ORDINARY MEETING   **20 JULY 2017**

Item 8.3.1   **Long Term Asset Management Plans**
Appendix A   **Buildings & Facilities Asset Management Plan 2017**

Sunshine Coast Council
Asset Management Plan
2017/18 - 2022/23
Buildings and Facilities

Contents

1   Executive summary

1.1   What Council provides

Council provides a network of buildings and facilities assets to enable and support the delivery of corporate and community services to existing and future customers in the most cost effective way. This plan is intended to demonstrate how council will achieve this outcome by applying principles of responsible asset management.

The purpose of Buildings and Facilities Asset Management as a service is to provide a comfortable environment that is suitable for its intended purpose.

This asset management plan considers assets from the following segments and subclasses:

- **Aquatic Centres**
- **Community Facilities**
  - Animal Facilities
  - Car Park Buildings
  - Cemeteries
  - Childcare Centres
  - Community & Performance Venues
  - Community & Recreation Venues
  - Emergency Services
  - Galleries & Museums
  - Lifeguard Facilities
  - Park & Open Space Facilities
  - Showgrounds
  - Sports Facilities
  - Visitor Information Centres
- **Corporate Facilities**
  - Administration Buildings
  - Commercial Property
  - Depots
- **Libraries**
- **Public Amenities**

1.2   What does it cost?

The current replacement value for the buildings and facilities asset portfolio is $313.3 million, with a written down value of $232.7 million as at 30 June 2016.

There are two main indicators of cost to provide the Buildings and Facilities service portfolio, these are:

- The life cycle cost; being the average cost over asset life (acquisition to disposal).
- The total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The life cycle cost (anticipated operational, maintenance and depreciation costs) to provide the Buildings and Facilities service is estimated at $19.5 million per annum. Council's planned life cycle expenditure (anticipated operational, maintenance and capital budget) for year one of this asset management plan is $15.9 million which gives a lifecycle gap of -$3.6 million and a life cycle sustainability index of 0.81.

The total maintenance and capital renewal expenditure required to provide the Buildings and Facilities service in the next 10 years is estimated at $189.5 million. This is an average of $18.9 million per annum.

1.3   What will we do?

Council plans to operate and maintain the buildings and facilities asset portfolio to achieve the following strategic objectives:

1. Ensure the buildings and facilities asset portfolio is maintained at a safe and functional standard as set out in this plan.

2. The buildings and facilities asset portfolio provides the required level of service to existing and future customers in the most cost effective way.

3. The optimal useful life of the buildings and facilities asset portfolio is achieved through best appropriate practices.

1.4   Measuring our performance

The indicators of satisfying the purpose of Buildings and Facilities Asset Management are condition, function and performance.

Condition

'Condition' refers to the assessment of a building's remaining life, service potential and aesthetic.

The buildings and facilities asset portfolio will be maintained to a reasonably useable condition. Defects found or reported that are outside of this service level will be repaired.

Function

'Function' refers to a building's fitness for purpose and that its business requirement is satisfied.

The intent is that an appropriate buildings and facilities asset portfolio is provided and maintained in partnership with the community, other levels of government and other relevant stakeholders to deliver a network of buildings and facilities in a safe, efficient and sustainable manner.

Performance

'Performance' refers to a building's ability to operate to a defined service level, optimising systems in use.

We need to ensure:

- The functional and operational needs of the building's occupants, visitors and patrons are realised.
- The physical condition of assets is kept to a standard appropriate for their service function and value to the community.
- All statutory and technical requirements to ensure health, safety, security and reliability are met.

All buildings and facilities assets are inspected regularly with defects being prioritised for repair to ensure they are safe.

1.5   The next steps

Actions resulting from this plan are:

- Review current asset management processes
- Implementation of a strategic asset management system
- Development of a Property Management Framework
- Continual update of asset data and review of data integrity
- Disposal plan

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2 Introduction

2.1 Purpose

This asset management plan is to demonstrate the responsible management of the buildings and facilities assets portfolio. Modelling is completed to represent a 10 year planning period, with a full revision of the plan every five years as a minimum and an update of financial elements completed annually.

2.2 Format

This asset management plan has been developed in reference to Section 4.2 of the *International Infrastructure Management Manual* (IIMM) *2015*.

2.3 Scope

The quantity and value of assets covered by this asset management plan are summarised in Table 1. These assets are used to provide:

Corporate Facilities

Including council-owned corporate administration buildings, depots and commercial properties.

Community Facilities

Including community buildings, halls and community centres, civic centres, showgrounds, entry statements to facilities, sport and recreation facilities, bus interchanges, childcare facilities, cemetery buildings, lifeguard facilities, State Emergency Services facilities, art galleries, security systems, visitor information centres, multi-storey car parks, museums and animal pound

Public Amenities

Including all regional stand-alone public amenities provided by Council.

Aquatic Centres

Including aquatic centres located at Beerwah, Buderim, Caloundra, Cotton Tree, Coolum, Eumundi, Kawana, Kings Beach and Nambour.

Libraries

Including libraries located at Beerwah, Caloundra, Coolum, Kawana, Kenilworth, Maleny, Maroochydore, Nambour and any associated library administration building.

Table 1: Summary and replacement value of buildings and facility assets

Segment	Location Quantity	Asset Quantity	Replacement Value
Corporate Facilities	21	114	$67.6 m
Community Facilities	109	273	$173.0 m
Public Amenities	172	172	$20.5 m
Aquatic Centres	10	120	$36.3 m
Libraries	9	12	$15.9 m
Total	321	691	$313.3 m

2.4 Strategic context

This asset management plan should be read with the organisation's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- *Sunshine Coast Planning Scheme 2014*
- *Corporate Plan 2017-21*
- *Operational Plan 2017-21*
- Branch plans
- *Energy Transition Plan 2010*
- *Social Infrastructure Strategy 2011*
- *Open Space Strategy 2011*
- *Sport and Active Recreation Plan*

- *Performance and Community Venues Service Plan*
- *Stadium Facility Development Plan*
- *Aquatic Plan*
- *Cultural heritage Background Study*
- *South East Queensland Regional Plan*
- Commonwealth Government Policies and Strategies
- Environmental Protection Policies
- Long Term Financial Sustainability Plan

Key stakeholders in the implementation of effective Buildings and Facilities Asset Management are shown in Table 2.

Table 2: Key Stakeholders in the Asset Management Plan

Key Stakeholder	Role in Asset Management Plan
Service Managers	Assist in determining the community levels of service for the assets
Property Management Branch	Development and implementation of asset management planning policies, processes and systems. Asset data management.
Corporate Asset Management Team	Provide administrative advice and document review. Provide asset management guidance and direction.
Infrastructure Services	Strategic and operational business unit input
Community Services	Operational business unit input
Corporate Services	Financial data input
Executive Leadership Team	Executive management endorsement
Elected Members	Endorsement of finalised asset management plan

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The organisational structure for service delivery from buildings and facilities assets is detailed in Figure 1.

Figure 1: Organisational structure for service delivery from building and facility assets
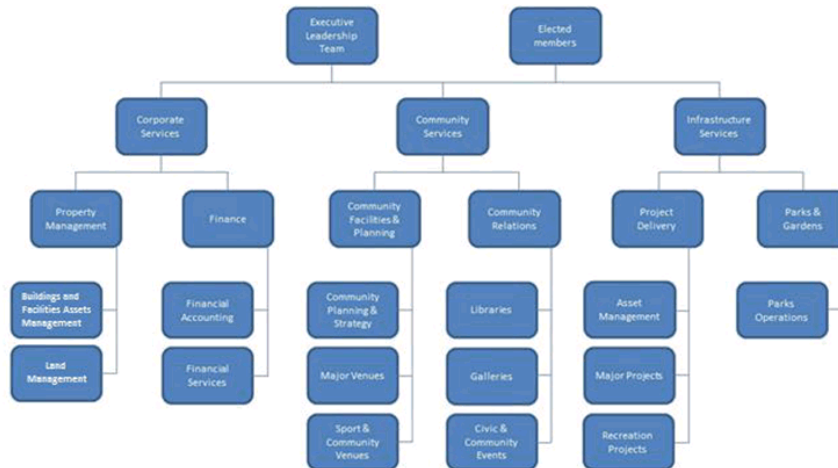
2.5   Goals and objectives of asset management

One of the primary functions of the organisation is to provide services to its community. Infrastructures assets, such as buildings and facilities, enable and support the delivery of these services. Building and facility assets are acquired by 'purchase', contribution by developers, or through construction funded by Council's Capital Works Program.

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

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment

- Taking a life cycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks, and
- Having a long-term financial plan which identifies required, affordable expenditure and how it will be financed

2.6   Plan framework

Key elements of the plan are:

Levels of service

Specification of the services and levels of service to be provided by the organisation

Future demand

How future demand will impact on future service delivery and how this is to be met.

Life cycle management

How we will manage our existing and future assets to provide defined levels of service.

Financial summary

A statement of the required funds to provide the defined services.

Asset management practices

The processes and systems which have been adopted to enable effective asset management practices.

Monitoring

How the plan will be monitored to ensure it is meeting the organisation's objectives.

Improvement plan

A plan for improvement in asset management practices derived from information from each of the aforementioned sections.

A road map for preparing an asset management plan is shown in Figure 2.

Figure 2: Road map for preparing an asset management plan

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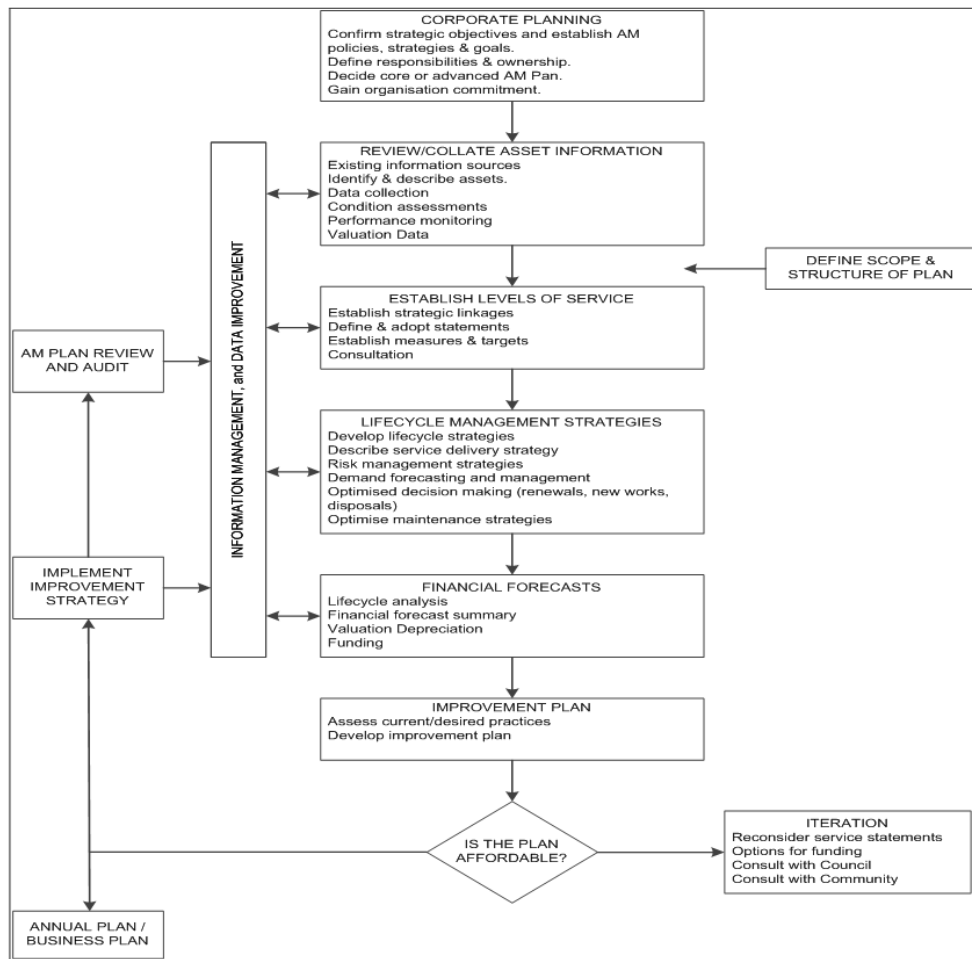
3   Levels of service

3.1   Customer expectation

The organisation has not carried out any research on customer expectations. This will be investigated for future updates of the asset management plan.

3.2   Strategic and corporate goals

This asset management plan is prepared under the direction of the organisation's vision, mission, goals and objectives.

Sunshine Coast Council's vision is:

"To be Australia's most sustainable region – healthy, smart, creative"

Relevant organisational goals and objectives and how these are addressed in this asset management plan are outlined in Table 3.

Table 3: Organisational goals and objectives as addressed by this plan

Goal	Objective	How goals and objectives are addressed in this asset management plan
A new economy	Providing the regional policy regulatory settings and identity that shape a globally competitive economy	Facilitate the delivery of key infrastructure projects for our preferred economic growth
A strong community	Supporting and engaged, resilient and inclusive community that embraces diversity	Continue to develop public areas that are easily accessible to people of all ages and abilities
An enviable lifestyle and environment	Maintaining and enhancing the region's natural assets, liveability and environmental credentials	Adopt and encourage 'crime prevention through environmental design' principles in the design of public and private spaces In partnership with the government and the community, develop and implement energy transition and greenhouse gas reduction strategies for the region Ensure new developments meet high standards of ecological sustainability and urban design
Service excellence	Providing value for money services responsive to the needs of the community	Ensure council developments and projects are well designed, landscaped and have aesthetic appeal Ensure the provision of parks, open space and community infrastructure is consistent with identified local and regional needs Maintain and renew council assets to agreed standards Develop and implement long term rolling capital works programs according to strategic plans
A public sector leader	Delivering a high performance organisation, supported by good governance and robust decision-making	Ensure legislative compliance and awareness

3.3   Legislative requirements

The organisation must satisfy many legislative requirements including statutory and regulatory requirements prescribed by the Commonwealth and State authorities.

The relevant legislative and regulatory requirements relevant to the management of the buildings and facilities asset portfolio include:

Table 4: Legislation and regulation pertinent to the management of building and facility assets

Legislation	Requirement
Local Government Act (Qld) 2009	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Work Health & Safety Act (Qld) 2011	Aims to make workplaces and work practices safer for everyone
National Construction Code	Code of Practice relevant for all building design and construction
All relevant Australian Standards and Codes of Practice	Referenced in the Building Code of Australia – regulate design, demolition, painting, pest management, electrical installations, plumbing, design and access for mobility and most other aspects of building construction and management
Body Corporate and Community Management Act (Qld) 1997	Provides for the establishment and administration of community titles schemes
Building Act (Qld) 1975	Regulates building work, development approvals, building classification, building certifiers and pool safety
Building and Other Legislation Amendment Act (Qld) 2009	Promotes awareness and frameworks for the provision of sustainable housing initiatives
Electrical Safety Act (Qld) 2002	Aims to prevent personal and property damage by electricity incidents and regulate management of electrical safety risks
Environmental Protection Act (Qld) 1994	Aims to protect Queensland's environment
Land Act (Qld) 1994	Consolidates and amends the law relating to the administration and management of land
Plumbing and Drainage Act (Qld) 2002	Provides a legislative framework for plumbing and drainage
Queensland Building and Construction Commission Act (Qld) 1991	Regulates Queensland's building industry
Queensland Heritage Act (Qld) 1992	Protection of historic buildings, structures and precincts.
Sustainable Planning Act (Qld) 2009	Seeks to achieve ecologically sustainable development
Disability Discrimination Act (C'wealth) 1992	Serves to legislate equitable inclusion of all people
Environmental Protection and Biodiversity Conservation Act (C'wealth) 1999	Aims to protect Australia's environment and biodiversity.
Local Government Finance Standard (Qld) 2005	Provides a framework for financial management for local governments.

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Legislation	Requirement
Work Health and Safety Regulation (Qld) 2011	Outlines frameworks for provision of safe work places and work practices.
Local Government Regulations (Qld) 2012	Provides supporting framework to the Local Government Act 1993.
Body Corporate and Community Management Regulation (Qld) 2008	Outlines schedule of fees payable under Body Corporate and Community Management Act (Qld) 1997
Building Regulation (Qld) 2006	Provides a supporting framework for building related matters to support building legislation.
Building Fire Safety Regulation (Qld) 2008	Outlines processes for safe building evacuations and compliant fire safety installations in buildings.

3.4   Current service levels

Service levels have been defined in two ways; community levels of service and technical levels of service.

Community levels of service

A measurement of how the community receives the service and whether the organisation is providing community value.

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

- Quality (How good is the service?)
- Condition (Presentation of buildings)
- Function (Operational capacity and maintenance response)
- Safety (Compliance to relevant legislation and safety of use)

Technical levels of service

Measures which relate to allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets and encompass the following types of activities:

Operations

The regular activities to provide services such as opening hours, cleaning frequencies.

Maintenance

The activities necessary to retain an asset as near as practicable to an appropriate service condition (e.g. building and structure repairs).

Renewal

The activities that return the service capability of an asset up to that which it had originally (e.g. frequency and cost of component replacement).

Upgrade

The activities to provide a higher level of service or a new service that did not exist previously.

Current service levels are detailed in Table 5.

Table 5: Current and optimal levels of service

Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	Optimal Level of Service
COMMUNITY LEVELS OF SERVICE				
Quality	Provide facilities that encourage the community to participate and visit	Annual Customer Service Utilisation figures	Not currently measured	80% customer satisfaction
	Manage services and maintenance which maximises operational functionality of facilities	Number of customer requests received	Not currently measured	Benchmarking against other facilities and other local governments
Safety	Provision of safe, suitable facilities	Legislative compliance	Not currently measured	100%
	Management of risks	Number of insurance claims	Not currently measured	<5 per annum
		Number of reported incidents / near miss'	Not currently measured	Reduce annually
		Design in accordance with Crime Prevention Through Environmental Design principles	Not currently measured	Annual inspections of all community facilities
Function	Services are delivered based on adopted strategic and operational plans	SCC policies and strategies	Underway	Implementation of strategies
		Departmental strategies	Underway	Operational plan targets
Capacity / Utilisation	Services and facilities are managed with respect to future generations	Council's Energy Transition Action Plan	100% to date	100% implementation of Energy Transition Action Plan strategies in respect to buildings in accordance with timeframes.

TECHNICAL LEVELS OF SERVICE				
Operations	Facilities are managed with respect to future generations	Property Management Branch Building Efficiency Management Plan	100% (within budgetary constraints)

Sustainability principles reviewed and analysed for all new facilities and implemented within budgetary constraints | Implement actions in accordance with key drivers of Plan

Sustainability principles are incorporated into the design of all new facilities |
| | | Council's Energy Transition Action Plan | 100% to date | 100% implementation of Energy Transition Action Plan strategies in respect to buildings in accordance with timeframes |
| Maintenance | Assets are fully operational | Consistent functionality of all building assets unless as a result of programmed works or failure as a result of unforseen circumstance

Reported defects actioned within defined timeframes | Not currently measured | 95% |
	Maintenance response		Not currently measured	80% compliance
		Legislative compliance		
	Ensure facilities are safe		100%	100%
Renewal	Buildings in fair / good condition	Condition appraisals undertaken every two years	Refer Figure 3 – Asset condition profile	70% in fair / good condition

3.5   Desired levels of service

At present, indications of desired levels of service are obtained from various sources including endorsed strategies, councillors and staff, service requests and correspondence. Council has yet to quantify desired levels of service. This will be done in future revisions of this plan.

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4   Future Demand

4.1   Demand drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, consumer preferences and expectations, technological changes, economic factors, environmental awareness etc.

4.2   Demand forecast

Demand factor trends and impacts on service delivery are summarised in Table 4.3

Table 6: Demand drivers, projections and impacts on services

Demand drivers	Present position		Projection (2026)		Impact on services
Population	287,539		380,649		Projected population increases will increase pressure on existing assets and increase demand for provision of new assets in high growth areas.
Demographics	Highest growth patterns occurring in Central area of region		High growth expectation within Southern area of region		Requirement for new services to facilitate the growth area and to ensure facilities within neighbouring developments will cater for overflow.
	25.2% under 19 years old 57.0% 20-64 years old 15.6% 65-84 years old 2.2% over 85 years old		25.1% under 19 years old 54.7% 20-64 years old 17.5% 65-84 years old 2.7% over 85 years old		Requirement for increased access and equity focus during design of buildings and facilities. Provision of suitable facilities to meet the needs of the ageing population
	Migration patterns have seen net gains of young families and retirees from interstate and a net loss of young people to other parts of Queensland		Current patterns predicted to change with greater availability of housing and growth in employment opportunity as Maroochydore CBD develops.		Review of current and future buildings and facilities to ensure the community's changing requirements are met. Established buildings and facilities may require refurbishment to align current use with desired use/s.
Number of persons/household	28.3%	Couple families with dependents	28.2%	Couple families with dependents	Greater demand for individual activity based recreation opportunities
	32.3%	Couples	34.4%	Couples	Less demand for group activity demand
	3.9%	Group	3.4%	Group	Less demand for active
	23.5%	Lone person	22.9%	Lone person	sports field type parks
	10.3%	One parent families	9.7%	One parent families	
	1.7%	Other families	1.5%	Other families	

4.3   Changes in technology

Technology changes are forecast to affect the delivery of services covered by this plan in the areas outlined in Table 7.

Usually, new technology requires a higher level of up front expenditure to acquire, however changes in technology are likely to reduce whole-of-life costs. Therefore, changes in technology will be adopted where possible to reduce future whole-of-life costs.

Table 7: Changes in technology and forecast effect on service delivery

Technology Change	Effect on Service Delivery
Council's asset management system	Improved accuracy of asset data management and service contracts
Regional processes integration	Consistency in service provision region-wide
Building construction methods and materials	Potential to increase asset life or building components through reduced construction and/or maintenance requirements
Computerised building and security management systems	Increase in building performance, sustainability and real-time performance monitoring Improved life cycle costs Improved data capture with mobile devices (real-time data)
Building Information Modelling (BIM)	Centralised building information repository and 3D modelling to improve lifecycle planning and optimise operating in use

4.4   Demand management plan

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

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures. Examples of non-asset solutions include providing services from existing infrastructure, such as aquatic centres and libraries that may be in another community area or public toilets provided in commercial premises.

As summary of demand drivers and their impacts on services are shown in Table 8.

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Table 8: Demand management summary

Demand Driver	Impact on Services	Demand Management Plan
Provision of new buildings and facilities	• Increase in budget requirements • Increase in capital funding requirements • Rationalisation of existing building and facilities asset portfolio	In accordance with: • SCRC Corporate Plan 2017-2021 • SCC Operational Plan 2017/2021 • SCC Budget 2017/18 • SCC Capital Works Program 2017/18 – 2026/27 • Relevant master planning documents
Renewal of buildings and facilities	• Allocation of capital funding • Extension of service capability	In accordance with: • SCRC Corporate Plan 2017-2018 • SCC Operational Plan 2017/18 • SCC Budget 2017/18 • SCC Capital Works Program 2017/18 – 2026/27 • Relevant master planning documents
Rehabilitation of buildings and facilities	• Allocation of capital funding • Extension of service capability	In accordance with: • SCRC Corporate Plan 2017-2018 • SCC Operational Plan 2017/18 • SCC Budget 2017/18 • SCC Capital Works Program 2017/18 – 2026/27 • Relevant master planning documents
Disposal of buildings and facilities	• Allocation of operational funding • Rationalisation of existing building and facilities asset portfolio	In accordance with: • SCRC Corporate Plan 2017-2018 • SCC Operational Plan 2017/18 • SCC Budget 2017/18 • SCC Capital Works Program 2017/18 – 2026/27 • Relevant master planning documents

4.5   Expected asset growth

The new assets identified to meet population growth have been identified within Council's *Social Infrastructure Strategy 2011*. Some of these will be acquired from land developments such as Caloundra South. Uncertainty on the type and quantity of assets which may be contributed by developments has the potential to greatly increase council's whole-of-life costs into the future.

The growth in building and facility assets as a result of developer contribution is expected at the following locations:

• Caloundra South

• Maroochydore

• Palmview

• Kawana Waters

• Maleny

• Sippy Downs

Acquiring these new assets will commit council to fund ongoing operations and maintenance costs for the period that the service provided from the assets is required. These future costs have been identified but have not been considered in developing forecasts of future operational and maintenance costs.

An indication of asset quantities to be contributed by developers at these location is shown in the following tables:

Table 9: Summary of the expected growth in the portfolio from developer contributed assets

Caloundra South (as per Structure Plan)		
SIS category	**Facility name**	**Timing**
Aquatic facility	Caloundra South Aquatic Centre	2016-2025
Community facility	District community centre/youth space/community information x 3	2016-2025
	Local community centre/youth space x 7	2016-2025
	Community meeting space x 14	2016-2025
Cultural facility	Art development/performance space	Ongoing
	Art gallery/museum	Ongoing
	Environment and Culture Centre	Ongoing
Emergency facility	State Emergency Service (SES) depot x 1	2016-2025
Learning and information centre	Library (regional/central)	Ongoing
	Library (district/branch)	Ongoing
	Library shopfront/customer service counter/visitor information centre	Ongoing
Maroochydore (as per Structure Plan)		
Community facility	Local community centre x 2	2016-2021
Cultural facility	Regional (major) performance space	2016-2021
	Regional Arts Centre	2016-2021
	District performance space (amphitheatre)	2016-2021
Learning and information centre	Regional library	2016-2021
Palmview (as per Structure Plan)		
Community facility	District community centre	2016-2021
	Local community centre x 4	2016-2021
Learning and information centre	Local (branch) library	2016-2021
	Local community information centre	2016-2021
Kawana Waters (as per Master Plan)		
Community facility	Local community centre x 3	2016-2017
	Community meeting space x 2	2016-2017
Cultural facility	Kawana Exhibition and Arts Development Space	2016-2017
Learning and information centre	Local (branch) library/learning centre	2016-2017
Emergency service	Kawana SES	2016-2017
Maleny (as per Community Precinct Master Plan and Community and Cultural Master Plan)		
Aquatic centre	Maleny Aquatic Centre (long term)	2025-2031
Cultural facility	Specific performance space	2016-2017
Sippy Downs (as per Master Plan)		
Community facility	Local community centre	2016-2017
Learning and information Centre	Library (district/ branch)	2016-2017
	Local community information centre	2016-2017

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5   Life cycle management

Life cycle management refers to the management and operation of assets throughout all stages of an asset's useful life; acquisition, holding (consumption), and disposal.

The objectives of life cycle management are to:

- Establish the total cost of an asset over its useful life
- Establish a sound basis on which asset management decisions are made
- Plan for the impact of refurbishment, maintenance and renewals
- Increase the service delivery capacity for the asset

5.1   Asset data

Asset information required to assist in effective life cycle management include:

- Physical parameters
- Asset capacity and performance
- Asset condition
- Asset values

Physical parameters

The physical assets covered by this asset management plan can be defined as those building and facility assets located across all 'localities'. 'Localities', as totalled in Table 10 of this plan, are considered to be those areas which typically represent a number of co-located assets e.g. depots, showgrounds, aquatic centres etc.

Table 10: Asset covered by this plan

Asset category	Asset quantity
Corporate Buildings	114
Community facilities	273
Public amenities	172
Aquatic centres	120
Libraries	12

The typical useful life for each building and facility asset is between 30 and 60 years, depending on the design, materials, use and location of each asset.

Council's portfolio of assets services the diverse coastal and hinterland communities across the (approximately) 2290 square kilometre footprint. This plan covers the building and facility assets identified in Appendix A.

The age profile of the assets included in this asset management plan is shown in Figure 3. It should be noted that dates of construction are poorly retained and the information expressed may represent the year of asset recognition in corporate systems, rather than the year of construction.

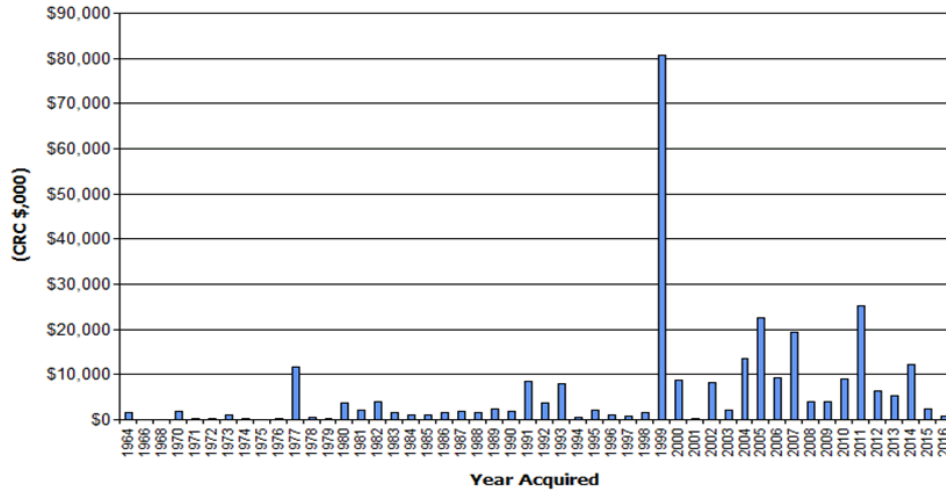**Sunshine Coast RC - Age Profile (Property Management_S1_V2)**

Figure 3: Asset age profile

Asset capacity and performance

Council's services are generally provided to meet design standards where these are available. Locations where deficiencies in service performance are known are detailed in Table 11.

Table 11: Known service performance deficiencies

Location	Service Deficiency
Corporate facilities	Current portfolio of corporate facilities requires consideration of appropriateness of work space configuration and compliance with relevant legislation as it is enacted at present. Further, identification of each asset's remaining useful life is required in conjunction with a corresponding rehabilitation program.
Community facilities, aquatic centres and libraries	Current portfolio of community facilities requires consideration of appropriateness of location, configuration, and compliance with relevant legislation as it is enacted at present and design and operational suitability. Further, identification of each asset's remaining useful life is required in conjunction with a corresponding rehabilitation program.
Public amenities	Current portfolio of public amenities requires consideration of appropriateness of location, configuration and disability compliance. Further, identification of each asset's remaining useful life is required in conjunction with a corresponding rehabilitation program. The development of a Public Amenities Plan aims to address some of these issues.

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Asset condition

Condition is monitored by facility officers with detailed condition assessments occurring every five years, subject to funding.

Factors such as age, location, demand and use generally influence asset conditions ranging from 'very good' to 'very poor' in all measured asset sub classes.

Condition is measured using a 1-5 grading system as detailed in Table 12.

The overall condition of the buildings and facilities asset portfolio remains as 'Good' to 'Average.

Table 12: Condition grading scale

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

Asset value

The value of building and facility assets (covered by this asset management plan) recorded in Council's financial asset register as at 30 June 2016 is shown in Figure 4.

A comprehensive revaluation of building and facility assets is currently underway with completion scheduled by 30 June 2017.

Asset Values ('$000)	
Current Replacement Value	$313,349
Depreciable Amount	$313,349
Depreciated Replacement Cost	$232,729
Annual Depreciation Charge	$6,093
Rate of Annual Asset Consumption	1.9%
Rate of Annual Asset Renewal	1.5%
Rate of Annual Asset Upgrade	1.4%
Rate of Asset Upgrade (Including Contributed Assets)	1.4%
Asset renewals as percentage of consumption	77.00%
Percentage Increase in asset stock	1.4%

Figure 4: Financial information for building and facility asset portfolio as at 30 June 2016.

Useful lives were reviewed at 30 June 2016 as part of the valuation methodology.

Council's sustainability reporting states the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion.

Various ratios of asset consumption and expenditure have been prepared to help guide and gauge asset management performance and trends over time:

Rate of Annual Asset Consumption: 1.9%

(Depreciation = $6,093,103 / Depreciable Amount = $313,349,384) = 1.9%

Rate of annual Asset Renewal: 1.5%

(Capital Renewal Expenditure = $4,739,000 / Depreciable Amount = $313,349,384) = 1.5%

Rate of Annual Asset Upgrade / New: 1.4%

(Capital Upgrade Expenditure = $4,417,000 / $313,344,384) = 1.4%

In 2016/17 the organisation plans to renew its building and facilities assets at 77% of the rate they are being consumed. Asset stock is estimated to increase by 1.4% in the year from upgrades and contributed assets arising from development activity.

5.2   Infrastructure risk management

An assessment of risks associated with service delivery from building and facility assets has identified critical risks that will result in loss or reduction in service from these assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Assessment of risk is measured against the risk assessment matrix shown in Figure 5.

Critical risks, being those assessed as 'Very High' (requiring immediate corrective action) and 'High' (requiring prioritised corrective action) are identified in Table 13, along with an estimated residual risk after mitigation action has been taken. These risks are reported to management and council.

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Figure 5: Risk assessment matrix

Sunshine Coast Council is committed to delivering quality outcomes to the community and its workforce through consideration of balanced risks and opportunities.

To achieve this objective, council has established core categories of risks and opportunities, which are collectively considered as integral decision making tools for strategic resolutions. These risk categories are:

- Economic
- Financial (council)
- Legislative
- Environmental
- Community (social)
- Political
- Workplace and public safety
- Business activities
- Reputation (public image)
- Asset

ORDINARY MEETING
Item 8.3.1   Long Term Asset Management Plans
Appendix A   Buildings & Facilities Asset Management Plan 2017

20 JULY 2017

Table 13: Critical risks and treatment plans

Service or Asset at Risk	Consequence	Likelihood	Risk Rating	Proposed treatment	Responsibility (Branch)	Completion date
Ongoing deterioration of building stock	Major	Possible	High	1. Condition inspections 2. Prioritise capital and maintenance works based on condition 3. Annual allocation of appropriate funding and resources 4. Ongoing improvement of Asset Management plan and practices	Property Management	1. Bi-annual 2. Annually 3. Annually 4. Annual review
Significant asset loss from disaster (fire, flood, malicious damage etc.)	Major	Possible	High	1. Keep insurance current 2. Maintain a business continuity plan for the function of buildings and facilities	1. Corporate Governance 2. Property Management	1. Annually 2. Reviewed annually
Developer contributed buildings and facilities not meeting council's desired standards (i.e. sustainability and fitness for purpose)	Moderate	Likely	High	Provide advice and guidelines to Regional Strategy and Planning for development application inclusion	1. Property Management 2. Regional Strategy and Planning	Ongoing
Building non-compliant with legislation or regulations	Moderate	Possible	Moderate	1. Non-compliance works to be given priority 2. Undertake regular inspections and maintenance regimes	Property Management	1. Ongoing 2. Ongoing
Facility users not aware of or complying with conditions of occupancy	Moderate	Possible	Moderate	Ensure hire arrangements and tenure instruments provide adequate information for users.	1. Property Management	Ongoing

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5.3   Routine operations and maintenance plan

Council's building assets must be properly maintained so that they continue to support the delivery of a wide range of council services which fulfil the social, economic and environmental needs of the community.

For the purpose of this plan, maintenance is defined as work on existing buildings undertaken with the intention of:

- Preventing further deterioration
- Restoring correct operation within specified parameters
- Making temporary repairs for immediate health, safety and security reasons
- Assessing buildings for maintenance requirements

5.3.1   Maintenance objectives

The maintenance of council building assets should:

- Meet council service delivery expectations reflected in the standards to which building assets are to be maintained
- Focus on the impact of the condition/s of an asset on service delivery and risk
- Minimise whole-of-life costs of building assets
- Make the best use of maintenance resources
- Facilitate maintaining relevant and up to date building information at whole-of-council levels

The key outcomes to be achieved from undertaking maintenance are:

- The functional and operational needs are realised
- The physical condition of assets is kept up to a standard appropriate for their service function and value to the community
- All statutory and technical requirements to ensure health, safety, security and reliability are met.

- Maintenance includes planned and unplanned work activities and is funded from council's operating budget, which is further discussed in Section 6.2.

5.3.2   Planned maintenance

Planned maintenance refers to planned work at pre-determined intervals to meet statutory, health and safety, technical or operational reliability considerations, and to preserve the asset and prolong its economic life.

Planned maintenance consists of preventative, statutory and condition based maintenance.

Preventative maintenance

May be applied to building structures, building fabric. Services and site improvements but is predominantly used for maintenance of building services. Preventative maintenance minimises the likelihood of building asset failures, health and safety issues and disruptions to service delivery.

Statutory maintenance

Refers to maintenance undertaken to meet requirements mandated in Acts, regulations and other statutory instruments.

Condition based maintenance

Refers to work activity driven by a condition assessment or inspection process. The maintenance work is carried out because the physical condition of a building structure, building components, service or site improvement is below acceptable standards.

5.3.3   Unplanned maintenance

Unplanned (often referred to as reactive) maintenance occurs when failure of a building component requires immediate attention. It is usually limited to rectification for function, health, safety or security reasons. Assessment and prioritisation of reactive maintenance is undertaken by council staff using experience and judgement.

5.3.4   Summary of future maintenance expenditures

Maintenance expenditure levels are considered to be adequate to meet the current service level targets. Contributing factors to this assumption include:

- Limited availability of reliable data of asset conditions
- Varying levels of understanding of strategic asset management principles
- Limited availability of meaningful financial asset data
- Ongoing asset transitions through the implementation of the asset responsibility matrix

Future revisions of this plan are expected to more accurately report the proportion of maintenance and operational expenditure required and measure its impact on asset condition and/or service levels. The absence of an accurate asset register and thorough condition appraisals, limits the ability to overlay current maintenance expenditure, as reported in financial systems, on all current maintained assets.

Furthermore, assets occupied but not owned by council (leased assets) are maintained from the reported operating and maintenance expenditure budgets although their associated asset value is not reported as part of the overall current replacement cost.

It is anticipated that current maintenance funding levels will be inadequate for an ageing stock of building and facility assets. Additionally, further validation of maintenance costs need to be undertaken once the impact from 'type' and 'quantity' of contributed assets from future developments are known. Future maintenance expenditure is forecast to trend in line with the value of the asset stock.

5.3.5 Importance of maintenance to strategic asset management

Deferred maintenance (i.e. ongoing deterioration of building stock), is included in the risk assessment process within this plan.

Maintenance is a fundamental part of strategic asset management. Building and facility assets must be well maintained in order to support service delivery. The long-term benefits of good maintenance are substantial, and can include improved asset performance and useful life; reduced operating costs; and favourable user / community perception of council services.

Over an asset's life, maintenance costs represent a significant proportion of the total cost of owning an asset. In addition to the initial construction outlay, economical whole-of-life costs must also be recognised as a key driver during the design process. Good design and construction is likely to reduce long-term maintenance issues.

Maintenance planning and expenditure should be guided by value-for-money principles. Council should ascertain whether it is more economical to upgrade, replace or refurbish buildings rather than continuing to make ongoing repairs.

5.3.6 Operations and maintenance strategies

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

- Scheduling operations activities to deliver the defined level of service in the most efficient manner,
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost),
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options,
- Maintain a current hierarchy of critical assets and required operations and maintenance activities,
- Develop and regularly review appropriate emergency response capability,
- Review management of operations and maintenance activities to ensure the organisation is obtaining best value for resources used.

5.3.7 Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The

hierarchy includes the asset class, segment, sub class, locality and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

Asset hierarchy is yet to be formally established for Council's buildings and facilities portfolio.

5.3.8   Critical assets

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, organisations can target and refine investigative activities, maintenance plans and capital expenditure plans at the appropriate time.

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

Critical assets failure modes and required operations are yet to be formally established.

5.3.9   Standards and specifications

All materials used in the maintenance and repair of the buildings and facilities will comply with all relevant standards, legislation and guidelines. All maintenance work is carried out in accordance with standards and specifications prescribed the various legislative and regulatory documents shown in Table 4 (Section 3.3 of this plan).

5.3.10 Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock.

Deferred maintenance, i.e. works that are identified for maintenance and unable to be funded are to be included in the risk assessment and risk treatment plan detailed in Section 5.2.

5.4   Renewal / replacement plan

Renewal and replacement expenditure relates to major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

5.4.1   Renewal plan

Assets requiring renewal or replacement are identified and scheduled into council's capital works program using a combination of asset condition data and the knowledge and expertise of service managers across the organisation. The current limitations on asset data (e.g. completeness and reliability) have resulted in the bulk of the capital works renewal program being developed using the latter method i.e. via engagement and input from service managers. The basis of future capital works program development will be derived from asset data, as this data improves in quantity and quality.

5.4.2   Renewal and replacement strategies

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

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner,

- Undertaking project scoping for all capital renewal and replacement projects to identify:

  o   the service delivery 'deficiency', present risk and optimum time for renewal/replacement,

  o   the project objectives to rectify the deficiency,

  o   the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,

  o   and evaluate the options against evaluation criteria adopted by the organisation, and

  o   selecting the best option to be included in capital renewal programs,

- Using 'low cost' renewal methods (cost of renewal is less than replacement) wherever possible,

- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and the Council/Board,

- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,

- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required ,

- Review management of capital renewal and replacement activities to ensure the organisation is obtaining best value for resources used.

5.4.3 Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate, or

- To ensure the infrastructure is of sufficient quality to meet the service requirements

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,

- Have a high utilisation and subsequent impact on users would be greatest,

- The total value represents the greatest net value to the organisation,

- Have the highest average age relative to their expected lives,

- Are identified in the AM Plan as key cost factors,

- Have high operational or maintenance costs, and

- Where replacement with modern equivalent assets would yield material savings

Renewal will be undertaken using 'low cost' renewal methods where practical. The aim of 'low cost' renewals is to restore the service potential or future economic benefits of the asset by renewing the assets at a cost less than replacement cost.

5.4.4 Summary of future renewal expenditure

Projected future renewal expenditures are anticipated to increase over time in line with growth in asset stock.

Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

5.5   Creation / acquisition / upgrade

New works are those works that create a new asset which did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, or social and environmental needs.

Assets may also be acquired at no up-front cost to the organisation from land development. These assets from growth are considered in Section 4.5.

5.5.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are intended to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds then scheduled in council's 10 year Capital Works Program.

5.5.2 Capital investment strategies

The organisation will plan capital upgrade and new asset projects to meet level of service objectives by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner,

- Undertake project scoping for all capital upgrade/new projects to identify:

- o the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset,

- o the project objectives to rectify the deficiency including value management for major projects,

- o the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,

- o management of risks associated with alternative options,

- o and evaluate the options against evaluation criteria adopted by Council, and

- o select the best option to be included in capital upgrade/new programs

5.5.3 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Figure 6. The projected upgrade/new capital works program is shown in Appendix B.

5.6   Disposal plan

A quality portfolio of building and facility assets should efficiently, effectively and economically sustain delivery of services. Portfolio quality is sustained by the addition or retention of high-performing assets and, in general terms, the disposal or renewal of under-performing assets.

At various points throughout the life of an asset, decisions must be made regarding its future in council's portfolio. Decisions about disposal or retention of building assets must be based on sound evaluations using performance indicators that fully reflect council's service delivery goals.

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. An asset disposal plan is currently being developed and will form part of future revisions of this asset management plan. Council continues to develop a disposal plan for those assets which are no longer required to provide the service.

5.7   Service consequences and risks

Operations and maintenance activities and capital projects that cannot be undertaken will maintain or create service consequences for users. These include:

- Amendments to maintenance frequencies
- Adjustment of operating availability of asset
- Extension of refurbishment and/or renewal frequencies
- Early disposal

5.8   Risk consequences

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

- Reduction or loss of Council services
- Failure of assets resulting in 'on demand' funding (financial shock)
- Non-compliance with statutory, regulatory or industry requirements

These risks have been included with the Infrastructure Risk Management Plan summarised in Section 5.2.

6   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.

6.1   Sustainability of service delivery

Key indicators for service delivery sustainability and financial sustainability that have been considered in the analysis of the services provided by building and facility assets, these being the

- Long term life cycle costs/expenditures

- Medium term (10 year) projected/budgeted expenditures

Long term life cycle cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include operations and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is $19.5 million per annum (average operations and maintenance expenditure plus depreciation expense projected over 10 years).

A gap between life cycle costs and life cycle expenditure gives an indication as to whether present consumers are paying their share of the assets they are consuming each year. The purpose of this Building and Facilities Asset Management Plan is to identify levels of service that the community needs and can afford and develop the necessary long term financial plans to provide the service in a sustainable manner.

Life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. Life cycle expenditure includes operations, maintenance and capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure over the 10 year planning period is $18.9 million per year (average operations and

maintenance plus capital renewal budgeted expenditure over 10 years).

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap. The life cycle gap for services covered by this asset management plan is an average of -$0.6 million per year, over 10 years (-ve = gap, +ve = surplus). Life cycle expenditure is 97% of life cycle costs

In year one of this asset management plan, Council's planned life cycle expenditure is $15.9 million which gives a lifecycle gap of -$3.6 million and a life cycle sustainability index of 0.81.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the asset management plans and long term financial plan.

Medium term – 10 year financial planning period

This asset management plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

Current asset valuations on buildings and facilities are undertaken to the 'building level' only. This disregards the life cycles of the components of buildings and facilities and incorrectly assumes all 'parts' of the asset will have the same high-end useful life.

Future data is expected to report to the component level to reflect the differing life cycle of, for example, mechanical services (10-15 years) compared to a roof (30-50 years depending on material selection).

Providing services in a sustainable manner will require matching of projected asset renewals to meet agreed service levels with planned capital works programs and available revenue.

A gap between projected asset renewals, planned asset renewals and funding indicates that further work is required to manage required service levels and funding to validate any funding gap.

Development of levels of service frameworks will be required to determine agreed standards for major asset categories within the buildings and facilities portfolio. It is anticipated that pilot categories (aquatic centres, libraries and public amenities) will determine the templates to continue levels of service framework documentation for all other asset categories.

6.3   Funding strategy

Projected expenditure is to be funded from council's operating and capital budgets.

6.3   Valuation forecasts

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by the organisation and from assets constructed by land developers and others and donated to the organisation. Figure 6 shows the projected replacement cost asset values over the planning period in real values. Depreciation expense values are forecast in line with asset values as shown in Figure 7.

The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets' depreciated replacement cost is shown in Figure 8 (the depreciated replacement cost of contributed and new assets is shown in the darker colour and in the lighter colour for existing assets).

Sunshine Coast RC - Projected Asset Values (Buildings and Facilities_S1_V2)
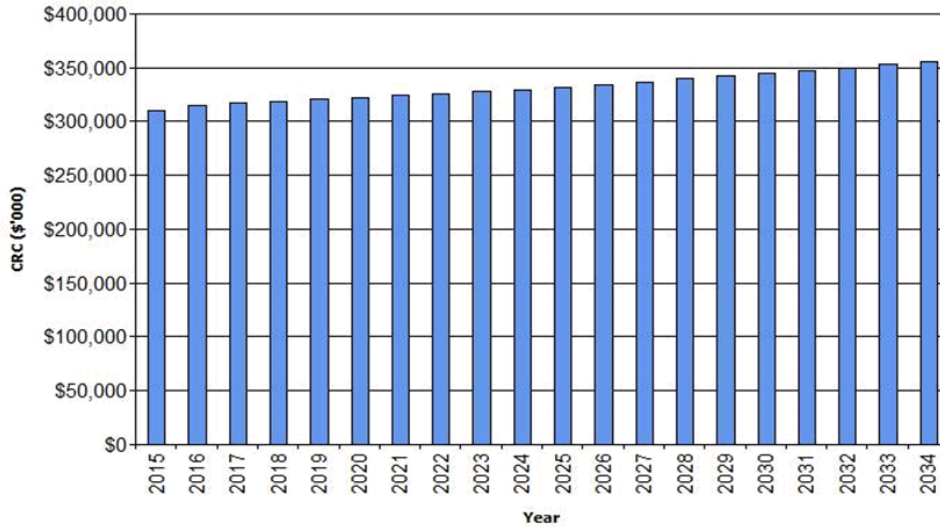

Figure 6: Projected asset values 2016-2026

Sunshine Coast RC - Projected Depreciation Expense (Buildings and Facilities_S1_V2)
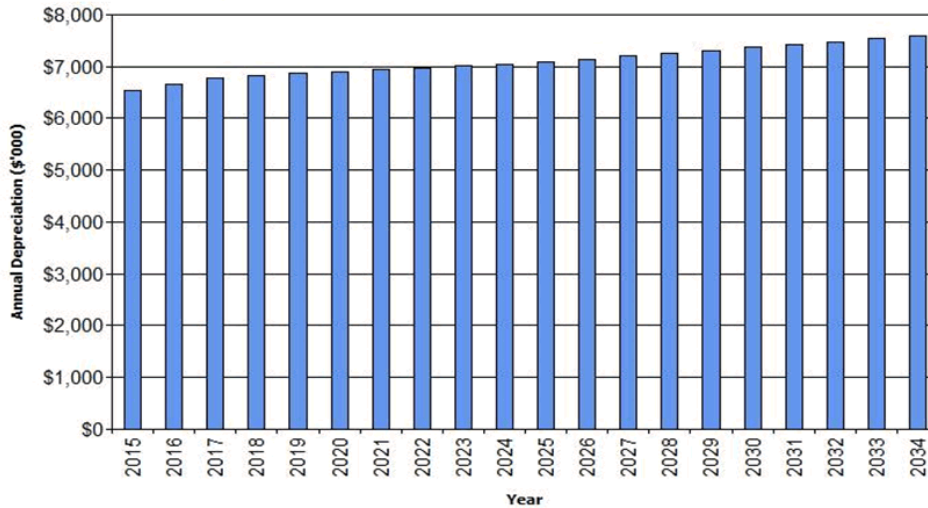

Figure 7: Projected depreciation expense

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Sunshine Coast RC - Projected Depreciated Replacement Cost (Buildings and Facilities_S1_V2)
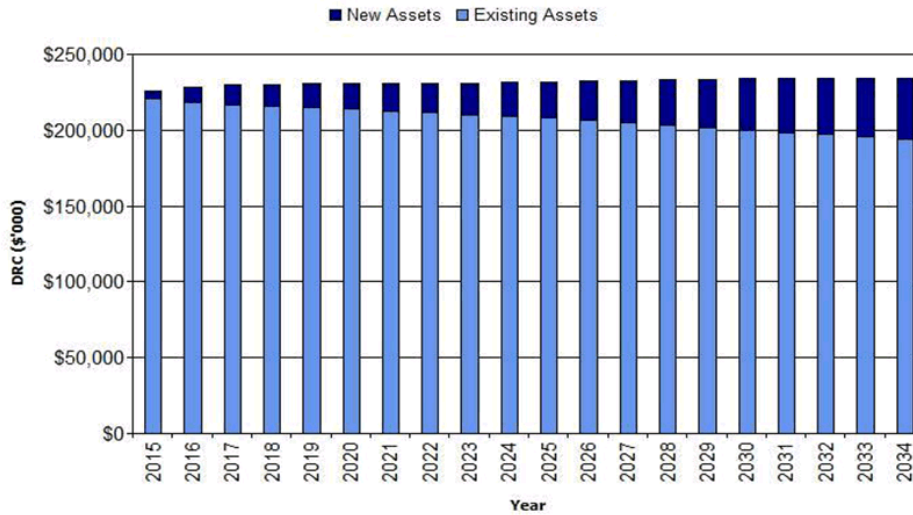
■ New Assets ▨ Existing Assets

Figure 8: Projected depreciated replacement cost

6.4   Key assumptions made in financial forecasts

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

Key assumptions made in this asset management plan and risks that these may change are shown in Table 6.4.

Table 14: Key assumptions and associated risks

Key Assumptions	Risks of Change to Assumptions
Building and facility assets will remain in council ownership throughout the planning period	A change in ownership status will affect the organisations asset valuation data
All expenditure is stated in dollar values as at 2015/16 with no allowance made for inflation over the planning period	Adjustment of financial information will alter financial forecasts
The value of the assets were adopted from the Finance Asset Information Module (FAIM)	Asset valuations collated elsewhere from FAIM may be unreliable
Buildings and facilities were valued at 'building level' and do not provide renewal profiles at component level	Inconsistent componentised data may skew renewal profiles of the buildings and facilities asset category

Accuracy of future financial forecasts may be improved in future revisions of this Plan by the following actions.

• Clarification of asset data including ownership and responsibilities over, in particular, community facilities

- Asset valuations undertaken to reflect life cycles at component level

- Undertaking condition assessments of assets

- Componentisation of assets

- Knowledge of when assets are constructed.

The following are recognised as limitations experienced in capturing the financial asset data:

- Roll out of merged financial system (Technology One) as a result of local government amalgamation

- Review of Chart of Account structure

- Buildings and facilities were valued at 'building level' and do not provide renewal profiles at component level

- Cost of new growth and renewal of new assets over the 20 year horizon has not been accounted for.

6.5   Forecast reliability and confidence

The expenditure and valuation projections in this asset management plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is graded on a five point scale shown in Table 15.

The estimated confidence level for and reliability of data used in this asset management plan is shown in Table 16.

Over all data sources, the data confidence is assessed as low confidence level for data used in the preparation of this AM Plan.
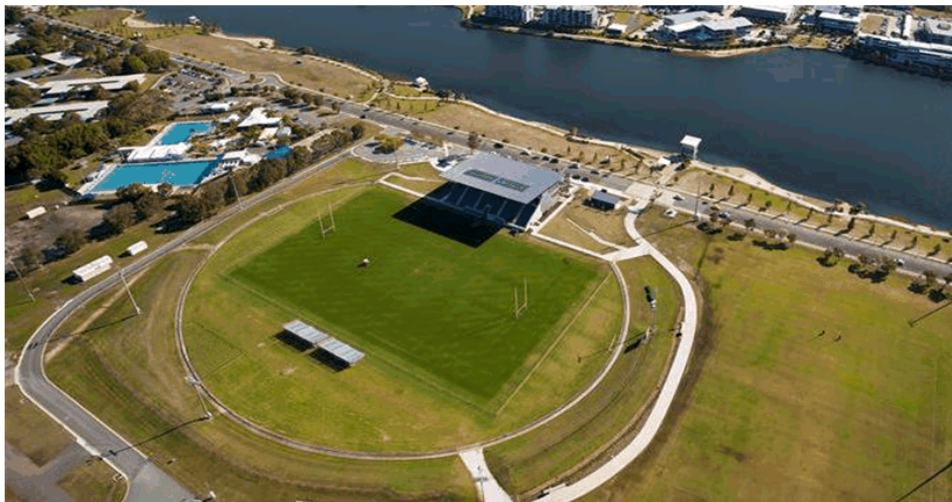

Table 15: Data confidence grading scale

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate ± 2%

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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 ± 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 ± 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 ± 40%
E Unknown	None or very little data held.

Table 16: Data confidence assessment for data used in this plan

Data	Confidence Assessment	Comment
Demand drivers	Reliable	Demand drivers for buildings and facilities assets are well understood and outlined in 5.4 and 5.5 of this Plan.
Growth projections	Reliable	Regional development activity is well outlined within planning documents and underpins population growth forecasts.
Operations expenditures	Uncertain	Financial are captured from T1, however specific allocation of operational expenditure per asset is problematic particularly for utilities and services e.g. electricity
Maintenance expenditures	Reliable	Financials are actuals captured from T1 and Maximo
- Asset values	Reliable	Asset valuations are derived from most recent revaluation exercise.
- Asset useful lives	Uncertain	Confidence in dates of acquisition/construction are very uncertain/unknown which affects the reliability of whole of life modelling
- Condition modelling	Uncertain	Confidence in dates of acquisition/construction are very uncertain/unknown which affects the reliability of whole of life modelling
- Network renewals	Uncertain	Confidence in dates of acquisition/construction are very uncertain/unknown which affects the reliability of whole of life modelling
- Defect repairs	Uncertain	Confidence in dates of acquisition/construction are very uncertain/unknown which affects the reliability of whole of life modelling
Upgrade/New expenditures	Uncertain	Confidence in dates of acquisition/construction are very uncertain/unknown which affects the reliability of whole of life modelling
Disposal expenditures	Uncertain	Too few disposals to comprise comparable level of expenditure

7   Plan improvement and monitoring

7.1   Status of asset management practices

7.1.1   Accounting and financial systems

Sunshine Coast Council operates the Technology One (Finance One) system for management of financial information. This system is managed by the Corporate Services Department. Technology One is interfaced with the asset management system (see below) to enable the transfer of financial asset information between the two systems.

Accountabilities for financial systems

- Financial Accounting Team, Finance Branch, Corporate Services Department

Accounting standards and regulations

- All relevant accounting legislation, regulation and standards

Capital/maintenance threshold

- As per Sunshine Coast Council Capital Expenditure Guidelines

Required changes to accounting financial systems arising from this AM Plan

- Alignment of financial information to asset management systems for improved reporting capability (see 7.2.1)

7.2.1   Asset management system

Sunshine Coast Council currently uses the Maximo V7 Asset Management System for the management of asset information. However, there is currently an active procurement process to review submissions for a new Asset Management System.

The Maximo asset management system is linked to the finance system via a software interface.

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Asset managers are responsible for maintaining data pertaining to their asset area whilst geographical data is held on all assets within ArcGIS to display and edit spatial/geographical data. GIS data is maintained by the Knowledge Services Team of Information Communication Technology Services Branch.

Asset registers

- Financial Asset Information Management system (FAIM)
- Maximo

Linkage from asset management to financial system

- Integration between the asset management system and finance system to be included as part of the rollout of Council's new asset management system.

Accountabilities for asset management system and data maintenance

- Property Management Branch, Corporate Services Department

Required changes to asset management system arising from this AM Plan

- Establishment of new asset register and integration with finance systems

Information flow requirements and processes

The key information flows into this asset management plan are:

- The asset register data on size, age, value, remaining life of the network
- The unit rates for categories of work/material
- The adopted service levels
- Projections of various factors affecting future demand for services
- Correlations between maintenance and renewal, including decay models
- Data on new assets acquired by council.

The key information flows from this asset management plan are:

- The assumed works program and trends
- The resulting budget, valuation and depreciation projections
- The useful life analysis.

These will impact the long-term financial plan, and annual budgets.

7.2   Improvement program

The asset management improvement plan generated from this asset management plan is shown in Table 17.

Table 17: Improvement plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Review current asset management processes	Property Management Branch	Portfolio Management Unit	Underway and ongoing
2	Implementation of strategic asset management system	Property Management Branch	Portfolio Management Unit	Underway and ongoing
4	Review of data integrity	Property Management Branch	Portfolio Management Unit	Underway and ongoing

7.3 Monitoring and review procedures

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

This 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 organisation's long term financial plan.

This asset management plan has a life of 4 years (Council election cycle) and is due for review annually.

7.4 Performance measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this asset management plan are incorporated into the organisation's long term financial plan,

- The degree to which detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan,

- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the organisation's Strategic Plan and associated plans.

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Appendix A

Corporate Facilities
Administration Buildings
Archives & Library Storage
10 First Avenue Administration Building
135 Horton Parade Administration Building
77 Bulcock Street Administration Building
Caloundra Administration Building
Eddie De Vere Administration Building
Fred Murray Administration Building
Depots
Nambour Depot
Maroochydore Depot
Maleny Depot
Landsborough Depot
Kenilworth Depot
Kawana Depot
Image Flat Quarry
Eumundi Depot
Beerwah Depot
Coolum Depot
Caloundra Depot
Commercial Property
26 Brisbane Road MOOLOOLABA
89 Blackall Terrace
77 Queen Street CALOUNDRA

Community Facilities
Animal Facilities
Ballinger Park Sports Complex
Sippy Downs Animal Pound
Car Parks
Caloundra Bus Interchange
Ormuz Avenue Multi Storey Car Park
Southern Cross Multi Storey Car Park
Cemeteries
Kulangoor Cemetery
Childcare Centre
Coolum Early Childhood Centre
Cotton Tree Early Childhood Centre
Kawana Family Care Centre
Maroochydore Occasional Childcare Centre
Mooloolaba Early Childhood Centre
Nambour Early Childhood Centre
Community & Performance Venue
Beerwah Community Hall
Coolum Civic Centre
Kawana Community Hall
Lake Kawana Community Centre
The Events Centre
Community & Recreation Facilities
Arthur Street Community Hall
Bellvista Meeting Place
Corner Elizabeth Street/Sunrise Avenue COOLUM BEACH
Eumundi Market Square
Flaxton Scout Hall
Glasshouse Mountains Neighbourhood Centre
Kawana Forest Meeting Place
Kawana Island Meeting Place
Kings Beach Park
Landsborough CWA Hall
Maddock Park
Maple Street Clock
Maroochy Bushland Botanic Gardens
Mary Cairncross Park
Millwell Road Community Centre
Mudjimba Multi Sports Complex
Nambour Girl Guides
Nambour Lind Lane Theatre
Old Caloundra Lighthouse
Old Eumundi Sports Field

Footer   41

Old Witta School
Old Bli Bli School - 48 - 52 School Road BLI BLI
Petrie Park Nambour
Queen Street Community Hall
Sunshine Valley Men's Shed - 279 Blackall Range Rd WEST WOOMBYE
Verrierdale Hall
Emergency Services
Caloundra SES Depot
Conondale Fire Service
Coolum SES Depot
Glasshouse SES Depot
Kawana SES Depot
Kenilworth SES Depot
Landsborough Rural Fire Brigade Headquarters
Maleny Showgrounds
Maroochydore SES Depot
Mudjimba Rural Fire Shed
Woombye Depot
Galleries & Museums
Bankfoot House
Caloundra Art Gallery
Fairview
Landsborough Historical Museum
Lifeguard Facilities
Alexandra Parade (Maroochydore)
Arthur Parkyn Park
Boardwalk Lifeguard Tower
Buddina Lifeguard Tower
Bulcock Beach Lifeguard Tower
Coolum Beach Holiday Park
Currimundi Lifeguard Tower
Dicky Beach Lifeguard Tower
Discovery Beach Lifeguard Tower
Golden Beach Lifeguard Tower
Kings Beach Lifeguard Headquarters
Lifeguard Headquarters
Marcoola-Yaroomba Foreshore Bushland Conservation Reserve
Mooloolaba Beach South Lifeguard Tower
Mudjimba Surf Club Tower
Tickle Park
Twin Waters Lifeguard Tower
Wilkes Family Park
Wurtulla Lifeguard Tower
Park & Open Space Facilities
Kings Beach Park

ORDINARY MEETING   20 JULY 2017
Item 8.3.1   Long Term Asset Management Plans
Appendix A   Buildings & Facilities Asset Management Plan 2017

Mooloolaba Precinct
Showgrounds
Nambour Showgrounds
Maleny Showgrounds
Sports Facilities
Beerwah Sportsground
Caloundra Indoor Stadium
Central Park CALOUNDRA
Coolum Sporting Complex
Doonan Pony Club
Kawana Sports Precinct
Lake Kawana Waterfront Park
Landsborough Sportsground
Maroochydore Multi-sports Complex
Meridan Fields
Mooloolah Pony Club
Mooloolah Sports Ground
North Shore Multisports - 701 David Low Way MUDJIMBA
Parklakes Sports Complex BLI BLI
Peace Memorial Park
Skippy Park
The Ridges Sportsground
Western Fields
Woombye Victory Sports Complex
Yandina Sports Complex
Visitor Information Centres
Bulcock Street Visitor Information
Caloundra Visitor Information Centre
Coolum Visitor Information Centre
Glass House Mountains Visitor Information Centre
Kenilworth Visitor Information Centre
Maroochydore Visitor Information Centre
Montville Visitor Information Centre
Mooloolaba Visitor Information Centre

Public Amenities
Alex Bluff Foreshore Park (Churinga Park)
Alexandra Pde (Maroochydore)
Anchorage Drive Park
Arthur Parkyn Park
Arthur Roberts Park
Arts & Ecology Centre
Ayliffe Park
Ballinger Beach Park
Beerwah Sportsground
Belli Creek Park
Bellvista Neighbourhood Park
Ben Bennett Bushland Park
Birrahl Park
Birtinya Island Park
Bonney Park
Boyle Park
Bradman Avenue Foreshore
Brightwater Community & Lake Park
Brightwater Sportsfield
Buderim Forest Park (Quorn Close)
Buderim Lions Lookout
Buderim Lions Park
Caloundra Aerodrome
Caloundra Bus Interchange Amenities
Caloundra Visitor Information Centre
Chambers Island Park
Charles Clarke Park
Cheese Block Park
Cilento Park
Clarke Place Park (Bulcock Beach)
Cliff Hargreaves Park
Con & Olive Daetz Park
Coopers Lookout Park
Cotton Tree Holiday Park Picnic Area
Cotton Tree Park
Crummunda Park
Dick Caplick Park
Dicky Beach Park
Dorothy Anderson Park
Double Bay Park
Dunethin Rock Recreation Area
Eaton Park
Eddie De Vere Courtyard

Eliza Peatling Park
Endriandra Park
Eudlo Town Park
Eumundi Market Square
Fairview
Federation Park
Felix Parry Park
Finnish Memorial Park
Fishermen Park
Foote Memorial Sanctuary Park
Frank McIvor Bushland Park
Fraser Park
Gardners Falls Park
George Vi Memorial Park
Girl Guide Park
Glass House Mountains Visitor Information Centre
Glass House School Of Arts-Coonowrin Road Park
Glen Retreat Park
Glenroy Public Amenities
Grahame Stuart Park
Great Keppel Crescent Park
Harrys Restaurant Park
Hill Street Public Amenities
Jellicoe Street Foreshore Park
Jessica Park
Jessica Park
John Hotton Park
Judy Henzell Park
Kanyana Park
Kawana Library
Keith Hill Park
Keith Royal Oval Park
Kenilworth Reservoir
Kenilworth Town Park
Kings Beach Amphitheatre
Kings Beach Park
Koala Park
Kolora Park
La Balsa Park
Lake Kawana Waterfront Park
Landsborough Sportsground
Leach Park
Lemon Park
Lifeguard Headquarters
Lillyponds Park

Lindsay Road Public Amenities
Lions & Norrie Job Park
Lions Park (Yandina)
Little Mountain Common
Little Yabba Rest Area
Loo with a View Public Amenities
Maleny Showgrounds
Maple St (Maleny)
Maroochy Bushland Botanic Gardens
Maroochy Lions Park
Maroochydore Library
Maroochydore Transit Centre
Martin Rungert Park
Mary Cairncross Park
Memorial Hall Public Amenities
Mill Park
Minchinton Street Rest Area
Montville Village Green / T.H. Brown Park
Mooloolah Hall-Bray Road Park
Mooloolah Recreation Reserve
Mooloolah Sports Ground
Moss Day Park
Mudjimba Esplanade Skate Park
Muller Park
Nelson Park
Noel Burns Park
North Arm Park
North Shore Road Park
Oceanside Health Precinct Village Park
Old Eumundi Sports Field
Old Witta School
Palmwoods Sports & Recreation Reserve
Parkyn Pde
Parrot Park
Paul Neisler Park
Peace Memorial Park
Peachester Town Park
Peachtree Park
Pierce Park
Pioneer Park
Point Arkwright Headlands Park
Point Cartwright Reserve
Power Memorial Park
QCWA Park
Quota / Eleanor Shipley Park

Quota Memorial Park
Railway Street Park
Rest Area Layby Road
RSL Memorial Park
Russell Family Park
Shelly Beach Park
Short Street (Nambour)
Simpson St Rest Area
Sir Francis Nicklin Park
Skippy Park
Stumers Creek
Sunshine Cove Park MAROOCHYDORE
Tesch Park
The Avenue Park
Tickle Park
Tumbledown Park
Turner Park
Uniting Park
Walker Park
Wetlands Sanctuary Amenities
Wilkes Family Park
Wilkinson Park
William Landsborough Memorial Park
Windmill Park
Wirreandah Park
Witta Sportsground
Woombye CWA Park
Woorim Park
Wyanda Park

Aquatic Centres
Beerwah Aquatic Centre
Buderim Aquatic Centre
Caloundra Aquatic Centre
Coolum Aquatic Centre
Cotton Tree Aquatic Centre
Eumundi Aquatic Centre
Kawana Aquatic Centre
Kings Beach Aquatic Centre
Nambour Aquatic Centre
Palmwoods Aquatic Centre

Libraries
Beerwah Library

Footer   47

Caloundra Library
Coolum Library
Kawana Library
Kenilworth Library
Maleny Library
Maroochydore Library
Maroochydore Library Administration Building
Nambour Library & Administration Building

Footer   49

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COUNCIL

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