



**BUILDINGS ASSET MANAGEMENT PLAN  
PREPARED FOR YARRABAH ABORIGINAL SHIRE COUNCIL**

OCTOBER 2021



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# 1. EXECUTIVE SUMMARY

## 1.1 The purpose of the Plan

This Asset Management Plan has been developed in accordance with Council's Asset Management Policy and principles of the Asset Management Strategy (Objectives).

This asset management plan details information about Council's buildings assets. The plan outlines the management approach to:

- Describing and aligning the assets to services (as informed by corporate and service planning);
- Managing the future demand for assets to achieve and maintain financial sustainability;
- Optimising the lifecycle management of assets (achieving service demand at lowest lifecycle cost);
- identifying and managing risks associated with the relevant asset (including criticality and condition);
- What funds (operating and capital) are required to operate the asset portfolio in alignment with the asset management plan over a 10-year planning period; and
- Continual improvement in the management of assets and performance monitoring.

Council owns, maintains and provides a significant number of buildings and other structures that support the provision and delivery of a wide range of services to the community.

## 1.2 Asset Description

Council currently maintains approximately 89 individual buildings and other structures. The buildings are generally in and around the township itself. The functional use, condition and construction standards of these assets vary widely given the disparate ages and types of buildings. The following is a summary of the building portfolio.

Building Type	No.	Replacement Value (\$)	Annual Depreciation (\$)
Administration	5	\$3,107,300	\$73,520
Amenities/Toilets	10	\$1,031,700	\$25,059
Aquatic Centre	3	\$2,187,000	\$57,228
Childcare	4	\$1,269,650	\$32,395
Community Facility	6	\$3,133,000	\$74,440
Depot	17	\$3,031,500	\$69,658
Emergency Services	1	\$290,100	\$6,611
Hall	3	\$2,023,350	\$47,135
Library	1	\$1,495,300	\$41,671
Recreational	1	\$1,353,050	\$36,692
Residential	2	\$611,500	\$15,161
Retail	1	\$1,171,050	\$29,910
Shed	13	\$948,000	\$22,253
Shelter	13	\$422,450	\$10,220
Site Improvements	3	\$2,065,350	\$47,869
Misc Buildings	6	0	\$0
<b>TOTAL</b>	<b>89</b>	<b>\$24,140,300</b>	<b>\$589,821</b>

The building assets have a replacement value of \$24.14 Million.

## 1.3 Levels of Service

Currently, Council has yet to commenced developing formalised documented levels of service for building assets.

This Plan provides an outline of some sample typical Customer and Technical levels of service. These levels of service are focused on maintaining service standards and service response times.

Current levels of service should be used as the baseline in developing the operational, maintenance, renewal and upgrade/ new funding requirements outlined in this Plan.

## 1.4 Future Demand

QLD Population Projections produced by the Queensland Treasury<sup>1</sup> indicate that the population of Yarrabah is estimated to increase from 2,927 to 3,565 between 2021 and 2041.

The main demands for new services are created by:

- Population change
- Council financial sustainability

<sup>1</sup> Source: Queensland Government population projections, 2018 edition; Australian Bureau of Statistics, *Population by age and sex, regions of Australia*, 2016 (Cat no. 3235.0).

- Council operational and services priority changes
- Rising community expectations are likely to drive demand for upgrades to existing community facilities. (ie bigger areas, high levels of fitout and finishes)
- Demographic, social and technological change are likely to be significant drivers of service demand.

budgets needs to be implemented. The reality is that all buildings will not be able to be maintained to a similar level and the establishment of a Buildings Hierarchy will assist in prioritising future works. For instance, for lower priority buildings, replacement of aged items that are still performing adequately will be deferred

## 1.5 Financial Summary

### 1.5.1 What Does it Cost?

The projected outlays necessary to provide the services covered by this plan for renewals, over the 10-year planning period is \$613,535 on average per year. The renewal data is based on modelling sourced from the valuation data.

### 1.5.2 What We Will Do In A Constrained Funding Environment?

We plan to provide the following for the buildings and Other Structures asset classes:

- Operation, maintenance, renewal and upgrade of our assets to meet legislated requirements;
- Continue vigorous pursuit of State Government grants for buildings related assets to provide community required services;
- Plan asset rehabilitation to ensure that the highest priority assets are targeted for renewal each financial year. Prioritisation must be based on risk.

There is a lack of physical condition data Council's condition information to indicate the needs to be addressed in the immediate to short-term which will require investment. The accuracy of this information should be verified to determine if the measured condition is reflective of asset performance prior to any major funding decisions being made. performance prior to any major funding decisions being made.

### 1.5.3 What we cannot do with constrained funding

Until Asset management matures with improved data like performance and costs to maintain (granular OPEX), an allocated

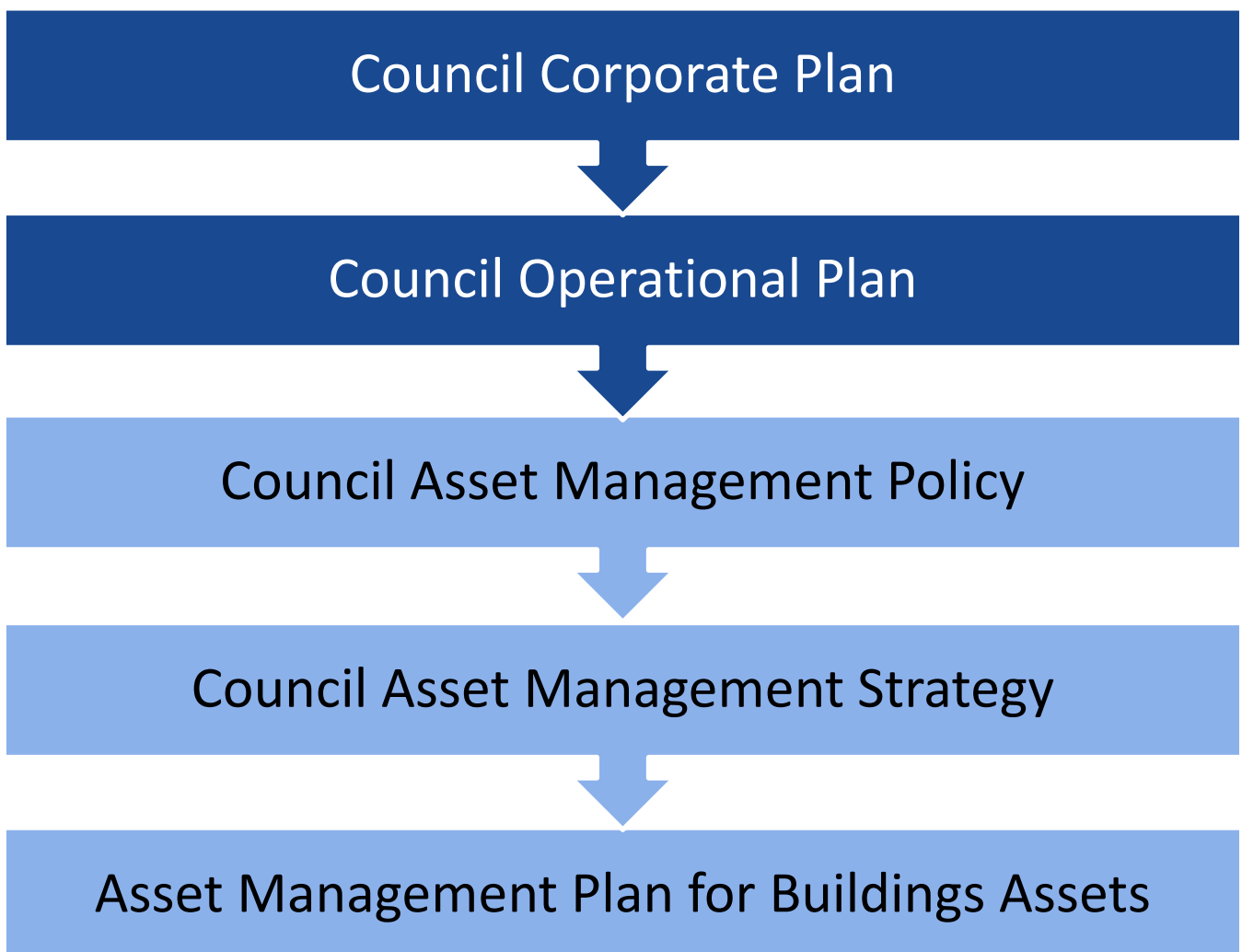
## 2. INTRODUCTION

### 2.1 Background

This Asset Management Plan outlines the required management approach to:

- describing and aligning the assets to services (as informed by corporate and service planning);
- managing the future demand for assets to achieve and maintain financial sustainability;
- optimising the lifecycle management of assets (achieving service demand at the lowest lifecycle cost);
- identifying and managing risks associated with the relevant asset (including criticality and condition);
- what funds (operating and capital) are required to operate the asset portfolio in alignment with the asset management plan over a 10-year planning period; and
- continual improvement in the management of assets and performance monitoring.

The asset management plan is to be read with the Council's Asset Management Policy and Asset Management Strategy along with the Council Corporate Plan and Council Operational Plan. The diagram below shows the different documents which influence this Asset Management Plan.



*Figure 1 - Asset Management Document Relationship*

The buildings and other structures assets covered by this asset management plan are shown in Table 1<sup>2</sup>.

Building Type	No.	Replacement Value (\$)	Accumulated Depreciation (\$)	Depreciated Replacement Value (\$)	Annual Depreciation (\$)
Administration	5	\$3,107,300	\$1,672,055	\$1,435,245	\$73,520
Amenities/Toilets	10	\$1,031,700	\$493,805	\$537,895	\$25,059
Aquatic Centre	3	\$2,187,000	\$1,368,005	\$818,995	\$57,228
Childcare	4	\$1,269,650	\$762,160	\$507,490	\$32,395
Community Facility	6	\$3,133,000	\$1,736,328	\$1,396,673	\$74,440
Depot	17	\$3,031,500	\$795,640	\$2,235,860	\$69,658
Emergency Services	1	\$290,100	\$153,390	\$136,710	\$6,611
Hall	3	\$2,023,350	\$927,765	\$1,095,585	\$47,135
Library	1	\$1,495,300	\$1,197,313	\$297,988	\$41,671
Recreational	1	\$1,353,050	\$742,503	\$610,548	\$36,692
Residential	2	\$611,500	\$217,690	\$393,810	\$15,161
Retail	1	\$1,171,050	\$497,805	\$673,245	\$29,910
Shed	13	\$948,000	\$451,093	\$496,908	\$22,253
Shelter	13	\$422,450	\$167,453	\$254,998	\$10,220
Site Improvements	3	\$2,065,350	\$978,578	\$1,086,773	\$47,869
Misc Buildings	6	0	0	0	\$0
<b>TOTAL</b>	<b>89</b>	<b>\$24,140,300</b>	<b>\$12,161,580</b>	<b>\$11,978,720</b>	<b>\$589,821</b>

Table 1 – Building Assets Covered by this Plan

<sup>2</sup> Source 2020-21 YASC - Australis Asset Advisory Group Valuation

## 2.2 Plan Framework

This Asset Management Plan has been prepared using good practice guidance from the ISO55000 – Asset Management standard, International Infrastructure Management Manual ( IPWEA)and responds to various Queensland Audit Office recommendations in their reporting.

Council is committed to striving towards best appropriate asset management practices and it is recognised that this asset management plan will need to be updated periodically to reflect changes to management of Council’s assets.

It is intended that Council’s asset management plans should always reflect as closely as practicable actual practices used in managing its assets. Only in this way will Council be best able to ascertain its long-term financial needs for delivering sustainable assets and services.

## 2.3 Key Stakeholders

The building and other structures assets are utilised by a broad cross-section of the community and therefore the services have many stakeholders. A stakeholder represents any group(s) or individuals having an interest, in this case, in the service provided by our assets. The stakeholders in the management of Council’s buildings assets often have needs that are wide-ranging

The relevant key stakeholders are:

External Stakeholders (Community)	External Stakeholders (Business)	External Stakeholders (Government / Regulatory)
<ul style="list-style-type: none"> <li>• Facility users</li> <li>• Lessees and tenants</li> <li>• Community committees</li> <li>• Sporting and community organisations</li> <li>• ‘Not for profit’ service providers</li> <li>• Ratepayers</li> <li>• Residents</li> <li>• Tourists</li> <li>• SES Volunteers</li> <li>• Traditional Owners</li> </ul>	<ul style="list-style-type: none"> <li>• ‘For profit’ service providers</li> <li>• Industry associations</li> <li>• Construction and maintenance contractors</li> <li>• External consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Public service providers:               <ul style="list-style-type: none"> <li>○ Emergency Services</li> <li>○ Education</li> </ul> </li> <li>• Funding bodies               <ul style="list-style-type: none"> <li>○ State government</li> <li>○ Federal government</li> </ul> </li> <li>• Division of Work, Health and Safety</li> </ul>

Table 2 – Key Stakeholders

## 2.4 .Goals and Objectives of Asset Ownership

Our goal in managing infrastructure assets is to meet the defined range and levels of service in the most cost-effective manner for present and future consumers. By achieving the most cost-effective approach, we will contribute the affordability and liability of our community, including a vibrant, growing and efficient local economy. The key elements of infrastructure asset management are:

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

### 3. LEVELS OF SERVICE

This section outlines the level of service or performance criteria that are required and the basis of the decision behind their adoption. The levels of service support Council’s strategic goals and are based on community expectations and statutory requirements.

#### 3.1 Strategic and Corporate Goals

The Council Corporate Plan 2016-21 outlines the following strategic goals relating to its buildings portfolio:

**Goals:**

- Employed Communities
  - Continue feasibility investigations on Djenghi Shopping Centre, Evacuation Centre and Multi-Purpose Centre
  - Economic / tourism development plan
  - CBD revitalisation project
  - Convention Centre
  - Licensed bistro
  - Movie cinema / arcade / family entertainment
  - Bakery
  - Turn community post office in to a Local Post Office (LPO) / post office shop / newsagent
- Healthy Communities
  - Swimming pool
  - Sport and Recreation Master Plan
- Culturally Safe Communities
  - Provide quality child care services
  - Provide youth programs
  - Managing community facilities such as Knowledge Centre, Arts and Culture Centre and sporting facilities
- Sustainable Communities
  - Utilising 10 year financial modelling
  - Developing asset management plans
  - Development of 10 year capital works plans
  - Focus on maintaining community assets

#### 3.2 Alignment to Services

The assets covered by this asset management plan contribute and support the delivery of the following Council services:

Asset Type	Service Delivered	Council Service Category
Council Corporate Buildings	Support the delivery of administrative and operations functions.	Corporate, Operations, Emergency Services
Recreation	Support the provision of recreational and sports activities	Recreation Services
Community	Support the provision of childcare, retail and cultural activities	Community Services
Residential	Provision of staff housing	Residential

*Table 3 - Services Delivered by Assets*

### 3.3 Levels of Service

Levels of service have not as yet been adopted for buildings by Council. The following are an initial set of measures recognising that buildings are subject to a number of regulations and standards as need to be functional and meeting a required service need.

#### 3.3.1 Customer Levels of Service

Service levels are defined service levels in two terms, customer levels of service and technical levels of service. These are supplemented by organisational measures.

Customer levels of service measures used in the asset management plan are:

<b>Quality</b>	How good is the service e.g. <i>what is the condition or quality of the service?</i>
<b>Function</b>	Is it suitable for its intended purpose e.g. <i>Is it the right service?</i>
<b>Capacity/Use</b>	Is the service over or under used e.g. <i>do we need more or less of these assets?</i>

Customer Levels of Service		
Type of Measure	Level of Service Expectations/Outcomes	Current Performance Measure
<b>Location</b>	Easy to find, (physical location as well as clear signage and marking).	Customer feedback >80% satisfaction level Measure Utilisation and compare to what is an appropriate utilisation for catchment and usage
<b>Features</b>	Offer a range of civic and public services for the community as necessary. Style reflects usage and is attractive to the occupants and users	Customer feedback >80% satisfaction level Measure Utilisation and compare to what is an appropriate utilisation for catchment and usage
<b>Distribution</b>	Aligned with population and demand.	Convenience for community as measured by customer feedback
<b>Accessibility</b>	Well located to offer convenient access for total community.	Accessible for all of the community
<b>Functionality</b>	May cater for individual services or a mixture of public, community and civic services.  Space and design match needs.  Internal layout is practical and fit for purpose. The building is welcoming, clearly signed plus directional indicators as required	Customer feedback >80% satisfaction level Measure Utilisation and compare to what is an appropriate utilisation for catchment and usage
<b>Security</b>	Community and staff feel safe and confident accessing building and services.	Measure customer, user feedback Customer feedback >99% satisfaction level
<b>Heating/Cooling</b>	Building is maintained at a comfortable temperature and conditions appropriate to the building usage	Measure customer, user feedback Customer feedback >90% satisfaction level

<b>Image and Character</b>	Stand-out buildings reflect image and character of the precinct – may include historical buildings. Any graffiti is removed	Condition of facilities – (Within agreed intervention condition score for hierarchy level  Customer feedback >80% satisfaction level
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Table 4 - Customer Level of Service

### 3.4 Technical Levels of Service

**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 to best achieve the desired customer outcomes and demonstrate effective performance. Service and asset managers plan, implement and control technical service levels to influence the customer service levels.

Statutory Level of Service		
Performance Measure Category	Level of Service Expectations/Outcomes	Current Performance Measure
Quality	Buildings are sufficiently free from defects that result from a non-compliance with the National Construction Code at the time of construction	Condition of facilities – (Within agreed intervention condition score for hierarchy level  All identified non-compliances are rectified within the timelines specified in the Service Level Agreement (future document)
Service Function	Buildings are functional and support the delivery of the required services and within the respective classification of the building and related Australian Standards	Customer feedback >80% satisfaction level
Capacity	Buildings are configured to meet Building Classification requirements and meet all fire safety related codes relevant to each building	100% compliance
Safety	Compliance with the NCC Code (at time of construction)  Compliance with the requirements of Workplace Health & Safety legislation	Nil Injuries due to hazards  All identified non-compliances are rectified within the timelines specified in the Service Level Agreement (future document)
Accessibility and Availability	Facilities comply with relevant basic accessibility standards relative to building function	Accessible facilities comply with standards at the time of construction
Sustainability/ Affordable		

Environmental	Compliant with Trade Waste and EPA requirements	100% compliance
<b>Functional Level of Service</b>		
<b>Performance Measure Category</b>	<b>Level of Service Expectations/Outcomes</b>	<b>Current Performance Measure</b>
Quality	Fit for purpose	Condition of facilities – (Within agreed intervention condition score for hierarchy level  Customer feedback >80% satisfaction level
Service Function	Buildings are functional and support the delivery of the required services	Customer feedback >80% satisfaction level
Capacity	Buildings are configured to meet Building Classification requirements and meet all fire safety related codes relevant to each building	100% compliance  Customer feedback >80% satisfaction level
Safety	Facilities are safe and free from hazards	Nil Injuries due to hazards  All identified non-compliances are rectified within the timelines specified in the Service Level Agreement (future document)
Accessibility and Availability	Facilities comply with relevant basic accessibility standards relative to building function	Accessible facilities comply with standards at the time of construction
Sustainability/ Affordable	The use of energy and water in buildings is controlled to reduce running costs and the impact on the environment	Measure electricity and water consumption costs and benchmark against like Councils/organisations
Environmental	The use of energy and water in buildings is controlled to reduce running costs and the impact on the environment and reduce carbon foot print	Measure electricity and water consumption costs and benchmark against like Councils/organisations

Technical Level of Service		
Performance Measure Category	Level of Service Expectation/Outcome	Current Performance Measure
Quality	Buildings are sufficiently free from defects that result from a non-compliance with the National Construction Code at the time of construction	Condition of facilities – (Within agreed intervention condition score for hierarchy level  All identified non-compliances are rectified within the timelines specified in the Service Level Agreement (future document)
Service Function	Buildings are functional and support the delivery of the required services	Customer feedback >80% satisfaction level  Review functionality as part of building inspections at intervals identified in the Service Level Agreement (future document)
Capacity	Utilisation of building is appropriate for the types of services supported	Review utilisation as part of building inspections at intervals identified in the Service Level Agreement (future document)
Safety	<p>Compliance with the NCC Code (at time of construction)</p> <p>Rectification works are completed within the timelines specified in Appendix A.</p> <p>Rectification works requiring renewal funding are assessed under the capital renewal Program within x days of being identified</p> <p>Asbestos Assessments carried out</p>	<p>100% of Inspections carried out in time and recorded into log books and annual report prepared</p> <p>100% compliance</p> <p>100% compliance</p> <p>Carried out on all buildings identified on the asbestos register and all identified risk items rectified</p>
Accessibility and Availability	Buildings available to provide the designated service during the prescribed hours of operation	Availability >95% of the time

Sustainability/ Affordable	To provide an appropriate and cost effective building maintenance service	Maintenance >1% of replacement value across all facilities  70% Preventative Maintenance 30% Reactive Maintenance
Environmental	Compliant with Trade Waste Requirements and EPA requirements  Compliant with WH&S requirements for the management of asbestos containing materials in Council Buildings  Appropriate Energy efficiency measures are adopted as part of building renewals and upgrades	100% compliance  100% compliance  100% compliance

*Table 5 – Technical level of Service Levels*

## 3.5 Customer Research and Expectations

### 3.5.1 Community Consultation

At this stage, target customer research has not been undertaken for Council's buildings portfolio. Council is committed to transparent and informed decision making in relation to the management of its assets and services through engagement with the community. Council undertakes inclusive community consultation to define service levels and performance measures through the development of its Operational Plan and Annual Budget. These discussions provide input to Council's strategic directions which are supported by the various services, projects and programmes which it delivers. Council also undertakes specific engagement in particular instances so that it can understand the key issues and expectations of our stakeholders.

### 3.5.2 Community Satisfaction

This 'core' asset management plan has been prepared to facilitate consultation and for adoption by Council. Future revisions of this asset management plan will aim to incorporate more community consultation on service levels and costs of providing the service. This will assist the Council and stakeholders in matching the level of service required, service risks and consequences with the community's ability and willingness to pay for the service.

### 3.6 Legislative Requirements

<b>Workplace Health and Safety Act</b>	<ul style="list-style-type: none"><li>•Defines the requirements for ensure that Councils provides (and maintains) a safe work place for all council staff and other users</li></ul>
<b>National Construction Code</b>	<ul style="list-style-type: none"><li>•Defines design requirements for buildings and linkages to Australian Standards accross all aspects of building standards.</li><li>•NCC changes affect major renovations as well as new buildings</li><li>•Refers to AS1428 Design for Access and Mobility standards</li><li>•Defines energy efficiency targets for new buildings</li></ul>
<b>Government Acts and Regulations</b>	<ul style="list-style-type: none"><li>•Building Act 1975</li><li>•Building Regulation 2006</li><li>•Building Fire Safety Regulations 2008</li><li>•Disability Services Act 2006</li><li>•Disability Services Regulation 2006</li><li>•Disability (Access to Premises – Buildings) Standards 2010</li><li>•Electrical Safety Act 2002</li><li>•Electrical Safety Regulation 2013</li><li>•Environment Protection Act 1994</li><li>•Housing Act 2003</li><li>•Housing Regulation 2015</li><li>•Land Act 1994</li><li>•Land Regulation 2009</li><li>•Residential Services (Accreditation) Act 2002</li><li>•Residential Services (Accreditation) Regulation 2002</li><li>•Residential Tenancies and Rooming Accommodation Act 2008</li><li>•Residential Tenancies and Rooming Accommodation Regulation 2008</li></ul>

*Table 6 – Legislative Requirements*

The above Acts and Standards also inform and shape the Buildings Asset Management Planning process and set minimum standards and service levels in a number of significant areas.

## 4. FUTURE DEMAND

The objective of asset management is to create, operate, maintain, rehabilitate and replace assets at the required level of service for present and future customers in a cost effective and environmentally sustainable manner. The asset management plan must therefore forecast the needs and demands of the community in the future and outline strategies to develop the assets to meet these needs.

## 4.1 Future Demand and Drivers

The present position and projections for demand drivers, and their potential impacts on future service delivery and use of assets is identified and documented in the table below:

### Statutory Requirements

- Workplace Health and Safety Act –
  - Defines the requirements for ensure that Council provides (and maintains) a safe work place for all council staff and other users
- National Construction Code
  - NCC Compliance - Defines design requirements for buildings and linkages to Australian Standards across all aspects of building standards.
  - NCC changes affect major renovations as well as new buildings
  - Refers to AS1428 Design for Access and Mobility standards – Cost implication to bring current buildings to latest access to premises requirements
  - Defines energy efficiency targets for new buildings
- Residential Tenancies and Rooming Accommodation Act – provides requirements for conduct and operation of rental and leased accommodation
- Lease Agreements - Community and Sports Organisations – Lease agreements define all parties rights and obligations under the agreements. Inspections and maintenance obligations are tied into these agreements

### Response to Growth

- Factors affecting demand are discussed earlier in this document. QLD Population Projections produced by the Queensland Treasury<sup>3</sup> indicate that the population of Yarrabah is estimated to increase from 2,927 to 3,565 between 2021 and 2041.

### Industry Trends

- Increased emphasis towards lower carbon emissions and better energy efficiency design and operation (Green Star, Nabers, NCC Section J)
- Increased use of networked computer monitoring and management of Building Services, ie air conditioning, electricity usage, shade controls, lighting etc
- Increased usage of solar power grid connected electricity generation to offset electricity usage and the next trend is the onsite storage of power via battery systems

### Community Expectations

- Rising community expectations are likely to drive demand for upgrades to existing community facilities and provision of facilities in closer proximity to newer residential areas
- Growth tourism areas will continue to expect high levels of service and regular renewals/upgrades to facilities to ensure that the area remains position as a key tourism area
- Changes in building uses. Eg Recreation Centres, multipurpose centres, library meeting rooms

## 4.2 Strategic Direction

There are a number of existing strategies and plans which have been developed to provide a strategic response to the demands, challenges and opportunities which the ongoing management of the assets covered by this plan present. These documents include:

- Corporate Plan
- Operational Plan
- Planning Scheme
- Local Government Infrastructure Plan

<sup>3</sup> Source: Queensland Government population projections, 2018 edition; Australian Bureau of Statistics, *Population by age and sex, regions of Australia*, 2016 (Cat no. 3235.0).

## 5. 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 managing life cycle costs.

### 5.1 Background Data

The assets covered by this asset management plan are shown in Table 2. Council has responsibility for a wide range of buildings that support service delivery to the Community. The majority of the buildings are located in Yarrabah township in for the provision of a range of services provided to the community.



Figure 2 – Yarrabah Aboriginal Shire Council Overview<sup>4</sup>

<sup>4</sup> Source: Queensland Government – Government Globe

## 5.2 Asset Description

The assets covered by this asset management plan are shown in the table below. In general, the assets are broken into building types.

Building Type	No.	Replacement Value (\$)	Annual Depreciation (\$)
Administration	5	\$3,107,300	\$73,520
Amenities/Toilets	10	\$1,031,700	\$25,059
Aquatic Centre	3	\$2,187,000	\$57,228
Childcare	4	\$1,269,650	\$32,395
Community Facility	6	\$3,133,000	\$74,440
Depot	17	\$3,031,500	\$69,658
Emergency Services	1	\$290,100	\$6,611
Hall	3	\$2,023,350	\$47,135
Library	1	\$1,495,300	\$41,671
Recreational	1	\$1,353,050	\$36,692
Residential	2	\$611,500	\$15,161
Retail	1	\$1,171,050	\$29,910
Shed	13	\$948,000	\$22,253
Shelter	13	\$422,450	\$10,220
Site Improvements	3	\$2,065,350	\$47,869
Misc Buildings	6	0	\$0
<b>TOTAL</b>	<b>89</b>	<b>\$24,140,300</b>	<b>\$589,821</b>

## 5.3 Asset Condition

Asset condition is a measure of the health of an asset and is a key consideration in determining remaining useful life, as well as predicting how long it will be before an asset needs to be repaired, renewed or replaced. Asset condition is also an indicator of how well it can perform its function. Condition data is valuable for developing long term funding scenarios for strategic planning of Council's budget.

Council has yet to implement a robust inspection regime for its building assets in place as needed for operational purposes and meeting legislative requirements. As no recent physical condition data from Council was available, valuation data has been utilised in this asset management plan.

In comparing the asset portfolio, the condition profile is compared by condition and either, length, number or replacement value depending on the asset type for each condition rating. This indicates the overall condition profile of asset assessed at each condition rating from 1-5. (1- New, 3- Fair, 5 – Failed/ End of Life).

Council Revaluation of the building assets assets in 2021 provided condition data and are split by asset types is as follows:

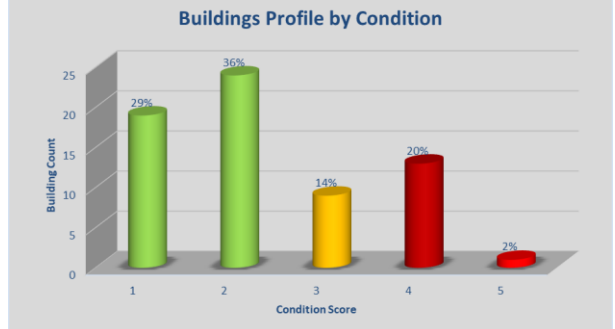
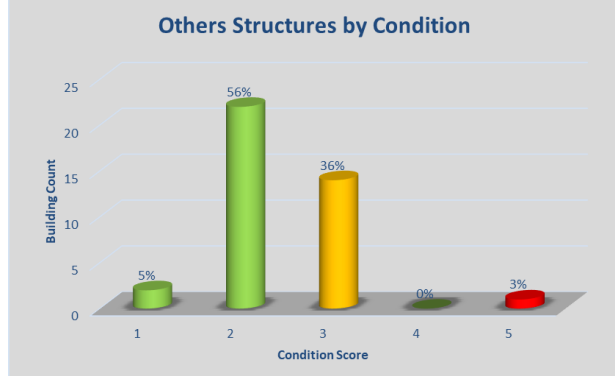
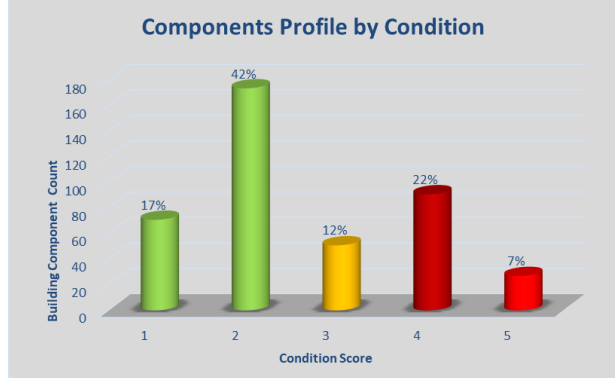
	<p>The overall buildings profile as per the valuation data identifies that 21% of the building portfolio is in condition 4 or worse.</p> <p>The buildings in this category are multiple component buildings and include all major buildings plus larger sheds etc</p>
	<p>The other structures category includes those minor structures that are simple in construction and not componentalised. The majority of the minor structures are in average or better condition.</p> <p>Note that these structures tend to be shorter life structures.</p>
	<p>As is typical practice with valuations, the buildings are split into sub-components. These all have varying useful lives and this forms the basis of the renewal modelling in the financial sections of this AMP.</p>

Figure 3 – Condition Profile – Building Assets<sup>5</sup>

What does this mean?

The condition profiles for the various assets which comprise Council’s buildings portfolio indicates that:

- Almost a quarter of Council’s buildings are in poor condition. The coastal environment also tends to adversely affect building finishes
- The building asset class is over 50% depreciated and is another indicator that little renewals/maintenance are occurring.

It is recommended that a condition assessment be undertaken to fully confirm the state of the assets plus accurate costings of maintenance and renewals.

## 5.4 Typical Asset Useful Lives

As part of the preparations for the 2021 Asset Revaluation, the use of prescribed standards for useful lives was assessed. The revaluation assumed a number of standard typical useful lives and these were utilised for the modelling as part of this plan.

<sup>5</sup> Reference Australis Asset Advisory Group - YASC Buildings Valuation Summary 2021

Standardising useful lives across this asset class has improved the accuracy of remaining useful life estimates. These typical useful lives were developed through modelling, assessment and the application of engineering experience to Council's local conditions.

Given the harsh coastal environment, it is recommended that these be reviewed and updated as required for this data set based on real conditions which particularly the exposed assets are subject to.

A review of useful lives will be added to the improvement plan so that any changes can be included in future valuations.

Asset Category	Asset Sub-category	Average Useful Life (Years)
BUILDINGS	Building Components - External Services	40
	Building Components - Fitout	20
	Building Components - Floor Coverings - Carpet	10
	Building Components - Floor Coverings - Tiles	40
	Building Components - Floor Coverings - Timber	80
	Building Components - Floor Coverings - Vinyl	50
	Building Components - Roof Cladding - Concrete	60
	Building Components - Roof Cladding - Other	40
	Building Components - Services (Plant)	40
	Building Components - Sub Structure - Concrete	100
	Building Components - Sub Structure - Steel	120
	Building Components - Sub Structure - Timber	60
	Building Components - Super Structure - Brick	100
	Building Components - Super Structure - Concrete	120
	Building Components - Super Structure - Steel	150
	Building Components - Super Structure - Timber	80
	Building Components - Wall Finishes External	80
	Building Components - Wall Finishes Internal	25
	Carport	50
	Fence - Brick and Steel Gates	80
	Fence - Metal Construction	25
	Garage	50
	Grandstand - Including Tiered seating	80
	Hardstand - Concrete	80
	Pavilion	55
	Shadesail Shelter	55
	Storage Shed	55
	Swimming Pool	50
Swimming Pool - Pumps and Fittings	15	

*Table 7 - Useful Lives for Buildings Assets<sup>6</sup>*

<sup>6</sup> Reference Australis Asset Advisory Group – YASC Buildings Assets Valuation Summary 2021

## 5.5 Routine Operations and Maintenance Plan

Effective maintenance strategies are essential to ensure that an asset performs at the desired service level on a day-to-day basis.

<b>Operations</b>	Includes regular activities to provide and/or services such as public health, safety and amenity.
<b>Maintenance</b>	Maintenance is the regular on-going work that is necessary to keep assets operating, including instances where components of the asset fail and need immediate repair to make the asset safe and operational again.

*Table 8 – Maintenance Strategy Summary*

### 5.5.1 Maintenance Strategy

The following general maintenance and operations strategies are applied to Council's building assets:

<b>Operations</b>	Use and manage the assets in a manner that minimises the long term overall total cost. Undertake scheduled inspections as justified by the consequences of failure on levels of service, costs, public health, or safety.
<b>Reactive Maintenance</b>	A suitable level of preparedness for a prompt and effective response to service requests or asset failures is maintained.
<b>Planned or Preventative Maintenance</b>	Undertake planned asset maintenance activities to minimise the risk of critical asset failure and to maintain assets in a manner that minimises ongoing lifecycle costs.

*Table 9 – Maintenance Definitions*

### 5.5.2 Maintenance Standards

All maintenance work undertaken is in accordance with Council's standard design guides, standard drawings, and specifications for relevant plant and equipment assets or, if not, covered by these technical guides, in accordance with standard industry practices. New assets either built or acquire will be accompanied by manufacturer recommendations on maintenance to achieve full utilisation. The asset register becomes a point of truth holding this attribute information.

### 5.5.3 Inspections

For Council to carry out effective planning and competent management of its building assets, both in a strategic and operational sense, it is essential that maintenance and performance related information is collected through disciplined and regular inspections of the whole of the building portfolio.

The inspection frequency regime uses a risk approach that considers the risk of failure. The higher the risk and consequences of failure, the more frequent the inspections and the quicker the response time.

Council's inspection activities can be grouped into the following categories based on definition and purpose:

<b>Inspection Type</b>	<b>Description</b>
<b>Reactive / Safety Inspections</b>	Reactive inspections are initiated generally by requests for maintenance received from asset users. Safety issues may be detected either as a result of programmed defect inspection or by customer request. Council's objective in relation to maintenance requests is to inspect and prioritise the work requests within specific timeframes.

Inspection Type	Description
<b>Planned Inspections (Programmed Defect Inspections)</b>	Planned or maintenance inspections involve a visual investigation to assess the condition of sub-elements or asset components. These inspections provide a basis for urgent, preventative, cyclic maintenance needs and, capital works planning.
<b>Condition Inspections</b>	A condition audit is a systematic inspection and identification and recording of the physical and functional adequacy of assets. The purpose of these inspections is to provide an input for life-cycle cost analysis, and asset planning purposes. This level of inspection does not identify detailed maintenance requirements but provides a basis for managing the asset portfolio from a strategic perspective.

*Figure 4 - Asset Inspection Type Summary*

## 5.6 Renewal/Replacement Plan

Renewal expenditure is major work that does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential.

Work over and above restoring an asset to original service potential is an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified using a combination of an analysis of the performance of the asset (condition, user complaints, and faults) and the strategy for renewal, for example, is it planned or reactive renewal. The data gathered as part of a condition assessment will provide long term financial budgeting inputs as part of an improved approach to maintenance and renewals planning. As Council is reliant on grant funding, the data collected is utilised in grant funding applications to source appropriate funding such as Works for Qld programs etc.

## 5.7 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation.

Council currently has no immediate or current strategic direction to retire or dispose of any building assets. In addition, disposal by demolition is a consideration for some of the older assets including those that are disused.

# 6. RISK MANAGEMENT PLAN

The purpose of this section is to describe the basis of Council's strategic risk and investment policies and the way it will manage risk associated with Council's building assets.

## 6.1 Risk Management Process

AS/NZS ISO 31000:2009 defines risk in terms of the effect of uncertainty on objectives. Risk severity is a function of both the consequences of a given event and the likelihood it will occur. This is interpreted as:

$$\text{Risk} = \text{Consequence} \times \text{Likelihood}$$

The Framework is designed to provide the architecture for a common platform for all risk management activities undertaken by Council and is used to identify specific risks associated with Council's delivery of services and management of assets.

As is common with small communities, the most likely four primary risks across all classes of assets and services that the Council faces are namely:

- funding sustainability to support consistent Levels of Service;
- loss of key personnel;
- the need for improved skills and the ‘whole of organisation’ approach to the management of assets and services effectively; and
- failure of an asset due to inappropriate asset management.

The table below describes the typical risks and proposed treatments for the Building assets based on the risk criteria nominated as per below.

Currently the operational risks are adequately managed with day to day operations. However, this management is predominantly reactive on an ad hoc basis and done in the absence of formal corporate direction due to the nature and timing of the grants process. Addressing the corporate and external risks would enable the organisation to devise and enact more appropriate treatment.

LIKELIHOOD	CONSEQUENCES				
	1. Negligible	2. Minor	3. Moderate	4. Major	5. Catastrophic
A. Rare	L	L	L	M	H
B. Unlikely	L	L	M	H	H
C. Possible	L	M	M	H	E
D. Likely	M	M	H	E	E
E. Almost Certain	M	H	H	E	E

Table 10 - Risk Framework: Source AS/NZS ISO 31000

### 6.1.1 Risk Assessment

Building risks assessed as ‘Very High’ - requiring immediate corrective action and ‘High’ – requiring prioritised corrective action identified by Council’s asset risk assessment process are summarised in the Table 11.

General Details			Risk Assessment	Treatment Strategy	Residual
Risk	Likelihood	Consequence	Risk Rating		Risk
Asbestos found in public buildings.	Likely	Catastrophic	VH	<ul style="list-style-type: none"> <li>• All buildings surveyed for asbestos.</li> <li>• Asbestos replacement program by Council (as work is conducted to relevant structure)).</li> <li>• Preparation of Asbestos Management Plan Policy.</li> </ul>	M
Asset condition deteriorates at a greater than acceptable rate due to failure to adequately fund maintenance (reactive and programmed) programs or renewal programs	Likely	Minor	M	<ul style="list-style-type: none"> <li>• Professional Asset Management staff.</li> <li>• Use of industry ‘best practice’ processes for asset management.</li> <li>• Asset inventory and condition status maintained.</li> <li>• Whole of life management of assets adopted.</li> </ul>	L

General Details			Risk Assessment	Treatment Strategy	Residual
Risk	Likelihood	Consequence	Risk Rating		Risk
Asset value decreases at greater than acceptable rate due to failure to adequately fund preventative maintenance programmes, or intervention maintenance programmes.	Likely	Minor	M	<ul style="list-style-type: none"> <li>Annual budget process.</li> <li>Annual assessment of asset condition and prioritisation of funding needs.</li> </ul>	L
Increase in staffing levels in response to community demand for services	Likely	Minor	M	<ul style="list-style-type: none"> <li>Adequate strategic planning for future accommodation needs</li> </ul>	L
Design or layout does not provide access to the disabled in accordance with requirements of the Disability (Access to Premises – Buildings) Standards 2010	Likely	Major	H	<ul style="list-style-type: none"> <li>Disability Access Audit completed.</li> <li>All new assets designed in accordance with the requirements for disabled access.</li> </ul>	H
Faulty electrical system results in building user becoming electrocuted.	Unlikely	Catastrophic	H	<ul style="list-style-type: none"> <li>Inspection and maintenance contracts with external electrician.</li> <li>RCDs fitted to all buildings.</li> <li>Routine and regular switchboard inspection and maintenance.</li> <li>Public Liability Insurance.</li> </ul>	H
Fire suppression equipment fails	Likely	Catastrophic	VH	<ul style="list-style-type: none"> <li>Inspection and maintenance service contractor.</li> <li>Regular scheduled inspection and testing of fire suppression equipment.</li> <li>Public Liability Insurance.</li> </ul>	H
Emergency lighting fails during an emergency Fire detection system fails resulting in fire getting out of control.	Likely	Catastrophic	VH	<ul style="list-style-type: none"> <li>Routine and regular inspection and testing of emergency lighting.</li> <li>Routine and regular inspection and testing of fire system</li> <li>Public Liability Insurance.</li> </ul>	H
Destruction of Corporate building	Unlikely	Major	H	<ul style="list-style-type: none"> <li>Maintain adequate insurance</li> <li>Disaster Management Plan updated and current</li> <li>Offsite storage of data backups</li> </ul>	H
Increased injury risk to users due to age and condition Inadequate maintenance program.	Unlikely	Moderate	M	<ul style="list-style-type: none"> <li>Capital works and maintenance program in place.</li> <li>Communication with clubs and lease holders.</li> </ul>	M
Fire in kitchen of public building.	Unlikely	Catastrophic	H	<ul style="list-style-type: none"> <li>Fire response equipment (extinguishers, hose and reels) placed in buildings.</li> <li>Kitchen equipment regularly inspected for faults.</li> <li>Fire blankets provided in kitchen areas.</li> <li>Staff training in fire response and emergency evacuation.</li> </ul>	H

General Details			Risk Assessment	Treatment Strategy	Residual
Risk	Likelihood	Consequence	Risk Rating		Risk
Non compliance with relevant legislation, standards, codes of practice, etc	Likely	Major	VH	<ul style="list-style-type: none"> <li>Non-compliance works to be given priority.</li> <li>Undertake regular inspection and maintenance regimes.</li> <li>Allocation of appropriate funding and resources.</li> </ul>	M
Poor or inappropriate maintenance practices accelerates building portfolio deterioration	Likely	Major	VH	<ul style="list-style-type: none"> <li>Maintenance programs and treatments developed by experienced staff.</li> <li>Experienced and competent maintenance personnel employed on maintenance tasks.</li> <li>Competent and experienced contractors used for maintenance tasks.</li> </ul>	M
Inappropriate construction and maintenance methods expose work personnel to unacceptable risks	Unlikely	Catastrophic	H	<ul style="list-style-type: none"> <li>Selection process for Contractors considers OH&amp;S status.</li> <li>OH&amp;S requirements incorporated into Contract documentation.</li> <li>Regular inspections of contract works and contractor performance.</li> </ul>	M
Poor management practices by Committees of Management, user groups, lessees, etc (e.g. storage of flammable liquids) results in property damage.	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Leases, agreements, etc set minimum requirements.</li> <li>Develop building policy that applies equally to all user groups.</li> <li>Currency of insurances is verified annually.</li> <li>Regular inspection programmes</li> </ul>	M
Break-in and/or inappropriate behaviour	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Access controlled to authorized personnel.</li> <li>Access codes controlled.</li> <li>Staff key return policy on resignation or termination.</li> <li>Regular inspection of building security/doors/windows/locks.</li> <li>Inspection and review of systems in place</li> <li>Regular review of other sites without systems</li> </ul>	M
Building user slips on surface that has insufficient traction	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Programmed regular building inspections.</li> <li>Dedicated maintenance budget.</li> <li>Onsite surveillance and clean up of slippery material from floor areas.</li> <li>Use of floor materials with appropriate slip ratings in buildings. Public Liability Insurance.</li> </ul>	M
Building user trips and injures themselves	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Programmed regular building inspections.</li> <li>Dedicated maintenance budget.</li> <li>Onsite surveillance.</li> <li>Public Liability Insurance.</li> </ul>	M

General Details			Risk Assessment	Treatment Strategy	Residual
Risk	Likelihood	Consequence	Risk Rating		Risk
Damage to buildings causing closure of infrastructure	Unlikely	Moderate	M	<ul style="list-style-type: none"> <li>Staff temporarily repair damage.</li> <li>Contractor engaged.</li> <li>Routine maintenance inspections.</li> </ul>	L
Illegal or unauthorized entry into public buildings results in damage to property. Damage to buildings causing closure of infrastructure	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Access controlled to authorized personnel.</li> <li>Access codes controlled.</li> <li>Staff key return policy on resignation or termination.</li> <li>Regular inspection of building security/doors/windows/locks.</li> <li>Use of CCTV monitoring if appropriate</li> </ul>	M
Flood / Storm damage results in water entry to building.	Likely	Moderate	H	<ul style="list-style-type: none"> <li>Programmed regular building inspections.</li> <li>Dedicated maintenance budget.</li> <li>Property Insurance.</li> </ul>	M

Table 11 - Buildings Risk Register

## 7. FINANCIAL SUMMARY

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

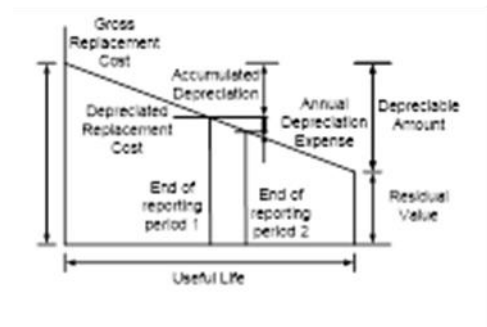
### 7.1 Financial Statements and Projections

#### 7.1.1 Asset Valuations

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

##### Building Assets

<b>Gross Replacement Cost</b>	\$24,140,300
<b>Accumulated Depreciation</b>	\$12,161,580
<b>Depreciated Replacement Cost</b>	\$11,978,720
<b>Annual Average Asset Consumption</b>	\$589,821



The value of assets recorded in the asset register as at 30 June 2021 is covered by this asset management plan are shown above.

Assets are valued at fair value based on depreciated replacement cost according to Greenfield rates. Quantities represent those assets whose replacement cost meets Council's capitalisation threshold.

## 7.1.2 Sustainability of Service Delivery

### Renewals

The Department of Local Government, Racing & Multicultural Affairs (DLGRMA) has included the Asset Sustainability Ratio as one of its key measures of sustainability<sup>7</sup>. The ratio is defined as follows:

Financial Management (Sustainability)

$$\frac{\text{Capital Expenditure on Replacement of Assets (Renewals)}}{\text{Depreciation Expenditure}}$$

The target range is greater than 90% per annum (on average over the long-term). From Council's most recent Buildings Revaluation, the annual depreciation across the building asset class is **\$589,821**. Based on the 90% target then the target annual renewal expenditure amount (for both) would be in the order of **\$530,839**.

### 7.1.3 Previous Expenditure on Building Assets

The following is the historical expenditure on building assets:

Year	Operations	Maintenance	Renewals	New/Upgrades
16-17				
17-18				
18-19				
19-20				
20-21				
<b>Annual Average</b>				

(To be completed in next update)

Table 12 - Historical Expenditures on Building Assets<sup>8</sup>

### Average Annual Maintenance and Renewals Expenditures:

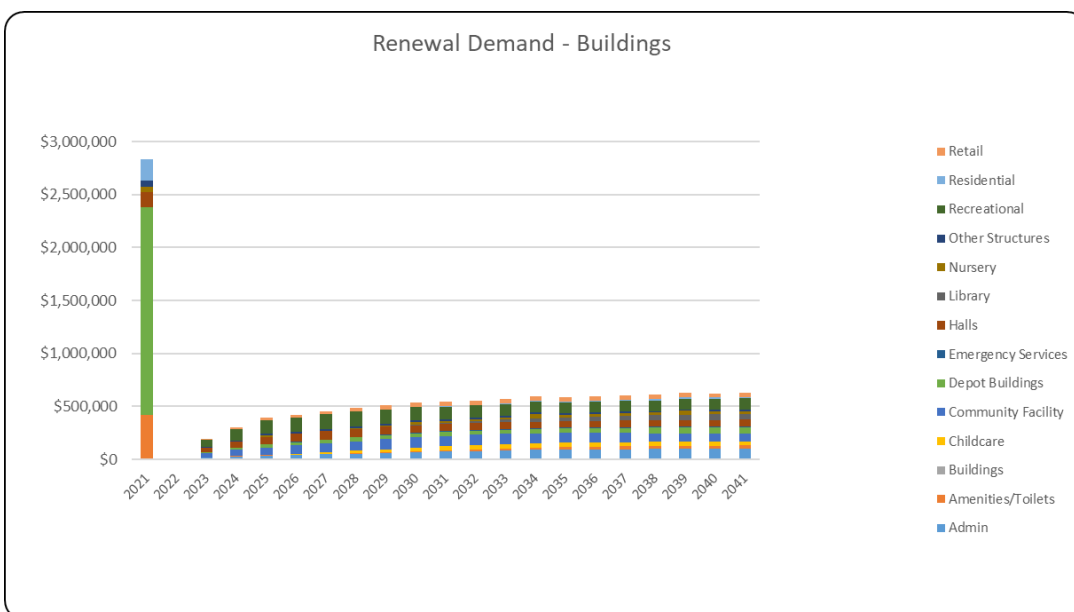
(To be completed in next update)

Buildings	\$
<b>Total</b>	<b>\$</b>

### 7.1.4 Projected Expenditures for Long Term Financial Plan

#### Modelled Projected Expenditures

Based on the valuation data and Council condition data, the following identifies the projected renewals requirements over the next 10 years. In practice, renewals will be programmed over a number of years so that acts to “smooth” out the expenditure curve. The following table shows the predicted renewal expenditure for the entire buildings and other structures class. The large spike in the first year is due to the poor condition of a number of the depot buildings.



<sup>8</sup> Source YASC – Historical Cost Data

Figure 5 – Projected 10 Year Renewals Building Assets

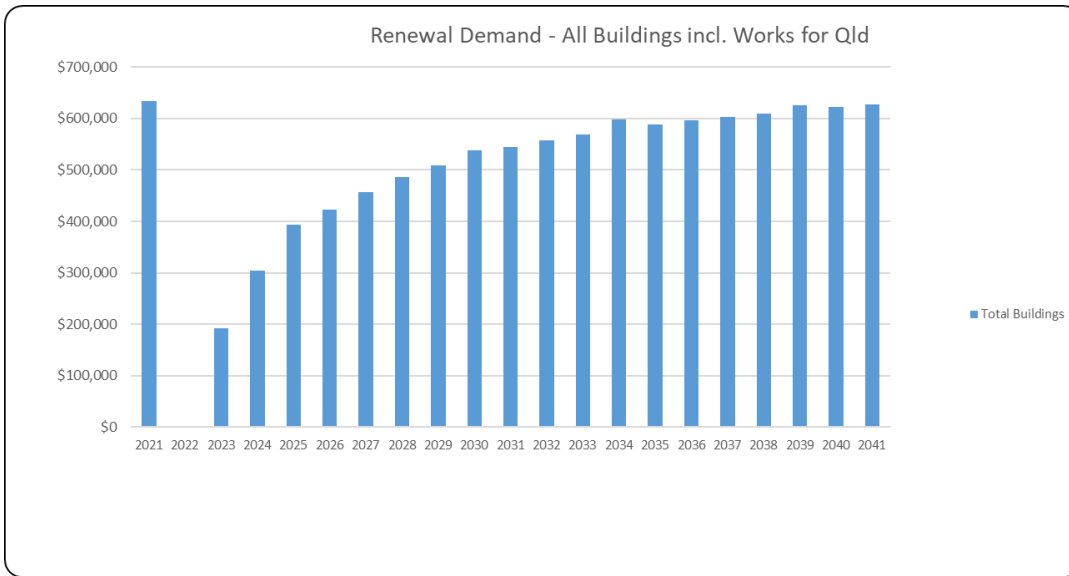


Figure 6 – Projected 10 Year Renewals – Total Building Assets incl Works for Qld Funding

As the modelling is based on the most recent revaluation data, the large “spike” in manholes reflects the relative age of some of the manholes. This will be reduced significantly in practice with Council’s current manhole replacement and relining program that is underway.

Table 18 shows the projected expenditures for the 10-year, Long Term Financial Plan. Expenditure projections are in 2019/20 real values.

Financial Year	Capital Expenditure
2021-22	\$ 2,833,450
2022-23	\$ -
2023-24	\$ 192,295
2024-25	\$ 304,308
2025-26	\$ 393,318
2026-27	\$ 422,150
2027-28	\$ 457,558
2028-29	\$ 485,689
2029-30	\$ 508,714
2030-31	\$ 537,866
<b>Average</b>	<b>\$613,535</b>

Table 13 - Projected Expenditures of Building Assets for Long Term Financial Plan

The above levels of forecast renewals reflects the lack of a maintenance/renewals replacement program over the past several years. If the large amount of renewals for the depots is discounted due to the Works for Qld funding, then approximately \$633,450

### Council 3-5 Year Budgets

The following is Council's 3 Year Budget for Building Assets and includes the funding available for depot replacement under the Works for Qld program (\$2.2M for depot building replacement)

Year	Maintenance	Renewals	New/Upgrades
	Reactive/Cyclic		
2022		\$ 2,200,000	
2023			
2024			
<b>Annual Average</b>		\$ 2,200,000	

*Table 14 – Budgeted Expenditures of Building Assets for Long Term Financial Plan*

Based on the plus the forward modelling, the data indicates that Council needs to allocate funding for maintenance and renewal works on its buildings otherwise they will continue to degrade and further loss of service will occur.

## 7.2 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this Asset Management Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale<sup>9</sup> in accordance with the table below.

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

*Table 15 - Data Confidence Grading System*

The estimated confidence level for and reliability of data used in this Asset Management Plan is shown in the table below.

Data	Confidence Assessment	Comment
Demand drivers	C	Demand drivers for the Building Class are derived from the various services that require buildings to support service delivery. There are limited strategic service delivery plans available to support identification of service needs across the board
Growth projections	C	Forecasting of new assets needs to have more process in terms of capital works prioritisation and business case processes
Acquisition forecast	D	No data available at the time of writing
Operation forecast	D	No data available at the time of writing
Maintenance forecast	D	No recent condition data available
Renewal forecast	D	No recent condition data available
- Asset values	D	
- Asset useful lives	B	Reliance was on recent Valuation data
- Condition modelling	C	No physical condition data available but there is reliance on valuation data.
Disposal forecast	N/A	Not required for these types of Assets.

*Table 16 - Data Confidence Assessment for Data used in Asset Management Plan*

The estimated confidence level for and reliability of data used in this Asset Management Plan is considered to be C-.

<sup>9</sup> IPWEA, 2015, IIMM, Table 2.4.6, p 2/71.

## 8. PLAN IMPROVEMENT AND MONITORING

### 8.1 Status of Asset Management Practices

Council currently uses the following corporate information systems for recording relevant asset data and information:

Module	System
Customer Request Management	
Financial/Accounting	SynergySoft (IT Vision Australia)
Records Management	
Mapping (GIS)	
Asset Register	
Strategic Asset Management	
Mobile Solutions	
Works Management	

*Table 17 – Overview of Corporate Systems*

*(To be completed in next update of Plan)*

The asset management system underpins asset management capacity and capabilities and is a key source of information for decision making, coordination of operations, and performance reporting. It is understood that Council is investigating options for its future asset management system, it is important that a clear road map is developed for the implementation of the additional functionality of this system which is either being performed by other non-integrated solutions or manual processes.

### 8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 18.

Issue	Tasks / Processes	Timeframe	Responsibility	Status
<b>POLICY</b>	Update current Asset Management Policy	Regular input to Council agendas	CEO / Directors	Policy to be updated
<b>STRATEGY</b>	Initiate 'Whole of Life' analysis for all major projects in the Capital Works Program.		CEO / Directors	To be developed with next Budget
	Establish Long Term Financial Plans using AMP financial forecasts.		CEO / DOW/ DCED	Refined with AMP, (this plan)
<b>RISK MANAGEMENT</b>	Maintain and update Risk Register for building assets	Jun-22	CEO / Directors	Initial register developed and reported
	Document assets according to risk hierarchy in order to prioritise maintenance and renewals .	June 22	DOW	To commence
<b>DATA</b>	Continue to increase the integrity of asset and services data bgy uindertaking physical condition assessments and	Dec -22	DOW/ DCED	To commence

	developing maintenance and renewals plans based on the assessments.			
	Maintain Asset Inventories for asset management purposes with complementary information in Asset Register	Dec-22	DOW/ DCED	Processes to be reviewed and validated
	Process reviews to ensure data is consistent and accurate across all functions, eg asset handover, as constructed drawings, etc.	Jun-22	DOW/ DCED	To commence
<b>FINANCIAL MANAGEMENT</b>	Ensure alignment between Asset Inventories and Asset Register	Ongoing	DOW/ DCED	Work from updated inventories
	Apply financial forecast calculation process for each asset class, and regularly test against industry indicators	Ongoing	DOW/ DCED	Initial data recorded in Asset Inventories
<b>OPERATIONS</b>	Establish templates and processes to provide regular reports on asset and services management status and practices improvements program, plus overall and individual asset and services performance.	Ongoing	CEO / Directors	To commence

*Table 18 – Improvement Plan*

Council’s Executive Management Team (EMT) will be responsible for determining the priority of the actions in this improvement plan and also to allocate a responsible officer and to identify resource needs. This is to ensure that the implementation of these improvement actions align with Council’s overall asset program.

### 8.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget planning processes and amended to show any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The asset management plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the Long Term Financial Plan.

The asset management plan will have a life of four (4) years and will be completely reviewed and updated in order to inform the development of the Corporate Plan, the Operational and Development Plan, and the Long Term Financial Plan.

## 8.4 Performance Measures

Performance measures will be developed to ensure that work practices and the asset management plan are reflective of each other.

The performance of the asset management plan shall be monitored against the following criteria in accordance with the process detailed below.

- Maintenance and renewal programs - to confirm that allocated budget projects were delivered on time, within budget and to the specified level of service (see following item on delivery performance).
- Inspection programs - to confirm that they were undertaken as specified in the asset management plans and any other service level agreements which may be in operation.
- Scheduled condition assessments – to confirm that they were undertaken as required.
- Maintenance of asset information systems - to ensure that stored data is current and accurate.
- External factors - including legislative requirements and reporting, ongoing development of Council policies, plans, and other major system implementations, that may affect the contents of the asset management plan.

## 9. GLOSSARY

The following definitions and assumptions have been used in the compilation of this report:

**Asset Management Plan:**

A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service (function/purpose). A significant component of the plan is a long-term cash-flow projection for the continuation of the asset to function at its level of service.

**Asset Management Team:**

A team appointed by an organisation to review and monitor the corporate asset management improvement program and ensure the development of integrated asset management systems and plans consistent with organisational goals and objectives.

**Asset Data:**

A record of asset information considered worthy of separate identification including inventory, location, age, condition, history, financial, construction, technical and financial information about each individual asset.

**Current Replacement Cost:**

The cost of replacing the current service potential of an existing asset with an asset of equivalent capacity, built to current community standards and expectations.

**Cyclic Maintenance:**

Maintenance carried out on a programmed basis that ensures the asset is protected against deterioration and enhances appearance (e.g. cleaning of gutters).

**Gap Analysis:**

A method of assessing the gap between the Council's current asset management practices and the future desirable asset management practices. Also called "needs analysis" or "improvement planning", and for buildings, the financial gap between current renewal and maintenance funding and the existing asset or asset's components required renewal and maintenance funding needs.

**Improvement /Upgrades:**

Works required to an existing asset that changes the current functional level of service to a revised, improved or upgraded function to meet user's expectations.

**Operational maintenance:**

Un-programmed maintenance, carried out to ensure the asset or element remains serviceable (e.g. remove grass from down pipes).

**Renewal:**

Works to refurbish or replace an existing asset or asset component with facilities of equivalent capacity or performance capability.

**Replacement:**

The complete replacement of an asset or asset component that has reached the end of its life in order to provide a similar or agreed alternative level of service.



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