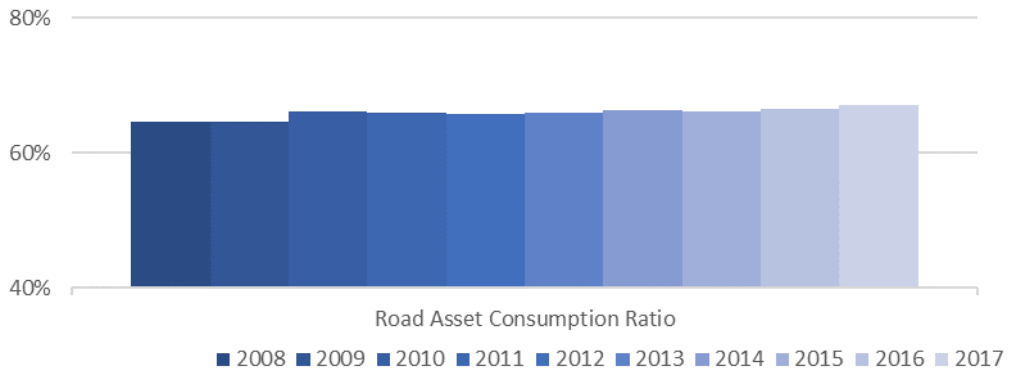


Figure 3 Road Asset Consumption Ratio Trend

The desired, likely, and actual trend indicating the level of service potential remaining in existing infrastructure is reported in Table 4 below.

Table 4 Asset Consumption Ratio -Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2012 - 2017	Comment
Asset Consumption Ratio (%)	↑	↑	↑	Industry target is between 40% and 80%. Trend shows a slight increase from 2012 to 68% in 2017.

The Depreciation Rate indicates the asset's estimated productive or useful life. A downward trend indicates that Councils have taken steps to reduce the rate of consumption of assets - that is they are lasting longer. This may be due to councils:

- Implementing improved asset management practices,
- Increasing their knowledge on performance of their assets under local operating conditions,
- Introducing hierarchies and matching levels of service to hierarchy need and available funds,
- making efficiencies in operation and renewal of assets to lower life cycle costs,
- improving maintenance practices to extend asset life,
- introducing new low-cost renewal technologies, and
- reporting this improved knowledge in financial reports

A steady trend indicates that assets are being consumed at a constant rate. An upward trend indicates that assets are being consumed at an increasing rate (i.e. shorter lives).

The reliability of this performance measure is dependent on the accuracy and currency of financial reporting of infrastructure and its annual consumption (depreciation). The written down value and annual depreciation of infrastructure will for example depend on forecasts regarding such assets useful lives and these will invariably be an estimate that can vary depending on preferred affordable service levels and local operating and environmental conditions.

When data was originally collected via the National Local Roads System not all jurisdictions required local government to regularly revalue their long-lived infrastructure and consequentially many councils were recording the depreciated value of infrastructure based on historical costs of acquisition. Australian Accounting Standards effectively provide the option of adopting the ‘cost’ or ‘revaluation’ model for infrastructure valuations (refer AASB 116).

Progressively, all jurisdictions have required councils to adopt the revaluation model for valuing major infrastructure, but this wasn’t so until 2015. Revaluations of infrastructure are now regularly reviewed (at least every 3 to 5 years) and are typically based on modern equivalent replacement costs. Regular revaluations involve an assessment of asset remaining useful lives and thus should help improve ongoing refinement of both assets’ written down value and annual depreciation.

A council that can generate sufficient operating revenue over time to offset all operating expenses including depreciation should have about sufficient funds (at least on average over time) to accommodate asset renewal needs (although it may need to borrow for new additional (not replacement) capital works in such circumstances).

The Road Asset Depreciation Rate trend for all local government road infrastructure assets are available from the National Local Roads Data System (NPM 2, NLRDS) and is shown below.

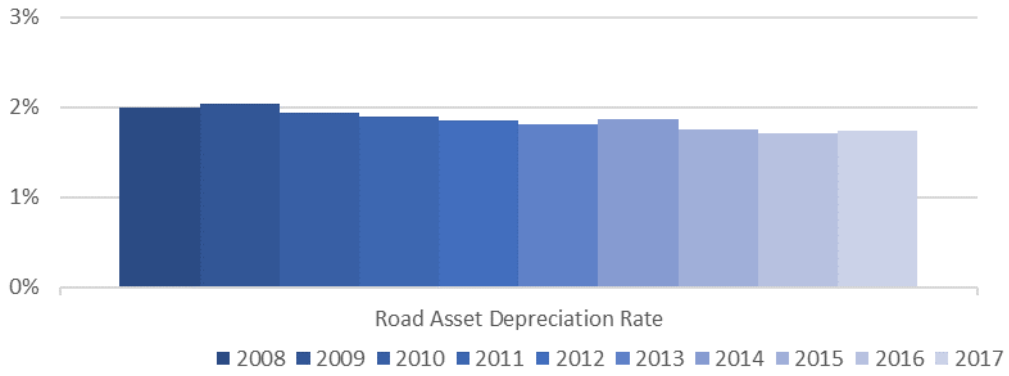


Figure 4 Road Asset Depreciation Rate Trend

The trend indicates the useful life of local government road infrastructure assets are being extended (i.e. lasting longer).

Table 5 Road Asset Depreciation Rate -Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2010 - 2017	Comment
Asset Depreciation Rate (%)	Not applicable	↓	↓	Indicates road infrastructure is on average lasing longer, from 2.0% (approximately 50-years) in 2008 to 1.7% (approximately 59-years) in 2016.

Part 2 – Asset Management Knowledge and Capability

Civil engineers as asset managers in local authorities are responsible for implementing legislative requirements relating to planning and designing new roads and bridges, overseeing the construction of new and the renewal and maintenance of existing roads and bridges. In doing this, many environmental and social issues (including very importantly safety, equity, and productivity) need to be addressed in a climate of limited funding.

It is paramount that civil engineers in local authorities are given the opportunity to acquire the qualifications, skills, and experience necessary to deal with existing challenges, as well as the challenges of an uncertain future brought about by increasingly rapid technological and demographic change. It is also important that the human resource requirement for effective asset planning and management is adequately addressed in a council's Workforce Management Strategy.

NSW Road Asset Benchmarking Project 2017 Report (IPWEA NSW)

The level of knowledge and experience of decision makers who have responsibility for local government asset management is a major factor in finding a balance between service levels, risks, and costs.

Asset management capability and knowledge includes: developing an Asset Management Strategy/Policy; defining levels of service; forecasting future demand; understanding the asset base (the asset Register); assessing asset condition and identifying asset and organisational risks.

Skills and experience in lifecycle decision making are essential. This area of responsibility includes: financial and funding capabilities; an understanding of capital investment and an appreciation of the important role that maintenance strategies and plans have in achieving no risk end of life.

The ability to develop asset management plans; experience in asset management service delivery; implementing relevant information systems and the need for data integrity are also important.

The NSoA Project acknowledges the critical role played by decision makers who have responsibility for asset management in local government in Australia.

The Project recognises that, in achieving safe, equitable, and compliant asset performance in the future which will support productivity locally and nationally, assessing and increasing asset management and financial management maturity is paramount.

Asset Management Planning Performance

Good practice in managing infrastructure assets can be demonstrated by the adoption and use of methods and procedures for managing service levels, risks, and costs. This should be documented in an Asset Management Plan, a mandated requirement in every State and Territory across Australia.

Local governments were asked if they had an adopted Asset Management Plan for each of the seven asset classes. The response from participating local governments is shown below.

Table 6 Adoption and Use of Asset Management Plans

Asset Class	Yes	No	Out of Date	Not Applicable	Response
Roads	82%	13%	5%	-	80%
Building & Facilities	70%	23%	8%	-	66%
Parks & Recreation	61%	34%	5%	-	64%
Stormwater	64%	31%	4%	1%	64%
Water & Wastewater	31%	53%	2%	14%	59%
Airports & Aerodromes	15%	66%	2%	17%	58%

The trend for Asset Management Plans in place for Roads since 2012 is shown below.

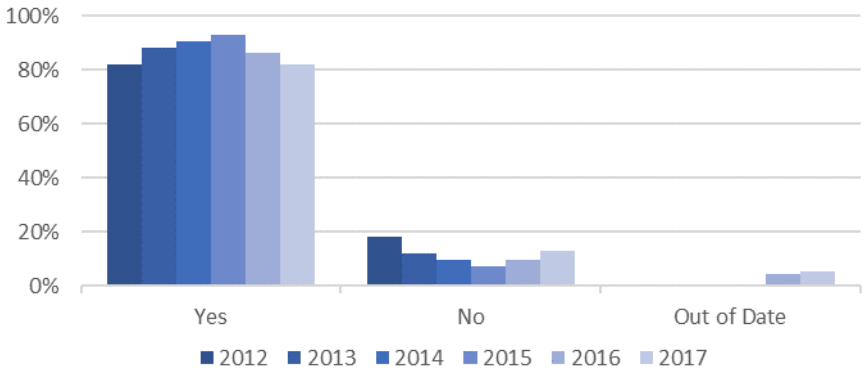


Figure 5 Asset Management Plans in place for Roads

Despite a slight increase in 2015, the proportion of Road Asset Management Plans in place is the same as they were in 2012 at 82%. 18% state they do not have a road asset management plan in place or they are out of date.

The trend of Asset Management Plans in place for Building and Facility assets since 2015 is shown below.

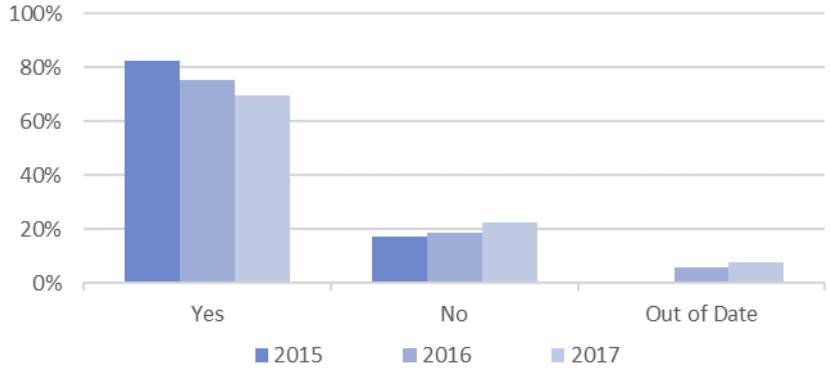


Figure 6 Asset Management Plans in place for Building & Facilities

The proportion of Building and Facility Asset Management Plans in place has declined from 83% in 2015 to 70% in 2017. 30% state they do not have a Building and Facility asset management plan in place or they are out of date.

The trend for Asset Management Plans in place for Parks and Recreation assets since 2015 is shown below.

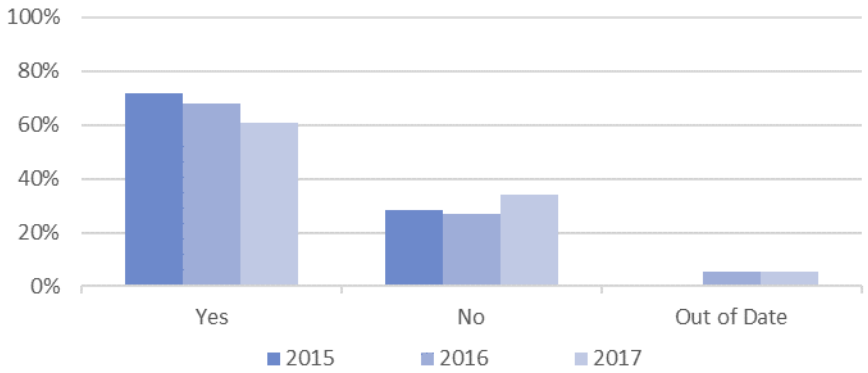


Figure 7 Asset Management Plans in place for Parks & Recreation

The proportion of Parks and Recreation Asset Management Plans in place has declined from 72% in 2015 to 61% in 2017. 39% state they do not have a Parks and Recreation asset management plan in place or they are out of date.

The trend for Asset Management Plans in place for Stormwater assets since 2015 is shown below.

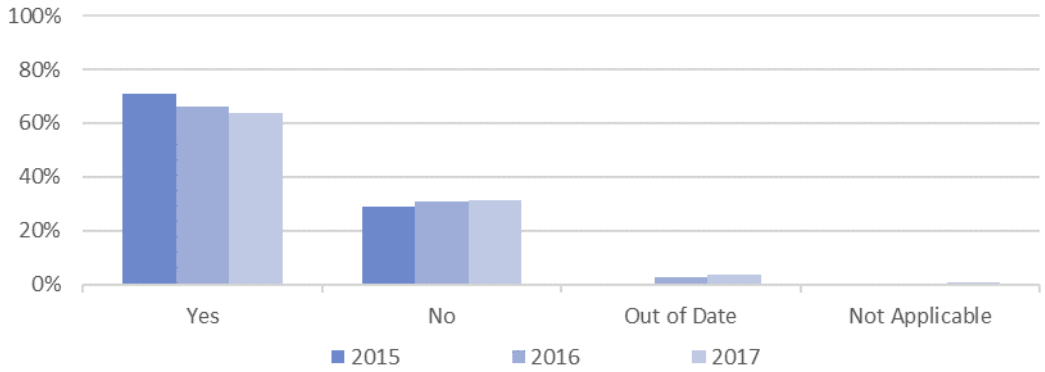


Figure 8 Asset Management Plans in place for Stormwater

The proportion of Stormwater Asset Management Plans in place has declined from 71% in 2015 to 64% in 2017. 35% state they do not have a Stormwater asset management plan in place or they are out of date. 1% say they are not applicable.

The trend for Asset Management Plans in place for Water and Wastewater assets since 2015 is shown below.

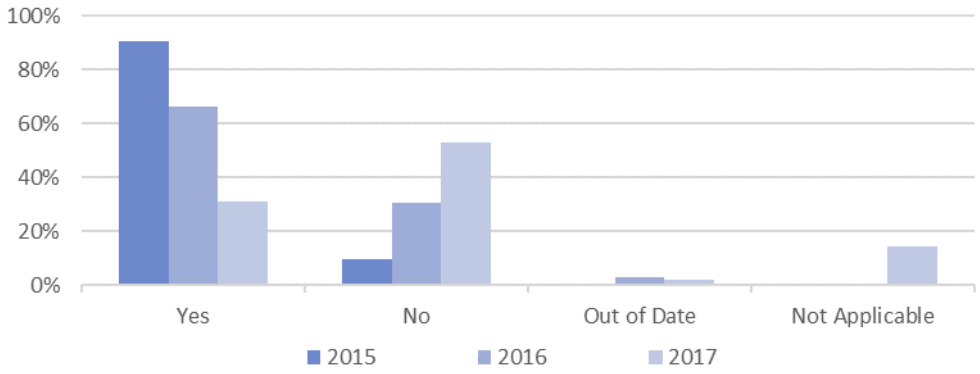


Figure 9 Asset Management Plans in place for Water & Wastewater

The proportion of Water and Wastewater Asset Management Plans in place has declined from 90% in 2015 to 31% in 2017. 55% state they do not have a Water and Wastewater asset management plan in place or they are out of date. 14% say they are not applicable.

The trend for Asset Management Plans in place for Airport and Aerodrome assets since 2015 is shown below.

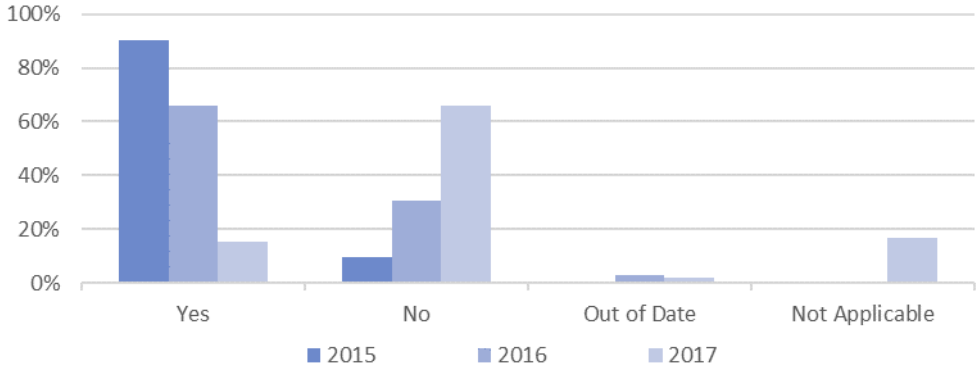


Figure 10 Asset Management Plans in place for Airports & Aerodromes

The proportion of Airport and Aerodrome Asset Management Plans in place has declined from 90% in 2015 to 15% in 2017. 68% state they do not have an Airport and Aerodrome asset management plan in place or they are out of date. 17% say they are not applicable.

The desired, likely, and actual trend for assessing asset management knowledge and capability as reported by the proportion of asset management plans adopted across local government is shown in Table 7 below.

Table 7 Asset Management Plans Adopted - Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2012 - 2017	Comment
Proportion of Asset Management Plans Adopted	↑	↓	↓	Indicates asset planning is optional and raises doubt on how local government is planning for the future.

Long-term Financial Planning Performance

Long-term financial planning is critical for local government where they have a very large value of assets relative to their income base. It assists with funding asset renewal and upgrade when required, ensures ongoing service delivery and achieving affordable service level objectives.

Long-term financial plans are an essential consideration when generating, spending, and investing future income and raising and repaying borrowings as appropriate and provides a long-term strategy to balance competing priorities with the available finance.

Having a long term financial plan seeks to efficiently and equitably accommodate ongoing funding of:

- existing services – operations, maintenance, asset renewal and upgrade; and
- new services and assets as required.

Local governments were asked if they had an adopted Long-term Financial Plan in place. The response from participating local governments is shown below.

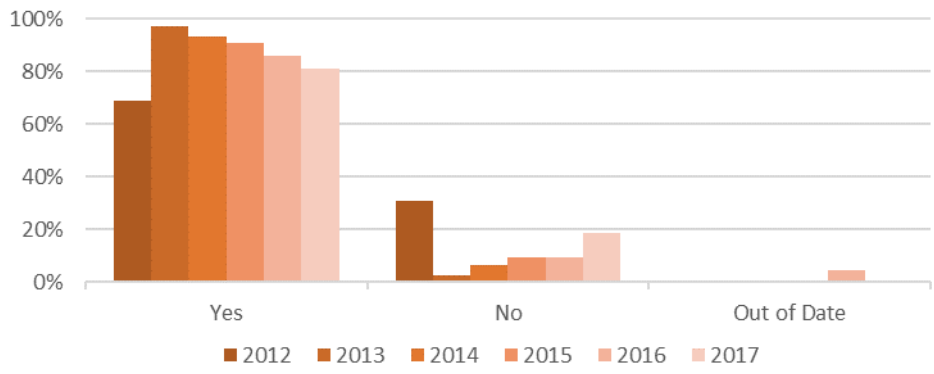


Figure 11 Long-term Financial Plans in place

Despite close to 97% of local governments stating they had a Long-term Financial Plan in place in 2013, the proportion has declined to 81% in 2017.

The desired, likely, and actual trend for assessing long term financial planning capability is reported in Table 8 below.

Table 8 Long-term Financial Planning capability - Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2012 - 2017	Comment
Proportion of Long Term Financial Plans Adopted				1 in 5 councils are struggling to effectively generate sufficient revenue to deliver assets and services now and into the future.

Asset Management Plan Projections included in Long-term Financial Plan

Poor infrastructure planning can have long term financial impacts for asset intensive organisations like local government, such impacts include:

1. **Future infrastructure renewal.**

   A NSW Local Government Inquiry estimated that $6.3 billion is required to bring existing assets to a satisfactory standard with a further $14.6 billion needed over the next 15 years to replace existing assets.[11]

2. **Infrastructure network demand and growth.**

   Councils need to upgrade existing services and provide new infrastructure to meet service level expectations particularly in growing communities. Upgrade typically adds to asset inventory and depreciation generally without increasing revenue. Expansion on the other hand also adds to asset inventory but may be associated with generation of additional revenue.

3. **Life cycle costs for new infrastructure.**

   Councils acquire new infrastructure both funded by council and/or provided by developers and others at no cost. Every new infrastructure asset commits local government to fund additional operating and maintenance costs and depreciation expense over the life of the infrastructure whilst it is in service.

It is therefore incumbent on current and future governments that these infrastructure effects are fully incorporated into long term financial plans.

Local governments were asked if the financial projections from the Asset Management Plans were included in the Long-term Financial Plan for each asset class.

The response from participating local governments is shown below.

Table 9 Asset Management Plan Projections included in the LTFP

Asset Class	Yes	No	Out of Date	Not Applicable	Response
Roads	82%	13%	5%	-	80%

[11] JRA, 2006a, p 4. SS7

Building & Facilities	60%	36%	4%	-	65%
Parks & Recreation	54%	43%	3%	-	65%
Stormwater	55%	41%	3%	1%	65%
Water & Wastewater	62%	7%	3%	28%	28%
Airports & Aerodromes	36%	23%	5%	36%	25%

The trend of financial projections from Asset Management Plans included in a Long-term Financial Plan for Roads since 2012 is shown below.

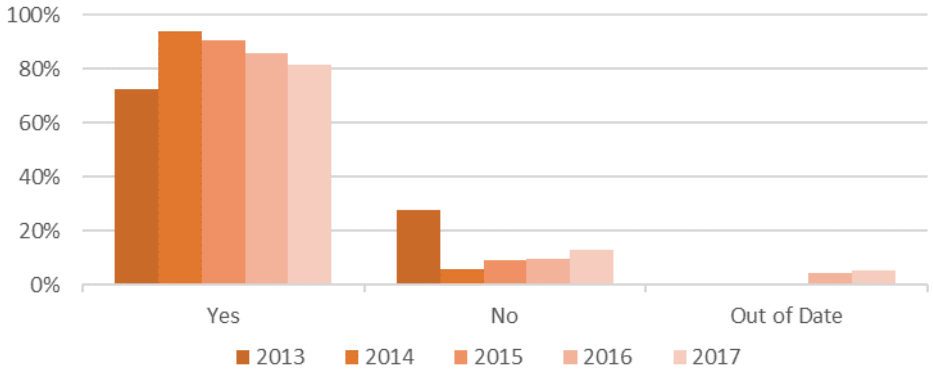


Figure 12 Road Projections included in the Long-term Financial Plan

Despite an increase in 2014, the proportion of local government entities including the Road Asset Management Plan projections in the Long-term Financial Plan has declined to 82% in 2017. 18% state they do not include the projections, or they are out of date.

The trend of financial projections from Asset Management Plans included in a Long-term Financial Plan for Building and Facilities since 2015 is shown below.

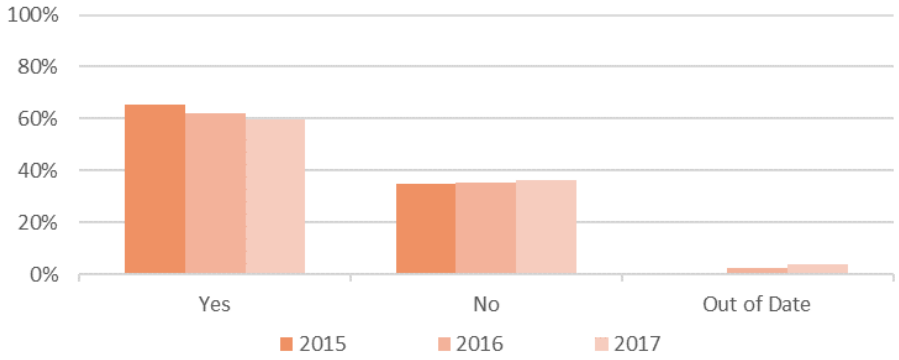


Figure 13 Building & Facilities Projections included in the Long-term Financial Plan

The proportion of local government entities including the Building and Facility Asset Management Plan projections in the Long-term Financial Plan has declined to 60% in 2017. 40% state they do not include the projections, or they are out of date.

The trend of financial projections from Asset Management Plans included in a Long-term Financial Plan for Parks and Recreation since 2015 is shown below.

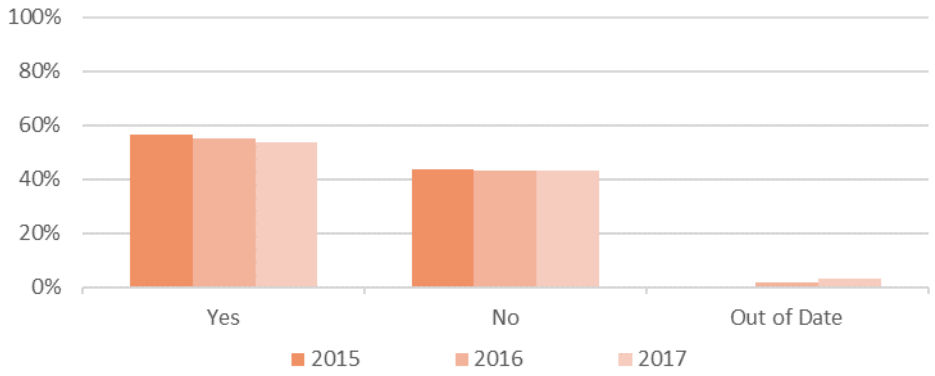


Figure 14 Parks & Recreation Projections included in the Long-term Financial Plan

The proportion of local government entities including the Parks and Recreation Asset Management Plan projections in the Long-term Financial Plan has decreased slightly to 54% in 2017. 46% state they do not include the projections, or they are out of date.

The trend of financial projections from Asset Management Plans included in Long-term Financial Plan for Stormwater assets since 2015 is shown below.

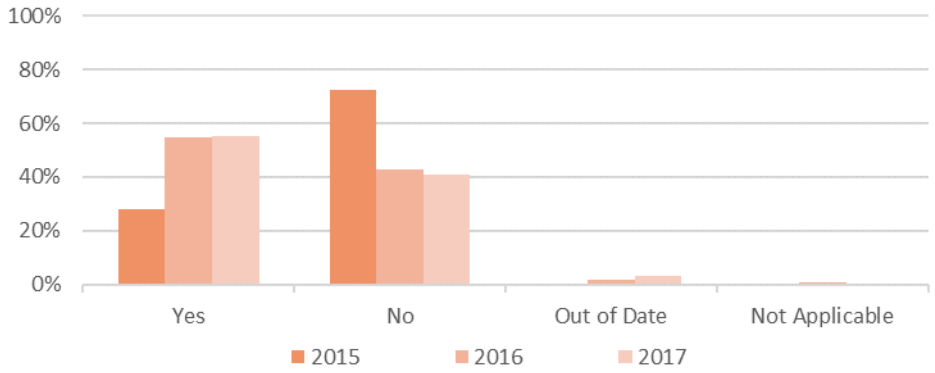


Figure 15 Stormwater Projections included in the Long-term Financial Plan

The proportion of local government entities including the Stormwater Asset Management Plan projections in the Long-term Financial Plan has increased to 55% in 2017. 44% state they do not include the projections, or they are out of date. 1% say they are not applicable.

The trend of financial projections from Asset Management Plans included in Long-term Financial Plan for Water and Wastewater assets since 2015 is shown below.

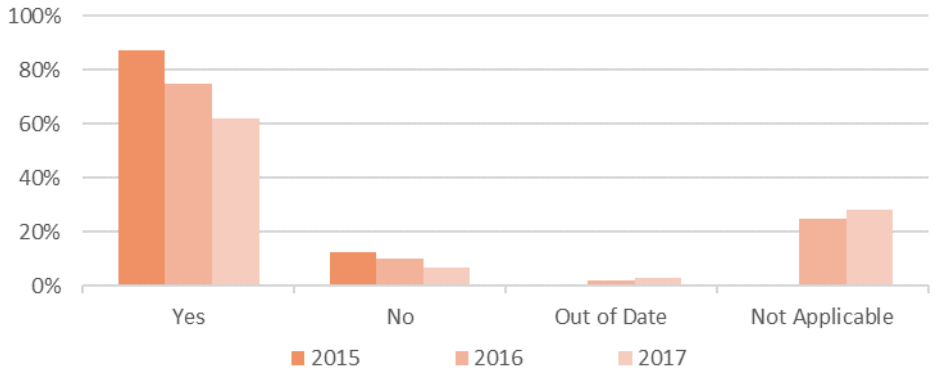


Figure 16 Water & Wastewater Projections included in the Long-term Financial Plan

The proportion of local government entities including the Water and Wastewater Asset Management Plan projections in the Long-term Financial Plan has decreased to 62% in 2017. 10% state they do not include the projections, or they are out of date. 28% say they are not applicable.

The trend of financial projections from Asset Management Plans included in a Long-term Financial Plan for Airports and Aerodromes since 2015 is shown below.

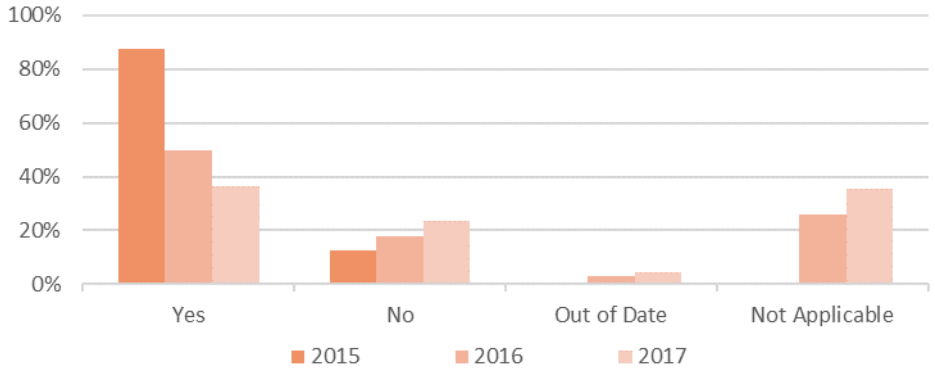


Figure 17 Airports & Aerodrome Projections included in the Long-term Financial Plan

The proportion of local government entities including the Airport and Aerodrome Asset Management Plan projections in the Long-term Financial Plan has decreased to 36% in 2017. 28% state they do not include the projections, or they are out of date. 36% say they are not applicable.

The desired, likely, and actual trend for assessing asset management knowledge and capability is measured by the proportion of asset management plan projections incorporated in to the long-term financial planning process.

The proportion of asset management plan projections included in the Long-term Financial Plan across the local government sector is shown in Table 10.

Table 10 Asset Management Plan Projections included in the LTFP all assets - Trends

Indicator	Desired Trend	Likely Trend	Actual Trend 2012 - 2017	Comment
Proportion of Asset Management Plan Projections included in the Long-term Financial Plan				Without intervention there is likely to be a diminishing ability to forecast and finance future infrastructure renewal and meet future needs due to demand and growth.

The findings regarding Asset Management Knowledge and Capability raise questions around the currency and degree of maturity of asset and financial plans and the ability of councils, particularly the smaller ones, to meet the minimum planning and reporting requirements to achieve the outcomes prescribed in legislation without additional resources, commitment and/or support.

For those that indicated that they do meet the minimum planning and reporting requirements it is likely that in at least some instances more work is necessary to reliably take full and appropriate account of the financial and service risks to which a council may be exposed.

It is important that asset management and long-term financial plans are regularly updated. An annual update ensures organisational resilience to deal with emerging unplanned expenditure during times of significant disruption and changing circumstances. The NSoA Project does not audit:

- The currency or frequency of any updates; and
- The degree of maturity of asset and financial management plans.

A simple ongoing program that audits asset and financial plans to understand their currency, update frequency and maturity would help ensure alignment with Local Government and Planning Ministers' Council decision and National Framework. This need not be costly or complex or require additional auditing analytical skills. Instead it could simply assess whether up-to-date plans that meet minimal legislative requirements exist.

Data (current and trends) presented in parts of this Report indicates the continuing state of under investment in local government capability and capacity in managing community assets across Australia. Under investment has far reaching, long term repercussions locally, nationally, and globally, leading to an increase in risk, a decrease in safety and productivity and a likely unplanned reduction in levels of service.

Part 2 identifies the urgent need for State and Territory governments to provide support for financial planning and reporting and asset management planning assistance to build capacity within local councils.

The following section of the Report, Part 3, presents detailed data by asset class (current and trend) that adds to our understanding of the state of local government infrastructure in terms of:

- Its physical condition – how good is the service and does meet its intended level of service?
- Its ability to meet functional needs now and in the future – is it the right service? and
- Its ability to meet service delivery needs now and, in the future – do we need more, or less, of these assets in the future?

Part 3 - Infrastructure Performance

Part 3 is organised by the following Infrastructure Asset Classes:

- Sealed Roads;
- Unsealed Roads;
- Concrete Bridges;
- Timber Bridges;
- Building & Facilities;
- Parks & Recreation;
- Stormwater;
- Water & Wastewater; and
- Airports & Aerodromes.

Within each Asset Class, 2017 asset management performance and trends since 2012 - are reported by:

- Condition;
- Function; and
- Capacity/Utilisation.

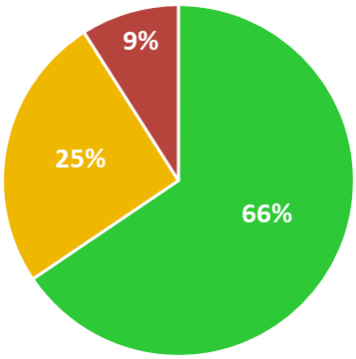
Desired and actual trends by Condition, Function and Capacity/Utilisation are also graphically illustrated for each Asset Class.

Noted by Asset Class are:

- % of participating local governments; and
- % confidence in data levels.

SEALED ROADS – What is the condition or quality of the service?

Sealed Road Condition - 2017

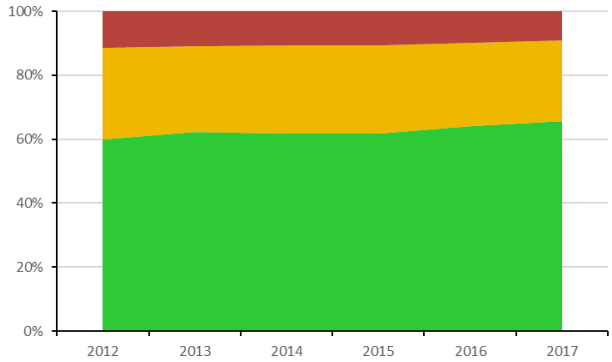


75% (408) local governments indicate the condition of Sealed Roads are:

- Good to very good 66%.
- Fair 25%.
- Poor to very poor 9%.

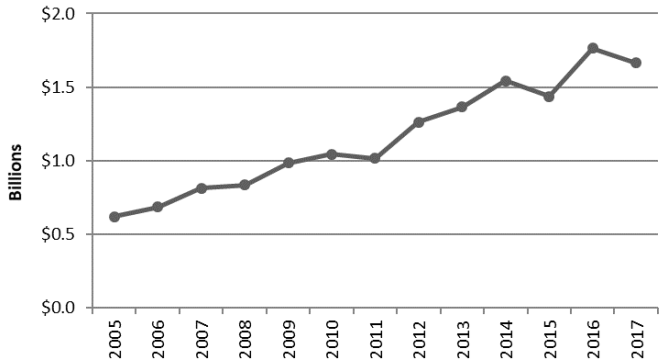
52% report a high degree of confidence in the data.

Sealed Road Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend

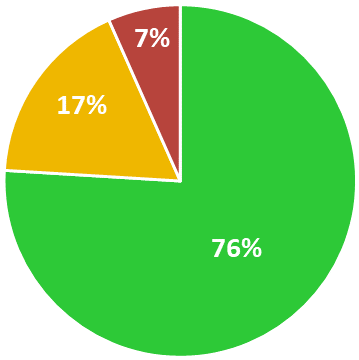
Sealed Road Expenditure on Condition - Trend



Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend

SEALED ROADS – Is the service suitable for its intended purpose?

Sealed Road Function - 2017

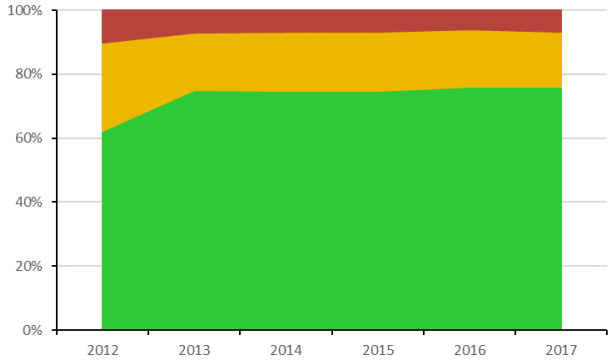


63% (340) local governments indicate the function of Sealed Roads are:

- Good to very good 76%.
- Fair 17%.
- Poor to very poor 7%.

14% report a high degree of confidence in the data.

Sealed Road Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend
↓	→

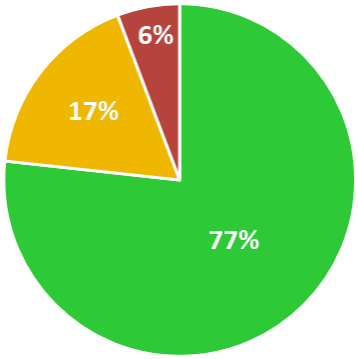
Sealed Road Expenditure on Function - Trend

Expenditure for Sealed Roads Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
↑	*Unavailable*

SEALED ROADS – Do we need more or less of these assets?

Sealed Road Capacity - 2017

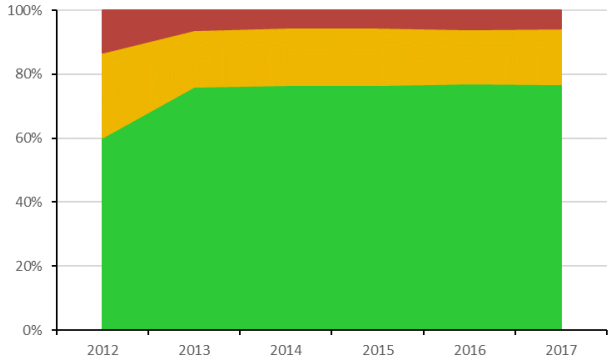


62% (337) local governments indicate the capacity of Sealed Roads are:

- Good to very good 77%.
- Fair 18%.
- Poor to very poor 6%.

15% report a high degree of confidence in the data.

Sealed Road Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

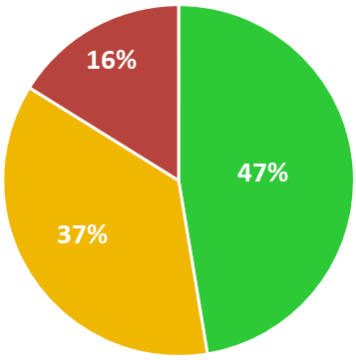
Sealed Road Expenditure on Capacity - Trend

Expenditure for Sealed Roads Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

UNSEALED ROADS – What is the condition or quality of the service?

Unsealed Road Condition - 2017

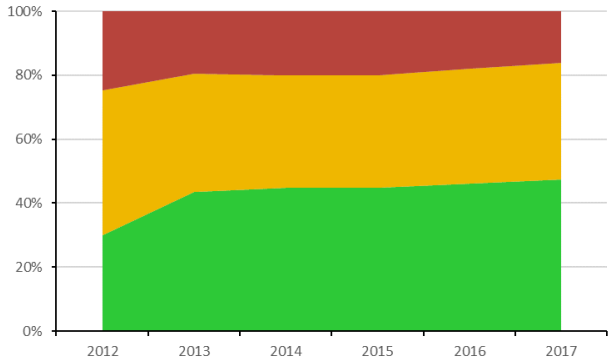


62% (336) local governments indicate the condition of Unsealed Roads are:

- Good to very good 47%.
- Fair 37%.
- Poor to very poor 16%.

24% report a high degree of confidence in the data.

Unsealed Road Condition - Trend



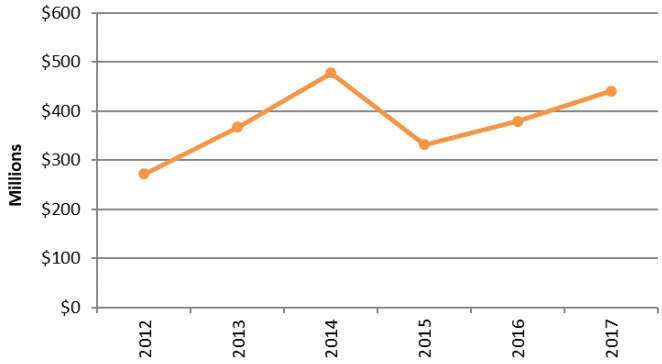
Poor to Very Poor Condition

Desired Trend

Poor to Very Poor Condition

Actual Trend

Unsealed Road Expenditure on Condition - Trend



Expenditure on Poor to Very Poor Condition

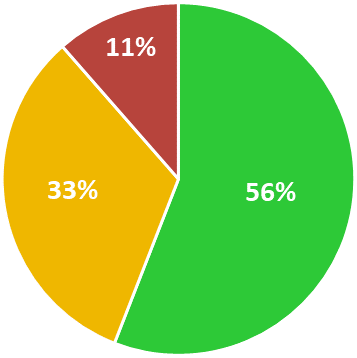
Desired Trend

Expenditure on Poor to Very Poor Condition

Actual Trend

UNSEALED ROADS – Is the service suitable for its intended purpose?

Unsealed Road Function - 2017

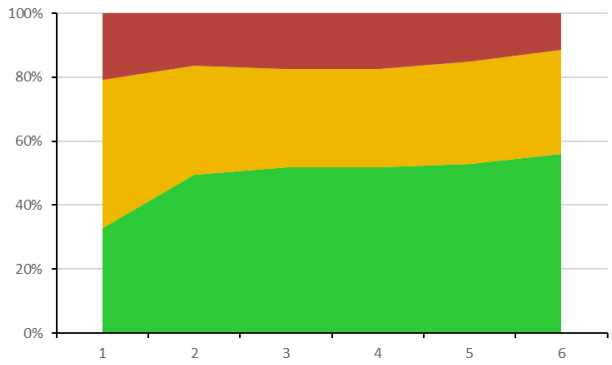


52% (279) local governments indicate the function of Unsealed Roads are:

- Good to very good 56%.
- Fair 33%.
- Poor to very poor 11%.

10% report a high degree of confidence in the data.

Unsealed Road Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend

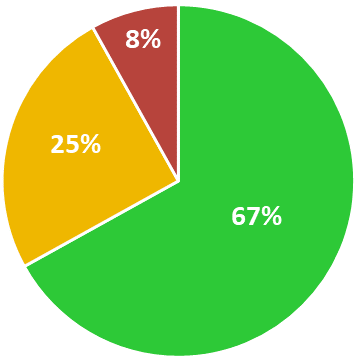
Unsealed Road Expenditure on Function - Trend

Expenditure for Unsealed Roads Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
	Unavailable

UNSEALED ROADS – Do we need more or less of these assets?

Unsealed Road Capacity - 2017

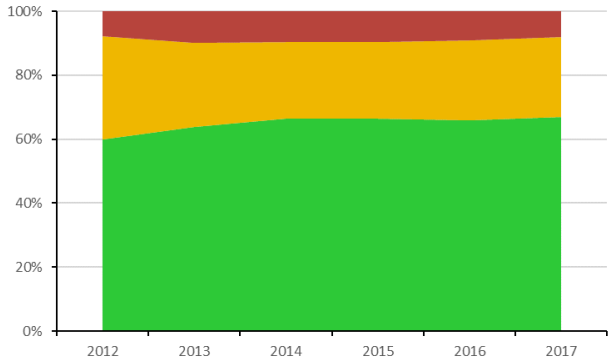


51% (278) local governments indicate the capacity of Unsealed Roads are:

- Good to very good 67%.
- Fair 25%.
- Poor to very poor 8%.

10% report a high degree of confidence in the data.

Unsealed Road Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

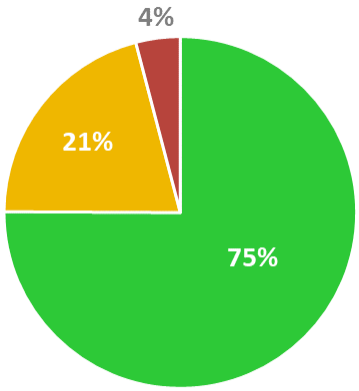
Unsealed Road Expenditure on Capacity - Trend

Expenditure for Unsealed Roads Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

CONCRETE BRIDGES – What is the condition or quality of the service?

Concrete Bridge Condition - 2017

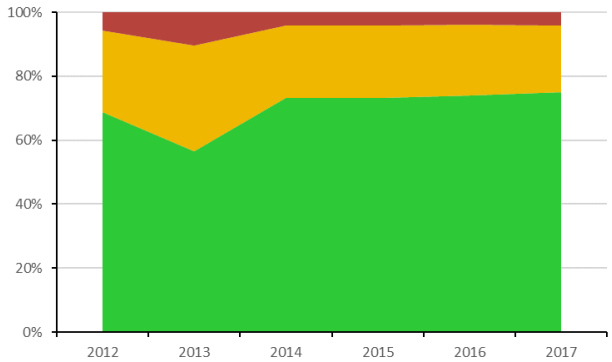


59% (321) local governments indicate the condition of Concrete Bridges are:

- Good to very good 75%.
- Fair 21%.
- Poor to very poor 4%.

40% report a high degree of confidence in the data.

Concrete Bridge Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	→

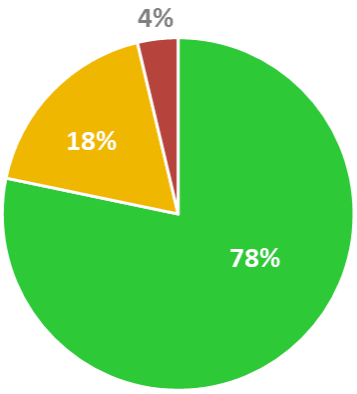
Concrete Bridge Expenditure on Condition - Trend

Expenditure for Concrete Bridge Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

CONCRETE BRIDGES – Is the service suitable for its intended purpose?

Concrete Bridge Function - 2017

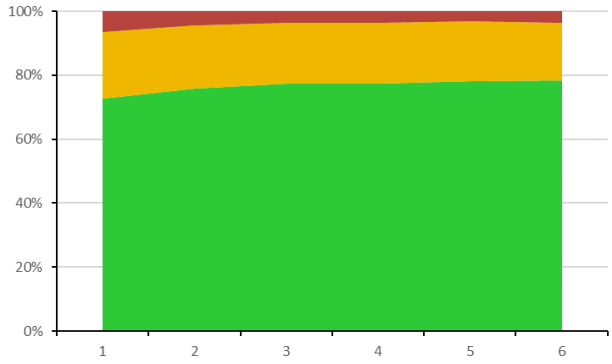


48% (262) local governments indicate the function of Concrete Bridges are:

- Good to very good 78%.
- Fair 18%.
- Poor to very poor 4%.

12% report a high degree of confidence in the data.

Concrete Bridge Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend

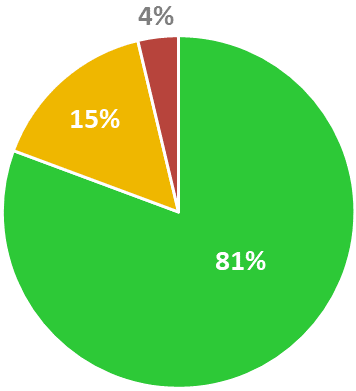
Concrete Bridge Expenditure on Function - Trend

Expenditure for Concrete Bridges Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
	Unavailable

CONCRETE BRIDGES – Do we need more or less of these assets?

Concrete Bridge Capacity - 2017

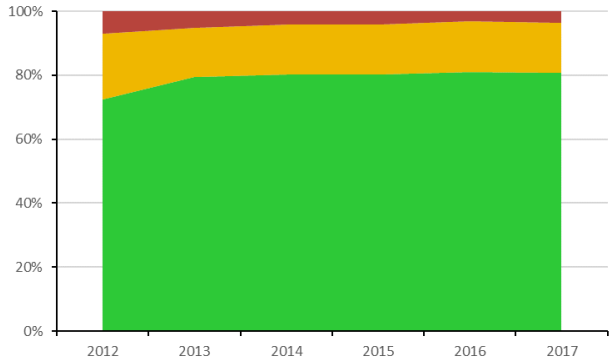


48% (261) local governments indicate the capacity of Concrete Bridges are:

- Good to very good 81%.
- Fair 15%.
- Poor to very poor 4%.

9% report a high degree of confidence in the data.

Concrete Bridge Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

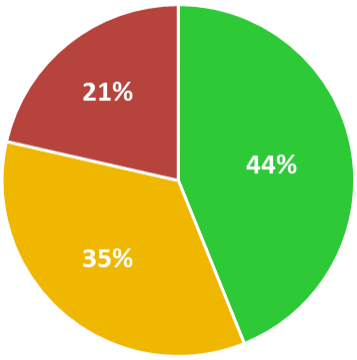
Concrete Bridge Expenditure on Capacity - Trend

Expenditure for Concrete Bridge Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

TIMBER BRIDGES – What is the condition or quality of the service?

Timber Bridge Condition - 2017

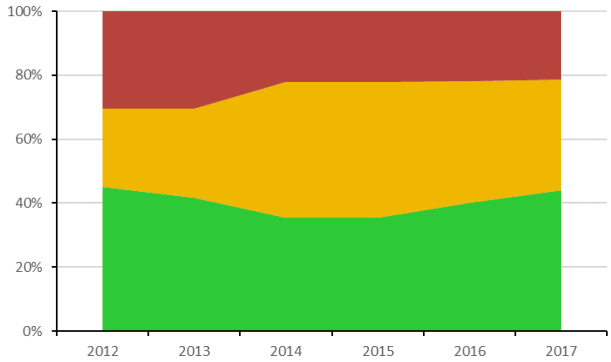


42% (226) local governments indicate the condition of Timber Bridges are:

- Good to very good 44%.
- Fair 35%.
- Poor to very poor 21%.

36% report a high degree of confidence in the data.

Timber Bridge Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	→

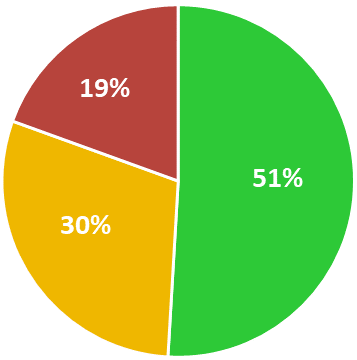
Timber Bridge Expenditure on Condition - Trend

Expenditure for Timber Bridge Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

TIMBER BRIDGES – Is the service suitable for its intended purpose?

Timber Bridge Function - 2017

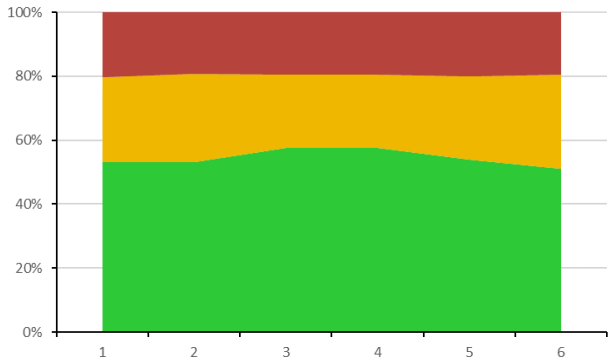


33% (179) local governments indicate the function of Timber Bridges are:

- Good to very good 51%.
- Fair 30%.
- Poor to very poor 19%.

9% report a high degree of confidence in the data.

Timber Bridge Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend

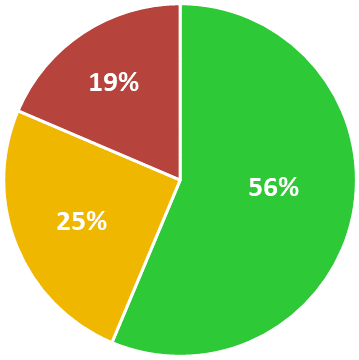
Timber Bridge Expenditure on Function - Trend

Expenditure for Timber Bridges Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
	Unavailable

TIMBER BRIDGES – Do we need more or less of these assets?

Timber Bridge Capacity - 2017

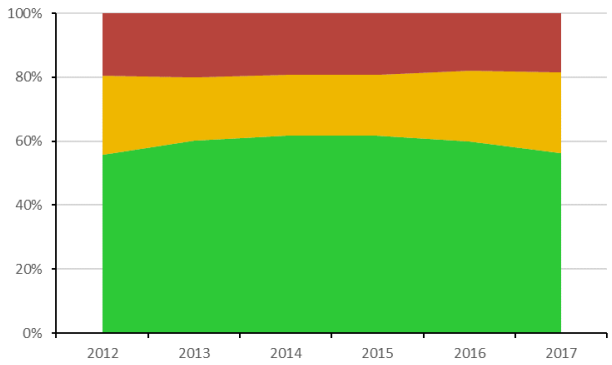


33% (179) local governments indicate the capacity of Timber Bridges are:

- Good to very good 56%.
- Fair 25%.
- Poor to very poor 19%.

10% report a high degree of confidence in the data.

Timber Bridge Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

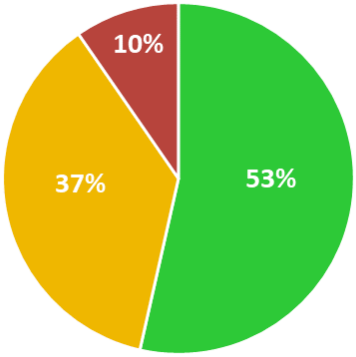
Timber Bridge Expenditure on Capacity - Trend

Expenditure for Timber Bridge Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

BUILDINGS & FACILITIES – What is the condition or quality of the service?

Buildings & Facilities Condition - 2017

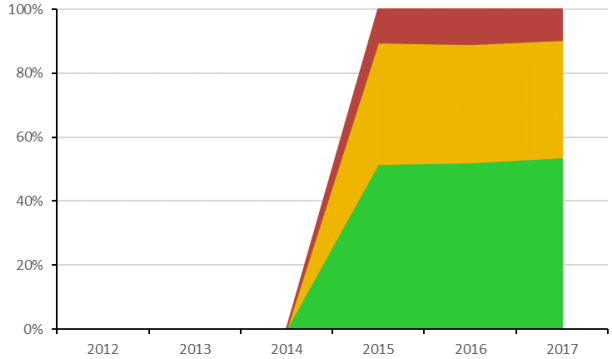


52% (283) local governments indicate the condition of Buildings & Facilities are:

- Good to very good 53%.
- Fair 37%.
- Poor to very poor 10%.

28% report a high degree of confidence in the data.

Buildings & Facilities Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	→

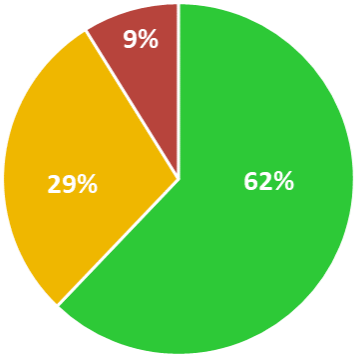
Buildings & Facilities Expenditure on Condition - Trend

Expenditure for Buildings & Facilities Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

BUILDINGS & FACILITIES – Is the service suitable for its intended purpose?

Buildings & Facilities Function - 2017

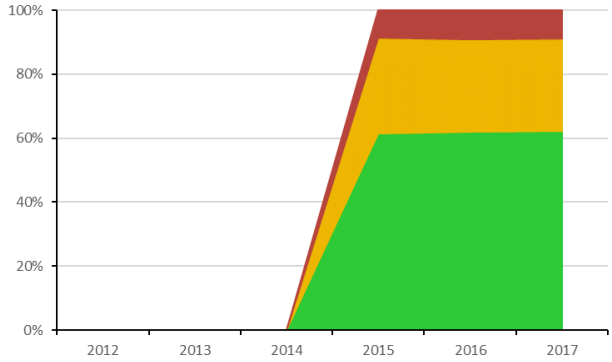


41% (221) local governments indicate the function of Buildings & Facilities are:

- Good to very good 62%.
- Fair 29%.
- Poor to very poor 9%.

10% report a high degree of confidence in the data.

Buildings & Facilities Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend

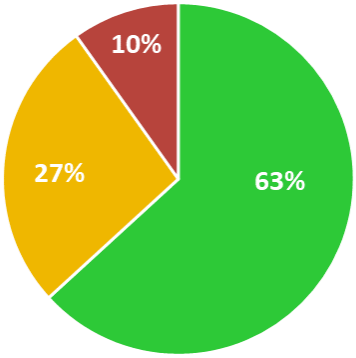
Buildings & Facilities Expenditure on Function - Trend

Expenditure for Buildings & Facilities Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
	Unavailable

BUILDINGS & FACILITIES – Do we need more or less of these assets?

Buildings & Facilities Capacity - 2017

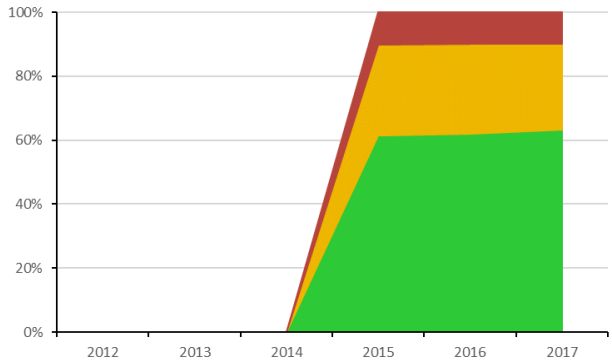


40% (217) local governments indicate the capacity of Buildings & Facilities are:

- Good to very good 63%.
- Fair 27%.
- Poor to very poor 10%.

8% report a high degree of confidence in the data.

Buildings & Facilities Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

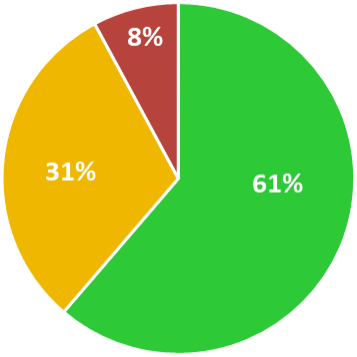
Buildings & Facilities Expenditure on Capacity - Trend

Expenditure for Buildings & Facilities Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

PARKS & RECREATION – What is the condition or quality of the service?

Parks & Recreation Condition - 2017

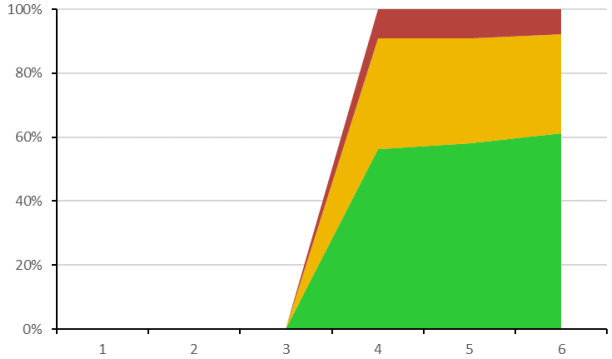


47% (252) local governments indicate the condition of Parks & Recreation are:

- Good to very good 61%.
- Fair 31%.
- Poor to very poor 8%.

30% report a high degree of confidence in the data.

Parks & Recreation Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	→

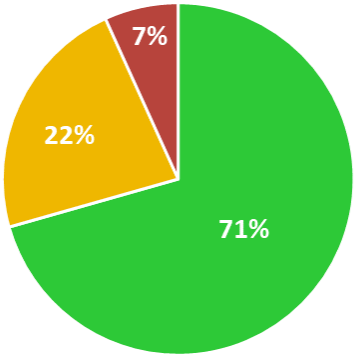
Parks & Recreation Expenditure on Condition - Trend

Expenditure for Parks & Recreation Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

PARKS & RECREATION – Is the service suitable for its intended purpose?

Parks & Recreation Function - 2017

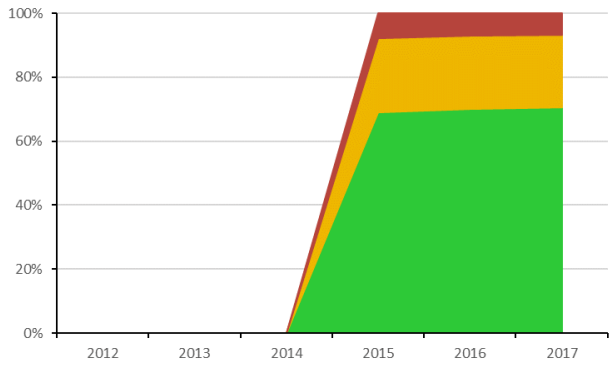


36% (196) local governments indicate the function of Parks & Recreation are:

- Good to very good 71%.
- Fair 22%.
- Poor to very poor 7%.

7% report a high degree of confidence in the data.

Parks & Recreation Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend
↓	→

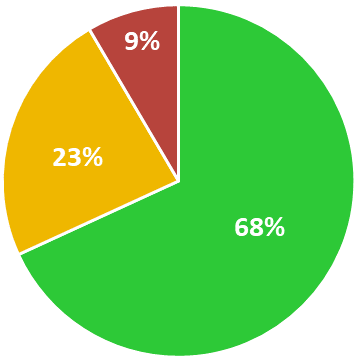
Parks & Recreation Expenditure on Function - Trend

Expenditure for Parks & Recreation Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
↑	*Unavailable*

PARKS & RECREATION – Do we need more or less of these assets?

Parks & Recreation Capacity - 2017

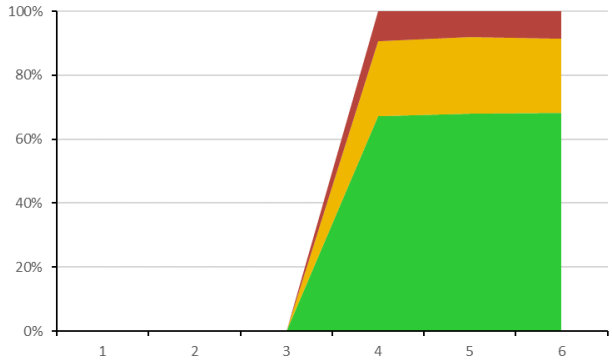


36% (194) local governments indicate the capacity of Parks & Recreation are:

- Good to very good 68%.
- Fair 23%.
- Poor to very poor 9%.

8% report a high degree of confidence in the data.

Parks & Recreation Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
⬇	➡

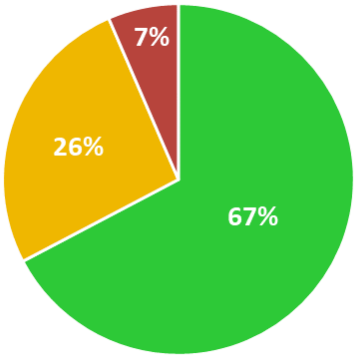
Parks & Recreation Expenditure on Capacity - Trend

Expenditure for Parks & Recreation Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
⬆	*Unavailable*

STORMWATER – What is the condition or quality of the service?

Stormwater Condition - 2017

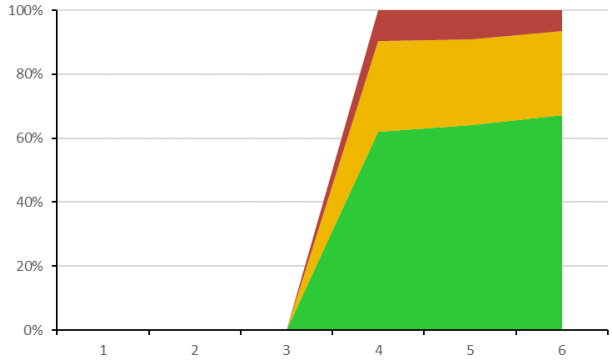


50% (268) local governments indicate the condition of Stormwater are:

- Good to very good 67%.
- Fair 26%.
- Poor to very poor 7%.

14% report a high degree of confidence in the data.

Stormwater Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	↓

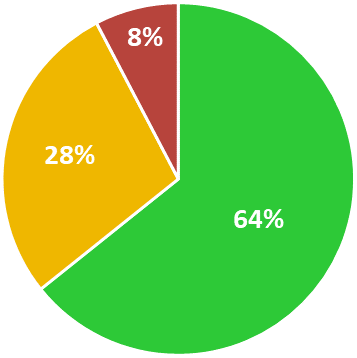
Stormwater Expenditure on Condition - Trend

Expenditure for Stormwater Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

STORMWATER – Is the service suitable for its intended purpose?

Stormwater Function - 2017

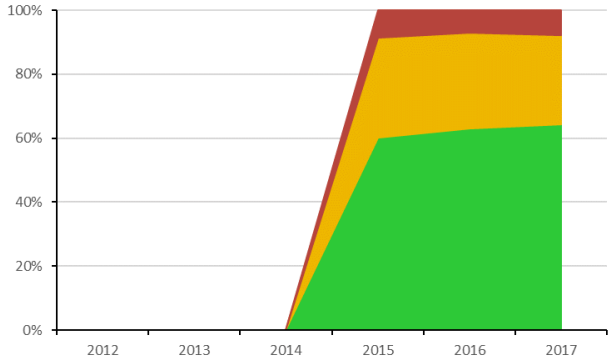


39% (210) local governments indicate the function of Stormwater are:

- Good to very good 64%.
- Fair 28%.
- Poor to very poor 8%.

16% report a high degree of confidence in the data.

Stormwater Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend
↓	→

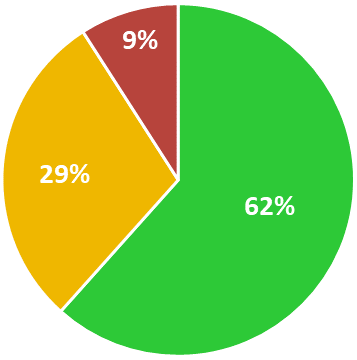
Stormwater Expenditure on Function - Trend

Expenditure for Stormwater Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
↑	*Unavailable*

STORMWATER – Do we need more or less of these assets?

Stormwater Capacity - 2017

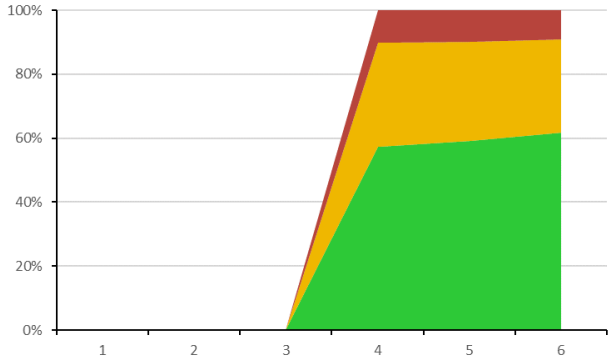


39% (210) local governments indicate the capacity of Stormwater are:

- Good to very good 62%.
- Fair 29%.
- Poor to very poor 9%.

14% report a high degree of confidence in the data.

Stormwater Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

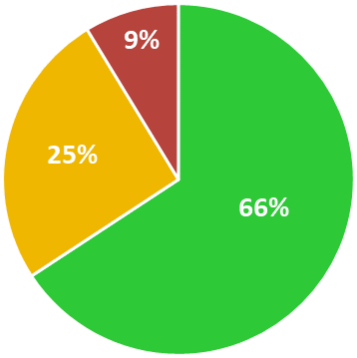
Stormwater Expenditure on Capacity - Trend

Expenditure for Stormwater Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

WATER & WASTEWATER – What is the condition or quality of the service?

Water & Wastewater Condition - 2017

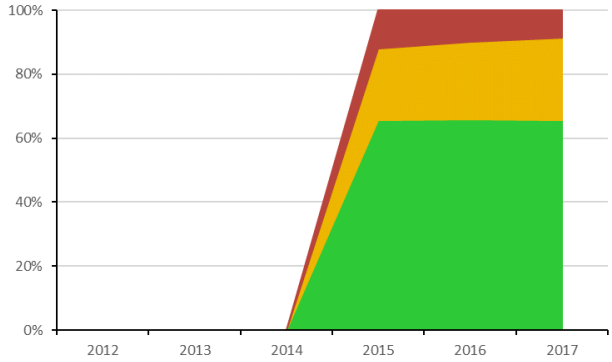


21% (116) local governments indicate the condition of Water & Wastewater are:

- Good to very good 66%.
- Fair 25%.
- Poor to very poor 9%.

21% report a high degree of confidence in the data.

Water & Wastewater Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	↓

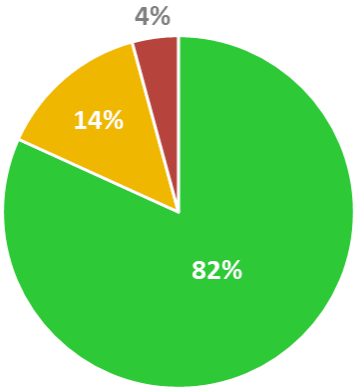
Water & Wastewater Expenditure on Condition - Trend

Expenditure for Water & Wastewater Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

WATER & WASTEWATER – Is the service suitable for its intended purpose?

Water & Wastewater Function - 2017

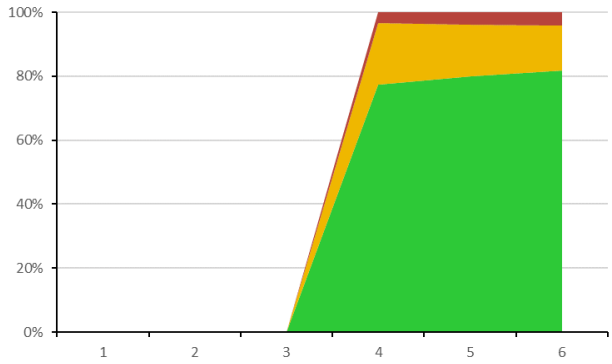


16% (85) local governments indicate the function of Water & Wastewater are:

- Good to very good 82%.
- Fair 14%.
- Poor to very poor 4%.

8% report a high degree of confidence in the data.

Water & Wastewater Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend

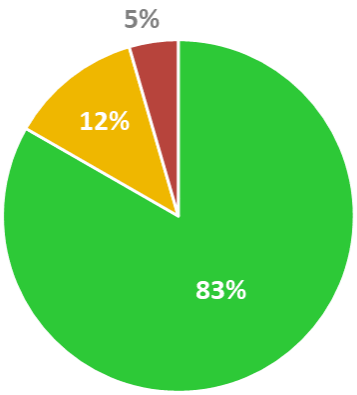
Water & Wastewater Expenditure on Function - Trend

Expenditure for Water & Wastewater Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
	Unavailable

WATER & WASTEWATER – Do we need more or less of these assets?

Water & Wastewater Capacity - 2017

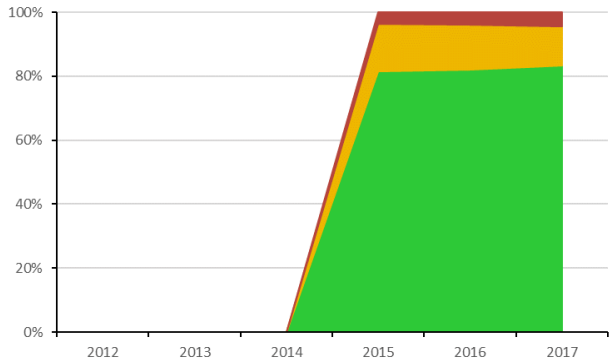


16% (85) local governments indicate the capacity of Water & Wastewater are:

- Good to very good 83%.
- Fair 12%.
- Poor to very poor 5%.

6% report a high degree of confidence in the data.

Water & Wastewater Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

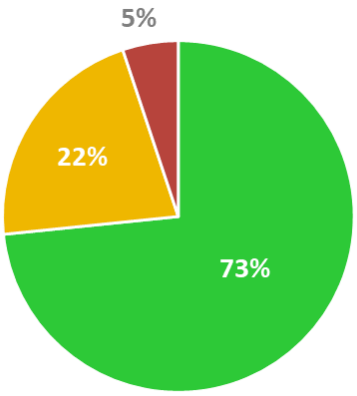
Water & Wastewater Expenditure on Capacity - Trend

Expenditure for Water & Wastewater Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

AIRPORTS & AERODROMES – What is the condition or quality of the service?

Airports & Aerodromes - 2017

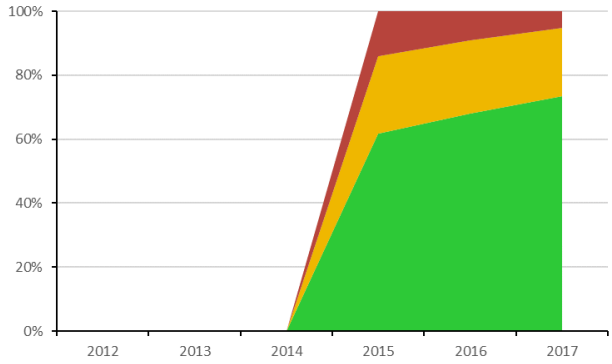


16% (85) local governments indicate the condition of Airports & Aerodromes are:

- Good to very good 73%.
- Fair 22%.
- Poor to very poor 5%.

16% report a high degree of confidence in the data.

Airports & Aerodromes Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend

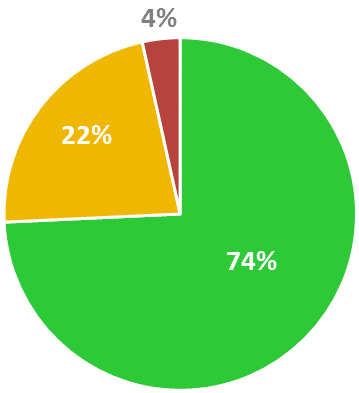
Airports & Aerodromes Expenditure on Condition - Trend

Expenditure for Airports & Aerodromes Condition not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
	Unavailable

AIRPORTS & AERODROMES – Is the service suitable for its intended purpose?

Airports & Aerodromes Function - 2017

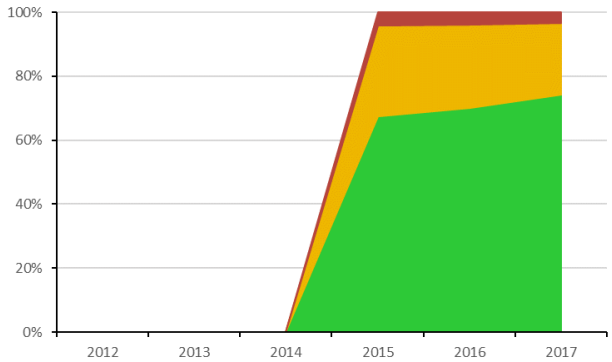


13% (68) local governments indicate the function of Airports & Aerodromes are:

- Good to very good 74%.
- Fair 22%.
- Poor to very poor 4%.

7% report a high degree of confidence in the data.

Airports & Aerodromes Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend
⬇	➡

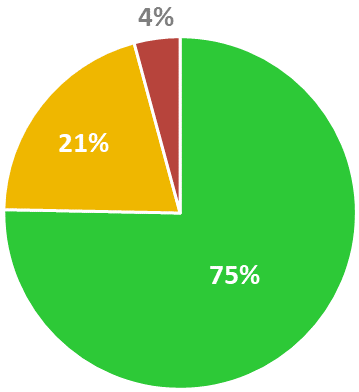
Airports & Aerodromes Expenditure on Function - Trend

Expenditure for Airport & Aerodromes Function not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
⬆	*Unavailable*

AIRPORTS & AERODROMES – Do we need more or less of these assets?

Airports & Aerodromes Capacity - 2017

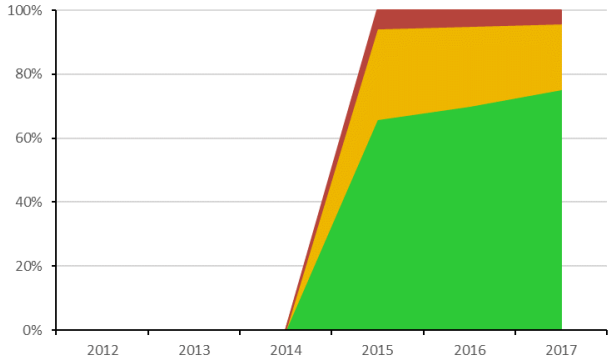


13% (68) local governments indicate the capacity of Airports & Aerodromes are:

- Good to very good 75%.
- Fair 21%.
- Poor to very poor 4%.

11% report a high degree of confidence in the data.

Airports & Aerodromes Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

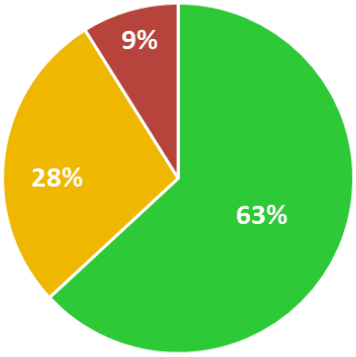
Airports & Aerodromes Expenditure on Capacity - Trend

Expenditure for Airports & Aerodromes Capacity not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

ALL INFRASTRUCTURE ASSETS – What is the condition or quality of the service?

All Infrastructure Asset Condition - 2017

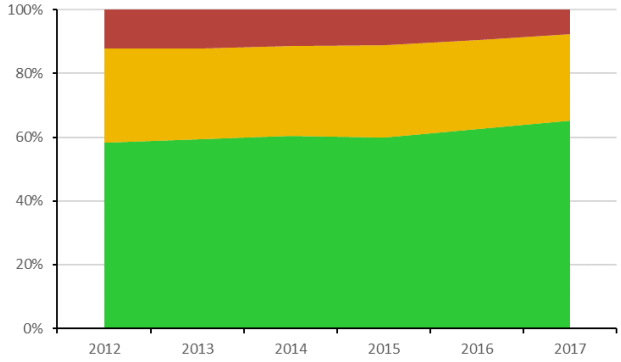


75% (408) local governments indicate the condition of All Infrastructure Asset are:

- Good to very good 63%.
- Fair 28%.
- Poor to very poor 9%.

52% report a high degree of confidence in the data.

All Infrastructure Asset Condition - Trend



Poor to Very Poor Condition	Poor to Very Poor Condition
Desired Trend	Actual Trend
↓	↓

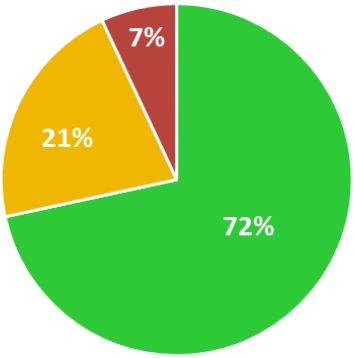
All Infrastructure Asset Expenditure on Condition - Trend

Expenditure for Condition across all infrastructure not currently measured NSoA.

Expenditure on Poor to Very Poor Condition	Expenditure on Poor to Very Poor Condition
Desired Trend	Actual Trend
↑	*Unavailable*

ALL INFRASTRUCTURE ASSETS – Is the service suitable for its intended purpose?

All Infrastructure Asset Function - 2017

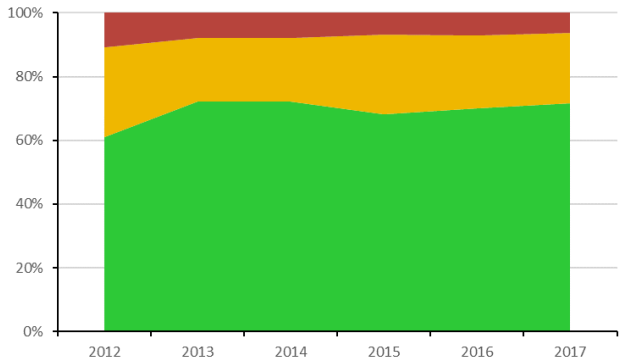


63% (340) local governments indicate the function of All Infrastructure Asset are:

- Good to very good 72%.
- Fair 21%.
- Poor to very poor 7%.

14% report a high degree of confidence in the data.

All Infrastructure Asset Function - Trend



Poor to Very Poor Function	Poor to Very Poor Function
Desired Trend	Actual Trend
↓	→

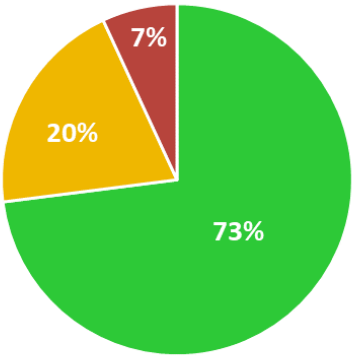
All Infrastructure Asset Expenditure on Function - Trend

Expenditure for Function across all infrastructure not currently measured NSoA.

Expenditure on Poor to Very Poor Function	Expenditure on Poor to Very Poor Function
Desired Trend	Actual Trend
↑	*Unavailable*

ALL INFRASTRUCTURE ASSETS – Do we need more or less of these assets?

All Infrastructure Asset Capacity - 2017

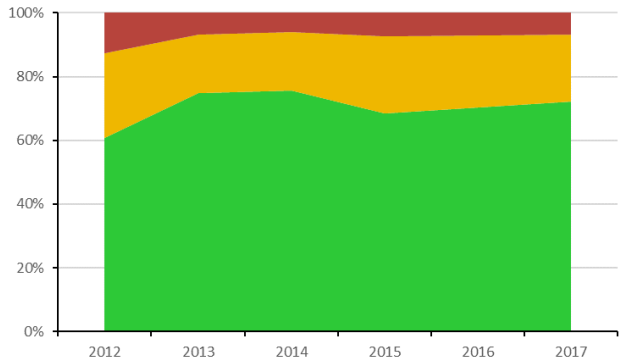


62% (337) local governments indicate the capacity of All Infrastructure Asset are:

- Good to very good 73%.
- Fair 20%.
- Poor to very poor 7%.

15% report a high degree of confidence in the data.

All Infrastructure Asset Capacity - Trend



Poor to Very Poor Capacity	Poor to Very Poor Capacity
Desired Trend	Actual Trend
↓	→

All Infrastructure Asset Expenditure on Capacity - Trend

Expenditure for Capacity across all infrastructure not currently measured NSoA.

Expenditure on Poor to Very Poor Capacity	Expenditure on Poor to Very Poor Capacity
Desired Trend	Actual Trend
↑	*Unavailable*

Findings

Local Government Infrastructure Investment

2017 Findings

Local government is managing approximately $345 billion in community infrastructure across seven broad asset classes. This represents an investment of $14,050 for each of the 24.6 million people[12] in Australia.

Local government infrastructure assets are being consumed at an estimated rate of 1.7% or $5.5 billion per year, equivalent to $225 per person across Australia each year.

Planned asset renewal expenditure relative to that projected in Asset Management Plans is unknown as the Asset Renewal Funding Ratio is not currently measured.

Road assets are being renewed at an increasing rate than they are wearing out as measured by the Asset Sustainability Ratio suggesting ageing sealed road assets are being replaced to maintain acceptable levels of service.

The average proportion of 'as new condition' remaining in existing local government infrastructure as measured by the Asset Consumption Ratio has been increasing and in 2017 was 68% suggesting local government infrastructure is approximately one-third through its expected life.

The Depreciation Rate for roads has been decreasing since 2005 suggesting local government is increasing maintenance expenditure to extend the useful life of road infrastructure assets.

2012 – 2017 Trend

The local government infrastructure investment trend indicator is presented in Table 11 below.

Table 11 Infrastructure Investment Trend

Infrastructure Investment Performance - Actual Trend 2012-2017				
	Asset Renewal Funding Ratio Trend	**Asset Sustainability Ratio Trend**	**Asset Consumption Ratio Trend**	**Depreciation Rate Trend**
All assets	Not currently measured NSoA	Not currently measured NSoA	↑	Decreasing
Roads	Not currently measured NSoA	↑	↑	Decreasing

[12] ABS cat. no. 3101.0.

Asset Management Knowledge and Capability

2017 Findings

The proportion of Councils who have adopted and up to date Asset Management Plans for roads is around the same level as it was in 2012. There is notable decline in the adoption of asset management plans for all other key asset classes despite legislation requiring local government entities to have them in place.

This indicates asset planning is treated as optional and raises questions on how local government is effectively planning for the future.

Less than 80% of local governments have a long-term financial plan in place suggesting 1 in 5 councils are struggling to demonstrate how they can effectively generate sufficient revenue to deliver assets and services now and into the future. Without intervention there is likely to be a diminishing ability to forecast and finance future infrastructure renewal and meet future needs due to demand and growth.

2012 - 2017 Trend

The local government asset management knowledge and capability trend indicator is presented in Table 12 below.

Table 12 Asset Management Knowledge and Capability Trend

Asset Management Knowledge and Capability - Actual Trend 2012-2017			
Asset Management Knowledge and Capability	**Asset Management Plans Adopted Trend**	**Long-term Financial Plans Adopted Trend**	**Asset Management Plan Projections included in the Long-term Financial Plan**
			

Infrastructure Performance

2017 Findings

1. Collectively, local government reports 9% or $30 billion of community infrastructure assets are in poor condition requiring significant renewal.
2. 7% or $24 billion has poor function requiring upgrade in response to meet current or emerging local, regional, and state targets for safety, compliance, social, environmental, and economic performance.
3. 7% or $24 billion of infrastructure assets have poor capacity and/or utilisation requiring augmentation to support demand and growth trends.
4. Most councils express low confidence with the function and capacity assessment whilst knowledge of condition continues to rank much higher.

2017 Findings by Asset Class

5. **Roads** represent $136 billion or 39% of the total infrastructure value and $13.6 billion are in poor condition, $9.9 billion are in poor function and $8.2 billion are in poor capacity.
6. **Bridges** represent $14 billion or 4% of the total infrastructure value and $813 million are in poor condition, $754 million are in poor function and $739 million are in poor capacity.
7. **Buildings** represent $57 billion or 16% of the total infrastructure value and $5.5 billion are in poor condition, $5.0 billion are in poor function and $5.6 billion are in poor capacity.
8. **Park & Recreation** assets represent $16 billion or 5% of the total infrastructure value and $1.3 billion are in poor condition, $1.0 billion are in poor function and $1.3 billion are in poor capacity.
9. **Stormwater** assets represent $62 billion or 18% of the total infrastructure value and $4.0 billion are in poor condition, $4.8 billion are in poor function and $5.6 billion are in poor capacity.
10. **Water & Wastewater** assets represent $59 billion or 17% of the total infrastructure value and $5.1 billion are in poor condition, $2.5 billion are in poor function and $2.7 billion are in poor capacity.
11. **Airport & Aerodromes** assets represent $1.8 billion or less than 1% of the total infrastructure value and $91 million are in poor condition, $61 million are in poor function and $75 million are in poor capacity.

2012 – 2017 Trend

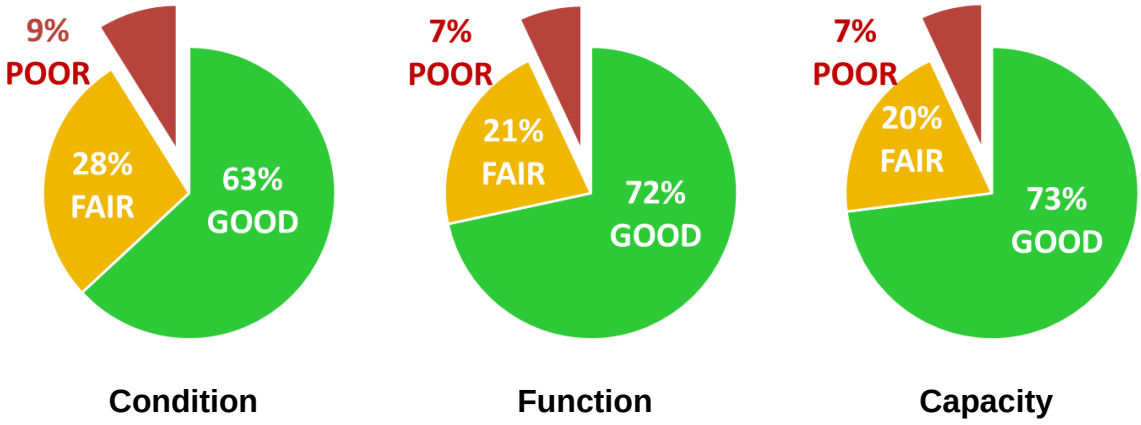
The consolidated results for local government infrastructure performance are presented in Table 13 below.

Table 13 Infrastructure Performance Trend

Infrastructure Performance - Actual Trend 2012-2017						
For all Assets	**Poor to Very Poor Condition Trend**	**Expenditure on Condition**	**Poor to Very Poor Function Trend**	**Expenditure on Function**	**Poor to Very Poor Capacity Trend**	**Expenditure on Capacity**
All assets	↓	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA

Infrastructure Performance - Actual Trend 2012-2017						
By Asset Class	**Poor to Very Poor Condition Trend**	**Expenditure on Condition**	**Poor to Very Poor Function Trend**	**Expenditure on Function**	**Poor to Very Poor Capacity Trend**	**Expenditure on Capacity**
Sealed Roads	→	↑	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Unsealed Roads	↓	↑	↓	Not currenlty measured NSoA	↓	Not currenlty measured NSoA
Concrete Bridges	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Timber Bridges	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Buildings & Facilities	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Parks and Recreation	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Stormwater	↓	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Water & Wastewater	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA
Airports & Aerodromes	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA	→	Not currenlty measured NSoA

Condition, Function and Capacity Reporting Status



Condition **Function** **Capacity**

In 2017, knowledge of and confidence in reporting community infrastructure condition ranked higher than knowledge of and confidence in reporting function and capacity.

This indicates that there continues to be lower levels of knowledge and confidence in:

- Planning for infrastructure that meets needs now and in the future; and
- Understanding whether local government is accommodating assets renewal and replacement in an optimal and cost-effective way from a timing perspective relative to the risks it is prepared to accept and the service levels it wishes to maintain.

Local authorities that have high level asset management capability and feel confident regarding the integrity of the underlying data used by their systems can rely upon it to make decisions, highlight opportunities, and identify and manage risks.

Concluding Remarks

Local government has made significant headway since 2012 in sustaining services to their communities by increasing investment to extend the life of ageing assets and renewing existing assets when they fall due.

Despite the investment and effort, the proportion of assets (by value) reported in poor condition remains unchanged during this time. Local government's capacity to demonstrate effective management of future growth and demand impacts is questionable, given the low levels of confidence in forecasting the drivers and impacts of change.

The findings also raise questions around the currency and degree of maturity of asset and financial plans and the ability of councils, to meet the minimum planning and reporting requirements to achieve the outcomes prescribed in the legislation, without additional resources, commitment and/or support.

Although significant progress has been made in implementing asset management planning systems, it is apparent an ongoing process of continuous improvement for the local government sector is needed now.

It is evident that many councils have increasing 'information and knowledge gaps' in their overall infrastructure planning processes. Given the long-life nature of infrastructure it is crucial to demonstrate effective management of these assets and that current and future management processes provide for the true lifecycle costs to be accurately captured, evaluated, and reported on a uniform basis.

Without intervention there is likely to be an increasing inability to forecast and finance future infrastructure renewal and upgrade infrastructure to meet future needs due to demand and growth.

Guidelines to specifically assist local governments in asset management and for preparing asset management plans have been available since 1994 with the development of both the Institute of Public Works Engineering Australia's (IPWEA's) National Asset Management Manual and International Infrastructure Management Manual (2002) and subsequent updated editions. Every State local government department's legislative framework for asset management planning is also informed by the:

- Local Government Financial Sustainability Nationally Consistent Frameworks 2 & 3 published by the Local Government and Planning Ministers' Council;
- IPWEA's – National Asset Management Strategy (NAMS.AU) Policy documents;
- IPWEA International Infrastructure Management Manual (IIMM); and
- IPWEA Australian Infrastructure Financial Management Manual.

The IPWEA NAMS.Plus structured asset management program aligns with the IIMM principles, and National Framework and provides various support tools and templates to assist councils in preparing asset management plans, strategy, and policy. 55% of Australian local governments currently subscribe to this program.

Regardless of the current asset management knowledge and capability levels, the key issue should be whether a local council entity can maintain a satisfactory

Operating Surplus (net of capital grants) over time. If it can then it will have the financial capacity to undertake asset maintenance and renewal (consistent with current service levels) on an ongoing basis. If it does not, then even if a local council has good asset management plans and systems then sooner or later it simply will not have the resource capacity to carry out preferred asset management activities and service levels must fall, and/or related risks must rise.

More focus on capability (i.e. regulation and audit) and capacity building (i.e. investment) is needed to ensure sustainable community assets and services into the future. Most local councils have the financial capacity to address future scenarios provided they have a sensible and informed conversation with their stakeholders.

Experience has shown that with the right legislative framework, supportive guidance and follow up, significant improvement in the performance and management of assets is possible (and necessary) and that additional revenue may not, in all instances be required.

Recommendations

It is recommended the Australian Local Government Association:

1. Includes the following questions in future updates of the NSoA Report:
    a. The current year and 10-year forward estimate of planned expenditure, i.e. Long-term Financial Plan (LTFP); and
    b. Projected outlays, i.e. Asset Management Plan (AM Plan) for operations, maintenance, renewal and upgrade/new.
2. Advocates for ongoing focus on and funding for asset management capability and capacity building.
3. Advocates for required investment in local government infrastructure to manage risks and increase productivity for local communities.

It is recommended local government regulators:

4. Audit asset management and long-term financial plans so that they are aligned, credible, reliable, up-to-date, and compliant with best practice.
5. Assist local councils increase their knowledge and confidence in determining unit costs and useful life of key asset classes.

It is recommended local government:

6. Ensures asset management and long-term financial plans are aligned, credible, reliable, up-to-date, and compliant with best practice.
7. Continues to improve their asset management capability to a position that they can demonstrate and provide a sustainable and affordable service delivery model to their communities.

References

ABS cat. no. 3101.0, “Australian Demographic Statistics, Table 1. Population Change, Summary – Australia, Estimated Resident Population, Jun 2017”, Canberra, 2018.

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JRA, 2006, *Local Government Infrastructure, Sustainability and Practice*, Volume 2, Report on Independent Inquiry into the Financial Sustainability of NSW Local Government, Local Government Association of NSW and Shires Association of NSW, Sydney, May 2006.

National Local Roads Data System (NLRDS) (n.d.) [Online], Available: http://www.jr.net.au/NLRDS/, [Accessed 30 October 2018].

Appendices

Appendix A - **The NSoA Methodology**

Appendix B - **Participation**

Appendix C - **Data Confidence**

Appendix D - **Sample Data Collection Form**

Appendix E - **Australian Classification of Local Government**

Appendix F - **Participating Local Governments**

Appendix A – The NSoA Methodology

Every local government across the nation was invited to provide its core financial valuation and asset performance data for each of the following asset classes:

1. Roads – Sealed and Unsealed;
2. Bridges – Concrete and Timber;
3. Building & Facilities;
4. Parks & Recreation;
5. Stormwater & Water Cycle Management;
6. Water & Wastewater; and
7. Airports & Aerodromes.

Data collected to assess financial performance and sustainability for each asset class was:

- Gross Replacement Cost
- Depreciable Amount
- Depreciated Replacement Cost
- Annual Depreciation

The following email was sent to every local government:

From: ALGA NSoA
Sent: Monday, 12 March 2018 4:08 PM
Subject: ALGA National State of the Assets Report

SUBJECT: **Investing in Local Government Infrastructure for the future – Your Council's Role in Reporting on the National State of the Assets**

For the attention of:

- The Chief Executive Officer or General Manager
- Infrastructure Planning
- Asset Management
- Finance

Dear Sir and/or Madam,

The Australian Local Government Association (ALGA) has commenced the next phase of the National State of the Assets (NSoA) project and you are invited to contribute by updating your data for the 2016/17 period. Your contribution will form an important element of the 2018 NSoA Report.

To date the Australian Local Government Association's **National State of the Assets (NSoA) Report** has delivered significant outcomes:

- Proof of concept that local government can provide consistent, evidence-based infrastructure performance reporting. (ref: NSoA Pilot 2012)
- A complete performance reporting result for road assets in 2013 & 2014 (ref: NSoA Report 2013 & NSoA Report 2014)
- An updated and complete performance reporting result for all infrastructure (ref: NSoA Report 2015)
- Consistent trend data enabling past comparisons and projections for future investment in Local Government infrastructure in Australia.

Benefit to Councils - Providing decision support information for local government

Using a consistent evidence-based approach The NSoA Project is designed to report on:

- All Councils' current service levels and what proportion of community infrastructure needs additional investment to be in good repair and meet community needs;
- Local Government infrastructure service levels and risk;
- The need for additional Local Government infrastructure investment by reporting financial sustainability trends against nationally adopted indicators; and
- Local Government's level of asset management capability with respect to implementing Asset Management and Long Term Financial Plans.

The NSoA Report provides a sound rationale and model for appropriate and targeted support to Local Government for consideration by other spheres of government.

What Needs to Happen Now

Every local government across Australia is encouraged to participate in the next round of data update by supplying financial and performance data typically found in annual reports, financial statements, and financial and asset management plans and/or systems. The data input process is likely to take no more than an hour for an officer to complete, depending on confidence and availability of, and access to source data and systems that are typically required for reporting purposes as at 30 June 2017.

Datashare is **free to participating public sector asset managers** and enables councils to efficiently enter, recall and maintain their data by reducing duplication for the gathering of advocacy data on behalf of Local Government.

The *NSoA* data collection portal is available at:
http://www.datashare.net.au/Account/Login

A consistent data collection approach is being used with the intent of building a clear case showing how investment in local government infrastructure is essential to providing stronger communities, sustainable economies and efficient expenditure of public funds.

Who to Contact

The ALGA has commissioned Jeff Roorda and Associates (JRA) – a TechnologyOne Company - to manage the NSoA project and to write the report.

Any further enquiries regarding the project can be directed to:

- Kym Foster | ALGA NSoA Project Manager
  email: Kym.Foster@alga.asn.au or phone: 02 6122 9400.
- Steve Verity | ALGA NSoA Project Support
  email: ALGA_NSoA@technologyonecorp.com or phone: 02 4751 7657.

Closing Date for Submitting Your Data

Since 2013, 77% of Councils have contributed their data to the project and your council together with all other contributing Councils will be recognised and acknowledged in the Report.

We trust your Council is supportive of this important initiative and will find the resources and time to participate in the short survey which **closes at the end of April 2018** to assist in helping understand how best to invest in Local Government infrastructure for the future.

Yours Sincerely,

Steve Verity | ALGA NSoA Project Support
✆**:** +61 2 4751 7657 **| e:** ALGA_NSoA@technologyonecorp.com **| w:** http://www.datashare.net.au/

Assessing Asset Management Performance

To date, the NSoA project has consistently reported infrastructure performance using the following three indicators as a measurement framework.

Table 14 Infrastructure Performance Indicators

Indicator	What's Measured	
Condition	How good is the service?	What is the condition or quality of the service?
Function	Is the service suitable for its intended purpose?	Is it the right service?
Capacity / Utilisation	Is the service under or over utilised?	Do we need more or less of these assets?

These indicators, when used in a measurement framework over time (trends), answer the question:

"Is the local infrastructure getting better, *worse or* staying the same?"

This is the same question that local government must address within their asset management plans.

The data relating to condition, function and capacity / utilisation has been collected to ensure a measurement framework that:

- Can be made by professional judgement of experienced staff that manage their infrastructure assets within half a day;
- Is easily verifiable by Council or community;
- Can be progressively linked to substantiation in asset management plans at any level up to complex multivariable measures;
- Is repeatable and auditable to produce material levels of accuracy; and
- Provides a materially consistent result independent of the level of complexity.

Each performance indicator is calculated and reported as a proportion of gross replacement cost against three grades based on the *International Infrastructure Management Manual* (IPWEA, 2015) rating scale for each asset class:

1. Good to very good grading (IPWEA Rating 1 and 2);
2. Fair grading (3); and
3. Poor to very poor grading (4 and 5).

Condition

Condition data is used to evaluate remaining useful life and can assist in estimating the year of acquisition when it is unknown.

Condition data grading scores and descriptions

The IPWEA's National Asset Management Strategy and supporting guidance material such as the IIMM recommends condition data be stored and be capable of conversion into a 1 to 5 rating scale.

Table 15 National Standard Condition Grading Scores

Condition Grading	Description of Condition
1	**Very Good**: only planned maintenance required
2	**Good**: minor maintenance required plus planned maintenance
3	**Fair**: maintenance required to return to accepted level of service
4	**Poor**: significant renewal/rehabilitation required
5	**Very Poor**: physically unsound and/or beyond rehabilitation

Source: Based on IPWEA, 2015, IIMM, Table 2.5.2, Sec 2.5.4, p 2|80.

Function

Function is the ability of the physical infrastructure to meet program delivery needs.

Function helps us understand future needs in response to changing circumstances.

Function data grading scores and descriptions

Table 16 shows the five-function gradings and descriptions.

Table 16 NAMS.PLUS Function Grading Scores

Function Grading	Description of Function
1	**Very Good**: meets program/service delivery needs in a fully efficient and effective manner.
2	**Good**: meets program/service delivery needs in an acceptable manner.
3	**Fair**: meets most program/service delivery needs and some inefficiencies and ineffectiveness present.
4	**Poor**: limited ability to meet program/service delivery needs.
5	**Very Poor**: is critically deficient, does not meet program/service delivery and is neither efficient nor effective.

Source: Based on Cloake & Sui, 2002, p 9.

Capacity

Capacity represents the ability of the physical infrastructure to meet service delivery needs.

Capacity helps us understand future needs due to demand and growth.

Capacity data grading scores and descriptions

Table 17 below presents the five Capacity gradings and descriptions.

Table 17 NAMS.PLUS Capacity Grading Scores

Capacity Grading	Description of Capacity
1	**Very Good**: usage corresponds well with design capacity and no operational problems experienced.
2	**Good**: usage is within design capacity and occasional operational problems experienced.
3	**Fair**: usage is approaching design capacity and/or operational problems occur frequently.
4	**Poor**: usage exceeds or is well below design capacity and/or significant operational problems are evident.
5	**Very Poor**: exceeds design capacity or is little used and/or operational problems are serious and ongoing.

Source: Based on Cloake & Sui, 2002, p 9.

-

Data Confidence

Councils were asked to indicate the level of confidence in the asset performance data being provided.

The confidence levels were expressed as shown in Table 18:

Table 18 Confidence level grades

Confidence Level	Description
High	Data based on high quality evidence, such as sound and current records, procedures, investigations, and analysis. Information is complete and estimated to be accurate ± 10%.
Medium	Data based on moderate quality evidence, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolated from a limited sample. Up to 50% estimated with accuracy within ± 25%.
Low	Data is based on expert judgement or low-quality evidence. May be estimated or extrapolated. Accuracy ± 40%.

Assessing Local Government Infrastructure Investment Performance

In addition to the Asset Consumption Ratio, two additional indicators that measure infrastructure investment performance have been included in the 2017 NSoA Report. Currently data and trends for the Asset Renewal Funding Ratio are not available, while data and trends for the Asset Sustainability Ratio are only available for Roads via the National Local Roads Data System (NLRDS).

Assessing Asset Management ***Planning Capability*** in addition to core financial valuation and infrastructure investment data, each local government across the nation was invited to provide data on the status of their:

- Asset Management Plans; and
- Long Term Financial Plan.

The importance of asset management capability and skills in assessing asset management performance is addressed in Part 2 Asset Management Knowledge and Capability. To address this, the 2017 Report has included two additional indicators to measure asset management capability and long term financial planning capability.

Asset Management Performance Trend Data

Since 2013, the NSOA project has consistently reported on the national state of local government asset management performance and, because of this accumulation of evidenced-based data over time, is now in the position to introduce trend analysis to further inform decision making. Trend analysis can assist decision making by:

- Identifying areas where performance is positive over time, so success can be duplicated;
- Identifying areas where there is underperformance over time so appropriate action can be taken; and
- Providing evidence to inform decision making.

In 2017, the NSoA project will begin reporting Actual Trends in asset management performance against Desired Trends.

Appendix B – Participation

Each year since 2013 every local government entity across the nation (541 as at June 2017) have been invited to participate in the survey. For this report, 408 (75%) local governments contributed data.

It is acknowledged not every local government has responsibility for each asset class – for example, some metropolitan councils do not have unsealed roads and a significant number of urban local governments are not responsible for Water & Wastewater services and only a few local governments are responsible for Airport and Aerodromes.

Therefore, of the local governments contributing data, most provided a complete return for each asset class under their control. Some on the other hand provided incomplete financial valuation and/or a performance assessment return for asset classes under their control.

Reasons for this were:

- Lack of and/or fragmented data and systems; and/or
- Voluntary surveys are regarded as low priority and unimportant.

All data returns from contributing local governments with assets under their control were validated for appropriateness prior to analysis and inclusion in the report. The participation rates for each asset class are stated in the results section of this report.

The number of participating local governments providing data are summarised below by the Australian Classification of Local Government (ACLG). Individual participating local governments by State and ACLG are listed in Appendix F.

Table 19 Participating local governments by ACLG

Classification	Description	Participation (Nº)	Total (Nº)	% of Total
Urban	Capital City	5	7	71%
	Metropolitan	77	80	96%
	Regional Towns/City	101	106	95%
	Fringe	39	45	87%
Rural	Growth	5	5	100%
	Agricultural	148	220	67%
	Remote	33	78	42%
Total		408	541	75%

408 or 75% of local governments across Australia have provided data suitable for inclusion in the National State of the Assets Report.

An analysis of the national urban and rural participation rate is shown in Figure 18 below.

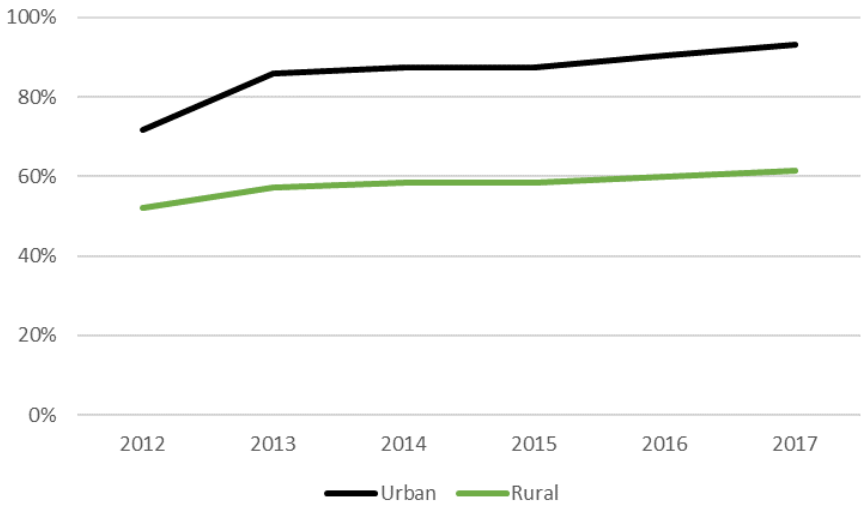


Figure 18 Participation Rate by Urban & Rural

The urban local government participation rate has trended upwards from 72% in 2012 to 93% in 2017. The rural local government participation rate has increased from 52% in 2012 to 61% in 2017.

Close to a third more local governments' in urban areas participate than their rural counterparts.

The participation rate by State and Territory since 2012 is shown in Figure 19 below.

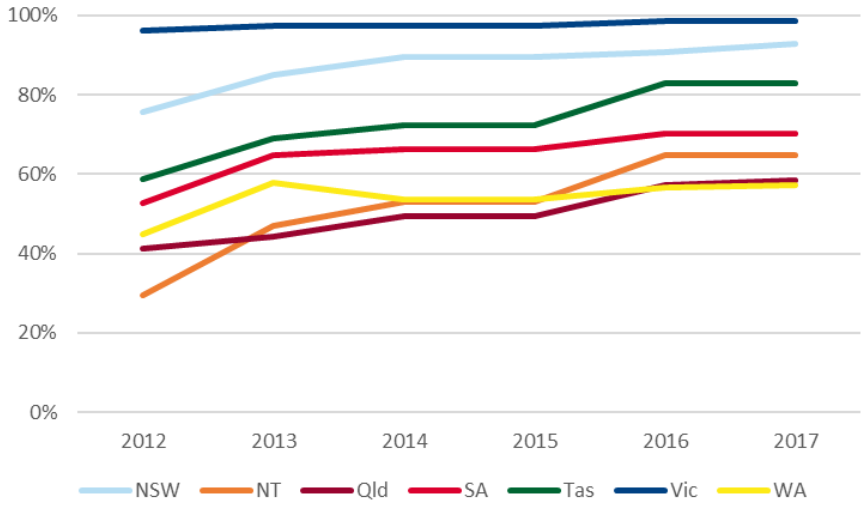


Figure 19 Participation Rate by State & Territory

Victoria and New South Wales has the highest participation rate (>90%) followed by Tasmania (83%). South Australia and Northern Territory were slightly lower at 70% and 65% respectively. Less than 60% of Queensland and Western Australian local governments participated suggesting consistent reporting within a national framework is considered optional and less important in these States.

Appendix C – Data Confidence

Councils were asked to indicate the level of confidence in the asset performance data being provided. The confidence levels grades used for responses ae presented in Table 20 below:

Table 20 Confidence level grades

Confidence Level	Description
High	Data based on high quality evidence, such as sound and current records, procedures, investigations, and analysis. Information is complete and estimated to be accurate ± 10%.
Medium	Data based on moderate quality evidence, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolated from a limited sample. Up to 50% estimated with accuracy within ± 25%.
Low	Data is based on expert judgement or low-quality evidence. May be estimated or extrapolated. Accuracy ± 40%.

Data reliability and integrity provide clarity over the robustness of plans, and the degree of contingency that may need to be built in to achieve effective asset management performance.

The NSoA Project emphasises that data confidence is inextricably linked with:

- Asset management and financial knowledge/ capability;
- Asset management information systems: and ultimately
- Data reliability and integrity.

In 2017 more data than ever before has been made available enabling greater ability for analysis. Using data effectively can make the difference between success and failure.

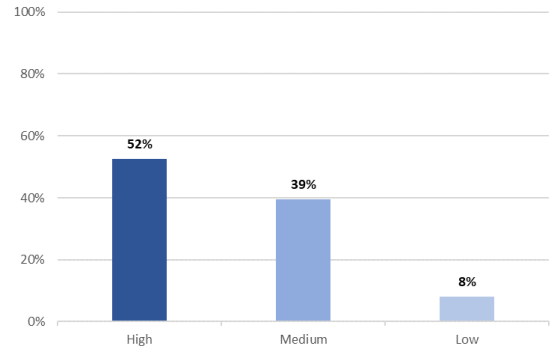
Local governments that report an increasing confidence in the integrity of the underlying data used by their systems can rely upon it to make decisions, highlight opportunities and identify and manage risks.

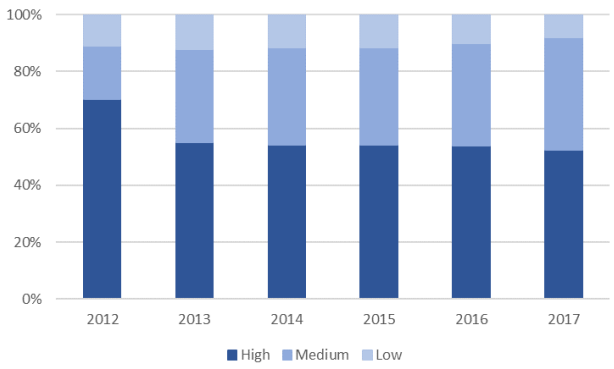
Questions that need to be asked are:

- How is local government data managed as a core asset? Can data be collected, shared, and reported on quickly, securely, accurately and cost effectively? How do local authorities make sure they are compliant when it comes to data handling and security?
- Are decisions being made based on the right data inputs and interpretations? What happens if they aren't?

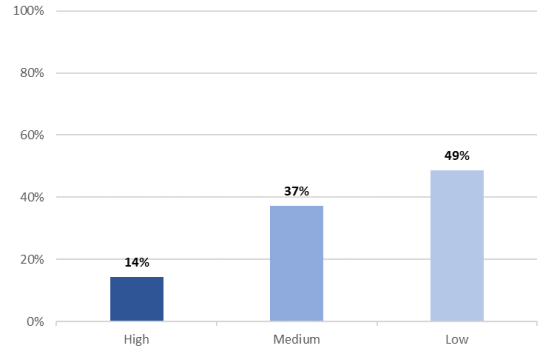
Confidence levels in 2017 and trends from 2012 to 2017 are presented below for each asset class and infrastructure performance indicator.

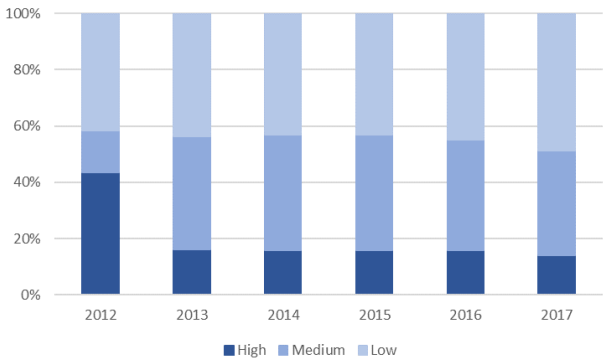
Sealed Roads - Condition Data Confidence



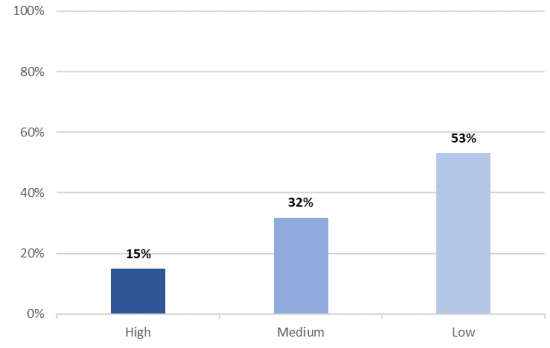


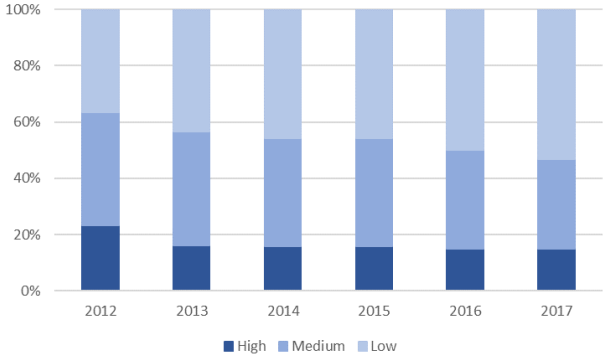
Sealed Roads – Function Data Confidence





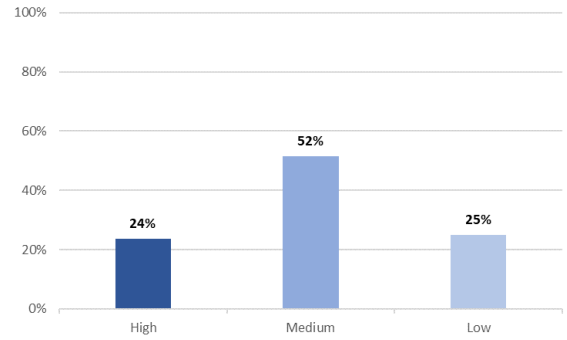
Sealed Roads – Capacity Data Confidence

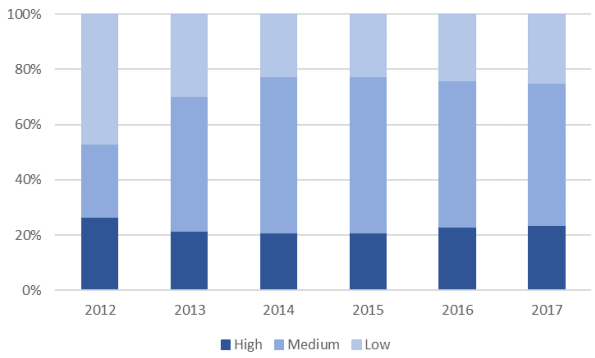




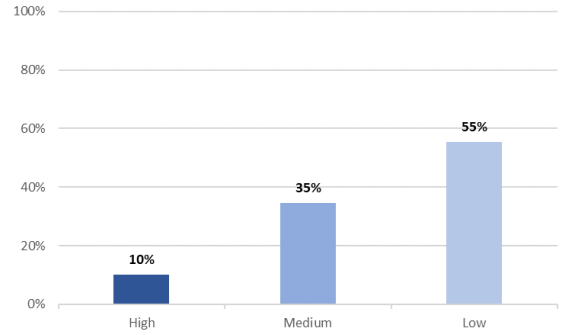
Most council's sealed road condition knowledge ranks much higher than function and capacity. Confidence levels for all three indicators have been declining since 2012.

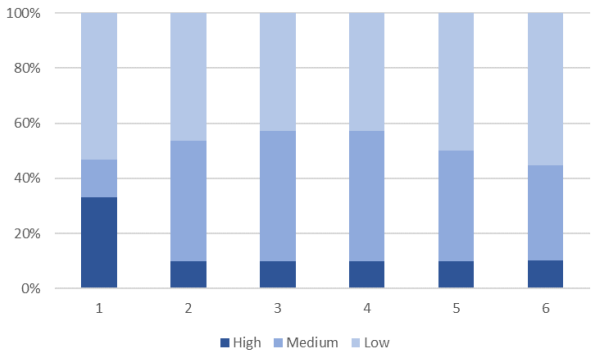
Unsealed Roads - Condition Data Confidence



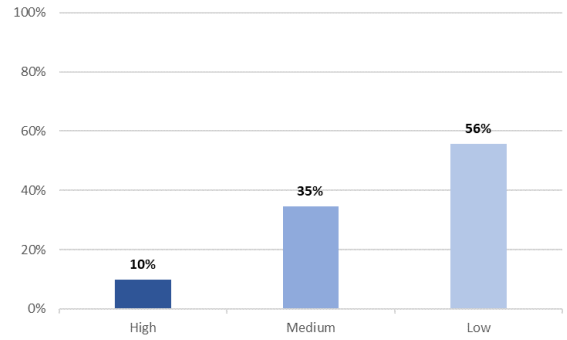


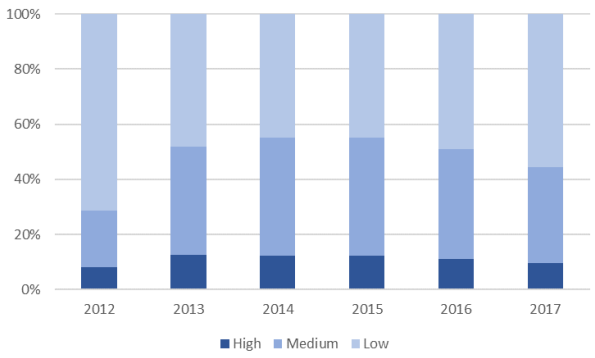
Unsealed Roads – Function Data Confidence





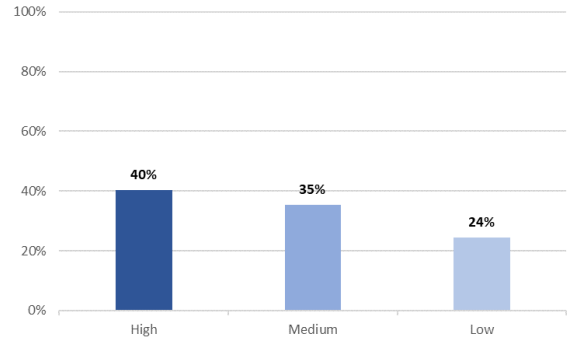
Unsealed Roads – Capacity Data Confidence

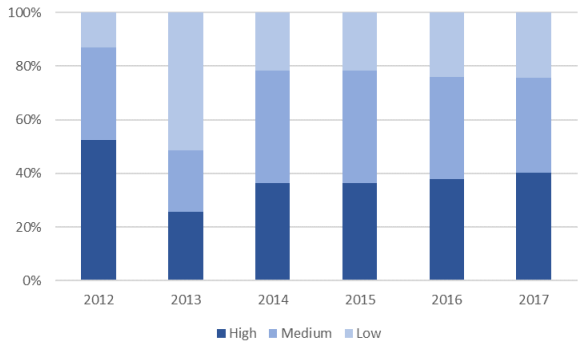




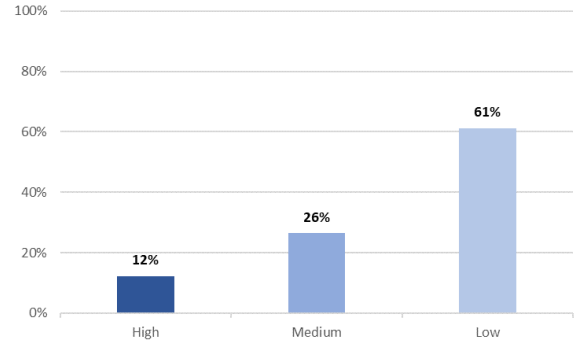
Most council's unsealed road condition knowledge ranks higher than function and capacity. Confidence levels for all three indicators have remained steady since 2012.

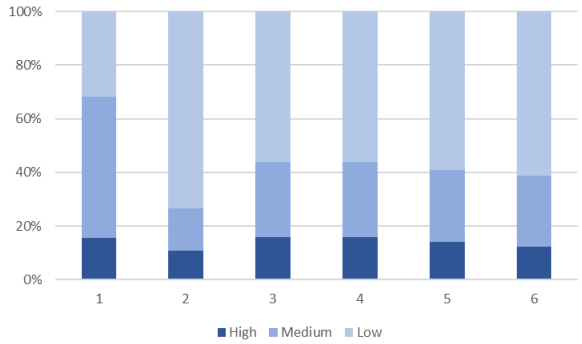
Concrete Bridges - Condition Data Confidence



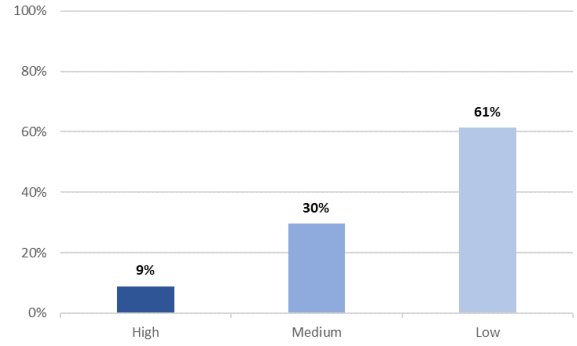


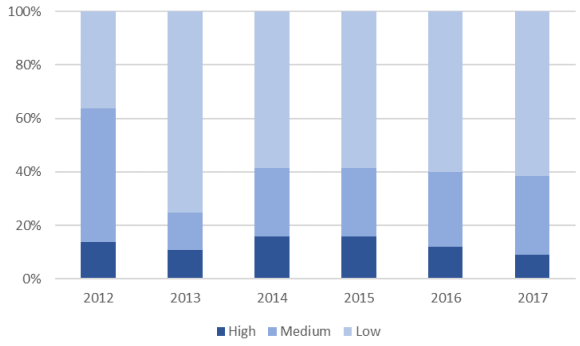
Concrete Bridges – Function Data Confidence





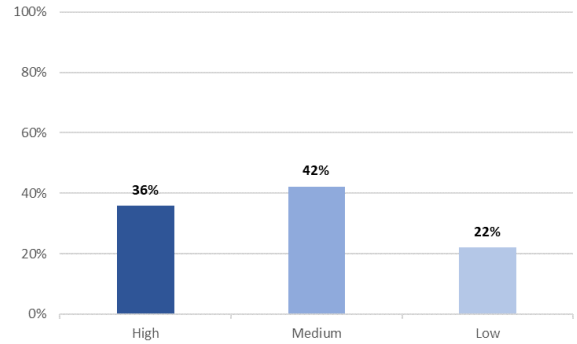
Concrete Bridges – Capacity Data Confidence

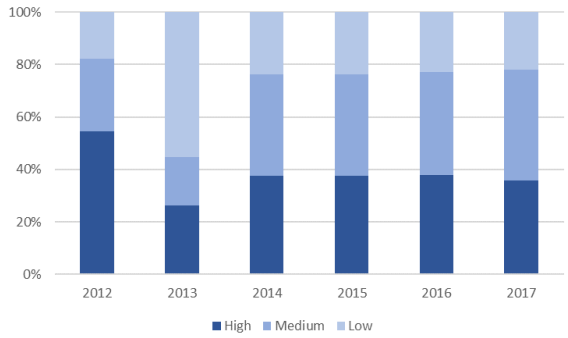




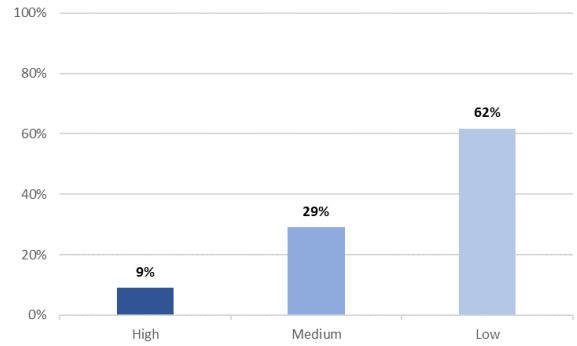
Most council's concrete bridge condition knowledge ranks higher than function and capacity. Confidence levels for all three indicators have remained steady since 2012.

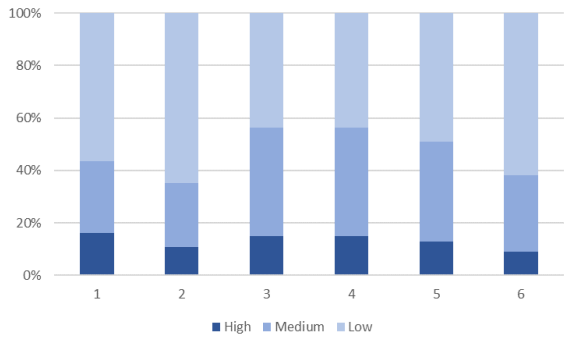
Timber Bridges - Condition Data Confidence



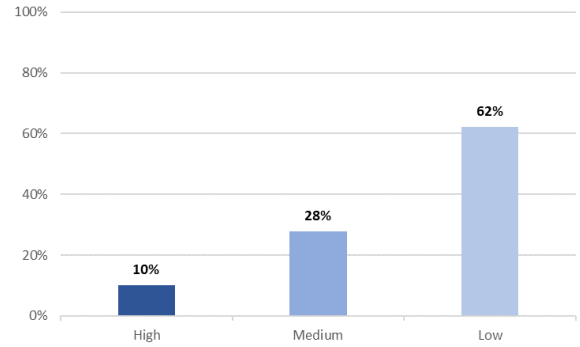


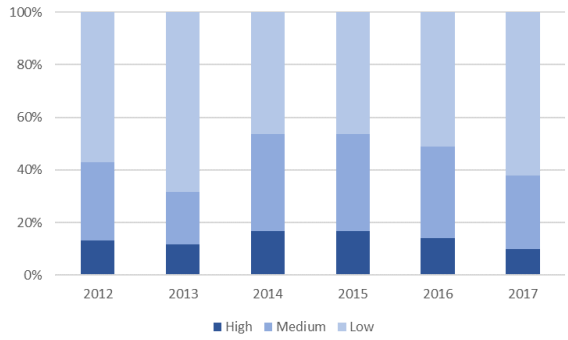
Timber Bridges – Function Data Confidence





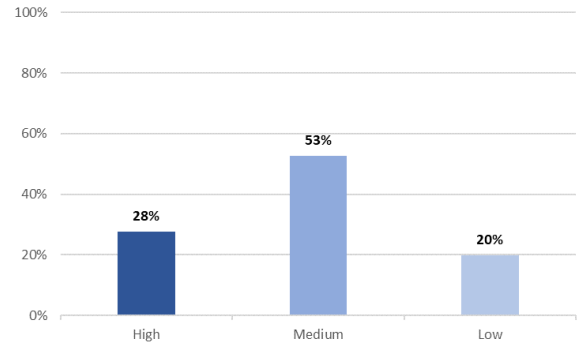
Timber Bridges – Capacity Data Confidence

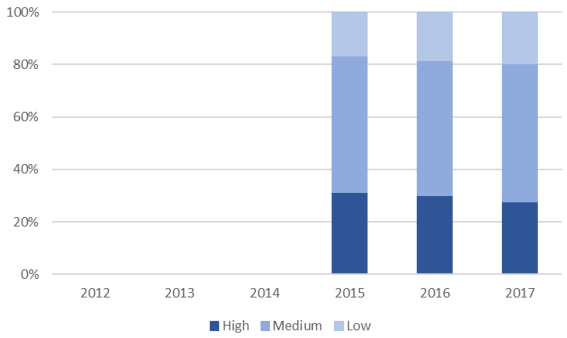




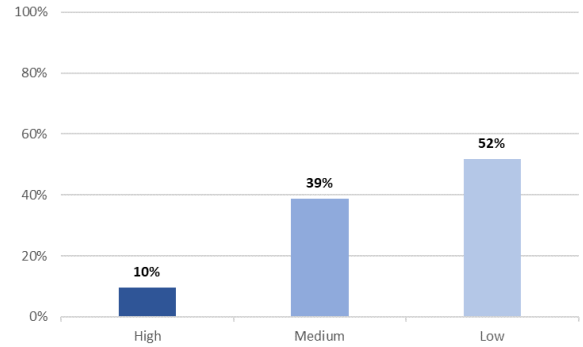
Most council's timber bridge condition knowledge ranks higher than function and capacity. Confidence levels for all three indicators have remained steady since 2012.

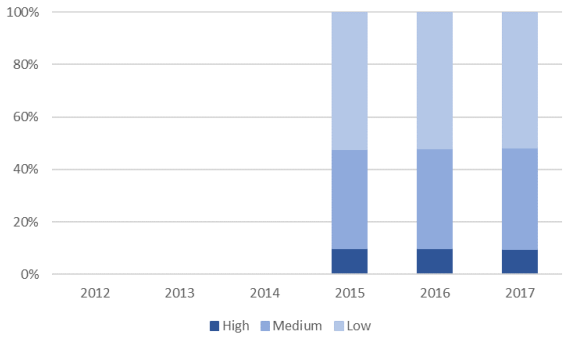
Buildings & Facilities - Condition Data Confidence



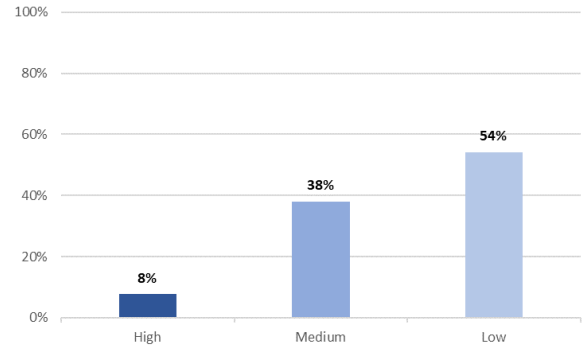


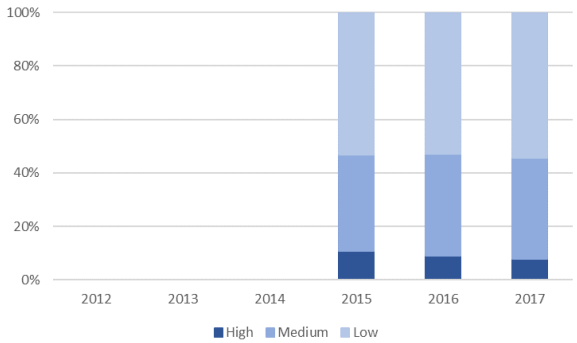
Buildings & Facilities – Function Data Confidence





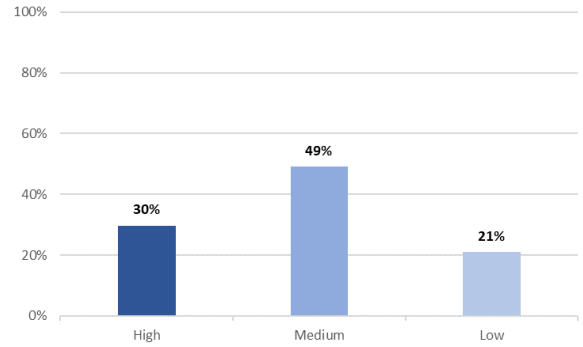
Buildings & Facilities – Capacity Data Confidence

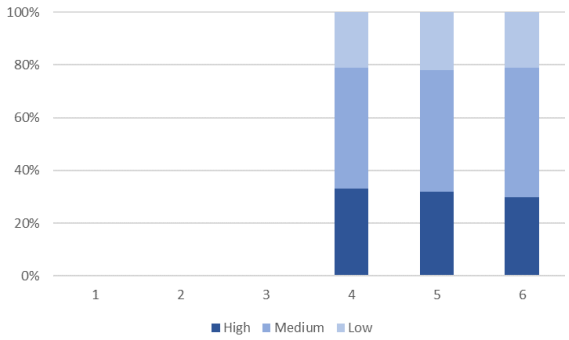




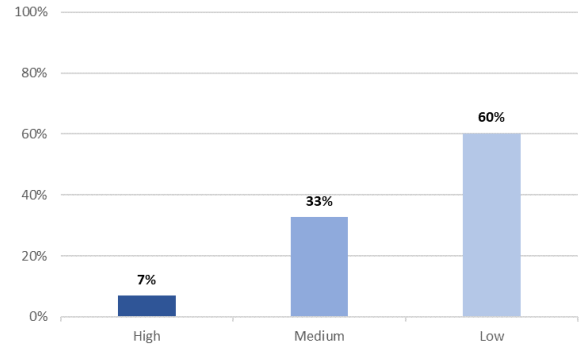
Most council's buildings and facilities condition knowledge rank higher than function and capacity. Confidence levels for all three indicators have remained steady since 2015.

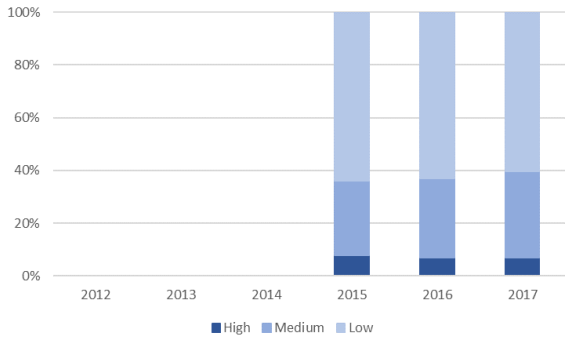
Parks & Recreation - Condition Data Confidence



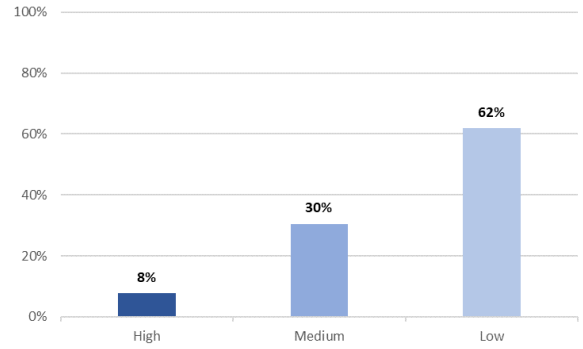


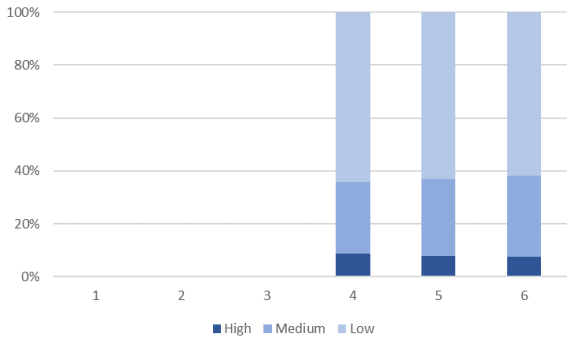
Parks & Recreation – Function Data Confidence





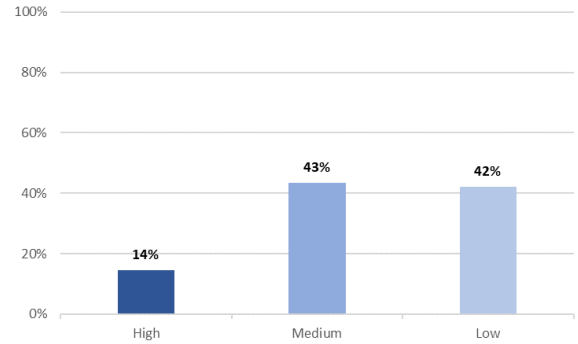
Parks & Recreation – Capacity Data Confidence

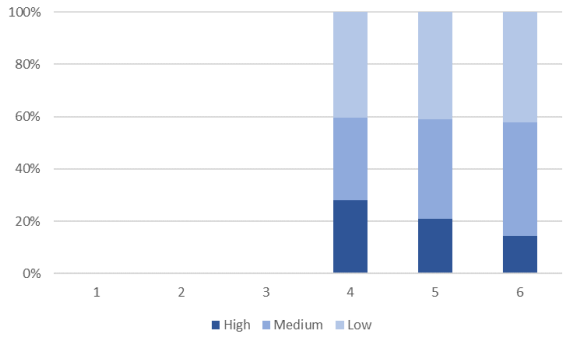




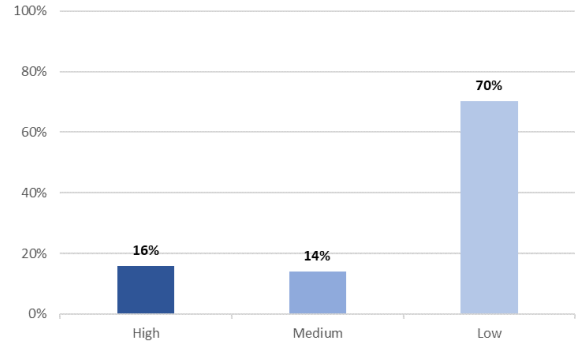
Most council's buildings and facilities condition knowledge rank higher than function and capacity. Confidence levels for all three indicators have remained steady since 2015.

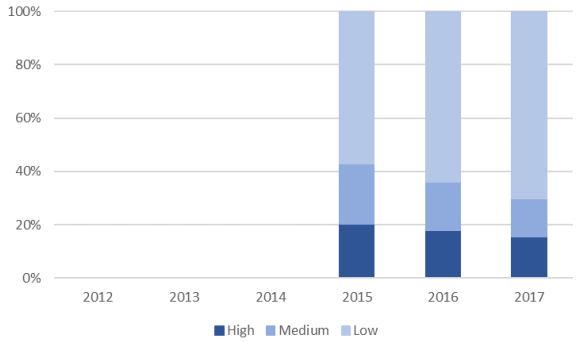
Stormwater - Condition Data Confidence



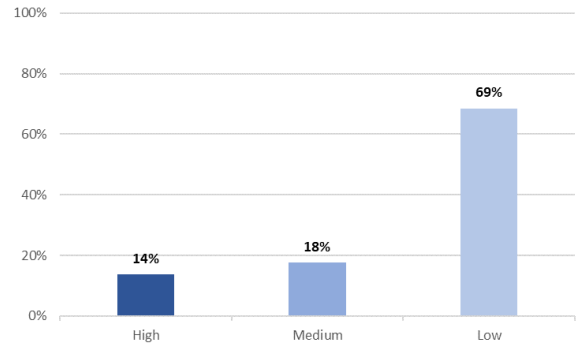


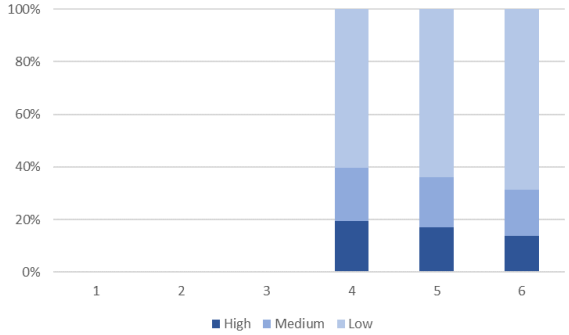
Stormwater – Function Data Confidence





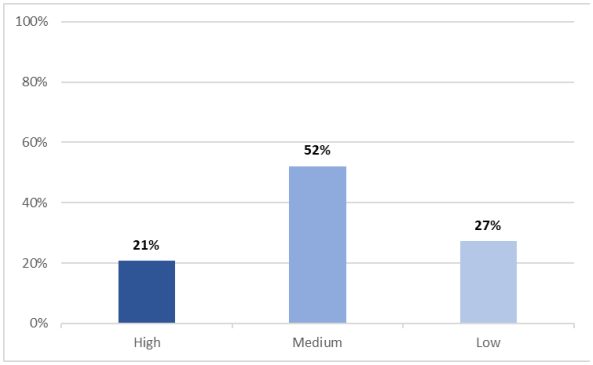
Stormwater – Capacity Data Confidence

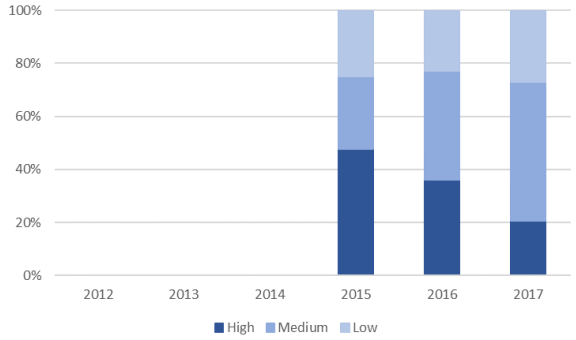




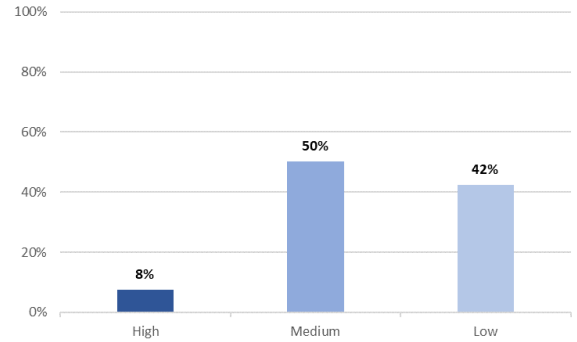
Council's confidence of stormwater condition, function, and capacity data is low and declining.

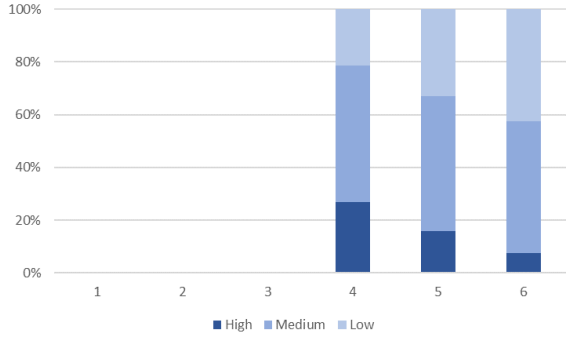
Water & Wastewater - Condition Data Confidence



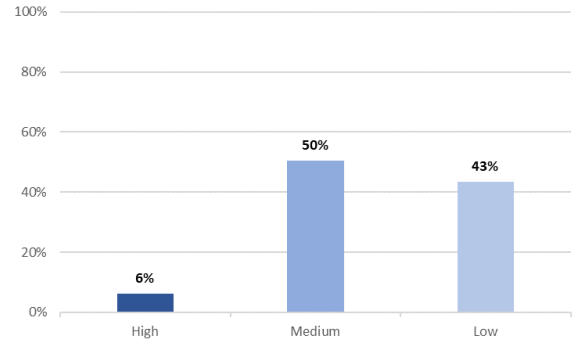


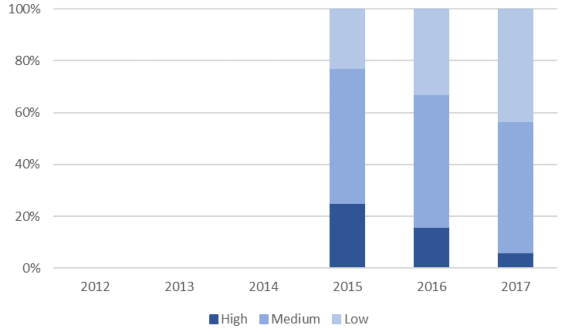
Water & Wastewater – Function Data Confidence





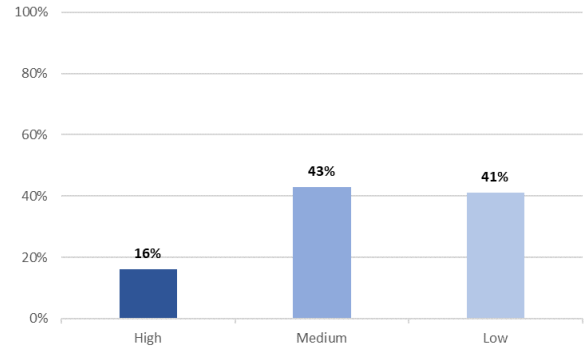
Water & Wastewater – Capacity Data Confidence

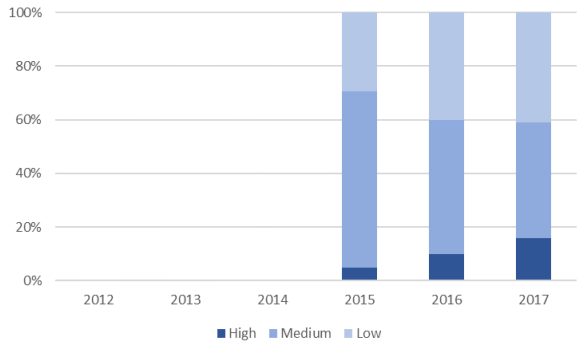




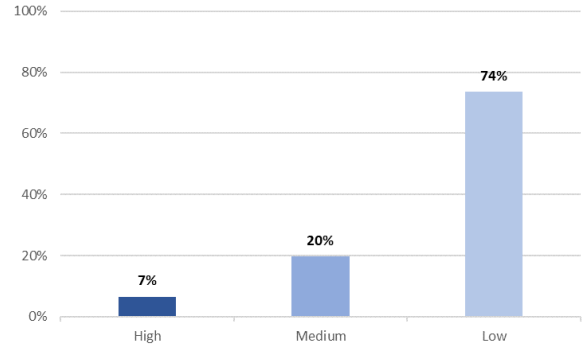
Most council's water and wastewater condition knowledge rank higher than function and capacity. Confidence levels for all three indicators have declined since 2015.

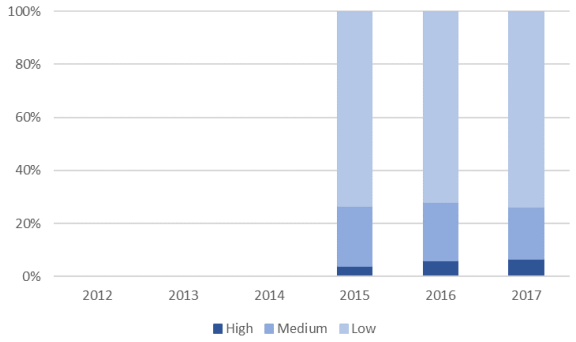
Airports & Aerodromes - Condition Data Confidence



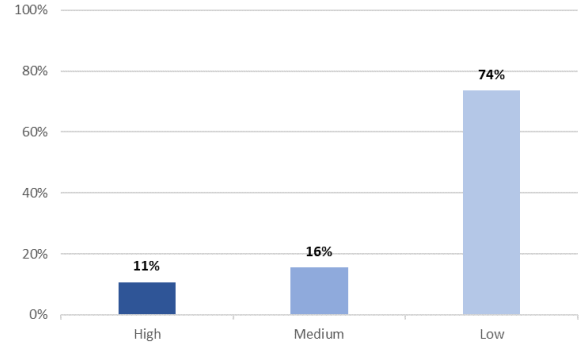


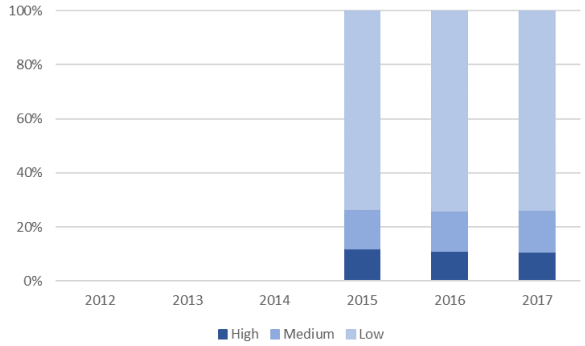
Airports & Aerodromes – Function Data Confidence





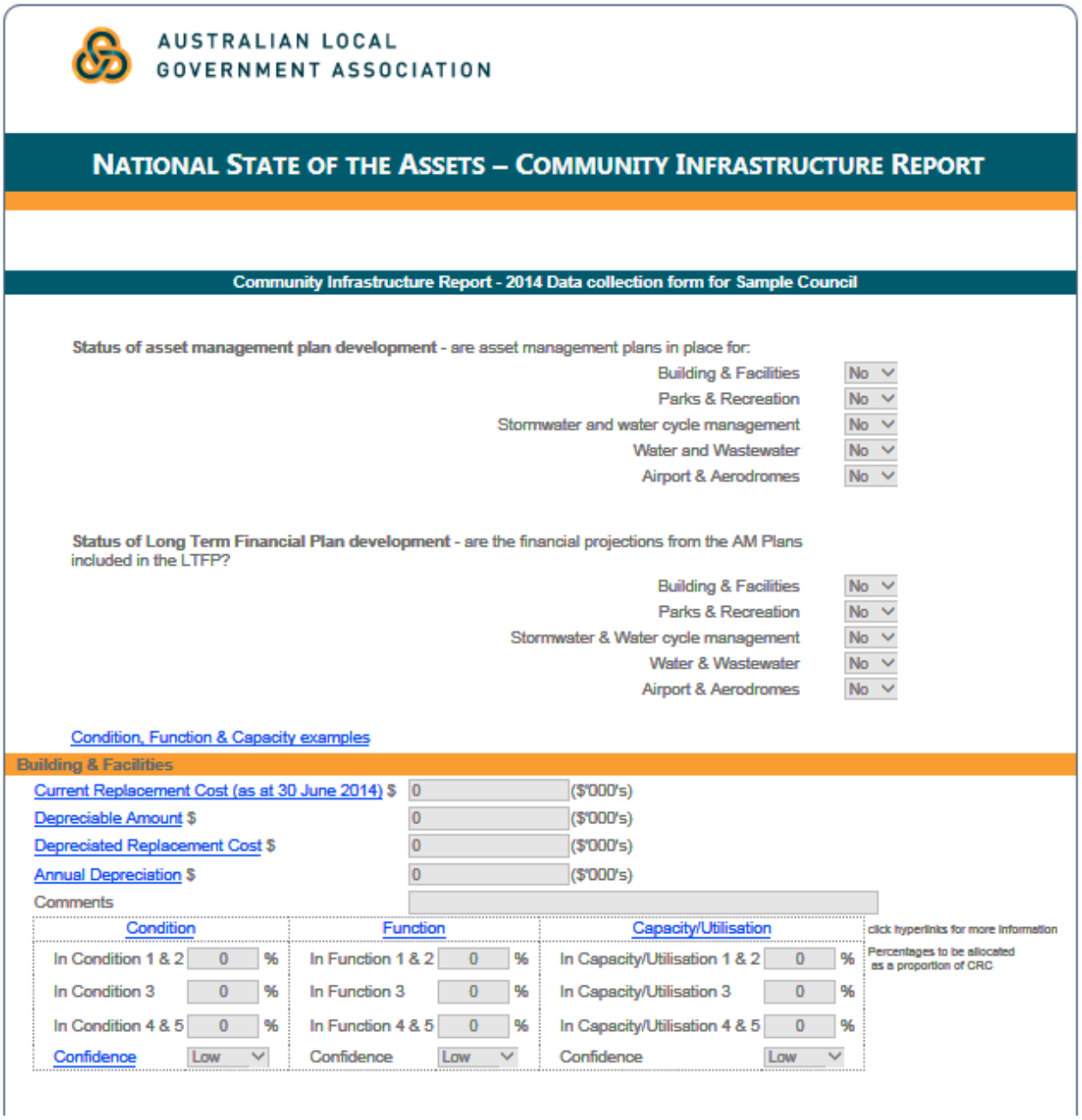
Airports & Aerodromes – Capacity Data Confidence





Most council's airport and aerodrome condition knowledge rank higher than function and capacity. Confidence levels for condition and function have increased slightly since 2015.

Appendix D – Sample Data Collection Form



AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

NATIONAL STATE OF THE ASSETS – COMMUNITY INFRASTRUCTURE REPORT

Community Infrastructure Report - 2014 Data collection form for Sample Council

Status of asset management plan development - are asset management plans in place for:

Building & Facilities	No
Parks & Recreation	No
Stormwater and water cycle management	No
Water and Wastewater	No
Airport & Aerodromes	No

Status of Long Term Financial Plan development - are the financial projections from the AM Plans included in the LTFP?

Building & Facilities	No
Parks & Recreation	No
Stormwater & Water cycle management	No
Water & Wastewater	No
Airport & Aerodromes	No

Condition, Function & Capacity examples

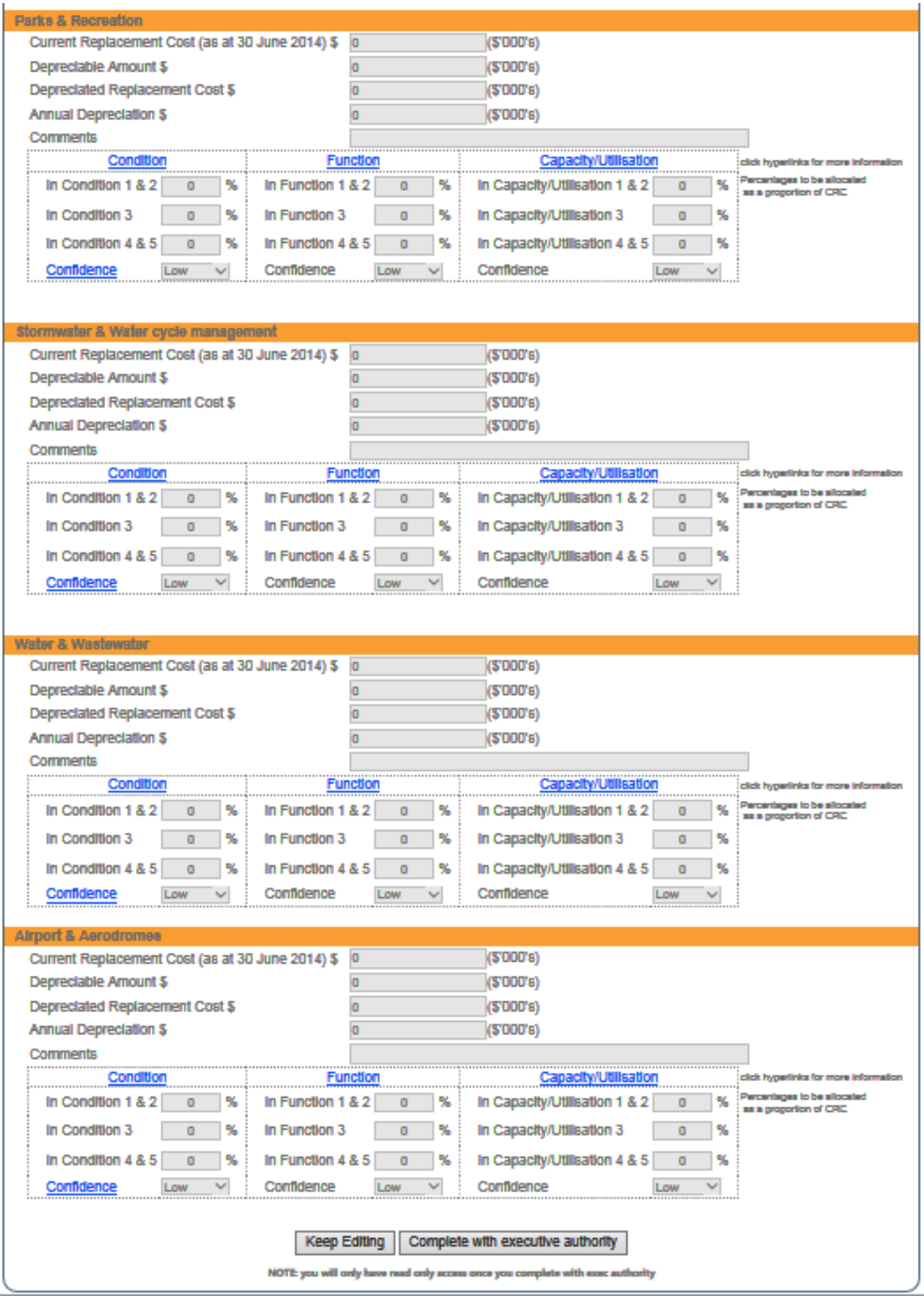
Building & Facilities

Current Replacement Cost (as at 30 June 2014) $	0	($'000's)
Depreciable Amount $	0	($'000's)
Depreciated Replacement Cost $	0	($'000's)
Annual Depreciation $	0	($'000's)
Comments		

Condition		Function		Capacity/Utilisation	
In Condition 1 & 2	0 %	In Function 1 & 2	0 %	In Capacity/Utilisation 1 & 2	0 %
In Condition 3	0 %	In Function 3	0 %	In Capacity/Utilisation 3	0 %
In Condition 4 & 5	0 %	In Function 4 & 5	0 %	In Capacity/Utilisation 4 & 5	0 %
Confidence	Low	Confidence	Low	Confidence	Low

click hyperlinks for more information

Percentages to be allocated as a proportion of CRC



Parks & Recreation

Current Replacement Cost (as at 30 June 2014) $	0	($'000's)
Depreciable Amount $	0	($'000's)
Depreciated Replacement Cost $	0	($'000's)
Annual Depreciation $	0	($'000's)
Comments		

Condition		Function		Capacity/Utilisation		
In Condition 1 & 2	0 %	In Function 1 & 2	0 %	In Capacity/Utilisation 1 & 2	0 %	click hyperlinks for more information
In Condition 3	0 %	In Function 3	0 %	In Capacity/Utilisation 3	0 %	Percentages to be allocated as a proportion of CRC
In Condition 4 & 5	0 %	In Function 4 & 5	0 %	In Capacity/Utilisation 4 & 5	0 %	
Confidence	Low	Confidence	Low	Confidence	Low	

Stormwater & Water cycle management

Current Replacement Cost (as at 30 June 2014) $	0	($'000's)
Depreciable Amount $	0	($'000's)
Depreciated Replacement Cost $	0	($'000's)
Annual Depreciation $	0	($'000's)
Comments		

Condition		Function		Capacity/Utilisation		
In Condition 1 & 2	0 %	In Function 1 & 2	0 %	In Capacity/Utilisation 1 & 2	0 %	click hyperlinks for more information
In Condition 3	0 %	In Function 3	0 %	In Capacity/Utilisation 3	0 %	Percentages to be allocated as a proportion of CRC
In Condition 4 & 5	0 %	In Function 4 & 5	0 %	In Capacity/Utilisation 4 & 5	0 %	
Confidence	Low	Confidence	Low	Confidence	Low	

Water & Wastewater

Current Replacement Cost (as at 30 June 2014) $	0	($'000's)
Depreciable Amount $	0	($'000's)
Depreciated Replacement Cost $	0	($'000's)
Annual Depreciation $	0	($'000's)
Comments		

Condition		Function		Capacity/Utilisation		
In Condition 1 & 2	0 %	In Function 1 & 2	0 %	In Capacity/Utilisation 1 & 2	0 %	click hyperlinks for more information
In Condition 3	0 %	In Function 3	0 %	In Capacity/Utilisation 3	0 %	Percentages to be allocated as a proportion of CRC
In Condition 4 & 5	0 %	In Function 4 & 5	0 %	In Capacity/Utilisation 4 & 5	0 %	
Confidence	Low	Confidence	Low	Confidence	Low	

Airport & Aerodromes

Current Replacement Cost (as at 30 June 2014) $	0	($'000's)
Depreciable Amount $	0	($'000's)
Depreciated Replacement Cost $	0	($'000's)
Annual Depreciation $	0	($'000's)
Comments		

Condition		Function		Capacity/Utilisation		
In Condition 1 & 2	0 %	In Function 1 & 2	0 %	In Capacity/Utilisation 1 & 2	0 %	click hyperlinks for more information
In Condition 3	0 %	In Function 3	0 %	In Capacity/Utilisation 3	0 %	Percentages to be allocated as a proportion of CRC
In Condition 4 & 5	0 %	In Function 4 & 5	0 %	In Capacity/Utilisation 4 & 5	0 %	
Confidence	Low	Confidence	Low	Confidence	Low	

Keep Editing | Complete with executive authority

NOTE: you will only have read only access once you complete with exec authority

Appendix E – Australian Classification of Local Government

The Australian Classification of Local Governments (ACLG) classifies councils into 22 categories according to their socioeconomic characteristics and their capacity to deliver a range of services to the community.

The classification system involves three steps. Councils are first classified as either urban or rural. Urban councils are then divided into four categories – capital city, metropolitan developed, regional town/city or fringe. Rural councils are divided into three categories – significant growth, agricultural or remote. The final classification step for both urban and rural councils is based on population.

For example, a medium-sized council in a rural agricultural area would be classified as RAM—rural, agricultural, medium. If it were remote, however, it would be classified as RTM—rural, remote, medium. An urban metropolitan developed area with up to 30,000 population would be classified as UDS. The table below provides information on the structure of the classification system.

In this publication, we have put all councils into two groups or categories of Rural or Urban based on the ACLG rules. This makes it difficult to compare the performance of different councils in a meaningful way. As a result, there are often large differences between councils in the same group. This information should not be relied upon by councils to argue for individual policy changes.

The estimated resident population within council boundaries is the preliminary figure calculated by the ABS for 30 June 2017. This figure was used to determine the ACLG categories for this report.

Step 1	Step 2	Step 3	Identifiers	Category
URBAN (U)				
Population more than 20 000 OR If population less than 20 000, EITHER Population density more than 30 persons per sq km OR 90 per cent or more of the local governing body population is urban	CAPITAL CITY (CC)	Not applicable		UCC
	METROPOLITAN DEVELOPED (D) Part of an urban centre of more than 1 000 000 or population density more than 600/sq km	SMALL (S) MEDIUM (M) LARGE (L) VERY LARGE (V)	up to 30 000 30 001–70 000 70 001–120 000 more than 120 000	UDS UDM UDL UDV
	REGIONAL TOWNS/CITY (R) Part of an urban centre with population less than 1 000 000 and predominantly urban in nature	SMALL (S) MEDIUM (M) LARGE (L) VERY LARGE (V)	up to 30 000 30 001–70 000 70 001–120 000 more than 120 000	URS URM URL URV
	FRINGE (F) A developing LGA on the margin of a developed or regional urban centre	SMALL (S) MEDIUM (M) LARGE (L) VERY LARGE (V)	up to 30 000 30 001–70 000 70 001–120 000 more than 120 000	UFS UFM UFL UFV
RURAL (R)				
A local governing body with population less than 20 000 AND Population density less than 30 persons per sq km AND Less than 90 per cent of local governing body population is urban	SIGNIFICANT GROWTH (SG) Average annual population growth more than 3 per cent, population more than 5 000 and not remote	Not applicable		RSG
	AGRICULTURAL (A)	SMALL (S) MEDIUM (M) LARGE (L) VERY LARGE (V)	up to 2 000 2 001–5 000 5 001–10 000 10 001–20 000	RAS RAM RAL RAV
	REMOTE (T)	EXTRA SMALL (X) SMALL (S) MEDIUM (M) LARGE (L)	up to 400 401–1 000 1 001–3 000 3 001–20 000	RTX RTS RTM RTL

Appendix F – Participating Local Governments

The following local governments listed by State and Territory have contributed data for the report.

NEW SOUTH WALES

Local Government	ACLG
Albury City Council	URM
Armidale Regional Council	URM
Ballina Shire Council	URM
Balranald Shire Council	RAM
Bathurst Regional Council	URM
Bayside Council	UDL
Bega Valley Shire Council	URM
Berrigan Shire Council	RAL
Blacktown City Council	UDV
Bland Shire Council	RAL
Blayney Shire Council	RAL
Blue Mountains City Council	UFL
Bogan Shire Council	RAM
Bourke Shire Council	RAM
Burwood Council	UDM
Byron Shire Council	URM
Cabonne Shire Council	RAV
Camden Council	UFM
Campbelltown City Council	UDV
Canada Bay Council	UDM
Canterbury-Bankstown Council	UDV
Carrathool Shire Council	RAL
Central Coast Council	URV
Central Darling Shire Council	RTM
Cessnock City Council	URM
City of Parramatta Council	UDV
Clarence Valley Council	URM
Cobar Shire Council	RTL
Coffs Harbour City Council	URM
Coonamble Shire Council	RAM
Cootamundra-Gundagai Regional Council	RAL
Cowra Shire Council	RAV
Cumberland Council	UDV
Dubbo Regional Council	URM
Dungog Shire Council	RAL
Edward River Council	RAL
Eurobodalla Shire Council	URM
Fairfield City Council	UDV
Federation Council	RAV
Forbes Shire Council	RAV
Georges River Council	UDL
Gilgandra Shire Council	RAM
Glen Innes Severn Council	RAL
Goulburn Mulwaree Council	URS
Greater Hume Shire Council	RAV
Griffith City Council	URS
Gunnedah Shire Council	RAV
Gwydir Shire Council	RAL
Hawkesbury City Council	UFM
Hay Shire Council	RAM
Hilltops Council	RAV
Inner West Council	UDV
Inverell Shire Council	RAV
Junee Shire Council	RAL
Kempsey Shire Council	URS
Kiama Municipal Council	URS
Ku-ring-gai Council	UDL
Kyogle Council	RAL
Lachlan Shire Council	RAL
Lake Macquarie City Council	URV
Leeton Shire Council	RAV

Local Government	ACLG
Lismore City Council	URM
Lithgow City Council	URS
Liverpool City Council	UFV
Liverpool Plains Shire Council	RAL
Lockhart Shire Council	RAM
Maitland City Council	URM
Mid-Coast Council	URL
Mid-Western Regional Council	URS
Moree Plains Shire Council	RAV
Mosman Municipal Council	UDS
Murray River Council	RAV
Murrumbidgee Council	RAM
Muswellbrook Shire Council	RAV
Nambucca Shire Council	RAV
Narrabri Shire Council	RAV
Narrandera Shire Council	RAL
Narromine Shire Council	RAL
Newcastle City Council	URV
North Sydney Council	UDM
Northern Beaches Council	UDV
Oberon Council	RAL
Orange City Council	URM
Parkes Shire Council	RAV
Penrith City Council	UFV
Port Macquarie-Hastings Council	URL
Port Stephens Council	URM
Queanbeyan Palerang Regional Council	URM
Randwick City Council	UDV
Richmond Valley Council	URS
Ryde City Council	UDL
Shellharbour City Council	URM
Shoalhaven City Council	URL
Singleton Council	URS
Snowy Monaro Regional Council	URS
Snowy Valleys Council	RAL
Strathfield Municipal Council	UDM
Sutherland Shire Council	UDV
Sydney City Council	UCC
Tamworth Regional Council	URM
Temora Shire Council	RAL
Tenterfield Shire Council	RAL
The Hills Shire Council	UFV
Tweed Shire Council	URL
Upper Hunter Shire Council	RAV
Upper Lachlan Shire Council	RAL
Uralla Shire Council	RAL
Wagga Wagga City Council	URM
Walcha Council	RAM
Walgett Shire Council	RAL
Warren Shire Council	RAM
Waverley Council	UDM
Weddin Shire Council	RAM
Wentworth Shire Council	RAL
Willoughby City Council	UDM
Wingecarribee Shire Council	URM
Wollongong City Council	URV
Woollahra Municipal Council	UDM
Yass Valley Council	RAV

NORTHERN TERRITORY

Local Government	ACLG
Alice Springs Town Council	URS
Barkly Shire Council	RTL
Central Desert Shire Council	RTL
City of Palmerston	UFS
Coomalie Shire Council	RAS
East Arnhem Shire Council	RTL

Katherine Town Council	URS
LGANT	RTS
Wagait Shire Council	RTX
West Arnhem Shire Council	RTL
West Daly Regional Council	RTL

QUEENSLAND

Local Government	ACLG
Banana Shire Council	RAV
Bundaberg Regional Council	URL
Burdekin Shire Council	RAV
Burke Shire Council	RTS
Cairns Regional Council	URV
Carpentaria Shire Council	RTM
Cassowary Coast Regional Council	URS
Central Highlands Regional Council	URM
Charters Towers Regional Council	RAV
Cook Shire Council	RTL
Croydon Shire Council	RTX
Diamantina Shire Council	RTX
Etheridge Shire Council	RTS
Flinders Shire Council	RAS
Fraser Coast Regional Council	URL
Gladstone Regional Council	URM
Gold Coast City Council	URV
Goondiwindi Regional Council	RAV
Gympie Regional Council	URM
Hinchinbrook Shire Council	RAV
Isaac Regional Council	URS
Lockyer Valley Regional Council	URM
Logan City Council	UFV
Longreach Regional Council	RTL
Mackay Regional Council	URL
Maranoa Regional Council	RAV
Mareeba Shire Council	URS
Moreton Bay Regional Council	UFV
Mornington Shire Council	RTM
Mount Isa City Council	URS
Murweh Shire Council	RTL
Noosa Shire Council	UFM
Quilpie Shire Council	RTM
Redland City Council	UFV
Rockhampton Regional Council	URL
Scenic Rim Regional Council	URM
Somerset Regional Council	UFS
Sunshine Coast Regional Council	URV
Tablelands Regional Council	URM
Toowoomba Regional Council	URV
Torres Strait Island Regional Council	RTL
Townsville City Council	URV
Western Downs Regional Council	URM
Whitsunday Regional Council	URM
Yarrabah Aboriginal Shire Council	RTM

SOUTH AUSTRALIA

Local Government	ACLG
Adelaide City Council	UCC
Adelaide Hills Council	UFM
Alexandrina Council	URM
Campbelltown City Council SA	UDM
City of Burnside	UDM
City of Charles Sturt	UDL
City of Holdfast Bay	UDM
City of Marion	UDL
City of Mitcham	UDM
City of Mount Gambier	URS

Local Government	ACLG
City of Norwood Payneham and St Peters	UDM
City of Onkaparinga	UFV
City of Playford	UFL
City of Port Adelaide Enfield	UDL
City of Port Lincoln	URS
City of Prospect	UDS
City of Salisbury	UDV
City of Tea Tree Gully	UDL
City of Unley	UDM
City of Victor Harbor	URS
City of West Torrens	UDM
City of Whyalla	URS
Corporation of the Town of Walkerville	UDS
District Council of Ceduna	RAM
District Council of Cleve	RAS
District Council of Copper Coast	RAV
District Council of Grant	RAL
District Council of Karoonda East Murray	RAS
District Council of Kimba	RAS
District Council of Lower Eyre Peninsula	RAM
District Council of Loxton Waikerie	RAV
District Council of Mallala	RAL
District Council of Mount Barker	URS
District Council of Streaky Bay	RAM
District Council of Tumby Bay	RAM
District Council of Yankalilla	RAM
Kangaroo Island Council	RAM
Kingston District Council	RAM
Light Regional Council	RSG
Mid Murray Council	RAL
Port Augusta City Council	URS
Port Pirie Regional Council	RAV
Southern Mallee District Council	RAM
Tatiara District Council	RAL
The Barossa Council	UFS
The Flinders Ranges Council	RAS
The Rural City of Murray Bridge	URS
Town of Gawler	UFS
Wakefield Regional Council	RAL
Wattle Range Council	RAV
Wudinna District Council	RAS
Yorke Peninsula Council	RAV

TASMANIA

Local Government	ACLG
Break O'Day Council	RAL
Brighton Council	URS
Burnie City Council	URS
Central Coast Council	URS
Circular Head Council	RAL
Clarence City Council	UFM
Devonport City Council	URS
Dorset Council	RAL
George Town Council	RAL
Glamorgan Spring Bay Council	RAM
Glenorchy City Council	UFM
Hobart City Council	UCC
Huon Valley Council	RAV
Kentish Council	RAL
King Island Council	RAS
Kingborough Council	UFM
Latrobe Council	RAL
Launceston City Council	URM
Meander Valley Council	RAV
Northern Midlands Council	RAV
Southern Midlands Council	RAL

Local Government	ACLG
Tasman Council	RAM
Waratah - Wynyard Council	RAV
West Tamar Council	UFS

VICTORIA

Local Government	ACLG
Alpine Shire Council	RAV
Ararat Rural City Council	RAV
Ballarat City Council	URL
Banyule City Council	UDL
Bass Coast Shire Council	UFS
Baw Baw Shire Council	URM
Bayside City Council	UDL
Benalla Rural City Council	RAV
Boroondara City Council	UDV
Borough of Queenscliffe	UFS
Brimbank City Council	UDV
Buloke Shire Council	RAL
Campaspe Shire Council	URM
Casey City Council	UFV
Central Goldfields Shire Council	RAV
Colac Otway Shire Council	URS
Corangamite Shire Council	RAV
Darebin City Council	UDV
East Gippsland Shire Council	URM
Frankston City Council	UDL
Gannawarra Shire Council	RAV
Glen Eira City Council	UDV
Glenelg Shire Council	RAV
Golden Plains Shire Council	URS
Greater Bendigo City Council	URL
Greater Dandenong City Council	UDV
Greater Geelong City Council	URV
Greater Shepparton City Council	URM
Hepburn Shire Council	RAV
Hindmarsh Shire Council	RAL
Hobsons Bay City Council	UDL
Horsham Rural City Council	RAV
Hume City Council	UFV
Indigo Shire Council	RAV
Kingston City Council	UDV
Knox City Council	UDV
Latrobe City Council	URL
Loddon Shire Council	RAL
Macedon Ranges Shire Council	URM
Manningham City Council	UDL
Mansfield Shire Council	RAL
Maribyrnong City Council	UDM
Maroondah City Council	UDL
Melbourne City Council	UCC
Melton City Council	UFM
Mildura Rural City Council	URM
Mitchell Shire Council	URS
Moira Shire Council	URS
Monash City Council	UDV
Moonee Valley City Council	UDL
Moorabool Shire Council	URS
Moreland City Council	UDV
Mornington Peninsula Shire Council	UFV
Mount Alexander Shire Council	RAV
Moyne Shire Council	RAV
Murrindindi Shire Council	RAV
Nillumbik Shire Council	UFM
Northern Grampians Shire Council	RAV
Port Phillip City Council	UDL
Pyrenees Shire Council	RAL

Local Government	ACLG
South Gippsland Shire Council	URS
Southern Grampians Shire Council	RAV
Stonnington City Council	UDL
Strathbogie Shire Council	RAL
Surf Coast Shire Council	UFS
Swan Hill Rural City Council	URS
Towong Shire Council	RAL
Wangaratta Rural City Council	URS
Warrnambool City Council	URS
Wellington Shire Council	URM
West Wimmera Shire Council	RAL
Whitehorse City Council	UDV
Whittlesea City Council	UFL
Wodonga City Council	URM
Wyndham City Council	UFL
Yarra City Council	UDM
Yarra Ranges Shire Council	UFV
Yarriambiack Shire Council	RAL

WESTERN AUSTRALIA

Local Government	ACLG
City of Albany	URM
City of Armadale	UFM
City of Bayswater	UDM
City of Belmont	UDM
City of Bunbury	URM
City of Canning	UDL
City of Cockburn	UDL
City of Fremantle	UDS
City of Gosnells	UDL
City of Greater Geraldton	URM
City of Joondalup	UDV
City of Kalgoorlie-Boulder	UFM
City of Kwinana	UFS
City of Mandurah	URM
City of Melville	UDL
City of Nedlands	UDS
City of Perth	UCC
City of Rockingham	UFL
City of South Perth	UDM
City of Stirling	UDV
City of Subiaco	UDS
City of Swan	UFL
City of Wanneroo	UFV
Shire of Ashburton	RTL
Shire of Augusta-Margaret River	RAL
Shire of Beverley	RAS
Shire of Boddington	RAS
Shire of Bridgetown-Greenbushes	RAM
Shire of Broome	RTL
Shire of Broomehill - Tambellup	RAS
Shire of Busselton	URS
Shire of Capel	RSG
Shire of Cocos (Keeling) Islands	RTS
Shire of Collie	RAL
Shire of Coolgardie	RTL
Shire of Corrigin	RAS
Shire of Cranbrook	RAS
Shire of Cuballing	RAS
Shire of Dalwallinu	RAS
Shire of Dardanup	RSG
Shire of Denmark	RAL
Shire of Dundas	RTM
Shire of Esperance	RAV
Shire of Exmouth	RTM
Shire of Gingin	RAM
Shire of Gnowangerup	RAS
Shire of Goomalling	RAS

Local Government	ACLG
Shire of Harvey	URS
Shire of Irwin	RAM
Shire of Kellerberrin	RAS
Shire of Kondinin	RAS
Shire of Kulin	RAS
Shire of Laverton	RTS
Shire of Manjimup	RAL
Shire of Mount Magnet	RTM
Shire of Mukinbudin	RAS
Shire of Mundaring	UFM
Shire of Murchison	RTX
Shire of Murray	RSG
Shire of Northam	RAM
Shire of Peppermint Grove	UDS
Shire of Plantagenet	RAM
Shire of Ravensthorpe	RAM
Shire of Roebourne	URS
Shire of Sandstone	RTX
Shire of Serpentine Jarrahdale	RSG
Shire of Toodyay	RAM
Shire of Wagin	RAS
Shire of Wyalkatchem	RAS
Shire of Wyndham-East Kimberley	RTL
Shire of York	RAM
Town of Bassendean	UDS
Town of Cambridge	UDS
Town of Claremont	UDS
Town of Cottesloe	UDS
Town of East Fremantle	UDS
Town of Port Hedland	RTL
Town of Victoria Park	UDM
Town of Vincent	UDM

NATIONAL State of the Assets

Roads and Community Infrastructure Report

2018

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