

GLEN INNES SEVERN COUNCIL



BUILDINGS, STRUCTURES, AND LAND

ASSET MANAGEMENT PLAN PART 6



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TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	1
2. INTRODUCTION	2
2.1 Background	2
2.2 Goals and Objectives of Asset Management	2
2.3 Plan Framework.....	3
2.4 Core and Advanced Asset Management.....	3
3. LEVELS OF SERVICE.....	4
3.1 Customer Research and Expectations.....	4
3.2 Legislative Requirements.....	4
3.3 Current Levels of Service.....	4
3.4 Desired Levels of Service	4
4 FUTURE DEMAND	6
4.1 Demand Forecast	6
4.1.2 Demand Factors – Trends and Impacts	6
4.2 Changes in Technology	7
4.3 Demand Management Plan	7
4.4 New Assets from Growth	8
4.4.1 Contributed Assets	8
5. LIFECYCLE MANAGEMENT PLAN	9
5.1 Background Data.....	9
5.1.1 Physical Parameters.....	9
5.1.2 Asset Capacity and Performance.....	10
5.1.3 Asset Condition.....	10
5.1.4 Asset Valuations	11
5.2 Risk Management Plan.....	12
5.3 Routine Maintenance Plan.....	13
5.3.1 Maintenance Plan	13
5.3.2 Standards and specifications	14

5.3.3	Summary of Future Maintenance Expenditures	14
5.4	Renewal/Replacement Plan.....	15
5.4.1	Renewal Plan	15
5.4.2	Renewal Standards	15
5.4.3	Summary of FUTURE Renewal Expenditure	16
5.5	Creation/Acquisition/Upgrade Plan	17
5.5.1	Selection Criteria	17
5.5.2	Standards and Specifications.....	18
5.6	Disposal Plan.....	18
6.	FINANCIAL SUMMARY	20
6.1	Financial Statements and Projections	20
6.1.1	Sustainability of Service Delivery	20
6.2	Funding strategy	20
6.3	Valuation Forecasts	21
6.4	Key Assumptions Made in Financial Forecasts.....	22
7.	ASSET MANAGEMENT PRACTICES	23
7.1	Accounting/Financial Systems	23
7.2	Asset Management Systems	23
7.3	Information Flow Requirements and Processes	23
7.4	Standards and Guidelines.....	23
7.5	Data Confidence Level.....	23
8.	PLAN IMPROVEMENT AND MONITORING.....	24
8.1	Performance Measures.....	24
8.2	Improvement Plan.....	24
8.3	Monitoring and Review Procedures	25
	REFERENCES.....	26

1. EXECUTIVE SUMMARY

Council has been very proactive in improving management of this asset class during the past 2 years. In 2018, an independent asset valuation was completed on the previous asset register. Thereafter, considerable work was done within the Department of Infrastructure Services to refine and reclassify asset holdings. The result is a very detailed and accurate building register. Additionally, a full-time Maintenance Officer has been employed by Council to inspect and condition rate this asset class yearly. Having an in-house expert will give Council an accurate assessment of gaps in asset condition against satisfactory condition levels set by MANEX. This gap analysis will inform future budgets and give more accurate results in the Annual Financial Report (cost to bring to satisfactory and backlog ratios). Lastly, recruitment has been successful for a Property Officer to manage this asset class and Council's property holdings.

Due to the sheer number of smaller structures across Council's holdings, and lack of historical data, managing this asset class is a challenge. Data gathering is the key problem which needs to be addressed first. Key preparatory work, however, has been completed. Geo-spatial mapping tools have been purchased and are in the preliminary stages of implementation. These devices will allow Council staff to accurately map and condition rate assets in remote parts of the LGA. The aim is to have data gathering completed by the end of FY22 so that a revaluation of Other Structures can be completed by FY22 FY23. Again, having a dedicated Property Officer and Maintenance Officer to interpret and act upon this data, will make future revisions of the asset management plan more effective.

Lastly this plan now includes land, library, furniture, and office equipment assets. Of note, new library assets have, since FY21, been treated as an operational expense, with legacy holding being depreciated to zero by FY25. Furthermore, land assets have a special treatment being considered as condition 1 and non-depreciable assets.

2. INTRODUCTION

2.1 BACKGROUND

This plan covers buildings, structures, land, library, furniture, and office equipment. Structures are treated as 3 distinct groups: Open Space Assets (serving parks and sportsgrounds), Swimming Pools (all non-building assets serving Council's two swimming facilities), and all 'Other Structures'. New library assets have, since FY21, been treated as an operational expense, with legacy holding being depreciated to zero by FY25. Furthermore, land assets have a special treatment being considered as condition 1 and non-depreciable assets.

Rural Fire Service assets are not part of Council's asset holdings and are not included in this plan.

Table 2.1. Assets covered by this plan

Asset Type	Quantity	Replacement Value	Accumulated Depreciation
Buildings	110	\$ 46,065,604	-\$ 26,507,914
Open Space Assets	229	\$ 3,642,961	-\$ 952,881
Other Structures	156	\$ 10,248,710	-\$ 6,083,806
Swimming Pools	46	\$ 3,147,189	-\$ 1,405,461
Land	207	\$ 13,964,598	\$ -
Library Assets	9	\$ 958,743	-\$ 491,256
Furniture	24	\$ 291,102	-\$ 208,211
Office Equipment	9	\$ 304,961	-\$ 256,912
Total	790	\$ 78,623,867	-\$ 35,906,441

Note that many buildings are subject to lease arrangements with varying levels of commitment to maintenance. These buildings are included in this plan to enable a contingent liability to be allocated in projected costs in case Council must resume full control of the asset should the lease end.

2.2 GOALS AND OBJECTIVES OF ASSET MANAGEMENT

Relevant Council goals, objectives, and proposed actions addressed in this asset management plan are:

Table 2.2. Council Goals and how these are addressed in this Plan

Goal	Objective	HOW Goal and Objectives are addressed in AMP
IM 3.2.1 - Implement Maintenance infrastructure works according to adopted service levels.	Develop and implement Work Schedules for building maintenance, renewals, and upgrades.	A building maintenance officer is employed to perform routine maintenance on building assets. An open spaces management plan will be developed to set the level of routine maintenance of open spaces and sporting fields by December 2022.
IM 3.6.1 - Continue to investigate options for increased utilisation of the Airport, whilst maintaining current service levels.	To increase the utilisation of the Airport, whilst maintaining current service levels, particularly for emergency services.	An airport master plan is developed and actions funded through external grants as available.
IM 3.6.2 - Implement the Corporate Property Policy	Council property ownership is optimised, with redundant assets disposed via proper means.	This plan identifies the property assets held and the associated cost of ownership.

2.3 PLAN FRAMEWORK

Refer to Core Asset Management Plan.

2.4 CORE AND ADVANCED ASSET MANAGEMENT

Refer to Core Asset Management Plan.

3. LEVELS OF SERVICE

3.1 CUSTOMER RESEARCH AND EXPECTATIONS

Refer to Core Asset Management Plan.

3.2 LEGISLATIVE REQUIREMENTS

Refer to Core Asset Management Plan.

3.3 CURRENT LEVELS OF SERVICE

Refer to Core Asset Management Plan.

Council's current levels of service are set out in Tables 3.4.

3.4 DESIRED LEVELS OF SERVICE

Table 3.4: Levels of Service

KEY PERFORMANCE INDICATOR	COMMUNITY LEVEL OF SERVICE	PERFORMANCE MEASUREMENT PROCESS	TARGET PERFORMANCE	CURRENT PERFORMANCE
Safety	The buildings are safe to use and access.	WHS Audit Routine inspections of fire appliances, exit lighting, and air conditioner.	Eliminate issues identified in WHS Audit All safety features inspected regularly	No outstanding issues All building safety features were inspected according to the required schedule
Quality	The facilities provide a good quality experience for all users.	Buildings are maintained to the desired level of service.	Maintenance Officer conducts an internal condition inspection yearly.	Maintenance Officer has completed initial inspections of all public and staff-occupied buildings.

			Independent valuation and condition rating conducted every 5 years. Maintenance defects are addressed.	Valuation and condition rating conducted in 2018. 100% of reported maintenance defects have been programmed for FY21.
Function	The facilities meet the needs of the users.	Buildings are maintained to the desired service and condition levels. Asset performance complies with its Building Maintenance Manual	Desired service and condition levels. Meets minimum building specific service level	After condition ratings are completed, Property Officer will propose desired service and condition levels to MANEX: work ongoing. Building Maintenance Manuals are currently in development – Work ongoing
Sustainability	Facilities are managed for future generations.	Master planning. Long-Term Financial Plan.	Key Financial Ratios are maintained	See financial data at 5.1.4

BUILDING SERVICE STANDARDS

As mentioned in 2.1, work is ongoing to condition rate all assets in this class. The current condition rating system is based on IPWEA's International Infrastructure Management Manual which has been applied to all other asset classes.

The aim will be to identify current condition and compare it to the desired condition rating (using the same criteria) which, in turn, is required to meet desired service levels. The gap will then be costed, prioritized, and budgeted.

Ongoing asset performance will be monitored by a Building Maintenance Manual which is now the required standard for all new building assets. This manual will not only capture safety and technical defects for maintenance planning, but it will also capture asset performance against specific service requirements for its current use. This process ensure that the buildings are technical sound, 'fit for use', and allow for both technical expert and user input. Council staff are currently working on developing these manuals for existing assets.

4 FUTURE DEMAND

4.1 DEMAND FORECAST

Refer to Core Asset Management Plan.

4.1.2 DEMAND FACTORS – TRENDS AND IMPACTS

In determining the need for construction or upgrading of buildings, the following aspects have been considered:

- Provide greater access flexibility to facilities, to cater for changing community needs.
- Providing appropriate community facilities within the urban and rural areas to support increasing population and cater for demographic changes.

To enable fair and planned distribution of funding throughout the Council area, some of the factors influencing the prioritising of works are:

- Community demand and changing demographics.
- Meetings with various groups (key stakeholders) to determine future expansion and required needs.
- Known areas of under-supply or under-utilisation.
- Buildings with high maintenance demands and poor compliance to Standards.
- Known development areas and Planning Review outcomes.

A building refurbishment and cyclic maintenance program is being developed to cater the increasing demand on Council's buildings.

Table 4.1. Demand Factors, Projections and Impact on Services

POPULATION CHANGES IN TOWNSHIPS	DEMAND FOR FACILITIES
Ageing population	Smaller-scale community buildings, easily accessed by walking or mobility aids
Decline in involvement in team sports	Reduced single-use buildings and facilities at sports fields. Reduced ability of clubs to pay rentals.
Increased tourism	Increased demand for public toilet facilities and of better standard.
'Baby Boomers' / Retirees	More demand for community facilities, e.g. small meeting rooms and libraries.

4.2 CHANGES IN TECHNOLOGY

Technology changes are forecast to have little effect on the delivery of services covered by this plan.

Some may include:

- Alternative fuels use; and
- Solar and wind energy use.

4.3 DEMAND MANAGEMENT PLAN

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

Opportunities identified to date for demand management are shown in Table 4.2. Further opportunities will be developed in future revisions of the AMP.

Table 4.3: Demand Management Plan Summary

SERVICE ACTIVITY	DEMAND MANAGEMENT PLAN
Building Maintenance and Upgrades	Upgrades to meet population growth demand and changes identified in review reports and planning studies. Upgrades to meet changed legislative requirements.
Safety Improvement Plan	Upgrades to improve user safety – to be developed further within the next review period.
Building Review Plan	Review of Strategic Plan to incorporate planned works, incorporate building hierarchy standards and examine utilisation patterns within next review period.
Financial	Developing long term Financial Management plans to ensure financial sustainability.

4.4 NEW ASSETS FROM GROWTH

The new assets required to meet growth will be acquired from land developments and constructed by Council.

Acquiring new assets will commit council to fund ongoing operations and maintenance costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operating and maintenance costs.

4.4.1 CONTRIBUTED ASSETS

There has been no history of the contribution of built assets to Council from developers. In the past some buildings have been handed over to Council's care and control from local organisations. There is also likelihood that Council may receive other contributed buildings, where an organisation with a community focus, has ceased active operations.

5. LIFECYCLE MANAGEMENT PLAN

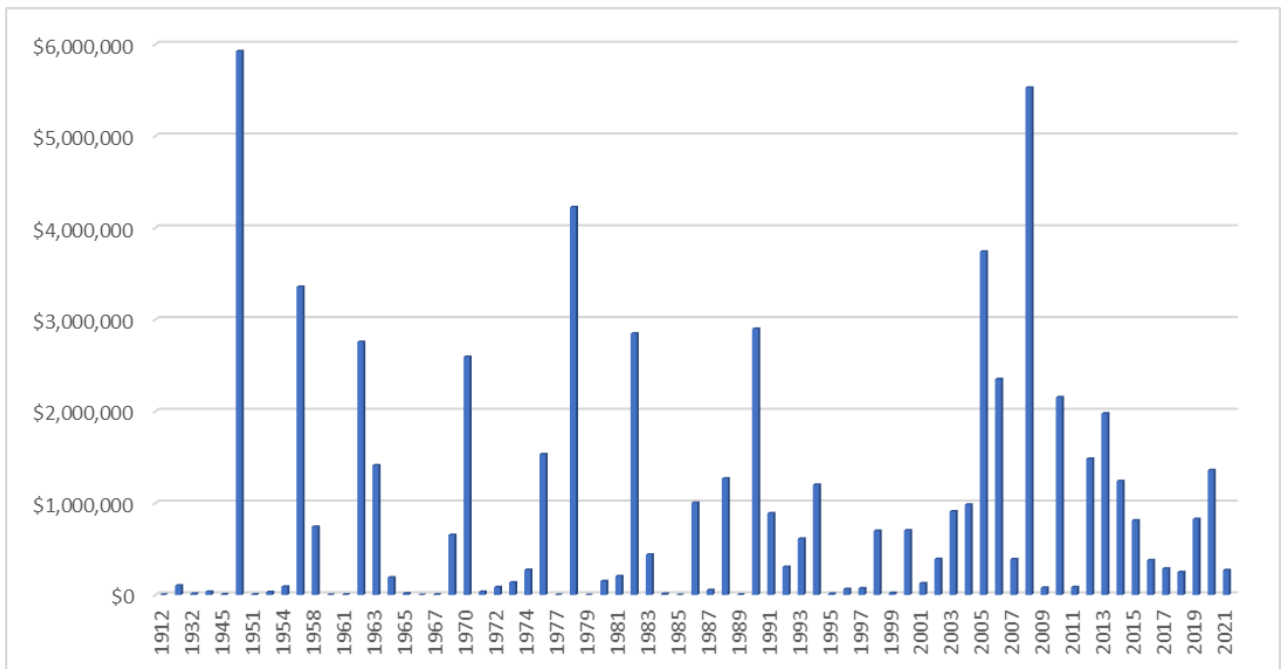
The lifecycle management plan details how Council plans to manage and operate the assets at the desired levels of service (defined in section 3) while optimising life cycle costs.

5.1 BACKGROUND DATA

5.1.1 PHYSICAL PARAMETERS

The age profile of Council's assets is shown below.

Fig 5.1.1: Asset Age Profile



Council, as an asset owner and subject to the qualifier discussed in Section 2.1, is committed to maintaining its building assets to ensure stakeholders' desired levels of service are maintained at sustainable levels commensurate with affordable expectations.

To meet this requirement, Council seeks to match funding-level, condition, and community expectations.

5.1.2 ASSET CAPACITY AND PERFORMANCE

Service deficiencies are the specific issues causing the gap between the desired service level and the current asset condition. These deficiencies will be identified in a future revision of this plan.

5.1.3 ASSET CONDITION

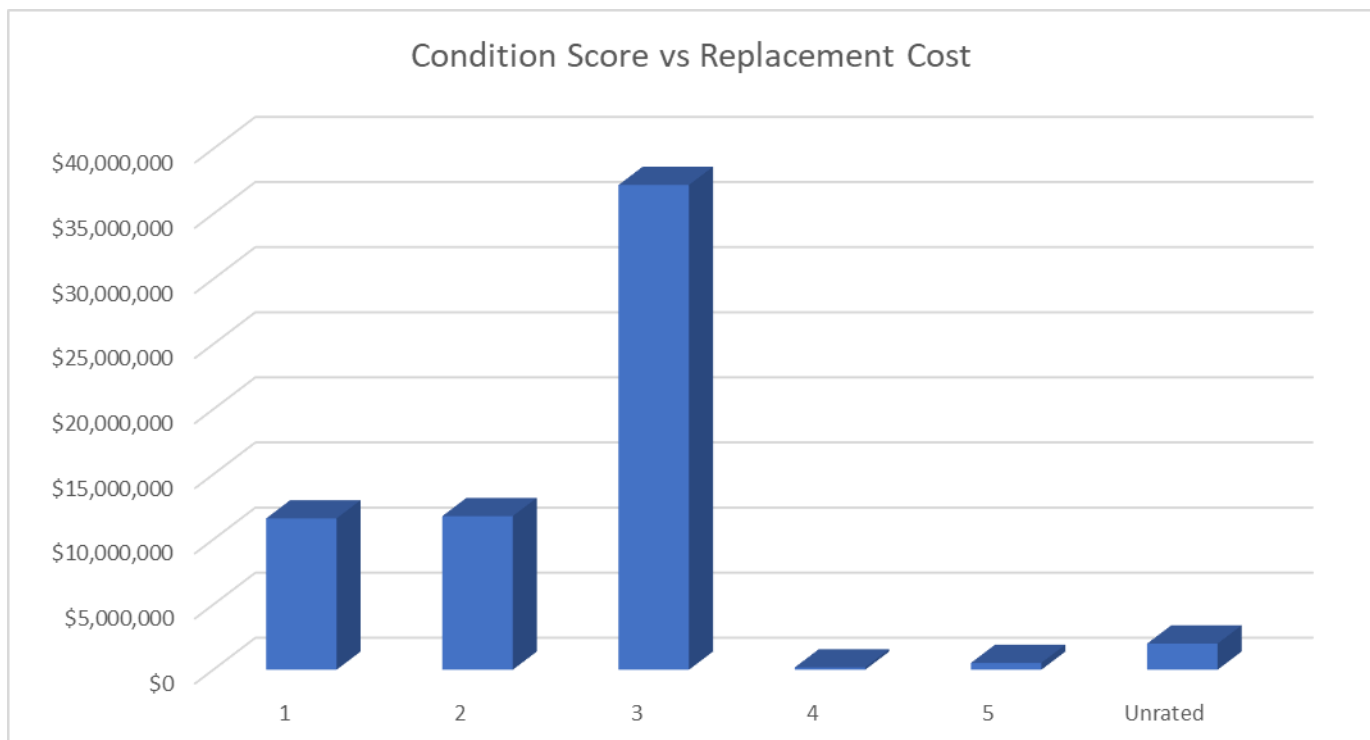
Limited data to produce age profiles from condition or age have been captured historically. Condition ratings of building assets were assessed by an independent valuer in 2018. Other Structures will be independently assessed in 2022. Nevertheless, data gathering and mapping of Other Structures is scheduled for 2021 which will greatly enhance Council's data set.

It is proposed to re-rate building assets every 3-5 years to ensure that those assets nearing the end of their life on the deterioration curve are not allowed to deteriorate beyond the maintenance intervention point and require costly reconstruction or replacement.

With each subsequent survey, a better picture of the asset condition is developed.

The condition graph below has been generated from 100% of Building assets approximately 50% of the Other Structures assets captured during the 2018 revaluation.

Fig 5.1.3: Asset Condition Profile



Condition is measured using a 1 – 5 rating system.¹

RATING	DESCRIPTION OF CONDITION
1	Excellent condition: Only planned maintenance required.
2	Very good: Minor maintenance required plus planned maintenance.
3	Good: Significant maintenance required.
4	Average: Significant renewal/upgrade required.
5	Poor: Unserviceable.

5.1.4 ASSET VALUATIONS

The value of Building Assets and larger Other Structures Assets (which were included in previous building registers) were revalued in 2018. All assets in this plan will be revalued as a complete asset class in 2023. Assets are valued at greenfield rates.

Table 5.4.1a: Asset Summary

Asset Type	Quantity	Replacement Value	Annual Depreciation
Buildings	110	\$ 46,065,604	-\$ 1,029,630
Open Space Assets	229	\$ 3,642,961	-\$ 63,338
Other Structures	156	\$ 10,248,710	-\$ 228,339
Swimming Pools	46	\$ 3,147,189	-\$ 42,860
Land	207	\$ 13,964,598	\$ -
Library Assets	9	\$ 958,743	-\$ 155,829
Furniture	24	\$ 291,102	-\$ 15,466
Office Equipment	9	\$ 304,961	-\$ 10,432
Total	790	\$ 78,623,867	-\$ 1,545,895

Council's sustainability reporting reports the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion.

¹ IIMM 2006, Appendix B, p B:1-3 ('cyclic' modified to 'planned')

Table 5.4.1b: Financial Reporting Ratios

FINANCIAL REPORTING CRITERION	BUILDINGS INFRASTRUCTURE, %
Asset Consumption Rate	2%
Asset Renewal Rate	199%
Asset Upgrade Expansion Rate	11%

The above ratios are based on estimated FY23 values from Section 4.4 and do not include land assets.

5.2 RISK MANAGEMENT PLAN

The risk assessment process identified credible risks, the likelihood of the risk event and the consequences should the event occur. Future refinements will use these factors to develop risk ratings, incorporating a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the infrastructure risk management plan are summarised in Table 5.2a.

At this time no critical risks have been identified.

Table 5.2a: Risks with Controls & Treatments

ASSET AT RISK	WHAT CAN HAPPEN?	EXISTING CONTROLS	RISK RATING	RISK TREATMENT PLAN	ACTIONS
Buildings	Age, condition and insufficient maintenance over the years have increased the risk of injury to users.	Reactive maintenance relying on user reporting	Medium	Planned replacement/ maintenance as per AMP's and service delivery.	Submit program work for budget consideration.
Buildings	Non-compliance with legislation / DDA.	Development approval, Building.	Medium	Upgrades to comply with legislation and	Maintain DDA Action,

		Audits, DDA Action plan.		maintain DDA Action plan.	Funding and design works.
Buildings	Lack of notification of required maintenance by tenant causing GISC to be unaware of maintenance requirements.	Lease and inspections.	Medium	Communication with clubs and lease holders.	Information and communication with clubs when renewing leases.
Buildings (mainly Corporate Facilities)	Air-conditioning failure.	Nil	Low	Replacement of Plant, regular service and inspections.	Programmed maintenance and replacement program.
Buildings	Roof leaks and internal flooding.	Reactive maintenance and lease conditions.	Medium	Maintain roof. Regular maintenance and inspections. Programmed replacement plan.	Programmed maintenance and replacement program.

5.3 ROUTINE MAINTENANCE PLAN

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

5.3.1 MAINTENANCE PLAN

Maintenance includes reactive, planned and cyclic maintenance work activities.

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

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

Cyclic maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, etc. This work generally falls below the capital/maintenance threshold.

Maintenance expenditure levels are considered to be adequate to meet required service levels, however a lack of data for this asset class provides a low level of confidence. Future revision of this asset management plan will include linking required maintenance expenditures with required service levels.

Assessment and prioritisation of reactive maintenance is undertaken by GISC staff using experience and judgement. Future plans will differentiate between the expenditure on reactive, planned and cyclic maintenance.

5.3.2 STANDARDS AND SPECIFICATIONS

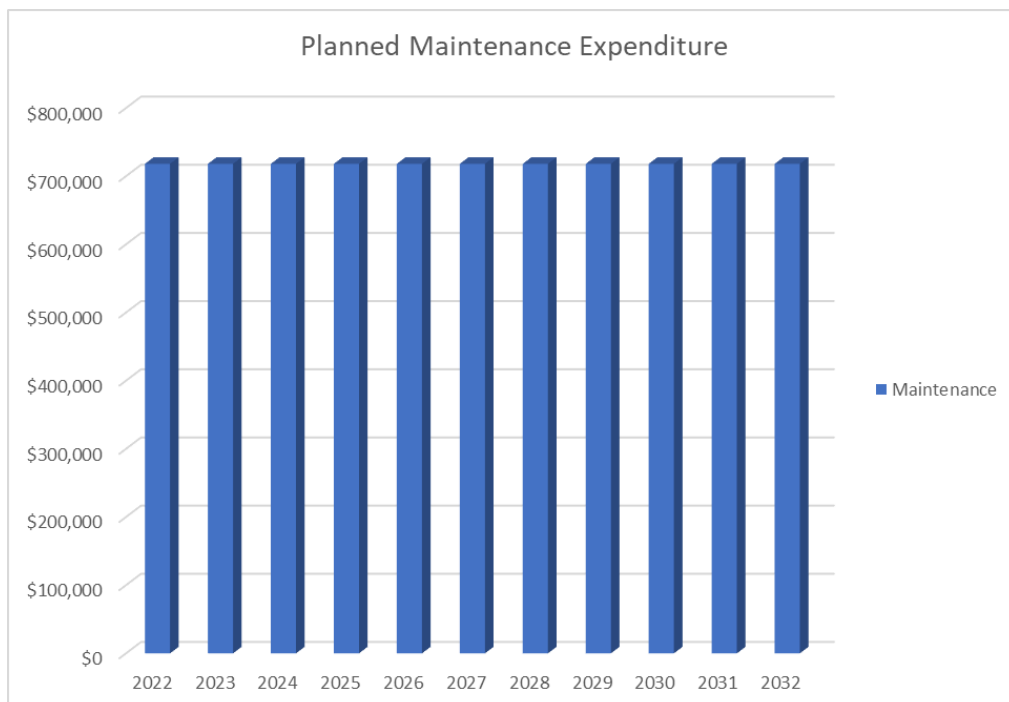
Maintenance work is carried out in accordance with the following standards and specifications.

- GISC Internal Service Level Agreements
- Natspec
- Building Code of Australia.
- Australian Standards
- Manufacturer's requirements for proprietary products

5.3.3 SUMMARY OF FUTURE MAINTENANCE EXPENDITURES

Future maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Fig 5.3.3. Note that all costs are shown in current dollar values and have been indexed according to a 20-year average of the NSW Non-residential construction index.

Fig 5.3.3: Planned Maintenance Expenditure



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

Maintenance is funded from Council's operating budget and grants where available. This is further discussed in section 6.2.

5.4 RENEWAL/REPLACEMENT PLAN

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

5.4.1 RENEWAL PLAN

Table 5.4.1: Planned Asset Additions and Renewals

Project	Estimated Addition	Estimated Renewal
Public Art Projects	\$ 50,000	
Replacement of Emmaville pool covers		\$ 8,950
Anzac Park playground equipment		\$ 200,000
Aquatic Centre pools reapply top coat		\$ 45,000
Carpet for William Gardner Conference Room		\$ 8,280
LC-SS Outdoor Furniture Settings x 2		\$ 5,000
CAFS Sun Shade for playground equipment		\$ 50,000
Emmaville War Memorial Hall Upgrades		\$ 131,651
Centennial Parklands Skywalk	\$ 700,000	
Centennial Parklands - Amenities		\$ 402,485
Skate Park redevelopment		\$ 221,557
Warwick Twigg Indoor Sports Stadium	\$ 6,300,000	
Airport runway renewal		\$ 1,000,000
Outdoor netball courts		\$ 692,000
Total	\$ 7,050,000	\$ 2,764,923

Renewal will be undertaken using 'low-cost' renewal methods where practical. The aim of 'low-cost' renewals is to restore the service potential or future economic benefits of the asset by renewing the assets at a cost less than replacement cost.

Examples of low-cost renewal include minor repair of an asset e.g. replace a section of the roof sheeting oppose to replace all the roofing material.

5.4.2 RENEWAL STANDARDS

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

- GISC Internal Service Level Agreements

- Natspec
- Building Code of Australia.
- Australian Standards
- Manufacturer’s requirements for proprietary products
- GISC, Lease / Tenancy Agreements - Buildings.

5.4.3 SUMMARY OF FUTURE RENEWAL EXPENDITURE

Analysis of future renewal requirements against planned expenditure will be fully modelled after structures assets are revalued in FY23. However, the following two graphs show the best estimates for renewal requirements for buildings-only based on valuations completed in 2017:

Fig 5.4.3a: Projected Capital Renewal Expenditure
 (To be fully modelled in early FY23)

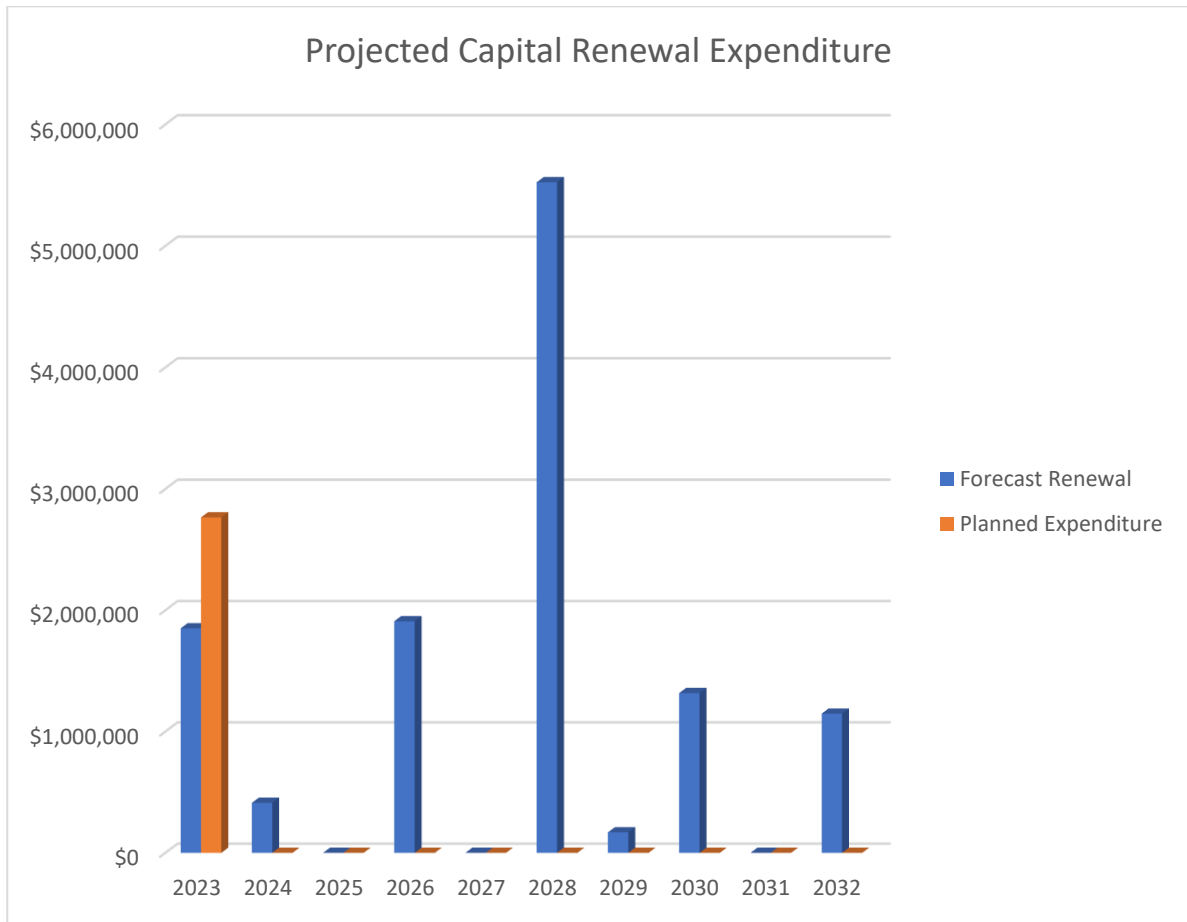
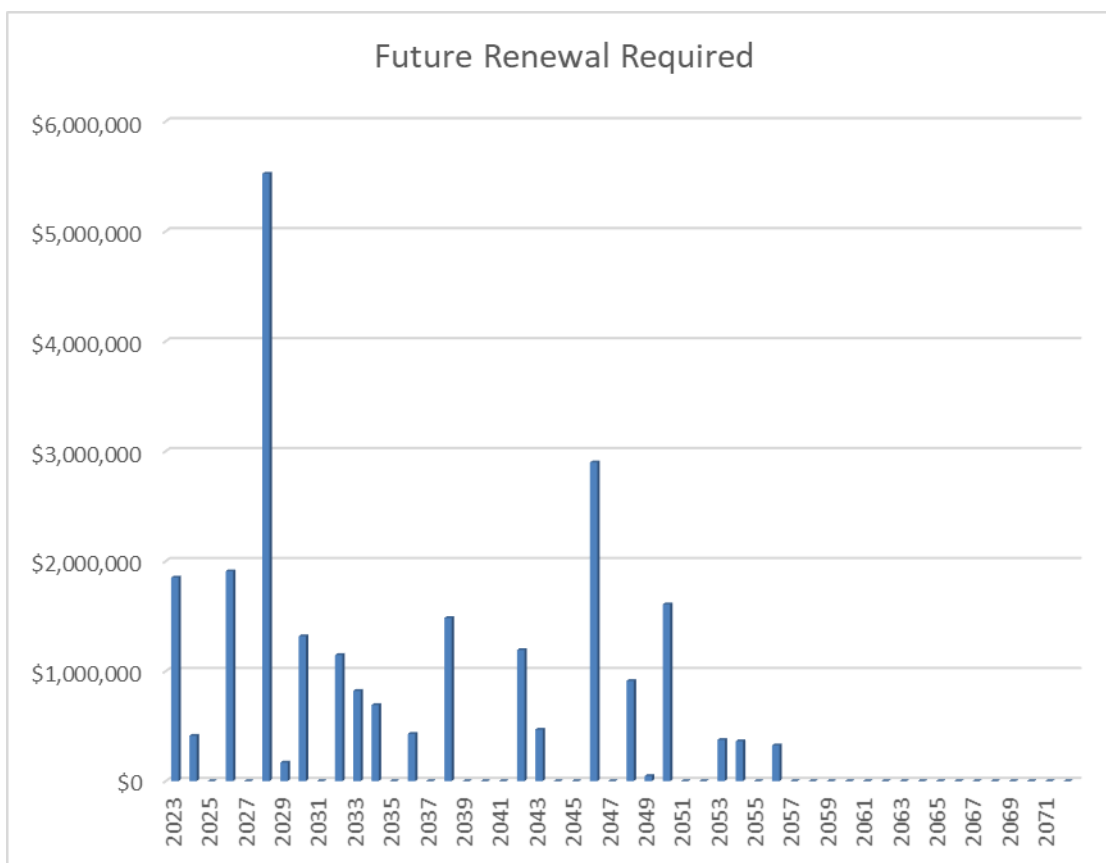


Fig 5.4.3b: Future Renewal Required



5.5 CREATION/ACQUISITION/UPGRADE PLAN

New works are those works that create a new asset that did not previously exist or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social, or environmental needs. Assets may also be acquired at no cost to the Council from land development. These assets from growth are considered in Section 4.4 in each relevant Part.

Candidate new assets and upgrade / expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Proposals are investigated to verify need and to develop a preliminary estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programs.

New assets contributed by land developers are discussed separately in Section 4 of each relevant Part.

Identified new assets currently planned for construction are described in Fig 5.4.1.

5.5.1 SELECTION CRITERIA

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans or partnerships with

other organisations. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed below.

Table 5.5.1: New Assets Priority Ranking Criteria

CRITERIA	WEIGHTING
Administration and Operations Buildings	Expansion in staff services due to population growth and increases in operational and service requirements.
Community and Commercial Buildings	Increase in services or facilities identified or requested by growing communities and / changing demands. Requirements to upgrade existing facilities depend on the structural adequacy of the building.
Public Toilets and Ablutions	Community pressure to install public toilets to complement other open space facilities. Demands from changing tourism patterns and for higher-standard facilities. Improved access to comply with legislative requirements.
Sporting Clubrooms	Community needs. Relocation, expansion and changing needs of sporting bodies.
Total	100%

5.5.2 STANDARDS AND SPECIFICATIONS

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal shown in Section 5.4.2.

5.6 DISPOSAL PLAN

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any.

Table 5.6: Assets identified for disposal

ASSET	REASON FOR DISPOSAL	TIMING	CASH FLOW FROM DISPOSAL
Church Street offices	Consolidation	TBA	Unknown at this time
181 Bourke Street	Transfer to new fire control centre	This building will be utilised for Project Jigsaw and disposed when that project is completed	Unknown at this time

Where cash flow projections from asset disposals are not available, these will be developed in future revisions of this Asset Management Plan.

6. FINANCIAL SUMMARY

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

6.1 FINANCIAL STATEMENTS AND PROJECTIONS

6.1.1 SUSTAINABILITY OF SERVICE DELIVERY

There are two key indicators for financial sustainability that have been considered in the analysis of the services provided by this asset category, these being long term life cycle costs and medium-term costs over the 10-year financial planning period.

Long term - Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include maintenance and asset consumption (depreciation expense). Due to lack of data, only the 2023 life cycle cost can be modelled: \$2,258,000.

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes maintenance plus capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure at the start of the plan is \$3,483,000.

A gap between life cycle costs and life cycle expenditure gives an indication whether present consumers are paying their share of the assets they consume each year. The purpose of this storm water asset management plan is to identify levels of service that the community needs and can afford and develop the necessary long-term financial plans to provide the service in a sustainable manner.

The life cycle surplus for services covered by this asset management plan for FY23 is \$1,225,000 per annum. The life cycle sustainability index is 154%.

6.2 FUNDING STRATEGY

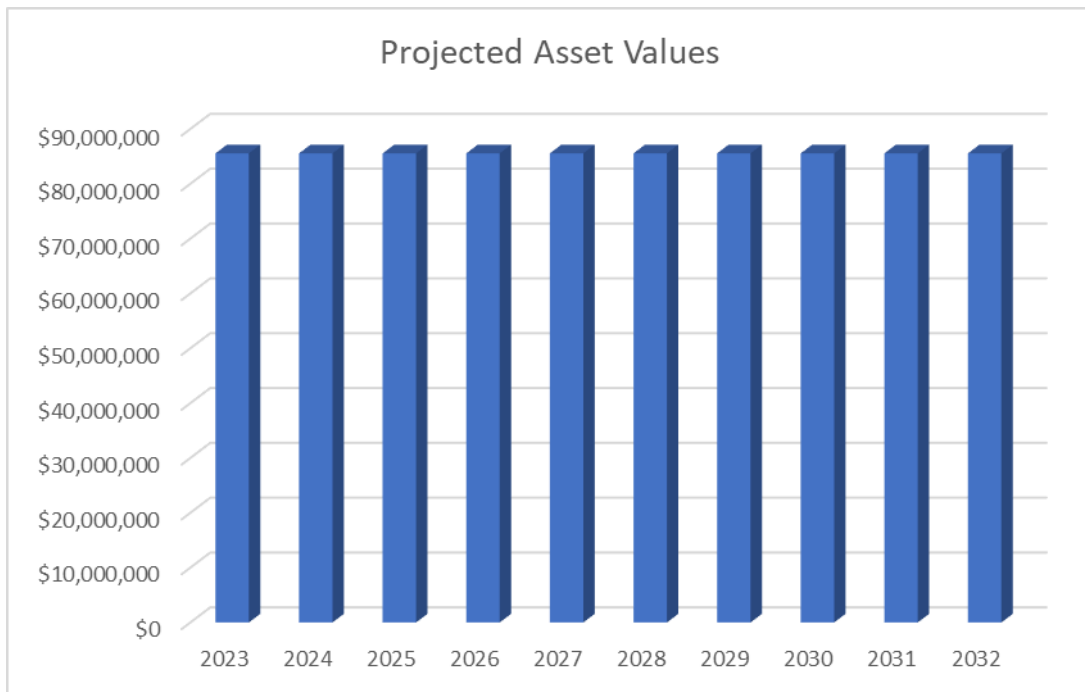
Projected costs are to be funded from Council's operating and capital budgets. The funding strategy will be detailed in the Council's LTFP.

Achieving the financial strategy will require an ongoing commitment to fund the increasing demand for asset renewals.

6.3 VALUATION FORECASTS

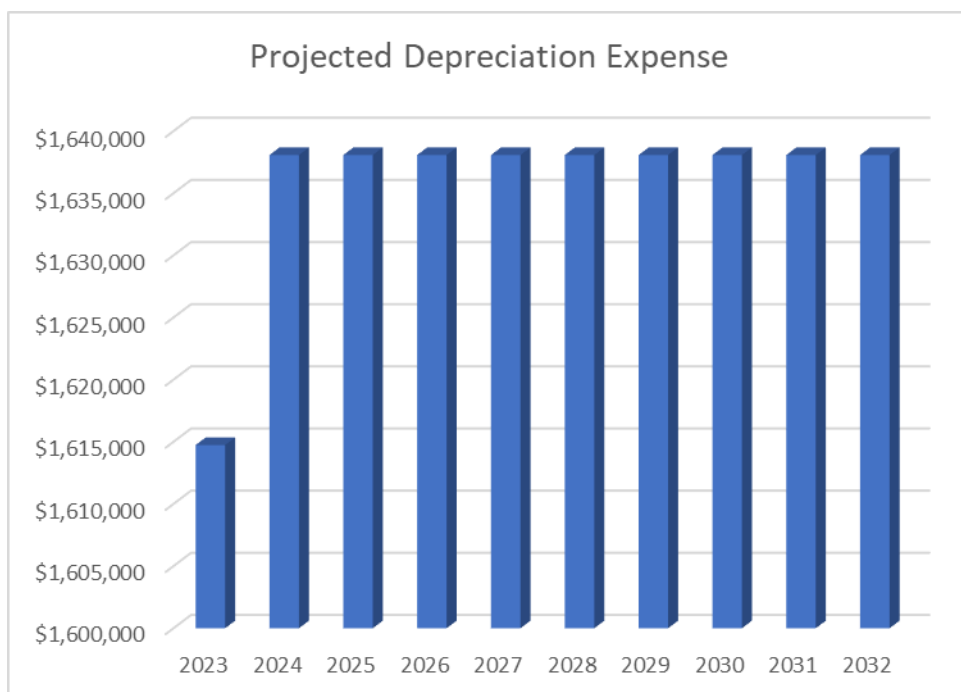
Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by Council and from assets constructed by land developers and others and donated to Council. Fig 6.3a shows the projected replacement cost asset values over the planning period in current dollar values.

Fig 6.3a: Projected Asset Values



Depreciation expense values are forecast in line with asset values as shown in Fig 6.3b.

Fig 6.3b: Projected Depreciation Expense



6.4 KEY ASSUMPTIONS MADE IN FINANCIAL FORECASTS

Key assumptions made in presenting the information contained in the AMP and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expenses and carrying amount estimates, are detailed below. They are presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions:

- Average useful lives and average remaining lives of the asset classes are based on current local knowledge and experience, historical trends and accepted industry practice. These need to be reviewed and the accuracy improved, based on regular re-assessment of asset deterioration.
- Reviews of the effective useful lives of assets and population / demographic changes have the potential for greatest variance in future cost predictions.
- Changes in development needs associated with the rate and location of growth and changes in the desired level of service and service standards from those identified in the AMP, will both impact on future funding.

Accuracy of future financial forecasts may be improved in future revisions of the AMP by the following actions:

- More refined condition rating data with more history for reference.
- Greater degree of componentisation in the rating process.
- Development of better degradation models through the monitoring of the ongoing maintenance program.

7. ASSET MANAGEMENT PRACTICES

7.1 ACCOUNTING/FINANCIAL SYSTEMS

Refer to Core Asset Management Plan.

7.2 ASSET MANAGEMENT SYSTEMS

Refer to Core Asset Management Plan.

7.3 INFORMATION FLOW REQUIREMENTS AND PROCESSES

Refer to Core Asset Management Plan.

7.4 STANDARDS AND GUIDELINES

Refer to Core Asset Management Plan.

7.5 DATA CONFIDENCE LEVEL

Data confidence levels for this AMP are rated as C or D.

8. PLAN IMPROVEMENT AND MONITORING

8.1 PERFORMANCE MEASURES

Refer to Core Asset Management Plan.

8.2 IMPROVEMENT PLAN

The asset management improvement plan generated from this asset management plan is shown in Table 8.2.

Table 8.2 Improvement Plan

TASK NO	TASK	RESPONSIBILITY	RESOURCES REQUIRED	TARGET COMPLETION DATE
1	Develop a plan for proactive maintenance and renewal works, including recording all costs against each job.	Manager Asset Services	Required Budget	Ongoing
2	Undertake strategic review of community needs which require building services. The review should include public consultation in an informed environment where costs and benefits are openly discussed. Compare these needs against the current stock of buildings. Identify options to close the gap including non-asset solutions, joint ventures, public / private partnerships, community group's joint ventures. Dispose of surplus assets.	MANEX	Staff	Ongoing
3	Create maintenance service levels through development of Building Maintenance Manuals	Manager Asset Services	Staff	Ongoing

8.3 MONITORING AND REVIEW PROCEDURES

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

The Plan has a life of 4 years and is due for revision and updating within 2 years of each Council election.

REFERENCES

Refer to Core Asset Management Plan.