GLAMORGAN SPRING BAY COUNCIL

STRATEGIC ASSET MANAGEMENT PLAN

Adopted: 25 May 2021

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This Strategic Asset Management Plan is an overarching asset management plan largely informed by Council's individual Asset Management Plans for the five major asset classes (Road Infrastructure, Buildings, Hydraulic Infrastructure, Coastal Infrastructure and Parks & Recreation) and Council's Long Term Financial Plan.

Contents

1.0 EXECUTIVE SUMMARY

1.1 Context

Council is responsible for an extensive range of physical assets with a current replacement value of **$167,153,030**. Council manages the acquisition, operation, maintenance, renewal and disposal of these assets.

These assets include, but are not limited to, infrastructure such as roads, bridges, footpaths, buildings, land, stormwater drainage, the Prosser Plains Raw Water Scheme, Triabunna wharf, Triabunna marina, boat ramps, parks, playgrounds, car parks, vehicles, plant, IT equipment, office equipment and furniture. Refer to Figure 1 below and Table 2.2.1 for a detailed list of assets covered in this Strategic Asset Management Plan.

Figure 1: Asset Replacement Values

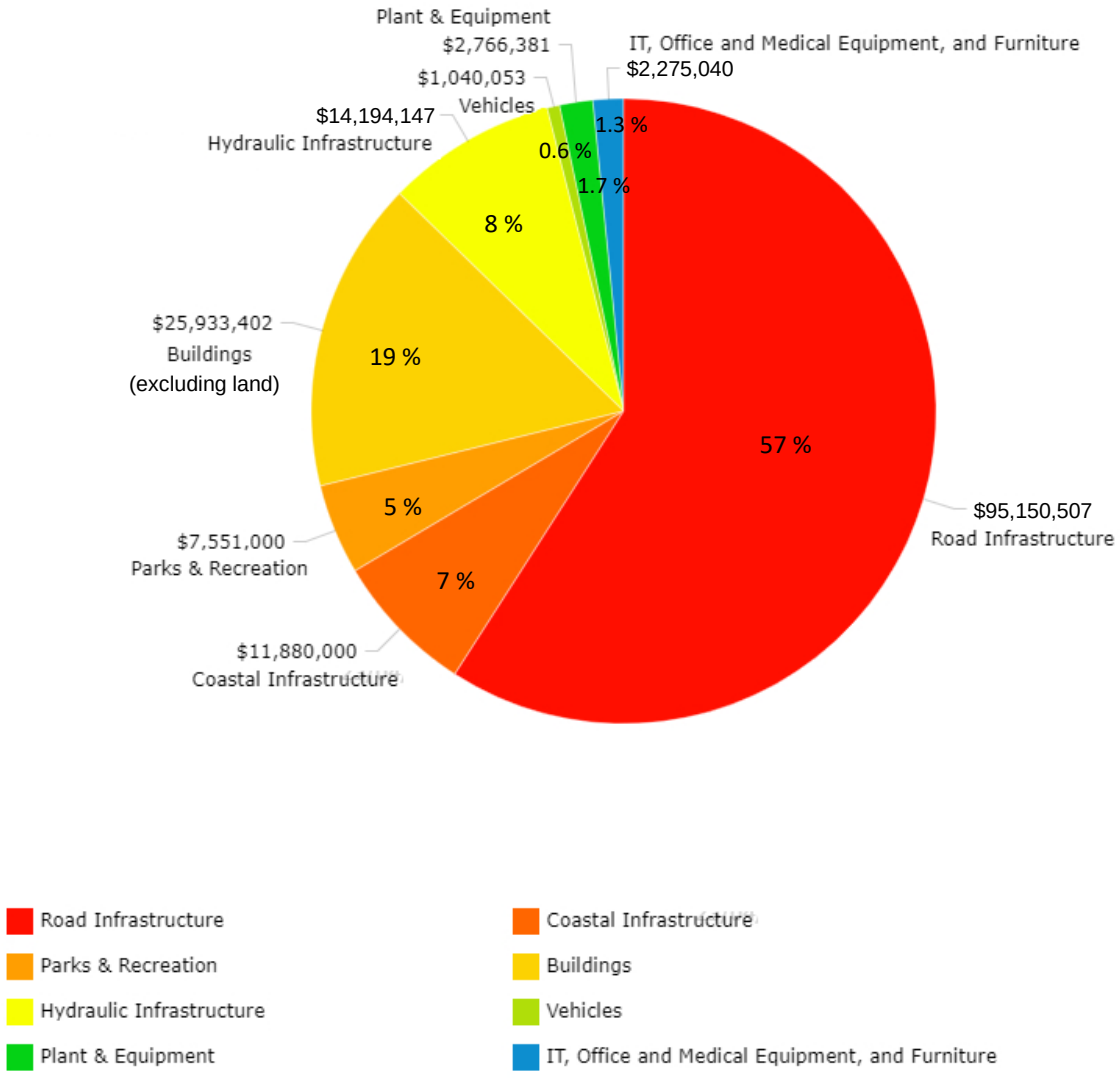


Figure 1 Note: Asset values derived from the individual asset management plans and *XERO*. *Buildings* is excluding land.

This Strategic Asset Management Plan develops asset management strategies required to achieve Council objectives detailed in our *10-Year Strategic Plan*. It summarises forecast costs and planned budget figures from individual asset management plans, and the Long Term Financial Plan.

1.2 Current situation

Council is in the early stages of the journey towards achieving best practice asset management. Significant progress has been made over the past year with the development and adoption of the following key asset management documents:

- Asset Management Policy
- Strategic Asset Management Plan (this plan)
- Long Term Financial Plan
- Asset Management Plans for our five major asset classes (96 % of Council's total asset value):
    - Road Infrastructure
    - Buildings
    - Hydraulic Infrastructure
    - Coastal Infrastructure
    - Parks & Recreation

Our aim is to achieve 'core' maturity for asset management activities by 2025, and then continue maturity improvement where benefits exceed cost. Improvement tasks and target dates have been identified and documented in Table 8.2.

1.3 Forecast costs vs planned budget

Operation and Maintenance

The forecast operation and maintenance cost (for the five major asset classes) is **$4,090,076 on average per year** over the planning period, whilst the planned budget for operation and maintenance is **$3,829,489 on average per year**.

This results in a **shortfall** of **$260,590 on average per year**, and a funding ratio of **93 %.**

Renewal and Acquisition

The forecast renewal and acquisition cost (for the five major asset classes) is **$2,885,021 on average per year** over the planning period, whilst the planned budget for renewals and acquisitions is **$2,528,014 on average per year**.

This results in a **shortfall** of **$357,007 on average per year**, and a funding ratio of **88 %.**

Total Lifecycle (Acquisition, Operation, Maintenance, Renewal, Disposal)

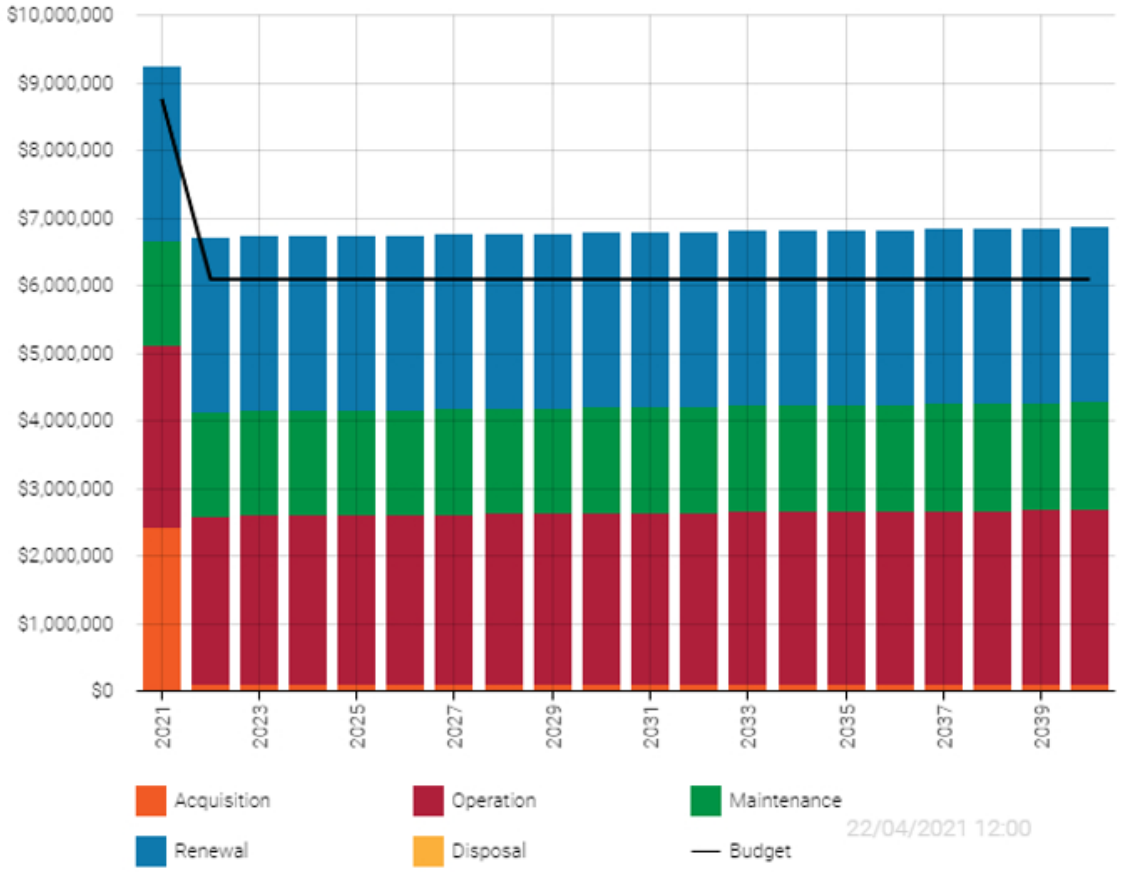
The forecast total lifecycle cost (for the five major asset classes) is **$6,725,127 on average per year** over the planning period, whilst the total lifecycle planned budget is **$6,027,362 on average per year**.

This results in a total **shortfall** of **$697,765 on average per year**, and a funding ratio of **90 %.** Refer Figure 1.1 below.

We have balanced the forecast costs in the Strategic Asset Management Plan with the planned budget from the Long Term Financial Plan, this has involved:

- providing desirable and affordable levels of service
- balancing service performance, risk and cost in a trade-off of with desired asset lifecycle activities (acquisitions, operations, maintenance, renewal, disposal)
- considering the impact of trade-offs and accepting the service and risk consequences

Figure 1.1: Lifecycle Summary (major asset classes)



All figure values are shown in current day dollars.

1.4 What we will do

Our aim is to provide Council services to the community in a financially sustainable way. This requires balancing levels of service with cost and risk.

Not all expectations for services can be met with current financial resources. We will continue to engage with our community to ensure that services are provided at appropriate levels of service, at an affordable cost, while managing risks.

1.5 What we have deferred

We do **not** currently have enough funding to provide all services at the desired level of service, or to provide new services. Major lifecycle activities that are currently deferred (due to be undertaken now, but not funded) under Long Term Financial Plan funding levels are:

- Road renewals and maintenance of lower priority road infrastructure
- A preventative maintenance program for buildings
- Some of the recommended stormwater drainage network acquisitions (refer Appendix D)
- Lower priority coastal infrastructure renewal works
- Acquisition, maintenance, renewal or disposal of any coastal infrastructure assets that have been historically funded by *MAST* (boat ramps, jetties, pontoons etc.). Council is reliant on *MAST* funding to undertake such works.

- The previously proposed Spring Bay Harbour Expansion project (Triabunna wharf and marina expansion)
- Lower priority renewals for parks and recreation assets

1.6 Managing the risks

Major risks associated with the provision of assets and services included in this plan are detailed in Appendix F, however the most critical risks are detailed below:

- Lack of proper asset management
- Loss of key staff and knowledge
- Acquisitions where no lifecycle costs have been accounted for in the Long Term Financial Plan
- Lack of acquisition, maintenance and renewal plans for all asset classes
- Financial risks associated with the Prosser Plains Raw Water Scheme
- Potential upgrade requirements to Swanwick Sewerage System
- Risks associated with climate change
- Unknown condition ratings for some assets – potentially hiding additional renewal costs.

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

- Formation of an Asset Management Team to enable proper asset management
- Improved record keeping and asset data transparency
- Minimise asset acquisitions
- Develop yearly acquisition, maintenance and renewal plans
- Either improve value to community from, or divest, the Prosser Plains Raw Water Scheme
- Progress Swanwick Sewerage System asset transfer to TasWater
- Climate change adaptation, refer Section 4.5
- Improve asset data and condition ratings

1.7 Confidence levels

Considering all data sources, the estimated confidence level for and reliability of data used in developing this Strategic Asset Management Plan is considered to be **Low to Medium**. Refer section 7.5.

1.8 The next steps

The actions resulting from this plan are:

- implement the improvement plan in Section 8.0, this is critical in Council providing sustainable services to the community
- improve consultation methods to increase awareness of service performance, risk and cost pressures we are facing
- investigate actions to extend the life of assets without affecting performance and risk
- review asset renewal options to reduce service delivery lifecycle costs

2.0 ASSET MANAGEMENT STRATEGY

2.1 Asset management system

Asset management enables an organisation to realise value from assets in the achievement of organisational objectives, while balancing financial, environmental and social costs, risk, quality of service and performance related to assets.[1]

An asset management system is a set of interacting elements of an organisation to establish the asset management policy and asset management objectives, and the processes, needed to achieve those objectives. An asset management system is more than 'management information system' software. The asset management system provides a means for:

- Coordinating contributions from and interactions between functional units within an organisation,[2] and
- Consistent application of the asset management processes to achieve uniform outcomes and objectives.

The asset management system includes:

- The asset management policy
- The asset management objectives
- The Strategic Asset Management Plan
- The asset management plans, which are implemented in
    - operational planning and control
    - supporting activities
    - control activities
    - other relevant processes.[3]

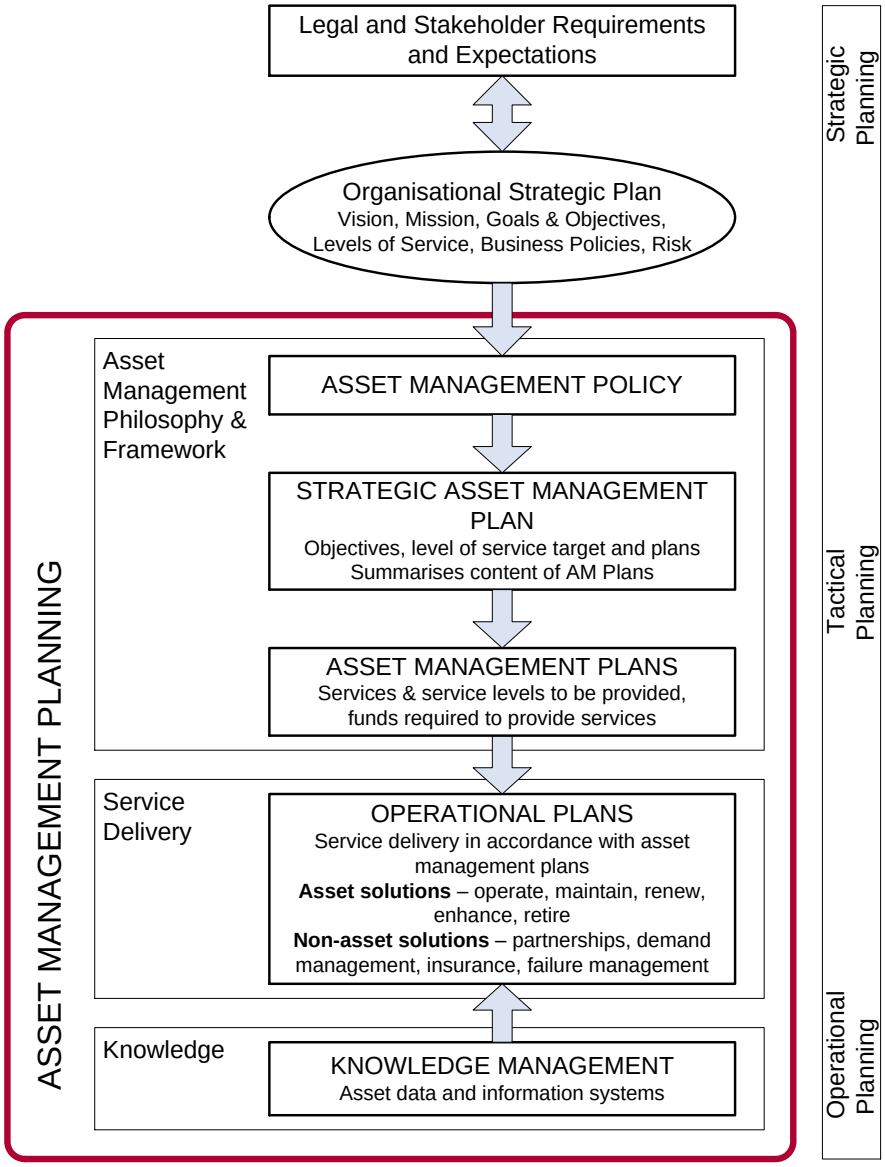
The asset management system fits within Council's strategic planning and delivery process as shown in Figure 2.

[1] ISO, 2014, ISO 55000, Sec 2.2, p 2

[2] ISO, 2014, ISO 55000, Sec 2.5.1, p 5

[3] ISO, 2014, ISO 55002, Sec 4.1.1, p 2.

Figure 2: Strategic Asset Management Plan fit in Planning Process



2.1.1 Asset management policy

The Asset Management Policy sets out the principles by which Council intends applying asset management to achieve its organisational objectives.[4] Organisational objectives are documented in Council's *10-Year Strategic Plan* document and are considered to be those noted as *Guiding Principles* and *Key Foundations*. Council's Asset Management Policy is available at: https://gsbc.tas.gov.au/council/council-policies/

[4] ISO, 2014, ISO 55002, Sec 5.2, p 7.

2.1.2 Asset management objectives

The asset management goals and objectives developed in Section 2.4 provide the essential link between Council objectives and the individual Asset Management Plans that describe how those objectives are going to be achieved. The asset management objectives transform the required outcomes (product or service) to be provided by the assets, into activities typically described in the asset management plans. Asset management objectives should be specific, measureable, achievable, realistic and time bound (i.e. SMART objectives).[5]

2.1.3 Strategic Asset Management Plan

This Strategic Asset Management Plan is to document the relationship between Council objectives set out in the *10-Year Strategic Plan* and the asset management (or service) objectives and define the strategic framework required to achieve the asset management objectives.[6]

The asset management objectives must be aligned with Council's strategic objectives set out in its strategic plan.

This Strategic Asset Management Plan encompasses the following asset classes, which enables the provision of services to the community:

- Road Infrastructure
- Buildings
- Hydraulic Infrastructure
- Coastal Infrastructure
- Parks and Recreation
- IT, Office and Medical Equipment, and Furniture
- Plant and Equipment
- Vehicles

The strategic asset management framework incorporates strategies to achieve the asset management objectives. The strategies are developed in 4 steps:

- What assets do we have?
- Our assets and their management
- Where do we want to be?
- How will we get there?[7]

[5] ISO, 2014, ISO 55002, Sec 6.2.1, p 9.

[6] ISO, 2014, ISO 55002, Sec 4.1.1, p 2.

[7] LGPMC, 2009, Framework 2, Sec 4.2, p 4.

2.1.4 Asset Management Plans

Supporting the Strategic Asset Management Plan are asset management plans for major asset classes. The asset management plans document the activities to be implemented and resources to be applied to meet the asset management objectives. The asset management plans are public documents and they are available on Council's website: https://gsbc.tas.gov.au/council/strategic-plans/

The Strategic Asset Management Plan summarises the following asset management plans:

- Road Infrastructure
- Buildings
- Hydraulic Infrastructure
- Coastal Infrastructure
- Parks & Recreation

This Strategic Asset Management Plan is part of Council's strategic and annual planning and reporting cycle as shown in Table 2.1.

Table 2.1 - Strategic Asset Management Plan within the Planning and Reporting Cycle

	Plan	Planning Cycle	Performance Reporting	Reporting Method
Community Planning	20 year Community Plan	4 – 10 years	Community Objectives Indicators	Annual Report
Strategic Planning	10 year Strategic Plan	4 years	Organisational Objectives	Annual Report
	10 year Long Term Financial Plan		Financial Indicators	
	Strategic Asset Management Plan Asset Management Plans		Asset Management Objectives	
Operational Planning	4 year Operational Plan	4 years	Operational Objectives incorporated into Annual Plan	Annual Report
Annual Planning & Budget	Annual Plan & Budget	Annual	Annual Objectives Budget Objectives	Annual Report Monthly Reports to Council
	Departmental Work Plans		Work Plan Objectives	Monthly Reports to Council
	Individual Work Plans		Work Plan Objectives	Performance Reviews

2.2 What assets do we have?

We manage many assets to provide services to our community (refer Table 2.2. below). These assets provide the foundation for the community to carry out its everyday activities, while contributing to overall quality of life.

Table 2.2 - Assets covered by this Plan

Asset Class	Elements	Dimension	Replacement Value
Road Infrastructure	Sealed Roads:	174.3 km	$47,131,289
	Unsealed Roads:	199.7 km	$23,155,945
	Bridges:	57	$10,641,792
	Footpaths:	21.7 km	$4,713,214
	Kerb and channel:	74.3 km	$9,508,267
Buildings (including land)	Council administration offices, work depots and sheds/garages:	25	$3,351,000
	Community halls:	8	$6,032,430
	Community building facilities:	19	$8,890,380
	Public toilet blocks:	20	$2,691,000
	Residential houses/units:	8	$1,266,800
	Recreation ground buildings:	12	$3,157,292
	Shelters:	27	$534,500
	Other structures:	1	$10,000
	Land:	75 lots	$6,362,500
Hydraulic Infrastructure	Stormwater pipes:	32.11 km	$5,619,260
	Stormwater pits:	774	$1,625,400
	Stormwater detention basins:	2	$30,000
	Swanwick Sewerage System:	1	*
	Prosser Plains Raw Water Scheme pipeline:	8.2 km	$4,955,357
	Prosser Plains Raw Water Scheme pump station:	1	$1,513,088
	Prosser Plains Raw Water Scheme electrical/control assets:	16	$451,042
Coastal Infrastructure	Triabunna Wharf:	1	$1,800,000
	Triabunna Marina:	1	$4,000,000
	Boat ramps:	16	$1,885,000
	Jetties (incl. floating pontoons):	17	$1,900,000
	Swimming pontoons:	2	$30,000
	Foreshore protection structures:	3	$310,000
	Concrete boat landings:	2	$155,000
	Prosser River-mouth stabilisation:	1	$1,800,000
Parks & Recreation	Car parks/parking areas:	26	$3,167,000
	Playgrounds:	9	$1,450,000
	Formed and maintained walkways/trails:	16 km	$480,000
	Tennis & netball courts, cricket training nets:	9	$465,000
	Skate parks and BMX tracks:	7	$460,000
	Recreation grounds:	5	$455,000
	Monuments, memorials, cenotaphs, public art etc.:	10	$320,000
	BBQ's:	17	$255,000
	Pedestrian walkway bridges:	8	$207,000
	Public seating and picnic table settings:	125	$122,000
	Dog parks:	6	$85,000
	Black water stations:	5	$45,000
	Cemeteries:	2	$40,000
IT, Office and Medical Equipment, and Furniture	IT Equipment:	163	$1,066,932
	Office Equipment and Furniture:	65	$1,109,863
	Medical Equipment:	39	$98,245
Plant and Equipment	Heavy Plant:	28	$2,134,722
	Other Equipment:	88	$631,659
Vehicles	Cars, utes etc.	28	$1,040,053
		TOTAL:	**$167,153,030**

* Refer *Asset Management Plan – Hydraulic Infrastructure*

2.3 Our assets and their management

2.3.1 Asset values

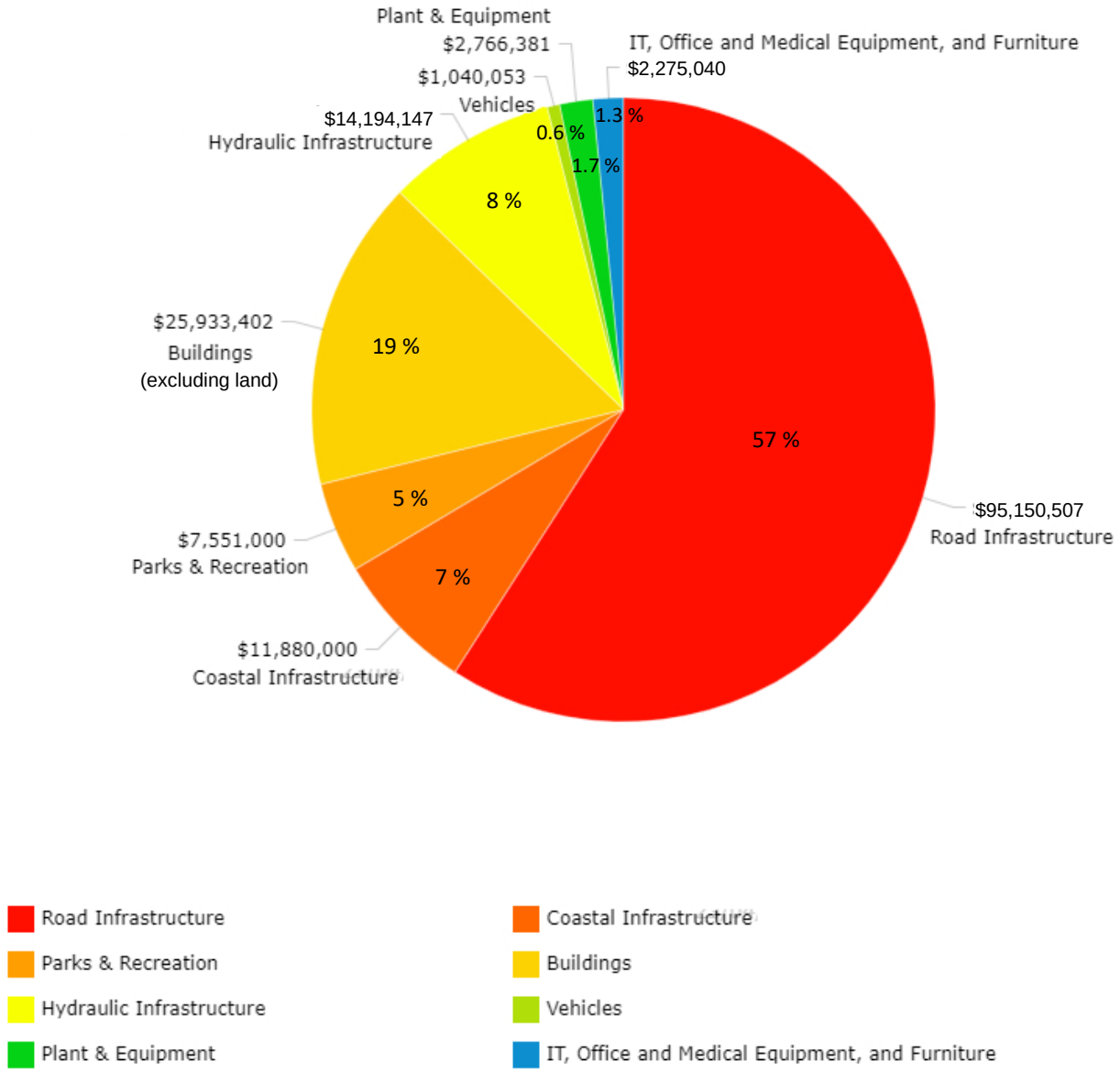
The infrastructure assets covered by this Strategic Asset Management Plan are shown in Table 2.3.1 alongside their replacement value, depreciated replacement cost and annual depreciation. These assets are used to provide services to the community.

Table 2.3.1: Assets value summary

Asset Class	Asset replacement value	Depreciated Replacement Cost (written down value)	Annual Depreciation
Road Infrastructure	$95,150,507	$33,000,000	$1,438,578
Buildings (incl. land)	$32,295,902	$19,329,226	$468,455
Hydraulic Infrastructure	$14,194,147	$3,547,927	$72,698
Coastal Infrastructure	$11,880,000	$9,911,287	$299,812
Parks & Recreation	$7,551,000	$4,160,400	$354,508
IT, Office and Medical Equipment, and Furniture	$2,275,040	$173,866	$90,000
Plant & Equipment	$2,766,381	$675,042	$99,000
Vehicles	$1,040,053	$409,176	$102,000
TOTAL	**$167,153,030**	**$71,206,924**	**$2,925,051**

Figure 3 provides a graphical representation of the replacement value of Council's asset. The infrastructure assets included in this plan have a total replacement value of $167,153,030.

Figure 3 - Asset Replacement Values



Note: Asset values derived from the individual asset management plans and *XERO*. *Buildings* is excluding land.

As can be noted above in Table 2.3.1 and Figure 3 above, there are three smaller additional asset classes (*"Vehicles"*, *"Plant & Equipment"* and *"IT, Office and Medical Equipment, and furniture"*) which do not require individual asset management plans but are noted within this plan. A brief note on each of these smaller asset classes is provided below:

2.3.1.1 IT, Office and Medical Equipment, and Furniture

IT, Office and Medical Equipment, and Furniture assets are registered within Council's finance system *XERO* and are recorded on a cost basis. No formal asset management is currently undertaken of this class. The total replacement value of all assets within this class is approximately 1.3 % of Council's total asset value, refer Tables 2.2, 2.3.1 and Figure 3. Given this low percentage, developing core asset management maturity for this asset class is less of a priority

than the major five asset classes. Resources should be initially concentrated on improving the major asset class maturity, where much greater value is to be obtained from this work.

2.3.1.2 Plant & Equipment

Plant & Equipment assets are registered within Council's finance system *XERO* and are recorded on a cost basis. No formal asset management has traditionally been undertaken for this class, however recent efforts have seen improvements with asset registers and a 10 year renewal plan being developed.

Examples of *'Plant'* – Excavators, graders, rollers, trucks

Examples of *'Equipment'* – Chainsaws, brush cutters, generators, trailers, tools

The total replacement value of all assets within this class is approximately 1.7% of Council's total asset value, refer Tables 2.2, 2.3.1 and Figure 3. Given this low percentage, developing core asset management maturity for this asset class is less of a priority than the major five asset classes. Resources should be initially concentrated on improving the major asset class maturity, where much greater value is to be obtained from this work.

2.3.1.3 Vehicles

Vehicles are registered within Council's finance system *XERO* and are recorded on a cost basis. No formal asset management has traditionally been undertaken for this class, however recent efforts have seen improvements with asset registers and a 10 year renewal plan being developed.

The total replacement value of all assets within this category is approximately 0.6 % of Council's total asset value, refer Tables 2.2, 2.3.1 and Figure 3. Given this low percentage, developing core asset management maturity for this asset class is less of a priority than the major five asset classes. Resources should be initially concentrated on improving the major asset class maturity, where much greater value is to be obtained from this work.

2.3.2 State of the assets

Our State of the Assets report monitors the performance of the assets under three community service indicators:

Condition 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?

Figure 2.3.2 (a) below shows the state of the assets (their condition, function, capacity) as a percentage of their replacement value. Only the five major asset classes feature (those with individual asset management plans). These five major classes make up approximately 96 % of Council's total asset value.

Interpretation of Figure 2.3.2 (a) - For example, *Buildings* is considered to have 89 % of its asset value at *good* capacity/use, 66 % in *good* condition, 25 % in *fair* condition, 9 % in *poor* condition and in relation to function, 93% of its value is considered *good*. Grey represents 'no data' and this is noted for improvement.

Figure 2.3.2 (a) - State of the Assets (Major Classes)

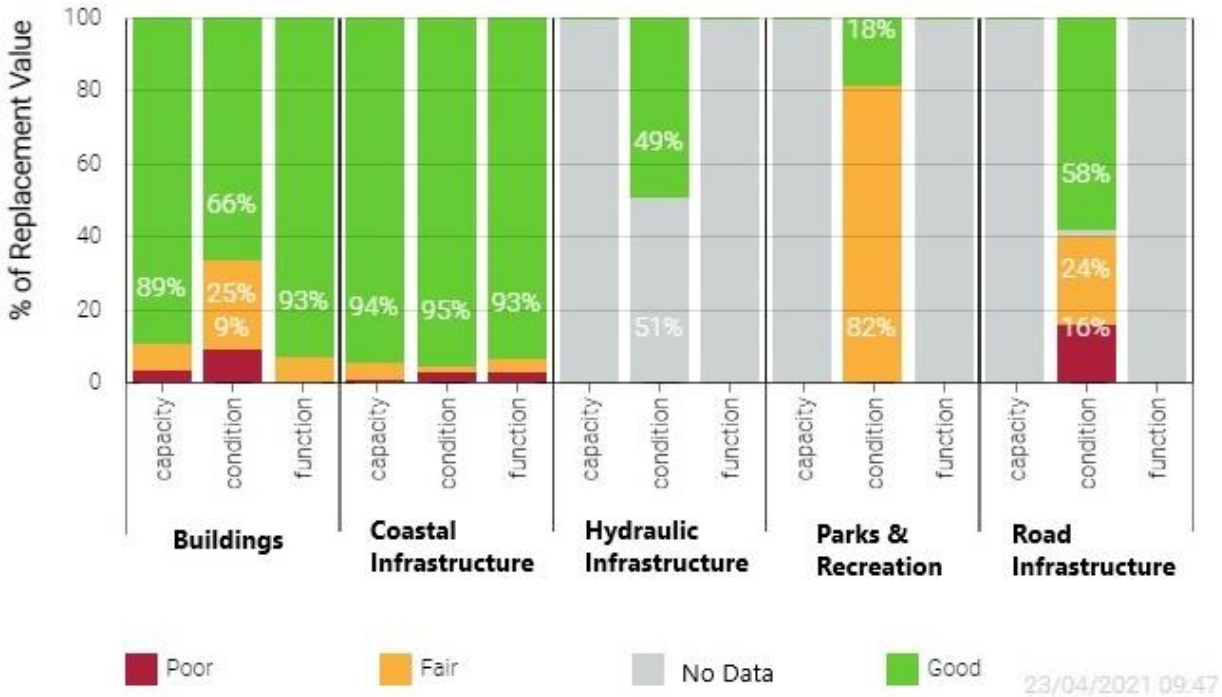
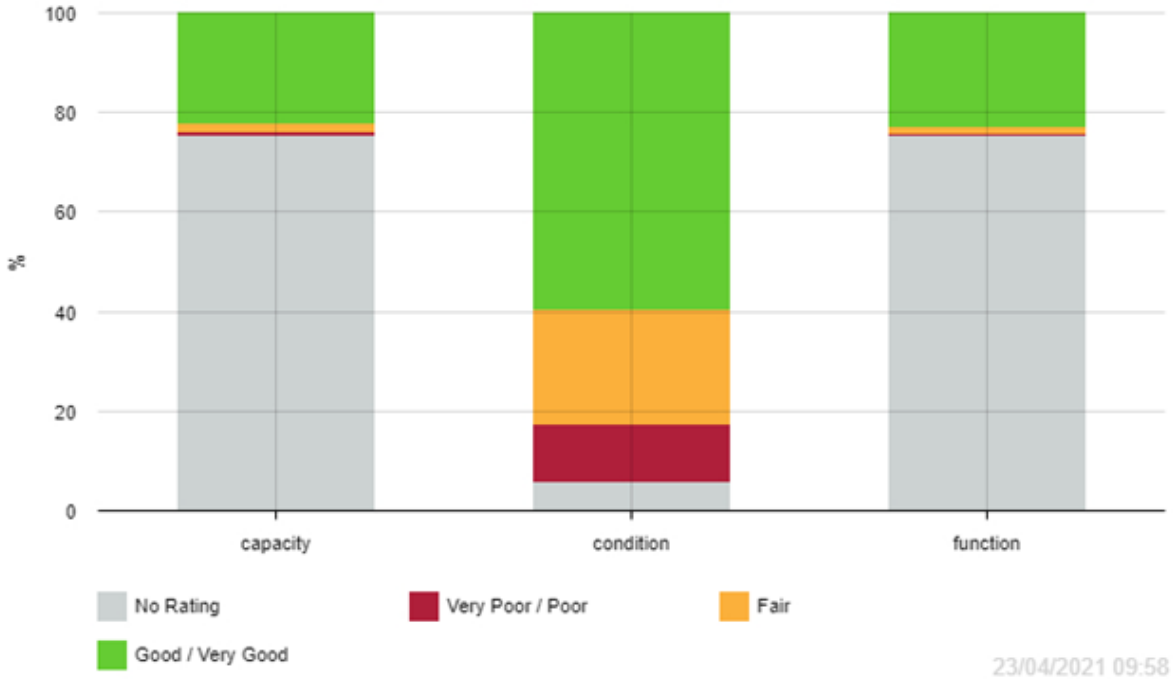


Figure 2.3.2 (b) presents a state of the assets summary combining the five major asset classes in Figure 2.3.2 (a) to show an overall assessment of asset performance in terms of *condition*, *function* and *capacity/use.* The vertical axis represents the percentage of overall asset value. Good performance is shown by the green. Poor performance is shown by the red. Fair performance is shown by the orange, and grey shows the assets where we have no data (noted for improvement in Section 8.0).

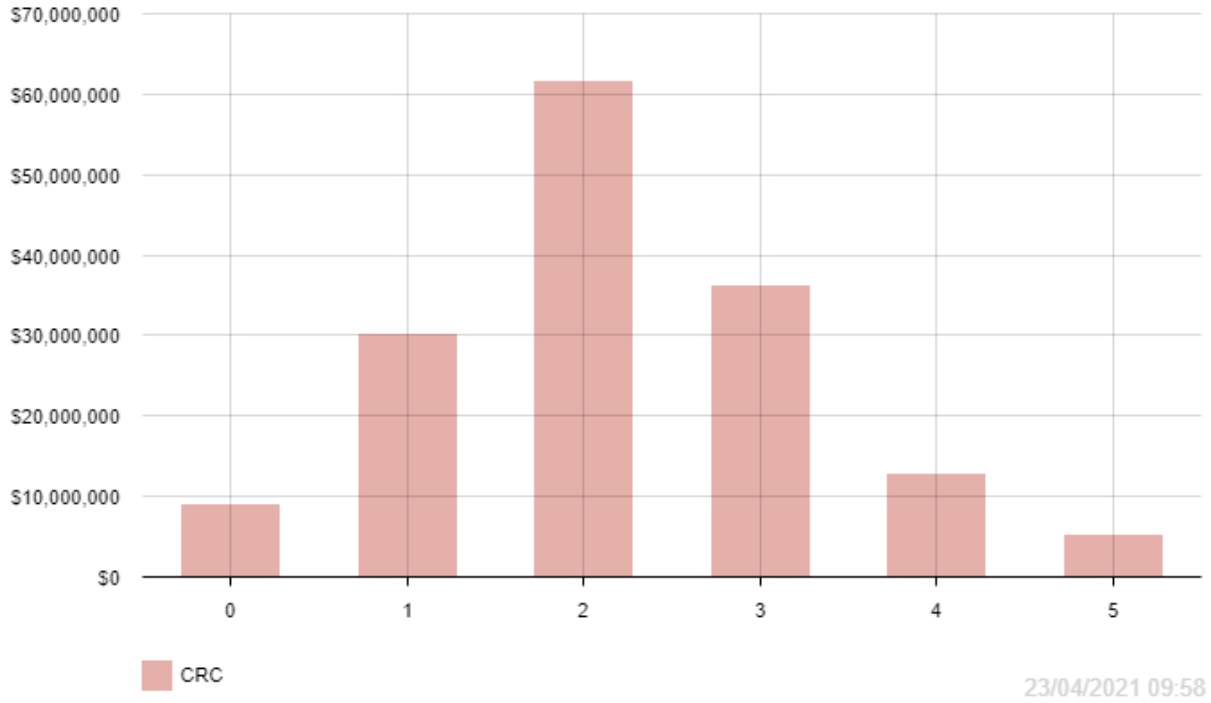
Figure 2.3.2 (b) - State of the Assets (Summary)



2.3.3 Condition summary

Figure 2.3.3 shows asset value (vertical axis) against asset condition (horizontal axis, where 0 = no data, 1 = very good and 5 = very poor) for all major asset classes combined.

Figure 2.3.3 – Condition summary of major asset classes combined



As can be seen in Figure 2.3.3 above, there are 6 % ($9M) of total assets from the five major asset classes that have unknown condition ratings (Condition 0), 60 % ($92M) are in good or very good condition (Condition 1 and 2), 23 % ($36M) are in fair condition (Condition 3) and 11 % ($18M) are in poor or very poor condition (Condition 4 and 5).

Below is an individual condition summary for the five major asset classes, (refer to respective asset management plans for further detail).

2.3.3.1 Roads Infrastructure

The most recent condition assessment of Council roads, footpaths, kerb and channel was undertaken by *Pitt&Sherry* in October 2020. Council will endeavour to undertake a comprehensive condition assessment every four years (all assets within the Road Infrastructure class, other than bridges), hence the next will be due in 2024. Given recent improvements to asset management at Council it is envisaged that this 2024 assessment will be undertaken by Council staff, with the oversight of the Director of Works & Infrastructure. Council's bridge condition inspection program is undertaken six monthly by *AusSpan*. This is a well-structured and long running inspection program, which has led to the development of a high quality asset register and **91 %** of Council's bridges being in a **'very good' (59 %)** or **'good' (32 %)** condition. **59 %** of Council's total road infrastructure asset value is in **'very good'** or **'good'**, **25 %** in **'fair'** condition, and **16 %** in a **'poor'** or **'very poor'** condition. There is approximately **$5M** of asset value in **'very poor'** condition that currently requires renewal. Refer also Figure 2.3.2 (a).

2.3.3.2 Buildings

Approximately **65 %** of Council's total building asset value (excluding land) is in **'very good'** or **'good'** condition, with only **11 %** in a **'poor'** or **'very poor'** condition. It is to be noted that the majority of buildings in **'poor'** or **'very poor'** condition are low importance assets. This is reflective of Council's targeted building infrastructure renewal works

completed over the past decade. The development of the *Asset Management Plan – Buildings* in 2020 captured assets with an estimated total replacement value of approximately $26 M, compared with the previously recorded $12 M (approx.) as at the end of 2019-20 financial year. Refer also Figure 2.3.2 (a).

2.3.3.3 Hydraulic Infrastructure

Condition is not currently monitored in any formal way. All stormwater assets have been assigned unknown conditions (i.e. 0), these assets have a combined asset replacement value estimated at $7.24 M. For accounting purposes, these stormwater drainage assets have been depreciated by approximately half of their replacement value (noting a 100 year average design life, meaning their estimated remaining useful life is approximately 50 years). The Prosser Plains Raw Water Scheme assets are in 'very good' condition and have a replacement value of $6.9 M. Refer also Figure 2.3.2 (a).

2.3.3.4 Coastal Infrastructure

Condition is currently monitored by the Manager – Coastal Infrastructure. *ASD Diving Contractors* have historically been engaged to undertaken annual inspection of some coastal assets, however this has not been a complete inspection of all coastal infrastructure assets, and has mainly included boat ramps, jetties and swimming pontoons, including underwater inspection where required. It is recommended that the inspections cover all assets in the future.

Approximately **95 %** of Council's total coastal infrastructure asset value is in **'very good'** or **'good'** condition, with only **3 %** in a **'poor'** or **'very poor'** condition. It is to be noted that generally the coastal infrastructure in **'poor'** or **'very poor'** condition are lower importance assets. This is reflective of Council's targeted coastal infrastructure renewal works completed over the past 15 years. Refer also Figure 2.3.2 (a).

2.3.3.5 Parks & Recreation

All parks and recreation assets currently have no condition ratings applied. For accounting purposes, the assets that were included in Council's *XERO* fixed asset register at the end of the 2019-20 financial year ($3,639,881) have been depreciated by approximately 20 % of their replacement value, meaning that on average those assets are assumed to have approximately 80 % of their service life remaining. This is in the absence of condition assessment data which would help calibrate these assumptions – this has been noted for improvement. The development of the *Asset Management Plan – Parks & Recreation* in 2021 captured assets with an estimated total replacement value of approximately $7.5 M, compared with the previously recorded $3.6 M as at the end of 2019-20 financial year. Refer also Figure 2.3.2 (a).

2.3.4 Forecast lifecycle costs

Forecast lifecycle costs (or whole of life costs) are the average annual costs that are required to sustain the service levels over the longest asset life. Forecast lifecycle costs include operation and maintenance plus asset consumption (depreciation).

Lifecycle planned budget includes operation and maintenance (excluding depreciation) plus forecast renewals and acquisitions where relevant. The renewal component of the planned budget can vary depending on the timing of asset renewals.

The lifecycle forecast and planned budget averaged over the planning period are shown in Table 2.3.4.

Table 2.3.4 - Asset Lifecycle Costs

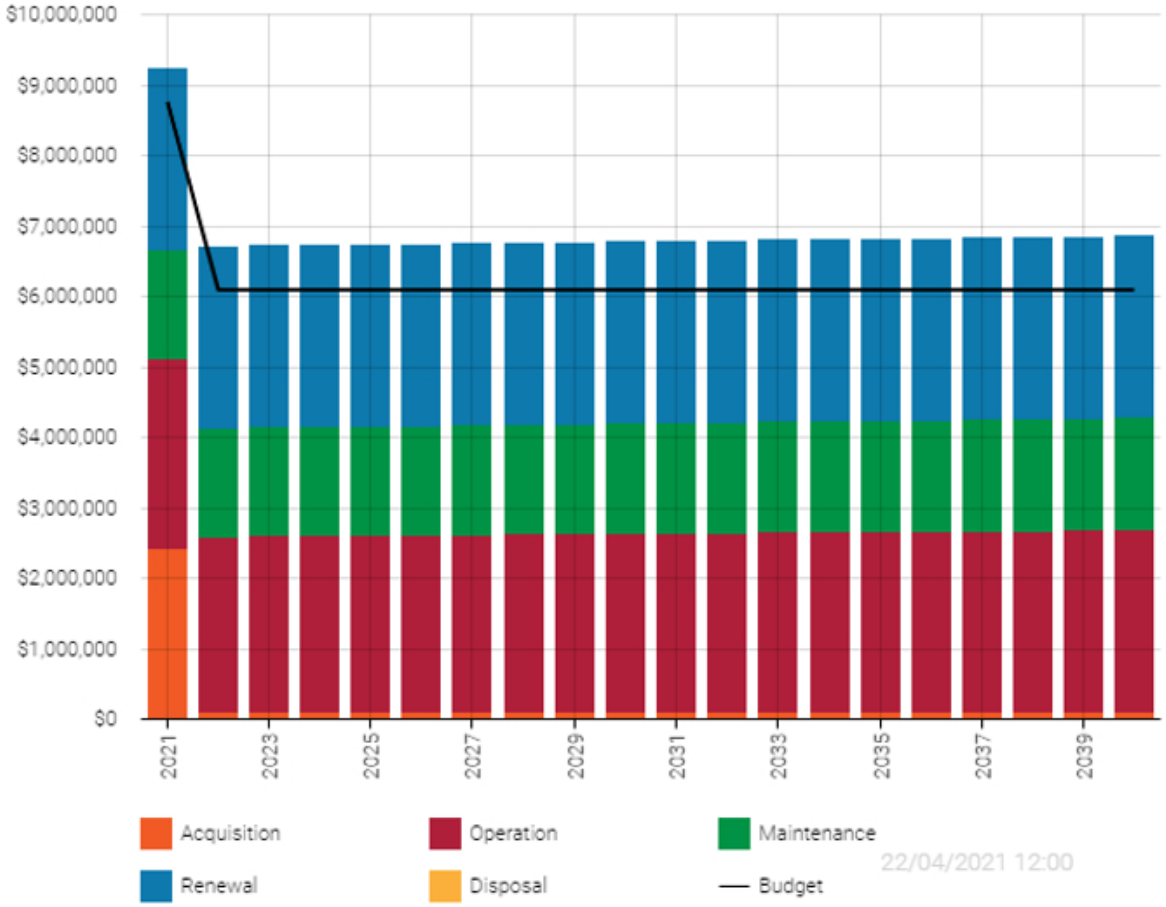
Asset Class/Category	Lifecycle Forecast ($/year)	Lifecycle Planned Budget ($/year)	Lifecycle Indicator
Road Infrastructure	$3,310,516	$3,550,000	107.2%
Buildings	$1,433,455	$1,085,000	75.7%
Hydraulic Infrastructure	$383,658	$354,310	92.4%
Coastal Infrastructure	$629,062	$424,125	67.4%
Parks & Recreation	$967,436	$613,926	63.5%
TOTAL	**$6,724,127**	**$6,027,361**	**89.6 %**

Note: Total planned budget may reasonably be higher/lower than lifecycle forecasts in periods of above/below average asset renewal activity. The lifecycle indicator is a measure of estimated need over the long-term. It is dependent on the age profile of the assets, with older assets expected to have a higher Lifecycle Indicator and newer assets a lower Lifecycle Indicator. Section 5.3 gives a more detailed indication of renewal funding needs over the period of the Strategic Asset Management Plan.

2.3.5 Asset management indicators

An asset management objective is to provide the services that the community needs at the optimum lifecycle cost in a financially sustainable manner. Figure 2.3.5 shows the forecast lifecycle costs for acquisition, operation, maintenance and renewal balanced with the planned budget from the Long Term Financial Plan (10 year). Some lifecycle activities (e.g. acquisitions, renewals) have been deferred to subsequent years to allow further consideration of service level needs and financing options.

Figure 2.3.5 – Forecast Lifecycle Costs (major asset classes)



The purpose of this Strategic Asset Management Plan is to develop the strategies to achieve the asset management objectives through balancing of asset service performance, cost and risk.

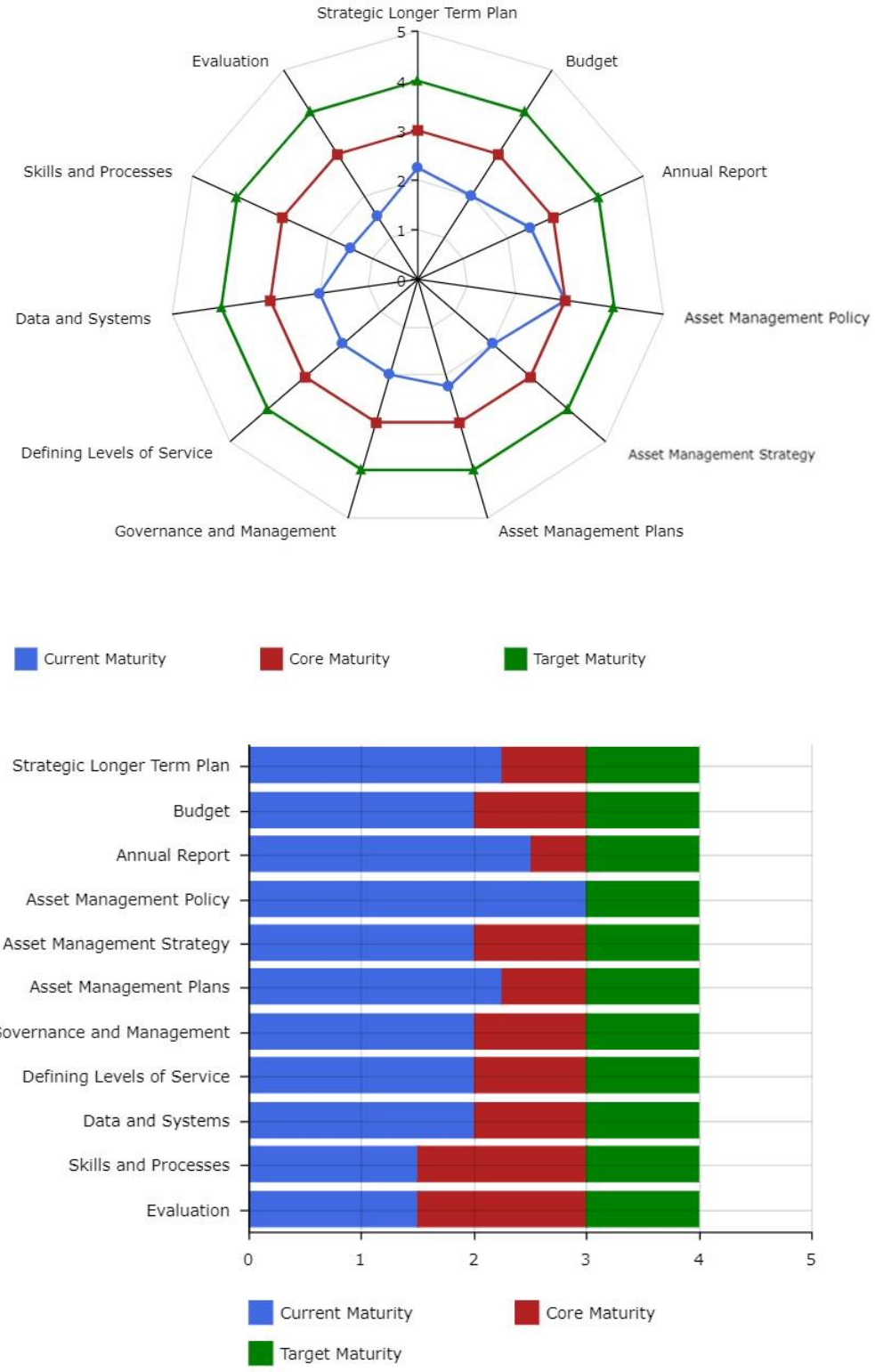
Figure 2.3.5 shows the results of balancing service performance, risk and cost in the asset management plans and Long Term Financial Plan to achieve an agreed and affordable position on service level and costs. This includes deferral of some lower priority lifecycle activities (in some cases by 5+ years) and identification and acceptance of the risks associated with the deferrals.

Risk assessments and associated management plans for these and other relevant risks are summarised in Appendix F. Refer also Section 6.0.

2.3.7 Asset and financial management maturity

We have taken steps to improve our asset and financial management performance including assessing our asset management maturity against the 3 Frameworks of the Local Government Financial Sustainability Nationally Consistent Frameworks. Our target is to achieve ‘core’ maturity with the Frameworks. Figure 2.3.7 (a) shows the current, ‘core’ and ‘target’ maturity scores for the eleven elements of the National Assessments Frameworks (NAF) for asset and financial management. The assessment result is shown in two forms (spider and bar chart) for ease of interpretation by various readers.

Figure 2.3.7 (a) - Maturity assessment spider and bar chart



- Improvement in 'core' maturity is indicated by movement of the blue ◆ (current maturity) line to the red ■ ('core' maturity) and green line ▲ (desired or aspirational target maturity).

As can be seen in Figures 2.3.7 (a) and (b), most elements are below core maturity, the Asset Management Policy is at core maturity, and elements with the lowest maturity scores are:

- Skills and Processes
- Evaluation

The risk to Council from the current maturity is shown in Figure 2.3.7 (b).

Figure 2.3.7 (b) - Maturity risk assessment

Reduction in risk from current National Assessment Framework maturity is indicated by movement of the blue line ■ (current risk) to the red line ■ (desired/target risk) in Figure 2.3.7 (b) above. Elements with high maturity risk to Council are:

- Skills and Processes
- Evaluation
- Strategic Longer Term Plan
- Budget
- Annual Report

Tasks to improve asset and financial management maturity are prioritised and included within the Improvement Plan shown in Section 8.2.

2.3.8 Strategic outlook

1. We cannot maintain current levels of service for the next ten years for all major asset classes. This is based on current knowledge and projections in individual Asset Management Plans and the Long Term Financial Plan. However, saying this, the Long Term Financial Plan sets out a strategy over the next ten years to put Council in a position where they can maintain, or return to, current levels of service and provide these in a sustainable fashion into the future.

2. The planned budget is currently less than the forecast lifecycle costs over the planning period, refer Figure 2.3.5. However, saying this, financial strategies outlined in the Long Term Financial Plan, if successfully undertaken, are designed to reduce this gap between planned budget and forecast lifecycle costs thereafter. Review of services, service levels and costs will need to be carried out over the next 10 years to identify and monitor changes in demand for services and affordability over the longer-term.

3. Our current asset and financial management maturity are below 'core' level and investment is needed to improve information management, lifecycle management, service management, accountability and strategic direction.

2.4 Where do we want to be?

2.4.1 Vision, Mission, Goals and Objectives

This Strategic Asset Management Plan is prepared under the direction of Council's vision, mission, goals and objectives.

Our vision is:

Glamorgan Spring Bay, a welcoming community which delivers sustainable development, appreciates and protects its natural environment and facilitates a quality lifestyle.

Our mission is:

- ***Represent and promote the interests of the communities in our municipality.***
- ***Provide sound community governance, practices and processes.***
- ***Plan, implement and monitor services according to our agreed priorities and available resources.***
- ***Seek and secure additional funds, and grants to augment our finances.***
- ***Manage the finances and administer the Council.***
- ***Establish and maintain mutually beneficial strategic partnerships with State and Federal Government and private businesses and industry.***

Strategic goals have been set by the Council. The relevant goals and objectives and how these are addressed in this plan are summarised in Table 2.4.1. These goals and objectives are reflective of those included in the Asset Management Plan for each individual asset class.

Table 2.4.1: Goals and how these are addressed in this Plan

Goal	Objective	How Goals and Objectives are addressed in the Strategic Asset Management Plan
To provide safe and reliable assets for the benefit of the community.	Maintain and develop assets to appropriate standards.	Continue to develop and maintain regular inspection of asset condition, defects and develop maintenance and capital works programs for inclusion in this document or the relevant Asset Management Plan.
Good governance	Provide asset management services in a sustainable manner. Deliver services effectively and efficiently.	Completion, adoption and review of asset management and Strategic Asset Management Plans (this plan)
Appropriate service levels	Identify current service levels and target sustainable levels	An ongoing task that will be monitored and improved.
Improved risk management	Identify and address all known high level risks to Council assets	Implement a structured approach to identify and manage high and very high risks. Refer Section 6.
Financial sustainability	Identify financial inefficiencies	Implement a structured approach to identifying financial inefficiencies.

2.4.2 Strategic Plan

Council's strategic objectives are detailed in the *"10-Year Strategic Plan (2020-2029)"* under *Guiding Principles* and *Key Foundations,* as shown below in Figure 2.4.2 (a) and 2.4.2 (b).

Figure 2.4.2 (a) – Guiding principles and objectives

Our guiding principles

In planning and creating the future we want to see for Glamorgan Spring Bay Council, Council has adopted some key guiding principles that will guide our thinking, decision-making and actions.

We will seek to:

1. Balance economic and tourism growth with preserving our lifestyle, celebrating our rich history and protecting the region's unique and precious characteristics.
2. Reinforce and draw on the strengths of our communities at both a local and regional level.
3. Attract and welcome people of all backgrounds, cultures and ages to live in our region.
4. Take an East Coast perspective but also acknowledge the differing needs and priorities of each town or area.
5. Ensure that our current expenditure and ongoing commitments fall within our means so that rates can be maintained at a manageable and affordable level.
6. Draw on the knowledge and expertise of local people and communities in shaping and delivering our initiatives and plans - listening to and taking account of ideas and feedback from residents, businesses and ratepayers.
7. Communicate and explain Council's decisions and reasons in an open and timely manner.

Figure 2.4.2 (b) – Key foundations and objectives

1. OUR GOVERNANCE AND FINANCE
Sound governance and financial management that shows Council is using ratepayer funds to deliver best value and impact for the GSBC community.

2. OUR COMMUNITY'S HEALTH & WELLBEING
Cohesive, inclusive and resilient communities that work together across the region to make the most of our collective talents, skills and resources and help and support each other.

3. OUR PEOPLE
Creating a positive working environment where Elected Members, staff and volunteers can give of their best in performing their roles for Council and community.

4. INFRASTRUCTURE AND SERVICES
Delivering high quality, cost-effective infrastructure and services that meet the needs of our communities, residents and visitors.

5. OUR ENVIRONMENT
Collaborating with our communities to value, manage and improve our natural resources

Council objectives developed for priority areas are shown in Figure 2.4.2 (c).

Figure *2.4.2 (c) - Strategic Priority Areas and Organisational Objectives*

Council's mission-critical priorities for 2020/2021

In addition to carrying out our statutory functions and responsibilities and delivering our services to a high standard, Council has identified six critically important Priorities for 2020/2021. Addressing this list is essential in laying the foundations of future success for GSBC and our community.

1. **Refresh and update Council policies, strategies and plans**
   This will include a 10-year Financial Management Plan, Risk Management Plan and Asset Management Plan for GSBC.
2. **Conduct an audit and assessment of all Council assets**
   Focusing particularly on roads and infrastructure. Assessing the current status of all assets. Developing a maintenance plan and budget.
3. **Facilitate the development of a Town/ Community Plan for Coles Bay [2] (including Swanwick)**
   Identifying and prioritising core infrastructure needs.
4. **Identify current activities that are non-core to Council and develop plans to manage, exit or outsource them.**
5. **Develop and implement Council communication strategy and plan**
   Including regular updates from the Mayor on behalf of Council.
6. **Commence the development of an Economic Development Plan for the Glamorgan Spring Bay region**
   In consultation with the State Government, key stakeholders, and the community.

2.5 Asset management vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, we aspire to:

Develop and maintain asset management governance, skills, process, systems and data in order to provide the level of service the community need at present and in the future, in the most cost-effective and fit for purpose manner.

In line with the vision, the objectives of the Strategic Asset Management Plan are to:

- Ensure that our infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment in a financially sustainable fashion.
- Acquire, operate, maintain, renew and dispose of assets in a financially sustainable fashion by implementing appropriate asset management strategies and appropriate financial resources.
- Maintain assets in a suitable condition to deliver an affordable and reliable level of service to the community.
- Adopt the Long Term Financial Plan as the basis for all service and budget funding decisions, taking into account whole of life costs when deciding to acquire new assets.
- Meet legislative requirements for all our operations.
- Develop transparent and responsible asset management processes in accordance with best practice standards.
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated.
- Ensure operational and service delivery risks are adequately managed.
- Continually improve our asset, risk and financial management and service delivery performance.
- Maintain affordable and financially sustainable asset management plans for each major asset group.
- Plan for climate change adaption and mitigation.
- Provide high level oversight of financial and asset management responsibilities through Audit Committee and General Manager reporting to Council on development and implementation of the Strategic Asset Management Plan, Asset Management Plans and Long Term Financial Plan.

Strategies to achieve this position are outlined in Section 2.6.

2.6. How will we get there?

This Strategic Asset Management Plan proposes strategies to enable Council objectives and asset management policies to be achieved.

Table 2.6 - Asset Management Strategies

No	Strategy	Desired Outcome
1	Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets.	Long Term Financial Planning drives budget deliberations and the long term implications of all services are considered in annual budget deliberations.
2	Report our financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability and performance against organisational objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
3	Develop and maintain a Long Term Financial Plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide our services.
4	Develop and annually review asset management plans and Strategic Asset Management Plan covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
5	Review and update individual asset management plans, Strategic Asset Management Plan and Long Term Financial Plan after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
6	Develop and maintain a risk register of operational and service delivery risks showing current risk levels, risk management treatments and report regularly to Council on current high level risks.	Risk management of operational and service delivery risks is an integral part of governance.
7	Ensure Council decisions are made from accurate and current information in asset registers, on service level performance and 'whole of life' costs.	Improved decision making and greater value for money.
8	Report on resources and operational capability to deliver the services needed by the community (in the annual report).	Service delivery is matched to available resources and operational capabilities.
9	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
10	Use and progress items noted for improvement in individual asset management plans (improvement plans) and this plan (refer Section 8.0) to realise 'core' maturity for the financial and asset management competencies **by 2025**.	Improved financial and asset management capacity within Council.
11	Six monthly report by the General Manager, to Council, on development and implementation of Strategic Asset Management Plan, Asset Management Plans and Long Term Financial Plan.	Oversight of resource allocation and performance.

2.7 Asset management improvement plan

The tasks required for achieving a 'core' financial and asset management maturity are shown in priority order in the asset management improvement plan in Section 8.2

2.8. Consequences if improvement actions are not completed

There are consequences for the Council if the improvement actions are not completed. These include:

- Inability to achieve strategic and organisational objectives
- Inability to achieve financial sustainability for Council's operations
- Current risks to infrastructure service delivery are likely to eventuate and response actions may not be appropriately managed
- We may not be able to provide the appropriate levels of service

3.0 LEVELS OF SERVICE

3.1 Level of service

Council delivers services to the community. Asset's owned by Council enable the provision of these services. The level at which these services are provided to the community is called the 'level of service'. Generally the amount of funds allocated to deliver the service will determine the level of service, i.e. a high level of expenditure on a given service will generally deliver a higher level of service than a lower level of expenditure.

3.2 Community research and expectations

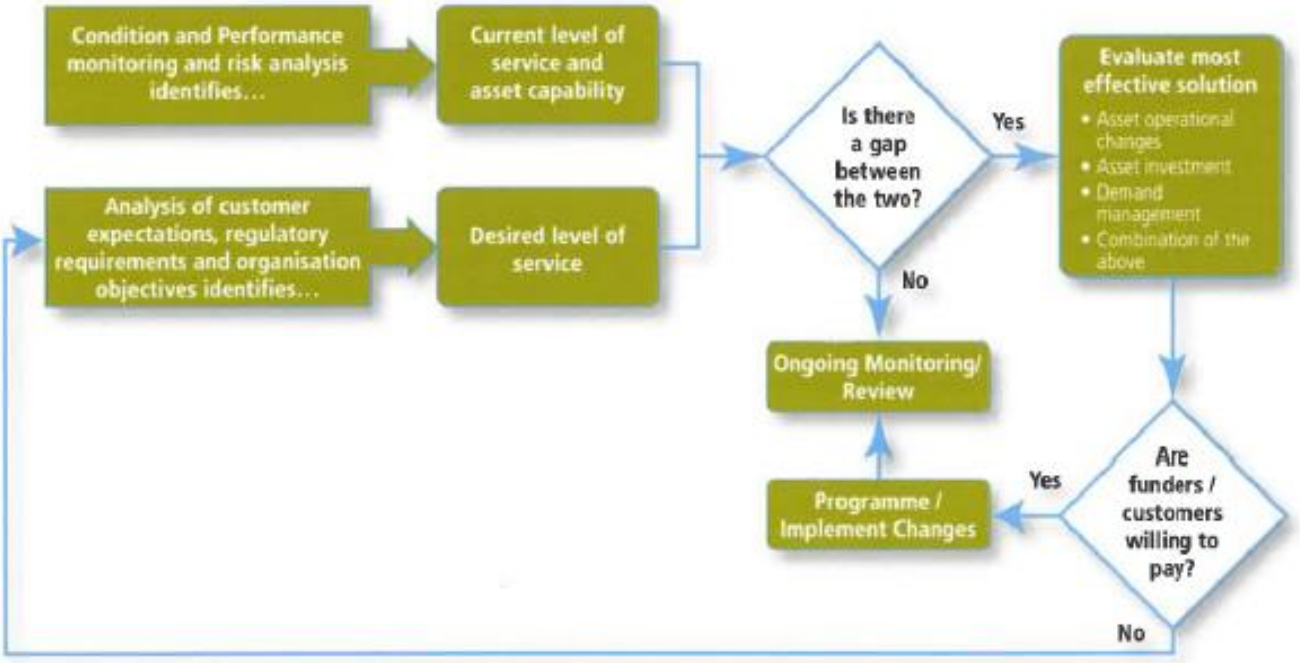
This Strategic Asset Management Plan is prepared to facilitate consultation prior to adoption of levels of service by Council. Future revisions of the Strategic Asset Management Plan will incorporate customer consultation on service levels and costs of providing the service. This will assist Council 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.

Council undertakes community consultation for proposed developments. Council also receives vast community feedback on the services and facilities it provides. Budget submissions are invited from local district committees and community groups for Council consideration. Council's customer request system is used to determine trends in community expectations. This information is used in developing key planning documents and in allocation of budget resources.

Figure 3.2 below shows how current level of service and desired level of service are considered as part of Council's asset management process.

Figure 3.2 - Levels of Service in the Asset Management Process

(Sourced from (NAMS & IPWEA, 2011)



3.3 Legislative requirements

We have to meet many legislative requirements including Australian and State legislation and State regulations. These are detailed in Council's five Asset Management Plans summarised in this Strategic Asset Management Plan.

3.4 Customer values

Levels of service are defined in three ways; customer values, customer levels of service, and technical levels of service.

Customer values indicate:

- what aspects of the service is important to the customer,
- whether they see value in what is currently provided and
- the likely trend over time based on the current budget provision

Customer values for specific asset classes are detailed in the individual Asset Management Plans summarised in this Strategic Asset Management Plan.

3.5 Customer levels of service

The Customer Levels of Service is a measure as to how the customer receives the service and whether Council is providing value. This is considered in terms of:

Condition 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?

Customer levels of service for specific asset classes are detailed in the individual Asset Management Plans summarised in this Strategic Asset Management Plan.

3.6 Technical levels of service

Supporting the customer service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that Council undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).
- **Operation** – the regular activities to provide services such as availability, cleansing, mowing, etc.
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition (e.g. road patching, unsealed road grading, building and structure repairs),
- **Renewal** – the activities that return the service capability of an asset similar to that which it had originally (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement) or to a lower service level,

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.[8]

[8] IPWEA, 2015, IIMM, p 2|28.

Together the customer and technical levels of service provide detail on service performance, cost and whether service levels are likely to stay the same, get better or worse.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

Current technical levels of service for specific asset classes are detailed in the individual Asset Management Plans, they are also summarised in Appendix A of this document.

4.0 FUTURE DEMAND

4.1 Demand drivers

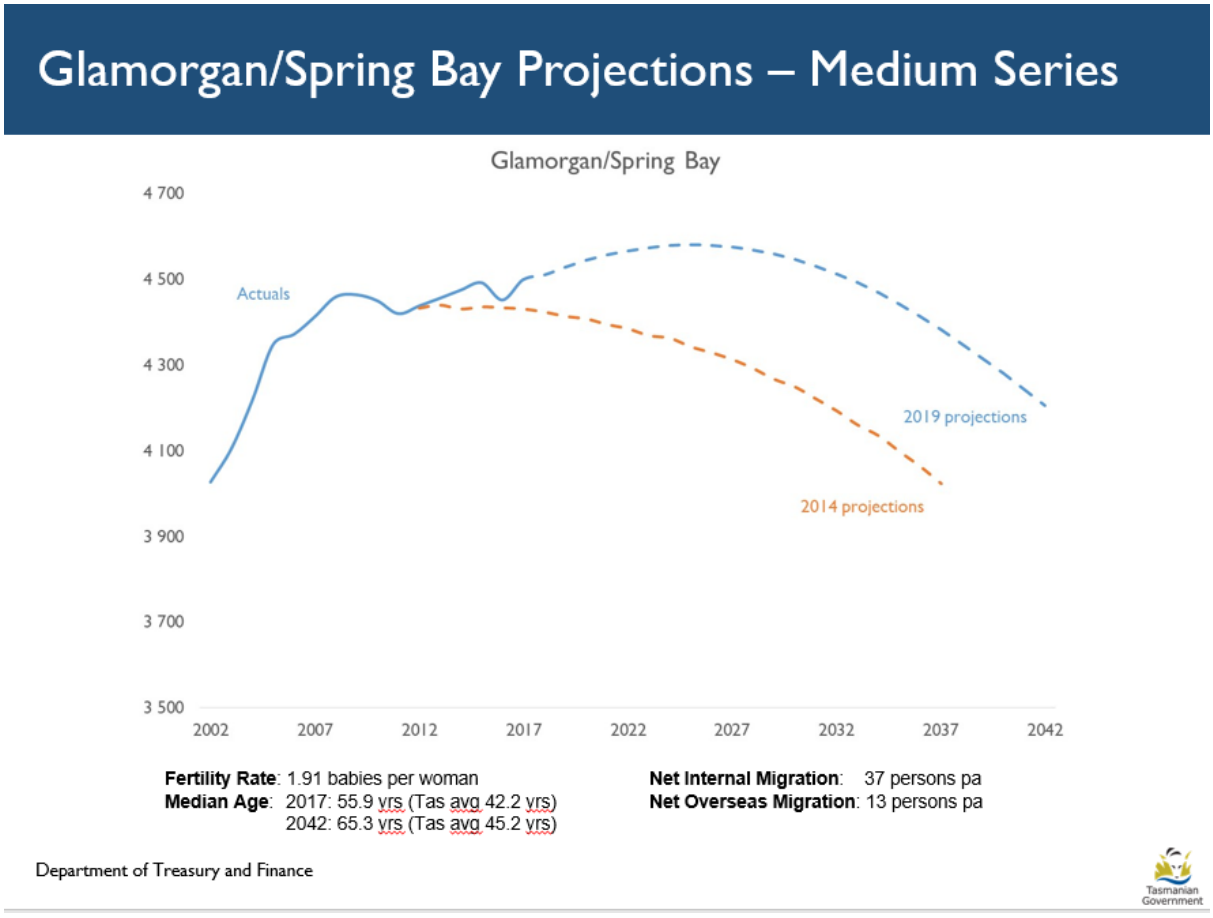
Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 Demand forecast

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented in Table 4.3.

Population of the Glamorgan Spring Bay Local Government Area was last estimated in 2018 to be 4,528. Figure 4.2 below shows the projected population over the planning period. Analysis of this figure shows a slight projected rise in population to approximately 4,600 around 2025 and then a gradual decline to around 4,300 at the end of the planning period (2040). Hence, it is anticipated that there will be little need for change to the adopted 'Levels of Service' relating to population growth.

Figure 4.2 – Department of Treasury and Finance – Glamorgan Spring Bay population projections (medium series).



4.3 Demand impact on assets 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	4,528 people in 2018.	Refer Figure 4.2	The change is not foreseen to impact services	No impact to services, hence management plan is not required.
Demographic	Median age of 55.9 years (2017)	Increase in median age to approx. 65 years by 2039	Not forseen to have significant impact on services, however some impacts noted in individual asset management plans.	Refer individual asset management plans.
Climate change	Experiencing more extreme weather patterns and events	Continue to experience increased frequency and intensity of extreme weather events	Increased maintenance and renewal costs due to flood damage.	Identify list of strategic improvements to reduce the risk of ongoing damage.
Tourism	Tourist region (domestic and international visitors)	Tourist visitation expected to increase over planning period	Increased safety, signage and overall standard of road infrastructure	To be monitored over next five years
Upgrade in standards	Varies between asset classes, refer asset management plans	Some upgrades required over planning period	Increased renewal costs to meet with current standards	Identify upgrades required to meet with modern standards, prioritise these accordingly and include in the planned budget
Community expectation	Some customer service requests relating to parks and recreation assets (and acquisition of)	Some improvements required over planning period	Increased renewal and maintenance costs to meet with community expectations	Identify practicable improvements to meet with community expectations and include in planned budget.

4.4 Asset programs to meet demand

Any new assets required to meet demand may be acquired, donated or constructed. Acquisition is further discussed in Section 5.4.

Acquiring these new assets will commit Council to fund ongoing operation, 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 operation, maintenance and renewal costs in Section 5.

4.5 Climate change adaptation

The impacts of climate change will 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.

How climate change will impact on assets varies significantly depending on the location and the type of services provided, as does the way in which we respond and manage those impacts.[9]

As a minimum we consider how to manage our existing assets given climate change impacts for our region.

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Increased frequency and intensity of extreme rainfall events	Increased frequency of extreme storm events	Increased asset maintenance, renewal and acquisition costs	Prioritise susceptible sites for improvement works to reduce vulnerability and ongoing costs
Sea level rise	0.24 m (2050) and 0.92 m (2100) sea level rise (planning allowances)	Serviceability of some assets threatened by projected sea level rise	Develop a register of assets likely to be affected by the projected sea level rise and plan for resilience building when due for renewal.
Hotter summers	Increase in bushfire risk	Loss of assets	Refer *Glamorgan Spring Bay Council Risk Management Strategy*

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact on these assets?	Build Resilience in New Works
Roads	Increased flood damage	Flood resilient road renewals where practicable
Bridges	Greater flood risk to bridges	Ensure bridges are renewed allowing for climate change forecasts (increased design flows due to increased intensity and frequency of rainfall events)

[9] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Council buildings	Sea level rise and increased frequency and intensity of storm events	Floor levels to satisfy flood modelling and projected sea level rise.
Stormwater drainage infrastructure	Greater capacity required	Only renew with, or acquire, assets that have been designed to allow for climate change flows in accordance with the *Draft Urban Stormwater Management Plan*
Coastal infrastructure	Sea level rise and increased frequency and intensity of storm events (wave action)	New assets to consider these impacts during design and construction to ensure assets remain serviceable into the future.
Parks & Recreation assets	Increased risk of loss, or damage to assets	Consider climate change impacts when acquiring, renewing and maintaining assets.

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this Strategic 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 (defined in Section 3) while optimising lifecycle costs and managing risks.

5.1 Background data

5.1.1 Physical parameters

The assets covered by this Strategic Asset Management Plan are shown in Tables 2.2 and 2.3.1.

5.1.2 Asset capacity and performance

Council's assets and services are generally provided to meet design standards where these are available.

Asset capacity and performance is monitored for three community service measures at the end of the reporting period for condition (quality), function and capacity/utilisation in a *State of the Assets* report. The state of the assets is discussed in Section 2.3.2.

5.2 Routine operation and maintenance plan

Operation includes regular activities to provide services such as public health, safety and amenity, e.g. cleansing, utility services, street sweeping, grass mowing and street lighting.

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

5.2.1 Operation and maintenance plan

Operation activities affect service levels including quality and function, such as cleanliness, appearance, etc., through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, e.g. road patching but excluding rehabilitation or renewal.

Maintenance expenditure is not currently considered adequate to meet with all current levels of service. A reduction in level of service for some asset classes may result until equilibrium of planned budget and maintenance forecasts is met. Where maintenance expenditure levels result in a lesser level of service, the service consequences and risks have been identified in the respective Asset Management Plan, refer also Section 6.0 and Appendix F.

5.2.2 Operation and maintenance strategies

We will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

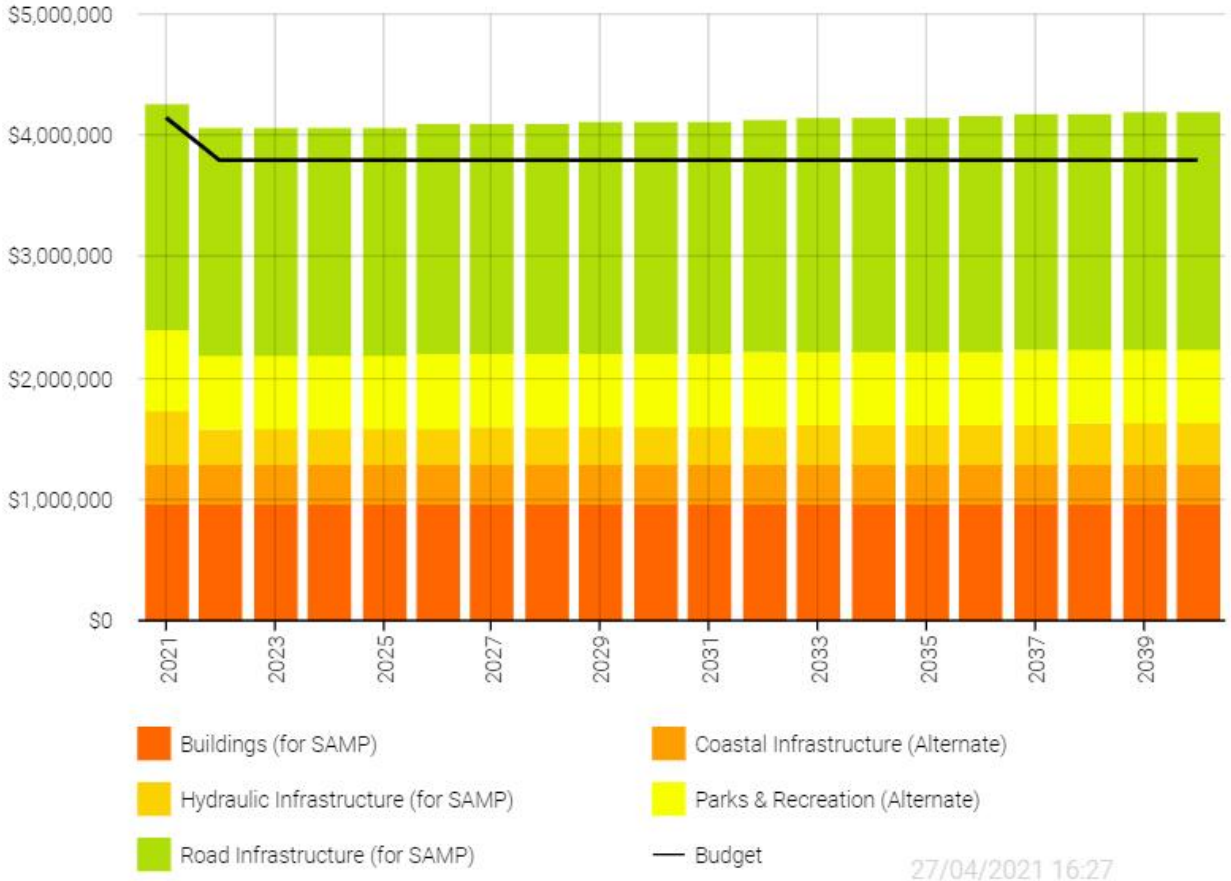
- Scheduling operations activities to deliver the defined level of service in the most efficient manner
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost)
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council

- Review current and required skills base and implement workforce training and development to meet required operation and maintenance needs
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options
- Maintain a current hierarchy of critical assets and required operation and maintenance activities
- Develop and regularly review appropriate emergency response capability
- Review management of operation and maintenance activities to ensure we are obtaining best value for resources used

5.2.3 Forecast operation and maintenance summary

Operation and maintenance costs (for the five major asset classes) are forecast to trend in line with slight increases in total asset value over the planning period (due to acquisitions), this is shown in Figure 5.2.3. The majority of forecast costs (shown in Appendix B) have been accommodated in Council's Long Term Financial Plan, however Figure 5.2.3 highlights that Council does not currently have sufficient planned budget to undertake all of the forecast operation and maintenance throughout the planning period.

Figure 5.2.3: Forecast Operation and Maintenance Summary (major asset classes)



Note that all costs are shown in current dollar values (i.e. real values).

The consequences of deferred maintenance, i.e. works that are identified for maintenance and unable to be funded, are to be included in the risk assessment and analysis section of the appropriate asset management plan, refer also Appendix F.

5.3 Renewal plan

Renewal expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is considered as asset acquisition.

5.3.1 Renewal strategies

We will plan capital renewal projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner
- Undertaking project scoping for all capital renewal projects to identify
    - the service delivery 'deficiency', present risk and optimum time for renewal
    - the project objectives to rectify the deficiency
    - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency
    - and evaluate the options against evaluation criteria adopted by Council, and
    - select the best option to be included in capital renewal programs,
- Using *optimal* renewal methods (cost of renewal is less than replacement) wherever possible
- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and report Very High and High risks and Residual risks after treatment to management, Audit Committee and Council
- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required
- Review management of capital renewal activities to ensure we are obtaining best value for resources used.

5.3.2 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. replace a bridge that has a 5 t load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. roughness of a road).

Asset renewal priorities are indicated by identifying assets or asset groups that:

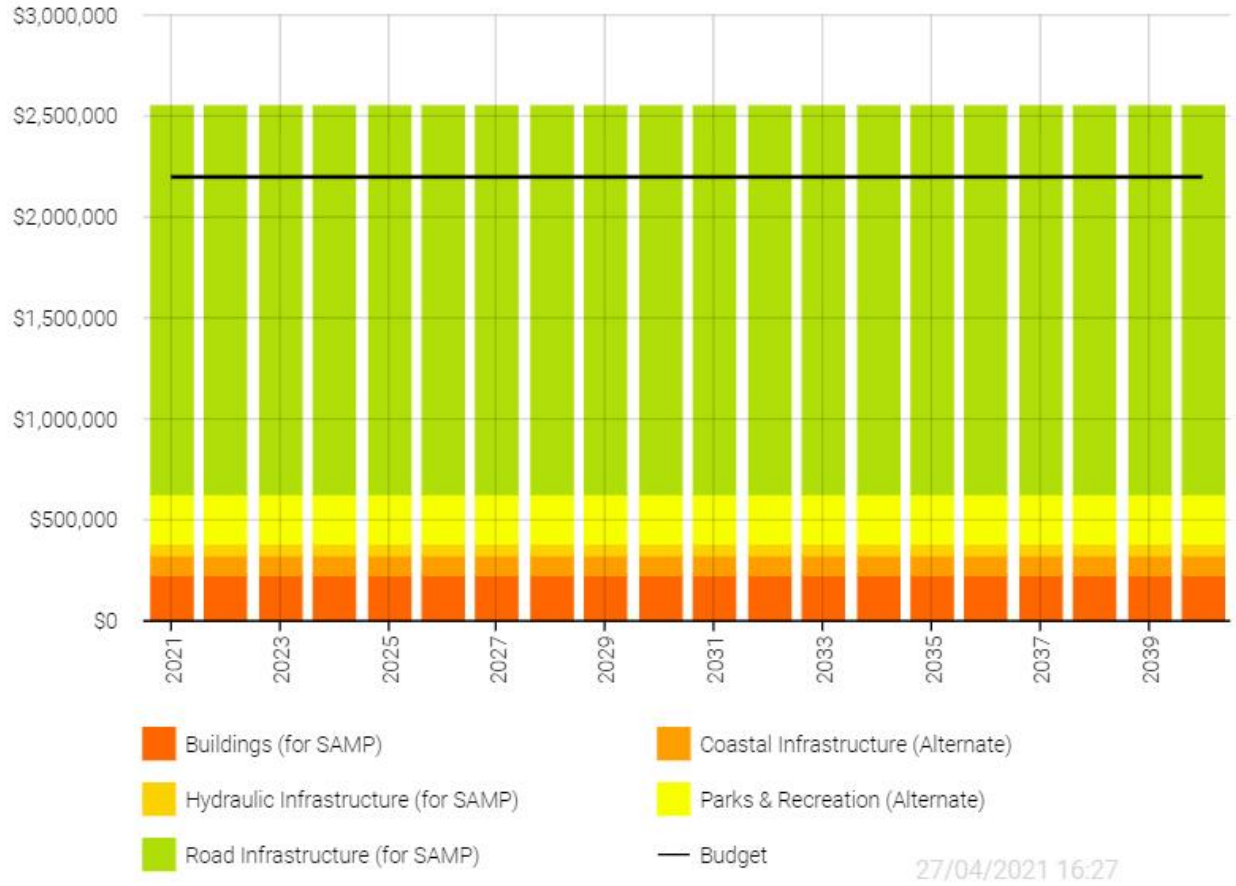
- Have a high consequence of failure
- Have a high utilisation and loss of service would have a significant impact on users
- Have the highest average age relative to their expected lives
- Are identified in the Asset Management Plan as key cost factors
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.

The ranking criteria used to determine priority of identified renewal proposals is detailed in the respective asset management plans.

5.3.3 Forecast renewal summary

Renewal costs are forecast (for the five major asset classes) are to remain relatively constant over the planning period, this is shown in Figure 5.3.3. The majority of forecast costs (for renewals shown in Appendix C) have been accommodated in Council's Long Term Financial Plan, however Figure 5.3.3 highlights that Council does not currently have sufficient planned budget to undertake all of the forecast renewals throughout the planning period.

Figure 5.3.3: Forecast Renewal Summary (major asset classes)



Note that all amounts are shown in current day dollars.

Where renewal forecasts are based on estimates of asset useful lives, the useful lives are documented in the relevant asset management plan. Forecast renewal programs are shown in Appendix C for each of the major asset classes.

Deferred renewals will generally lead to a reduction in the level of service provided. This and other consequences of deferred renewals, i.e. assets that are identified for renewal and unable to be funded, are to be included in the risk assessment and analysis section of the appropriate asset management plan, refer also Appendix F.

5.4 Acquisition plan

Acquisitions are works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to Council from land development. These assets from growth are discussed in Section 4.5.

5.4.1 Selection criteria

Asset acquisitions are identified from various sources such as Councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and then scheduled in future works programmes. The priority ranking criteria is detailed in the respective Asset Management Plans.

5.4.2 Capital investment strategies

We will plan capital upgrade and new projects to meet level of service objectives by:

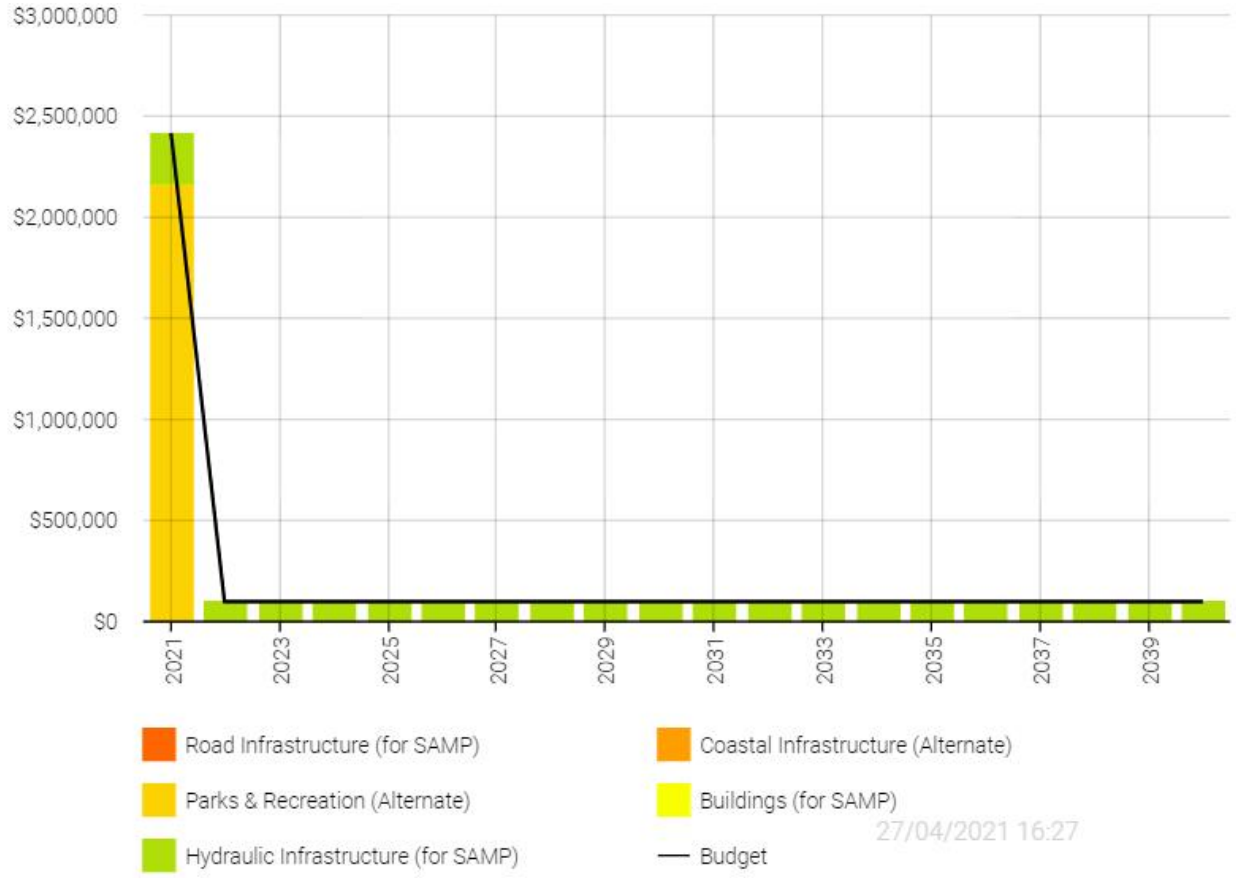
- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner
- Undertake project scoping for all Renewal projects to identify
    - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset
    - the project objectives to rectify the deficiency including value management for major projects
    - the range of options, estimated capital and life cycle costs for each option that could address the service deficiency
    - management of risks associated with alternative options
    - and evaluate the options against evaluation criteria adopted by Council, and
    - select the best option to be included in renewal programs
- Review current and required skills base and implement training and development to meet required construction and project management needs
- Review management of capital project management activities to ensure we are obtaining best value for resources used.

Standards and specifications for maintenance of existing assets and asset acquisitions are detailed in relevant asset management plans.

5.4.3 Forecast acquisition summary

Forecast acquisition and planned budget over the planning period (for the five major asset classes) are detailed in Figure 5.4.3. As can be seen, forecast acquisitions and planned budget are in balance, which is good. The forecast acquisitions have been accommodated in Council's Long Term Financial Plan. The projected acquisition program is shown in Appendix C. All amounts are shown in current day dollars.

Figure 5.4.3: Forecast Acquisition Summary (major asset classes)



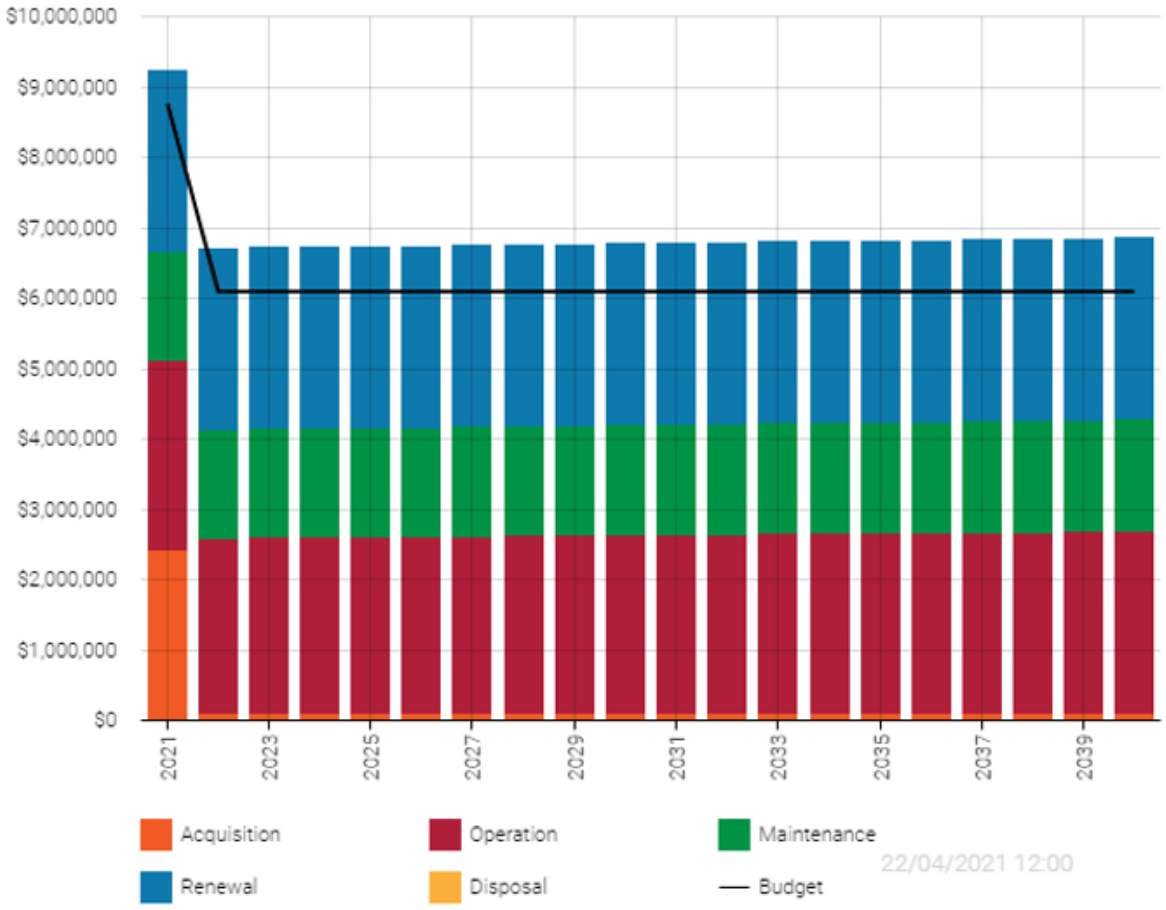
The spike in acquisitions in 2021 is representative of over $2 M in parks and recreation type asset acquired by Council in that year, plus part of the $500,000 that Council budgeted in that year to improve stormwater drainage network performance (hydraulic infrastructure). As can be seen in Figure 5.4.3, following 2021 (and for the remainder of the planning period), Council have adopted a minimisation strategy in terms of asset acquisitions.

When Council 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 and this is detailed for each of the major asset classes in their respective asset management plans.

5.4.4 Lifecycle summary

The financial projections from this strategic asset management plan (for the five major asset classes) are shown in Figure 5.4.4. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget (black line). 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 5.4.4: Lifecycle Summary (major asset classes)



All figure values are shown in current day dollars.

As can be seen in Figure 5.4.4, the forecasted lifecycle costs exceed the planned budget (black line). The forecast lifecycle costs for operation, maintenance and renewal are the main reason for the shortfall between the planned budget and the lifecycle costs. Gradual increases in the operations and maintenance lifecycle costs also lead to a greater shortfall over the planning period, which is due to increased costs associated with acquired assets.

There are some acquisition, operation, maintenance and renewal works that have been deferred, refer Appendix E.

5.5 Disposal plan

Disposal includes any activity associated with disposal of an asset including sale, decommissioning, demolition or relocation. Assets identified for possible disposal are shown in the respective asset management plans (refer to these for further detail), however are summarised below:

- Swanwick Sewerage System
- Prosser Plains Raw Water Scheme
- Ravensdale Hall
- Spencer Street land (22 residential lots), Triabunna
- Bicheno Recreation Ground Pavilion

- 6 Rectory Street, Swansea
- 8 Noyes Street, Swansea
- Little Friends Childcare Centre, Spring Bay Childcare Centre, and Prosser House
- Stormwater drainage assets that are under capacity and will be replaced prior to the end of their useful life (as part of any works recommended from the *Draft Urban Stormwater Management Plan*
- 5 x land assets used to house TasWater infrastructure

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 31000:2009 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2009 as: 'coordinated activities to direct and control with regard to risk'[10].

An assessment of risks[11] associated with service delivery will identify critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock'. 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, evaluate the risks and develop 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. Similarly, critical failure modes are those which have the highest consequences.

Examples of failure mode could include:

- Physical failure, collapse
- Essential service interruption

Critical assets have been identified and their typical failure mode and the impact on service delivery are summarized in Table 6.1:

Table 6.1: Critical Assets

Critical Asset(s)	Failure Mode	Impact
Link roads and collector roads	Flooding, defects etc.	Essential transport services disrupted
Bridges	Flooding, overloading etc.	Essential transport services disrupted
Emergency evacuation centers: - Bicheno Hall - Buckland Hall - Coles Bay Hall - Orford Hall - Swansea Hall - Triabunna Hall - Cranbrook Hall (nearby safer place)	Any failure mode (fire, dilapidation, flooding etc.)	Loss of emergency evacuation centre
Swansea Emergency Services Building	Any failure mode (fire, dilapidation, flooding etc.)	Loss of critical service
Council Offices, Triabunna	Any failure mode (fire, dilapidation, flooding etc.)	Loss of critical service

[10] ISO 31000:2009, p 2

[11] Refer GSBC Risk Management Policy and GSBC Risk Management Strategy (June 2020)

Critical Asset(s)	Failure Mode	Impact
All stormwater drainage assets (notably stormwater detention basins, culverts, pipelines, open drains, overland flow paths etc.)	Flooding/blockage	Damage to buildings, roads and other infrastructure.
Prosser Plains Raw Water Scheme	Component failure	Loss of income and exposure to unbudgeted financial costs
Swanwick sewerage system	Component failure or overflow	Environmental nuisance
Triabunna wharf, Triabunna marina and key boat ramps throughout municipality.	Structural, operational (sand deposits affecting serviceability) or any other failure mode.	Service disruption to all users and loss of critical water access points.

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

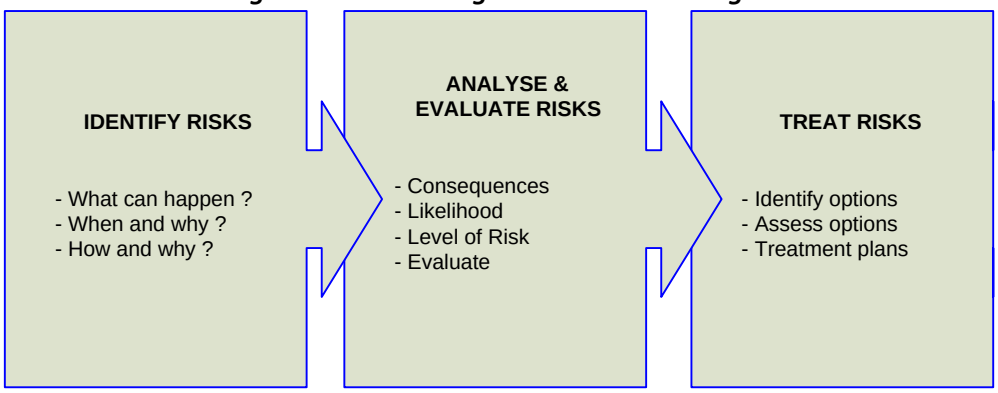
6.2 Risk assessment

The risk management process used in this project 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 the ISO risk assessment standard ISO 31000:2009.

Figure 6.2: Risk Management Process – Abridged



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

An assessment of risks[12] associated with service delivery from infrastructure assets will identify the critical risks that will result in significant loss, 'financial shock' or a reduction in service.

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 for all major asset classes in Appendix F. It is essential that these critical risks and costs are reported to management and Council.

6.4 Service and risk trade-offs

Council has prioritised decisions made in adopting the asset management plans summarised in this Strategic Asset Management Plan to obtain the optimum benefits from its available resources.

The asset management plans are based on balancing service performance, cost and risk to provide an agreed level of service from available resources as detailed in our Long Term Financial Plan.

6.4.1 What we cannot do

We do **not** currently have enough funding to provide all services at the desired level of service, or to provide new services over the planning period. Major lifecycle activities that are currently deferred (due to be undertaken now, but not funded) under Long Term Financial Plan funding levels are:

- Road renewals and maintenance of lower priority road infrastructure. We cannot undertake road renewals and maintenance at the rate required to maintain the current level of service.
- A preventative maintenance program for buildings.
- The planned budget does not allow all capital works (acquisitions and renewals) recommended in the *Draft Urban Stormwater Management Plan* to be undertaken immediately, however, Council will endeavour to complete these works on a priority basis over the next 5-10 years. Refer Appendix D.
- Council do not currently budget to undertake specific operation, maintenance or renewal of coastal assets. Hence Council is unable to currently commit to maintaining and renewing existing assets within the next 10 years and is solely reliant on funding provided by *MAST* to undertake such works.
- The previously proposed Spring Bay Harbour Expansion project (Triabunna wharf and marina expansion)
- Lower priority renewals for parks and recreation assets. We cannot undertake all parks and recreation asset renewals at the rate required to maintain the current level of service. Council will endeavour to complete renewals on a priority basis.

We cannot acquire assets where there is no planned budget assigned to service the full lifecycle costs (acquisition, operation, maintenance, renewal and disposal) over the planning period. A recent example of this is the acquisition of Wielangta Road. This also includes externally funded capital works, for example – the significant parks and recreation grants ($2.1M asset acquisition) in 2020-21.

[12] Refer GSBC Risk Management Policy and GSBC Risk Management Strategy (June 2020)

[i] IPWEA, 20015, IIMM, Sec 3, p9.

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. The service consequences will generally be a reduction in level of service provided.

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:

- A reduction to the level of service provided
- Reputational consequences

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 all the information presented in the previous sections of this Strategic Asset Management Plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

7.1 Financial indicators and projections

Funding ratios

The Asset Renewal Funding Ratio is a key indicator which shows whether forecast renewal costs are able to be financed in the Long Term Financial Plan. It is calculated by dividing the forecast renewal costs (refer Asset Management Plans) by the estimated planned renewal budget (refer Long Term Financial Plan). Over the planning period, we are forecasting that we will have approximately **86 %** (asset renewal funding ratio) of the funds required for the optimal renewal of assets.

Other relevant funding ratios are shown below:

Acquisition and Renew (combined) funding ratio: **88 %**

Operation and Maintenance funding ratio: **93 %**

Total Lifecycle (Acquisition, Operation, Maintenance, Renewal, Disposal) funding ratio: **90 %**

7.2 Funding strategy

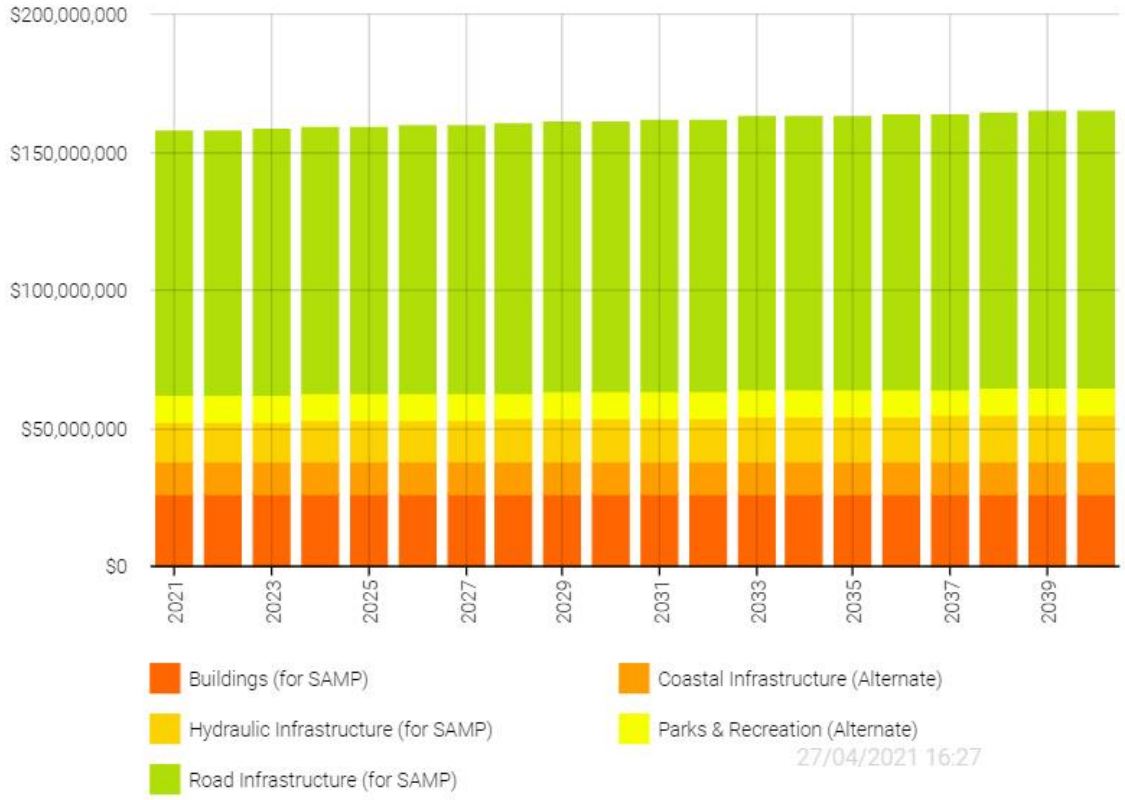
The funding strategy to provide the services covered by this Strategic Asset Management Plan and supporting asset management plans is contained within Council's Long Term Financial Plan (10 year).

The funding strategy was developed in conjunction with the individual Asset Management Plans and Long Term Financial Plan. We recognise that we are unable to currently meet all service demand and have agreed on a compromise of lifecycle activities in order to balance level of service, risk and cost. The funding strategy does not currently require additional borrowings to finance any critical or high priority renewals or acquisitions.

7.3 Valuation forecasts

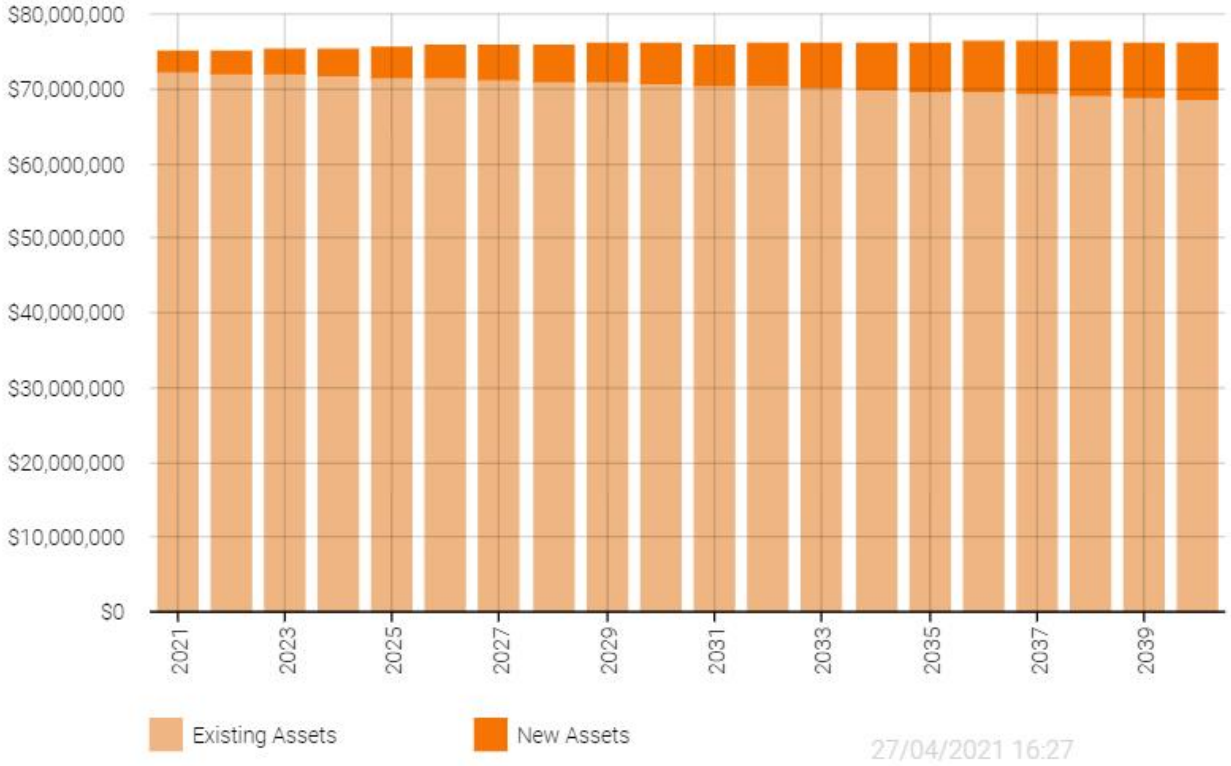
Asset values are forecast to increase as additional assets are acquired (purchased, constructed or donated) by Council. Figure 7.3(a) shows the projected asset replacement values over the planning period (shown in current day dollars).

Figure 7.3 (a) - Forecast Asset Values



The depreciated replacement cost will vary over the forecast period depending on the rate of asset acquisition, disposal, depreciation and renewal. Forecast depreciated replacement cost is shown in Figure 7.3(b). The depreciated replacement cost of new (acquired) assets is shown in the darker colour and in the lighter colour for existing assets.

Figure 7.3 (b) – Forecast Depreciated Replacement Cost



An increase in the projected depreciated replacement cost (carrying value) of infrastructure assets indicates that Council is increasing its infrastructure capital in aggregate (and a reduction signals a decrease).

Figure 7.3(b) indicates that we are slightly increasing our infrastructure capital over the planning period.

7.4 Key forecast assumptions

This section details the key assumptions made in presenting the information contained in this Strategic Asset Management Plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are shown below:

- Assume external funding (grants) will continue to be a major source of funding for renewals and major maintenance, noting a known gradual reduction in some of these grants over the planning period.
- Financial data used in the development of this plan was from the end of the 2019-20 financial year, with some amendments made based on asset condition assessment data received following.
- Assume no major infrastructure assets will be acquired by Council in the next 10 year period (excluding assets related to new subdivisions and strategic stormwater drainage network improvements).
- Several gross assumptions were required in the derivation of planned budget and lifecycle forecast figures. This is due to the quality of financial information currently available.
- Professional judgement has been applied in the absence of good quality data, however where applied, it has been noted for improvement in Section 8.0.

- Renewal cost and expenditure estimates are budget type figures, and in some instances have a confidence range of up to ± 40%
- That the Swanwick Sewerage System is transferred to TasWater in 2021 without any significant cost to Council, hence no replacement value has currently been included in this plan.
- Assume *MAST* will continue to fund all renewals and major maintenance as required, with the exception of purely Council funded assets such as the Triabunna Wharf and Marina.
- All figures are presented in current day dollars.

7.5 Forecast reliability and confidence

The expenditure and valuation projections in this Strategic Asset Management Plan are based on best available data and professional judgement. Currency and accuracy of data is critical to effective asset and financial management. The data confidence grading system is shown in Table 7.5.1 below and the individual data confidence assessment summaries for the five major asset classes is shown in Table 7.5.2.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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 ± 2%
B. High	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 ± 10%
C. Medium	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 ± 25%
D. Low	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 ± 40%
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this Strategic Asset Management Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment summary of individual Asset Management Plans

Asset Management Plan	Confidence Assessment	Comment
Road Infrastructure	Low to Medium	Several gross estimates and assumptions made. Requires review on improvement of financial data.
Buildings	Low to Medium	Several gross estimates and assumptions made. Requires review on improvement of financial data.
Hydraulic Infrastructure	Low	Several gross estimates and assumptions made. Requires review on improvement of asset data (including financial data). Asset register will require update on completion of GIS improvement project (in progress).
Coastal Infrastructure	Low to Medium	Several gross estimates and assumptions made. Requires review on improvement of financial data.
Parks & Recreation	Low	Several gross estimates and assumptions made. Requires review on improvement of asset data (including financial data).

Considering all data sources, the estimated confidence level for and reliability of data used in developing this Strategic Asset Management Plan is considered to be **Low to Medium**.

An improvement plan is included in Section 8.0 below.

8.0 IMPROVEMENT PLAN

8.1 Status of asset management practices

Major changes required to asset management practices identified in this plan are:

- An asset management team is formed – meeting monthly, and undertaking and promoting good asset management
- Update and improve accuracy of *XERO* financial records in relation to fixed assets (update in accordance with current asset registers).
- Improve asset registers and knowledge, notably for the five major asset classes, but also for the smaller asset classes following.
- Council to manage road and hydraulic infrastructure assets using *MyData* (previously undertaken by Brighton Council). This will require staff training and is critical to the success of Council's ongoing asset management.
- Budgets, tracking of costs and financial data in general requires greater detail and clarity to enable transparency.
- Renewal (and acquisition, where relevant) plans be developed and used to inform budgets.
- Develop a solid link between the individual asset management plans, this strategic asset management plan and the long term financial plan.
- Improve data confidence and asset management maturity (to achieve 'core' maturity).
- Progress investigation into benefits of proceeding with identified potential asset disposals.

8.2 Improvement plan

It is important that Council recognise areas of their Strategic Asset Management Plan that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this Strategic Asset Management Plan is shown in Table 8.2. The improvement tasks noted are tasks considered important at the strategic asset management plan level, it does not include all identified improvements and as such reference is made to the individual asset management plans for further detail on specific asset class improvements.

Table 8.2: Improvement Plan

Number	Task	Responsibility	Resources Required	Timeline
1	Asset management team, as per *Asset Management Policy*, to be formalised and meet monthly.	General Manager	Asset Management Team	June 2021
2	Develop detailed acquisition and renewal programs for five major asset classes (refer individual Asset Management Plans). Use to inform Long Term Financial Plan updates.	Director of Works & Infrastructure	Asset Management Team	June 2021
3	Increase accuracy of budget breakdown to include acquisitions, maintenance, operations, renewals	Accountant	Asset Management Team	June 2021

	and disposals. Aim for better transparency.			
4	Progress potential asset disposals (those with limited value or that do not fit with Council's strategy). Refer individual asset management plans and Section 5.5.	General Manager	Asset Management Team	December 2021
5	Improvements required in *XERO* (accounting software): - *XERO* register to match actual asset registers – **values are currently out by estimated $20M.** - Remove fully depreciated, disposed, and otherwise irrelevant assets where appropriate - Improve recording of assets into correct asset classes - Staff training on $1000 'asset' threshold (i.e. if less, not to be recorded on *XERO* fixed asset register) - Standard tracking categories to be used by all staff	Accountant	Asset Management Team	2022
6	Council to manage road and hydraulic infrastructure assets in *MyData* (previously by Brighton Council). Refer individual asset management plans for specific improvement activities.	General Manager & Director of Works & Infrastructure	Asset Management Team	2022
7	Improve confidence in financial data used in Long Term Financial Plan and Strategic Asset Management Plan	Accountant	Asset Management Team	2022
8	Assess yearly performance (budgeted vs. actual costs) and update Asset Management Plan and Long Term Financial Plan accordingly.	General Manager	Asset Management Team	2022
9	Completion and adoption of the *Draft Urban Stormwater Management Plan* once complete, including all associated recommendations. This includes completion of catchment modelling	Director of Works & Infrastructure	Hydraulic Engineer	2022

	to better understand/identify deficiencies (currently underway).			
10	Develop an Unmaintained Roads Policy for Council review.	Director of Works & Infrastructure	Works Manager	2022
11	Coastal Infrastructure - Clarify lease arrangements, Council or *MAST* asset ownership and lifecycle funding	General Manager	Manager – Coastal Infrastructure	2022
12	Improve and update asset register data for major asset classes (e.g. condition ratings, review of useful lives, construction dates, replacement value, function and capacity ratings etc.). Following completion, focus on smaller asset classes.	General Manager	Asset Management Team	2023
13	Community/Council consultation required to ensure appropriate levels of service are being provided (reduce/improve level of service accordingly)	General Manager	Asset Management Team	2024
14	Improve confidence and maturity of all asset management plans, aiming to achieve 'core maturity'.	General Manager	Asset Management Team	2025
15	Undertake regular inspection of asset condition and develop formal acquisition, maintenance and renewal programs.	Director of Works & Infrastructure	Asset Management Team	Ongoing
16	Continually improve correlation between Long Term Financial Plan and Asset Management Plan.	General Manager	Asset Management Team	Ongoing
17	Update Geographical Information System (GIS) to include all previously missing assets (prioritised by asset value – refer asset registers).	Director of Works & Infrastructure	Surveyor/Geographical Information System officer	Ongoing

8.3 Monitoring and review procedures

This Strategic Asset Management Plan is to 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 plan has a maximum life of 4 years and is due for complete revision and updating within 6 months of each Council election.

8.4 Performance measures

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

- The degree to which the required projected expenditures identified in this Strategic Asset Management Plan are incorporated into Council's Long Term Financial Plan
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the summarised asset management plans
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into Council's 10-Year Strategic Plan and associated plans
- The Asset Renewal Funding Ratio achieving the target of 90 – 100 % (currently 86 %)

9.0 REFERENCES

- ISO, 2014, ISO 55000, *Asset management – Overview, principles and terminology*, International Organization for Standardization, Geneva.
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- ISO, 2014, ISO 55002, Asset management – Management systems – Guidelines for the application of ISO 55001, International Organization for Standardization, Geneva.
- IPWEA, 2014, 'NAMS.PLUS3 Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org/namsplus.
- IPWEA, 2015, 'Australian Infrastructure Financial Management Manual, Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/AIFMM.
- IPWEA, 2011, 2015, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
- '10-year Strategic Plan 2020-2029'
- '2020-2021 Annual Plan' (incl. budget)
- Asset Management Plans
    - Road Infrastructure 2020
    - Buildings 2020
    - Hydraulic Infrastructure 2021
    - Coastal Infrastructure 2021
    - Parks & Recreation 2021
- Asset Management - Maturity Assessment Plan 2021
- Long Term Financial Plan 2021

10.0 APPENDICES

Appendix A **Summary Technical Levels of Service**

Appendix B **Operation and Maintenance Forecast Summary**

Appendix C **Renewal Forecast Summary**

Appendix D **Acquisition Forecast Summary**

Appendix E **Deferred Works Summary**

Appendix F **Risk and Treatment Plans**

Appendix A Summary Technical Levels of Service

Table A1: Summary Technical Levels of Service – Road Infrastructure

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Acquire assets that align with Council's core purpose	Number of acquisitions	Council acquires assets generally on availability of external funding (state/federal) or via developer contribution (e.g. new subdivision road, footpath etc.)	Only acquire assets that align with Council's core purpose and that Council can afford to maintain, operate, renew and/or dispose of (must consider full asset lifecycle costs)
		Budget	***$0 per year***	***$0 per year***
Operation	Keep roads and footpaths clear of debris – e.g. street sweeping and keeping drains clear.	Number of customer service requests	Varying frequency based on a number of factors, but primarily weather. (Street sweeping occurs twice yearly on average)	Current performance is considered adequate based on user feedback
	Provide timely emergency response to assist public and minimise disruption caused by temporary loss of use of asset	Community feedback	User feedback suggests current performance is adequate	Current performance is considered adequate based on user feedback
		Budget	***$730,000 per year (average over next 10 years)***	***$730,000 per year 8 (average over next 10 years)***
Maintenance	Keep road infrastructure assets serviceable	Frequency of maintenance	Combination of reactive maintenance (weather and customer service request dependent) and informal maintenance program.	Planned maintenance program be developed based on condition and road hierarchy. Additional grader operator required to maximise use of machinery (grader) and increase amount of roads maintained each year. (Note, Council is in the process of developing an Unmaintained Roads Policy)
	Keep road infrastructure assets safe.	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Planned maintenance program be developed based on condition and road hierarchy. Additional grader operator required to maximise use of machinery (grader) and increase amount of roads maintained each year.
		Budget	***$1,120,000 per year (average over 10 years)***	***$1,120,000 per year (average over 10 years)***
Renewal	Ensure road infrastructure	Frequency of renewal	Assets are renewed on a priority basis depending	Works schedule developed and a strategic renewal plan

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
	assets remain in a serviceable condition		on asset condition and customer service requests, but rarely planned more than a year in advance – no formal schedule of works/work plan	developed for planning period (using renewal priority ranking criteria – refer Table 5.3.1), updated yearly.
	Ensure road infrastructure assets remain in accordance with current standards	Frequency of renewal (including component renewal – e.g. bridge guardrail)	Assets are renewed on a priority basis depending on asset condition and customer service requests, but rarely planned more than a year in advance – no formal schedule of works/work plan	Works schedule developed and a strategic renewal plan developed for planning period (using renewal priority ranking criteria – refer Table 5.3.1), updated yearly.
		Budget	***$1,700,000 per year***	***$1,700,000 per year***
Disposal	Identify assets and activities that do not align with Council's core purpose	Number of assets and activities identified for disposal	No disposals are currently planned	Continue to monitor assets for potential disposals that do not align with Council's core purpose.
	Dispose of assets and activities that do not align with Council's core purpose	Number of identified asset and activity disposals undertaken	No disposals are currently planned	Continue to monitor assets for potential disposals that do not align with Council's core purpose.
		Budget	***$0 per year***	***$0 per year***

Note: * Current activities related to Planned Budget.

** Expected performance related to forecast lifecycle costs.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

Table A2: Summary Technical Levels of Service – Buildings

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Acquire assets that align with Council's core purpose	Number of acquisitions	Council has historically acquired assets generally on availability of external funding. No acquisitions are currently scheduled during the planning period.	Only acquire assets that align with Council's core purpose and that Council can afford to maintain, operate, renew and/or dispose of (must consider full asset lifecycle costs)
		Budget	***$0 per year***	***$0 per year***
Operation	Keep buildings and facilities clean (e.g. public toilets and BBQ's)	Frequency of cleaning	High use public facilities cleaned daily, Monday to Friday. Increased to seven days a week in peak season.	Current performance is considered adequate based on user feedback
	Keep buildings and facilities operational and accessible	User feedback	User feedback suggests current performance is adequate	Current performance is considered adequate based on user feedback
		Budget	***$600,000 per year***	***$600,000 per year***
Maintenance	Keep buildings and facilities safe.	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
	Keep buildings and facilities serviceable	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
		Budget	***$265,000 per year***	***$365,000 per year***
Renewal	Ensure buildings are in good condition for use	Frequency of renewal	Buildings are renewed on a priority basis, depending on building type, condition, hierarchy etc.	Current performance is considered adequate based on condition of Council buildings and forecasted renewals
	Ensure buildings remain modern and compliant with current standards	Frequency of renewal (including component renewal)	Buildings are renewed on a priority basis, depending on building type, condition, hierarchy etc.	Current performance is considered adequate based on condition of Council buildings and forecasted renewals
		Budget	***$305,200 per year (average over 10 years)***	***$305,200 per year (average over 10 years)***
Disposal	Identify assets and activities that do not align with Council's core purpose	Number of assets and activities identified for disposal	Some potential disposals have been identified	Develop a list of potential asset and activity disposals for Council assessment
	Dispose of assets and activities that do not align with Council's core purpose	Number of identified asset and activity disposals undertaken	No disposals are currently planned	Develop a plan for, and dispose of, identified assets following Council approval

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
		Budget	***$0 per year***	***$0 per year***

Note: * Current activities related to Planned Budget.

** Expected performance related to forecast lifecycle costs.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

Table A3: Summary Technical Levels of Service – Hydraulic Infrastructure

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Acquire assets that align with Council's core purpose	Number of and funds spent on acquisitions	Council acquires stormwater assets generally via developer donation (new subdivision) or through construction of new assets (pipes, drains etc.)	Only acquire assets that align with Council's core purpose and that Council can afford to maintain, operate, renew and/or dispose of (must consider full asset lifecycle costs). Prioritise and budget for completion of works in 5 year capital works program developed by Council's hydraulic engineer – see *Draft Urban Stormwater Management Plan.*
		Budget	***$113,592 per year (10 year average)***	***$113,592 per year (10 year average)***
Operation	Keep hydraulic infrastructure serviceable and safe	Number of customer service requests	User feedback suggests a number of issues with stormwater drainage network	Make improvements where required in order to minimise number of customer service requests
	Regular condition inspections	Percentage of assets inspected, number of customer service requests relating to blocked culverts, pits etc.	No formal inspection program is in place however prior to forecasted significant rain events known problematic areas are inspected to ensure stormwater assets are operational (free of debris).	Adopt a formal condition inspection and cleaning program.
		Budget	***$292,310 per year (10 year average)***	***$308,880 per year (10 year average)***
Maintenance	Keep hydraulic infrastructure safe.	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
	Keep hydraulic infrastructure serviceable	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
		Budget	***$2,000 per year***	***$2,080 per year***
Renewal	Ensure hydraulic infrastructure	Frequency of renewal	Renewals have not been regularly undertaken in	Renewal programme to be developed based on

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
	assets are in a good serviceable condition		recent times, but if so they have been completed on a priority basis (generally driven by customer service requests)	condition assessment data and professional judgement by staff, in conjunction with recommendations from the *Draft Urban Stormwater Management Plan*.
	Ensure hydraulic infrastructure assets remain fit for purpose and in-line with current standards	Frequency of renewal (including component renewal)	Not currently monitored in any formal way. Pipe network currently judged to have approximately 1 in 5 year event capacity. Overland flow currently judged to be approximately 1 in 10 year event capacity.	Renewal programme to be developed based on condition assessment data and professional judgement by staff. Pipe network capacity to have a 1 in 10/20 year event capacity and overland flow path to have 1 in 100 year equivalent flow capacity.
		Budget	***$60,000 per year (10 year average)***	***$60,000 per year (10 year average)***
Disposal	Identify assets and activities that do not align with Council's core purpose	Number of assets and activities identified for disposal	Some potential disposals have been identified	Develop a list of potential asset and activity disposals for Council assessment
	Dispose of assets and activities that do not align with Council's core purpose	Number of identified asset and activity disposals undertaken	No disposals are currently planned	Develop a plan for, and dispose of, identified assets following Council approval
		Budget	***$0***	***$0***

Note: * Current activities related to Planned Budget.

** Expected performance related to forecast lifecycle costs.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

Table A4: Summary Technical Levels of Service – Coastal Infrastructure

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Acquire assets that align with Council's core purpose	Number of acquisitions	Council acquires assets generally on availability of external funding, with the exception of the recent Triabunna marina and wharf projects (financed by loans). There are currently no future acquisitions in the planned budget.	Only acquire assets that align with Council's core purpose and that Council can afford to maintain, operate, renew and/or dispose of (must consider full asset lifecycle costs). Investigate feasibility of wharf and marina expansion project.
		Budget	***$0***	***$0***
Operation	Keep coastal infrastructure assets clean, safe and serviceable	Frequency of cleaning (e.g. boat ramp algae removal)	Various operational activities carried out by works crew. E.g. Boat ramps steam cleaned of algae growth every 3 months.	Current performance is considered adequate based on user feedback
	Regular condition inspections	Number of assets inspected	Majority of infrastructure (where deemed appropriate) is inspected at the start of summer each year. Divers are used where required. *MAST* also undertake independent condition inspections of some assets.	*MAST* and Council condition inspections are merged. All appropriate coastal infrastructure assets are inspected yearly or at appropriate frequency.
		Budget	***$279,250 per year (average over 10 years)***	***$279,250 per year (average over 10 years)***
Maintenance	Keep coastal infrastructure assets safe.	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme – specifically include in budget.
	Keep coastal infrastructure assets serviceable	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme – specifically include in budget.
		Budget	***$0 per year (minor maintenance***	***$50,000 per year (estimate for wharf and marina***

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
			undertaken from general discretionary budget, major maintenance reliant on MAST funding)	***maintenance and minor maintenance to other assets). Assume all other major asset maintenance and renewal funded by MAST.***
Renewal	Ensure coastal infrastructure is in good condition for use	Frequency of renewal	Renewals undertaken on a priority basis (generally driven by user demand and condition) on availability of external funding from *MAST* where applicable (boat ramps, jetties etc.)	Current performance is considered adequate based on condition of assets and forecasted renewals.
	Ensure coastal infrastructure assets remain fit for purpose and in-line with current standards	Frequency of renewal (including component renewal)	Majority of renewals reliant on *MAST* funding. Wharf and marina component renewals not previously forecasted (now forecasted).	Current performance is considered adequate based on historical renewals program. Forecast renewals program be established, especially for the wharf and marina assets (Council funded).
		Budget	***$94,875 per year (average over 10 years)***	***$100,250 per year (average over 10 years)***
Disposal	Identify assets and activities that do not align with Council's core purpose	Number of assets and activities identified for disposal	Some potential disposals have been identified	Develop a list of potential asset and activity disposals for Council assessment
	Dispose of assets and activities that do not align with Council's core purpose	Number of identified asset and activity disposals undertaken	No disposals are currently planned	Develop a plan for, and dispose of, identified assets following Council approval
		Budget	***$0***	***$0***

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.

Table A5: Summary Technical Levels of Service – Parks & Recreation

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Acquire assets that align with Council's core purpose	Number of acquisitions	Council acquires assets generally on availability of external funding. 2020-21 Financial year has seen significant externally funded acquisitions in the order of $2M, however following this no future acquisitions are currently planned during the planning period.	Only acquire assets that align with Council's core purpose and that Council can afford to maintain
		Budget	***$2,165,462 (2020-21)*** ***$0 per year (2022-240)***	***$0 per year***
Operation	Keep parks and recreation assets clean and tidy	Frequency of cleaning	Different assets are cleaned at varying intervals and this also changes throughout the year (more cleaning occurs during summer than winter,)	Current performance is considered adequate based on user feedback
	Keep parks and recreation assets operational and accessible	User feedback	User feedback suggests current performance is adequate	Current performance is considered adequate based on user feedback
		Budget	***$472,572 per year (10 year average)***	***$472,572 per year (10 year average)***
Maintenance	Keep parks and recreation assets safe.	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
	Keep parks and recreation assets serviceable	Frequency of maintenance	Reactive minor repairs and minor upgrades are undertaken	Reactive minor repairs, minor upgrades, and a planned preventative maintenance programme
		Budget	***Included in Operations above***	***Included in Operations above***
Renewal	Ensure parks and recreation assets are in good condition for use/function	Frequency of renewal	Assets do not have formal inspection programs and are dealt with on a reactive basis.	Establish a formal inspection program which will feed condition information into the forecast renewal plan
	Ensure parks and recreation assets remain modern	Frequency of renewal (including	Assets are renewed on a reactive basis. No works forecasts are currently in place.	Establish a detailed forecast renewal plan with priorities based renewal criteria (see Table 5.3.1)

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
	and compliant with current standards	component renewal)		
		Budget	***$123,000 per year (10 year average)***	***$160,604 per year (10 year average)***
Disposal	Identify assets and activities that do not align with Council's core purpose	Number of assets and activities identified for disposal	No potential disposals have currently been identified	Develop a list of potential asset and activity disposals for Council assessment
	Dispose of assets and activities that do not align with Council's core purpose	Number of identified asset and activity disposals undertaken	No disposals are currently planned	Develop a plan for, and dispose of, identified assets following Council approval
		Budget	***$0 per year***	***$0 per year***

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.

Appendix B Operation and Maintenance Forecast Summary

Projected operation and maintenance expenditure included in the Long Term Financial Plan are shown below.

Year	Road Infrastructure	Buildings	Hydraulic Infrastructure	Coastal Infrastructure	Parks & Recreation
2021	$1,850,000	$965,000	$445,600	$329,250	$472,572
2022	$1,855,700	$965,000	$283,710	$329,250	$608,130
2023	$1,861,400	$965,000	$286,783	$329,250	$608,130
2024	$1,867,100	$965,000	$289,856	$329,250	$608,130
2025	$1,872,800	$965,000	$292,928	$329,250	$608,130
2026	$1,878,500	$965,000	$296,000	$329,250	$608,130
2027	$1,884,200	$965,000	$299,073	$329,250	$608,130
2028	$1,889,900	$965,000	$302,146	$329,250	$608,130
2029	$1,895,600	$965,000	$305,218	$329,250	$608,130
2030	$1,901,300	$965,000	$308,291	$329,250	$608,130

Appendix C Renewal Forecast Summary

C.1 Road Infrastructure

A formal renewal plan is yet to be developed, however high priority major renewals that are forecast to occur over the next 10 years are listed below (extracted from the *Asset Management Plan – Road Infrastructure*):

- Rheban Road Bridge (Griffiths Rivulet – see below table);
- Buckland Road;
- Wielangta Road;
- Rheban Road;
- Nugent Road;
- Old Coach Road;
- Charles Street (Orford);
- Rosedale Road;
- McNeills Road;
- Seaford Road,
- Freycinet Drive,
- Wielangta Road Bridge (17 Acre Creek – see below table);
- Brockley Road Bridge (Prosser River – see below table);
- Wielangta Road Bridge (Sandspit Flood Opening – see below table);
- Wielangta Road Bridge (Griffiths North – see below table);
- McNiells Road Bridge (Kit Owen Creek – see below table).

10-Year Bridge Renewal Plan

								20\21	21\22	22\23	23\24	24\25	25\26	26\27	27\28	28\29	29\30	30\31
List No.	Classif-ication	Bridge No	River Name	Road Name	Const Year	Deck Type	Deck Area	This Year	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
1	MBA	111	Back Rv	Stonehurst Rd	2016	CON	22.28	3.25										
2	MBA	466	Vicary Rvlt	Triabunna Rd	1993	CON	178.20	0.20										
3	MBA	689	Unemployed Gully	Nugent Rd	2014	CON	58.65	6.65										
4	MBA	814	Ironstone Ck	Cutting Grass	2013	CON	43.17	0.30										
5	MBA	827	Griffiths Rvlt	Rheban Rd	2009	CON	66.30	220.98										
14	MBA	2028	Prosser Rv	Brockley Rd	2010	CON	60.00	34.03										174.98
15	MBA	2034	Prosser Rv	Brockley Rd	2011	CON	56.10	34.45										
18	MBA	2416	West Swan Rv	Old Coach Rd	2011	CON	24.64	0.95										
21	MBA	2902	Prosser Rv	Woodsden Rd	2011	CON	51.00	45.00	22.10									
24	MBA	3209	Blindburn Ck	Ferndale Rd	2013	CON	30.49	6.35			117.57							
26	MBA	3299	Saggy Ck	Rosedale Rd	2008	CON	53.55									248.96		
27	MBA	3301	Apsley Rv	Rosedale Rd	2011	CON	142.80		56.65									
30	MBA	3590	Mitchelmores Ck	Swanston Rd	2011	CON	45.90		19.00									
33	MBA	3860	Earlham Ck	Earlham Rd	2017	CON	51.00	0.40										
35	MBA	4221	Ravensdale Rvlt	Strip Rd	2010	CON	51.00	1.45										148.73
38	MBA	4844	Seabyrne Ck	Banwell Rd	2011	CON	40.80	9.43	14.25									
42	MBA	5251	Kit Owen Ck	McNeills	2009	CON	45.00										127.41	
44	MBA	100V	Unnamed Ck	Glen Gala Rd	1950	CON	66.88	5.65										362.68
47	MBA		Griffiths Rvlt	Wielangta Rd	2014	CON	84.15	0.30										
48	MBA		Prosser Rvr	Off Brockley Rd	1973	STL	105.60	7.65			294.83							
53	MBA		Griffiths North	Wielangta Rd	2002	MPC	19.08	45.80							86.09			
54	MBA		Sandspit Rv	Wielangta Rd	1999	MPC	84.00	2.65										
55	MBA		Sandspit Flood Opening	Wielangta Rd	2005	CON	61.20				238.74							
57	MBA		Pony Bottom	Wielangta Rd	2017	CON	104.12	0.40										
60	MBA		Sandspit Rv	Wielangta Rd	2011	RBC	56.28	0.40										

C.2 Buildings

The below table is an extract from the *Asset Management Plan - Buildings* and shows assets forecast for renewal within the planning period (up to 2039). It is to be noted that the 'Forecast Renewal Year' is calculated as the last major renewal/build year, plus the 'remaining useful life' of the asset. The 'remaining useful life' figures (included in the complete asset register) have been defined taking into account current condition of assets. Further professional judgement will be required in prioritising the below renewals, with the 'forecast renewal year' being a guide only.

Asset Register Forecast Renewals

Asset	Cost to renew at end of life	Forecast Renewal Year
Swansea, Vet Clinic Building	$15,000	2021
Bicheno, Lions Park, Picnic Shelter 1	$35,000	2021
Spring Beach, Toilet Block	$65,000	2021
Coles Bay, Library and Medical Room	$180,000	2021
Coles Bay, Community Hall, Picnic Shelter 2	$5,000	2021
Swansea, Jubilee Beach Park, BBQ Shelter 1	$6,500	2022
Swansea, Old Courthouse and Council Chambers	$450,000	2022
Swansea, Old Courthouse and Council Chambers, GM's Office	$50,000	2022
Triabunna, Council Works Depot	$450,000	2023
Orford, Esplanade, Toilet Block	$95,000	2023
Swansea, Recreation Ground, Clubrooms	$825,000	2024
Bicheno, Recreation Ground, Toilet Block	$185,000	2025
Swansea, Saltwater Creek, Public Toilet	$226,000	2025
Swansea, Recreation Ground, Visitors Changerooms	$25,000	2025
Swansea, Recreation Ground, Public Toilet Block	$145,000	2026
Bicheno, Council Works Depot, Shed 2 (machinery shed)	$9,000	2026
Bicheno, Lions Park, Picnic Shelter 2	$35,000	2026
Triabunna, Recreation Ground, Store Shed & Ticket Box	$5,000	2026
Bicheno, Picnic Shelter	$10,000	2027
Swansea, Old Courthouse and Council Chambers, Shed	$10,000	2027
Triabunna, Recreation Ground, Public Toilet Block	$85,000	2027
Swansea, Jubilee Beach, Public Toilet	$95,000	2028
Triabunna, Recreation Ground, Old BBQ Shed	$25,000	2030
Triabunna, Marina, BBQ Shelter 1	$6,000	2030
Swansea, Council Works Depot, Shed 4	$15,000	2031
Coles Bay, Community Hall, Toilet Block	$135,000	2032
Orford, Waste Management Centre	$210,000	2033
Swansea, House, 6 Rectory Street	$251,220	2033
Bicheno, Council Works Depot, Shed 3 (chemical storage)	$9,000	2033
Bicheno, Recreation Ground, Pavillion	$205,000	2035
Coles Bay, Esplanade E/Garnet Av, Public Toilet	$125,000	2035
Coles Bay, Works Depot Shed	$30,000	2035
Swansea, Council Works Depot, Shed 2	$25,000	2035
Swansea, Saltwater Creek, BBQ Shelter	$6,500	2035
Coles Bay, Community Hall, BBQ Shelter	$5,000	2035
Buckland, Reserve, Toilets	$110,000	2036
Bicheno, Jetty Road Public Toilet	$135,000	2036
Coles Bay, Lookout Structure	$10,000	2037
Orford, Raspins Beach, Toilet Block	$165,000	2039

C.3 Hydraulic Infrastructure

Reference is made to the acquisition forecast summary plan in Appendix D for Hydraulic Infrastructure, refer D.3. It is to be noted that generally stormwater assets are upgraded rather than renewed, given their generally long useful service lives and an increase in modern design flows.

C.4 Coastal Infrastructure

The below table shows assets forecast for renewal within the planning period (up to 2039). It is to be noted that the 'Forecast Renewal Year' is calculated as the last major renewal/build year, plus the 'remaining useful life' of the asset. The 'remaining useful life' figures (included in the complete asset register) have been defined taking into account current condition of assets. Further professional judgement will be required in prioritising the below renewals, with the 'forecast renewal year' being a guide only.

All figures shown are in current day dollars.

Forecast Renewal Works Summary

Asset_Name	Renewal Cost	Forecast Renewal Year
Dolphin Sands, Yellow Sandbanks Road, Jetty	$ 25,000	2021
Little Swanport, Saltworks Road, Timber Jetty	$ 90,000	2021
Dolphin Sands, Yellow Sandbanks Road, Boat Ramp	$ 25,000	2021
Coles Bay, Muirs Beach, Boatramp	$ 120,000	2022
Coles Bay, Muirs Beach, Jetty	$ 80,000	2022
Orford, Prosser River Road, Boat Ramp	$ 25,000	2023
Swansea, Swimming Pontoon	$ 15,000	2026
Triabunna, Barton Avenue (One Tree Point), Boat Ramp	$ 15,000	2029
Orford, Raspins Beach Foreshore Rock	$ 65,000	2035
Swansea, Jetty Road, Lower Boat Ramp Jetty	$ 120,000	2038
Orford, West Shelly Beach, Boat Ramp	$ 15,000	2039
Swanwick, Foreshore Protection (sandbags)	$ 150,000	2039
Little Swanport, Saltworks Road, Floating Jetty	$ 70,000	2039
Orford, Prosser River, Swimming Pontoon	$ 15,000	2039
Triabunna, wharf and marina - component renewals (see below)	$587,500	2021-2031
Specific wharf and marina component renewals:		
Boat access platforms	$100,000	2021-2022
Fixed wharf and marina ladders	$2,500	2021-2023
Renewal of founding material to base of fixed birth marina wall	$50,000	2021-2026
Electrical and plumbing services	$10,000	2021-2031
Marina birth walkway trims, rollers and other minor items	$2,500	2021-2031
Timber wharf kerbs	$2,500	2021-2031
Fender/birth piles (generally timber)	$100,000	2021-2031
Fixed marina wall panel renewal works	$320,000	2021-2031

C.5 Parks & Recreation

The below table shows a preliminary estimate of asset renewal value forecast within the planning period (up to 2040). This is a gross estimate of forecast renewals and is subject to further condition assessments of specific parks and recreation assets. Further professional judgement will be required in prioritising forecast renewals and development of a detailed renewal program is also required.

Preliminary Renewal Forecast Summary

Asset category summary:	% of asset category value estimated to require renewal within next 20 years	$ value of asset category estimated to require renewal within next 20 years
Car parks/parking areas	50%	$ 1,583,500
Playgrounds	50%	$ 725,000
Formed and maintained walkways/trails	33%	$ 160,000
Tennis courts, netball courts, and cricket nets	0%	$ -
Skate parks and BMX tracks	33%	$ 153,333
Recreation grounds	50%	$ 227,500
Monuments, memorials, cenotaphs, public art etc.	13%	$ 40,000
BBQ's	80%	$ 204,000
Pedestrian walkway bridges	14%	$ 30,000
Public seating and picnic table settings	75%	$ 91,500
Dog parks	0%	$ -
Black water stations	25%	$ 11,250
Cemeteries	25%	$ 10,000

C.6 Plant & Vehicles

A 10 year renewal plan for plant and vehicles is currently in development and is to be added here on completion.

Appendix D Acquisition Forecast Summary

D.1 Road Infrastructure

A key assumption in the writing of the *Asset Management Plan – Road Infrastructure* is that no major standalone acquisitions are forecast to be undertaken during the planning period. Given future demand, Council's current financial position, available budget and discussion with key staff, a strategy of minimising acquisitions (for road infrastructure assets) over the planning period is recommended.

D.2 Buildings

A key assumption in the writing of the *Asset Management Plan - Buildings* is that no acquisitions are forecast to be undertaken during the planning period. Given future demand, Council's current financial position, available budget and discussion with key staff, a strategy of no acquisition (for building assets) over the planning period is recommended.

D.3 Hydraulic Infrastructure

The table below (extract from *Asset Management Plan – Hydraulic Infrastructure*) is a draft 5-year works plan for the stormwater drainage network, created by Council's hydraulic engineer, stemming from the recommendations of the *Draft Urban Stormwater Management Plan*. This table shows budget type cost forecasts and priorities for design and construction works (mostly acquisition related). It is to be noted that further works to the value of $100-200k above that shown below are expected to come from design projects listed and these additional funds have been considered in the Long Term Financial Plan and Planned Budget.

Draft 5-Year Works Plan

Budget Year	Project Type	Project Name	Description	Township	Budget	Priori
2021/22	Construction	Holkham Court Stormwater System Upgrade Stage 1	Upgrade of Alma Rd and Holkham Court culverts. Upgrade of central drainage channel between 66 Alma Rd and Tasman Highway	Orford	100,000	1
2022/23	Construction	Holkham Court Stormwater System Upgrade Stage 2	Upgrade of Alma Rd and Holkham Court culverts. Upgrade of central drainage channel between 66 Alma Rd and Tasman Highway	Orford	100,000	1
2023/24	Construction	Holkham Court Stormwater System Upgrade Stage 3	Upgrade of Alma Rd and Holkham Court culverts. Upgrade of central drainage channel between 66 Alma Rd and Tasman Highway	Orford	100,000	1
2023/24	Construction	North Orford (Prosser River to Alma Rd) Stage 1	Construction of solutions derived from the joint DSG/GSBC stormwater assessment	Orford	100,000	1
2022/23	Construction	Russell Street open drain	Undertake upgrades, stabilisation of upper Russell Street catchment open drain	Orford	15,000	1
2021/22	Design	West Shelly Beach Road stormwater upgrade (No. 49 Rheban Rd))	Assess and design upgrade of stormwater system from No.49 Rheban Road to West Shelly Beach. This considers new pipe/overland flow linkages and expansion of the Nautilus Drove detention basin. Ref West Shelly Road stormwater investigation (ADD, March 2018)	West Shelly	20,000	1
2021/22	Design	South Orford stormwater upgrade	Assess and design upgrade of stormwater system of south Orford. This will assess solutions to flooding of properties south of Esplanade. Solutions will be required to rectify: Capacity in pipeline between Mary Stet and No. 18 Walters Drive including inefficient hydraulics at Walpole Street (Ref. 46 Charles St Orford Stormwater Report (ADD, June 2018) , flooding adjacent to Esplanade which seems to be a trapped low point, the pump station in No. 11 Murphy Court, ponding in Walpole Street, near the Taswater sewage pump station, upgrade and stabilisation of outfalls to Orford Rivulet and Prosser River, consideration of overland flow path through No. 7 Prosser Street	Orford	20,000	1
2021/22	Design	Orford Rivulet improvements	Undertake detail design of solutions arising from the Orford Rivulet Flood Study (Pitt & Sherry)	Orford	20,000	1
2021/22	Design	West Shelly Beach Road stormwater upgrade (No. 39)	Assess and design upgrade of stormwater system from No.39 Rheban Road to West Shelly Beach. This considers new pipe/overland flow linkages, kerb and channel, connectivity of West Shelly Beach properties, and subdivision of No. 39)	West Shelly	20,000	1
2021/22	Design	Eastcoaster Resort catchment	Considers subdivision of Lot 1 Tasman Highway through to East Coaster. Assessment to address flooding from Bernacchi Drive through East Coaster	Louisville	5,000	1
2020/21	Design	North Orford (Prosser River to Alma Rd)	Flood mapping and concept design of solutions to flooding between Prosser River and Alma Street, including Convict Rd, Riverside Drive, Tasman Highway etc.	Orford	50,000	1
2021/22	Design	North Orford (Prosser River to Alma Rd) Stage 1	Detailed design of solutions derived from the joint DSG/GSBC stormwater assessment	Orford	25,000	1
2021/22	Design	Russell Street open drain	Assess repair and requirements for large open/cut-off drain above Russell Street in Orford	Orford	2,500	1
2020/21	Construction	Spring Bay Boat Club pipework	Install new pipework/pits as per assessment	Triabunna	40,000	2
2020/21	Design & Construct	Gamble Crescent stormwater system upgrade/repairs	Upgrade/repair of stormwater network from Gamble Crescent down	Bicheno	40,000	2
2020/21	Design & Construct	James Street to Esplanade pipeline	Install new pipeline to service No. 16 James Street	Bicheno	20,000	2
2020/21	Design	Spring Bay Boat Club pipework	Model catchment and consider additional pipework along northern boundary to prevent surcharging from manholes. Also check other system improvements (E.g. replace back-to-back culvert inlet/outlets on Esplanade East with new pit	Triabunna	2,500	2
2021/22	Design	Harveys Farm Rd assessment	Assess catchment and overland flow path through properties, considering culvert sizes, new development etc	Bicheno	2,500	2
2020/21	Construction	Alice Street rock lined drain stabilisation	Rock in drain on western side of Alice Street is too small. Needs concrete stabilisation and/or replacement with larger rock	Orford	10,000	3
2020/21	Construction	Paradise Court roadside drain	Upgrade/repairs of open drain upstream of No. 11 to prevent direction of overflows across roadway and down driveway of No. 10	Orford	5,000	3
2020/21	Design & Construct	Hoods Road stormwater	Investigate diversion of Hoods Rd stormwater into open drain in No. 6 Hoods Road. If possible remove diversion.	Spring Beach	2,000	3
2021/22	Design	Freycinet Drive	Undertake assessment of catchment and provide recommendations for road and stormwater improvements/repairs/upgrades in Freycinet Drive, particular near the end of the drive	Coles Bay	40,000	3
2021/22	Design	East Shelly Road assessment & design of open drain and culvert (No. 38)	Undertake assessment and design of solutions to control flooding at East Shelly Road in vicinity of Nos. 38 and 39. This may include roadworks/floodway to ensure flooding is retaining in formal overland flow path. Also consider road safety/rails as there is a reasonable drop-off.	East Shelly	10,000	3
2024/25	Construction	CNR Maria Street and Wellington Street	Upgrade pit on eastern corner to LGAT standard and remove lid and install raised grate to create field pit	Swansea	2,500	4
2024/25	Construction	Holkham Court - End of cul-de-sac kerb and channel	Installation of approx. 45m of kerb and channel at end of cul-de-sac. To control and direct stormwater to SEP	Orford	7,500	4
2025/26	Construction	West Shelly Beach Road concrete drain extension	Extend concrete swale drain from SW pit at front of No. 16 to driveway of No. 12 West Shelly Beach Road	West Shelly	10,000	4
2025/26	Construction	Bluff Road drainage works	Upgrade open drain and driveway culverts at the end of the Bluff Road cul-de-sac	Spring Beach	5,000	4

D.4 Coastal Infrastructure

A key assumption in the writing of the *Asset Management Plan – Coastal Infrastructure* is that no Council funded acquisitions are forecast to be undertaken over the planning period. Given future demand, Council's current financial position, available budget and discussion with key staff, a strategy of no Council funded acquisition (for coastal infrastructure assets) over the planning period is recommended.

D.5 Parks & Recreation

A key assumption in the writing of this *Asset Management Plan – Parks & Recreation* is that no Council funded acquisitions are forecast to be undertaken over the planning period (from 2022 onward). Given future demand, Council's current financial position, available budget and discussion with key staff, a strategy of no Council funded acquisition (for parks and recreation assets) over the planning period is recommended.

2020-21 Financial Year Acquisitions Budget

Parks, Reserves, Walking Tracks, Cemeteries	2020/21 Revised Budget	Government Funding	Council Funding	Government Funding
Coles Bay Trailer Parking - c/fwd project	155,462	155,462		DPIPWE Funds
Swansea Boat Trailer Parking	500,000	500,000		DPIPWE Funds
Bicheno Triangle	600,000	600,000		Fed Grant Fund
Coles Bay Foreshore	800,000	800,000		Fed Grant Fund
Buckland Recreation Ground - Installation of cricket practice nets, pitch with synthetic surface	25,000	25,000		Drought Relief Grant
Triabunna Recreation Ground - Installation of cricket practice nets, pitch with synthetic surface	25,000	25,000		Drought Relief Grant
Buckland Walk	60,000	-	60,000	Pending Council decision
Total Parks, Reserves, Walking Tracks, Cemeteries	**2,165,462**	**2,105,462**	**60,000**	

Appendix E Deferred Works Summary

E.1 Road Infrastructure

We cannot currently undertake road renewals and maintenance at the rate required to maintain the current level of service, refer C.1. Council will endeavour to complete renewals on a priority basis. Refer also to *Asset Management Plan – Road Infrastructure.*

E.2 Buildings

We cannot currently undertake a preventative maintenance program. Refer also *Asset Management Plan - Buildings*

E.3 Hydraulic Infrastructure

We cannot currently undertake all recommended acquisition works, relating to stormwater drainage assets, within the next five years, refer D.3, however averaged over the next 10 years there has been adequate budget allocation to complete these works. Refer also *Asset Management Plan - Hydraulic Infrastructure*

E.4 Coastal Infrastructure

We cannot currently undertake all proposed renewal works by their recommended date, refer C4. Council will endeavour to complete renewals on a priority basis.

Council cannot fund any major maintenance, acquisition, renewal or disposal of assets that have historically been funded by *MAST* (boat ramps, jetties, pontoons etc.) and Council is reliant on this funding to undertake such works.

The completion of the previously proposed Triabunna harbour marina and port extension has not been included in the planned budget or the Long Term Financial Plan (it would be reliant on external funding if the project was to proceed). Refer also *Asset Management Plan – Coastal Infrastructure.*

E.5 Parks & Recreation

We cannot currently undertake all parks and recreation asset renewals at the rate required to maintain the current level of service, refer C.5. Council will endeavour to complete renewals on a priority basis. Refer also *Asset Management Plan – Parks & Recreation.*

Appendix F Risk and Treatment Plans

Table F1: Risks and Treatment Plans (from individual Asset Management Plans)

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk *	Treatment Costs
Road Infrastructure	Loss of key staff/knowledge	High	Develop a succession plan, document knowledge and improve record keeping	Low	$75,000
Road Infrastructure	Underfunding (deterioration of asset condition) and lack of staff to undertake proper asset management.	High	Ensure prioritised renewal/acquisition works are budgeted and employment of asset manager	Low	$100,000
Road Infrastructure	Increased frequency of flood damage to assets	High	Improve vulnerable assets	Low	$1,000,000
Road Infrastructure	Council are gifted assets with life cycle costs not accounted for in long term financial plan	High	Ensure lifecycle costs are considered (and detailed independent engineering report sought) prior to accepting and seek contribution from previous owner where appropriate	Low	$5,000
Road infrastructure	Lack of strategic plan for maintenance and renewal works	High	Maintain and renew assets based on condition assessments and hierarchy. Develop work plan	Low	$75,000

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

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk *	Treatment Costs
Council Buildings	Loss of key staff/knowledge	High	Develop a succession plan and improve record keeping	Low	$75,000
Council Buildings	Asbestos exposure	High	Develop asbestos register	Low	$25,000
Council Buildings	Reduction in preventative maintenance due to reduction in works staff	High	Develop a preventative maintenance program and engage maintenance personnel to undertake	Low	$100,000
Prosser Plains Raw Water Scheme	Loss of customer or reduction in water use income.	High	Divest the Prosser Plains Raw Water Scheme	Low	Currently unknown.
Hydraulic Infrastructure	Loss of knowledge	High	Develop a succession plan and improve record keeping	Low	$75,000
Hydraulic Infrastructure	Underfunding	High	Ensure prioritised renewal and acquisition works are budgeted	Low	$5,000
Swanwick Sewerage System	Upgrade required	High	Asset transfer to TasWater	Low	$10,000
Hydraulic Infrastructure	Flooding to dwellings/network requires increased capacity	High	Upgrade stormwater network adjacent to affected properties	Low	$975,000 over the next 5-10 years

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

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk *	Treatment Costs
Coastal infrastructure	Loss of knowledge and key staff	High	Develop a succession plan and improve record keeping	Low	$75,000
Coastal infrastructure	Underfunding	High	Formal agreement with *MAST* regarding funding	Low	$5,000
Triabunna marina	Structural failure of marina boat access walkways	High	Budget allocation for renewal	Low	$100,000
Prosser River-mouth and Swanwick foreshore sandbags and timber jetties	Structural failure of sandbags or jetties	High	Ensure budget allocation for unplanned maintenance, and undertake condition assessment of timber jetties.	Low	$75,000+
Triabunna fixed marina – concrete wall and boat access structures (Berth 5 to 25)	Structural failure of fixed marina concrete wall (long term deterioration)	High	Undertake scheduled condition assessments and preventative maintenance or renewal	Low	$300,000
Swansea Elevated Boat Ramp	Level of service could be reduced by accumulation of sand.	High	Periodic dredging of channel under the boat ramp to allow tidal flow and possibly improve serviceability	Medium	$10,000
Gordon Street Boat Ramp	Slip hazard to public (algae growing on concrete landing) and rock hazard to boats (break wall subject to movement in heavy seas)	High	Install grating over concrete landing and improve fenders, remove rock (in water) from line of boat ramp and stabilise rock breakwater.	Low	$8,000

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

Service or Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk *	Treatment Costs
Parks and recreation	Loss of knowledge and key staff	High	Ensure knowledge is common throughout works department	Low	$10,000
Playground equipment	Injury to public	High	Undertake appropriate renewal and maintenance works to ensure public safety (currently underway)	Low	$100,000
Parks and reserves	Underfunding	High	Develop and continually improve asset register and condition assessment data to inform asset management plan and budget	Low	$50,000
Biodiversity assets	Loss of threatened or unique biodiversity	High	Community education, policing of and fines for illegal clearing of vegetation	Moderate	$10,000
Biodiversity assets	Loss of threatened or unique biodiversity	High	Feral animal control program	Moderate	$50,000
Biodiversity assets	Weed invasion	High	Continue weed management works	Moderate	$100,000

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