GLEN INNES

SEVERN COUNCIL

ASSET MANAGEMENT STRATEGY 2025-2029

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EXECUTIVE SUMMARY

The purpose of this Asset Management Strategy is to provide an overview of the asset management processes within Glen Innes Severn Council and to develop a structured set of goals to work towards. Glen Innes Severn Council maintains a variety of Assets throughout its LGA.

The core asset classes to which this Asset Management Strategy applies is shown in Table 1.

ASSET CLASSES
Roads
Urban Drainage
Water
Sewerage
Buildings, Structures and Land
Bridges
Plant and Fleet

Table 1 Asset Classes

It is proposed to separate rural drainage structures out of the road asset class and bring these into a combined drainage asset class. This will provide greater ability to calculate accurate budgets for the upgrade of sealed roads, where widening and subsequent extension of associated drainage needs to occur.

This document is broken into three (3) key components being: -

- A current situation analysis
    - An analysis of Council's current asset portfolio, asset management practices and a summary of assets that are identified as critical to Council's operations.
    - An overview of the legislative controls under which Council must operate.

- Where do we want to be?
    - This section interpolates specific goals from the Asset Management Policy Framework that Council wishes to reach over the life of this iteration of the Asset Management Strategy.

- How will we get there?
    - The final section of this strategy highlights the means and order in which the goals set out previously may be met.

CURRENT SITUATION ANALYSIS

COUNCIL'S CURRENT ASSETS

ASSET GROUP	ASSET STOCK
Roads	19km of Footpath
	10 Bus Shelters
	21 Carparks
	440 km of Sealed Road
	644 km of Unsealed Road
	11 km of Parking Lane on State Road
	80 km of Regional Roads
	115 Major Street Furniture assets
	65km of Kerb and Gutter
Drainage	31km of Urban Stormwater Pipes
	1,482 Stormwater Pits
Water	110km of Reticulation Mains
	9km of Rising Mains
	3 Bores
	13 Pumps
	2 Weirs
	2 Off Stream Storage ponds
	2 Treatment Plants
Sewer	95km Reticulation system
	15km of Rising Mains
	7 Pump Stations
	2 Treatment Systems
Buildings	138 Buildings
	226 Open Space Assets
	153 Other Structures
	2 Swimming Pools
	197 Land Parcels
Bridges	8 Timber Bridges
	81 Concrete Bridges
	33 Major Culverts
	134 Causeways
Plant and Fleet	29 Heavy Fleet
	60 Light Vehicles
	45 Attachments
	26 Major Plant
	44 Mobile Plant

CRITICAL ASSETS

Glen Innes Severn Council maintains a vast variety of Assets throughout its LGA. Table 2 details the assets to which this Asset Management Strategy applies.

Council has identified the following assets that are critical to its operations:

- Glen Innes and Deepwater Treatment Plants
- Glen Innes and Deepwater Sewer Treatment Plant
- Eerindii Ponds of-stream storage and Beardy Waters Weir
- Works Depot
- Town Hall (including main server room)
- Library Learning Centre (back up server and BCP alternate location)

Council has a business continuity plan that incorporates its management of business continuity.

ASSET CONDITION

Council is continually in the process of gathering comprehensive condition data for its assets. Details pertaining to particular asset classes and their corresponding condition profiles can be found within the respective Asset Management Plans.

Council has most recently completed a condition assessment and revaluation of its land, buildings, water and sewer assets for the 2022-2023 financial year. The revaluation of drainage assets planned for 2023-2024 was not undertaken due to the delay in the prior year audited financial statements being available. Work is next planned to capture condition data for rural drainage structures as these assets are separated out from the road asset register, and to complete the revaluation of roads and urban drainage asset classes.

VALUE OF ASSETS AND ONGOING COSTS

This section seeks to provide an overview of the value of Council's current asset stock. Council's total asset holdings as summarized in the annual financial statement and how these holdings are covered by current asset management plans are outlined in Table 3.

Asset Category	2023 - 2024 Replacement Cost	AMP	Replacement Cost Covered in AMP
Bridges	$ 83,261,044	Bridges	$ 92,331,145.74
Roads (causeways)	$ 9,070,102		
Buildings	$ 68,685,737	Buildings and Structures	$ 98,709,800.02
Furniture and Fittings	$ 333,264		
Investment	$ 2,332,912		
Library Books	$ 958,743		
Office Equipment	$ 304,961		
Other open space recreational assets (general)	$ 8,374,218		
Other Structures	$ 14,045,057		
Swimming pools	$ 3,674,907		
Community Land	$ 3,177,300	Land	$ 14,867,343.33
Crown Land	$ 1,800,500		
Operational Land	$ 9,889,543		
Leased Assets	$ 1,637,296	Plant and Equipment	$ 15,120,608.76
Plant and Equipment	$ 13,483,313		
Bulk Earthworks (non-depreciable)	$ 83,597,851	Roads	$ 287,193,406.22
Footpaths (road related)	$ 6,355,869		
Other infrastructure (kerb and gutter)	$ 14,416,625		
Other infrastructure (major street furniture)	$ 2,932,282		
Roads (carparks)	$ 2,563,294		
Roads (general)	$ 177,327,486		
Sewerage network	$ 42,269,376	Sewerage	$ 42,269,376.13
Stormwater drainage	$ 20,513,857	Urban Drainage	$ 20,513,857.44
Water supply network	$ 56,341,647	Water	$ 56,341,646.57
Total	$ 627,347,184	$	627,347,184.21

Table 3: *Value of Council Assets*

Operational and maintenance costs are contained in the relevant Asset Management Plans.

Asset Category	Replacement Value	Depreciable Value	Annual Consumption	Backlog Value	Backlog %
Bridges	$ 92,331,146	$ 92,331,146	-$ 925,276	$ 1,662,232	1.80%
Plant and Equipment	$ 13,483,313	$ 13,129,473	-$ 875,216	Not Applicable	
Roads	$ 287,193,406	$ 166,845,903	-$ 3,975,549	$ 20,588,737	12.34%
Sewer	$ 42,269,376	$ 41,788,408	-$ 537,012	$ -	0.00%
Urban Drainage	$ 20,513,857	$ 20,513,857	-$ 208,768	$ 122,728	0.60%
Water	$ 56,381,469	$ 50,415,109	-$ 717,756	$ -	0.00%
Buildings and Structures	$ 82,730,795	$ 80,171,855	-$ 1,730,920	$ 856,299	1.07%
Total	**$ 594,903,362**	**$ 465,195,751**	**-$ 8,970,497**	**$ 23,229,995**	**4.99%**

Table 4 *Value and Cost of Council's Assets*

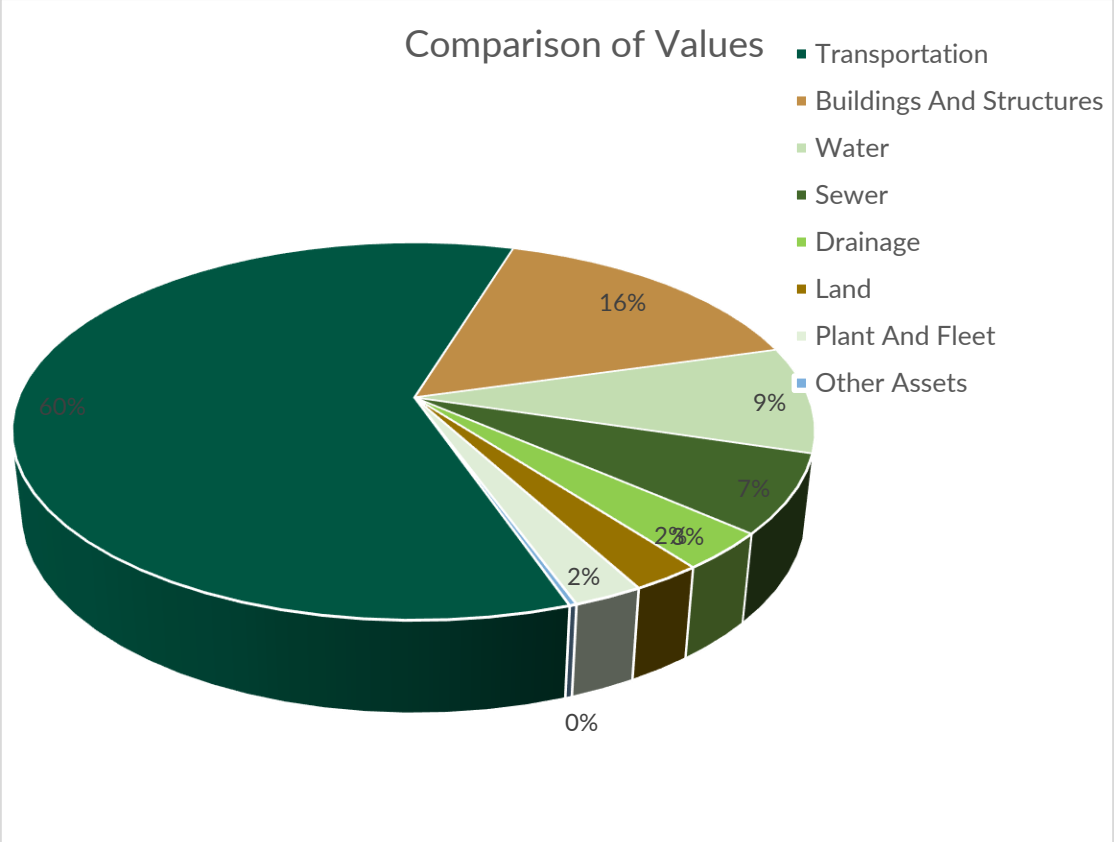


***Figure 1**- Comparison of Valuations (pie chart)*

CURRENT ASSET MANAGEMENT PRACTICES

ASSET MANAGEMENT TEAM

Glen Innes Severn Council has an Asset Management section led by the Manager of Asset Services, including an Assets Officer, Property Officer (land, building and leases) and Plant and Fleet Supervisor.

The Asset Management Team provide support for and work closely with the Finance team, led by the Chief Financial Officer (CFO) who is ultimately responsible for all financial asset reporting.

ASSET MANAGEMENT SYSTEMS

Council has transitioned to a cloud-based asst data portal provided by Metrix Assets.

The system provides the following functionality:

- **Spatial Data**
  The spatial tool is a user-friendly means of viewing the database and provides the functionality of a map viewing system. Filters can be applied to enable users to view selected data only. Importantly, the spatial data can be used to autofill asset data for fields such as length. Components can be easily split with financial data apportioned on a pro-rata basis automatically by the system.

- **Traceability**
  This program maintains a full audit trail of all changes made to data and logs the user profile. Users can leave comments on the audit log to explain the reason for each movement.

- **Financial Year Lock Down**
  This function locks down transactions from a closed year.

- **Autocalc Depreciation**
  The system provides a calculation of depreciation using the carry value and remaining useful life data. Depreciation charges can be applied across all asset classes at the touch of a button.

- **Financial Movement Reporting**
  The system produces a number of pre-formatted reports to assist with end of year financial statements reporting for Note C1-7, Special Schedule 7.

Financial System Council transitioned to Microsoft Dynamics at 1 July 2022.

Asset data is held at the asset class and funds level in the finance system with all detail held in the Metrix fixed asset register.

WHERE DO WE WANT TO BE?

DETAILED ASSET MANAGEMENT PLAN FRAMEWORK

Council currently prepares a Common Asset Management Plan for its entire asset portfolio with additional type-specific Asset Management Plans for the individual asset classes:

- Roads
- Bridges
- Urban Drainage
- Land, Buildings and Other Structures
- Water
- Sewerage
- Plant and Fleet

Of note, Urban Drainage is proposed to be expanded to include Rural Drainage structures, with this asset class funded by the current drainage charge.

LEGISLATIVE REQUIREMENTS

The above Asset Management Plan will enable Council to maintain registers and requirements of relevant legislation as applicable to specific asset types. The inclusion of such legislative registers within the detailed Asset Management Plans will assist Managers to ensure that decisions/actions regarding the planning, purchase installation, operation, maintenance and renewal of Council's Assets will be done in a manner compliant with legislative requirements, codes and standards.

ASSET DATA

DATA CAPTURE

Complete and accurate data capture of all Council assets is fundamental to the implementation of core asset management processes. Moreover, maintaining the integrity of this data is essential.

The interaction between Council's GIS and asset financial system is an essential component of the asset management system, providing a visual representation of the financial data to provide confidence that the dataset is both accurate and complete.

CONDITION ASSESSMENT

Condition assessment techniques vary across asset types.

Visual inspection by staff suffices for some assets whereas independent specialists are required for more complex structures. Technology varies also from 'form-based' techniques through GPS tablet collection to robotic camera systems. Moving forward the asset management system software must be compatible with various condition assessment techniques.

Work is ongoing to improve condition assessment and modelling this data into asset financial data. This process will be outlined in the detailed Asset Management Plans and updated as they are reviewed.

This has provided Council with an excellent basis to make decisions on capital renewal of sealed road assets moving forward, using a variety of techniques including heavy patching, resealing, conventional pavement renewal and low-cost pavement renewal (using a Graded Aggregate Seal technique)

RISK ASSESSMENT FRAMEWORK

Council currently has an effective risk management framework in place for all detailed Asset Management Plans. This framework will be refined with each yearly review of the Asset Management Plans.

Council records its risks in a corporate risk register using the Pulse enterprise risk management software.

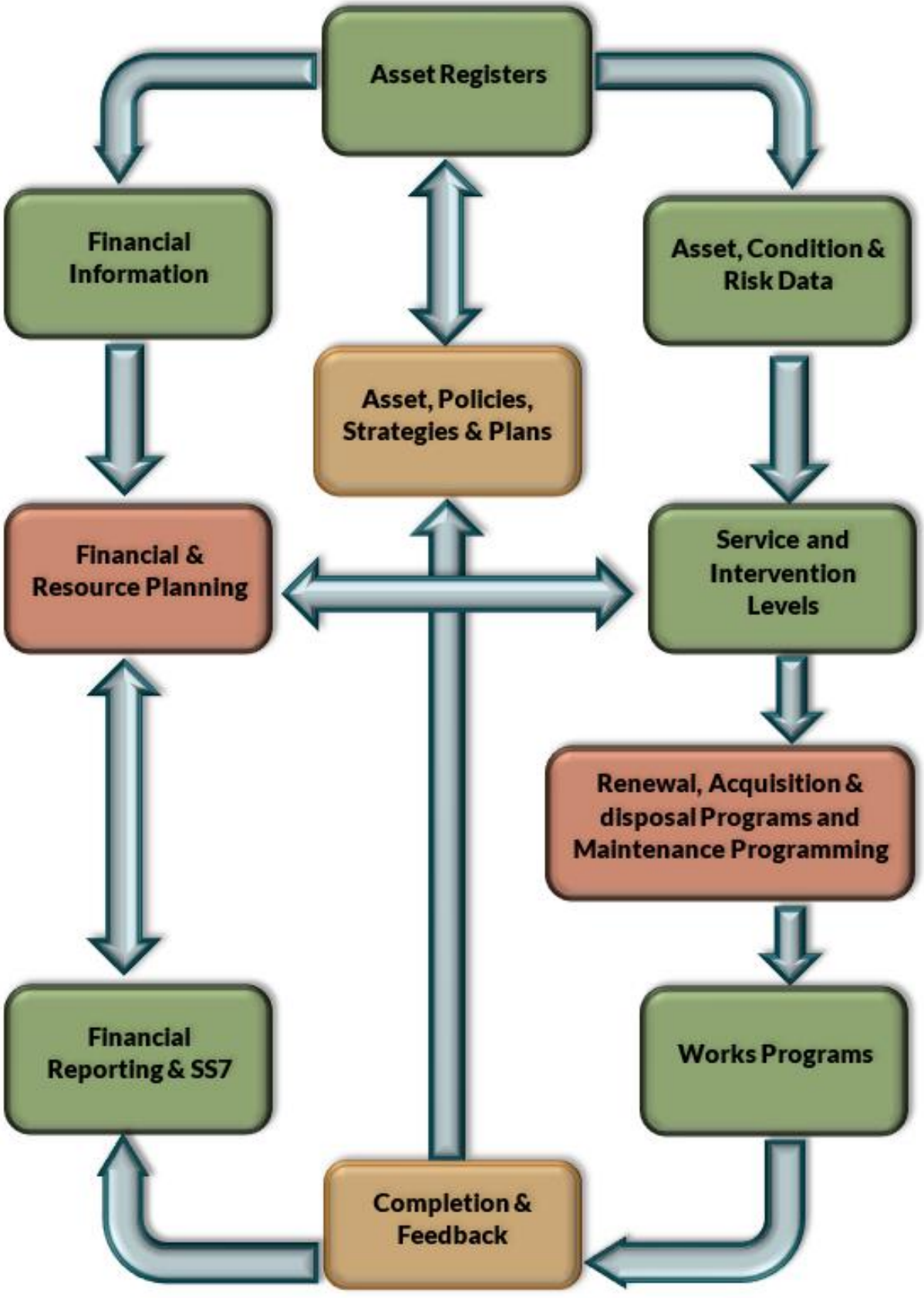
A transition to the Reliansys system is underway.

ASSET MANAGEMENT SYSTEM

Glen Innes Severn Council will continue to optimize its asset management system to manage all the asset management processes within Council.

ASSET PROGRAMMING AND PLANNING

The following diagram portrays the cycle of asset management that Council will utilise.



RENEWAL PLANNING

The latest condition assessment of sealed road assets has resulted in a revised forward planning program for renewal of these assets.

Renewal will be undertaken using low-cost methods such as in situ stabilisation 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.

MAINTENANCE PLANNING

Council has implemented a team-based approach to assist with the effective maintenance of assets. The concept is that each team is led by a staff member who is capable, experienced and given sufficient authority to make day to day decisions.

In addition, work is structured to be conducted as part of a routine wherever possible. Maintenance grading of unsealed roads is a key maintenance item and provides a good example of this approach.

Two maintenance grading teams operations, each has a defined route and the teams do not deviate from this program except in exceptional circumstances. Even while managing the recent natural disaster events, the teams have followed these routes to minimize travel between daily tasks, and therefore maximize efficiency.

Work that is required beyond the ability of the two teams to catch up on is outsourced to private contractors who provide a surge capacity. Budgets are set to cover the annual cost of the staff members and plant used in the two teams, with a small provision for contractors and gravel patching.

Gravel patching is undertaken by the maintenance grading teams as they pass on the circuit; if the Team Leader deems that the section would not remain in satisfactory condition until the next grading cycle is due. This approach minimizes reactive maintenance requests.

LIFECYCLE COSTING

Lifecycle costing is based on actual management practice wherever possible. For example, Council's policy is to reseal bitumen roads every 15 years. This is matched by the asset life of 15 years for the seal component in the asset register.

Unsealed road pavement is currently set at 30 years. This is a difficult class to determine effective life, especially considering the increasing impacts of climate change and associated increased stormwater damage events.

Image: *Graded Aggregate Seal on Yarraford Road*

Drought also has a deleterious effect on unsealed pavements as more fines are lost from the pavement due to increased dust, and so as climate changes, there may be an increased financial motivation to continue to convert gravel roads to seal using the low cost graded aggregate seal technique. While this does require an initial capital investment, savings are made through a reduction in maintenance grading costs and drainage maintenance costs.

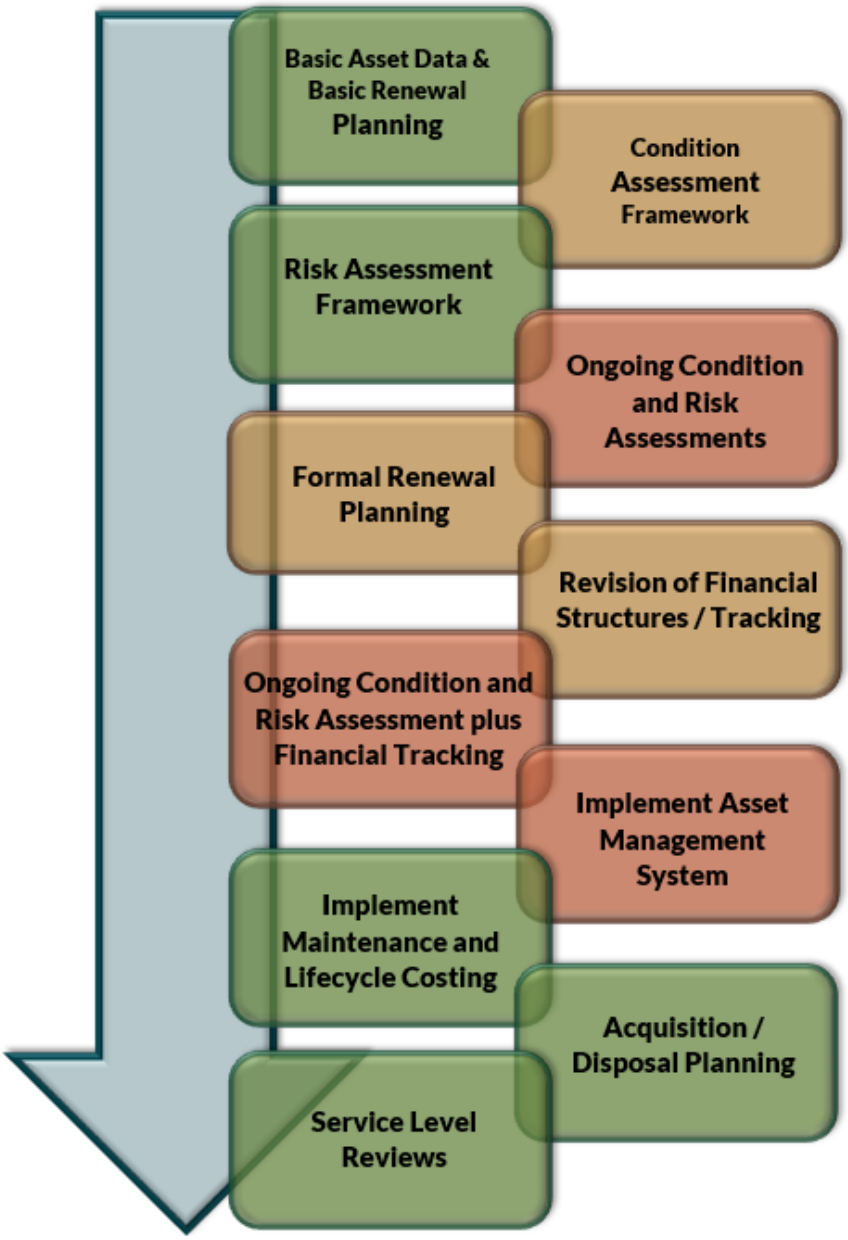
ACQUISITION / DISPOSAL PLANNING

An acquisition / disposal program will identify assets that are required by Council (acquisition) as well as Assets that have ceased serving a purpose and are to be demolished or sold (disposal). This program will be developed in conjunction with the current community investigations into the possible alternate use of redundant assets.

HOW WILL WE GET THERE?

This section summarises what Council intends to achieve with consideration given to the order of events. The following diagram depicts the framework that will be followed.

Breaking this diagram down into its sub-components and relationships, a picture of how asset management is evolving at Glen Innes Severn Council begins to form. The structure and sequencing of events is also a deliberate strategic plan that Glen Innes Severn Council will take.



SERVICE LEVEL REVIEWS

Council will continue to assess the appropriate service level of Council's Assets through a formal service level review framework.

Each service offered by Council will have a service plan outlining the service delivery that details the resources and budget required.

The service review framework will identify services to be prioritised for review.