



Asset Management Plan – Buildings



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Table of Contents

1	Executive Summary.....	1
2	Asset Systems and Structures.....	2
2.1	Asset Planning Framework.....	2
2.2	Asset Planning Systems	3
2.3	Organisational Structure	4
3	Our Assets.....	6
3.1	Asset Class Inventory	6
3.2	Condition	8
3.3	Age Profile.....	10
3.4	Asset Category Inventory	10
4	Drivers of Level of Service	12
4.1	Risk Management.....	12
4.2	Risk Assessment Framework.....	12
4.3	Community Satisfaction	14
4.4	Strategies and Masterplans	15
5	Levels of Service	16
5.1	Provision	16
5.2	Renewal.....	17
5.3	Maintenance and Operations.....	18
6	Asset Base Growth	22
6.1	New and Upgraded Assets	22
6.2	Assets Contributed by Development through Conditions of Consent	22
6.3	Developer Contributions and Servicing Strategies.....	23
6.4	Asset Disposals	23
6.5	Asset Indexation	23
6.6	Asset Base Growth	24
7	Financial Lifecycle Forecast.....	26
7.1	Renewal Forecast	26
7.2	Maintenance and Operations Forecast	27
7.3	Overall Forecast	28
8	Improvement Plan.....	30

1 Executive Summary

This Asset Management Plan (AMP) is part of a suite of Portfolio AMPs, which together sit under the Asset Management Strategy (AMS). It is to be read in conjunction with the AMS and Four Year Capital Works Program.

This AMP provides an overarching document of Council's management of, and investment in, the Buildings Asset Class over a 10-year planning period.

Council manages a buildings asset class of 325 structures across a broad range of asset categories, including aquatics, worth a combined \$192M. The average condition of these structures is 2.1, which is defined as therefore being in 'good' condition.

The level of service that Council provides through this asset class can be described within the three categories of: Provision, Renewal, and Maintenance and Operations. What Council delivers through these levels of service are driven by consideration of: Risk Management, Community Satisfaction and Strategies and Masterplans. But is constrained by funding and availability of resourcing.

Review of the 2022 Community Satisfaction Survey shows that the public is mostly satisfied with the provision and operation of libraries, community halls and swimming pools. But it is evident that there is a community desire for improved performance in the maintenance of public toilets and the protection of heritage buildings.

In accordance with these results, the Renewal Level of Service details how the Capital Works Program features investment in renewal of public toilets and refurbishment of heritage significant buildings.

In order to provide an analysis of financial investment required across the planning period, calculation of forecast asset base growth must be completed. Asset base growth is calculated through consideration of the value of the asset class growing as result of new and upgrade projects, assets contributed through development, development contributions plans and indexation, as well as subtracting any known asset disposals.

It is forecast that across the planning period the asset base will grow by \$77M.

Recommended financial investment for the Renewal Level of Service and Maintenance and Operations Level of Service is calculated at \$37M and \$78M respectively. These have been calculated through aligning renewals with annual depreciation, and ensuring maintenance and operational budgets increase in step with asset base growth.

The Long-Term Financial Plan is unfortunately not able to accommodate the entirety of this desired financial investment, largely as result of asset base growth exceeding the Council rate peg.

This will therefore result in a lowering of levels of service and will prevent assets from reaching their desired useful life - which in turn increases renewal expenditure requirements. Future iterations of the Asset Management Plan will further investigate and identify potential solutions to this difficult situation.

Asset management is a journey of continuous improvement, and so the AMP concludes with a concise Improvement Plan detailing the asset management maturity tasks programmed for the years ahead.

2 Asset Systems and Structures

2.1 Asset Planning Framework

The Asset Management Planning Framework, as summarised Figure 1, integrates into the wider IP&R Framework and ensures Council performs the Asset Management functions of planning, coordinating, controlling, executing, monitoring and improving the activities associated with managing its assets.

In accordance with the Integrated Planning and Reporting (IP&R) Framework, which all NSW Local Governments are subject to, Council is required to prepare a suite of strategic documents – one being the Resourcing Strategy. It is through the Resourcing Strategy that the Asset Management Framework of Council is defined and endorsed.

The Asset Management Framework has three primary components:

1. Asset Management (AM) Policy defines Council's Asset Management objectives.
2. Asset Management Strategy (AMS): also known as a Strategic Asset Management Plan (SAMP), shows how Council will achieve the objectives of the AM Policy. It is a road map for the delivery of these asset management objectives in accordance with the principles set in the AM Policy. It is to be continually monitored and regularly reviewed, in alignment with the formulation of the Long-Term Financial Plan (LTFP) and the Delivery Program and Operational Plans adopted annually by Council.
3. Asset Management Plans (AMP): further explores the high-level summary contained in the AMS with a detailed analysis of inventory, risk, levels of service and sustainability undertaken. AMPs are developed for all major infrastructure asset classes, grouped by the type of function the assets serve – i.e., community assets or a specific business unit.
 - a. Community assets
 - i. Transport
 - ii. Stormwater
 - iii. Buildings and Aquatics
 - iv. Open Space and Recreation
 - v. Water
 - vi. Wastewater
 - b. Business units
 - i. Cemeteries
 - ii. Resource Recovery Centre
 - iii. Southern Regional Livestock Exchange

The AMPs are continually reviewed, to ensure long-term sustainability of the Council services they support. They are informed by community consultation and will be used as core inputs into the development of Council's Long Term Financial Plan.

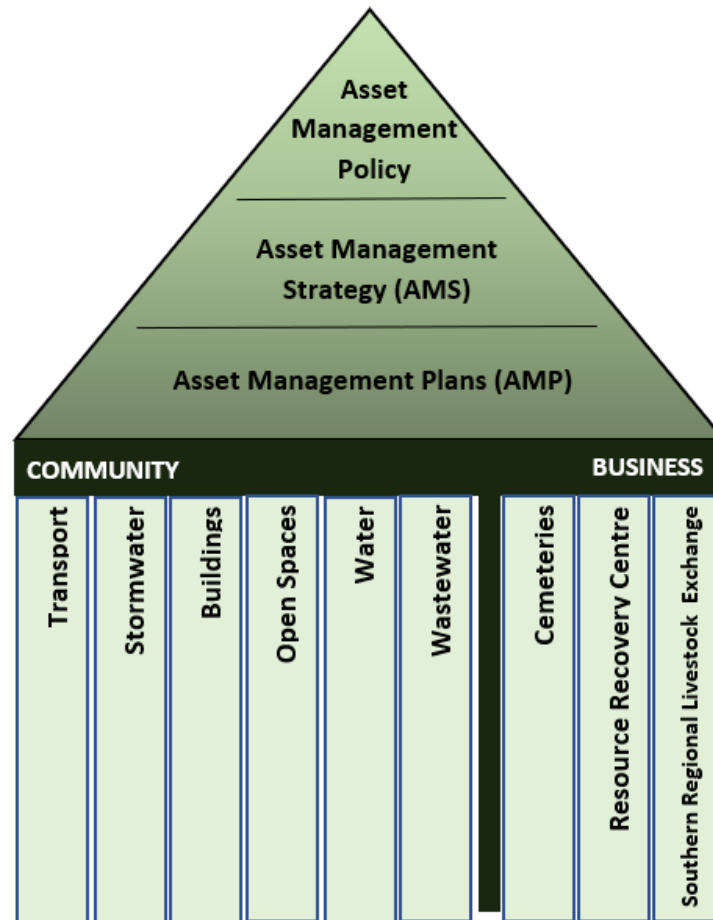


Figure 1: Asset management Planning Framework

2.2 Asset Planning Systems

Wingecarribee Shire Council utilises several databases and systems to deliver on asset planning requirements, specific to building assets. These databases and systems are summarised in Table 1 below:

System	Description
Conquest	Asset register – inventory, condition and attributes
ArcGIS	Spatial data
Technology One – Finance	Budgeting, purchase orders, expenditure
Technology One – Enterprise Content Management (ECM)	Record keeping
Technology One – Customer Request Management (CRM)	Workflow management for customer requests
Pulse – Project Management	Scoping and project control for Capital Projects

Table 1: Asset Planning Systems

It is however acknowledged that Council has embarked on a digital transformation journey, with Council executing a 10-year contract at the 19 October 2022 Council Meeting with Technology One. This contract will see all Technology One modules and additional options being made available to Council and them being progressively implemented across the organisation. A 10-year roadmap for the implementation of the Technology One suite is currently being developed.

This will generate asset planning outcomes through modernisation and integration of the works management asset register and strategic asset modules. This will enable Council to model asset conditions that will result from 10 year funding scenarios, which will in turn enable data driven decision-making to achieve financial sustainability.

2.3 Organisational Structure

Wingecarribee Shire Council has adopted a centralised approach to Asset Planning with all asset management and network planning functions being consolidated within the Assets Team. Management of operations and maintenance, as well as capital project delivery, are primarily distributed across the teams of Shire Presentation and Project Delivery.

However the provision of services through these assets is managed across the directorates of Council. The following table provides a summary of service managers across the organisation.

Service Manager				Asset / Facility
Manager Libraries	Community	Life and		Libraries
Manager Recovery	Waste and	Resource		Resource Recovery Centre
Manager Business and Property				Southern Regional Livestock Exchange
				Southern Highlands Visitor Information Centre
				Bowral Memorial Hall
Manager Water Services				Mittagong Works Depot
Manager Shire Presentation				Moss Vale Works Depot
				Aquatics

Table 2 - Service Managers

The below figures detail the structure of these teams within the Service and Project Delivery Directorate, the Assets Team, as well as that of the Parks and Buildings Team.

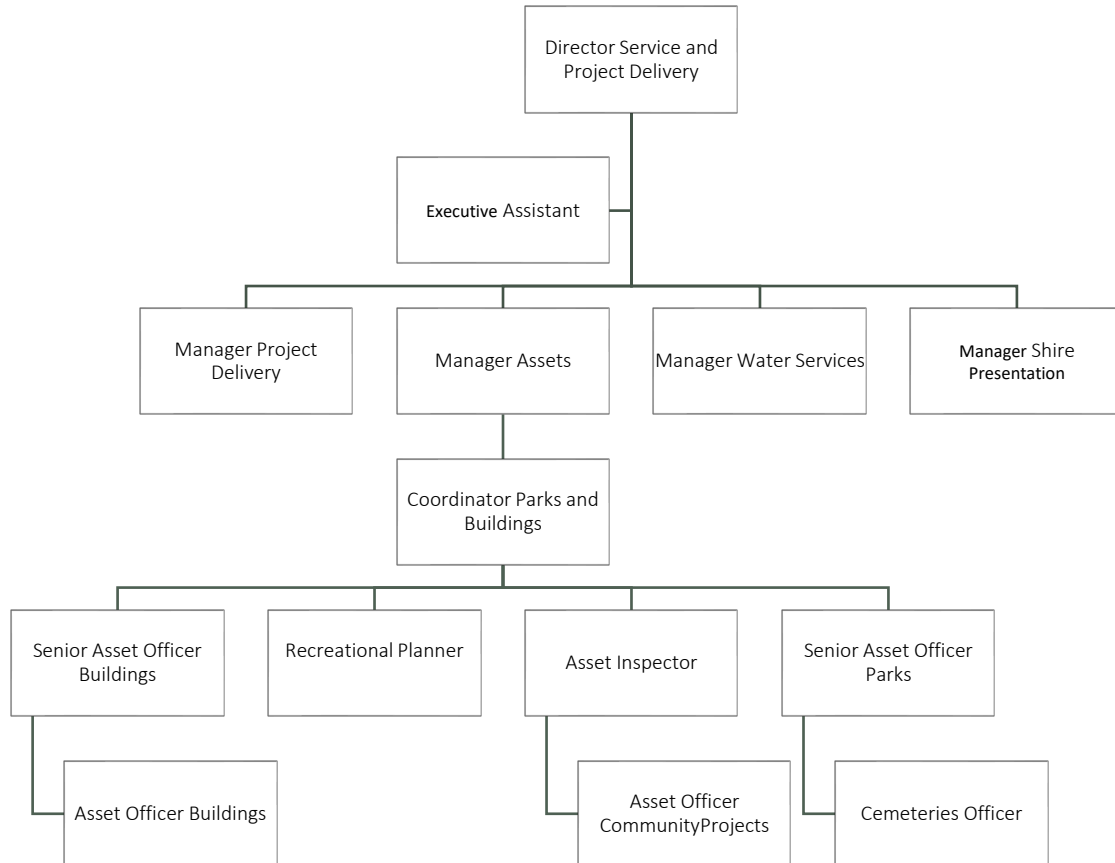


Figure 2 - Organisational Structure

These assets are utilised to deliver a broad range of functions or services to the community, many of which are managed by a nominated Service Manager. Service Managers are major stakeholders of assets related to their corresponding facility, and so the planning and delivery of these assets is done with extensive consultation and high collaboration.

3 Our Assets

3.1 Asset Class Inventory

Council manages a building asset register of 325 buildings covering a wide range of facility types and purposes. The table below provides a summary of this building inventory:

Asset Category	Count of Structures	Replacement Value (\$)
Administration, Operational and Libraries Buildings	67	\$51,449,171
Community Buildings	33	\$53,228,955
Commercial Buildings	32	\$22,967,879
Childcare Buildings	19	\$7,290,420
Emergency Buildings	32	\$12,112,105
Public Toilets	33	\$7,782,399
Sportfield Amenities and Clubrooms	45	\$16,996,326
Sportfield and Parks Shelters	26	\$1,153,458
Sportfield and Parks Storage Sheds	15	\$880,931
Swimming Pools and Buildings	23	\$18,019,005
TOTAL	325	\$191,880,649

Table 3 - Asset Inventory Summary

Several of these buildings are located on the same property and so these locations are considered 'centres'. As example:

- The 23 buildings of Asset Category 'Swimming Pools' are located across 4 swimming centres
- The 19 buildings of Asset Category 'Childcare Centres' are located across 6 childcare centres

The buildings asset register has a total value of \$191.8M and can be further componentised into 2,246 building assets.

The following graphs provide a summary of asset category value.

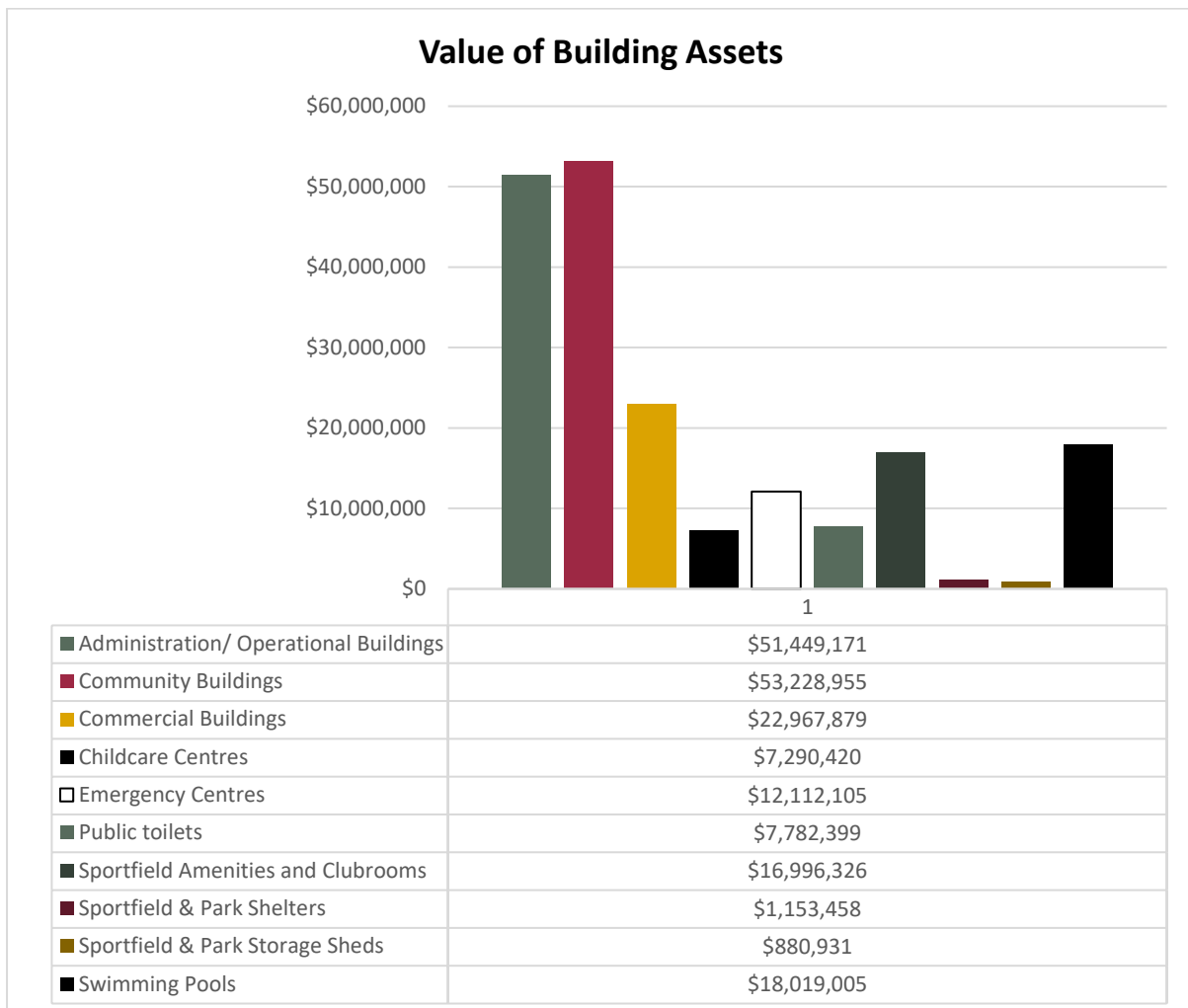


Figure 3 - Asset Category Value

Asset inventory is maintained and updated through three primary means:

- Recognition of constructed assets – both through Council delivered capital projects, but also assets dedicated to council through subdivision development.
- Ad-hoc Asset Inspections – inspections are regularly conducted in response to customer or internal requests, as well as part of project scoping phases.
- Scheduled Asset Inspections – all assets are to feature within a schedule of asset inspections.

Assets are valued in accordance with the detailed revaluations of asset classes and are undertaken in accordance with Australian Accounting Standards so a comprehensive revaluation of each asset class is undertaken at a minimum every five years. Outside of the comprehensive revaluation years, fair value assessments are to be undertaken on an annual basis for all asset classes. If the assessment identifies that a material change has occurred, the corresponding asset classes will be indexed with an industry accepted indices.

A comprehensive valuation for buildings was performed in the financial year 2022/2023. Next valuation will fall on financial year 2027/2028.

3.2 Condition

Asset conditions are assessed as part of comprehensive network inspections, conducted on a rolling program. These assessments are undertaken in accordance with the relevant Practice Notes issued by the Institute of Public Works Engineering Australasia. The condition rating scale is 1-5:

1. As New / Excellent
2. Good / Satisfactory
3. Fair / Tolerable
4. Poor / Intolerable
5. Very Poor / Reconstruction Required

The overall condition of Buildings Asset is shown in figure 3. Asset condition by asset value are shown in Figure 4.

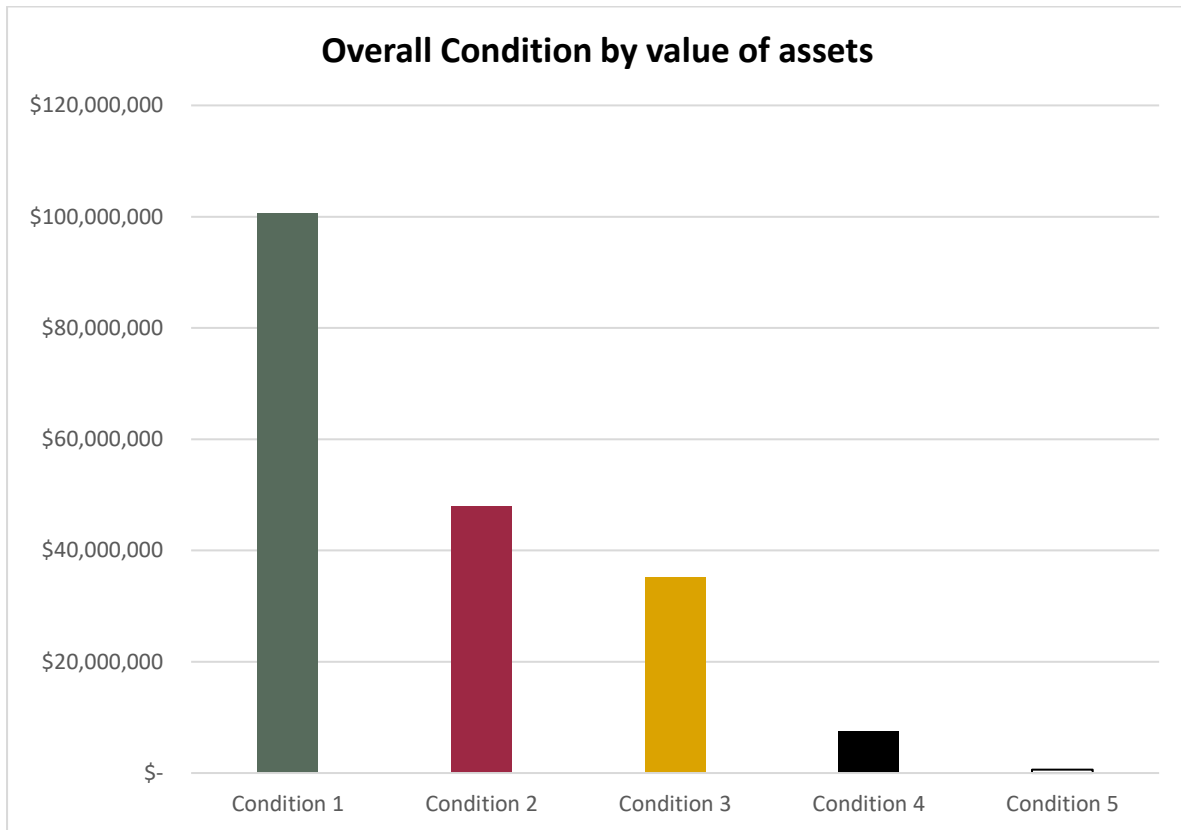


Figure 4- Asset Class Condition by Value

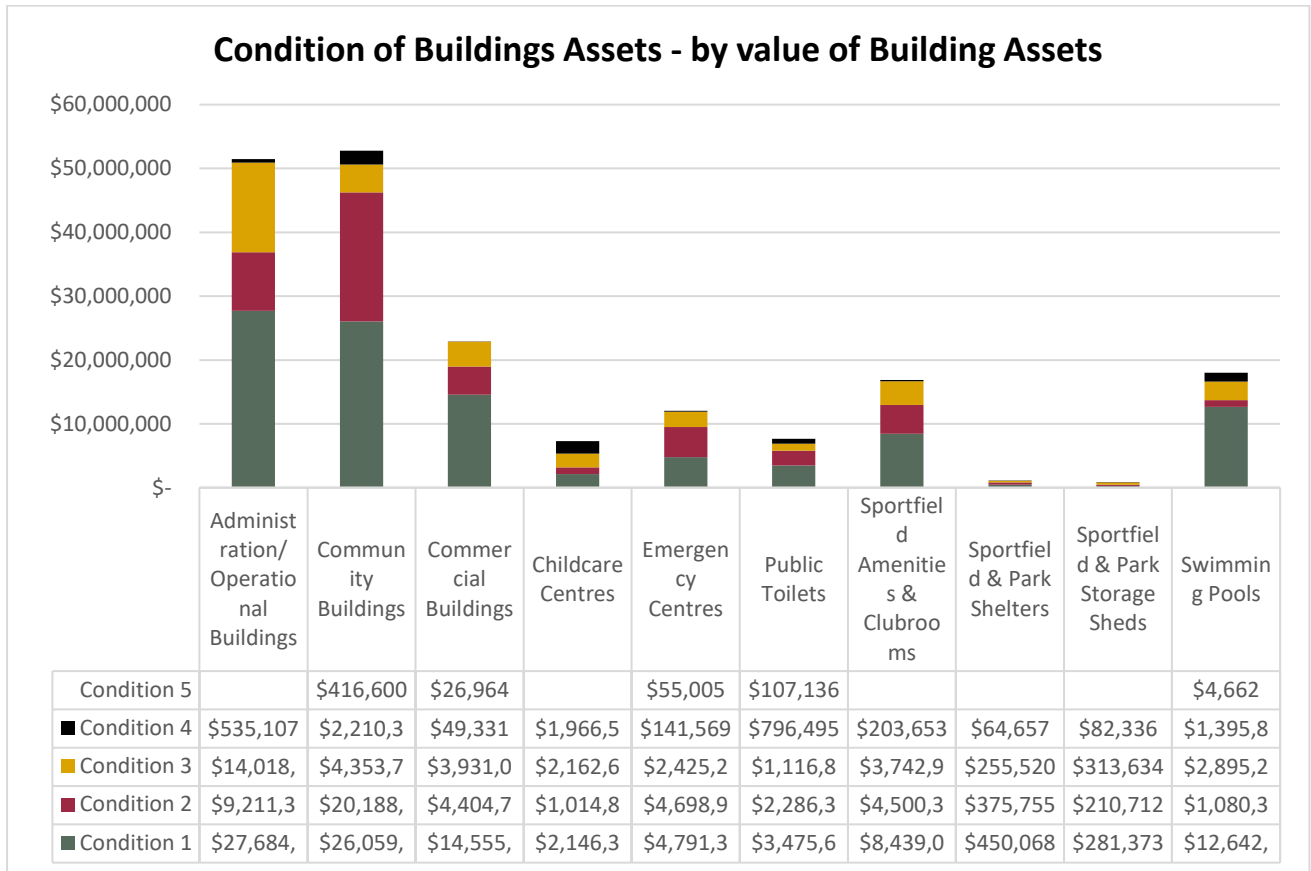


Figure 5 - Asset Category Condition by Value

The overall average condition of Council’s building assets is good / satisfactory.

Average condition rating for building assets is 2.1

Asset Category	Average Condition by Count of Assets
Administration/ Operational Buildings	2.0
Community Buildings	2.1
Commercial Buildings	2.0
Childcare Centres	2.5
Emergency Centres	1.8
Public Toilets	1.9
Sportfield Amenities and Clubhouses	2.1
Sportfield and Park Shelters	2.0
Sportfield and Park Sheds	2.3
Swimming Pools	2.3
<i>Overall</i>	<i>2.1</i>

Table 4 - Average Asset Condition

3.3 Age Profile

The age compiled to date is actual for most buildings constructed prior to 1940 and after 1990. The age data for those buildings constructed between 1940 and 1990 is based upon estimates from physical inspection of the building and general knowledge. This explains the spikes on some years and may not represent a true depiction. It is certain, however, that most Council buildings were constructed between the years of 1960 and 2000.

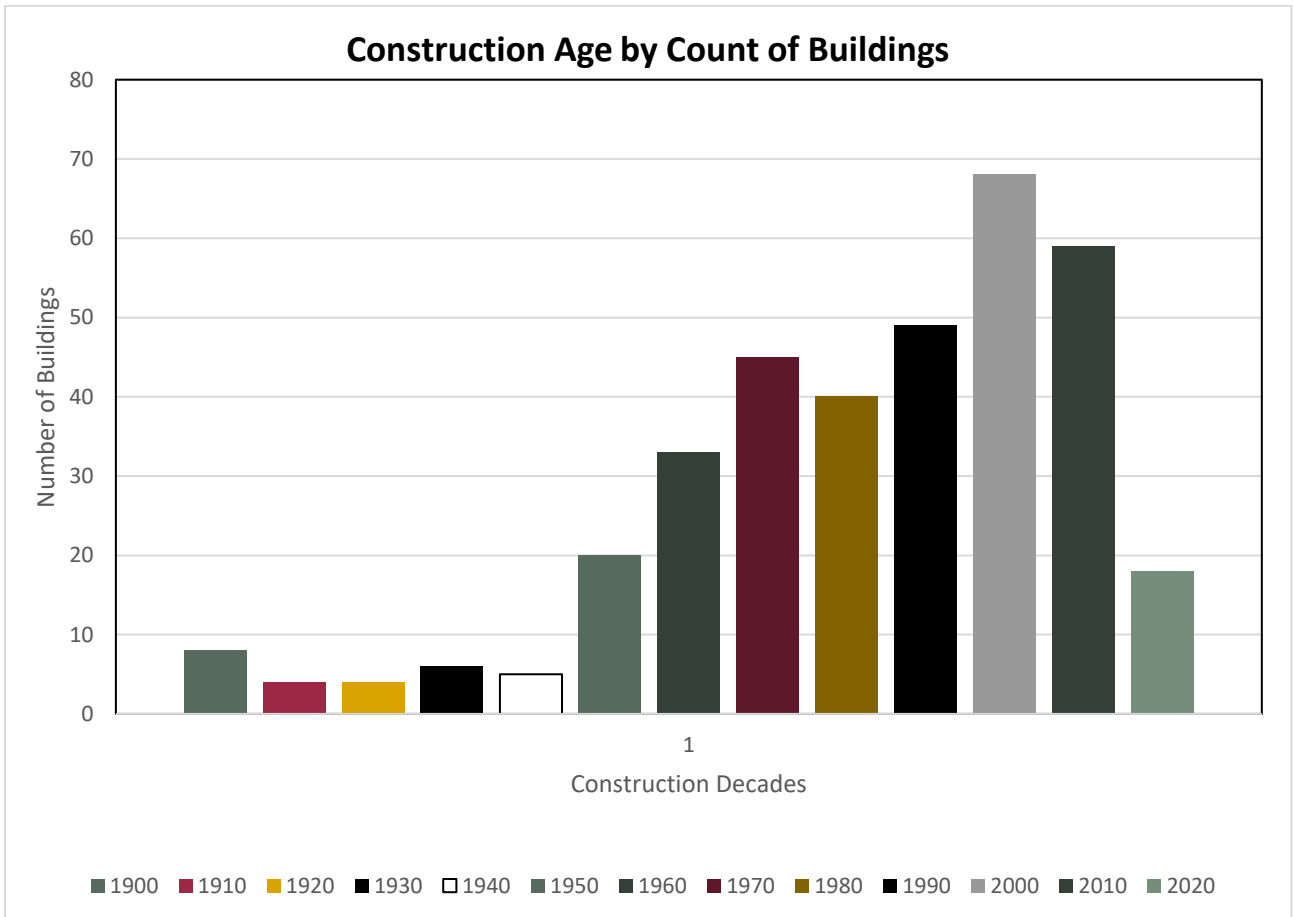


Figure 6 – Average Asset Construction Year

3.4 Asset Category Inventory

3.4.1 Accessibility of Public Toilets

Currently 43% of the public toilets in the Wingecarribee Shire Council are accessible. Council is committed to implementing its Public Toilet Strategy for the renewal of public toilet facilities.

As per Council’s Disability Inclusion Action Plan 2022-2026 and the Building Code Australia, all new toilets will include an accessible toilet.

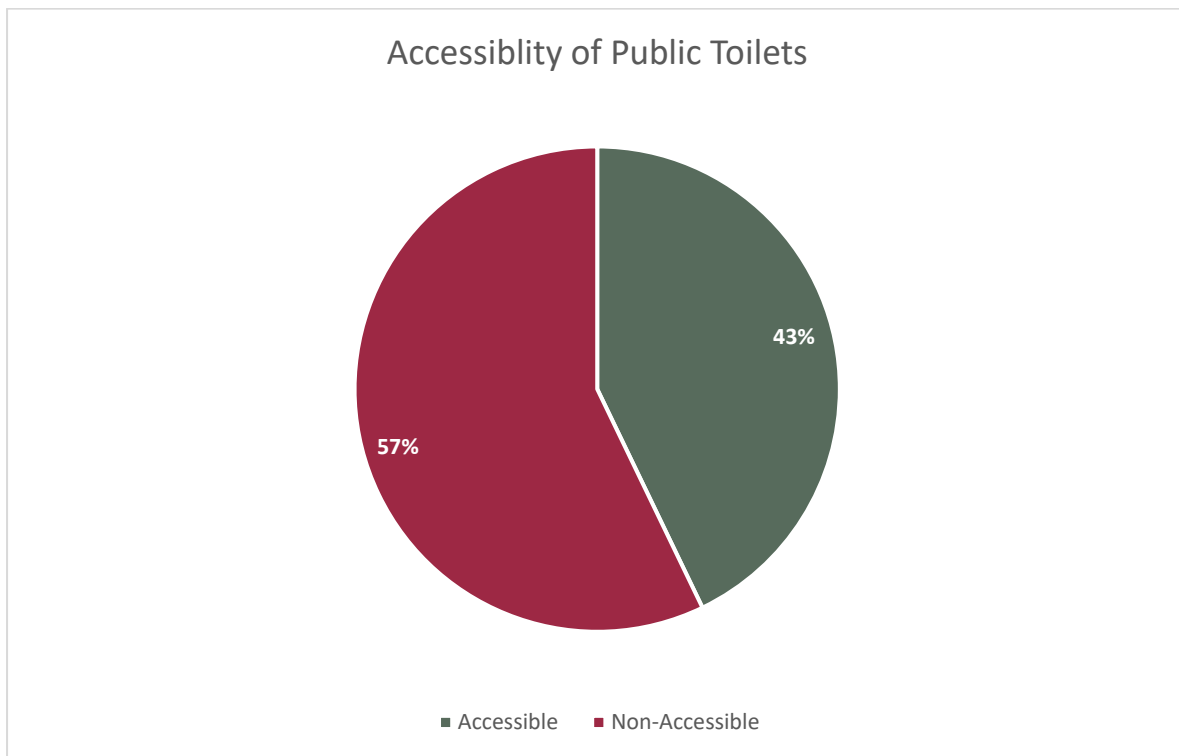


Figure 7 - Accessibility of Public Toilet Portfolio

3.4.2 Swimming Pools and Buildings

Swimming Pools consist of 4 Swimming Centres, namely Moss Vale Aquatic Centre, Bundanoon, Bowral and Mittagong Outdoor Swimming Centres. Each of the outdoor swimming centres have multiple structures, including the pool structures, pump sheds, kiosks, shade sail structures etc. and these are all counted towards the total number of buildings within the swimming pools asset category.

3.4.3 Administration and Operational Buildings

Administration and Operational Buildings include the Civic Centre, Saleyards, Resource Recovery Centre, Animal Shelter, Libraries and Council Depots. It is important to note that each of the Council Depots have multiple sheds and workshops on site which all count towards the total number of operational buildings.

4 Drivers of Level of Service

Levels of Service (LoS) are comprised of four components: provision, renewal, maintenance and operations. Each LoS is constrained by funding and resource availability, however the fundamental drivers of LoS can be identified in three categories:

- Risk Management
- Community Satisfaction
- Strategies and Masterplans

4.1 Risk Management

Risk is the effect of uncertainty on Council’s ability to achieve its objectives. Risk Management is the process of systematically identifying, monitoring, treating and reporting these risks.

Risk Assessment will identify potential hazards and select a treatment option to be implemented to control the generated risk. The resultant treatments will primarily fall within the categories of ensuring compliance with regulations and standards, adhering to a regime of systemic inspections, committing to a program of upgrades and ensuring proactive and reactive maintenance is completed.

This Risk Assessment will cover generic hazards that are typical across the entire asset network, however it also provides a closer analysis of Critical Assets.

4.1.1 Critical Assets

Critical assets are those that have a high consequence of failure in terms of community impact. By identifying critical assets and failure modes, an organisation can ensure that condition inspection programs, maintenance and capital expenditure plans are targeted to ensure that the risk of critical asset failure is minimised.

Council’s critical assets in Building assets class include:

Administration / Operational Buildings – Civic Centre, RRC and Council Depots
Emergency operations – RFS and SES buildings

Table 5 - Critical Assets

4.2 Risk Assessment Framework

Risk (R) Matrix		Consequence (C)				
		Severe	Major	Moderate	Minor	Insignificant
Likelihood (L)	Almost Certain	Extreme	Extreme	High	High	Moderate
	Likely	Extreme	Extreme	High	Moderate	Moderate
	Possible	Extreme	High	Moderate	Moderate	Low
	Unlikely	High	High	Moderate	Low	Insignificant
	Rare	High	Moderate	Low	Insignificant	Insignificant

Table 6 - Risk Assessment Framework

Asset Management Plan - Buildings

Risk	Hazard	Inherent Risk			Treatment	Residual Risk			Implementation Status	Responsibility	Level of Service
		C	L	R		C	L	R			
Personal injury	Deteriorated building assets	MAJ	POS	H	Renew assets in accordance with designated useful life	MIN	POS	M	Current	Assets	Renewal
					Complete building inspections at regular intervals				Current	Assets	Operations
					Reactive maintenance of building assets through CRM system.				Current	Shire Presentation	Operations
Personal injury	Compliance with statutory requirements	MAJ	POS	H	Meeting testing and certification requirements of building components/items (fire safety, lifts etc)	MIN	POS	M	Current	Shire Presentation	Operations
Personal injury	Deferred maintenance (i.e. works that are identified for maintenance activities but unable to be completed due to available resources)	MOD	LIK	H	Ensure maintenance budgets increase with asset base growth	MOD	LIK	H	Future	Assets	Operations
Poor results as result of non-evidence based decision making	Poor quality asset inventory and performance data	MOD	LIK	H	Adopt approach of continuous improvement, with progressive implementation of Improvement Program (see Section 8)	INS	POS	L	Current	Assets	Operations
Damage due to increased extreme weather events.	Building Structure and components	MOD	LIK	H	Design principles to reduce impact of extreme weather events when undertaking new developments	MIN	POS	M	Current	Asset	Provision
Public health and hygiene	Poor water quality within swimming pools	MOD	LIK	H	Manage pool operations in accordance with statutory requirements	MIN	POS	M	Current	Shire Presentation	Operations

Table 7 - Risk Assessment

4.3 Community Satisfaction

Council's community satisfaction survey is undertaken biennially and tracks Council's performance in service delivery, identifies priority areas and evaluates community attitudes towards customer services, communication and Council as an organisation.

The objectives of the community satisfaction survey process are to:

- Measure the importance of, and satisfaction with, services and facilities provided by Council
- Compare levels of satisfaction for Council's services and facilities with similar councils
- Assist Council in identifying service priorities for the community
- Evaluate Council's customer services and communication

The survey covers facilities and services provided by Council identifying both importance and satisfaction on a 5-point scale, with 1 = low and 5 = high.

The most recent community survey was conducted in 2022, with the results of the prior years also provided for comparison. These community survey results have been considered within each Asset Management Plan and will be utilised to guide and inform the schedule of service reviews across the asset classes.

The following table contains the items relevant to this asset management plan.

Council Service	Importance			Satisfaction			2022 Performance Gap
	2019	2021	2022	2019	2021	2022	
Provision and operation of libraries	4.11	4.07	4.20	4.02	4.00	4.14	1%
Provision and maintenance of community halls	4.09	3.96	3.84	3.57	3.50	3.39	9%
Protecting heritage values and buildings	3.92	3.96	4.05	3.33	3.23	3.19	17%
Cleanliness and functionality of public toilets	4.15	4.32	4.03	3.39	3.46	3.31	14%
Provision and maintenance of swimming pools	3.95	4.03	3.50	3.61	3.11	3.24	5%

Table 8 - Comparison of Importance and Satisfaction in Council Building Services

In the table above, the 2022 Performance Gap is the difference between community importance and community satisfaction.

Trends that can be seen over the last few years is that the public is mostly satisfied with the provision and operation of libraries, community halls and swimming pools.

However it is evident that there is a community desire for an increased Council performance in the maintenance of public toilets and the protection of heritage buildings. Resultant actions will be further explored in Chapter 5 Levels of Service.

4.4 Strategies and Masterplans

The third driver of Levels of Service can be broadly grouped as Strategies and Masterplans. Council prepares strategies and masterplans across all asset classes to ensure that network planning, implementation and maintenance is being conducted in a holistic, considered and effective manner.

Each strategy and/or masterplan will directly inform one or more levels of service – be it by asset category or geographic location.

A list of strategies and masterplans that impact the levels of service for the Buildings asset base of the Shire is provided in the table below.

Strategy/ Masterplan	Level of Service
2023 Community and Recreation Facilities Strategy	Provision
2017 Public Toilet Plan	Provision and Renewal
Disability Inclusion Action Plan 2022-2026	Provision
2016 Park Strategy	Provision and Operations and Maintenance
Site specific Masterplans	Provision

Table 9 - Strategies and Masterplans

5 Levels of Service

Levels of Service (LoS) are comprised of three components: provision, renewal and maintenance and operations.

5.1 Provision

The provision LoS relates to what Council provides, how much and where. Council's currently provides 325 structures, worth a combined \$191M, to provide services for the community.

The Provision LoS is not consistent across the Shire as subdivisions and development are completed in accordance with the standards of the time – and these standards change with time. The Provision LoS for new subdivisions and development is therefore that which is stipulated in the documents which govern it, namely Council's:

- Local Environmental Plan
- Development Control Plan
- Engineering design and Construction Specifications
- Developer Contribution and Servicing Plans

That withstanding, due to the Level of Service Drivers described in Section 4, Council must be striving for progressive implementation of a consistent Provision Level of Service across the Shire. This is a difficult and expensive endeavour and so is primarily led by the implementation of the strategies and masterplans detailed in Section 4.4.

The provision level of service for the asset categories of the buildings asset class can be generally described as follows:

Asset Category	Provision Level of Service
Administration/ Operational Buildings	Business Cases
Library Buildings	Disability Inclusion Action Plan Library Strategy Note: Current strategy is in development, with final adoption anticipated in 2025.
Community Buildings	Disability Inclusion Action Plan Community and Recreation Facilities Strategy
Commercial Buildings	Pursuant to Lease agreements
Childcare Buildings	Pursuant to Lease agreements
Emergency Buildings	Collaboration with State Government Agencies
Public Toilets	Disability Inclusion Action Plan 2017 Public Toilet Strategy Note: This strategy will be revised and updated in 2024/25. The document will be correctly designated as a Plan and will include the delivery of a public toilet facility at Yerrinbool.

Sportfield Amenities	<p>Disability Inclusion Action Plan</p> <p>Community and Recreation Facilities Strategy</p> <p>Provision of facilities within each sports field will be subject to site-based masterplan.</p>
Swimming Pools	<p>The provision of swimming pool centres will be subject to the outcomes of the 2023 Aquatics Plan and Business Case (currently in development).</p> <p>Provision of facilities within each centre will be subject to site-based masterplan and business case.</p>

Table 10 - Provision Level of Service

5.2 Renewal

The Renewal LoS defines how often Council intends to replace existing assets with a Modern Engineering Equivalent Replacement Asset (MEERA), including disposal of the existing asset.

This renewal frequency is termed 'useful life' and adjusting this value has significant implications for annual depreciation, with asset useful being a direct factor in its calculation. Annual investment in the capital renewal of assets should ideally equate to the value of annual depreciation. Although asset degradation and failure will not follow a straight line across financial years, failure to maintain asset renewal at the rate of annual depreciation will result in an overwhelming volume of renewal works in later years.

Adjustments to asset useful like also has impacts on required maintenance and operations expenditures. Shorter useful lives generally result in less required maintenance, all other factors being equal and vice versa.

Summary of useful lives for the buildings asset categories are provided below:

Asset Category	Asset Type	Useful Life in years
Access Control	Access Control	15
Structure	Brick Structure (short and long life)	40-195
	Concrete Block Structure (short and long life)	40-195
	Fibre Cement Structure (short and long life)	28-175
	Metal Clad Structure (short and long life)	72-195
	Posts (short and long life)	10-55
	Timber Structure (short and long life)	35-195
Sub-Structure	Subfloor Concrete Structure (short and long life)	69-179
	Subfloor Fibre Cement	43
	Subfloor Timber	50-131

	Timber Structure	
Roof	Concrete Suspended Roof (short and long life)	40-104
	Glass Roof (short and long life)	40-80
	Metal Roof (short and long life)	28-80
	Shade cloth Roof (short and long)	4-8
	Slate Roof	80
Electrical Service	Electrical Service (short and long life)	40-105
Solar Panels	Solar Panels	25
Fire Service	Fire Service	15
Floor Coverings	Floor Coverings	10-36
HVAC Service	HVAC (Heating, Ventilation and Air-Conditioning)	15-46
Hydraulic Service	Hydraulic Service (short and long life)	44-115
Fit Out	Internal Finishes	26-75
Pool Structure	Concrete Structure	60
Pool Structure	Expansion Joints	10
Pool Structure	Pool Tiling	30
Pool Structure	Pool Grates	20

Table 11 - Renewal Level of Service

The intent is therefore that all building assets will be renewed prior to exceeding their designated useful life.

However, renewal works will also be based on asset condition. When an asset is found to be of Condition 4 or 5 it will then be programmed for renewal within the Capital Works program.

In accordance with the community satisfaction survey results, Council has committed funds in the 24/25 to 27/28 Capital Program for both heritage works and for public toilet renewal.

Stafford Cottage and the Old Bowral Town Hall will undergo refurbishment works to address long standing water ingress problems across 24/25 and 25/26. Renewal of public toilet facility at Lions Park Bowral is programmed for 26/27, with Berrima Camping Ground to then follow in 27/28.

5.3 Maintenance and Operations

Maintenance and operation activities are completed in both a proactive and reactive fashion across the asset network. Many operational activities by their nature are more readily able to be scheduled and completed in a timely and controlled way. Maintenance activities are more difficult to deliver in scheduled fashion, with mature systems and full resourcing required to do so.

Results from the recent community satisfaction survey show that the community is generally satisfied with Council’s performance in relation to community halls, libraries and pools. However it is evident that there is a community desire for an increased Council performance in the maintenance of public toilets and the protection of heritage buildings.

Nevertheless, maintenance and operations budgets are heavily constrained by both funding and resourcing availability. Although results of the recent community satisfaction survey indicate a performance gap in some areas, these constraints mean that solutions need to be found whilst maintaining exist budget levels. Potential opportunities being investigated are a more strategic approach being adopted for maintenance, as well as programming and delivery of more effective capital renewal and upgrade projects.

Maintenance and operations level of service will be provided under two categories: inspections and maintenance.

5.3.1 Inspections

Inspections will be of two categories. Scheduled inspection and reactive inspection.

- Scheduled inspection

As part of the risk management of the asset network, all assets are to be inspected at a regular interval. The frequency of the inspection will be commensurate with the magnitude of the network as well as the assets rate of decay. Inspections will also run in line with commercial agreements for currently leased asset to algin maintenance with agreed terms of upkeep.

The following condition inspection frequencies have been adopted for the following asset categories:

Inspection Schedule Item	Frequency
Comprehensive Buildings Valuation	Every five years
Building Defect Inspections	Annually

Table 12 - Inspection Regime for Maintenance

Our current assets also undergo regulatory compliance inspections as per Australian standards, Safework NSW guidelines and current legislative requirements – for example:

Compliance Maintenance Inspections	Frequency
Lift Servicing	Monthly
Fire Equipment Maintenance	Every 6 months
RCD Testing	Annually
Wastewater Systems Maintenance (septic)	Annually
Defibrillator Maintenance	Annually
Roof Anchor Compliance	Annually
Automatic Door Servicing	Annually

Table 13 - Inspection Regime for Compliance

- Reactive inspection

Reactive inspections will be conducted as required in response to notification, or suspicion, of asset structural or performance failure. The reactive inspection will generally be an onsite visual inspection, however specialist consultants will be engaged as required.

5.3.2 Maintenance

The annual maintenance and operations budget for Buildings asset class is provided in the following table.

Asset Class	Annual Maintenance and Operations	
	\$	as % of Asset Value
Buildings	\$6,013,702	3%

Table 14- Asset Class maintenance budget

This can be further broken down into the relevant asset categories of:

Asset Category	Sum of Budget	Activities
Swimming Pools	\$3,332,165	General maintenance requirements, including plant maintenance and servicing. Compliance maintenance to meet code, lifeguard duties, cost of goods, utilities. <i>Note: A significant portion of this is covered through the lease arrangements of Moss Vale Aquatic Centre</i>
Civic Centre	\$460,906	All general maintenance requirements and compliance maintenance to meet code, cleaning and utilities
Community Halls/ Facilities	\$1,732,479	All general maintenance requirements and compliance maintenance to meet code
Public Toilets	\$392,950	All general maintenance requirements and cleaning
Emergency Services	\$95,202	All general maintenance requirements and compliance maintenance to meet code

Table 15 - Asset Category maintenance budget

It is recognised that minor building maintenance works can at times be funded from the operational budgets of the Service Managers across Council – however these are opportunistic in nature and so are not included within the assessment of actual and forecast maintenance expenditure.

A large part of the buildings maintenance budget is expended on reactive maintenance. This includes items such as repairs of leaking roofs and windows, downpipes and guttering and some vandalism repair works.

However, proactive maintenance including planned testing and servicing is also being undertaken as part of the maintenance program. This includes items such as air conditioning maintenance, pest control, test and tag electrical appliances, solar panel maintenance and gutter cleaning.

Of these, achieving compliance with regulatory requirements is proving an ongoing challenge with current maintenance budgets not enabling all buildings to be brought in alignment with current standards.

Public Toilets are cleaned according to their service levels, as stated in the Public Toilet Strategy and are based on following categories:

Public Toilet Category	Cleaning Frequency
Premier and Civic	Cleaned twice daily
Community Service level 1	Cleaned once daily
Community Services level 2	Cleaned three times per week
Community Service level 3	Cleaned once per week
Sports Service level 2	Cleaned twice per week
Sports Service level 3	Cleaned once per week

Table 16 - Cleaning of Public Toilets

(There are no Service level 1 Sports Parks)

In addition to the above-mentioned cleaning schedule, each toilet receives an additional monthly clean.

6 Asset Base Growth

Council’s asset base will expand over the next 10 years through committed and expected new and upgrade expenditure, assets contributed by development through conditions of consent, and the Developer Contributions and Servicing Plans. This growth can be decreased through asset disposals; however, no significant disposals are currently committed.

In this analysis, all future asset values, as well as planned and recommended expenditures, assume indexation rate of 3.0% per annum.

6.1 New and Upgraded Assets

The new and upgrade asset projects category covers those projects resourced by Council or grant funding, but excluding Development Contributions, that involve existing assets being enhanced or new assets being constructed.

This expenditure is partly derived from grant funded projects, however with grant funding only being reflected in Council’s budget upon notification of success, grant funding does not impact the asset base growth calculation at this stage.

The table below summarises the new or upgrade projects that Council is known to be delivering within the 10-year window of this AMP. These projects are being funded by Council through the General Fund and grant funding.

Asset Class	Financial Year	Project Name	Value
Buildings	2023/24	Civic Centre EOC	\$400,000
Buildings	2023/24	RFS Water Storage Tanks	\$360,000
Buildings	2024/25	Yerrinbool Public Toilets	\$300,000

Table 17 - New and Upgrade Assets

6.2 Assets Contributed by Development through Conditions of Consent

As development occurs, particularly within the new living areas identified within the Wingecarribee Local Housing Strategy, it is intended that infrastructure be provided at a rate consistent with the Provision LoS in existing parts of the Wingecarribee Local Government Area.

With the Wingecarribee Local Housing Strategy setting an objective of a 50:50 split of infill and greenfield development, it is therefore forecast that only 50% of the annual population growth will result in asset base growth.

Reviewing the rate of contributed assets across 2021/22 and 2022/23, it is observed that the value of contributed assets is equivalent to 30% of this forecast population growth from greenfield development. Which is understood to be the result of assets contributed through this method generally being of a non-major nature. (eg sewer pipelines will be contributed through a development, but not another sewage treatment plant).

Financial Year	Population Forecast	Population Growth	Forecast Asset Base Growth
2023/24	53,615	1.1%	0.16%
2024/25	54,196	1.1%	0.16%

2025/26	54,776	1.1%	0.16%
2026/27	55,357	1.1%	0.16%
2027/28	55,975	1.1%	0.17%
2028/29	56,593	1.1%	0.17%
2029/30	57,212	1.1%	0.16%
2030/31	57,830	1.1%	0.16%
2031/32	58,448	1.1%	0.16%
2032/33	59,138	1.2%	0.18%

Table 18 - Forecast.ID Population Growth

6.3 Developer Contributions and Servicing Strategies

An important funding source for new infrastructure are Development Contributions collected under Section 7.11 and 7.12 of the Environmental Planning and Assessment Act. These contributions fund a significant proportion, though not all, of the infrastructure required by new development.

Council currently primarily levies contributions through the following plan relating to buildings.

- Open Space, Recreation, Community and Cultural Facilities 2013 to 2036

As of 30 June 2023, \$8M is currently held in reserve for the delivery of infrastructure items detailed within this plan. However, it is acknowledged that the infrastructure program within the plan is due for revision, with it being currently uncertain whether contributions are being received in line with expected forecasts – as well as whether the magnitude of Council co-funding detailed within the Plan remains financially viable.

Several strategic studies have been completed or are in progress which will inform future updates to the plans, some of these strategic studies being:

- Community and Recreation Facilities Strategy
- Integrated Transport Study

Therefore, only projects that currently feature within the 2024/25 to 2028/29 Capital Works Program which are funded by developer contributions are to be included within this section.

There are no projects within the 2024/25 to 2028/29 Capital Works Program which are funded by developer contributions.

6.4 Asset Disposals

Asset disposals entail the removal of an existing asset without replacing it with a similar asset. No such disposals are considered in this AMP. This may be examined in future revisions when considering the results of community engagement.

6.5 Asset Indexation

Indexation rate of 3.0% p.a has been applied across the 10 year forecast period. This aligns with the indexation rate adoption in the LTFP. The same rate has been adopted in

this AMS to ensure that lifecycle costs and associated budgets are comparable in future financial years.

6.6 Asset Base Growth

Total asset base growth is comprised these components:

- Asset upgrades
- Assets contributed by development through conditions of consent
- Development Contributions
- Subtracting asset disposals
- Indexation

The following graphs illustrate the resultant annual and cumulative asset base growth.

Across the planning period of this AMP, it is forecast that the asset base will grow \$77M.

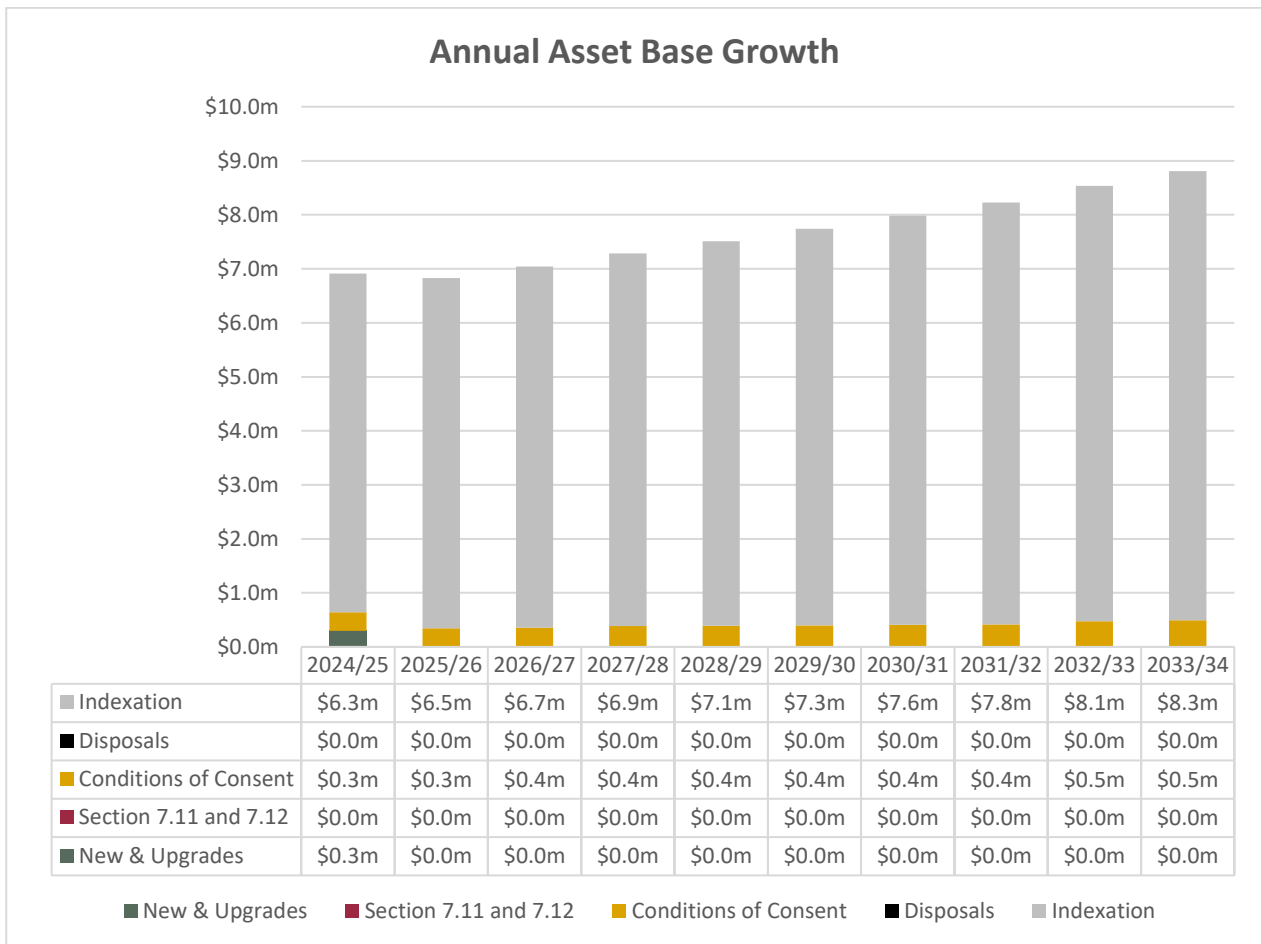


Figure 8 - Annual Asset Base Growth

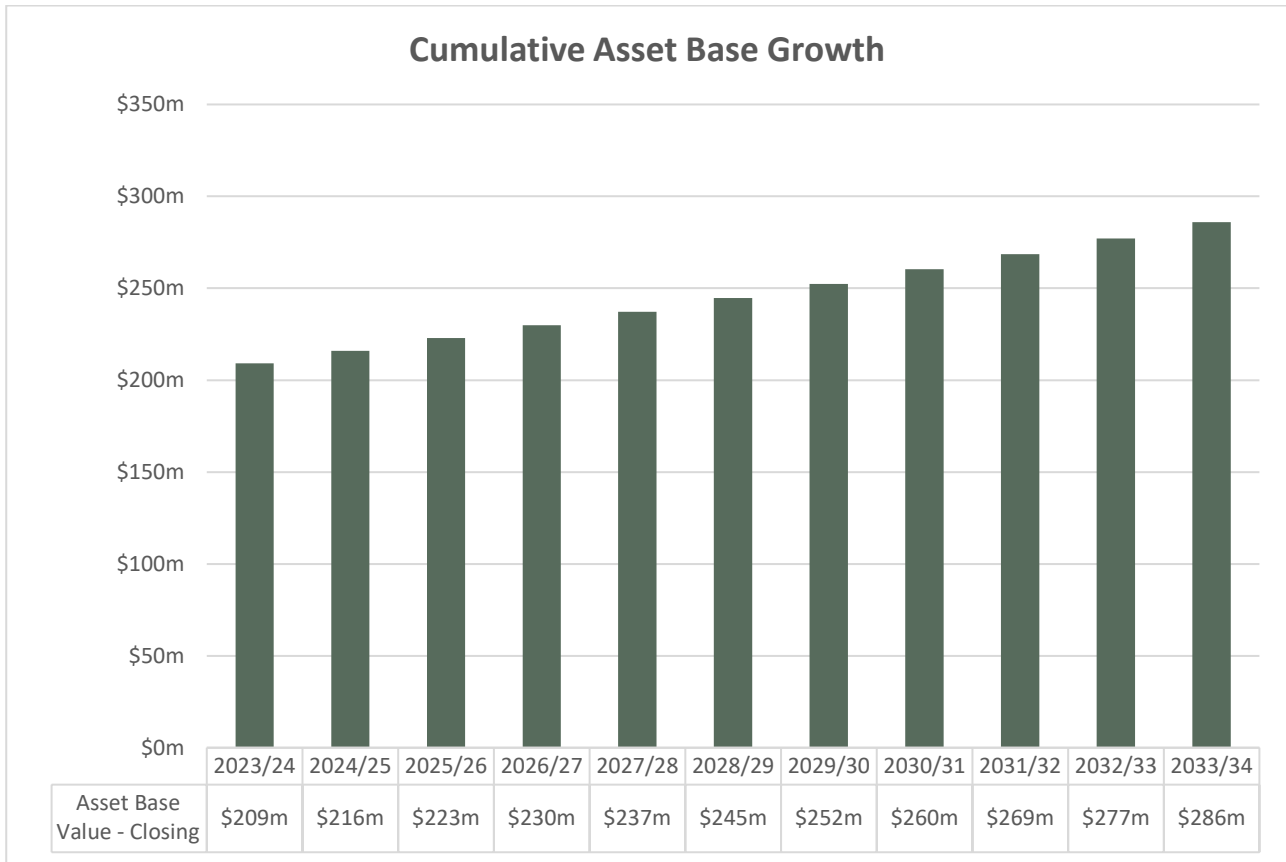


Figure 9 - Cumulative Asset Base Growth

7 Financial Lifecycle Forecast

The Council assets described in Section 3, with the asset base growth forecast in Section 6, require resourcing across their lifecycle in order to achieve the LoS contained in Section 5.

The two main components are renewal expenditure and maintenance and operations expenditure, which sum together to give the recommended overall expenditure on Council assets over the next 10 years.

7.1 Renewal Forecast

To ensure that satisfactory condition is maintained across the asset base and the Infrastructure Backlog Ratio benchmark is achieved, capital renewal works should be undertaken when assets reach the end of their useful lives. These capital renewal works involve disposing of the existing asset and constructing the MEERA.

However, if the expiry of useful lives or asset conditions are solely relied upon to inform these recommended renewals, annual budgets fluctuate significantly, which creates difficulties from a resourcing perspective. Rather, it is better practice to average out the recommended renewal expenditure in order to reduce annual fluctuations. When future Delivery Programs are prepared, actual allocations to each asset class may vary depending upon the scale of individual projects.

The required renewal expenditure across the 10-year period is therefore forecast to be \$37M. The Long-Term Financial Plan is unfortunately not able to accommodate the entirety of this desired asset renewal budget. This is largely as result of asset base growth exceeding the Council rate peg.

Figure 9 shows the renewal budget featured in the Capital Works Program and Long-Term Financial Plan, as well as the required renewal expenditure to align with asset depreciation. In 2024/25 expenditure will well exceed that of annual depreciation given the significant projects of Animal Shelter and Moss Vale SES buildings, as well as the renewal component of the Civic Centre Backoffice Refurbishment project. However, in the years subsequent, funding returns to solely that of SRV and General Fund – which cannot meet the value of annual depreciation.

The Capital Works Program and Long-Term Financial Plan currently can only accommodate \$28M of building asset renewal. This shortfall in asset renewal investment will result in a deterioration of asset condition and heighten future asset renewal investment requirements.

With a comprehensive revaluation of the buildings asset class completed in 2023/24, there is minimal opportunity in a repeated review of asset useful lives and unit rates.

Mitigation measures therefore must be primarily based around seeking to diversify the revenue streams of Council, such that the limitations of the rate peg can be overcome. Three such opportunities being actively pursued are:

- Grant funding opportunities
- Review of fees and charges associated buildings and swimming pools
- Leasing arrangements to include greater building management and maintenance responsibilities.

Review of building asset portfolio, to identify potential areas of optimisation.

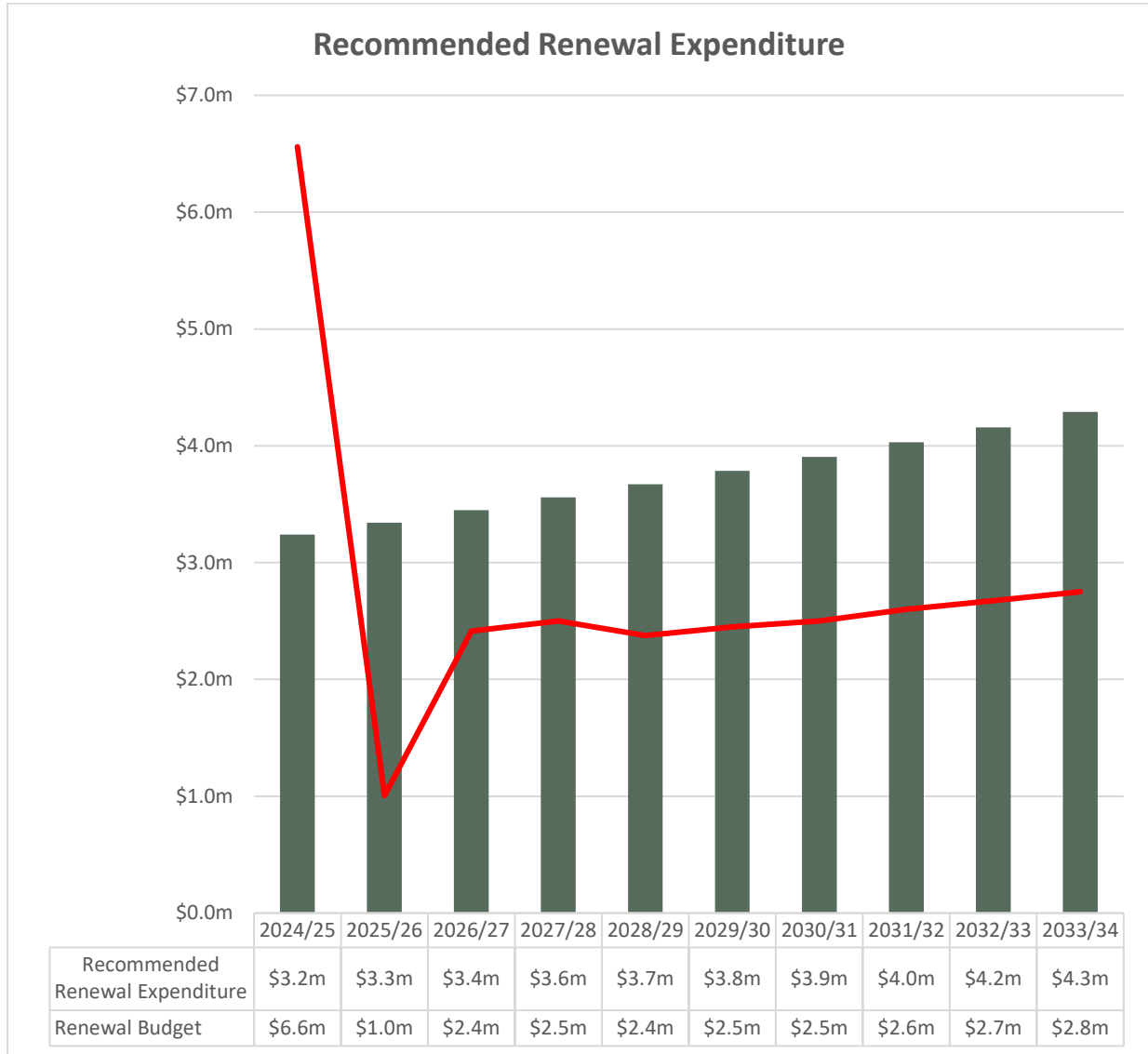


Figure 10 - Recommended Renewal Expenditure

7.2 Maintenance and Operations Forecast

To sustain the current Maintenance and Operations Level of Service whilst accommodating a growing asset base, annual maintenance and operations budget increases are required.

The required maintenance and operations expenditure across the 10-year period is therefore forecast to be \$78M.

The Long-Term Financial Plan is unfortunately not able to accommodate the entirety of this desired maintenance and operations budget. This is largely as result of asset base growth exceeding the Council rate peg. This will therefore result in a lowering of levels of service and will prevent assets from reaching their desired useful life - which in turn increases renewal expenditure requirements.

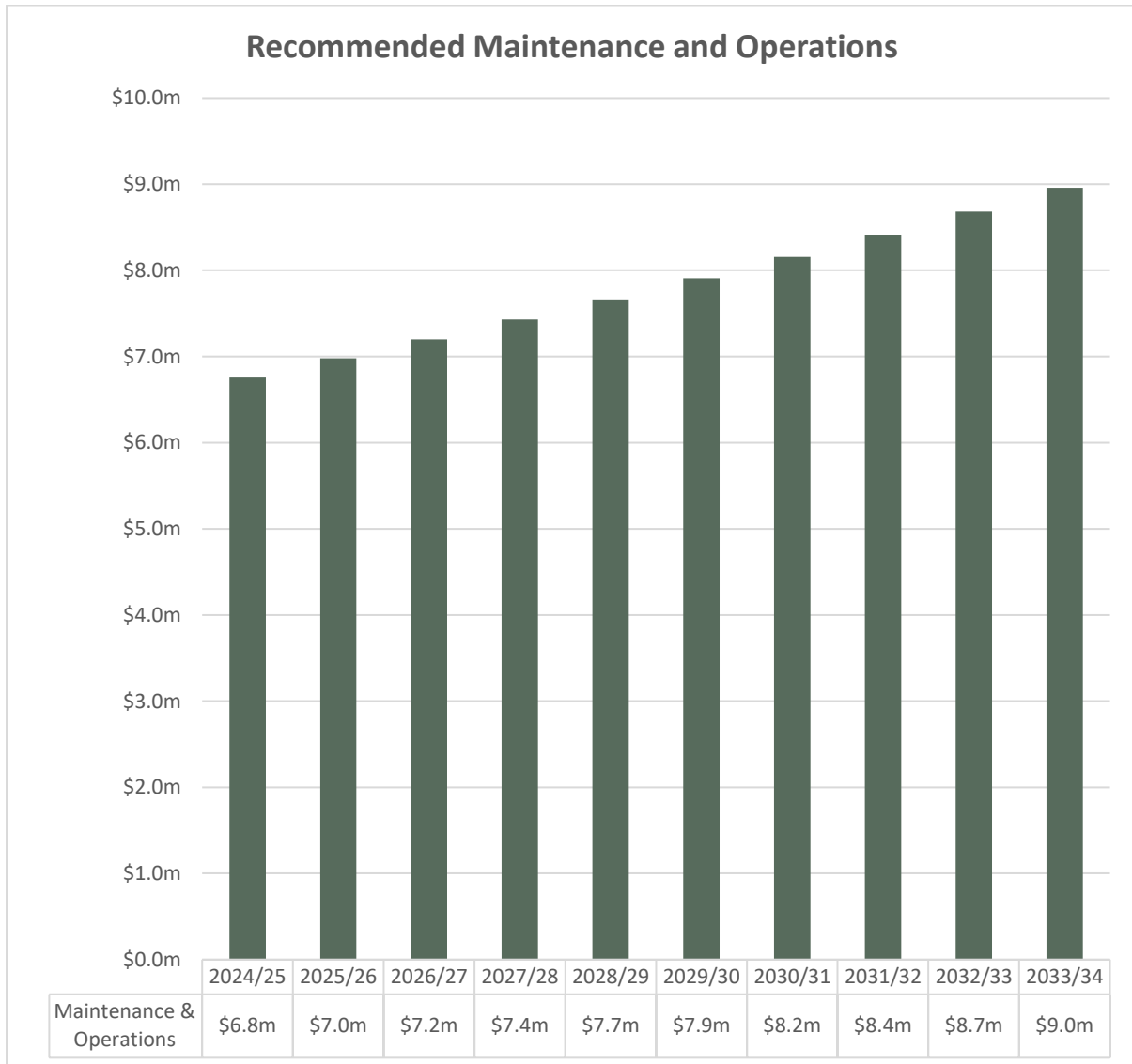


Figure 11 - Recommended Maintenance and Operations Expenditure

7.3 Overall Forecast

The recommended overall expenditure is a combination of the new, upgrades and developer contributions from Section 6 and the recommended renewal, maintenance and operations expenditure from Section 7. Resulting in an overall recommended expenditure of \$116M over 10 years.

It is however acknowledged that the full extent of this recommended expenditure cannot be accommodated within the Long Term Financial Plan. Future iterations of the Asset Management Plan will further investigate and identify potential solutions.

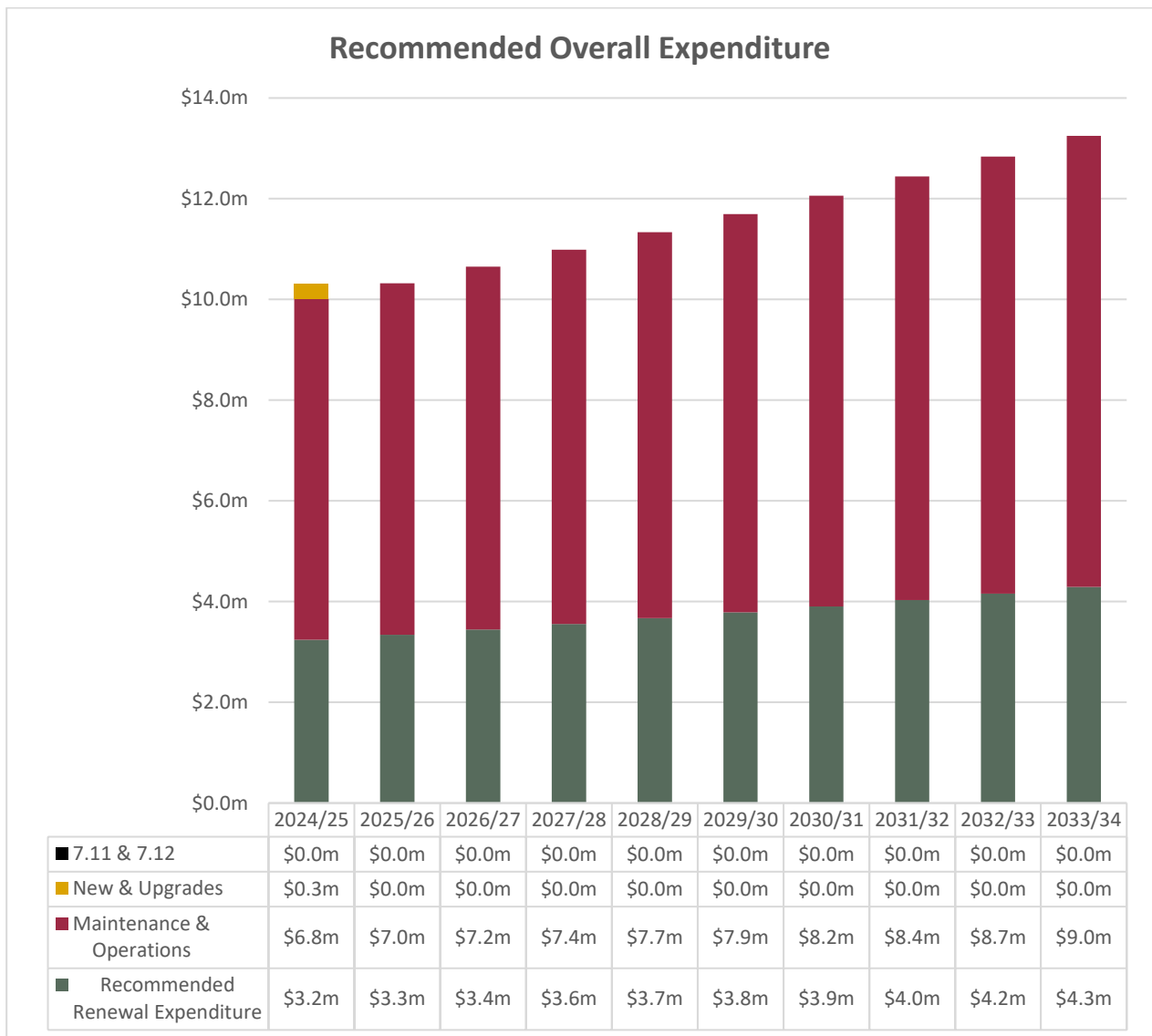


Figure 12 - Recommended Overall Expenditure

8 Improvement Plan

Asset Planning is a journey of continuous improvement with there always being opportunities to further improve the accuracy of asset data, better understand community needs and expectations and more efficiently meet the service needs of the Shire.

To this end, an Asset Management Improvement Plan has been prepared to guide this journey of continuous improvement.

The below items are specific improvements that can be made to this document as well as the asset management maturity of Council.

Ranking	Improvement	Responsibility	Timeline
1	Revision of Public Toilet Strategy. - Rename to Public Toilet Plan	Assets	2024/25
2	Preparation of Aquatics Plan	Assets	2024/25
3	Business Case for Regional Aquatic Facility	Assets	2024/25
4	Compile/Prepare Drawings Register: - Community Buildings	Assets	2024/25
5	Business AMP: Resource Recovery Centre	Assets	2025/26
6	Business AMP: Saleyards	Assets	2025/26
7	Prepare standard designs: - Public Toilets and Sportsfield Amenities	Assets	2025/26
8	Compile/Prepare Drawings Register: - Administrative and Operational Buildings	Assets	2026/27
9	Compile/Prepare Drawings Register: - Commercial Buildings	Assets	2026/27
10	Compile/Prepare Drawings Register: - Emergency Buildings	Assets	2027/28
11	Compile/Prepare Drawings Register: - Childcare Centres	Assets	2027/28
12	Masterplans for Parks and Sportsfields – see Open Spaces AMP	Assets	See Open Spaces AMP

Table 19 - Asset Management Improvement Plan