Parks Asset Management Plan 2020

City of Kalamunda

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1 Executive Summary

The City of Kalamunda provides seven categories of built assets within its parks and reserves sites:

- Fences (515 assets spanning 73 kilometres),
- Irrigation (392 assets, covering 102 hectares),
- Lighting (325 assets),
- Open Space Furniture (291 assets),
- Park Infrastructure (123 assets),
- Sports Surfaces (86 assets, includes outdoor courts and turf), and
- Playground Equipment (494 assets).

As of 30th June 2020, the gross replacement cost of the parks assets is calculated to be $27.8 million and depreciated replacement cost (fair value) is $15.3 million. Condition surveys conducted up until 2020 indicate that 91% of parks assets are at or better than fair condition while the remaining are in poor or very poor condition and require renewal. The average age of the park's assets portfolio is fourteen years.

The community satisfaction levels and overall condition profiles that were recorded in the previous version of this Asset Management Plan have been basically maintained, with a slight downward movement.

The average annual funding allocation in the City's 15 Year Capital Works Program is as follow for Parks:

- New works (excluding Grant Funding and Contributions): $407,700
- Renewals: $740,467
- Maintenance: $3,612,300

Financial modelling for this plan shows that spending at the current renewal funding levels will be sufficient for the first seven years for renewal of assets at the selected condition rating of 5 (very poor), after which there will be a funding shortfall. There is sufficient opportunity to review required funding levels after the seven year horizon as part of future revisions of this Asset Management Plan.

1.1 Recommendations

It is recommended that the Parks Renewal Funding be maintained at current levels for the next seven years, with financial predictions to be reviewed as analysis is undertaken on future asset performance over the term of this plan.

It is noted that the annual maintenance funding allocations for 2020/21 and 2021/22 will need to be increased by $27,700 and $25,400 respectively to maintain five new parks that are being created as a result of subdivisions.

The following key actions are recommended to improve the City's parks asset management.

- Complete park maintenance planning, and
- Support the strategic actions that will inform future park upgrades, renewals, management and maintenance.

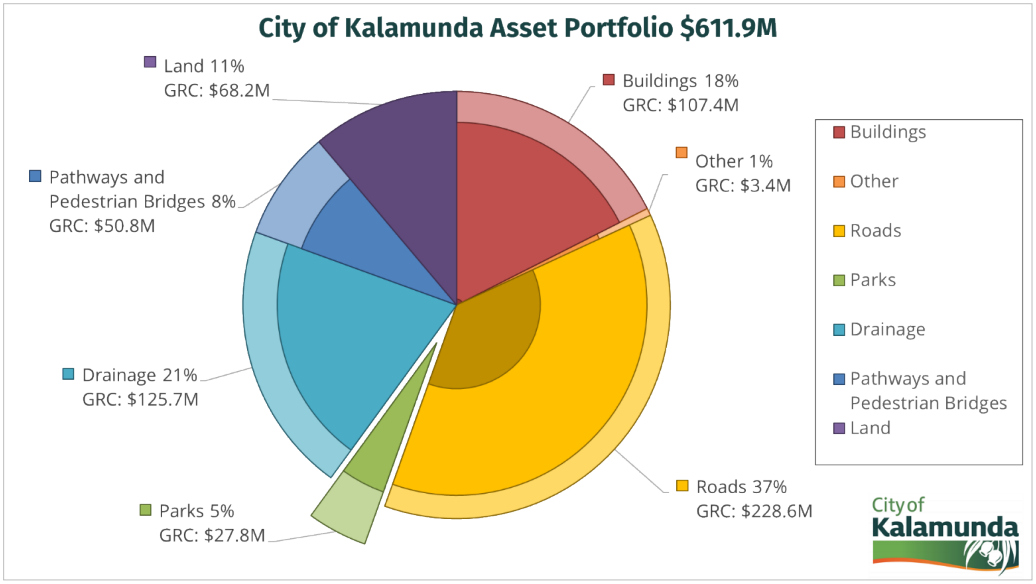
2 Introduction

2.1 Background

This Asset Management Plan excludes information that has not changed since the previous version, such as applicable legislation, standards, Council policies, etc.

Parks are an important part of the City of Kalamunda's asset portfolio, comprising 5% of the total gross replacement value (see Figure 1 below).

Figure 1. City of Kalamunda asset portfolio



The City of Kalamunda's (the City's) Asset Management Policy provides a framework for undertaking long term strategic asset management of the City's asset portfolio, providing corporate leadership and reflecting a sustainable approach to service delivery to meet the current and future needs of the community.

The City is responsible for managing, operating, and maintaining major infrastructure asset classes such as roads, pathways, drainage, parks infrastructure, parks, reserves, car parks, and buildings.

An Asset Management Plan (AMP) is developed for each asset class for the following purposes:

- Implementing objectives in the City's Asset Management Policy,
- Ensuring that the City's parks assets continue to provide the correct level of service to the community,

- Providing guidance on the long-term funding needs for the renewal of the City's assets and in turn how these affect the 15 Year Capital Works Program,
- Supporting external funding applications,
- Documenting existing and planned works programs and practices, and
- Supporting community engagement on defining levels of service and costs to meet the City's strategic objectives.

This AMP sets out the context for proactive management of parks assets by evaluating the current status and whole of life requirements and determining the level of funding required to provide satisfactory service into the future to meet the needs of the community.

This AMP addresses infrastructure built in parks and reserves within the City, including fencing, lighting (except for street and carpark lighting), outdoor furniture, stake parks, barbeques, shelters, irrigation systems, sport fields and park turf, and playgrounds.

Trees are not included in this plan, with pathways and pedestrian bridges being included in the Pathways Asset Management Plan.

The aims of the City for the parks assets is to achieve the following essential objectives:

- Safe,
- Accessible,
- Fit for purpose, and
- Affordable.

This document is to be read in conjunction with the following City documents:

- Asset Management Council Policy (Policy C-ASS01),
- Asset Management Strategy to 2021,
- Strategic Community Plan to 2027 – "Kalamunda Advancing",
- Long Term Financial Plan to 2023 – "Kalamunda Accountable",
- Corporate Business Plan to 2023 - "Kalamunda Achieving",
- 2018 Community Scorecard,
- Disability Access and Inclusion Plan to 2022,
- Kalamunda Clean and Green Local Environment Strategy to 2029,
- Local Biodiversity Strategy 2018,
- Public Open Space Strategy 2018, and
- Community Facilities Plan 2011.

2.2 Alignment to Strategic Planning

The Parks Asset Management Plan has been prepared to be aligned with following objectives and strategies of the City's Kalamunda Advancing Strategic Community Plan to 2027:

- Objective 1.2 - To provide safe and healthy environments for community to enjoy
  - Strategy 1.2.1 – Facilitate a safe community environment
  - Strategy 1.2.3 - Provide high quality and accessible recreational and social spaces
- Objective 3.2 – To connect community to quality amenities
  - Strategy 3.2.1 – Optimal management of assets.

3 Current Status of Parks Assets

3.1 Material Profile

All constructed assets or land improvements in park and reserve sites are grouped into seven categories. The inventory and financial data for individual assets is recorded in the City of Kalamunda's corporate Asset Management system (Assetic myData) (Figure 2 below and Table 1 below).

Figure 2: Infrastructure Asset Categories within Park and Reserve Sites

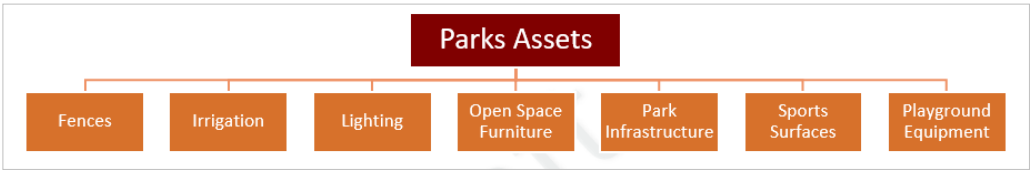


Table 1: Breakdown of Parks Assets into different Asset Categories

Asset Category	Asset Details	Total Measure
Fences	Fences have numerous types based on material and fence height.	73 km
Irrigation	Irrigation assets are categorised into six system types: • Bore and Pump Systems (65 assets) • Controller Systems (77 assets) • Pond Aerator Systems (10 assets) • Reticulation Pipe Systems (196 assets, 102 hectares irrigated) • Tank Systems (24 assets) • Pump Systems (20 assets)	392 assets, 102 irrigated hectares
Lighting	Lighting assets have several types of poles / lamps. • Malls (10 assets) • Parks and Reserves (111 assets) • Public Access Ways (8 assets) • Security (24 assets) • Sports Courts (81 assets) • Sports Fields (91 assets)	325 assets

Asset Category	Asset Details	Total Measure
Open Space Furniture	Includes all bench seats and picnic settings	291 assets
Park Infrastructure	Includes the following six asset types: • Barbeques (17 assets) • Bike Racks (3 assets) • Drinking Fountains (14 assets) • Dry Stone Walls (1 asset) • Parklets (1 asset) • Sand Pits (1 asset) • Shelters (65 assets) • Sports Goals (22 assets)	123 assets
Sports Surfaces	These are: • Outdoor Sport Hard Courts (61 tennis courts, basketball courts etc., covering 62,200 m^2) • Park Turf (6 items covering 1.89 hectares of grassed areas in parks) • Sport Field Turf (19 items covering 40.1 hectares)	6 hectares of hard courts, 42 hectares of turf
Playground Equipment	Playground Equipment including soft falls and shade sails located within 86 playground sites: • Camp Sites (3 assets) • Fitness Equipment (24 assets) • Play Equipment (237 assets) • Shade Sails (70 assets) • Skate Parks (5 assets) • Softfall (155 assets)	494 assets, 86playgrounds

3.2 Age Profile

The ages of individual assets are based on actual installation dates, historical records, aerial photography and local knowledge.

The average age of each Asset Category is shown in Table 2 below:

Table 2: Average age of Parks Asset Category

Asset Category	Average Age (years)
Fences	15.9
Irrigation	14.3
Lighting	13.6
Open Space Furniture	10.8
Park Infrastructure	11.6
Sports Surfaces	17.9
Playground Equipment	12.0
All Asset Categories	**13.6**

These average ages should be viewed in conjunction with the condition profile in Figure 4 below and Table 5 below as greater aged assets can be in good condition depending on the individual asset lifecycle. For example, tennis courts (Sport Surfaces category) consist of both short life and long life components being acrylic paint or synthetic turf surfacing with an underlying layer of concrete or road base / asphalt. The acrylic paint or synthetic turf surfacing typically has a useful life of 7 – 10 years depending on usage, with the underlying layers having a useful life of 30 - 50 years.

The age distribution of each Asset Category is shown in Figure 3 below and Table 3 below.

Figure 3: Age profile of Parks assets

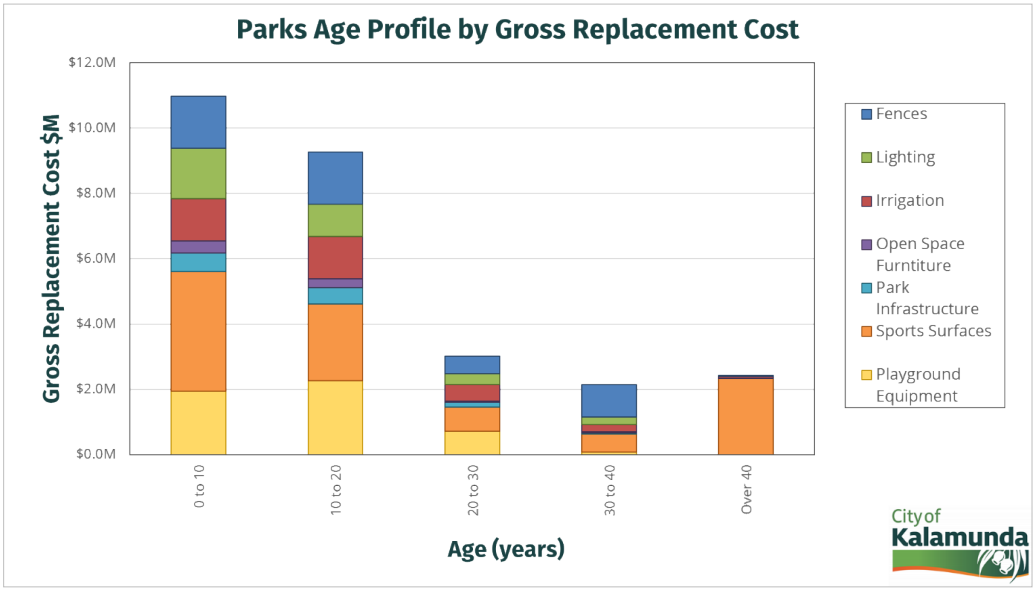


Table 3: Age profile of parks assets

Asset Category	Replacement Cost				
	0 to 10 years	10 to 20 years	20 to 30 years	30 to 40 years	Over 40 years
Fences	$1,588,000	$1,594,000	$540,000	$984,000	$28,000
Irrigation	$1,283,000	$1,289,000	$506,000	$231,000	$55,000
Lighting	$1,557,000	$996,000	$341,000	$229,000	$0,000
Open Space Furniture	$382,000	$279,000	$39,000	$25,000	$3,000
Park Infrastructure	$557,000	$496,000	$149,000	$44,000	$0,000
Sports Surfaces	$3,664,000	$2,361,000	$726,000	$546,000	$2,337,000
Playground Equipment	$1,947,000	$2,258,000	$725,000	$79,000	$0,000
Total	**$10,980,000**	**$9,273,000**	**$3,026,000**	**$2,137,000**	**$2,424,000**

Most assets in terms of replacement value are less than 20 years old. This is a positive trend showing a combination of timely renewal of assets and the addition of new assets.

3.3 Condition Profile

The condition profiles are based on condition rating surveys carried out between 2015 and 2020, with the majority done between 2018 and 2020. The condition of each asset is rated on a 1 to 5 scale (with 1 being Very Good and 5 being Very Poor). Details of the matrix used for condition rating and some example photos are in Appendix A below.

Table 4 below shows the average condition of each Park Asset category.

Table 4: Average condition of Parks Asset Categories

Asset Category	Average Condition (1 – Very Good, 5 – Very Poor)
Fences	2.5
Irrigation	2.6
Lighting	2.5
Open Space Furniture	2.5
Park Infrastructure	2.6
Sports Surfaces	2.9
Playground Equipment	2.5
All Asset Categories	**2.5**

The parks asset condition profiles are shown in Figure 4 below and Table 5 below, with the current overall condition of the park assets determined as 2.50. This is a slight decrease from the average of 2.30 in the previous Asset Management Plan of 2017, which indicates that maintenance and renewal activities in the interim have been successful.

Figure 4: Condition profile of parks assets

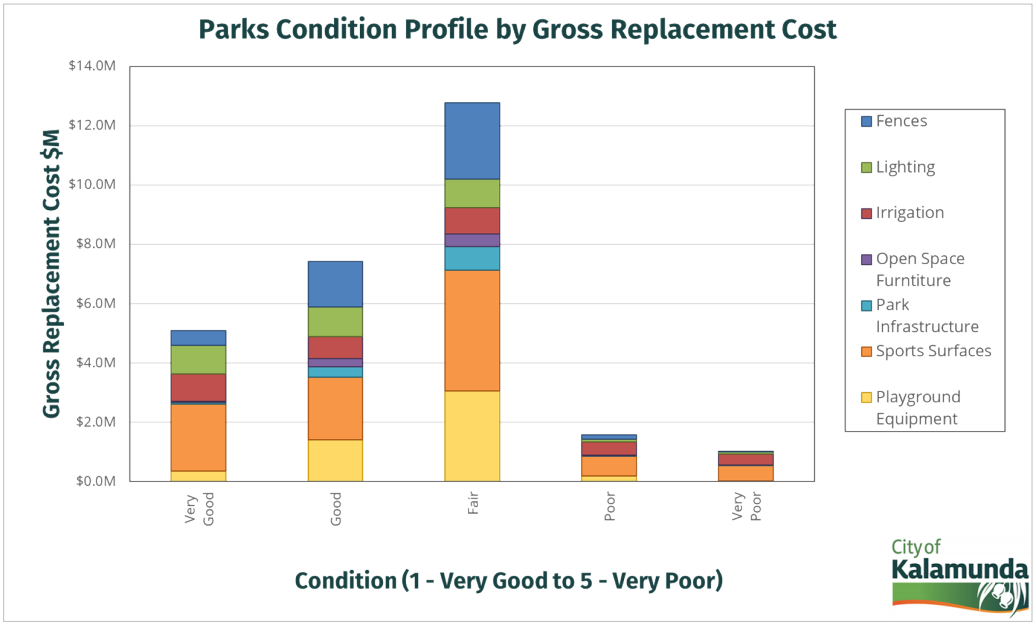


Table 5: Condition profile of parks assets by Gross Replacement Cost

Asset Category	Replacement Cost				
	Very Good	Good	Fair	Poor	Very Poor
Fences	$492,000	$1,529,000	$2,566,000	$144,000	$5,000
Irrigation	$924,000	$741,000	$884,000	$440,000	$373,000
Lighting	$970,000	$1,009,000	$971,000	$106,000	$66,000
Open Space Furniture	$34,000	$272,000	$414,000	$8,000	$0,000
Park Infrastructure	$62,000	$352,000	$797,000	$17,000	$19,000
Sports Surfaces	$2,246,000	$2,110,000	$4,089,000	$673,000	$516,000
Playground Equipment	$357,000	$1,402,000	$3,045,000	$185,000	$20,000
Total	**$5,085,000**	**$7,416,000**	**$12,765,000**	**$1,573,000**	**$1,000,000**

Assets in Condition 5 (Very Poor) have a Gross Replacement Cost of $1 million and mostly consist of irrigation systems ($373,000) and sports surfaces ($390,000). For irrigation assets there are three parks currently being renewed in 2019/20, one scheduled for renewal in 2020/21 and another in 2021/22 with the irrigation at Pioneer Park to be impaired as no longer in use. For sport surfaces, the majority of Very Poor assets relate to three assets to be impaired as no longer in use, being the Pickering Brook (George Spriggs Reserve) tennis courts, Maida Vale Reserve Tennis Courts (block of seven courts on southern end) and an old half court basketball court adjacent to the Maida Vale Tennis Club.

3.4 Future Asset Additions

Future additions and estimated annual maintenance costs to the parks asset portfolio from recent new subdivisions that come out of the two year developer's maintenance period are shown in Table 6 below.

Table 6: Future Park Assets by Subdivision

Park Site	Developer Maintenance Period ends	Current Annual Maintenance Cost ($)	Additional Maintenance Funding for 20/21 ($)	Additional Maintenance Funding for 21/22 ($)
Hales Estate Stage 2 - Lot 8013 Crimson Boulevard (0.2045 ha)	2020/21	$8,509	$5,701	$2,808
Hales Estate Stage 3A - Lot 8008 Autumn Approach (0.3309 ha)	2020/21	$12,840	$4,494	$8,346
Hales Estate Stage 2 - Lot 8014 Koda Mews (0.3919 ha)	2020/21	$10,320	$6,914	$3,406
Hales Estate Stage 1B - Lot 8000 Gala Way (0.2811 ha)	2019/20	$9,984	$9,984	$0
Conti Gardens - Reserve 53263 (1.0543 ha)	2020/21	$11,382	$569	$10,813
Totals	-	$53,035	$27,663	$25,372

Note: Above costs exclude GST.

An increase in the 2020/21 and 2021/22 annual Maintenance Budget allocations of $27,700 and $25,400 respectively are required to maintain the new parks.

Major future additions and improvements to park assets as identified in the City's Capital Works Program are as follows:

- Ray Owen Reserve Master Plan
- Scott Reserve Master Plan
- Maida Vale Reserve Master Plan
- Stirk Park Master Plan
- Cambridge Estate Development

The implementation of the above projects, depending on the timing, will increase the number and quality of new parks assets within its portfolio.

4 Levels of Service

The latest community survey by Catalyse Pty Ltd. in 2018 indicated that 73% of the respondents have provided a positive performance rating about Parks Assets, and that 84% of respondents provided a positive performance rating about Sport and Recreation Facilities. Participants requested improvements in these asset types, although the priorities of these rank as medium relative to other concerns.

In addition to this formal feedback from the community, recent condition surveys indicate that the parks assets have only deceased slightly over the three years since the previous asset management plan. This implies that community satisfaction is likely to be unchanged.

Should the City wish to improve the satisfaction rating significantly, an improvement plan with increased funding levels would need to be considered.

5 Financial Summary

This section contains the financial performance and projections resulting from the information presented in previous sections of the Parks Asset Management Plan. The financial projections will be reviewed as analysis is undertaken on future asset performance over the term of the plan.

5.1 Fair Value

In 2018 the City appointed an external consultant to undertake a comprehensive fair value valuation of its infrastructure assets for the 2017/18 financial year. The gross replacement costs presented in this plan include all additions, renewals, and disposals since the 2018 valuation.

The current fair values of parks assets are shown in Table 7 below.

Table 7: Parks asset valuation results as at 30/06/2020

Asset Category	Total Replacement Value	Written Down Value	Annual Depreciation
Fences	$4,735,000	$2,406,000	$233,000
Irrigation	$3,363,000	$1,480,000	$192,000
Lighting	$3,123,000	$1,958,000	$109,000
Open Space Furniture	$729,000	$434,000	$36,000
Park Infrastructure	$1,246,000	$735,000	$65,000
Sports Surfaces	$9,634,000	$5,371,000	$447,000
Playground Equipment	$5,009,000	$2,943,000	$288,000
All Asset Categories	**$27,840,000**	**$15,328,000**	**$1,370,000**

Please refer to Section 5.4 below for comments regarding the effects of the above values on the Key Performance Indicators (i.e. Asset Consumption Ratio, Asset Sustainability Ratio and Asset Renewal Funding Ratio).

5.2 Current Funding Levels

5.2.1 Renewal Funding

The City's current 15 Year Total funding allocations for parks renewals is $741,000 per year.

5.2.2 Maintenance Funding

The City's current average annual funding allocation for Parks maintenance over the next 15 years is $3,612,300. This includes provisions for the expected growth in the assets, excluding major new asset additions through subdivision and master plan implementation.

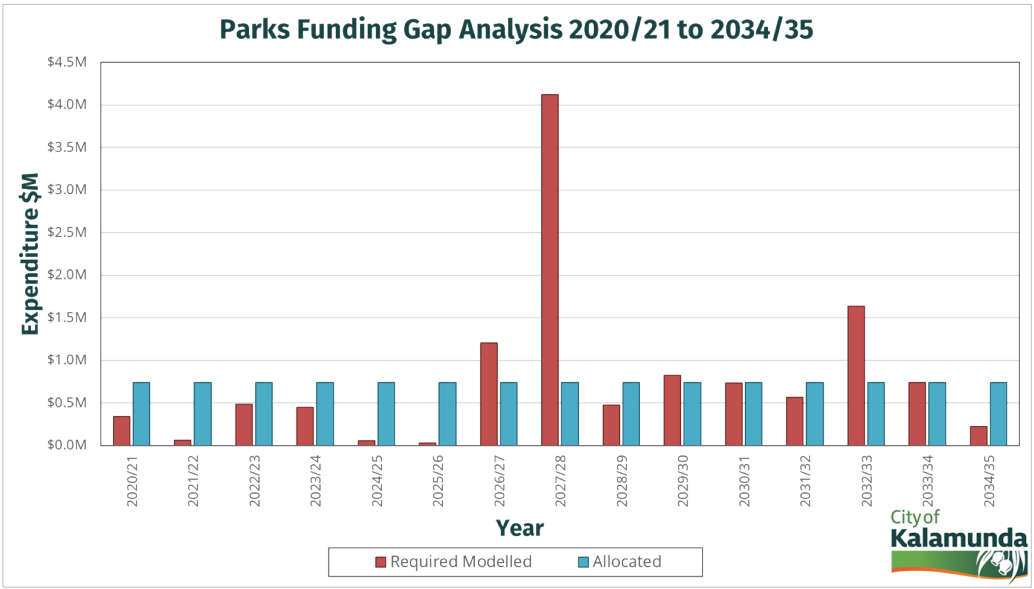
An increase in annual maintenance funding allocations for 2020/21 and 2021/22 by $27,700 and $25,400 respectively is required to maintain the five new park assets created from new subdivisions.

5.3 Renewal Funding Gap Analysis

The funding gap is a measure of shortfall (or excess) in current funding levels compared to funding required to provide the desired levels of service. Currently the levels of service desired by the community for renewals are being met.

Current predictive modelling, shown in Figure 5 below, indicates that the levels of funding allocated are sufficient for at least the first seven years, and after that slightly insufficient to cover projected renewals for the remainder of the fifteen-year modelling horizon.

Figure 5: Parks Funding Gap Analysis



Over the 15 years, the total combined allocated renewal funding for parks assets in the Capital Works Program is $11,107,000, and the total required modelled renewal funding

is $11,937,000. For the first seven years, the allocated funding is in surplus, but by year eight a deficit appears. The predicated average annual deficit over the full 15 years is $55,400. The deficit in year eight (2027/28) is the theoretical modelled funding required that is triggered in the system as the majority park assets are in Condition 3 (Fair), have a useful life of 20 years with a theoretical remaining life of ten years, therefore aligning to 2027/28. In practice these assets are not all renewed at the same time and generally are spread over several years as heavily dependent on subsequent three yearly condition rating reviews, quality of the assets and their usage.

Current funding levels have been determined as adequate until year 7 by the meeting of all required renewals during that period. There is sufficient opportunity to review required funding levels after the seven year horizon as part of future revisions of this Asset Management Plan.

5.4 Key Performance Indicators

The Key Performance Indicators (KPI) specified by the Local Government Operational Guidelines are summarised in Table 8 below.

Table 8. DLGC Key Performance Indicators and Sustainability Measures

Indicator	Purpose	Calculation Method	Value	Target Value
Asset Consumption Ratio (ACR)	Measures the extent to which depreciable assets have been consumed by comparing their written down value (fair value) to their replacement cost.	Fair value / Replacement cost	55.1%	Between 50% and 75%
Asset Sustainability Ratio (ASR)	Indicates whether a local government is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.	Current 15 Year Capital Works Program funding / Annual Depreciation	63.7%	Between 90% and 100%
Asset Renewal Funding Ratio (ARFR)	Measures the ability of a local government to fund its projected asset renewals (or replacements) in the future and can continue to provide existing levels of services in future.	Net Present Value of first 10 Years of Capital Works Program funding / Net Present Value of Funding required to maintain current service levels	102.5%	Between 95% and 105%

The above KPI's except for the Asset Sustainability Ratio (ASR) fall within the acceptable ranges. The ASR is currently lower than the guidelines suggest because the ASR does not cope with long life assets for an asset class with uneven age distribution, a common

problem with the ratio for many local governments. Another factor in the ASR's value is the slight projected underfunding from year 8 onwards.

5.5 Conclusions and Recommendations

It is recommended that the Parks Renewal Funding be maintained at current levels for the next seven years, with financial predictions to be reviewed as analysis is undertaken on future asset performance over the term of this plan.

It is also recommended that the annual maintenance funding allocations for 2020/21 and 2021/22 be increased by $27,700 and $25,400 respectively to maintain the five new park assets created from new subdivisions.

6 Improvements, Monitoring, and Review

6.1 Performance Monitoring

The effectiveness of this Parks Asset Management Plan can be measured in the following ways:

- The degree to which the required cash flows identified in the Parks Asset Management Plan are incorporated into the City's 15 Year Capital Works Program and Corporate Business Plan.
- The degree to which the City's one to five year detailed works programs, budgets, business plans and organisational structures take into account the asset performance trends provided by this Parks Asset Management Plan.

6.2 Improvement Plan

The Asset Management Improvement Plan for Parks Assets is shown in Table 9 below.

Table 9: Asset management improvement plan for Parks Assets

Task No.	Task	Responsibility	Timeline
1	Complete park maintenance planning	Parks and Environment Services	2021/22
2	Review Parks Asset Management Plan	Asset Planning	2023/24
3	Support the strategic actions that will inform future park upgrades, renewals, management and maintenance.	Asset Planning	Ongoing

6.3 Review Procedures

This AMP will be reviewed on a three to five year basis in accordance with the City's Asset Management Policy.

Appendix A Condition Rating Methodology

Conditions of the assets have been rated according to Table 10 below.

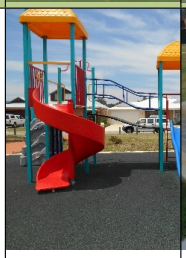
Table 10: Condition Rating Matrix

Condition Rating Score	Condition	Description
1	Very Good	Asset is in near perfect condition. Only regular maintenance is required.
2	Good	Asset has deteriorated slightly but only routine maintenance is required to maintain the rating.
3	Fair	Asset is in satisfactory condition but showing signs of wear and tear. Moderate levels of periodic (programmed) maintenance are required to maintain the asset in this condition.
4	Poor	Asset is in below average condition with significant signs of wear and tear. High levels of periodic maintenance may be required to maintain the rating of this asset. Regular safety inspections are required as part of a risk management strategy. Partial or full replacement may be required to improve the rating of this asset.
5	Very Poor	Asset is in very poor condition and needing full replacement. Access restrictions and/or warning signs may be needed until replacement. Regular safety inspections are required as part of a risk management strategy.

Individual Asset Categories have been rated in accordance with IPWEA Practice Note 10.1 Parks.

Examples for each Asset Category with different conditions are shown in next pages.

Asset Category/ Condition	1 – Very Good	2 - Good	3 - Fair	4 - Poor	5 – Very Poor
Fences					
Irrigation (Tank Systems)					
Lighting					
Open Space Furniture (seats)					
Park Infrastructure (park facilities and structures)					

Asset Category/ Condition	1 – Very Good	2 - Good	3 - Fair	4 - Poor	5 – Very Poor
Sports Surfaces (hard courts and turfs)					
Playground Equipment (including soft falls)					
				Soft fall edges are severely damaged	Non-compliant soft fall

Appendix B **Glossary**

All the definitions below apply in the context of Local Government Infrastructure Assets.

Asset Management	Applying management practices to **Infrastructure Assets** to provide the required **Levels of Service** in the most cost-effective manner.
Asset Management Plan	A documented plan for managing one or more classes of **Infrastructure Assets** over their **Useful Lives** to provide the required **Levels of Service** in the most cost-effective manner.
Condition	An assessment of the progress of an **Infrastructure Asset** from new to end of life. The **Condition** determines the **Level of Service** provided by the asset and also the **Maintenance** actions required. The **Condition** also provides an estimate of the **Remaining Useful Life**.
Condition Rating	A number, typically from 1 (new) to 5 (end of **Useful Life**), as a measure of the assessed **Condition**.
Depreciable Amount	The proportion of an asset's **Gross Replacement Cost** which loses value over time due to **Depreciation**. The proportion which does not lose value is the **Non-depreciating Value**.
Depreciation	The loss of financial value of an **Infrastructure Asset** as it progresses from new to end of **Useful Life**. Accumulated Depreciation is the total depreciation of the asset to the date of assessment. Annual Depreciation is the loss of financial value in one financial year.
Fair Value	The best estimate of the financial value of **Infrastructure Assets** in their condition at a point in time. It includes loss of value due to depreciation, and depends on an appraisal of active markets, or in the absence of active markets, the cost of constructing the asset. See also **Written Down Value**, which is an alternative name for **Fair Value**.
Gross Replacement Cost	The cost of building a new **Infrastructure Asset** in the place of the current one, including the disposal cost of the current one.
Infrastructure Asset	A physically constructed asset with a life of longer than 12 months, which has a financial value, and which provides services to the community.
Level of Service	The quality of experience that the **Infrastructure Asset** provides to the community. **Community Levels of Service** describe the quality from the perspective of the users, in terms of subjective measures, such as of how safe, how clean, how new, etc.

	Technical Levels of Service describe the quality from the perspective of the providing organisation in terms of objective measures, such as how frequently, what metrics, what response time, etc. The organisation chooses the objective **Technical Levels of Service** to provide the users' required **Community Levels of Service**.
Maintenance	Corrective actions on the **Infrastructure Asset** which improve its **Condition** to allow it to achieve its intended **Useful Life** and to provide its required **Level of Service**. An example is repair of defects. See also **Operations**, which are necessary actions to provide the required **Level of Service** but do not affect the **Condition**.
New Works	The creation of an **Infrastructure Asset** which did not exist before. This increases the **Gross Replacement Cost** of the organisation's assets. See also **Renewal**, which replaces an existing asset and does not increase the **Gross Replacement Cost** of the organisation's assets.
Non-depreciating Value	The portion of the **Gross Replacement Cost** of an **Infrastructure Asset** which does not lose value over time. An example is land, which does not wear out over time and cannot be replaced.
Operations	Expense or actions on the **Infrastructure Asset** which are necessary to provide the required **Level of Service**, but which do not affect its **Condition**. An example is electricity supply to provide lighting. See also **Maintenance**, which covers actions necessary to provide the required **Level of Service** and that do affect **Condition**.
Renewal	The replacement of an existing **Infrastructure Asset** with an asset providing the same **Level of Service** or capacity. This does not increase the **Gross Replacement Cost** of the organisation's assets. See also **New Works**, which creates a new asset and does increase the **Gross Replacement Cost** of the organisation's assets.
Upgrade	Modifications or replacement of an existing **Infrastructure Asset** which increase the **Level of Service** or capacity. This increases the **Gross Replacement Cost** of the organisation's assets.
Useful Life	The total length of time during which an **Infrastructure Asset** is expected to be usable and to provide the required **Level of Service**. The **Remaining Useful Life** is the length of time until an **Infrastructure Asset** is expected to require **Renewal**.

Sustainability Ratios	Metrics required by the WA State Government to indicate whether a Local Governments **Asset Management** practices and budgeting are sustainable in the long term.
Valuation	The regular determination by qualified inspectors and assessors of the **Gross Replacement Cost** of a collection of **Infrastructure Assets**, as well as their **Accumulated Depreciation**, in order to report on their current **Fair Value**.
Written Down Value	An alternative name for **Fair Value**, which is **Gross Replacement Cost** less **Accumulated Depreciation**.