Sunshine Coast Council

Waste & Resources Management

ASSET MANAGEMENT PLAN

Version V2

OCTOBER 2012

Document Control	

Document ID: 59_07_070909_nams.plus_amp template v11

Rev No	Date	Revision Details	Author	Reviewer	Approver
1	Sept 2011	Development of asset management plan	Sascha Tolsdorf		
1.1	Sept 2011	Review draft core asset management plan	Sascha Tolsdorf	Chris Campbell	
1.2	Sept 2011	Final core asset management plan	Sascha Tolsdorf	Chris Campbell	
2	Oct 2012	Update Assets listed, replacement values and expenditure planning	Sascha Tolsdorf		

Cover picture: Cell construction at Nambour Landfill

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ABBREVIATIONS

AAAC	Average annual asset consumption
AMP	Asset management plan
ARI	Average recurrence interval
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
DoH	Department of Health
EF	Earthworks/formation
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
MMS	Maintenance management system
PCI	Pavement condition index
RV	Residual value
SS	Suspended solids
vph	Vehicles per hour

GLOSSARY

Annual service cost (ASC)
An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operating, maintenance, depreciation, finance/ opportunity and disposal costs, less revenue.

Asset class
Grouping of assets of a similar nature and use in an entity's operations (AASB 166.37).

Asset condition assessment
The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset management
The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Assets
Future economic benefits controlled by the entity as a result of past transactions or other past events (AAS27.12).

Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 month.

Average annual asset consumption (AAAC)*
The amount of a local government's asset base consumed during a year. This may be calculated by dividing the Depreciable Amount (DA) by the Useful Life and totalled for each and every asset OR by dividing the Fair Value (Depreciated Replacement Cost) by the Remaining Life and totalled for each and every asset in an asset category or class.

Brownfield asset values**
Asset (re)valuation values based on the cost to replace the asset including demolition and restoration costs.

Capital expansion expenditure
Expenditure that extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretional expenditure, which increases future operating, and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure
Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital funding
Funding to pay for capital expenditure.

Capital grants
Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure
See capital expenditure definition

Capital new expenditure
Expenditure which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.

Capital renewal expenditure
Expenditure on an existing asset, which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital upgrade expenditure
Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretional and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Carrying amount

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets
See asset class definition

Component
An individual part of an asset which contributes to the composition of the whole and can be separated from or attached to an asset or a system.

Cost of an asset
The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, plus any costs necessary to place the asset into service. This includes one-off design and project management costs.

Current replacement cost (CRC)
The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Current replacement cost "As New" (CRC)
The current cost of replacing the original service potential of an existing asset, with a similar modern equivalent asset, i.e. the total cost of replacing an existing asset with an as NEW or similar asset expressed in current dollar values.

Cyclic Maintenance**
Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cycle, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Depreciable amount
The cost of an asset, or other amount substituted for its cost, less its residual value (AASB 116.6)

Depreciated replacement cost (DRC)
The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset

Depreciation / amortisation
The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

Economic life
See useful life definition.

Expenditure
The spending of money on goods and services. Expenditure includes recurrent and capital.

Fair value
The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arms length transaction.

Greenfield asset values **
Asset (re)valuation values based on the cost to initially acquire the asset.

Heritage asset
An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment Loss
The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets
Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no market value.

Investment property
Property held to earn rentals or for capital appreciation or both, rather than for:
(a) use in the production or supply of goods or services or for administrative purposes; or
(b) sale in the ordinary course of business (AASB 140.5)

Level of service
The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost).

Life Cycle Cost **
The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure **
The Life Cycle Expenditure (LCE) is the actual or planned annual maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to Life Cycle Expenditure to give an initial indicator of life cycle sustainability.

Loans / borrowings
Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

Maintenance and renewal gap
Difference between estimated budgets and projected expenditures for maintenance and renewal of assets, totalled over a defined time (eg 5, 10 and 15 years).

Maintenance and renewal sustainability index
Ratio of estimated budget to projected expenditure for maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Maintenance expenditure
Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset's useful life.

Materiality
An item is material is its omission or misstatement could influence the economic decisions of users taken on the basis of the financial report. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

Modern equivalent asset.
A structure similar to an existing structure and having the equivalent productive capacity, which could be built using modern materials, techniques and design. Replacement cost is the basis used to estimate the cost of constructing a modern equivalent asset.

Non-revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, eg. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operating expenditure
Recurrent expenditure, which is continuously required excluding maintenance and depreciation, eg power, fuel, staff, plant equipment, on-costs and overheads.

Pavement management system
A systematic process for measuring and predicting the condition of road pavements and wearing surfaces over time and recommending corrective actions.

Planned Maintenance**
Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

PMS Score
A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption*
A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal*
A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade*
A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Reactive maintenance
Unplanned repair work that carried out in response to service requests and management/supervisory directions.

Recoverable amount
The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure
Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operating and maintenance expenditure.

Recurrent funding
Funding to pay for recurrent expenditure.

Rehabilitation
See capital renewal expenditure definition above.

Remaining life
The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining life is economic life.

Renewal
See capital renewal expenditure definition above.

Residual value
The net amount which an entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

Revenue generating investments
Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management
The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment
A self-contained part or piece of an infrastructure asset.

Service potential
The capacity to provide goods and services in accordance with the entity's objectives, whether those objectives are the generation of net cash inflows or the provision of goods and services of a particular volume and quantity to the beneficiaries thereof.

Service potential remaining*
A measure of the remaining life of assets expressed as a percentage of economic life. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (DRC/DA).

Strategic Management Plan (SA)**
Documents Council objectives for a specified period (3-5 yrs), the principle activities to achieve the objectives, the means by which that will be carried out, estimated income and expenditure, measures to assess performance and how rating policy relates to the Council's objectives and activities.

Sub-component
Smaller individual parts that make up a component part.

Sustainability
Meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Useful life
Either:
(a) the period over which an asset is expected to be available for use by an entity, or
(b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council. It is the same as the economic life.

Value in Use
The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate new cash flows, where if deprived of the asset its future economic benefits would be replaced.

Source: DVC 2006, Glossary
Note: Items shown * modified to use DA instead of CRC
Additional glossary items shown **

1. EXECUTIVE SUMMARY

Waste Resources network of assets has a replacement value of $44.8 m and a Written down value of $31 m as at 30th June, 2012.

The Sunshine Coast Council has an obligation to its ratepayers to manage these physical assets so that an acceptable level of service is maintained and improvement initiatives implemented in an efficient and cost-effective manner. In addition, Council has the obligation to manage assets in an environmentally friendly and sustainable way.

To fulfil this role and responsibility of providing a long-term cost effective management of the assets, Council must develop an asset management plan to be the vehicle by which Council can provide a long-term management framework.

The Waste & Resources Asset Management Plan links long-term investment to Council's strategic goals and desired day-to-day service levels.

Waste & Resource Managements' (WR&M) major assets value is currently 45 million which includes:
3 operating Landfills strategically positioned in Caloundra, Nambour and Noosa;
11 Transfer Stations advantageously spread throughout the region in Caloundra, Buderim, Beerwah, Nambour, Witta, Kenilworth, Mapleton, Noosa, Yandina, Cooroy and Pomona;
3 depots located in Caloundra, Sippy Creek and Noosa;
1 Material Recovery Facility located in Nambour for the processing of recyclables;
1 Waste, Recycling and Sustainability Education facility and
2000+ receptacles for waste collection at parks, beaches.
Projected asset growth will be generated by the:
Waste Minimisation Strategy 2009-2014;
Regional Waste Disposal Management Plan;
Caloundra, Buderim, Nambour and Noosa site Master Plans and
New Developments including Caloundra South, Palmview and Bli Bli Cane fields.

What does it Cost?

There are two key indicators of cost to provide the Waste Resources service.

The life cycle cost being the average cost over the life cycle of the asset, and

The total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years covered by Council's long term financial plan.

The life cycle cost to provide the Waste and Resources service is estimated at **$3.6 m** per annum. Council's planned life cycle expenditure for year 1 of the asset management plan is **$1.4 m** which gives a life cycle sustainability index of **.39 .**

The total maintenance and capital renewal expenditure required to provide the Waste Resources service in the next 10 years is estimated at **$38.6 m**. This is an average of **$3.86** m per annum.

Council's maintenance and capital renewal expenditure for year 1 of the asset management plan of **$1.36 m** giving a 10 year sustainability index of **.35**

Safety

Risks that impact on WR&M include greater competition from private enterprise in collection and land filling operations and the effect of the state waste levy on disposal tonnages at our landfills and transfer stations.

The Next Steps

Actions resulting from this asset plan include carrying out an asset condition inspection program, review of asset categories and alignment of this plan with WR&M 30 year financial model.

2. INTRODUCTION

2.1 Background

This asset management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding required to provide the required levels of service.

The asset management plan is to be read with the following associated planning documents:

- Waste Minimisation Strategy 2009-2014
- Site Master Plans (Buderim, Nambour, Noosa and Pierce Ave)
- Noosa Plan 2008
- SCC Corporate Plan 2009/14
- Financial Sustainability Plan 2010 - 2020
- Regional Waste Disposal Management Plan
- Maroochy Plan 2000
- Caloundra City Plan 2004
- SCC Operational Plan 2012/13
- SCC 10 year Capital Works Program.

This asset management plan covers the following infrastructure assets:

Beerwah Transfer Station, Buderim Resource Recovery Centre, Caloundra Landfill, Coolum Landfill, Cooroy Transfer Station, Pomona Transfer Station, Mapleton Transfer Station, Yandina Transfer Station, Kenilworth Transfer Station, Witta Transfer Station, Eumundi Rd Landfill, Nambour Landfill and Sippy Creek Depot.

Table 2.1. Assets covered by this Plan

Asset Category	Asset Sub-Category	Replacement Value $
BEERWAH RESOURCE RECOVERY CENTRE		
OTH-INFR	Car Park	54,098.61
BUILD	Cat Shed	12,240.00
BUILD	Compost Amenity	20,085.00
OTH-INFR	Fence Roberts Rd	36,702.75
OTH-INFR	Hardstand Concrete Work Area 70m2	31,291.40
OTH-INFR	Hardstand	759,349.21
OTH-INFR	Hardstand	2,211,852.60
BUILD	Main Shed	272,136.00
BUILD	Main Shed	581,808.00
BUILD	Office	78,177.00
OTH-INFR	Roadworks	213,549.19
OTH-INFR	Shade Cloth	9,384.00
OTH-INFR	Storage Containers	5,727.29
OTH-INFR	Tyrewash	41,958.00
OTH-INFR	Water Tanks	6,810.02
BUILD	Transfer Station Shed Awning	64,940.00

Asset Category	Asset Sub-Category	Replacement Value $
PE-GEN	WasteMan 2G	9,737.50
TOTAL		**4,409,846.57**
BUDERIM RESOURCE RECOVERY CENTRE		
BUILD	Battery Acid Storage Shed	7,344.00
PE-GEN	Gas Plant	8,262.00
BUILD	Waste Oil Shed	12,852.00
OTH-INFR	Access Road	410,609.50
OTH-INFR	Access Road Fencing	126,000.00
BUILD	First Aid Office	29,664.00
BUILD	Gatehouse at Weighbridge	33,372.00
OTH-INFR	Gravel Resheeting	63,547.09
OTH-INFR	Gravel Roads	141,708.17
OTH-INFR	Irrigation Lines and Pump	50,975.74
OTH-INFR	Retaining Walls	38,539.20
BUILD	The Recycling Shop	276,828.00
OTH-INFR	Retaining Walls	20,160.00
PE-GEN	Indigovision 900S Security Camera	6,978.43
PE-GEN	Indigovision 900S Security Camera	6,978.43
PE-GEN	Indigovision 900S Security Camera	6,978.42
PE-GEN	Walking Floor	370,510.00
OTH-INFR	Waste Recycle Area	318,525.60
PE-GEN	Weighbridge	98,465.81
PE-GEN	Weighbridge (old Coolum)	85.000.00
BUILD	Workshop	17,136.00
PE-GEN	Honda Inverter Generator	5,675.59
OTH-INFR	Water Tanks 3x28,100L & 1x5,000L Poly	16,587.08
OTH-INFR	Stockpile Pad	688,319.49
TOTAL		**2,756,101.55**
CALOUNDRA LANDFILL AND RESOURCE RECOVERY CENTRE		
BUILD	Acid Store	5,566.93
BUILD	Acid Store Transportable	6,160.07
BUILD	Amenities	231,955.23
BUILD	Transfer Bays x4	257,366.40
OTH-INFR	Canopy bunded area	16,983.00
OTH-INFR	Car Park	37,667.87
OTH-INFR	Office Carport	11,016.00
PE-GEN	CCTV DVR Geovision GV800 System	7,488.50
OTH-INFR	Fenced Compound	8,489.25
OTH-INFR	Fencing	94,500.00
OTH-INFR	Gazebo	8,160.00
BUILD	Hazardous Store	33,476.40
OTH-INFR	Internal Roadworks	1,602,527.37
BUILD	Market	591,090.00
BUILD	Weighbridge Office	50,985.00
BUILD	Office Administration Building	94,399.50
BUILD	Transfer Station Office	102,176.00
BUILD	Oil Store	6,680.31
BUILD	Resource Recovery Shed	913,104.00

Asset Category	Asset Sub-Category	Replacement Value $
BUILD	Machinery Shed	33,150.00
BUILD	Machinery Shed	38,250.00
PE-GEN	Storage Containers	5,645.46
BUILD	Workshop	105,978.00
PE-GEN	Weighbridge In	103,934.23
PE-GEN	Weighbridge Out	103,934.23
PE-GEN	Wasteman 2G Software for Weighbridge	23,420.00
OTH-INFR	Concrete Sorting Pad	141,418.40
OTH-INFR	Leachate Tanks Pumps and Plumbing Works	35,695.00
OTH-INFR	Roller Doors Cladding/Roller doors mattress recycling	12,566.93
PE-GEN	Weather Station Automatic	7,943.69
OTH-INFR	Retaining Wall Around Septic Tank	13,338.25
OTH-INFR	Piggy Back Landfill Liner	2,665,654.09
OTH-INFR	Landfill Construction & Stormwater Diversion Drain	3,410,001.34
OTH-INFR	Tank Farm	350,000.00
OTH-INFR	Convert Drive Through Structure	12,299.76
TOTAL		**11,143,021.21**
COOLUM LANDFILL		
OTH-INFR	Access Road	37,471.00
TOTAL		**37,471**
COOROY TRANSFER STATION		
BUILD	ATCO Demountable Office	18,540.00
OTH-INFR	200M Chainwire Security Fencing Car Park	20,790.00
OTH-INFR	Road And Carpark Bitumen Sealed	41,753.61
BUILD	Shelter	13,872.00
BUILD	Stores Office	7,548.00
BUILD	Transfer Bin Shelter	175,032.00
OTH-INFR	Colourbond Fence	14,280.00
TOTAL		**291,815.61**
DEPOT SIPPY CREEK		
OTH-INFR	Fencing	21,656.25
BUILD	Amenities	71,440.80
BUILD	Shed with Mezzanine	133,859.70
BUILD	5 Bay Shed/Canopy	199,206.00
BUILD	4 Bay Shed	215,156.25
OTH-INFR	Highbay 4 bay canopy	278,842.50
BUILD	Admin Building	307,455.00
OTH-INFR	Internal Road and Hardstand off Sippy Creek Road	123,780.25
TOTAL		**1,351,396.75**
NOOSA EUMUNDI ROAD LANDFILL & RESOURCE RECOVERY CENTRE		
BUILD	Briteside Amenities Block, Disabled	26,780.00
OTH-INFR	Gravel Access Road	359,319.97
OTH-INFR	Transfer Station Bypass Drain	89,413.45
OTH-INFR	Metal Canopy	100,980.00
OTH-INFR	Car Park Gravel 2100M2	21,197.40
OTH-INFR	Carpark And Hardstand Bitumen Sealed 5350	47,417.50
OTH-INFR	Car Park Dual Arm Lighting Poles	18,900.00

Asset Category	Asset Sub-Category	Replacement Value $
OTH-INFR	300M2 Pavers Car Park	18,900.00
OTH-INFR	Compost Amenity	15,450.00
OTH-INFR	Drainage And Floodway	123,054.67
OTH-INFR	Cell Earthworks	277,000.78
OTH-INFR	Chainwire Security Fencing Car Park	45,150.00
OTH-INFR	Cell Geotextile Liner	177,368.89
OTH-INFR	Liquid Waste hardstand bitumen	17,555.47
OTH-INFR	Liquid Waste hardstand concrete	10,857.57
BUILD	Hazardous Waste Storage	15,708.00
OTH-INFR	Internal Road concrete approach to weighbridge	162,569.02
OTH-INFR	Landfill Cell	2,301,232.36
OTH-INFR	Leachate Recycling	0.00
OTH-INFR	Leachate Wells	38,489.37
OTH-INFR	Leachate Drain	224,202.54
OTH-INFR	Leachate Drain	443,419.65
PE-GEN	Leachate Pumps	153,927.64
OTH-INFR	Landill Liquid Waste Transfer Facility	50,339.45
BUILD	Office Depot	77,868.00
OTH-INFR	Concrete Pavement	75,906.88
OTH-INFR	Sand Filter Gpt Stormwater Cleanup Area	7,800.97
BUILD	Furniture and Clothes Shop Metal (Next To Tip Top Shop)	55,692.00
BUILD	Signage,Large Information Signs	7,774.50
OTH-INFR	Signage,Regulation Sign Car Park.	7,774.50
PE-GEN	Solar Water Pump	6,499.82
BUILD	2 X 198M2 Steel Sheds	100,980.00
BUILD	Tip Top Shop Timber	31,824.00
BUILD	Warehouse	77,571.00
OTH-INFR	Truck Wash Bay	69,972.00
OTH-INFR	3 x Welded Mild Steel Liquid Wastetanks	186,150.00
BUILD	Metal Office Weighbridge	28,119.00
BUILD	Workshop Building	327,726.00
OTH-INFR	Wetland and Sedimentation Pond	115,548.71
OTH-INFR	C&D Sorting Pad	985,134.47
OTH-INFR	Leachate Tank	344,737.00
PE-GEN	Honda Inverter Generator	6,658.61
PE-GEN	Weather Station	8,895.64
OTH-INFR	Asphalt	29,233.33
OTH-INFR	2x28,100 Poly Tanks	8,221.75
OTH-INFR	Transfer Bins	92,256.99
OTH-INFR	Rising Main and Pump Station	1,731,995.41
OTH-INFR	Internal Sewer Reticulation to Leachate Pump Station	172,091.54
OTH-INFR	Bund Earthworks	150,867.03
TOTAL		**9,446,532.88**
KENILWORTH TRANSFER STATION		
BUILD	Oil Shed	22,557.00
OTH-INFR	Fencing	8,032.50
PE-GEN	30m3 RORO Transfer Bin	16,203.89
TOTAL		**46,793.39**

Asset Category	Asset Sub-Category	Replacement Value $
KULANGOOR LANDFILL		
BUILD	Demountable Office	17,613.00
OTH-INFR	Light Tower Lot 2 RP 207956	8,400.00
BUILD	Machinery Shed	53,580.60
BUILD	Packing Shed	402,849.00
BUILD	Shed Lot 2 Mowitt Rd	14,917.50
TOTAL		**497,360.1**
MAPLETON TRANSFER STATION		
BUILD	Transfer Station	8,232.34
OTH-INFR	Retaining Walls	13,125.00
PE-GEN	30m3 ROROTransfer Bin	15,141.37
PE-GEN	30m3 RORO Transfer Bin	15,141.37
OTH-INFR	Fencing	13,125.00
OTH-INFR	Old Landfill batter support	187,475.07
TOTAL		**252,240.15**
NAMBOUR LANDFILL AND RESOURCE RECOVERY CENTRE		
OTH-INFR	Stage 4 Intermediate Liner	917,282.28
BUILD	Roofed Structure Bli Bli	60,435.00
BUILD	Chem Storage Shed	8,160.00
OTH-INFR	Bulk Earthworks Landfill Liner	2,731,161.10
BUILD	Environmental Education Centre Stage 2 Pods, amenities	226,598.33
OTH-INFR	Fencing	10,872.75
OTH-INFR	Fencing	46,494.00
OTH-INFR	Landfill Stg3 Cell Construction	2,248,557.86
OTH-INFR	Landfill Develop	1,511,786.66
OTH-INFR	Leachate Collection Tank	158,772.38
BUILD	Material Recovery Facility	2,929,600.00
BUILD	Recycling Depot	1,762,764.00
OTH-INFR	Roads	289,572.59
BUILD	Leachate Collection Tank Shelter	88,128.00
BUILD	Waste Oil Shed	13,260.00
BUILD	Building	144,085.97
BUILD	Weighbridge gatehouse	25,956.00
OTH-INFR	Background Monitoring Bore	9,700.90
OTH-INFR	Boom gates	11,659.58
PE-GEN	Honda Inverter Generator	5,831.41
BUILD	Environmental Education Centre	90,949.00
PE-GEN	Ed Centre / MRF CCTV	15,047.93
TOTAL		**13,306,675.74**
POMONA TRANSFER STATION		
OTH-INFR	2 Double Gates 400m Security Fence	294,000.00
OTH-INFR	Double Gates	63,754.19
BUILD	Metal Office	21,216.00
OTH-INFR	Transfer Bin Shelter Metal	78,336.00
OTH-INFR	Road And Carpark	208,650.06
OTH-INFR	Signage Regulation Signs	10,402.50
BUILD	Stores Office	11,016.00

Asset Category	Asset Sub-Category	Replacement Value $
PE-GEN	Transfer Bin	46,207.89
TOTAL		**733,582.64**
WITTA TRANSFER STATION		
OTH-INFR	Hardstand	127,966.16
OTH-INFR	Internal Road	132,813.35
PE-GEN	WasteMan 2G	9,737.50
OTH-INFR	Retaining Wall	17,850.00
TOTAL		**288,367.01**
YANDINA TRANSFER STATION		
OTH-INFR	Internal Road	22,108.95
PE-GEN	30m3 RORO Transfer Bin	16,454.35
PE-GEN	30m3 RORO Transfer Bin	16,454.34
TOTAL		**55,017.64**
REGIONAL		
OTH-INFR	Public Place Bins	**690,298.36**
TOTAL		**44,778,534.36**
OTH-INFR	Collection Bins – Regional[1]	**3,000,000**

1. WR&M at collection contracts end in 2014 take over ownership of all collection bins, these assets as a whole asset network have a replacement value of approximately 3 million.

Key stakeholders in the preparation and implementation of this asset management plan are:

Waste and Resource Management:	• Asset Owner/manager • Responsible for the development and implementation of this asset management plan • Annual Business plan and budget process • Provide technical advice • Long term financial plan
DEHP:	Environmental policy/guidelines
Asset Management & Service Programming unit:	Corporate Asset management leadership and Capital planning advice
Sunshine Coast Councillors:	Plan adoption and asset management leadership
Executive Director – Infrastructure Services:	Executive management endorsement, sign off and executive ownership
Community:	Asset users

2.2 Goals and Objectives of Asset Management

The Council exists to provide services to its community. Some of these services are provided by infrastructure assets. Council has acquired infrastructure assets by 'purchase', by contract, construction by council staff and by donation of assets constructed by developers and others to meet increased levels of service.

Council's goal in managing infrastructure assets is to meet the required level of service in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Taking a life cycle approach,
- Developing cost-effective management strategies for the long term,
- Providing a defined level of service and monitoring performance,
- Understanding and meeting the demands of growth through demand management and infrastructure investment,
- Managing risks associated with asset failures,
- Sustainable use of physical resources,
- Continuous improvement in asset management practices.[1]

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

Council's vision is:

To be Australia's most sustainable region – vibrant, green, diverse.

Relevant Council goals and objectives and how these are addressed in this asset management plan are:

Table 2.2. Council Goals and how these are addressed in this Plan

Goal (theme)	Objective (emerging priorities)	How Goal and Objectives are addressed in IAMP
Robust Economy	Infrastructure for economic growth	Facilitate the delivery of key infrastructure projects for our preferred economic growth
Ecological Sustainability	The impact of climate change	In partnership with government and the community, develop and implement energy transition and greenhouse gas reduction strategies for the region
Innovation & Creativity	Innovation and creativity	Foster partnerships with governments, business and the community to encourage innovation and sustainability
Great governance	Effective Business Management	Implement a business approach that focuses on maximising opportunities, managing risks and improving quality of service

[1] IIMM 2011 Sec 1.1.3, p 1.3

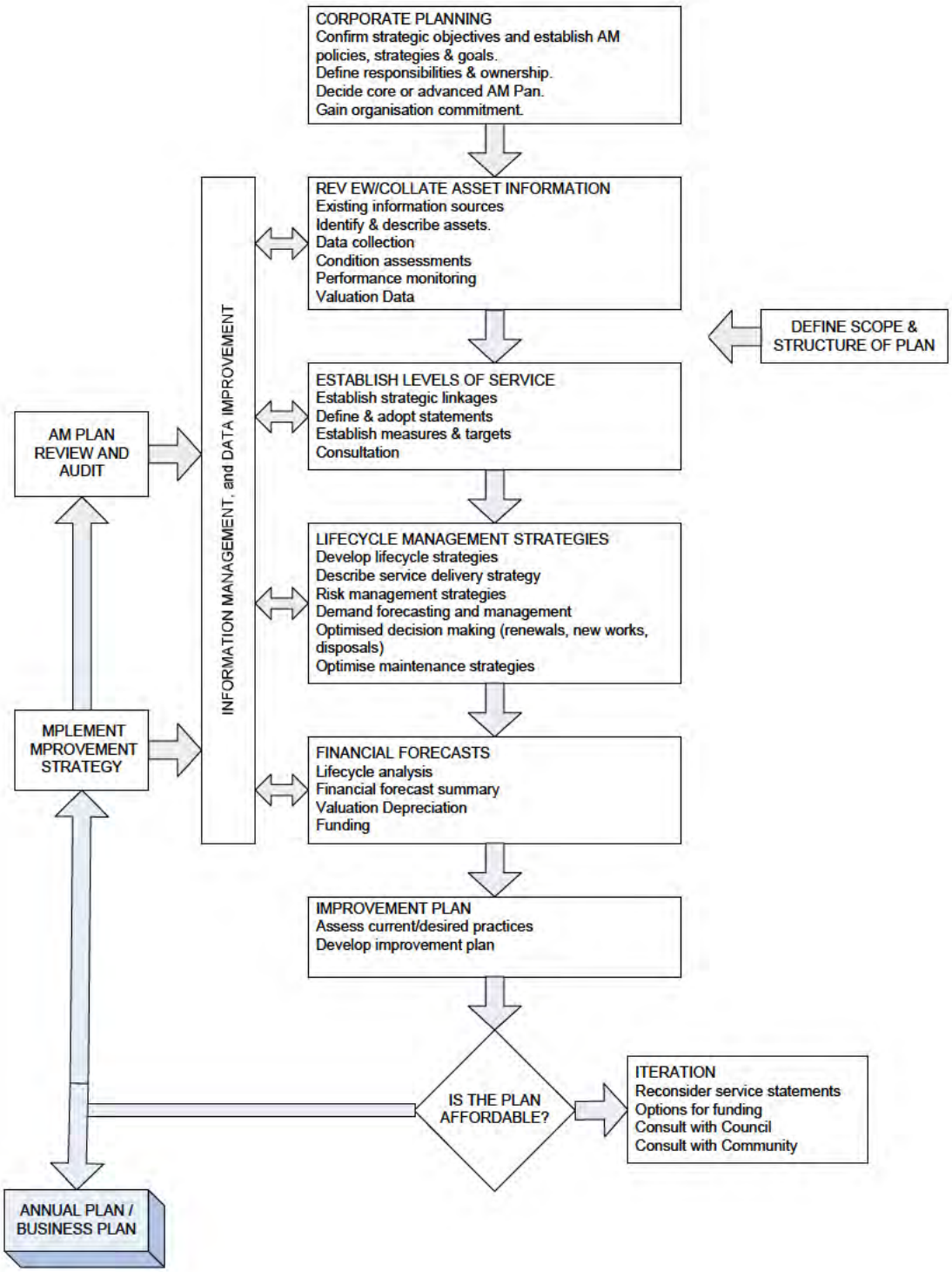
2.3 Plan Framework

Key elements of the plan are

- Levels of service – specifies the services and levels of service to be provided by council.
- Future demand – how this will impact on future service delivery and how this is to be met.
- Life cycle management – how Council will manage its existing and future assets to provide the required services
- Financial summary – what funds are required to provide the required services.
- Asset management practices
- Monitoring – how the plan will be monitored to ensure it is meeting Council's objectives.
- Asset management improvement plan

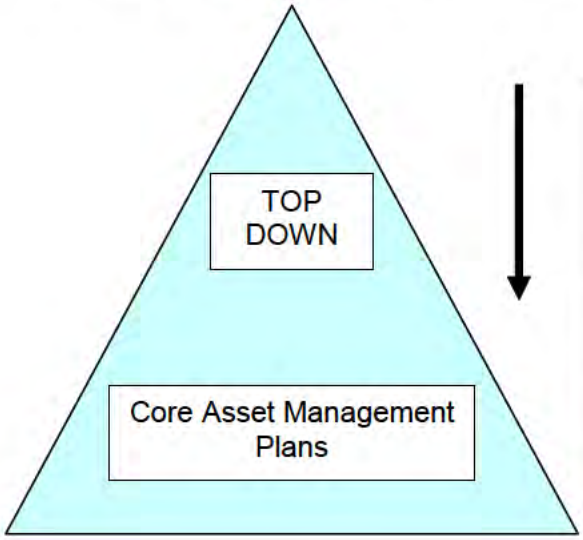
A road map for preparing an asset management plan is shown below.

Road Map for preparing an Asset Management Plan
Source: IIMM Fig 1.5.1, p 1.11



2.4 Core and Advanced Asset Management

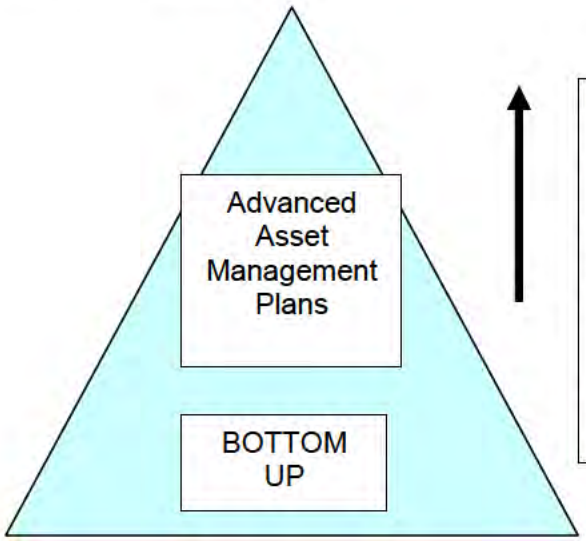
This asset management plan is prepared as a 'core' asset management plan in accordance with the International Infrastructure Management Manual (IIMM). It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.



Systems / knowledge approach

- Based on what we know
- Current financial & physical data
- Uses current levels of service (not desired)
- Inconsistent data sets a major constraint
- Provides a base to move forward
- Provides a detailed improvement plan

Future revisions of this asset management plan will move towards 'advanced' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels.



Asset / Component Data

- Finding out what we don't know
- Analysis to individual assets & services
- Support optimisation of activities & programs to meet desired levels of service
- Implemented improvement plan

3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

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

Table 3.1. Community Satisfaction Survey Levels

Performance Measure	Satisfaction Level				
	Very Satisfied	Fairly Satisfied	Satisfied	Somewhat satisfied	Not satisfied
5.2.5. Community satisfaction with asset management	This has currently not been measured and will be undertaken during the development of advanced asset management plans.				

Council uses this information in developing the Strategic Management Plan and in allocation of resources in the budget.

3.2 Legislative Requirements

Council has to meet many legislative requirements including Australian and State legislation and State regulations. These include:

Table 3.2. Legislative Requirements

Legislation	Requirement
Local Government Act	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.
Workplace Health and Safety Act 1995	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work.
Waste Reduction and Recycling Act 2011	Sets out role to protect Queensland's environment through: (a) promotion of waste avoidance and reduction, and resource recovery and efficiency actions; (b) reducing the consumption of natural resources and minimise the disposal of waste by encouraging waste avoidance and the recovery, re-use and recycling of waste; (c) minimising the overall impact of waste generation and disposal; (d) ensuring a shared responsibility between government, business and industry and the community in waste management and resource recovery; (e) support and implement of national frameworks, objectives and priorities for waste management and resource recovery.
Waste Reduction and Recycling Regulation 2011	Provides a framework for Council to make consistent and fair decisions that ensure waste is managed in a way that is consistent with ecologically sustainable development and minimise the impact of waste on the environment including, in particular, the impact of waste so far as it directly affects human health

3.3 Current Levels of Service

Council has defined service levels in two terms.

Community Levels of Service relate to how the community receives the service in terms of safety, quality, quantity, reliability, responsiveness, cost/efficiency and legislative compliance.

Supporting the community service levels are operational or technical measures of performance developed to ensure that the minimum community levels of service are met. These technical measures relate to service criteria such as:

Service Criteria	Technical measures may relate to:
Quality	Reliability of Collection Services
Quantity	Appropriate service capacity and frequency
Availability	Distance from a property to a waste facility
Safety	Number of injury accidents

Council's current service levels are detailed in Table 3.3.

Table 3.3. Current Service Levels - Waste

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
COMMUNITY LEVELS OF SERVICE				
Quality	1. Bins for commencement of a new service will be delivered in 3 days. 2. Replacements for damaged or stolen bins will be delivered within 3 working days. 3. Bins missed during scheduled services will be serviced within 24 hours.	Customer Service requests (CRM's)	1. 3 working days 2. 3 working days 3. 24 hours	Assumed to be meeting performance as validated by CRM's
Function	1. A disposal facility is located within 20 km radius of all SCC residents. 2. Disposal facilities operate during equitable opening times	1. Strategic planning through GIS 2.CRM's and customer surveys	1. Disposal facility is located within 20 km radius of 100% SCC residents 2. Major facilities 7am-5pm, smaller rural facilities minimum 4 hrs 3 days per week.	1. ~85% with 20km radius 2. 100%
Safety	W&RM will comply with all requirements under the Workplace Health and Safety Act 1995	1. Register of all accidents and/or injuries occurring due to poor WH&S. 2. Record identified risks as high, medium	Zero accidents / incidents pa	No serious injuries

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
		and low.		
Sustainability	1. Resource Recovery from disposal facilities 2. Disposal facilities are managed in a way to meet all DERM licensing requirements	1. Wasteman2G reporting 2. Disposal facility inspections as per Site Based Management Plans (SBMP's)	1. 35% Resource Recovery 2. Inspections carried out ands recorded as per SBMP's.	1. 32% 2. 100%
TECHNICAL LEVELS OF SERVICE				
Condition	Landfill / Transfer Station machinery is reliable and well maintained	1. Register of breakdown / incidents	< 1 breakdown pa	Nil
Accessibility	All areas of disposal facilities are accessible in all weather or traffic conditions	CRM and/or weighbridge Reports of delays / missed collection due to accessibility	Nil	Nil
Cost effectiveness	Waste disposal facilities operations and management are governed by sound financial planning principals	Cost for facility operations as per financial model	Expense within 2% of budget	1.6% for 2011/12
Sustainability	The waste facilities are managed with respect to future generations	A corporate energy management plan is in place which is reviewed and updated annually	Greater than 80% of annual performance targets in the energy plan are met Energy efficiency principles are incorporated in the design of all new facilities.	80% of designs incorporate energy efficiency principles

3.4 Desired Levels of Service

At present, indications of desired levels of service are obtained from various sources including Customer Satisfaction Surveys, residents' feedback to 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 asset management plan.

4. FUTURE DEMAND

4.1 Demand Forecast

Factors affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership, consumer preferences and expectations, economic factors, agricultural practices, environmental awareness, etc.

Demand factor trends and impacts on service delivery are summarised in Table 4.1.

Table 4.1. Demand Factors, Projections and Impact on Services

Demand factor	Present position		Projection		Impact on services
Population	316,858 (2012)		508,177 (2031)		Higher demand for waste collection services. Greater visitation numbers Landfills/Transfer Stations
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.
	16% over 65 years old 1.5% over 85 years old 24% under 18 years old		21.7% over 65 years old 3.2% over 85 years old 21% under 18 years old		Requirement for increased access and equity focus during design of disposal facilities. Greater demand for infirm services, smaller waste collection receptacles.
	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 continue		Greater demand for smaller waste collection receptacles. Greater demand for sharing of waste collection receptacles
Number persons/household	23%	1 person	23%	1 person	
	40%	2 person	40%	2 person	
	15%	3 person	15%	3 person	
	15%	4 person	15%	4 person	
	6%	5 person	6%	5 person	

4.2 Changes in Technology

Historically changes in technology have had the effect of reducing Whole of Life (WOL) costs. Therefore, changes in technology will be embraced where possible to reduce future WOL costs.

Table 4.2. Changes in Technology and Forecast effect on Service Delivery

Technology Change	Effect on Service Delivery
Improved purpose-built software technology	Faster and more accurate data collection and processing
Expanding use of purpose-built software technology for smaller rural transfer stations	Faster and more accurate data collection and processing
Energy Use and Efficiency	Minimise energy use. Major focus has been on use of low draw pumps and water tanks for collection of roof water from buildings/structures. Examine use of solar power.
Adoption of improved/new technologies including but not limited to AWT (alternative Waste Technologies), composting, organic waste collection.	Improved resource recovery rates and landfill diversion lessening reliance on land filling.
Internet bookings	It is anticipated that the roll out of on-line service request changes will allow more flexibility for customers managing their waste collection needs
Establishment of a technology park to provide opportunities for start up recycle/reuse type business	Improved resource recovery rates and landfill diversion lessening reliance on land filling.

4.3 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 and demand management. Demand management practices include non-asset solutions, insuring against risks and managing failures.

Opportunities identified to date for demand management are shown in Table 4.3. Further opportunities will be developed in future revisions of this asset management plan.

Table 4.3. Demand Management Plan Summary

Service Activity	Demand Management Plan
Provision of Waste Management facilities (including child assets)	Operating hours of Rural Transfer Stations under review to provide greater flexibility to customers Investigation into site for new regional landfill Purchase of land adjacent to Beerwah Transfer Station to allow for expansion of car parking facility
Maintenance of Waste Management facilities (including child assets)	SCRC Corporate Plan 2009-14 SCRC Operational Plan 2009/10 & 2010/11 SCRC Budget 2009/10 & 2010/11

4.4 New Assets from Growth

The new assets required to meet growth will be acquired from contractors or constructed by Council contractors.

Whilst WRM does receive new public place bins and collection bins they are low single value items and as such are not captured individually.

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 are identified and considered in developing forecasts of future operating and maintenance costs.

5. LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (defined in section 3) while minimising life cycle costs.

5.1 Background Data

Lifecycle asset management takes account of the whole-of-life implications for acquiring, operating, maintaining and disposing of park assets. The objectives of lifecycle planning 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

The standard asset's lifecycle costs are depicted in the following diagram:

5.1.1 Physical parameters

The assets covered by this asset management plan are shown below.

Beerwah Resource Recovery Centre

Asset category	Condition	Future use
BUILD	Offices and transfer station new in 2002, buildings and structures are all in good condition	Purchase of adjacent land as a buffer with potential for expanded car parking areas.
OTHER INFRASTRUCTURE	Transfer station new in 2002, car parks and roads are all in good condition	
PLANT EQUIPMENT	Software may be upgraded in next 2 years however it still meets requirements	

Buderim Transfer Station

Asset category	Condition	Future use
BUILD	Transfer Station front end and weighbridge office new in 2012, buildings and structures in general are all in good condition	Master Plan document identifies needs for further expanded resource recovery options and a new resale facility.
PLANT EQUIPMENT	Weighbridges, walking floor and security system on preventative maintenance program.	
OTHER INFRASTRUCTURE	Roads and paths new in 2004 (entrance resealed 2012), sealed areas are all in good condition	

Caloundra Landfill and Resource Recovery Centre

Asset category	Condition	Future use
BUILD	Weighbridge office and transfer stations, retail facility new in 2004, buildings and structures are all in good condition	New landfill cells increases life to 2021 before decommissioning.
PLANT EQUIPMENT	Weighbridges and security system on preventative maintenance program.	
OTHER INFRASTRUCTURE	Roads and paths new in 2006, sealed areas are all in good condition	

Coolum Landfill

Asset category	Condition	Future use
OTHER INFRASTRUCTURE	Entrance maintained on as needs basis	Landfill activities have ceased and site has been decommissioned,

Cooroy Transfer Station

Asset category	Condition	Future use
BUILD	Offices and transfer station new in 2004, buildings and structures are all in good condition	Current 5 year capital program has no plans for expansion.
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Depot Sippy Creek

Asset category	Condition	Future use
BUILD	Offices workshop sheds maintained through collection contract site lease, buildings and structures are all in good condition	Current 5 year capital program has no plans for expansion.
OTHER INFRASTRUCTURE	Fences and roads maintained through collection contract site lease, all in good condition	

Noosa Eumundi Road Landfill

Asset category	Condition	Future use
BUILD	Depot and office buildings maintained as required and are all in good condition	Master Plan document identifies needs for expanded resource recovery options and resale facility.
PLANT EQUIPMENT	Weighbridge in good condition,	
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Kenilworth Transfer Station

Asset category	Condition	Future use
BUILD	Oil and chemical collection facilities in good condition	A current 5 year capital program has no plans for expansion.
PLANT EQUIPMENT	New Transfer Bin 2008	
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Kalungoor Landfill

Asset category	Condition	Future use
BUILD	Not maintained	No future plans
OTHER INFRASTRUCTURE	Not maintained	

Mapleton Transfer Station

Asset category	Condition	Future use
BUILD	Oil and chemical collection facilities in good condition	Current 5 year capital program has no plans for expansion.
PLANT EQUIPMENT	2 x new Transfer Bins 2008	
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Nambour Landfill and Resource Recovery Centre

Asset category	Condition	Future use
BUILD	Depot and office buildings maintained as required and are all in good condition	Master Plan document identifies needs for expanded resource recovery options and resale facility.
PLANT EQUIPMENT	Weighbridge in good condition and regularly maintained	
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Pomona Transfer Station

Asset category	Condition	Future use
BUILD	Offices and transfer station new in 2004, buildings and structures are all in good condition	A current 5 year capital program has no plans for expansion.
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	
PLANT EQUIPMENT	New Transfer Bins 2011	

Witta Resource Recovery Centre

Asset category	Condition	Future use
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	A current 5 year capital program has no plans for expansion.
PLANT EQUIPMENT	Software may be upgraded in next 2 years however it still meets requirements	

Yandina Transfer Station

Asset category	Condition	Future use
PLANT EQUIPMENT	2 x new Transfer Bins 2008	A current 5 year capital program has no plans for expansion.
OTHER INFRASTRUCTURE	Fences and roads maintained as required and are all in good condition	

Regional

Asset category	Condition	Future use
OTHER INFRASTRUCTURE	Public Place repaired / replaced as required	Continued requirement and expansion as population increases

The typical asset life for each asset category are shown below:

Asset category	Typical Useful Life (Years)	Asset category	Typical Useful Life (Years)
LAND	100	OTHER INFRASTRUCTURE	20
BUILD	50	PLANT EQUIPMENT	10

The age profile of Council's assets is shown below, based on councils financial asset information module.

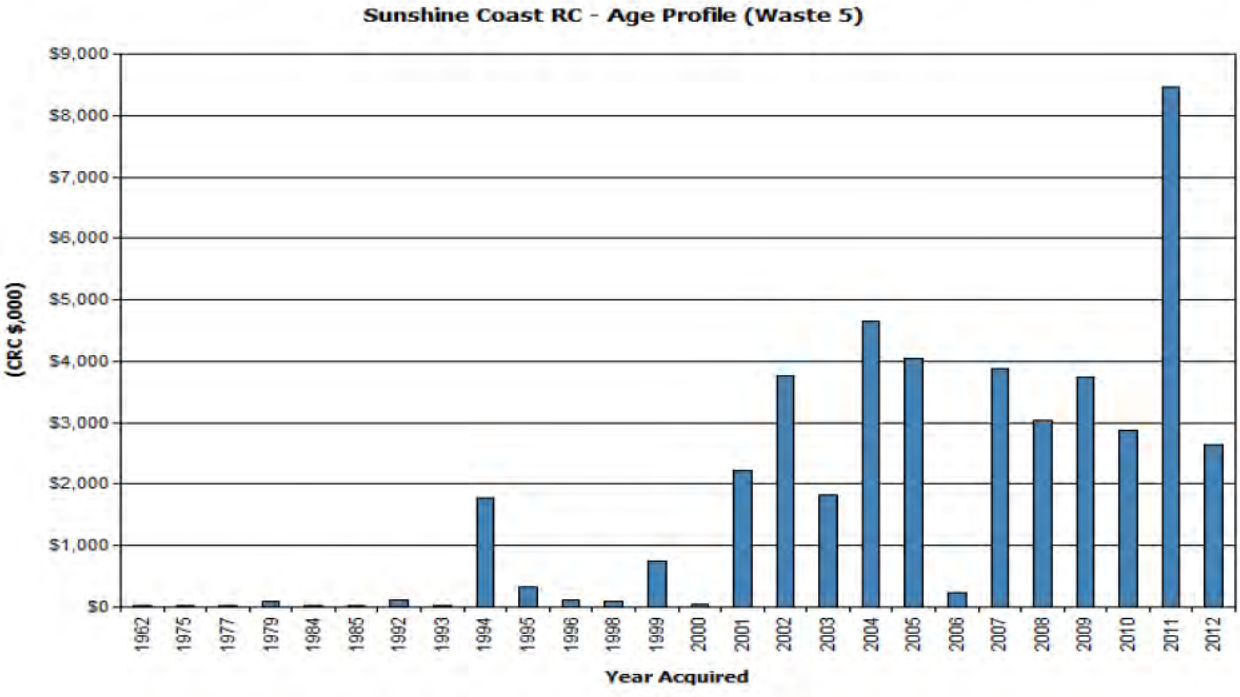


Fig 2. Asset Age Profile

The above graph indicates the majority of Councils asset base is young. This combined with long useful lives results in a relatively consistent ongoing maintenance costs.

5.1.2 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 5.1.2.

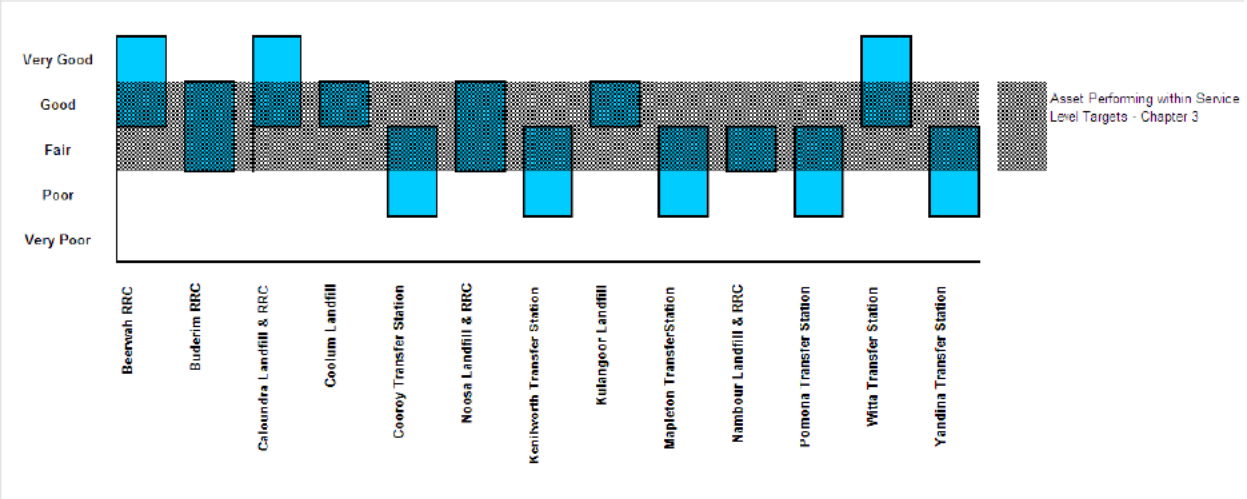
Table 5.1.2. Known Service Performance Deficiencies

Location	Service Deficiency
Nambour and Noosa	Upgrade of Resource Recovery/Transfer Station facilities to meet customer demand and diversion rates
Regional	Investigation into new landfill site to provide for disposal of residual products into the future.

5.1.3 Asset condition

The condition profile of Council's assets is shown below.

Fig 3. Asset Condition Profile



Condition is measured using a 1 – 5 rating system.[2]

Rating	Status	Description of Condition
1	Very poor	Unserviceable
2	Poor	Significant renewal/upgrade required.

[2] IIMM 2011, Appendix B, p B:1-3 ('cyclic' modified to 'planned')

Rating	Status	Description of Condition
3	Fair	Significant maintenance required.
4	Good	Minor maintenance required plus planned maintenance.
5	Very good	Only planned maintenance required.

5.1.4 Asset valuations

The value of assets as at June 2012 covered by this asset management plan is summarised below. Assets were last re-valued at 30 June 2012.

Current Replacement Cost	$44,779,000
Depreciable Amount	$42,597,000
Depreciated Replacement Cost	$31,762,000
Annual Depreciation Expense	$3,222,000

Council's sustainability reporting reports the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion (renewal and upgrade based on 10 year average).

Asset Consumption	($3,222,000 / $42,597,000) 7.56%
Asset renewal	($505,000/ $42,597,000) 1.86%
Annual Upgrade/expansion	($12,748,000/ $42,597,000) 29.93%

5.2 Risk Management Plan

The Sunshine Coast Council is committed to delivering quality outcomes to the community and it's work force through consideration of balanced risks and opportunities.

To achieve this objective, Council has established core categories of risks/ opportunities which are collectively considered as integral decision making tools for strategic resolutions. Figure 4 illustrates the calculable likelihood and consequence which are combined by the risk assessor in selecting the most appropriate overall risk category.

Figure 4. Risk/ Opportunity Assessment Calculators

	Economic	Consequences: Insignificant None to minimal impact or inconvenience to single business	Minor Inconvenience to a group of businesses in one sector or locally within the SCRC region	Moderate Group of businesses in one sector or locally within the SCRC region put at risk	Major A minor industry or whole sector of the SCRC region put at risk	Catastrophic One or more major industries (eg Tourism, Agriculture, Education, Construction, Manufacturing, Retail, Fishing) within the SCRC region threatened
Likelihood	**Almost Certain** *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

	Financial (Council)	Consequences: Insignificant Zero $ loss – low (ie.<$100K)	Minor Low to Medium $ loss (ie. $100K-$1M)	Moderate Medium to High $ loss (ie.$1M-$10M)	Major Major $ loss (ie. $10M-$25M)	Catastrophic Huge $ loss (ie. >$25M)
Likelihood	**Almost Certain** *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Legislative (Legal & Statutory)	Consequences: Insignificant	Minor	Moderate	Major	Catastrophic
		None or minimal breaches of contractual or legislative obligations	Breach of contractual or legislative obligations identified – request to comply but no fine imposed	Significant breach of contractual or legislative obligations leading to imposed fine	Major breach of contractual or legislative obligations leading to significant fine and/or imprisonment	Complete contractual failure or Massive legislative breach leading to large fines and possible imprisonment for Council's elected members and/or officers
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Environmental	Consequences: Insignificant	Minor	Moderate	Major	Catastrophic
		None or minimal impact on the environment and/or preferred elements of place	Consequences can be readily absorbed but management effort is still required to minimise impacts Minor impact on preferred elements of place	Significant event which can be managed under normal procedures Significant impact on some preferred elements of place	Critical event that, with proper management, will be endured. Critical impacts on multiple preferred elements of place	Disaster with potential to lead to collapse. Totally incongruent with preferred elements of place
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Community Social	Consequences: Insignificant	Minor	Moderate	Major	Catastrophic
		None to minimal complaints about project – primarily acceptance & approval	Some inconvenience to community	Considerable disruption or inconvenience to sectors of the community and negative press coverage	Public protestation and dislocation. Potential for significant psychological or physical harm to sectors of the community, damage to relationships and loss of support	Civil commotion and riot
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Political	Insignificant Concerns expressed but not acted upon	Minor Little impact beyond individual Councillor	Moderate Strained relations at Councillor level No change to normal democratic process Internal Councillor disharmony	Major High levels of dysfunctional operations at Councillor level Fragmented, divisive and indecisive decision making	Catastrophic Loss of elected members from office Severed relationships with other partners and agencies
		Consequences				
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Workplace & Public Safety	Insignificant None or very minimal injuries	Minor Minor injuries resulting in first aid treatment only	Moderate Moderate injuries where medical treatment is required	Major Extensive injuries requiring major medical treatment	Catastrophic Life threatening injuries or death
		Consequences				
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Business Activities	Insignificant None or minimal disruption to business activities	Minor Minor disruption to business activities	Moderate Moderate to significant to business activities	Major Major disruption to business activities	Catastrophic Severe disruption to business activities
		Consequences				
	Almost Certain *is expected to occur at most times (eg several times a year)*	M-28	M-40	H-60	E-88	E-100
	Likely *will probably occur at most times(eg about once per year)*	L-16	M-36	H-56	E-84	E-96
	Possible *might occur at some time(eg once every 5 years)*	L-12	M-32	M-52	H-72	E-92
	Unlikely *could occur at some time(eg once every 5 to 15 years)*	L-8	L-24	M-48	H-68	H-80
	Rare *may occur in rare circumstances(eg unlikely during the next 15 years)*	L-4	L-20	M-44	H-64	H-76

Likelihood	Asset	Consequences: Insignificant	Minor	Moderate	Major	Catastrophic
		None or minimal impact on assets. May be dealt with routine maintenance	Minor impact on assets managed with minimal efforts. Some restrictions in capability	Some impact on assets managed with programmed response. Isolated loss of capability	Major impact on assets requiring a programmed repair/replacement response. Limited capability	Extensive impact on assets requiring a massive replacement or reconstruction effort. Total loss of capability
	Almost Certain (is expected to occur at most times (eg several times a year)	M-28	M-40	H-60	E-88	E-100
	Likely (will probably occur at most times(eg about once per year)	L-16	M-36	H-56	E-84	E-96
	Possible (might occur at some time(eg once every 5 years)	L-12	M-32	M-52	H-72	E-92
	Unlikely (could occur at some time(eg once every 5 to 15 years)	L-8	L-24	M-48	H-68	H-80
	Rare (may occur in rare circumstances(eg unlikely during the next 15 years)	L-4	L-20	M-44	H-64	H-76

Likelihood	Reputation / Public Image	Consequences: Insignificant	Minor	Moderate	Major	Catastrophic
		Some or minimal impact on Council's Reputation	Minor adverse impact on Council's Reputation	Some impact on Council's Reputation. Some sections of the community losing confidence in Council	Major adverse impact on Councils Reputation. Large sections of the community losing confidence in Council	Extensive damage to Council's Reputation resulting in a loss of confidence by the community and other stakeholders
	Almost Certain (is expected to occur at most times (eg several times a year)	M-28	M-40	H-60	E-88	E-100
	Likely (will probably occur at most times(eg about once per year)	L-16	M-36	H-56	E-84	E-96
	Possible (might occur at some time(eg once every 5 years)	L-12	M-32	M-52	H-72	E-92
	Unlikely (could occur at some time(eg once every 5 to 15 years)	L-8	L-24	M-48	H-68	H-80
	Rare (may occur in rare circumstances(eg unlikely during the next 15 years)	L-4	L-20	M-44	H-64	H-76

Risks to WR&M Assets are summarised in Table 5.2 highlighting primary risks identified as moderate to high in relation to the risk calculators.

Table 5.2. Critical Risks and Treatment Plans

Asset at Risk	What can Happen	Consequence	Likelihood	Risk Rating	Risk Treatment Plan
Noosa Eumundi Rd Landfill	Potential for leachate leakage into environment	Major	Possible	H	Connection of landfill site to sewer and Supervisory Control and Data Acquisition (SCADA connection to monitor and allow for leachate flow adjustments
Coolum Landfill	Potential for leachate leakage into environment	Major	Possible	H	Connection of landfill site to sewer and Supervisory Control and Data Acquisition (SCADA connection to monitor and allow for leachate flow adjustments

Asset at Risk	What can Happen	Consequence	Likelihood	Risk Rating	Risk Treatment Plan
Caloundra Pierce Ave Landfill	Potential for leachate leakage into environment	Major	Possible	H	Connection of landfill site to sewer and Supervisory Control and Data Acquisition (SCADA connection to monitor and allow for leachate flow adjustments

5.3 Routine Maintenance Plan

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

5.3.1 Maintenance plan

WR&M land filling contracts have components of planned and reactive maintenance associated with them. This includes landfill batter maintenance, leachate management, stormwater and erosion sediment control. This maintenance carried out by

Maintenance includes reactive, planned and cyclic maintenance work activities.

Reactive maintenance	Unplanned repair work carried out in response to service requests and management/supervisory directions.
Planned maintenance	Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.
Cyclic maintenance	Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, etc. This work generally falls below the capital/maintenance threshold.

Maintenance expenditure trends are shown in Table 5.3.1

Table 5.3.1. Maintenance Expenditure Trends

Year	Maintenance Expenditure		
	Reactive	Planned	Cyclic
2012/13	$413,000	$150,000	$ N/A
2013/14	$413,000	$150,000	$ N/A
2014/15	$413,000	$150,000	$ N/A

Maintenance expenditure levels are considered to be adequate to meet required service levels. Future revision of this asset management plan will include linking required maintenance expenditures with required service levels.

Assessment and prioritisation of reactive maintenance is undertaken by Council staff using experience and judgement.

5.3.2 Standards and specifications

All materials used in the maintenance and repair of the waste assets will comply with all relevant standards, legislation and guidelines. All maintenance work undertaken will be in accordance with:

- Appropriate development and planning regulations
- Australian Standards relating to buildings
- Other appropriate legislation and codes
- Documented occupational health and safety provisions.

5.3.3 Summary of future maintenance expenditures

Future maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Fig 4. Note that all costs are shown in current 2012/2013 dollar values.

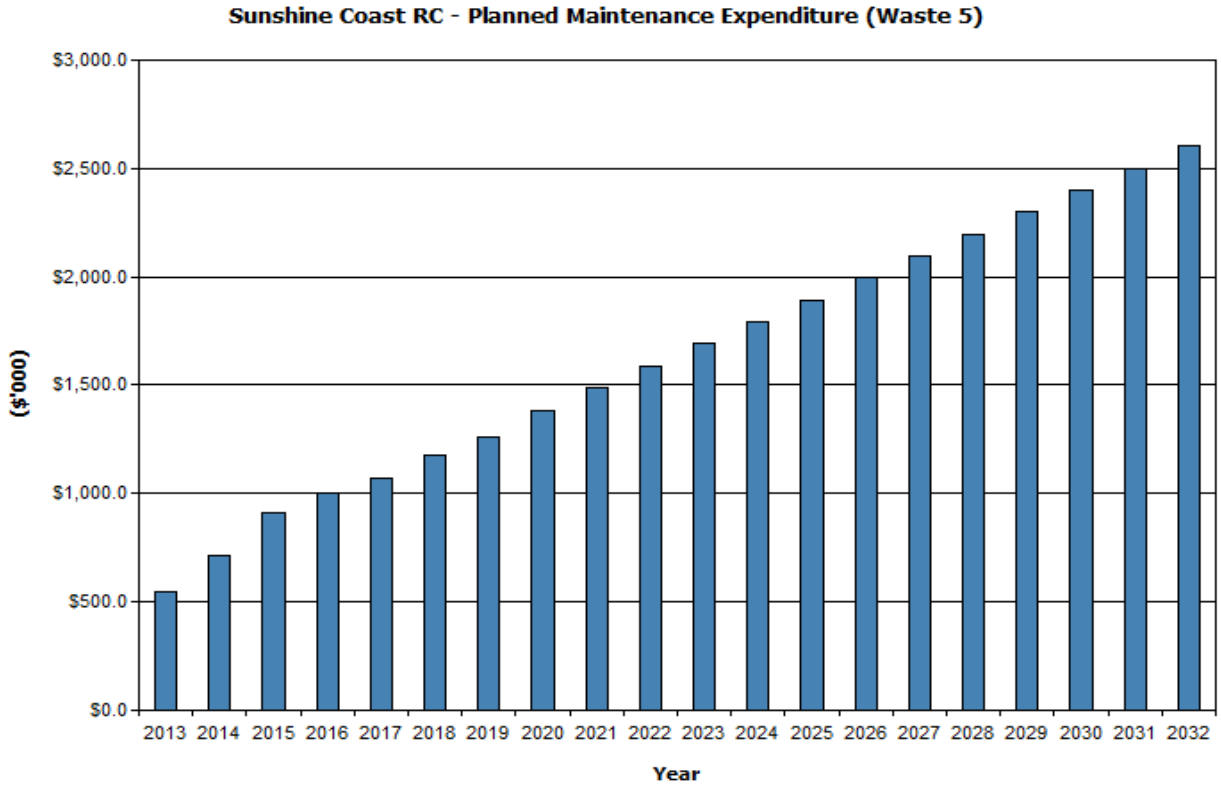


Fig 4. Planned Maintenance Expenditure

Deferred maintenance, ie works that are identified for maintenance and unable to be funded are to be included in the risk assessment process in the infrastructure risk management plan.

Maintenance is funded from Council's operating budget and grants where available. This is further discussed in Section 6.2.

5.4 Renewal/Replacement Plan

Renewal expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original 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 are identified from estimates of remaining life obtained from Councils financial asset register (FAIM). Renewal projects are expected to verify if the assets are still required, the accuracy of remaining life estimate, and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in for Councils 10 year Capital Works Program.The priority ranking criteria is detailed in Table 5.4.1.

Table 5.4.1 Renewal Priority Ranking Criteria

Criteria	Weighting
Community / social benefit	16%
Corporate alignment	14%
Risk assessment	14%
Financial considerations	14%
Environmental impacts	14%
Increase in catchment	14%
Contractual obligations	14%
Total	100%

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.

5.4.2 Renewal standards`

The standards and specifications for renewal works will reflect the best current technologies, national standards and legislative requirements. All renewal work will be carried out in accordance with relevant Council policies, Building Codes and Landfill license requirements.

5.4.3 Summary of future renewal expenditure

Projected future renewal expenditures are forecast to increase over time as the asset stock ages. The costs are summarised in Fig 5. Note that all costs are shown in current 2012/2013 dollar values.

The projected capital renewal program is shown in Appendix B.

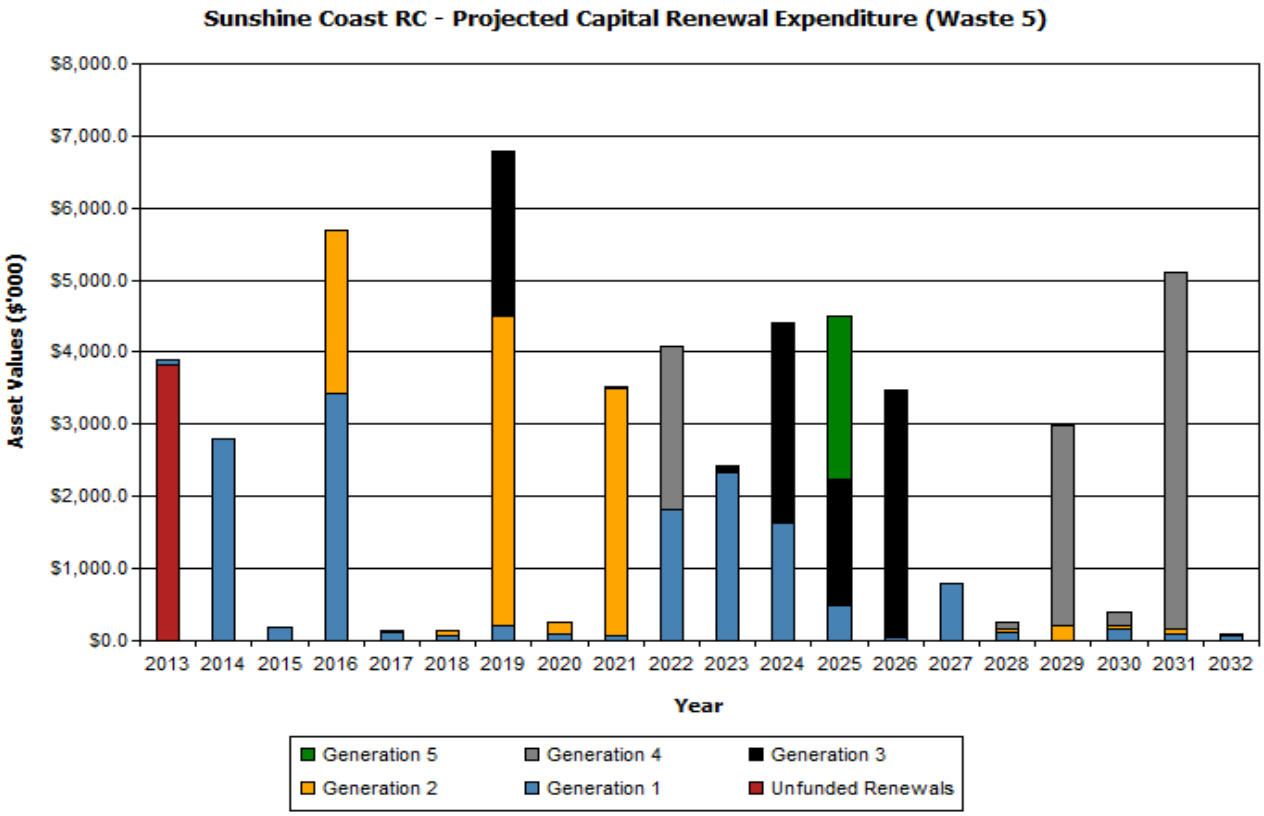


Fig 5. Projected Capital Renewal Expenditure

Deferred renewal, ie those assets identified for renewal and not scheduled for renewal in capital works programs are to be included in the risk assessment process in the risk management plan.

Renewals are to be funded from Council's capital works program and grants where available. This is further discussed in Section 6.2.

5.5 Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which increase the level of service, upgrade or improve an existing asset beyond its current capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the Council from land development. These assets from growth are considered in Section 4.4.

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 inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in Councils 10 year Capital Works works program. The priority ranking criteria is detailed below.

Table 5.5.1 New Assets Priority Ranking Criteria

Criteria	Weighting
Community / social benefit	16%
Corporate alignment	14%
Risk assessment	14%
Financial considerations	14%
Environmental impacts	14%
Increase in catchment	14%
Contractual obligations	14%
Total	100%

5.5.2 Standards and specifications

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal shown in Section 5.4.2.

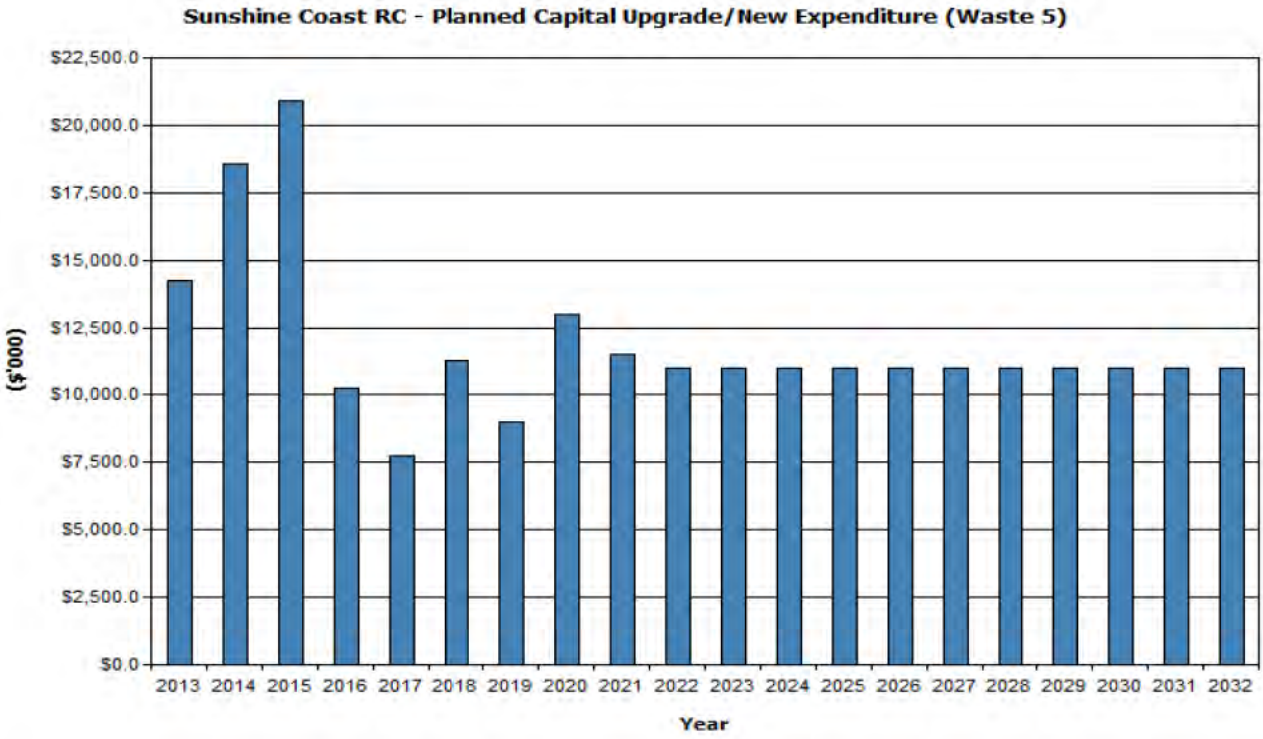
5.5.3 Summary of future upgrade/new assets expenditure

Planned upgrade/new asset expenditures are summarised in Fig 6. The planned upgrade/new capital works program is shown in Appendix C. All costs are shown in current 2012/2013 dollar values.

Strategically capital projects are planned through:

- Waste Minimisation Strategy 2009-2014
- Regional Waste Management Disposal Plan
- Buderim Resource Recovery Centre – Master Plan
- Nambour Landfill – Master Plan
- Eumundi Road Landfill – Master Plan
- Pierce Ave – Master Plan

Fig 6. Planned Capital Upgrade/New Asset Expenditure



New assets and services are to be funded from Council's capital works program and grants where available. This is further discussed in Section 6.2.

5.6 Disposal Plan

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 needs to further develop a disposal plan for those assets which are no longer required to provide the service.

Table 5.6 Assets identified for Disposal

Asset	Reason for Disposal	Timing	Cash flow from disposal
Nil			

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 Financial Statements and Projections

The financial projections are shown in Fig 7 for planned operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets).

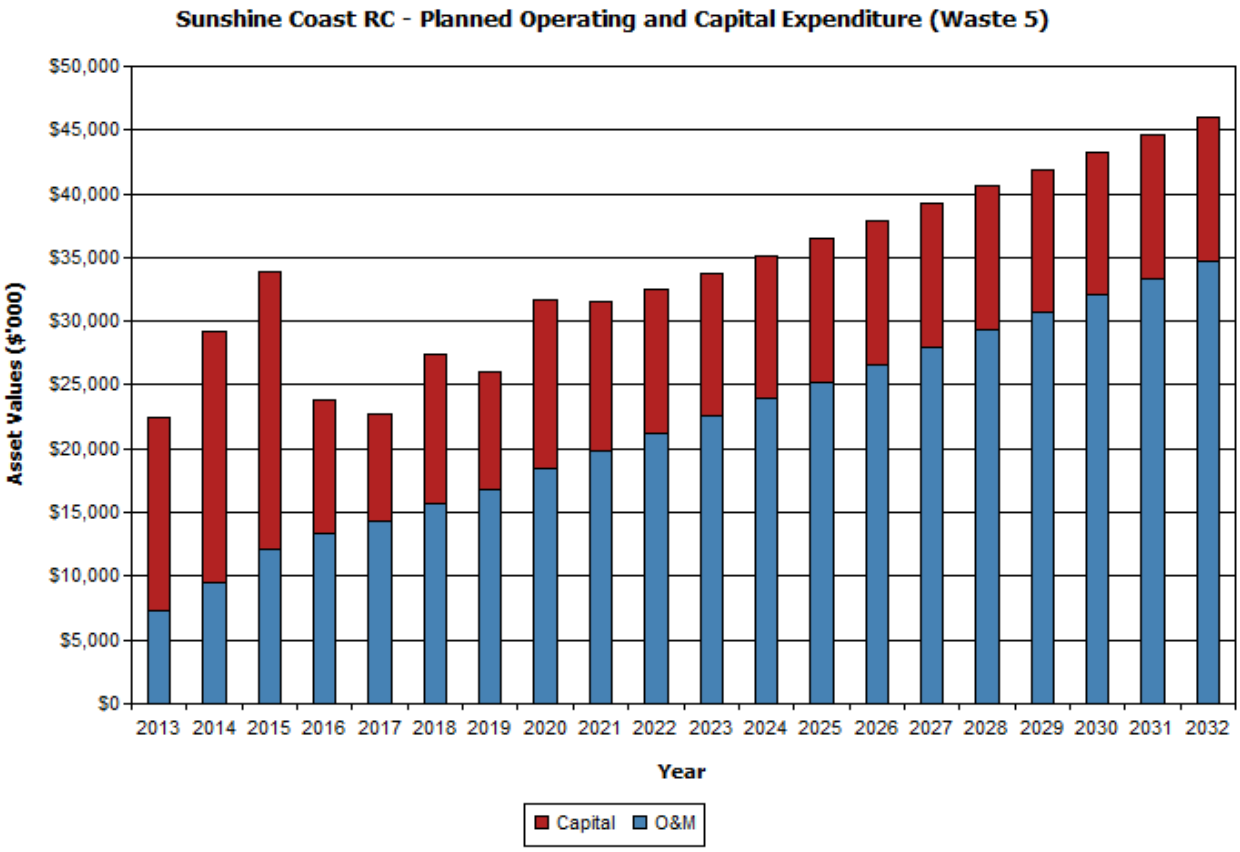


Fig 7. Planned Operating and Capital Expenditure

Note that all costs are shown in current 2012/13 dollar values, and are based on data available from Councils financial assets register. (FAIM)

6.1.1 Sustainability of service delivery

There are two key indicators for financial sustainability that have been considered in the analysis of the services provided by this asset category, these being long term life cycle costs and medium term costs over the 10 year financial planning period.

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 longest asset life. Life cycle costs include maintenance and asset consumption (depreciation expense).

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 Waste and Resources

Management 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.

Medium term – 10 year financial planning period

This asset management plan identifies the estimated maintenance and capital expenditures required to provide an agreed level of service to the community over a 20 year period for input into a 10 year financial plan and funding plan to provide the service in a sustainable manner.

This may be compared to existing or planned expenditures in the 20 year period to identify any gap. In a core asset management plan, a gap is generally due to increasing asset renewals.

Fig 8 shows the projected asset renewals in the 20 year planning period from the asset register. The projected asset renewals are compared to planned renewal expenditure in the capital works program and capital renewal expenditure in year 1 of the planning period as shown in Fig 8. Table 6.1.1 shows the annual and cumulative funding gap between projected and planned renewals.

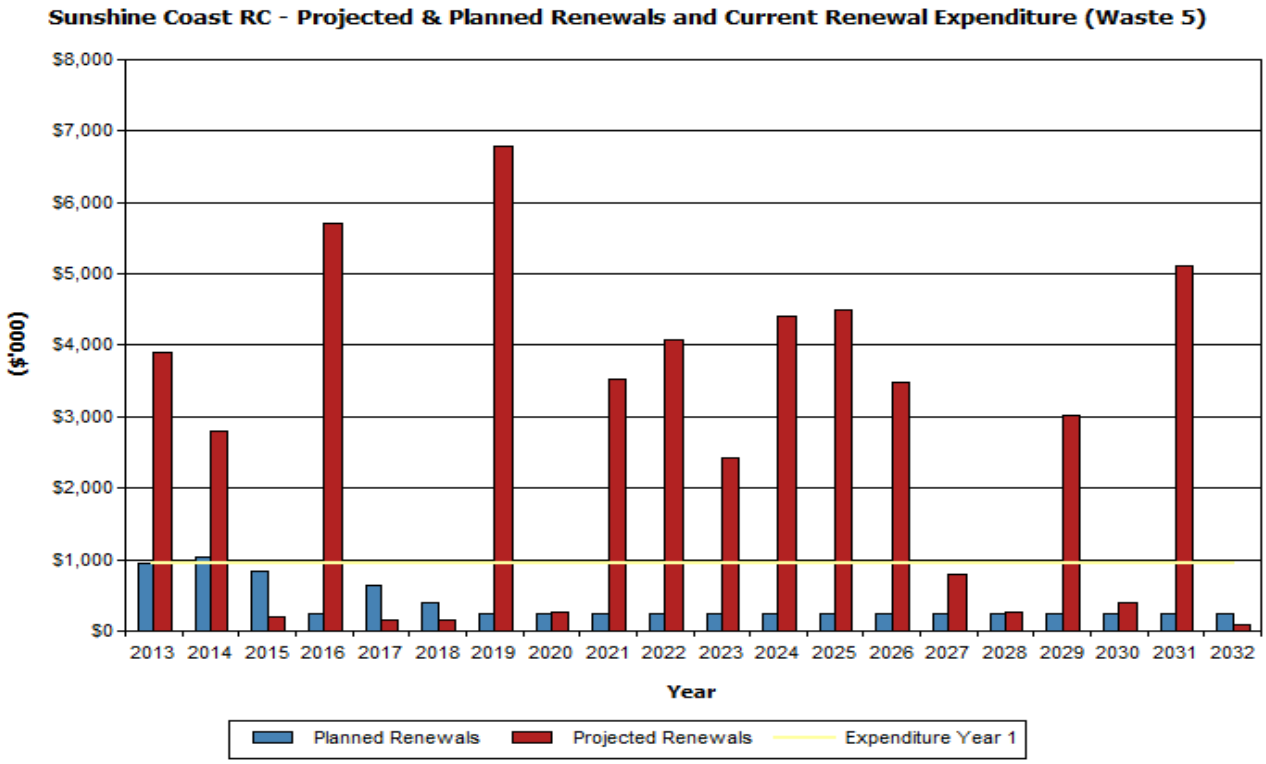


Fig 8. Projected and Planned Renewals and Current Renewal Expenditure

Year End June 30	Total Operations Expenditure ($'000)	Total Maintenance Expenditure ($'000)	Projected Capital Renewal Expenditure ($'000)	Planned Capital Upgrade/New Expenditure ($'000)	Planned Disposals ($'000)	Planned Capital Renewal Expenditure ($'000)	Shortfall in Renewal Expenditure (Projected - Planned) ($'000)	Cumulative Renewal Funding Shortfall ($'000)
2013	6721.49	544.31	3894.9	14237	0	949	2945.9	2945.9
2014	8838.75	715.77	2806.76	18590	0	1045	1761.76	4707.65
2015	11220.48	908.64	196.98	20912	0	834	-637.02	4070.63
2016	12386.51	1003.06	5697.48	10238	0	236	5461.48	9532.12
2017	13269.18	1074.54	149.42	7750	0	648	-498.58	9033.54
2018	14550.47	1178.3	147.63	11250	0	388	-240.37	8793.17
2019	15575.51	1261.31	6777.43	9000	0	238	6539.43	15332.6
2020	17056.11	1381.21	261.43	13000	0	238	23.43	15356.04
2021	18365.88	1487.28	3516.81	11500	0	238	3278.81	18634.85
2022	19618.7	1588.73	4078.23	11000	0	238	3840.23	22475.08
2023	20871.52	1690.18	2425.91	11000	0	238	2187.91	24662.99
2024	22124.34	1791.64	4418.03	11000	0	238	4180.03	28843.02
2025	23377.15	1893.09	4500.47	11000	0	238	4262.47	33105.49
2026	24629.97	1994.54	3480.05	11000	0	238	3242.05	36347.54
2027	25882.79	2096	784.51	11000	0	238	546.51	36894.05
2028	27135.61	2197.45	253.9	11000	0	238	15.9	36909.95
2029	28388.43	2298.91	3013.54	11000	0	238	2775.54	39685.49
2030	29641.25	2400.36	389.72	11000	0	238	151.72	39837.22
2031	30894.07	2501.81	5104.93	11000	0	238	4866.93	44704.14
2032	32146.89	2603.27	94.53	11000	0	238	-143.47	44560.67

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 eliminate any funding gap.

Council's long term financial plan covers the first 10 years of the 20 year planning period. The total maintenance and capital renewal expenditure required over the 10 years is approx. $9.2 million.

6.2 Funding Strategy

Projected expenditure identified in Section 6.1 is to be funded from Council's operating and capital budgets. The funding strategy is detailed in the WR&M 30 year long term financial plan.

6.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by Council and from assets constructed by land developers and others and donated to Council. Fig 9 shows the projected replacement cost asset values over the planning period in current 2013/2013 dollar values.

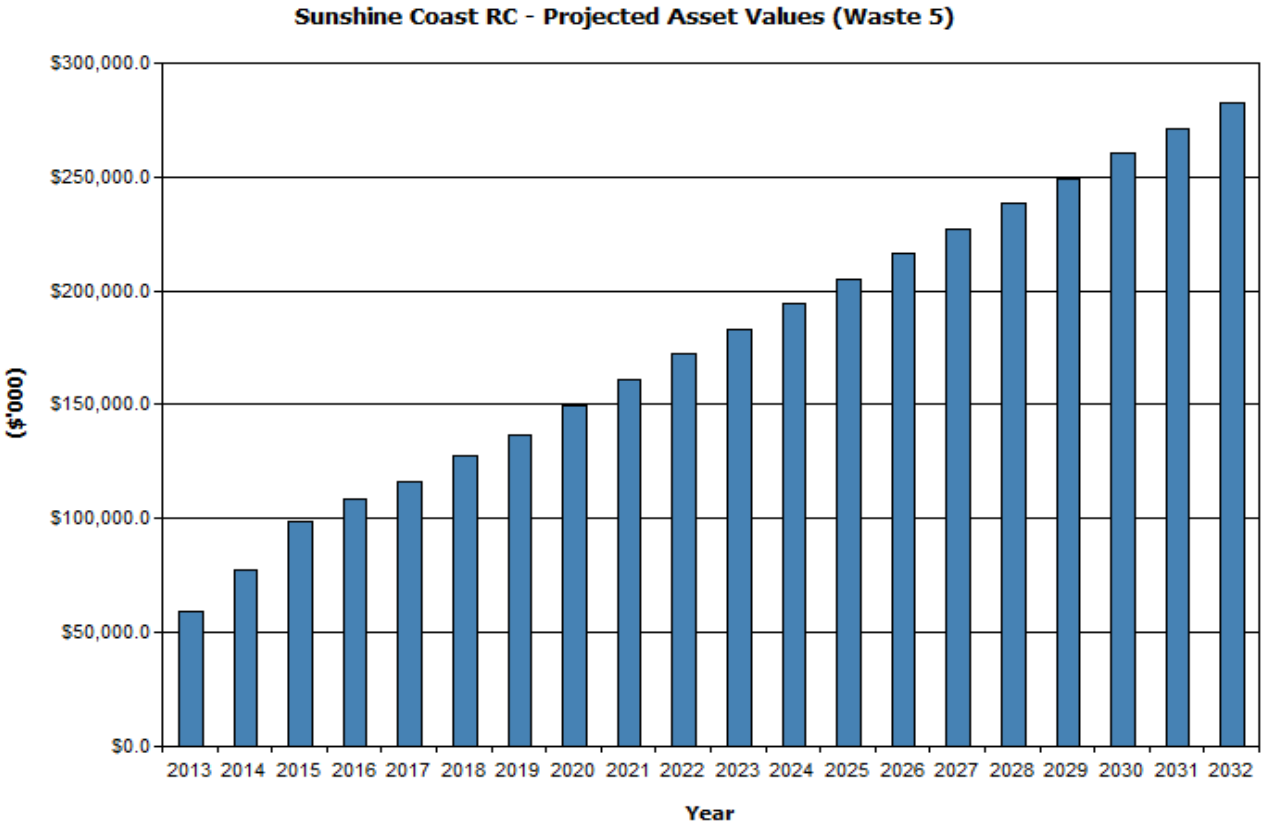


Fig 9. Projected Asset Values

Depreciation expense values are forecast in line with asset values as shown in Fig 10.

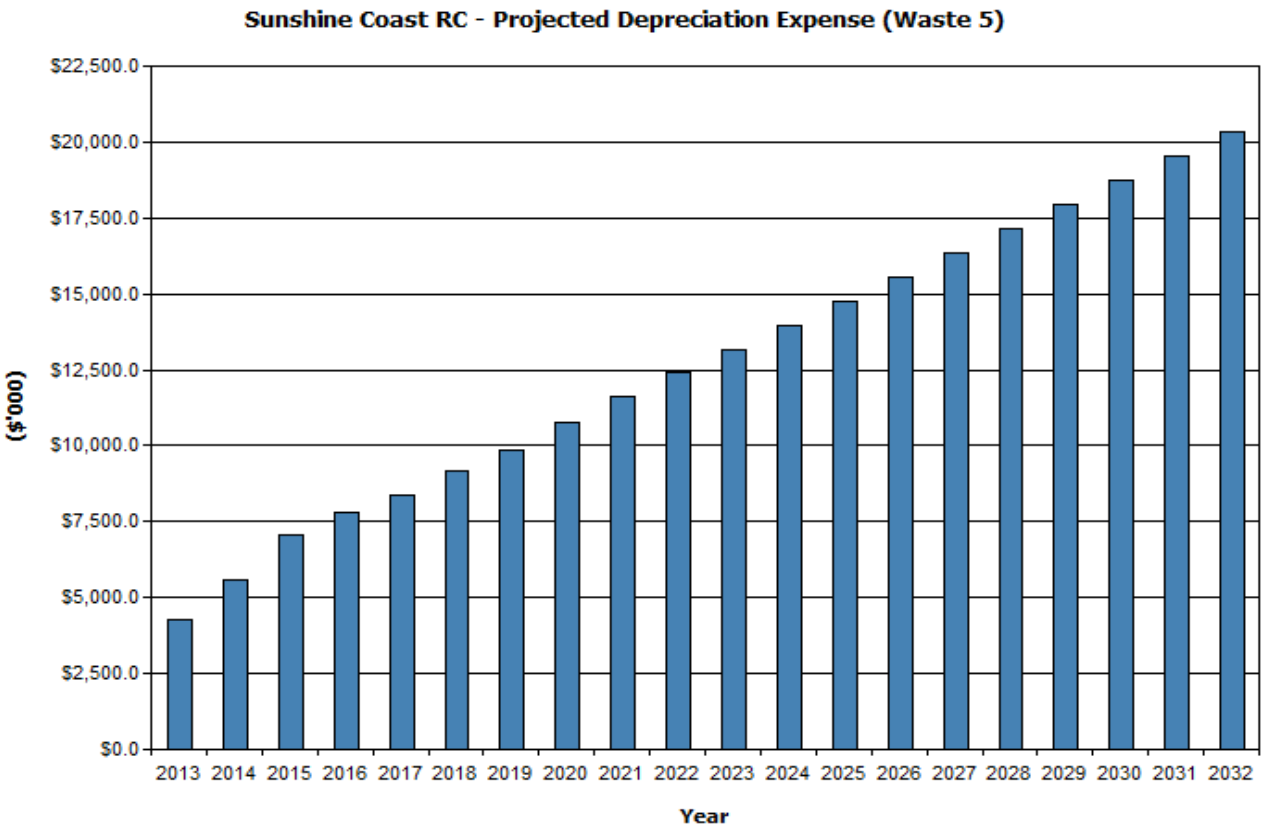


Fig 10. Projected Depreciation Expense

The depreciated replacement cost (current replacement cost less accumulated depreciation) 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 Fig 11.

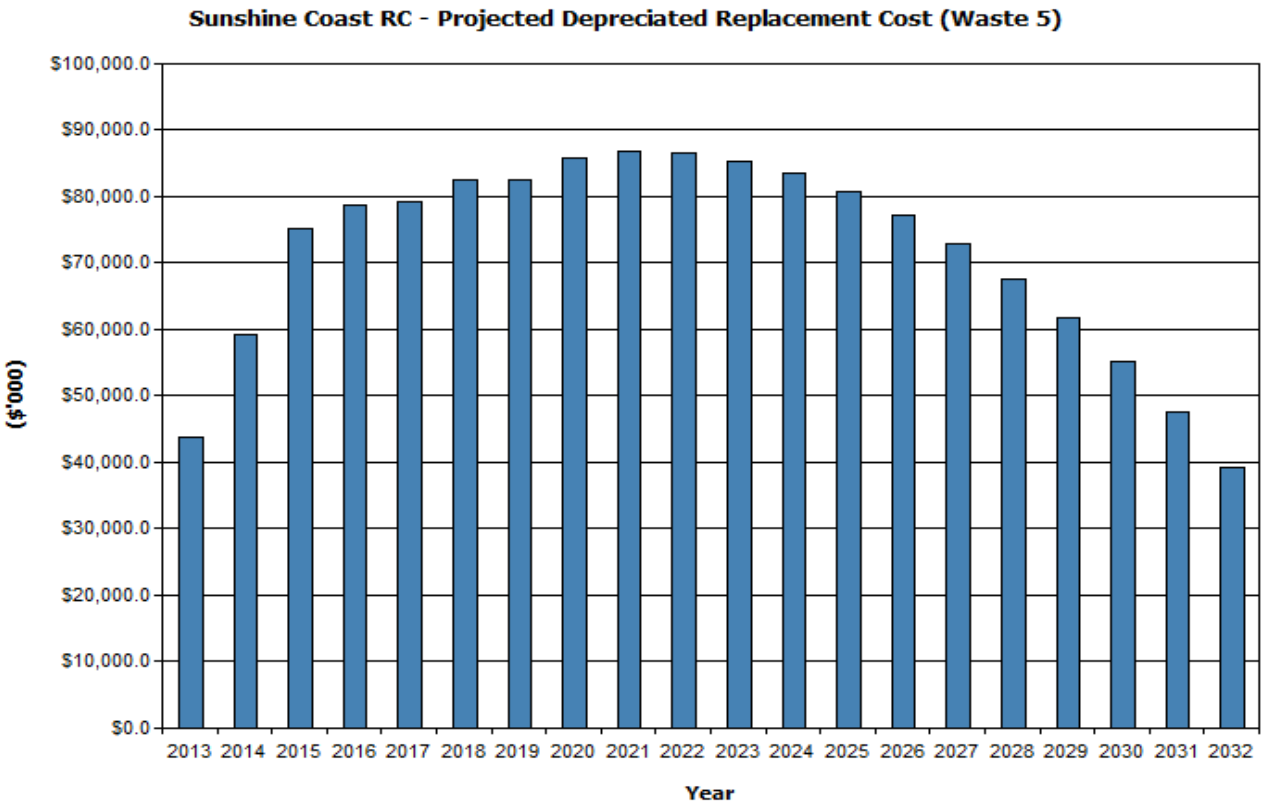


Fig 11. Projected Depreciated Replacement Cost

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 Key assumptions made in this asset management plan are:

- WR&M assets will remain in Council ownership throughout the planning period
- All expenditure is stated in dollar values as at 2012/2013 with no allowance made for inflation over the planning period
- The value of the assets were adopted from the Finance Asset Information Module

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

- Clarification of asset data and accuracy of captured assets
- Undertaking condition assessments of assets
- Componentisation of assets

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

- Accuracy and currency of financial asset information system data (Technology One)
- Review of Chart of Account structure

7. ASSET MANAGEMENT PRACTICES

7.1 Accounting/Financial Systems

Sunshine Coast Council operates the Technology One system for management of financial information.

This system is managed by the Finance Business Unit. Technology One is interfaced with the Maximo Asset Management System (see below) to enable the transfer of financial asset information between the two systems.

7.2 Asset Management Systems

Sunshine Coast Regional Council operates the Maximo asset management system for the management of asset information. The asset management system is linked to the finance system via a software interface.

Asset managers are responsible for maintaining data pertaining to their asset area.

Geographical data is held on all assets within ArcGIS to display and edit geographical data

7.3 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, Strategic Business Plan, annual budget and departmental business plans and budgets.

7.4 Standards and Guidelines

International Infrastructure Manual (IIMM 2011)

Asset Management Policy

Financial Sustainability Plan

8. PLAN IMPROVEMENT AND MONITORING

8.1 Performance Measures

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

- The degree to which the required cashflows identified in this asset management plan are incorporated into council's long term financial plan and Strategic Management Plan;
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan;
- Informed decisions on expenditure allocations with regard to levels of service

8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 8.2.

Table 8.2 Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1.	Review of roles and responsibilities			
2.	Review of systems (linkages / dependencies)			
3.	Review current asset management processes			
4.	Review of data integrity			
5	Asset revaluations	SCC & WRM	Consultant	Jun 14`
6.	Condition inspection of Assets & asset validation	SCC & WRM	Consultant	Dec 14`
7	Review of Asset categories and sub-categories	SCC & WRM	Consultant	Dec 14
8	Further integration with 30 year financial model	WRM	Consultant	Dec 14

8.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget preparation and amended to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process.

The Plan has a life of 4 years and is due for revision and updating within 2 years of each Council election.



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