

APPENDIX A – BUILDINGS, OTHER STRUCTURES AND LAND IMPROVEMENT ASSETS – ASSET MANAGEMENT PLAN

This asset management plan covers the portfolio of structures that deliver a wide range of services to the Lismore City Council community.

This Asset Management Plan includes all of Council's Buildings and Facilities, Other Structures, Recreational Area's and Land Improvement Assets.

Council's Buildings include the administration centre, depots, halls, library, museum, GSAC, Laurie Allen Centre as well Council's recreational amenity buildings and toilets. The structures for Council's water and wastewater treatment and pumping facilities are also included in this plan.

The other structures and recreation areas include all of Council's parks, playgrounds, sporting fields and equipment miscellaneous items such as benches, seats etc. As well as the roads, bridges, footpaths and drainage assets within these reserves.

As the owner and operator of building, other structures and recreational assets, Council has a responsibility for a number of functions including:

- maintenance
- renewal and refurbishment
- upgrades and improvements
- disposal of assets.

The planning of these functions is outlined in this asset management plan.

A1.1 PURPOSE OF THIS PLAN

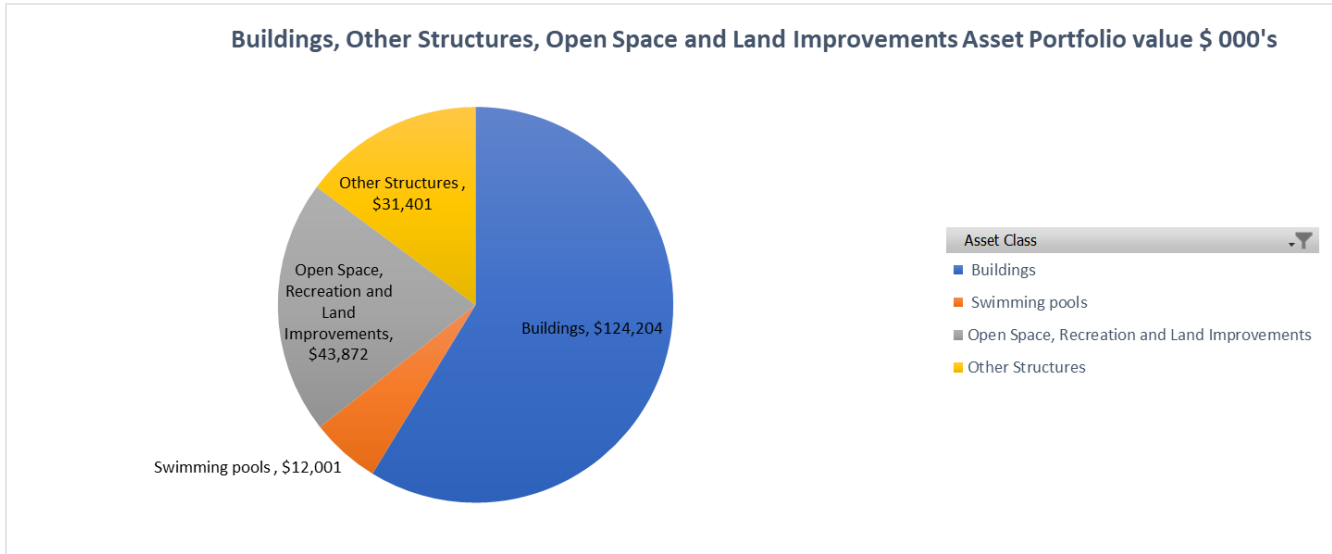
The purpose of this asset management plan is to develop a strategic framework for the maintenance and renewal of buildings, other structures and recreation assets and to provide an agreed level of service in the most effective manner.

This plan includes the following scope of management:

- asset inventory, values and condition
- asset-based levels of service
- demand and service management
- risk management
- development of the long-term financial plan (LTFP) for the maintenance and renewal of buildings, other structures and recreation assets.

A1.2 PORTFOLIO OVERVIEW

Figure 1 Consolidated AMP Portfolio Overview



Infrastructure Ratios	Budget 2023/24	Estimated 2032/33	Funding gap \$000's	
Infrastructure Renewals ratio	720.56%	40.68%	Yr 1	\$28,455
			5 Yr Average	\$3,311
			10 Yr Average	\$428
Infrastructure Backlog Ratio	36.85%	46.84%	Yr 1	(-\$25,582)
			5 Yr Average	(-\$26,696)
			10 Yr Average	(-\$27,851)
Infrastructure Maintenance Ratio	101.60%	106.46%	Yr 1	\$83
			5 Yr Average	\$193
			10 Yr Average	\$283
Total Infrastructure Funding Gap			Yr 1	\$2,956
			5 Yr Average	(-\$23,193)
			10 Yr Average	(-\$27,141)

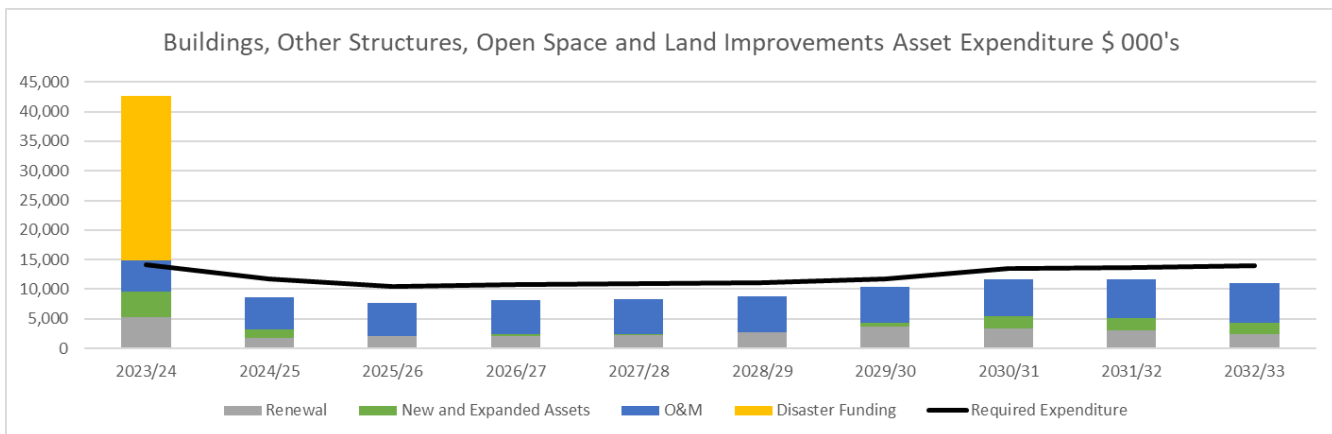
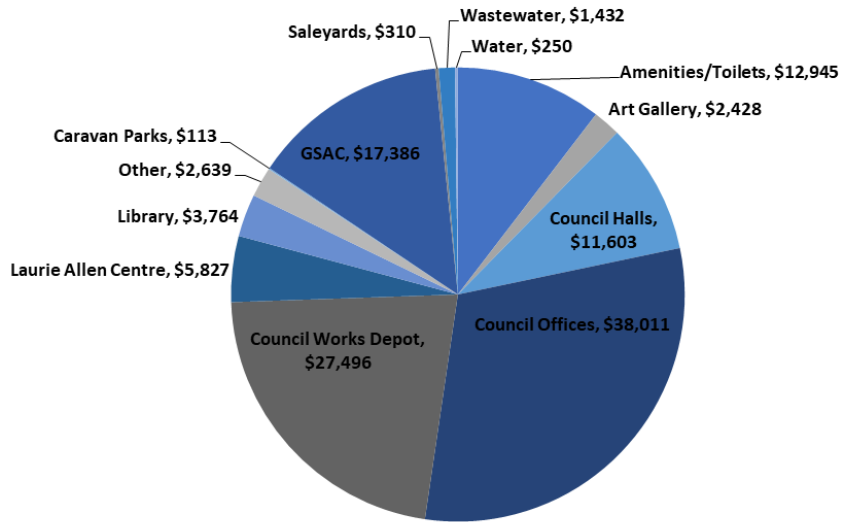


Figure 2 Buildings Portfolio Overview

Asset Class ▾

BUILDINGS ASSET PORTFOLIO VALUE \$ 000'S



Infrastructure Ratios	Budget 2023/24	Estimated 2032/33	Funding gap \$ 000's	
Infrastructure renewals ratio	1652.31%	67.52%	Yr 1	\$20,646
			5 Yr Average	\$3,546
			10 Yr Average	\$1,608
Infrastructure Backlog Ratio	49.15%	45.42%	Yr 1	(-\$24,292)
			5 Yr Average	(-\$24,540)
			10 Yr Average	(-\$24,710)
Infrastructure Maintenance Ratio	71.38%	76.73%	Yr 1	(-\$558)
			5 Yr Average	(-\$550)
			10 Yr Average	(-\$545)
Total Funding Gap			Yr 1	(-\$4,204)
			5 Yr Average	(-\$21,543)
			10 Yr Average	(-\$23,647)

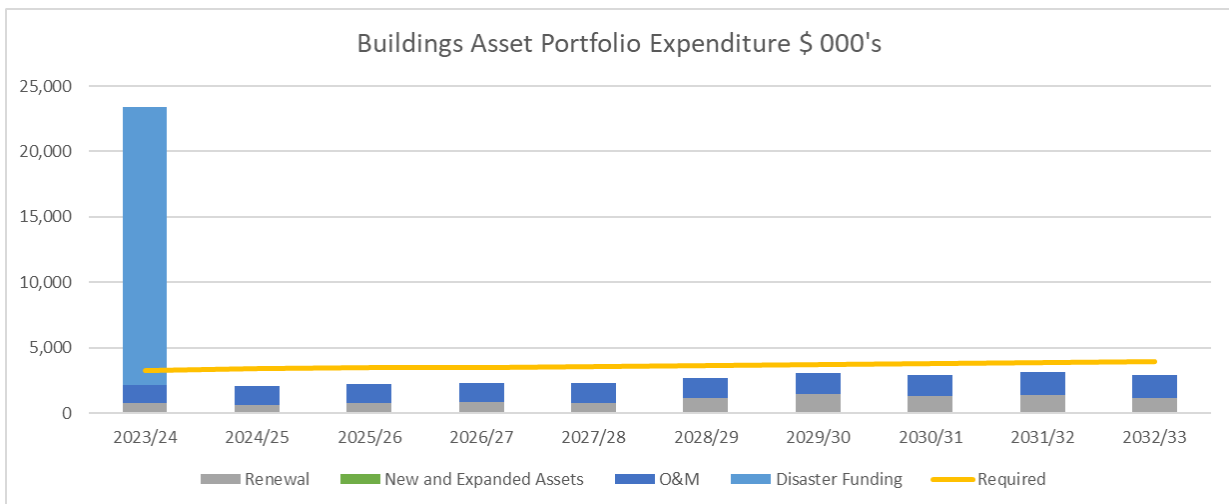
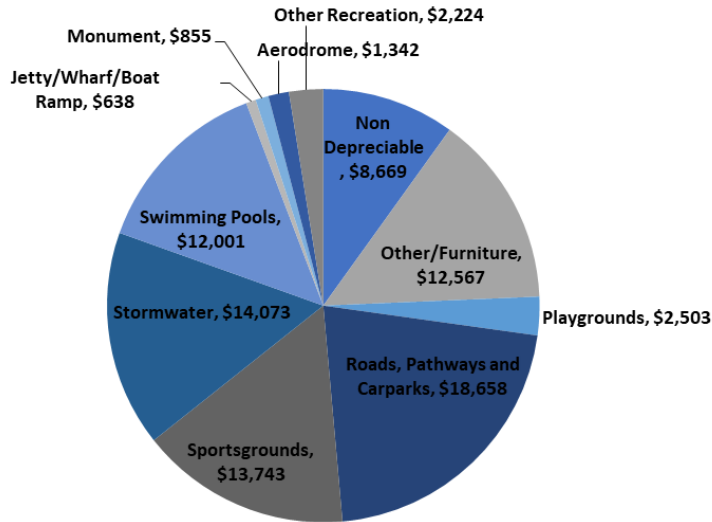


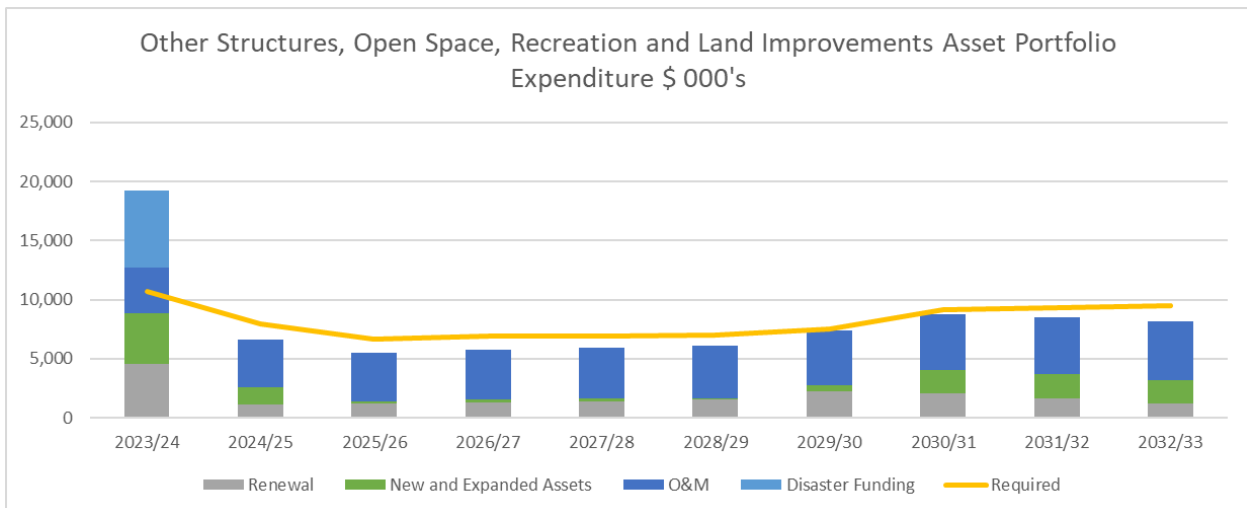
Figure 3 Other Structures and Open Space and Land Improvements Portfolio Overview

Asset Class ▾

OTHER STRUCTURES, OPEN SPACE, RECREATION AND LAND IMPROVEMENTS ASSET PORTFOLIO VALUE \$ 000'S



Infrastructure Ratios	Budget 2023/24	Estimated 2023/33	Funding gap \$ 000's	
Infrastructure renewals ratio	342.61%	32.11%	Yr 1	\$7,835
			5 Yr Average	(-\$93)
			10 Yr Average	(-\$974)
Infrastructure Backlog Ratio	8.29%	124.01%	Yr 1	(-\$1,306)
			5 Yr Average	(-\$2,134)
			10 Yr Average	(-\$3,044)
Infrastructure Maintenance Ratio	123.36%	131.98%	Yr 1	\$737
			5 Yr Average	\$879
			10 Yr Average	\$1,015
Total Funding Gap			Yr 1	\$7,266
			5 Yr Average	(-\$1,348)
			10 Yr Average	(-\$3,003)



A1.3 ASSET CLASS SUMMARY

Council faces a significant period of uncertainty with difficult challenges to overcome for its Buildings, Other Structures and Land Improvements portfolio. The 2022 floods not only caused significant damage to community infrastructure (with around \$26.7m worth of buildings and open space infrastructure works to be funded by disaster recovery grant funding) there is also uncertainty with respect to the replacement of the services provided by these facilities due to a lack of clarity around the rebuilding, relocation and recovery following the natural disaster event. Strategic growth planning undertaken prior to the events will need to be reviewed, and Council will need to consider whether its current composition of assets is in the right locations and adequately services its communities.

In reviewing the financial position of this AMP, there is a long-term shortfall in overall budgeted spending relative to the expected CAPEX and OPEX requirements for Council's Buildings, Other Structures and Land Improvement assets. Of note however is that a significant portion of these funds are tied to operations expenditure and do not adequately provide for the renewal of infrastructure. Without additional funding Council's portfolio of assets will gradually deteriorate and the backlog will increase.

However, it is important to note that only preliminary estimates of grant funding to assist with post flood recovery has been factored into projections in this iteration of the asset management plan. As further details are understood, these will be incorporated into future iterations of this plan as further guidance is made available to Council.

This iteration of the asset management plan sets a pathway for post-flood recovery and a strategic approach for the management of Council's assets to improve confidence in asset data which will promote sound decision making for the community.

A1.4 ASSET INVENTORY, VALUES AND CONDITION

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

Table 1 Buildings, Other Structures and Land Improvements Inventory

Asset Class	Description	Unit of Measure	Units
Buildings	Amenities/Toilets	No.	41
Buildings	Council Offices	No.	2
Buildings	Other	No.	2
Buildings	Saleyards	No.	5
Buildings	Quarry	No.	11
Buildings	Emergency Services	No.	2
Buildings	Art Gallery	No.	1
Buildings	Laurie Allen Centre	No.	1
Buildings	Local Library	No.	1
Buildings	Caravan Park	No.	1
Buildings	GSAC	No.	1
Buildings	Richmond Tweed Regional Library	No.	1
Buildings	Works Depot	No.	3
Buildings	Aerodrome	No.	1
Buildings	Workshop	No.	2
Buildings	Wastewater Facilities	No.	3
Buildings	Water Supply Facilities	No.	16

Asset Class	Description	Unit of Measure	Units
Other Structures and Land Improvements	Artwork	No.	8
Other Structures and Land Improvements	Heritage Assets	No.	14
Other Structures and Land Improvements	Monuments	No.	50
Other Structures and Land Improvements	Playgrounds	No.	33
Other Structures and Land Improvements	Basketball/Netball Courts	No.	14
Other Structures and Land Improvements	BMX Tracks	No.	1
Other Structures and Land Improvements	Tennis Courts	No.	14
Other Structures and Land Improvements	Skateparks	No.	4
Other Structures and Land Improvements	Sports fields/Ovals	No.	24
Other Structures and Land Improvements	Cricket Pitches	No.	24

Table 2 Buildings, Other Structures and Land Improvements Portfolio Valuation

Asset	Gross Replacement Cost	Written Down Value	Annual Depreciation	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Buildings	\$124,204	\$65,266	-\$1,533	54%	8%	1%	4%	33%
Other Structures	\$31,401	\$18,004	-\$1,226	41%	24%	25%	2%	8%
Aquatic Centres	\$12,001	\$4,824	-\$158	2%	27%	11%	31%	29%
Land Improvements and other Open Space Assets	\$43,872	\$16,932	-\$2,321	9%	45%	43%	2%	1%

Figure 4 Buildings Condition Summary

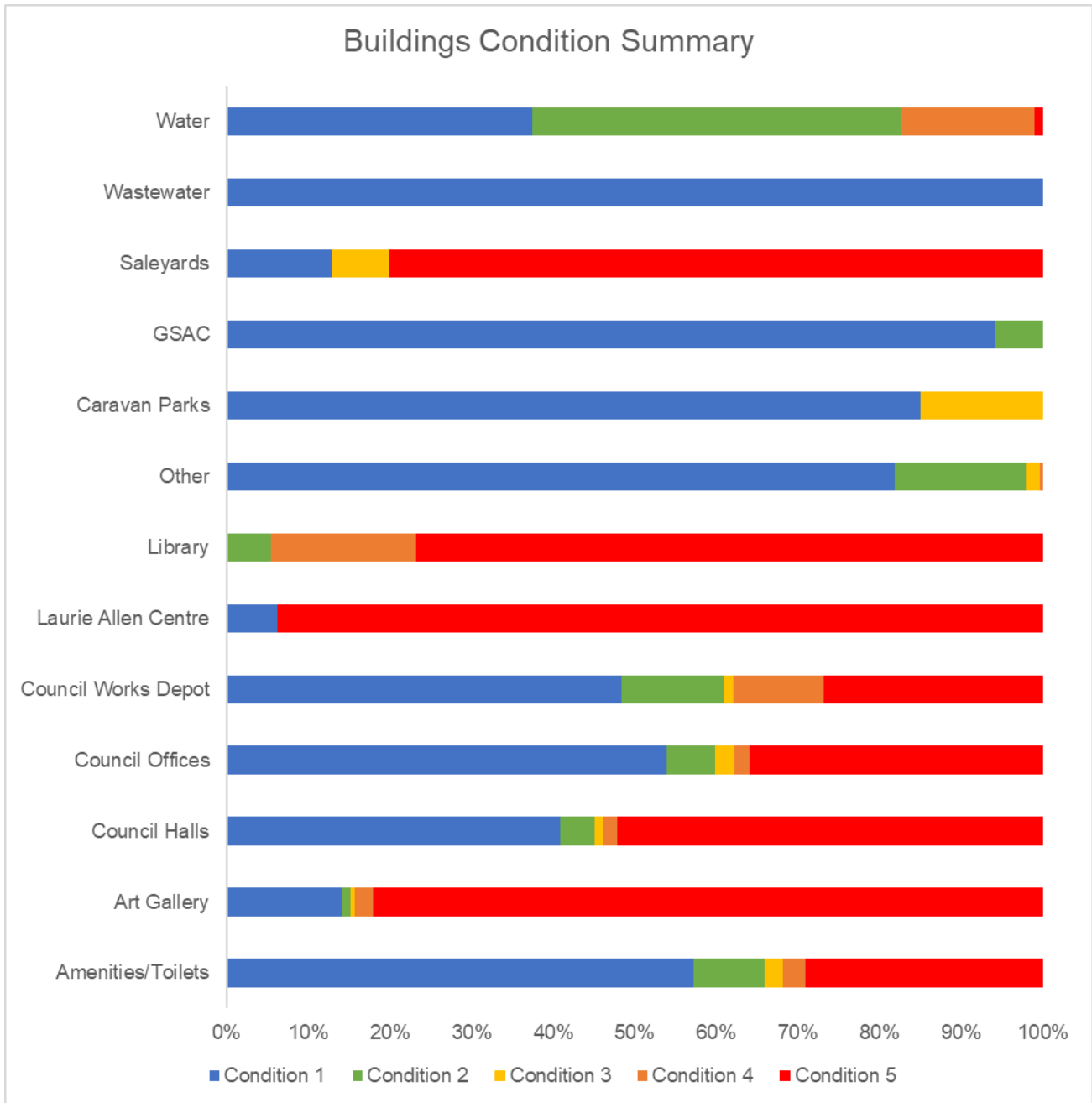
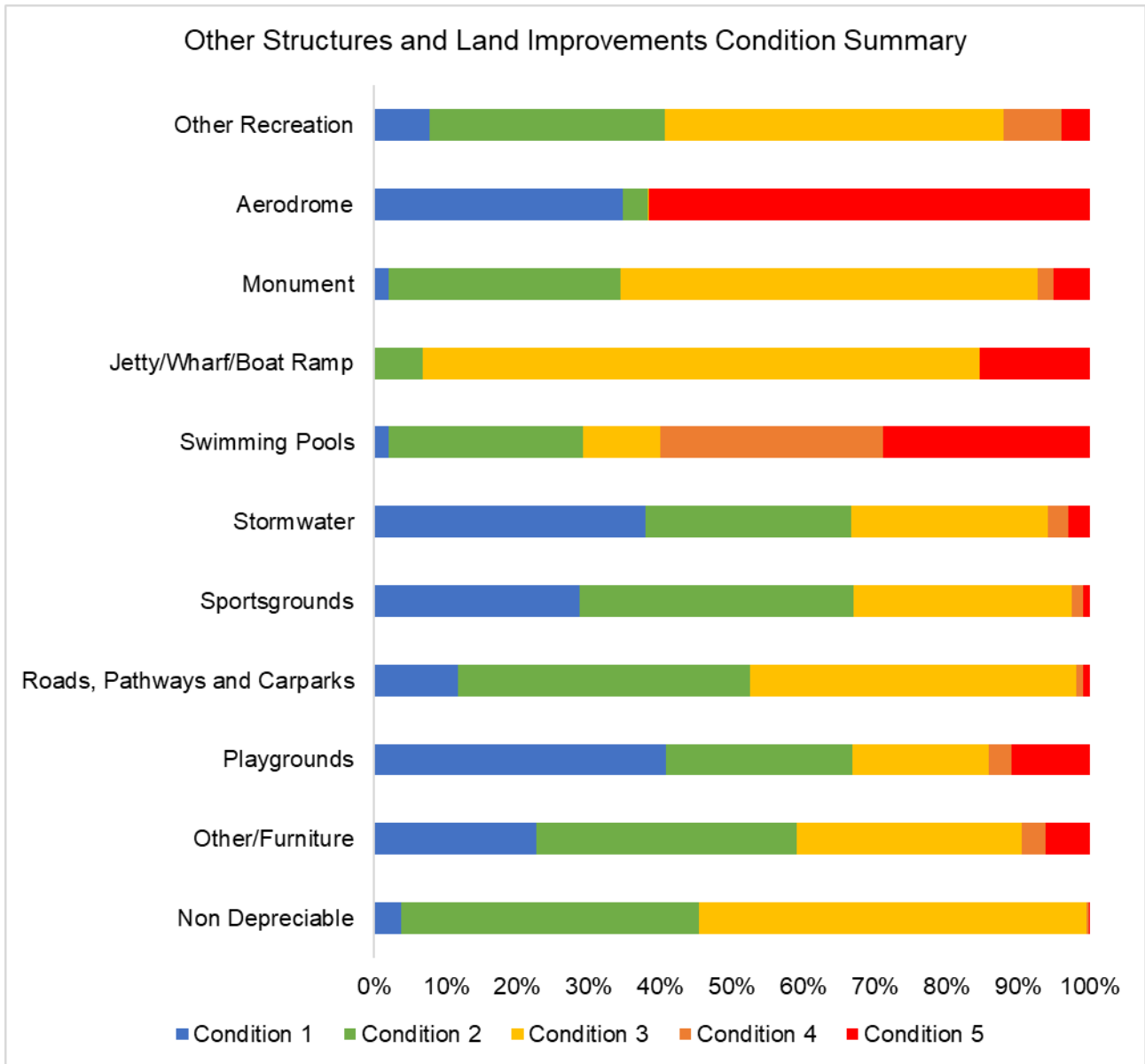


Figure 5 Other Structures and Land Improvements Condition Summary



A1.5 ROLES AND RESPONSIBILITIES

Council has adopted the following roles and responsibilities matrix for its buildings, other structures and land improvement assets.

Table 3 Buildings, Other Structures, Land Improvements and Recreation Roles and Responsibilities

Position	Role	Asset Class	Responsibilities	Functions
Manager Assets	Asset Owner	Buildings Other Structures and Land Improvements Recreation	This position takes ownership responsibility for the management of assets and is usually responsible for policy and over all asset strategy	Establish long term policy and strategy Establish existing demand for assets Establish future demand for assets (type and standard) Establish long term community expectation Implement policy and strategy for existing assets Establish community asset service level Ensure integration of asset management into Council's community, delivery and operational plans & resourcing Strategy Maintain and develop asset systems and reporting Ensure asset accounting is accurate and maintained, and asset valuation, Develop capital works prioritisation Develop capital works program Liaison with the organisation as a whole on asset matters.
Asset Engineer	Asset Custodian	Buildings Other Structures and Land Improvements Recreation	This position is the technical expert and has responsibility for collecting and maintaining asset data, determining works programs and maintenance strategies etc.	Develop and oversee capital works and maintenance program Handover and documentation Control budgets Develop asset plans Asset condition rating Risk management Data custodian – Hierarchy, level of detail Recommendation of asset disposal and renewal 4yr program.
Coordinator Property Maintenance	Asset Delivery - Maintenance Asset Delivery - CAPEX Service Manager - Operations	Buildings	Responsible for the day-to-day maintenance, operations and services delivered by assets as well as the delivery of capital works	Controls asset use, in line with policy Deliver programmed and reactive maintenance, internal/external Deliver and / or manage capital works Manage all operations and service delivery functions Manage service user expectations Deliver adopted levels of service.
Parks Coordinator	Asset Delivery - Maintenance Service Manager - Operations	Other Structure and Land Improvements Recreation	Responsible for the day-to-day maintenance, operations and services delivered by assets	Controls asset use, in line with policy Deliver programmed and reactive maintenance, internal/external Deliver and / or manage capital works Operations and service delivery Manage all service delivery functions Manage service user expectations Deliver adopted levels of service.
Coordinator Parks and Open Spaces	Asset Delivery - Capital	Other Structure and Land Improvements Recreation	Responsible for the delivery of capital works	Controls asset use, in line with policy Deliver and / or manage capital works.

A1.5 ASSET BASED LEVELS OF SERVICE

Table 4 Buildings Levels of Service

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Accessibility	Provide adequate physical access to facilities	Disability Discrimination Act (DDA) compliance.	Percent of community facilities which are accessible.	
		DDA action plan	Compliance with DDA Action Plan.	
Quality/condition	Percent of physical assets in condition 4 or better	Condition assessment	95% of assets in satisfactory condition or better.	
Reliability/responsiveness	Ensure services are reliable	Community satisfaction survey	90% of customer requests are completed within Council's Customer Charter.	
Customer satisfaction and involvement	Art centres and library facilities are provided that meet community demand	Community satisfaction survey – art centre and libraries	The gap between importance and performance rating improves.	
Affordability	The services are affordable and managed using the most cost-effective methods for the required level of service	Review of service agreements and benchmark with other councils	Total operating and maintenance are not greater than benchmarking against comparable councils.	
			Any major renewal and capital works projects go through a capital works framework, requiring business case to demonstrate economic benefits and value.	
Sustainability	Assets are managed with respect for future generations	Lifecycle approach to managing assets	Prepare a ten-year asset functionality / condition based renewals plan. Ensure the plan is approved by authorities and updated every four years.	
	Assets meet financial sustainability ratios	Consumption ratio	Between 50% and 75%.	
		Renewal funding ratio	Between 90% and 110%.	
		Long term funding ratio	Between 95% and 105%.	
Health and safety	Ensure buildings/facilities are safe and do not cause a hazard to people	Regular inspections, operational reports and safety audits	Annual Fire Safety Statements are certified for each facility requiring it.	
			Safety inspections are carried out for each facility in accordance with Building inspection strategy.	

Table 5 Other Structures and Land Improvements Levels of Service

Key performance indicator	Level of service	Performance measurement process	Target performance	Current performance
Accessibility	Park facilities are accessible to everyone	Continuous monitoring as part of operational activities	Parks are open and accessible to community 365 days / year.	
Quality/condition	Condition assessment	Percent of assets in condition 3 or better for active and passive parks	95% of assets in satisfactory condition or better.	
Reliability/responsiveness	Percent compliance with Council's documented response time	Council's customer request system	90% of requests are completed within Council's customer charter.	
Customer satisfaction and involvement	Park facilities are provided that meet community demand	Integrated open space survey results	Above 80%.	
Sustainability	Facilities meet financial sustainability ratios	Consumption ratio	Between 50% and 75%.	
		Renewal funding ratio	Between 90% and 110%.	
		Long term funding ratio	Between 95% and 105%.	
Health and safety	Safe Park facilities are provided	Customer Service Requests	No more than 4 park related Customer Service Requests	
			No more than 1 sporting facility related Customer Service Request	
Affordability	Access to facilities and services is affordable and cost effective	Review of service agreements and benchmark with other councils	Total operating cost per hectare of park is in line with benchmarking against comparable regional councils.	

A1.6 FUTURE DEMAND

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.

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 condition.

Currently there is significant uncertainty around the way forward following the devastating 2022 floods, with guidance being sought around any 'planned retreat' and potential relocation of households and infrastructure. In the short-term, Council's 'new' & 'upgraded' infrastructure will address the damage sustained during the flood events as well as focus on replacing assets with 'resilient' infrastructure where appropriate. As further guidance and a better understanding of expected growth in the LGA is attained, Council will incorporate demand strategies to address the key growth drivers in the next iteration of Council's asset management plans.

Table 6: Future demand

Demand factor	Impact on assets
Internal Migration	<p>While the projection of population is currently unclear, there may be a significant internal migration into new areas of higher elevation within the LGA. Council will need to ensure that a balance of facilities and recreation services to these communities is achieved and may potentially need to consider decommissioning existing facilities if they no adequately service the broader community.</p> <p>Council will need to regularly assess whether the current portfolios are fit for purpose and have the functionality and capacity to provide the current range of services and any additional services required in the future.</p>
Increasing costs	<p>Will be a requirement to continue to maximise service delivery within the funding limitations, particularly with grant funding delivering 'like for like' replacement for assets damaged during the 2022 flood events. It is likely that these assets will have to be 'upgraded' to deliver a resilient level of service.</p>
Environment and climate	<p>It is likely that the frequency, severity and intensity of natural disaster events will increase, and Council will need to plan its infrastructure accordingly.</p>

A1.7 LIFECYCLE – MAINTENANCE STRATEGY

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets functioning but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life. Typically, this can be categorised as:

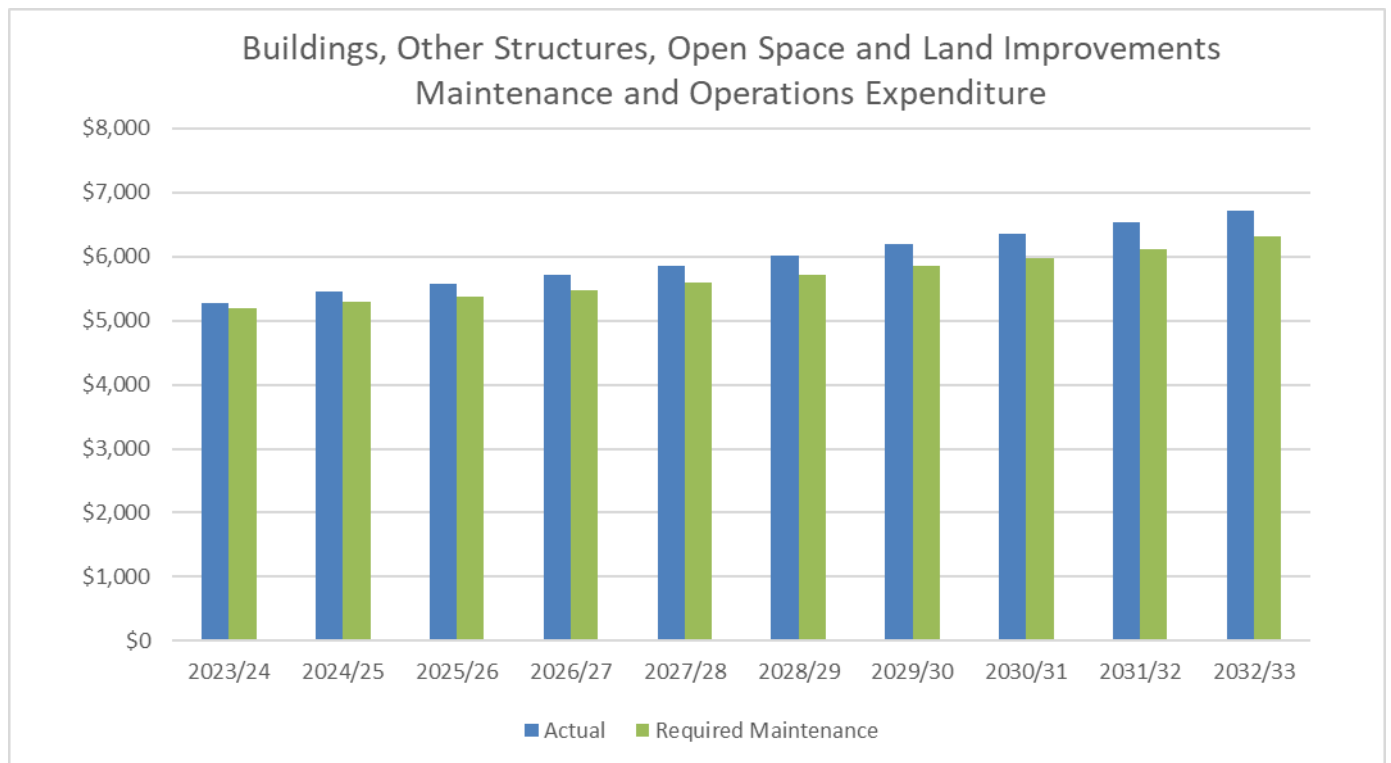
- Operations - regular activities to provide services such as public health, safety and amenity
- Reactive Maintenance - work on breakdowns, failures and or damaged assets that are not operating or are about to fail on an ad hoc basis.
- Planned Proactive and Cyclical Maintenance – works identified through scheduled maintenance/asset inspections whereby assets are not operating as designed or to 100% capacity.

Council currently has no documented maintenance strategy for its buildings, other structures and land improvement/open space assets. However, there is a significant focus on proactive maintenance through regular defect inspections, particularly on assets in poor condition for both Council’s buildings and outdoor assets. Council’s current expenditure splits on its operational expenditure is as follows:

Table 7 OPEX Proportional Split

Asset	Proactive Maintenance %	Reactive Maintenance %	Operations %
Buildings	12.5%	12.5%	75%
Swimming Pools	7.5%	7.5%	85%
Land Improvements	90%	10%	0%
Other Structures and Open Space Recreation	85%	10%	5%

Figure 6 OPEX Expenditure



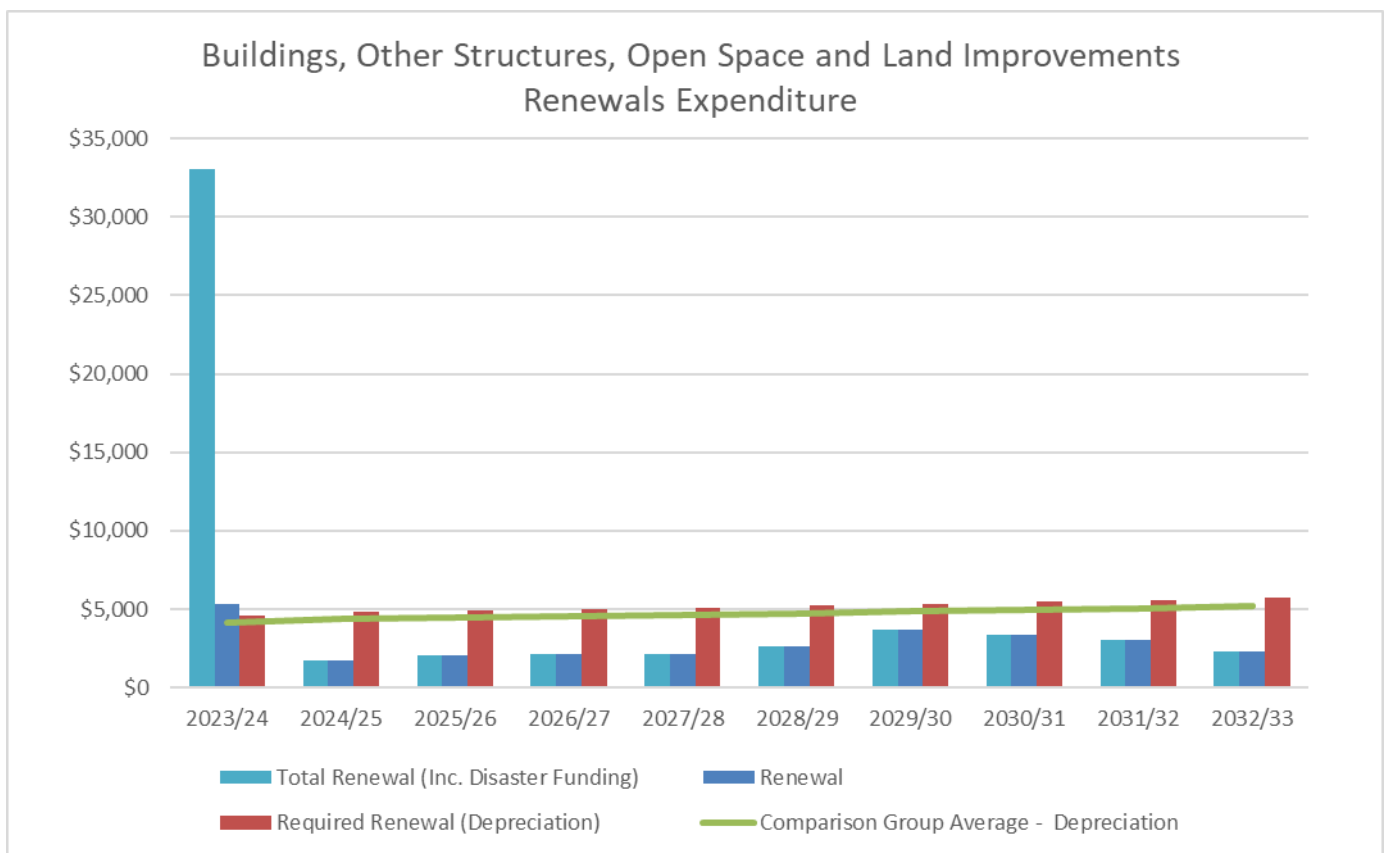
Council compared its budgeted/actual OPEX expenditure for its Buildings, Other Structures and Land Improvements portfolio against similarly categorised councils by the Office of Local Government. This showed that Council has surplus funds and budget allocated to maintain and look after these portfolios. A significant portion of these funds is operational costs, Council should review whether any of this expenditure can be reallocated for capital purposes. Further, it should be noted that the Emergency Repair and Clean-up costs following the 2022 Flood events have been excluded from this comparison.

A1.8 LIFECYCLE – RENEWAL/REPLACEMENT STRATEGY

Council currently has no documented strategy for the renewal of its buildings, other structures and land improvement/open space assets. In developing renewal plans for these assets, inspections are scheduled based on the age and condition of assets to determine remaining life and required replacement. Council is opportunistic with grant funding with respect to the replacement of its buildings assets and undertakes business case analysis to explore options and feasibility of the potential project.

Further Council is currently in the process of finalising its Open Space Strategy – which will inform the infrastructure needs of its outdoor areas and guide Councils’ replacement program.

Figure 7 CAPEX Expenditure



Council compared its budgeted/actual CAPEX expenditure for its Buildings, Other Structures and Land Improvements portfolio against its annual depreciation requirements. This showed that Council currently had not budgeted adequate funds to meet the required level of funding and it is anticipated that the condition of these assets will gradually degrade.

Further, Council also compared its depreciation against similarly categorised councils by the OLG which showed that Council depreciates its assets at a rate marginally greater than that of the comparison group. It should be noted that the initial Flood Recovery funding 2022 estimates have been adopted as part of Council’s financial projections. While this injection of funding improves the condition of the portfolio, a significant number of assets remain in poor condition.

A1.9 EXPENDITURE PROJECTIONS

Table 8 Buildings, Other Structures, Land Improvements and Open Space Assets Expenditure Projections

Budget Gap by Asset Group (\$,000s)		2022/23 (Budget)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
Buildings	Actual												
Other Structures		Renewal	3,954	5,312	1,724	2,040	2,140	2,180	2,659	3,731	3,361	3,057	2,331
Land Improvements		Disaster Funding	5,500	27,728	0	0	0	0	0	0	0	0	0
Open Space Assets		New and Expanded Assets	1,883	4,297	1,520	114	264	214	114	514	2,014	2,014	2,014
Pools		Maintenance and Operations	6,996	5,280	5,445	5,579	5,718	5,861	6,023	6,188	6,360	6,538	6,721
		Total Expenditure	18,334	42,617	8,689	7,732	8,121	8,255	8,796	10,433	11,735	11,609	11,066
	Required												
		Required Renewal (Depreciation)	5,353	4,560	4,727	4,792	4,857	4,922	5,016	5,114	5,212	5,312	5,414
		New and Expanded Assets	1,883	4,297	1,520	114	264	214	114	514	2,014	2,014	2,014
		Required O&M	4,908	5,101	5,171	5,241	5,311	5,413	5,519	5,625	5,733	5,843	6,052
		Total	12,145	13,958	11,418	10,147	10,432	10,549	10,649	11,253	12,959	13,169	13,480
		Overall (GAP)	6,189	28,660	-2,729	-2,414	-2,311	-2,295	-1,854	-819	-1,223	-1,560	-2,414
		Overall (GAP) excluding Disaster Funding	689	932	-2,729	-2,414	-2,311	-2,295	-1,854	-819	-1,223	-1,560	-2,414
		Comparison Group – Depreciation	4,860	4,135	4,354	4,416	4,477	4,540	4,627	4,719	4,810	4,903	4,999
		Comparison Group - Total	11,651	13,534	11,045	9,770	10,053	10,167	10,260	10,858	12,557	12,760	13,064
		Comparison Overall (GAP)	6,682	29,084	-2,356	-2,038	-1,931	-1,912	-1,465	-424	-821	-1,152	-1,999

Budget Gap by Asset Group (\$,000s)		2022/23 (Budget)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Buildings	Actual											
	Renewal	575	775	630	780	830	780	1,130	1,442	1,287	1,403	1,130
	Disaster Funding	5,500	21,201	0	0	0	0	0	0	0	0	0
	New and Expanded Assets	0	0	0	0	0	0	0	0	0	0	0
	Maintenance and Operations	1,688	1,391	1,425	1,459	1,494	1,530	1,573	1,616	1,662	1,710	1,759
	Total Expenditure	7,764	23,367	2,055	2,239	2,324	2,310	2,703	3,058	2,949	3,113	2,889
	Required											
	Required Renewal (Depreciation)	1,567	1,330	1,450	1,472	1,494	1,516	1,546	1,578	1,609	1,641	1,674
	New and Expanded Assets	0	0	0	0	0	0	0	0	0	0	0
	Required O&M	1,804	1,949	1,978	2,007	2,036	2,076	2,119	2,161	2,203	2,247	2,292
	Total	3,371	3,279	3,428	3,479	3,531	3,593	3,666	3,739	3,812	3,888	3,966
	Overall (GAP)	4,393	20,088	-1,373	-1,241	-1,207	-1,283	-963	-681	-863	-775	-1,077
	Overall (GAP) excluding Disaster Funding	-1,107	-1,113	-1,373	-1,241	-1,207	-1,283	-963	-681	-863	-775	-1,077
	Comparison Group – Depreciation	2,457	2,085	2,274	2,309	2,343	2,378	2,425	2,475	2,523	2,573	2,624
	Comparison Group - Total	4,261	4,034	4,251	4,316	4,379	4,454	4,544	4,635	4,726	4,820	4,916
	Comparison Overall (GAP)	3,503	19,333	-2,197	-2,077	-2,056	-2,144	-1,841	-1,577	-1,777	-1,707	-2,027

Budget Gap by Asset Group (\$,000s)			2022/23 (Budget)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Other Structures	Actual												
Land Improvements		Renewal	3,379	4,538	1,094	1,260	1,310	1,400	1,529	2,289	2,074	1,654	1,201
Open Space Assets		Disaster Funding	0	6,527	0	0	0	0	0	0	0	0	0
Pools		New and Expanded Assets	1,883	4,297	1,520	114	264	214	114	514	2,014	2,014	2,014
		Maintenance and Operations	5,308	3,889	4,020	4,120	4,224	4,331	4,450	4,572	4,698	4,828	4,962
		Total Expenditure	10,570	19,251	6,634	5,494	5,798	5,945	6,093	7,375	8,786	8,496	8,177
	Required												
		Required Renewal (Depreciation)	3,787	3,229	3,277	3,319	3,362	3,406	3,470	3,536	3,603	3,671	3,741
		New and Expanded Assets	1,883	4,297	1,520	114	264	214	114	514	2,014	2,014	2,014
		Required O&M	3,103	3,152	3,193	3,234	3,275	3,337	3,400	3,464	3,529	3,596	3,760
		Total	8,773	10,679	7,990	6,667	6,901	6,957	6,984	7,514	9,146	9,281	9,514
		Overall (GAP)	1,797	8,572	-1,356	-1,173	-1,104	-1,012	-891	-139	-360	-785	-1,337
		Overall (GAP) excluding Disaster Funding	1,797	2,045	-1,356	-1,173	-1,104	-1,012	-891	-139	-360	-785	-1,337
		Comparison Group – Depreciation	2,404	2,050	2,080	2,107	2,134	2,162	2,203	2,244	2,287	2,330	2,374
		Comparison Group - Total	7,390	9,500	6,793	5,455	5,673	5,713	5,716	6,222	7,830	7,940	8,148
		Comparison Overall (GAP)	3,180	9,751	-159	39	124	232	377	1,153	956	556	29

Figure 8 Buildings Sustainability Ratios*

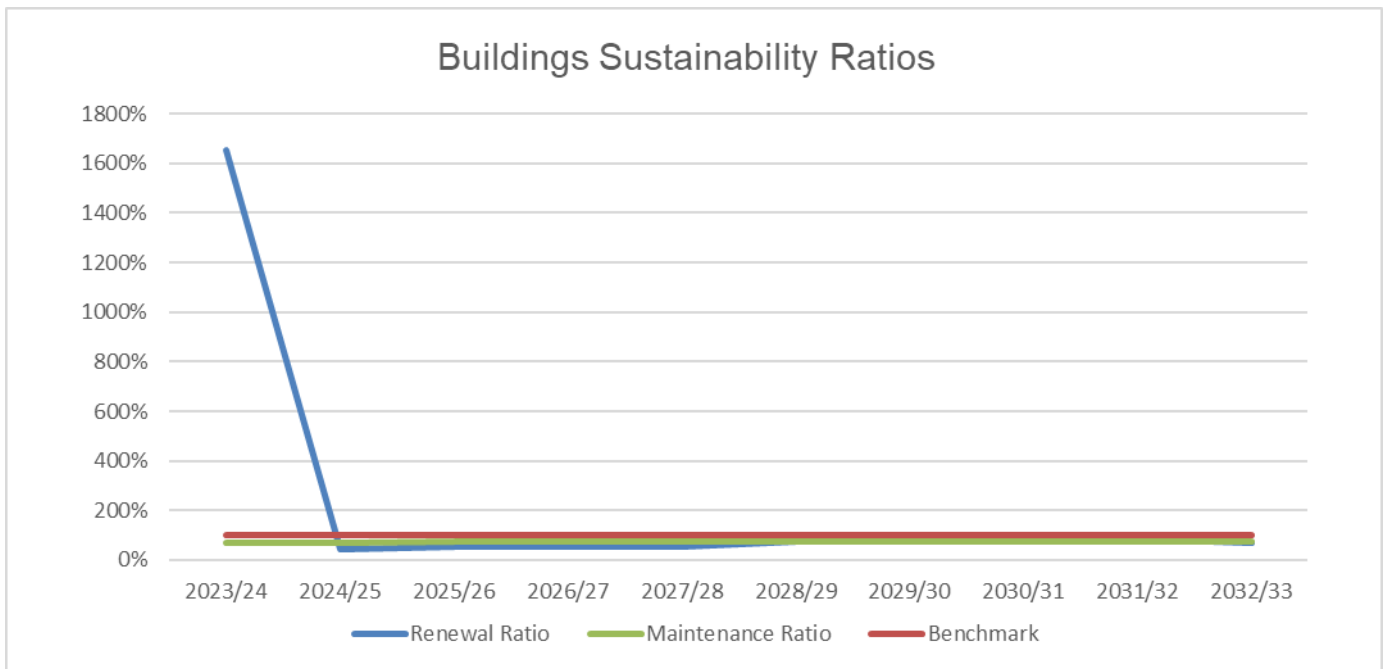
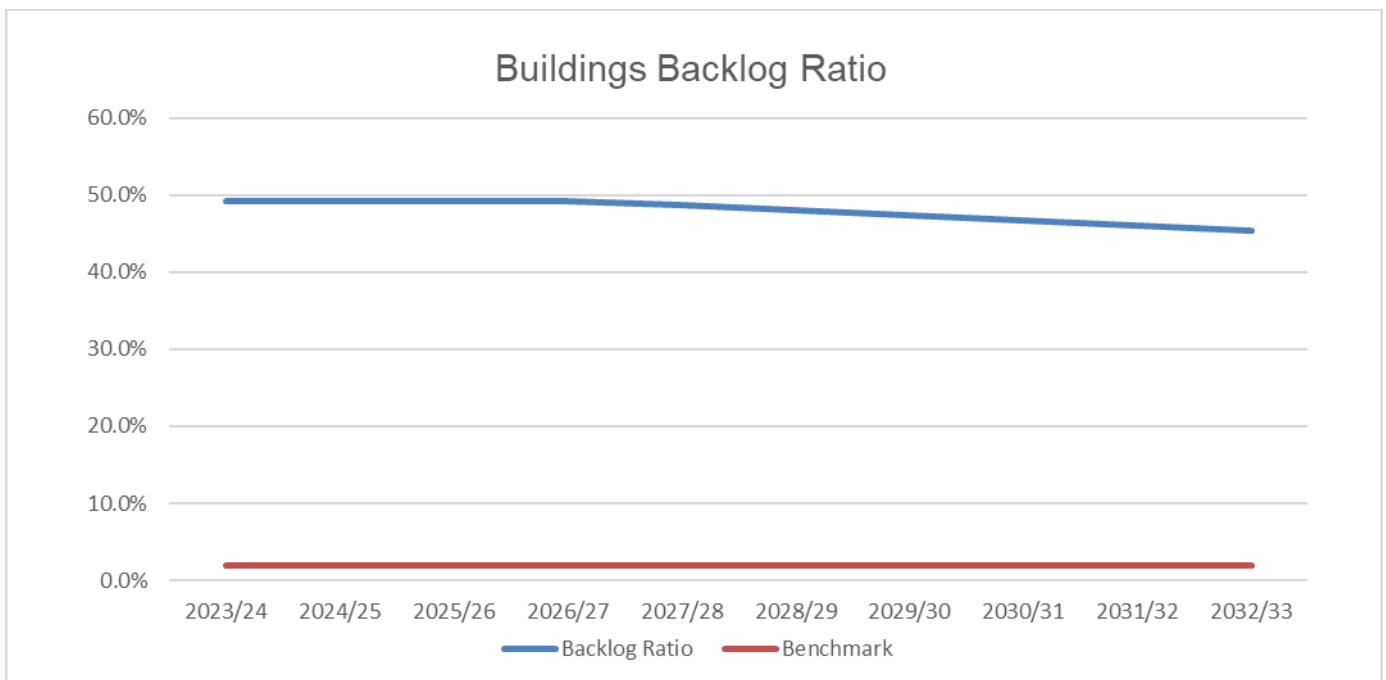


Figure 9 Buildings Backlog Ratio*



*Council currently has a significant backlog in its building's assets due to the impacts of the 2022 Flood. The damage has been recognised in the condition of the portfolio; initial funding estimates have been incorporated into this iteration of the asset management plan. Council will update the CAPEX projections accordingly when further information becomes available.

Figure 10 Other Structures, Land Improvements, Open Spaces and Pools Sustainability Ratios

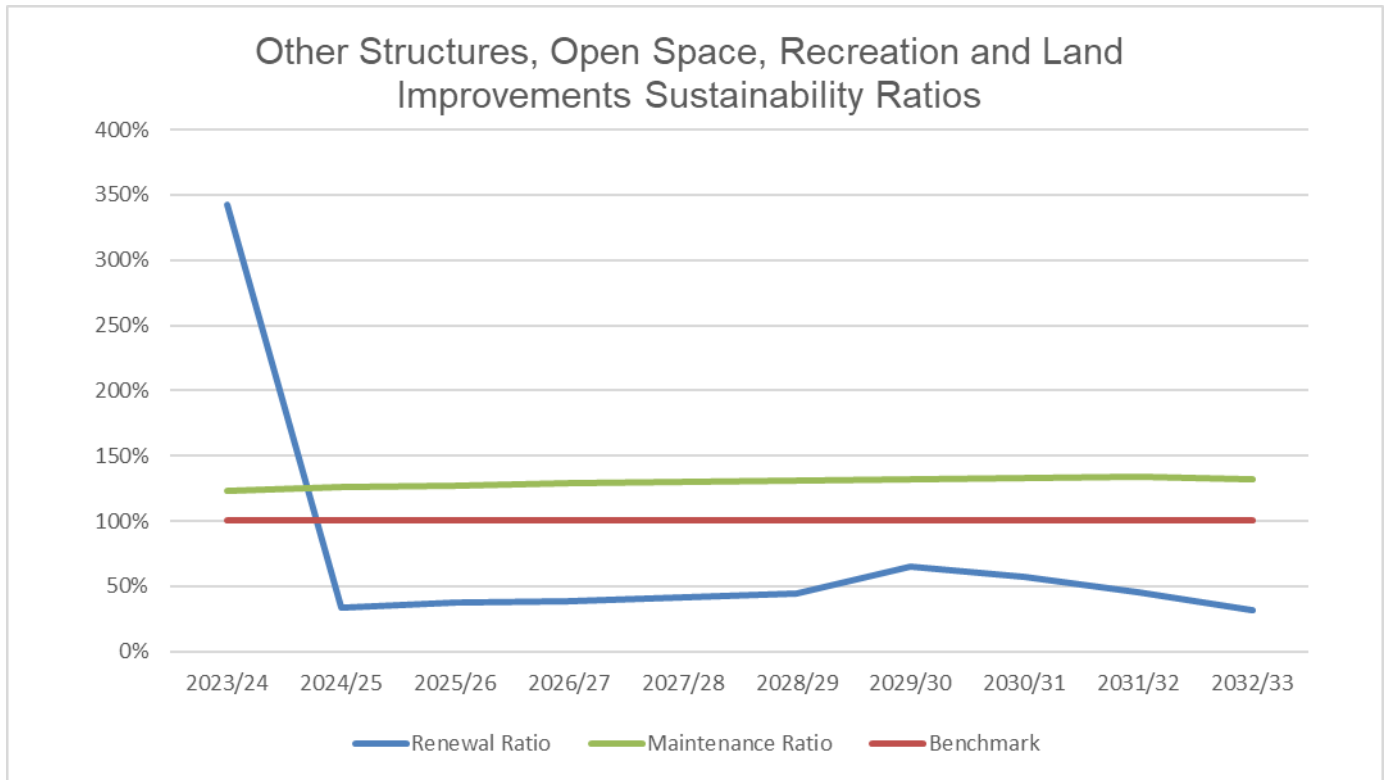
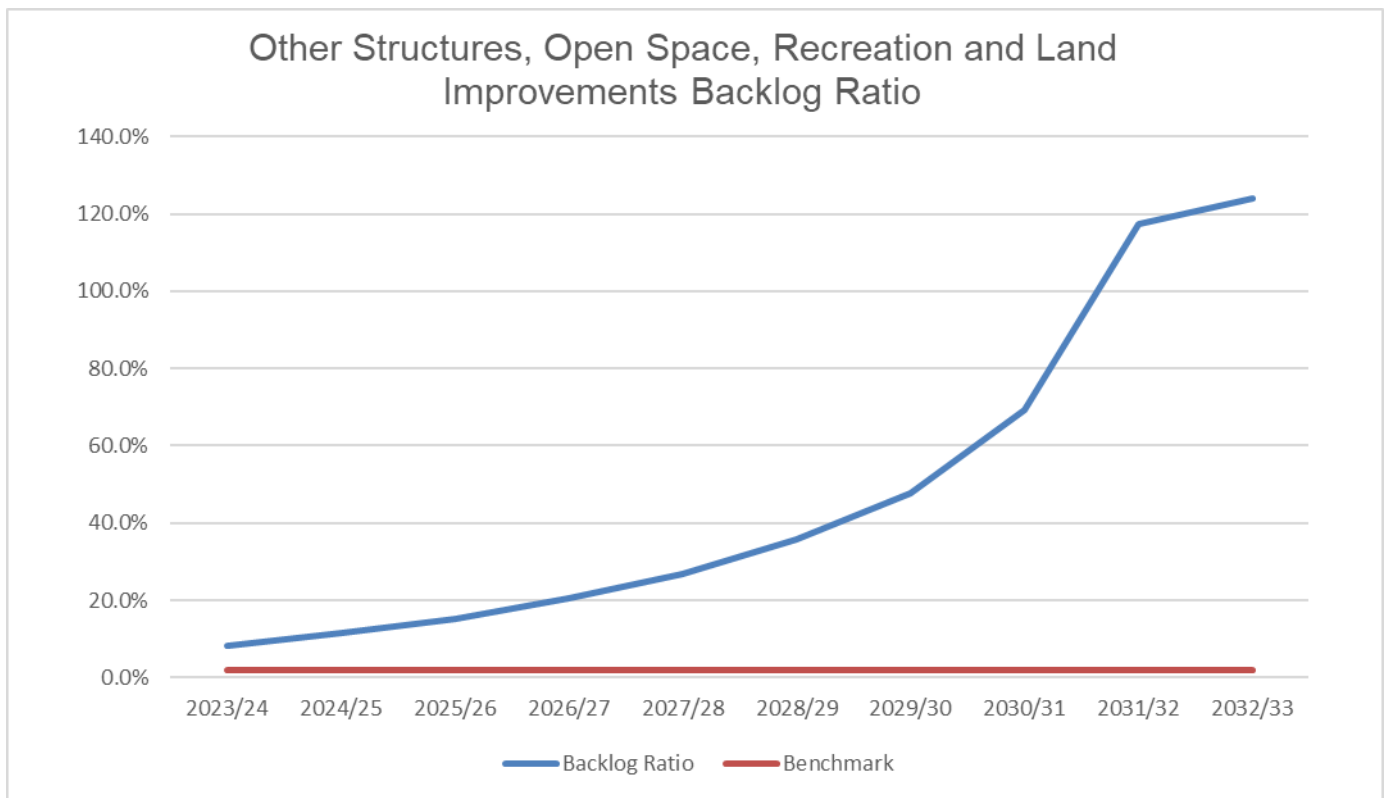


Figure 11 Other Structures, Land Improvements, Open Spaces and Pools Backlog Ratio



*Currently, the significant backlog can be attributed to the large proportion of pool assets currently in poor condition.

A1.10 CRITICAL ASSETS

Critical assets are those assets that are likely to result in a more significant financial, environmental and social cost in terms of impact on organisational objectives. By identifying critical assets and critical failure modes, organisations can target and refine investigative activities, maintenance plans and capital expenditure plans at critical areas. Council is currently in the process of assessing and documenting the criticality of its building portfolio.

The following attributes are currently being considered as part of this analysis:

Buildings

Table 9 Critical Assets

Attribute	High	Medium	Low
Essential Services	Yes		
Size	Large	Medium	Small
Multipurpose	>3 users	2-3 users	1 primary user
Frequency of use	Daily	3 - 4 time per week	1 - 2 time per week
Hazardous Material Store	Yes		
Historical significance	Yes		
Emergency service/management use	Yes		

Identified critical assets include Council's administration office, depots and critical water and sewer buildings infrastructure.

Other Structures, Open Space and Land Improvements

Council has determined that it has no critical open space assets from an organisational perspective. The range and quality of assets across the region will ensure that any short-term loss of facility can be accommodated and managed.

A1.11 RISK MANAGEMENT

Council utilises a corporate risk framework which aligns with ISO 31000:2018. The framework has been adopted for Council's buildings, other structure, land improvements and open space assets and highlights the strategic risks which impact Council's asset portfolio.

Table 10 Strategic Risk Management

Service at Risk	Occurrence	Risk Rating	Treatment Plan	Residual Risk
Building Renewal	Buildings deteriorate to a lesser service standard and higher risk situation	Medium	Continue to improve data Required renewal of building components is being achieved in the short to medium term. Future planning improvements can be made by further documenting service level risks and utilisation of these in establishing future renewal priorities.	Medium
Buildings Utilisation	Buildings not suiting the needs of service providers	Medium	Continue to monitor condition and functionality of buildings	Medium
Buildings - Financial Pressure	Building portfolio grows but additional funds not allocated for OPEX and CAPEX	Medium	Business Case Analysis on the procurement of significant buildings assets	Medium
Land Improvements Renewal	Land Improvements do not meet regulatory standards	High	Continue to inspect facilities so their standard is known. Monitor industry changes so that potential changes to regulatory standards can be anticipated	High
Land Improvements Utilisation	Play Spaces and Sporting Fields not suiting the needs of users	High	Monitor utilisation so that user requirements are anticipated	High

Service at Risk	Occurrence	Risk Rating	Treatment Plan	Residual Risk
Land Improvements - Financial Pressure	Land Improvements not funded to meet community requirements	High	Continue to monitor costs and incorporate needs into LTFP	High
Parks and Recreation	Lismore's assets are ageing and there are limited maintenance funds to maintain to an acceptable level.	Medium	Managing the community's expectations. Future community surveys and Council's direct community consultation strategies should aim to find out what our community needs from us as a Council, whilst also informing the community of what Council resources are available to provide for those needs.	Low
Parks and Recreation	In this day of the internet, communication and personal travel for business and holidays, our community is always educated in what other Council's provide and what can be achieved. Our community have expectations that need to be managed accordingly.	High	Council has continued the strengthening of its asset management with a detailed collection of open space assets within our parks, bushland and sporting fields. From this, Council will now develop an asset management strategy that will aim to provide for the effective maintenance and renewal of its assets.	Medium

A1.12 CONFIDENCE LEVELS

The confidence in the asset data used as a basis for the financial forecasts has been assessed using the following grading system, as outlined in the following below.

Table 11: Asset data confidence scale

Confidence grade	General meaning
Highly reliable	Data based on sound records, procedure, investigations and analysis that is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
Acceptable	Data based on sound records, procedures, investigations and analysis with some shortcomings and inconsistencies.
Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported or extrapolation from a limited sample.
Very uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

Summary of confidence in asset data for all asset classes is detailed in the table below.

Table 12: Asset data confidence rating

Asset class	Inventory	Condition	Age	Overall
Buildings	Acceptable	Acceptable	Reliable	Acceptable
Other Structures, Recreation and Land Improvements	Acceptable	Acceptable	Acceptable	Acceptable
Pools	Reliable	Acceptable	Reliable	Reliable

The overall confidence level of the plan is considered to be 'acceptable'.

A1.13 IMPROVEMENT PLAN

Council is currently in the process of recovering from the 2022 flood and determining the way forward for its community and the LGA and as such has been operationally focused to ensure the day-to-day functions of Council can get back on track following the impacts of the natural disaster. Future iterations of this asset management plan will focus on a more strategic approach to managing the Buildings, Other Structures, Land Improvements and Open Space areas portfolios. The improvement plan below sets out the pathway for Council to achieve this.

Table 13 Improvement Plan

Action	Priority	Responsible	Timing
Asset knowledge and data			
Council to develop and document guidelines and adopt a consistent approach for condition and defect assessment.	M	Assets	02/05/24
Council to undertake inventory stocktake of asset portfolios to ensure all assets are accounted for on Council's asset register.	M	Assets	30/09/25
Asset knowledge processes			
Council to review current OPEX expenditure and cost coding to ensure works that are capital in nature are fully captured and recorded accordingly.	M	Assets Finance	28/02/24
Council to review condition impairment identified in end of financial year reporting and update assets registers accordingly	H	Assets	30/06/23
Council to incorporate Flood recovery funding into AMP's and LTTP as funding is approved	H	Assets Finance	As Approved
Strategic asset planning processes			
Council to review long-term (ten-year) lifecycle costing requirements including CAPEX and OPEX	H	Assets Finance	30/09/23
Council to develop comprehensive maintenance and renewal strategy for the management of its assets.	H	Assets	30/09/23
Council to review current service levels and SLAs and develop outcome-based service levels which align with IP&R Framework.	H	Assets Operations	30/09/24
Council to engage community on developed service levels.	H	Assets	30/09/25
Council to undertake risk and criticality assessment of its asset portfolios.	H	Assets Operations	30/09/23
Operations and maintenance work practices			
Council is to implement a maintenance management system that records maintenance activity outputs against defined assets.	H	Assets Operations Systems	30/09/24
Following criticality assessment, Council to develop management strategies for critical infrastructure.	H	Assets Operations	30/09/25
Review actual verses required Open Space maintenance costs to understand variance in expenditure	H	Assets Operations Finance	30/09/23
Information systems			
Organisational context			
Council to undertake an in-depth workforce review of asset management roles and responsibilities and ensuring that all functions of asset management are covered and are being carried out.	H	Executive	30/09/23

A1.14 CAPITAL WORKS PROGRAM

Refer to 2023/24 Adopted Budget by program.

