



ASSET MANAGEMENT STRATEGY

2022 / 2032



ACKNOWLEDGEMENT

Singleton Council acknowledges the Wanaruah, Wonnarua people and their custodianship of the land in the Singleton Local Government Area. We also acknowledge all other Aboriginal and Torres Strait Islanders who live within the Singleton Local Government Area and pay our respect to elders past, present and future.

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EXECUTIVE SUMMARY

As part of the preparation of this Strategy a high level review of Council's Asset Management policies, practices and systems has been completed to provide both strategic direction and guidance for improving asset management planning and performance. Council is responsible for infrastructure and other assets that have a fair value of approximately \$832 million dollars. Asset Management Plans have now been developed for each of the five main class of assets Council controls. (Water + Sewer Asset Management plans) are yet to be completed.

This Strategy is presented at a high level to provide key information that can be used in the determination of levels of service and funding required. Table 1.1 provides a snapshot of the Council's asset groups ten (10) year average costs, the funding gap if one exists between the available renewal budget and predicted renewal requirements, and the projected backlog of works as at Years 1 and 10. Note a funding analysis has not yet been undertaken on the 'Other' assets. Figure 1.1 shows the rolling 10-year backlog for each asset category.

Table 1.1: Council's Asset Portfolio | 10 Year Annual Average Overview (in 2021 \$,000)

Asset	Fair Value	Replacement Cost	Operation + Maintenance	Renewal	Upgrade + New	Funding Gap (10yr Ave)	Backlog Year 1	Backlog Year 10
Roads	521,309	638,237	3,717	5,919	1,130	1,009		10,090
Drainage	81,261	89,677	330	340	283	131		1,305
Buildings	53,953	58,862	1,012	1,053	272	486	160	4,855
Open Space	20,509	35,751	1,872	361	378	94	209	935
Transport	19,897	24,998	512	8	795	6		60
Water + Sewer	135,422	227,675						
Total	832,351	1,075,200	7,442	7,680	2,857	1,725	369	17,245

Figure 1.1: Anticipated Rolling Backlog over the next 10 years (2021 \$M)
Excluding Water + Sewer assets

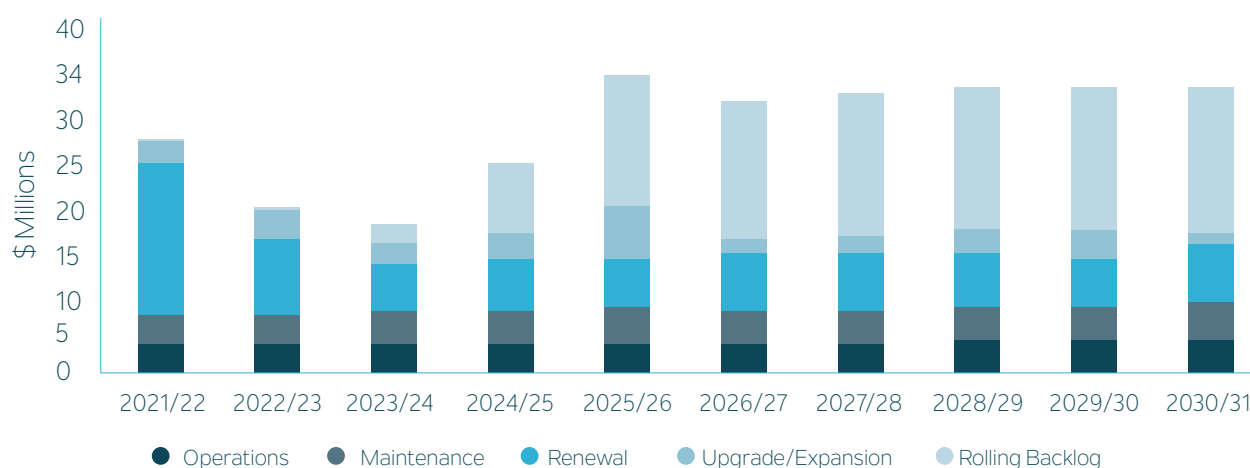
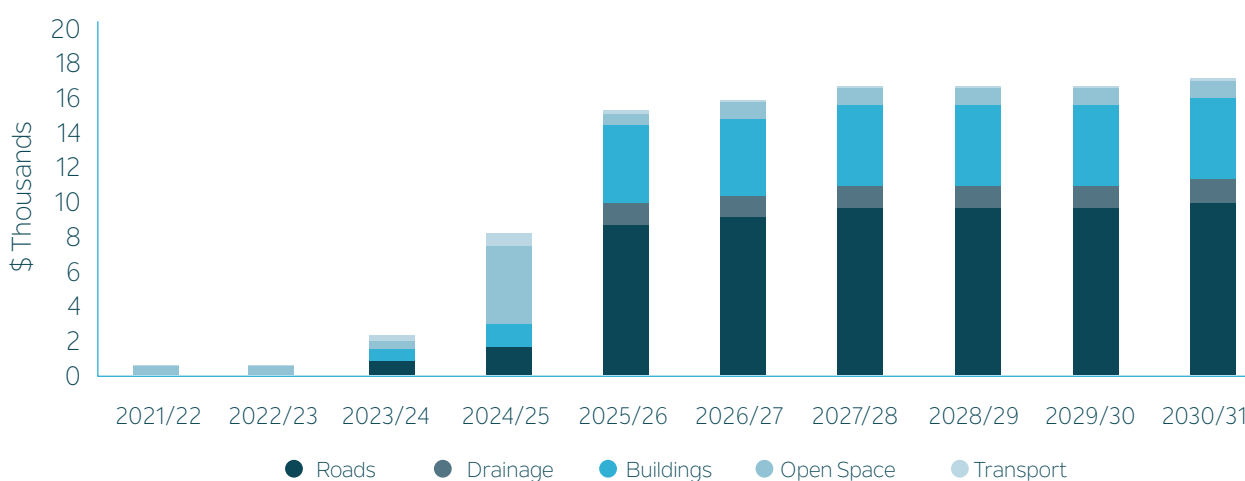


Table 1.1 highlights that depending on decisions regarding the condition at which assets are maintained or renewed, that there is a Renewal Funding Gap for which future generations will become liable if remedial action is not taken. It needs to be stressed that we are considering long-term averages in this strategy and accordingly in some years the cost to renew will be higher and some years lower dependant on the number of assets that are due for renewal in that particular year.

The 10-year forecasts presented in this Asset Management Strategy (AMS) are based on the modelling undertaken and achieving the levels of service presented in the plan and are intended to assist Council when considering future Community Strategic Plans, Delivery Programs and Operational Plans. If changes are made to the Long-Term Financial Plan, those changes will be reflected in the next AMS and Asset Management Plans (AMPs).

Figure 1.2 provides an indication of the total annual expenditure for all asset categories in each of the major program areas together with the backlog that is expected in any one year based on the currently available funding.

Figure 1.2: Forecast Expenditure + Backlog over the next 10 years (in 2021 \$,000)
Excluding Water + Sewer assets



A number of options are available to address the asset renewal funding gap including:

- Rate revenues; Borrowing strategies; Non asset renewal; Reduction in service levels; External grants funding; Fees and charges; Extending asset life; Non asset service provision; Transfer service provision to others; and Agreed deficit funding.

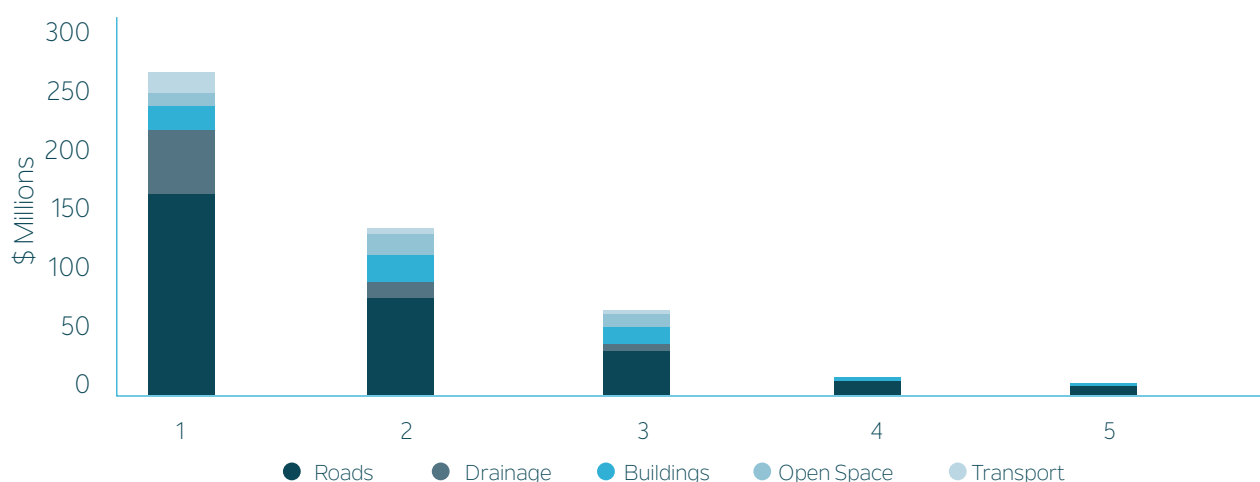
Levels of Service, Intervention Levels, Condition Rating + Useful Life

The determination of Levels of Service (LOS) is crucial in the calculation of the gap between required funds for asset service delivery and available budgets. The levels will be determined by defining the outcomes as agreed with the community, identifying the services required to meet those outcomes and the infrastructure required to support those services. Details on proposed LOS are contained within each of the five Asset Management Plans. (Water + Sewer AMPs are yet to be completed.)

In order to allocate limited funds responsibly, renewal or rehabilitation of assets will only be undertaken once they reach a certain condition, referred to as the intervention level. Typically, assets will not be renewed until they are between a condition 4 and 5 depending on the utilisation, function and / or criticality of the asset. Condition Rating assessments on individual assets are undertaken on a regular basis depending on the component, its current age, previous condition and criticality.

The following graph presents a snapshot of the current condition of Council's assets based on the value of each asset component in each of 5 conditions, ranging from 1 being near new and 5 as a very poor asset component or asset. Note that this only includes the assets that have been condition rated and modelled in the July 2021 Asset Management Plans.

Figure 1.3: Councils Asset Condition Profile Based on Replacement Value (2021 \$M)
Excluding Water + Sewer assets



The Useful Life of an asset is the period from when it is constructed until it reaches its defined intervention level. The modelling undertaken is based on this information which is a 'best estimate', with the actual life dependant on numerous factors that influence the rate of deterioration of the asset (e.g. construction methods, materials, weather, usage, and worker skill). Appendix A provides an example calculation of this.

Risk Management


Section 14 outlines the management of risk in delivery of assets to the community with their delivery considered in the Enterprise Risk Management Program. Critical assets are identified in each AMP with those most critical listed in this Strategy.

Improvement Program

The process of managing assets is one of continually improving the knowledge Council has including maintaining up to date asset registers, condition ratings, the cost of work on the asset , the rate at which assets deteriorate and reach their intervention level.

To manage that process Council has undertaken a self-assessment against the National Asset Management Assessment Framework (NAMAF), which assisted in developing a plan of action to improve Council's Asset Management knowledge, practices and benchmark performance. The benchmarking information has been taken from data made available on a number of Council's that have completed an assessment. Asset Management Improvement plan developed in 2020. *PM20_80014 - Asset Management Framework Improvement Plan.*





This project aims to implement a cycle of continuous improvement of the Asset Management Framework in Singleton Council. The objective of this project is to:

- Ensure the effective delivery of asset management;
- Clearly define and set asset management roles, responsibilities and priorities;
- Improve the knowledge and skills of officers across Council of Asset Management Principals
- Drive the implementation of asset management programs and maturity assessment action plans;
- Ensure that adequate resources are available for the Asset Management functions.

The adopted improvement plan in Appendix B will ensure that Council maintains this level of competency and achieves full compliance with the NMAF.



STRATEGIC FRAMEWORK

Singleton Council developed a comprehensive community engagement strategy to ensure a broad range of opinions; ideas and visions were captured to help shape the Singleton Community Strategic Plan.

From this Plan a number of key outcomes are supported by the effective management of Assets including:

- Our Places are sustainable, adaptable, and inclusive;
- Our Places are vibrant, safe and innovative;
- Our Environments are valued, preserved, respected and enhanced in a sustainable way.

To assist in delivering these outcomes, Council will operate and maintain its assets to:

1. Ensure adequate provision is made for the long-term management of assets, the delivery of new assets and the renewal or upgrading of existing assets to meet service delivery objectives.
2. Ensure that assets are maintained in a safe and functional condition.
3. To encourage and support the economic and social development in and around Singleton.
4. Ensure that Infrastructure is managed to deliver the requirements of Council's Asset Management Policy and Community Strategic Plan.

We will achieve these objectives by:

- Maximising the service potential of existing assets by ensuring that they are appropriately used and maintained;
- Identifying opportunities to reduce demand for new / upgraded assets by implementing demand management techniques and considering alternative service delivery options;
- Increasing value for money in the identification and delivery of new works by considering life cycle costing and / or alternative construction techniques;
- Focusing attention on results by clearly assigning responsibility, accountability and reporting requirements in relation to asset management.

The key principles guiding the development of Council's Asset Management Strategy are:

- Sound information and systems are needed to inform decision making;
- Comprehensive asset management planning is required to ensure decisions are based on an evaluation of alternatives that take into account life cycle costs, benefits and risks of assets;
- The Community will be informed and have an opportunity to have involvement in establishing level of service standards based on a willingness to pay;
- Responsibility for asset management, including accountability and reporting requirements, is clearly established, communicated and implemented;
- An effective policy framework is established for the strategic management of assets.

To assist in the delivery of the objectives in this plan, a number of key documents + systems have been prepared and should be referred to in considering the findings presented:

Table 2.1: Key Documents + Systems

Document / System	Content
Community Strategic Plan	Outcomes and Strategies identified by the community and includes the delivery, operational plan, annual report and resourcing strategy
Council Asset Policy	How we manage assets
Asset Management Plans	Detailed analysis for each asset portfolio including Transport, Buildings, Water, Sewer, Urban Stormwater, and Parks + Landcare
Asset Management Manual	Procedures and Processes that guide the management of assets
Condition Assessment Manual	Details on the process of assessing condition, including photographic examples of various conditions
Enterprise Risk Management Plan	The identification and management of risks across Council operations
Civica Asset Management System (AM)	Electronic system that contains the asset register, condition ratings and used to model future renewals



The Strategy will be influenced by the following factors:

1. The increasing community expectations for a higher quality of service to be provided by Council.
2. An increasing focus on lifestyle and environmental issues.
3. The combination of ageing asset stock and increased community expectations will make risk management an increasingly important asset management activity.
4. The trend for the cost of materials, labour, and risk management will continue to be much greater than CPI in the short to medium term due to:
 - The cost of materials due to a range of factors - increasing: production, wages, cartage, insurances, quality assurance and other ancillary costs.
 - Escalations in the price of petroleum products will continue to have a significant impact because of the high proportion of the budget allocated to maintaining the road network, an area highly sensitive to the price of oil;
 - The continuing increased cost of risk management processes and public liability insurance;
 - The increased cost of occupational health and safety regulation and superannuation contributions.
5. The impact weather patterns have upon the pace of deterioration.
6. The ageing of infrastructure will require renewal at some time in the future if service levels are to be maintained.
7. Council's 2020/2021 Financial Statements indicate that the Singleton Council is in a sound financial position, however further work will need to be undertaken to ensure that Council is able to meet the 'Fit for the Future' ratio's around required asset renewal and asset maintenance expenditures.

To effectively manage the long-term financial impact of new assets developed as Singleton grows, an increase in maintenance, operational and renewal costs will be factored into the plan.

Singleton's population is projected to grow at 0.9% per annum, based on the latest projections developed for the Community Strategic Plan. This will require new areas for housing, which are being staged through Town planning to provide for logical and economic provision of suitable, serviced land. The population at the 2020 Census was estimated to be 23,573.

SERVICES PROVIDED

Council recognises the importance of asset management planning. The preparation of this Asset Management Strategy is another step in providing guidance to Council on improving its asset management systems and practices.

The establishment of a classification system for asset groups will be included in each asset management plan (AMP) to ensure the efficient allocation of resources to maintain levels of service appropriate to their function. These classifications will be developed within each AMP specifically based on functionality, utilisation, and community requirements.

The infrastructure assets managed by Council are detailed in Table 3.6, and Figure 3.1, noting that the fair values for buildings, parks, water and sewer are contained within those asset categories.

Table 3.1: Council Asset Portfolio (\$,000) | Roads

Asset Category	Component	Dimension / Scale	Fair Value (in 2021 \$,000)
Roads	Wearing Surface Pavement incl subbase	Regional Roads Local 82.62km Sealed Roads 669.52km	37,809 159,076
	Gravel- Unsealed Roads	116.92km	5,218
	Kerb + Gutter	194.40km	24,049
	Bridges	62 ea	30,873
	Major Culverts	56 ea	7,904
	Safety Barriers	31.08km	3,756
	Causeways	67 ea	2,327
	Other (earthworks)		250,298
Total			\$521,309



Table 3.2: Council's Asset Portfolio (\$000) | *Drainage*

Asset Category	Component	Dimension / Scale	Fair Value (in 2021 \$,000)
Drainage	Culverts (rural)	26.3 km conduit	26,956
	Headwalls	4,299 headwalls	7,738
	Flood mitigation	6 flood gates	27
	Pipes (urban)	79.6 km 20% 100-300mm 55% 375-450mm 17% 500-750mm 8% 800-1350mm	25,360
	Pits (urban)	2,933 pits	7,074
	Stormwater Quality Improvement Devices	41 GPTs 8 rain gardens 10 detention basins 21 swales 1 Dissipator	8,173
	Open Drains	6.5km	5,930
Total			\$81,260

Table 3.3: Council's Asset Portfolio (\$000) | *Buildings*

Asset Category	Component	Dimension / Scale	Fair Value (in 2021 \$,000)
Buildings	Building Envelope	99 buildings in total	12,711
	Electrical Services	<ul style="list-style-type: none"> 12 Recreation 17 Public Toilets (Amenities) 	5,002
	Fire and Security Services	<ul style="list-style-type: none"> 13 Community Buildings 6 Administration 	861
	Fit out	<ul style="list-style-type: none"> 4 Workshop/Storage 18 Emergency Services 	4,174
	Floor Finish	<ul style="list-style-type: none"> 2 Waste management 20 Water and Sewer buildings and treatment plans 	1,283
	Floor	<ul style="list-style-type: none"> 7 Commercial 	8,771
	Mechanical Services		3,220
	Roof		12,421
	Plumbing and Sanitary		5,423
	Transport Service		87
Total			\$53,953



Table 3.4: Council's Asset Portfolio (\$000) | *Open Space + Reserve*

Asset Category	Component	Category	Hierarchy	Dimensions (Ha)	Number of Assets	Fair Value (in 2021 \$,000)
Open Space + Reserve	Art/Memorial	Community Parks	Regional	0.19	55	678
			District	22.54	189	
			Local	34.34	174	
	Furniture	Sports Parks	District	56.47	736	230
			Local	5.63	52	
			Village	12.77	247	
	Structure	Civic Spaces	Regional	1.05	84	2,789
			District	8.65	80	
	Electrical	Linear Parks	Local	20.0	38	768
	Field	Landscape Areas	Parks	2.62	28	12,050
	Landscaping	Natural Areas	Regional	131.89	147	572
			District	20.55	61	
			Local	57.7	13	
	Playground	Cemeteries	District	16.34	75	3,422
Total						\$20,509

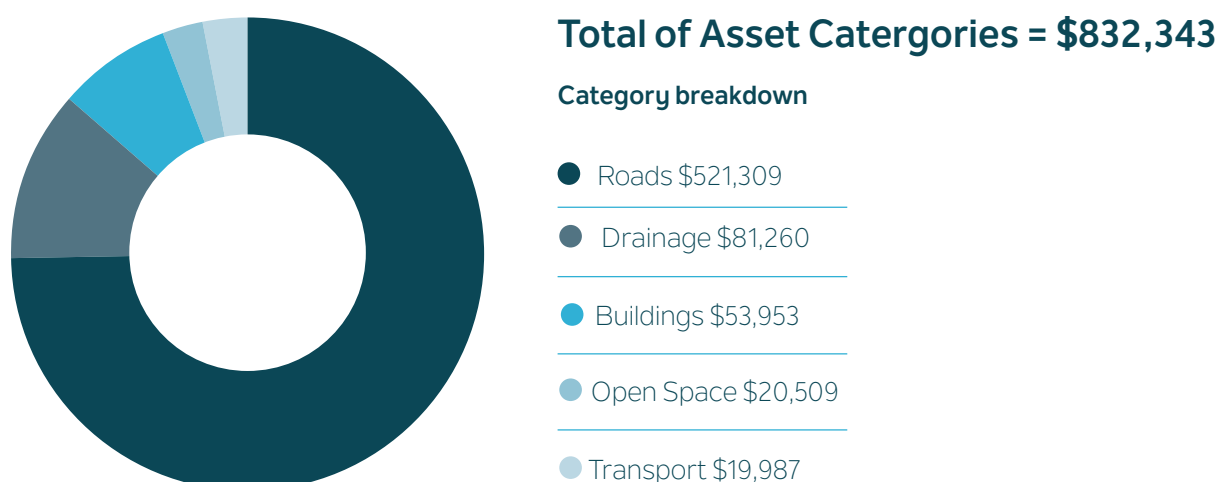
Table 3.5: Council's Asset Portfolio (\$000) | *Transport*

Asset Category	Component	Dimension / Scale	Fair Value (in 2021 \$,000)
Transport	Footpath	52.9 km	4,865
	Carpark	113,396 Sqm	7,476
	Bus Shelter	17 ea	212
	Shared Path	35.3 km	4,942
	Street Furniture	249 ea	768
	Traffic Facility	132 ea	1,634
Total			\$19,897

Table 3.6: Council's Asset Portfolio (\$000) | *Sewer + Water*

Asset Category	Fair Value (in 2021 \$,000)	Asset Category	Fair Value (in 2021 \$,000)
Sewer	\$45,690	Water	\$89,726

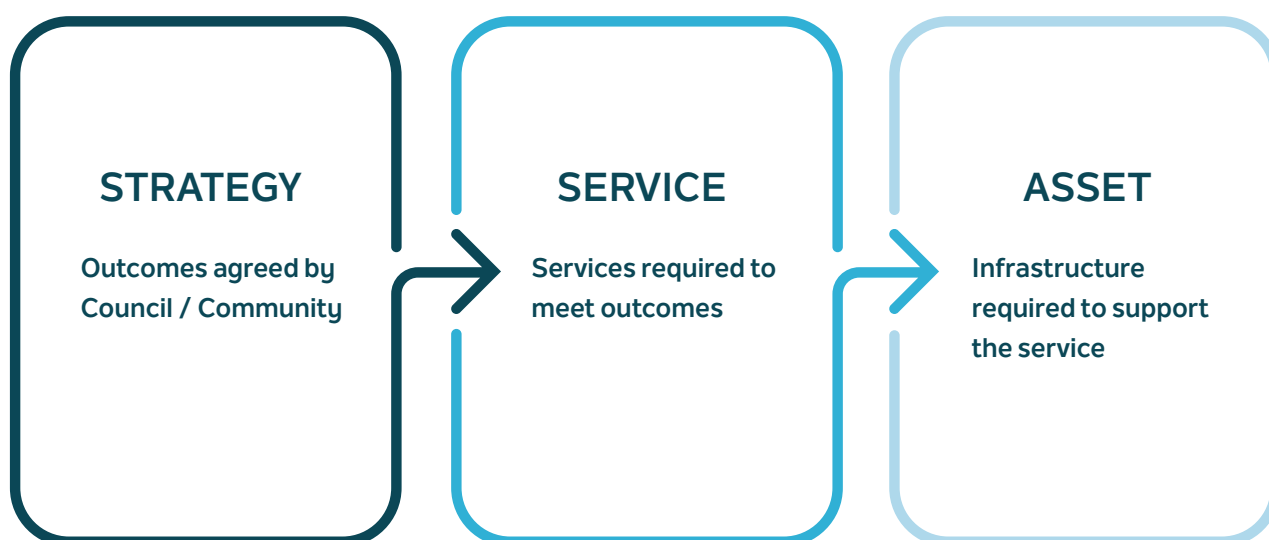
Figure 3.1: Fair Value Summary (\$,000)



LEVELS OF SERVICE

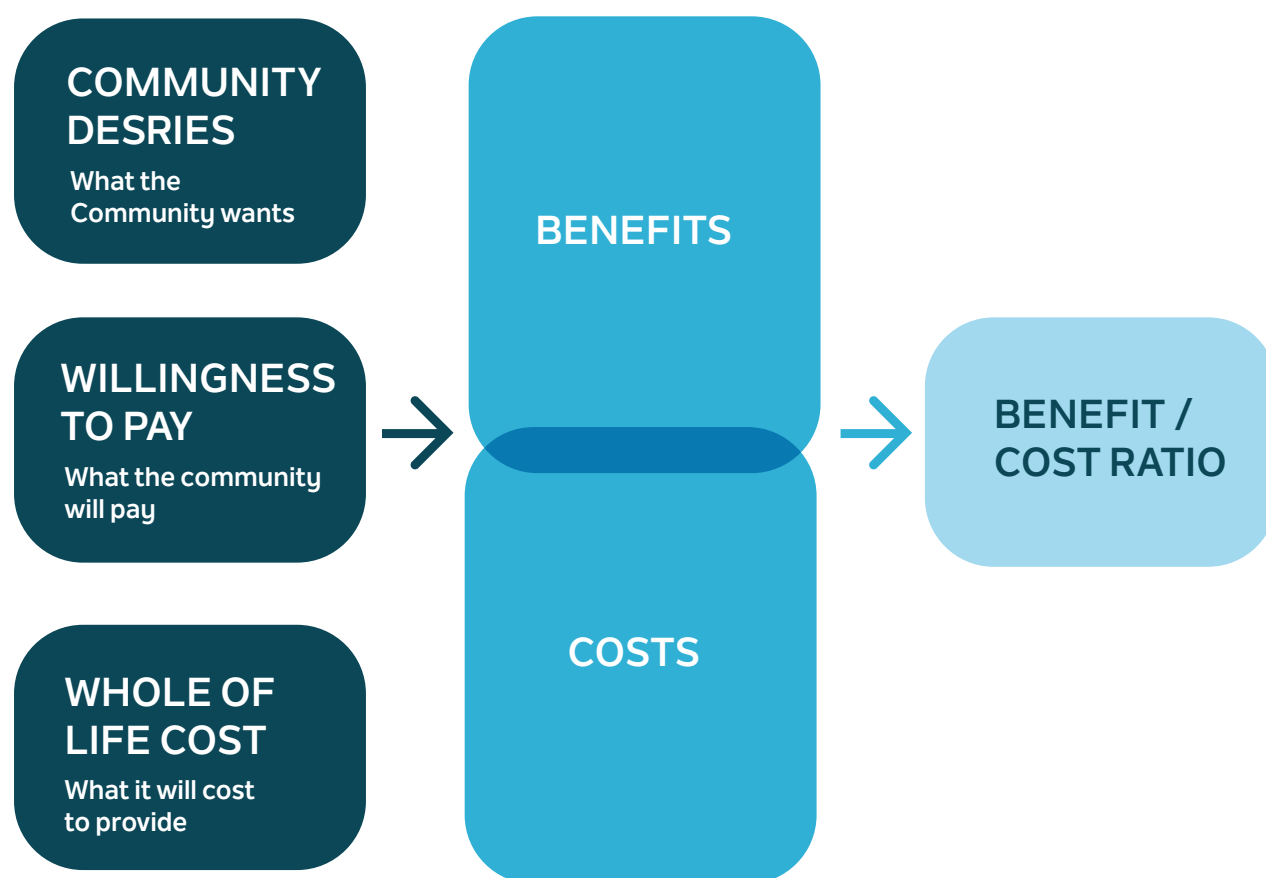
One of the basic tenets of sound asset management practice is to provide the level of service the current and future community want and are prepared to pay for, in the most cost-effective way (NZ NAMS 2007). The final determination of service levels will be undertaken in conjunction with the community as the Sustainable Asset Management Project progresses. This will enable Council to make informed decisions on the allocation of community resources in accordance with community priorities and willingness to pay.

Figure 4.1 – How do we develop Level of Service?



The level of service and the cost to deliver services at that level is an essential component in strategic asset management planning. Council must know the true cost of service delivery, priorities placed by the community on infrastructure, the service levels that are desired by the community and at what level they are willing to pay.

Figure 4.2 – How can we determine a sustainable level of service?

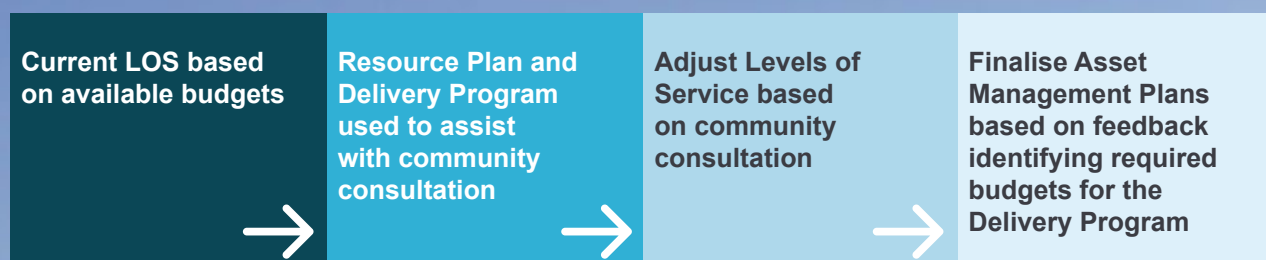


As work on developing acceptable levels of service are underway, for the development of each Asset Management Plan, historical defined levels of service will be identified together with options to increase or decrease these levels and the cost savings / increases associated with those options. This will provide an excellent starting point for the consultation required as indicative costs for various service levels will be available.

Council will continue to develop service levels in the future revisions of each Asset Management Plan and link these service levels to the Delivery Program. This will provide the link between service levels and costs of service delivery, providing a tool for community consultation on these levels to enable Council to make decisions on service levels and costs in setting budgets and fees and charges.

To assist in this process, consideration of life cycle costing and funding models is required to better inform Council and the Community.

Figure 4.3 – How do Levels of Service influence the Delivery Program?



Two primary types of level of service are defined in the AMP's:

- Community LOS – relates to how the community receives the service in terms of safety, quality, quantity, reliability responsiveness, cost efficiency and legislative compliance; and
- Technical LOS – are the technical measures of performance developed to ensure the minimum community levels of service are met.



CONDITION OF COUNCIL'S ASSETS

Council maintains a Condition Assessment Manual that details the frequency of inspection and condition rating to be used for all assets. This data is recorded in the Council Asset Management Systems and used to predict the timing of renewal / maintenance requirements in the Long Term Financial Plan.

Assets are rated on a 1 (Near New) to 5 (Very poor) scale consistent with the Maloney model and advanced asset management practices as outlined in the Institute of Public Works and Engineering Australia (IPWEA) International Infrastructure Management Manual. Details on how Council assesses condition and further information on the rating scale are contained in the Condition Assessment Manual.

The intent of Council is not to undertake renewal on an asset until it reaches its 'Intervention Level', that is the condition at which the community has determined renewal is required based on the LOS analysis. Typically, assets will be renewed between condition 3-4 + 5 which ranges from fair/poor to very poor depending on their classification. Details of the intervention level and useful lives will be contained within each of the AMP's, a sample from each is presented in table 5.1 below.



Table 5.1: What are Council's Intervention Levels to Renew an Asset?

Roads

Component	Class	Intervention Level	Useful life
Roads			
Road Seals (Spray Seal)	Sub- Arterial	3	15
Road Seals (Spray Seal)	Collector/ Local	4	15
Road Seals (AC)	Collector/ Local	4	20
Sealed Road Pavements	Collector and above	3-4	60
Sealed Road Pavements	Local Roads	4	60
Gravel Pavements	Local Roads	4	30
Kerb + Gutter	All Roads	4	80

Table 5.2: What are Council's Intervention Levels to Renew an Asset ?

Drainage

Component	Class	Intervention Level	Useful life
Drainage			
Drainage Pit		4	100
Drainage Pipes		4	100
Culverts		4	80
Headwalls		5	80
Stormwater Quality Improvement Devices		4	80
Flood Mitigation		3	60
Open Drains		5	40



Table 5.3: What are Council's Intervention Levels to Renew an Asset ?

Building

Component	Class			Renewal Intervention level
	A	B	C	
Building				
Carpet	15	20	25	4
Vinyl	14	25	30	4
Replace Timber Floor	30	45	50	4
Replace Tiled Floor	30	45	50	4
Renew Roofing	50	75	85	4
Interior Paint	15	18	25	4
Exterior Paint	8	13	15	4
Ceiling	15	18	25	4
Renew Lighting	25	30	40	4
Electrical	25	27	30	4
Wet Area Replacement	30	45	55	4
Ducted Air Conditioning	30	45	55	4
Split Air Conditioning	10	12	15	4
Elevator – lift controller	30	45	45	4

Table 5.4: Building Class Classification

Classification	Characteristic
Roads	
A	<ul style="list-style-type: none"> • Buildings that house the corporate and administrative functions of Council • Buildings that are used more than 30 hours per week by Council staff or the public • Buildings that require a high standard of presentation, access, safety and maintenance
B	<ul style="list-style-type: none"> • Buildings that house community and cultural activities • Buildings that are used regularly by Council staff or the public • Buildings that do not require the highest standards of presentation • Buildings that require access and facilities for the disabled
C	<ul style="list-style-type: none"> • Structures that are not fully enclosed • Buildings that are used for storage, workshops, and other operational uses • Buildings that are only accessed by Council staff for short periods
D	<ul style="list-style-type: none"> • Buildings that house community and cultural activities, with the community groups providing minor maintenance and cleaning. • Buildings that are leased, with the lessees determining the day-to-day requirements of the building. • Buildings that are not accessed by Council staff unless requested to do so.



Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Art/Memorial	Public Art	Masonry	4	100
		Sandstone	4	100
		Timber	4	100
		Steel	4	100
		Bronze	4	100
	Monument	Bronze	4	100
		Cast Iron	4	100
		Concrete	4	100
		Granite	4	100
		Masonry	4	100
		Sandstone	4	100
		Steel	4	100
		Timber	4	100
		Wrought Iron	4	70
	Plaque	Aluminium	4	70
		Brass	4	70
		Bronze	4	100
		Concrete	4	100
	Feature	Concrete	4	100
		Masonry	4	100
		Sandstone	4	100
		Steel	4	100
		Timber	4	80
	Columbarium wall	Brick	4	50
		Sandstone	4	80

Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Furniture	Sign	Cast Aluminium	4	35
		Gal Steel	4	35
		Sandstone	4	100
		Stainless Steel	4	40
		Timber	4	35
	Seat	Cast Aluminium	4	25
		Gal Steel	4	15
		Recycled Plastic	4	35
		Timber	4	15
	Table	Cast Aluminium	4	25
		Concrete	4	50
		Gal Steel	4	25
		Masonry	4	60
		Plastic	4	25
		Stainless Steel	4	30
		Timber	4	30
	Drinking Fountain	Aluminium	4	40
		Cast Iron	4	40
		Stainless Steel	4	45
	Bin	Plastic	4	20
		Metal	4	15
	BBQ	Aluminium	4	25
		Cast Iron	4	25
		Stainless Steel	4	25
	Bike Rack	Aluminium	4	15
		Cast Iron	4	15
		Stainless Steel	4	15



Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Structure	Boat Ramp	Concrete	4	100
	OS - Tank - Water	Concrete	4	50
		Plastic	4	25
	OS - Fence	Concrete	4	60
		Gal Steel	4	25
		Plastic	4	100
		Powdered Coated Metal	4	25
		Sheet Metal	4	25
		Timber	4	35
		Treated Timber	4	35
		Wire Mesh	4	25
	OS - Gate	Gal Steel	4	15
		Timber	4	35
		Wire Mesh	4	15
	Bollard	Gal Steel	4	50
		Treated Timber	4	30
	Headstone strip	Concrete	4	100
		Brick	4	100
		Concrete	4	50
		Pavers	4	100
		Pebblecrete	4	50
		Sandstone	4	50
	OS - Retaining Wall	Masonry	4	50
		Rock	4	80
		Sandstone	4	60
		Timber	4	40

Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Structure	Shade shelter	Plastic/ Powdered Coated steel	4	40
		Plastic/ Gal Steel	4	35
		Sheet Metal/ Gal steel	4	35
		Sheet Metal/ Brick	4	35
		Sheet Metal/ Timber	4	35
		Sheet Metal/ Powdered Coated Steel	4	40
	Flag Pole	Aluminium	4	45
		Gal Steel	4	45
Electrical	Light	Fluorescent	4	30
		Halogen	4	30
		LED	4	50
		Solar	4	50
		Pole - Timber	4	40
		Pole - Metal	4	50
	Light pole	Gal Steel	4	50
		Treated Timber	4	35
	Meter Box	Metal	4	50
		Plastic	4	30
	Power outlet	Plastic	4	30
	Telecommunications - Phone	Metal	4	50



Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Field	Playing Field surface	Asphalt	4	60
		Concrete	4	60
		Flexipave	4	15
		Natural Turf	4	40
		Synthetic Turf	4	15
		Rubber	4	35
	Playing field sub surface	Concrete	4	60
		Gravel	4	40
		Synthetic	4	40
	Playing field earthworks	Clay	4	1000
		Soil	4	1000
	Playing field equipment	Concrete	4	80
		Gal Steel	4	25
		Plastic	4	10
		Powdered Coated Metal	4	25
		Rubber	4	10
		Wire Mesh	4	40

Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Landscaping	Edging	Concrete	4	100
		Masonry	4	50
		Metal	4	40
		Rock	4	60
		Sandstone	4	60
		Timber	4	35
	Garden bed	Garden Soil	4	10
		Rock	4	10
	Irrigation	Concrete	4	60
		Copper	4	25
		High Density Polyethylene	4	15
		Low Density Polyethylene	4	15
		Medium Density Polyethylene	4	15
		Metal	4	60
		Modified Polyvinyl Chloride	4	80
		Oriented PVC	4	15
		Plastic	4	40
		Polypropylene	4	25
		Gal Steel	4	25
	Paving	Clay	4	40
		Concrete	4	40
		Sandstone	4	40
	Surface	Concrete	4	60
		Turf	4	40



Table 5.5: What are Council's Intervention Levels to Renew an Asset
Open Space + Reserve (Cont.)

Group	Type	Material	Intervention Level	Life
Open Space + Reserve				
Playground	Play equipment	Cast Aluminium	4	25
		Gal Steel	4	25
		Plastic	4	25
		Powdered Coated Metal	4	25
		Rubber	4	25
		Stainless Steel	4	25
		Timber	4	25
	Skate Ramp	Concrete	4	60
	Softfall	Rubber	4	15
		Sand	4	10
		Synthetic Turf	4	15
		Woodchip	4	10

Table 5.6: What are Council's Intervention Levels to Renew an Asset
Transport

Component	Material	Intervention Level	Useful life
Transport			
Carpark	Asphalt	4	40
Carpark	Spray seal	4	30
Carpark	Gravel	4	30
Shared Path	Asphalt	4	40
Shared Path	Concrete	4	60
Shared Path	Gravel	5	10
Traffic Facility	Asphalt	4	40
Traffic Facility	Concrete	4	60
Street Furniture	Timber	4	30
Street Furniture	Aluminium	4	40
Street Furniture	Recycled Plastic	5	60

Table 5.6: Building Class Classification

Classification	Characteristic
Roads	
A	<ul style="list-style-type: none"> Buildings that house the corporate and administrative functions of Council Buildings that are used more than 30 hours per week by Council staff or the public Buildings that require a high standard of presentation, access, safety and maintenance
B	<ul style="list-style-type: none"> Buildings that house community and cultural activities Buildings that are used regularly by Council staff or the public Buildings that do not require the highest standards of presentation Buildings that require access and facilities for the disabled
C	<ul style="list-style-type: none"> Structures that are not fully enclosed Buildings that are used for storage, workshops, and other operational uses Buildings that are only accessed by Council staff for short periods
D	<ul style="list-style-type: none"> Buildings that house community and cultural activities, with the community groups providing minor maintenance and cleaning Buildings that are leased, with the lessees determining the day-to-day requirements of the building Buildings that are not accessed by Council staff unless requested to do so

Each asset's condition is maintained in the Asset Register and the graphs below details the condition profile.



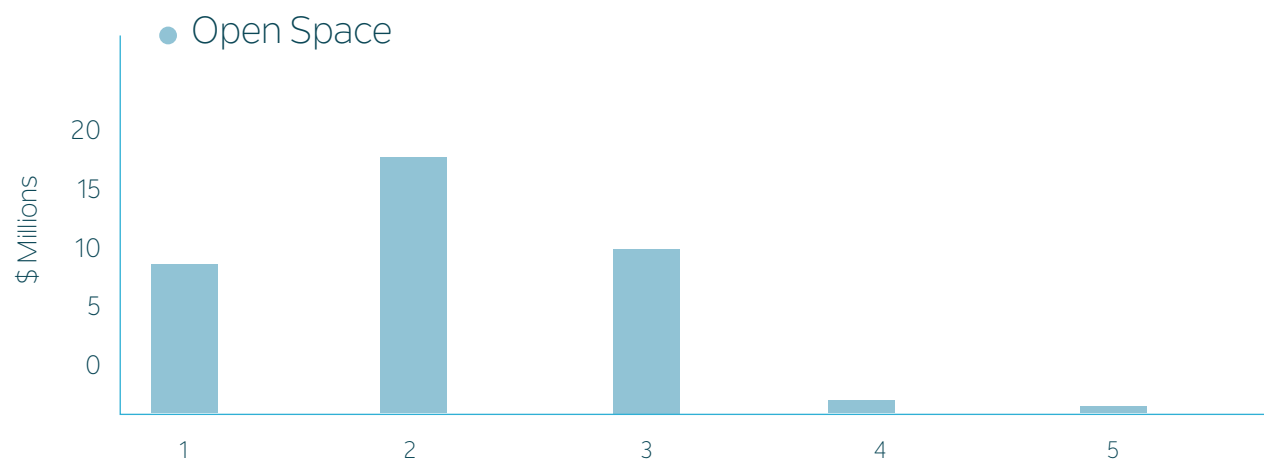
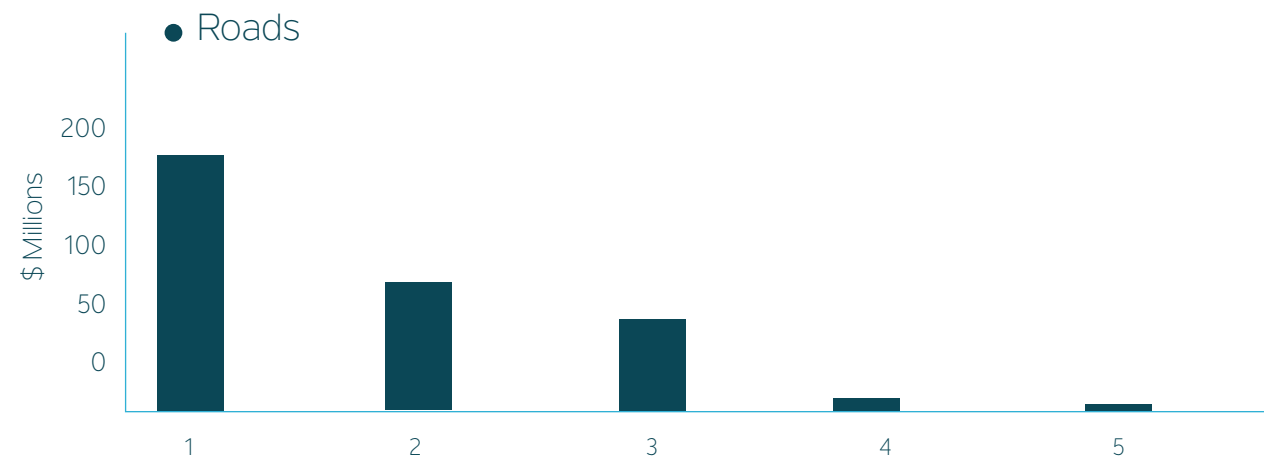
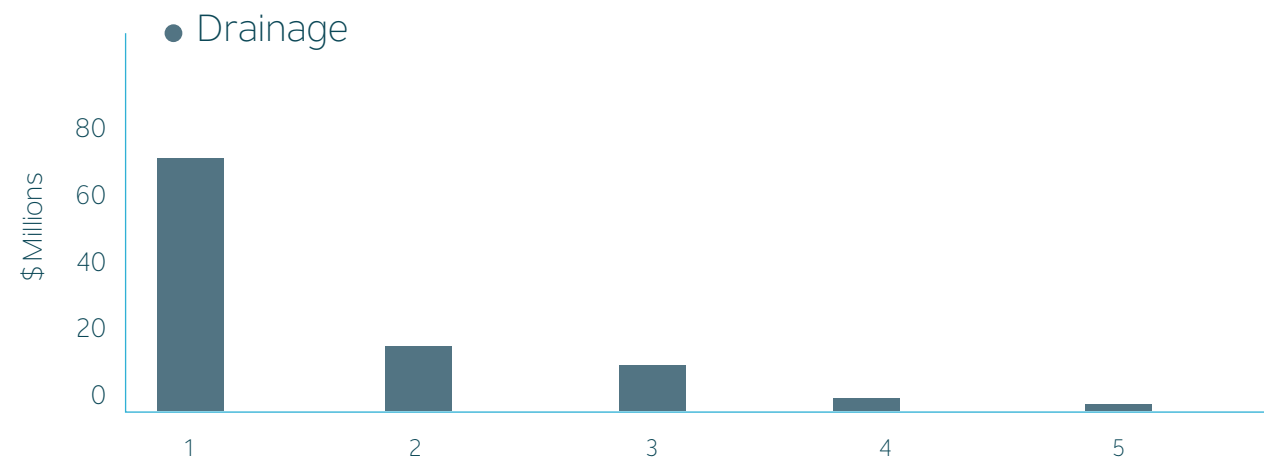
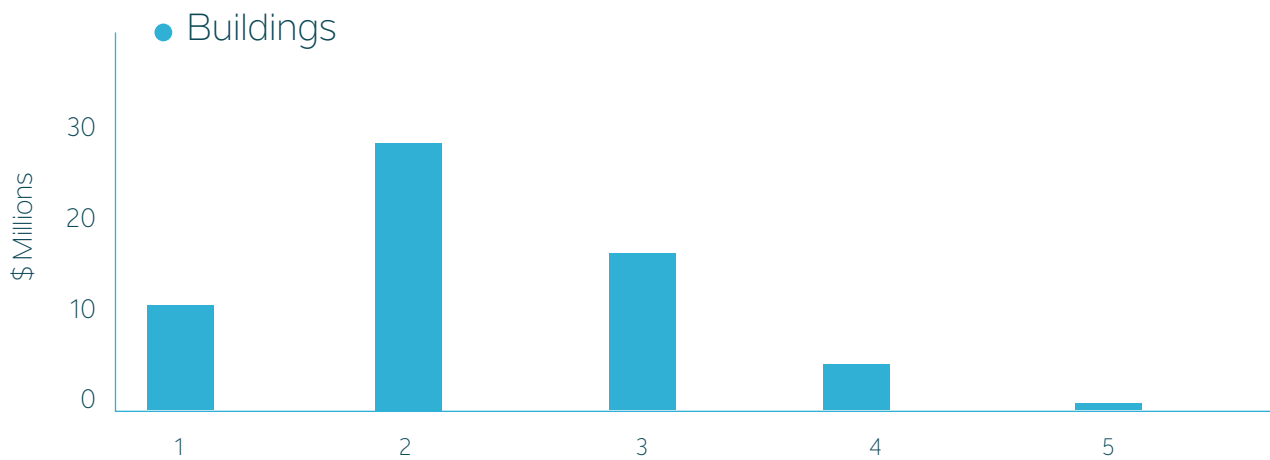
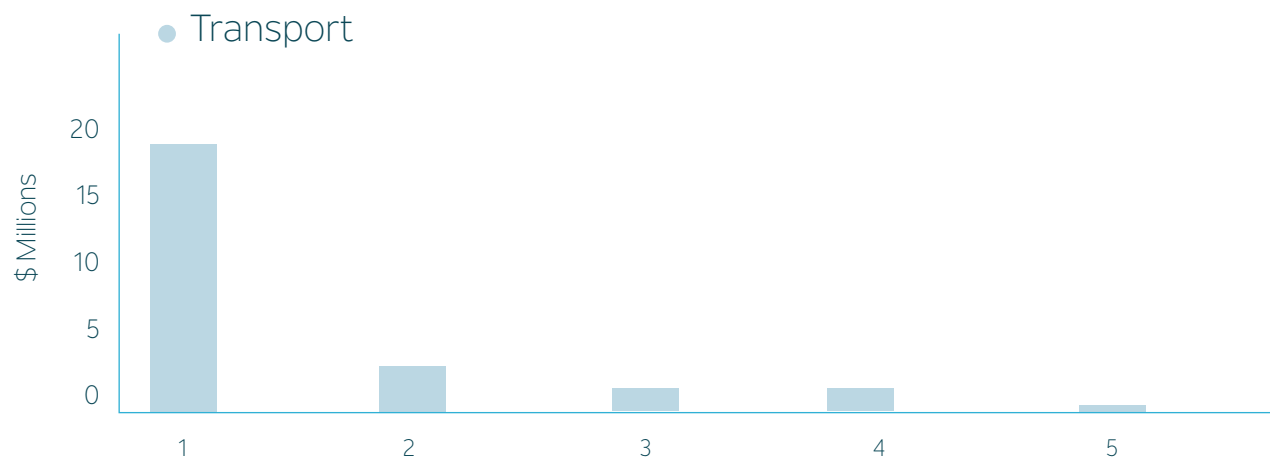
Figure 5.2: What are Condition are Council's Assets in (\$,000)**Open Space****Figure 5.3: What are Condition are Council's Assets in (\$,000)****Roads****Figure 5.4: What Condition are Council's Assets in (\$,000)****Drainage**

Figure 5.5: What are Condition are Council's Assets in (\$,000)**Buildings****Figure 5.6: What are Condition are Council's Assets in (\$,000)****Transport**

The CCTV program is in place to verify condition and attributes of underground assets for the drainage asset class. The condition graph of this asset class might not represent actual condition of the network.

OPERATIONS

Operational activities are those regular activities that are required to continuously provide the service including asset inspection, electricity costs, fuel and overheads. Inspections are an important operational activity and details of some of those undertaken are provided below, further information is available in each AMP.

Table 6.1: When do we undertake Inspections?

Urban Roads

Urban Road Inspection Frequencies + Responsible Department				
Road Hierarchy	Proactive Inspections Defects	Responsible Department	Programmed Inspection Condition- Visual (condition 4 + 5)	Responsible Department
Urban Sub-Arterial	Monthly	Civil Maintenance	Annually	Asset Planning
Urban Collector	Monthly	Civil Maintenance	Annually	Asset Planning
Urban Local 1	6 monthly	Civil Maintenance	Annually	Asset Planning
Urban Local 2	6 monthly	Civil Maintenance	Annually	Asset Planning
Urban Laneway	6 monthly	Civil Maintenance	Annually	Asset Planning
Urban Low Maintenance	Annually	Civil Maintenance	Annually	Asset Planning

Table 6.2: When do we undertake Inspections?*Rural Roads*

Rural Road Inspection Frequencies + Responsible Department				
Road Hierarchy	Proactive Inspections Defects	Responsible Department	Programmed Inspection Condition- Visual (condition 4 + 5)	Responsible Department
Rural Sub-Arterial	Monthly	Civil Maintenance	Annually	Asset Planning
Rural Collector	Monthly	Civil Maintenance	Annually	Asset Planning
Rural Local 1	3 monthly	Civil Maintenance	Annually	Asset Planning
Rural Local 2	3 monthly	Civil Maintenance	Annually	Asset Planning
Rural Local 3	6 monthly	Civil Maintenance	Annually	Asset Planning
Rural Low Maintenance	Annually	Civil Maintenance	Annually	Asset Planning

Table 6.3: When do we undertake Inspections?*Bridges*

Bridge Inspection Frequencies + Responsible Department				
Bridge Type	Proactive Inspections- Defects	Responsible Department	Programmed Inspection Condition- Visual (condition 4 + 5)	Responsible Department
Concrete	12 months	Civil Maintenance	Annually	Asset Planning
Timber	12 months	Civil Maintenance	Annually	Asset Planning
Steel	12 months	Civil Maintenance	Annually	Asset Planning



Table 6.4: When do we undertake Inspections?*Major Culverts*

Major Culverts Inspection Frequencies + Responsible Department					
Major Culverts Type	Major Culverts Hierarchy	Proactive Inspections- Defects	Responsible Department	Programmed Inspection Condition- Visual (condition 4 + 5)	Responsible Department
Reinforced Concrete Pipe	As per Road Hierarchy and criticality of the assets As per Road Hierarchy and criticality of the assets	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning
Reinforced Concrete Box Culvert	As per Road Hierarchy and criticality of the assets	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning
Arch Design Composite	As per Road Hierarchy and criticality of the assets	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning

Table 6.5: When do we undertake Inspections?*Causeways*

CAUSEWAY Inspection Frequencies +Responsible Department					
Causeway Type	Major Culverts Hierarchy	Proactive Inspections- Defects	Responsible Department	Programmed Inspection Condition- Visual (condition 4 + 5)	Responsible Department
Elevated Causeway	As per Road Hierarchy	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning
Flat Causeway- Concrete slab	As per Road Hierarchy	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning
Natural beds	As per Road Hierarchy	Maintenance patrolling	Civil Maintenance	Annually	Asset Planning

Table 6.6: When do we undertake Inspections?

Drainage

Drainage	
Inspection	Frequency
CCTV	Annual 500-1000 metres
Basins	Nil
Open drains/swales	Nil
GPT' s	6 monthly
Surface Pits	Nil

Table 6.7: When do we undertake Inspections?

Buildings

Inspection Frequencies + Responsible Department				
Building Asset	Proactive Inspection Defects	Responsible Department	Programmed Inspection Condition – Visual (condition 4+5)	Responsible Department
Condition Assessments	Nil	Recreation and Facility	Annually	Annually
2-to-3-year cycle	Asset Planning	Maintenance patrolling	Civil Maintenance	Annually
Maintenance assessments	Annually	Recreation and Facility	Annually	Asset Planning
Fire Safety Assessments	6 monthly	Recreation and Facility	Nil	Asset Planning
Cleaning Tender	3 monthly	Recreation and Facility	Nil	Asset Planning
Alarm Monitoring	6 monthly	Recreation and Facility	Nil	Asset Planning
Safety Inspections	As required	Recreation and Facility	As required	Asset Planning
Lease Agreements	Annually	Recreation and Facility	Nil	Asset Planning



Table 6.8: When do we undertake Inspections?*Open Space + Reserves*

Open Space + Reserve		
Inspection	Frequency	Responsible Department
Condition Assessments	Annually - Condition 4+5 assets inspected. Major condition assessment is per revaluation round	Asset planning
Asset BBQ's	Quarterly	Recreation and Facility
Asset Furniture	Quarterly	Recreation and Facility
Mowing	As per seasonal change over	Recreation and Facility
Playground Inspections	Quarterly by Council Officers Annually by Contractor	Recreation and Facility
Playing Fields	Quarterly	Recreation and Facility
Picnic Shelters	Quarterly	Recreation and Facility
Skate Park	Quarterly	Recreation and Facility
Irrigation	Annually	Recreation and Facility

Table 6.9: When do we undertake Inspections?*Transport*

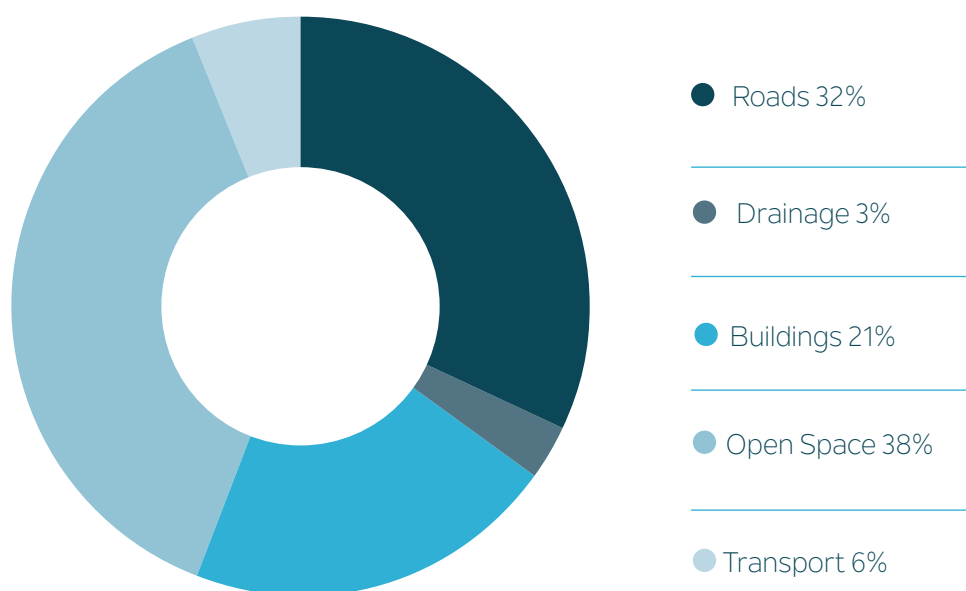
Inspection Frequencies + Responsible Department				
Transportation Asset	Proactive Inspection Defects	Responsible Department	Programmed Inspection Condition – Visual (condition 4+5)	Responsible Department
Regulatory Signage	As part of the road inspection conducted quarterly	Civil Maintenance	Nil	Asset Planning
Traffic Safety Facilities	Annually	Civil Maintenance	Biennially	Asset Planning
Footpaths	6 monthly	Civil Maintenance	Biennially	Asset Planning
Shared Pathways	6 monthly	Civil Maintenance	Biennially	Asset Planning
Carparks	Bi-annually	Civil Maintenance	Biennially	Asset Planning
Street Furniture	Annually	Civil Maintenance	Biennially	Asset Planning
Bus Shelter	Annually	Civil Maintenance	Biennially	Asset Planning

The expenditure on operational costs in each asset group are detailed in table 6.10 and graphed below in Figure 6.1.

Table 6.10: What are Council's Annual Average Operational Costs? (\$,000)

Item	Budget
Roads	1,115
Drainage	99
Buildings	715
Open Space	1,310
Transport	229
Total	3,467

Figure 6.1: What is the breakup of Council's Operational Costs?



MAINTENANCE

Routine maintenance is the regular on-going work that is necessary to keep assets operating to ensure they reach their useful life. It includes work on an asset where a portion may fail and need immediate repair to make it operational again. It may be either planned where works are programmed in or cyclic in nature or reactive in response to storm damage, vandalism etc.

Maintenance is either planned or reactive, defined as:

- Reactive maintenance – unplanned repair work carried out in response to service requests.
- Planned maintenance – 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.

Maintenance expenditure levels are adequate to meet required service levels. Future revision of this strategy will include linking required maintenance expenditures with required service levels in the Community Strategic Plan. The level of service and standards of care for maintenance is carried out in accordance with details in each AMP. Example maintenance activities are outlined in table 7.1.

Table 7.1: Examples of Maintenance Activities and the frequency we undertake them are?

Asset Group	Activity	Class	Frequency
Roads	Shoulder Grading	Regional	0.25 grade in year
Drainage	Drainage Maintenance	Urban	As per CRM request
Building	Inspect and service air conditioning including extraction fans	A	Monthly
Open space + Reserve	Playground Inspections – Safety Checklist	Regional	Quarterly by Council Officers. Annually by Contractor
Transport	Street Furniture		As per CRM request

Adjusting Levels of Service

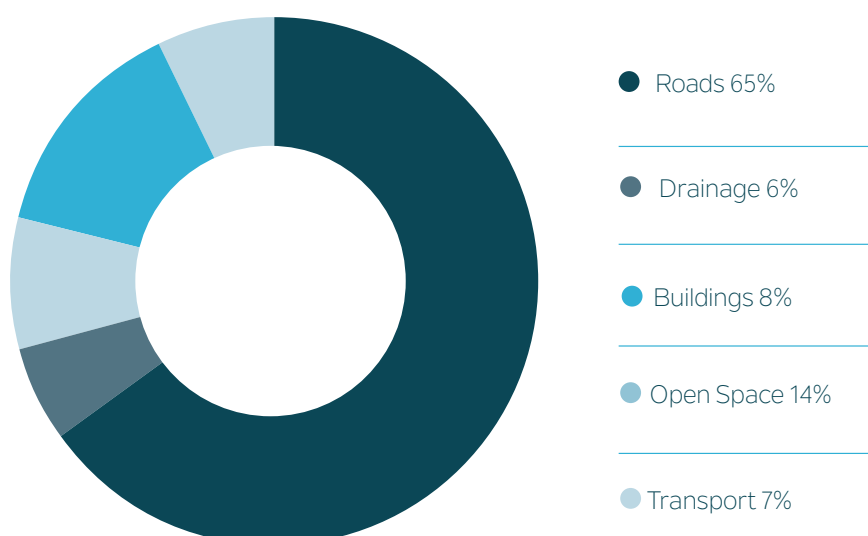
Council can adjust the level of service and reduce the cost of providing the service by either reducing the time to respond to maintenance requests (e.g. only undertaking work during business hours), or by reducing the frequency of maintenance activities (e.g. grading roads on a less frequent basis). Conversely increasing the frequency of maintenance activities will increase the cost of providing the service.

The proposed maintenance programs are detailed in each AMP, with the average annual costs detailed below:

Table 7.2: What are Council's Average Annual Maintenance Costs? (\$,000)

Item	Budget
Roads	2,602
Drainage	231
Buildings	297
Open Space	562
Transport	283
Total	3,975

Figure 7.1: What is the breakup of Council's Maintenance Costs?



CAPITAL RENEWAL / REHABILITATION

Renewal or rehabilitation includes work on an existing asset to replace or rehabilitate it to a condition that restores the capability of the asset back to that which it had originally. The intervention level and estimated useful lives are contained in Table 5.1 to 5.6.

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 the full replacement cost.

This Asset Strategy contains an analysis based on broad assumptions and best available knowledge to date. Modelling is not an exact science, so we deal with long term averages across the entire asset stock. Work will continue on improving the quality of Council's asset registers and systems to increase the accuracy of Council's renewal models.

Assets requiring renewal will be generally identified from estimates of remaining life and condition assessments obtained from the asset register and models. Asset renewal proposals will be inspected to verify the accuracy of the remaining life estimate and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds, and then scheduled in future works programmes.

Details of planned renewal activities proposed over the next 4 years are contained in each Asset Management Plan. The first year of the program will be considered in the development of the next Operational Plan and the remaining 3 years of work will be assessed each year to confirm that the asset has reached its intervention level prior to the work being scheduled.

The costs presented in table 8.1 identify the required level of funding to maintain the asset to what is considered an appropriate standard and the funding available. The required funding in that table is based on the intervention levels specified in Section 5.

For this strategy, an analysis has been undertaken to determine assets that are already at or above intervention level that are not able to be funded in the next Operational Plan. This work is quantified in the 'Backlog' column, with the estimated backlog after 10 years also identified.

Table 8.1: Renewal Costs, Backlog and Gap (10 year average – 2021 \$,000)?

Activity	Budget	Required	Gap	Backlog Year 1	Backlog Year 10
Roads	5,919	6,928	1,009	0	10,090
Drainage	340	470	131	0	1,305
Buildings	1,053	1,539	486	160	4,855
Open Space	361	454	94	209	935
Transport	8	14	6	0	60
Total	7,680	9,405	1,725	369	17,245

It is clear from the initial analysis of each asset class that a gap in funding may exist depending on the condition at which renewal occurs. A number of options are available to manage this gap, including:

- Improving knowledge of the condition of assets and their remaining life, thereby deferring renewal as long as possible;
- Improving maintenance to extend the life of assets and defer projected renewal;
- Improving efficiency and introducing innovative practices for carrying out maintenance and renewal works;
- Using lower cost renewal / rehabilitation methods;
- Rationalising (disposing of unnecessary assets);
- Lowering service levels;
- Increasing funding; and / or a
- Combinations of each option

Asset Management Plans for each asset class consider these options in the analysis of service levels and the gap analysis.

It should also be recognised that the acquisition of additional assets (expansion and upgrade) will add to the funding gap for projected renewal and to annual operating and maintenance costs.



Figure 8.1: What will we spend over the next 10 years on Renewal (2021 \$,000)
Excluding Water + Sewer asset classes

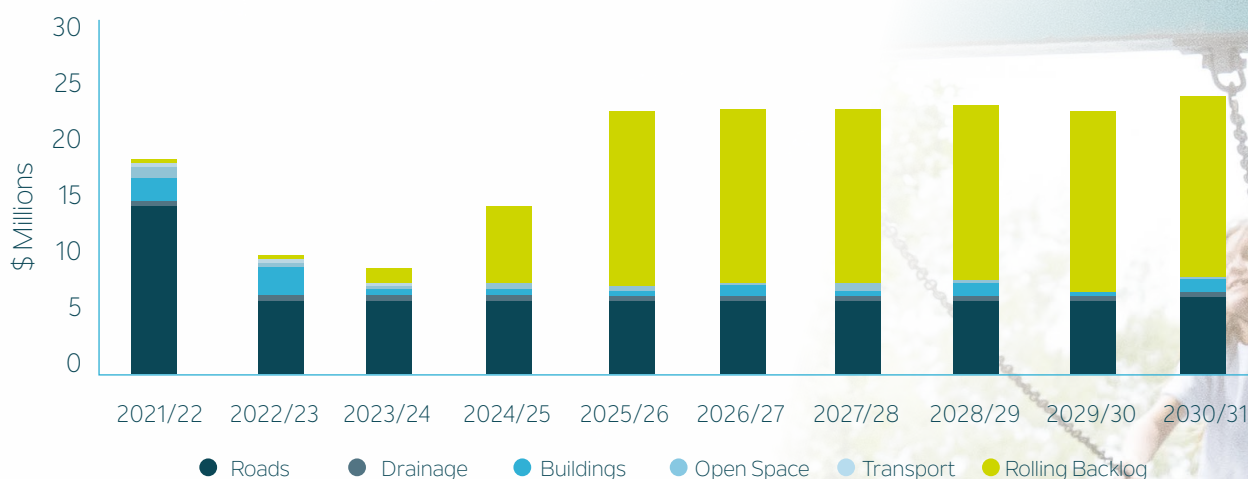


Figure 8.1 indicates that, based on current projections, Council will spend approximately \$7.68 million per annum on renewals across the five major asset groups. The yellow bars (rolling backlog) indicate that in any year the value of work exceeding the intervention levels set in the Asset Management Plans will be between \$ 369,000 and \$17.25 million. If an additional \$1.73 million per year was spent on renewals, then at the end of this 10 year period there would be no backlog of renewal works outstanding.

Lifecycle costs

The lifecycle costs are determined based on the total cost of ownership of each asset including operations, maintenance, renewal and disposal costs. The average annualised lifecycle costs for a number of components are presented in each of the individual Asset Management Plans.



CAPITAL UPGRADES + NEW ASSETS

Upgrades enhance an existing asset to provide a higher level of service, for example widening an existing road seal. New assets are those created to meet an additional service level requirement or increase the size of a network, for example, new subdivisions, or extension of the stormwater drainage network.

Capital upgrade and expansion expenditure adds to future liabilities. These works commit Council to fund ongoing budget liabilities for operations, maintenance, depreciation and finance costs (where applicable) for the life of the asset. They are discretionary expenditure, which increases future operating and maintenance costs because it increases Council's asset base, but may be associated with additional revenue from the new user group.

The requirements for new assets may result from growth, social or environmental needs. The impact from growth is included and will be further developed in the next suite of Asset Management Plans and this Strategy. At present growth is predicted to continue at 0.9% per annum.

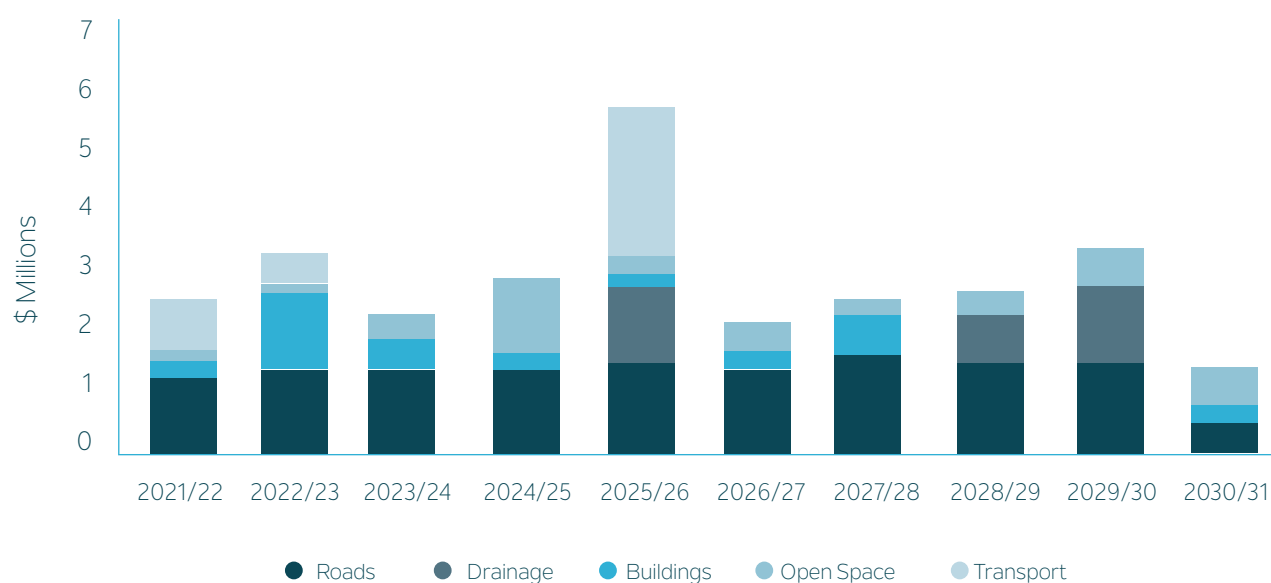
Upgrades or new assets may be funded at least in part through Developer Contributions in the form of a Section 7.11, a Voluntary Planning Agreement, or as part of a subdivision development.

New assets and upgrade/expansion of existing assets are identified from various sources such as council or community requests, proposals identified by strategic plans or partnerships with other organisations. Project proposals are assessed to verify need and to develop a preliminary lifecycle cost estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

Council has developed a framework for the prioritisation of capital projects and that information is used in the consideration of all new projects above the threshold set in the framework. Included in the analysis is the identification of life cycle costs as outlined in Appendix A.

Table 9.1: Top proposed project in each asset class over the next 10 years (2021 \$,000)

Asset Group	Project	Year(s)	Estimated Cost (\$,000)
Roads	Hungerfords Bridge, Cessnock Road - replacement	2023	\$2,425
Drainage	Townhead Park Drainage Improvements	2024	\$500
Building	Gym + Swim - replacement of pool dome roof	2025	\$3,430
Open space and Reserve	James Cook Park - Install tiered seating and shade for spectators at AFL/ Cricket	2024	\$700
Transport	Milbrodale Road (Broke) - Broke to Putty Road extension of village cycleway on Milbrodale Rd - Stage 1	2024	\$750

Figure 9.1: What will we spend over the next 10 years on Upgraded or New Assets

The graph indicates the expenditure of each asset class over the next 10 years. For the detail of projects refer to individual asset management plan.



DISPOSAL PLAN

Disposal is any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets with a condition rating of 5 (Very poor condition), where Council has received no contact through the Customer Request System indicating that the community don't require the asset (as they have raised concerns or complaints about the asset condition) may be considered to be a redundant asset or not utilised and therefore decommissioned and disposed unless it is considered critical infrastructure.

Prior to consideration of any proposed disposal a detailed report will be presented to Council.

Table 10.1: What assets are we planning to dispose of?

Asset	Reason	Year	Estimated Cost
Roads	No plan at this stage		
Drainage	Old brick lined pipe systems and stormwater lines located within subdivisions. Disposal of easements or lease agreements that are no longer required		
Buildings			
Old Building Maintenance Shed at Pound Park	Condition 5 asset. Old timber shed no longer required.	2023	\$15,000
Old Garage Shed at 47 Glendon Road	Condition 5 asset. Timber attacked by white ants, and asbestos sheeting breaking away.	2023	\$70,000
Old Storage Shed at Water Works Lane Depot	Condition 5 asset. Building was condemned in 2019.	2022	\$20,069
Old School House at Scotts Flat RFS	Condition 5. Issues with sinking and water damage	2024	\$110,000
Old School Weather Shed at Scotts Flat RFS	Condition 5. Issues with rotting timbers – no longer used	2024	\$10,000
Singleton Heights Community Centre	Condition 4 bordering on condition 5.	2025	\$20,000
Open Space and Reserve			
BBQ with shelter at Harry George Reserve	No longer required	2024	\$7,000
Transport	No plan at this stage		

FINANCIAL PLAN

As part of its funding strategy, Council has the option to supplement any or all the current or new Asset proposals that come into consideration for construction with borrowings. This strategy is heavily influenced by the monitoring of Council's Debt Service Ratio. The debt service ratio is a measure of the degree to which revenues are committed to servicing debt. The purpose of the ratio is to assess the impact of loan principal and interest repayments on the discretionary revenue of the Council. Council's long-term target is to maintain a ratio of less than 7.49%.

A summary of the income and expenditure over the next 10 years is included in Appendix C, with the projected budget amounts being based on 2021 dollars increased for growth by 0.9% per annum. It is important to recognise that the forecasts developed in each AMP and therefore this Strategy are based on delivering the levels of service identified in each Plan. This information will be used to assist in the development of the overall Council Long Term Financial Plan that is adopted with the Community Strategic Plan, Delivery Program and Operational Plan.

Any changes made to the overall Long Term Financial Plan adopted by Council will be reflected in the next Asset Management Strategy and AMP's.

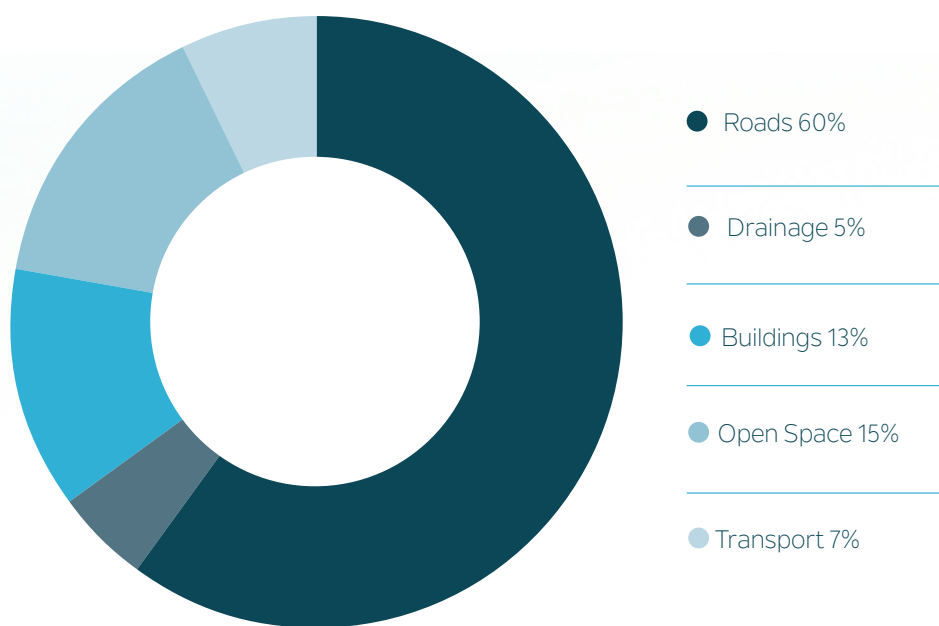
Funding for management of assets can come from a variety of sources as detailed in the table below.

Table 11.1: Where does Council's Funding and Income go to? (\$,000)

Item	Budget
Roads	10,765
Drainage	953
Buildings	2,337
Open Space	2,610
Transport	1,315
Total	17,980



Figure 11.1: What is the breakup of Council's income streams?



KEY PERFORMANCE MEASURES

AMPs document the linkage between levels of service and life cycle costs. Performance Levels are target Levels of Service. The performance measures for Council services typically are:

- Community safety and accessibility of the built environment - including reductions in road pavement roughness, and increases in accessibility including maintaining and extending network of sealed roads, footpaths, and bridges;
- Accessibility of footpaths, and levels of street lighting;
- Environmental amenity - including the cleaning of stormwater drainage pits, water quality works, public transport and bicycle way enhancements.

To monitor these performance standards, the following asset knowledge needs to be assembled:

- Demand projections and forecasts;
- A description of the current asset portfolio;
- A broad description of the management activities (operations + maintenance, renewals, capital works and asset disposals) required to deliver the defined service levels;
- Identification of strategies and actions required to ensure service sustainability, including resources and timeframes;
- A cash-flow forecast outlining the asset related expenditure required over the term of the plan;
- Compliance and risk strategies and costs.

As part of identifying the best value mix of service, there needs to be a clearly understood link between the economic, social and environmental prosperity for the community and the asset stock needed and revenues needed to deliver these objectives.

This information allows Council to make better informed decisions on the allocation of limited resources based on community values of service and cost. It stands to reason that the provision of services providing the highest benefit at the least cost will give the greatest value.



PLAN IMPROVEMENTS

It is not the intention of this strategic document to identify recommendations for individual areas of Council's operations, but to establish the key areas for asset management improvement. An independent review of Council's asset management processes and data utilising the International Infrastructure Management Manual (IIMM) and NAMAF undertaken by Morrison Low in November 2019.

The independent audit assesses Council against the following categories and sub-categories:

Figure 12.1: Asset Management Maturity Assessment Categories

Asset Knowledge / Data	<ul style="list-style-type: none"> • Asset Classification / Hierarchy • Attributes and Location • Conditions Data • Lifecycle Cost Data • Valuation, Depreciation and Age / Life Data
Strategic Asset Planning Processes	<ul style="list-style-type: none"> • Strategic Long-Term Plan • Asset Management Policy And Strategy • Levels of Service • Risk Management • Financial Planning and Capita Investment • Asset Management Plan
Information Systems	<ul style="list-style-type: none"> • Asset Register • Systems Integration
Asset Knowledge Processes	<ul style="list-style-type: none"> • Asset Accounting / Valuation
Operating + Maintenance Work Practices	<ul style="list-style-type: none"> • Operating and Maintenance Management • Critical Assets
Organisational Context	<ul style="list-style-type: none"> • Organisational Strategy • Asset Management Review / Improvement • Asset Management Roles and Responsibilities

An assessment against each category, based on an A – F scoring, is provided along with an overall weighted score which is also based on an A – F score. The table below sets out the ranking system.

Table 12.1: Asset Maturity Scoring Matrix

Assessment	Description	Standard
A	At or Near Best Practice	> 9.0
B	Advanced Level of Competence	7.50-8.99
C	Core Level of Competence	6.00-7.49
D	Basic Level of Competence	4.00-5.99
E	Awareness	2.50-3.99
F	Nothing/Limited	< 2.49



Table 12.2: Asset Management Maturity Audit

Singleton Council	Current Score	Desired score 3yrs	Priority (1-3)	1	2	3	4	5	6	7	8	9	10
Asset Knowledge / Data	7.4	8.0											
Asset Classification/Hierarchy	8												
Attributes + Location	8												
Condition Data	8												
Lifecycle Cost Data	4												
Valuation, Depreciation + Age/Life Data	9												
Asset Knowledge Processes	7.0	8.0											
Asset Accounting/Valuation	7												
Strategic Asset Planing Processes	5.8	8.0											
Strategic Long Term Plan	7												
Asset Management Policy + Strategy	8												
Levels of Service	5												
Risk Management	6												
Financial Planning + Capital Investment	3												
Asset Management Plans	6												
Operations + Maintenance Work Practices	6.0	8.0											
Operates / Maintenance Management	7												
Critical Assets	5												
Information Systems	8.0	8.0											
Asset Register	9												
Systems Integration	7												
Organisational Context	6.3	8.0											
Organisational Strategy	7												
Asset Management Review/ Improvement	6												
Am Roles + Responsibilities	6												

Figure 12.2: Gap Analysis Assessment Radar Graph

Figure 2: Gap Analysis Assessment Chart 1 - Singleton Council

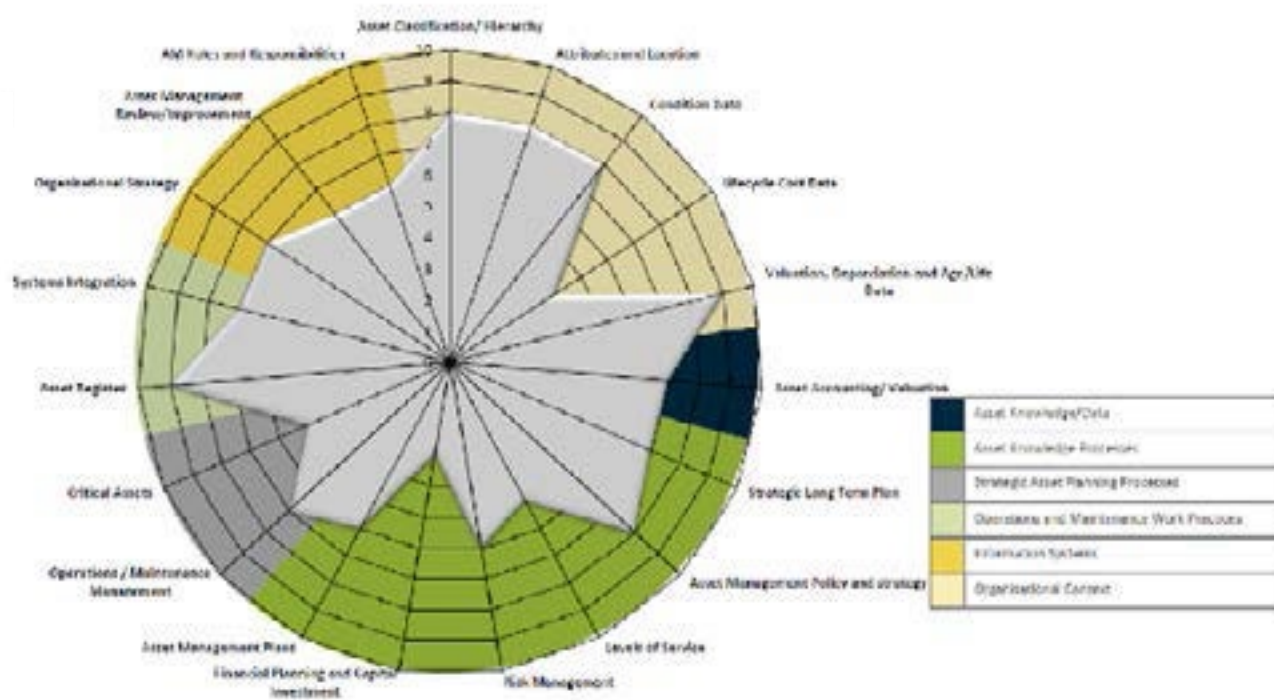


Table 12.3: Summary of Audit Results

Category	Assessment
Asset Knowledge / Data	C
Asset Knowledge Processes	C
Strategic Asset Planning Process	D
Operations + Maintenance Work Practices	C
Information Systems	B
Organisational Context	C
Overall Asset Management Assessment	C

The overall score of C would indicate that the Council is at a Core level of competence in asset management. Based on independent panel (Morrison Low) recent experience across the asset management practices, systems and processes of Councils in NSW, this result scores Singleton Council as above average amongst the NSW Councils.

It should be Noted that Council's Asset Management Maturity assessment was undertaken prior to development of council asset management plan and the overall asset management score might not fully represent the status of maturity. It is expected with consideration of Asset Management Plans in the assessment the result moves towards the advanced levels in some areas.

Morrison Low's assessment of Council's Asset Management Maturity identified to Improve in asset management more work is required in the areas of:

- Strategic Asset Planning Processes
- Operations and Maintenance Work Practices
- Organisational Context

Details of the review are contained in the Asset Management Improvement Plan- PM20_80014- Asset Management Framework Improvement plan. The objective of this improvement plan is to:

- Ensure the effective delivery of asset management;
- Clearly define and set asset management roles, responsibilities and priorities;
- Improve the knowledge and skills of officers across Council of Asset Management Principals
- Drive the implementation of asset management programs and maturity assessment action plans;
- Ensure that adequate resources are available for the Asset Management functions.

The action plan has been updated to incorporate the priorities identified in the maturity assessment and is attached in Appendix B.

RISK MANAGEMENT PLAN

Singleton Council is committed to a structured and systematic approach to the management of risk and has committed resources to the implementation of an Enterprise Risk Management Program.

This program aims to embed the principles of risk management in all aspects of Council's operations, which will ultimately:

- Increase the likelihood of Council achieving its objectives
- Create an environment where all employees have a key role in managing risk
- Encourage proactive management
- Improve the identification of opportunities and threats
- Improve stakeholder confidence and trust
- Improve financial stability and minimise losses
- Improve organisational performance

For assets with potentially long lives, risks associated with changing economic conditions, varying levels of demand for services, new competition and maintenance and disposal requirements needs to be analysed and managed to ensure the investment is worthwhile.

The relative size of a project is not the only consideration. Projects or programs, which are inherently complex will also benefit from particular attention to Risk Management. This might occur when there are important economic or financial aspects, sensitive environmental or safety issues, or complex regulatory and licensing requirements.

One of the outcomes of this risk assessment in each plan will be the determination of Critical Assets. Critical assets are specific assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, Council can appropriately target and refine inspection regimes, maintenance plans and capital expenditure plans.

Operations and maintenance activities may also be targeted to mitigate critical assets failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels, etc.



The most critical assets in each group are identified in the individual Asset Management Plans, with examples presented in Table 14.1 below:

Table 13.1 Critical Assets (Sample from each asset class)

Asset Group	Critical Asset	Critical Ranking	Comment
Roads	Bridgman Road (RD0011)	4	Due to flooding at an early stage 10m. Access to water treatment plant is limited.
	54B7 - Brookers Bridge on Mirannie Road	4	
Drainage	Flood gates	4	
Building	Obanvale Water Treatment Plant	4	Water treatment
	Sewer Treatment Plant	4	Sewer treatment
Open space and Reserve	Civic Park	4	Emergency helicopter landing pad
Transport	Refer to Transport AMP		

Table 13.2 Critical Ranking

Asset Class	Asset Category	Criticality Ranking	Criticality Definition
Roads		Very High (4)	Loss of asset would cause significant disruption. Legislative requirements need to be met.
Drainage		High (3)	Loss of asset would cause some disruption. Often associated with historical significance, tourism or major sporting venues.
Building		Medium (2)	Loss of asset would cause minor impact.
Open space and Reserve		Low (1)	Loss of asset would have virtually no impact. Often natural areas with no impact on people, sport or tourism.
Transport	Refer to Transport AMP		

Appendix A: Example of Annual Service Costs – Example only

This example details the costs to provide, operate (including daily cleaning), and maintain a new public Barbeque that is expected to have a life of 10 years. The annual service cost is detailed in Table A.1.

Table A.1 Annual Service Cost for a Public BBQ

	Capital Cost	Annual Service Cost	Remarks
Capital Cost	10,000		
Finance/Opportunity cost		400	4% pa
Depreciation		1,000	10 years
Operations (cleaning)		8,500	Daily cleaning
Maintenance		500	
Demolition		1,000	\$1,000 at 10 yrs
Revenue		0	
TOTAL	\$10,000	11,400	

The Annual Service Cost for the provision of the public barbeque is \$11,400 for the 10 year life required. The cost per use can be calculated by dividing the Annual Service Cost by the number of uses.

The costs **shown in bold** are the ongoing budget commitments that the Council must fund in future budgets for the service provided by the new barbeque. These total \$11,400 per annum for the next 10 years (depreciation, operations, and maintenance).

The Annual Service Cost is a tool for evaluating capital works projects. Council should be satisfied that it will obtain value or community benefits greater than \$11,400 per annum for this project, otherwise the project should not be approved.

This information will be used when considering annual capital works programs to assist in assessing projects. This shows the project estimate, apportioned into renewal and new asset components, the budget commitment and equivalent fees and charges increase required to fund the budget commitment and the annual service cost.

In determining its capital works program, Council will make a policy decision to allocate funds for asset renewal in accordance with its Asset Management Plans under the principle of allocating the value of depreciation expense progressively for asset renewals.



Appendix B: Improvement Action Plan

Table B.1: Asset Improvement Action Plan

Asset Knowledge/Data | Asset Register (Cont.)

Name	Anticipated Completion Date	Comment	Owner
1- Asset Knowledge / Data – Asset Register			
1-1 Asset data collection and field verification	December 2021	<p>The expectation is that Council to have a logical structure to the collection and storage of its asset data including:</p> <ul style="list-style-type: none"> Assets identified by unique IDs Registers segmented into appropriate classification levels. <p>Currently completed for Buildings, Roads, Open Spaces and Reserves, Transportation and Drainage. Not Yet Completed for Water and Sewer</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>
1-2 Asset classification / hierarchy	December 2021	<p>Asset hierarchy that covers all asset classes needs to be structured in a logical format.</p> <p>Currently completed for Buildings, Roads, Open Spaces and Reserves, Transportation and Drainage. Not Yet Completed for Water and Sewer</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>
1-3 Condition data	Ongoing	<p>There should be written processes for carrying out condition surveys and defect identification assessments with data recorded in accordance with the asset hierarchy. Condition assessment guidelines and processes should be developed and used and there should be a consistent rating system applied. Historical assessment data should be available in a consistent format.</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>

Table B.1: Asset Improvement Action Plan

Asset Knowledge/Data | Asset Register (Cont.)

Name	Anticipated Completion Date	Comment	Owner
1- Asset Knowledge / Data – Asset Register			
1-4 Lifecycle cost data	March 2023	There should be clear definitions of operations and maintenance, renewals and new / upgrades expenditure. Cost data should be recorded separately for each with the data used in decision making. There should be a written lifecycle strategy and cost, and planning processes which are used. Work order structure and expenditure tasks need to be reviewed	Coordinator Assets Infrastructure Services Coordinator Strategy and Compliance - Water + Sewer
1-5 Valuation, depreciation and age / life data	December 2021	Expectation is there to be a common data system used across all asset groups, with current depreciation and replacement cost data at the appropriate asset hierarchy level. Depreciation should be updated based on annual assessments of useful asset life. Historical accounting data should be available. Currently completed for Buildings, Roads, Open Spaces and Reserves, Transportation and Drainage. Not Yet Completed for Water and Sewer	Coordinator Assets Infrastructure Services Coordinator Strategy and Compliance - Water + Sewer



Table B.2: Asset Improvement Action Plan
Strategic Asset Planning Processes

Name	Anticipated Completion Date	Comment	Owner
2-Strategic Asset Planning Processes			
2-1 Asset Management Policy	December 2020	Revised every two years	Coordinator Assets
2-2 Asset Management Strategy	Completed (Infrastructure assets)	<p>The first draft developed in 2016- Review of the plan is required following the modelling of each asset classes and undertaking financial gap analysis.</p> <p>Water and Sewer needs to be incorporated into the strategy following completion of their asset management plans</p>	Coordinator Assets
2-3 Asset Management Plans	Completed (Infrastructure Assets)	<p>There should be asset management plans covering all assets owned by Council. The asset management plans should include levels of service with performance targets and actions, and costs established to achieve them together with the following:</p> <ul style="list-style-type: none"> • Demand forecasts • Lifecycle cost plans • Forecast costs separately identified for operations, maintenance, renewals new / upgrades and depreciation • Asset disposals • An asset management improvement plan. <p>Consideration should be given to solutions not involving assets owned by Council. There should be clear evidence that they have been prepared, taking community consultation into account.</p> <p>Water and Sewer anticipated completion date is yet to be determined.</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>

Table B.2: Asset Improvement Action Plan
Strategic Asset Planning Processes

Name	Anticipated Completion Date	Comment	Owner
2-Strategic Asset Planning Processes			
2-4 Strategic asset modelling /1-4-10 years capital work program	November 2023	<p>Asset Strategy and Planning and LAMS teams established strategic asset module of authority and this module along with Orana software package will be used in modelling 1-4-10 years</p> <p>Buildings, Drainage, Transportation, Open Spaces and reserves and Buildings are due to be completed by November 2020.</p> <p>Water and Sewer anticipated completion date is yet to be determined.</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>
2-5 Level of Services	November 2023	<p>Levels of Service needs to be clearly defined for each asset class and are aligned to Council's strategic objectives and legislative requirements, Community and technical levels of service should be separately identified incorporated into service level agreements, operations and maintenance, and renewals processes. Performance against level of service targets should be monitored in accordance with documented procedures</p> <p>Buildings, Drainage, Transportation, Open Spaces and reserves and Buildings are due to be completed by November 2023.</p> <p>Water and Sewer anticipated completion date is yet to be determined.</p>	<p>Coordinator Assets Infrastructure Services</p> <p>Coordinator Strategy and Compliance - Water + Sewer</p>



Table B.2: Asset Improvement Action Plan
Strategic Asset Planning Processes

Name	Anticipated Completion Date	Comment	Owner
2-Strategic Asset Planning Processes			
2-6 Risk Management-Critical Assets	June 2022	Council should have a corporate risk management policy and strategy, and a risk assessment should exist for each asset class in accordance with them. The assessment should identify critical assets and any risk mitigation strategies or measures. Council should have emergency response and recovery, and business continuity plans, taking into account each asset class.	Coordinator Assets Infrastructure Services Coordinator Strategy and Compliance - Water + Sewer
2-7 Financial Planning and Capital Investment	June 2023	Council needs to have a Long-Term Financial Plan (LTFP) based on Council's Community Strategic Plan, Workforce Plan and Asset Management Plans. The LTFP should incorporate lifecycle planning, forward capital works planning, risk and sensitivity analyses and project prioritisation processes.	Financial Controller

Table B.3: Asset Improvement Action Plan
Asset Reporting and Periodic Revaluation

Name	Anticipated Completion Date	Comment	Owner
3-Asset Reporting and Periodic Revaluation			
3-1 Special Schedule 7 methodology report	June 2022		Coordinator Assets Financial Controller
3-2 Periodic Revaluation	Ongoing	<ul style="list-style-type: none"> • Revaluation Review every five years • Buildings, Drainage, Transportation – completed 2020 • Buildings – completed 2018 • Open Spaces and Reserves – due to be completed June 2021 • Water and Sewer are due to completion 2022 	Coordinator Assets Infrastructure Services Coordinator Strategy and Compliance - Water + Sewer



Table B.4: Asset Improvement Action Plan
Information Systems

Name	Anticipated Completion Date	Comment	Owner
4-Information Systems			
4-1 Systems integration	June 2022	Asset management systems should integrate or interface with corporate systems, including the customer request, document management, accounting and HR systems. There should be a spatial system (GIS) implemented with written processes that are used.	Coordinator Land And Asset Management System
2-7 Financial Planning and Capital Investment	June 2023	Council needs to have a Long-Term Financial Plan (LTFP) based on Council's Community Strategic Plan, Workforce Plan and Asset Management Plans. The LTFP should incorporate lifecycle planning, forward capital works planning, risk and sensitivity analyses and project prioritisation processes.	Financial Controller

Table B.5: Asset Improvement Action Plan

Organisational Content

Name	Anticipated Completion Date	Comment	Owner
5-Organisational context			
5-1 Organisational strategy	June 2023	There should be evidence that asset management drives Council in terms of the use and management of its assets aligned with Council's policies and strategies. Council's structure and position descriptions should clearly identify asset management roles and responsibilities across all asset classes. There should be written processes for capital investment based on Council's strategic plans, lifecycle costs and risk assessments.	Manager Infrastructure Services Manager Water and Sewer
5-2 Establishment of Asset Management Executive Leadership Team	January 2022	Council needs to have a prioritised asset management improvement plan, with responsibilities and timeframes in place, which is monitored and reported on. There should be a benchmarking process and regular asset management reviews in place. The objective of this project is to summarise asset management improvement plan and prioritise the actions. The actions need to be monitored and reviewed and the progress is reported	Manager Infrastructure Services
5-3 Asset management roles and responsibility and awareness program	June 2023	Asset management roles and responsibilities need clearly identified. There should be a clear training program in place for all levels in the organisation, including Council, with needs assessments where appropriate. Identified needs should be included in a workforce management plan. Asset Management awareness program need to be developed across the council.	Manager Infrastructure Services Manager Water and Sewer Coordinator Assets Infrastructure Services



Appendix C: 10 year Financial Plan based on Asset Management Prediction (2021) \$,000)

Asset Group	2021/22	2022/23	2023/24	2024/25	2025/26
Income					
Roads	(18,095)	(9,639)	(9,580)	(9,738)	(10,334)
Drainage	(510)	(703)	(1,008)	(520)	(2,008)
Buildings	(3,497)	(5,623)	(1,482)	(2,299)	(1,436)
Open Space	(3,581)	(2,340)	(2,659)	(2,034)	(2,251)
Transport	(1,449)	(826)	(543)	(1,694)	(3,596)
Total Income	(27,132)	(19,131)	(15,272)	(16,285)	(19,625)
Operations					
Roads	1,018	1,039	1,059	1,081	1,102
Drainage	90	92	94	96	98
Buildings	663	676	690	704	718
Open Space	1,197	1,221	1,245	1,270	1,295
Transport	209	213	217	221	226
Total Operations	3,177	3,241	3,305	3,372	3,439
Maintenance					
Roads	2,376	2,424	2,472	2,521	2,572
Drainage	211	215	220	224	228
Buildings	271	277	282	288	294
Open Space	513	523	534	544	555
Transport	259	264	269	275	280
Total Maintenance	3,630	3,703	3,777	3,852	3,929
Renewal					
Roads	13,701	4,927	4,798	4,886	5,410
Drainage	208	395	274	200	317
Buildings	2,190	3,413	435	838	300
Open Space	1,672	271	180	220	230
Transport	80	0	0	0	0
Total Renewal	17,851	9,006	5,687	6,144	6,257
Upgrade / Expansion					
Roads	1,000	1,250	1,250	1,250	1,250
Drainage	0	0	420	0	1,365
Buildings	372	1,257	75	470	125
Open Space	200	325	700	0	170
Transport	902	349	56	1,198	3,090
Total Upgrade / Expansion	2,474	3,181	2,501	2,918	6,000
Total Expenditure	27,132	19,131	15,270	16,286	19,625

2026/27	2027/28	2028/29	2029/30	2030/31	Average
(9,802)	(9,844)	(10,576)	(10,432)	(9,612)	(10,765)
(955)	(925)	(1,196)	(741)	(960)	(953)
(2,082)	(1,492)	(2,013)	(1,245)	(2,201)	(2,337)
(2,233)	(2,975)	(2,164)	(3,503)	(2,363)	(2,610)
(924)	(860)	(1,000)	(1,092)	(1,166)	(1,315)
(15,996)	(16,096)	(16,949)	(17,013)	(16,302)	(17,980)
1,124	1,147	1,170	1,193	1,217	1,115
100	102	104	106	108	99
732	747	762	777	676	715
1,321	1,348	1,375	1,402	1,430	1,310
230	235	240	245	249	229
3,507	3,579	3,651	3,723	3,680	3,467
2,623	2,676	2,729	2,784	2,840	2,602
233	238	242	247	252	231
299	305	312	318	324	297
566	578	589	601	613	562
286	291	297	303	309	283
4,007	4,088	4,169	4,253	4,338	3,975
4,805	4,771	5,427	5,155	5,305	5,919
372	585	60	388	600	340
1,050	440	915	150	800	1,053
345	240	150	0	300	361
0	0	0	0	0	8
6,572	6,036	6,552	5,693	7,005	7,680
1,250	1,250	1,250	1,300	250	1,130
250	0	790	0	0	283
0	0	25	0	400	272
0	810	50	1,500	20	378
407	333	463	544	607	795
1,907	2,393	2,578	3,344	1,277	2,857
15,993	16,096	16,950	17,013	16,300	17,980





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