

# Tablelands Regional Council



## Asset Management Plan BUILDINGS AND OTHER STRUCTURES 2023 - 2032



<b>Document Control</b>	<b>Asset Management Plan</b>
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Document ID :

Rev No	Date	Revision Details	Author	Reviewer	Approver
V1.0	January 2022	Initial development	Cassie Twine	Shane Savich	
V2.0	June 2023	Final Draft	Cassie Twine	Shane Savich Mark Vis	

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The Institute of Public Works Engineering Australasia

# Contents

- 1.0 EXECUTIVE SUMMARY 5**
- 1.1 The Purpose of the Plan ..... 5
- 1.2 Asset Description ..... 5
- 1.3 Levels of Service ..... 5
- 1.4 Future Demand ..... 5
- 1.5 Lifecycle Management Plan ..... 6
- 1.6 Financial Summary ..... 6
- 1.7 Asset Management Practices ..... 7
- 1.8 Monitoring and Improvement Program ..... 7
  
- 2.0 Introduction 9**
- 2.1 Background ..... 9
- 2.2 Goals and Objectives of Asset Ownership ..... 10
  
- 3.0 LEVELS OF SERVICE 12**
- 3.1 Customer Research and Expectations ..... 12
- 3.2 Strategic and Corporate Goals ..... 12
- 3.3 Legislative Requirements ..... 12
- 3.4 Customer Levels of Service ..... 13
- 3.5 Technical Levels of Service ..... 14
  
- 4.0 FUTURE DEMAND 17**
- 4.1 Demand Drivers ..... 17
- 4.2 Demand Forecasts ..... 17
- 4.3 Demand Impact and Demand Management Plan ..... 17
- 4.4 Asset Programs to meet Demand ..... 19
- 4.5 Climate Change and Adaption ..... 19
  
- 5.0 LIFECYCLE MANAGEMENT PLAN 20**
- 5.1 Background Data ..... 20
- 5.2 Operations and Maintenance Plan ..... 23
- 5.3 Renewal Plan ..... 25
- 5.4 Summary of future renewal costs ..... 26
- 5.5 Acquisition Plan ..... 26
- 5.6 Disposal Plan ..... 28
  
- 6.0 RISK MANAGEMENT PLANNING 30**
- 6.1 Critical Assets ..... 30

6.2	Risk Assessment.....	30
6.3	Infrastructure Resilience Approach .....	34
6.4	Service and Risk Trade-Offs .....	34
<b>7.0</b>	<b>FINANCIAL SUMMARY</b>	<b>36</b>
7.1	Financial Statements and Projections.....	36
7.2	Funding Strategy.....	37
7.3	Valuation Forecasts .....	37
7.4	Key Assumptions Made in Financial Forecasts .....	37
7.5	Forecast Reliability and Confidence.....	38
<b>8.0</b>	<b>PLAN IMPROVEMENT AND MONITORING</b>	<b>40</b>
8.1	Status of Asset Management Practices .....	40
8.2	Improvement Plan .....	40
8.3	Monitoring and Review Procedures .....	40
8.4	Performance Measures .....	41
<b>9.0</b>	<b>REFERENCES</b>	<b>42</b>
<b>10.0</b>	<b>APPENDICES</b>	<b>43</b>
Appendix A	Asset Useful lives .....	43
Appendix B	Acquisition Forecast.....	49
Appendix C	Operation Forecast .....	50
Appendix D	Maintenance Forecast .....	51
Appendix E	Renewal Forecast Summary .....	52
Appendix F	Disposal Summary.....	53
Appendix G	Budget Summary by Lifecycle Activity .....	54

## 1.0 EXECUTIVE SUMMARY

### 1.1 The Purpose of the Plan

Asset management planning is a comprehensive process ensuring delivery of services from infrastructure is financially sustainable.

This Asset Management Plan (AMP) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The Asset Management Plan will link to a Long-Term Financial Plan which typically considers a 10-year planning period.

This plan covers the infrastructure assets that provide corporate and community facilities.

### 1.2 Asset Description

The **buildings and other structures** network comprises:

Asset Category	# of Buildings/Structures
Aerodromes	8
Caravan Parks	94
Cemeteries	31
Community Buildings & Amenities	817
Council Buildings	214
Precincts	148
Social Housing	258
Swimming Pools	47

The above infrastructure assets have significant total renewal value estimated at \$130,754,099. (As at 31 March 2023).

### 1.3 Levels of Service

An acceptable level of service in asset management aims to ensure the asset is fit-for-purpose and maintained within available resources in an economic and cost-effective manner.

As per the improvement plan within this document, work will be undertaken to engage the community to understand their needs within Major, District and Village centres within TRC. Once this has been established, appropriate levels of service can be defined.

### 1.4 Future Demand

The main demands for new services are created by:

- Community expectations
- Community demographics
- Regulatory changes to legislation and standards

These demands will be approached using a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

- Community engagement and consultation will also be undertaken to manage the future demand.

## 1.5 Lifecycle Management Plan

### 1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AMP includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AMP may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AMP is the forecast of 10-year total outlays, which for the buildings and structures is estimated as \$129,235,003 or \$12,923,500 on average per year.

## 1.6 Financial Summary

### 1.6.1 What we will do

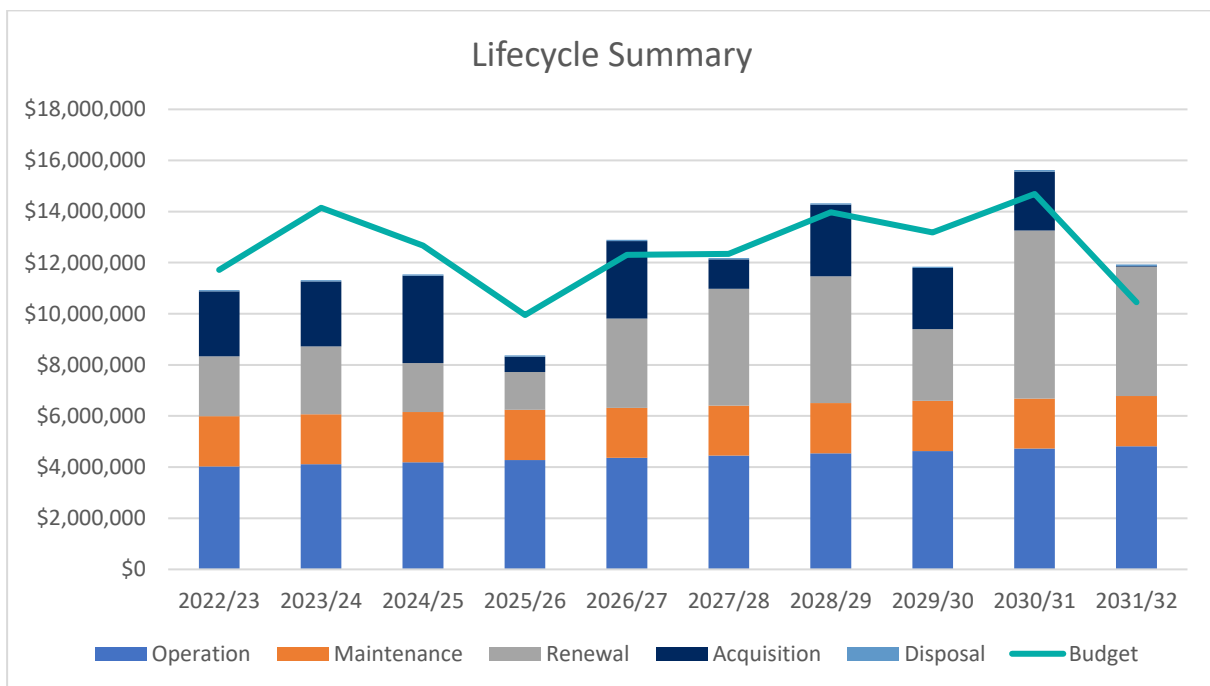
Estimated available funding for the 10 year period is \$133,912,095 or \$13,391,210 on average per year as per the Long-Term Financial plan or Planned Budget. This is 104% of the cost to sustain the current level of service at the lowest lifecycle cost.

It is important to note that this is based on the financial remaining useful life which is used to determine the end of the asset’s economic usefulness. Work is currently being undertaken to establish standards to manage Council’s assets to best serve the community’s evolving needs which will then drive the forward works program. This may result in assets being disposed of or upgraded sooner than their economic expiry as they become redundant to the community’s needs. This will likely have a negative impact on the above funding ratio.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The informed decision making depends on the AMP emphasising the consequences of planned budgets on the service levels provided and risks.

The anticipated planned budget for facilities overall is adequate to keep the status quo in the short-term. This is shown in the figure below.

**Forecast Lifecycle Costs and Planned Budgets**



\*Note that Year 2-10 operational and maintenance budget has been indexed by 4% as the LTFP cannot be broken down to business unit.

Figure Values are in current dollars.

We plan to provide community facilities services for the following:

- Operation, maintenance, renewal and upgrade of buildings assets to meet service levels set by in annual budgets.
- Major, District and Village centres of the shire by asset acquisition that result in asset optimisation within the 10-year planning period.

### **1.6.2 What we can improve**

Our present funding levels are sufficient to continue to operate and maintain existing services at current service levels in the short term. However, based on the insufficient funding for renewals, service levels will be impacted in the medium to long-term.

The main service consequences of the Planned Budget are deferral of asset renewal which will lead to an increase in deterioration resulting in increased reactive costs.

### **1.6.3 Managing the Risks**

Our present budget levels are insufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Non-Compliance
- Poor customer satisfaction
- Poor-utilisation and Sustainability

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

- Prioritising major compliance elements
- Prioritising scheduled works against asset hierarchy
- Recommended reducing facility service for low importance assets

## **1.7 Asset Management Practices**

Our systems to manage assets include:

- Technology One
- Pitney Bowes CONFIRM history
- Pitney Bowes MapInfo

Assets requiring renewal/replacement have been identified by the following approach:

- an estimate of renewal lifecycle costs is projected from condition and may be supplemented with, or based on, expert knowledge,
- Alternatively, Asset Register data is used to forecast the renewal costs this is done using the acquisition year and the useful life.

The financial Asset Register was used to forecast the renewal life cycle costs for this Asset Management Plan.

## **1.8 Monitoring and Improvement Program**

The next steps resulting from this AMP to improve asset management practices are:

- Community engagement
- Implement Community Facility Strategy
- Determine service levels based on Major, District and Village

- Land supply planning
- Plan for acquisitions and disposal



## 2.0 Introduction

### 2.1 Background

This Asset Management Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the long term planning period.

The AMP is to be read with the Tablelands Regional Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, where developed, along with other key planning documents:

- Community Plan
- Corporate Plan
- Operational Plan
- Asset Management Policy
- Strategic Asset Management Plan
- Planning Scheme
- Community Facility Strategy
- International Infrastructure Maintenance Manual
- Condition Assessment and Asset Performance Guidelines – IPWEA-NAMS.AU Practice Note 3 - Buildings

The infrastructure assets covered by this AMP include all Council owned buildings and other structures that are located across the shire. For a detailed summary of the assets covered in this AMP refer to Table in Section 5.

These assets are used to provide:

- Community Centres, Corporate Buildings, Cultural Buildings, Depots, Aged Care, (all buildings and facilities)
- Leased Facilities & Buildings for Community and Youth
- Leased Facilities to Community, Sport and Recreational organisations
- Leased Facilities for Commercial Buildings
- Tourist Parks and Campgrounds

The infrastructure assets included in this plan have a total replacement estimated value of \$130,755,099.

Key stakeholders in the preparation and implementation of this Asset Management Plan are shown in Table 2.1.

**Table 2.1: Key Stakeholders in the AMP**

Key Stakeholder	Role in Asset Management Plan
TRC Councillors	<ul style="list-style-type: none"> <li>• Represent needs of the whole of community/shareholders through strategies and policy not representation of individual community members in relation to individual customer requests</li> <li>• Approve resources i.e. budget to meet planning objectives in providing services while managing risks</li> <li>• Ensure organisation is financial sustainable</li> <li>• Endorse asset management policy and plan</li> </ul>
Executive Leadership Team	<ul style="list-style-type: none"> <li>• Ensure compliance and delivery</li> </ul>
Council Officers	<ul style="list-style-type: none"> <li>• Operate and maintain assets in accordance with the AMP</li> <li>• Compilation and verification of data</li> <li>• Ensure plan represent the desired service levels</li> <li>• Review AMPs</li> </ul>
Institute of Public Works Engineering Australia	<ul style="list-style-type: none"> <li>• Development and Maintaining of Condition Assessment &amp; Asset Performance Guidelines (Practice Notes)</li> </ul>

## 2.2 Goals and Objectives of Asset Ownership

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

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Linking to a Long-Term Financial Plan which identifies required, affordable forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

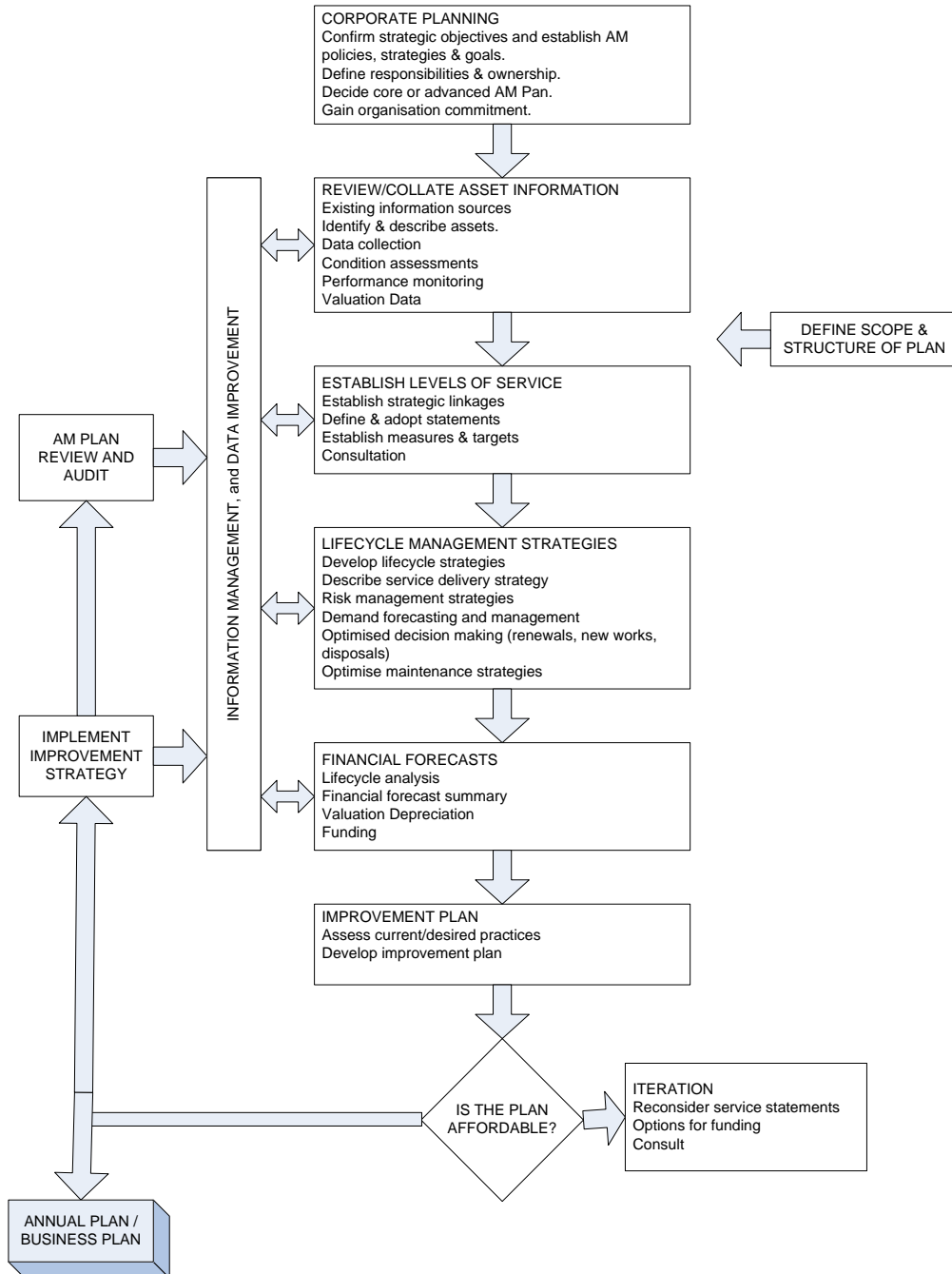
Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 <sup>1</sup>
- ISO 55000<sup>2</sup>

A road map for preparing an Asset Management Plan is shown below.

**Road Map for preparing an Asset Management Plan**

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



<sup>1</sup> Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2 | 13

<sup>2</sup> ISO 55000 Overview, principles and terminology

### 3.0 LEVELS OF SERVICE

#### 3.1 Customer Research and Expectations

This Asset Management Plan is prepared to facilitate consultation prior to adoption of levels of service by Council. Future revisions of the Asset Management Plan will incorporate customer consultation on service levels and costs of providing the service. This will assist the Council and stakeholders in matching the level of service required, service risks and consequences with the customer's ability and willingness to pay for the service.

We currently have no research on customer expectations. This will be investigated for future updates of the Asset Management Plan.

#### 3.2 Strategic and Corporate Goals

This Asset Management Plan is prepared under the direction of the Tablelands Regional Council vision, mission, goals and objectives.

Our vision is:

The Tablelands is a region where we prosper and enjoy an enviable lifestyle within a pristine environment, realising our full potential in smart, connected rural communities.

Our mission is:

To do all within our power to serve the citizens of the Tablelands, to leverage smart technologies, support growth, provide sustainable infrastructure and enviable lifestyles.

Strategic goals have been set by the Tablelands Regional Council. The relevant goals and objectives and how these are addressed in this Asset Management Plan are summarised in Table 3.2.

**Table 3.2: Goals and how these are addressed in this Plan**

Goal	Objective	How Goal and Objectives are addressed in the AMP
Community connected through infrastructure	Explore existing and provision for new infrastructure	Reimagine buildings and other structures to provide sustainable, centralised and fit for purpose facilities.

#### 3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the Facilities service are outlined in Table 3.3.

**Table 3.3: Legislative Requirements**

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Building Code of Australia	Code of Practice relevant for all building design and construction including AS1428 - Design for access and mobility.
Building Act 1975, QLD	Have consideration of, adhere to and fulfil the requirements of the Building Act.
Building Regulation 2006	Have consideration of, adhere to and fulfil the requirements of the Building Regulation 2006.
All relevant Australian Standards and Codes of Practice	Referenced in the Building Code of Australia. Covers design, demolition, painting pest management, electrical installations, plumbing, design

	and access for mobility and other aspects of building construction and management.
Disability Discrimination Act, 1992	To ensure that persons with disabilities have the same rights as the rest of the community (including access to premises).
Workplace Health and Safety Act 2012, QLD	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work.
Qld Electrical Safety Act 2002	The purpose of this Act is to prevent people from being killed or injured and property from being destroyed or damaged by electricity.

### 3.4 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

**Quality**            How good is the service ... what is the condition or quality of the service?

**Function**            Is it suitable for its intended purpose .... Is it the right service?

**Capacity/Use**      Is the service over or under used ... do we need more or less of these assets?

In Table 3.4 under each of the service measures types (Quality, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current funding level.

These are measures of fact related to the service delivery outcome e.g. number of occasions when service is not available, condition %'s of Very Poor, Poor/Average/Good, Very Good and provide a balance in comparison to the customer perception that may be more subjective.

**Table 3.4: Customer Level of Service Measures**

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
<b>Condition/Quality</b>	Provide buildings and other structures that meet relevant legislative requirements Ensure buildings/facilities are safe and do not cause a hazard to customers/community	Number of incidents/accidents related to unsafe or hazardous conditions	Currently a large supply of buildings and other structures that do not meet all legislative requirements.  The hazards and safety concerns are addressed through ongoing WH&S inspections with minimal incidents recorded.	As buildings near the end of their useful life, more renewals are required. Because of budgetary constraints some work is delayed and therefore a decrease in performance is expected.
	<b>Confidence levels</b>	Low	Low	Low
<b>Function</b>	Provide buildings and other structures that meet user requirements*	Gross floor area guidelines per facilities type are met. Provide adequate physical access to facilities. Adequate storage.	Currently facilities are generally undersized for services and/or not designed for the current use	Until precinct planning is undertaken and the outcomes delivered, this will remain
	<b>Confidence levels</b>	Low	Low	Low
<b>Capacity</b>	Adequate number of Buildings and structures available and utilised	Suitable facilities available based on rate of provision and Buildings are highly utilised based on lease agreements in place, bookings, etc	Currently a large supply of small facilities that are not fit for purpose.  The facilities are generally single use and not shared with other groups to increase utilisation. Lease agreements are generally at minimal cost.	Until precinct planning is undertaken and the outcomes delivered, this will remain
	<b>Confidence levels</b>	Low	Low	Low

\* Note – this will form part of the improvement plan. Community and lessee of buildings will be engaged to define their needs.

### 3.5 Technical Levels of Service

**Technical Levels of Service** – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the

activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. replacing/extending a building with a larger floor space, more storage) or a new service that did not exist previously (e.g. a new library).
- **Operation** – the regular activities to provide services (e.g. opening hours, cleansing, mowing grass, energy, inspections, etc).
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. painting, roof re-screw, building and structure repairs),
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. building component replacement such as a roof),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.<sup>3</sup>

Table 3.5 shows the activities expected to be provided under the current Planned Budget allocation, and the Forecast activity requirements being recommended in this AMP.

**Table 3.5: Technical Levels of Service**

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
<b>TECHNICAL LEVELS OF SERVICE</b>				
<b>Acquisition</b>	New assets are delivered efficiently and fit for purpose.	Community consultation of scope for upgrade/ new facilities communicated and tested	Ad hoc approach	100% submission completed with supporting documents
	Effective decision making	All Project concept document complete in accordance with the Project Decision Framework including WOLC	Ad hoc approach	100% submission completed with supporting documents
<b>Operation</b>	Assets are operated to meet customer service levels	Yearly inspections- Defect data	Condition data capture for all assets underway	Frequency of inspections to be based on condition and to align with building revaluations.
	Building are clean and tidy	Cleaning frequency	High importance facilities have associated cleaning frequencies	Daily and weekly, or as required dependent on usage

<sup>3</sup> IPWEA, 2015, IIMM, p 2|28.

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
<b>Maintenance</b>	Inspection and maintenance of building infrastructure assets to be defined in the Maintenance Management Plan	All Facilities inspected and logged in TRC Asset / Financial Management System.	Defects logged to inform maintenance schedule is underway	Schedule maintenance activities as per the maintenance management plan
	Remove hazards	Keep number of reactive hazards low on register	Majority of works is reactive	No reactive maintenance works for hazards that are not a result of a natural event.
<b>Renewal</b>	Renewal of assets is undertaken at the optimal time in the lifecycle.	Assets are renewed when required under the LTFP.	Developed improvement plan measurable	Measure against recommendations of improvement plan
	Meeting customer needs	Building function and Condition score	Asset renewal ratio of 50%	Asset renewal ratio of 90%
<b>Disposal</b>	Assets are disposed of when they are: <ul style="list-style-type: none"> <li>- at the end of their useful life</li> <li>- no longer fit for purpose and/or utilised</li> </ul>	Not currently recorded	Reactive to community requests	Assessment against Rate of provision Based on findings from community consultation
	Service delivery	Private service that Council owned facilities compete with	TBD	TBD

Note: \* Current activities related to Planned Budget.

\*\* Forecast required performance related to forecast lifecycle costs.

It is important to monitor the service levels provided regularly as these will change. The current performance is influenced by work efficiencies and technology, and customer priorities will change over time.



## 4.0 FUTURE DEMAND

### 4.1 Demand Drivers

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

### 4.2 Demand Forecasts

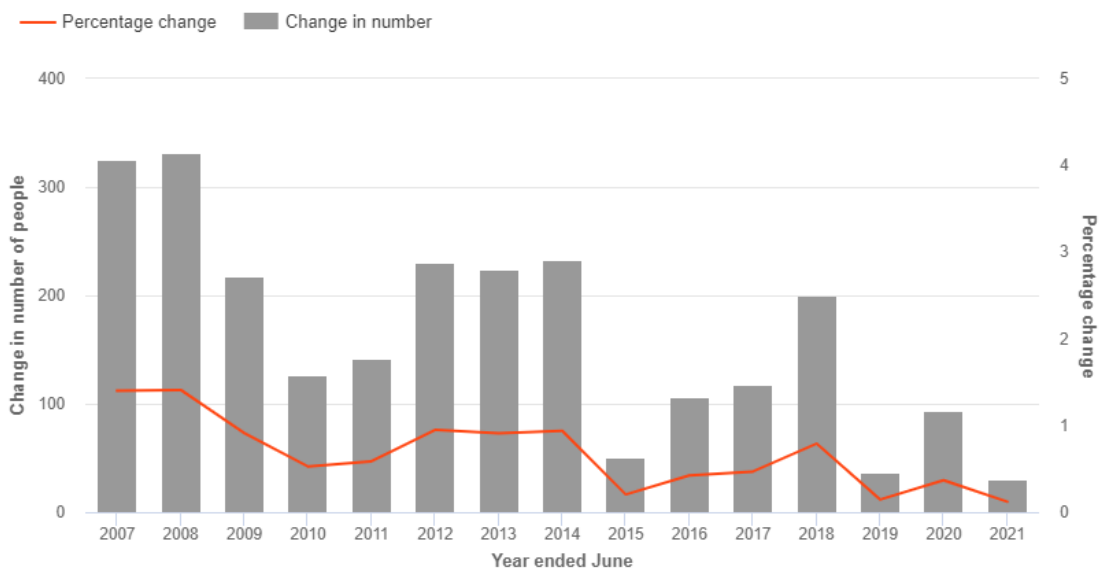
The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented. These drivers include:

- Population growth
- Demographics
- Development – Greenfield and in-fill
- Increased demand for asset rehabilitation and maintenance
- Increased risk of failure in ageing infrastructure
- Level of employment
- Changes in recreation and leisure trends
- Change in community expectations

The official population of Tablelands Regional Council area as of the 30th June 2022, is 26,244 with an average household size of 2.3.

### Annual change in Estimated Resident Population (ERP)

Tablelands Regional Council



Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented by id (informed decisions)

It is noted that the population projection will be somewhat similar to the current trend therefore the impact of population on services will be relatively insignificant.

The figure below shows the downward trend of building approvals from 232 houses and 23 other dwelling approvals in 2006-07 down to 96 houses and 2 other dwelling approvals in 2019-20. The 2020-21 building approvals shows a larger rate of growth than predicted with 181 housing approvals, it is unknown at this stage if this trend will continue to grow or return to previous housing approval rates of approximately 100 houses per

year.

## Residential building approvals

Tablelands Regional Council



Source: Australian Bureau of Statistics, Building Approvals, Australia (8731.0). Compiled and presented by id (informed decisions).

### 4.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

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

Opportunities identified to date for demand management are shown in Table 4.3. Further opportunities will be developed in future revisions of this Asset Management Plan.

**Table 4.3: Demand Management Plan**

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population growth to urban consolidation and Expansion	25,667 (30/06/2020)	Growth of 0.37%	An increase in population may result in higher maintenance, renewal, upgrade/acquisition costs	Optimise maintenance, renewal and upgrade works against Star Rating (Asset Criticality).
Demographics	Aging Population	Percentage of population over 60 will continue to increase	Increase usage of mobility access to buildings and amenities. Requirement to provide DDA compliant buildings and structures.	Continue to review and develop service levels and asset management plans to ensure accessibility to all community members in line with changing needs.

**Table 4.4: Demand Management Plan Summary**

<b>Demand Driver</b>	<b>Impact on Services</b>	<b>Demand Management Plan</b>
Communicate options and capacity to fund Buildings and Community Facilities infrastructure with the community	Monitor community expectations and communicate service levels and financial capacity with the community to balance priorities for infrastructure with what the community is prepared to pay for	Communicate options and capacity to fund Buildings and Community Facilities infrastructure with the community
Funding priority works	Link asset management plans to long term financial plans and community strategic plans Continue to seek grant funding for projects identified in the Tablelands Regional Community Plan and Asset Management Plans	Funding priority works
Improve understanding of costs and capacity to maintain current service levels	Continue to analyse the cost of providing service and the capacity to fund at the current level of service	Improve understanding of costs and capacity to maintain current service levels
Community Expectations	Surplus of buildings for single use and improper use	Precinct planning and ensuring disposal plans are incorporated in project decision framework

**4.4 Asset Programs to meet Demand**

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit the Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan (Refer to Section 5).

**4.5 Climate Change and Adaption**

The impacts of climate change can have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this Asset Management Plan.

## 5.0 LIFECYCLE MANAGEMENT PLAN

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

### 5.1 Background Data

#### 5.1.1 Physical parameters

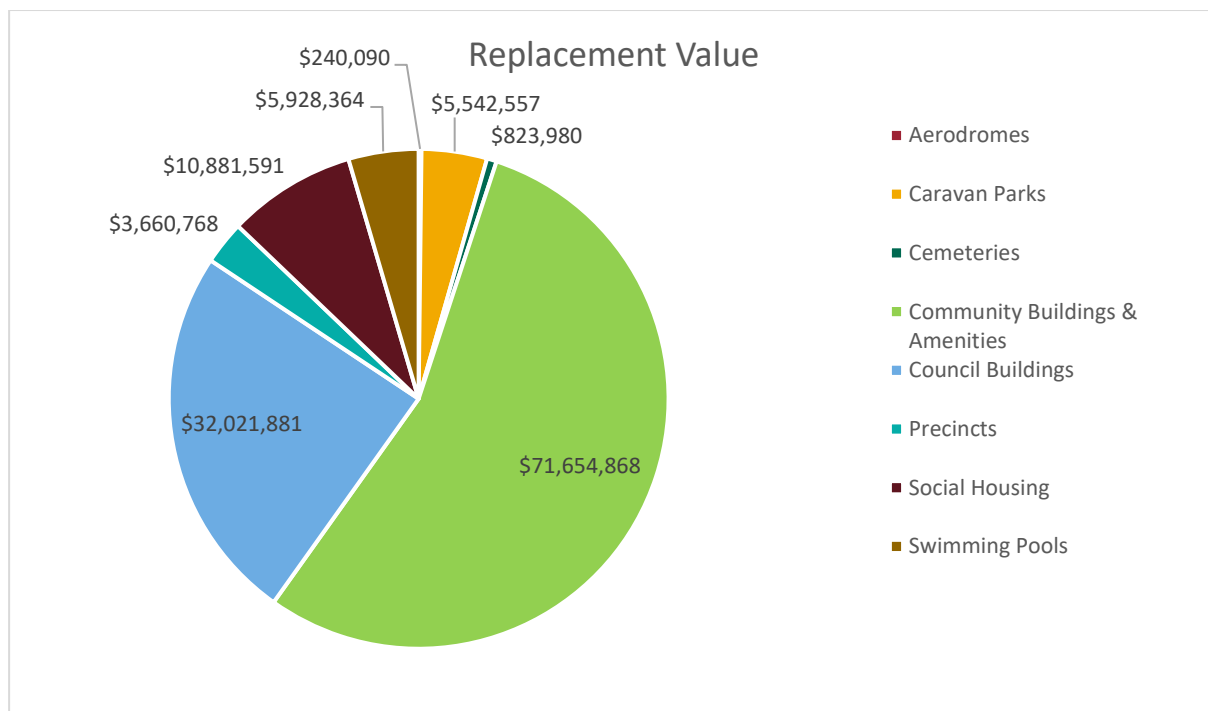
The assets covered by this Asset Management Plan are shown in Table 5.1.1.

The age profile of the assets included in this AMP are shown in Figure 5.1.1.

**Table 5.1.1: Assets covered by this Plan**

Asset Category	# of Buildings/Structures	Replacement Value
Aerodromes	8	\$240,090
Caravan Parks	94	\$5,542,557
Cemeteries	31	\$823,980
Community Buildings & Amenities	817	\$71,654,868
Council Buildings	214	\$32,021,881
Precincts	148	\$3,660,768
Social Housing	258	\$10,881,591
Swimming Pools	47	\$5,928,364
<b>TOTAL</b>		<b>\$130,754,099</b>

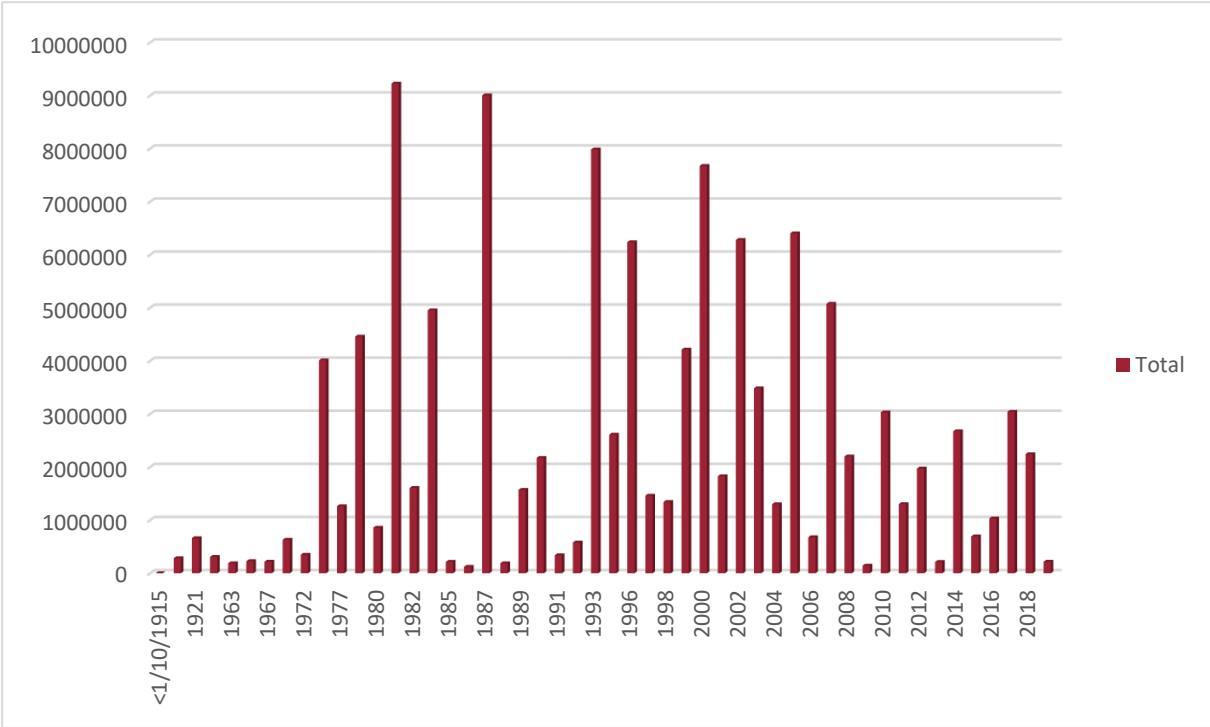
All figure values are shown in current day dollars.



Note: The Replacement Values presented above are from the Financial Asset register which is based on renewing buildings and structures on a like for like basis and no consideration for upgrades.

The Construction year profile of the assets included in the AMP are shown in Figures 5.1.1

**Figure 5.1.1: Asset Age Profile**



With the construction of many of Council facilities being completed during the 1980s, many are due in the coming years for renewal. This is reflected not only in age, but also in condition and function where it is noticeable that buildings are beyond their physical and functional life.

**Asset capacity and performance**

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

**Table 5.1.2: Known Service Performance Deficiencies**

Location	Service Deficiency
Major, District and Villages	Non fit-for-purpose and various single use facilities.
Various Buildings - Disability access.	A number of facilities fail to provide adequate physical access for disabled users.
Various Building & Facilities - Maintenance schedule	Lack of a Buildings & Facilities maintenance schedule.
Various Building & Facilities - Utilisation	Some buildings are underutilised.

The above service deficiencies were identified from TRCs re-imagining community facilities project.

**5.1.2 Asset condition**

With the implementation of the TechnologyOne Assets and Field Mobility Application, a condition inspection program has commenced. Moving forward, the frequency will be based on the assets condition and will align

with revaluations which are required every five years. Future revisions of this AMP will reflect the condition derived from these inspections.

Condition of the buildings was assessed and recorded as part of the valuation process in the financial asset register in 2023. This data is reflected in the below graph.

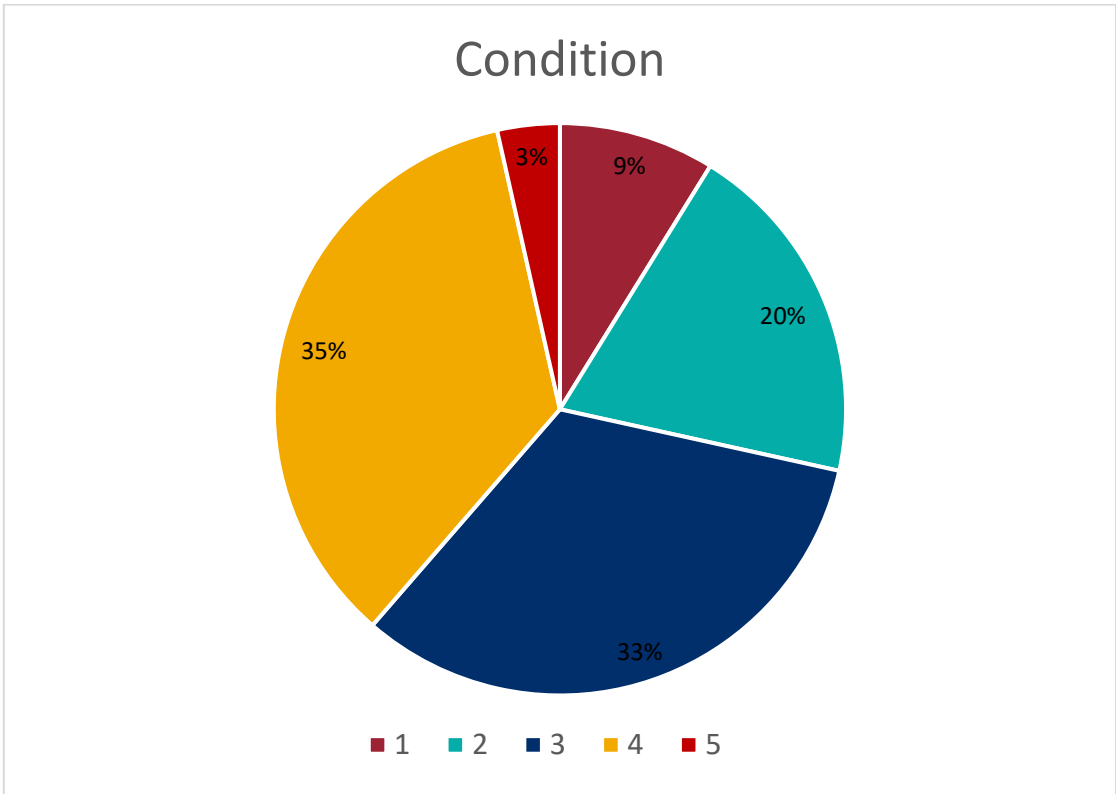
Condition is measured using a 1 – 5 grading system<sup>4</sup> as detailed in Table 5.1.3. It is important that consistent condition grades be used in reporting various assets across an organisation. This supports effective communication. At the detailed level assets may be measured utilising different condition scales, however, for reporting in the AMP they are all translated to the 1 – 5 grading scale.

**Table 5.1.3: Simple Condition Grading Model**

Condition Grading	Description of Condition
1	<b>Very Good:</b> only planned maintenance required
2	<b>Good:</b> minor maintenance required plus planned maintenance
3	<b>Fair:</b> significant maintenance required
4	<b>Poor:</b> significant renewal/rehabilitation required
5	<b>Very Poor:</b> physically unsound and/or beyond rehabilitation

The condition profile of our assets is shown in Figure 5.1.3.

**Figure 5.1.3: Asset Condition Profile**



<sup>4</sup> IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

## 5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, utility costs, etc.

Maintenance includes reactive, planned and specific maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions. Activities include repairs to leaking roof and plumbing fixtures, replacement of broken windows, locks, doors, lights.

Planned maintenance is repair work that is identified and managed through a maintenance management plan (MMP). MMP activities include inspection, assessing the condition against failure, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance. Activities include minor repairs to cladding, roof re-screws, gutter cleaning and painting.

The trend in maintenance budgets are shown in Table 5.2.1.

**Table 5.2.1: Maintenance Budget Trends**

Year	Maintenance Budget*
2022/23	\$1,982,373
2023/24	\$2,061,668
2024/25	\$2,144,135

\*Note that Year 2-10 maintenance budget has been indexed by 4% as the LTFP cannot be broken down to business unit.

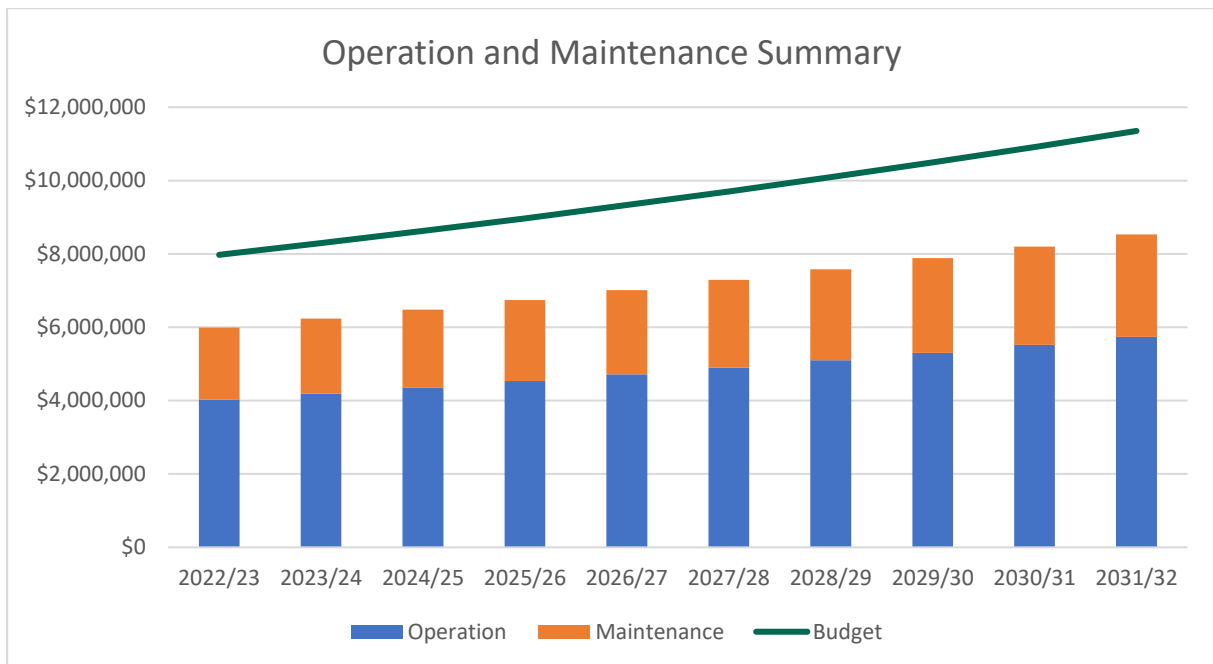
Maintenance budget levels are considered to be adequate to meet risk levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, this will require further analysis by Council officers to identify risk and consequences.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement.

### Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

**Figure 5.2: Operations and Maintenance Summary**



All figure values are shown in current day dollars.

\*Note that Year 2-10 operational and maintenance budget has been indexed by 4% as the LTFP cannot be broken down to business unit.

Our present funding levels are sufficient to continue to operate and maintain existing services at current service levels in the short term. However, based on the insufficient funding for renewals, service levels will be impacted in the medium to long-term.

The main service consequences of the Planned Budget are deferral of asset renewal which will lead to an increase in deterioration resulting in increased reactive costs.

### Asset hierarchy

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

The service hierarchy is shown in Table 5.2.2.

**Table 5.2.2: Asset Service Hierarchy**

Service Hierarchy	Service Level Objective	Weighting (%)
Place of Refuge	Available and serviceable	To be defined with Strategy Review and Council Approval
Heritage Status	Heritage status building priority	
Building Value	High value building priority	
Building Location	High locality Buildings priority	
Building alternative	No Alternate Buildings priority	
Utilisation	High utilisation Buildings priority	



### 5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified by the following approaches:

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Appendix A. Asset useful lives were last reviewed in 30<sup>th</sup> June 2017.<sup>5</sup>

The estimates for renewals in this Asset Management Plan were based on the financial asset register.

#### 5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a roof that is leaking), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).<sup>6</sup>

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.<sup>7</sup>

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

**Table 5.3.1: Renewal Priority Ranking Criteria**

Criteria	Weighting*
Criticality	30%
Condition	70%
<b>Total</b>	<b>100%</b>

\*Note subject to change with development of desired service levels

<sup>5</sup> Enter Reference to Report documenting Review of Useful Life of Assets

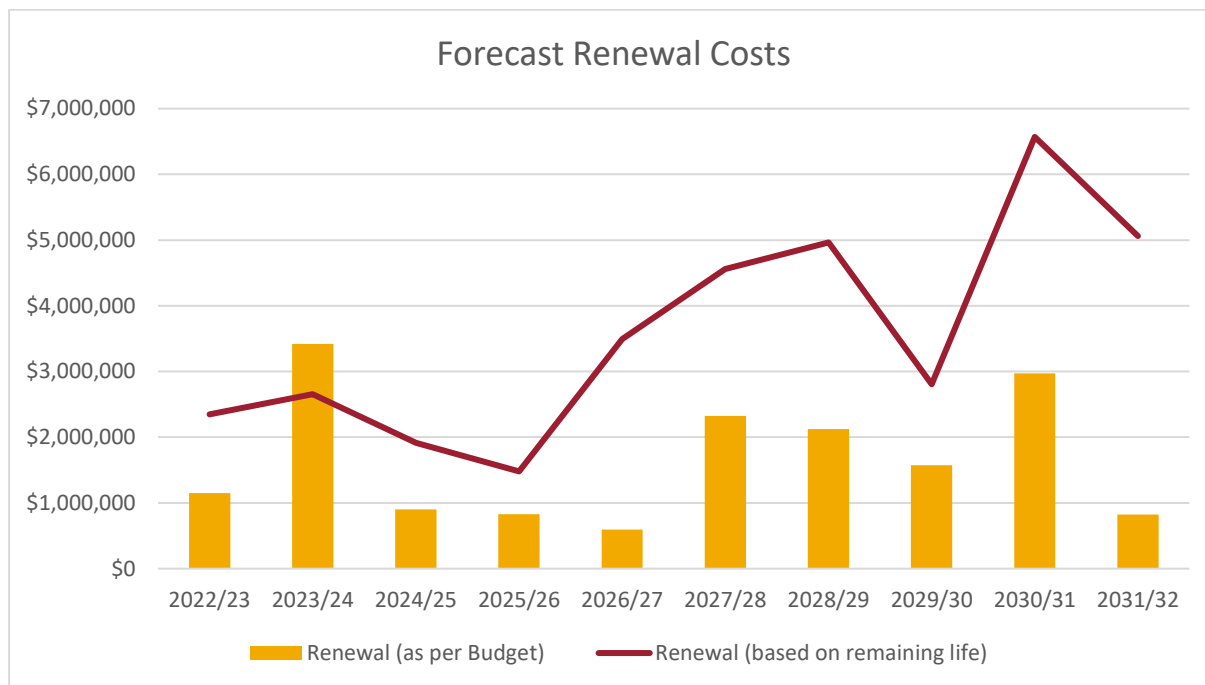
<sup>6</sup> IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

<sup>7</sup> Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

## 5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

**Figure 5.4.1: Forecast Renewal Costs**



All figure values are shown in current day dollars.

As detailed above funding for renewals has been and will continue to be inadequate, unless it became the focus of expenditure rather than reactive maintenance. Reactive maintenance will continue to grow unless action is taken to move toward a planned renewal approach.

Deferred renewal (assets identified for renewal and not scheduled in capital works programs) should be included in the risk analysis process in the risk management plan.

## 5.5 Acquisition Plan

Acquisition reflects new assets that did not previously exist or works which have been identified in the LGIP. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

### 5.5.1 Selection criteria

Proposed upgrade of existing assets, and new assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to ensure they align with the Community Facilities Strategy. Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in Table 5.4.1.

**Table 5.5.1: Acquired Assets Priority Ranking Criteria**

Criteria	Weighting*
Community need/expectation	TBA

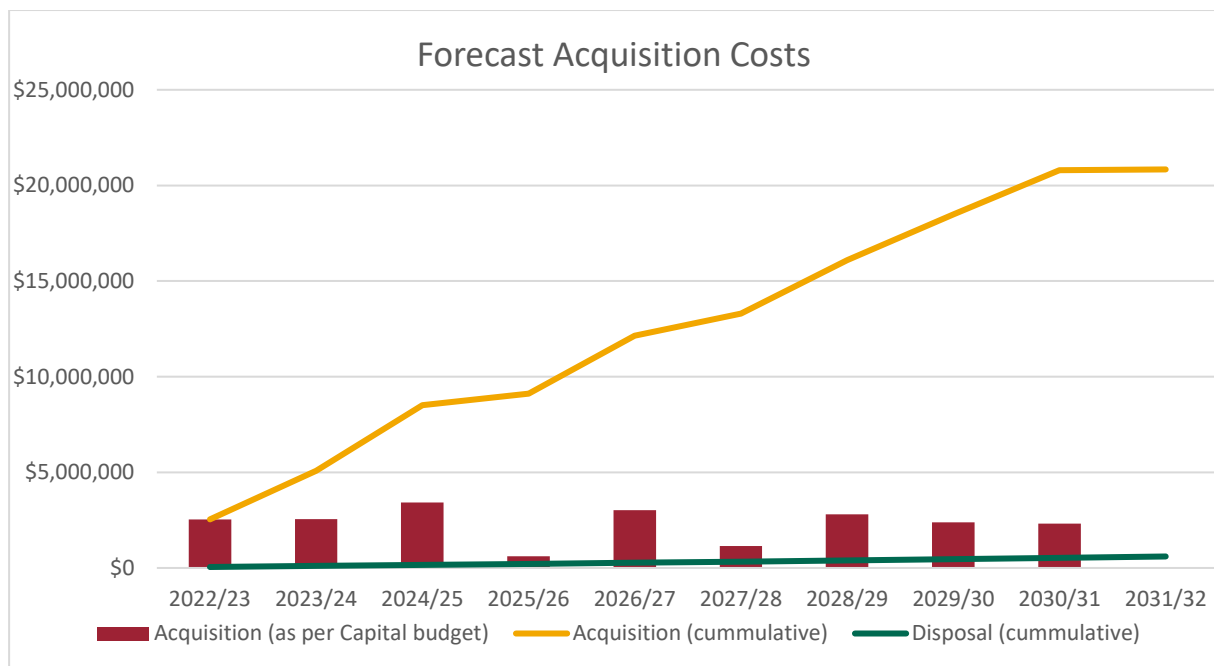
Security of growth	TBA
Utilisation	TBA
Strategic Significance	TBA
Maintenance	TBA
Condition	TBA
<b>Total</b>	<b>100%</b>

\*Note to be defined with Strategy review

### Summary of future asset acquisition costs

When TRC commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by Council. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.4.2.

**Figure 5.5.2: Acquisition Summary**



All figure values are shown in current dollars.

\*Note that Year 2-10 operational and maintenance budget has been indexed by 4% as the LTFP cannot be broken down to business unit.

Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

The acquisition forecast above is based-on implementation of the community facility strategy as adopted by Council. These acquisitions are seen to most likely reduce upgrade and renewal expenditure by optimising assets across the portfolio. Based on the estimates, approximately \$20,000,000 will be added to the asset portfolio over the next 10 years. This equates to 16% of the current replacement cost of Councils buildings and structures.

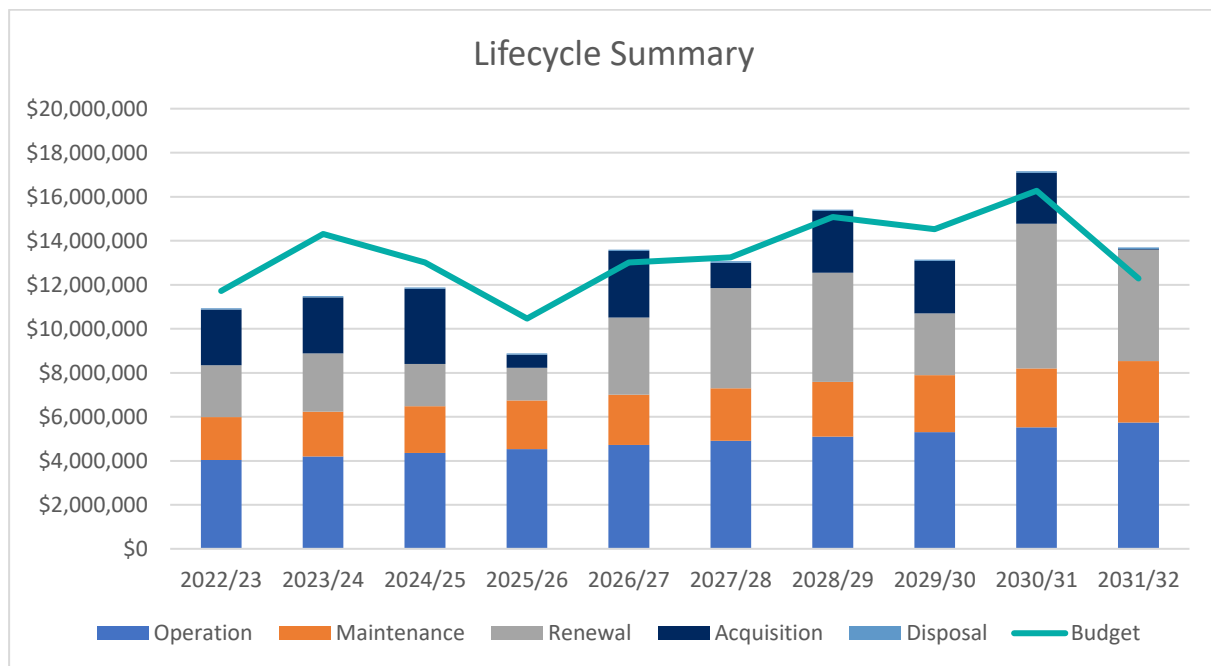
It is expected that with these acquisitions, a number of assets will be disposed of as per the Community Facilities Strategy. These assets are yet to be identified and therefore have not been budgeted for. This will be achieved through precinct planning.

**Summary of asset forecast costs**

The financial projections from this asset plan are shown in Figure 5.4.3. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

**Figure 5.5.3: Lifecycle Summary**



All figure values are shown in current day dollars.

\*Note that Year 2-10 operational and maintenance budget has been indexed by 4% as the LTFP cannot be broken down to business unit.

In summary Council is under funding renewals and funding reactive maintenance as a result. Optimising asset against desired service levels will benefit the lifecycle model by reduce operating and maintenance expense whilst limiting the renewal liability to Council.

**5.6 Disposal Plan**

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

**Table 5.6: Assets Identified for Disposal**

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
TRC	Poor Condition/ Poor Function/Poor utilisation	2023-2033	TBA	TBA

## 6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’<sup>8</sup>.

An assessment of risks<sup>9</sup> associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

### 6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

**Table 6.1 Critical Assets**

Critical Asset(s)	Failure Mode	Impact
CEDCC	Physical	Loss of service to entire shire
Council offices/depot	Physical	Loss of service to entire shire
Places of refuge	Physical	Loss of service to entire shire

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

### 6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 below.

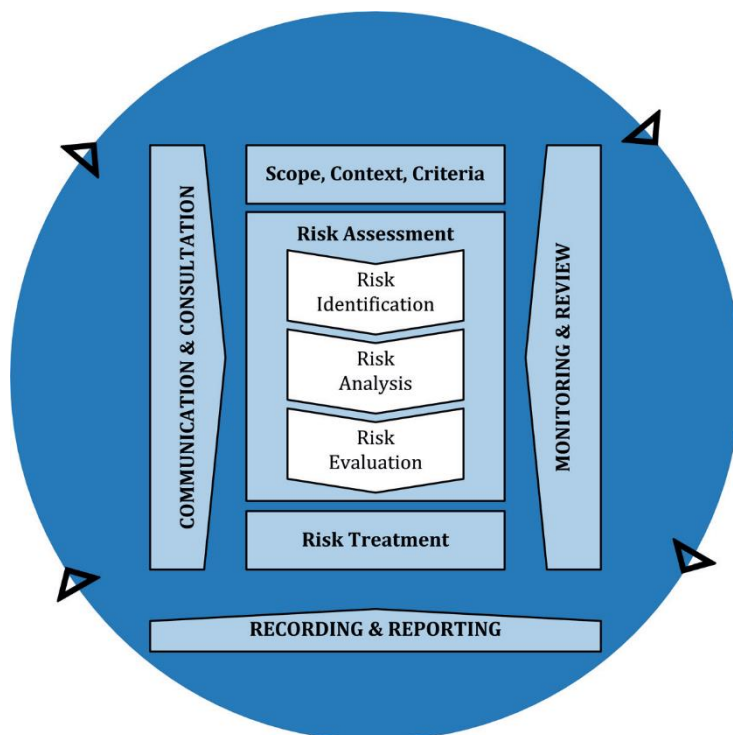
It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of International Standard ISO 31000:2018.

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<sup>8</sup> ISO 31000:2009, p 2

<sup>9</sup> Enterprise Risk Framework



**Fig 6.2 Risk Management Process – Abridged**  
 Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks<sup>10</sup> associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences.

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action) and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management and the Council.

**Table 6.2: Risks and Treatment Plans**

<sup>10</sup> Enterprise Risk Framework

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Community Facility	Occupants contaminated by asbestos fibres	H	Asbestos Management Plan to be fully implemented	L	Average \$1,000 per building]
Community Facility	Long term financial planning does not meet asset expenditure requirements (budget shortfalls).- Financially unsustainable Council.	H	Ensure ongoing improvement in AMP's to meet requirements of IIMM/Act/ISO 55000 and be adopted by Council. AMP to be developed to identify minimum of 10 year financial projections to deliver agreed service levels.  AMP to be developed in conjunction with other business units to ensure consistency with other Council planning.	M	In house Staff expense
Community Facility	Elected Members or staff making decisions without assessing long term impacts-budget shortfalls and outside of adopted strategy.  Financially unsustainable Council.  Community dissatisfaction.	H	Consistent communication driving decision making through decision/approval framework.  Whole of Life Costing.  Project prioritisation  Change Management.	M	In house Staff expense



Community Facility	Inadequate levels of staff to manage long term assets- Not meeting AM objectives.	H	Detailed resource forecasting against AM responsibilities and scheduled works.	M	In house Staff expense
Community Facility	No Strategic Precinct planning resulting in decisions without assessing long term impacts	H	Prioritised plan to develop precinct plans and designs	M	In house Staff expense
High use workplaces	Power Failure	H	Assess those buildings that should have their power supply upgraded so they can use the portable generator	L	TBA
All buildings which house community	Fire	H	Ensure all Essential Safety Measures are managed and evacuation plans are in place for every workplace or public building  Ensure hazard and risk assessments are developed and implemented for all buildings	L	TBA
Building Maintenance	Maintenance costs increasing due to inadequate renewal program	Medium	Continue to improve data. Maintenance is managed appropriately at an operational; level. Future planning improvements can be made by documented service level risks and utilisation of these in establishing future maintenance priorities.	Medium	Within existing budget. Staff time
Building Renewal	Buildings deteriorate to a lesser service standard and higher risk situation	Medium	Continue to improve data Required renewal of building components is being achieved in the short to medium term. Future planning improvements can be made by further documented service level risks and utilisation of these in establishing future renewal priorities.	Medium	Within existing budget. Staff time

Utilisation	Buildings not suiting the needs of service providers	Medium	Continue to monitor not only the condition of buildings, but how well they suit the needs of users	Medium	Within existing budget. Staff time
Increasing financial pressure to adequately maintain the building portfolio	Growth in building portfolio due to provision of grants	Medium	Although grants may be available for the capital cost of new or expanded facilities, due consideration should be made to ensure sufficient ongoing operation and maintenance funds can be provided to support these additional assets	Medium	Within existing budget. Staff time

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

### 6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience is built on aspects such as response and recovery planning, financial capacity, climate change and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

**Table 6.3: Resilience**

Threat / Hazard	Current Resilience Approach
Environmental disasters	Build to current standards. Cyclone rated, build flood

### 6.4 Service and Risk Trade-Offs

TRC Risk Appetite Statement provides an overarching attitude toward managing risk. In determining its risk appetite, Council will ensure that the desired risk appetite is achievable with the available resources. The Strategic Plans and all Operational Plans for functional areas are required to be consistent with this Risk Appetite Statement.

#### 6.4.1 What we cannot do

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

- Renew assets at optimal time due to budget and lack of understanding of community requirements.

#### 6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Function of buildings
- Customer Satisfaction
- Reputation to Council

- Liveability with the region

#### **6.4.3 Risk trade-off**

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

- Safety of users
- Buildings are unusable for activities

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan.

## 7.0 FINANCIAL SUMMARY

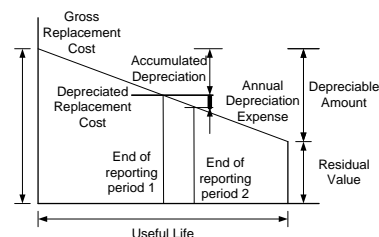
This section contains the financial requirements resulting from the information presented in the previous sections of this Asset Management Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

### 7.1 Financial Statements and Projections

#### 7.1.1 Asset valuations

The best available estimate of the value of assets included in this Asset Management Plan are shown below. The assets are valued at fair value.

Current (Gross) Replacement Cost	\$130,754,099.44
Depreciable Amount	\$130,754,099.44
Depreciated Replacement Cost <sup>11</sup>	\$55,353,414.68
Depreciation	\$3,479,315.87



#### 7.1.2 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the Asset Management Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

##### Asset Renewal Funding Ratio

Asset Renewal Funding Ratio<sup>12</sup> 49%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 49% of the funds required for the renewal of assets based on the financial remaining useful life.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

##### Medium term – 10-year financial planning period

This Asset Management Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the 10 year period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is \$10,779,829 on average per year.

The proposed (budget) operations, maintenance and renewal funding is \$11,247,538 on average per year giving a 10 year funding excess of \$467,709 per year. This indicates that 104% of the forecast costs needed to provide the services documented in this Asset Management Plan are accommodated in the proposed budget. This excludes acquired assets.

<sup>11</sup> Also reported as Written Down Value, Carrying or Net Book Value.

<sup>12</sup> AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the Asset Management Plan and ideally over the 10 year life of the Long-Term Financial Plan.

### 7.1.3 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) for the 10 year long-term financial plan.

Forecast costs are shown in 2019-dollar values.

**Table 7.1.3: Forecast Costs (Outlays) for the Long-Term Financial Plan**

Year	Forecast Acquisition	Forecast Operation	Forecast Maintenance	Forecast Renewal	Forecast Disposal
22-23	\$2,540,000	\$4,030,943	\$1,961,311	\$2,348,351	\$50,000
23-24	\$2,545,000	\$4,192,181	\$2,039,764	\$2,653,867	\$52,000
24-25	\$3,425,000	\$4,359,868	\$2,121,355	\$1,916,384	\$54,080
25-26	\$605,000	\$4,534,263	\$2,206,209	\$1,479,937	\$56,243
26-27	\$3,025,000	\$4,715,633	\$2,294,457	\$3,494,646	\$58,493
27-28	\$1,152,096	\$4,904,259	\$2,386,235	\$4,561,640	\$60,833
28-29	\$2,803,814	\$5,100,429	\$2,481,685	\$4,962,783	\$63,266
29-30	\$2,390,501	\$5,304,446	\$2,580,952	\$2,806,741	\$65,797
30-31	\$2,315,000	\$5,516,624	\$2,684,190	\$6,570,109	\$68,428
31-32	\$35,000	\$5,737,289	\$2,791,558	\$5,060,178	\$71,166

## 7.2 Funding Strategy

The proposed funding for assets is outlined in the Entity's budget and Long-Term financial plan.

The financial strategy of the entity determines how funding will be provided, whereas the Asset Management Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

## 7.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to the portfolio.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

## 7.4 Key Assumptions Made in Financial Forecasts

In compiling this Asset Management Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AMP and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this Asset Management Plan are:

- All values are in 2022/23 dollars.
- Operation and maintenance forecasts are adjusted annually for inflation at 4% for years 2-10.
- Asset data extracted from the asset register as at 31 March 2023. Please note that these figures are prior to the revaluation.
- Service levels will remain constant over the life of the plan.

- All mandated requirements on Council will remain unchanged over the planning period.

Accuracy of future financial forecasts may be improved in future revisions of this plan by:

- Consulting with community and other stakeholders to finalise the levels of service currently being delivered.
- Running modelling scenarios for different service level outcomes.
- Reviewing expenditure options for maintenance and renewal combinations to reduce overall life cycle cost without increasing risk.

## 7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AMP are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale<sup>13</sup> in accordance with Table 7.5.1.

**Table 7.5.1: Data Confidence Grading System**

Confidence Grade	Description
A. Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this AMP is shown in Table 7.5.2.

**Table 7.5.2: Data Confidence Assessment for Data used in AMP**

Data	Confidence Assessment	Comment
Demand drivers	B. Reliable	Standard Resource used for TRC (TRC ID)
Growth projections	B. Reliable	Standard Resource used for TRC (TRC ID)
Acquisition forecast	D. Very Uncertain	Dependant on The Community facility Strategy
Operation forecast	C. Uncertain	Based on QTC model
Maintenance forecast	C. Uncertain	Based on QTC model
Renewal forecast - Asset values	B. Reliable	Based on financial revaluation

<sup>13</sup> IPWEA, 2015, IIMM, Table 2.4.6, p 2 | 71.

- Asset useful lives	C. Uncertain	Uncertain as it is based on the financial remaining useful life and not the functional useful life
- Condition modelling	B. Reliable	Actual vs financial register-Work in progress
Disposal forecast	D. Very Uncertain	Dependant on The Community facility Strategy

The estimated confidence level for and reliability of data used in this AMP is considered to be Moderate.

## 8.0 PLAN IMPROVEMENT AND MONITORING

### 8.1 Status of Asset Management Practices<sup>14</sup>

#### 8.1.1 Accounting and financial data sources

This Asset Management Plan utilises accounting and financial data. The source of the data is the financial asset register with technology one software package.

#### 8.1.2 Asset management data sources

This Asset Management Plan also utilises asset management data. The source of the data is the financial asset register with technology one software package. Asset data is available with the Asset management software package however this is still a work in progress.

### 8.2 Improvement Plan

It is important that an entity recognise areas of their Asset Management Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this Asset Management Plan is shown in Table 8.2.

**Table 8.2: Improvement Plan**

Task	Task	Responsibility	Resources Required	Timeline
1	Roll out inspection program to update condition data and inform MMP	Coordinator Facilities & Precincts	BAU	2023-2025
2	Adopt criticality rating	Manager Strategic Assets / Precincts Asset Advisor	BAU	2025-2027
3	Development of Desired Level of Service	Manager Strategic Assets / Precincts Asset Advisor	BAU	2025-2027
4	Develop detailed renewals program based on condition and criticality of assets	Precincts Asset Advisor	N/A	2023-2025
5	Develop acquisition and disposal plan that is aligned with strategy and reflects customer level of service	Manager Strategic Assets / Precincts Asset Advisor	BAU	2023-2025
6	Develop the system for recording differentiated costs for repairs & maintenance costs at asset level	Coordinator Facilities & Precincts	BAU	2023-2025
7	Update to reflect the 2023 revaluation figures and useful lives	Precincts Asset Advisor	N/A	2023-2024

### 8.3 Monitoring and Review Procedures

This Asset Management Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AMP will be reviewed and updated annually to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, upgrade/new and asset disposal costs and proposed budgets.

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<sup>14</sup> ISO 55000 Refers to this the Asset Management System



These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

#### **8.4 Performance Measures**

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

- Meeting the Customer Level of Service Performance Target
- Meeting the Technical Level of Service Performance Target.

## 9.0 REFERENCES

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## 10.0 APPENDICES

### Appendix A Asset Useful lives

Asset Category	Asset Type	Asset Sub-Type	Asset Component	Useful Life
Aerodromes	Aerodromes	Landing Strip		60
		Sheds	External	50
			Roof	35
Commercial Buildings	Caravan Parks	Amenities	External	60
			General Services	30
			Internal	35
			Roof	35
		Bedsit	External	20
			Internal	20
			Roof	20
		Buildings	External	60
			General Services	15-50
			Internal	35
			Roof	35
			Site Surrounds	35
		Cabins	External	20
	General Services		15	
	Internal		20	
	Roof		20	
	Pool	Site Surrounds	25	
	Shed	External	50	
		Roof	50	
	Shelter	External	35	
Roof		35		
Commercial Shops	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	
Community Buildings	Child Care	Buildings	External	60
			General Services	15-25
			Internal	25
			Roof	35
			Site Surrounds	25
	Playground Shade Structure	External	15	
		Roof	15	
	Shed	External	50	
		Roof	35	
	Shelter	External	35	

		Roof	35	
Emergency Services	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	
	Shed	External	50	
		General Services	25	
		Internal	35	
		Roof	35	
Memorials/Monuments			100	
Public Halls/Community Centres	Amenities	Internal	35	
	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	
		Site Surrounds	25	
	Halls	External	60	
		General Services	25-30	
		Internal	50	
		Roof	35	
	Heritage Buildings	External	120-150	
		Roof	50-60	
Pathway	Site Surrounds	75		
Shed	External	50		
	General Services	25-30		
	Internal	35		
	Roof	35		
Structures	Bird Viewing Tower	External	60	
		Roof	35	
		Site Surrounds	30	
	Clock Tower	General Services	30	
VIC/Libraries/Museum/Gallery	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	
	Pathway	Site Surrounds	75	
	Shed	External	50	
Roof		35		
Council Buildings	Animal Control	Buildings	External	60
			Roof	35
	Shed	External	50	
		Roof	35	
	Shelter	External	15	

		Roof	15	
Cemetery	Chapel	External	30	
		General Services	30	
		Roof	30	
	Columbarium/Mausoleum	Wall	External	100
			Roof	100
	Fencing		20	
	Pagola	Roof	50	
	Shed	External	50	
		General Services	30	
		Roof	35	
Council Offices	Buildings	External	60	
		General Services	15-25	
		Internal	35	
		Roof	35	
Depots/Sheds/Storage	Amenities	External	60	
		General Services	30	
		Roof	35	
	Buildings	External	60	
		General Services	25-60	
		Internal	35	
		Roof	35	
	Canopy	External	40	
	Donga	External	30	
		General Services	30	
		Internal	30	
	Fencing		25	
	Hardstand		40	
Shed	External	50		
	General Services	25-30		
	Internal	40		
	Roof	35		
Shelter	General Services	25		
	Roof	35		
Nursery	Amenities	External	60	
		General Services	30	
		Internal	35	
		Roof	35	
	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	
	Canopy	External	40	
		Roof	35	
Donga	Roof	30		

		Shed	External	50
Public Amenities	Public Amenities	Public Amenities	External	60
			General Services	30
			Internal	35
			Roof	35
Recreation	Shade/Shelter Structures/BBQ	Picnic Shelter & BBQ	External	60
			General Services	10
			Internal	20
			Roof	35
		Playground Shade Structure	External	35
			Roof	35
		Shade Sail	External	15
			Roof	15
		Shelter	External	35
			Internal	30
			Roof	35
		Shelter Shed	External	50
	Showgrounds	Amenities	External	60
			General Services	25-30
			Roof	35
		Buildings	External	60
			General Services	25-35
			Internal	35
			Roof	35
		Fencing		25
		Grandstand	Roof	35
		Internal Road		60
		Lighting	External	25
		Shed	External	50
			General Services	25-30
			Roof	35
		Shelter	External	35
			General Services	35
			Internal	35
			Roof	35
		Stables	External	60
			General Services	35
			Roof	35
	Sporting Structures	Amenities	External	60
			General Services	30
			Internal	35
			Roof	35
			Site Surrounds	60
		Buildings	External	60

		General Services	25-30
		Internal	35
		Roof	35
		Site Surrounds	25-35
	Fencing	External	30
	Grandstand	Roof	35
	Lighting	External	25
	Power pole	External	25
	Shade Sail	External	15
	Shed	External	50
		General Services	25-30
		Roof	35
	Shelter	External	35
		General Services	30
		Internal	30
		Roof	35
	Sporting Structure	External	100
		General Services	25
	Stables	External	60
		General Services	35
		Roof	35
		Site Surrounds	25
Swimming Pools	Amenities	External	60
		General Services	30
		Roof	35
	Buildings	External	60
		General Services	25-30
		Internal	35
		Roof	35
	Fencing		25
	Grandstand	External	60
		Roof	35
	Lighting	External	20
	Plant		15-30
	Pool	External	60
		General Services	30
Shade Sail	External	15	
	Roof	15	
Shed	External	50	
	Roof	35	
Shelter	External	35	
	Roof	35	
Turf Club	Amenities	External	60
		General Services	25
		Roof	35

		Buildings	External	60
			General Services	25-35
			Internal	35
			Roof	35
		Power Pole	External	20
		Shed	External	50
			General Services	30
			Roof	35
		Shelter	General Services	35
			Roof	35
		Stables	External	60
			General Services	30
			Roof	35
			Site Surrounds	60
Residential Buildings	Aged Persons Cottage	Buildings	External	60
			General Services	12-25
			Internal	35
			Roof	35
	Site Surrounds		60	
	Carport	External	35	
		Roof	35	
Shed	External	50		
	Roof	35		
Residential Buildings	Buildings	External	60	
		General Services	25	
		Internal	35	
		Roof	35	



**Appendix B    Acquisition Forecast**

**B.1 – Acquisition Forecast Assumptions and Source**

These acquisitions are based on implementation of the adopted community facility strategy with looks to create more multipurpose facilities across the shire. This uses a hierarchy approach to district locations.

**Table A1 - Acquisition Forecast Summary**

<b>Year</b>	<b>Forecast Acquisition</b>
22-23	\$2,540,000
23-24	\$2,545,000
24-25	\$3,425,000
25-26	\$605,000
26-27	\$3,025,000
27-28	\$1,152,096
28-29	\$2,803,814
29-30	\$2,390,501
30-31	\$2,315,000
31-32	\$35,000

## Appendix C    Operation Forecast

### C.1 – Operation Forecast Assumptions and Source

The operations budget figures have been based on the current financial year’s allocation, whilst the required figures are based on the QTC whilst of life cost model.

*Table C1 - Operation Forecast Summary*

Year	Forecast Operation Operation	Budget Operation
22-23	\$4,030,943	\$5,993,641
23-24	\$4,192,181	\$6,233,386
24-25	\$4,359,868	\$6,482,722
25-26	\$4,534,263	\$6,742,031
26-27	\$4,715,633	\$7,011,712
27-28	\$4,904,259	\$7,292,180
28-29	\$5,100,429	\$7,583,868
29-30	\$5,304,446	\$7,887,222
30-31	\$5,516,624	\$8,202,711
31-32	\$5,737,289	\$8,530,820

## Appendix D Maintenance Forecast

### D.1 – Maintenance Forecast Assumptions and Source

The maintenance budget figures have been based on the current financial year's allocation, whilst the required figures are based on the QTC whole of life cost model.

**Table D1 - Maintenance Forecast Summary**

Year	Forecast Maintenance	Budget Maintenance
22-23	\$1,961,311	\$1,982,373
23-24	\$2,039,764	\$2,061,668
24-25	\$2,121,355	\$2,144,135
25-26	\$2,206,209	\$2,229,900
26-27	\$2,294,457	\$2,319,096
27-28	\$2,386,235	\$2,411,860
28-29	\$2,481,685	\$2,508,335
29-30	\$2,580,952	\$2,608,668
30-31	\$2,684,190	\$2,713,015
31-32	\$2,791,558	\$2,821,535

## Appendix E    Renewal Forecast Summary

### E.1 – Renewal Forecast Assumptions and Source

The renewal budget figures have been based on the current financial year’s allocation, whilst the required figures are based on remaining life as detailed in the asset register.

*Table D1 - Renewal Forecast Summary*

Year	Forecast Renewal	Budget Renewal
22-23	\$2,348,351	\$1,151,500
23-24	\$2,653,867	\$3,418,000
24-25	\$1,916,384	\$900,000
25-26	\$1,479,937	\$830,000
26-27	\$3,494,646	\$595,000
27-28	\$4,561,640	\$2,325,000
28-29	\$4,962,783	\$2,125,000
29-30	\$2,806,741	\$1,575,000
30-31	\$6,570,109	\$2,970,000
31-32	\$5,060,178	\$825,000

**Appendix F    Disposal Summary**

**F.1 – Disposal Forecast Assumptions and Source**

These disposals are based on Year 1 budget with 4% indexation.

*Table F1 – Disposal Activity Summary*

<b>Year</b>	<b>Forecast Disposal</b>
22-23	\$50,000
23-24	\$52,000
24-25	\$54,080
25-26	\$56,243
26-27	\$58,493
27-28	\$60,833
28-29	\$63,266
29-30	\$65,797
30-31	\$68,428
31-32	\$71,166

**Appendix G Budget Summary by Lifecycle Activity**

*Table G1 – Budget Summary by Lifecycle Activity*

<b>Year</b>	<b>Acquisition Budget</b>	<b>Operations Budget</b>	<b>Maintenance Budget</b>	<b>Renewal Budget</b>	<b>Disposal Budget</b>	<b>Total</b>
22-23	\$2,540,000	\$5,993,641	\$1,982,373	\$1,151,500	\$50,000	\$11,717,514
23-24	\$2,545,000	\$6,233,386	\$2,061,668	\$3,418,000	\$52,000	\$14,310,055
24-25	\$3,425,000	\$6,482,722	\$2,144,135	\$900,000	\$54,080	\$13,005,937
25-26	\$605,000	\$6,742,031	\$2,229,900	\$830,000	\$56,243	\$10,463,174
26-27	\$3,025,000	\$7,011,712	\$2,319,096	\$595,000	\$58,493	\$13,009,301
27-28	\$1,152,096	\$7,292,180	\$2,411,860	\$2,325,000	\$60,833	\$13,241,969
28-29	\$2,803,814	\$7,583,868	\$2,508,335	\$2,125,000	\$63,266	\$15,084,282
29-30	\$2,390,501	\$7,887,222	\$2,608,668	\$1,575,000	\$65,797	\$14,527,188
30-31	\$2,315,000	\$8,202,711	\$2,713,015	\$2,970,000	\$68,428	\$16,269,154
31-32	\$35,000	\$8,530,820	\$2,821,535	\$825,000	\$71,166	\$12,283,521