

RESOURCING STRATEGY





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

About this document

This document, MidCoast Resourcing Strategy 2025-2035, outlines how Council will manage our finances, workforce, assets and information and communications technology (ICT) platforms and services to deliver sustainable services and infrastructure to the MidCoast community.

This Resourcing Strategy supports the four-year Delivery Program from 2025-2029.

Delivery Program on Public Exhibition: 2/05/2025 – 6/06/2025

Delivery Program adopted by Council: 30/06/2025

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Part 1: Long Term Financial Plan 2025-2035

Part 2: Asset Management Strategy, Policy and Plans 2024-2034

Part 3: Workforce Management Strategy 2025-2029

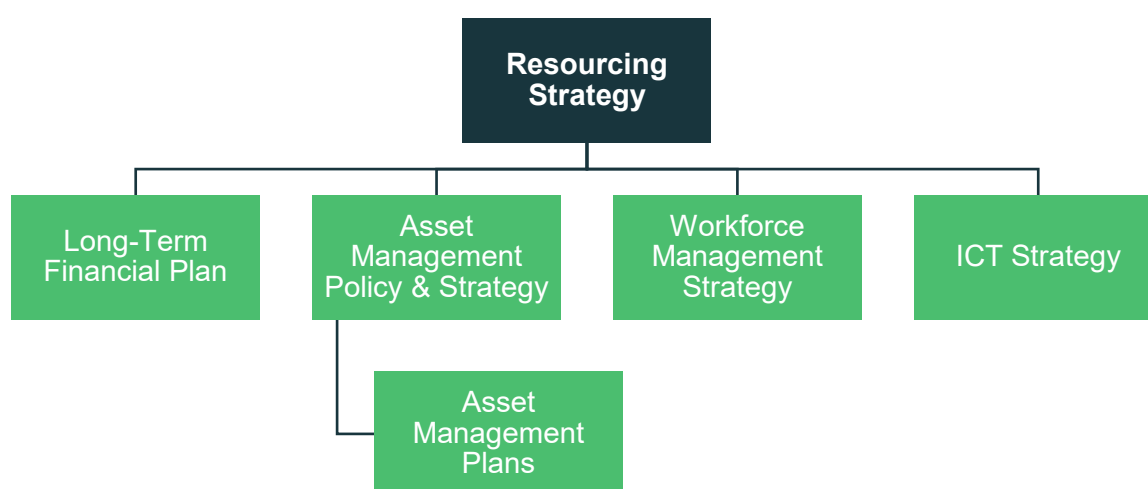
Part 4: Information & Communications Technology Strategy 2025-2029

Introduction

The Resourcing Strategy is a critical component of the Integrated Planning and Reporting (IP&R) framework, designed to ensure that our Council has the necessary resources to support the Community Outcomes outlined in the *MidCoast 2035 Community Strategic Plan*. This strategy outlines how we will manage our finances, workforce, assets and information and communications technology (ICT) platforms and services to deliver sustainable services and infrastructure to the MidCoast community.

Our Resourcing Strategy reflects MidCoast Council's commitment to transparency, accountability, and community engagement. It provides a comprehensive plan for managing our resources effectively, ensuring that we can meet current and future needs while maintaining financial sustainability.

The Resourcing Strategy comprises four main components:



1. **Long-Term Financial Plan (LTFP):** This plan outlines our financial strategy over a ten-year period, including revenue projections, expenditure forecasts, and strategies for managing financial risks. It ensures that we have a clear understanding of our financial position and can make informed decisions to support our strategic goals.
2. **Workforce Management Strategy and supporting Action Plan:** This plan addresses the human resources required to deliver our services and achieve our strategic objectives. It includes strategies for workforce planning, development, and retention, ensuring that we have the right people with the right skills in place.
3. **Asset Management Strategy, Policy and supporting Asset Management Plans:** These documents provide a framework for managing our physical assets, such as infrastructure, buildings, and equipment. They include strategies and actions for asset maintenance, renewal, and replacement, ensuring that our assets are managed sustainably and effectively.
4. **Information and Communications Technology Strategy:** This Strategy outlines how Council's operations will be supported by innovative digital solutions that enhance service delivery, improve data governance and strengthen cybersecurity.

The Resourcing Strategy is a dynamic document that is reviewed and updated regularly to reflect changing circumstances and emerging challenges. By effectively managing our resources, we aim to deliver high-quality services and infrastructure that enhance the well-being of our community and support the community's vision for the MidCoast.



MIDCOAST
council

LONG TERM FINANCIAL PLAN

2025-2035



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Version	Purpose of Document	Reviewed by	Date
1	Draft LTFP – Public Exhibition	Council	
2			

Introduction

Integrated Planning and Reporting

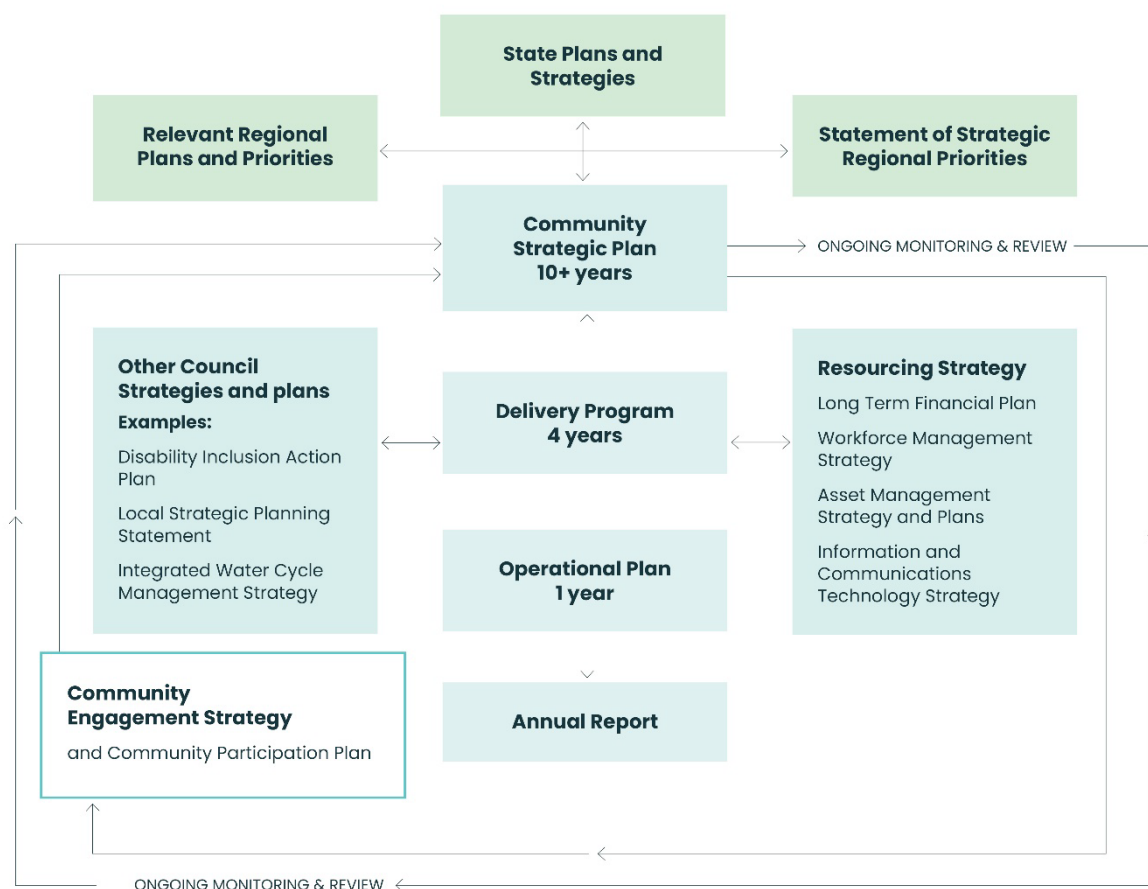
The Integrated Planning and Reporting Framework requires every NSW council to undertake strategic planning that is based on community engagement and ensures that its activities are informed by long term plans for their finances, assets and workforce.

The Integrated Planning and Reporting Framework is designed so that the Council and community both have a clear picture of:

1. Where we want to go (Community Strategic Plan);
2. How we plan to get there (Delivery Program, Operational Plan and Resourcing Strategy, including the Long-Term Financial Plan); and
3. How we will measure our progress (quarterly, six-monthly and annual reporting and the State of the Council Report).

The planning and reporting process ensures that the Council's planning is aligned with the community's vision for the future, and that the planning process and the implementation of the Delivery Program is transparent, and those charged with its delivery held accountable.

The Framework is diagrammatically represented below:



The Long-Term Financial Plan (LTFP) is an important part of the Council's strategic planning process. The LTFP is where the Council projects the financial implications of delivering the community's visions for the future; and the aspirations and goals of the community are tested against financial realities. It outlines the pressures and economic drivers behind the Council's expected long-term future. Expected growth rates are aligned with community expectations of service delivery and community projects and the social outcomes outlined in the Community Strategic Plan (CSP).

Council will seek to answer the following questions with the LTFP:

- Can we survive the pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- What efficiencies are we aiming for?
- How can we achieve the anticipated outcomes?

When developing the LTFP, consideration is given to:

- Planning assumptions used to develop the plan;
- Projected income and expenditure, balance sheet and cash flow statements;
- Sensitivity analysis (factors/assumptions most likely to affect the plan);
- Financial modelling for different scenarios; and
- Methods of monitoring financial performance.

The LTFP must be for a minimum of 10 years and is updated annually as part of the development of the Operational Plan. The LTFP is also reviewed in detail as part of the four-yearly review of the Delivery Program.

The objectives of the LTFP are to:

- Provide a transparent account of Council's financial position to the community;
- Analyse the cumulative financial effects of Council's high level plans and policies;
- Identify the financial opportunities and challenges confronting Council;
- Provide a basis for sound and strategic decision making;
- Achieve a balanced budget over the long term, and
- Meet the requirements of the Office of Local Government's (OLG) Integrated Planning and Reporting Framework

This is the third major review of the Long-Term Financial Plan developed by Mid-Coast Council and covers a 10-year timeframe commencing in the 2025-26 financial year.

Our Region

Located on the mid north coast of NSW, the MidCoast Local Government Area (LGA) is around 3 hours' drive north of Sydney and 1.5 hours north of Newcastle via the Pacific Highway.

The geographical area of the LGA covers more than 10,000 km² and extends from the coastline, west to the escarpment of the Great Dividing Range. It is one of the largest Local Government Areas by land mass in NSW.

The Gathang-speaking people are the traditional owners of the land.

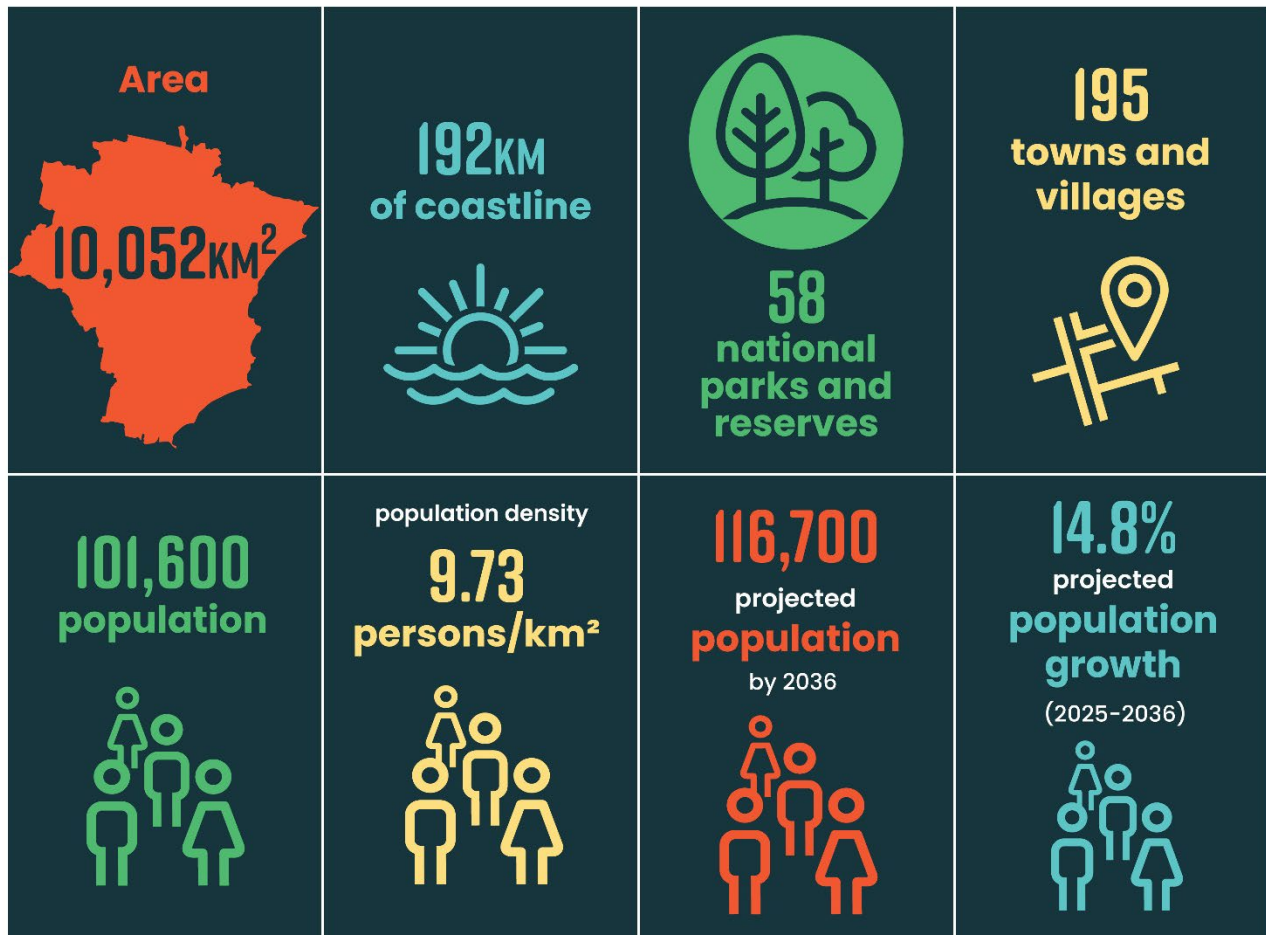
The region is well known for its natural beauty with its sparkling beaches on the coast to mountains in the hinterland, and expansive national parks and green spaces in between. It includes the Manning River valley, the Wallis, Smiths and Myall Lakes systems, the northern foreshore of Port Stephens, the agricultural hinterland and rugged, forested ranges of the Woko and Tapin Tops National Parks, and the World Heritage-listed Barrington Tops National Park.



These natural features contribute to our lifestyles, livelihoods and wellbeing, and protecting and celebrating them is an important focus for our future.

The MidCoast is home to an estimated population of 101,600 in 2025 located across 195 towns and villages each with their own character and offering our diverse community a wide range of lifestyle opportunities.

We expect the population to grow with an additional 15,100 residents between 2025 and 2036, representing a forecasted population growth of just under 15% for that period.



Our community	MidCoast	NSW
Median Age	54	39
Aboriginal & Torres Strait Islanders	7.3%	3.4%
People aged 65+	33.2%	17.7%
People aged 18-24	5.3%	8.4%
Households with children	28%	71.1%
Born overseas	10.1%	29.3%
Speak a language other than English at home	3.2%	22.3%
People with a bachelor or higher degree	18.2%	38.4%
People with a vocational qualification (Cert I-IV)	31.7%	19.4%
People who need daily help due to living with disability	9.0%	5.8%
People with 3 or more long-term health conditions	6.2%	3.0%

Our housing	MidCoast	NSW
Number of occupied private dwellings	39,654 (83.7%)	2,900,468 (90.6%)
Single detached dwelling	82.3%	65.6%
Average number of bedrooms per dwelling	3.1	3.1
Average number of people per household	2.2	2.6
Family households (not single or group)	66.4%	71.2%
Owned outright	48.1%	31.5%
Owned with a mortgage	23.9%	32.5%
Renting	22.5%	32.6%

Our economy	MidCoast	NSW
Economic output	\$5,143m	\$787,390m
Gross Regional Product as a % of NSW (2022-23)	0.65%	N/A
Number of registered businesses (2024)	7,536	-
Employment in top 2 industries - Healthcare & Social Assistance, Construction (2022-23)	33.4%	-
Unemployment rate	3.8%	4.1%
People aged 15-64 in the labour force (Sep 2024)	43.9%	58.7%
Weekly median income for individuals aged 15 and over	\$564	\$813

Councillor Priorities

As part of preparing the 2025-2029 Delivery Program, our Councillors identified three key priorities for the four years from 2025-2029:



Priority 1 – Improving the Road Network

Supports *MidCoast 2035* Strategy:

- PI-5 Provide a safe, reliable and well-maintained road and broader transport network with options for active and shared travel.



Priority 2 – Improving Council's Financial Sustainability

Supports *MidCoast 2035* Strategy:

- L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health.



Priority 3 – Improving the Customer Experience

Supports *MidCoast 2035* Strategy:

- L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health.

Improving Council's Financial Sustainability

MidCoast Council aims to be financially sustainable. This is a key priority of the Councilors for the 4-year term that commenced in September 2024.

Long-term financial sustainability underpins all decision making and strategic planning for MidCoast Council with a focus on achieving intergenerational equity. Financial sustainability ensures that financial and asset management is effective, and that spending and infrastructure investment is responsible and sustainable and benefits the local community.

In December 2023, Council commissioned an independent review to assess the **long-term financial sustainability** of Council. Financial sustainability means having sufficient funds to meet all our resource and financial obligations, including the provision of agreed services and properly maintaining our assets. It also means:



MAINTAINING INFRASTRUCTURE CAPITAL

Whether council has sufficient cash reserves to accommodate unexpected financial events.



MAINTAINING FISCAL CAPITAL

Whether council is able to maintain infrastructure (physical assets) over the long term for our future generations.

The findings of the review indicated that Council's cash (short-term) position is sound. We manage our finances well and ensure all expenditure is monitored and reported, with any variations approved by Council. In simple terms, we balance our budget every year and ensure our staff and suppliers are paid.

We do however need to do more to ensure that Council is financially sound in the long-term so that we are able to maintain our infrastructure (physical assets) for future generations and have sufficient cash reserves to accommodate unexpected financial events.

In response to the independent review, Council has put in place a Financial Sustainability Review Action Plan with the following inter-related objectives:

Objective 1: Expenditure is managed to ensure that limited funds are controlled and spent effectively.

Objective 2: Council operations are effective, efficient, and lean - delivering value for money to the community.

Objective 3: Council assets are strategically managed across their entire lifecycle and asset management capability is continually developed and improved.

Objective 4: Revenue sources are regularly reviewed to align with expenses and agreed service levels.

Objective 5: Generate sufficient unrestricted cash as determined by Council policy.

Over the four years of the 2025-2029 Delivery Program, Council will continue to implement actions from the Financial Sustainability Review Action Plan (included within the Annexures).

Measuring Financial Sustainability

When assessing Council's financial performance and sustainability a number of indicators / ratios are considered relevant and have been used to assess the scenarios proposed.

These include:

- Operating Performance Ratio – This ratio is a core measure of a Council's financial sustainability. It measures Council's ability to contain operating expenditure within operating revenue.

The OLG benchmark is that Council should record a breakeven operating position or better (over 0%).

- Own Source Operating Revenue Ratio - This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A council's financial flexibility improves the higher the level of its own source revenue.

The OLG benchmark is for own source revenue to be greater than 60%.

- Unrestricted Current Ratio - This ratio is a measure of Council's ability to meet its financial obligations such as paying for goods and services supplied. It assesses the level of liquidity and the ability to satisfy obligations as they fall due in the short term.

The OLG determines that a ratio of greater than 1.5:1 is satisfactory and shows that Council has sufficient liquid assets on hand to meet its short-term liabilities.

- Debt Service Cover Ratio - This ratio measures the availability of operating cash to service debt including interest, principal and lease payments.

The OLG benchmark is greater than 2.

- Debt Service Ratio - This ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt. The ratio is generally higher for councils in growth areas where loans have been required to fund infrastructure such as roads. This is a Fit for the Future Ratio.

The Office of Local Government accepted that a benchmark of <10% is satisfactory, 10% to 20% is fair and >20% is of concern.

- Rates and Annual Charges Outstanding Percentage – This measure assesses the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.

The OLG benchmark for regional / rural councils is less than 10%.

- Cash Expense Cover Ratio - This ratio is a measure of Council's liquidity and indicates the number of months that Council can continue to pay its immediate expenses without additional cashflow.

The OLG benchmark is for greater than 3 months.

- Building and Infrastructure Asset Renewal Ratio – This ratio represents the replacement or refurbishment of existing assets to an equivalent capacity or performance. The ratio compares the proportion spent on infrastructure asset renewals against the assets deterioration as measured by the depreciation expense.

The OLG benchmark is greater than 100%.

- Infrastructure Backlog Ratio – This ratio indicates the proportion of backlog against the total value of Council's infrastructure assets. It is a measure of the extent to which asset renewal is required to maintain or improve service delivery in a sustainable way.

The OLG benchmark is less than 2%.

- Asset Maintenance Ratio – This ratio reflects that actual asset maintenance expenditure relative to the required asset maintenance. It indicates whether Council is investing enough funds during the year to halt the growth of the infrastructure backlog.

The OLG benchmark is greater than 100%.

- Real Operating Expenditure per Capital Ratio – This ratio indicates how well Council is utilising economies of scale and managing service levels to achieve efficiencies. This is a Fit for the Future Ratio and relates to the General Fund only.

The benchmark is a decrease in Real Operating Expenditure per capita over time.

Council's performance against these indicators for the financial period ending 30 June 2024 is included in Table 3 in the Current Financial Position of Council section that follows.

Current Financial Position of Council

Council is required to produce Consolidated Financial Reports that comply with Australian Accounting Standards, the Local Government Act 1993 and associated Regulations and the Office of Local Government's Code of Accounting Practice and Financial Reporting.

Council is also required to prepare Special Purpose Financial Reports that provide relevant stakeholders and users with financial information about its Water and Sewer operations.

These reports are audited by the NSW Audit Office.

To enable this separate reporting (and to comply with legislative requirements) Council operates 3 Funds – a General Fund, Water Fund and Sewer Fund.

The Consolidated result is the sum of the individual fund results.

The audited financial position by Fund for the financial period to 30 June 2024 are set out in the tables below.

The General Fund recorded a deficit Net Operating Result before Capital Grants & Contributions for 2023-2024. Council has recorded a deficit General Fund result for 3 of the past 4 audited financial periods with an average deficit of \$24.448 million.

These results align with the trend projections of the previous Long-Term Financial Plans which have also been confirmed in the independent Financial Sustainability Review conducted on Council in 2023. This reflects an underlying structural issue within Council's General Fund operations and has its genesis in the financial positions of the former councils i.e. this is not a new issue.

The Financial Sustainability Review Action Plan is designed to address aspects of this issue.

At the same time Council has been budgeting for and achieving small budget surpluses from its annual operations. This takes into account all sources of funding and removes the impact of non-cash financial entries from the result.

Council is in a position where it can meet all of its financial obligations to staff, suppliers, financial institutions etc and continue to deliver services to its community.

Its challenge is to generate sufficient funds to be able to maintain and renew all of its infrastructure assets to a satisfactory standard across their entire lifecycle.

The Water and Sewer Funds have continued to record positive (or surplus) Net Operating Results before Capital Grants & Contributions over the last 4 years. This is projected to continue across the term of the Long-Term Financial Plan.

However, those funds have large capital works programs to be delivered over a long period of time and this will require careful management of ongoing budgets to ensure that funding is available when required. The previous and this Long-Term Financial Plan identify the need for Council to borrow funds to be able to deliver the capital works projects identified within the adopted Integrated Water Cycle Management 30-year Plan.

Table 1: Income Statement by Fund at 30 June 2024

	General Fund	Water Fund	Sewer Fund
Income from Continuing Operations	\$'000	\$'000	\$'000
Rates & Annual Charges	117,867	15,511	41,695
User Charges & Fees	23,139	32,287	4,262
Interest & Investment Revenue	12,005	629	2,568
Other Revenues	5,243	26	204
Operating Grants & Contributions	48,904	0	0
Capital Grants & Contributions	73,075	5,103	7,612
Other Income	11,375	0	0
Total Income from Operations	291,608	53,556	56,341
Expenses from Continuing Operations			
Employee Benefits & On-Costs	75,656	9,179	8,555
Materials & Services	58,604	16,236	17,007
Borrowing Costs	3,197	4,023	2,659
Depreciation, Amortisation & Impairments	65,526	16,885	11,604
Other Expenses	17,858	440	956
Net Losses from Disposal of Assets	19,204	879	654
Total Expenses from Continuing Operations	240,045	47,642	41,435
Net Operating Result for the Year	51,563	5,914	14,906
Net Operating Result before Capital Grants & Contributions	(21,512)	811	7,294

Table 2: Statement of Financial Position by Fund at 30 June 2024

	General Fund	Water Fund	Sewer Fund
Assets	\$'000	\$'000	\$'000
Current Assets			
Cash & Cash Equivalents	33,755	15,283	25,296
Investments	105,000	3,000	26,750
Receivables	48,587	8,809	4,535
Inventories	1,534	0	0
Other	3,044	0	0
Non-current Assets held for Sale	6,261	0	0
Total Current Assets	198,181	27,092	56,581
Non-Current Assets			
Investments	109,042	0	53,500
Receivables	628	0	0
Inventories	661	0	0
Infrastructure, property, plant & equipment	3,307,441	671,764	521,308
Investment property	30,259	1,383	1,383
Right of Use Assets	1,664	216	87
Total Non-Current Assets	3,450,055	673,363	576,278
TOTAL ASSETS	3,648,236	700,455	632,859
Liabilities			
Current Liabilities			
Payables	32,998	1,810	1,554
Contract Liabilities	48,022	0	0
Lease Liabilities	759	(6)	9
Borrowings	7,041	5,362	5,389
Employee Benefit Provision	18,495	3,123	3,123
Provisions	11,360	0	0
Total Current Liabilities	118,675	10,289	10,075
Non-Current Liabilities			
Payables	245	0	0
Lease Liabilities	1,047	250	81
Borrowings	48,094	60,297	33,436
Employee Benefit Provision	960	82	82
Provisions	26,861	0	0
Total Non-Current Liabilities	77,207	60,629	33,599
TOTAL LIABILITIES	195,882	70,918	43,674

	General Fund	Water Fund	Sewer Fund
Net Assets	3,452,354	629,537	589,185
Equity			
Accumulated Surplus	2,227,874	451,152	461,134
Revaluation Reserves	1,224,480	178,385	128,051
Council Equity Interest	3,452,354	629,537	589,185
Total Equity	3,452,354	629,537	589,185

















Table 3: Performance Indicators at 30 June 2024

	General Fund	Water Fund	Sewer Fund	Benchmark
Performance Indicator				
Operating Performance Ratio	0.22%	3.66%	16.39%	>0.00%
Own Source Operating Revenue Ratio	56.88%	90.47%	86.49%	>60.00%
Unrestricted Current Ratio	4.49x	2.63x	5.62x	>1.50x
Debt Service Cover Ratio	7.27x	2.41x	2.74x	>2.00x
Rates & Annual Charges Outstanding %	12.08%	8.92%	7.55%	<10.00%
Cash Expense Cover Ratio	12.45 months	7.14 months	39.63 months	> 3 months
Building & Infrastructure Renewals Ratio	151.74%	23.95%	66.00%	>100.00%
Infrastructure Backlog Ratio	10.13%	9.09%	10.65%	<2.00%
Asset Maintenance Ratio	111.45%	97.58%	96.70%	>100.00%
Fit for the Future Ratios – General Fund only – 3 year rolling average result				
	2023/2024	2022/2023	2021/2022	
Debt Service Ratio	6.36%	7.65%	8.86%	>0.00%<20.00%
Real Operating Expenditure per Capita	1.80	1.82	1.77	Decrease in result over time

Asset Management

Asset Management Strategy

Council is responsible for over \$5.80 billion in infrastructure assets across roads (and support infrastructure), water (including wastewater and stormwater) and cultural and recreational assets which support the delivery of our services.

 3,643KM of roads	669 bridges 	 166KM of footpaths / cycleways	368KM of stormwater drainage pipes 
6 water treatment plants 	 1,300KM of water mains	14 sewage treatment plants 	 1,100KM of sewer mains
1 regional art gallery 	 1 entertainment centre	11 libraries 	 76 playgrounds
26 sporting complexes 	 34 cemeteries	9 swimming pools 	 63 full-size playing fields

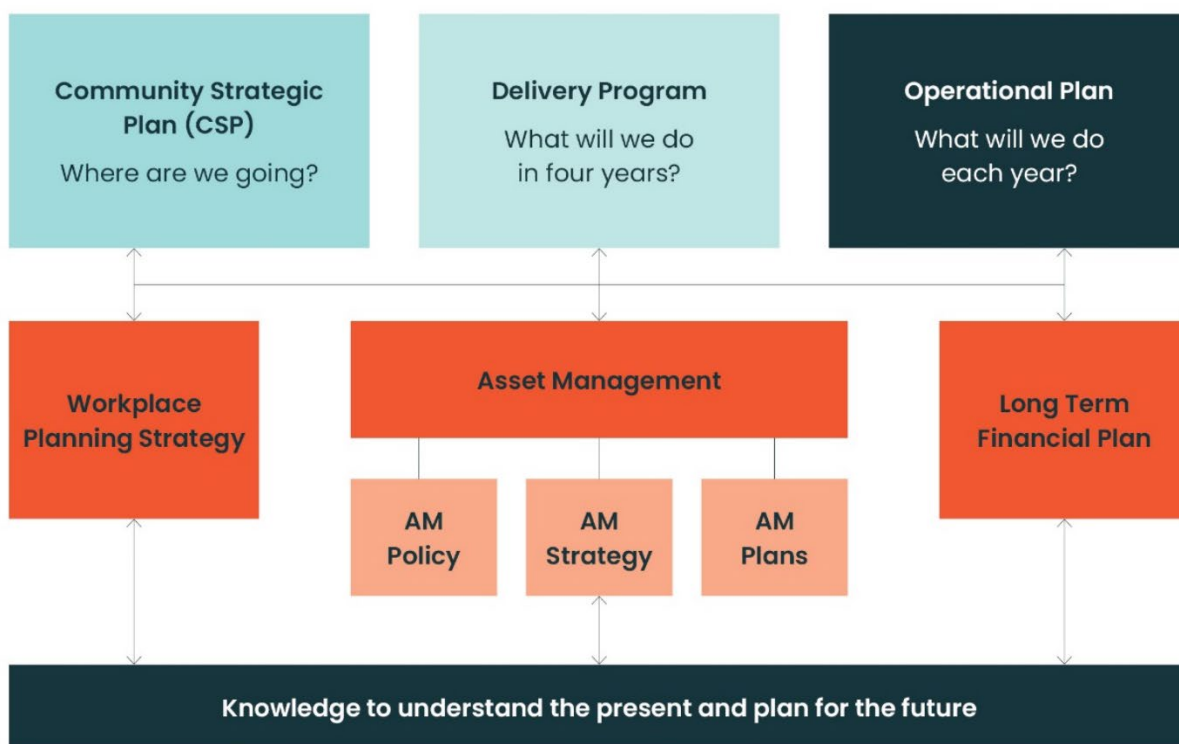
Council's Asset Management Strategy has been developed in accordance with the Integrated Planning and Reporting Framework Guidelines and provides the basis for consistent and effective asset management across all asset classes. The Integrated Planning and Reporting (IP&R) Framework encourages and supports the review of each of Council's resourcing strategies aligned with the review of the Community Strategic Plan and at other times as required.

The Strategy also includes an Asset Management Improvement Plan, which details a program of tasks and nominated resources as part of our commitment to reach a minimum level of 'Good' maturity (as defined by the Integrated Planning and Reporting guidelines) asset management practice across the organisation by 2028. It includes outcomes from Council's service delivery practices, financial sustainability indicators, asset management maturity and the objectives and strategies identified in the Community Strategic Plan. The Asset Management Strategy enables Council to show the link between the Community Strategic Plan and the day-to-day management of our assets by providing;

- a basis for the management of building, recreation, roads & transport, stormwater drainage, water & sewer assets;
- identify future assets that will be required to meet the needs of the community in future years;
- providing strategic objectives to allow us to fulfil our Asset Management Policy, and
- identify actions to achieve the objectives of the Improvement Plan.

Asset management requires a "Whole of Council" approach and applies to all assets that Council manages for delivering sustainable services to the community. The Asset Management Framework enables alignment of asset planning and management practices with service delivery priorities and strategies, within the limits of the resources available. The framework provides linkages between the various strategic and policy documents required for IP&R. The asset management framework incorporates strategic and policy documents for the provision of effective community infrastructure.

Asset Management Informs Policy Decisions



Asset Financial Modelling and Assumptions

The financial information contained in the Asset Management Strategy has been developed based on a review of asset data supporting our financial reporting. The overarching asset management financial model was developed using asset values from current asset registers and then aligned with Note C1-7 Infrastructure, property, plant and equipment and Report on Infrastructure Assets of the Annual Financial Statements 2023/2024. The model also considered the following assumptions:

- Capital Works Program based on LTFP Business as usual scenario
- Capital Works Program in LTFP split into renewals and new assets
- Capital funding split on asset values
- Where better information is available this has been used
- Works programs split into:
 - New assets
 - Renewal projects

Further benchmarking of depreciation and required maintenance based on Regional Town & City Classification (includes 26 NSW councils) and the Hunter Joint Organisation councils was incorporated into the model. The model consistently and accurately predicts future asset expenditure requirements and can be utilised as a reliable and realistic link for the Long-Term Financial Plan. This ensures consistency across the organisation in relation to asset reporting and asset needs.

Scenarios and Assumptions

Current Situation

This Long-Term Financial Plan is being prepared at a time where the Council is grappling with the challenge of ensuring the long-term financial sustainability of the organisation in a economic environment of high cost of living pressures, uncertainty over the medium-term trends of interest rates and inflation and geo-political volatility.

At the time of preparation of this Long-Term Financial Plan, Australia is heading to the polls for a Federal election, major conflicts continue in both Ukraine and Gaza, the President of the USA is engaging in 'disruptor' behaviours as he attempts to deliver on domestic election promises and Pope Francis has passed away. All of these factors are having an impact on international and domestic economies.

The newly elected MidCoast Councillors have identified 3 main priorities for their term being:

- Roads
- Financial Sustainability
- Customer Experience

The preparation of the 2025-2026 General Fund budget has included an instruction to provide additional funding for the Roads area on a permanent basis.

This has been achieved with an additional \$6.7 million allocated for 2025-2026, with a further \$3.0 million in 2026-2027 and \$1.7 million in 2027-2028 allocated. This occurred through a review of budgets, the delivery of efficiencies and the identification of savings in the organisational structure and opportunities for additional revenues. Rate increases have been contained within the IPART announced rate peg.

NOTE:

The MidCoast Local Government Area (LGA) experienced severe flooding after receiving over 50% of its annual average rainfall in four days from 20th of May 2025. The flood was marked as a 1 in 500-year event, with the Manning River recording 6.5 metres at Taree, which surpassed the 1929 record of 6.0 meters at the same location. The floods had a major impact on infrastructure, the economy, and society. At the time of finalising this Long-Term Financial Plan, the full impact of the floods, especially on infrastructure assets, is still being evaluated and will be included in future revisions of the Long-Term Financial Plan. As a result, this Long-Term Financial Plan is presented in the context before the 2025 flood event, when it was placed on public exhibition.

2 scenarios have been developed for the General Fund within this Long-Term Financial Plan – a Base Case Scenario and a Infrastructure Renewal & Maintenance Shortfall scenario. The intent is to illustrate the projected financial position of Council's General Fund from the continuation of current levels of service and budget allocations and the projected financial position if the funding gaps for both renewal and maintenance works identified in the Asset Management Strategy were addressed.

These scenarios reflect the current position of the organisation and the ongoing discussions that are focused on addressing Council's asset management challenges within a financial sustainable future. Further scenarios were not requested by the new Council as it continues to understand the size of the funding gap and discuss strategies that will allow it to move from the Base Case scenario towards the Infrastructure Renewal & Maintenance Shortfall scenario.

2025/2026 General Fund Base Case Scenario

The Base Case scenario has been developed on the premise of carrying on business as usual. It reflects Council's modelling of its future financial position based on the draft 2025/2026 budget which

includes the allocation of additional funds for asset maintenance/renewals, the continuation of savings and additional revenues mentioned above.

The projections made in this scenario include adjustments made to ensure that time specific projects only impact on the model for the appropriate period (i.e. a three-year funded project only impacts on the model for three years and is not projected out for the entire duration of the model.)

The model has been prepared at the lowest accounting level within Council's financial accounting system. At this level, certain accounts are coded for manual adjustment rather than global percentage increases. It is therefore not possible to simply multiply the previous year's base by a percentage and achieve the same outcomes as presented.

A number of assumptions have been made regarding the indexation of the various revenue and expenditure items that form Council's budget. These assumptions are outlined below:

Revenue Assumptions

Ordinary Rates - based on the assumption that Council will adopt the IPART announced rate peg of 3.80% for 2025-2026. Ordinary rates are then projected to increase by 3.0% for the following 3 years before returning to the OLG & IPART advised index of 2.5%.

A small annual allowance has been made for the growth in rateable properties across the duration of the Plan. A growth amount of \$40,000 per annum has been incorporated into the Plan.

There is uncertainty in predicting the growth in rateable assessments across the timespan of the Long-Term Financial Plan. While there is movement within the property development sector, the actual release of new subdivisions is ultimately controlled by the developer and the demand for new land.

Major urban releases in the Brimbin and North Tuncurry areas would appear to still be a number of years away and as such a significant growth in assessments has not been included in this Plan.

Annual Charges for Waste Management Services have been projected to increase by 3.80% in 2025-2026 and then by 2.90% for the following 3 years before being indexed at 2% across the duration of the Plan.

Stormwater Levy charges are projected to increase by 0.25% per annum. It is not anticipated that there will be an increase in the legislated charge and the indexation is based on a small growth in rateable properties over the life of the Plan.

User Charges & Fees and Charges - These revenues for the next twelve months are detailed in Council's Fees and Charges Schedule and Statement of Revenue Policy, both of which form part of Council's Delivery Program and Operational Plan. The Base Case model generally provides for an increase of at least 3.80% for 2025-2026, 3.0% for the following 3 years and then 2.50% across the remaining life of the Plan. These fees represent a small component of the total.

Regulatory fees and charges, being set by the State Government, are indexed to increase by 0.25% per annum.

General and Specific Purpose Operating Grants - These grants represent a significant proportion of Council's operating revenue. They include the Financial Assistance Grant from the Commonwealth Government which is affected by movements in the Consumer Price Index and Estimated Resident Population.

The amount estimated for 2025/2026 has been indexed to grow based on information provided by the NSW Grants Commission. From 2026/2027 an indexation figure of 0.2% has been applied consistently over the life of the plan.

This is considered to be a reasonable position given the NSW Grants Commission's position of reallocating FAG funding from regional councils to smaller rural councils.

Operational grants have been increased by 1.5% across the life of the plan.

Interest of Investments - This scenario assumes that Council will continue to have a level of invested funds similar to that currently under investment. It is anticipated that there will be minimal growth in interest income across the 10 years of the Plan.

Projections on movements in interest rates currently reflect some uncertainty with economic commentators currently predicting some level of rate cuts during 2025-2026 and potential rate increase in 2026-2027. Global economic uncertainty predominantly tied to US domestic and international announcements are driving that uncertainty.

Capital Grants & Contributions - Council has generally taken a very conservative approach to its estimation of capital grants and contributions on the basis that there is no guarantee that these funds will be received from year to year. Council's budget has also included non-cash contributions that are received each year (like developer contributed infrastructure and RFS equipment)..

An indexation factor of between 0.5% and 1.0% has been applied to these items across the duration of the Plan.

Expenditure Assumptions

Employee Benefits & On-costs - Employee costs for 2025/2026 and future years have been indexed to take into account anticipated Local Government Award movements and Salary System Performance Review progressions.

The Plan reflects an annualised wage increase of approximately 4.80% for 2025/2026, 4.50% for the following 3 years and then 2.50% for the remainder of the Plan. This consists of 2 components being an Award increase which is based on assessment of costs and current inflation and Salary System progression increase (based on eligibility under the Performance Review processes).

The current NSW Local Government Award will expire at 30 June 2025 and a new 3-year Award will be made that will take effect from 1 July 2025. A review of this aspect of the Plan will be required once the new Award is handed down by the Industrial Relation Commission.

This scenario is based on the current staff structures for Council and existing salary systems.

Borrowings – The Base Case provides that Council will not be borrowing for General Fund works across the life of this Plan. Council will focus on paying down General Fund debt.

Materials & Contracts – This is one of the largest items on Council's Income Statement. It covers all materials used in operational activities along with major ongoing operational contracts such as the domestic waste collection contract.

Budgets in the operational plan reflect all known information in relation to contracts and the Plan assumes increases around 2.5% to 3.0% across the life of the Plan. Actual cost increases may in fact be greater than the inflation index.

Depreciation & Amortisation – For the purposes of this plan the depreciation expense is projected to grow at a rate of 0.25% per year. This recognises the general growth in the asset base over time and some level of increase arising from the annual indexation of asset values.

However, it is expected that there will be changes to the underlying depreciation expense moving forward as asset data is constantly reviewed and refined. Proposed changes to accounting standards, valuation and depreciation methods are also likely to impact on the current estimate of depreciation across the term of the Plan.

Other Expenses – This category includes a number of utility expense items including electricity costs, water and sewerage charges, waste charges etc. In general, the Plan provides that these utility expenses will increase by 2.5%, insurances by 5.0% and contracts by 3.0% per annum for the life of the Plan. Other general expenses are projected to increase by 2.5% per annum.

2025/2026 Water Fund Base Case Scenario

The Water Fund Base Case has been developed on a Business-as-Usual basis. Capital expenditure has been forecast across the 10-year horizon of this Plan based on the current reviews of detail contained within the 30-year Integrated Water Cycle Management plan.

Indexation has been applied to the 2025/2026 draft budget as follows:

- Annual Charges: 6.0% for 2029-30 & 30-31 and then 5.0% for the duration of the Plan
- User Charges: 6.0% for 2029-30 & 30-31 and then 5.0% for the duration of the Plan
- Fees & Charges: 2.5% for the duration of the Plan
- Interest: 0.2% for the duration of the Plan
- Other Revenues: 2.0% for the duration of the Plan
- Operating Grants: 1.0% for the duration of the Plan
- Employee Costs: 2.5% for the duration of the Plan
- Materials & Contracts: 2.0% to 3.0% for the duration of the Plan
- Other Expenses: 2.5% for the duration of the Plan
- Depreciation: 0.25% for the duration of the Plan
- Interest on Borrowings: Actual repayments

2025/2026 Sewer Fund Base Case Scenario

The Sewer Fund Base Case has been developed on a Business-as-Usual basis. Capital expenditure has been forecast across the 10-year horizon based on the current reviews of detail contained within the 30-year Integrated Water Cycle Management plan.

Indexation has been applied to the 2025/2026 draft budget as follows:

- Annual Charges: 3.0% for the duration of the Plan
- User Charges: 2.0% for the duration of the Plan
- Interest: 0.2% for the duration of the Plan
- Fees & Charges: 0.25% to 2.0% for the duration of the Plan
- Other Revenues: 2.0% for the duration of the Plan
- Operating Grants: 1.0% for the duration of the Plan
- Employee Costs: 2.5% for the duration of the Plan
- Materials & Contracts: 2.0% to 3.0% for the duration of the Plan
- Other Expenses: 2.5% for the duration of the Plan
- Depreciation: 0.25% for the duration of the Plan
- Interest on Borrowings: Actual repayments

Infrastructure Renewal & Maintenance Shortfall Scenario

As part of the development of the Asset Management Strategy, analysis was undertaken to quantify the funding required to ensure that Council met the Infrastructure Asset Performance Indicators compared with the funding actually allocated. Those indicators are:

- Building and infrastructure renewal ratio
- Infrastructure backlog ratio
- Asset maintenance ratio

Specific results and analysis are contained within the Asset Management Strategy, which forms part of Council's Resourcing Strategy.

The Asset Management Strategy highlights that Council has a shortfall in funding that is required to meet the maintenance and renewal requirements of its asset base. This shortfall is commonly known as the funding gap. In order to respond to the funding gap during the term of the Strategy Council will focus on establishing community agreed levels of service and prioritising funding towards those asset classes. The urgent need is to ensure that asset funding is based on risk, criticality and affordability.

It is important to note that the figures contained within this Long-Term Financial Plan are based on existing funding levels and allocations ie a Business-as-Usual scenario.

The Asset Management Strategy does contain an external analysis of Council's current asset position and it confirms and supports other reports that highlight the challenges that Council faces in ensuring that it meets its financial and asset sustainability responsibilities over the short, medium and long term.

Table 4 below highlights the funding gaps by Fund and by maintenance and renewal requirements.

The maintenance gap compares the actual funding allocation provided within the Long-Term Financial Plan against the amount required to meet the Asset Maintenance Ratio benchmark of 100%.

The renewal gap compares the actual funding allocation provided within the Long-Term Financial Plan against the required renewal funding allocation i.e. depreciation, to meet the Building and Infrastructure Renewal Ratio of 100%.

Table 4 – Funding Required to Meet Benchmark Ratios

\$'000	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
General Fund									
Overall Gap	9,316	24,306	24,346	28,400	29,845	31,190	32,575	34,007	35,698
Maintenance Gap	5,855	7,638	8,642	8,668	9,296	9,797	10,313	10,851	11,405
Renewal Gap	3,461	16,668	15,704	19,732	20,549	21,393	22,262	23,156	24,293
Water Fund									
Overall Gap	2,802	3,055	3,414	4,024	4,429	4,708	5,282	6,026	6,571
Maintenance Gap	35	72	150	258	311	351	454	592	688
Renewal Gap	2,767	2,983	3,264	3,768	4,118	4,357	4,828	5,434	5,883
Sewer Fund									
Overall Gap	-7,045	-4,541	1,382	5,434	5,949	6,827	7,728	8,438	8,853

Maintenance Gap	240	514	749	896	1,021	1,248	1,484	1,659	1,754
Renewal Gap	-7,285	-5,055	633	4,538	4,928	5,579	6,254	6,779	7,099

Modelling Results

Scenarios by Fund

Consolidated Fund Result

The Consolidated Fund Result for MidCoast Council indicates that over the 10-year life of this Long-Term Financial Plan that Council will generate surplus Operating Results before Capital Grants and Contributions from 2027/2028 onwards. The average surplus over the 10-year period is approximately \$2.6 million.

It is important to note that the Consolidated Result is the aggregate of the results of the 3 Funds. However, legislation requires that Water and Sewer operations are kept separate and are not available for use in the General Fund. As such the results of the individual Funds are important in considering the long-term financial sustainability of the organisation.

Commentary on the results of the modelling of the 3 Funds is provided below.

General Fund Base Case Scenario

The General Fund Base Case model indicates that Council will continue to record Operating Deficits before capital grants and contribution across the time horizon of this Plan.

The projected General Fund deficits average \$9.5 million per year from 2027-2028 with the 2025-2026 and 2026-2027 impacted by some large one-off operational expenditures (landfill remediation works).

This result is reflected in the key Financial Performance Indicator of financial sustainability – the Operating Performance Ratio. The benchmark required is 0% with the preference being a continued reasonable surplus. With the exception of 2025-2026 and 2026-2027, this ratio tracks in a band between -3.65% to -4.15% across the period from 2027-2028 to 2034-2035.

This average deficit has reduced when compared with the previous Long-Term Financial Plan and this reflects the impact of some of the savings that have identified during the 2025-2026 budget preparation.

In dollar terms, and noting the inherent limitations of the Long-Term Financial Plan, the projected General Fund deficit is approximately \$10 million per year. To address this deficit entirely from rate income would equate to a 10% increase on current levels (not including any forecast rate peg increases).

Council is aware of this challenge and the Financial Sustainability Review Action Plan outlines the path that is being followed to address this matter.

Water Fund Base Case Scenario

The Water Fund Base Case indicates that it will record Net Operating surpluses before capital grants and contributions averaging \$9.0 million over the 10-year timeframe of the LTFP. This indicates that the Water Fund is raising sufficient funds to meet operational needs and fund depreciation.

However, the Integrated Water Cycle Management Plan (IWCM) projects a large and ongoing capital works program that includes the construction of Peg Leg Dam. This capital works program puts substantial pressure on the cash position of the Fund as indicated within the Cash Flow Statement.

While there are increases in annual charges and user charges projected across the life of the Plan, it will be necessary to rely on external borrowings to deliver the entire program. It is projected that

total borrowings of \$115 million may be required commencing in 2028-2029. Those borrowings have been modelled based on a 6% interest rate and 30-year term. The delivery of the water security projects (Peg Leg Dam, Gloucester & Bulahdelah Off-river storages) relies on receiving government funding up to 66% of the project cost to be viable. That level of subsidy is reflected within the modelling as capital grants and contributions.

Recent experience with the estimating of capital works projects indicates that costs are increasing well above expectations. There is a risk that tendered prices to deliver these projects will be in excess of estimates and this may impact either the delivery timeframe, level of borrowings or project viability. This is monitored regularly and estimates updated accordingly and this will need to flow through to revisions of this Plan.

Sewer Fund Base Case Scenario

The Sewer Fund Base Case indicates that it will record Net Operating surpluses before capital grants and contributions averaging \$6.0 million over the 10 year timeframe of the LTFP. This indicates that the Sewer Fund is raising sufficient funds to meet operational needs and fund depreciation.

However, the Integrated Water Cycle Management Plan (IWCM) projects a large and ongoing capital works program over the next 7 years. This capital works program puts substantial pressure on the cash position of the Fund as indicated within the Cash Flow Statement.

While there are increases in annual charges and user charges projected across the life of the Plan, it will be necessary to rely on external borrowings to deliver the entire program. It is projected that total borrowings of \$109 million may be required commencing in 2027-2028. Those borrowings have been modelled based on a 6% interest rate and 30-year term.

Recent experience with the estimating of capital works projects indicates that costs are increasing well above expectations. There is a risk that tendered prices to deliver these projects will be in excess of estimates and this may impact either the delivery timeframe, level of borrowings or project viability. This is monitored regularly and estimates updated accordingly and this will need to flow through to revisions of this Plan.

General Fund - Infrastructure Renewal & Maintenance Shortfall Scenario

The funding required to close the funding gap for both asset maintenance and renewal works and to meet the benchmark ratios is significant. The Infrastructure Renewal & Maintenance Shortfall Scenario has been prepared to illustrate the funding gap that currently exists. This scenario has been developed by including the renewal and maintenance funding gap within the Base Case scenario.

The primary financial statements associated with this scenario are included within the Annexures.

The results confirm that Council does not have the capacity, within current budget and service settings, to provide the funding required to meet all of the asset related benchmarks.

This scenario provides Council with valid information to continue internal and external conversations during its term about strategies to provide the level of resourcing required to address its asset management challenges.

Sensitivity Analysis

Long term financial plans are inherently uncertain. They contain a wide range of assumptions, including assumptions about interest rates and the potential effect of inflation on revenues and expenditure. Some of these assumptions have a relatively limited impact if they are wrong, others can have a major impact on future financial plans. If the assumptions above are found to be inaccurate then it will be necessary for Council to reconsider current strategies on expenditure and revenue and realign the Plan to fund any changes in costs or revenues.

At the present time growth in rate revenue is projected to increase at the rate of 2.5% per annum. It should be noted that the 'rate peg' as announced by the IPART has not, until recently, not matched this estimate. This has an impact on Council's long term forecasts and should this trend continue into the future it will be necessary to revise this major driver of the Plan.

By way of example each 0.1% of rate peg below the estimate equates to approximately \$100,000. Over the life of the Plan this equates to in excess of \$1,000,000.

As highlighted earlier in this LTFP, economic conditions are becoming more volatile at present with price, wage and monetary indexes moving in response to global and national influences. This will necessitate more regular reviews of the LTFP where significant movements occur during a financial period.

Council will also review and update relevant sections and projections of the Long-Term Financial Plan on an annual basis.

Annexures

2024-2025 Consolidated Budget – 10 Year Financial Projections

Income Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
INCOME STATEMENT - CONSOLIDATED

Scenario: Base Case	Current Year 2024/25	2025/26	2026/27	2027/28	2028/29	Projected Years		2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	2029/30	2030/31	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	181,383,790	188,536,389	193,866,803	199,650,810	205,602,952	211,495,421	217,578,271	223,648,309	229,900,436	236,340,676	242,975,274
User Charges & Fees	58,841,356	60,510,941	62,369,861	64,099,996	65,734,560	68,368,195	71,141,339	73,658,606	76,287,453	79,033,164	81,901,280
Other Revenues	3,837,765	5,118,328	4,378,244	4,458,223	4,513,947	4,603,626	4,695,098	4,788,400	4,883,568	4,980,640	5,079,652
Grants & Contributions provided for Operating Purposes	34,336,468	42,262,713	38,161,202	39,023,195	39,595,853	39,847,723	40,102,511	40,360,257	40,621,004	40,884,794	41,149,758
Grants & Contributions provided for Capital Purposes	48,197,369	30,494,784	19,104,000	19,104,000	16,104,000	52,525,535	56,455,976	60,951,183	57,594,909	18,945,497	16,227,677
Interest & Investment Revenue	11,674,129	13,822,829	12,590,500	11,210,700	9,806,000	9,825,612	9,845,263	9,864,954	9,884,684	9,904,453	9,924,262
Other Income:											
Other Income	2,560,368	2,848,410	2,715,768	2,748,901	2,782,864	2,806,725	2,830,998	2,855,694	2,880,820	2,906,384	2,932,395
Total Income from Continuing Operations	340,831,245	343,594,393	333,186,378	340,295,824	344,140,177	389,472,836	402,649,458	416,127,402	422,052,874	392,995,608	400,190,299
Expenses from Continuing Operations											
Employee Benefits & On-Costs	96,140,880	100,642,787	102,556,362	106,286,452	110,738,714	113,952,210	116,796,197	119,726,223	122,729,498	125,807,855	128,422,959
Borrowing Costs	8,389,834	7,818,385	7,018,864	6,818,207	7,344,377	8,991,407	11,222,405	13,306,175	15,032,473	15,340,060	14,662,927
Materials & Contracts	94,972,649	104,234,695	99,196,445	96,450,482	98,512,388	104,374,597	107,133,638	111,339,839	114,805,901	118,058,856	115,694,552
Depreciation & Amortisation	90,556,200	92,523,600	92,755,690	92,970,859	93,208,111	93,440,958	93,674,422	93,908,504	94,143,208	94,378,537	94,614,491
Other Expenses	12,561,628	14,357,903	23,013,973	11,666,887	12,874,483	12,201,026	12,433,233	12,671,243	13,908,637	13,165,267	14,151,927
Net Losses from the Disposal of Assets	923,500	923,500	951,205	979,742	1,009,134	1,009,134	1,009,134	1,009,134	1,009,134	1,009,134	1,009,134
Total Expenses from Continuing Operations	303,544,692	320,500,871	325,492,540	315,172,629	323,687,208	333,969,332	342,269,027	351,961,118	361,628,851	367,759,710	368,555,991
Operating Result from Continuing Operations	37,286,553	23,093,522	7,693,838	25,123,195	20,452,969	55,503,504	60,380,430	64,166,285	60,424,022	25,235,898	31,634,308
Net Operating Result for the Year	37,286,553	23,093,522	7,693,838	25,123,195	20,452,969	55,503,504	60,380,430	64,166,285	60,424,022	25,235,898	31,634,308
Net Operating Result before Grants and Contributions provided for Capital Purposes	-10,910,816	-7,401,262	-11,410,162	6,019,195	4,348,969	2,977,969	3,924,454	3,215,102	2,829,113	6,290,401	15,406,631

Balance Sheet

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
BALANCE SHEET - CONSOLIDATED

Scenario: Base Case	Current Year 2024/25	2025/26	2026/27	2027/28	2028/29	Projected Years					
	\$	\$	\$	\$	\$	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
ASSETS											
Current Assets											
Cash & Cash Equivalents	24,852,765	4,224,657	4,259,803	9,636,115	19,525,109	22,336,140	28,014,413	39,169,559	42,786,426	56,711,437	82,680,626
Investments	120,544,533	108,612,150	90,052,253	88,825,920	88,820,625	88,820,625	88,820,625	88,820,625	88,820,625	88,820,625	88,820,625
Receivables	47,907,415	47,246,085	44,470,219	45,633,920	46,160,280	53,435,798	55,296,205	57,266,550	57,935,438	52,739,756	53,647,763
Inventories	1,937,227	2,106,437	1,984,359	1,917,945	1,935,089	1,976,412	2,016,482	2,057,775	2,100,476	2,144,482	2,189,865
Other	2,722,662	3,038,548	3,110,852	2,651,931	2,716,689	2,762,852	2,833,590	2,907,213	3,013,647	3,060,477	3,160,166
Non-current assets classified as "held for sale"	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250
Total Current Assets	199,529,850	166,793,127	145,442,736	150,231,083	160,723,043	170,897,076	178,546,565	191,786,973	196,221,860	205,042,027	232,064,296
Non-Current Assets											
Investments	177,107,467	157,647,161	127,550,799	125,464,191	125,455,182	125,455,182	125,455,182	125,455,182	125,455,182	125,455,182	125,455,182
Receivables	1,228,949	1,639,124	1,402,069	1,427,687	1,445,536	1,474,254	1,503,547	1,533,426	1,563,902	1,594,988	1,626,696
Inventories	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255
Infrastructure, Property, Plant & Equipment	4,560,590,899	4,619,850,880	4,663,859,572	4,687,476,142	4,711,382,944	4,801,188,667	4,888,958,063	4,978,358,456	5,059,571,415	5,064,441,989	5,061,306,875
Investment Property	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000	33,025,000
Right of use assets	1,247,900	535,900	-178,190	-860,449	-1,544,961	-2,231,010	-2,918,635	-3,607,876	-4,298,773	-4,991,367	-5,685,701
Non-current assets classified as "held for sale"	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750
Total Non-Current Assets	4,778,527,221	4,818,025,071	4,830,986,254	4,851,859,576	4,875,090,707	4,964,239,099	5,051,350,163	5,140,091,194	5,220,643,732	5,224,852,797	5,221,055,057
TOTAL ASSETS	4,978,057,071	4,984,818,198	4,976,428,990	5,002,090,659	5,035,813,750	5,135,136,175	5,229,896,728	5,331,878,166	5,416,865,592	5,429,894,824	5,453,119,353
LIABILITIES											
Current Liabilities											
Payables	39,318,385	41,675,714	42,810,277	39,654,011	40,666,451	41,549,548	42,607,358	43,697,524	44,964,367	45,505,743	46,518,710
Contract liabilities	19,948,402	17,190,450	12,819,998	13,063,171	12,378,406	13,923,287	14,158,625	14,417,601	14,360,795	12,881,472	12,851,660
Borrowings	16,490,903	13,461,546	12,012,576	12,541,538	11,930,493	13,297,060	13,910,292	12,135,412	11,979,352	10,128,784	10,778,595
Employee benefit provisions	25,358,169	25,891,841	26,449,527	27,032,310	27,641,318	28,265,551	28,905,390	29,561,225	30,233,456	30,922,492	31,628,755
Other provisions	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717
Total Current Liabilities	107,373,577	104,477,268	100,350,096	98,548,747	98,874,385	103,293,164	105,839,383	106,069,480	107,795,687	105,696,208	108,035,438
Non-Current Liabilities											
Payables	50,996	57,180	93,739	45,285	50,323	47,341	48,214	49,109	54,259	50,967	55,043
Lease liabilities	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000	2,140,000
Borrowings	127,165,024	113,703,478	101,690,902	104,058,130	116,975,579	156,356,156	188,166,076	225,726,549	248,534,315	238,405,531	227,626,937
Employee benefit provisions	1,001,638	1,020,914	1,041,057	1,062,107	1,084,104	1,106,651	1,129,761	1,153,450	1,177,731	1,202,618	1,228,128
Other provisions	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283
Total Non-Current Liabilities	162,320,940	148,884,854	136,928,981	139,268,804	152,213,289	191,613,430	223,447,334	261,032,391	283,869,587	273,762,399	263,013,390
TOTAL LIABILITIES	269,694,518	253,362,123	237,279,077	237,817,551	251,087,673	294,906,594	329,286,717	367,101,870	391,665,274	379,458,607	371,048,828
Net Assets	4,708,362,553	4,731,456,075	4,739,149,913	4,764,273,108	4,784,726,077	4,840,229,581	4,900,610,011	4,964,776,296	5,025,200,318	5,050,436,216	5,082,070,525
EQUITY											
Retained Earnings	3,177,446,553	3,200,540,075	3,208,233,913	3,233,357,108	3,253,810,077	3,309,313,581	3,369,694,011	3,433,860,296	3,494,284,318	3,519,520,216	3,551,154,525
Revaluation Reserves	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000	1,530,916,000
Council Equity Interest	4,708,362,553	4,731,456,075	4,739,149,913	4,764,273,108	4,784,726,077	4,840,229,581	4,900,610,011	4,964,776,296	5,025,200,318	5,050,436,216	5,082,070,525
Total Equity	4,708,362,553	4,731,456,075	4,739,149,913	4,764,273,108	4,784,726,077	4,840,229,581	4,900,610,011	4,964,776,296	5,025,200,318	5,050,436,216	5,082,070,525

Cash Flow Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
CASH FLOW STATEMENT - CONSOLIDATED

Scenario: Base Case	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years		2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Cash Flows from Operating Activities													
Receipts:													
Rates & Annual Charges	180,458,056	188,001,791	193,464,186	199,209,044	205,147,619	211,054,792	217,124,121	223,191,126	229,429,963	235,856,495	242,476,954		
User Charges & Fees	58,026,395	60,308,855	62,145,368	63,892,374	65,539,330	68,039,463	70,794,873	73,345,266	75,959,980	78,690,884	81,543,485		
Investment & Interest Revenue Received	14,353,267	13,844,672	12,742,470	11,094,556	9,649,683	9,717,351	9,747,883	9,718,376	9,759,557	9,766,977	9,742,042		
Grants & Contributions	57,821,697	65,601,761	49,579,907	51,957,054	49,224,970	81,516,973	89,836,498	94,517,891	92,421,650	58,526,854	51,502,379		
Other	8,930,641	7,269,857	7,793,962	7,105,879	7,262,768	7,317,875	7,431,770	7,547,878	7,666,243	7,786,911	7,909,956		
Payments:													
Employee Benefits & On-Costs	-95,380,593	-99,908,877	-101,872,641	-105,485,412	-109,845,227	-113,150,504	-115,974,449	-118,883,931	-121,866,148	-124,922,922	-127,515,902		
Materials & Contracts	-93,760,843	-104,616,629	-100,657,218	-100,837,827	-100,491,766	-106,525,767	-109,185,093	-113,425,007	-116,759,244	-120,374,609	-117,757,802		
Borrowing Costs	-8,527,771	-7,907,220	-7,087,368	-6,769,627	-7,231,175	-8,685,074	-10,969,748	-13,033,097	-14,861,179	-15,414,394	-14,730,260		
Other	-12,711,628	-14,267,437	-22,479,165	-12,375,711	-12,800,776	-12,244,653	-12,420,458	-12,658,149	-13,833,302	-13,213,423	-14,092,309		
Net Cash provided (or used in) Operating Activities	109,209,220	108,326,774	93,629,501	107,790,331	106,455,426	137,040,456	146,385,397	150,320,354	147,917,520	116,702,773	119,078,543		
Cash Flows from Investing Activities													
Receipts:													
Sale of Investment Securities	0	31,392,688	48,656,260	3,312,940	14,304	0	0	0	0	0	0		
Sale of Infrastructure, Property, Plant & Equipment	1,500,000	2,082,000	1,779,200	1,819,730	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300		
Payments:													
Purchase of Infrastructure, Property, Plant & Equipment	-144,227,383	-145,938,666	-130,568,270	-110,442,878	-110,215,440	-176,304,871	-174,458,576	-176,279,100	-168,280,660	-92,126,710	-84,308,870		
Net Cash provided (or used in) Investing Activities	-142,727,383	-112,463,978	-80,132,809	-105,310,208	-108,872,836	-174,976,571	-173,130,276	-174,950,800	-166,952,360	-90,798,410	-82,980,570		
Cash Flows from Financing Activities													
Receipts:													
Proceeds from Borrowings & Advances	4,500,000	0	0	15,000,000	25,000,000	53,000,000	46,000,000	50,000,000	35,000,000	0	0		
Payments:													
Repayment of Borrowings & Advances	-20,463,072	-16,490,903	-13,461,546	-12,103,810	-12,693,596	-12,252,855	-13,576,847	-14,214,408	-12,348,293	-11,979,352	-10,128,784		
Net Cash Flow provided (used in) Financing Activities	-15,963,072	-16,490,903	-13,461,546	2,896,190	12,306,404	40,747,145	32,423,153	35,785,592	22,651,707	-11,979,352	-10,128,784		
Net Increase/(Decrease) in Cash & Cash Equivalents	-49,481,235	-20,628,108	35,146	5,376,312	9,888,994	2,811,030	5,678,274	11,155,146	3,616,866	13,925,012	25,969,189		
plus: Cash & Cash Equivalents - beginning of year	74,334,000	24,852,765	4,224,657	4,259,803	9,636,115	19,525,109	22,336,140	28,014,413	39,169,559	42,786,426	56,711,437		
Cash & Cash Equivalents - end of the year	24,852,765	4,224,657	4,259,803	9,636,115	19,525,109	22,336,140	28,014,413	39,169,559	42,786,426	56,711,437	82,680,626		
Cash & Cash Equivalents - end of the year	24,852,765	4,224,657	4,259,803	9,636,115	19,525,109	22,336,140	28,014,413	39,169,559	42,786,426	56,711,437	82,680,626		
Investments - end of the year	297,652,000	266,259,312	217,603,051	214,290,111	214,275,807	214,275,807	214,275,807	214,275,807	214,275,807	214,275,807	214,275,807		
Cash, Cash Equivalents & Investments - end of the year	322,504,765	270,483,969	221,862,854	223,926,226	233,800,917	236,611,947	242,290,221	253,445,367	257,062,233	270,987,245	296,956,434		

Financial Performance Indicators

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
FINANCIAL PERFORMANCE INDICATORS

Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Performance Ratio	-3.41%	-2.07%	-3.33%	2.18%	1.63%	1.18%	1.43%	1.19%	1.05%	1.95%	4.28%
Own Source Operating Revenue Ratio	75.78%	78.82%	82.81%	82.92%	83.81%	76.28%	76.02%	75.65%	76.73%	84.78%	85.66%
Unrestricted Current Ratio	4.06	3.45	3.31	3.39	3.43	3.24	3.17	3.01	2.47	2.42	2.67
Debt Service Cover Ratio	3.08	3.86	4.36	5.64	5.29	5.01	4.43	4.05	4.13	4.28	5.07
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	10.35%	10.35%	10.35%	10.36%	10.37%	10.37%	10.38%	10.38%	10.39%	10.39%	10.40%
Cash Expense Cover Ratio	1.29	0.21	0.21	0.49	0.96	1.06	1.28	1.73	1.84	2.38	3.49
Debt Service Ratio	9.86%	7.76%	6.52%	5.89%	6.11%	6.30%	7.16%	7.75%	7.51%	7.30%	6.45%

2024-2025 General Fund Budget – 10 Year Financial Projections

Income Statement

MidCoast Council 10 Year Financial Plan for the Years ending 30 June 2035 INCOME STATEMENT - GENERAL FUND											
Scenario: Base Case	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years		2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	123,235,125	129,101,724	132,958,304	136,928,735	141,016,953	144,405,671	147,875,848	151,429,458	155,068,520	158,795,104	162,611,331
User Charges & Fees	22,220,367	22,193,452	22,688,763	23,190,192	23,696,171	24,110,732	24,534,159	24,966,648	25,408,400	25,859,620	26,320,520
Other Revenues	19,104,108	20,324,163	19,750,297	19,998,442	20,231,747	20,491,112	20,641,691	20,795,566	20,952,813	21,113,505	20,975,345
Grants & Contributions provided for Operating Purposes	34,336,468	42,262,713	38,161,202	39,023,195	39,595,853	39,847,723	40,102,511	40,360,257	40,621,004	40,884,794	41,149,758
Grants & Contributions provided for Capital Purposes	39,447,369	21,744,784	10,354,000	10,354,000	7,354,000	7,374,330	7,394,772	7,415,328	7,435,996	7,456,779	7,477,677
Interest & Investment Revenue	9,070,400	9,019,400	8,657,000	8,607,200	8,057,500	8,073,615	8,089,762	8,105,942	8,122,154	8,138,398	8,154,675
Other Income:											
Other Income	2,560,368	2,848,410	2,715,768	2,748,901	2,782,864	2,806,725	2,830,998	2,855,694	2,880,820	2,906,384	2,932,395
Total Income from Continuing Operations	249,974,205	247,494,645	235,285,334	240,850,664	242,735,089	247,109,908	251,469,742	255,928,892	260,489,706	265,154,585	269,621,700
Expenses from Continuing Operations											
Employee Benefits & On-Costs	77,267,465	80,019,251	81,265,570	84,004,801	87,635,166	90,271,073	92,523,032	94,846,228	97,227,503	99,668,311	101,629,926
Borrowing Costs	2,240,893	2,315,153	2,054,487	1,802,810	1,553,072	1,322,783	1,104,871	887,108	699,068	557,598	463,891
Materials & Contracts	77,500,272	85,993,905	79,669,672	76,296,387	77,221,322	79,416,799	81,507,424	83,661,682	85,889,111	88,184,503	90,426,847
Depreciation & Amortisation	64,056,200	65,873,600	66,035,690	66,180,859	66,348,111	66,513,808	66,679,954	66,846,550	67,013,599	67,181,104	67,349,065
Other Expenses	11,969,953	13,421,528	22,002,802	10,629,365	11,812,036	11,112,018	11,316,999	11,527,104	12,735,895	11,963,205	12,919,814
Total Expenses from Continuing Operations	233,034,784	247,623,438	251,028,222	238,914,222	244,569,707	248,636,481	253,132,279	257,768,672	263,565,177	267,554,721	272,789,543
Operating Result from Continuing Operations	16,939,422	-128,793	-15,742,888	1,936,442	-1,834,618	-1,526,573	-1,662,537	-1,839,780	-3,075,471	-2,400,136	-3,167,842
Net Operating Result for the Year	16,939,422	-128,793	-15,742,888	1,936,442	-1,834,618	-1,526,573	-1,662,537	-1,839,780	-3,075,471	-2,400,136	-3,167,842
Net Operating Result before Grants and Contributions provided for Capital Purposes	-22,507,947	-21,873,577	-26,096,888	-8,417,558	-9,188,618	-8,900,903	-9,057,310	-9,255,107	-10,511,467	-9,856,915	-10,645,520

Balance Sheet

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
BALANCE SHEET - GENERAL FUND

Scenario: Base Case	Current Year					Projected Years							
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
ASSETS													
Current Assets													
Cash & Cash Equivalents	8,894,588	0	0	1,896,403	12,843,631	15,636,114	19,239,166	27,357,271	34,312,804	40,893,792	48,692,061		
Investments	88,505,912	85,486,059	80,170,235	80,170,235	80,170,235	80,170,235	80,170,235	80,170,235	80,170,235	80,170,235	80,170,235		
Receivables	35,156,154	34,210,815	31,167,057	31,952,812	32,105,378	32,670,260	33,250,385	33,880,399	34,512,841	35,154,985	35,819,979		
Inventories	1,937,227	2,106,437	1,984,359	1,917,945	1,935,089	1,976,412	2,016,482	2,057,775	2,100,476	2,144,482	2,189,865		
Other	2,706,019	3,021,363	3,092,913	2,633,586	2,697,700	2,741,957	2,812,324	2,884,801	2,990,546	3,036,832	3,139,029		
Non-current assets classified as "held for sale"	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250		
Total Current Assets	138,765,149	126,389,924	117,979,814	120,136,231	131,317,283	134,760,229	139,053,842	147,915,732	155,652,151	162,965,576	171,576,419		
Non-Current Assets													
Investments	125,896,088	121,600,470	114,038,924	114,038,924	114,038,924	114,038,924	114,038,924	114,038,924	114,038,924	114,038,924	114,038,924		
Receivables	1,228,949	1,639,124	1,402,069	1,427,687	1,445,536	1,474,254	1,503,547	1,533,426	1,563,902	1,594,988	1,626,696		
Inventories	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255		
Infrastructure, Property, Plant & Equipment	3,332,182,399	3,342,307,880	3,334,262,777	3,326,114,089	3,308,481,025	3,300,371,912	3,291,296,321	3,278,015,407	3,266,115,962	3,255,335,845	3,244,291,973		
Investment Property	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000		
Right of use assets	944,900	232,900	-481,190	-1,163,449	-1,847,961	-2,534,010	-3,221,635	-3,910,876	-4,601,773	-5,294,367	-5,988,701		
Non-current assets classified as "held for sale"	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750		
Total Non-Current Assets	3,495,838,341	3,501,366,379	3,484,808,584	3,476,003,255	3,457,703,529	3,448,937,085	3,439,203,162	3,425,262,886	3,412,703,020	3,401,261,395	3,389,554,896		
TOTAL ASSETS	3,634,603,491	3,627,756,302	3,602,788,399	3,596,139,487	3,589,020,812	3,583,697,314	3,578,257,004	3,573,178,617	3,568,355,171	3,564,226,971	3,561,131,315		
LIABILITIES													
Current Liabilities													
Payables	35,965,591	38,327,138	39,448,624	36,153,547	36,961,022	37,418,550	38,098,640	38,799,527	39,777,619	40,272,588	41,230,804		
Contract liabilities	19,827,410	17,069,457	12,699,006	12,942,178	12,257,413	12,334,202	12,411,846	12,490,356	12,569,745	12,650,024	12,730,667		
Borrowings	6,328,173	6,012,609	5,484,995	5,411,805	4,328,261	4,536,379	4,018,900	2,810,606	2,300,020	970,748	1,023,517		
Employee benefit provisions	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066		
Other provisions	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717		
Total Current Liabilities	87,072,958	86,360,988	82,584,408	79,459,314	78,498,480	79,240,915	79,481,169	79,052,273	79,599,169	78,845,144	79,936,772		
Non-Current Liabilities													
Payables	50,996	57,180	93,739	45,285	50,323	47,341	48,214	49,109	54,259	50,967	55,043		
Lease liabilities	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000		
Borrowings	43,655,898	37,643,289	32,158,294	26,746,490	22,418,229	17,881,850	13,862,950	11,052,344	8,752,323	7,781,575	6,758,058		
Employee benefit provisions	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934		
Other provisions	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283		
Total Non-Current Liabilities	78,237,110	72,230,686	66,782,250	61,321,991	56,998,769	52,459,407	48,441,381	45,631,670	43,336,799	42,362,759	41,343,317		
TOTAL LIABILITIES	165,310,069	158,591,674	149,366,658	140,781,305	135,497,248	131,700,323	127,922,550	124,683,943	122,935,967	121,207,903	121,280,089		
Net Assets	3,469,293,422	3,469,164,629	3,453,421,741	3,455,358,182	3,453,523,564	3,451,996,992	3,450,334,454	3,448,494,675	3,445,419,204	3,443,019,068	3,439,851,226		
EQUITY													
Retained Earnings	2,244,813,422	2,244,684,629	2,228,941,741	2,230,878,182	2,229,043,564	2,227,516,992	2,225,854,454	2,224,014,675	2,220,939,204	2,218,539,068	2,215,371,226		
Revaluation Reserves	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000		
Council Equity Interest	3,469,293,422	3,469,164,629	3,453,421,741	3,455,358,182	3,453,523,564	3,451,996,992	3,450,334,454	3,448,494,675	3,445,419,204	3,443,019,068	3,439,851,226		
Total Equity	3,469,293,422	3,469,164,629	3,453,421,741	3,455,358,182	3,453,523,564	3,451,996,992	3,450,334,454	3,448,494,675	3,445,419,204	3,443,019,068	3,439,851,226		

Cash Flow Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
CASH FLOW STATEMENT - GENERAL FUND

Scenario: Base Case	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years		2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Cash Flows from Operating Activities													
Receipts:													
Rates & Annual Charges	124,311,204	128,677,377	132,679,347	136,641,543	140,721,242	144,160,556	147,624,841	151,172,416	154,805,297	158,525,551	162,335,293		
User Charges & Fees	21,778,797	22,196,326	22,635,877	23,136,652	23,642,146	24,066,468	24,488,948	24,920,469	25,361,232	25,811,441	26,271,307		
Investment & Interest Revenue Received	10,946,261	8,968,762	8,731,881	8,501,321	7,914,162	7,998,961	8,010,613	7,987,896	8,012,928	8,030,977	8,035,784		
Grants & Contributions	50,843,336	59,601,761	43,579,907	45,957,054	43,224,970	43,747,271	44,022,782	44,301,368	44,583,072	44,867,938	45,153,919		
Other	22,954,114	22,475,692	23,166,015	22,646,097	22,980,569	23,205,364	23,378,365	23,555,047	23,735,490	23,919,779	23,805,652		
Payments:													
Employee Benefits & On-Costs	-77,132,218	-79,865,030	-81,175,778	-83,824,415	-87,390,266	-90,126,585	-92,374,931	-94,694,425	-97,071,905	-99,508,823	-101,466,450		
Materials & Contracts	-76,246,823	-86,340,297	-81,129,691	-80,683,325	-78,950,057	-81,308,563	-83,293,283	-85,472,522	-87,560,386	-90,209,893	-92,194,092		
Borrowing Costs	-2,301,817	-2,331,748	-2,070,255	-1,817,194	-1,567,263	-1,334,133	-1,116,767	-897,647	-706,439	-563,629	-466,437		
Other	-12,119,953	-13,331,062	-21,467,994	-11,338,189	-11,738,329	-11,155,645	-11,304,224	-11,514,009	-12,660,559	-12,011,361	-12,860,196		
Net Cash provided (or used in) Operating Activities	63,032,899	60,051,781	44,949,309	59,219,546	58,837,172	59,253,694	59,436,344	59,358,591	58,498,730	58,861,980	58,614,781		
Cash Flows from Investing Activities													
Receipts:													
Sale of Investment Securities	0	7,315,471	12,877,370	0	0	0	0	0	0	0	0		
Sale of Infrastructure, Property, Plant & Equipment	1,500,000	2,082,000	1,779,200	1,819,730	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300		
Payments:													
Purchase of Infrastructure, Property, Plant & Equipment	-84,242,383	-72,015,666	-53,593,270	-53,657,878	-43,806,440	-53,461,251	-52,625,213	-48,549,886	-50,060,891	-51,309,271	-51,174,063		
Net Cash provided (or used in) Investing Activities	-82,742,383	-62,618,195	-38,936,699	-51,838,148	-42,478,140	-52,132,951	-51,296,913	-47,221,586	-48,732,591	-49,980,971	-49,845,763		
Cash Flows from Financing Activities													
Receipts:													
Proceeds from Borrowings & Advances	4,500,000	0	0	0	0	0	0	0	0	0	0		
Payments:													
Repayment of Borrowings & Advances	-9,650,928	-6,328,173	-6,012,609	-5,484,995	-5,411,805	-4,328,261	-4,536,379	-4,018,900	-2,810,606	-2,300,020	-970,748		
Net Cash Flow provided (used in) Financing Activities	-5,150,928	-6,328,173	-6,012,609	-5,484,995	-5,411,805	-4,328,261	-4,536,379	-4,018,900	-2,810,606	-2,300,020	-970,748		
Net Increase/(Decrease) in Cash & Cash Equivalents	-24,860,412	-8,894,588	0	1,896,403	10,947,228	2,792,483	3,603,052	8,118,105	6,955,533	6,580,988	7,798,269		
plus: Cash & Cash Equivalents - beginning of year	33,755,000	8,894,588	0	0	1,896,403	12,843,631	15,636,114	19,239,166	27,357,271	34,312,804	40,893,792		
Cash & Cash Equivalents - end of the year	8,894,588	0	0	1,896,403	12,843,631	15,636,114	19,239,166	27,357,271	34,312,804	40,893,792	48,692,061		
Cash & Cash Equivalents - end of the year	8,894,588	0	0	1,896,403	12,843,631	15,636,114	19,239,166	27,357,271	34,312,804	40,893,792	48,692,061		
Investments - end of the year	214,402,000	207,086,529	194,209,158	194,209,158	194,209,158	194,209,158	194,209,158	194,209,158	194,209,158	194,209,158	194,209,158		
Cash, Cash Equivalents & Investments - end of the year	223,296,588	207,086,529	194,209,158	196,105,562	207,052,789	209,845,272	213,448,324	221,566,430	228,521,963	235,102,951	242,901,220		

Financial Performance Indicators

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND

Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Performance Ratio	-10.69%	-9.69%	-11.60%	-3.65%	-3.90%	-3.71%	-3.71%	-3.72%	-4.15%	-3.82%	-4.06%
Own Source Operating Revenue Ratio	70.48%	74.14%	79.38%	79.50%	80.66%	80.89%	81.11%	81.33%	81.55%	81.77%	81.96%
Unrestricted Current Ratio	4.06	3.45	3.31	3.39	3.43	3.31	3.22	3.16	2.97	2.88	2.67
Debt Service Cover Ratio	3.68	5.36	5.21	8.17	8.43	10.43	10.41	11.92	16.30	20.26	39.85
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	9.89%	10.01%	10.01%	10.01%	10.02%	10.02%	10.02%	10.02%	10.02%	10.02%	10.02%
Cash Expense Cover Ratio	0.60	0.00	0.00	0.12	0.83	1.00	1.20	1.67	2.05	2.40	2.81
Debt Service Ratio	5.64%	3.83%	3.58%	3.16%	2.96%	2.35%	2.31%	1.97%	1.38%	1.11%	0.54%

2024-2025 Water Fund Budget – 10 Year Financial Projections

Income Statement

MidCoast Council 10 Year Financial Plan for the Years ending 30 June 2035 INCOME STATEMENT - WATER FUND											
Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	16,530,546	16,894,546	17,369,162	17,901,823	18,433,156	19,549,921	20,733,942	21,778,799	22,876,087	24,028,431	25,238,589
User Charges & Fees	33,154,506	34,468,006	35,722,181	36,836,475	37,850,673	40,042,059	42,363,624	44,419,775	46,577,756	48,842,636	51,219,734
Other Revenues	1,000	1,000	1,000	1,000	1,000	1,020	1,040	1,061	1,082	1,104	1,126
Grants & Contributions provided for Capital Purposes	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000	40,651,205	44,561,204	49,035,855	45,658,913	6,988,718	4,250,000
Interest & Investment Revenue	660,429	1,039,429	964,500	904,500	774,500	776,049	777,601	779,156	780,715	782,276	783,841
Total Income from Continuing Operations	54,596,481	56,652,981	58,306,843	59,893,798	61,309,329	101,020,255	108,437,412	116,014,647	115,894,553	80,643,165	81,493,290
Expenses from Continuing Operations											
Employee Benefits & On-Costs	9,525,681	11,117,842	11,389,810	11,914,187	12,354,709	12,663,577	12,980,166	13,304,670	13,637,287	13,978,219	14,327,675
Borrowing Costs	3,820,091	3,501,557	3,218,209	2,971,526	3,008,894	4,074,580	5,401,174	6,401,232	7,513,777	7,884,916	7,529,182
Materials & Contracts	15,466,763	15,858,851	16,485,578	16,822,651	17,224,757	18,849,603	19,147,538	20,816,802	21,662,646	22,312,323	19,066,100
Depreciation & Amortisation	15,400,000	15,550,000	15,590,000	15,630,000	15,670,000	15,709,175	15,748,448	15,787,819	15,827,289	15,866,857	15,906,524
Other Expenses	532,175	792,875	823,461	844,596	865,298	886,930	909,104	931,831	955,127	979,005	1,003,480
Net Losses from the Disposal of Assets	728,500	728,500	750,355	772,866	796,052	796,052	796,052	796,052	796,052	796,052	796,052
Total Expenses from Continuing Operations	45,473,210	47,549,625	48,257,413	48,955,826	49,919,711	52,979,917	54,982,481	58,038,407	60,392,177	61,817,373	58,629,014
Operating Result from Continuing Operations	9,123,270	9,103,356	10,049,430	10,937,972	11,389,618	48,040,338	53,454,931	57,976,240	55,502,376	18,825,791	22,864,276
Net Operating Result for the Year	9,123,270	9,103,356	10,049,430	10,937,972	11,389,618	48,040,338	53,454,931	57,976,240	55,502,376	18,825,791	22,864,276
Net Operating Result before Grants and Contributions provided for Capital Purposes	4,873,270	4,853,356	5,799,430	6,687,972	7,139,618	7,389,133	8,893,727	8,940,385	9,843,463	11,837,073	18,614,276

Balance Sheet

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
BALANCE SHEET - WATER FUND

Scenario: Base Case	Current Year 2024/25	2025/26	2026/27	2027/28	2028/29	Projected Years		2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	2029/30	2030/31	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	9,832,718	4,224,657	4,259,803	7,739,712	6,681,478	4,471,329	8,133,499	9,359,062	7,560,391	11,955,799	23,392,433
Investments	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924	2,332,924
Receivables	6,910,620	7,122,277	7,344,810	7,560,945	7,758,573	14,288,895	15,393,151	16,543,594	16,392,987	10,351,209	10,374,998
Other	8,943	9,308	9,676	9,876	10,112	11,032	11,211	12,157	12,643	13,020	11,219
Total Current Assets	19,085,205	13,689,166	13,947,213	17,643,456	16,783,087	21,104,181	25,870,785	28,247,737	26,298,945	24,652,951	36,111,574
Non-Current Assets											
Investments	667,076	667,076	667,076	667,076	667,076	667,076	667,076	667,076	667,076	667,076	667,076
Infrastructure, Property, Plant & Equipment	683,290,500	692,852,000	698,581,645	701,898,779	719,983,727	795,766,044	859,457,742	934,493,670	1,011,292,820	1,024,367,172	1,030,590,205
Investment Property	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000
Right of use assets	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000
Total Non-Current Assets	685,556,576	695,118,076	700,847,721	704,164,855	722,249,803	798,032,120	861,723,818	936,759,746	1,013,558,896	1,026,633,248	1,032,856,281
TOTAL ASSETS	704,641,781	708,807,242	714,794,934	721,808,312	739,032,891	819,136,301	887,594,603	965,007,484	1,039,857,841	1,051,286,199	1,068,967,855
LIABILITIES											
Current Liabilities											
Payables	1,867,546	1,866,145	1,872,729	1,884,068	1,962,596	2,244,027	2,421,510	2,620,760	2,824,874	2,858,550	2,901,117
Contract liabilities	120,993	120,993	120,993	120,993	120,993	1,589,085	1,746,779	1,927,245	1,791,050	231,448	120,993
Borrowings	5,212,968	4,357,237	4,237,849	4,498,246	4,796,960	5,541,632	6,130,780	5,916,135	6,228,469	5,480,618	5,836,331
Employee benefit provisions	3,332,176	3,599,022	3,877,875	4,169,277	4,473,792	4,785,920	5,105,851	5,433,780	5,769,907	6,114,438	6,467,582
Total Current Liabilities	10,533,683	9,943,396	10,109,446	10,672,584	11,354,340	14,160,665	15,404,919	15,897,920	16,614,301	14,685,053	15,326,023
Non-Current Liabilities											
Lease liabilities	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000
Borrowings	55,083,601	50,726,364	46,488,515	41,990,269	47,132,486	76,377,972	90,125,546	109,057,354	127,676,827	122,196,209	116,359,879
Employee benefit provisions	120,228	129,856	139,917	150,431	161,418	172,680	184,223	196,055	208,183	220,614	233,356
Total Non-Current Liabilities	55,447,829	51,100,220	46,872,432	42,384,700	47,537,904	76,794,652	90,553,769	109,497,409	128,129,010	122,660,823	116,837,235
TOTAL LIABILITIES	65,981,511	61,043,616	56,981,878	53,057,284	58,892,245	90,955,317	105,958,688	125,395,329	144,743,311	137,345,876	132,163,257
Net Assets	638,660,270	647,763,626	657,813,056	668,751,028	680,140,646	728,180,984	781,635,915	839,612,155	895,114,530	913,940,322	936,804,598
EQUITY											
Retained Earnings	460,275,270	469,378,626	479,428,056	490,366,028	501,755,646	549,795,984	603,250,915	661,227,155	716,729,530	735,555,322	758,419,598
Revaluation Reserves	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000	178,385,000
Council Equity Interest	638,660,270	647,763,626	657,813,056	668,751,028	680,140,646	728,180,984	781,635,915	839,612,155	895,114,530	913,940,322	936,804,598
Total Equity	638,660,270	647,763,626	657,813,056	668,751,028	680,140,646	728,180,984	781,635,915	839,612,155	895,114,530	913,940,322	936,804,598

Cash Flow Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
CASH FLOW STATEMENT - WATER FUND

Scenario: Base Case	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years 2029/30 \$		2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	16,351,126	16,875,578	17,344,429	17,874,066	18,405,468	19,491,726	20,672,242	21,724,351	22,818,906	23,968,381	25,175,527	
User Charges & Fees	32,803,057	34,299,059	35,560,865	36,693,151	37,720,223	39,760,195	42,065,017	44,155,305	46,300,189	48,551,319	50,913,983	
Investment & Interest Revenue Received	1,068,122	1,038,294	957,491	892,528	768,008	754,740	762,371	762,322	768,358	767,188	745,108	
Grants & Contributions	4,027,295	3,000,000	3,000,000	3,000,000	3,000,000	34,769,702	42,813,716	47,216,523	44,838,578	10,658,916	3,348,460	
Other	1,175,870	1,000	1,000	1,000	1,000	1,017	1,038	1,059	1,080	1,101	1,123	
Payments:												
Employee Benefits & On-Costs	-9,230,301	-10,829,327	-11,093,657	-11,604,707	-12,031,302	-12,335,494	-12,643,881	-12,959,979	-13,283,978	-13,616,077	-13,956,479	
Materials & Contracts	-15,500,706	-15,884,216	-16,485,945	-16,822,852	-17,224,994	-18,850,523	-19,147,716	-20,817,748	-21,663,131	-22,312,700	-19,064,299	
Borrowing Costs	-3,870,138	-3,537,605	-3,248,339	-3,000,831	-2,971,270	-3,867,197	-5,302,035	-6,271,802	-7,382,863	-7,927,986	-7,567,081	
Other	-532,175	-792,875	-823,461	-844,596	-865,298	-886,930	-909,104	-931,831	-955,127	-979,005	-1,003,480	
Net Cash provided (or used in) Operating Activities	26,292,149	24,169,907	25,212,383	26,187,758	26,801,835	58,837,236	68,311,646	72,878,200	71,442,012	39,111,137	38,592,862	
Cash Flows from Investing Activities												
Receipts:												
Payments:												
Purchase of Infrastructure, Property, Plant & Equipment	-26,380,000	-24,565,000	-20,820,000	-18,470,000	-33,301,000	-91,037,544	-78,986,198	-90,369,799	-92,172,490	-28,487,261	-21,675,609	
Net Cash provided (or used in) Investing Activities	-26,380,000	-24,565,000	-20,820,000	-18,470,000	-33,301,000	-91,037,544	-78,986,198	-90,369,799	-92,172,490	-28,487,261	-21,675,609	
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	0	0	0	0	10,000,000	35,000,000	20,000,000	25,000,000	25,000,000	0	0	
Payments:												
Repayment of Borrowings & Advances	-5,362,431	-5,212,968	-4,357,237	-4,237,849	-4,559,069	-5,009,841	-5,663,279	-6,282,838	-6,068,192	-6,228,469	-5,480,618	
Net Cash Flow provided (used in) Financing Activities	-5,362,431	-5,212,968	-4,357,237	-4,237,849	5,440,931	29,990,159	14,336,721	18,717,162	18,931,808	-6,228,469	-5,480,618	
Net Increase/(Decrease) in Cash & Cash Equivalents	-5,450,282	-5,608,061	35,146	3,479,909	-1,058,234	-2,210,149	3,662,170	1,225,564	-1,798,671	4,395,407	11,436,635	
plus: Cash & Cash Equivalents - beginning of year	15,283,000	9,832,718	4,224,657	4,259,803	7,739,712	6,681,478	4,471,329	8,133,499	9,359,062	7,560,391	11,955,799	
Cash & Cash Equivalents - end of the year	9,832,718	4,224,657	4,259,803	7,739,712	6,681,478	4,471,329	8,133,499	9,359,062	7,560,391	11,955,799	23,392,433	
Cash & Cash Equivalents - end of the year	9,832,718	4,224,657	4,259,803	7,739,712	6,681,478	4,471,329	8,133,499	9,359,062	7,560,391	11,955,799	23,392,433	
Investments - end of the year	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
Cash, Cash Equivalents & Investments - end of the year	12,832,718	7,224,657	7,259,803	10,739,712	9,681,478	7,471,329	11,133,499	12,359,062	10,560,391	14,955,799	26,392,433	

Financial Performance Indicators

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
FINANCIAL PERFORMANCE INDICATORS - WATER FUND

Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Performance Ratio	11.13%	10.65%	12.12%	13.41%	13.91%	13.56%	15.17%	14.54%	15.15%	17.15%	25.13%
Own Source Operating Revenue Ratio	92.22%	92.50%	92.71%	92.90%	93.07%	59.76%	58.91%	57.73%	60.60%	91.33%	94.78%
Unrestricted Current Ratio	2.33	1.84	1.88	1.91	1.33	1.13	1.19	1.11	0.67	0.37	1.14
Debt Service Cover Ratio	1.78	1.85	2.23	2.44	2.39	6.15	5.66	5.38	4.92	2.17	2.64
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	11.29%	11.23%	11.26%	11.28%	11.30%	11.35%	11.36%	11.35%	11.36%	11.36%	11.37%
Cash Expense Cover Ratio	3.42	1.40	1.42	2.54	2.13	1.31	2.24	2.38	1.84	2.81	5.96
Debt Service Ratio	18.24%	16.63%	14.01%	12.96%	13.26%	15.05%	17.32%	18.94%	19.34%	19.16%	16.84%

2024-2025 Sewer Fund Budget – 10 Year Financial Projections

Income Statement

MidCoast Council 10 Year Financial Plan for the Years ending 30 June 2035 INCOME STATEMENT - SEWER FUND											
Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	41,618,119	42,540,119	43,539,337	44,820,252	46,152,843	47,539,829	48,968,481	50,440,051	51,955,829	53,517,141	55,125,355
User Charges & Fees	3,466,483	3,849,483	3,958,917	4,073,329	4,187,716	4,215,403	4,243,556	4,272,184	4,301,297	4,330,908	4,361,026
Grants & Contributions provided for Capital Purposes	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Interest & Investment Revenue	1,943,300	3,764,000	2,969,000	1,699,000	974,000	975,948	977,900	979,856	981,815	983,779	985,747
Total Income from Continuing Operations	51,527,902	54,653,602	54,967,254	55,092,581	55,814,559	57,231,180	58,689,937	60,192,091	61,738,942	63,331,827	64,972,127
Expenses from Continuing Operations											
Employee Benefits & On-Costs	9,347,733	9,505,694	9,900,982	10,367,464	10,748,839	11,017,560	11,292,999	11,575,324	11,864,707	12,161,325	12,465,358
Borrowing Costs	2,328,850	2,001,675	1,746,168	2,043,871	2,782,411	3,594,044	4,716,360	6,017,835	6,819,627	6,897,546	6,669,854
Materials & Contracts	17,272,957	17,588,774	18,414,248	18,872,663	19,785,109	21,996,702	22,426,310	22,869,582	23,324,471	23,695,999	22,098,424
Depreciation & Amortisation	11,100,000	11,100,000	11,130,000	11,160,000	11,190,000	11,217,975	11,246,020	11,274,135	11,302,320	11,330,576	11,358,903
Other Expenses	59,500	143,500	187,710	192,926	197,149	202,078	207,130	212,308	217,616	223,056	228,632
Net Losses from the Disposal of Assets	195,000	195,000	200,850	206,876	213,082	213,082	213,082	213,082	213,082	213,082	213,082
Total Expenses from Continuing Operations	40,304,041	40,534,643	41,579,958	42,843,800	44,916,590	48,241,441	50,101,900	52,162,266	53,741,824	54,521,585	53,034,253
Operating Result from Continuing Operations	11,223,861	14,118,959	13,387,296	12,248,781	10,897,969	8,989,739	8,588,037	8,029,824	7,997,117	8,810,243	11,937,875
Net Operating Result for the Year	11,223,861	14,118,959	13,387,296	12,248,781	10,897,969	8,989,739	8,588,037	8,029,824	7,997,117	8,810,243	11,937,875
Net Operating Result before Grants and Contributions provided for Capital Purposes	6,723,861	9,618,959	8,887,296	7,748,781	6,397,969	4,489,739	4,088,037	3,529,824	3,497,117	4,310,243	7,437,875

Balance Sheet

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
BALANCE SHEET - SEWER FUND

Scenario: Base Case	Current Year					Projected Years					
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	6,125,459	0	0	0	0	2,228,697	641,749	2,453,225	913,230	3,861,846	10,596,131
Investments	29,705,697	20,793,167	7,549,094	6,322,761	6,317,467	6,317,467	6,317,467	6,317,467	6,317,467	6,317,467	6,317,467
Receivables	5,840,640	5,912,993	5,958,352	6,120,163	6,296,329	6,476,642	6,652,669	6,842,557	7,029,610	7,233,562	7,452,786
Other	7,700	7,877	8,264	8,470	8,877	9,862	10,055	10,254	10,458	10,626	9,919
Total Current Assets	41,679,496	26,714,038	13,515,709	12,451,394	12,622,672	15,032,667	13,621,939	15,623,503	14,270,765	17,423,501	24,376,302
Non-Current Assets											
Investments	50,544,303	35,379,616	12,844,799	10,758,191	10,749,182	10,749,182	10,749,182	10,749,182	10,749,182	10,749,182	10,749,182
Infrastructure, Property, Plant & Equipment	545,118,000	584,691,000	631,015,150	659,463,274	682,918,192	705,050,711	738,204,000	765,849,379	782,162,633	784,738,972	786,424,697
Investment Property	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000	1,383,000
Right of use assets	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000
Total Non-Current Assets	597,132,303	621,540,616	645,329,949	671,691,465	695,137,374	717,269,893	750,423,182	778,068,562	794,381,816	796,958,154	798,643,880
TOTAL ASSETS	638,811,799	648,254,654	658,845,658	684,142,860	707,760,047	732,302,560	764,045,121	793,692,065	808,652,580	814,381,655	823,020,182
LIABILITIES											
Current Liabilities											
Payables	1,485,247	1,482,431	1,488,925	1,616,396	1,742,833	1,886,971	2,087,209	2,277,236	2,361,873	2,374,605	2,386,789
Borrowings	4,949,762	3,091,700	2,289,732	2,631,488	2,805,272	3,219,049	3,760,613	3,408,672	3,450,862	3,677,418	3,918,748
Employee benefit provisions	3,331,927	3,598,753	3,877,586	4,168,966	4,473,459	4,785,565	5,105,473	5,433,379	5,769,482	6,113,988	6,467,107
Total Current Liabilities	9,766,936	8,172,884	7,656,243	8,416,850	9,021,565	9,891,584	10,953,295	11,119,287	11,582,217	12,166,011	12,772,643
Non-Current Liabilities											
Lease liabilities	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Borrowings	28,425,525	25,333,825	23,044,093	35,321,371	47,424,864	62,096,334	84,177,580	105,616,851	112,105,165	108,427,747	104,509,000
Employee benefit provisions	120,476	130,124	140,206	150,742	161,752	173,037	184,604	196,461	208,614	221,070	233,839
Total Non-Current Liabilities	28,636,001	25,553,949	23,274,299	35,562,113	47,676,616	62,359,371	84,452,184	105,903,312	112,403,779	108,738,817	104,832,839
TOTAL LIABILITIES	38,402,938	33,726,833	30,930,542	43,978,963	56,698,181	72,250,955	95,405,479	117,022,598	123,985,996	120,904,828	117,605,481
Net Assets	600,408,861	614,527,820	627,915,116	640,163,897	651,061,866	660,051,605	668,639,642	676,669,466	684,666,584	693,476,826	705,414,701
EQUITY											
Retained Earnings	472,357,861	486,476,820	499,864,116	512,112,897	523,010,866	532,000,605	540,588,642	548,618,466	556,615,584	565,425,826	577,363,701
Revaluation Reserves	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000	128,051,000
Council Equity Interest	600,408,861	614,527,820	627,915,116	640,163,897	651,061,866	660,051,605	668,639,642	676,669,466	684,666,584	693,476,826	705,414,701
Total Equity	600,408,861	614,527,820	627,915,116	640,163,897	651,061,866	660,051,605	668,639,642	676,669,466	684,666,584	693,476,826	705,414,701

Cash Flow Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
CASH FLOW STATEMENT - SEWER FUND

Scenario: Base Case	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years 2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	39,795,726	42,448,837	43,440,410	44,693,435	46,020,910	47,402,511	48,827,038	50,294,359	51,805,760	53,362,563	54,966,134
User Charges & Fees	3,444,542	3,813,471	3,948,627	4,062,571	4,176,961	4,212,800	4,240,909	4,269,492	4,298,560	4,328,124	4,358,194
Investment & Interest Revenue Received	2,338,885	3,837,616	3,053,097	1,700,707	967,514	963,650	974,900	968,158	978,271	968,812	961,149
Grants & Contributions	2,951,066	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Other	68,000	0	0	0	0	0	0	0	0	0	0
Payments:											
Employee Benefits & On-Costs	-9,018,074	-9,214,519	-9,603,206	-10,056,289	-10,423,659	-10,688,426	-10,955,636	-11,229,527	-11,510,265	-11,798,022	-12,092,973
Materials & Contracts	-17,280,657	-17,598,952	-18,414,634	-18,872,869	-20,035,516	-22,255,187	-22,691,728	-23,142,963	-23,606,053	-23,985,985	-22,396,230
Borrowing Costs	-2,355,816	-2,037,867	-1,768,774	-1,951,603	-2,692,642	-3,483,744	-4,550,946	-5,863,648	-6,771,878	-6,922,778	-6,696,742
Other	-59,500	-143,500	-187,710	-192,926	-197,149	-202,078	-207,130	-212,308	-217,616	-223,056	-228,632
Net Cash provided (or used in) Operating Activities	19,884,172	24,105,086	23,467,810	22,383,027	20,816,419	18,949,526	18,637,407	18,083,562	17,976,779	18,729,657	21,870,900
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	0	24,077,217	35,778,890	3,312,940	14,304	0	0	0	0	0	0
Payments:											
Purchase of Infrastructure, Property, Plant & Equipment	-33,605,000	-49,358,000	-56,155,000	-38,315,000	-33,108,000	-31,806,076	-42,847,166	-37,359,415	-26,047,279	-12,330,178	-11,459,197
Net Cash provided (or used in) Investing Activities	-33,605,000	-25,280,783	-20,376,110	-35,002,060	-33,093,696	-31,806,076	-42,847,166	-37,359,415	-26,047,279	-12,330,178	-11,459,197
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	0	0	0	15,000,000	15,000,000	18,000,000	26,000,000	25,000,000	10,000,000	0	0
Payments:											
Repayment of Borrowings & Advances	-5,449,713	-4,949,762	-3,091,700	-2,380,967	-2,722,722	-2,914,754	-3,377,189	-3,912,671	-3,469,495	-3,450,862	-3,677,418
Net Cash Flow provided (used in) Financing Activities	-5,449,713	-4,949,762	-3,091,700	12,619,033	12,277,278	15,085,246	22,622,811	21,087,329	6,530,505	-3,450,862	-3,677,418
Net Increase/(Decrease) in Cash & Cash Equivalents	-19,170,541	-6,125,459	0	0	0	2,228,697	-1,586,948	1,811,477	-1,539,996	2,948,616	6,734,285
plus: Cash & Cash Equivalents - beginning of year	25,296,000	6,125,459	0	0	0	0	2,228,697	641,749	2,453,225	913,230	3,861,846
Cash & Cash Equivalents - end of the year	6,125,459	0	0	0	0	2,228,697	641,749	2,453,225	913,230	3,861,846	10,596,131
Cash & Cash Equivalents - end of the year	6,125,459	0	0	0	0	2,228,697	641,749	2,453,225	913,230	3,861,846	10,596,131
Investments - end of the year	80,250,000	56,172,783	20,393,893	17,080,953	17,066,649	17,066,649	17,066,649	17,066,649	17,066,649	17,066,649	17,066,649
Cash, Cash Equivalents & Investments - end of the year	86,375,459	56,172,783	20,393,893	17,080,953	17,066,649	19,295,346	17,708,398	19,519,874	17,979,879	20,928,495	27,662,780

Financial Performance Indicators

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
FINANCIAL PERFORMANCE INDICATORS - SEWER FUND

Scenario: Base Case	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Performance Ratio	14.71%	19.57%	18.01%	15.72%	12.88%	8.92%	7.94%	6.72%	6.48%	7.69%	12.65%
Own Source Operating Revenue Ratio	91.27%	91.77%	91.81%	91.83%	91.94%	92.14%	92.33%	92.52%	92.71%	92.89%	93.07%
Unrestricted Current Ratio	5.61	4.73	2.74	2.13	2.02	1.73	0.93	0.80	0.20	0.21	1.05
Debt Service Cover Ratio	2.62	3.30	4.54	4.78	3.74	3.00	2.50	2.12	2.12	2.20	2.48
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	11.37%	11.01%	11.02%	11.03%	11.04%	11.04%	11.04%	11.04%	11.04%	11.05%	11.05%
Cash Expense Cover Ratio	2.15	0.00	0.00	0.00	0.00	0.68	0.18	0.66	0.24	1.00	2.82
Debt Service Ratio	16.54%	13.86%	9.59%	8.75%	10.73%	12.34%	14.94%	17.83%	17.98%	17.59%	17.11%

2024-2025 General Fund Budget – Infrastructure Renewal & Maintenance Shortfall Scenario - 10 Year Financial Projections

Income Statement

MidCoast Council 10 Year Financial Plan for the Years ending 30 June 2035 INCOME STATEMENT - GENERAL FUND											
Scenario: Infrastructure Renewal & Maintenance Shortfall	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	123,235,125	129,101,724	132,958,304	136,928,735	141,016,953	144,405,671	147,875,848	151,429,458	155,068,520	158,795,104	162,611,331
User Charges & Fees	22,220,367	22,193,452	22,688,763	23,190,192	23,696,171	24,110,732	24,534,159	24,966,648	25,408,400	25,859,620	26,320,520
Other Revenues	19,104,108	20,324,163	19,750,297	19,998,442	20,231,747	20,491,112	20,641,691	20,795,566	20,952,813	21,113,505	20,975,345
Grants & Contributions provided for Operating Purposes	34,336,468	42,262,713	38,161,202	39,023,195	39,595,853	39,847,723	40,102,511	40,360,257	40,621,004	40,884,794	41,149,758
Grants & Contributions provided for Capital Purposes	39,447,369	24,244,784	10,354,000	10,354,000	7,354,000	7,374,330	7,394,772	7,415,328	7,435,996	7,456,779	7,477,677
Interest & Investment Revenue	9,070,400	9,019,400	8,657,000	8,607,200	8,057,500	8,073,615	8,089,762	8,105,942	8,122,154	8,138,398	8,154,675
Other Income:											
Other Income	2,560,368	2,848,410	2,715,768	2,748,901	2,782,864	2,806,725	2,830,998	2,855,694	2,880,820	2,906,384	2,932,395
Total Income from Continuing Operations	249,974,205	249,994,645	235,285,334	240,850,664	242,735,089	247,109,908	251,469,742	255,928,892	260,489,706	265,154,585	269,621,700
Expenses from Continuing Operations											
Employee Benefits & On-Costs	77,267,465	80,019,251	79,974,570	81,855,801	84,498,166	86,734,073	89,072,032	91,478,228	93,941,503	99,668,311	101,629,926
Borrowing Costs	2,240,893	2,315,153	2,054,487	1,802,810	1,553,072	1,322,783	1,104,871	887,108	699,068	557,598	463,891
Materials & Contracts	77,500,272	93,029,707	89,920,529	86,674,750	88,225,175	90,965,626	93,619,194	96,351,535	99,182,339	102,099,518	104,930,152
Depreciation & Amortisation	64,056,200	65,873,600	65,554,500	65,498,600	65,663,600	65,827,759	65,992,328	66,157,309	66,322,703	66,488,509	66,654,731
Other Expenses	11,969,953	13,421,528	22,002,802	10,629,365	11,812,036	11,112,018	11,316,999	11,527,104	12,735,895	11,963,205	12,919,814
Total Expenses from Continuing Operations	233,034,784	254,659,240	259,506,889	246,461,326	251,752,049	255,962,258	261,105,424	266,401,284	272,881,508	280,777,142	286,598,513
Operating Result from Continuing Operations	16,939,422	-4,664,595	-24,221,555	-5,610,662	-9,016,960	-8,852,351	-9,635,682	-10,472,392	-12,391,802	-15,622,557	-16,976,813
Net Operating Result for the Year	16,939,422	-4,664,595	-24,221,555	-5,610,662	-9,016,960	-8,852,351	-9,635,682	-10,472,392	-12,391,802	-15,622,557	-16,976,813
Net Operating Result before Grants and Contributions provided for Capital Purposes	-22,507,947	-28,909,379	-34,575,555	-15,964,662	-16,370,960	-16,226,681	-17,030,454	-17,887,719	-19,827,798	-23,079,336	-24,454,490

Balance Sheet

MidCoast Council 10 Year Financial Plan for the Years ending 30 June 2035 BALANCE SHEET - GENERAL FUND

Scenario: Infrastructure Renewal & Maintenance Shortfall	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years 2029/30 \$	2030/31 \$	2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
ASSETS											
Current Assets											
Cash & Cash Equivalents	8,894,588	0	0	0	0	0	0	0	0	0	0
Investments	88,505,912	75,194,962	57,387,105	46,132,839	37,055,655	24,159,151	10,927,776	0	0	0	0
Receivables	35,156,154	34,002,434	30,707,472	31,251,592	31,130,872	31,413,561	31,698,010	32,038,272	32,613,032	33,200,538	33,800,694
Inventories	1,937,227	2,243,259	2,183,703	2,119,768	2,149,076	2,200,996	2,252,014	2,304,549	2,358,983	2,415,080	2,471,904
Other	2,706,019	3,239,891	3,411,299	2,955,932	3,039,474	3,100,658	3,188,509	3,278,941	3,403,426	3,469,025	3,589,493
Non-current assets classified as "held for sale"	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250	1,565,250
Total Current Assets	138,765,149	116,245,796	95,254,828	84,025,382	74,940,327	62,439,616	49,631,558	39,187,013	39,940,690	40,649,893	41,427,341
Non-Current Assets											
Investments	125,896,088	106,961,799	81,630,841	65,622,102	52,710,174	34,365,417	15,544,320	0	0	0	0
Receivables	1,228,949	1,639,124	1,402,069	1,427,687	1,445,536	1,474,254	1,503,547	1,533,426	1,563,902	1,594,988	1,626,696
Inventories	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255	631,255
Infrastructure, Property, Plant & Equipment	3,332,182,399	3,363,935,007	3,377,817,917	3,390,797,632	3,398,527,226	3,416,772,766	3,435,075,798	3,450,226,607	3,467,842,240	3,487,697,908	3,508,373,945
Investment Property	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000	30,259,000
Right of use assets	944,900	232,900	0	0	0	0	0	0	0	0	0
Non-current assets classified as "held for sale"	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750	4,695,750
Total Non-Current Assets	3,495,838,341	3,508,354,835	3,496,436,831	3,493,433,426	3,488,268,941	3,488,198,443	3,487,709,671	3,487,346,038	3,504,992,147	3,524,878,902	3,545,586,646
TOTAL ASSETS	3,634,603,491	3,624,600,631	3,591,691,660	3,577,458,808	3,563,209,268	3,550,638,059	3,537,341,229	3,526,533,051	3,544,932,838	3,565,528,795	3,587,013,988
LIABILITIES											
Current Liabilities											
Bank Overdraft	0	0	0	0	0	0	0	2,783,441	35,198,738	72,786,479	111,060,901
Payables	35,965,591	39,707,269	41,366,354	38,034,441	38,893,392	39,428,987	40,225,702	41,045,969	42,148,328	43,002,133	44,075,748
Contract liabilities	19,827,410	17,069,457	12,699,006	12,942,178	12,257,413	12,334,202	12,411,846	12,490,356	12,569,745	12,650,024	12,730,667
Borrowings	6,328,173	6,012,609	5,484,995	5,411,805	4,328,261	4,536,379	4,018,900	2,810,606	2,300,020	970,748	1,023,517
Employee benefit provisions	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066	18,694,066
Other provisions	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717	6,257,717
Total Current Liabilities	87,072,958	87,741,119	84,502,138	81,340,207	80,430,849	81,251,353	81,608,232	84,082,155	117,168,615	154,361,169	193,842,616
Non-Current Liabilities											
Payables	50,996	57,180	93,739	45,285	50,323	47,341	48,214	49,109	54,259	50,967	55,043
Lease liabilities	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000	1,806,000
Borrowings	43,655,898	37,643,289	32,158,294	26,746,490	22,418,229	17,881,850	13,862,950	11,052,344	8,752,323	7,781,575	6,758,058
Employee benefit provisions	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934	760,934
Other provisions	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283	31,963,283
Total Non-Current Liabilities	78,237,110	72,230,686	66,782,250	61,321,991	56,998,769	52,459,407	48,441,381	45,631,670	43,336,799	42,362,759	41,343,317
TOTAL LIABILITIES	165,310,069	159,971,804	151,284,388	142,662,198	137,429,618	133,710,760	130,049,612	129,713,825	160,505,414	196,723,927	235,185,933
Net Assets	3,469,293,422	3,464,628,827	3,440,407,272	3,434,796,610	3,425,779,650	3,416,927,299	3,407,291,617	3,396,819,226	3,384,427,424	3,368,804,867	3,351,828,054
EQUITY											
Retained Earnings	2,244,813,422	2,240,148,827	2,215,927,272	2,210,316,610	2,201,299,650	2,192,447,299	2,182,811,617	2,172,339,226	2,159,947,424	2,144,324,867	2,127,348,054
Revaluation Reserves	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000	1,224,480,000
Council Equity Interest	3,469,293,422	3,464,628,827	3,440,407,272	3,434,796,610	3,425,779,650	3,416,927,299	3,407,291,617	3,396,819,226	3,384,427,424	3,368,804,867	3,351,828,054
Total Equity	3,469,293,422	3,464,628,827	3,440,407,272	3,434,796,610	3,425,779,650	3,416,927,299	3,407,291,617	3,396,819,226	3,384,427,424	3,368,804,867	3,351,828,054

Cash Flow Statement

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
CASH FLOW STATEMENT - GENERAL FUND

Scenario: Infrastructure Renewal & Maintenance Shortfall	Current Year 2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	Projected Years		2031/32 \$	2032/33 \$	2033/34 \$	2034/35 \$
						2029/30 \$	2030/31 \$				
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	124,311,204	128,677,377	132,679,347	136,641,543	140,721,242	144,160,556	147,624,841	151,172,416	154,805,297	158,525,551	162,335,293
User Charges & Fees	21,778,797	22,196,326	22,635,877	23,136,652	23,642,146	24,066,468	24,488,948	24,920,469	25,361,232	25,811,441	26,271,307
Investment & Interest Revenue Received	10,946,261	9,177,142	8,983,086	8,742,956	8,187,447	8,281,155	8,306,288	8,277,648	8,070,610	8,085,615	8,100,622
Grants & Contributions	50,843,336	59,601,761	43,579,907	45,957,054	43,224,970	43,747,271	44,022,782	44,301,368	44,583,072	44,867,938	45,153,919
Other	22,954,114	22,475,692	23,166,015	22,646,097	22,980,569	23,205,364	23,378,365	23,555,047	23,735,490	23,919,779	23,805,652
Payments:											
Employee Benefits & On-Costs	-77,132,218	-79,865,030	-79,977,839	-81,737,263	-84,324,485	-86,618,418	-88,917,732	-91,320,442	-93,779,994	-99,271,955	-101,466,450
Materials & Contracts	-76,246,823	-92,351,318	-90,912,268	-91,043,117	-89,862,806	-92,778,013	-95,323,059	-98,078,176	-100,765,731	-104,034,343	-106,611,711
Borrowing Costs	-2,301,817	-2,331,748	-2,070,255	-1,817,194	-1,567,263	-1,334,133	-1,116,767	-897,647	-706,439	-563,629	-466,437
Other	-12,119,953	-13,331,062	-21,467,994	-11,338,189	-11,738,329	-11,155,645	-11,304,224	-11,514,009	-12,660,559	-12,011,361	-12,860,196
Net Cash provided (or used in) Operating Activities	63,032,899	54,249,140	36,615,876	51,188,541	51,263,490	51,574,604	51,159,443	50,416,672	48,642,978	45,329,035	44,261,999
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	0	32,245,239	43,138,816	27,263,004	21,989,113	31,241,260	32,052,472	26,472,096	0	0	0
Sale of Infrastructure, Property, Plant & Equipment	1,500,000	2,082,000	1,779,200	1,819,730	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300	1,328,300
Payments:											
Purchase of Infrastructure, Property, Plant & Equipment	-84,242,383	-91,142,793	-75,521,283	-74,786,281	-69,169,098	-79,815,904	-80,003,836	-76,981,609	-79,575,969	-81,945,056	-82,893,972
Net Cash provided (or used in) Investing Activities	-82,742,383	-56,815,554	-30,603,267	-45,703,547	-45,851,685	-47,246,343	-46,623,063	-49,181,213	-78,247,669	-80,616,756	-81,565,672
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	4,500,000	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of Borrowings & Advances	-9,650,928	-6,328,173	-6,012,609	-5,484,995	-5,411,805	-4,328,261	-4,536,379	-4,018,900	-2,810,606	-2,300,020	-970,748
Net Cash Flow provided (used in) Financing Activities	-5,150,928	-6,328,173	-6,012,609	-5,484,995	-5,411,805	-4,328,261	-4,536,379	-4,018,900	-2,810,606	-2,300,020	-970,748
Net Increase/(Decrease) in Cash & Cash Equivalents	-24,860,412	-8,894,588	0	-0	0	-0	-0	-2,783,441	-32,415,297	-37,587,742	-38,274,422
plus: Cash & Cash Equivalents - beginning of year	33,755,000	8,894,588	0	0	0	0	0	-0	-2,783,441	-35,198,738	-72,786,479
Cash & Cash Equivalents - end of the year	8,894,588	0	0	0	0	0	-0	-2,783,441	-35,198,738	-72,786,479	-111,060,901
 Cash & Cash Equivalents - end of the year	8,894,588	0	0	0	0	0	-0	-2,783,441	-35,198,738	-72,786,479	-111,060,901
Investments - end of the year	214,402,000	182,156,761	139,017,945	111,754,941	89,765,829	58,524,568	26,472,096	0	0	0	0
Cash, Cash Equivalents & Investments - end of the year	223,296,588	182,156,761	139,017,945	111,754,941	89,765,829	58,524,568	26,472,096	-2,783,441	-35,198,738	-72,786,479	-111,060,901

Financial Performance Indicators

MidCoast Council
10 Year Financial Plan for the Years ending 30 June 2035
FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND

Scenario: Infrastructure Renewal & Maintenance Shortfall	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Performance Ratio	-10.69%	-12.81%	-15.37%	-6.93%	-6.96%	-6.77%	-6.98%	-7.20%	-7.84%	-8.96%	-9.33%
Own Source Operating Revenue Ratio	70.48%	73.40%	79.38%	79.50%	80.66%	80.89%	81.11%	81.33%	81.55%	81.77%	81.96%
Unrestricted Current Ratio	4.06	2.54	1.42	0.35	-0.83	-2.05	-3.38	-4.39	-2.33	-1.59	-1.23
Debt Service Cover Ratio	3.68	4.54	4.09	7.04	7.30	9.01	8.88	10.02	13.45	15.39	29.74
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	9.89%	10.01%	10.01%	10.01%	10.02%	10.02%	10.02%	10.02%	10.02%	10.02%	10.02%
Cash Expense Cover Ratio	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Ratio	6.00%	4.18%	3.83%	3.38%	3.16%	2.52%	2.47%	2.11%	1.48%	1.18%	0.58%



FINANCIAL SUSTAINABILITY REVIEW ACTION PLAN

2024 - 2027



Introduction

MidCoast Council considered a report on 28th September 2022 which established a pathway to financial sustainability. The report noted that financial sustainability is a longstanding sector wide challenge and one not faced by MidCoast Council (MCC) alone. The Report referred to previous Government commissioned reports which identified broader government reforms were required to ensure councils across NSW could deliver services which meet community needs. Consideration of broader reforms by the State Government are ongoing and Council actively participates in these both individually and through industry representative bodies.

The Report followed two significant Council resolutions as set out below:

Council Meeting 11th May 2022

174/2022 RESOLUTION

(Moved Cr J Miller / Seconded Cr A Tickle)

1. *That Council place the Draft 2022-2026 Delivery Program and 2022-2023 Operational Plan as at **Attachment 1**, the draft Statement of Revenue Policy as **Attachment 2**, the Draft 2022-2023 Fees & Charges Schedule as at **Attachment 3**, and the Draft Detailed Budget 2022-2023 as at **Attachment 4** on public exhibition for 28 days to allow consideration of its contents by the public and the lodgement of submissions during the exhibition period.*
2. *That in view of the projected ongoing General Fund deficit position (Operating Result before Capital Grants & Contributions) identified in the Long Term Financial Plan, Management prepare a plan of action for Council consideration so as to return the General Fund to a surplus position within a 4 – 6 year timeframe. This plan of action to consider, but not be limited to, the following matters:*
 - *Completion of works program identified within the Asset Management Strategy (including development of asset management plans) to inform discussion on asset service levels.*
 - *Framework and Program for the conduct of service reviews to inform discussion on services provided by Council and the level / cost of those services.*
 - *Identification of opportunities to achieve operational efficiencies through the Business Transformation Program and other relevant reviews.*
 - *Engagement with the community.*
 - *Timeframes.*

3. *That the plan of action be reported to the September 2022 Ordinary Council Meeting.*

At the next Council Meeting the following resolution was adopted:

Council Meeting 25th May 2022

181/2022 RESOLUTION

(Moved Cr C Pontin)

That Council notes the Mayor has called on staff to:

1. Prepare a Transport Asset Strategic Plan that:

- a. Describes the current condition of MidCoast transport assets, including roads,*
- b. Explains the funding since merger to reduce the infrastructure backlog,*
- c. Identifies the current transport assets (including roads) infrastructure backlog,*
- d. Projects the changes in asset conditions over time based on the current and projected levels of transport assets funding,*
- e. Breaks these amounts into operational and capital costs for each of the various categories of roads, separated by funding source,*
- f. Proposes options for reverting the roads to a satisfactory standard,*
- g. Proposes appropriate ongoing road maintenance and renewal budgets to ensure, Council's roads assets do not continue to deteriorate faster than they are renewed, and*
- h. Identifies possible funding options and timelines for this work.*

2. Provide this Report to a Council meeting in December 2022 with an interim report on progress in September 2022, noting the extensive work that will be required to prepare the report,

3. Amend the current budget and expenditure reporting format and timing to enable Council to:

- a. approve clearly defined annual budgets for transport assets (including roads), broken down into maintenance, renewal and new capital projects,*
- b. enable quarterly monitoring of expenditure against those budgets, and*
- c. provide annual reports of the progress in reducing the transport assets backlog.*
- 4. Commence this budgeting and reporting schedule by December 2022.*

Following these Council resolutions the action below has been implemented:

1. AEC Group Ltd appointed to undertake an independent Financial Sustainability Review (FSR) in July 2023
2. Roads Strategy Update Report presented to Council 25 October 2023
3. AEC delivered their Report to Council in December 2023
4. Council Report in December 2023 committing to preparing an Action Plan in response to the AEC Report and presenting this to Council in the first Quarter of 2024
5. Reports presented to 1st May 2024 Council Meeting
 - a) Financial Sustainability Report
 - b) Roads Strategy

The AEC Financial Sustainability Review was a comprehensive and independent review of Council's position across assets and finances. It confirmed that many of the action's Council is taking are relevant and appropriate.

While Council has relevant actions currently underway to address long term financial sustainability there are many learnings from the AEC Report which have been taken on board to further Council's progress to becoming financially sustainable. As a result, Council has developed this MidCoast Council Financial Sustainability Action Plan to ensure the current improvement path is built upon and accelerated.

MidCoast Council Financial Sustainability Review Action Plan

Goal:

MidCoast Council aims to be financially sustainable. This means having sufficient funds to meet all of our resource and financial obligations, including the provision of agreed services and properly maintaining our assets.

It also means:

- a) Being able to maintain infrastructure (physical assets) over the long term for our future generations.
- b) Having sufficient cash reserves to accommodate unexpected financial events.

Objective 1: Expenditure is managed to ensure that limited funds are controlled and spent effectively

Objective 2: Council operations are effective, efficient, and lean - delivering value for money to the community

Objective 3: Council assets are strategically managed across their entire lifecycle and asset management capability is continually developed and improved

Objective 4: Revenue sources are regularly reviewed to align with expenses and agreed service levels

Objective 5: Generate sufficient unrestricted cash as determined by Council policy.

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
Objective 1 - Expenditure Managed to ensure that limited funds are controlled and spent effectively			Expenditure is managed more effectively leading to reduced wastage and delivery of better value services to the community
Implement a Financial Sustainability Governance Framework	<p>Develop a Financial Sustainability Governance Framework</p> <p>Implement the Financial Sustainability Governance Framework</p> <p>(sub-components of the Financial Sustainability Governance Framework will be referred to throughout this action plan e.g. Project Management Framework, Grant Application Framework)</p>	<p>End December 2024</p> <p>End June 2025</p>	Financial management decision making is consistently managed and documented
Business case required for proposals for significant new or upgraded services (new or upgraded assets over \$1million).	<p>Incorporate this in Council's Project Management Framework</p> <p>(This is a sub-component of the Financial Sustainability Governance Framework)</p>	End December 2024	Control expenditure and ensure lifecycle costs of new assets can be funded.

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
Implement a Grant Application Framework	<p>Develop a Grant Application Framework</p> <p>Implement the Grant Application Framework</p> <p>(This is a sub-component of the Financial Sustainability Governance Framework)</p>	<p>End December 2024</p> <p>Start March 2025</p>	<p>Grant applications are only submitted for projects where internal funding sources are identified and verified.</p> <p>New or renewed asset grant applications only submitted if asset lifecycle costs can be funded.</p>
Develop an activity-based annual budget process	<p>Develop a project and resourcing plan for implementation of activity-based budgeting</p> <p>Review Budget Development Policy and align with activity-based budgeting</p> <p>Implementation of actions from the developed Project Plan</p>	<p>End August 2025</p> <p>End August 2025</p> <p>2026/27</p>	<p>Increased efficiency, reduced waste, improved management of resources.</p>
Implement the Project Management Framework, which includes appropriate gateways for project selection, planning, execution, and closure, and enforces the project management governance for all potential projects (including approval to proceed with grant applications).	<p>Implement the Project Management Framework</p> <p>Project Lifecycle Management technology module implemented</p> <p>(This is a sub-component of the Financial Sustainability Governance Framework)</p>	<p>End December 2024</p> <p>End December 2024</p>	<p>Improved Project Delivery Efficiency</p> <p>Improved and more efficient project reporting</p> <p>Reduced project overruns</p> <p>Reduced project risk</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
			<p>Improved project selection and prioritisation aligned with Council adopted strategies</p> <p>Reduced duplication of project approaches and effort across Council operations</p> <p>Integration of project information with Council's core financial and asset systems</p>
<p>Objective 2:</p> <p>Council operations are effective, efficient, and lean delivering value for money to the community</p>			<p>Value for money services delivered to the community</p>
<p>Conduct a Service Review Program to strategically assess the range and levels of service provided to the community</p>	<p>Establish productivity and efficiency targets to include in the Service Review Program</p> <p>At the beginning of each term, Council will identify areas of service that will be reviewed within its four-year Delivery Program, along with how we will engage with the community and other stakeholders to determine service level expectations and appropriate measures</p>	<p>End June 2024 (reviewed annually)</p> <p>Council to determine by end June 2025</p> <p>Council to determine by end June 2024</p>	<p>Align levels of service to community requirements</p> <p>Improve customer experience</p> <p>Maximise the use of community assets and the levels of services being provided</p> <p>Support financial sustainability, including continuous improvement and increased sources of revenue</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	Specific details of service reviews to be undertaken in a given year will be included in Council's Operational Plan, commencing 2024/25.		Identify opportunities to improve ways of working and operational efficiencies
Review the efficiency and effectiveness of current corporate functions, particularly the services with large operating expenditure and potential to support improvements in productivity and efficiencies such as ICT, procurement, fleet and plant operations, finance, and asset management.	<p>A benchmarking review of corporate functions will be undertaken to assess opportunities for efficiencies.</p> <p>The outcomes from the benchmarking review will be built into the service review program with priorities set by Council</p>	<p>End December 2024</p> <p>Council to determine by June 2025</p>	Opportunities to improve ways of working and operational efficiencies
Implement and fund productivity, efficiency, and effectiveness improvement initiatives previously identified including achieving the intended \$21.35 m in efficiency benefits of the Business Transformation Project	Delivery of our five-year Business Transformation program to improve services to the community, streamline administrative processes, operate more efficiently, and reduce wastage. Benefits of \$21.35 m are accumulated across a 10-year period.	<p>2024/25 (savings from initial components of the Program will be progressively identified and realised during 24/25 with full financial year benefits accumulating from 2025/26)</p> <p>2025/26 (\$1.131 million)</p> <p>2026/27 (\$1.291 million)</p> <p>2027/28 (\$2.149 million)</p> <p>2028/29 (\$3,137 million)</p>	<p>Improved services</p> <p>Operational efficiency</p> <p>Operational effectiveness</p> <p>Reduced wastage</p> <p>Projected financial savings realised</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
		2029/30 (\$3.537 million) 2030/31 (\$3.451 million) 2031/32 (\$3.368 million) 2032/33 (\$3.286 million)	
Objective 3: Council assets are strategically managed and asset management capability is continually developed and improved			Council asset lifecycle costs are accurate and agreed levels of service are reflected in Councils asset and funding plans (including the Long Term Financial Plan) Ensure the identification of funding required to meet agreed service levels (or funding required to maintain and renew assets to an acceptable level)
Improve the strategic and technical asset management capability and practices with a focus on planning to manage assets at the most optimal whole of life cost	Complete development and updating of asset management plans for priority asset classes including improvement plans to continue development of greater	End June 2024 – program to be updated annually	Asset decision making and funding are directed in areas of greatest need Asset funding gap clearly identified to inform funding

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	<p>levels of asset management maturity</p> <p>Develop and document asset lifecycle strategy for all assets that is supported by the Long Term Financial Plan and Asset Management Strategy</p> <p>Develop asset-based service levels for the existing asset portfolio based on existing service delivery expectations</p> <p>Clearly define roles & responsibilities and formalise asset management functions and systems so that asset management practices are accurately reflected in Council's organisational structure, financial management system and forward modelling/planning</p> <p>Asset management staff training and development</p> <p>Asset Management Planning for Elected Members training through IPWEA</p> <p>Develop procedures and policies that document responsibilities</p>		<p>required to adequately maintain and renew all Council assets</p> <p>Asset lifecycles and risks are understood and reflected in the asset strategy an individual asset plans</p> <p>Roles and responsibilities are understood providing greater accountability</p> <p>Procedures and clear and well followed</p> <p>Staff & elected members have the training and skills required for their roles</p> <p>Continuous improvement is embedded into every element of asset management to increase the level of asset management maturity</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	<p>for capitalising, commissioning, depreciating and disposing of assets</p> <p>Each major asset class has an adopted improvement plan with specific actions aligning to the Asset Management Strategy</p> <p>Policy and procedure ongoing review and refinement</p>		
Prepare an asset management strategy that provides guidance and direction to improve Council's asset management approach	<p>Update the Asset Management Strategy to reflect the Long Term Financial Plan, revised Asset Management Plans and incorporate improvements achieved</p> <p>Update the asset management maturity assessment to inform revision of the asset strategy and improvement plans</p>	<p>End December 2024</p> <p>Annual revision</p>	<p>Improve resource allocation</p> <p>Increase the awareness of current asset performance/risk</p> <p>Integrate the Asset Management Plans, Long-Term Financial Plan & Resourcing strategy, providing direct alignment benefitting the level of maturity for Integrated Planning & Reporting</p> <p>Improved levels of asset management maturity</p>
Review and update the asset management plans for each asset class to determine and direct the optimal life cycle approach for each asset class.	<p>All asset classes reviewed</p> <p>Service levels for assets determined through community engagement and incorporated into asset management plans</p>	<p>Asset Management Plans reviewed in 2023/24 for Community Infrastructure</p> <p>Remaining plans to be reviewed in 2024/2025</p>	<p>Optimal life cycle determined for assets ensuring asset renewal and replacement plans are accurate</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	<p>Review asset data for accuracy and currency, refining data integrity</p> <p>Undertake planned/scheduled revaluations</p>	End August 2025	<p>Agreed levels of service with the community which are then reflected in councils asset management plans and funding strategies</p> <p>Data continues to be improved providing greater accuracy and confidence</p>
Develop a “State of Assets Report” and present to Council to enable discussion between Councillors and management on progressing improvement in asset management and asset renewal planning	A State of Assets Report with commentary for all asset classes that explains “Special Schedule - Report on Infrastructure Assets” in the Annual Financial Statements. (The Report on Infrastructure Assets in the Annual Financial Statements provides valuable information on Councils asset position and a State of the Assets Report will provide more detail, interpretation, and commentary on the state on MidCoast Council Assets)	October 2024	<p>Improved decision making through improved understanding of the state of MidCoast Councils assets on an annual basis</p> <p>Opportunity to reflect on the result being achieved for asset classes and reconsider the setpoints and targets in the asset strategy.</p>
Review developer contributions plans, to ensure that the current contribution levels are able to support the future development costs	<p>Engagement of expertise to review plans</p> <p>Review of developer contribution plans</p>	<p>June 2024</p> <p>December 2025</p> <p>June 2026</p>	<p>Revenue applied to asset programs on a timely basis</p> <p>Appropriate contributions from development towards new or</p>

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	Consideration of plans by Council and adoption		expanded infrastructure servicing growth
Objective 4: Revenue sources are regularly reviewed to align with expenses and agreed service levels			Council has adequate revenue to deliver services at agreed levels to the community
Review the pricing for fees and charges and ensure they reflect full cost price for services, as far as it is practical to do so, without impacting significantly on access to services by the community.	Review conducted and considered by Council	By end June 2024 Annual Review	Fees and charges maximised while balancing community access to services.
Develop a Property Portfolio Strategy	Undertake a property portfolio review Identification of opportunities for Council owned property Consideration of business cases Implementation of strategies on individual properties Establishment of a Commercial Property Reserve to manage	Ongoing and reporting through Councils Asset Advisory Committee	Property portfolio actively managed to achieve a sustainable portfolio of properties which funds property management resources and returns funds for other council purposes as determined by Council

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
	funds generated from commercial property activities. The aim of the reserve is to transition towards a self-funded property portfolio model which over time returns a residual percentage of income back to the General Fund for allocation to priorities determined by Council		
Maintain integration of the Annual Budget and Long-Term Financial Plan with the Delivery Program, Operational Plan, Asset Management Plans, Workforce Strategy, and other adopted plans	<p>Annual Budget and Long Term Financial Plan improvement program.</p> <p>Develop process to update all plans when material decisions are made</p> <p>(This is a sub-component of the Financial Sustainability Governance Framework)</p>	Annual	<p>A holistic view of the Council's financial position is available, ensuring that all decisions are made in consideration of long-term financial sustainability.</p> <p>Longer term price paths are modelled for major revenue streams.</p> <p>Increased oversight and accuracy of medium to long-term cash position.</p>
Explore all other avenues for operational efficiency, and other revenue sources, before considering a special rate variation application recommended by the AEC Financial Sustainability Review .	All revenue and efficiency opportunities explored	<p>2024/2025</p> <p>Consider progress on other Financial Sustainability Review recommendations and efficiencies achieved and review this recommendation</p>	Revenue and efficiency maximised and asset information improved before considering a special rate variation application

Activity to Achieve Objectives	Sub- Activities	Target Dates	Outcome
Objective 5: Generate sufficient unrestricted cash as determined by Council policy			Council retains a sufficient buffer of cash to meet unexpected events.
Budget for and maintain, at least in the short term, an unrestricted cash reserve of at least \$10 million	Commence development of a Treasury Management Policy to identify parameters for day-to-day cash management balances, restriction usage, reporting etc.	June 2024	Sufficient cash reserve contingency for unplanned asset renewals/replacements due to asset failure or other unknown or unplanned events.
Implement a monthly reconciliation and reporting process for all external restrictions.	<p>Budgeted movements within external restrictions reported to Council via the quarterly budget review process.</p> <p>Investigate options to improve reconciliation and reporting timeframes of external restriction movements.</p> <p>(This is a sub-component of the Financial Sustainability Governance Framework)</p>	<p>2024/25 Ongoing (currently occurring)</p> <p>2024/25 Conduct scheduled review of Restricted Funds Policy and incorporate reconciliation and reporting requirements</p>	Increased transparency and understanding of Restricted fund balances.



ASSET MANAGEMENT STRATEGY, POLICY AND PLANS

Contents

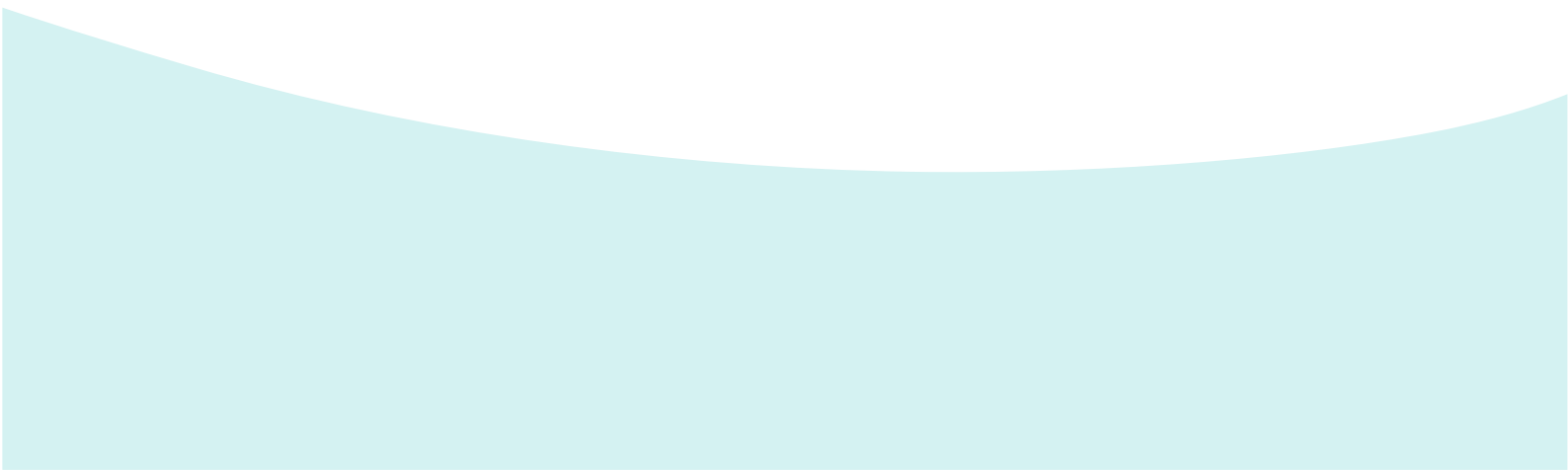
SECTION 1 - Asset Management Strategy 2024-2034

SECTION 2 - Asset Management Policy

SECTION 3 - Asset Management Plans

- Community Assets and Buildings 2024
- Transport Assets 2024
- Bridges 2024
- Stormwater Assets 2024
- Water Assets 2024
- Sewer Assets 2024

SECTION 1 - ASSET MANAGEMENT STRATEGY 2024-2034





MIDCOAST
council



ASSET MANAGEMENT STRATEGY

2024 - 2034



Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

About this document

This document, MidCoast Council's Asset Management Strategy 2024-2034 (AM Strategy), forms part of Council's Resourcing Strategy. It provides a comprehensive summary of Council's infrastructure assets including transport assets, buildings and community assets, stormwater, water and sewer assets and the performance measures for these assets including targets for asset renewals and condition assessments.

The AM Strategy aims to ensure that Council's infrastructure assets are managed effectively to meet the current and future needs of the community.

Asset Management Strategy on Public Exhibition: 2/05/2025 – 6/06/2025

Asset Management Strategy adopted by Council: 30/06/2025

NOTE:

The MidCoast Local Government Area (LGA) experienced severe flooding after receiving over 50% of its annual average rainfall in four days from 20th of May 2025. The flood was marked as a 1 in 500-year event, with the Manning River recording 6.5 metres at Taree, which surpassed the 1929 record of 6.0 meters at the same location. The floods had a major impact on infrastructure, the economy, and society. At the time of finalising this AM Strategy, the full impact of the floods, especially on infrastructure assets, is still being evaluated and will be included in future revisions of the AM Strategy. As a result, this AM Strategy is presented in the context before the 2025 flood event, when it was placed on public exhibition.

How to contact us

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Yalawanyi Ganya 2 Biripi Way Taree NSW 2430	4 Lake Street Forster NSW 2428	89 King Street Gloucester NSW 2422	6 Church Lane Stroud NSW 2425	Myall Street Tea Gardens NSW 2324
Monday to Friday 8:30am - 4:30pm	Monday to Friday 8:30am - 4:30pm	Monday to Friday 9am - 4pm	Monday to Friday 9am - 12pm	Monday to Friday 9am - 4pm

Phone

General enquiries: 02 7955 7777
Water and sewer faults: 1300 133 455 (24 hours)

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Web

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Executive Summary

MidCoast Council's Asset Management Strategy 2024–2034 (AM Strategy) provides a comprehensive roadmap for the sustainable management of over \$5.8 billion worth of infrastructure assets across the 10,000 km² local government area. These assets include roads, buildings, bridges, community facilities, stormwater systems, and water and sewer infrastructure. The Strategy is prepared in alignment with the Integrated Planning and Reporting (IP&R) Framework and supports the delivery of the *MidCoast 2035* Community Strategic Plan (CSP) through a whole-of-life approach to asset stewardship.

The AM Strategy reflects Council's commitment to responsible asset stewardship, risk management, and financial sustainability. It sets the direction to reach a minimum of 'Good' asset management maturity by 2028, as assessed by industry-standard benchmarks. A key enabler of this goal is the Asset Management Working Group (AMWG), a cross-functional body including senior management, asset custodians, and key corporate services personnel. The AMWG has developed an Asset Improvement Plan to guide internal processes, governance, data integrity, and system integration.

Climate change is a central focus of the AM Strategy. Council declared a climate emergency in 2019, and the AM Strategy integrates resilience-building into infrastructure planning and maintenance. It references Council's Climate Change Strategy 2021 and outlines specific adaptation measures, such as enhanced drainage design, coastal hazard planning, and participation in the Hunter Joint Organisation's 'Coastal Wise Communities' project. These measures reflect Council's dual responsibility to its own assets and the broader community in adapting to and mitigating climate impacts.

The AM Strategy outlines current condition and financial data for each asset class. Approximately 25% of Council's assets are rated in Condition 3 (Fair), with the remainder split across Very Good, Good, and Poor categories. This is summarised in Table ES.1 below from Section 5.3.

Table ES1: Asset Condition Rating

Assets in each condition rating as % of gross replacement costs					
MidCoast Council Annual Financial Statements 2023/2024 – Report on Infrastructure Assets					
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor
Buildings	14.46%	20.83%	53.53%	11.16%	0.02%
Other Structures	46.00%	31.70%	8.80%	13.50%	0.0%
Recreation	21.97%	35.12%	26.34%	16.49%	0.08%
Transport	41.12%	25.98%	24.17%	7.54%	1.19%
Stormwater	23.70%	44.40%	27.90%	3.60%	0.40%
Water	35.90%	32.20%	15.00%	13.90%	3.00%
Sewer	29.00%	32.90%	24.30%	8.30%	5.50%
Total all assets	34.86%	29.22%	25.45%	8.67%	1.80%

Forecasts reveal a growing annual funding gap, with renewal needs exceeding available funding by up to \$57 million per year by 2033/34. This is particularly critical for roads, buildings, and stormwater assets, where backlog and funding gaps are the most pronounced. The funding gap is summarised in Table ES2 and Figure ES1 which are drawn from Section 5.7.

Table ES2: Asset Condition Rating

All Assets	\$000										
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$99,580	\$83,357	\$71,212	\$69,700	\$64,777	\$66,487	\$68,312	\$70,192	\$72,126	\$73,907
	New and Expanded Assets	\$54,874	\$67,329	\$57,009	\$61,557	\$46,260	\$30,490	\$43,398	\$56,333	\$52,364	\$28,121
	O&M	\$71,517	\$70,479	\$73,865	\$76,163	\$79,301	\$81,726	\$84,560	\$87,643	\$90,745	\$93,607
	Total Expenditure	\$225,971	\$221,165	\$202,087	\$207,420	\$190,337	\$178,703	\$196,269	\$214,168	\$215,235	\$195,636
Required	Required Renewal (Depreciation)	\$83,530	\$87,175	\$90,922	\$94,592	\$98,320	\$101,766	\$105,509	\$109,594	\$113,747	\$117,635
	New and Expanded Assets	\$54,874	\$67,329	\$57,009	\$61,557	\$46,260	\$30,490	\$43,398	\$56,333	\$52,364	\$28,121
	Required O&M	\$75,050	\$78,659	\$82,121	\$85,737	\$89,155	\$92,389	\$95,992	\$99,931	\$103,885	\$107,493
	Total	\$213,454	\$233,163	\$230,053	\$241,886	\$233,735	\$224,645	\$244,899	\$265,858	\$269,996	\$253,250
Overall (GAP)		\$12,517	-\$11,998	-\$27,966	-\$34,466	-\$43,398	-\$45,942	-\$48,629	-\$51,690	-\$54,760	-\$57,615
Maintenance Gap		-\$3,533	-\$8,181	-\$8,256	-\$9,575	-\$9,854	-\$10,663	-\$11,433	-\$12,288	-\$13,140	-\$13,887
Renewals Gap		\$16,050	-\$3,817	-\$19,710	-\$24,891	-\$33,543	-\$35,279	-\$37,197	-\$39,402	-\$41,620	-\$43,728

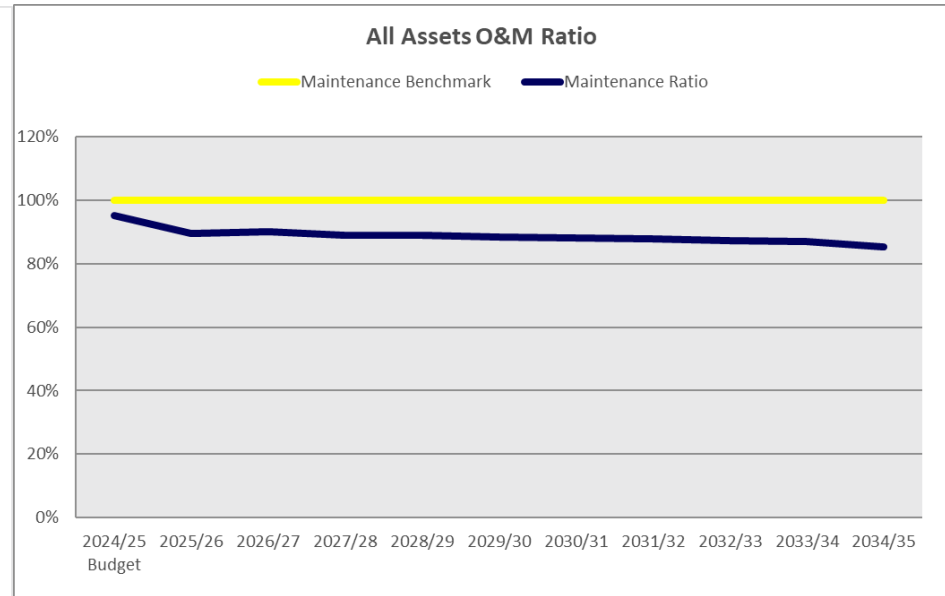
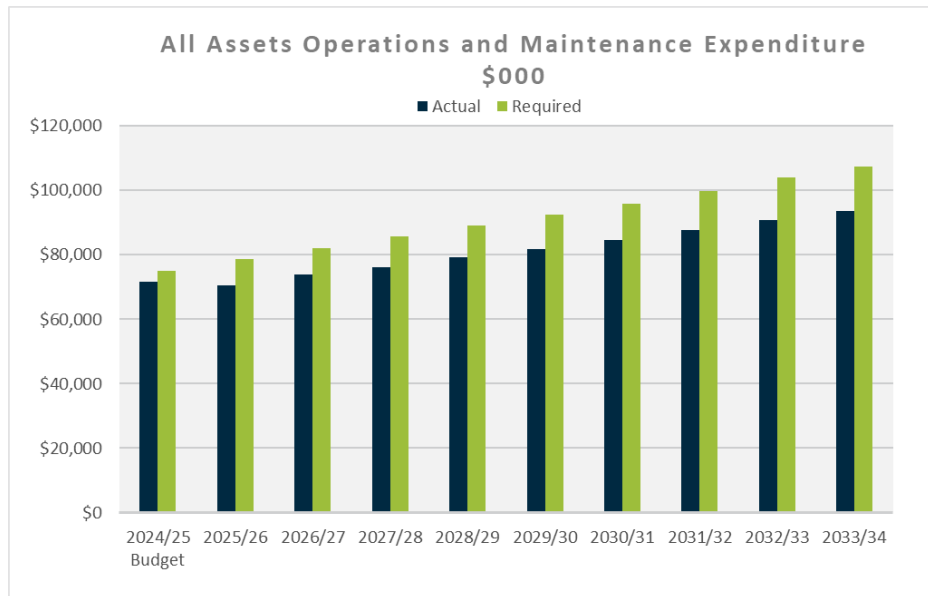
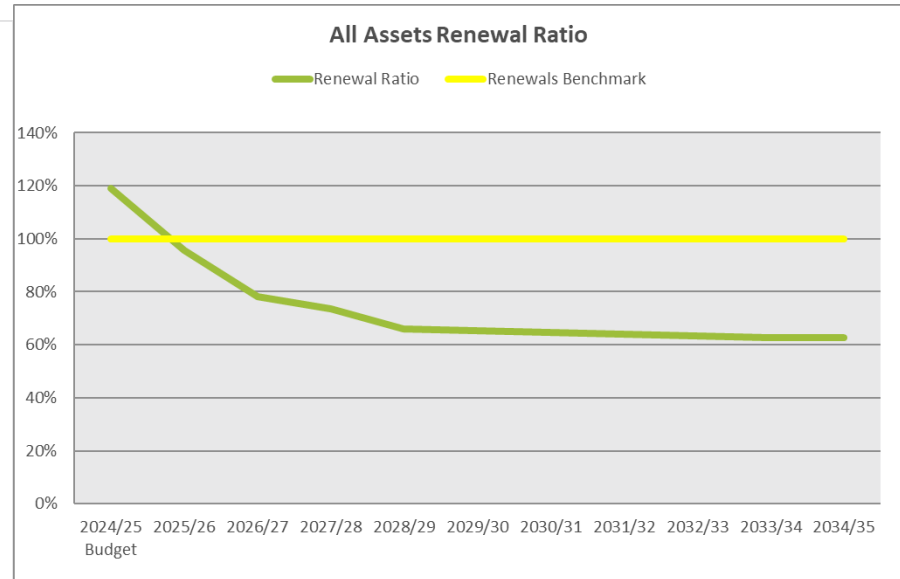
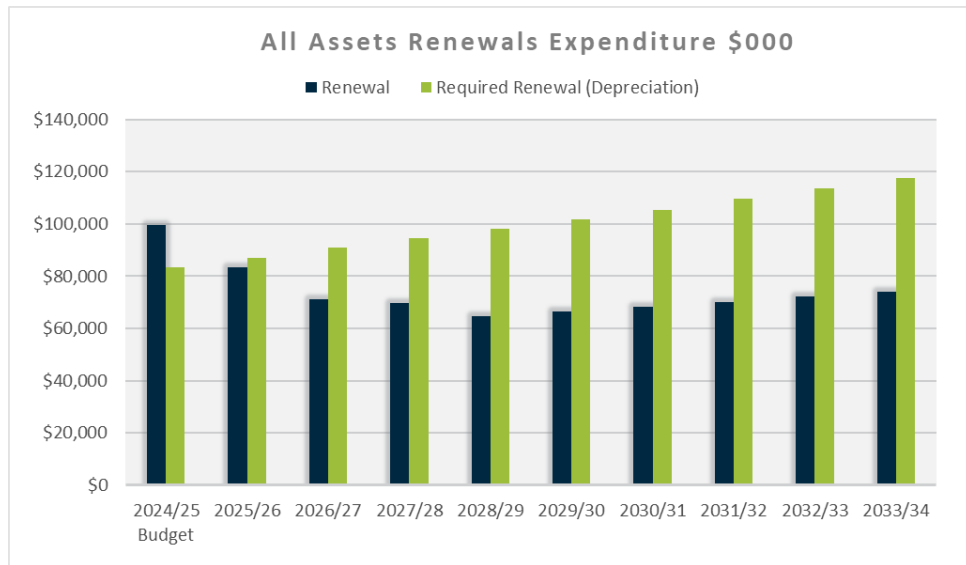


Figure ES1: Expenditure vs Budget for Asset Renewal, Operations & Maintenance

The shortfall in renewals and maintenance is projected to grow over the period of this AM Strategy. This means that our performance against the benchmarks for renewal and maintenance will decline over time.

The AM Strategy is underpinned by lifecycle management principles, considering planning, operation, maintenance, renewal, and disposal of assets. It promotes condition-based decision-making and a proactive inspection regime across all asset classes. Council uses a five-point asset condition scale to guide asset renewal priorities and funding allocations, with intervention thresholds generally set at Condition 3 (Fair) or below.

Community satisfaction plays a key role in shaping Levels of Service (LOS). Findings from the 2023 Micromex Community Satisfaction Survey show strong satisfaction with recreation and water services, while identifying roads and stormwater as priority areas for improvement. Feedback from both this Community Satisfaction Survey and an Asset Condition Community Survey undertaken in November 2024 were used to inform the Levels of Services and to prioritise asset renewals in the Long Term Financial Plan (LTFP).

The AM Strategy is supported by detailed financial modelling that draws from Note C1-7 of the Annual Financial Statements 2023/2024. This modelling uses asset register data and aligns with best-practice standards such as AASB 13 and AASB 116. Funding allocations across renewal, new assets, and operations and maintenance (O&M) are presented for each asset class. The strategy also includes performance forecasts and identifies potential options to address the funding shortfall, including Special Rate Variations (SRVs), targeted grant funding, service level reviews, and rationalisation of underutilised assets.

To ensure continual improvement, the Strategy is supported by an Asset Management Improvement Plan (AMIP), which includes targeted actions across people, processes, technology, and data. Progress will be monitored through the Delivery Program, Operational Plan, and annual reporting mechanisms. The strategy will be reviewed annually and fully updated every four years in conjunction with the Community Strategic Plan review.

In conclusion, this AM Strategy positions MidCoast Council to make evidence-based, community-aligned decisions that ensure the long-term sustainability and resilience of its public infrastructure. It is a key component of the Resourcing Strategy and underpins Council's financial, operational, and service planning for the decade ahead.

1. Introduction to our Strategy

MidCoast Council was formed on 12 May 2016 through the amalgamation of the former Gloucester, Great Lakes and Greater Taree City Councils, and the former water authority, MidCoast Water, on 1 July 2017.

Council now manages over \$5.80 billion¹ worth of infrastructure assets across the 10,000 square kilometre local government area. Asset management is a “whole of life” approach that includes planning, purchase, construction, operation, maintenance and renewal/disposal of assets. Asset management supports Council’s achievement of organisational objectives which include economic, environmental and social goals while meeting governance requirements and community expectations.

This is Council’s second AM Strategy and defines objectives that will improve our management practices and knowledge of all assets. It will provide a road map to support the achievement of the community’s vision of:

“Together we can make the MidCoast even better”

1.1 Purpose of the Strategy

This AM Strategy has been developed in accordance with the Integrated Planning and Reporting Framework Guidelines and provides the basis for consistent and effective asset management across all asset classes. The Integrated Planning and Reporting (IP&R) Framework encourages and supports the review of each of Council’s resourcing strategies aligned with the review of the Community Strategic Plan and at other times as required.

The AM Strategy is supported by an Asset Management Improvement Plan (currently under review), which details a program of tasks and nominated resources as part of our commitment to achieve a minimum maturity level of “Good” asset management practice (as defined by Integrated Planning and Reporting guidelines) across the organisation by 2028. It includes outcomes from Council’s service delivery practices, financial sustainability indicators, asset management maturity and the objectives and strategies identified in the *MidCoast 2035* Community Strategic Plan. The AM Strategy enables Council to show the link between the Community Strategic Plan and the day-to-day management of Council’s assets by:

- providing a basis for the management of building, recreation, transport, stormwater drainage, water & sewer assets
- identifying future assets that will be required to meet the needs of the community in future years
- providing strategic objectives to allow us to fulfil our Asset Management Policy
- identifying actions to achieve the objectives of the Improvement Plan.

Non-infrastructure asset classes involved in the delivery of services by Council, such as Fleet and IT, are outside the scope of this strategy. Those non-infrastructure asset classes have their own asset management plans which are consistent with and informed by this Asset Management Strategy.

1.2 MidCoast Council’s Asset Management Policy

This AM Strategy has been prepared to support the implementation of our Asset Management

¹ *MidCoast Council – Report on Infrastructure Assets as at 30 June 2024 Gross Replacement Cost*

Policy which was reviewed in April 2025. The purpose of the Asset Management Policy is:

“to demonstrate MidCoast Council’s commitment to the responsible and financially sustainable management of its infrastructure assets to meet the community needs as they change over time. The Policy sets out principles, requirements and responsibilities for implementing consistent and effective asset management practices across all classes of infrastructure assets under MidCoast Council’s control.”

This AM Strategy provides a high level and long-term (10-year) action plan for how we will manage assets to achieve the objectives of the Asset Management Policy. The Asset Management Policy and AM Strategy will be supplemented by detailed AM Plans for our infrastructure assets (community assets and buildings, roads and transport, bridges, stormwater, water, and sewer).

1.3 Objectives

This AM Strategy provides the framework for the establishment of consistent asset management processes throughout MidCoast Council. The AM Strategy establishes a framework to guide the planning, construction, maintenance and operation of infrastructure essential for Council to provide services to the community.

The intent of this AM Strategy is to achieve five core outcomes:

1. Provide a strong foundation/baseline for future decision making.
2. Integrate risk into operational, maintenance and capital investment decision making.
3. Establish key business functions to facilitate and support best-practice decisions.
4. Begin a shift from a reactive to an informed and accountable decision culture.
5. Improve overall business sustainability

1.4 Asset Management Governance

We have established an Asset Management Working Group (AMWG) to deliver a coordinated and consistent approach to asset management across the organisation. Membership of the AMWG comprises of the executive management team, asset managers and asset staff representing each asset class from across Council, as well as staff from Corporate Services, including Finance, Risk Management and IT Systems. The participation of each Director provides stewardship critical to the success of the AMWG. The role of the AMWG is to:

“...provide strategic direction and governance for asset management by contributing to the development and implementation of Council’s Asset Management Policy, Asset Management Strategy and Asset Management Plans as required by the Office of Local Government’s Integrated Planning & Reporting Framework.”

2. Integrated Planning and Report Framework (IP&R)

The Office of Local Government first introduced IP&R guidelines in 2010 to base council planning on a sound understanding of the community's expectations around priorities and service levels, while also ensuring alignment with regional and state priorities.

The *Local Government Act 1993* reinforces the pivotal role of the IP&R framework in guiding all council planning and decision-making. The IP&R framework allows councils to draw their various plans together to understand how they interact and inform each other, and to get the maximum benefit by planning holistically for the future. The main components of the framework are summarised below:

- **Community Strategic Plan** - is the highest level of strategic planning undertaken by Council, with a 10-year plus timeframe. All other plans must support achievement of the community's vision and community outcomes in the *MidCoast 2035* Community Strategic Plan objectives.
- **Resourcing Strategy** - shows how Council will resource its strategic priorities, identified through the IP&R plans. MidCoast Council's Resourcing Strategy includes 4 inter-related elements:
 - i) the Long Term Financial Plan (LTFP)
 - ii) the Asset Management Strategy, Policy and Plans
 - iii) the Workforce Management Strategy
 - iv) the Information & Communications Technology Strategy
- **Delivery Program** – is Council's commitment to the community about what it will deliver during its term in office to achieve the community outcomes outlined in the *MidCoast 2035* Community Strategic Plan.
- **Operational Plan** - shows the individual projects and activities Council will undertake in a specific year. It includes Council's annual budget and Statement of Revenue Policy.
- **Annual Report** – advises the community on the work undertaken by Council each year to deliver on the commitments of the Delivery Program via that year's Operational Plan. Council also reports on their financial and asset performance against its annual budget.

The Asset Management Strategy is a component of the Resourcing Strategy and has been developed over a 10-year period. Council is required to account and plan for all the existing assets under its control, and any new asset solutions proposed in its Community Strategic Plan and Delivery Program. The diagram below emphasises the importance that resource planning must play in delivering the Council's strategic objectives. While there is a direct link from the Community Strategic Plan to the Delivery Program and Operational Plan, this must be informed and supported by the financial, asset and workforce planning undertaken by Council as part of the Resourcing Strategy.

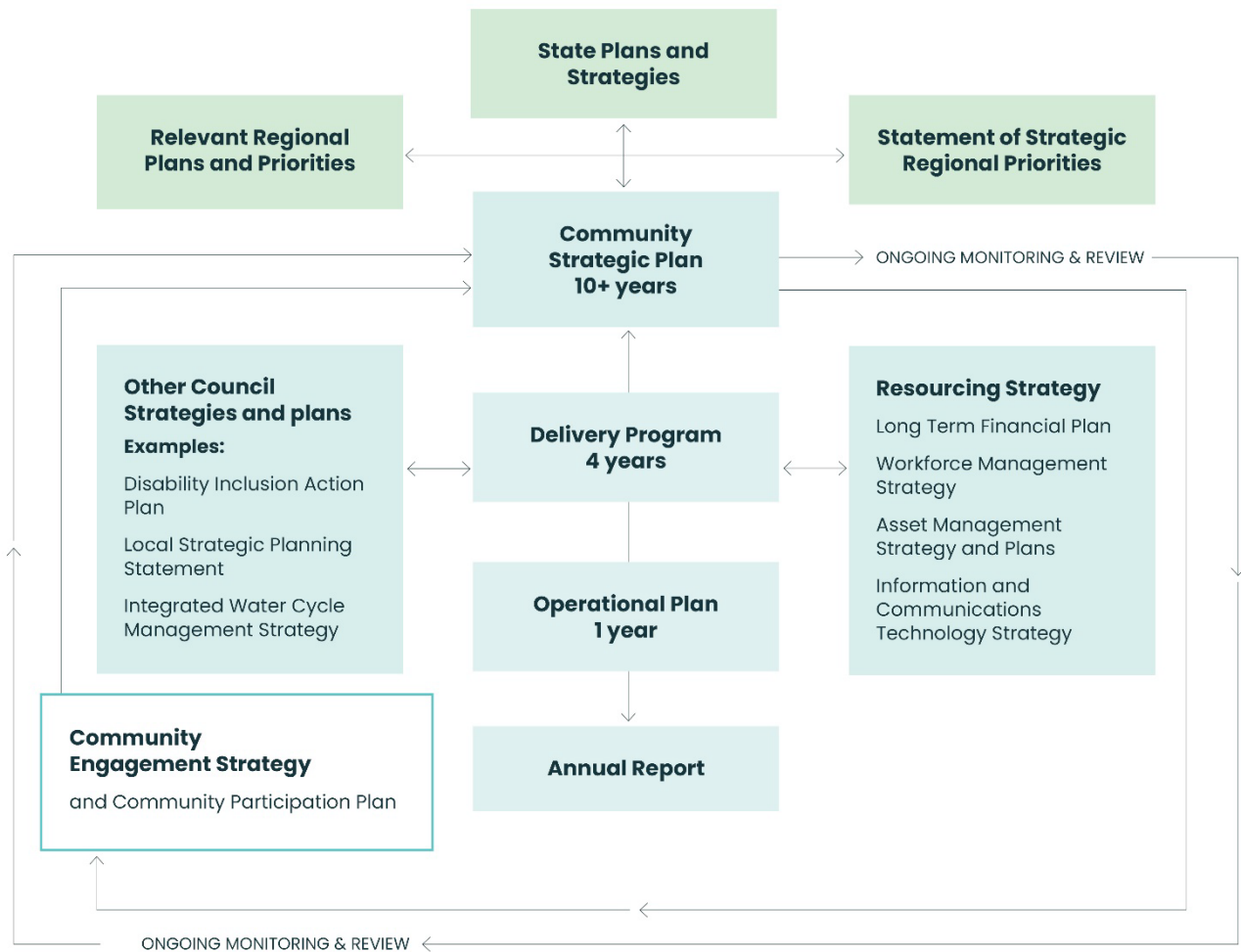


Figure 2: The Integrated Planning & Reporting Framework

2.1 MidCoast Council's Asset Management Framework

Asset management requires a “Whole of Council” approach and applies to all assets that Council manages for delivering sustainable services to the community. The Asset Management Framework enables alignment of asset planning and management practices with service delivery priorities and strategies, within the limits of the resources available. The framework provides linkages between the various strategic and policy documents required for IP&R. The asset management framework incorporates strategic and policy documents for the provision of effective community infrastructure.

Asset Management Informs Policy Decisions

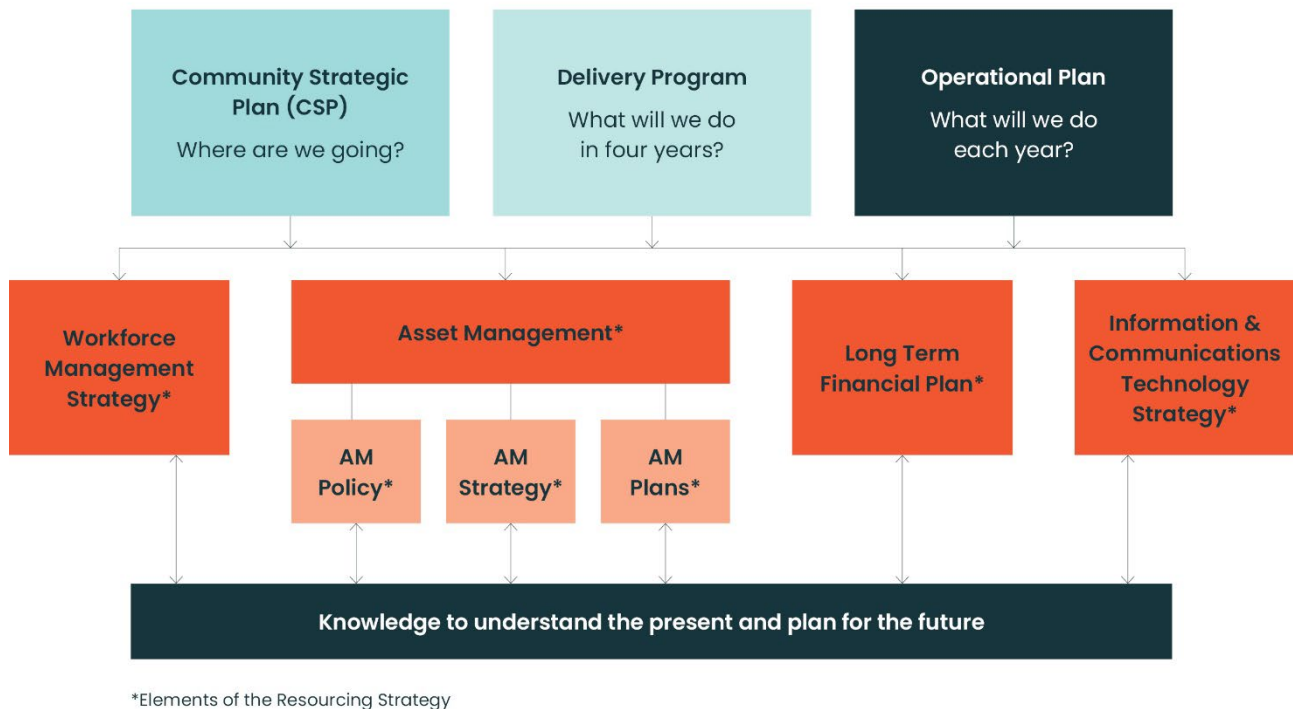


Figure 2.1: The Integrated Planning & Reporting Framework

- **Asset Management Policy:** A high-level statement of Council’s principles and approach to asset management.
- **Asset Management Strategy:** A high-level document developed to support the AM Policy and to show the current situation, the desired state and how the organisational objectives are to be converted into asset management objectives. Council’s AM Strategy includes a summary Asset Management Plan incorporating the asset portfolios with levels of service, demand forecasts and financial forecasts.
- **Asset Management Plan:** A detailed document for each of the asset classes developed to outline operations, maintenance levels, renewals, disposals, and financial forecasts (usually 10-20 years). The AM Plans also outline the asset activities and programs for each service area and resources required to provide a defined level of service in the most cost-effective way.

2.2 Asset Management Planning Process

Council’s infrastructure assets exist primarily to provide services to the community. The objective in managing assets is to meet the agreed level of service in the most cost-effective manner for the benefit of present and future members of the MidCoast community. To help achieve this, Council has developed infrastructure Asset Management Plans (AMPs) for each asset class. The key principles of each AMP include:

- Taking a life-cycle approach to managing assets
- Developing cost-effective management strategies
- Providing a defined level of service for assets
- Providing performance monitoring processes

- Understanding and meeting the demands of growth, legislative change, statutory requirements and infrastructure investment
- Managing risks associated with asset failures
- Providing long term financial projections for asset sustainability
- Continuously improving asset management processes and practices

The AMPs have been prepared in accordance with the relevant industry standards and guidance from the Community Strategic Plan (CSP), Council's vision, goals and objectives. Each AMP includes provision for capital works, operation and maintenance works, and the principles used to prioritise works across the whole asset life cycle. They provide a long-term planning framework, including expenditure forecasts, which will assist Council in making informed decisions on the Delivery Program, maintenance programs and capital projects. The AMPs include:

- Levels of service – defining the quality of the service to be delivered by the asset.
- Future demand – the impact on future service delivery and the resources required.
- Asset data status – what Council owns, what the network is valued at and its most recent assessed condition.
- Life cycle management – how Council will optimise the management of its existing and future assets to provide the required services.
- Prioritised capital and maintenance works.
- How risk is managed.
- Financial summary – what funds are required to provide the agreed service levels.

The data that informs the plans include:

- The asset register data on location, extent, size, age, value, condition and remaining life of the asset network
- The unit rates for categories of assets, materials and works
- Performance relative to adopted service levels
- Projections of factors affecting future demand for services
- Data on new assets developed or acquired by Council
- Data on assumed works programs and trends
- Lifecycle analysis data

3. Climate Change - extreme weather events & natural disasters

On 23 October 2019, MidCoast Council declared a climate emergency which recognised that we are in a state of climate crisis that requires urgent action by all levels of government, including local government.

The latest report from Intergovernmental Panel on Climate Change (IPCC)² confirms that human induced climate change is causing dangerous and widespread disruption in nature and affecting the lives of billions of people around the world, despite efforts to reduce the risks. The world faces unavoidable multiple climate hazards over the next two decades with global warming of 1.5°C (2.7°F). Even temporarily exceeding this warming level will result in additional severe impacts, some of which will be irreversible risks for society, including impacts to infrastructure and low-lying coastal settlements. Increased heatwaves, droughts and floods are already exceeding plants' and animals' tolerance thresholds, driving mass mortalities in species such as trees and corals. These weather extremes are occurring simultaneously, causing cascading impacts that are increasingly difficult to manage.

All levels of government, businesses, communities and individuals have a role to deal with our changing climate³. The Australian Government is responsible for providing national science, leadership on national reform, managing Commonwealth assets, and maintaining a strong, flexible economy and well-targeted social safety net. States, territory and local governments are responsible for their assets, programs and legislation, and are relied upon to provide localised and regional science and information and building capacity. Councils' action in climate change adaptation and mitigation is typically divided into two categories⁴:

- Council as an organisation ('Council'); and
- The community it serves ('Community').

Council as a member of the Hunter Joint Organisation (JO) is part of the '*Act now on Adaptation: Coastal Wise Communities*' project that has been established to deliver a proactive evidence-based coastal adaptation communication and engagement resource for the Hunter and Central Coast region, and to provide a pathway to embed Climate Change Resilience into the Integrated Planning and Reporting (IP&R) Framework of councils. Coastal communities are impacted by various coastal hazards; erosion, inundation, storms and sea level rise; the severity and frequency of which are increasing due to climate change. Managing these impacts consumes significant council and agency resources and is generally done on a site-by-site or council-by-council basis. This project has provided a number of resources to assist councils more consistently and collaboratively plan for and respond to these issues.

Council as an organisation is responsible for adapting its planning, asset management, and operations to risks posed to it, including risks from a changing climate. Part of building resilience also entails implementing mitigation measures to reduce its impact on the climate. Council has a duty of care to its community and an opportunity to influence behaviour change to create stronger resilience. The reliance of the community on Council assets and services is often emphasised during times of crisis, for example when critical infrastructure is damaged or disrupted by extreme weather events.

²IPCC Sixth Assessment Report Climate Change 2022: Impacts, Adaptations and Vulnerability

³ Department of Agriculture, Water and the Environment (Australian Government), 2021, "NATIONAL CLIMATE RESILIENCE AND ADAPTATION STRATEGY WORKSHOP A roadmap towards more climate resilient Australia", workshop presentation dated July 2021.

⁴ Department of Planning, Industry and Environment, 2020, "Net Zero Emissions Guidance for NSW Councils. Helping councils plan for a low emissions future" dated May 2020

Since amalgamation, Council and the community have faced droughts, water restrictions, bushfires and, in more recent times, floods. Climate change threatens our region and urbanising coast. We are challenged by weather-related disasters that damage our water, energy, transport, buildings and telecommunications infrastructure. Bushfires rage and heat stress, vector borne and other climate related diseases pose health risks. These impacts of a changing climate add to existing challenges such as urban sprawl, population growth, pollution and the loss of biodiversity.

In the absence of intervention, we know the frequency of many of these events and their impacts will continue to increase over coming decades, due to population increase, property development and climate change. This will impact the bottom line of government budgets at all levels. We know that preparing for extreme events better, through planning, engineering and awareness, can greatly reduce the social and economic costs of these events. Council's adopted Climate Change Strategy 2021 and climate mitigation and adaptation measures reflected in other strategies and plans, are used to inform Council's Resourcing Strategy, including future updates to technical Asset Management Plans, the Long Term Financial Plan, Workforce Management Strategy and ICT Strategy. Our Climate Change Strategy sets out how we reduce our emissions and adapt to the impacts of climate change. These actions include:

- investing in renewable energy
- becoming more energy efficient
- sequestering carbon
- transitioning to more sustainable transport options and
- reducing our waste to landfill

NOTE:

The MidCoast Local Government Area (LGA) experienced severe flooding after receiving over 50% of its annual average rainfall in four days from 20th of May 2025. The flood was marked as a 1 in 500-year event, with the Manning River recording 6.5 metres at Taree, which surpassed the 1929 record of 6.0 meters at the same location. The floods had a major impact on infrastructure, the economy, and society. At the time of finalising this AM Strategy, the full impact of the floods, especially on infrastructure assets, is still being evaluated and will be included in future revisions of the AM Strategy. As a result, this AM Strategy is presented in the context before the 2025 flood event, when it was placed on public exhibition.

4. Current Status of Asset Management

MidCoast Council's asset management journey as a unified organisation commenced in 2020 when the Asset Management Working Group (AMWG) was first formed. At the time when the Strategy was being developed, Council had a single consolidated asset register within the corporate asset management system. The information in the register was migrated from the former Councils' asset registers and databases. Verifying the accuracy and completeness of the data has been identified as a key future focus area to ensure sound asset management decisions are made.

The Asset Management Policy and this AM Strategy are crucial towards consolidating Council practices and processes from the former councils. The Asset Management Policy provides guiding principles for all asset management decisions. This Policy complies with the IP&R Guidelines for Local Governments in NSW and the Handbook for Local Councils in NSW.

The IP&R Guidelines and Handbook impose a "good", "better" and "best" standard on the key documents including asset management. It is a mandatory requirement for Councils to include actions in their AM Strategy to improve their capabilities. The 'good', 'better' and 'best' standards have been developed to support councils to they consider where they are currently at with AM Strategy and further develop their approach.

As an organisation we have prioritised the need for asset management improvement and have been on the asset management maturity journey since 2022. A review of Council's asset management maturity by Morrison Low in 2021 identified a **"Basic"** level of asset management maturity.

To assess Council's asset management maturity, a review of the relevant asset management and financial documents was undertaken, and online interviews were conducted with Council staff. The work was aligned with Council's standard methodology and moderated against other recent assessments, which allows for a ready comparison with other Councils.

Since then, Council's AMWG has been actively working through a Council-endorsed Asset Improvement Program to deliver on action items, reaching a **"Core"** maturity level as identified in a second maturity assessment undertaken by Morrison Low in June 2024.

As shown in Figure 4, Council has reached its desired levels of maturity in three of the six subject areas (where core maturity is a score between 6.0 and 7.49).

Mid-Coast Council	Current Score	Desired score (2024)	Priority (1-3)	1	2	3	4	5	6	7	8	9	10
Asset Knowledge / Data	6.8	7.0											
Asset Classification/ Hierarchy	8												
Attributes and Location	8												
Condition Data	9												
Lifecycle Cost Data	6												
Valuation, Depreciation and Age/Life Data	5												
Asset Knowledge Processes	7.0	7.0											
Asset Financial Reporting	8												
Asset Capitalisation processes	7												
Asset Accounting/ Valuation	6												
Strategic Asset Planning Processes	6.4	7.0											
Strategic Long Term Plan	7												
Asset Management Policy and strategy	9												
Levels of Service	7												
Risk Management	6												
Financial Planning and Capital Investment	4												
Asset Management Plans	7												
Operations and Maintenance Work Practices	5.5	7.0											
Operations / Maintenance Management	7												
Critical Assets	4												
Information Systems	8.0	7.0											
Asset Register	8												
Systems Integration	8												
Organisation Context	7.7	7.0											
Organisational Strategy	8												
Asset Management Review/Improvement	9												
AM Roles and Responsibilities	6												
Training/Awareness	6												

Figure 4: MidCoast Council Asset Maturity

As a result of these maturity assessments a number of improvements have either already been made or are currently work in progress (WIP) including:

- The establishment of a cross-organisational Asset Management Working Group (AMWG) in 2021 (refer section 1.4). The AMWG has developed a Council-endorsed Asset Improvement Plan that considers strategy, policy, financial, operational, systems, risk and audit objectives.
- The adoption of an organisational-wide Asset Management Policy and review of this AM Strategy, both now referencing Water & Sewer infrastructure.
- The development of an Asset Capitalisation Policy and Procedure in 2024, currently a WIP.
- The development of Asset Management Plans (AM Plans) across all of Council's asset classes. Each service area now annually reviews their asset management plans to support the delivery of the adopted programs and continue developing the asset management processes by consolidating and improving corporate systems and processes.

- The implementation of a corporate asset management register and work order system that details both technical and financial asset information which feeds into the program development for planned maintenance, renewals and upgrades of our infrastructure.
- The Business Transformation Program (BTP) has been developed to help us better meet the expectations of our community. It's designed to improve how our customers interact with us and streamline the way we respond to the needs of the community.
- Improving and auditing our asset data to ensure that decisions are based on the most current available information.
- Documenting our financial asset management processes to support end-of-year reporting and audit requirements.

Council continues to implement improvement actions to improve their asset management maturity and work towards “best” management practice.

4.1 Asset Financial Modelling and Assumptions

The financial information contained in the AM Strategy has been developed based on a review of asset data supporting our financial reporting. The overarching asset management financial model was developed using asset values from our current asset registers and then aligned with Note C1-7 Infrastructure, property, plant and equipment and Report on Infrastructure Assets (formerly Special Schedule 7) of the Annual Financial Statements 2023/2024. The model also considered the following assumptions:

- Capital Works Program based on LTFP Business-as-usual scenario.
- Capital Works Program in LTFP split into renewals and new assets
- Capital funding split on asset values.
- Where better information is available this has been used
- Works programs split into:
 - New assets
 - Renewal projects

Further benchmarking of depreciation and required maintenance based on Regional Town & City Classification (includes 26 NSW councils) and the Hunter Joint Organisation councils was incorporated into the model. The model consistently and accurately predicts future asset expenditure requirements and can be utilised as a reliable and realistic link for the LTFP. This ensures consistency across the organisation in relation to asset reporting and asset needs.

4.2 Assets

Asset cost, condition, and value

The cost, condition and value of assets are reported each year in the financial statements within the Annual Report. In 2023/24 the value and replacement cost of infrastructure assets were as shown in Table 4.2⁵:

⁵ *MidCoast Council Annual Report 2023/24 – Financial Statements - Report on Infrastructure Assets.*

Table 4.2: Asset Values

Asset Class	Gross Replacement Cost \$'000	Net Carrying Amount \$'000
Buildings (including other structures)	\$490,396	\$301,583
Recreation (open space & swimming pool assets)	\$76,369	\$44,500
Transport	\$2,878,642	\$2,130,266
Bridges	\$227,245	\$356,694
Stormwater Drainage	\$541,167	\$356,694
Water	\$882,455	\$602,625
Sewer	\$702,453	\$476,825

The value of Council's \$5.80 billion infrastructure portfolio is made up as shown in Figure 4.2:

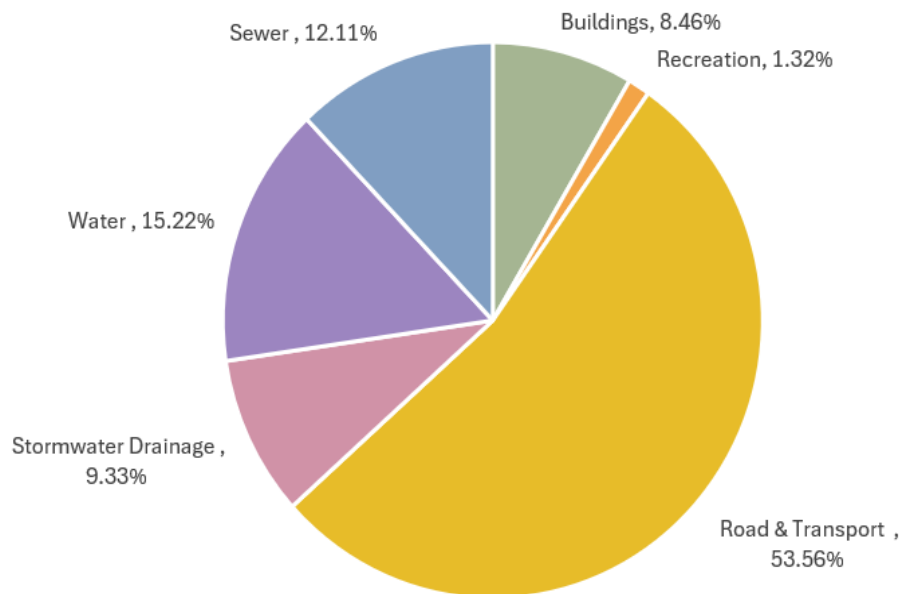


Figure 4.2: Infrastructure Portfolio by Asset Class

5. Infrastructure Asset Performance Indicators

The Office of Local Government (OLG) requires several prescribed performance indicators in relation to infrastructure asset management. These measures are designed to assess whether a council is maximising its return on resources and minimising unnecessary burden on the community and business. This includes consideration of whether council is meeting the agreed level and scope of infrastructure for communities as identified through the Integrated Planning and Reporting process. The infrastructure asset performance indicators that will be used are:

- Building and infrastructure **renewal** ratio - this ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. It is an indicator of whether a council's infrastructure backlog is likely to increase. The benchmark is greater than 100%.
- Infrastructure **backlog** ratio - this ratio indicates what proportion the infrastructure backlog (cost to bring assets to a satisfactory condition) is against the written down value of the Council's infrastructure. Increasing backlogs may affect the Council's ability to provide services and remain sustainable. The benchmark is less than 2%.
- Asset **maintenance** ratio - This ratio compares actual versus required annual asset maintenance. It measures whether Council is spending enough on maintaining its assets to avoid increasing its infrastructure backlog. The benchmark is greater than 100%.

5.1 Renewal Expenditure

Renewal refers to the activities to refurbish or replace assets with assets of equivalent or sometimes greater service capacity. Usually this involves restoring assets to new condition. Renewal works are included in Council's Capital Works Program. Table 5.1 displays the asset renewal expenditure proposed for the next decade based on the model and the Long Term Financial Plan under the Business-as-Usual scenario.

Table 5.1: Proposed 10-year Asset Renewal Expenditure

Renewal \$'000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/24
Buildings	\$3,872	\$1,121	\$1,145	\$1,171	\$1,197	\$1,223	\$1,250	\$1,278	\$1,307	\$1,337
Recreation	\$10,088	\$1,442	\$959	\$977	\$996	\$1,027	\$1,060	\$1,093	\$1,128	\$953
Transport	\$43,332	\$33,088	\$33,911	\$36,515	\$34,240	\$35,107	\$36,000	\$36,919	\$37,865	\$38,838
Bridges	\$22,093	\$13,146	\$1,464	\$1,480	\$1,501	\$1,545	\$1,591	\$1,638	\$1,687	\$1,737
Stormwater	\$635	\$679	\$599	\$616	\$630	\$648	\$667	\$686	\$706	\$726
Water	\$7,465	\$14,122	\$14,546	\$15,071	\$15,495	\$15,895	\$16,372	\$16,863	\$17,369	\$17,890
Sewer	\$12,095	\$19,759	\$18,588	\$13,871	\$10,719	\$11,041	\$11,372	\$11,713	\$12,064	\$12,426
Total Renewal	\$99,580	\$83,357	\$71,212	\$69,700	\$64,777	\$66,487	\$68,312	\$70,192	\$72,126	\$73,907

5.2 Grant Funded Renewals

Council relies heavily on externally sourced grant funding to improve our infrastructure where we may otherwise not have access to sufficient funds. These grants allow for investment into capital improvements and renewals and assist in the strategic planning for optimising asset replacement. Roads and Transport cannot forecast its grant funded renewals programs for a 10-year period with a high level of confidence. The remainder of Council's asset classes project to financial year 2025/2026 with a high level of confidence.

As evidenced in the chart below, renewal expenditure decreases in 2026/27, which represents known grant funding availability. With the annual review of this AM Strategy, future grant funding allocations will be incorporated to align capital renewals into Council's 10-year renewal program.

5.3 Infrastructure Backlog

Figures 5.3.1 and 5.3.2 provide an overview of Council's required renewal funding (based on depreciation) and performance against each of these infrastructure indicators over the 10 years of the AM Strategy.

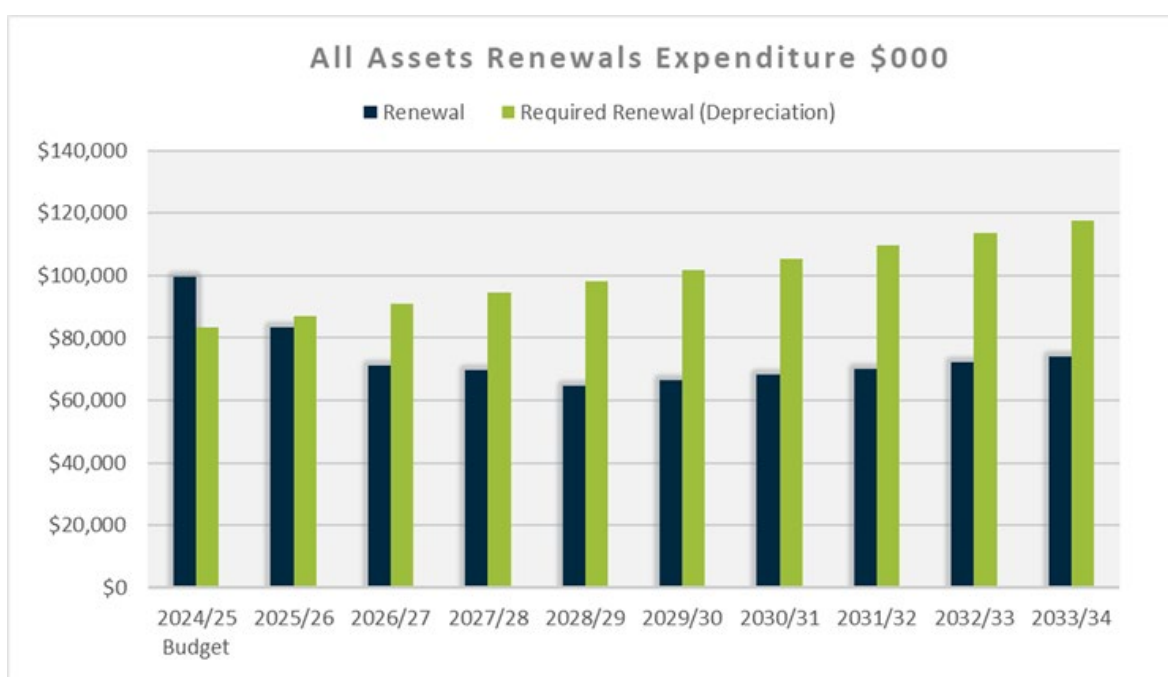


Figure 5.3.1: Required Asset Renewal Funding vs Expenditure

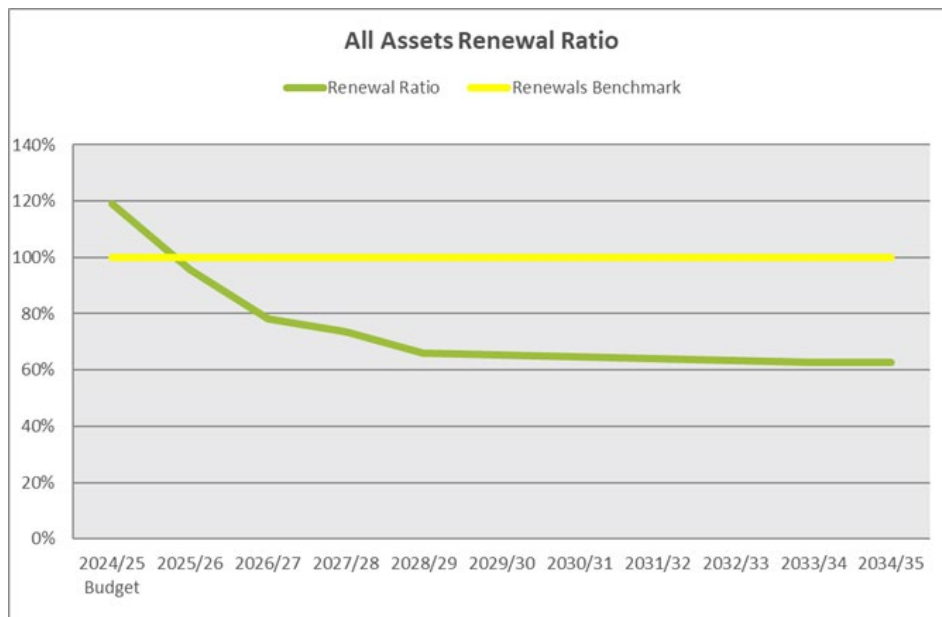


Figure 5.3.2: Asset Renewal Ratio

The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset that is currently not at the condition determined to be satisfactory by the community. MidCoast Council has defined its condition rating for satisfactory as Condition 3 (Fair).

A standardised 1–5 grading system is used to assess asset condition, as shown in Figure 5.3.1. This grading system enables effective decision-making; prioritisation of asset interventions (maintenance, renewal, and upgrades); offers a consistent method to communicate with stakeholders and report asset performance.

Table 5.3.1: Asset Condition Grading System

ASSET CONDITION			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

Table 5.3.2: Asset Condition by Asset Class

Assets in each condition rating as % of gross replacement costs MidCoast Council Annual Financial Statements 2023/2024 – Report on Infrastructure Assets					
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor
Buildings	14.46%	20.83%	53.53%	11.16%	0.02%
Other Structures	46.00%	31.70%	8.80%	13.50%	0.0%
Recreation	21.97%	35.12%	26.34%	16.49%	0.08%
Transport	41.12%	25.98%	24.17%	7.54%	1.19%
Stormwater	23.70%	44.40%	27.90%	3.60%	0.40%
Water	35.90%	32.20%	15.00%	13.90%	3.00%
Sewer	29.00%	32.90%	24.30%	8.30%	5.50%
Total all assets	34.86%	29.22%	25.45%	8.67%	1.80%

5.4 Cost to Satisfactory (CTS)

Council's infrastructure backlog represents the cost to bring assets in a poor and failed condition up to a standard determined to be satisfactory by the Council. MidCoast Council has defined its condition rating for satisfactory as Condition 3 - Fair.

The reported CTS is based on the Net Carrying Amount or written down value of the asset class, and the percentage of those assets in unsatisfactory condition.

The infrastructure backlog by asset class is shown in Table 5.4.

Table 5.4: Infrastructure Backlog by Asset Class

Infrastructure Backlog - Cost to Bring to Satisfactory \$000	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Buildings	\$3,754	\$5,430	\$7,692	\$10,073	\$12,537	\$15,105	\$17,759	\$20,502	\$23,335	\$26,261	\$29,284
Recreation	\$2,082	\$837	\$1,146	\$1,557	\$1,983	\$2,424	\$2,879	\$3,348	\$3,831	\$4,329	\$4,880
Transport	\$49,476	\$47,451	\$47,391	\$47,364	\$47,062	\$47,346	\$47,669	\$48,035	\$48,443	\$48,896	\$49,396
Bridges	\$1,696	\$0	\$0	\$171	\$352	\$543	\$739	\$941	\$1,150	\$1,365	\$1,586
Stormwater	\$3,957	\$3,957	\$4,790	\$5,667	\$6,571	\$7,504	\$8,466	\$9,458	\$10,480	\$11,535	\$12,621
Water	\$14,625	\$16,166	\$16,651	\$17,173	\$17,744	\$18,403	\$19,124	\$19,886	\$20,731	\$21,682	\$22,712
Sewer	\$12,712	\$12,610	\$11,335	\$10,450	\$10,561	\$11,355	\$12,218	\$13,194	\$14,289	\$15,475	\$16,717
Total	\$88,302	\$86,452	\$89,006	\$92,455	\$96,811	\$102,681	\$108,855	\$115,364	\$122,260	\$129,543	\$137,196

Figure 5.4 demonstrates the projected backlog ratio based on the planned renewal funding over the 10 years of the AM Strategy based on condition 2 – Good. While this condition level is appropriate for some types of assets, for example the Administration building, aquatic centres, and other high-value critical assets, for most asset types a condition level 3 is acceptable.

The asset condition rating of 2 (Good) was the reference point to determine the asset backlog ratio as recommended by the Office of Local Government NSW. However, the community agreed to condition rating 3 (Fair) as the new acceptable threshold following community consultation about levels of services in December 2024. As a result, future reporting from 2024/25 will be based on the new reference.

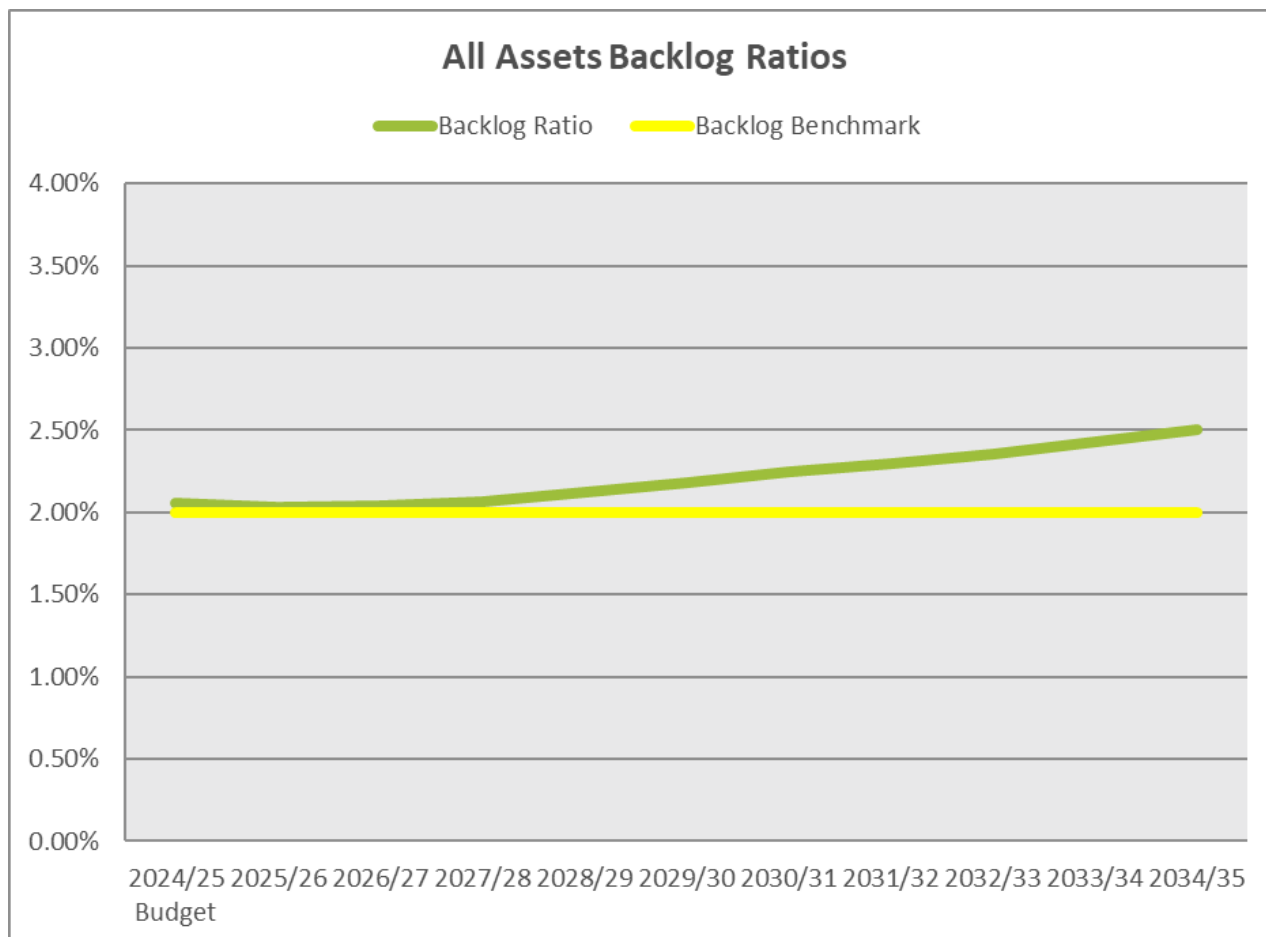


Figure 5.4: Projected Asset Backlog Ratio

5.5 Cost to Agreed level of Service (CTA)

In January 2017, the Office of Local Government (OLG) introduced an additional measure for reporting on the condition of Council's infrastructure assets being the estimated cost to bring assets to agreed level of service set by Council and the community. The agreed level of service with the community as at April 2025 is condition 3 - Fair.

CTA is calculated as the replacement value of assets condition 4 or 5. The ratio is the CTA divided by the gross replacement cost. In effect CTA is an indicator of the potential assets to be renewed. As at April 2025 Council's CTA has been calculated at \$606.8m, approximately 10.5% of the portfolio value. Note that in reality, assets in condition 4 may still have 10-20 years life remaining, and may not need immediate renewal.

This measure is reported in the Annual Financial Statements – Report on Infrastructure Assets, and there is no benchmark.

5.6 Maintenance expenditure

Maintenance is the activities required or undertaken by Council to preserve the service capacity or durability of the assets as they age. The required maintenance, which is stated annually in our Report on Infrastructure Assets, includes those costs identified in the asset management plans of routine activities that should be undertaken to sustain the asset in a functional state, ensuring the asset reaches the predicted useful life, excluding rehabilitation or renewal. This includes:

- routine inspection and maintenance activities and minor rehabilitation required to achieve the predicted useful life of the asset or asset component.
- operating expenses required to keep the asset or asset component in a functional state for community uses.
- the amount that Council should be spending on assets which is based on a percentage of the replacement cost.

Actual maintenance includes the actual expenditure incurred (for the reporting period) of routine activities undertaken to sustain the asset in a functional state and to ensure that the asset reaches the predicted useful life. This includes both maintenance and operational expenditure and provides the total cost to keep the asset in a functional state in service to the community.

Figures 5.6.1 and 5.6.2 provide an overview of Council's projected maintenance funding as opposed to the required funding, and performance against the infrastructure performance indicators over the 10 years of the AM Strategy.

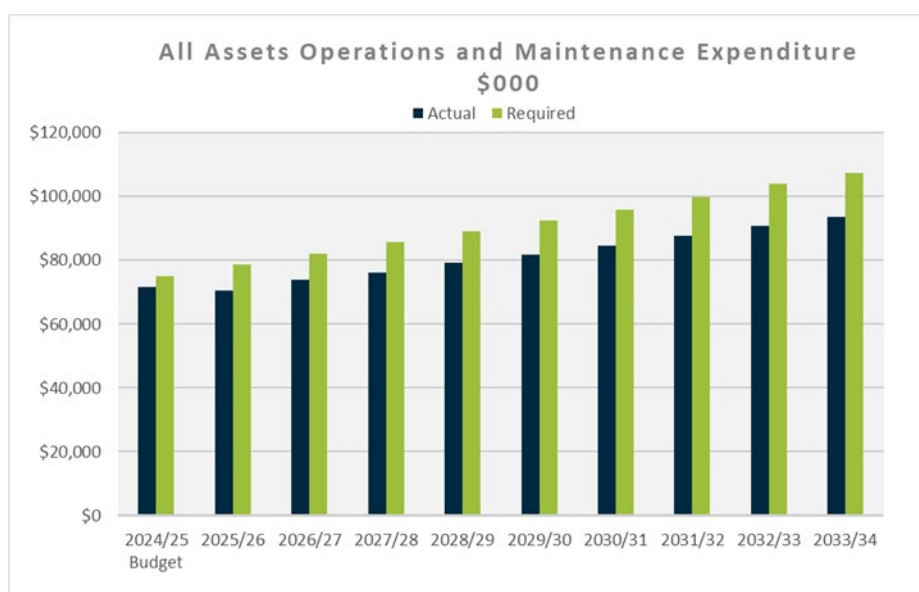


Figure 5.6.1: Projected Operations and Maintenance Expenditure

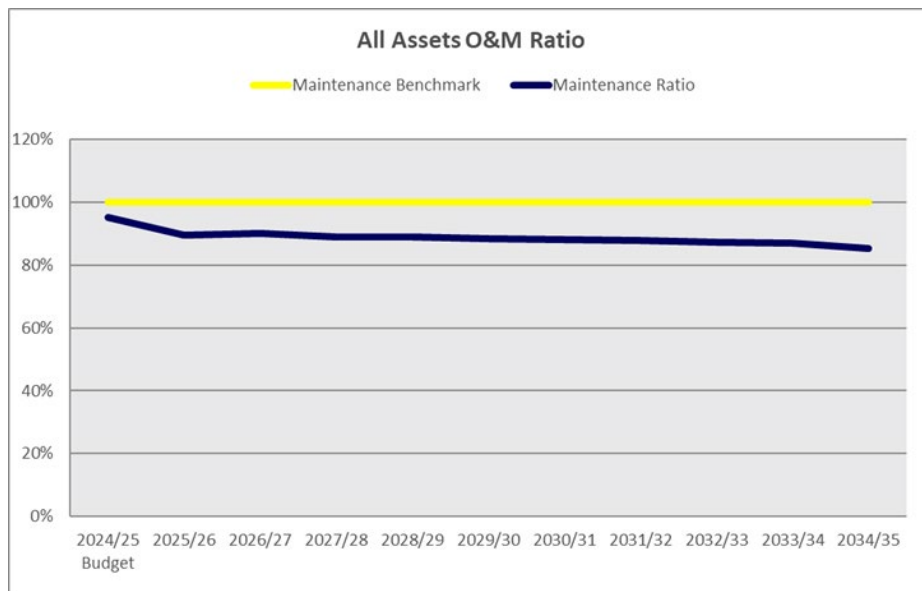


Figure 5.6.2: Projected Operations and Maintenance Ratio

5.7 Funding Required to Meet Benchmark Ratios

Table 5.7 shows the amount of funding budget (Budget) for all asset classes over the next 10 years and funding shortfall associated with maintenance and renewals. This shortfall is commonly known as the funding gap. To respond to the funding gap during the term of the AM Strategy, Council will focus on establishing community-agreed levels of service and prioritising funding towards those asset classes. The urgent need is to ensure that asset funding is based on risk, criticality and affordability.

Table 5.7: Projected Budgets and Finding Shortfalls by Asset Class

All Assets	\$000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$99,580	\$83,357	\$71,212	\$69,700	\$64,777	\$66,487	\$68,312	\$70,192	\$72,126	\$73,907
	New and Expanded Assets	\$54,874	\$67,329	\$57,009	\$61,557	\$46,260	\$30,490	\$43,398	\$56,333	\$52,364	\$28,121
	O&M	\$71,517	\$70,479	\$73,865	\$76,163	\$79,301	\$81,726	\$84,560	\$87,643	\$90,745	\$93,607
	Total Expenditure	\$225,971	\$221,165	\$202,087	\$207,420	\$190,337	\$178,703	\$196,269	\$214,168	\$215,235	\$195,636
Required	Required Renewal (Depreciation)	\$83,530	\$87,175	\$90,922	\$94,592	\$98,320	\$101,766	\$105,509	\$109,594	\$113,747	\$117,635
	New and Expanded Assets	\$54,874	\$67,329	\$57,009	\$61,557	\$46,260	\$30,490	\$43,398	\$56,333	\$52,364	\$28,121
	Required O&M	\$75,050	\$78,659	\$82,121	\$85,737	\$89,155	\$92,389	\$95,992	\$99,931	\$103,885	\$107,493
	Total	\$213,454	\$233,163	\$230,053	\$241,886	\$233,735	\$224,645	\$244,899	\$265,858	\$269,996	\$253,250
	Overall (GAP)	\$12,517	-\$11,998	-\$27,966	-\$34,466	-\$43,398	-\$45,942	-\$48,629	-\$51,690	-\$54,760	-\$57,615
	Maintenance Gap	-\$3,533	-\$8,181	-\$8,256	-\$9,575	-\$9,854	-\$10,663	-\$11,433	-\$12,288	-\$13,140	-\$13,887
	Renewals Gap	\$16,050	-\$3,817	-\$19,710	-\$24,891	-\$33,543	-\$35,279	-\$37,197	-\$39,402	-\$41,620	-\$43,728

6. Risk Management

Council recognises that risk management is an integral part of good management practice, and we are committed to establishing an organisational culture that ensures a consistent and systematic application to risk management, that is embedded in all of our activities and business processes. We are focused on identifying risks in order to make conscious decisions to accept, transfer or mitigate these risks in order to achieve our strategic goals and objectives.

In 2018, Council developed and implemented a Risk Management Framework, which meets the requirements of the International Risk Management Standard ISO31000. Key to this process was the identification of significant risks, which required action to reduce the level of risk presented to Council and the community. Asset management was one area that was identified as presenting a significant risk to Council. In particular, the risk presented by the age of assets, condition and available resources for asset maintenance and renewal.

This AM Strategy defines high level significant risks, which impact across asset management in general. Each asset overview has a summary of the key significant risks and risk controls for the asset class/group/type.

The AM Plans for each asset class have a detailed evaluation of the significant risks, risk treatments and risk monitoring activities that are carried out by asset custodians. Council's Risk and Insurance Coordinator provides ongoing assistance to the asset custodians, including training and technical assistance throughout the risk management process.

6.1 Role of Audit, Risk & Improvement Committee (ARIC) and the Audit Office (AO)

The Audit Office (AO) identified a number of asset management related improvements, including up-to-date and accurate valuations of assets, which enable Council to correctly account for the future economic benefits of our assets. Valuations also give asset and financial staff relevant and reliable information when deciding how to allocate resources, measuring performance and accounting for assets. A Program Plan has been developed and submitted to ARIC on recommendation identified by the AO which will be delivered through the AMWG. The matters identified include:

- institute regular communications and interactions in advance of, and during valuation exercises between key business units (engineering and finance)
- formalise its asset valuation methodology, assessing its compliance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment requirements and relevant directions prescribed by the Office of Local Government
- perform a timely, thorough and robust quality assurance review by appropriate level of management to ensure the completeness and accuracy of the valuations.

6.2 Critical Assets

Critical assets are those assets where the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation.

Council has established a corporate Business Continuity Plan to ensure business continuity in the event of a crisis or business disruption event that disrupts Council's day-to-day activities. It specifies the critical functions that Council provides and identifies the resources (including critical assets) needed to perform the functions. The following assets are essential for Council's

operations and outcomes and are considered critical assets and are identified in Council's Business Continuity Plan:

- Council's administration building located at 2 Biripi Way, Taree
- Council works depots located at Taree and Tuncurry
- Taree Airport
- Communication & SCADA assets (the network system of sensors and controllers) servicing water and sewer infrastructure

We manage our assets by using the corporate risk management procedure and the intent is to have the risk ranking or criticality embedded into the asset management system. The risks associated with these assets include public health and safety, business continuity and emergencies. The individual asset class management plans further identify and list critical assets and the required maintenance strategies necessary to run the asset.

7. Levels of Service

An aim of asset management planning is to align resource allocation for providing, operating and maintaining assets in line with the needs of the community in terms of reliability and safety considerations. This is termed 'level of service'.

MidCoast Council has drawn information from the former entities for existing levels of service until such time where each asset class can consult with the community on their expectations and requirements. In addition to the community expectations, Council has also considered technical levels of service in the development of this plan.

7.1 Technical Levels of Service

Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that Council undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance. Legislative requirements, infrastructure standards and industry gridlines combine to strongly influence technical levels of service.

7.2 Community Levels of Service

Community Levels of Service measure how the community receives the service and whether the organisation is providing the community value. The community will be asked to consider:

- Quality - How good is the service?
- Function - Does it meet users' needs?
- Utilisation - Is the service usage appropriate to capacity?

Council wants to understand from the community how we should prioritise expenditure on our different community asset types. We need a clear direction for future spending based on the community's views on what constitutes an acceptable level of asset conditions. It is essential that we keep our community assets in a safe working order, and that they meet community expectations.

In July 2023, Council's Community Satisfaction survey, conducted by Micromex Research, asked the community to respond on the importance and satisfaction over a range of services and assets. A core element of this community survey was the rating of 42 facilities/services in terms of Importance and Satisfaction. Table 7.2 identifies the ranking of the Service Delivery & Asset Management group.

Table 7.2: Community Ranking of Importance and Satisfaction by Service

Service / Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Maintaining local roads	98%	26%	72%
Overall condition of the local sealed road network	95%	37%	57%
Financial management	92%	54%	38%
Council decision-making reflecting community opinion	88%	52%	36%
Engaging the community in planning	89%	58%	31%
Provision of Council information to the community	90%	61%	29%
Long-term planning for the LGA	89%	61%	27%
Maintaining footpaths	85%	60%	25%
Youth activities	89%	64%	25%
Supporting local jobs and businesses	94%	69%	24%
Economic development	85%	61%	24%
Public amenities, such as toilets and parents rooms	88%	68%	20%
Opportunity to participate in Council decision-making	75%	55%	20%
Maintaining local bridges	93%	77%	16%
Availability of car parking (all day / timed)	85%	7%	14%
Public safety	93%	79%	14%
Road safety	93%	79%	13%
Residential development	77%	64%	13%
Provision of bike paths	64%	54%	11%
Stormwater drainage	81%	72%	10%
Emergency management	93%	84%	9%
Recreational areas	91%	83%	8%
Supporting community groups	86%	78%	8%
Water quality	91%	84%	8%
Renewable energy	70%	68%	3%
Water service	86%	84%	2%
Recycling / waste management / landfills	88%	88%	1%
Parks and playgrounds	78%	78%	0%

Service / Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Climate change	64%	68%	-3%
Tourism facilities and services	73%	77%	-4%
Swimming pools	68%	74%	-5%
Street lighting	77%	83%	-6%
Airports	56%	64%	-8%
Sewerage services	83%	91%	-8%
Street trees	65%	74%	-9%
Cemeteries	71%	83%	-12%
Ovals and sportsgrounds	68%	84%	-16%
Festival and events programs	65%	82%	-17%
Community buildings / halls	65%	83%	-18%
Heritage sites protected and maintained	59%	81%	-22%
Library services	68%	93%	-25%
Cultural opportunities and services, such as the Art Gallery and Entertainment Centre	60%	88%	-28%

8. Links to the Community Strategic Plan (CSP)

This AM Strategy is prepared to provide a road map to sustainable asset management and to ensure assets can deliver the community's desired service levels in priority areas in the most cost-efficient manner. This is considered necessary if we are to achieve the aspirations and long-term objectives of our community as identified in the ***Community Strategic Plan's Vision***.

Community Outcomes: These are the community's long-term priorities that define what the community's long-term vision will look like once it is achieved.

CSP Strategies: The approach by which the community outcomes and vision detailed in the Community Strategic Plan will be met.

Asset Class Integration: MidCoast Council has a responsibility to pursue their community's vision and community outcomes by providing civic leadership and delivering key services. There are services that all councils must provide, and some which councils can choose to make available. The alignment between the CSP and the AM Strategy and those assets required to support the CSP's strategies is demonstrated below. Assets can contribute to multiple community outcomes, alignment with the most relevant community outcomes and strategies are highlighted in blue in Table 8.

Table 8: Alignment of Assets with the MidCoast Community Strategic Plan

Community Outcomes	CSP Strategies	Asset Class
Our Wellbeing <ul style="list-style-type: none"> We are a community where everyone is safe and can live a healthy, active life. We support each other, and feel we belong. We respect and celebrate our Aboriginal heritage, diverse cultures and histories, and value creativity in all its forms 	W-1 - Improve public safety and the community's ability to prepare and respond to emergencies.	Community Assets & Buildings Stormwater Transport
	W-2 - Support the physical and mental health, and wellbeing of our community	Community Assets & Buildings Transport
	W-3 - Help everyone connect and take part in community life, particularly those who face challenges with social isolation	Community Assets & Buildings Transport
	W-4 - Acknowledge, respect and learn from our Aboriginal community to build trust and move forward together.	Community Assets & Buildings
	W-5 - Foster opportunities for artistic, cultural and creative expression, participation and celebration.	Community Assets & Buildings
Our Natural Environment <ul style="list-style-type: none"> Our natural environment is healthy and safeguarded for future generations. We enjoy the lifestyle that our natural surroundings provide us. We minimise our impact on the environment, and we can adapt to a changing climate 	NE-1 - Protect our native flora, fauna and local ecosystems.	Stormwater Transport Water & Sewer
	NE-2 - Protect and improve the health of our coastlines, waterways, wetlands and water catchments.	Community Assets & Buildings Transport Water Sewer Stormwater
	NE-3 - Reduce waste to landfill through education, reduction, re-use, recycling, repurposing and the use of new technologies.	Community Assets & Buildings Transport
	NE-4 - Conserve our natural resources and reduce our greenhouse gas emissions.	Community Assets & Buildings Transport Water Sewer

Community Outcomes	CSP Strategies	Asset Class
	NE-5 - Manage risks to our environment and communities from climate change and natural disasters	Community Assets & Buildings Transport Water Sewer Stormwater
Our Places & Infrastructure <ul style="list-style-type: none"> Our towns and villages are attractive and engaging places to live. We all have a safe place to call home, and we can grow without losing what we love about living here. We have clean, reliable water and can travel safely and easily around the MidCoast 	PI-1 - Provide safe, accessible and well-maintained community facilities, and vibrant streetscapes and public open spaces. PI-2 - Improve the variety of housing options including social, affordable and accessible housing. PI-3 - Respect the unique character, history and cultural heritage of our towns and villages, significant places and the natural environment. PI-4 - Provide safe, secure and affordable water and sewerage services. PI-5 - Provide a safe, reliable and well-maintained road and broader transport network with options for active and shared travel	Community Assets & Buildings Stormwater Transport Community Assets & Buildings Stormwater Transport Water Sewer Community Assets & Buildings Transport Water Sewer Stormwater Community Assets & Buildings Transport
Our Economic Prosperity <ul style="list-style-type: none"> The MidCoast is an ideal place to work, live, visit, and invest. We all benefit from a diverse and resilient local economy that provides the businesses and services we need. There are employment opportunities for people of all ages and abilities. Our young people can build a vibrant career right here. Our workforce is ready for today's and tomorrow's employers 	EP-1 - Support and develop local businesses across a range of industries. EP-2 - Develop and promote the MidCoast as a top destination for visitors, conferences and events. EP-3 - Develop, attract and retain a skilled and diverse workforce.	Community Assets & Buildings Transport Community Assets & Buildings Transport Community Assets & Buildings Transport

Community Outcomes	CSP Strategies	Asset Class
Our Leadership <ul style="list-style-type: none"> We are engaged in our future and collaborate to make positive change for the MidCoast. We have confidence and trust in our elected representatives and community leaders. Decisions are evidence-based and informed by our input. Decisions also balance the interests of current and future generations. Together, all levels of government can deliver the facilities and services we need. Our Council is financially sustainable 	L-1 - Inform, engage and involve the community in projects and decision-making.	Community Assets & Buildings Transport Water Sewer Stormwater
	L-2 - Build our ability to deliver community outcomes through capacity building, growing partnerships, and advocating for funding and enabling infrastructure.	Community Assets & Buildings Stormwater Transport Water Sewer Stormwater
	L-3 - Provide open and transparent leadership with a focus on clear decision-making processes and ongoing communication with the community.	Community Assets & Buildings Transport Water Sewer Stormwater
	L-4 - Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health	Community Assets & Buildings Transport Water Sewer Stormwater

9. Life Cycle Management

Life Cycle Management considers the activities and associated costs of the characteristic stages of the asset's life cycle, including:

- **Planning:** The design, configuration, and specification of the asset to ensure it satisfies its defined purpose
- **Procurement:** Sourcing the asset, whether by purchase, construction/manufacture or other, including its commission
- **Operation:** The active process of utilising an asset which will consume resources such as manpower, energy, chemicals and materials.
- **Maintenance:** All actions necessary for retaining an asset as near as practicable to its original serviceable condition and to achieve its expected life
- **Renewal:** Works to replace existing assets with assets of equivalent capacity or performance capability, with a new expected life
- **Replacement:** The complete replacement of an asset that has reached the end of its life, so as to provide a similar, or agreed alternative, level of service, with a new expected life
- **Disposal:** Actions necessary to decommission and dispose of assets that are no longer required.

Competent and cost-efficient life cycle management for infrastructure assets commences with developing an accurate understanding of the actual condition of each asset. This requires a regular cycle of assessment of the physical condition of assets, for which funds are required for staff and training. However, this regular process results in more accurate and often lower estimates of real asset renewal costs.

This AM Strategy is based on data acquired through physical assessments and other estimates where physical data are either not yet available or are not possible to obtain for various reasons. All estimates are being continually refined to produce the best possible accurate assessment of asset condition and funding priorities.

Throughout this AM Strategy, Council is using a 5-point asset condition rating scale to steer decisions regarding priorities and funding requirements. This scale is consistent with best practice for asset condition assessment and reporting, as described in Table 9.1 below.

Table 9.1: Asset Condition Grading System

ASSET CONDITION			ASSET REMAINING LIFE	
Rating	Grade	Asset Description	Range	Midpoint
1	Very Good	Defects free, only planned/routine maintenance	>80%	90%
2	Good	Minor defects, minor planned maintenance required	60-79%	70%
3	Fair	Defects requiring regular and/or significant planned maintenance	40-59%	50%
4	Poor	Significant defects, higher order cost intervention required	10-39%	25%
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required	0-9%	5%

10. Building Assets⁶

Council's building asset class is comprised of the following:

- Community Buildings – including public halls/ community centres, courthouses, storage sheds, Men's Sheds, showground buildings, open space & swimming pool buildings, public amenities/toilets, surf lifesaving club buildings, and libraries
- Commercial Buildings – preschools/childcare centres commercial, residential and retail properties, caravan parks, and airport buildings
- Corporate Buildings – administration buildings, visitor information centres, the Manning Art Gallery, the Manning Entertainment Centre, water and sewer buildings, work depot buildings and waste and emergency services buildings

10.1 Available financial data

The building data reported in Note C1-7 of Council's Financial Statements 2023/24 is based on the previous revaluations completed in June 2022 by a registered valuer and indexed accordingly the following year. Buildings over \$1,000,000 were valued at a component level.

Council's revalued building assets were imported into the corporate asset system 1 July 2019 in line with revaluation requirements. Councils' asset accountant manages the finance book for building assets.

10.2 Infrastructure Backlog and Future funding allocation

Table 10.2 shows the proposed, capital and maintenance expenditure for buildings and other structure assets over the next 10 year and the future years funding shortfalls specifically for maintenance and renewals.

⁶ Council's Building Assets and Recreation Assets (see next section) currently have a single AM Plan – the Community Assets and Buildings Asset Management Plan.

Table 10.2: Proposed Capital and Maintenance Expenditure for Buildings and Structural Assets

Buildings & Other Structures		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$3,872	\$1,121	\$1,145	\$1,171	\$1,197	\$1,223	\$1,250	\$1,278	\$1,307	\$1,337
\$000	New and Expanded Assets	\$7,479	\$10,440	\$2,454	\$6,216	\$1,482	\$1,496	\$1,511	\$1,327	\$1,542	\$1,459
	O&M	\$8,343	\$9,022	\$9,207	\$9,507	\$9,800	\$10,068	\$10,343	\$10,627	\$10,920	\$11,222
	Total Expenditure	\$19,694	\$20,582	\$12,806	\$16,894	\$12,479	\$12,787	\$13,104	\$13,232	\$13,769	\$14,017
Required	Required Renewal (Depreciation)	\$13,448	\$14,050	\$14,746	\$15,252	\$15,874	\$16,389	\$16,921	\$17,468	\$18,028	\$18,609
	<i>Required Renewal - AMP</i>	<i>\$4,820</i>	<i>\$4,965</i>	<i>\$5,114</i>	<i>\$5,267</i>	<i>\$5,425</i>	<i>\$5,588</i>	<i>\$5,755</i>	<i>\$5,928</i>	<i>\$6,106</i>	<i>\$6,289</i>
\$000	New and Expanded Assets	\$7,479	\$10,440	\$2,454	\$6,216	\$1,482	\$1,496	\$1,511	\$1,327	\$1,542	\$1,459
	Required O&M (Benchmark)	\$8,073	\$8,480	\$8,773	\$9,134	\$9,431	\$9,737	\$10,053	\$10,376	\$10,711	\$11,056
	Total	\$29,000	\$32,970	\$25,972	\$30,602	\$26,787	\$27,623	\$28,485	\$29,171	\$30,281	\$31,124
	Overall (GAP)	-\$9,306	-\$12,388	-\$13,166	-\$13,708	-\$14,308	-\$14,836	-\$15,381	-\$15,939	-\$16,512	-\$17,107
	Maintenance Gap	\$270	\$542	\$434	\$373	\$369	\$330	\$289	\$251	\$208	\$166
	Renewals Gap	-\$9,576	-\$12,930	-\$13,600	-\$14,081	-\$14,677	-\$15,166	-\$15,670	-\$16,190	-\$16,720	-\$17,273

The charts shown in Figure 10.2 below demonstrate the projected performance trend of this asset class against the infrastructure benchmark ratio during the term of this AM Strategy



Figure 10.2: Performance of the Buildings Asset Class

10.3 Condition

The condition of all buildings is systematically inspected to ensure that conditions which may lead to structural damage are identified so any remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

Overall, 35.29% of building assets are either in a Very Good or Good condition and 11.18% scoring in the poor to very poor range.

Table 10.3 provides a summary of the building condition results over a period of 7 years.

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Table 10.3: Condition of Building Assets

Change in Condition of Building Assets 2017/2018 to 2023/2024							
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% meeting required condition rating ⁷	% not meeting required condition rating
2023/24	14.46%	20.83%	53.53%	11.16%	0.02%	35.29%	64.71%
2022/23	11.39%	27.07%	34.08%	26.93%	0.50%	38.46%	61.54%
2021/22	21.2%	20.0%	36.2%	22.0%	0.6%	41.20%	58.80%
2020/21	22.7%	22.5%	32.0%	20.2%	2.6%	45.20%	54.80%
2019/20	13.3%	48.7%	32.7%	5.1%	0.2%	62.00%	38.00%
2018/19	13.4%	48.7%	32.7%	5.0%	0.2%	62.10%	37.90%
2017/18	29.8%	39.1%	28.3%	2.6%	0.2%	68.90%	31.10%

⁷ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this Strategy.

10.4 Service level expectations

Levels of Service measure how the community receives the service and whether the organisation is providing community value. In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, the community made it clear that they were happy with the current levels of service with Building Assets scoring consistently at the LGA benchmark.

The community's expectation influences the investment in capital and operational funding, which in turn drives Council's financial plan. Council and the community worked together to find a balance between the community expectations of the services provided versus their willingness to pay. Setting appropriate Levels of Service is one of the critical decisions in the development of an effective total asset management strategy for open space assets.

Council agrees to continue the provision of building assets to the MidCoast Local Government Area at the highest level acceptable by the community and in compliance with relevant standards, specifications and legislations. To achieve this result, Council's intervention level for building assets is when the condition of an asset scores worse than a condition rating of 3.

Table 10.4 below is a summary of the specific Building Asset survey results for satisfaction and importance under Council's service and facilities group.

Table 10.4: Community Satisfaction and Importance for Building Assets

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark ⁸	MidCoast Council	LGA Benchmark ⁸
Community buildings/halls	83%	88%	65%	68%
Public amenities, such as toilets and parents' rooms	68%	72%	88%	82%
Heritage sites protected and maintained	81%	85%	59%	73%
Cultural opportunities and services, such as the Art Gallery and Entertainment Centre	88%	91%	60%	59%

10.5 Current situation

Council continues to improve on building asset maturity with data integrity continually being refined in Council's corporate asset register. Data stored against each asset includes technical, operational and financial information which is used in asset management decision making.

Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage, deterioration and availability of the asset to the public and may impact on overall asset life. In addition, regular inspections assist in maintaining and monitoring the integrity of asset data.

⁸ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

Building asset owners are responsible to undertake building inspections. The Community Assets team has committed to having all 360 community buildings inspected by June 2025 and an inspection frequency set and scheduled.

Factors to be considered when determining the frequency of asset inspections include:

- the classification of the building
- legislation
- facility visitation rate (FVR)
- condition of building
- location and surrounding environment

10.6 Future directions

Council will continue to review operational and capital expenditure and where necessary, reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis.

11. Recreation Assets⁹

Recreation assets including Open Space & Swimming Pools are essential for the health and wellbeing of the community by delivering personal and social benefits on which healthy, happy communities thrive. Recreational open space stimulates commercial growth and economic prosperity by providing cultural & tourism opportunities as well as supporting outdoor recreation. Our Open Space assets are broken up into 3 categories, being Passive, Active or Natural Areas and include the following classes:

- Passive Recreation Assets - furniture, BBQ's, signage, lookouts, boardwalks, footbridges, monuments, lighting, and landscaping.
- Active Recreation Assets – Sporting including fields, courts and lighting, swimming pools and pumps, playgrounds, fitness stations, skateparks and boating facilities including wharfs, jetties, and boat ramps.
- Natural Areas – Asset protection zones, beaches and accessways.

These assets are maintained by the Public Spaces Department within the Liveable Communities Directorate and are currently included in the Community Assets & Building AM Plan.

11.1 Available financial data

The recreation data reported in Note C1-7 of Council's Financial Statements 2023/2024 is based on the revaluation completed in June 2022.

Council has commenced replacing approximately \$4M worth of flood damaged recreation assets with works expected to be completed by June 2025. Funds were made available through State grant funding.

Council's recreation and pool assets were imported into the corporate asset system 1 July 2019 in line with revaluation requirements. Council's asset accountant manages the finance book for these assets.

11.2 Future infrastructure backlog and future funding allocations

Table 11.2 shows the proposed, capital and maintenance expenditure for recreation assets over the next 10 years and the future years' funding shortfalls, specifically for renewals.

⁹ Council's Recreation Assets are included in the *Community Assets and Buildings Asset Management Plan*.

Table 11.2: Proposed Capital and Maintenance Expenditure for Recreation Assets

Recreation	\$000										
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$10,088	\$1,442	\$959	\$977	\$996	\$1,027	\$1,060	\$1,093	\$1,128	\$953
	New and Expanded Assets	\$3,860	\$3,921	\$99	\$102	\$105	\$108	\$111	\$114	\$118	\$121
	O&M	\$9,247	\$8,926	\$9,171	\$9,379	\$9,593	\$9,818	\$10,049	\$10,286	\$10,530	\$10,781
	Total Expenditure	\$23,196	\$14,289	\$10,229	\$10,458	\$10,693	\$10,953	\$11,219	\$11,494	\$11,775	\$11,855
Required	Required Renewal (Depreciation)	\$2,977	\$3,208	\$3,307	\$3,410	\$3,516	\$3,626	\$3,739	\$3,855	\$3,975	\$4,098
	<i>Required Renewal (AMP)</i>	<i>2,060</i>	<i>2,122</i>	<i>2,185</i>	<i>2,251</i>	<i>2,319</i>	<i>2,388</i>	<i>2,460</i>	<i>2,534</i>	<i>2,610</i>	<i>2,688</i>
	New and Expanded Assets	\$3,860	\$3,921	\$99	\$102	\$105	\$108	\$111	\$114	\$118	\$121
	Required O&M	\$4,373	\$4,712	\$4,858	\$5,009	\$5,165	\$5,326	\$5,492	\$5,662	\$5,839	\$6,020
	Total	\$11,210	\$11,840	\$8,265	\$8,522	\$8,787	\$9,060	\$9,341	\$9,632	\$9,931	\$10,240
	Overall (GAP)	\$11,986	\$2,449	\$1,965	\$1,936	\$1,907	\$1,893	\$1,878	\$1,862	\$1,844	\$1,615
	Maintenance Gap	\$4,875	\$4,215	\$4,313	\$4,370	\$4,428	\$4,492	\$4,557	\$4,623	\$4,691	\$4,760
	Renewals Gap	\$7,111	-\$1,766	-\$2,348	-\$2,433	-\$2,521	-\$2,599	-\$2,679	-\$2,762	-\$2,847	-\$3,146

The charts shown in Figure 11.2 below demonstrate the projected performance trend of this asset class against the infrastructure benchmark ratio during the term of this AM Strategy.

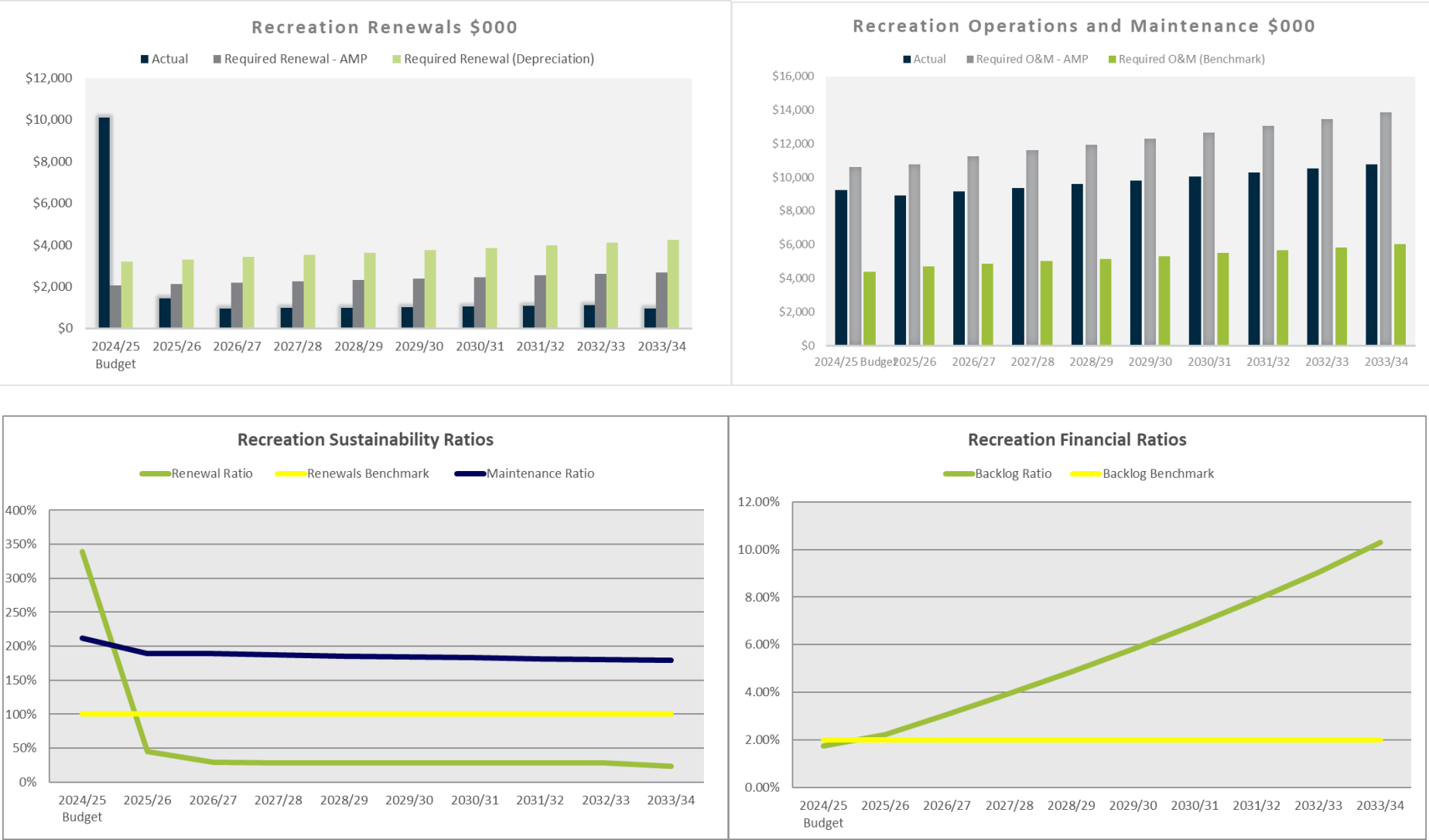


Figure 11.2: Performance of the Recreation Asset Class

11.3 Condition

The condition of all recreation facilities is systematically inspected to ensure that conditions which may lead to structure damage are identified so any remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

Overall, 57.09% of recreation assets are either in a Very Good or Good condition and 16.57% scoring in the poor to very poor range.

Table 11.3 provides a summary of the recreation asset condition results over a period of 7 years.

Table 11.3: Condition of Recreation Assets

Change in Condition of Recreation Assets 2017/2018 to 2023/2024							
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% meeting required condition rating ¹⁰	% not meeting required condition rating
2023/24	21.97%	35.12%	26.34%	16.49%	0.08%	57.09%	42.91%
2022/23	9.25%	42.11%	29.38%	15.08%	4.20%	51.36%	48.64%
2021/22	14.30%	41.00%	27.70%	16.20%	0.80%	55.30%	44.70%
2020/21	36.97%	45.80% * ¹¹	13.22% *	3.40%	0.61%	82.77%	17.23%
2019/20	28.01%	67.33%	3.79%	0.80%	0.06%	95.34%	4.66%
2018/19	45.29%	35.86%	16.49%	1.60%	0.75%	81.15%	18.85%
2017/18	44.13%	38.44%	14.83%	1.74%	0.86%	82.57%	17.43%

¹⁰ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

¹¹ Data was impacted due to the flood event in March 2021.

11.4 Service level expectations

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value. In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, the community made it clear that they were happy with the current levels of service with Recreation Assets consistently at the LGA benchmark.

The community's expectation influences the investment in capital and operational funding, which in turn drives Council's financial plan. Council and the community worked together to find a balance between the community expectations of the services provided versus their willingness to pay. Setting appropriate Levels of Service is one of the critical decisions in the development of an effective total asset management strategy for recreation assets.

Council agrees to continue the provision of parks and sporting grounds to the MidCoast Local Government Area at the highest level acceptable by the community and in compliance with relevant standards, specifications, and legislations. To achieve this result, Council's intervention level for recreation assets is when the condition of an asset scores below condition rating of 3.

Table 11.4 provides a summary of the specific open space survey results for satisfaction and importance under Council's service and facilities group.

Table 11.4 Community Satisfaction and Importance for Recreation Assets

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark *	MidCoast Council	LGA Benchmark *
Parks and Playground	78%	86%	78%	83%
Ovals and Sportsgrounds	84%	90%	68%	76%
Recreational Areas	83%	68%	91%	82%
Swimming Pools	74%	85%	68%	71%

* Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012.

11.5 Current situation

Council has been on a journey to recreation asset maturity over the last 5 years, with all park assets identified in the corporate asset register. Data stored against each asset includes technical, operational, and financial information which is used in asset management decision making.

Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life. In addition, regular inspections assist in maintaining the integrity of asset data.

For recreation assets, Council has committed to a proactive inspection regime, with inspections being undertaken on an annual, biennial, triennial or quadrennial frequency. Factors to be taken into account on determining the frequency of when an asset is inspected include:

- the classification of the hierarchy of the reserve.
- manufactures' recommendations
- legislation
- facility visitation rate (FVR)

- condition of equipment
- location and surrounding environment

11.6 Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis.

12. Transport Assets

Council's transport asset class includes:

- Regional Roads, which allow travel from any town or region to another, within the Local Government Area and beyond
- The Rural Roads, which provide access to and from our towns, villages and countryside
- The Urban Roads that provide access to our homes and in and around our urban centres
- Car parks that support our retail, commercial, recreational and tourist destinations

Any road is typically comprised of:

- the road reserve – the land formally set aside (gazetted) for the purpose of movement of people and goods, with Council as the Road Authority
- the road carriageway – a formed pavement and often a wearing course (a seal)
- the bulk earthworks that allow roads to cut through the hills and valleys
- the bridges that connect the roads across our waterways, gullies and railway lines¹²
- the footpaths and cycleways that facilitate active transport and recreation
- the shoulder and table drain or kerb and gutter that protects the road edge and carries stormwater away for safety and convenience and to protect the pavement
- road furniture, devices, signage, and structures that improve the trip for drivers, riders, passengers and pedestrians.

These assets are maintained by Council's Infrastructure & Engineering Services Department. All asset information pertaining to each group is contained within Council's asset register.

12.1 Available financial data and funding

The roads data reported in Note C1-7 of Council's Financial Statements 2023/2024 is based on a revaluation of Council's Transport Assets completed in May 2023 and reviewed and adjusted in 2024, using methodologies based on the AASB requirements and fair-value approach.

12.2 Infrastructure Backlog and Future funding allocation

Table 12.2 shows the proposed capital and maintenance expenditure for transport assets over the next 10 years and the future years' funding shortfalls, in particular for maintenance which continues to increase across the 10-year period.

¹² Bridge assets are considered in a standalone AM Plan.

Table 12.2: Proposed Capital and Maintenance Expenditure for Transport Assets

Transport	\$000										
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$43,332	\$33,088	\$33,911	\$36,515	\$34,240	\$35,107	\$36,000	\$36,919	\$37,865	\$38,838
	New and Expanded Assets	\$2,600	\$3,104	\$2,107	\$2,109	\$2,113	\$2,116	\$2,119	\$2,123	\$2,127	\$2,130
	O&M	\$19,790	\$16,508	\$17,455	\$17,391	\$18,268	\$18,598	\$19,083	\$19,581	\$20,093	\$20,618
	Total Expenditure	\$65,722	\$52,699	\$53,473	\$56,015	\$54,620	\$55,821	\$57,203	\$58,624	\$60,084	\$61,586
Required	Required Renewal (Depreciation)	\$31,761	\$32,742	\$33,757	\$34,792	\$35,859	\$36,957	\$38,089	\$39,254	\$40,454	\$41,691
	<i>Required Renewal (AMP)</i>	<i>\$51,050</i>	<i>\$53,858</i>	<i>\$56,820</i>	<i>\$59,945</i>	<i>\$63,242</i>	<i>\$66,720</i>	<i>\$70,390</i>	<i>\$74,261</i>	<i>\$78,346</i>	<i>\$82,655</i>
	New and Expanded Assets	\$2,600	\$3,104	\$2,107	\$2,109	\$2,113	\$2,116	\$2,119	\$2,123	\$2,127	\$2,130
	Required O&M	\$27,239	\$28,085	\$28,946	\$29,834	\$30,749	\$31,691	\$32,661	\$33,660	\$34,689	\$35,750
	Total	\$61,600	\$63,930	\$64,810	\$66,736	\$68,720	\$70,764	\$72,869	\$75,037	\$77,270	\$79,571
	Overall (GAP)	\$4,122	-\$11,231	-\$11,337	-\$10,721	-\$14,100	-\$14,943	-\$15,666	-\$16,413	-\$17,186	-\$17,985
	Maintenance Gap	-\$7,449	-\$11,577	-\$11,491	-\$12,443	-\$12,481	-\$13,093	-\$13,577	-\$14,079	-\$14,596	-\$15,132
	Renewals Gap	\$11,571	\$346	\$154	\$1,722	-\$1,619	-\$1,850	-\$2,088	-\$2,335	-\$2,589	-\$2,853

The charts shown in Figure 12.2 demonstrate the projected performance trend of this asset class against the infrastructure benchmark ratio during the term of this AM Strategy.

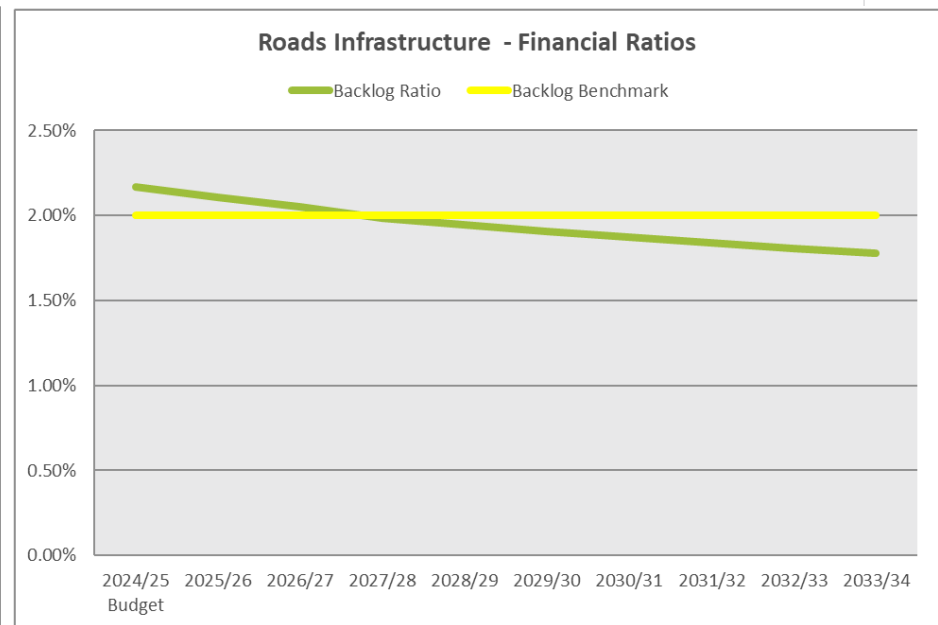
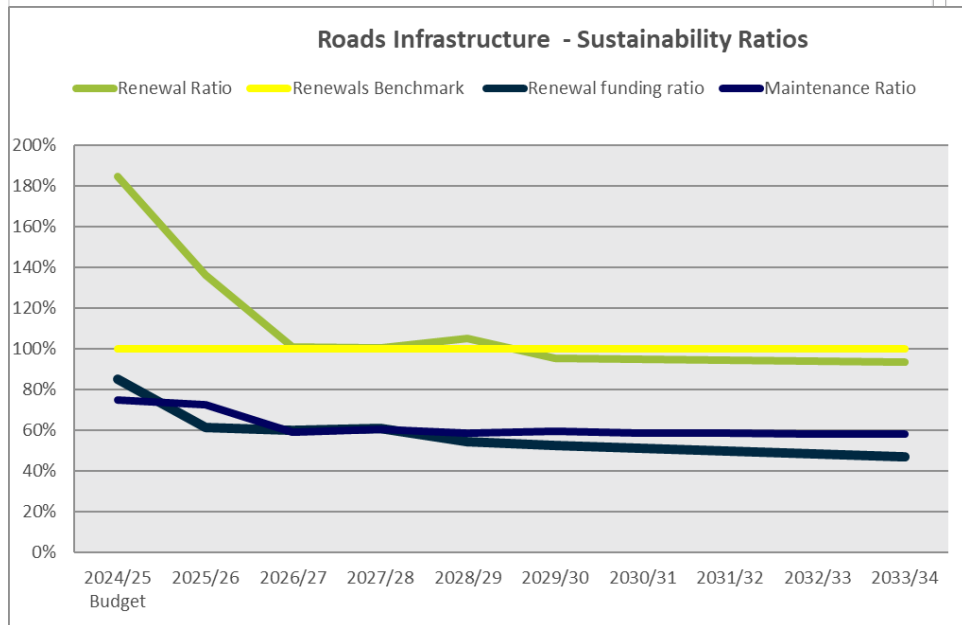
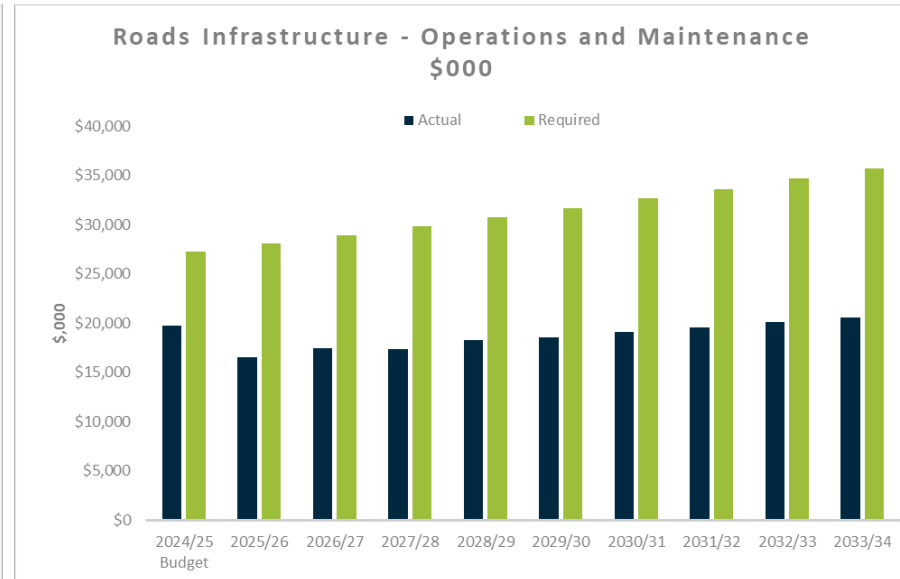
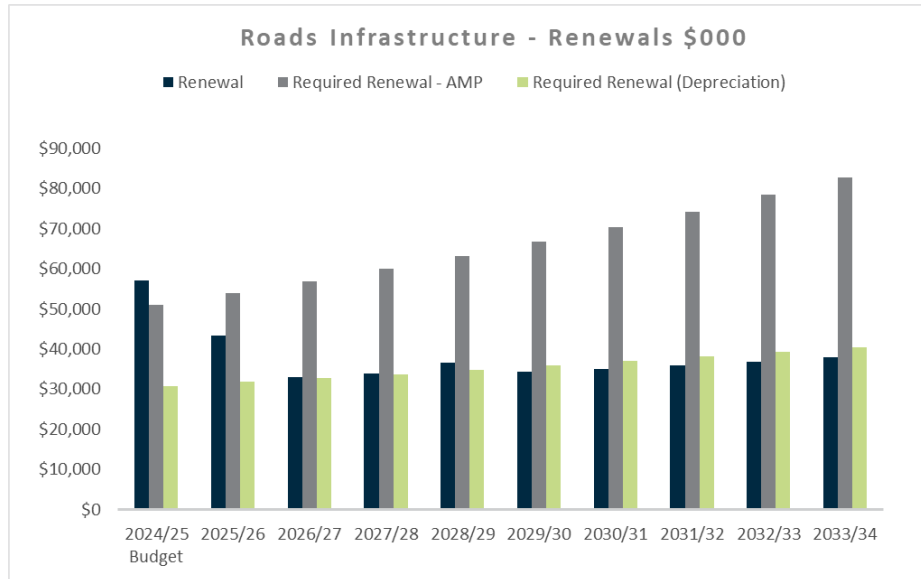


Figure 12.2: Performance of the Transport Assets Class

12.3 Condition

Transport assets are inspected and assessed on an ongoing basis to ensure that conditions which may lead to structural damage are identified so remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

Table 12.3 provides a summary of the transport asset condition results over a period of 7 years.

Table 12.3: Condition of Transport Assets

Change in Condition of Roads Assets 2017/2018 to 2023/2024							
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% meeting required condition rating ¹³	% not meeting required condition rating
2023/24	41.12%	25.98%	24.17%	7.54%	1.19%	67.10%	32.90%%
2022/23	37.99%	26.94%	25.14%	8.13%	1.90%	64.93%	35.07%
2021/22	47.60%	27.00%	18.10%	5.40%	1.90%	74.60%	25.40%
2020/21	16.0%	42.40%	26.60%	10.80%	4.20%	58.40%	41.60%
2019/20	9.10%	36.60%	44.10%	6.90%	3.50%	45.70%	54.30%
2018/19	9.20%	40.80%	24.00%	21.60%	4.30%	50.00%	50.00%
2017/18	27.00%	38.50%	23.00%	11.00%	0.50%	65.50%	34.50%

¹³ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

12.4 Service level expectations

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value. In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, the community made it clear that they were happy with the current levels of service with Roads scoring at or just below the LGA benchmark for satisfaction and above the LGA benchmark for importance.

The community satisfaction survey identified our roads as a high priority and residents' support for reducing any funding gaps to improve the condition of our roads. The community's high expectation of our roads influences our investment in renewal funding, subject to available budget, including any Special Rate Variation (SRV) that the community may support.

Table 12.4 below provides a summary of the Transport-specific Building Asset survey results for satisfaction and importance under Council's service and facilities group.

Table 12.4: Community Satisfaction and Importance for Transport Assets

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark ¹⁴	MidCoast Council	LGA Benchmark ¹³
Maintaining Local Roads	25%	26%	98%	98%
Overall condition of the local sealed road network	37%	37%	95%	95%
Maintaining Local Bridges	76%	77%	93%	93%
Streetlighting	83%	83%	77%	77%

12.5 Current situation

The amalgamation brought together three road networks that have each evolved out of differing construction and maintenance methodologies, funding levels and community expectations. The equitable management of maintenance and renewal priorities and the development of new construction and maintenance methodologies is a particular challenge, anticipated to be addressed through improved asset management.

As the Infrastructure Backlog and Future funding allocation table above shows, the funding for capital and renewal works is expected to reduce from previous years from 2025-26 as grant funding arrangements are completed. Further grant funding may be expected but the amounts and timing are unknown.

12.6 Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis.

Council continues to review operational and capital expenditure and allocates funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

¹⁴ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

Significant extra funding was received to address damage caused by the 2021 flood event and further funding is likely to be needed due to the impacts of likely future climate-change related weather events.

Council has had a condition assessment carried out upon its entire road network (comprising sealed and gravel roads) and, apart from the snapshot of the overall condition of the asset, Council is analysing the data to better inform the allocation of renewal funds and effort. Meanwhile a Road Strategy has been compiled to “outline what would be required to improve our road network’s condition and meet the community’s expectations [and] identify the current state of our roads, future desired states, challenges, and improvement opportunities” to inform Councillors and staff.

13. Bridges

13.1 Available financial data and funding

The bridges data reported in Note C1-7 of Council's Financial Statements 2022/2023 is based on the revaluation of Council's Transport Assets, which includes bridges, was completed in May 2023, using methodologies based on the AASB requirements and fair-value approach.

13.2 Infrastructure Backlog and Future funding allocation

Table 13.2 shows the proposed capital and maintenance expenditure and the backlog figures for bridges over the next 10 years.

Table 13.2: Proposed Capital and Maintenance Expenditure for Bridge Assets

Bridges	\$000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$22,093	\$13,146	\$1,464	\$1,480	\$1,501	\$1,545	\$1,591	\$1,638	\$1,687	\$1,737
	New and Expanded Assets	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
	O&M	\$899	\$900	\$927	\$950	\$969	\$994	\$1,019	\$1,045	\$1,071	\$1,099
	Total Expenditure	\$22,992	\$14,046	\$2,391	\$2,430	\$2,470	\$2,539	\$2,610	\$2,683	\$2,758	\$2,836
Required	Required Renewal (Depreciation)	\$2,301	\$2,370	\$2,441	\$2,514	\$2,590	\$2,668	\$2,748	\$2,830	\$2,915	\$3,002
	New and Expanded Assets	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
	Required O&M	\$960	\$988	\$1,018	\$1,049	\$1,080	\$1,113	\$1,146	\$1,180	\$1,216	\$1,252
	Total	\$3,261	\$3,358	\$3,459	\$3,563	\$3,670	\$3,780	\$3,893	\$4,010	\$4,131	\$4,254
	Overall (GAP)	\$19,731	\$10,688	\$(1,069)	\$(1,133)	\$(1,200)	\$(1,241)	\$(1,283)	\$(1,327)	\$(1,372)	\$(1,419)
	Maintenance Gap	\$(61)	\$(88)	\$(91)	\$(98)	\$(111)	\$(119)	\$(127)	\$(135)	\$(144)	\$(154)
	Renewals Gap	\$19,792	\$10,776	\$(977)	\$(1,034)	\$(1,089)	\$(1,122)	\$(1,156)	\$(1,192)	\$(1,228)	\$(1,265)

The charts shown in Figure 13.3 demonstrate the projected performance trend of bridge assets against the infrastructure benchmark ratio during the term of this AM Strategy.

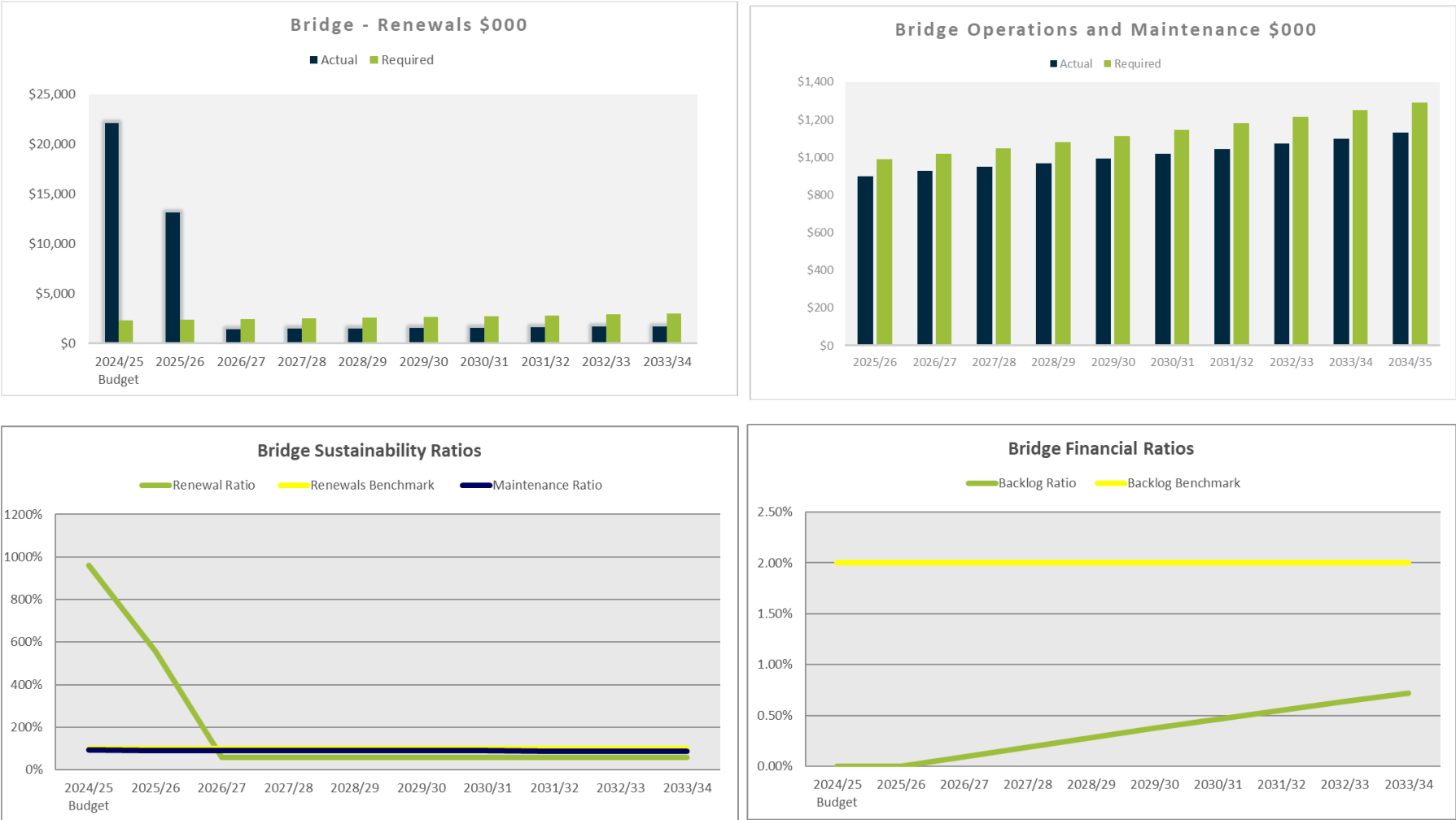


Figure 13.2: Performance of the Bridges Asset Class

13.3 Condition

Bridge assets are inspected systematically to ensure that conditions which may lead to structural damage are identified so remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

Table 13.3 provides a summary of the building condition results over a period of 7 years.

Table 13.3: Condition of Bridge Assets

Change in Condition of Bridges Assets 2017/2018 to 2023/2024						
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% m required ra
2023/24	24.30%	56.40%	15.10%	4.10%	0.10%	80.
2022/23	20.00%	59.00%	16.00%	4.00%	1.00%	79
2021/22	16.60%	59.70%	19.60%	3.90%	0.20%	76
2020/21	18.00%	60.50%	18.00%	3.30%	0.20%	78
2019/20	16.50%	62.20%	16.70%	4.40%	0.20%	78
2018/19	12.70%	33.20%	34.20%	8.30%	11.60%	45
2017/18	25.00%	47.00%	21.00%	7.00%	0.00%	72

13.4 Service level expectations

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value. In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, the community made it clear that they were happy with the current levels of service with local bridges scoring at or just below the LGA benchmark for satisfaction and above the LGA benchmark for importance.

The community satisfaction survey identified our bridges as a high priority. The community's expectation of our bridges influences our investment in renewal funding. Of course, the condition of our bridges must be considered in conjunction with the condition of our roads. As a result, a bridge with a load limit may not satisfy demand for the trafficability of the route the bridge is on. Further, bridge design standards have changed over time with new technologies and learnings. Renewal, upgrade and replacement of bridges is carried out in line with the current standards.

Table 13.4 below provides a summary of the Bridge-specific survey results for satisfaction and importance under Council's service and facilities group.

¹⁵ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

Table 13.4: Community Satisfaction and Importance for Bridge Assets

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark ¹⁶	MidCoast Council	LGA Benchmark ¹⁵
Maintaining local bridges	76%	77%	93%	93%

13.5 Current situation

Council's 669 bridges include 155 aging timber bridges which are being replaced with concrete structures for longer life, less maintenance, improved flood resilience, and greater carrying capacity. The upgrade of these timber bridges will secure the capacity to support growing regional communities, businesses, and freight movements into the future. This is being achieved at an accelerated pace due to State Government's 'Fixing Country Bridges' program and the Federal Government's "Safer Local Roads and Infrastructure Program". As per the current situation with roads funding, the continuation of such funding for renewing bridges is not assured.

13.6 Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis.

¹⁶ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

14. Stormwater Assets

Council's stormwater network includes underground assets such as pits and pipes and surface drainage assets including detention basins and open channels. These assets are maintained by Council's Infrastructure & Engineering Services Directorate.

Council levies a stormwater management levy, and this funding source is used to improve and maintain the drainage systems in urban areas. Improvements and maintenance of Council's drainage systems in rural areas is funded from the General fund and usually completed in association with road rehabilitation works to minimise disruption to transport needs.

14.1 Available financial data

Council's stormwater data reported in Note C1-7 of Council's Financial Statements 2023/2024 is based on the previous revaluation completed in March 2023 and imported into the corporate asset system 31 March 2023 in line with revaluation requirements. Values have been indexed for the 2023/2024 financial year.

14.2 Infrastructure Backlog and Future Funding Allocation

Table 14.2 shows the proposed capital and maintenance expenditure for this asset class over the next ten years and the future years' funding shortfalls for both maintenance and renewals. Most of Council's stormwater assets are relatively young due to the long useful life of stormwater assets (typically 100 years), meaning asset renewal is largely not required at this time as the assets are in a serviceable condition. Additionally, the stormwater renewal budget is aligned with the road rehabilitation capital works budget as drainage works are rarely undertaken in isolation of associated road works. This is to improve construction efficiency, so the road is not disturbed twice, once to undertake drainage work and secondly to rehabilitate the road.

Table 14.2: Proposed Capital and Maintenance Expenditure for Stormwater Assets

Stormwater \$000		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$635	\$679	\$599	\$616	\$630	\$648	\$667	\$686	\$706	\$726
	New and Expanded Assets	\$635	\$2,620	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
	O&M	\$1,836	\$2,112	\$2,369	\$2,428	\$2,499	\$2,570	\$2,644	\$2,720	\$2,798	\$2,878
	Total Expenditure	\$3,106	\$5,411	\$3,468	\$3,544	\$3,628	\$3,718	\$3,811	\$3,906	\$4,004	\$4,105
Required	Required Renewal (Depreciation)	\$5,258	\$5,441	\$5,609	\$5,783	\$5,961	\$6,145	\$6,334	\$6,529	\$6,729	\$6,936
	New and Expanded Assets	\$635	\$2,620	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
	Required O&M	\$3,005	\$3,109	\$3,205	\$3,304	\$3,406	\$3,511	\$3,619	\$3,730	\$3,845	\$3,963
	Total	\$8,898	\$11,170	\$9,315	\$9,587	\$9,867	\$10,156	\$10,453	\$10,759	\$11,075	\$11,399
	Overall (GAP)	-\$5,791	-\$5,759	-\$5,846	-\$6,043	-\$6,239	-\$6,437	-\$6,642	-\$6,853	-\$7,071	-\$7,295
	Maintenance Gap	-\$1,168	-\$997	-\$836	-\$876	-\$908	-\$941	-\$975	-\$1,011	-\$1,047	-\$1,085
	Renewals Gap	-\$4,623	-\$4,762	-\$5,011	-\$5,167	-\$5,331	-\$5,497	-\$5,667	-\$5,843	-\$6,023	-\$6,210

The charts shown in Figure 14.2 demonstrate the projected performance trend of this asset class against the infrastructure benchmark ratio during the term of this AM Strategy.

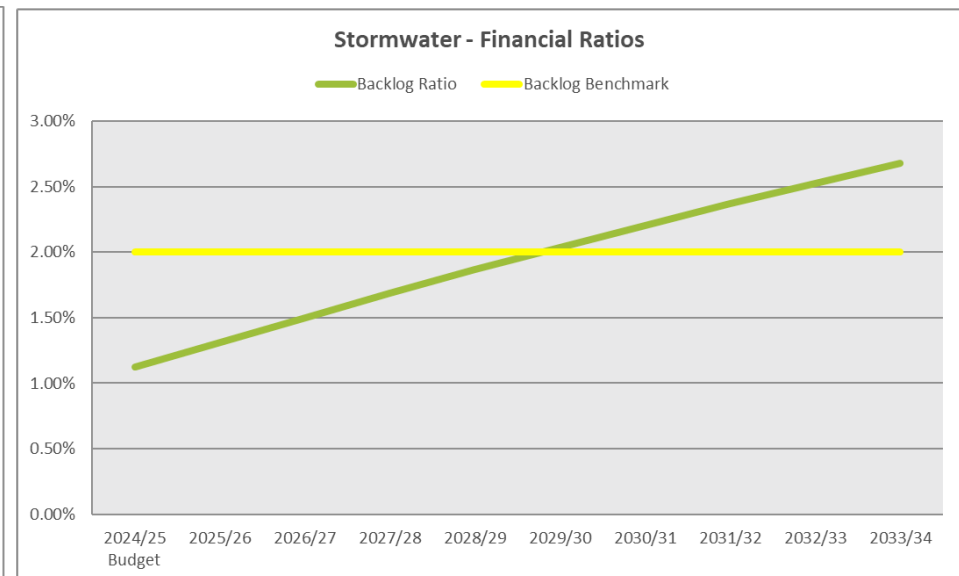
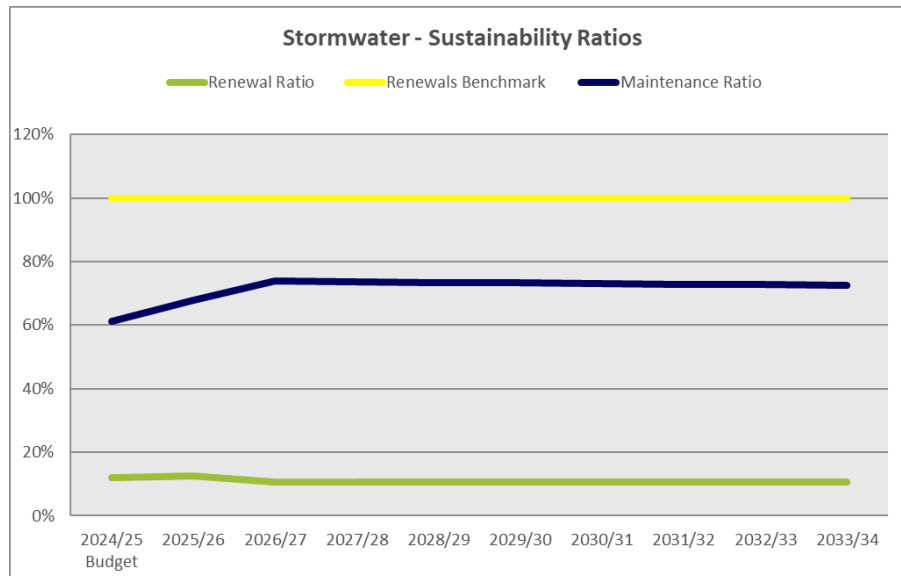
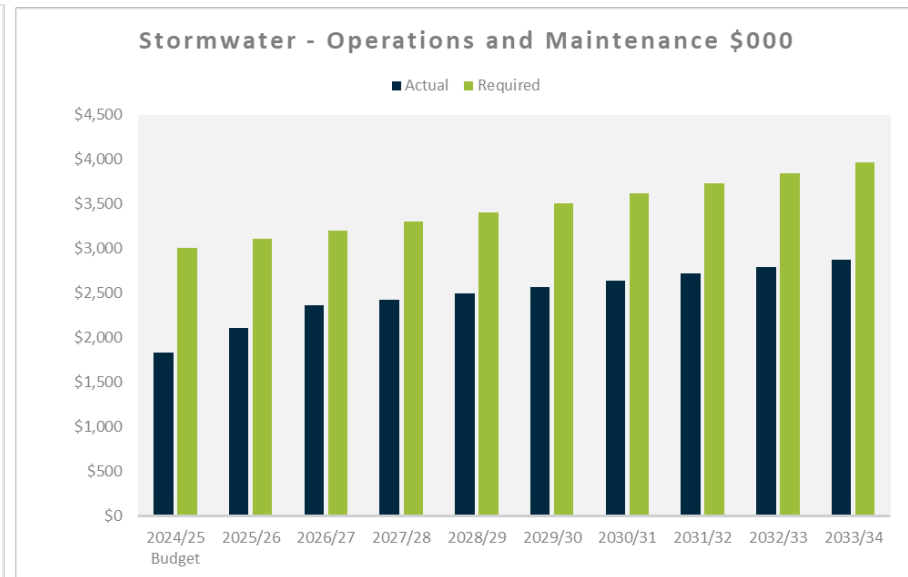
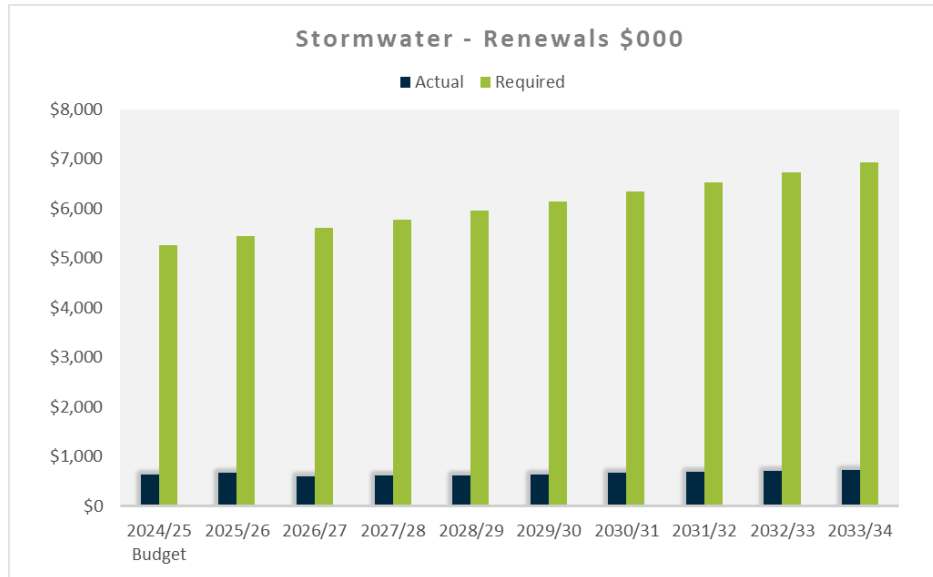


Figure 14.2: Performance of the Stormwater Assets Class

14.3 Condition

Stormwater assets are given a condition rating based on age due to the difficulty of assessing the condition of underground assets. Condition 4 and 5 assets are assessed by either visual inspection via a pole camera or by the use of CCTV survey via a remotely controlled vehicle to validate the nominal age-based condition with the actual physical condition.

Table 14.3 provides a summary of the building condition results over a period of 7 years.

Table 14.3: Condition of Stormwater Assets

Change in Condition of Stormwater Assets 2017/2018 to 2023/2024					
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor
2023/24	23.70%	44.40%	27.90%	3.60%	0.40%
2022/23	20.00%	45.00%	30.00%	4.00%	1.00%
2021/22	19.40%	45.10%	30.50%	4.70%	0.30%
2020/21	18.10%	45.80%	31.00%	4.70%	0.40%
2019/20	14.00%	47.00%	33.90%	4.70%	0.40%
2018/19	15.50%	47.10%	29.30%	7.80%	0.30%
2017/18	16.00%	47.00%	30.00%	7.00%	0.00%

14.4 Service level expectations

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value. In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, the community made it clear that they were happy with the current levels of service with stormwater scoring at or just below the LGA benchmark for satisfaction and above the LGA benchmark for importance.

The community satisfaction survey identified our stormwater assets as a priority and supported reducing funding gaps to improve the condition of these assets. The community's high expectation of our stormwater influences the investment in capital and operational funding.

Table 14.4 below provides a summary of the Stormwater-specific survey results for satisfaction and importance under Council's service and facilities group.

¹⁷ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

Table 14.4: Community Satisfaction and Importance for Stormwater Assets

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark ¹⁸	MidCoast Council	LGA Benchmark ¹⁷
Stormwater Drainage	71%	72%	81%	81%

14.5 Current situation

The majority of current expenditure on stormwater improvements are as a result of issues identified in stormwater management plans (SMP) or from documented stormwater hotspots. Council is currently completing a stormwater management plan concurrently with the review of the floodplain risk management study and plan for Bulahdelah.

The prolonged wet weather has resulted in a series of capital works projects to augment existing drainage infrastructure for reduced local flooding magnitude and frequency in Manning Point, Pindimar and Tuncurry. Current activities are underway in Forster Keys for the relining of several pipes through private property that have been determined to have failed before the useful life has been reached. Two Environmental Impact Statements are being prepared for serious drainage issues in Manning Point and Tuncurry that require works to be undertaken in coastal wetland mapped areas. The significant expenditure on road renewals in the Taree, Wingham and Gloucester areas has included assessments of drainage and in many cases stormwater assets have also been renewed and/or augmented to improve infrastructure performance and longevity. A water quality improvement capital project for a wetland in the Dunns Creek catchment at south Forster will provide improved water quality for Wallis Lake. This project is joint funded through the NSW State Government Coast and Estuary Program and the Environmental Rate component of Council Ordinary Rates.

14.6 Future directions

Beginning in 2024, Council committed to review the Taree Stormwater Management Plan (SMP) one catchment at a time. The Taree SMP, which was last updated nearly two decades ago, will be the focus of prioritised future renewals and augmentation works.

After Gloucester had many premature infrastructure failures, a critical stormwater catchment is also undergoing asset condition assessments using CCTV to identify potential future asset renewals.

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis.

¹⁸ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

15. Water & Sewer Assets¹⁹

The provision of water supply and sewerage services is continuing to undergo significant change and reform. Customers, the wider community, and Government are demanding increased accountability, better service, and increased efficiency from their water utilities. Regulators are imposing more stringent environmental protection and health regulations. In many cases, ageing assets and infrastructure are approaching the time for replacement. Coupled with climatic uncertainty and economic challenges, the demands faced by local water utilities are increasing. Provision of water supply and sewerage services to the community is a 24 hour/day, 7 day/week, 365 day/year business. Council's water & sewer asset class is grouped into water, sewer & reuse assets and comprises of:

- Treatment Plants
- Pump Stations
- Dams & Reservoirs
- Bores & Aquifers
- Network Mains

These assets are constructed, maintained, and operated by Council's Water Planning & Assets, Water Operations, Water Management & Treatment and Water Project Delivery departments within the Infrastructure & Engineering Services Directorate.

15.1 Available financial data

The water & sewer data reported in Note C1-7 of Council's Financial Statements 2023/24 is based on the previous revaluation completed in March 2023.

15.2 Infrastructure Backlog and Future funding allocation

Table 15.2 shows the proposed capital and maintenance expenditure for water & sewer assets over the next 10 years and the future years' funding shortfalls specifically for renewals.

¹⁹ Currently, Council has separate Asset Management Plans for Water and Sewer

Table 15.2: Proposed Capital and Maintenance Expenditure for Water & Sewer Assets

Water	\$000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$7,465	\$14,122	\$14,546	\$15,071	\$15,495	\$15,895	\$16,372	\$16,863	\$17,369	\$17,890
	New and Expanded Assets	\$18,440	\$7,299	\$7,562	\$16,004	\$21,505	\$9,790	\$6,600	\$19,389	\$26,306	\$16,298
	O&M	\$16,184	\$16,762	\$17,361	\$18,085	\$18,901	\$19,592	\$20,264	\$21,118	\$22,086	\$22,955
	Total Expenditure	\$42,089	\$38,184	\$39,469	\$49,160	\$55,900	\$45,277	\$43,235	\$57,370	\$65,760	\$57,143
Required	Required Renewal (Depreciation)	\$16,273	\$16,889	\$17,529	\$18,335	\$19,263	\$20,013	\$20,729	\$21,691	\$22,803	\$23,773
	New and Expanded Assets	\$18,440	\$7,299	\$7,562	\$16,004	\$21,505	\$9,790	\$6,600	\$19,389	\$26,306	\$16,298
	Required O&M	\$16,184	\$16,797	\$17,433	\$18,235	\$19,157	\$19,903	\$20,615	\$21,572	\$22,678	\$23,643
	Total	\$50,897	\$40,986	\$42,523	\$52,574	\$59,925	\$49,705	\$47,944	\$62,652	\$71,787	\$63,714
	Overall (GAP)	-\$8,808	-\$2,802	-\$3,054	-\$3,415	-\$4,025	-\$4,428	-\$4,708	-\$5,282	-\$6,027	-\$6,571
	Maintenance Gap	\$0	-\$35	-\$72	-\$150	-\$257	-\$311	-\$351	-\$454	-\$593	-\$688
	Renewals Gap	-\$8,808	-\$2,767	-\$2,983	-\$3,265	-\$3,768	-\$4,118	-\$4,357	-\$4,828	-\$5,434	-\$5,883
Sewer	\$000	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Budget	Renewal	\$12,095	\$19,759	\$18,588	\$13,871	\$10,719	\$11,041	\$11,372	\$11,713	\$12,064	\$12,426
	New and Expanded Assets	\$21,860	\$39,945	\$44,289	\$36,626	\$20,556	\$16,480	\$32,556	\$32,880	\$21,771	\$7,613
	O&M	\$15,217	\$16,249	\$17,374	\$18,423	\$19,271	\$20,087	\$21,158	\$22,266	\$23,248	\$24,055
	Total Expenditure	\$49,172	\$75,952	\$80,251	\$68,920	\$50,546	\$47,608	\$65,086	\$66,860	\$57,084	\$44,095
Required	Required Renewal (Depreciation)	\$11,512	\$12,474	\$13,533	\$14,504	\$15,257	\$15,969	\$16,951	\$17,967	\$18,843	\$19,525
	New and Expanded Assets	\$21,860	\$39,945	\$44,289	\$36,626	\$20,556	\$16,480	\$32,556	\$32,880	\$21,771	\$7,613
	Required O&M	\$15,217	\$16,489	\$17,888	\$19,172	\$20,167	\$21,108	\$22,406	\$23,750	\$24,907	\$25,809
	Total	\$48,589	\$68,908	\$75,709	\$70,303	\$55,979	\$53,558	\$71,913	\$74,597	\$65,521	\$52,948
	Overall (GAP)	\$583	\$7,044	\$4,542	-\$1,383	-\$5,434	-\$5,950	-\$6,827	-\$7,738	-\$8,437	-\$8,854
	Maintenance Gap	\$0	-\$240	-\$514	-\$750	-\$896	-\$1,022	-\$1,248	-\$1,483	-\$1,659	-\$1,754
	Renewals Gap	\$583	\$7,285	\$5,056	-\$633	-\$4,538	-\$4,928	-\$5,579	-\$6,254	-\$6,778	-\$7,099

The charts shown in Figure 15.2.1 and 15.2.2 demonstrate the projected performance trend of this asset class against the infrastructure benchmark ratio during the term of this AM Strategy. The ongoing addition of assets to improve levels of service or enhance systems will increase the required renewal (depreciation). Depreciation may also increase or decrease in the future following asset revaluation. The planned renewals program should be reviewed and refined in the asset management planning process particularly following revaluation.

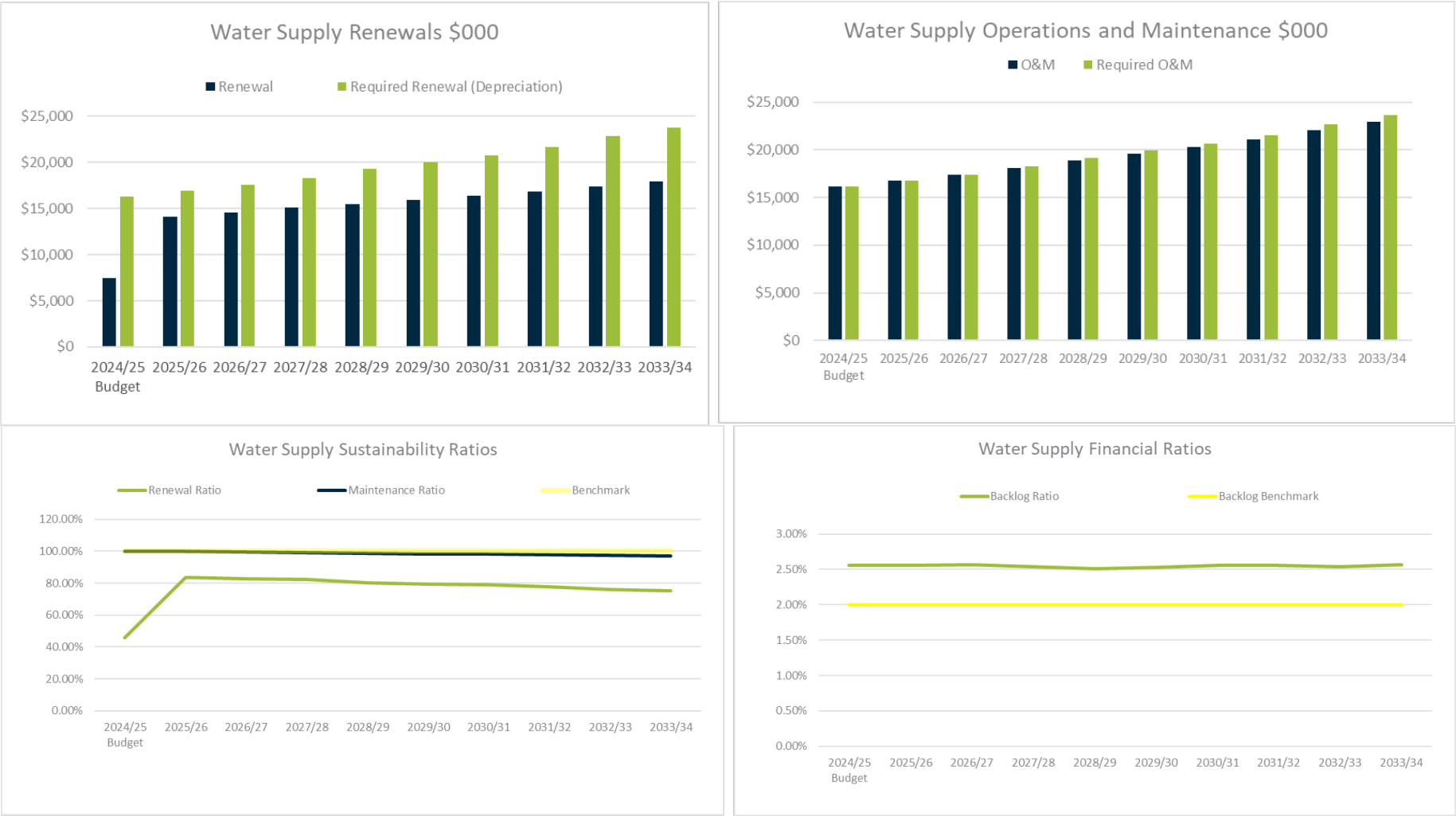


Figure 15.2.1: Performance of the Water Asset Class

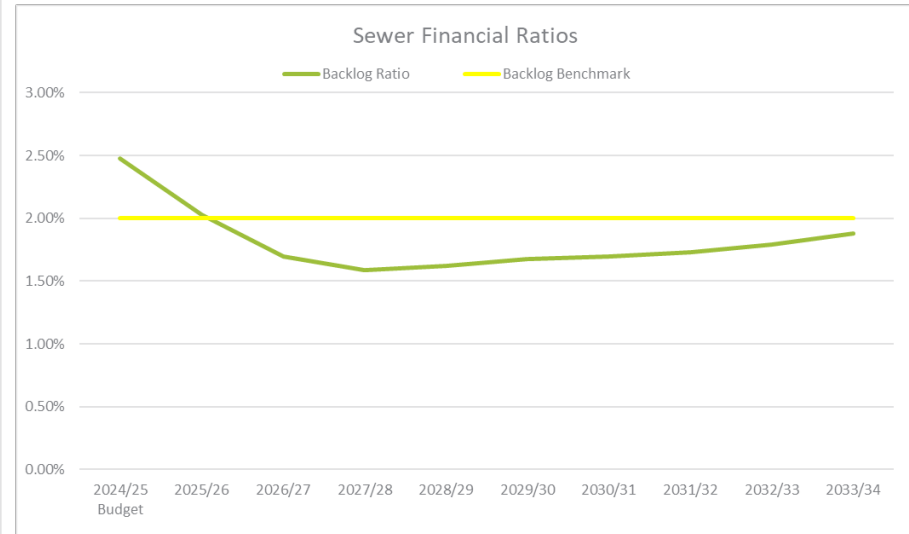
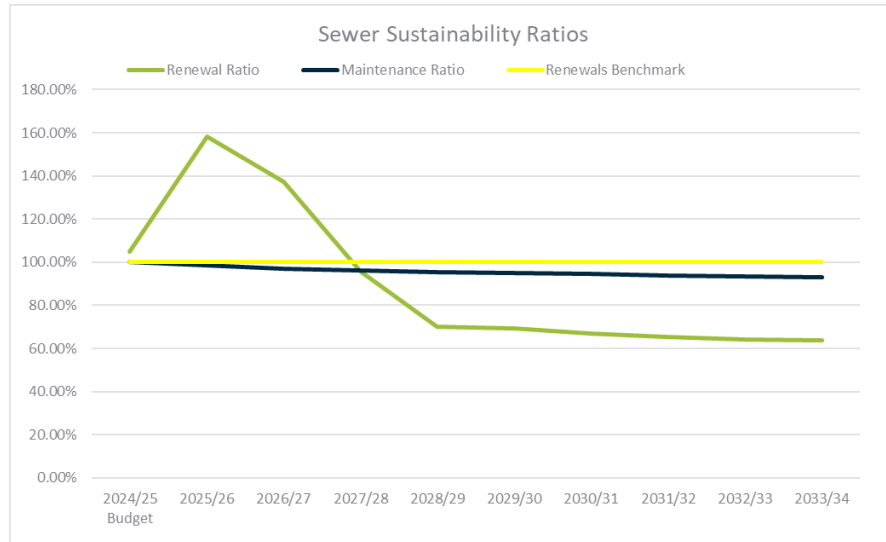


Figure 15.2.2: Performance of the Sewer Asset Class

15.3 Condition

Transport assets are inspected and assessed on an ongoing basis to ensure that conditions which may lead to structural damage are identified so remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

Tables 15.3.1 and 15.3.2 provide a summary of the water and sewer asset condition results over a period of 7 years.

Table 15.3.1: Condition of Water Assets

Change in Condition of Water Assets 2017/2018 to 2023/2024							
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% meeting required condition rating ²⁰	% not meeting required condition rating
2023/24	35.90%	32.20%	15.00%	13.90%	3.00%	68.10%	31.90%%
2022/23	36.00%	35.00%	16.00%	9.00%	4.00%	71.00%	29.00%
2021/22	6.90%	38.00%	30.77%	14.00%	10.40%	44.90%	55.10%
2020/21	7.50%	37.30%	31.20%	13.30%	10.70%	44.80%	55.20%
2019/20	39.80%	19.30%	15.80%	20.20%	4.90%	59.10%	49.10%
2018/19	46.00%	29.00%	14.00%	9.00%	2.00%	75.00%	25.00%
2017/18	41.00%	31.00%	14.00%	10.00%	4.00%	72.00%	28.00%

²⁰ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

Table 15.3.2: Condition of Sewer Assets

Change in Condition of Sewer Assets 2017/2018 to 2023/2024							
	Condition 1 Very Good	Condition 2 Good	Condition 3 Fair	Condition 4 Poor	Condition 5 Very Poor	% meeting required condition rating ²¹	% not meeting required condition rating
2023/24	29.00%	32.90%	24.30%	8.30%	5.50%	61.90%	38.10%%
2022/23	36.00%	27.00%	24.00%	9.00%	4.00%	63.00%	37.00%
2021/22	33.00%	11.90%	36.00%	18.70%	0.40%	44.90%	55.10%
2020/21	37.20%	9.30%	39.50%	13.80%	0.20%	46.50%	53.50%
2019/20	41.80%	25.70%	14.80%	12.40%	5.30%	67.50%	32.50%
2018/19	49.00%	32.00%	12.00%	5.00%	2.00%	81.00%	19.00%
2017/18	41.00%	32.00%	12.00%	8.00%	7.00%	73.00%	27.00%

²¹ Prior to 2024/25, MidCoast Council adopted the OLG's IP & R Guidelines which deems Condition 2 – Good, for the purposes of the Report on Infrastructure Assets and to determine the Backlog Ratio. In late 2024, MidCoast Council defined its condition rating for satisfactory in consultation with the community as Condition 3 – Fair. This will apply to future updates of this AM Strategy

15.4 Levels of Service

The term Levels of Service (LOS) is used to define explicitly the standards required from water supply and sewerage systems from the perspective of the individual customer. Levels of Service are the primary driving force for a water supply and/or sewerage utility. The four main objectives of Council's water and sewer services are to:

1. Protect public health
2. Protect the environment
3. Maintain service availability
4. Operate in a financially sustainable manner

Our current LOS were negotiated most recently with our community during the development of the Integrated Water Cycle Management (IWCM) Strategy²² where we worked together to find a balance between the community expectations of the services provided versus their willingness to pay. During this consultation, the community made it clear that they were happy with the current levels of service. The IWCM Strategy set a price path for water and sewer services which will see water prices increase by 3% (not including inflation) until 2031 and sewer prices decrease by 3% (not including inflation) until 2028. Beyond these years, there are currently no planned increases besides inflation.

LOS will largely shape the objectives and requirements for operation, maintenance, and provision of capital works in Council's 30-year capital works plan for water and sewer. These, in turn, drive the Workforce Management Strategy and Plan and the Long Term Financial Plan. Setting appropriate LOS is one of the critical decisions in the development of an effective total asset management strategy for water supply and sewerage systems.

Community satisfaction with our LOS is gauged through ongoing Customer Surveys. The most recent Community Survey, completed in July 2023, indicated that most customers are satisfied with sewerage services, water quality and water service. The community satisfaction survey confirmed that both sewer and water services are of high importance with water quality rated as one of the most important services provided by Council.

Table 15.4 below provides a summary of the water- and sewer-specific survey results for importance and satisfaction under Council's services & facilities group.

Table 12.4: Community Satisfaction and Importance for Water & Sewer Services

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Regional Benchmark ²³	MidCoast Council	LGA Regional Benchmark ²²
Water Service	90%	91%	91%	91%
Water Quality	84%	84%	86%	86%
Sewerage Services	83%	84%	83%	83%

The community's expectation for these services and the assets required to deliver them influences our investment in infrastructure funding which is delivered through rates, fees and charges and strengthened by dedicated Section 68 funding.

²² Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

²³ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

15.5 Current situation

Asset management is a 'whole of business' function with every staff member playing their part to ensure our water and sewer assets deliver essential services to the community.

Improving living asset management over the life of this AM Strategy, is supported by several other initiatives:

- The **Targeted Asset Renewal** initiative will reduce unplanned, reactive work allowing time for more planned maintenance and a more resilient network.
- The **Planned Project Delivery** initiative will address increased population and service demand, ageing infrastructure and respond to severe weather events and other climate change related impacts.
- **Collaboration and Engagement** with our operational and technical teams to improve asset management processes, ensure that decisions are based on current asset information, and that our people understand why we need to improve, and are motivated to make the shift.
- **Facilitate** information sessions with managers and key operational stakeholders to improve asset management processes and procedures.

15.6 Future directions

MidCoast Council, having responsibility for water supply and sewerage infrastructure, needs to comply with the NSW Strategic Assurance Framework which outlines 12 strategic planning outcomes to guide local water utilities in their strategic planning efforts. These outcomes are designed to ensure effective, evidence-based strategic planning that meets a reasonable standard. These outcomes are:

1. Understanding service needs
2. Understanding water security
3. Understanding water quality
4. Understanding environmental impacts
5. Understanding system capacity, capability, and efficiency
6. Understanding other key risks and challenges
7. Understanding solutions to deliver services
8. Understanding resourcing needs
9. Understanding revenue sources
10. Making and implementing sound strategic decisions
11. Implementing sound pricing and prudent financial management
12. Promoting integrated water cycle management

This AM Strategy is supported by the AM Plans, where assets are grouped by water and sewer. These AMPs describe the various asset types and provide details of such things as condition, replacement value, expected remaining useful life, maintenance strategies, and condition monitoring methodology.

Developing our asset management maturity will allow us to improve strategic asset management capabilities and decision making. This will involve:

- Changing our asset management culture to ensure that our people understand why we need to improve and are motivated to make the shift.
- Improving our capital works planning and finalisation processes, including policy development, along with education to enhance the use of systems to support project managers, asset managers and accountants.

- Developing, monitoring, and improving our medium to long term planned capital new, renewal and upgrade programs to address increased population and service demand, ageing infrastructure and responding to severe weather events and other climate change related impacts.
- Moving towards being a digital utility by introducing mobile technology that allows operational staff to record, review and update asset information out in the field.

16. How will we get there?

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced. Council will also continue to monitor asset condition utilising cost-effective measures where possible and review asset data to ensure that the asset register is updated on a regular basis. The AM Strategy proposes the activities outlined in Table 16.1 below to contribute to the community outcomes of the *MidCoast 2035 Community Strategic Plan* to be achieved

Table 16.1: Asset Management Activities to Contribute to the CSP

Activities	Desired Outcome
Long Term Financial Planning.	The long-term implications of Council services are considered in annual budget deliberations.
Annually review AM Plans covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
Update Long Term Financial Plan to incorporate AM Strategy expenditure projections.	Funding model to provide Council services.
Review and update AM Plans and Long Term Financial Plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability, and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Service delivery is matched to available resources and operational capabilities.
Implement an Improvement Plan to achieve as a minimum 'Good' maturity for the financial and asset management competencies within 4 years.	Improved financial and asset management capacity within Council.
Report to Council on development and implementation of AM Strategy, AM Plans and Long Term Financial Plans	Oversight of resource allocation and performance.

16.1 Asset Management Improvement Plan

To ensure the AM Strategy is implemented effectively and efficiently, Council's Asset Management Improvement Plan will be reviewed in future revisions of this AM Strategy.

The Asset Management Improvement Plan will prioritise specific capability areas to be identified through a gap analysis process. The actions required to undertake improvement of Council's asset management capabilities are impacted by both internal and external influences and require resources or enablers such as people, processes, technology, information and data.

The actions will be integrated into Council's Delivery Program and Operational Plans to ensure ongoing resourcing, implementation, and performance.

16.2 Measuring our performance

As the AM Strategy is a 'living' document that includes benchmarks and milestones aimed at improving Council's asset management processes and procedures, it must be monitored regularly and updated to reflect progression in its implementation. It also needs to reflect any major changes in Council's asset portfolio. These changes may reflect asset investments or disposals that have resulted from, or are reflected in, the Delivery Program or Operational Plans.

The development of performance measures relating to the delivery of infrastructure asset programs are contained in the Delivery Program and annual Operational Plan, and subsequent reporting is conducted bi-annually and annually to ensure progress and/or achievements are measured and reported. Reporting on these indicators is the responsibility of all asset managers who are custodians and have control of specific asset classes.

Regular periodic surveys with the community are conducted, gauging perceptions between satisfaction of built asset classes and Council services.

17. Conclusion

Whilst significant work has been undertaken in integrating four individual organisations' asset data to provide more consistent asset management planning, continued diligence is required to facilitate ongoing improvements for all infrastructure assets under the Council's control and management. During the term of this AM Strategy the key issues to be tackled are:

- Managing infrastructure risks for service delivery within resource availability, acknowledging the long-term decline in the current LTFP.
- Addressing ongoing renewals funding shortfall for all asset classes, acknowledging that if we do not there will be a greater escalation of risk, community dissatisfaction and workplace stress.
- Ensuring maintenance costs are being captured correctly and determining whether maintenance expenditure can be redirected into renewal expenditure.
- Improving efficiency and effectiveness in delivery of services and works. We need to be the best version of ourselves.
- Continuing service levels discussions with our community to better align community expectations to what can be achieved or develop a better understanding of the willingness to pay for higher levels of service.
- Withdrawing/restricting access to assets where the risk becomes unacceptable ie removal of street furniture, apply load limits on bridges, potential closure of some assets etc.
- Addressing the significant underfunding of building and stormwater assets.
- Investigating grant funding opportunities to support new and renewed building & recreation asset services.
- Leveraging our existing investment in data. Verifying the accuracy and completeness of the data to ensure sound asset management decisions are made.
- Continuing to improve our internal processes and procedures to provide transparency and formalising our financial infrastructure reporting, asset valuations, and engage the appropriate level of management to ensure the completeness and accuracy of our information.

This AM Strategy, together with asset managers, custodians, staff and the community will allow a continued progression toward service excellence. Management techniques drawing on the financial, risk, environmental and social drivers will assist in providing an improved asset management performance by enabling Council to work with the community to ensure operations are better understood.

Although adopted as a 10-year AM Strategy, annual revisions will be conducted to ensure relevance in responding to any legislative requirements and our community's needs. Specifically, with the review of the Community Strategic Plan, the development of each new Delivery Program and Resourcing Strategy every four years we will complete a comprehensive review of the AM Strategy to ensure that it aligns with community objectives and priorities, and that the community understands the implications of these directions.

SECTION 2 - ASSET MANAGEMENT POLICY

Name of policy:	Infrastructure Asset Management		
Adoption by Council:	30/06/2025	Minute number:	2025/172
Last review date:	30/06/2025		
Review timeframe:	4 years		
Next scheduled review date:	30/06/2029		
Related legislation:	Local Government Act 1993 Water Management Act 2000		
Associated policies/documents:	MidCoast 2035 Community Strategic Plan 2025 – 2035 MidCoast Council Asset Management Strategy MidCoast Council Asset Management Plans MidCoast Council Community Assets Inspection Policy MidCoast Council Procurement Policy		
Responsible division:	Corporate Services		
Responsible Officer	Manager Strategic Asset Planning & Project Management		

Policy objective

The purpose of this policy is to demonstrate MidCoast Council's commitment to the responsible and financially sustainable management of its infrastructure assets to meet the community needs as they change over time. The policy sets out principles, requirements and responsibilities for implementing consistent and effective asset management practices across all classes of infrastructure assets under MidCoast Council's control.

Policy statement

Council's objectives for the management of its assets are:

1. **Sustainability:** Council will ensure that its asset management practices support the long-term sustainability of Council services.
2. **Efficiency:** Council will optimise the use of resources to achieve the best value for money.
3. **Risk Management:** Council will identify and mitigate risks associated with asset ownership and operation.

4. **Compliance:** Council will adhere to all relevant legislative and regulatory requirements.

Council's infrastructure assets provide quality services to the community and are managed, maintained and renewed in a manner that is sustainable and meets community expectations.

Policy coverage

This policy applies to the whole of lifecycle management of infrastructure assets owned or managed by MidCoast Council. It does not apply to the management of operational assets.

This policy applies to all Council staff; Councillors; contractors and consultants involved in the management of Council's infrastructure assets throughout their lifecycle.

Strategic Plan link

Infrastructure assets underpin the delivery of a wide range of Council services which support the community's vision and community outcomes in the *MidCoast 2035* Community Strategic Plan. The most relevant strategies in the Community Strategic Plan to which this policy relates are as follows:

MidCoast 2035 Focus Area	MidCoast 2035 Strategy
Our Wellbeing	<i>W-2 Support the physical and mental health, and wellbeing of our community</i>
Our Natural Environment	<i>NE-3 Manage our waste and reduce waste to landfill</i> <i>NE-4 Conserve our natural resources and reduce our greenhouse gas emissions</i> <i>NE-5 Manage risks to our environment and communities from climate change and natural disasters</i>
Our Places and Infrastructure	<i>PI-1 Provide safe, accessible and well-maintained community facilities, and vibrant streetscapes and public open spaces</i> <i>PI-4 Provide safe, secure and affordable water and sewerage services</i> <i>PI-5 Provide a safe, reliable and well-maintained road and broader transport network with options for active and shared travel</i>
Our Leadership	<i>L-1 Inform, engage and involve the community in projects and decision-making</i>

	<i>L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health</i>
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Policy content

Legislative Requirements:

The Local Government Act 1993 places obligations on Council for Integrated Planning and Reporting.

Council must:

- Prepare and adopt an Asset Management Strategy and Asset Management Plans for each class of assets to support the Community Strategic Plan and Delivery Program.
- Ensure that the Asset Management Strategy and Plans cover a minimum timeframe of 10 years.
- Ensure that the Asset Management Strategy includes an overarching Council adopted Asset Management Policy.
- Ensure that the Asset Management Strategy identifies assets that are critical to the Council's operations and outline risk management strategies for these assets.
- Ensure that the Asset Management Strategy includes specific actions required to improve the Council's asset management capability and projected resource requirements and timeframes.
- Ensure that Asset Management Plans encompass all the assets under a Council's control and identify service standards.
- Ensure that Asset Management Plans contain long term projections of asset maintenance, rehabilitation and replacement, including forecast costs for reflection in the long-term financial plan.
- Report on its assets annually including condition assessment, renewal and maintenance expenditure.
- Engage with the community to establish agreed levels of service for delivery of infrastructure assets,

Asset Management Principles

To support the objectives of this Policy, Council will adopt the following asset management principles:

1. **Lifecycle Management:** Council will manage assets from acquisition to disposal to maximise their value and potential for the delivery of Council services.
2. **Data-Driven Decisions:** Council will use accurate and up-to-date data to inform asset management decisions that balance cost, risk and quality and
3. **Continuous Improvement:** Council will regularly review and improve its asset management practices.
4. **Integrated Planning:** Council will align asset management with Council's strategic and financial planning processes through the Integrated Planning and Reporting Framework and meet its planning and reporting requirements as detailed in the Local Government Act.
5. **Transparency:** Council will maintain clear and open communication with stakeholders about asset management activities and decisions.

Asset Management Practices

In addition to fulfilling the requirements of the Local Government Act, Council will adopt the following asset management practices to support the achievement of Council' asset management objectives and principles outlined above:

- Council will implement a systematic asset management framework and methodology, so that appropriate and consistent asset management best practices are applied across all asset classes.
- Council will ensure that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.
- Acquisition and disposal of assets will be in accordance with Council's Procurement Policy, and the Project Management Framework.
- Council will only acquire or create assets after due consideration has been given to the service needs of the community and the operating needs of the Council. Ongoing service levels will be determined in consultation with the community.
- Decisions for the acquisition, renewal or retention of assets will consider whether an asset solution is, or remains, the most effective method of meeting the service needs of the community and operating needs of Council.
- Council will ensure that the Asset Management Plans are prepared and regularly updated to inform its Long-Term Financial Plan.
- Council will ensure that assets that are critical to Council's operations are identified in Council's Business Continuity Plan, and risk management strategies for these assets are identified in Council's Risk Management Framework and incorporated in the Asset Management Strategy.
- Council will identify the risks associated with climate change in each asset management plan and implement mitigation and adaptation actions to minimise the impacts of climate change.

Responsibilities

A number of individuals and groups are responsible for the implementation of this Policy. The groups and their responsibilities are detailed below.

Groups	Responsibilities
Elected Council	<ul style="list-style-type: none">• Provide strategic direction, leadership and oversight of Council's asset management• Represent the needs of the community/shareholders with respect to assets• Allocate resources to meet planning objectives in providing services while managing risk• Ensure the long-term sustainability of infrastructure & services provided to the community• Adopt the Asset Management Policy, Strategy, and respective Plans for individual asset classes
Executive Management:	<ul style="list-style-type: none">• Implement the Asset Management Policy and ensure compliance.• Allocate resources to meet the objectives of the Asset Management Policy• Carry overall responsibility for Council's infrastructure assets

	<ul style="list-style-type: none"> • Allocate resources to implementation of improvement plans
Manager Strategic Asset Planning & Project Management	<p>In consultation with Asset Owners:</p> <ul style="list-style-type: none"> • Review the Asset Management Policy and Asset Management Strategy and ensure integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents • Monitor the development and implementation of the Asset Management Policy, Strategy and Plans • Develop and review policies, processes and practices to ensure effective asset management across all asset classes • Implement the Asset Management Improvement Plan in accordance with agreed timeframes • Collate and prepare the annual State of our Assets report • Provide professional advice and collaborate with other departments of Council in relation to asset management
Asset Management Working Group	<ul style="list-style-type: none"> • Collaborate across the organisation to consistently monitor, develop, implement and review all elements of the Asset Management Framework, associated policies and procedures • Monitor and report on implementation of Asset Management Improvement Plan(s) • Provide a forum for sharing of information and experience as well as providing professional advice and collaboration across the organisation in relation to asset management within the group's 'Terms of Reference'
Asset Managers	<ul style="list-style-type: none"> • Develop, implement and maintain asset management plans in line with Council's Asset Management Framework • Develop and implement maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents • Implement the adopted practices and procedures in relation to assets and asset management. • Ensure the asset register is maintained for all assets within their control
Community	<p>Participate in consultations and provide feedback on asset management issues.</p>

Definitions

Term	Definition
Asset	A physical item owned by Council that has economic value and enables services to be provided.
Asset class	A grouping of assets of a similar nature and use. May be typically associated with an overall service function
Asset life cycle	A series of stages involved in the management of an asset starting with planning, through to disposal
Asset Management	<p>A systematic process to guide the planning, acquisition, creation, operation and maintenance, renewal and disposal.</p> <p>It involves balancing costs, opportunities and risks against the desired performance of assets to achieve our strategic objectives.</p> <p>It provides information to support decision making.</p>
Asset Management Framework	A combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment in a consistent and repeatable manner.
Asset Management Plan	A plan developed for the management of an asset class that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset, in the most cost-effective manner to provide a specified level of service.
Asset Management Strategy	A component of Council's Resourcing Strategy. It demonstrates how our assets support sustainable service delivery in consultation with the community and within available funding over a 10-year timeframe.
Asset register	A record of asset information including inventory, historical, financial, condition, construction, technical, and financial details.
Infrastructure asset	Stationary, physical components of a network or portfolio of assets (i.e. things owned) that directly serve the community, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components.
Level of service	The defined service quality for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Life-cycle cost	All the costs of each activity in each phase of an asset's lifecycle
Operational Assets	Physical assets (things owned) that do not directly serve the community but facilitate the work by staff, including Plant and Fleet, Office Equipment, Computer Equipment, Furniture & Fittings and Library Books.

Useful life	The period over which a depreciable asset is expected to be used. Often referred to as the estimated remaining useful life based on the current condition.
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References and related documents

- Office of Local Government's Integrated Planning & Reporting Guidelines and Handbook
- NSW Water's Regulatory and Assurance Framework for Local Water Utilities (July 2022)
- AS IS055000:2024
- AS IS055001:2024
- AS IS055002:2018

Attachments

Nil

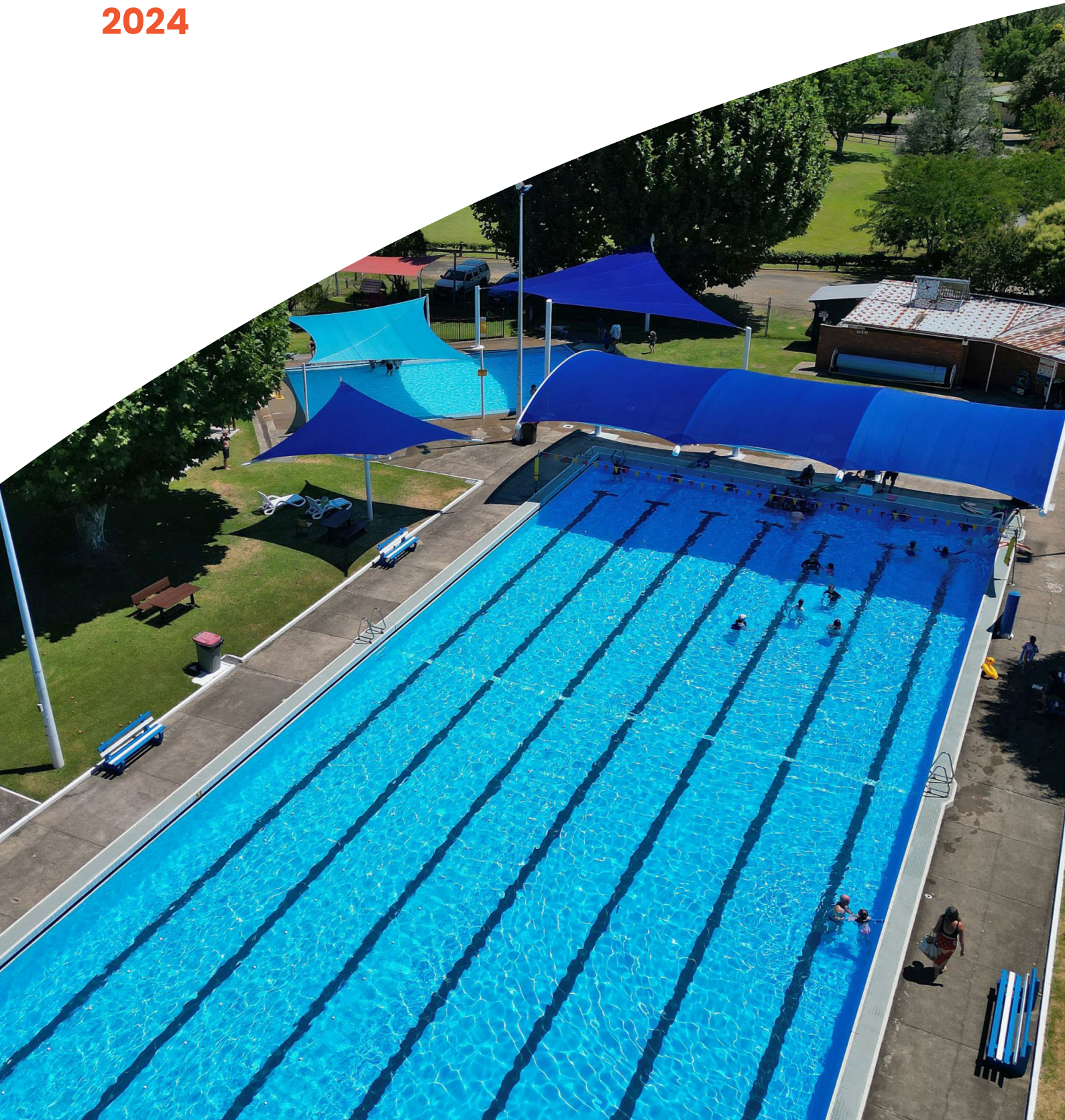
SECTION 3 - ASSET MANAGEMENT PLANS

- Community Assets and Buildings 2024
 - Transport Assets 2024
 - Bridges 2024
 - Stormwater Assets 2024
 - Water Assets 2024
 - Sewer Assets 2024
- 

ASSET MANAGEMENT PLAN

Community Assets and Buildings

2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

Document Control

Version No	Date	Revision Details	Author	Reviewer	Approver
1	March 2025	First revision of consolidated Building Asset Management Plan and Open Space Asset Management Plan	Asset Management Supervisor Community Assets – Kris Koch	Rhett Pattison, Liam Bulley, David Rees, Peter Hatton, Clinton Baker, Christeen Matta	
2	June 2025	Updated references to new IP&R documents	IP&R Specialist – Sandra Wallace		

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EXECUTIVE SUMMARY

1 Executive Summary

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about Mid Coast Council's (Council's) community and buildings infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The AM Plan defines the services to be provided, how the services are provided and what funds are required over the 10- year planning period from 2024-2034. The AM Plan links to a Long Term Financial Plan which considers a 10-year planning period.

This AM Plan consolidates the previous two AM Plans for Open Space Assets / Swimming Pools and Buildings. This AM Plan will also support informed decision making and provide information on improvement opportunities which will improve the credibility and accuracy for future revisions of this Plan.

1.2 Asset Description

This Community Assets and Buildings AM Plan includes the following four asset categories:

- **Open Space and Swimming Pool infrastructure assets** - These assets include playgrounds, skateparks, fitness equipment, boating assets, sports courts, grounds and other sports infrastructure, lighting, fencing, BBQ's, park furniture and shelters, lookouts and viewing platforms, swimming pools, war memorials. These assets are used to provide services for passive recreation users as well as active recreation. For a detailed summary of the assets covered in this category refer to tables in Section 5.
- **Community Buildings** - These buildings include a mix of services including administration, cultural, public halls, libraries, sporting and public toilets. For a detailed summary of the assets covered in this asset category refer to tables in Section 6.
- **Waste Management and Emergency Services Buildings** – These buildings are used to support the delivery of waste management and emergency services (RFS, SES). For a detailed summary of the assets covered in this asset category refer to tables in Section 7.
- **Water and Sewer Buildings** - These buildings are used to support the delivery of water and sewer services. For a detailed summary of the assets covered in this asset category refer to tables in Section 8.

The estimated replacement value for these assets is shown in Table 1.2 below.

Table 1.2: Assets Covered in this AM Plan

Asset Renewal Category	Estimated Replacement Cost
Open Space and Swimming Pools	\$77,225,996
Community Buildings	\$357,774,631
Waste & Emergency Services Buildings	\$40,069,473
Water & Sewer Buildings	\$59,439,498

1.3 Levels of Service

Results from the 2023 MidCoast Council Community Satisfaction Survey indicate that satisfaction was high for this asset group. There is a risk this will decline as the allocation in the planned budget is insufficient to continue providing existing services at current levels. Backlog for renewals of assets below the accepted Level of Service (LOS) (condition 3 – Fair) cannot be accommodated unless there is an increase in budget. This LOS is currently being reviewed with the community.

The main service consequences of the Planned Budget are:

- Inability to fund acquisitions due to lack of budget - growth in portfolio will not happen from that source
- Increase in maintenance expenditure on aging infrastructure due to insufficient budget to fund asset renewals
- Reliance on grant funding to supplement the Planned Budget for the asset renewal program
- Public safety risk associated with aged assets in use
- Assets being out of service for extended periods impacting on community use and/or service delivery

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Change in demographics - Between 2021 and 2036, the age structure forecasts for MidCoast Council indicate an 18.8% increase in population of retirement age which will impact on the demand for passive recreation and buildings
- The estimated population of 101,600 in 2025 which is forecast to increase to 116,700 by 2036. Population increase puts a strain on usage of existing assets which in turn may lessen useful life and increase maintenance costs. There is also the demand for additional facilities

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

Additional considerations include:

- Better planning for natural disasters – including placement of assets in more resilient locations or using more resilient design principles and materials
- Considering energy efficiency in the design of facilities with a view to minimising operational costs and improving the financial sustainability of assets
- Developing and implementing long-term strategic plans that consider asset demands associated with future growth. For example, The Open Space and Recreation Strategy
- Looking at how recreation spaces and community buildings are used and reviewing population data when planning for future developments and asset embellishment
- Providing opportunities for the community to be involved in delivering and maintaining assets associated with future demand. For example, open space volunteers and service organisations seeking grant funds for Council-supported community asset delivery

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan include the costs of the operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it informs Council's long-term financial planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays.

Table 1.5.1: Forecast Lifecycle Costs

Asset Class/Category	10-year Lifecycle Costs Forecast	Average per year
Open Space Assets & Pools	\$136,734,096	\$13,673,409
Community Buildings	\$105,004,736	\$10,500,474
Waste & Emergency Services Buildings	\$43,351,000	\$4,335,100
Water & Sewer Buildings	\$4,050,811	\$405,081

1.6 Financial Summary

1.6.1 What we will do

Estimated available funding for the 10-year period is shown in Table 1.6.1 below. The financial indicator is the % of the forecast lifecycle costs required to sustain the current level of service (LOS) at the lowest lifecycle cost.

Table 1.6.1: Estimated Available Funding

Asset Class/Category	10-year Estimated Funding	Average per year over 10-years	10-year Financial Indicator	Shortfall / excess 10-year Average
Open Space Assets & Swimming Pools	\$128,038,664	\$12,803,866	93.64%	-\$869,543
Community Buildings	\$82,287,448	\$8,228,745	78.37%	-\$2,271,728
Waste & Emergency Services Buildings	\$32,392,844	\$3,239,284	74.72%	-1,095,815
Water & Sewer Buildings	\$4,910,360	\$491,036	121.22%	+\$85,956

The infrastructure reality is that only what is funded in the Long Term Financial Plan can be provided however the reality is grants have been consistently provided to allow Council to renew and expand our asset base. Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

With the exclusion of Water and Sewer Buildings there is insufficient budget to cover lifecycle costs and to sustain the current LOS. Waste Services have identified projected renewals that can be

disposed at end of life without affecting the LoSA. For Council to maintain the existing LOS an increase in the operations and maintenance budget will be required.

The reality of grant funding is the unknown - the more Council receives for asset renewals will impact on required maintenance, i.e. it would be expected the maintenance costs would decrease as assets are replaced.

The risk of not providing additional budget will result in accelerated asset deterioration. Deferred renewals will lead to a reduced LOS across the network or for specific assets.

The anticipated Planned Budget currently included in the Long Term Financial Plan leaves a shortfall for all asset classes (other than Water and Sewer Buildings) on average per year of the forecast lifecycle costs required to provide services supported by the assets in this AM Plan. This is shown in the figures below.

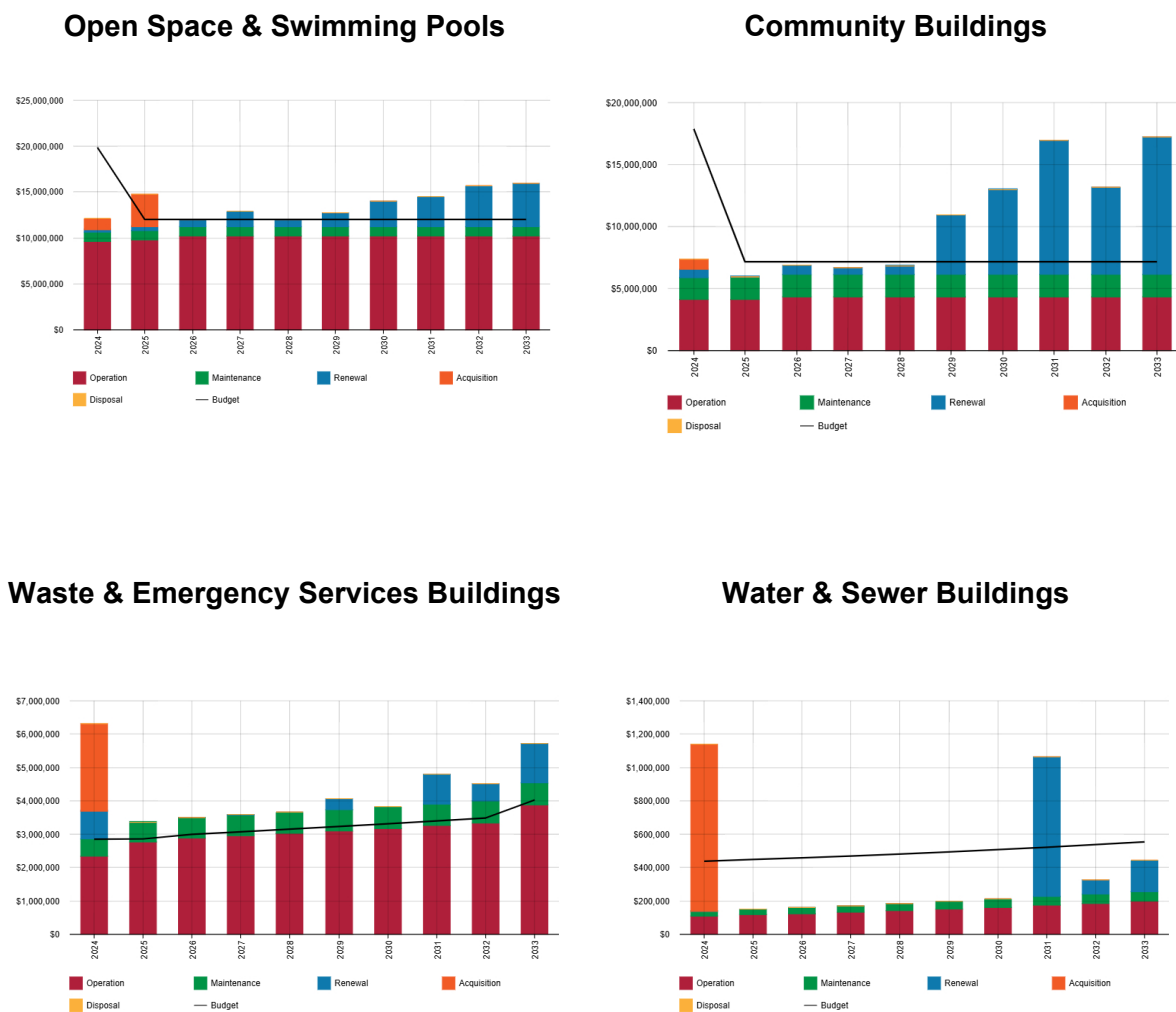


Figure 1.6.1: Forecast Lifecycle Costs and Planned Budgets

All \$ values are shown in current day dollars

We plan to provide services for the following:

- The operation, maintenance, renewal and acquisition of Open Space Assets and Swimming Pools, Community Buildings, Waste and Emergency Services Buildings, and Water and Sewer Buildings, to meet service levels set by Council in annual budgets

- Within the 10-year planning period major asset renewals include:
 - Flood Recovery Funding - Wharfs & Jetties, boat ramps, Billabong Park Playground softfall, Shelters Chrissy Gollan Park, Queen Elizabeth Park (playground, shelters, BBQ) \$5,766,249
 - Forster Surf Life Saving Club (SLSC) \$8,000,000

1.6.2 What we cannot do

With the exclusion of Water and Sewer Buildings we currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Growing / Enhancing facilities such as sports field lighting upgrades and shade sail installations
- Renewing of all infrastructure assets that are in a condition 4 and reaching the end of useful life. This will have an impact on risk to users and Council's regulatory obligations
- Undertaking medium-large repair building projects that are not defined as capital works
- Increasing maintenance on assets to prolong their useful life without an increase in budget
- Building new recycling infrastructure affordably in the region such as new Material Recycling Facilities without significant grant funding

1.6.3 Managing the Risks

Our present budget levels are insufficient to continue to manage risks in the medium term. The main risk consequences are:

- Structural failure resulting in unsafe or defective assets - Injury to users; civil claims against Council; increased financial costs to Council; damage to reputation
- Swimming Pools – Water filtration system failure, chemical burns (staff)
- Climate change impacts on assets resulting in reduction in useful life, increase in maintenance, loss of infrastructure, impacts on community and tourism, inability to provide service to the community due to closure of facilities

We will endeavour to manage these risks within available funding by:

- Seeking grant funds, and supporting community groups in seeking grants, for the replacement of new assets and provision of assets associated with growth demand, where identified in Council's recreational strategic plans
- Undertaking proactive asset inspections based on defined asset points, monitoring inspections outcomes and actioning defects
- Outsourcing services to specialist contractors when required
- When planning for asset renewals and acquisitions, looking at building better resilience strategies and ensuring the guidelines and principles of Council's Climate Change Strategy are considered

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Operations and Maintenance Budget information was provided by individual departments / budget owners
- Budget estimates for both operational and maintenance do not include inflation. Council's finance department sets indexation in the financial reports. It is also noted whilst operational and maintenance costs are increasing, the gap will widen between current budgets and required funding
- Actual renewal budgets provided by departmental managers / officers have been used in this AM Plan. Only confirmed grant funding for projects has been applied. No grant assumptions have been made outside of confirmed funding
- There is no allocated budget for acquisitions. As grants are an unknown source of income, it has been estimated that \$500,000 will be received for new acquisitions based on historical grant data over the last 5 years
- The Asset Register was used to forecast the renewal lifecycle costs for this AM Plan
- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge

This AM Plan is based on a high- to medium-level of confidence in information and is based on current financial and asset information extracted from Council's corporate systems

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are to:

- Refine the AM Plan to that of Public Spaces only
- Ensure levels of service are developed based on performance measures legislation / operational needs / community needs and are continually measured and monitored
- Develop a Resilience Strategy for asset planning
- Implement climate change strategy action plans



INTRODUCTION

2 Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with Council's planning documents. This includes the Asset Management Policy and Asset Management Strategy along with other key planning documents:

- Asset Management Maturity Assessment 2024
- *MidCoast 2035* Council Community Strategic Plan (2025-2035)
- MidCoast Council Community Engagement Strategy
- MidCoast Council Delivery Program (2025-2029) and Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- MidCoast Council Disability Inclusion Action Plan
- *Our Water, Our Future 2050* – Integrated Water Cycle Management Strategy (IWCMS)
- MidCoast Council Climate Change Strategy

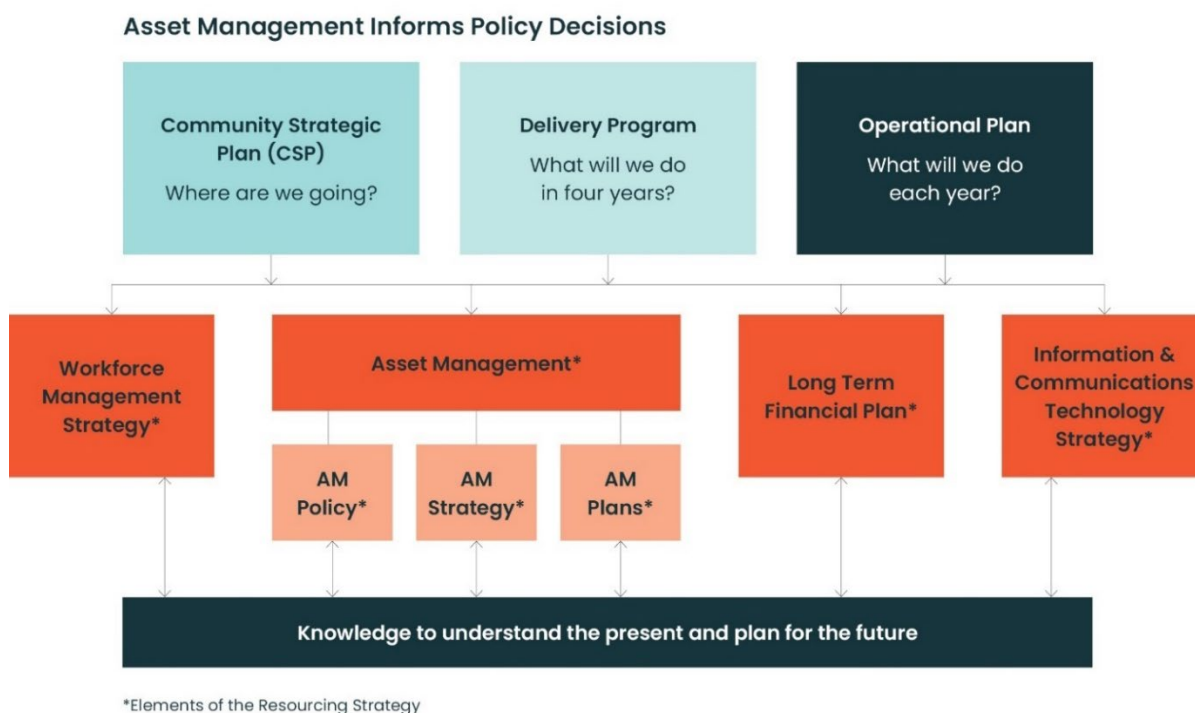


Figure 2.1: The Strategic Planning Context for Asset Management

2.1.1 Asset Management Strategy

In 2025, Council reviewed and updated the *Asset Management Strategy*.

“The intent of the AM Strategy is to achieve five core outcomes.

- 1. Provide a strong foundation/baseline for future decision making.*
- 2. Integrate risk into operational, maintenance and capital investment decision making.*
- 3. Establish key business functions to facilitate and support best practice decision.*
- 4. Begin a shift from a reactive to informed and accountable decision culture.*
- 5. Improve overall business sustainability.”*

“Asset management requires a “Whole of Council” approach and applies to all assets we manage for delivering sustainable services to the community. The Asset Management Framework enables alignment of asset planning and management practices with service delivery priorities and strategies, within the limits of the resources available. The framework provides linkages between the various strategic and policy documents required for IP & R. The asset management framework incorporates strategic and policy documents for the provision of effective community infrastructure”.

Council’s infrastructure assets exist primarily to provide services to the community. The objective in managing assets is to meet the agreed levels of service in the most cost-effective manner for the benefit of present and future residents of the MidCoast community.

2.1.2 Assets covered by this AM Plan

The infrastructure assets covered by this AM Plan include:

- **Open Space and swimming pool infrastructure assets** which have a total replacement value of **\$77,225,996**. These assets include playgrounds, skateparks, fitness equip, boating assets, sports courts, grounds and other sports infrastructure, lighting, fencing, BBQ’s, park furniture and shelters, lookouts and viewing platforms, swimming pools, war memorials. These assets are used to provide services for passive recreation users as well as active recreation. For a detailed summary of the assets covered in this AM Plan refer to tables in Section 5
- **Community Buildings assets** which have a total replacement value of **\$357,774,631**. These buildings include a mix of services including administration, cultural, public halls, libraries, sporting and public toilets. For a detailed summary of the assets covered in this AM Plan refer to tables in Section 6
- **Waste and Emergency Services building assets** which have a total replacement value of **\$40,069,473**. For a detailed summary of the assets covered in this AM Plan refer to tables in Section 7
- **Water and sewer services buildings assets** which have a total replacement value of **\$59,439,498**. For a detailed summary of the assets covered in this AM Plan refer to tables in Section 8

2.1.3 Key Stakeholders

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1.3: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
External Bodies	<ul style="list-style-type: none"> • Community <ul style="list-style-type: none"> ○ Participating in community surveys to determine required LOS ○ Providing feedback on asset condition and usage • State & Federal Government <ul style="list-style-type: none"> ○ Providing funding opportunities to assist with capital renewals and acquisitions ○ Providing resources for best practice in asset management ○ Providing guidance regarding open space planning e.g. “everyone can play” guidelines
MidCoast Elected Council	<ul style="list-style-type: none"> • Representing the needs of community/shareholders • Allocating resources to meet planning objectives in providing services while managing risks • Providing leadership and governance • Adopting an asset management policy and strategy • Considering the impact of financial and service level decisions on Council's assets • Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MidCoast Council Leadership Group	<ul style="list-style-type: none"> • Allocating resources to the implementation of the Asset Management Strategy and Plans • Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes • Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation • Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents • Delivering Levels of Service to agreed risk and cost standards • Ensuring the community is involved and engaged on all key Council matters affecting service delivery • Managing infrastructure assets in consideration of long-term sustainability • Presenting information to Council on lifecycle risks and costs • Approving the Asset Management Plans
Asset Management Working Group	<ul style="list-style-type: none"> • Providing strategic direction and governance for asset management by contributing to the development and implementation of Council's Asset Management Policy, Asset Management Strategy and Asset Management Plans as required by the Office of Local Government's Integrated Planning & Reporting Framework • Collaborating across the organisation to consistently monitor, develop, implement and review all elements of the Asset Management Framework, associated policies and procedures • Monitoring the development, implementation and reviewing of the Asset Management Improvement Plan

Key Stakeholder	Role in Asset Management Plan
	<ul style="list-style-type: none"> Providing a forum for sharing of information and experience as well as providing professional advice and collaboration across the organisation in relation to asset management within the group's 'Terms of Reference'
Corporate Services	<ul style="list-style-type: none"> Developing supporting financial processes such as capitalisation and depreciation Preparing asset sustainability and financial reports incorporating asset depreciation in compliance with current accounting standards Providing GIS support and administration
Manager, Strategic Asset Planning & Project Management	<p>In consultation with Asset Owners:</p> <ul style="list-style-type: none"> Monitoring the development and implementation of the Asset Management Policy, Strategy and Plans Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents Developing and reviewing policies, processes and practices to ensure effective asset management across all asset classes Implementing the Asset Management Improvement Plan in accordance with agreed timeframes Collating and preparing the annual State of our Assets report Providing professional advice and collaborating with other departments of Council in relation to asset management
Asset Officers & Department Managers	<ul style="list-style-type: none"> Developing and managing processes to ensure the accurate collection and compilation of asset data from both internal and external sources. Maintaining the asset register for Community Assets & Buildings Liaising with the financial asset accountant regarding capitalisation and disposal, depreciation, condition and useful life Managing and continually improving Council's asset management system for Community Assets & Buildings Developing, implementing and reviewing Council's Asset Management Plan for Community Assets & Buildings Developing & delivering enhanced maintenance programs to ensure that acceptable standards are maintained Developing capital works programs in line with asset condition, community needs and budget

An extract from Council's organisational structure shown in Figure 2.1.3 identifies the departments responsible for assets included under this AM Plan.

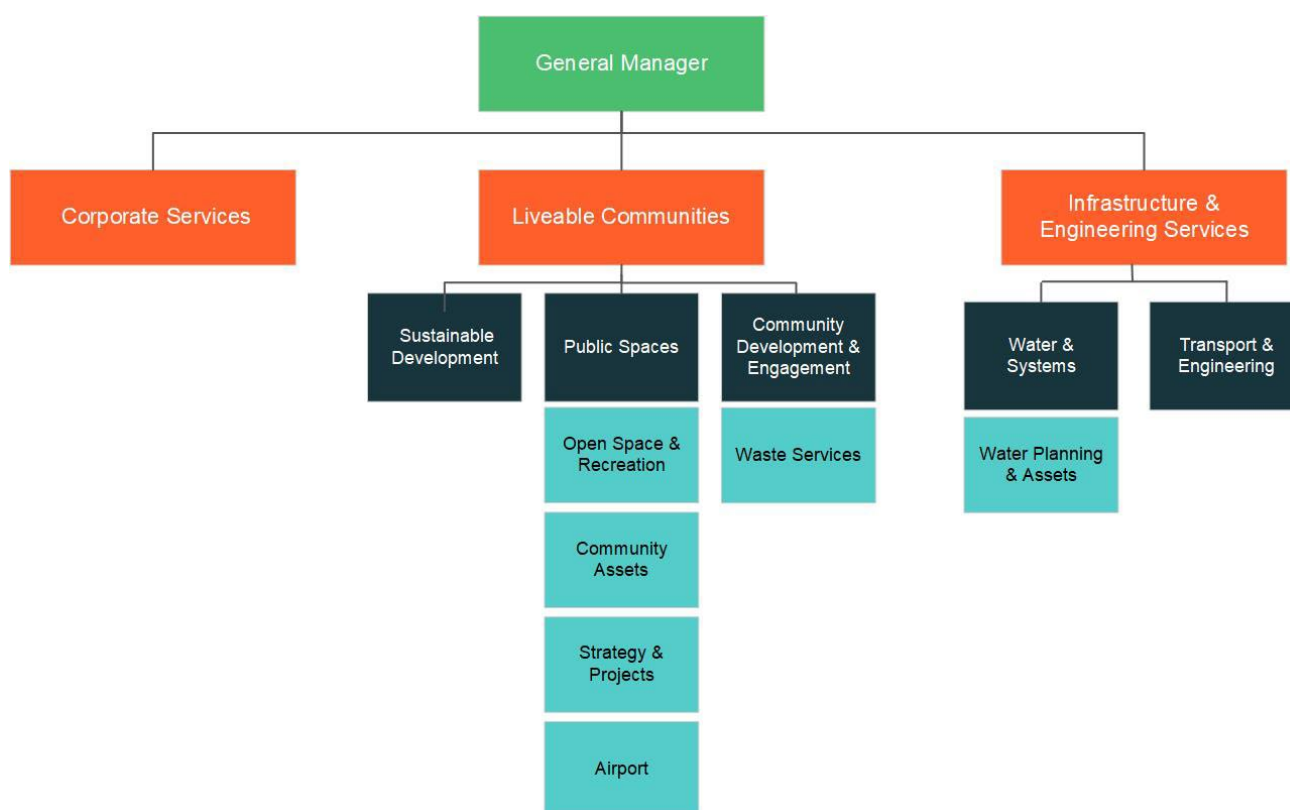


Figure 2.1.3: Organisational Responsibility for Community Assets and Buildings

2.2 Goals and Objectives of Asset Ownership

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

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks
- Linking to a Long Term Financial Plan which identifies required, affordable forecast costs and how it will be allocated
- Ensuring continuity of service for essential services, legislated under the Local Government Act 1993.

Key elements of the planning framework are:

- Levels of service – specifies the services and levels of service to be provided
- Risk management
- Future demand – how this will impact on future service delivery and how this is to be met
- Lifecycle management – how to manage existing and future assets to provide defined levels of service
- Financial summary – what funds are required to provide the defined services

- Asset management practices – how we manage provision of the services
- Monitoring – how the plan will be monitored to ensure objectives are met
- Asset management improvement plan – how we increase asset management maturity.

Other references to the outcomes and benefits, principles and objectives of asset management can be found in:

- ISO 55000:2024 Asset Management – Vocabulary, overview, and principles
- International Infrastructure Management Manual¹

A road map² for preparing an AM Plan is shown in Figure 2.2.

¹ IPWEA *International Infrastructure Management Manual (IIMM)*, Sec 2.1

² Source: IPWEA, 2006, *IIMM*, Fig 1.5.1, p 1.11

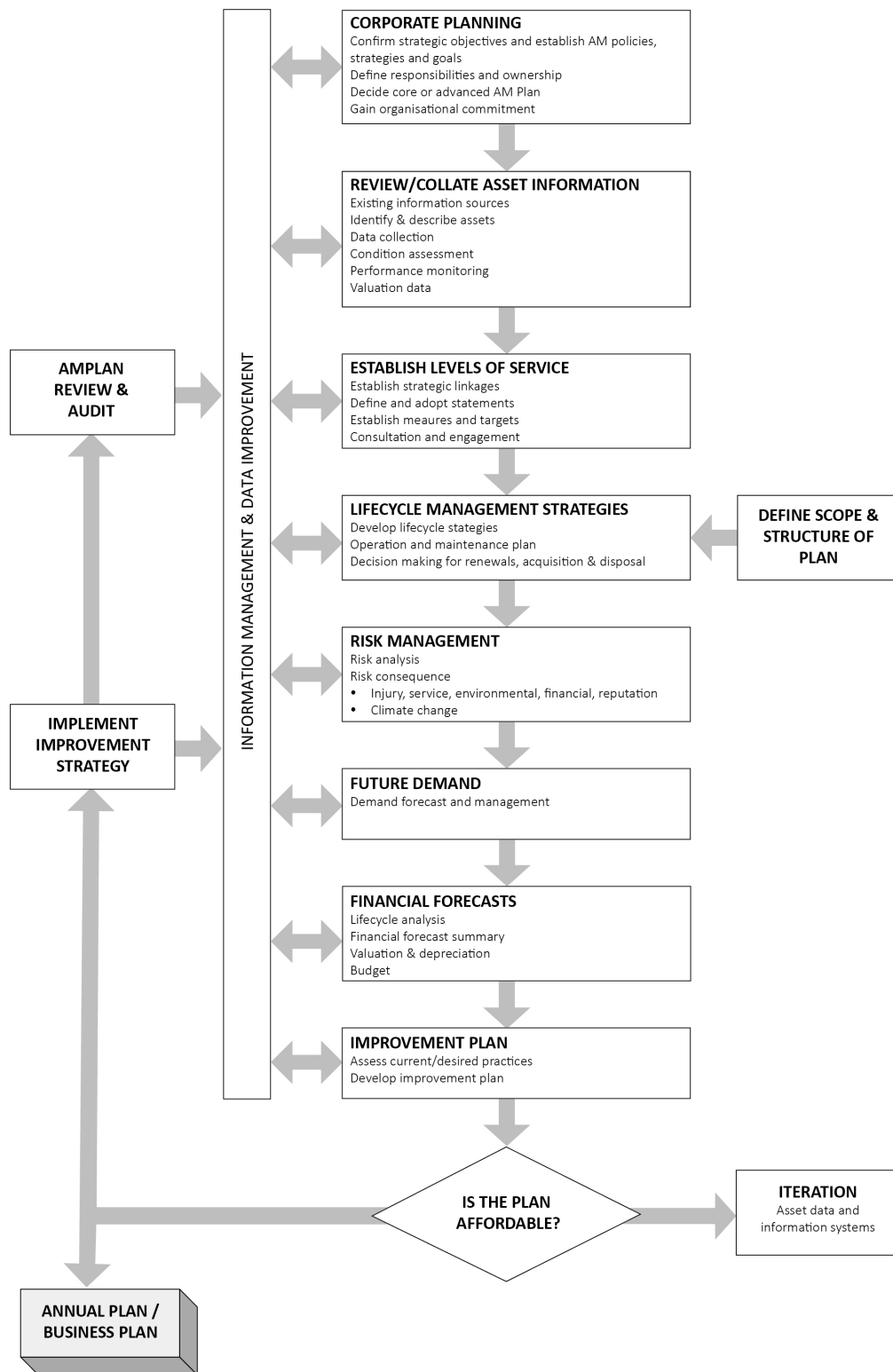


Figure 2.2: Road Map for preparing an Asset Management Plan



LEVELS OF SERVICE

3 Levels of Service

3.1 Customer Research and Expectations

Community Levels of Service measure how the community receives the service and whether the organisation is providing value to the community. The community's expectations influence the investment in capital and operational funding, which in turn drives Council's Long Term Financial Plan. Council and the community work together to find a balance between the community expectations of the services provided versus their willingness to pay. Setting appropriate Levels of Service is one of the critical decisions in the development of an effective total asset management strategy.

In July 2023 Micromex Research was engaged to undertake a Community Satisfaction Survey. During this consultation, it was found that 71% of residents are at least somewhat satisfied with the performance of Council over the last 12 months. It was also evident that they were fairly satisfied with the current levels of service, scoring on average just above the LGA benchmark for most service areas. Council agrees to continue the current practices which are acceptable by the community and in compliance with relevant standards, specifications and legislations.

There were 42 services and facilities identified in the survey. For the service areas pertaining to this AM Plan there were no areas that required improvement as indicated in Figure 3.1 below.

It should be noted for Library Services, Tourism Facilities and Services and Water and Sewerage Services, the survey did not specifically drill down to building satisfaction, however it is to be noted that the provision of buildings is required to operate these services.

For 14 of the 42 services and facilities, MidCoast Council recorded good performance, whilst 8 require improvement.



Good performance
(T3B sat score ≥80%)



Monitor
(T3B sat score 60%-79%)



Needs improvement
(T3B sat score <60%)

Service Area	Planning and development	Governance, leadership & communication
Heritage sites protected and maintained	Economic development	Climate change
Parks and playgrounds	Recreational areas	Renewable energy
Ovals and sportsgrounds	Residential development	Opportunity to participate in Council decision-making
Community buildings/halls	Long-term planning for the LGA	Council decision-making reflecting community opinion
Swimming pools	Transport and connectivity	Provision of Council information to the community
Cultural opportunities and services, such as the Art Gallery and Entertainment Centre	Maintaining local roads	Engaging the community in planning
Library services	Maintaining footpaths	Financial management
Festival and events programs	Provision of bike paths	
Public amenities, such as toilets and parents rooms	Road safety	
Cemeteries	Availability of car parking (all day/timed)	
Water service	Overall condition of the local sealed road network	
Water quality	Maintaining local bridges	
Street lighting	Airports	
Public safety	Community support	
Emergency management	Supporting community groups	
Stormwater drainage	Supporting local jobs and businesses	
Recycling/waste management/landfills	Youth activities	
Sewerage services		
Tourism facilities and services		
Street trees		

Figure 3.1 Micromex Survey Satisfaction Scorecard

The following tables look at Council's performance and summarise the importance and satisfaction ratings for Council's services and facilities which are relevant to Community Assets and Buildings. Table 3.1.1 also shows a comparison to the previous survey undertaken in 2020.

Table 3.1.1 Importance and Satisfaction Scores

Service/Facility	Importance		Satisfaction	
	2023	2020	2023	2020
Parks and playgrounds	4.16	4.07	3.32 ▼	3.75
Ovals and sportsgrounds	3.89	3.93	3.54 ▼	3.81
Community buildings/halls	3.88	3.94	3.44 ▼	3.65
Swimming pools	3.96	3.98	3.42 ▼	3.74
Cultural opportunities and services such as the Art Gallery and Entertainment Centre	3.68	3.74	3.64	3.83
Library Services	3.88 ▼	4.07	4.07	4.38
Public amenities, such as toilets and parents rooms	4.45	4.32	2.98 ▼	3.33
Water service	4.40 ▼	4.56	3.73	3.55
Recycling/waste management/landfills	4.54	4.58	3.79	3.84
Sewerage services	4.36	4.37	4.01	4.12
Tourism facilities/services	4.06 ▼	4.26	3.34 ▼	3.64
Recreational areas	4.51	4.43	3.36 ▼	3.53

Scale: 1 = not at all important/not at all satisfied. 5=very important/very satisfied

▼ ▲ = A significantly higher/lower level of importance/satisfaction (by year)

Despite a softening in satisfaction across 7 of the 12 services/facilities relevant to this AM Plan, residents' perceived quality of life remains on par with the Micromex Regional LGA Benchmark. While there could be a wide range of reasons for this softening in satisfaction, the impacts of external stressors, including COVID, natural disasters, the cost of living, and skill shortages have no doubt impacted community perceptions.

In addition, Table 3.1.2 shows the gap between importance and satisfaction. This is calculated by subtracting the satisfaction score from the importance score. These scores are aggregated at a total community level. When analysing performance gap data, it is important to consider both stated satisfaction and the absolute size of the performance gap.

Table 3.1.2 Performance Gap Ranking

Service / Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Public amenities, such as toilets and parents rooms	88%	68%	20%
Recreational areas	91%	83%	8%
Water service	86%	84%	2%
Recycling / waste management / landfills	88%	88%	1%

Service / Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Parks and playgrounds	78%	78%	0%
Tourism facilities and services	73%	77%	-4%
Swimming pools	68%	74%	-5%
Sewerage services	83%	91%	-8%
Ovals and sportsgrounds	68%	84%	-16%
Community buildings / halls	65%	83%	-18%
Library services	68%	93%	-25%
Cultural opportunities and services, such as the Art Gallery and Entertainment Centre	60%	88%	-28%

The higher the differential between importance and satisfaction, the greater the difference is between the provision of that service by Council and the expectation of the community for that service/facility.

There were no services relevant to this AM Plan that achieved a performance gap of greater than 20% which may be indicative of areas requiring future optimisation. It should be noted however that public amenities scored 20% which the community assets team will need to monitor and develop some strategies to address this performance gap.

Council agrees to continue the provision of open space, pool and building assets as per current practices which are acceptable by the community and in compliance with relevant standards, specifications and legislations. Council will be undertaking further testing of expected levels of service with the community to ensure the AM Plan reflects the community's desires. This will assist Council and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

3.2 Corporate Goals and Strategic Links

This AM Plan is prepared under the direction and support of Council's vision, mission, goals and objectives as well as the key directions and strategic objectives as outlined in Council's Community Strategic Plan.

Our vision is **“to be a high performing organisation where we are always striving to be better. One where we work collaboratively and are trusted. One where we are better every day.”**

Council's mission sets out how we are going to achieve our vision, and ensures we are all working towards the same outcomes. Our mission is to **“deliver benefits to the community in a way that adds value and builds trust.”**

Council's aim is to provide sustainable asset management and to ensure assets can deliver the community's desired service levels in priority areas in the most cost-efficient manner. This is considered necessary if we are to achieve the Vision and desired Community Outcomes identified in the *MidCoast 2035* Community Strategic Plan.

The community's vision is:

“Together we can make the MidCoast even better”

The Community Outcomes support the vision. They describe the ‘big picture’ results we want to see for our community for each of five focus areas our *Wellbeing, Natural Environment, Places and Infrastructure, Economic Prosperity, and Leadership*.

The Strategies describe at a high level what the community will do to support the achievement of the Community Outcomes.

The Community Outcomes and Strategies most relevant to Community Assets and Buildings and how these are addressed in this AM Plan are summarised in Table 3.2.

Table 3.2: Community Outcomes and Strategies and how these are addressed in this Plan

Community Outcome	Strategy	How the Community Outcome and Strategy are addressed in the AM Plan
Our Wellbeing		
We are a community where everyone is safe and can live a healthy, active life	W-2 Support the physical and mental health, and wellbeing of our community	<ul style="list-style-type: none">When acquiring or renewing our facilities we ensure our facilities support the ageing population and people with disabilities and that we comply with relevant legislation and standards for this cohort
		<ul style="list-style-type: none">Our active recreation facilities meet current and future needs and adequate service levels are maintainedWe provide a range of activities such as fitness stations, walking and bike tracks
		<ul style="list-style-type: none">Buildings to support the delivery the Emergency Services are fit-for-purpose and well-maintained
Our Natural Environment		
We minimise our impact on the environment, and we can adapt to a changing climate	NE-4 Conserve our natural resources and reduce our greenhouse gas emissions	<ul style="list-style-type: none">Provision for solar and energy efficiency is incorporated into all relevant renewal projects. The suggested renewal and acquisition budgets include provision for these upfront costs
Our Places & Infrastructure		
Our towns and villages are attractive and engaging places to live	PI-4 Provide safe, accessible and well-maintained community facilities, and vibrant	<ul style="list-style-type: none">This AM Plan identifies how the community assets and buildings can be maintained to meet performance, condition and safety

	streetscapes and public open spaces	<p>requirements, while balancing costs and risk</p> <ul style="list-style-type: none"> We use strategic documents such as the LEP and Open Space and Recreation Strategy to guide for open space planning and asset renewal
We have clean, reliable water	PI-4 Provide safe, secure and affordable water and sewerage services	This AM Plan ensures all processing buildings supporting facility operations and that materials utilised in construction of processing buildings selected for long term functionality
Our Leadership		
Decisions are evidence-based and informed by our input. Decisions also balance the interests of current and future generations	L-1 Inform, engage and involve the community in projects and decision-making	This AM Plan identifies community consultation as a necessary component in defining levels of service
We have confidence and trust in our elected representatives and community leaders	L-3 Provide open and transparent leadership with a focus on clear decision-making processes and ongoing communication with the community	This AM Plan provides for documented, objective methodologies for prioritising maintenance, renewal and acquisition work, which can be demonstrated and explained to the community.
Our Council is financially sustainable	L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health	<ul style="list-style-type: none"> This AM Plan proposes a balanced approach to ensure financial responsibility whilst managing the expectations of the community Council's Project Management Framework is applied to delivery of relevant projects This AM Plan identifies the need for "developing and reviewing policies, processes and practices to ensure effective asset management across the organisation" Long term planning of new and renewed assets is carried out with relevant stakeholders, considers new and emerging technologies and is costed to understand whole of life cycle commitments

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of services for community and building assets are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act (1993)	<p>Sets out the role, purpose, responsibilities and powers of local governments including the preparation of a Long-Term Financial Plan supported by infrastructure and asset management plans for sustainable service delivery</p> <p>The system of financial management established by a local government must include:</p> <p>a) The following financial planning documents prepared by a local government:</p> <ul style="list-style-type: none"> (i) A 5-year corporate plan that incorporated community government (ii) A long-term asset management plan; and (iii) A long-term financial forecast.
Australian Accounting Standards	Sets out financial reporting standards relating to the ownership, valuation and depreciation of infrastructure
Office of Local Government Integrated Planning and Reporting Framework	Sets out standards for assets management plans and requires the plan to integrate with community plans and resourcing strategy. Identifies longer term sustainability measures for asset management
Crown Lands Management Act 2016	<p>Ensures decisions about crown land considers the impacts of environmental, social and cultural heritage</p> <p>Sets out conditional leases and permits for aquatic infrastructure including wharfs, jetties and boatramps as well as provisions in respect to the sale and disposal of crown land</p>
NSW Government - Practice Note 15: Water Safety 2017	Provided to help councils minimise risks associated with aquatic locations under their care and control
Royal Life Saving Australia Guidelines for Safe Pool Operations (GSPO)	GSPO is a set of detailed specifications and recommendations establishing best practice design and operations
National Code of Construction	Sets the minimum required level for the safety, health, amenity, accessibility and sustainability of certain building types
Environmental Planning and Assessment Act 1997	Encourages the proper management, development and conservation of natural and artificial resources, for the purpose of

Legislation	Requirement
	promoting the social and economic welfare of the community and a better environment
Disability Inclusion Act 2014	Relates to the accessibility of mainstream services and facilities, the promotion of community inclusion and the provision of funding, support and services for people with disability, and for other purposes
Work Health & Safety Act 2011 & Health and Safety Regulation 2017	Protects workers and other persons against harm to their health and safety and welfare through elimination or minimisation of risks arising from work
Playground Australian Standard AS4685:2014	Sets out standards relating to equipment, softfall, fall zones, inspections
All other relevant Australian Standards, Codes of Practice, Acts, Regulations and council policies	Australian Standards, Codes of Practices, Acts, Regulations, and relevant policies of Council
Protection of the Environment and Operations Act 1997 (POEO Act)	Enables the Government to set out explicit protection of the environment policies and adopt more innovative approaches to reducing pollution
Waste Avoidance and Resource Recovery Act 2001	The Waste Avoidance and Resource Recovery Act 2001 (WARR Act) is the result of a major overhaul of waste policy objectives and forms the basis of a framework for waste management in NSW. The WARR Act establishes a hierarchy to minimise the consumption of natural resources and final disposal of waste by encouraging waste avoidance, reuse and recycling
Protection of the Environment Operations (Waste) General Regulation 2014	The NSW Protection of the Environment Operations (Waste) Regulation 2014 aims to ensure sustainable waste management, protect human health and the environment, prevent illegal waste activities, promote resource recovery, and enforce accountability through standards, tracking, and levy systems
Water Management Act 2000 (NSW) & Water Management (General) Regulation 2018	Provides a framework for management of water resources for environmental health and use by licence holders
Public Health Act 2010 (NSW) & Public Health Regulation 2012	<p>Sets out need for quality assurance programs and notes the Australian Drinking Water Guidelines Framework that provides the point of reference. Requires water utilities to notify NSW Health if there is a reason to suspect that drinking water quality may pose a risk to public health</p> <p>The Regulation includes the requirement of a commitment by the supplier to drinking water quality management</p>

3.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer Values indicate:

- what aspects of the service are important to the customer
- whether they see value in what is currently provided *and*
- the likely trend over time based on the current budget provision

In 2022 Council undertook stakeholder and community engagement on the *Draft Open Space & Recreation Needs Analysis*. As part of the engagement a phone survey was conducted throughout the MidCoast community. The phone survey sought feedback from the community on their values and behaviours for their outdoor space and recreational needs. The findings found that:

- Maintenance of open space needs to be improved
- Our existing open spaces need to be made more accessible and better connected
- Open space needs could be better provided for by making spaces more flexible
- Cycling and walking are very important to our community
- Partnerships between community, council and volunteers need to be encouraged
- Future generations need to have access to good quality open space

Council notes that a number of these themes are aspirational, in that they don't require specific actions to be carried out but rather represent an approach and a desire for our public open spaces.

Figure 3.4 below identifies the reasons given for spending time outdoors and what outdoor activities are being undertaken in the MidCoast LGA.

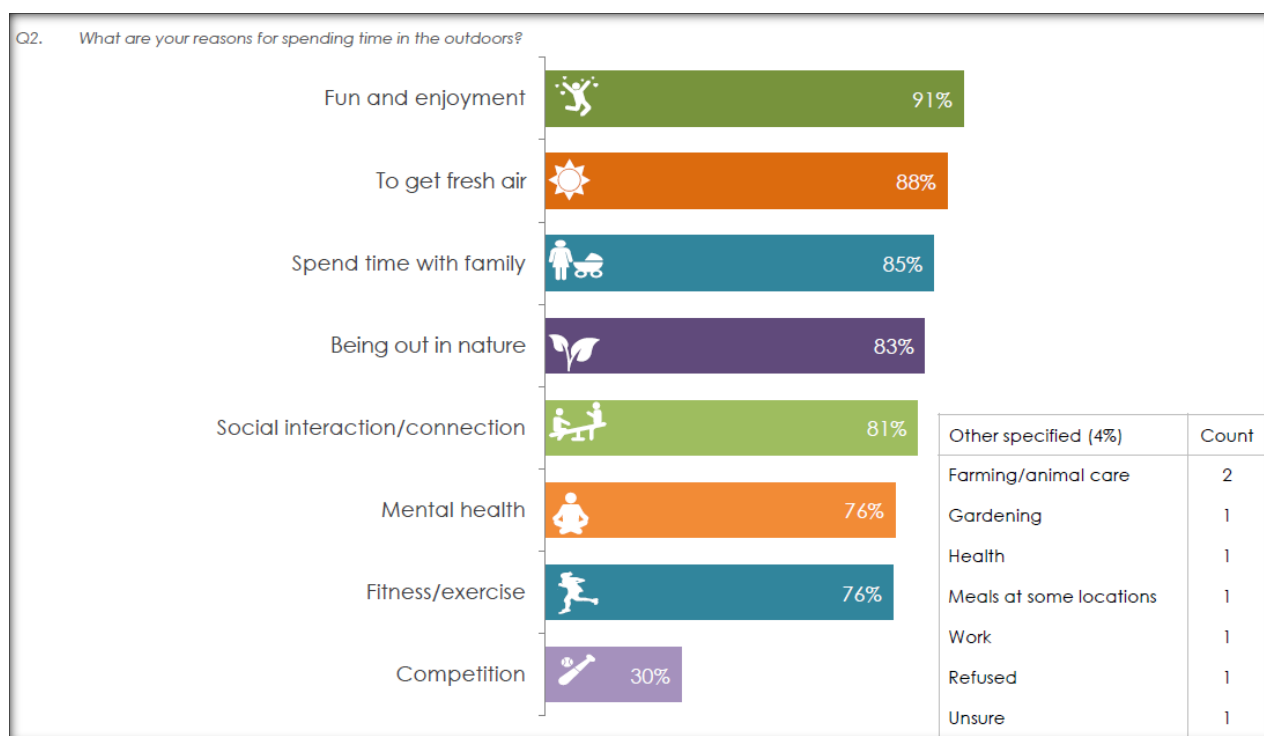


Figure 3.1 Reasons for Spending Time Outdoors

The community satisfaction survey undertaken by Micromex in 2023 provides high-level insights. When looking at the survey data it is important to not only look at the positive outcomes, but we also need to ask ourselves, how can we improve on the % of customers who are not satisfied?

For Council to maintain these customer values it is important to ensure that our budget is growing in proportion to our asset portfolio. If for instance, there is a reduction in budget then it would be expected our customers' satisfaction will decline due to reduced maintenance or deferred renewals.

On the other hand, if we were to receive a budget allocation for capital acquisition then it would be expected customer satisfaction would improve, which in turn will result in an increase in our maintenance and operations costs. A greater supply of assets could also lead to greater expectations.

Areas of customer value for each of the asset categories are shown in Table 3.4.

Table 3.4: Customer Values

Customer Values	Sources of Customer Satisfaction Measure	Current Feedback (where known)	Expected Trend Based on Planned Budget (where known)
Buildings <ul style="list-style-type: none"> Cleanliness Maintenance Safety Availability Fit for purpose and meeting demand 	<ul style="list-style-type: none"> Customer requests / feedback Feedback from key users e.g. RFS 	<ul style="list-style-type: none"> Occasional complaints across sites Some requests for upgrades of certain facilities 	<ul style="list-style-type: none"> Complaints may increase as population / demographics grows Availability expected to increase as more specialised community groups form wanting meeting space Concern regarding adequacy of specific sites may increase without funding outside of Planned Budget
Waste Assets Waste facilities are safe, clean, and meet community waste disposal and treatment needs.	<ul style="list-style-type: none"> Customer Requests / feedback Weighbridge software transactions 	Facilities meet the community needs with a relatively high level of satisfaction	Complaints may increase as regulatory changes occur that increase user costs
Sports Fields & Lighting <ul style="list-style-type: none"> Sufficient lights to play/train at night Sufficient sporting fields / courts to cover the competition 	<ul style="list-style-type: none"> Customer satisfaction survey Customer requests Number of requests for council to support grant applications for upgrading of sports lighting 		

Customer Values	Sources of Customer Satisfaction Measure	Current Feedback (where known)	Expected Trend Based on Planned Budget (where known)
<ul style="list-style-type: none"> Existing systems meet relevant AS for sports lighting 			
Recreation Assets <ul style="list-style-type: none"> Clean and well maintained facilities A range of equipment for all ages 	<ul style="list-style-type: none"> Customer Satisfaction Survey Number of customer requests 		
Aquatic Assets <ul style="list-style-type: none"> Availability of parking for trailers Water depth sufficient to launch vessels Availability of vessel mooring 	<ul style="list-style-type: none"> Customer requests / feedback 		

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition How good is the service ... what is the condition or quality of the service?

Function Is it suitable for its intended purpose Is it the right service?

Capacity/Use Is the service over or under used ... do we need more or less of these assets?

In Table 3.5 under each of the service measure types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are quantitative measures related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

Note, these customer levels of service in Table 3.5 primarily relate to Open Space & Swimming Pool assets and Community Buildings. None have been identified for building assets relating to water and sewer or waste and emergency services.

It would be expected if the budget was to decline then the condition of these assets would deteriorate, and Council would not be able to sustain the current LOS.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Assets are in a condition fit for safe use	Condition Assessment / inspections	Asset condition updated following visual inspections	<ul style="list-style-type: none"> If budget is insufficient LOS will decline and there will be a risk to users With the current budget the LOS will deteriorate over the duration of this plan. Further, some assets will need to be partly or wholly decommissioned
Condition	Provide and maintain quality sports facilities and swimming pools to a standard appropriate for customer usage	<ul style="list-style-type: none"> Customer requests sage data Compliance with NSW Public Health requirements relating to swimming facilities 	<ul style="list-style-type: none"> Sports facilities are inspected prior to each sporting season (2x p/a). Identified defects are recorded and actioned Water quality at swimming pools checked at least twice daily during swimming season and opening and closing checklists in place 	If budget is insufficient LOS will decline and there will be a risk to users. Some facilities could be downgraded or even shut-in response to delayed renewals
Condition	Waste assets are in good condition and are fit for purpose	<ul style="list-style-type: none"> Customer requests Weighbridge transactions 	<ul style="list-style-type: none"> Weekly inspections Monthly reporting Annual detailed asset inspection 	Budget is sufficient to maintain customer LOS
Condition	Buildings are presentable and hygienic	Frequency of cleaning related customer requests and cleaning contract	Measured through CRM's & complaints from buildings occupants	Increased customer dissatisfaction is expected without an increase in cleaning budgets
Condition	Scheduled maintenance tasks are carried out on time	Number of Work Orders for SM overdue	Poor - medium	It is expected that tasks will be completed within improved timeframes with the implementation of field app. Insufficient resource and budget may see timeframes expand beyond what is acceptable

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Provide facilities that encourage the community to participate and visit	Annual Customer Service Utilisation figures	Numbers currently not accurately measured *	Numbers expected to increase in some facilities leading to Increased customer dissatisfaction without pre-emptive improvements
Condition	Manage services and maintenance which maximises operational functionality of facilities	Number of customer requests received	Numbers of CRM's currently difficult to extract from the system.	Increased customer dissatisfaction is expected without an increase to budgets
	Confidence Levels		Medium / High <ul style="list-style-type: none"> Quarterly inspections undertaken, condition assessments annually Bookings are measured through corporate booking register 	Medium Based on professional judgement and data to back up decision making
Function	<ul style="list-style-type: none"> All asset defects & maintenance are dealt with in a timely manner Assets readily available safe to use and able to meet capacity / utilisation needs 	<ul style="list-style-type: none"> Customer requests Reported injuries /claims Legislation compliance 	<ul style="list-style-type: none"> Customer service charter Qty of defects recorded against asset Qty of defects actioned 	<ul style="list-style-type: none"> Decline –renewal budget is insufficient – currently relying on grants funding to top up budget Expected downward trend on budget, or reclassification of sporting facilities to a lower grade to compensate
Function	Building meets user requirements	Number of requests for building improvements by users	Numbers not currently measured however majority of requests are external. *Approx. 24 per year currently	Increased customer dissatisfaction is expected as budgets do not allow for pre-emptive works
Function	Services are delivered based on adopted strategic and operational plans	MidCoast Council policies and strategies	Underway	100 % implementation of Delivery Program and Operational Plan (DPOP)

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
	Confidence levels		High / Medium <ul style="list-style-type: none"> Defects are recorded Customer requests are not linked to assets 	Medium / High Professional judgement and actual data available
Capacity	Recreation assets meet current and future needs	<ul style="list-style-type: none"> Asset Utilisation Open Space and Recreation Strategy (OSRS) 	Utilisation considered in development of OSRS and other recreation strategic planning documents.	Prioritisation within OSRS and related documents provides a supporting evidence base for allocation of Planned Budget, but only where it relates to asset renewal or upgrade
Function	Number of people allowed in the nominated facility to safely deliver services	<ul style="list-style-type: none"> Breakdowns and repairs (Building) Equipment included/ provided is in good working condition 	<ul style="list-style-type: none"> CRM's & works management in place to report and record defects Notifications to be provided to users /bookings of known issues and proposed timeline for repairs 	Increased repairs and maintenance are expected without an increase to budgets
Function	Waste management assets meet current and future needs	<ul style="list-style-type: none"> Lost time Customer requests 	Meeting community's needs and expectations	
	Confidence levels		Medium <ul style="list-style-type: none"> Sportsfields, swimming pools and some park assets are booked so utilisation can be measured Not all swimming pools are staffed. System for collecting data associated with pool use has been implemented ahead of the 2024/25 swimming season 	Low <ul style="list-style-type: none"> New data set for unsupervised pools Utilisation of pools and associated facilities to be provided by contractors/staff at managed facilities

3.6 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical

measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).
- **Operation** – the regular activities to provide services (e.g. opening hours, cleansing, mowing grass, energy, inspections, etc).
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading, building and structure repairs),
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.³

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

Note, these technical levels of service in table 3.6 primarily relate to open space recreation assets and community buildings. None have been identified for building assets relating to water and sewer or emergency services.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
Acquisition	Provide adequate open space assets in line with LOS and demand	As per the OSRS	<ul style="list-style-type: none"> Newly developed and adopted strategic plans inform our decision making User groups applying for grants only where projects are supported by adopted strategic plans 	More systematic approach to asset replacement and renewals. LOS to be considered and tested with the community during 2025
	Providing additional services at swimming centres	Being considered in the draft 2025 – 2035 MidCoast	No budget allocation	Finalise, adopt and implement 2025 – 2035 MidCoast Aquatic,

³ IPWEA, 2015, IIMM, p 2|28.

⁴ Current activities related to Planned Budget.

⁵ Expected performance related to forecast lifecycle costs.

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
	-e.g. wet play areas	Aquatic, Riverine and Coastal Baths Strategy		Riverine and Coastal Baths Strategy
	DBOT contracts for new processing buildings to meet community processing needs	As per the Waste Management Strategy 2030	Strategic planned council owns the infrastructure at the end of the 25-year contract term	Meeting strategic objectives
	Provide space and facilities for active and passive recreation	OSRS	<ul style="list-style-type: none"> • Parks 337.66 ha • Sportsgrounds 543.52 ha • Developer contributed land will add to uncontrolled growth 	Undertake review of development contributions plans and align with adopted strategic plans and priorities
	Construction of new Building Assets as per grant funding	Number of new assets completed annually	<p>No Council budget</p> <p>External Funding allocated to community groups</p>	<p>Align grant applications with priorities in adopted strategic plans</p> <p>(currently inflated due to high value grant funded projects – grants assumption for future years significantly lower)</p>
		Budget	<p>\$0</p> <p>No budget currently provided for new acquisitions – heavily grant reliant</p>	<p>\$470,900 Open Space/Pools</p> <p>\$78,604 Community Buildings</p> <p>\$262,595 Waste & Emergency Services Buildings</p> <p>\$100,155 Water Services Buildings</p>
Operation	All community assets inspected to identify risks, condition and are safe to use	Inspections and compliance with legislation and Council's <i>Community Assets Inspection policy</i>	Inspections are undertaken as per Council's cyclical schedule	<p>Currently meeting legislation as per current management</p> <p>Staff focus on undertaking inspections as scheduled</p>

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
	Pool water sampling and testing as per guidelines	Chemical analysis of pool water	<ul style="list-style-type: none"> Daily water testing Pump inspections Chemical dosing inspections 	Currently meeting legislative requirements
	Maintain grass surfaces to be fit for intended use and demand	mowing <ul style="list-style-type: none"> frequency specifications such as grass length for required activity 	Council mowing scheduled based on usage and hierarchy Inconsistent level of service applied across the LGA with the use of volunteers to mow and maintain parks	<ul style="list-style-type: none"> Continue to provide support to extensive volunteer base Increase in staffing to accommodate community expectation for mown maintained parks
	Facilities are managed with respect to future generations	Financial sustainability Plan principles are applied to facility management	Sustainability principles reviewed and analysed for all new facilities and implemented within budgetary constraints	Ensure sustainability principles are incorporated into the design of all new facilities
	Cleaning of Council Buildings by staff / Contractor	Frequency and quality of cleaning	<ul style="list-style-type: none"> Levels of service are aligned with budget and communicated to relevant staff /contractors Specifications are included in relevant contract documentation Inconsistent levels of service provided across some asset sub-classes 	Sites reviewed and categorised and cleaning services allocated as per needs chart using standardised scopes Align levels of service where relevant
	Ensure waste facilities provide appropriate capacity for waste disposal and recycling for MidCoast Council residents	<ul style="list-style-type: none"> Hours of operation Transactions Incidents Customer Req Noncompliance 	Meeting expected LOS for the community	Has the capacity to receive and manage all waste generated in the MidCoast LGA

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
	Budget	Open Space and Pools Community Buildings Waste & Emergency Services Buildings Water Services Buildings	\$9,627,453 \$4,135,478 \$2,694,214 \$147,836	\$10,118,489 \$4,261,112 \$3,073,178 \$150.089
Maintenance	Playground assets are maintained so they are fit for purpose and in line with manufactures recommendation and warranty requirements	Customer requests, completed inspections, number of defects being addressed	<ul style="list-style-type: none"> Adhoc maintenance undertaken following inspections – defects raised by not actioned Maintenance being funded from general maintenance fund 	Separate playground maintenance budget created
	Assets are maintained to prolong useful life	Utilisation, condition	Not all assets have a maintenance program – annual maintenance currently undertaken in high use areas	Maintenance program created for all assets
	Swimming Pools are maintained to an agreed SL and in accordance with manufacturers recommendation and warranty requirements	<ul style="list-style-type: none"> Maintenance schedules in place Breakdowns / operation interruptions 	<ul style="list-style-type: none"> Adhoc maintenance undertaken following inspections Informal schedules in place Lack of long-term planning 	Maintenance programs and inspections created and actioned in Council's corporate AMS Capital works program established
	Assets are fully operational	Some maintenance activities are scheduled but not for all. Broken or faulty components are	<ul style="list-style-type: none"> Customer Levels of Service Survey Customer feedback 	Achieve 75% satisfaction

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
		fixed as reported (Reactionary)		
	Ensure facilities are safe	Legislative compliance	100%	100%
	Budget	Open Space and Pools	\$974,411	\$1,024,026
		Community Buildings	\$1,772,090	\$1,826,243
		Waste & Emergency Services Buildings	\$545,071	\$621,766
		Water Services Buildings	\$43,200	\$43,831
Renewal	Renew playgrounds in line with legislation	Customer surveys, utilisation assets with a condition rating of 4 and 5	Budget allocation for playground and or component renewals \$320,000	Renewal of 7 playgrounds per year with the reliance on grant funding to supplement budget allocation
	Renew aquatic facilities – Wharfs / jetties / boatramps	Renewal in line with the Boating Infrastructure Plan	Budget allocation for aquatic renewals \$100,000	Replacement of boatramp and jetties \$200,000 every year
	Renewal of open space furniture	New facilities are in line with the OSRS & condition assessment	Budget allocation for OS renewal \$150,000	Increase in budget to cater for renewal \$250,000
	Signage	Number of regulatory and information signage in place	Signage replaced and updated as required – budget allocation \$50,000	Increase in budget to cater for replacement of all former council branded signs \$100,000
	Sporting facilities retain the current LOS	<ul style="list-style-type: none"> • Usage / trend • Maintenance costs 	Maintenance costs are stable	Increase in CPI only
	Buildings in fair / good condition	Condition appraisals	Ad hoc based on current funding,	95% is the baseline in DPOP

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
		undertaken on a routine basis	sourced grants (currently inflated due to high value grant funded projects – grants assumption for future years significantly lower) <i>70% in fair/good condition</i>	
	Buildings meet user's needs	Satisfaction surveys	Maintain current condition based on allocated budgets	Implement stakeholder consultation into 10- and 20-year improvement plans
	Renewal of waste infrastructure	Renewal in line with service capacity and operational requirements to meet legislative and regulatory requirements	Maintain current condition based on allocated budgets	Implement Waste Services capital infrastructure and remediation
	Budget	Open Space and Pools Community Buildings Waste & Emergency Services Buildings Water Services buildings	\$2,202,003 \$2,321,177 \$0 \$300,000	\$2,059,994 \$4,334,515 \$377,561 \$111,006
Disposal	Assets are disposed when they no longer can be of service	Inspections, utilisation, defects, assets condition 5	No current disposal policy	Disposal policy developed
	Assets disposed when they are no longer required to be in use by the community	Utilisation, customer surveys	No current disposal policy	Disposal policy developed

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁴	Recommended Performance ⁵
		Budget	\$0	\$0

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.



FUTURE DEMAND

4 Future Demand

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

4.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.1.

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 can 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 AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	The estimated population for the MidCoast LGA area in 2025 is 101,600	The MidCoast LGA population is forecast to grow to 116,700 by 2036.	<ul style="list-style-type: none">Population increase puts a strain on usage of existing assets which in turn may lessen useful life and increase in maintenance costsMore demand for additional facilities	<ul style="list-style-type: none">Look at how recreation spaces and buildings are usedConsider population data when planning is being undertaken for future land development and respond to trends / forecastapply planning principles from OSRS and related strategies when planning asset infrastructure including greenfield development

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
				<ul style="list-style-type: none"> undertake waste projections and adjust strategies as required
Demographics	<p>Increase in over 60 lifestyles living.</p> <p>* In 2021, 42.0% of the MidCoast Council population are aged 60 years and over, compared 29.1% in regional NSW.</p> <p>* Source 2021 Census</p>	<p>Between 2016 - 2026 the age structure forecasts indicate a 24.2% increase in population of retirement age</p> <p>* Source 2021 Census</p>	<ul style="list-style-type: none"> Increase in passive recreation infrastructure e.g. fitness stations and boating facilities Requirement for increased access and equity focus during design of buildings and facilities 	<ul style="list-style-type: none"> Infrastructure meets needs of all users Good balance between active and passive assets and all ability facilities
Environmental	<p>Shade structures are provided at 20% of playgrounds.</p> <p>Increase in demand from Cancer Council and the community to have better sun protection for children and parents</p>	<p>By 2040 100% of playgrounds with no natural shade to have shade sails</p>	<ul style="list-style-type: none"> Increase in budget for acquisition increase in maintenance 	<p>Look at non asset solutions such as:</p> <ul style="list-style-type: none"> Education on sun safe practices, e.g. staying out of the sun in the hottest time of the day
Increase in development	<p>More retirement villages and subdivisions with smaller size building blocks</p>	<p>Increase in demand for more diverse facilities</p>	<ul style="list-style-type: none"> Deterioration of assets due to overuse Increase in budget for acquisition or captured in S711 contribution plans increase in maintenance 	<p>The OSRS and related strategies include actions related to accommodating increasing utilisation</p>
Recreation trends	<p>Not enough sporting facilities with adequate lighting provision for night games</p>	<p>More clubs are requesting better lights to cater for night games</p>	<ul style="list-style-type: none"> Increased costs to upgrade lighting Increase in power 	<ul style="list-style-type: none"> Review service levels to ensure community needs are met

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
			<p>consumption although reductions where LED upgrades replace old infrastructure</p> <ul style="list-style-type: none"> Decrease in maintenance as old, failed lighting is being replaced 	<ul style="list-style-type: none"> Review funding gaps where future needs have been identified Identify and install efficient lighting alternatives
Legislation	Assets not meeting current standards (e.g. playgrounds, building components, pool turnover rates)	To comply with relevant standards when required. i.e. update in accordance with standards and renewal plan as required by timing constraints or when facilities are renewed	<ul style="list-style-type: none"> Increase in budget for acquisition increase in maintenance leverage grants Assets temporarily closed or decommissioned 	Comply with legislative requirements
	Federal and State Government have recently released new Federal and State Waste Management Strategies that increase focus on resource recovery and circular economy	Significant legislative and regulatory changes are expected as the NSW EPA review the current Resource Recovery Framework in NSW	Increased pressure on waste services long term financial plan	Federal and State Government have recently released new Federal and State Waste Management Strategies that increase focus on resource recovery and circular economy
Increased community expectation regarding sustainability and circular economy	Increasing support throughout the MidCoast Community for Circular Economy initiatives e.g. high ground swell for soft plastic recycling locally and textile recycling	Community awareness regarding their individual impact on climate change and the link to consumption will increase pressure on waste services to evolve technology and services to provide more sustainable outcomes	Increased pressure on investment in new technologies and services	Waste Management Strategy 2030 & 20-Year Infrastructure Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Evolving technology	Due to the implementation of export bans significant investment in new processing technology within Australia is causing market unease as new technologies will increase opportunities but are also making current technologies redundant	The recycling sector in Australia will undertake a complete evolution over the next 10 years as billions of dollars are invested in new technologies and processing methods	Improved technology creates challenges for council as collection and processing contracts run over a 10-year period due to the high capital cost to purchase the required infrastructure and assets to deliver waste services, Council may run into ability to pay constraints as technologies evolve due to current contractual conditions	Waste Management Strategy 2030 & 20-Year Infrastructure Plan
Increase in construction cost	Infrastructure renewal costs increased due to construction costs are higher than CPI	This trend to continue as users' expectations increase	<ul style="list-style-type: none"> • Additional planning to ensure projected costs are accounted • Possible insufficient budget if job was costed more than 2 years ago • Leverage contributions from sport / community groups 	<ul style="list-style-type: none"> • Look at efficiencies with technology increase in initial outlay V's cost saving in maintenance and renewal • Provide effective cost analysis when preparing renewal projects • Monitor Long Term Financial Plan
Customer Preference	Consumer preference is linked to user attitudes and behaviours, which can influence demand	Demand for an increase in: <ul style="list-style-type: none"> • Fitness programs • Learn to swim • Carnivals • Entry fees 	Increase in staff costs Increase in entry fee to accommodate additional services	Provide effective cost analysis when planning new programs
Aging asset stock Expectation from community	Building conditions have worse rating in 2022 than 2017	Building conditions on lower categories will continue to trend backwards	Requirement to upgrade or expand public toilets, community halls and sporting facilities	Carry out Service Level Review to determine current levels of service

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
for quality building portfolio Increased costs associated with capital renewal in regional areas	Currently no capacity to carry out large scale works to reverse trend			Carry out community consultation in order to communicate current service and financial capacity and confirm community expectations and funding wishes
Climate Change	Asset deterioration due to extreme weather events – flooding, increase temperature exposure	El Nino and La Nina events are part of the natural climate system and are predicted to continue with increase in rainfall and warmer temperatures	Assets were impacted with 3 major flood events in 2021 & 2022 and bushfires in 2019	Better planning for natural disasters. Placement of assets in more resilient locations or using more resilient materials

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit the MidCoast Council to ongoing operations, maintenance and renewal 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 operations, maintenance and renewal costs for inclusion in the Long Term Financial Plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk. How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.⁶

Council as an organisation is responsible for adapting its planning, asset management, and operations to risks posed to it, including risks from a changing climate. Part of building resilience also entails implementing mitigation measures to reduce its impact on the climate. Council has a duty of care to its community and an opportunity to influence behaviour change to create stronger resilience. The reliance of the community on Council assets and services is often emphasised during times of crisis, for example when critical infrastructure is damaged or disrupted by extreme weather events.

As a minimum we consider how to manage our existing assets given potential climate change impacts for our region. In 2021 Council implemented a Climate Change Strategy. This document states, “over the last 4 years, the MidCoast region has experienced firsthand the disastrous effects

⁶ IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

of climate change including the worst bushfire season on record, which burnt a quarter of the local government area and resulted in a significant loss of biodiversity, life and property; an increase in the number of intense storm events resulting in coastal erosion and localised flooding; and a substantial reduction in annual rainfall leading to a crippling drought and the introduction of Level 4 (severe) water restrictions for the very first time. Since 2009, the MidCoast LGA has also had 23 natural disaster declarations: the second worst affected council area in NSW” (NSW Office of Emergency Management, 2020).

There are targets within the Strategy. Council has agreed to achieving net zero greenhouse gas emissions from its operations, including its facilities, transport fleet and landfills, and 100% renewable electricity for its operations by 2040.

There are a number of actions that Council can progress immediately to begin to unlock savings and secure support for a multi-year program of work, including:

- Develop Council’s Sustainability Framework and management and governance systems for its Climate Change Strategy
- Ensure that all Council sections review and incorporate priority actions for mitigation, sequestration and climate adaptation in Council’s next Delivery Program and Operational Plans and develop consistent planning frameworks for use across Council

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Climate Change Temperature extremes, both hot and cold, can have considerable impacts on infrastructure	<ul style="list-style-type: none"> • Reduction in useful life of asset • Asset components become uncomfortable to use 	<ul style="list-style-type: none"> • Deterioration of asset - material become brittle • Reduced utilisation or change to time-of-day utilisation 	<ul style="list-style-type: none"> • Look at more resilient facility design and materials. Management commits additional budget for renewals and maintenance • Plan for better shading to manage component temperatures
Changes in rainfall level- higher flood impact	Maintenance costs, reduction in useful life	<ul style="list-style-type: none"> • Negatively impacts the functionality of assets • Increase in renewal costs • Increased demand for other facilities • Impact on community usage and level of service • Impact on tourism events 	<p>Controlling infrastructure in flood prone areas</p> <p>When designing assets that will be installed in areas with poor drainage look at works to raise height to at least 5% Annual Exceedance Probability (AEP) flood level.</p>
Carbon Footprint	Use of energy efficient services, materials, etc	<ul style="list-style-type: none"> • Switching to LEDs, using carbon efficient concrete, facility design 	<ul style="list-style-type: none"> • Transition to LED on asset renewals

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
		to incorporate natural or reduced cross ventilation to reduce reliance on AC <ul style="list-style-type: none"> • Increase in user charges to cover acquisition cost • Reduction in O&M costs due to renewals 	<ul style="list-style-type: none"> • Timers on air conditioning / control of temperatures • Consider solar energy • Consideration in new building designs and renewals
Sea Level Rise	MidCoast Council is strategically working on a 0.5m by 2050 sea level rise	An increase in sea level rise could cause loss/damage to coastal reserves, beaches; public recreational sites, buildings and facilities, resulting in negative impacts on recreational activities, surf lifesaving activities, local economy and tourism	<ul style="list-style-type: none"> • Coastal Management Plan • Emergency Response Plan • Design and Construct Specs • Condition assessments of natural infrastructure • Plan resilience for future events based upon “planned retreat” for these asset types

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change
- Services can be sustained
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact on these assets	How to Build Resilience in New Works
Playgrounds & other OS infrastructure	<p>Colour failure, reduction in useful life</p> <p>Assets unusable at times of extreme temperature, flooding and tidal inundation</p>	<ul style="list-style-type: none"> Choose heat-resilient construction materials Promote greening and landscaping in recreation areas such as tree planting and landscaping Look at materials manufactured from recycled products Carefully consider site location during facility planning
All infrastructure in flood prone areas	Increase in flood damage due to flood water rising, increase in frequency	<ul style="list-style-type: none"> Plan to build above flood level to withstand flooding and inundation Construct more resilient infrastructure where assets must be placed within flood prone areas (e.g. maritime infrastructure)
Lighting	N/A	Select energy efficient alternatives that are resistant to anticipated future situations
Swimming Pools/ Aquatic Centres		Incorporate energy and water saving concepts into design, including cross flow of breeze, solar, water saving techniques and technology
Building Components	<ul style="list-style-type: none"> Colour failure, reduction in useful life Buildings unusable at times of extreme temperature, flooding and tidal inundation 	<ul style="list-style-type: none"> Choosing heat-resilient construction materials Look at materials manufactured from recycled products Incorporate energy efficiency initiatives into designs Carefully consider site location during facility planning

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AM Plan.



LIFECYCLE MANAGEMENT PLAN

Open Space & Swimming Pools

5 Lifecycle Management Plan – Open Space & Swimming Pools

This Lifecycle Management Plan details how Council plans to manage and operate the Open Space and Swimming Pool assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this Lifecycle Management Plan are shown in Table 5.1.1 and are a mix of assets used for passive and active use, including community land assets such as parks and sportsgrounds. The community land classifications which are managed by the Public Spaces team and are maintained within the lifecycle costs in this AM Plan, include, parks, sportsgrounds and general community use land. Land values are excluded from this Plan.

Table 5.1.1: Assets covered by this AM Plan

Asset Category	Dimension	Replacement Value
Aquatic Infrastructure (wharfs/jetties/pontoons)	43 Structures	\$6,108,881
BBQ Units	67 Units	\$1,333,091
BMX Track	1 Unit	\$497,060
Boatramps & Launching areas	41 Units	\$3,085,599
Court - Netball/Basketball	27 Units	\$2,000,457
Court - Tennis	89 Courts	\$7,422,764
Fields – Synthetic	3 Fields	\$3,816,446
Cricket Nets / Lanes	35 Units	\$743,038
Cricket Wicket – Synthetic	26 Units	\$287,190
Criterium Cycle Track	1 Unit	\$881,453
Dump Points (wastewater)	8 Units	\$26,510
Fish Cleaning Tables	27 Units	\$134,759
Fitness Equipment Stations	23 Stations	\$577,384
Lookout /Platforms	39 Units	\$1,937,639
Park Lighting – (number of poles)	321 Units	\$3,320,240
Landscaping		\$594,477

Sports Lighting – (number of poles)	453 Units	\$9,035,628
Sportsground – Rodeo Arena	1 unit	\$110,458
Playgrounds & softfall	876 Sites	\$5,610,026
Shade Sails	52 Units	\$1,641,992
Shelters	421 Units	\$4,931,145
Skateparks	15 Units	\$2,850,338
Swimming Pools Fresh (Includes toddler pools & spas)	28 Units	\$11,515,202
Swimming Pool – Other (Ocean baths & enclosures)	6 Units	\$1,209,513
Swimming Pool Pumps	12 units	\$197,239
Waterpark & Splashpad	2 Units	\$1,916,396
War Memorials	19 Units	\$1,264,742
Grouped Assets – Park Seating	1075	\$578,048
Grouped Assets – Picnic Settings	796	\$538,372
Grouped Assets Bike Rails	57 units	\$15,651
Grouped Assets Bubblers	46	\$46,290
Grouped Assets Fencing	42,362 lineal metres	\$1,517,081
Grouped Assets Bollards	9883	\$956,090
Grouped Assts Flag Poles	62	\$65,405
Grouped Assets Sports Goals	135	\$275,742
Grouped Assets - Signage		\$115,603
Grouped Assets – Water Bottle Refill Units	35	\$68,070
Sportsgrounds	543.517 ha	
Parks (including General Community Use)	842.312 ha	
TOTAL		\$77,225,996

The age profile of the assets included in this Lifecycle Management Plan is shown in Figure 5.1.1.

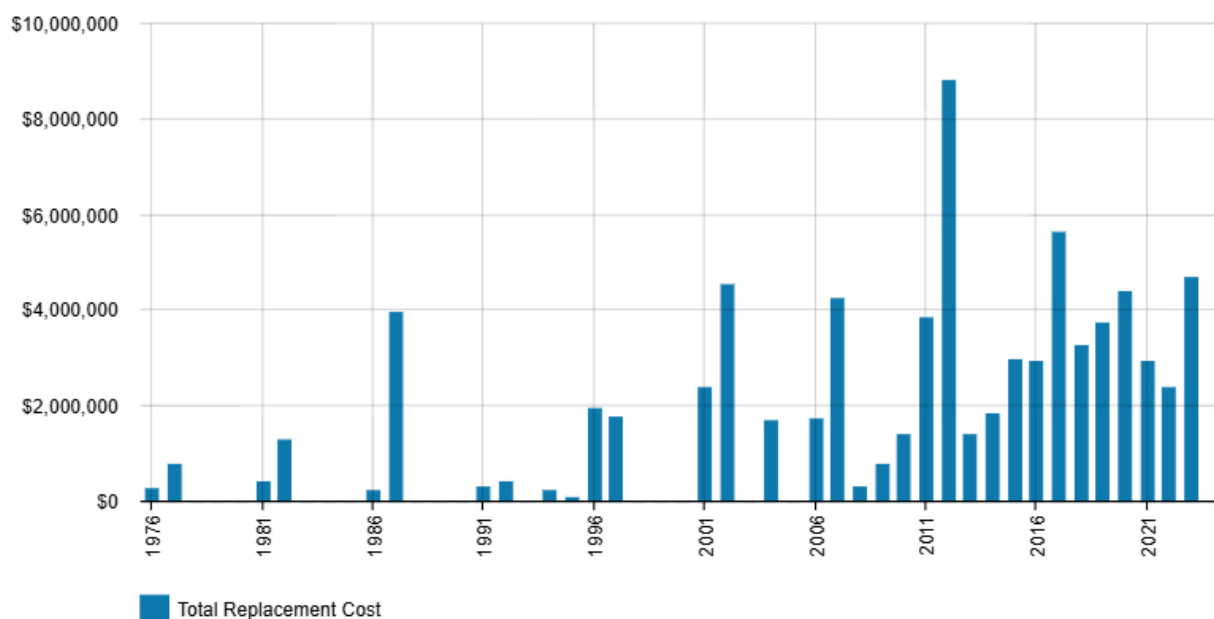


Figure 5.1.1: Asset Age Profile

All \$ values are shown in current day dollars

As shown in the age profile, given the relatively short lifecycle of many open space assets, you can identify lows and highs by year acquired from the asset information. The year acquired has been assessed from the asset valuation undertaken in 2022. The year acquired calculation is based on the useful life, remaining life and condition rating.

There is a good age of assets in relation to useful life. Asset renewals are not solely based on asset age. Other factors are taken into consideration such as condition, environment, location, usage and capacity.

All swimming pools, whilst functional and in acceptable condition, are aging assets, except for the hydrotherapy pool in Gloucester. Many facilities have assets that require additional maintenance effort to sustain the facilities at the agreed service level targets. At this point in time, Council considers that the current maintenance effort is acceptable, however, to mitigate the risk of service deficiencies affecting long-term future performance of the pool facilities, maintenance effort and expenditure will need to increase.

In addition to this increased maintenance effort, additional capital upgrades will be required to key elements of the facilities over the medium term (more than 10 years), such as pools and structures, due to asset age and condition. Water treatment elements will also require upgrades to remain compliant with current water turnover/treatment standards. Whilst water treatment processes comply with the standards they were originally designed and constructed to, these standards have changed over time and water treatment elements will eventually require upgrading.

5.1.2 Asset capacity and performance

Council has been on a journey to open space asset maturity over the last 7 years, with all park assets identified in the corporate asset register. The asset register has the capacity to record asset SAM information including function, capacity and utilisation with a 1-5 rating as described below. These ratings will be used for better asset integrity and will provide more accuracy in future versions of this Lifecycle Management Plan. This has been identified in the Improvement Plan.

Capacity – 1 = Easily meeting existing & future loads, 5 = Unable to meet existing or future loads
Function – 1 = Easily performing required function; 5 = Not performing required function

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. Service performance deficiencies (where known) are detailed in Table 5.1.2.

Table 5.1.2: Known Service Performance Deficiencies

Description	Service Deficiency
Sports infrastructure	<ul style="list-style-type: none">• Lack of player numbers and team number data over time
Playgrounds, Parks, Open Space	<ul style="list-style-type: none">• Lack of utilisation data to assist with decision making when renewals or disposals are required• Inconsistent maintenance and levels of service

The above service deficiencies were identified from informed decisions based on asset officers' observations.

5.1.3 Asset condition

The condition of all open space and swimming facilities is systematically inspected to ensure that conditions which may lead to structure damage are identified so that any remedial action may be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

The safety and condition of facilities is monitored through a two-level hierarchical inspection regime. The overall requirements of each inspection level are covered in the *Open Space Asset Inspection Procedure*, together with the frequency of inspections and information pertaining to the inspectors' health and safety.

Routine inspections are designed to determine the need for maintenance, temporary works, or replacement. These are scheduled and occur on either a three (3), six (6) or twelve (12) month cycle.

Asset condition inspections are designed to assess the overall condition of an asset and determine its remaining useful life. These are scheduled either annually, biennially (every 2 years), triennially (every 3 years) or quadrennially (every 4 years).

Condition is measured using a 1 – 5 grading system⁷ as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in this Lifecycle Management Plan results are translated to a 1 – 5 grading scale for ease of communication.

⁷ IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

Table 5.1.3: Condition Grading System

Acquisition			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 5.1.3. This shows the total current value of the assets for each condition score.

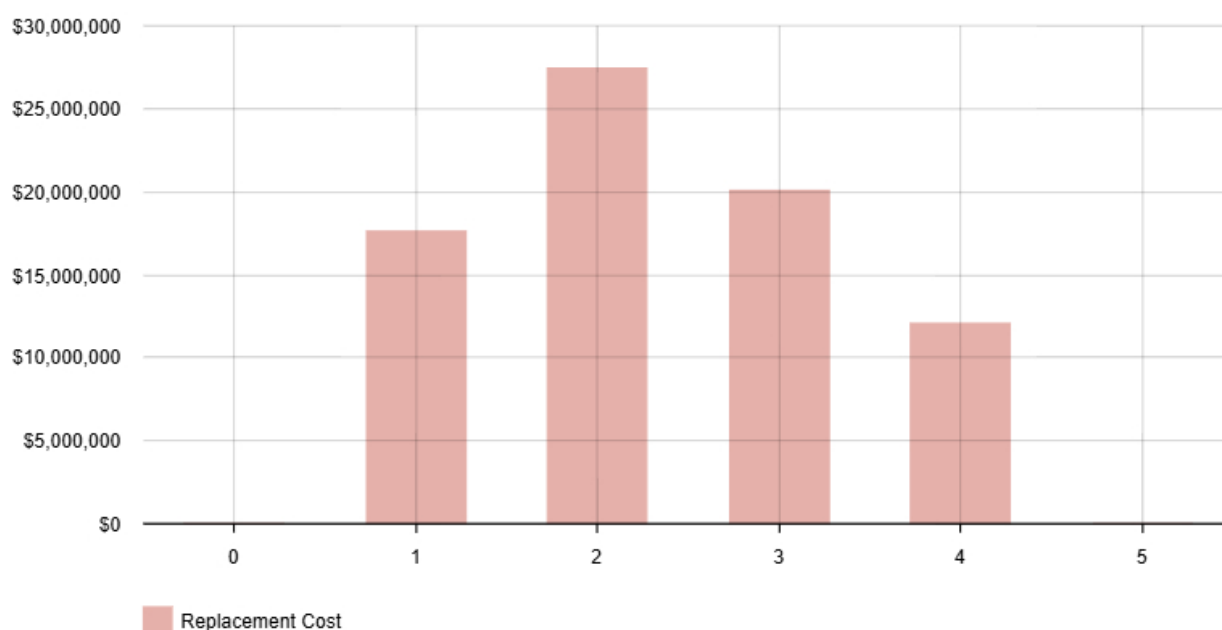


Figure 5.1.3: Asset Condition Profile

All \$ values are shown in current day dollars.

In addition to condition 1-5 as discussed above, there is also a condition value of zero which is used where no condition of an asset is known. This graph also can be used if Council was considering asset renewals based solely on condition.

5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning and asset inspections.

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 operating. Typical maintenance activities for assets covered in this Lifecycle Management Plan include cleaning and repairs. Maintenance can be planned or reactive – with planned activities including repairs from a previous inspection or defect and reactive being a response to customer requests or repairs to asset failure. By regularly undertaking maintenance activities the condition and functionality of the assets will help prolong the assets' useful life.

The trend in maintenance budgets is shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget
2024	\$974,411
2025	\$974,411

The maintenance and operations budget for Open Space Assets is managed by two arms of the Community Spaces Team being Community Assets and Open Space Operations.

Operations - All management fees for public spaces and the cemeteries budget have been excluded.

Maintenance - The maintenance budget for open space and swimming pools is based on the Community Assets budget for unplanned maintenance and swimming pools operations as well open space operations.

It is noted that the budget estimates for both operational and maintenance do not include inflation. Council's finance department sets indexation in the financial reports. It is also noted that where operational and maintenance costs are increasing the gap will widen between the current budget and required funding.

Maintenance budget levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this Lifecycle Management Plan and service risks considered in the Infrastructure Risk Management Plan.

Requests for reactive maintenance can come from both internal and external sources. Staff assess and prioritise planned maintenance based on their experience and judgment. Works are then programmed using works management software.

Maintenance work on the swimming facilities is carried out in accordance with the following:

- Annual winter maintenance on pool closure (Planned Maintenance Schedules and MidCoast Council Aquatics Standard Operating Procedures (SOP's))
- Emergency and Non-Emergency Repairs (Reactive Maintenance in Accordance with Aquatics SOP's)
- Other cyclic maintenance required for refurbishment and repairs.

5.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of, the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

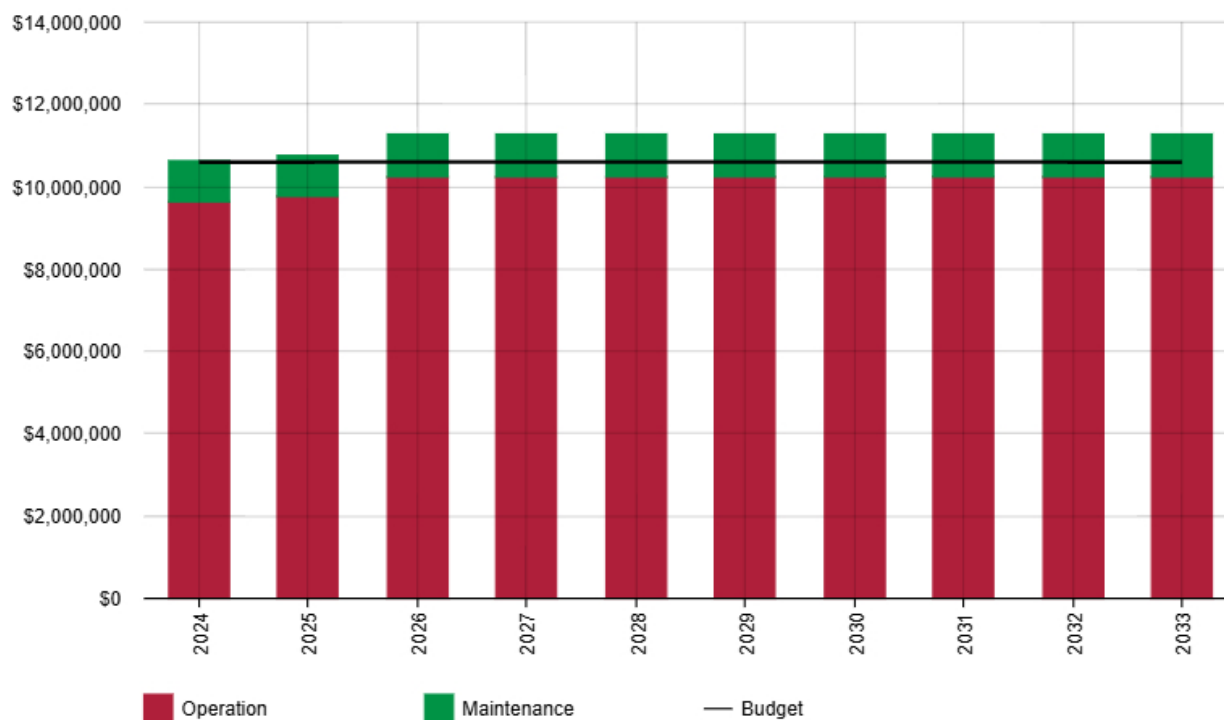


Figure 5.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

Figure 5.2 suggests that the operations and maintenance budget is somewhat sufficient for the next 10 years and Council will be able to maintain the current levels of service. Estimated available funding for the 10-year period is \$128,038,660 or \$12,803,866 on average per year as per the Long Term Financial Plan or Planned Budget. This is 93.64% of the cost to sustain the current level of service at the lowest lifecycle cost.

The Planned Budget is based on the 2024 current budget with no variance over the planning period, as depicted by the budget's straight line.

With the increase in acquisitions there will be additional maintenance and operation costs. Whereas acquisitions are reliant on grant funding and donated / developer contributed assets, there is no guarantee of an increase in maintenance funding which in turn can impact this forecast and the need for additional budget. This is an area that will require continual monitoring once grants funding has been approved or there is an allocation of capital budget. Council's Long Term Financial Plan does not indicate any budget increase for this asset portfolio. The information provided for this modelling is the best estimate based on current operation and maintenance costs.

Deferred maintenance (i.e. works that are identified for maintenance activities but unable to be completed due to available resources) should be included in the Infrastructure Risk Management Plan.

5.2.2 Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in the collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

To provide the right facilities, in the right locations, for the right people, at the right time, Council uses a Hierarchy of Facilities. There are two hierarchies, one for sport, and one for play facilities. These hierarchies detail what should be provided, dependant on where the facility fits within the hierarchy. The foremost hierarchy for recreation facilities has been developed by Dr Ken Marriot, in his seminal work *Planning for the provision of leisure and recreation in Australia (2010)*.

The hierarchical position of a recreation venue is often overlooked as a planning issue and planning tool. However, allocating each asset to a position in a hierarchy is an important planning strategy because, as with the classification of assets, it helps with the assessment of what already exists and particularly, of its capacity to meet various types of need in the community. For instance, if the majority of sporting venues were classified as local, this could well mean that clubs would have difficulty competing at higher standards and/or that they may have to travel away to gain higher standards of competition. Similarly, a local sports facility, where only one sports field is provided, will not cater to a club that has a growing membership base.

The service hierarchy for parks and sports grounds is shown below in Table 5.2.2.

Table 5.2.2: Asset Service Hierarchy

Park Hierarchy

Classification	Planning Considerations	Definition
Local (Village) (Facility with a catchment of 400m walking radius)	<ul style="list-style-type: none"> Length of Stay (LOS) of 20 minutes 400m pedshed walking radius Radius not to include "firewalls" such as major roads, railways or industrial areas Approximately 6 play elements No or limited seating No shade No BBQ's No toilets Limited planting Minor maintenance 	<ul style="list-style-type: none"> Normally small in size (approx. 0.1-0.2ha) Offering passive and low-key recreation opportunities such as seating and landscaping Would be small in nature and would target toddlers and/or juniors (0-3 and 3-6 year olds) Equipment would normally include basic swing and slide aspects and minor landscaping Complement other larger playspaces within the portfolio, and may have a Neighbourhood or a District level playspace nearby
Neighbourhood (Facility with a catchment of 1km walking radius)	<ul style="list-style-type: none"> Length of Stay (LOS) of 30-45minutes 1km walking radius Radius not to include "firewalls" such as major roads, railways or industrial areas Up to 10 play elements Seating May have limited shade 	<ul style="list-style-type: none"> Targeting a broader demographic catchment and therefore (normally) located on larger parcels of land Would include equipment for toddlers to seniors and may include assets such as seating, shade, bins and picnic tables Complement other larger playspaces within the portfolio

	<ul style="list-style-type: none"> • No BBQ's • No toilets • Plantings • Regular maintenance 	
District (Facility with a catchment of 10km driving radius)	<ul style="list-style-type: none"> • Length of Stay (LOS) of 1 hour + • 10km driving radius • Up to 15 multi-play elements • Can include play "zones" and quiet areas for inclusive playspaces • Seating • Shade • BBQ's • Toilets • Large areas of plantings • Regular maintenance 	<ul style="list-style-type: none"> • Usually attracting a wider catchment and located on larger parcels of land also used for other activities such as sport or other forms of recreation • Offer a wider variety of play 'choice' from toddler to senior and in some instances, youth • Normally include seating, shading, shelter and end-of-trip facilities such as water fountains and bicycle racks for example • Accessible playspaces are often considered in District level classifications or higher.

Sport Hierarchy

Classification	Planning Considerations	Definition
Local (Village) (Facility that caters for local competition)	<ul style="list-style-type: none"> • Lower level local or junior levels of competitive sport • Smaller ovals • Reasonable playing surface with limited or no irrigation • Partial or unfenced roads • Basic or no training lights <60 lux • Limited or no car parking • No or small amenities 	<p>Local recreation venues predominantly serve small rural localities, small townships and neighbourhoods or suburbs within the urban areas of one council. They are classified as local because:</p> <ul style="list-style-type: none"> • They are generally small in size and have little or no capacity to serve a whole council area or region • They provide opportunities which are similar to those available at a number of other locations and do not attract people from far away and do not need to serve people from far away • Their natural or built features are unremarkable and as a result, they do not draw users from a wider area • They have been designed and sited in a way which ensures good access from nearby areas and possibly even discourage access and use from more distant areas <p>Playgrounds, ball sport kick-about areas, small reserves, neighbourhood pathways and local halls are common local recreation venues</p>

District (Facility that caters for district competition)	<ul style="list-style-type: none"> • Higher levels of competitive sport • Larger fields • Multiple fields • Turf wickets • Sports Precinct • Sole use • Good quality grass surfaces with irrigation, limited or no drainage • Fenced ovals • Minimum 100lux competition lighting • LED lighting • Amenities to suit • Car parking • Cost of maintenance borne by Council 	<p>District recreation venues serve the total community in a council area. They are classified as district because:</p> <ul style="list-style-type: none"> • They are used by individuals, groups or teams which are drawn from across the whole council area • They are provided by a council or other bodies for the residents of one council. Other councils provide their own venues for their own residents • They are often the only resource of their type in the council area • Their natural or built features are sufficiently significant to draw users from across the whole council area • The size of the land requirements, the higher cost of provision and for some types of use, the size of catchment needed to ensure viability mean that no more than one or two venues can be provided by a council • They have been sited to be accessible to the whole Council community <p>District level recreation venues may include sports grounds, city/town centre reserves, botanic gardens, walking/cycling trails, indoor aquatic leisure centres and undeveloped reserves retained to meet future community needs.</p>
Regional (Facility that caters for regional competition)	<ul style="list-style-type: none"> • Grounds capable/suitable of housing higher levels of competitive sport • High standard playing surface including both irrigation and drainage • Synthetic surface • Larger ovals • Multiple fields • Sports Precinct • Sole use • Larger amenities • Intensively maintained with quality grass surface • Turf wickets • Perimeter fencing • Minimum 100lux competition lighting • LED lighting • Car parking • Fenced fields 	<p>Regional recreation venues serve the needs of the residents of a number of councils. They are classified as regional for one or more of the following reasons:</p> <ul style="list-style-type: none"> • They are larger than other facilities of the same type and can accommodate a larger number of users • They need a substantial market or service area to remain viable, and they need to draw that market from the council in which they are located and its surrounding region • The council in which they are based generally has greater drawing power than other councils in the area • Their natural or built features are so outstanding they draw users from a wide area

	<ul style="list-style-type: none"> Cost of maintenance borne by Council 	<ul style="list-style-type: none"> They support either a wide mix of uses or high specialisation of use They are generally of a higher quality than venues that are lower in the hierarchy They are generally costly to provide and/or maintain They are often unique to a region They have environmental, Heritage, amenity or other special significance There is a low frequency of provision or natural occurrence <p>Regional recreation venues frequently include golf courses, major sports grounds, major indoor aquatic leisure venues, long distance trails, and various types of heritage and nature reserves e.g. forests, lakes, rivers, wetlands and waterfalls.</p>
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Within Council's Asset Register the service level is defined as shown below. Currently this is not being used and will require further analysis to determine what Council requires. This is listed in the Improvement Plan.

Service Level



?Status - Code Is equal to A



1 - 5 of 5 records.

Selection Code	Short Description	Description	Status
2	MINOR DEFECTS	(SL 2) - Minor Defects Only	Active
3	MAINT REQUIRED	(SL 3) - Maint Req to Retain at Accepted Level of Service	Active
4	RENEWAL REQUIRED	(SL 4) - Requires renewal	Active
NA	Not Applicable	Not Applicable	Active
TBD	TBD	To Be Determined	Active

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces, or renews an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other)

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3.

Table 5.3: Useful Lives of Assets

Asset (Sub)Category	Useful life
Aquatic Infrastructure	50 years
BBQ -Electric	10 years
BMX Track	50 years
Boat Ramp	Concrete – 50 years Gravel – 20 years
Canoe Launch Areas	Gravel – 20 years
Court - Netball/Basketball	50 years
Court - Tennis	30-50 years dependent on surface – grass, dirt, hardcourt
Cricket Nets / Lanes	20 years
Cricket Wicket - Synthetic	20 years
Criterium Cycle Track	50 years
Dump Points (wastewater)	10 years
Fish Tables	20-25 stainless steel 40-50 years concrete
Fitness Equipment Stations	Coastal locations 10 years Rural locations 15 years
Lighting -Poles & Lights	20 – 50 years for poles and fittings. Dependent on pole material type
Lookout /Platforms	Concrete – 50 years Timber – 25 to 30 years depending on location
Playgrounds	Coastal locations 10 years Rural locations 15 years
Shade Sails	20 years
Shelters	Generally, 20 for timber structures with an iron roof. This can be extended if the asset is constructed with bricks.

Asset (Sub)Category	Useful life
Skateparks	50 years
War Memorials	50 years
Swimming Pools	50 years structure. 10 years pumps

The estimates for renewals in this Lifecycle Management Plan were based on the Asset Register Method.

The useful life for assets used in this Lifecycle Management Plan was based on the above typical useful life. By using this method, the data indicates an average useful life for renewals in the order of 30 years.

The revaluation undertaken in June 2022 reviewed useful life for the assets (identified by the valuer), however this data needs to be interrogated further to ensure the acquisition dates, renewal forecast, condition data all align and tell a more accurate story.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate), or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).⁸

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure
- Have high use and subsequent impact on users would be significant
- Have higher than expected operational or maintenance costs
- Have potential to reduce life cycle costs by replacing it with a modern equivalent asset that would provide the equivalent service⁹

Renewals are prioritised in our Long Term Financial Plan based on the condition, utilisation, function and service of the asset. While renewals identified in the Long Term Financial Plan are those which fit within our existing budget, we also account for renewals that are due and currently unfunded. In these cases, Council actively seeks grant funding to address the backlog. However, reliance on grants poses a risk, as this income stream is not guaranteed.

The ranking criteria used to determine the priority of identified renewal proposals is detailed in Table 5.3.1.

⁸ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

⁹ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

Table 5.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Maintenance <ul style="list-style-type: none"> • Can we maintain what we have instead of building something newer and shinier because it's fashionable to do so? • Does the cost of maintenance outweigh the cost of replacement? 	30%
Condition <ul style="list-style-type: none"> • Is the condition beyond our intervention levels? • What is the risk associated with not intervening? 	30%
Service <ul style="list-style-type: none"> • What area does the asset service? • Where is the nearest available alternative? • What is the impact on community if removed and not replaced? 	20%
Utilisation <ul style="list-style-type: none"> • What are the utilisation levels? • What is the impact if asset is removed? 	10%
Function <ul style="list-style-type: none"> • Is the asset being used for its intended purpose? 	10%
Total	100%

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

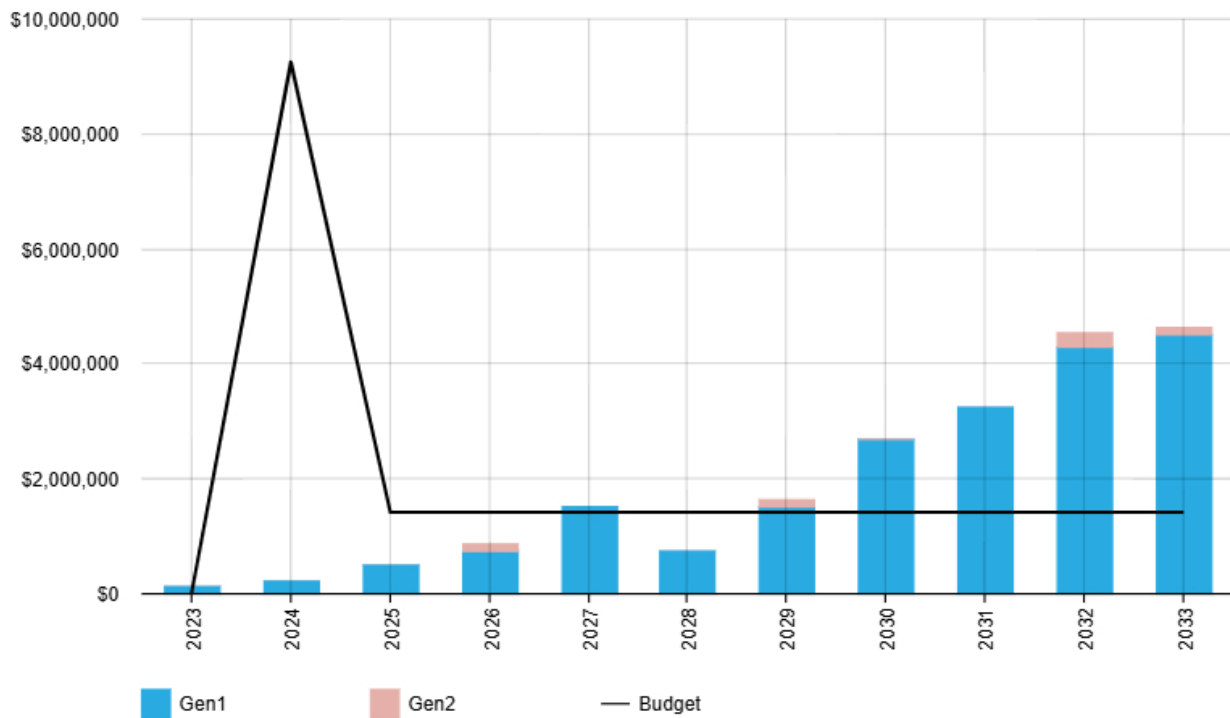
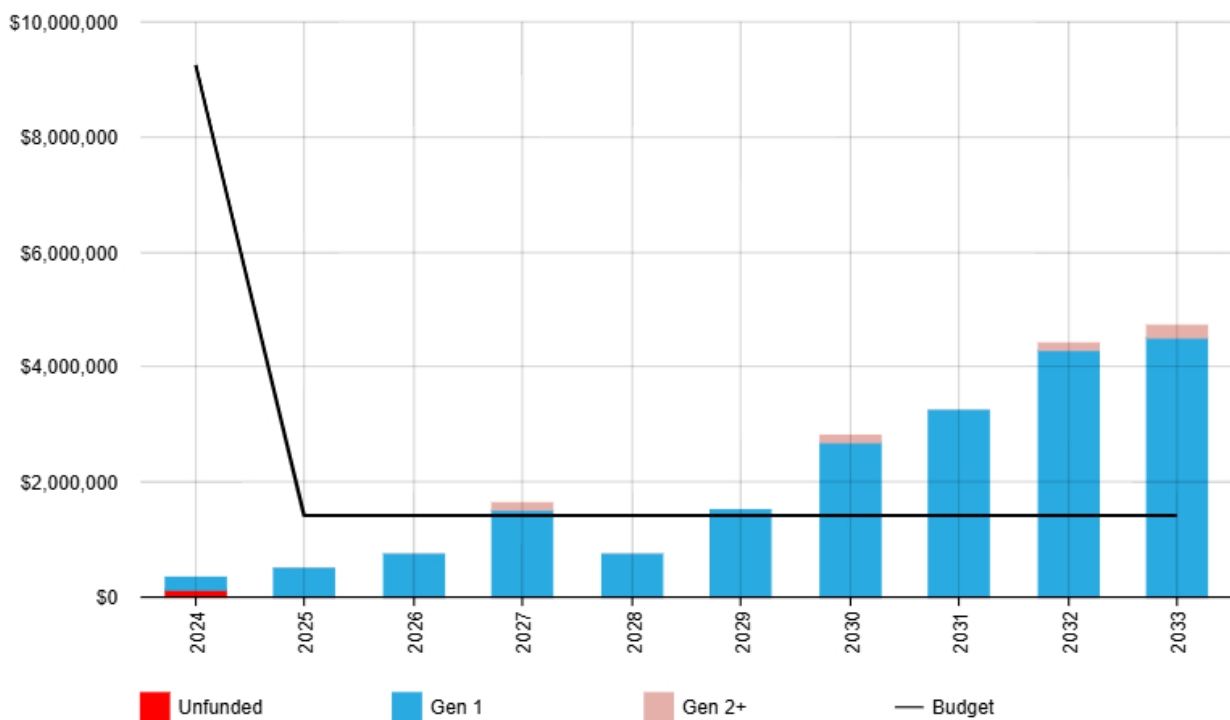


Figure 5.4.1: Forecast Renewal Costs



All \$ values are shown in current day dollars.

Figure 5.4.1 shows the value of assets in the actual year they fell due for renewal. Gen 1 renewal is the first-time regular renewal and Gen 2 is the subsequent renewal as the useful life of some open space assets is less than the planning period and they will require renewal more than once.

The second graph is what is important. This graph takes all the renewals that fell due in the past and rolls them up into the first year of this planning period and is represented by the red bar in the graph. This is the backlog. The value of the backlog is \$328,712 and is represented by:

Asset Name	From	Location	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)
Retaining Wall Forster Ocean Baths	Forster Ocean Baths	Forster	-1	2023	2024	111,109
Furniture – Bubbler (Group)	Con 5@ 2 units	Various	0	2024	2024	0
Furniture – Seats (Group)	Con 5@ 2 units	Various	0	2024	2024	0
Playground – Barton Walk Taree	Barton Walk	Taree	0	2024	2024	44,183
Playground – Winton Reserve	Winton Reserve	Taree	0	2024	2024	22,092
Playground - Apex Park	Apex Park	Wingham	0	2024	2024	66,275
BBQ – Rotary Park	Rotary Park	Chatham	0	2024	2024	22,092
BBQ x 2 – John Wright Park	John Wright Park	Tuncurry	0	2024	2024	44,183
Cricket Wicket Syn – Central Park	Central Park	Wingham	0	2024	2024	11,046
Signage Shelter - Wingham	Chrissy Gollan Park	Wingham	0	2024	2024	7,732

Council is addressing the backlog by:

- Encouraging community groups to apply for grant funding to renew, upgrade and provide new infrastructure in accordance with Council's adopted recreational strategies
- Reviewing the remaining useful life of the assets and allocating the capital renewal budget accordingly
- Continuing to apply for Federal and State Government grants with a focus on asset renewal and providing infrastructure for future demand

The graph highlights there is insufficient budget for the renewal activities after 2029. Underfunding for renewals will impact on the inability to fund future lifecycle activities. There is risk associated with relying on grants to fund asset renewal as there is no guarantee of receiving the money, however it is assumed based on historical data that some form of funding will be received. To ensure Council can maintain the lifecycle activities for all renewals a renewal budget will need to be considered.

5.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council either as a result of conditions imposed by Council or benevolent actions by community groups.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the community's needs as documented in relevant strategies. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria are detailed in Table 5.5.1.

Table 5.5.1: Acquired Assets Priority Ranking Criteria

Decision Driver	Rationale
Evidence approach	Each action has been tested through community feedback, analysis of community need, analysis of current activity trends and its impacts on the environment. The priority placed on each action is therefore a result of extensive analysis
Equitable provision	Actions were also developed through an equity lens, in that each location within the LGA was considered for what they have received in the past, how long since that location received a new facility and the feasibility of delivering their individual projects at a certain point in time (e.g. availability of funding)
Asset portfolio condition	As has been noted in the OSRS the state of our recreation portfolio is aged, and some of the individual components are no longer fit for purpose. In developing the actions and their priorities the condition of existing infrastructure, and its projected life was a strong determinant in setting its priority
Financial Sustainability	The prioritisation of the actions in the Action Plan, and the ability for projects to be delivered in the future, have also been influenced by considering the associated financial operating model and/or the long-term asset management requirements in minimising future financial burdens to Council. This financial planning of actions also includes the consideration of access to future potential funding programs, which will be required to fund the majority of the actions
Environmental Considerations	By providing facilities in natural environments, we have an impact on the very thing that we seek to protect. Therefore, considering the impact on our natural environment during the planning phase of a potential new facility provides a clear position on whether the facility should progress, and what order it should be in compared to other facilities

5.5.2 Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

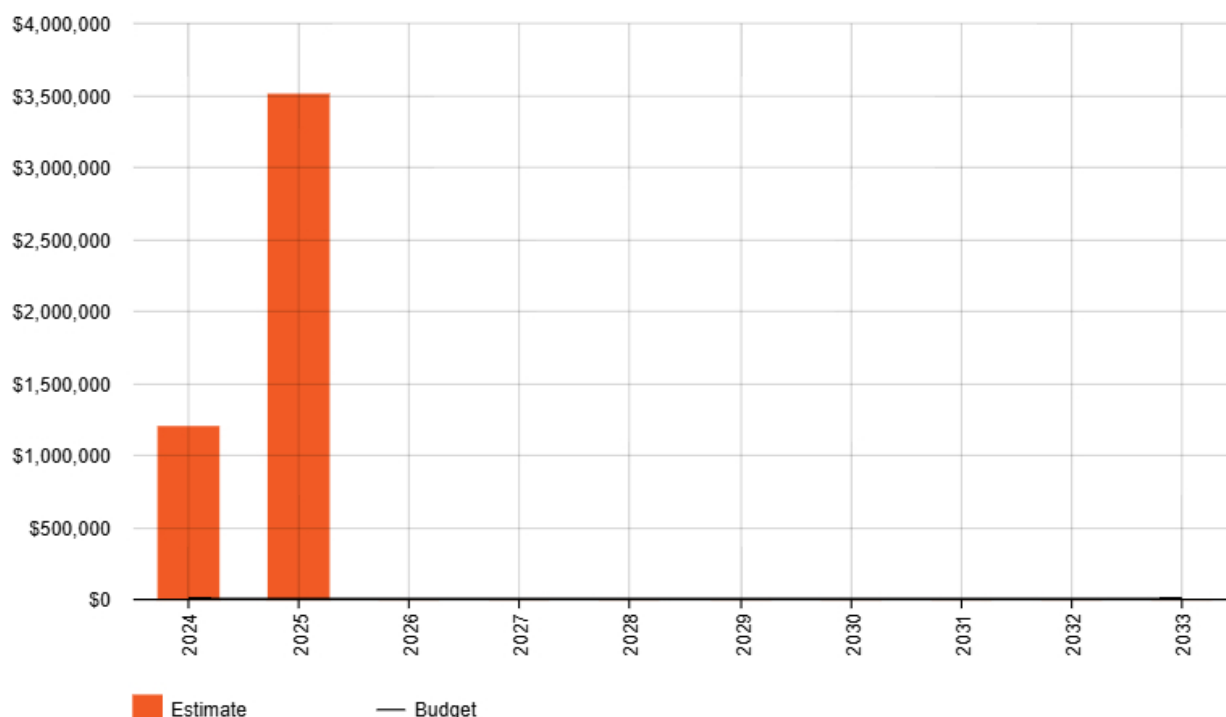


Figure 5.5.1: Acquisition (Constructed) Summary

All \$ values are shown in current day dollars.

Table 5.5.1 shows the known grants Council is receiving for constructed assets. There are 2 major projects that contributed to this growth being \$859,000 for Blackhead Skate Park in 2024 and \$3,500,000 for the Pelican Boardwalk Extension in 2025. There is an absence of a budget line due to Council not having an acquisition budget.

Whilst it is expected Council will continue to receive grants for acquisitions, recent applications by both the community and Council have shown the 'pot' is getting smaller and the grant funding process is extremely competitive. 2024 has shown there is very little funding available therefore no grant funding has been assumed and applied to future years.

It should be noted that within Council's Section 7.11 Developer Contribution Reserves, there is an amount of funding available for asset acquisition. This funding has not been considered in this Lifecycle Management Plan.

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. Council must also account for future depreciation when reviewing long-term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by Council. The cumulative value of all acquisition work, including assets that are constructed and contributed is shown in Figure 5.5.2. If Council continues to acquire assets at the estimated growth rate of 0.61% per year, then to maintain the required /current LOS, and to cover the full lifecycle costs, then the budget will also need to grow in proportion to the asset growth.

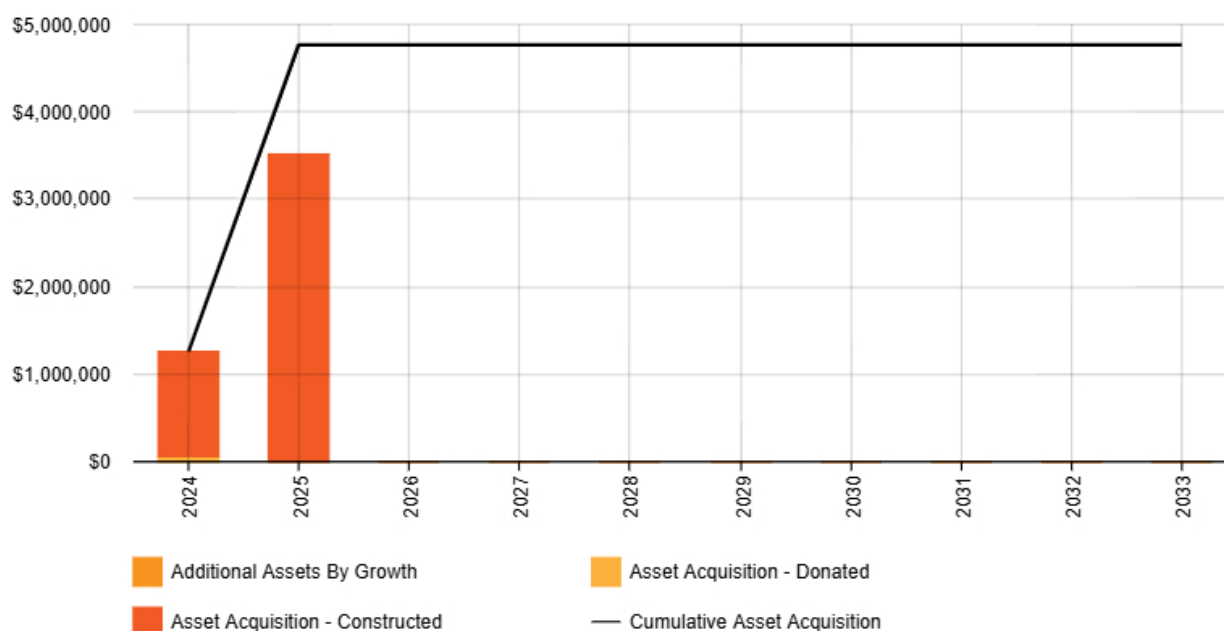


Figure 5.5.2: Acquisition Summary

All \$ values are shown in current dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the Long Term Financial Plan, but only to the extent that there is available funding.

Figure 5.5.2 outlines the total asset acquisitions, not only those Council are paying for but also assets that are going to be donated or contributed by an external party. Assets that are acquired are indicated in a different colour to those that are donated or contributed. The graph shows the total acquisition and the value in current replacement cost over the planning period. The black line represents the total cumulative amount over the entire planning period, i.e. both the actual acquisition expenditure in each individual year, as well as the total cumulative amount.

Council is aware of the possibility of development contributions being used for acquisitions; however as the timing and valuations are unknown, they have not been included in this Lifecycle Management Plan.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Any costs or revenue gained from asset disposals is included in the Long Term Financial Plan. Council does not have a formalised disposal plan. Open space assets which would be identified for disposal would be those in a condition 5 or assets that are no longer required to be in service by the community due to low usage. The service for repairs and maintenance provided to those assets will no longer be required.

5.7 Summary of asset forecast costs

The financial projections from this Lifecycle Management Plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the lifecycle costs associated with service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the

discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

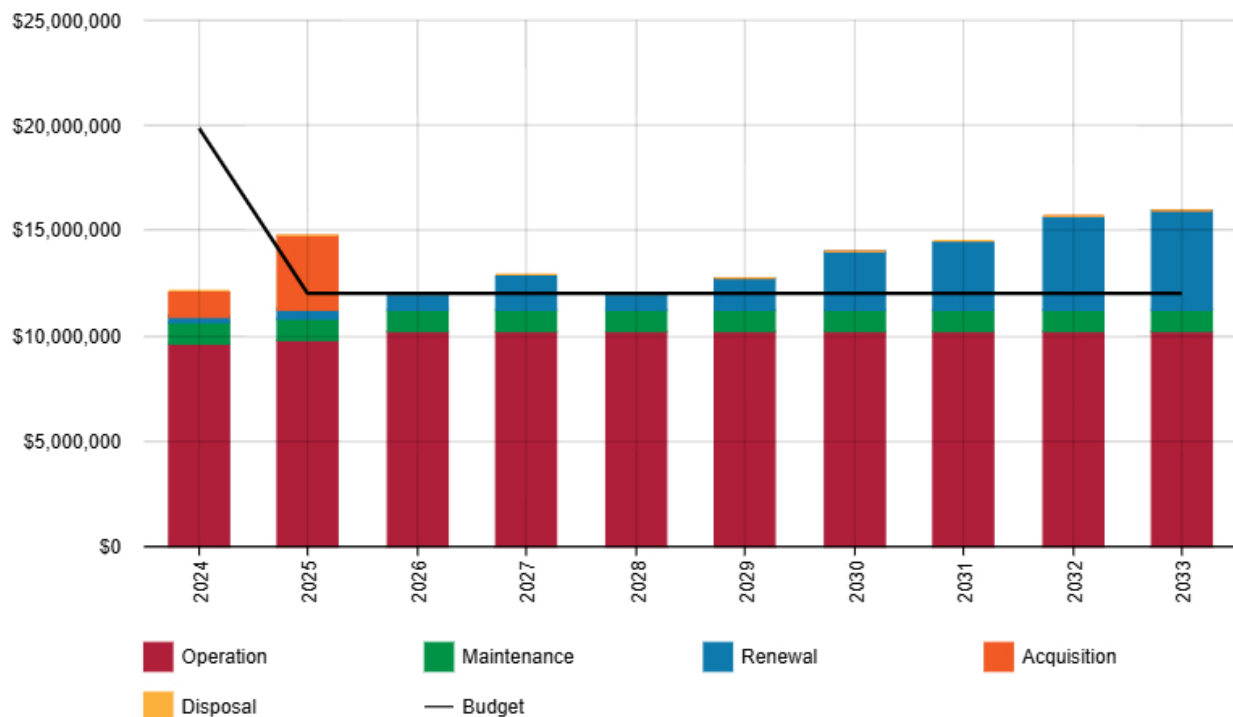


Figure 5.7.1: Lifecycle Summary

All \$ values are shown in current day dollars.

The lifecycle forecast costs graph shows:

- Estimated available funding for the first 10-year period is \$128,038,664 as per the Long Term Financial Plan or Planned Budget. This is 93.64% of the cost to sustain the current level of service at the lowest lifecycle cost. This funding is influenced by:
 - \$8,330,0241 confirmed grants for asset renewals for 2024
 - \$4,709,000 confirmed grants for new acquisitions for Council constructed projects
 - \$56,000 confirmed grants for new acquisitions for Contributed community projects
- It would appear there is insufficient budget to cover operational, maintenance, renewal and acquisition costs. For Council to maintain the existing LOS than an increase in the operations and maintenance budget will be required. The risk of not providing additional budget will result in accelerated asset deterioration. The deferred renewal will lead to a reduced LOS
- Council's reliance on grants, and the potential grant applications being unsuccessful, will impact on maintenance of existing infrastructure. Assets will age and deteriorate; the renewal backlog will increase, and maintenance costs will escalate



LIFECYCLE MANAGEMENT PLAN

Community Buildings

6 Lifecycle Management Plan – Community Buildings

This Lifecycle Management Plan details how the Council plans to manage and operate the Community Buildings assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

6.1 Background Data

6.1.1 Physical parameters

Community buildings include Council offices and depots, commercial buildings and various buildings for community purposes such as community public toilet amenities, libraries, childcare centres, halls, community centres and sports facilities.

The assets covered by this Lifecycle Management Plan are shown in Table 6.1.1. and the age profile of the assets included in this Lifecycle Management Plan is shown in Figure 6.1.1.

Table 6.1.1: Assets covered by this Plan

Asset Category	Units	Replacement Value
Airport Buildings	6	2,997,825
Public Amenities/Toilets	100	17,331,059
Commercial – Preschools/childcare centres, residential properties & retail properties, caravan parks,	34	37,404,650
Community – public halls/community centres, court houses, storage sheds, men's sheds,	86	63,393,276
Corporate – Administration Buildings, VIC's, Art Gallery, Entertainment Centre,	13	103,824,892
Works Depot Buildings	52	15,368,189
Libraries	5	6,957,299
Swimming Pool Buildings – including aquatic centres & outdoor pools	18	34,212,470
Showground buildings	31	9,591,243
SLSC	4	14,401,487
	423	\$357,774,631

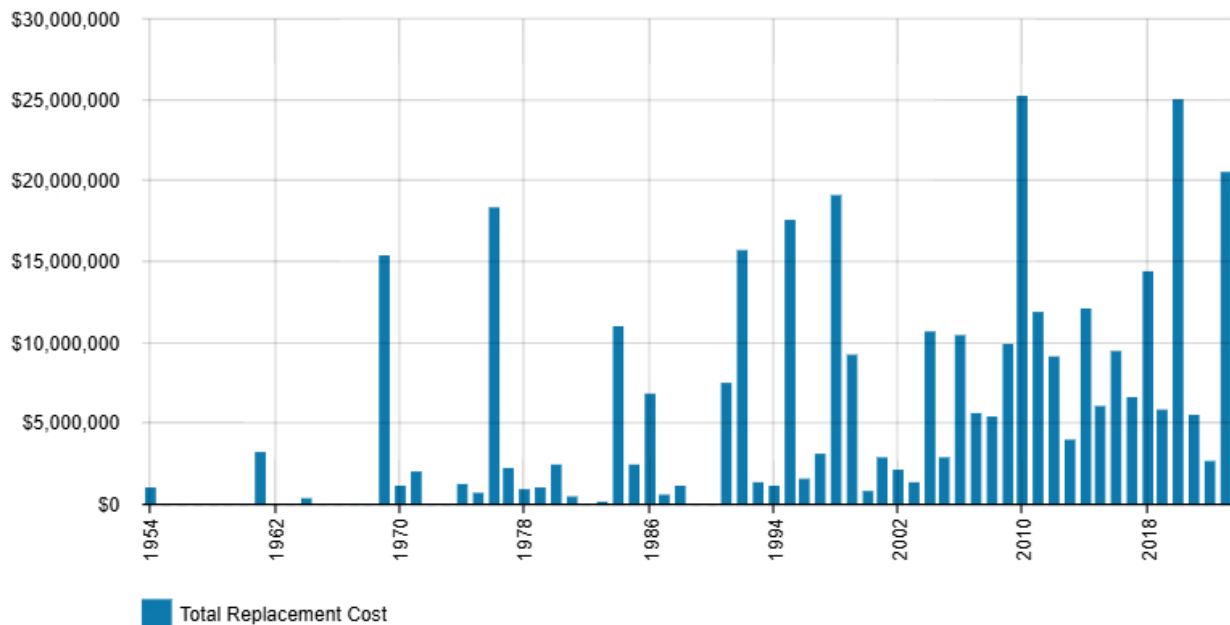


Figure 6.1.1: Asset Age Profile

All \$ values are shown in current day dollars.

The age profile graph shows peaks and troughs of asset investment. As limited historic information was available from the asset registers, the year acquired has been assessed from the asset valuation undertaken in 2022. The year acquired calculation is based on the useful life, remaining life and condition rating. Buildings valued at \$1m or greater have been componentised with the asset cost apportioned across the components. Council's assets register and asset books reflects this. For the purposes of this Lifecycle Management Plan, the data captured for condition, useful life, replacement cost, acquisition year and renewal valuation were for the whole building and any components.

There is a good age of assets in relation to useful life. Asset renewals are not solely based on asset age. Other factors are taken into consideration such as condition, environment, location, usage and capacity.

There is an array of buildings, which whilst functional and in acceptable condition, are aging assets. Many assets will require additional maintenance to sustain the facilities at the agreed service level targets. At this point in time, Council recognises that the current maintenance effort is acceptable, however, to mitigate the risk of service deficiencies affecting long term future performance of facilities, maintenance and expenditure will need to increase. In addition to this, additional capital upgrades will be required to key components of the facilities over the medium term (more than 10 years) e.g. roof replacements.

6.1.2 Asset capacity and performance

Council has been on a journey to asset maturity over the last 7 years, with all Community Building assets now identified in the corporate asset register. The asset register has the capacity to record asset SAM information including function, capacity and utilisation with a 1-5 rating as described below. These ratings will be used for better asset integrity and will provide more accuracy in future versions of this Lifecycle Management Plan. This has been identified in the Improvement Plan.

Capacity – 1 = Easily meeting existing & future loads, 5 = Unable to meet existing or future loads
 Function – 1 = Easily performing required function; 5 = Not performing required function
 Utilisation - 1 = Repeatedly utilised; 5 = Not utilised

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 6.1.2.

Table 6.1.2: Known Service Performance Deficiencies

Location	Service Deficiency
Community Buildings	<p>Current Budget restrictions do not allow for medium to large repairs to non-essential assets with no safety risk</p> <p>Community groups competing with NGO's, Government Agencies and Not-for-Profit Groups for space in community buildings</p>
Leased Buildings	<p>Inconsistent instruments of tenure in place with varying requirements on Council and tenants across the LGA means inconsistent planned maintenance of buildings</p> <p>Tenants have increasing improvement demands with no increase to rent payable</p>
Aquatic Centres	Plant at aquatic centres is nearing end of life with minimal reserves to fund renewals

The above service deficiencies were identified from informed decisions based on asset officers' observations.

Asset condition

The condition of all buildings is systematically inspected to ensure that conditions which may lead to structural damage are identified so any remedial action can be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact overall asset life. The condition is monitored by Council's Asset Officers with detailed condition assessments occurring every three years.

Routine inspections are designed to determine the need for maintenance, temporary works, or replacement. These are scheduled to occur in accordance with the relevant standards or best practice.

Asset condition inspections are designed to assess the overall condition of an asset and determine its remaining useful life. Inspections are scheduled and undertaken as per the building hierarchy.

Condition is measured using a 1 – 5 grading system¹⁰ as detailed in Table 6.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however for reporting in the Lifecycle Management Plan, results are translated to a 1 – 5 grading scale for ease of communication.

¹⁰ IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

Table 6.1.3: Condition Grading System

ASSET CONDITION			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 6.1.3.

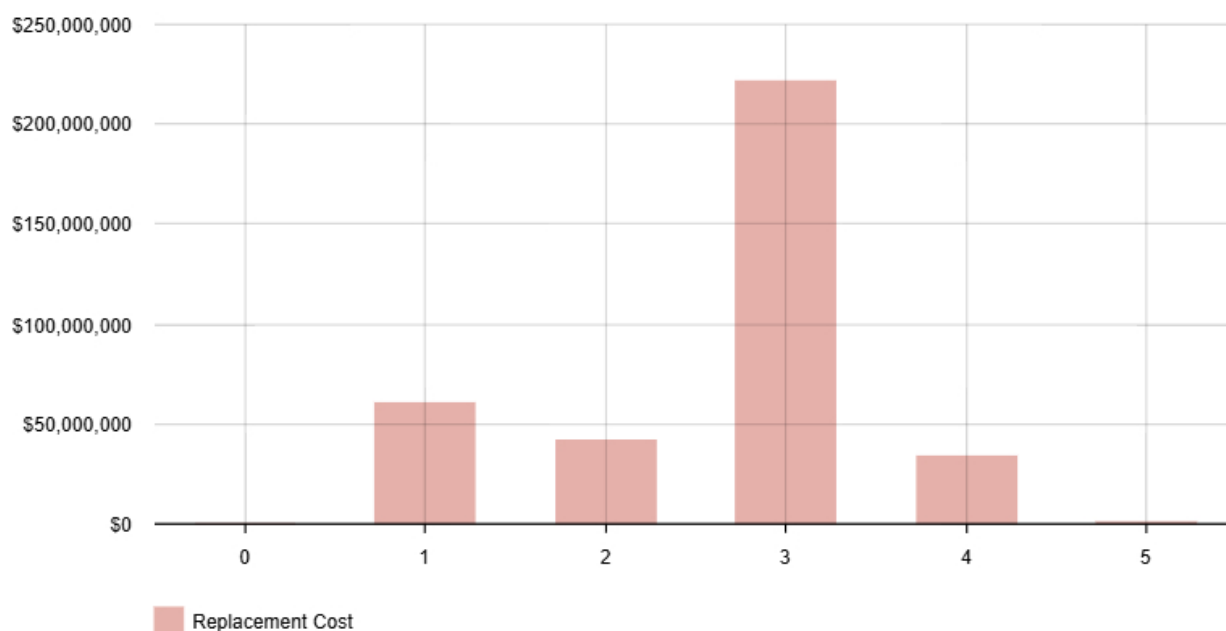


Figure 6.1.3: Asset Condition Profile

All \$ values are shown in current day dollars.

Figure 6.1.3 shows the total current value of the assets for each condition score. In addition to condition 1-5 as discussed above there is also a condition value of zero which is used where no condition of an asset is known. All the buildings in this Lifecycle Management Plan have a condition rating. The graph also can be used if Council was considering asset renewals based solely on condition.

All condition data was reviewed by an external contractor in June 2022 as well as Council's asset officer. The asset register has been updated to reflect this.

If Council does not invest in additional budget for maintenance and asset renewal, then it would be expected the condition profile of the assets will change with more assets slipping into poor and very poor condition.

6.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning and asset inspections.

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 operating. Typical maintenance activities for assets covered in this Lifecycle Management Plan include servicing and repairs. Maintenance can be planned or reactive. Planned activities include routine servicing (such a lift, automatic door, or fire equipment servicing) or repairs from a previous inspection or defect with reactive maintenance being a response to customer requests or repairs to asset failure. By regularly undertaking maintenance activities the condition and functionality of the assets will help prolong their useful life.

The trend in maintenance budgets is shown in Table 6.2.1.

Table 6.2.1: Maintenance Budget Trends

Year	Maintenance Budget
2024	\$1,772,090
2025	\$1,772,090

It is noted that the budget estimate does not include inflation. Council's finance department sets indexation in the financial reports. It is also noted that where operational and maintenance costs are increasing, the gap will widen between current budget and required funding.

Maintenance budget levels are considered to be inadequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this Lifecycle Management Plan and service risks considered in the Infrastructure Risk Management Plan.

Requests for unplanned planned maintenance can come from both internal and external sources. Staff assess and prioritise planned maintenance based on their experience and judgment. Works are then programmed using works management software.

6.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 6.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

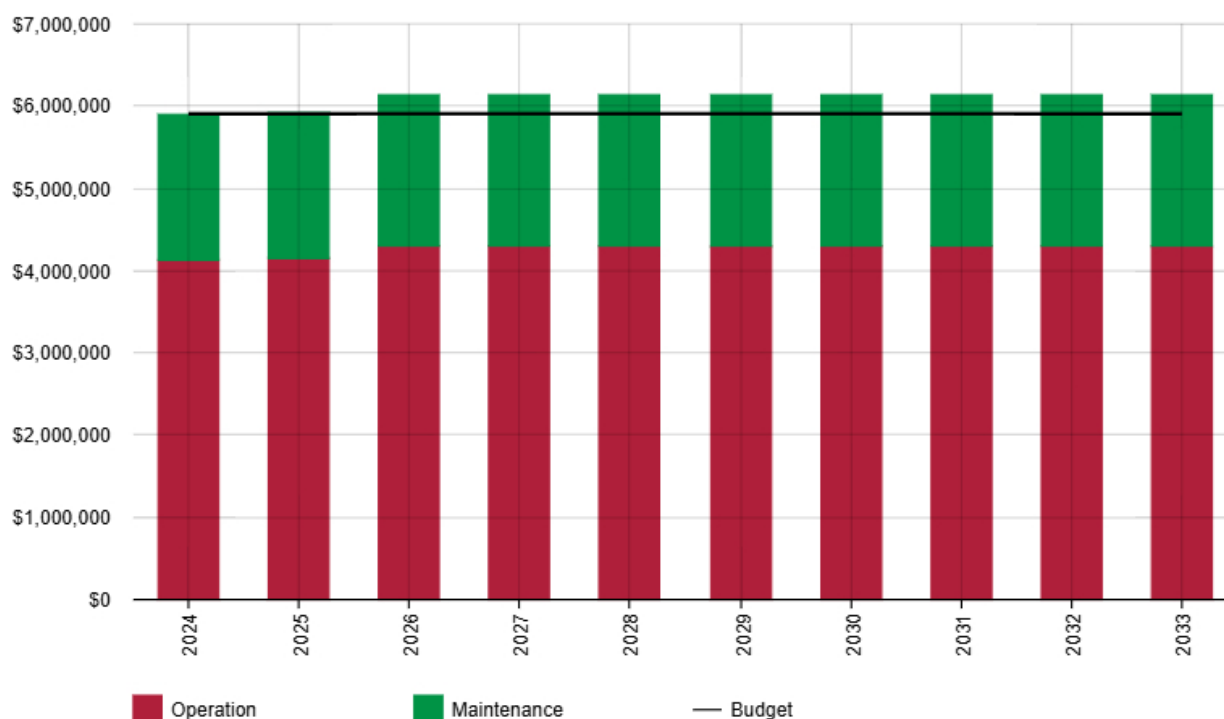


Figure 6.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

Figure 6.2 suggests that the operations and maintenance budget is somewhat sufficient, and Council will be able to maintain the current levels of service. Estimated available funding for the 10- year period is \$82,287,448 or \$8,228,745 on average per year as per the Long Term Financial plan or Planned Budget. This is 78.37% of the cost to sustain the current level of service at the lowest lifecycle cost.

The information provided for this modelling is the best estimate based on current operation and maintenance costs from all asset owners.

The graph shows the forecast lifecycle cost over the planning period is steady. If there was an increase in acquisitions, then there will be related operations and maintenance costs showing on this graph after the year of acquisition. This is an area that will require continual monitoring if grant funding has been received or there is an allocation of capital budget. The graph does not show inflation as everything in the Lifecycle Management Plan is shown in current day dollars.

6.2.2 Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in the collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

Within the corporate asset management system, the asset service level is defined as:

Service Level



?Status - Code Is equal to A



1 - 5 of 5 records.

Selection Code	Short Description	Description	Status
2	MINOR DEFECTS	(SL 2) - Minor Defects Only	Active
3	MAINT REQUIRED	(SL 3) - Maint Req to Retain at Accepted Level of Service	Active
4	RENEWAL REQUIRED	(SL 4) - Requires renewal	Active
NA	Not Applicable	Not Applicable	Active
TBD	TBD	To Be Determined	Active

The preferred service hierarchy for Community Buildings is shown in Table 6.2.2. This is reflected in the Improvement Plan.

Table 6.2.2: Asset Service Hierarchy

Service Hierarchy	Service Level Objective
Class 1	<ul style="list-style-type: none"> High-profile facility with local or regional significance and high public interface/services Very important to core Council operations National or State heritage status Specialist maintenance requirements Generates revenue
Class 2	<ul style="list-style-type: none"> Very important to core Council operations Facilities with high public interface/services Require good public presentation State heritage status Generates revenue
Class 3	<ul style="list-style-type: none"> Important to core Council operations/services Facilities with some public interface/services Local heritage status
Class 4	<ul style="list-style-type: none"> Not important to core Council operations/services Facilities where basic functional performance is acceptable
Class 5	<ul style="list-style-type: none"> Building is non-operational, dormant or pending disposal / demolition

6.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces, or renews an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The renewals identified in this Lifecycle Management Plan use the Asset Register data as well as condition, staff judgement, demand, utilisation.

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 6.3.

Table 6.3: Useful Lives of Assets

Asset (Sub)Category	Useful life
Airport Buildings and associated structures	50-75 years
Amenities	50-75 years
Commercial Buildings	60-75 years
Associated sheds	20-50 years
Corporate Buildings	60-75 years
Depot Buildings	75 years
Associated Sheds	20-50 years
Library Buildings	60-75 years
Showground Buildings	50-75 years
Sporting Buildings	60-75 years
Associated sheds	20-50 years
Surf Lifesaving Clubs	60 years
Swimming Pool Buildings	50-75 years

The useful life for assets used in this Lifecycle Management Plan was based on the typical useful life shown in table 6.3 and of those determined by the valuer at time of revaluation¹¹ (2002). The environment, location, building materials and type were all taken into consideration in determining the actual useful life per building.

At present Council does not have a “typical” useful life for a building class. It is recommended a policy is needed to address this inconsistency.

6.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5-t load limit), or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).¹²

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure
- Have high use and subsequent impact on users would be significant
- Have higher than expected operational or maintenance costs
- Have potential to reduce life cycle costs by replacing it with a modern equivalent asset that would provide the equivalent service¹³

Council relies heavily on externally sourced grant funding to improve our infrastructure where we may otherwise not have access to sufficient funds. These grants allow for investment into capital improvements and renewals and assist in the strategic planning for optimising asset replacement. Council can forecast its grant funded renewals programs for a 3-year period with a high level of confidence. However, due to the uncertainty of grant funding, allocation forecasting beyond 3 years represents a lower level of confidence and is not included in this Plan.

Renewals are prioritised in our Long Term Financial Plan based on the condition, utilisation, function and service of the asset. While renewals identified in the Long Term Financial Plan are those which fit within our existing budget, we also account for renewals that are due and currently unfunded. In these cases, Council actively seeks grant funding to address the backlog. However, reliance on grants poses a risk, as this income stream is not guaranteed.

The ranking criteria used to determine priority of identified renewal proposals are detailed in Table 6.3.1.

¹¹ *Review of Useful Life of Assets*

¹² *IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.*

¹³ *Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.*

Table 6.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Maintenance <ul style="list-style-type: none"> • Can we maintain what we have instead of building something newer and shinier because it's fashionable to do so? • Does the cost of maintenance outweigh the cost of replacement? 	30%
Condition <ul style="list-style-type: none"> • Is the condition beyond our intervention levels? • What is the risk associated with not intervening? 	20%
Service <ul style="list-style-type: none"> • What area does the asset service? • Where is the nearest available alternative? • What is the impact on community if removed and not replaced? 	20%
Utilisation <ul style="list-style-type: none"> • What are the utilisation levels? • What is the impact if asset is removed? 	20%
Function <ul style="list-style-type: none"> • Is the asset being used for its intended purpose? 	10%
Total	100%

6.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 6.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

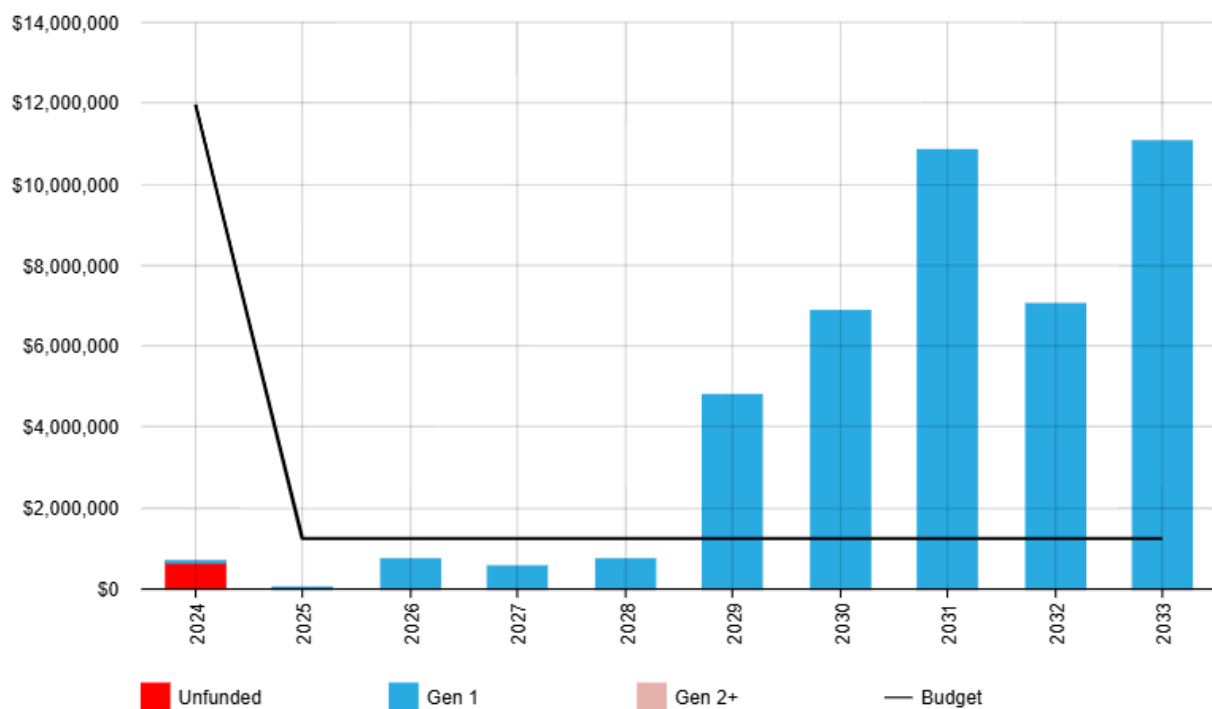


Figure 6.4.1: Forecast Renewal Costs

All \$ values are shown in current day dollars.

Figure 6.4.1 shows the value of assets that are due for renewal based on the year of acquisition and useful life. All renewals that fell due in the past are rolled up into the first year of this planning period and are represented by the red bar in the graph. This is the backlog which has a value of \$670,537 and consists of the assets shown in Table 6.4.1 below.

Table 6.4.1: Renewal Backlog

Asset Name	From	Location	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)
Ellenborough Falls - Kiosk	Ellenborough Falls Road	Elands	-4	2020	2024	10,000
Demolish – Harrington Esmond Hogan Park	Hogan Street	Harrington	-4	2020	2024	530,197
Old Bar Mud Bishops Amenities	Mudbishops Point Road	Old Bar	-1	2023	2024	103,830
Manning Regional Art Gallery Garden Shed	Macquarie Street	Taree	-1	2023	2024	4,418
Wingham Storage Shed	Ruth Street	Wingham	0	2024	2024	22,092

Council is addressing the backlog by replacing the amenities at Esmond Hogan Park through confirmed grant funding and reviewing the remaining useful life of the assets and allocating renewal budgets accordingly.

The spike in the budget line on the graph in the first year of this plan is attributed to confirmed grant funding for 8 projects totalling \$11,146,770. Of this amount the main projects are:

- \$8,000,000 for Forster SLSC
- \$1,100,000 for 3 halls
- \$1,066,003 for 2 sports buildings

The graph highlights there is insufficient budget for the renewal activities after 2028. Underfunding for renewals will impact on our ability to fund future lifecycle activities. There is risk associated with relying on grants to fund asset renewal as there is no guarantee of receiving the funding, however it is assumed based on historical data that some form of funding will be received. To ensure Council can maintain the lifecycle activities for all renewals a renewal budget will need to be considered. The useful life of buildings is greater than 20 years therefore there are no Gen2 assets.

6.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

6.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the community's needs. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in Table 6.5.1.

Table 6.5.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting
Strategic Documents <ul style="list-style-type: none"> • Projected growth areas • Resourcing strategy • Disability Inclusion Action Plan • Development Contribution plan • Open Space and Recreation Strategy 	25%
Affordability <ul style="list-style-type: none"> • What is the impact of the acquisition in relation to budget to cover the lifecycle? • Does Council have to co-contribute to the acquisition costs? 	25%

Criteria	Weighting
Developer Contributions / Grant Funding <ul style="list-style-type: none"> Population growth Demographics Where is the nearest available alternative Community benefit / value What is the impact of the acquisition in relation to budget to cover the lifecycle Is the acquisition just ticking the developer's box 	25%
Community Requests <ul style="list-style-type: none"> What are the utilisation levels? What area does the asset service? Where is the nearest available alternative? What is the community benefit? How is this being funded? 	25%
Total	100%

6.5.2 Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 6.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

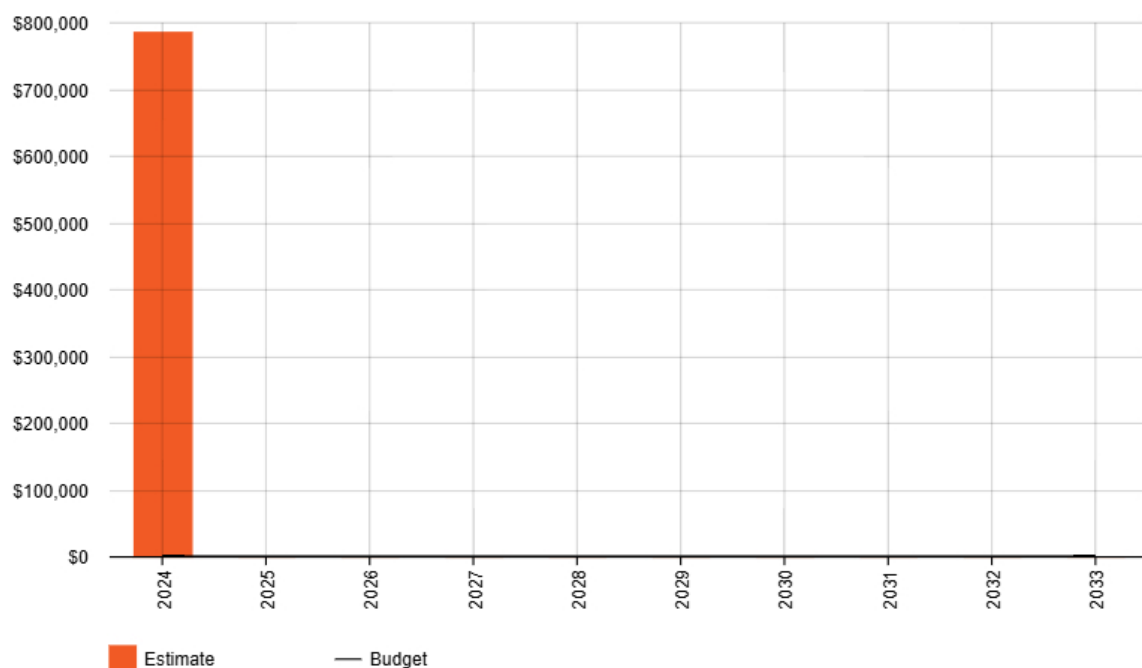


Figure 6.5.1: Acquisition (Constructed) Summary

All \$ values are shown in current day dollars.

Figure 6.5.1 shows the known grants Council is receiving for constructed assets. The project that contributed to this growth is \$786,000 for the Stroud Ground football clubhouse. There is an absence of a budget line due to Council not having an acquisition budget.

Whilst it is expected Council will continue to receive grants for acquisitions, recent applications by both the community and Council have shown the 'pot' is getting smaller and the grant funding process is extremely competitive. 2024 has shown there is very little funding available therefore no assumption has been applied to future years.

It should be noted that within Council's Section 7.11 Developer Contribution Reserves, there is an amount of funding available for asset acquisition. This funding has not been considered in this AM Plan.

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. Council must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Council. The cumulative value of all acquisition work, including assets that are constructed and contributed is shown in Figure 6.5.2. The estimated growth rate of 0.02% per year will have a minor impact on the current budget for full lifecycle costs.

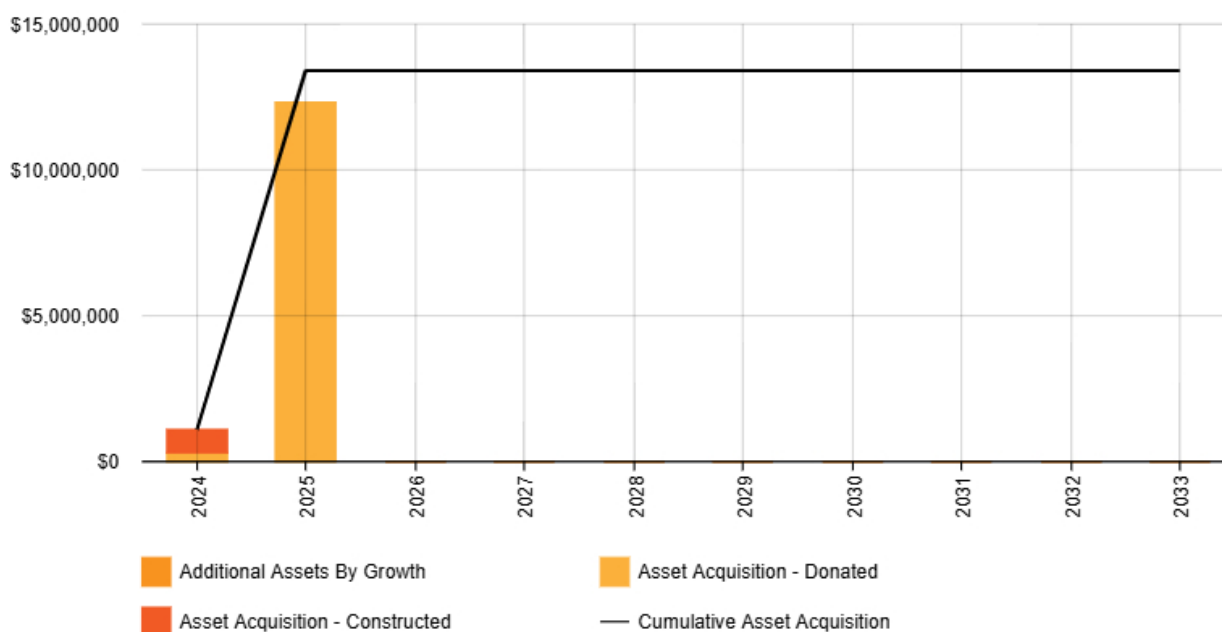


Figure 6.5.2: Acquisition Summary

All \$ values are shown in current dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the Long Term Financial Plan, but only to the extent that there is available funding.

Figure 6.5.2 outlines the total asset acquisitions, not only those Council are paying for but also assets that are going to be donated or contributed by an external party. Assets that are acquired are indicated in a different colour than those that are donated or contributed. The graph shows the total acquisition and the value in current replacement cost over the planning period. The black line represents the total cumulative amount over the entire planning period, i.e. both the actual acquisition expenditure in each individual year, as well as the total cumulative amount.

Council's position when dealing with requests from community groups is to maintain what we have instead of building more, as the current situation is not sustainable. Therefore the primary focus for Council's expenditure is on renewals as opposed to acquisitions and this approach is reflected in

recently adopted recreational strategies. However, there are always exceptions to the rule such as the basketball stadium expected to be built at an estimated cost of \$12M.

Council is aware of the possibility of development contributions being used for acquisitions however as the timing and valuations are unknown, they have not been included in this Lifecycle Management Plan.

6.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 6.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance due to asset disposal is also outlined in Table 6.6. Any costs or revenue gained from asset disposals are included in the Long Term Financial Plan.

Table 6.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing
Esmond Hogan Park Amenities	End of life	2024
Aub Ferris Amenities	End of life	2024

6.7 Summary of asset forecast costs

The financial projections from this Lifecycle Management Plan are shown in Figure 6.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

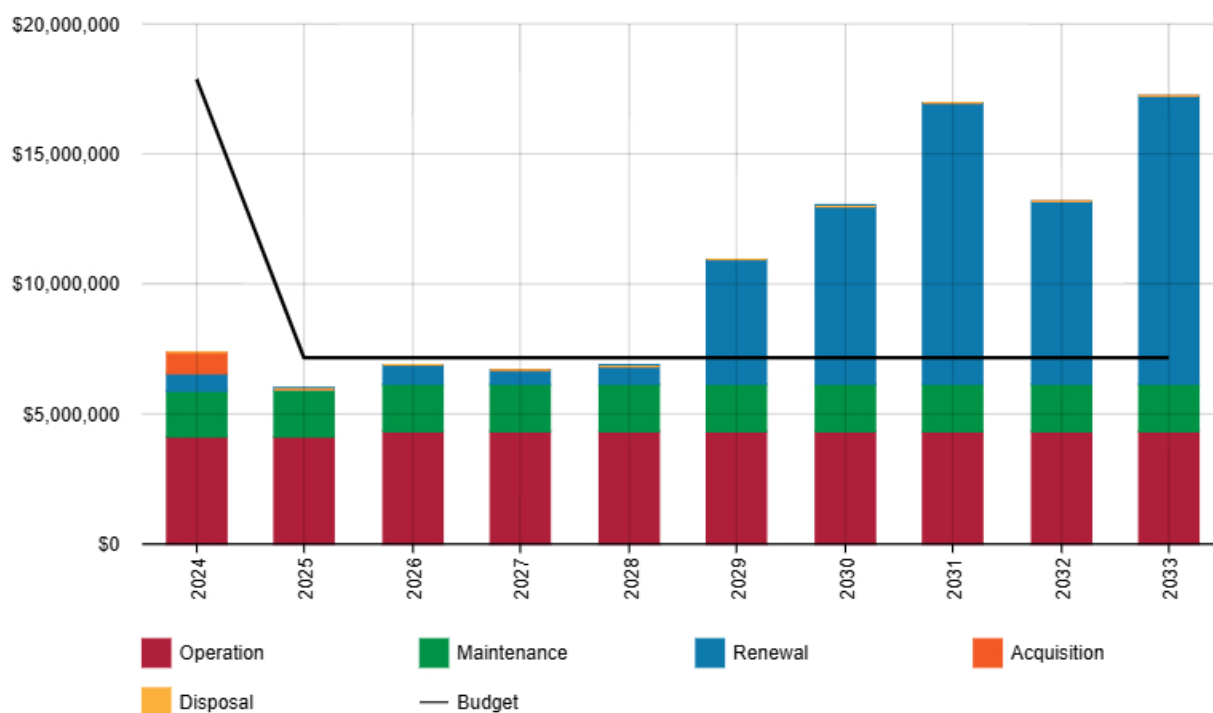
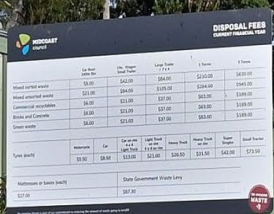


Figure 6.7.1: Lifecycle Summary

All \$ values are shown in current day dollars.

The lifecycle forecast costs graph shows:

- Estimated available funding for the first 10-year period is \$82,287,448 or \$8,228,745 on average per year as per the Long Term Financial Plan or Planned Budget. This is 78.37% of the cost to sustain the current level of service at the lowest lifecycle cost. This funding is influenced by significant grant funding being received in the first year of this planning period
- The spike in the budget for 2024 relates to confirmed grant funding of \$11,146,770 from various fundings streams. Forster SLSC is a large proportion of this which costs \$8m.
- It is important to have a budget that covers the lifecycle costs as it ensures long-term service sustainability. The modelling shows there is insufficient budget to cover operational, maintenance, renewal and acquisition costs past 2028. For Council to maintain the existing LOS, an increase in the operations and maintenance budget will be required. The risk of not providing additional budget will result in accelerated asset deterioration. The deferred renewal will lead to a reduced LOS
- Acquisitions are funded through known grant programs or developer contributions. If Council was not to receive these grants, then there will be an impact on maintenance of the existing infrastructure. Assets will age and deteriorate; the renewal backlog will increase, and maintenance costs will escalate



LIFECYCLE MANAGEMENT PLAN

Waste & Emergency Services

Buildings

7 Lifecycle Management Plan – Waste & Emergency Services Buildings

This Lifecycle Management Plan details how Council plans to manage and operate the Waste and Emergency Services Buildings assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

7.1 Background Data

7.1.1 Physical parameters

Waste and Emergency Services Buildings are those buildings at our waste management facilities as well as those used for the Rural Fire Services (RFS) and State Emergency Services (SES).

The assets covered by this Lifecycle Management Plan are shown in Table 7.1.1 and the age profile of the assets included in this Lifecycle Management Plan is shown in Figure 7.1.1.

Table 7.1.1: Assets covered by this AM Plan

Asset Category	Units	Replacement Value
Waste Management Facilities – including dog pound	24	\$14,147,497
Emergency Services – SES, Fire Control, RFS	94	\$25,921,973
TOTAL	118	\$40,069,470

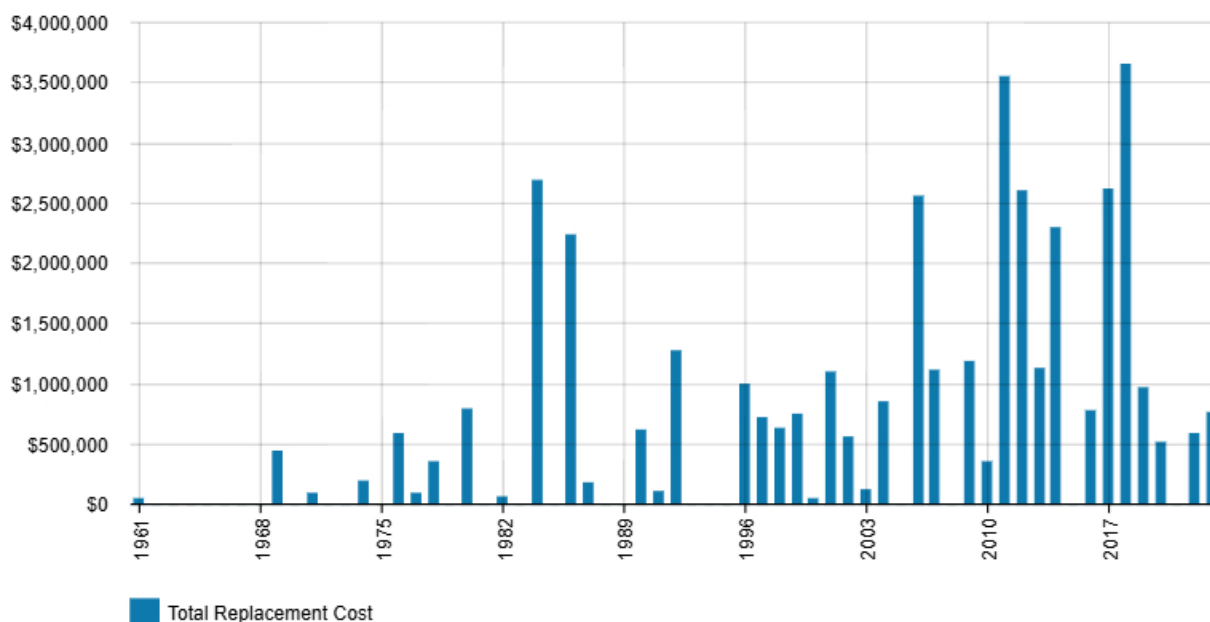


Figure 7.1.1: Asset Age Profile

All \$ values are shown in current day dollars.

The age profile graph shows peaks and troughs of asset investment. As limited historic information was available from the asset registers, the year acquired has been assessed from the asset valuation undertaken in 2022. The year acquired calculation is based on the useful life, remaining life and condition rating. Buildings valued at \$1m or greater have been componentised with the asset cost apportioned across the components. Council's assets register and asset books reflects this. For the purposes of this Lifecycle Management Plan, the data captured for condition, useful life, replacement cost, acquisition year and renewal valuation were for the whole building and any components.

The age profile of assets is generally favourable when compared to their useful life. Asset renewal decisions are not based solely on asset age but consider a range of factors, including condition, environmental influences, location, usage, and capacity. While the array of buildings remains functional and in acceptable condition, many are aging assets that will increasingly require additional maintenance to sustain agreed service level targets. Currently, Council considers that the existing level of maintenance is adequate.

However, to mitigate the risk of service deficiencies impacting the long-term performance of these facilities, an increase in maintenance efforts and expenditure will be necessary. Furthermore, medium-term planning (over 10 years) will need to account for additional capital upgrades to key facility components, such as roof replacements, to ensure the facilities continue to meet service expectations.

7.1.2 Asset capacity and performance

Council has been on a journey to asset maturity over the last 7 years, with all Waste and Emergency Services Building assets now identified in the corporate asset register. The asset register has the capacity to record asset SAM information including function, capacity and utilisation with a 1-5 rating as described below. These ratings will be used for better asset integrity and will provide more accuracy in future versions of this Lifecycle Management Plan. This has been identified in the Improvement Plan.

Capacity – 1 = Easily meeting existing & future loads, 5 = Unable to meet existing or future loads
Function – 1 = Easily performing required function; 5 = Not performing required function
Utilisation - 1 = Repeatedly utilised; 5 = Not utilised

Assets are generally provided to meet design standards where these are available. There are no known service deficiencies relating to the Waste and Emergency Services Buildings.

7.1.3 Asset condition

The condition of all buildings is systematically inspected to ensure that conditions which may lead to structural damage are identified so any remedial action can be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life.

The condition of the Waste and Emergency Services Buildings is monitored by Council's Asset Officers with detailed condition assessments occurring every three years.

Routine inspections are designed to determine the need for maintenance, temporary works, or replacement. These are scheduled to occur in accordance with the relevant standards or best practice.

Asset condition inspections are designed to assess the overall condition of an asset and determine its remaining useful life. Inspections are scheduled and undertaken as per the building hierarchy.

Condition is measured using a 1 – 5 grading system¹⁴ as detailed in Table 7.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however for reporting in the Lifecycle Management Plan, results are translated to a 1 – 5 grading scale for ease of communication.

Table 7.1.3: Condition Grading System

ASSET CONDITION			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 7.1.3.

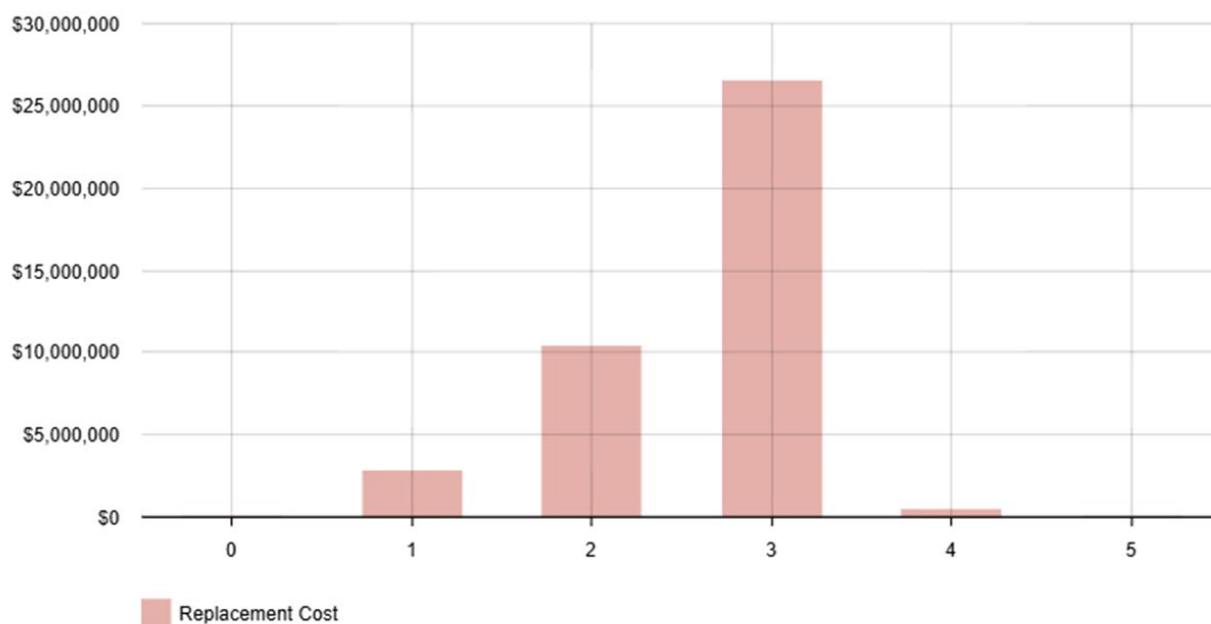


Figure 7.1.3: Asset Condition Profile

All \$ values are shown in current day dollars.

Figure 7.1.3 shows the total current value of the assets for each condition score. In addition to condition 1-5 as discussed above the module there is also a condition value of zero which is used where the condition of an asset is unknown. All the buildings in this Lifecycle Management Plan

¹⁴ IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

have a condition rating. The graph also can be used if Council was considering asset renewals based solely on condition.

All condition data was reviewed by an external contractor in June 2022 as well as Council's asset officer. The asset register has been updated to reflect this.

If Council does not invest in additional budget for maintenance and asset renewal, then it would be expected the condition profile of the assets will change with more assets slipping into poor or very poor condition.

7.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping and asset inspections.

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 operating. Typical maintenance activities for assets covered in this Lifecycle Management Plan include servicing and repairs. Maintenance can be planned or reactive. Planned activities include routine servicing (such as a lift, automatic door, or fire equipment servicing) or repairs from a previous inspection or defect with reactive maintenance being a response to customer requests or repairs to asset failure. By regularly undertaking maintenance activities the condition and functionality of the assets will help prolong their useful life.

The trend in maintenance budgets is shown in Table 7.2.1.

Table 7.2.1: Maintenance Budget Trends

Year	Asset	Maintenance Budget
2024	Waste Buildings	\$210,405
	Emergency Services Buildings	\$303,865
2025	Waste Buildings	\$216,717
	Emergency Services Buildings	\$303,765

It is noted that the budget estimate does not include inflation. Council's finance department sets indexation in the financial reports. It is also noted that where operational and maintenance costs are increasing the gap will widen between the current budget and required funding.

Maintenance budget levels are considered to be inadequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this and service risks considered in the Infrastructure Risk Management Plan.

Requests for unplanned maintenance can come from both internal and external sources. Staff assess and prioritise planned maintenance based on their experience and judgment. Works are then programmed using works management software.

7.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of, the forecast operation and maintenance costs are expected to decrease. Figure 7.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.



Figure 7.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

The operations maintenance budget for Waste and Emergency Services Buildings is managed by the departments responsible for delivering each of the Waste Service and Emergency Services. Each department provided their maintenance and operations budget which have been input into this Plan.

Figure 7.2 suggests that the operations and maintenance budget is somewhat sufficient, and Council will be able to maintain the current levels of service. Estimated available funding for the 10-year period is \$32,392,844 or \$3,239,285 on average per year as per the Long Term Financial Plan or Planned Budget. This is 74.72% of the cost to sustain the current level of service at the lowest lifecycle cost.

The information provided for this modelling is the best estimate based on current operation and maintenance costs from all asset owners.


The graph shows an increase in forecast lifecycle cost over the planning period due to growth as well as ageing infrastructure. If there was an increase in acquisitions, then there will be related operations and maintenance costs showing on this graph after the year of acquisition. This is an area that will require continual monitoring if grant funding has been received or there is an allocation of capital budget. The graph does not show inflation as everything in the Lifecycle Management Plan is shown in current day dollars.


7.2.2 Asset hierarchy



An asset hierarchy provides a framework for structuring data in an information system to assist in the collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

Within Council's Asset Register the asset service level is defined as shown below. Currently this is not being used and will require further analysis to determine what Council requires. This is listed in the Improvement Plan.

Service Level





  1 - 5 of 5 records.

Selection Code	Short Description	Description	Status
2	MINOR DEFECTS	(SL 2) - Minor Defects Only	Active
3	MAINT REQUIRED	(SL 3) - Maint Req to Retain at Accepted Level of Service	Active
4	RENEWAL REQUIRED	(SL 4) - Requires renewal	Active
NA	Not Applicable	Not Applicable	Active
TBD	TBD	To Be Determined	Active

7.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The renewals identified in this Lifecycle Management Plan use the Asset Register data as well as condition, staff judgement, demand, utilisation.

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 7.3.

Table 7.3: Useful Lives of Assets

Asset (Sub)Category	Useful life
Waste Services Buildings	20-75 years
Emergency Services Buildings	50-75 years
Associated sheds	20-50 years

The useful life for assets used in this Lifecycle Management Plan was based on the typical useful life shown in table 7.3 and of those determined by the valuer at the time of revaluation¹⁵ (2002). The environment, location, building materials and type were all taken into consideration in determining the actual useful life per building.

At present Council does not have a “typical” useful life for a building class. It is recommended a policy is needed to address this inconsistency.

7.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5-t load limit), or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).¹⁶

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure
- Have high use and subsequent impact on users would be significant
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacing it with a modern equivalent asset that would provide the equivalent service¹⁷

Waste services are funded by rates and user charges, which are restricted for the purpose of waste operations, infrastructure, and future planning. User charges are designed to incorporate provisions for long-term planning and infrastructure needs.

Council relies significantly on externally sourced grant funding to enhance waste infrastructure, enabling investments in capital improvements and renewals that may not otherwise be feasible within existing funding constraints. These grants support strategic planning and the optimisation of asset replacement. Council can forecast its grant-funded renewal programs for a three-year period with a high level of confidence. However, beyond this timeframe, grant funding becomes less predictable, and allocation forecasting beyond three years carries a lower level of confidence. Consequently, such projections are not included in this Lifecycle Management Plan.

¹⁵ Review of Useful Life of Assets

¹⁶ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

¹⁷ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

Renewals are prioritised in the Long Term Financial Plan based on the condition, utilisation, functionality, and service of the assets. While renewals identified in the Long Term Financial Plan are those which fit within our existing budget, we also account for renewals that are due and currently unfunded. In these cases, Council actively seeks grant funding to address the backlog. However, reliance on grants poses a risk, as this income stream is not guaranteed.

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 7.3.1.

Table 7.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Legislated <ul style="list-style-type: none"> Change in processing requirements for waste handling and resource recovery 	30%
Maintenance <ul style="list-style-type: none"> Can we maintain what we have instead of building or procuring new infrastructure or equipment? Does the cost of maintenance outweigh the cost of replacement? 	20%
Condition <ul style="list-style-type: none"> Is the condition beyond our intervention levels? What is the risk associated with not intervening? 	20%
Service <ul style="list-style-type: none"> What area does the asset service and where is the nearest available alternative? What is the impact on community if removed and not replaced? 	10%
Utilisation <ul style="list-style-type: none"> What are the utilisation levels and what is the impact if asset is removed? 	20%
TOTAL	100%

7.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 7.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

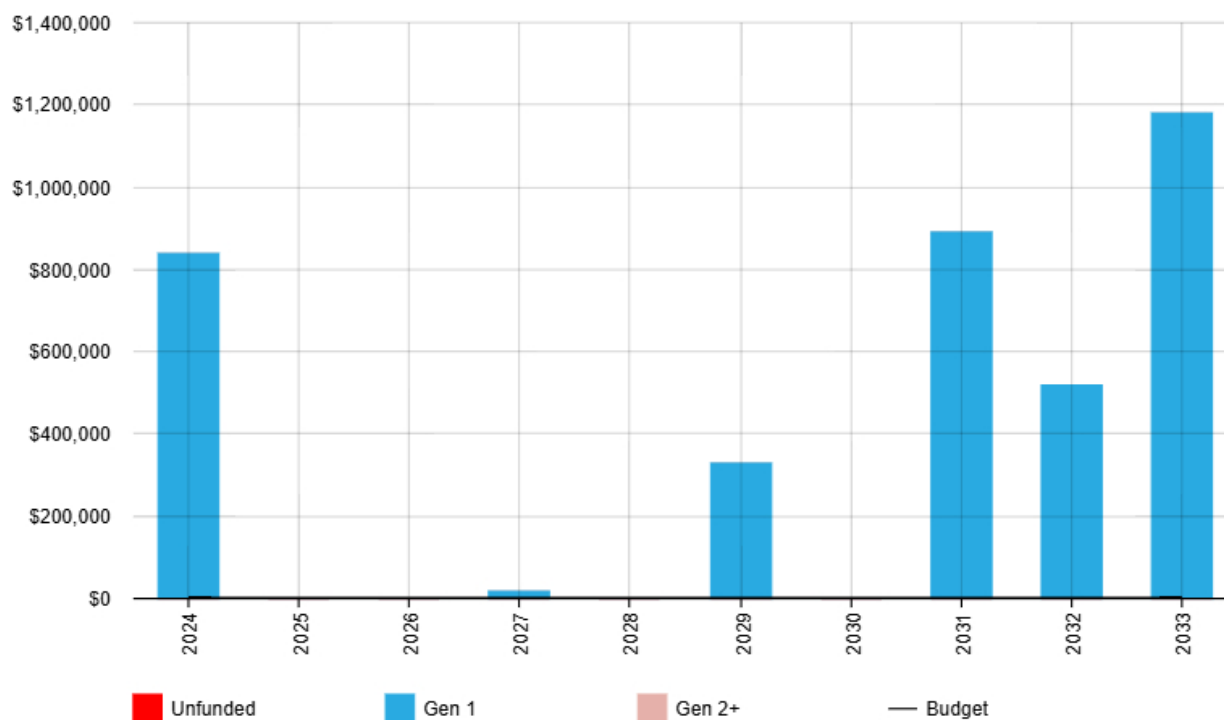


Figure 7.4.1: Forecast Renewal Costs

All \$ values are shown in current day dollars.

Figure 7.4.1 shows the value of assets that are due for renewal based on the year of acquisition and useful life. There is no renewal backlog. If this was the case, they would be rolled up into the first year of this planning period and be represented by a red bar in the graph.

The graph highlights there is no budget for the renewal activities in this plan. Underfunding for renewals will impact on our ability to fund future lifecycle activities. To ensure Council can maintain the lifecycle activities for all renewals a renewal budget will need to be considered. The useful life of buildings is greater than 20 years therefore there are no Gen2 assets.

7.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

Large-scale assets, such as the Food Organic and Garden Organic (FOGO) processing facilities required to meet strategic waste management needs, are typically delivered through Design, Build, Own, Operate, and Transfer (DBOOT) contracts. Under this arrangement, these multi-million-dollar assets remain the property of the contractor for the duration of the contract, which typically spans 20–25 years. As a result, such assets are not included in Council's asset management plans until ownership is transferred to Council at the conclusion of the contract term.

7.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the community's needs. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria for Waste Services Buildings are detailed in Table 7.5.1.

Table 7.5.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting
Legislated Waste Services operates under stringent environmental regulations, constantly adapting to updated Solid Waste Landfill guidelines. Compliance necessitates adopting new technologies to enhance the environmental performance of Waste Services Assets	25%
Strategic Aligned with the Waste Management Strategy 2030 adopted by the Council, Waste Services commits to meeting targets that involve continual review and upgrading of technologies and processes, often requiring significant capital expenditure. Strategic documents influencing acquisition priority: <ul style="list-style-type: none"> • Community Strategic Plan • Resourcing Strategy • Long Term Financial Plan • Climate Change Strategy • Delivery Program and • Operational Plan Strategic acquisitions also encompass service and facility expansion to ensure uninterrupted services for a growing population, evolving demographics, and enhanced technological capabilities	50%
20-Year Capital Plan Waste Services has formulated a 20-year capital plan delineating specific projects aimed at enhancing waste management services for the MidCoast community. These projects are meticulously selected to align with the anticipated funds generated from ongoing operations and reserves accumulated over the preceding decade. This financial approach ensures that each generation sustains its own services, particularly addressing the remediation of landfills and facilities utilised by residents during the past decade	12.5%
Cost v Benefit to the Community <ul style="list-style-type: none"> • Community Benefit • Utilisation • Total lifecycle cost • Carbon Footprint/Environmental impact 	12.5%
Total	100%

7.5.2 Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 7.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

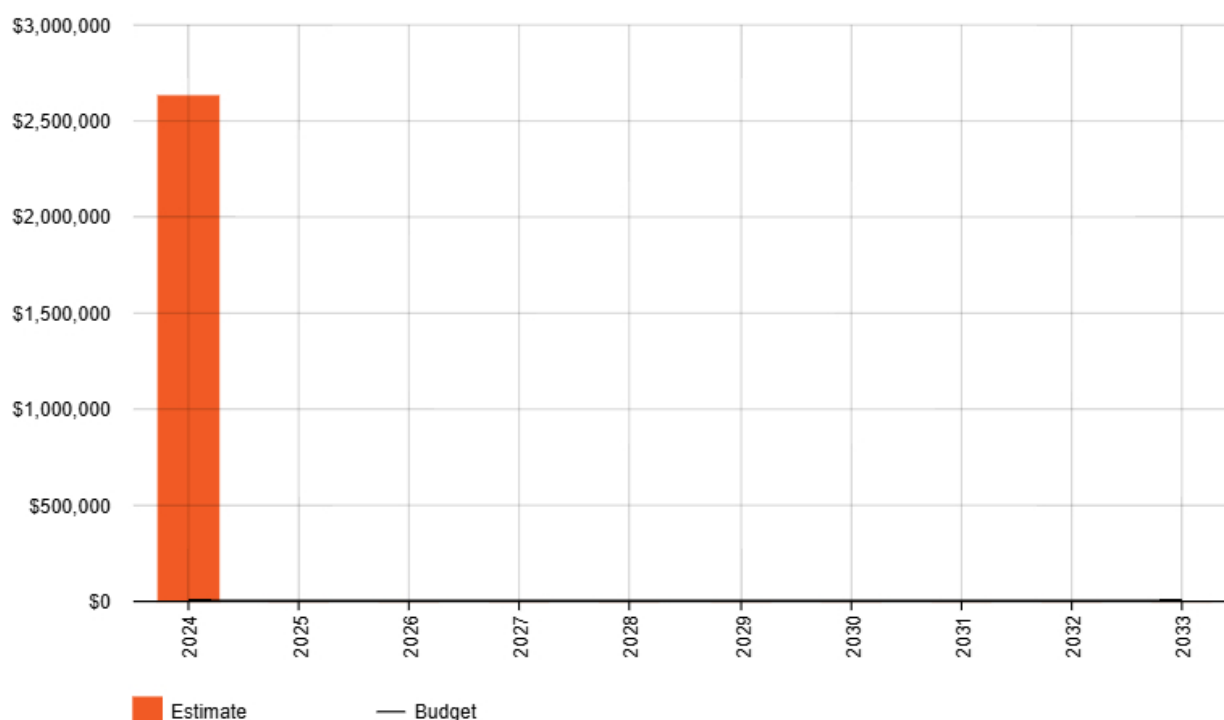


Figure 7.5.1: Acquisition (Constructed) Summary

All \$ values are shown in current day dollars.

Figure 7.5.1 shows Council's constructed assets for waste and emergency services. The projects that contributed to this growth are the Tuncurry Sustainability Centre (\$1,502,547), Wallaby Joe RFS (\$414,000), the Johns River RFS (\$588,400) and the Wootton RFS extension (\$120,000). There is an absence of a budget line due to Council not having an acquisition budget.

It should be noted that within Council's Section 7.11 Developer Contribution Reserves, there is an amount of funding available for asset acquisition. This funding has not been considered in this Lifecycle Management Plan.

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. Council must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Council. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 7.5.2. The estimated growth rate of 0.66% per year will have a minor impact on the current budget for full lifecycle costs.

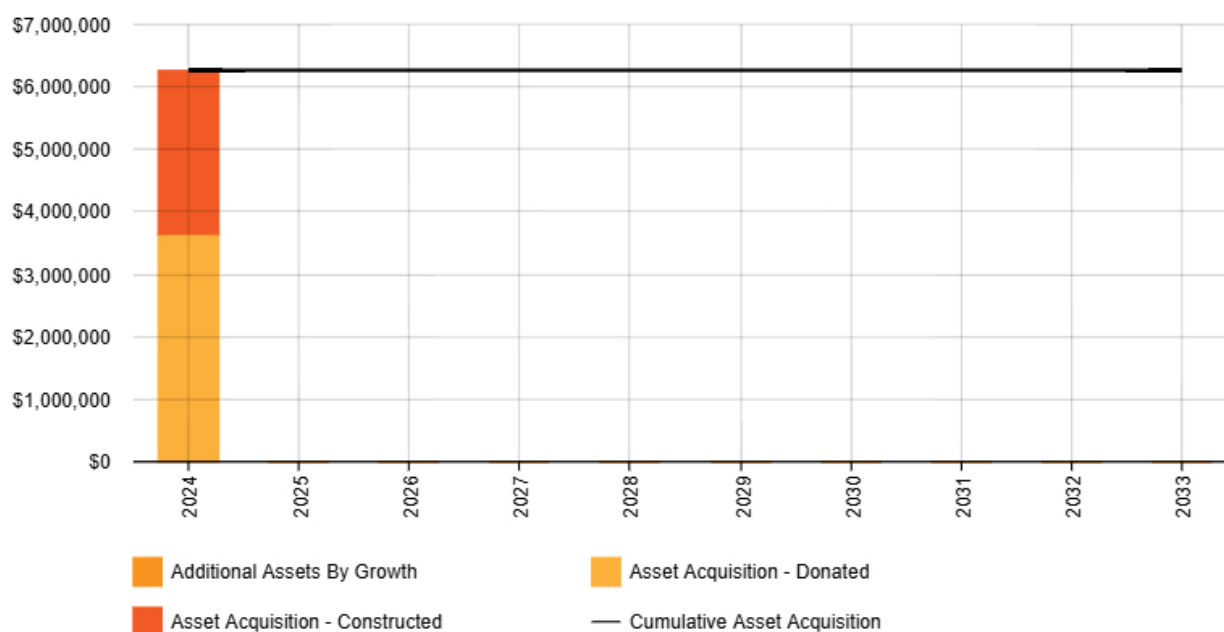


Figure 7.5.2: Acquisition Summary

All \$ values are shown in current dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the Long Term Financial Plan, but only to the extent that there is available funding.

Figure 7.5.2 outlines the total asset acquisitions, not only those Council are paying for but also assets that are going to be donated or contributed by an external party. In addition to the constructed assets as shown above in 7.5.1 Council will also be acquiring two new Emergency Services buildings being the Palms SES and Stroud SES buildings at a combined value of \$3.64m. Assets that are acquired are indicated in a different colour to those that are donated or contributed. The graph shows the total acquisition and the value in current replacement cost over the planning period. The black line represents the total cumulative amount over the entire planning period, i.e. both the actual acquisition expenditure in each individual year, as well as the total cumulative amount.

Council's position when dealing with requests from community groups is to maintain what we have instead of building more, as the current situation is not sustainable. Therefore the primary focus for Council's expenditure is on renewals as opposed to acquisitions.

7.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. There are no Waste Services or Emergency Services buildings identified for possible decommissioning in this Lifecycle Management Plan.

7.7 Summary of asset forecast costs

The financial projections from this Lifecycle Management Plan are shown in Figure 7.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the

discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

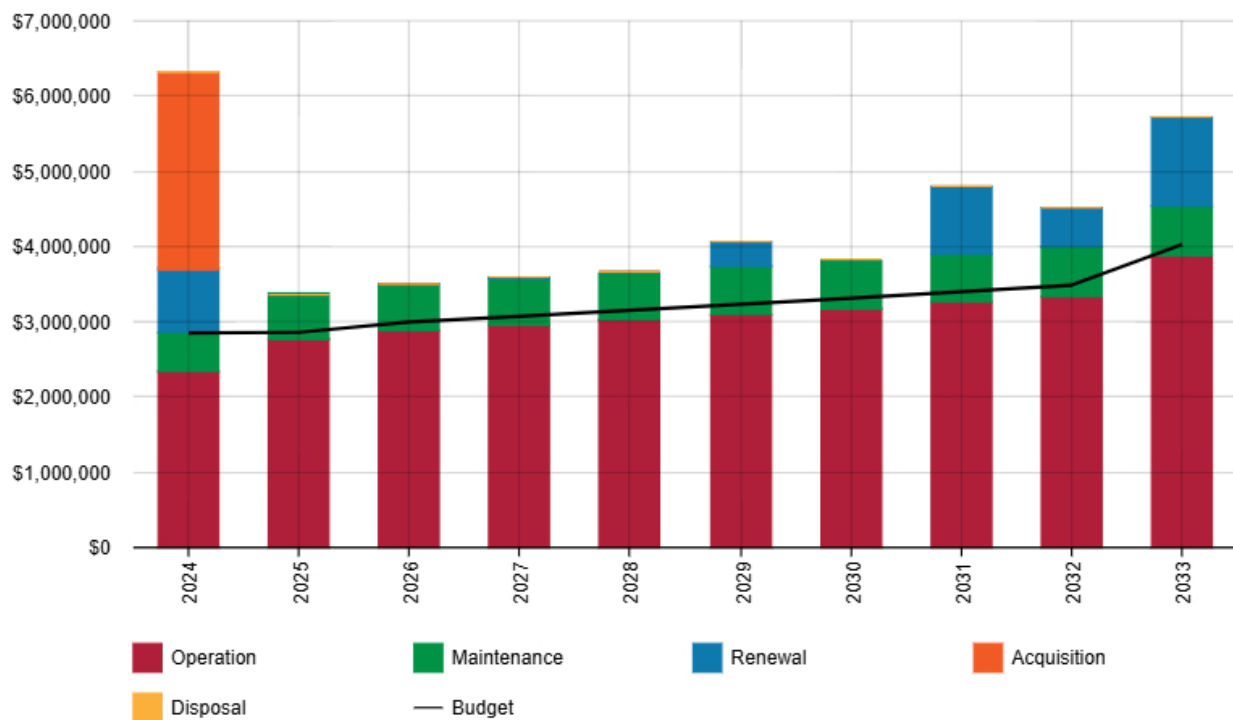


Figure 7.7.1: Lifecycle Summary

All figure values are shown in current day dollars.

Figure 7.7.1 indicates that the operations and maintenance budget is generally sufficient to maintain critical infrastructure and ensure the required levels of service. Council's Long Term Financial Plan allocated an estimated \$32,392,844 over the next 10 years, averaging \$3,239, 285 annually. This represents 74.72% of the funding required to sustain the current level of service at the lowest lifecycle cost

To ensure long-term sustainability, it is essential for the budget to align with lifecycle costs. While the current budget is sufficient for critical infrastructure, adjustments will be made as necessary to prioritise these assets. Non-critical assets may be disposed of to redirect resources and maintain service levels for priority infrastructure

Modelling suggests that while the current budget supports operations and maintenance, there is insufficient funding to fully cover all renewal and acquisition costs. To maintain the existing levels of service, an increase in the operations and maintenance budget may be required. Failure to address this could result in accelerated asset degradation, affecting long-term performance and service delivery



LIFECYCLE MANAGEMENT PLAN

Water & Sewer Buildings

8 Lifecycle Management Plan – Water & Sewer Buildings

The Lifecycle Management Plan details how Council plans to manage and operate the Water and Sewer Buildings assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

8.1 Background Data

8.1.1 Physical parameters

The Water and Sewer Buildings are used to support the delivery of water and sewer services.

The assets covered by this Lifecycle Management Plan are shown in Table 8.1.1 and the age profile of the assets included in this Lifecycle Management Plan is shown in Figure 8.1.1.

Table 8.1.1: Assets covered by this AM Plan

Asset Category	Units	Replacement Value
Water & Sewer Buildings	188	
Water Buildings		\$42,796,432 (72%)
Sewer Buildings		\$16,643,057 (28%)
	188	\$59,439,489

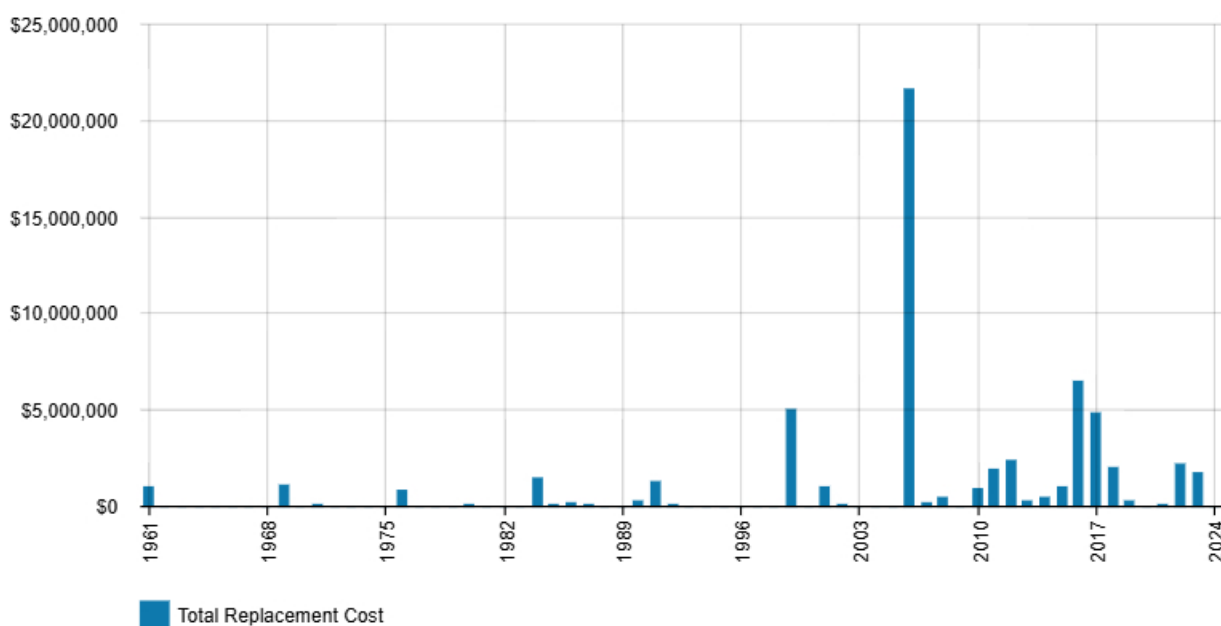


Figure 8.1.1: Asset Age Profile

All \$ values are shown in current day dollars.

The age profile graph shows peaks and troughs of asset investment. As limited historic information was available from the asset registers, the year acquired has been assessed from the asset valuation undertaken in 2022. The year acquired calculation is based on the useful life, remaining life and condition rating. Buildings valued at \$1m or greater have been componentised, with the asset cost apportioned the components. Council's assets register and asset books reflects this. For the purposes of this Lifecycle Management Plan, the data captured for condition, useful life, replacement cost, acquisition year and renewal valuation are for the whole building and any components.

There is a good age of assets in relation to useful life. Asset renewals decisions are not solely based on asset age. Other factors are taken into consideration such as condition, environment, location, usage and capacity.

While the array of buildings remains functional and in acceptable condition, many are aging assets that will increasingly require additional maintenance to sustain agreed service level targets. Currently, Council considers that the existing level of maintenance is adequate. However, to reduce the risk of service deficiencies impacting the long-term performance of facilities, an increase in maintenance and expenditure will be necessary. In addition to this, additional capital upgrades will be required to key building components at facilities over the medium-term (more than 10 years) e.g. roof replacements.

8.1.2 Asset capacity and performance

Council has been on a journey to asset maturity over the last 7 years, with all water and sewer building assets now identified in the corporate asset register. The asset register has the capacity to record asset SAM information including function, capacity and utilisation with a 1-5 rating as described below. These ratings will be used for better asset integrity and will provide more accuracy in future versions of this Lifecycle Management Plan. This has been identified in the Improvement Plan.

Capacity – 1 = Easily meeting existing & future loads, 5 = Unable to meet existing or future loads
 Function – 1 = Easily performing required function; 5 = Not performing required function
 Utilisation - 1 = Repeatedly utilised; 5 = Not utilised

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 8.1.2.

Table 8.1.2: Known Service Performance Deficiencies

Location	Service Deficiency
Water Services Buildings	<ul style="list-style-type: none"> TO WPS 01 – Building Tiona Water P.S. - Shed replacement is needed
Sewer Services Buildings	<ul style="list-style-type: none"> FO STP 01 – Amenities / Control Building Roof replacement HR STP 01 – Amenities / Control Building (whole building is getting replaced/ upgraded – due in 5 years) DR STP 01 – Amenities Floor covering – Removing old flooring (tiles) and replace with new flooring –DR STP 01 – Amenities Building Roof – Roof replacement is needed DR STP 01 – Machinery/ Storage Shed – Flashings and whirly birds need replacing MP STP 01 – Vacuum P.S Roof – Roof replacement is needed

- HR SPS 09 – Building – Existing building needs to be extended to cater for switchboard upgrades and to provide a lunchroom.

The above service deficiencies were identified from informed decisions based on asset officers' observations.

8.1.3 Asset condition

The condition of all buildings is systematically inspected to ensure that conditions which may lead to structural damage are identified so that any remedial action can be undertaken. Asset inspections are a key factor of asset management and are designed to identify defects that have the potential to create a risk of damage or inconvenience to the public and may impact on overall asset life. The condition of the Water and Sewer Buildings is monitored by Council's Asset Officers with detailed condition assessments occurring every three years.

Routine inspections are designed to determine the need for maintenance, temporary works, or renewals / upgrades. These are scheduled to occur in accordance with the relevant standards or best practice.

Asset condition inspections are designed to assess the overall condition of an asset and determine its remaining useful life. Inspections are scheduled and undertaken as per the building hierarchy.

Condition is measured using a 1 – 5 grading system¹⁸ as detailed in Table 8.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM Plan results are translated to a 1 – 5 grading scale for ease of communication.

Table 8.1.3: Condition Grading System

ASSET CONDITION			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 8.1.3.

¹⁸ IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.

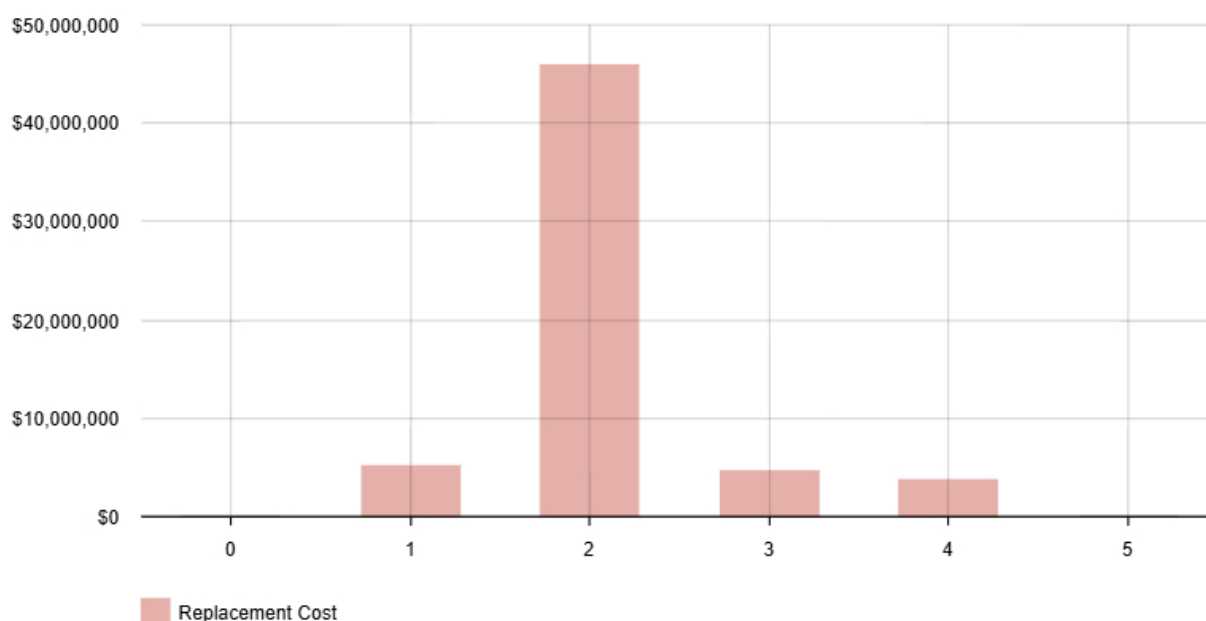


Figure 8.1.3: Asset Condition Profile

All \$ values are shown in current day dollars.

Figure 8.1.3 shows the total current value of the assets for each condition score. In addition to condition 1-5 as discussed above there is also a condition value of zero which is used where the condition of an asset is unknown. All the buildings in Lifecycle Management Plan have a condition rating. The graph also can be used if Council was considering asset renewals based solely on condition.

All condition data was reviewed by an external contractor in June 2022 as well as Council's asset officer. The asset register has been updated to reflect this.

If Council fails to allocate additional budget for maintenance and asset renewal, the condition of the assets is expected to decline, with more assets falling into poor or very poor condition.

8.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning and asset inspections.

Maintenance encompasses all activities required to keep an asset as close as possible to its optimal service condition. This includes regular, ongoing day-to-day tasks necessary to ensure assets remain operational. Typical maintenance activities for assets covered in this Lifecycle Management Plan include servicing and repairs. Maintenance can be planned or reactive. Planned activities include routine servicing (such a lift, automatic door, or fire equipment servicing) or repairs from a previous inspection or defect with reactive maintenance being a response to customer requests or repairs to asset failure. By regularly undertaking maintenance activities the condition and functionality of the assets will help prolong their useful life.

The trend in maintenance budgets is shown in Table 8.2.1.

Table 8.2.1: Maintenance Budget Trends

Year	Asset	Maintenance Budget
2024	Water Buildings	\$16,000
	Sewer Buildings	\$15,000
2025	Water Buildings	\$17,000
	Waste Buildings	\$17,000

It is noted that the budget estimate does not include inflation. Council's finance department sets indexation in the financial reports. It is also noted whilst operational and maintenance cost are increasing the gap will widen between current budget and required funding.

Maintenance budget levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this Lifecycle Management Plan and service risks considered in the Infrastructure Risk Management Plan.

Requests for both unplanned and planned maintenance can originate from internal and external sources. Staff assess and prioritise planned maintenance based on their experience and judgment. The tasks are then scheduled and organised using works management software.

8.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 8.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

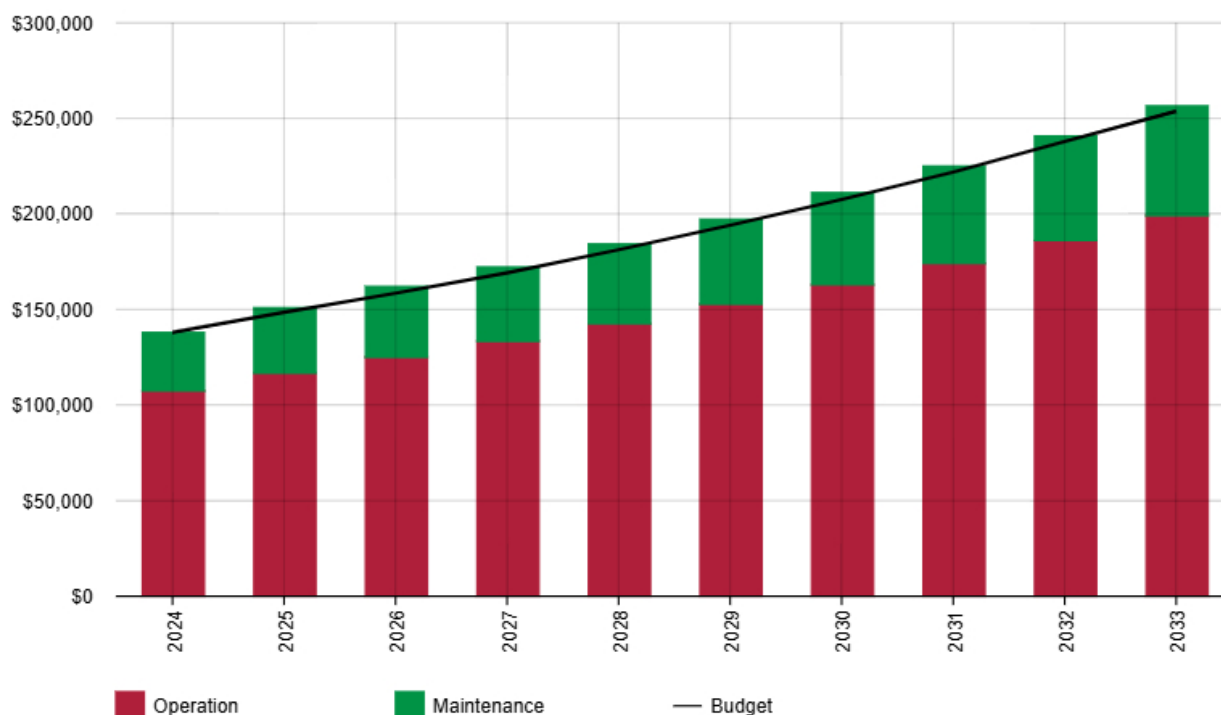


Figure 8.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

Figure 8.2 suggests that the operations and maintenance budget is sufficient, and Council will be able to maintain the current levels of service. Estimated available funding for the 10-year period is \$4,910,360 or \$491,036 on average per year as per the Long Term Financial Plan or Planned Budget. This is 121.22% of the cost to sustain the current level of service at the lowest lifecycle cost.

The information provided for this modelling is the best estimate based on current operation and maintenance costs from the water and sewer services asset owners.

The graph shows the forecast lifecycle cost over the planning period is steady. If there was an increase in acquisitions, then there will be related operations and maintenance costs showing on this graph after the year of acquisition. This is an area that will require continual monitoring if grant funding has been received or there is an allocation of capital budget. The graph does not show inflation as everything in the Lifecycle Management Plan is shown in current day dollars.

8.2.2 Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in the collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

Within Council's Asset Register the service level is defined as shown below. Currently this is not being used and will require further analysis to determine what Council requires. This is listed in the Improvement Plan.

Service Level



?Status - Code Is equal to A



1 - 5 of 5 records.

Selection Code	Short Description	Description	Status
2	MINOR DEFECTS	(SL 2) - Minor Defects Only	Active
3	MAINT REQUIRED	(SL 3) - Maint Req to Retain at Accepted Level of Service	Active
4	RENEWAL REQUIRED	(SL 4) - Requires renewal	Active
NA	Not Applicable	Not Applicable	Active
TBD	TBD	To Be Determined	Active

8.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The renewals identified in this Lifecycle Management Plan use the Asset Register data as well as condition, staff judgement, demand, utilisation.

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 8.3.

Table 8.3: Useful Lives of Assets

Asset (Sub) Category	Useful life
Water & Sewer treatment / process buildings	50-75 years

The useful life for assets used in this Lifecycle Management Plan was based on the typical useful life shown in table 8.3 and of those determined by the valuer at the time of revaluation¹⁹ (2002).

¹⁹ Review of Useful Life of Assets

The environment, location, building materials and type were all taken into consideration in determining the actual useful life per building.

At present Council does not have a “typical” useful life for a building class. It is recommended a policy is needed to address this inconsistency.

8.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5-t load limit); or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).²⁰

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure
- Have high use and subsequent impact on users would be significant
- Have higher than expected operational or maintenance costs and
- Have potential to reduce life cycle costs by replacing it with a modern equivalent asset that would provide the equivalent service.²¹

Renewals are prioritised in the Long Term Financial Plan based on the condition, utilisation, function and service of the assets. While renewals identified in the Long Term Financial Plan are those which fit within our existing budget, we also account for renewals that are due and currently unfunded. In these cases, Council actively seeks grant funding to address the backlog. However, reliance on grants poses a risk, as this income stream is not guaranteed.

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 8.3.1.

²⁰ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

²¹ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

Table 8.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Maintenance <ul style="list-style-type: none"> Can we maintain our existing building assets to meet the expected levels of service as opposed to replacement of building assets prematurely? Does the cost of maintenance outweigh the cost of replacement? 	20%
Condition <ul style="list-style-type: none"> Is the condition beyond our intervention levels? What is the risk associated with not intervening? 	20%
Service <ul style="list-style-type: none"> What area does the asset service? Where is the nearest available alternative? What is the impact on community if removed and not replaced? 	40%
Utilisation <ul style="list-style-type: none"> What are the utilisation levels? What is the impact if asset is removed? 	10%
Function <ul style="list-style-type: none"> Is the asset being used for its intended purpose? 	10%
Total	100%

8.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 8.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

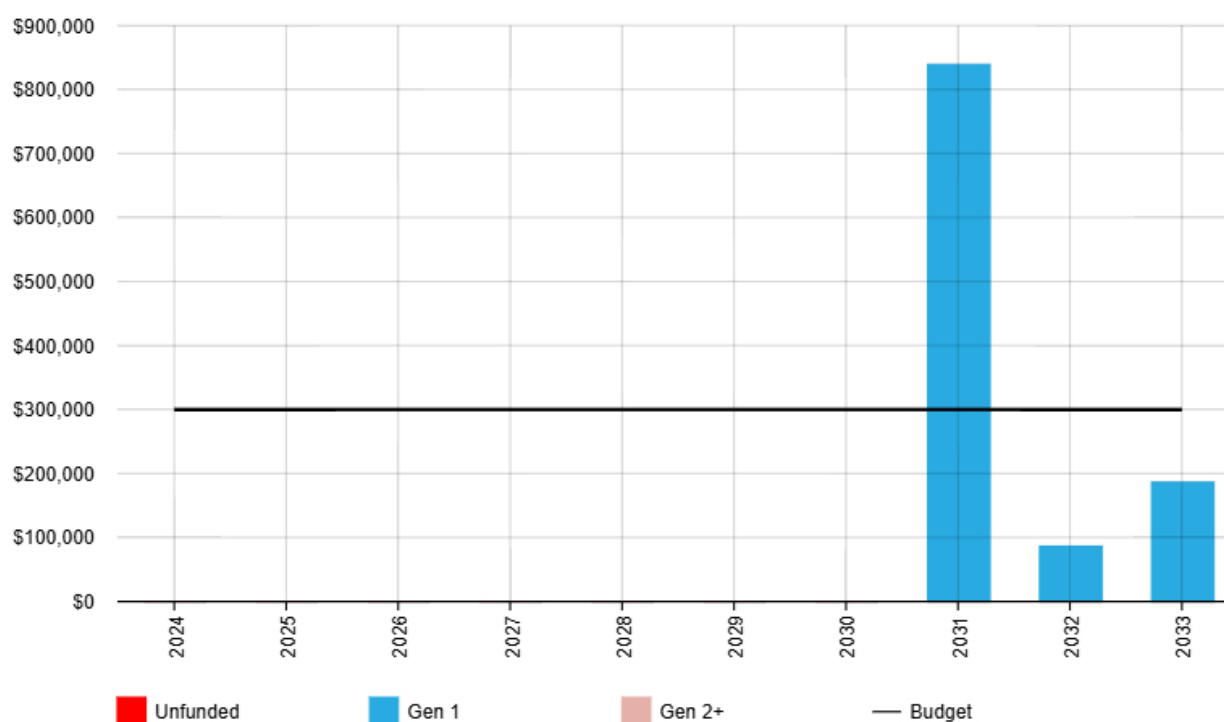


Figure 8.4.1: Forecast Renewal Costs

All \$ values are shown in current day dollars.

Figure 8.4.1 shows the value of assets that are due for renewal based on the year of acquisition and useful life. There is no renewal backlog, however if there were they would be rolled up into the first year of this planning period and would be represented by the red bar in the graph.

The graph highlights there is insufficient budget for the renewal activities in 2031, however if the budget was to roll over each year, then there would be surplus funds for renewals. To ensure Council can maintain the lifecycle activities for all renewals a renewal budget will need to be considered. The useful life of buildings is greater than 20 years therefore there are no Gen2 assets.

8.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council through development contributions, however this is rare.

8.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the Entities needs. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria for Water and Sewer Buildings are detailed in Table 8.5.1.

Table 8.5.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting
Strategic Documents <ul style="list-style-type: none"> Projected growth areas Resourcing Strategy 	60%
Affordability <ul style="list-style-type: none"> What is the impact of the acquisition in relation to budget to cover the lifecycle? Does Council have to co-contribute to the acquisition costs? 	30%
Developer Contributions <ul style="list-style-type: none"> Population growth Demographics Where is the nearest available alternative? Community benefit / value What is the impact of the acquisition in relation to budget to cover the lifecycle? 	10%
Total	100%

8.5.2 Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 8.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

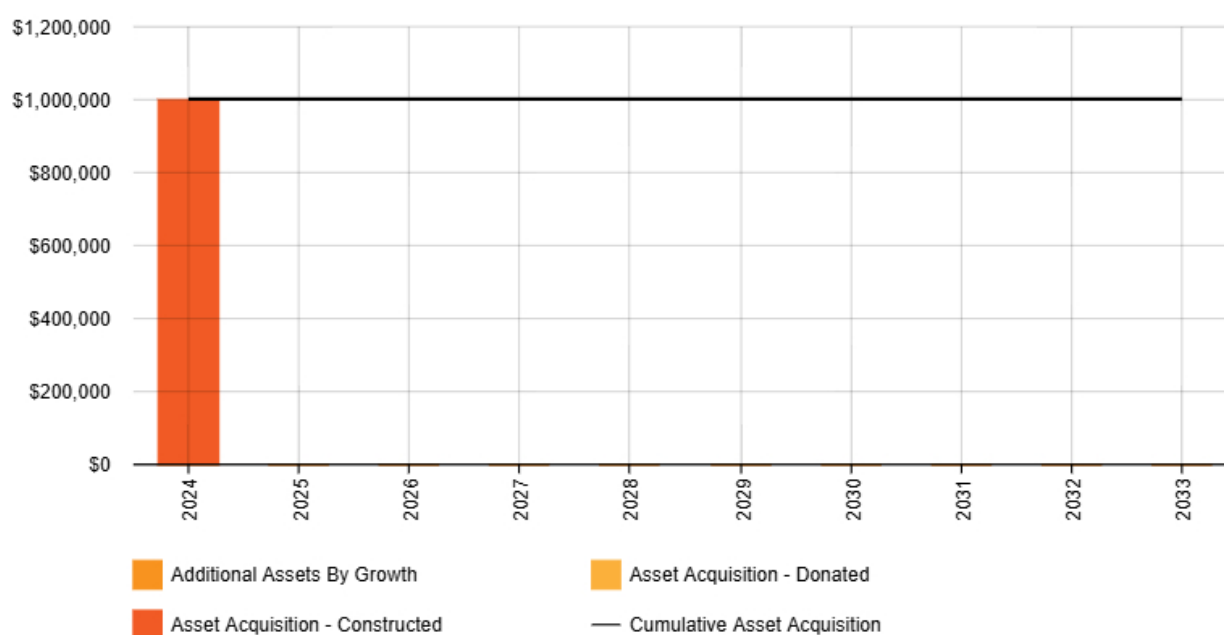


Figure 8.5.1: Acquisition Summary

All \$ values are shown in current day dollars.

Figure 8.5.1 shows the constructed assets Council will be commissioning in 2024. The projects that contributed to this growth include the Stroud WTP machinery shed (\$32,550), ST WPS Raw Water building (\$145,000) and Taree Depot equipment shed (\$824,000). There are no donated assets for Water and Sewer Buildings.

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. Council must also account for future depreciation when reviewing long term sustainability.

Expenditure on new assets and services in the capital works program will be accommodated in the Long Term Financial Plan, but only to the extent that there is available funding. The estimated growth rate of 0.17% per year will have a minor impact on the current budget for full lifecycle costs.

8.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. There are no Water and Sewer Buildings identified for possible decommissioning and disposal in this Lifecycle Management Plan.

8.7 Summary of asset forecast costs

The financial projections from this Lifecycle Management Plan are shown in Figure 8.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

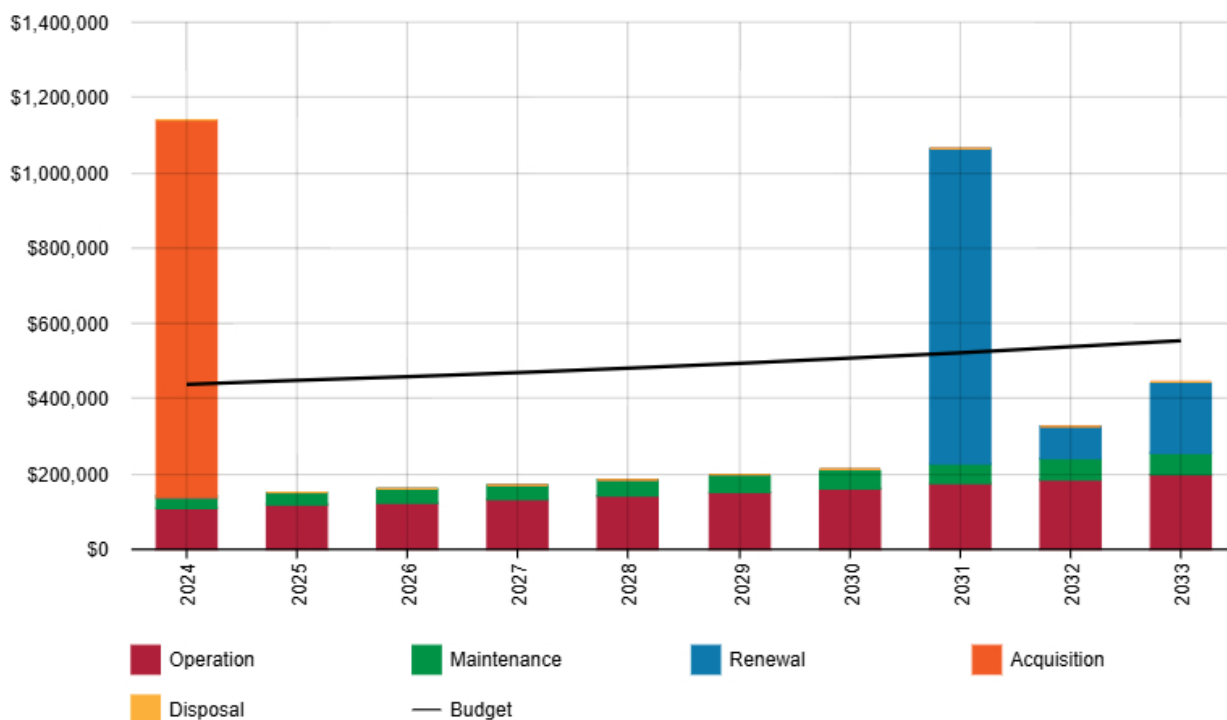


Figure 8.7.1: Lifecycle Summary

All \$ values are shown in current day dollars.

Figure 8.7.1 indicates that:

- Estimated available funding for the 10-year period is \$4,910,360 or \$491,036 on average per year as per the Long Term Financial Plan or Planned Budget. This is 121.22% of the cost to sustain the current level of service at the lowest lifecycle cost.
- It is important to have a budget that covers the lifecycle costs as it ensures long term service sustainability. The modelling shows there is more than the required budget to cover operational, maintenance, renewal and acquisition costs and maintain the LOS.
- There is an opportunity to review the LOS and the budget to determine whether the is LOS too low or the budget too high.



RISK MANAGEMENT PLANNING

9 Risk Management Planning

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk Management – Principles and Guidelines.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’.

An assessment of risks²² associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences.

9.1 Critical Assets

Critical assets are those assets with a risk rating of ‘Extreme’ or ‘High’ which have a high consequence of failure but not necessarily a high likelihood of failure. The identification of critical assets and failure modes means that investigative activities, condition inspection programs, maintenance and capital expenditure plans can be effectively targeted.

Critical assets within Open Space are related to public health and wellbeing, compliance and service delivery and infrastructure and include playgrounds (equipment and soft-fall surfaces), sports fields and lighting. The critical Open Space assets which have been identified along with their typical failure mode, and the impact on service delivery, are summarised in Table 9.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 9.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact
Playgrounds	Structural Failure	Injury to users; civil claims against Council; increased financial costs to Council; damage to reputation
Sportsfield Lighting	Essential Service Failure	Inability to provide service to the community due to closure of facility, increased financial costs to Council; damage to reputation
Sports Courts	Structural Failure due to weather events	Inability to provide service to the community due to closure of facility, increased financial costs to Council; damage to reputation
Pools	Filtration & pumps failure	Water Quality - Public health ramifications & shutdown of services
Taree Airport Terminal	Loss of facility	Emergency services, courier, general aviation
Administration Buildings	Loss of facility	Impact on service delivery for Council’s daily operations as well as being a control centre during emergency situations

²² Refer to MidCoast Council Risk Management Framework

Critical Asset(s)	Failure Mode	Impact
Gloucester, Taree and Tuncurry Waste Management Centres	Inaccessible or loss of facility	Main waste facilities that service the entire MidCoast local government area If the sites are inaccessible during a disaster event this would create significant logistics issues and create health and safety risks for the community
WTP, STP, RTP, WPS, SPS buildings, e.g. Bootawa and Communication Infrastructure (COT) buildings	Loss of facility	Impact on service delivery for Council's daily operations and potential impact of not being able to deliver expected levels of service to the community

By identifying critical assets and failure modes Council can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

9.2 Risk Assessment

The risk management process used is shown in Figure 9.2 and is based on the fundamentals of International Standard ISO 31000:2018.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks²³ associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

²³ Refer to MidCoast Council Risk Management Framework

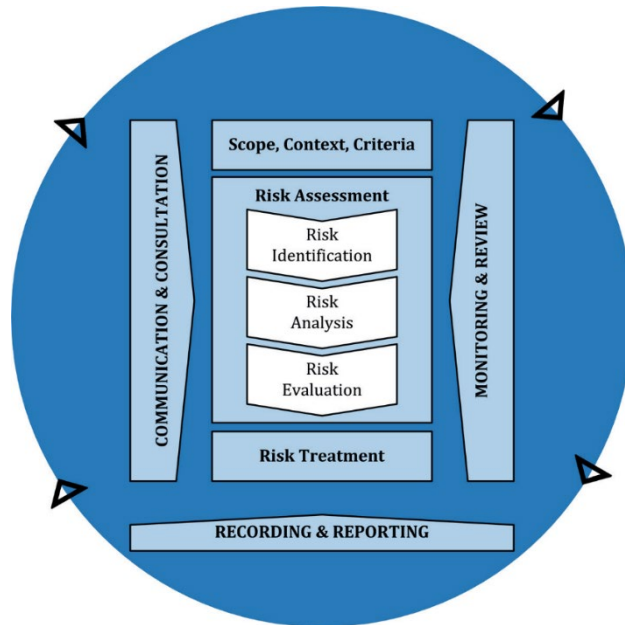


Fig 9.2 Risk Management Process – Abridged²⁴

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action), and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan are shown in Table 9.2.

Table 9.2: Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H,M,L) ²⁵	Treatment Costs
Playgrounds	Structural Failure – unsafe or defective playgrounds - Injury to users; civil claims against Council; increased financial costs to Council; damage to reputation	H	<ul style="list-style-type: none"> Quarterly Inspection outcomes checked, & defects monitored Independent safety and compliance audit undertaken on a triennial basis 	M	<ul style="list-style-type: none"> Quarterly Inspection outcomes checked, and defects monitored. \$24,600 (\$300 per PG @ 82 sites)

²⁴ Source: ISO 31000:2018, Figure 1, p9

²⁵ The residual risk is the risk remaining after the selected risk treatment plan is implemented

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H,M,L) ²⁵	Treatment Costs
All Swimming Pools	Pump failure, water leaks, filtration failure, odour and noise issues Staff chemical burn	H	<ul style="list-style-type: none"> Water quality (biological) testing) Scheduled maintenance programs On-going OH&S and materials handling training as required for staff 	L	Unknown
Sportsgrounds	Field closure: - wet weather - drought		<ul style="list-style-type: none"> Alternate venue Improved drainage provide irrigation pest management plan soil improvement programs 		\$100,000 pa for drainage and or irrigation—unknown extent of works Other works variable
Buildings General	Structural Failure – unsafe or defective buildings - Injury to users; civil claims against Council; increased financial costs to Council; damage to reputation	VH	<ul style="list-style-type: none"> Inspection outcomes checked, & defects monitored 	M	Unknown

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H,M,L) ²⁵	Treatment Costs
All Open Space assets	<p>Climate change Impacts – reduction in useful life, increase in maintenance, loss of infrastructure, impact on community and tourism</p> <p>Inability to provide service to the community due to closure of facility</p> <p>Injury to users / public safety issues; claims against Council; increased litigation costs to Council; increased asset repair / replacement costs; damage to Council reputation</p>	H	<ul style="list-style-type: none"> • Build better resilience strategies into planning phase of asset renewal and new • Utilise principles of MidCoast Council's Climate Change Strategy • Remove high risk and damaged assets from use. • Identify low-cost alternative treatment for maintenance and renewal with focus on cost effective operating costs 	L	Unknown at this stage
Inspection Programs	<ul style="list-style-type: none"> • Insufficient staff resources to undertake inspections on all building assets, on time which could impact on injury to users which may result in fatality • Structural failure – unsafe or defective buildings could result in increased financial costs to Council 	H	<ul style="list-style-type: none"> • Manage staffing levels to accommodate inspections • If unable to deliver scheduled inspection programs outsource as required for compliance 	L	Ensure enough staff resources are available to undertake inspections – 1 additional staff \$350 (pro-rata) per week

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H,M,L) ²⁵	Treatment Costs
All building assets	<ul style="list-style-type: none"> Climate change Impacts – reduction in useful life, increase in maintenance, loss of infrastructure, impact on community and tourism Inability to provide service to the community due to closure of facility Injury to users / public safety issues; claims against Council; increased litigation costs to Council; increased asset repair / replacement costs; damage to Council reputation 	H	<ul style="list-style-type: none"> Build better resilience strategies into planning phase of asset renewal and new Utilise principles of MidCoast Council's Climate Change Strategy Remove high risk and damaged assets from use Identify low-cost alternative treatment for maintenance and renewal with focus on cost effective operating costs 	L	Unknown at this stage
Building Renewals Project Delivery	Poor design, scope or construction can cause damage, injury or asset failure	H	Project delivery staffed by qualified project managers	L	Unknown
Building Renewals	Poor planning, prioritisation, resourcing decisions and deferred renewal will cause failure to meet community service level expectations	H	<p>Develop, establish and enforce AM procedure</p> <p>Monitor costs, ensure alternative supply arrangements are in place for critical materials</p>	M/L	Unknown

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H,M,L) ²⁵	Treatment Costs
Waste Management Infrastructure	<ul style="list-style-type: none"> • Critical infrastructure failures e.g. weighbridge • Reduced service delivery • Public health issues • Environmental issues - e.g. contamination • Breach of regulatory requirements, external investigations, fines and penalties • Incidents, injuries & claims • Increased financial costs • Damage to reputation 	H	<ul style="list-style-type: none"> • Waste Management Strategy 2030 & Long Term Financial Plan • Asset management - existing AMS • MidCoast Council Capital Works Plan • Regularly scheduled inspections for critical assets and proactive maintenance program • Environmental Management Plans • Compliance with design & construction standards, codes and specifications for new infrastructure • Engagement of appropriately skilled contractors and contract management • Budget reviews, planning processes, audits and contingencies • Insurance renewal process 	M	Part of general operations

It is essential that these critical risks and costs are reported to management. Council's preferred risk treatment options & escalation table is shown in Figure 9.3.

Residual Risk Rating	Preferred risk treatment options	Escalation: minimum reporting / escalation level for decision to cease activity, continue or take other necessary actions
Extreme	Preferred treatment options: Prevent, Avoid → Cease activity, process or task until further directed. → Requires immediate escalation and active management through additional and effective treatment measures to reduce risk before proceeding → Detailed planning required in consultation with the Director (and/or MANEX/GM) to prepare a risk management plan	Director (escalate MANEX / GM as deemed necessary)
High	Preferred Treatment Options: Prevent, Avoid, Transfer or Mitigate → Subject to discussions with Manager (and/or Director), consider ceasing activity, process or task temporarily to consider alternative options or review risk treatment strategies to enhance adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Manager (escalate to Director as deemed necessary)
Medium	Preferred Treatment Options: Prevent, Mitigate or Accept → Subject to discussions with Supervisor, Co-ordinator or Team Leader (and/or Manager), review risk treatment strategies to determine their adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Supervisor, Co-ordinator or Team Leader (escalate to Manager as deemed necessary)
Low	Preferred Treatment Options: Accept and identify corrective action → Manage by existing routing procedures and work practices → Continue to monitor control effectiveness	Responsible staff (escalate as deemed necessary)

Figure 9.3: Treatment Options and Escalation

9.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to ‘withstand a given level of stress or demand’, and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Council is developing measures for resilience in service delivery and data is very much in the infancy stage. This has been identified in the Improvement Plan and will form part of future versions of this AM Plan. Council’s current assessment of resilience is shown in Table 9.3 which includes the type of threats and hazards and the current measures that Council would consider, to ensure service delivery resilience.

Table 9.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Natural Disaster Floods	When designing parks with poor drainage look at works to raise height to 5% AEP flood level Aquatic infrastructure - strategic planning for resilience to limit potential loss, such as raising the height of the assets When building in areas on the flood plain, look at works to raise floor levels to 1% AEP flood level	Medium
Parks Infrastructure	Identify hazards impacting the deterioration of assets. These include impact of coastal erosion, natural disasters and climate change	Low

9.4 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources.

Effective asset management balances the trade-off between the organisation's required levels of service and tolerance for risk to ensure benefits are maximised with the resources available. Ensuring optimal balance between such factors within the constraints of resources means inherent trade-off to service and or risk. The implications are summarised below.

9.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Increasing maintenance on assets to prolong useful life without an increase in budget
- Renewing all infrastructure assets that are in a condition 4 and reaching the end of useful life
- Building new recycling infrastructure affordably in the region such as new Material Recycling Facilities without significant grant funding

Council is unable to significantly reduce service levels due to its authority as a Local Government entity, responsible for providing essential services to the community. The confines of labour and financial resource availability may limit Council's ability to deliver the full schedule of works and future developments.

9.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Reduction in the agreed LOS in some areas, unless new sources of revenue are found. For Council's swimming pool assets, the service level reduction may include a shortening of the annual pool season and / or daily opening hours

- Lower maintenance budgets will decrease the assets' useful life which in turn results in a reduction in quality and quantity of assets and increase in the amount of assets being taken out of use
- Not meeting community expectations to have assets meeting current and future needs
- Potential impact on tourist visitation or capacity to host major events
- Decrease in volunteer workforce, further exacerbating maintenance and LOS
- Increase in replacement costs
- Longer lead times for procurement of materials and assets
- Increased time to complete required works.

9.4.3 Risk trade-off

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

- Reduced safety to asset users
- Increased number of customer requests
- Increased community dissatisfaction and risk to Council's reputation
- Seek grant funds, and support community groups in seeking grants, for replacement of new assets and provision of assets associated with growth demand, where identified in Council's recreational strategic plans
- Having assets in the community that may be unfit for use
- Isolating high-risk and damaged assets from use
- Prioritising critical upgrades from restricted waste funds on waste management building to ensure compliance with the POEO act 1997
- Identifying low-cost alternatives treatments for maintenance and renewal with a focus on cost effective operating costs
- Undertaking proactive asset inspections based on defined asset points and monitor inspections outcomes, action defects
- When planning for asset renewals and acquisitions, looking at building better resilience strategies and ensure the guidelines and principles of MidCoast Council's Climate Change Strategy are considered
- On-going WH&S and materials handling training as required for staff
- Outsourcing services to specialist contractors when required
- Supporting a strong volunteer base to maintain relevant Council assets

These actions and expenditures are considered and included in the forecast costs, and the Risk Management Plan.



FINANCIAL SUMMARY

10 Financial Summary

This section contains the financial requirements resulting from the information presented in previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

10.1 Financial Sustainability and Projections

10.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- Asset Renewal Funding Ratio (proposed renewal budget for the next 10 years / proposed renewal costs for next 10 years), and
- Lifecycle Funding Ratio (proposed lifecycle budget for the next 10 years / proposed lifecycle outlays for the next 10 years shown in the AM Plan).

10.1.2 Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio considers the average forecast renewals versus the planned renewal budget over the next 10 years. It is a summary as a percentage of the short or medium term renewal lifecycle costs that are currently funded in the Planned Budget. The Asset Renewal Funding Ratio indicates the level of funds required for the optimal renewal of assets over the next 10-years.

Table 10.1.2: Asset Renewal Funding Ratio

Asset Renewal Category	Asset Renewal Funding Ratio	Average Forecast Renewals	Planned Renewal Budget
Open Space Assets and Swimming Pools ²⁶	106.89% ²⁷	\$2,059,994	\$2,202,003
Community Buildings	53.55%	\$4,334,515	\$2,321,177
Waste & Emergency Services Buildings	0.0%	\$377,561	\$0
Water & Sewer Buildings	270.26%	\$111,006	\$300,000

The forecast renewal works along with the proposed renewal budget, and the cumulative shortfall where one exists, are illustrated in Appendix D.

²⁶ This figure is inflated because of the above-average approved grants Council is receiving.

²⁷ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9

10.1.3 Lifecycle Funding Ratio – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed, and affordable level of service to the community over a 10-year period. This provides input into 10-year Long Term Financial Plan and funding plan which aim to provide the required services in a sustainable manner.

This forecast work can be compared to the proposed (budget) operations, maintenance and renewal funding over the first 10 years of the planning period to identify any funding shortfall. This indicates as a % the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Table 10.1.3: Lifecycle Funding Ratio

Asset Renewal Category	10-year Average Proposed Budget	Yearly Funding Shortfall	10-year Lifecycle Funding Ratio
Open Space Assets and Pools	\$12,803,866	\$-398,643	96.98%
Community Buildings	\$8,228,745	\$-2,193,124	78.96%
Waste & Emergency Services Buildings	\$3,239,285	\$-833,221	79.54%
Water & Sewer Buildings	\$491,036	\$186,110	161.03%

As with the renewals, this ratio is slightly high because of the grant funding Council is receiving in the first 10 years, which in part addresses the renewal gap.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the AM Plan and ideally over the 10-year life of the Long Term Financial Plan.

10.1.4 Forecast Costs (outlays) for the Long Term Financial Plan

Table 10.1.4 shows the forecast costs (outlays) required for consideration in the 10-year Long Term Financial Plan.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan and/or financial projections in the Long Term Financial Plan.

We will manage any 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Forecast costs are shown in 2024 dollar values.

Table 10.1.4: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Asset Category	Acquisition (\$)	Operation (\$)	Maintenance (\$)	Renewal (\$)	Disposal (\$)
2024	Open Space Assets & Pools	1,201,332	9,627,453	974,411	328,712	8,000
2025	Open Space Assets & Pools	3,507,668	9,784,242	990,253	482,742	0
2026	Open Space Assets & Pools	0	10,221,649	1,034,450	729,878	0
2027	Open Space Assets & Pools	0	10,221,649	1,034,450	1,633,220	0
2028	Open Space Assets & Pools	0	10,221,649	1,034,450	740,916	0
2029	Open Space Assets & Pools	0	10,221,649	1,034,450	1,505,781	0
2030	Open Space Assets & Pools	0	10,221,649	1,034,450	2,796,550	0
2031	Open Space Assets & Pools	0	10,221,649	1,034,450	3,239,159	0
2032	Open Space Assets & Pools	0	10,221,649	1,034,450	4,423,584	0
2033	Open Space Assets & Pools	0	10,221,649	1,034,450	4,719,396	0
2024	Community Buildings	786,042	4,135,478	1,772,090	670,537	16,000
2025	Community Buildings	0	4,148,245	1,777,593	38660	0
2026	Community Buildings	0	4,290,925	1,839,093	750,119	0
2027	Community Buildings	0	4,290,925	1,839,093	569,918	0
2028	Community Buildings	0	4,290,925	1,839,093	713,403	0
2029	Community Buildings	0	4,290,925	1,839,093	4,784,182	0
2030	Community Buildings	0	4,290,925	1,839,093	6,869,312	0
2031	Community Buildings	0	4,290,925	1,839,093	10,825,197	0
2032	Community Buildings	0	4,290,925	1,839,093	7,043,279	0

Year	Asset Category	Acquisition (\$)	Operation (\$)	Maintenance (\$)	Renewal (\$)	Disposal (\$)
2033	Community Buildings	0	4,290,925	1,839,093	11,080,543	0
2024	Waste & Emergency Bldgs	262,5947	2,338,993	514,270	840,000	0
2025	Waste & Emergency Blds	0	2,760,065	605,799	0	0
2026	Waste & Emergency Blds	0	2,891,785	612,301	0	0
2027	Waste & Emergency Blds	0	2,960,622	618,997	17,800	0
2028	Waste & Emergency Blds	0	3,031,525	625,895	0	0
2029	Waste & Emergency Blds	0	3,105,455	632,999	328,060	0
2030	Waste & Emergency Blds	0	3,179,776	640,317	0	0
2031	Waste & Emergency Blds	0	3,257,254	647,854	890,511	0
2032	Waste & Emergency Blds	0	3,337,056	655,617	518,444	0
2033	Waste & Emergency Blds	0	3,869,252	663,613	1,180,795	0
2024	Water & Sewer Buildings	1,001,550	107,000	31,000	0	0
2025	Water & Sewer Buildings	0	116,994	34,701	0	0
2026	Water & Sewer Buildings	0	125,008	36,701	0	0
2027	Water & Sewer Buildings	0	133,584	38,701	0	0
2028	Water & Sewer Buildings	0	142,759	41,701	0	0
2029	Water & Sewer Buildings	0	152,577	44,701	0	0
2030	Water & Sewer Buildings	0	163,082	47,701	0	0
2031	Water & Sewer Buildings	0	174,323	50,701	837,646	0
2032	Water & Sewer Buildings	0	186,350	54,701	86,676	0
2033	Water & Sewer Buildings	0	199,219	57,701	185,735	0

10.2 Funding Strategy

The proposed funding for assets is outlined in Council's budget and Long Term Financial Plan.

The financial strategy determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

The funding strategy is to fully utilise the allocated budget for operations, maintenance and renewal and to take opportunity of grant funding to enable upgrade of existing and creation of additional assets.

10.3 Valuation Forecasts

10.3.1 Asset valuations

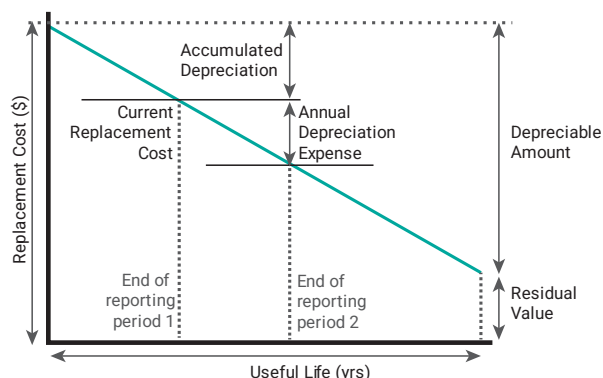


Figure 10.3.1: Valuation Terminology

Current Replacement Cost - the total value of the asset portfolio if replaced in today's dollars. In some jurisdictions the term Gross Replacement Cost is used

Depreciable Amount - the value of the asset portfolio that will be consumed over the asset's lives. Current Replacement Cost less any Residual Value

Depreciated Replacement Cost - the remaining value in the asset portfolio. Current Replacement Cost less the Accumulated Depreciation

Annual Depreciation Expense - the amount of the asset portfolio that is consumed every year. For the system calculation in NAMS+ this is estimated by using the Current Replacement Cost less the Residual Value divided by the Updated Useful Life

The best available estimates of the value of assets included in this AM Plan are shown in Table 10.3.1 below. The assets are valued at Fair Value.

Table 10.3.1: Asset Valuation Estimates

Asset Renewal Category	Replacement Cost (Gross)	Depreciable Amount	Current Replacement Cost ²⁸	Annual Depreciation Expense
Open Space Assets and Swimming Pools	\$77,225,996	\$77,225,995	\$45,886,108	\$3,155,288
Community Buildings	\$357,774,631	\$357,774,631	\$205,472,592	\$9,392,798

²⁸ Also reported as Written Down Value, Carrying or Net Book Value.

Asset Renewal Category	Replacement Cost (Gross)	Depreciable Amount	Current Replacement Cost ²⁸	Annual Depreciation Expense
Waste & Emergency Services Buildings	\$40,069,473	\$40,069,473	\$23,480,392	\$1,072,548
Water & Sewer Buildings	\$59,439,498	\$59,439,498	\$41,991,580	\$1,240,853

These values, based on the information from the revaluation, are calculated from the Current Replacement Cost in the uploaded Asset Register. NAMS+ creates system calculated values that are summarised in the Asset Value Details.

10.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are added to the service. Additional assets will generally add to the operations and maintenance needs in the longer term and will also require additional funds due to future renewals. Any additional assets will also add to future depreciation forecasts.

10.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM Plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Indexing

Budget estimates do not include inflation. Council's Finance department sets indexation in the financial reports.

Operations and Maintenance Budget

Each department including Community Spaces, Emergency Services, Waste Services and Water Services was asked to provide their O&M budget for the next 10 years.

The maintenance and operations budget for Open Space Assets is managed by two arms of the Public Spaces Team being Community Assets and Open Space Operations. All management fees for public spaces and the cemeteries budget have been excluded

It is noted that the budget estimates for both operational and maintenance do not include inflation. Council's finance department sets indexation in the financial reports. It is also noted whilst operational and maintenance cost are increasing the gap will widen between current budget and required funding.

Asset Register

All assets are accounted for in the Asset Register and have been assigned a classification. For buildings valued at over \$1M these assets have also been componentised in the register. Data cleansing and integrity is continually being addressed by asset officers. There is a high level of data confidence in the Asset Register.

Asset Financial Book

Asset revaluation is undertaken on a 3-year cycle by an external auditor. Council's financial asset accountant updates the financial books according to the revaluation.

Renewals

Actual renewal budgets provided by departmental managers / officers have been used in this AM Plan. Only confirmed grant funding for projects have been applied. No grant assumptions have been made outside of confirmed funding.

Acquisitions

There is no allocated budget for acquisitions. As grants are an unknown source of income, it has been estimated that \$500,000 will be received for new acquisitions based on historical grant data over the last 5 years.

Available funding in Council's Section 7.11 Developer Contribution Reserves, has not been considered in this AM Plan. Furthermore there are no known developer acquisitions included where acquisition dates are within this planning period. Council is aware of developments; however no acquisition date is known at this stage. These have not been included in this AM Plan.

Flood-Affected Assets

Council has received emergency funding to repair and replace flood-affected assets. As shown in the modelling this has had an impact on the budget for those years.

10.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on an A - E level scale²⁹ in accordance with Table 10.5.1.

Table 10.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$

²⁹ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

Confidence Grade	Description
E. Very Low	None or very little data held

The estimated confidence level for, and reliability of data used in this AM Plan is shown in Table 10.5.2.

Table 10.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	Medium	Sourced from Council's strategic documents with some extrapolation and professional judgement applied
Growth projections	Medium - High	Growth predictions are based on data from census and recreation needs analysis
Acquisition forecast	High	Council has no budget for acquisitions. Known grant-funded acquisitions have been included for the first 2 years of the plan, assumptions past 2025 have been made based on past grant-funded projects
Operation forecast	Medium - High	Figures were based on the actual budget allocation and sourced from Council's Asset Officers / Managers. When actuals operational costs could not be determined accurately a % of the budget was applied based on the Asset Officer / Manager's advice
Maintenance forecast	Medium - High	Figures were based on the actual budget allocation and sourced from Council's Asset Officers / Managers. When actuals maintenance costs could not be determined accurately a % of the budget was applied based on the Asset Officer / Manager's advice
Renewal forecast - Asset values	High	Full asset valuation was undertaken by external valuations June 2022
- Asset useful lives	High	Useful life was determined by external asset valuer in 2022 and reviewed by asset owner
- Condition modelling	High	Full asset condition was undertaken by external valuations June 2022 and backed up from data collection from annual asset inspections
Disposal forecast	Low	No disposal forecasting is undertaken

The estimated confidence level for and reliability of data used in this AM Plan is **Medium / High**.



PLAN IMPROVEMENT AND MONITORING

11 Plan Improvement and Monitoring

11.1 Data and Information Sources

11.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is Council's enterprise Technology One software. Modules used within this software include asset registers, works management (defects, planned/scheduled works and unplanned works, finance registers and customer requests.

11.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data includes

- Strategic documents such as MidCoast Council's Asset Management Strategy, Community Strategic Plan, Community Engagement Strategy, Delivery Program, Operational Plan, Resourcing Strategy and Open Space Recreation Strategy
- Expertise knowledge from key staff members from the Asset Management Working Group and Operations Staff, Open Space Asset Officer and Asset Accountant

11.2 Improvement Plan

It is important that Council recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The Improvement Plan generated from this AM Plan is shown in Table 11.2.

Table 11.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Refine AM Plan to that of Community Assets only	OS Asset Officer & Projects Manager	Staff time	12 months
2	Ensure levels of service are developed based on performance measures legislation / operational needs / community needs and are continually measured and monitored	OS Asset Officer / Communications team / management	Staff time	12 months
3	Continue to review long-term financial forecasts	OS Asset Officer	Staff time	Ongoing
4	Utilise SAM functions of the asset register by entering data functionality, capacity and usage, service levels and delivery	OS Asset Officer	Staff time	24 months
5	Define asset service hierarchy in corporate asset register			
6	Develop Resilience Strategy for asset planning	OS Asset Officer & Manager Community Assets	Staff time	24 months

Task	Task	Responsibility	Resources Required	Timeline
7	Implement climate change strategy action plans	Sustainability team	Staff time	36 months

11.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

It will also be reviewed and updated annually to ensure it represents the current service levels, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long Term Financial Plan or will be incorporated into the Long Term Financial Plan once completed.

The AM Plan has a maximum life of 4 years and is due for complete revision and updating within 3 months of the next Council election.

11.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the Long Term Financial Plan
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into Council's strategic planning documents and associated plans
- The Asset Renewal Funding Ratio achieving Council's target of 100%



REFERENCES

12 References

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- *MidCoast 2035 Community Strategic Plan (2025-2035)*
- MidCoast Council Delivery Program (2025-2029)
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- MidCoast Climate Change Strategy



APPENDICES

13 Appendices

Appendix A Acquisition Forecast

A.1 – Acquisition Forecast Assumptions and Source

Council does not fund acquisitions; they are either funded through grants or are acquired from community groups who were successful in their own grant applications or from development contributions. For the first 2 years of this planning period 2024-2025, only successful grants have been included. An estimate of \$500,000 for future years has been provided for modelling purposes based on the asset officer's knowledge of successful grant applications over many planning periods.

Available funding in Council's Section 7.11 Developer Contribution Reserves, has not been considered in this AM Plan. Council is aware of other developments; however no acquisition date is known at this stage. These have not been included in this plan.

A.2 – Acquisition Project Summary

Table A2 – Acquisition Project Summary

Year	Constructed	Amount (\$)	Year	Donated /Contributed	Amount (\$)
Open Space & Swimming Pools					
2024	Black Head Skatepark	858,968	2024	Wade Park – Shade Sail	35,000
2024	Diamond Beach Pk Pathways and Drainage	59,000	2024	Solar Lights Regional Boat Ramp	9,000
2024	Harrington FOLA	26,364	2024	Coomba Park half court	12,000
2024	Wingham FOLA	100,000			
2025	Pelican Boardwalk Extn	3,507,668			
Community Buildings					
2024	Gloucester Pool Shade	157,000	2024	Stroud SG Clubhouse / Ame	314,513
2024	Gloucester Grandstand	786,042	2025	TGHN Clubhouse	300,000
			2025	Taree Basketball Stadium	12,000,000
Waste & Emergency Services Buildings					
2024	Tuncurry Sustainability Centre	1,502,547	2024	Stroud SES	2,500,000
2024	Wallaby Joe RFS	415,000	2024	Pacific Palms SES	1,140,000
2024	Johns River RFS	588,400			
2024	Wootton RFS Extension	120,000			
Water & Sewer Buildings					
2024	Stroud WTP Machin Shed	32,550			
2024	ST WPS 01 Raw Water	145,000			

Year	Constructed	Amount (\$)		Year	Donated /Contributed	Amount (\$)
	Building					
2024	Taree Depot Equip Shed	824,000				

A.3 – Acquisition Forecast Summary

Table A3 – Acquisition Forecast Summary

Year		Constructed	Donated	Growth
2024	Open Space Assets & Pools	\$1,201,332	\$56,000	0
	Community Buildings	\$786,042	\$314,513	0
	Waste & Emergency Services Buildings	\$2,625,947	\$3,640,000	0
	Water & Sewer Buildings	\$1,001,550	0	0
2025	Open Space Assets & Pools	\$3,507,668	0	0
	Community Buildings	0	\$1,2300,000	0

Appendix B Operation Forecast

B.1 – Operation Forecast Assumptions and Source

Each department including Community Spaces, Emergency Services, Waste Services and Water Services was asked to provide their O&M budget for the next 10 years.

The maintenance and operations budget for Open Space Assets is managed by two arms of the Public Spaces Team being Community Assets and Open Space Operations. All management fees for public spaces and the cemeteries budget have been excluded.

It is noted that the budget estimates for both operational and maintenance do not include inflation. Council's finance department sets indexation in the financial reports. It is also noted whilst operational and maintenance cost are increasing the gap will widen between current budget and required funding.

B.2 – Operation Forecast Summary

Table B2 – Operation Forecast Summary

Year		Operation Forecast (\$)	Additional Operation Forecast (\$)	Total Operation Forecast (\$)
2024	Open Space Assets & Pools	9,627,453	156,789	9,627,453
2025	Open Space Assets & Pools	9,627,453	437,406	9,784,242
2026 - 2033	Open Space Assets & Pools	9,627,453	0	10,221,649
2024	Community Buildings	4,135,478	12,766	4,135,478
2025	Community Buildings	4,135,478	142,680	4,148,245
2026 - 2033	Community Buildings	4,135,478	0	4,290,925
2024	Waste & Emergency Buildings	2,338,993	421,072	2,338,993
2025	Waste & Emergency Buildings	2,338,993	0	2,760,065
2026	Waste & Emergency Buildings	2,470,713	0	2,891,785
2027	Waste & Emergency Buildings	2,539,550	0	2,960,622
2028	Waste & Emergency Buildings	2,610,453	0	3,031,525
2029	Waste & Emergency Buildings	2,684,383	0	3,105,455
2030	Waste & Emergency Buildings	2,758,704	0	3,179,776
2031	Waste & Emergency Buildings	2,836,182	0	3,257,254
2032	Waste & Emergency Buildings	2,915,984	0	3,337,056
2033	Waste & Emergency Buildings	3,448,180	0	3,869,252
2024	Water & Sewer Buildings	107,000	2504	107,000
2025	Water & Sewer Buildings	114,490	0	116,994
2026	Water & Sewer Buildings	122,504	0	125,008
2027	Water & Sewer Buildings	131,080	0	133,584

Year		Operation Forecast (\$)	Additional Operation Forecast (\$)	Total Operation Forecast (\$)
2028	Water & Sewer Buildings	140,255	0	142,759
2029	Water & Sewer Buildings	150,073	0	152,577
2030	Water & Sewer Buildings	160,578	0	163,082
2031	Water & Sewer Buildings	171,819	0	174,323
2032	Water & Sewer Buildings	183,846	0	186,350
2033	Water & Sewer Buildings	196,715	0	199,219

Appendix C Maintenance Forecast

C.1 – Maintenance Forecast Assumptions and Source

Each department including Community Spaces, Emergency Services, Waste Services and Water Services was asked to provide their O&M budget for the next 10 years.

The maintenance and operations budget for Open Space Assets is managed by two arms of the Public Spaces Team being Community Assets and Open Space Operations. All management fees for public spaces and the cemeteries budget have been excluded

It is noted that the budget estimates for both operational and maintenance do not include inflation. Council's finance department sets indexation in the financial reports. It is also noted whilst operational and maintenance cost are increasing the gap will widen between current budget and required funding.

C.2 – Maintenance Forecast Summary

Table C2 - Maintenance Forecast Summary

Year		Maintenance Forecast (\$)	Additional Maintenance Forecast (\$)	Total Maintenance Forecast (\$)
2024	Open Space Assets & Pools	97,4411	15,842	974,411
2025	Open Space Assets & Pools	974,411	44,197	990,253
2026 - 2033	Open Space Assets & Pools	974,411	0	1,034,450
2024	Community Buildings	1,772,090	5,503	1,772,090
2025	Community Buildings	1,772,090	61,500	1,777,593
2026 - 2033	Community Buildings	1,772,090	0	1,839,093
2024	Waste & Emergency Buildings	514,270	85,217	514,270
2025	Waste & Emergency Buildings	520,582	0	605,799
2026	Waste & Emergency Buildings	527,084	0	612,301
2027	Waste & Emergency Buildings	5337,80	0	618,997
2028	Waste & Emergency Buildings	540,678	0	625,895
2029	Waste & Emergency Buildings	547,782	0	632,999
2030	Waste & Emergency Buildings	555,100	0	640,317
2031	Waste & Emergency Buildings	562,637	0	647,854
2032	Waste & Emergency Buildings	570,400	0	655,617
2033	Waste & Emergency Buildings	578,396	0	663,613
2024	Water & Sewer Buildings	31,000	701	31,000
2025	Water & Sewer Buildings	34,000	0	34,701
2026	Water & Sewer Buildings	36,000	0	36,701
2027	Water & Sewer Buildings	38,000	0	38,701

Year		Maintenance Forecast (\$)	Additional Maintenance Forecast (\$)	Total Maintenance Forecast (\$)
2028	Water & Sewer Buildings	41,000	0	41,701
2029	Water & Sewer Buildings	44,000	0	44,701
2030	Water & Sewer Buildings	47,000	0	47,701
2031	Water & Sewer Buildings	50,000	0	50,701
2032	Water & Sewer Buildings	54,000	0	54,701
2033	Water & Sewer Buildings	57,000	0	57,701

Appendix D Renewal Forecast Summary

D.1 – Renewal Forecast Assumptions and Source

Actual renewal budgets provided by departmental managers / officers have been used in this AM Plan. Only confirmed grant funding for projects have been applied. No grant assumptions have been made outside of confirmed funding.

D.2 – Renewal Project Summary

Table D2 - Renewal Project Summary

Year	Renewal Forecast	Renewal Budget
2024	Annual Renewal Budget	
Open Space Assets and Pools	Playgrounds Renewals	\$320,000
	OS Capital Renewal (Furniture, shelters, fencing)	\$150,000
	Wharfs & Jetties	\$100,000
	Signage	\$50,000
	MALC, GLAC, Pools	\$300,000
	Approved Grants	
	Allworth Fishing Jetty	\$101,302
	Allworth Swimming Enclosure	\$200,000
	Bulahdelah SG Power	\$250,000
	Bulahdelah Tennis Courts upgrade	\$150,000
	Coomba Park Swimming Enclosure	\$208,100
	NAC Heros Bay	\$159,000
	TG Pontoon and Jetty	\$841,974
	Pacific Palms Sports Lighting	\$288,399
	MV Hockey lighting upgrades	\$125,000
	Forster Tennis fence	\$240,000
	Flood Recovery Funding	
	Wharfs & Jetties, boat ramps, Billabong Park Playground softfall, Shelters Chrissy Gollan Park, Queen Elizabeth Park (playground, shelters, BBQ)	\$5,766,249
2024	Annual Renewal Budget	
Community Buildings	Community Buildings	\$750,000
	Commercial Buildings	\$65,000
	Approved Grants	
	Forster SLSC	\$8,000,000
	Barrington Hall Upgrades	\$100,000

Year	Renewal Forecast	Renewal Budget
	Esmond Hogan	\$500,000
	Pacific Palms Hall Upgrades	\$500,000
	Taree Albert Street Amenities Upgrade	\$500,000
	Taree Rec Ground - Danny Buderus Amenities Refurb	\$655,000
	Tea Gardens Library	\$480,767
	Cundletown Sports Field Amenities Upgrade	\$411,003
2025 onwards	Annual Renewal Budget	
	Playgrounds Renewals	\$320,000
	OS Capital Renewal (Furniture, shelters, fencing)	\$150,000
	Wharfs & Jetties	\$100,000
	Signage	\$50,000
	MALC, GLAC, Pools	\$300,000
	Community Buildings	\$750,000
	Grants	
	Grant Assumption	\$500,000

D.3 – Renewal Forecast Summary

Table D3 - Renewal Forecast Summary

Year		Renewal Forecast (\$)	Renewal Budget (\$)
2024	Open Space Assets & Pools	328,712	9,249,024
2025	Open Space Assets & Pools	482,742	1,419,000
2026	Open Space Assets & Pools	729,878	1,419,000
2027	Open Space Assets & Pools	1,633,220	1,419,000
2028	Open Space Assets & Pools	740,916	1,419,000
2029	Open Space Assets & Pools	1,505,781	1,419,000
2030	Open Space Assets & Pools	2,796,550	1,419,000
2031	Open Space Assets & Pools	3,239,159	1,419,000
2032	Open Space Assets & Pools	4,423,584	1,419,000
2033	Open Space Assets & Pools	4,719,396	1,419,000
2024	Community Buildings	670,537	11,961,770
2025	Community Building	38,660	1,250,000
2026	Community Building	750,119	1,250,000

Year		Renewal Forecast (\$)	Renewal Budget (\$)
2027	Community Building	569,918	1,250,000
2028	Community Building	713,403	1,250,000
2029	Community Building	4,784,182	1,250,000
2030	Community Building	6,869,312	1,250,000
2031	Community Building	10,825,197	1,250,000
2032	Community Building	7,043,279	1,250,000
2033	Community Building	11,080,543	1,250,000
2024	Waste & Emergency Buildings	840,000	0
2025	Waste & Emergency Buildings	0	0
2026	Waste & Emergency Buildings	0	0
2027	Waste & Emergency Buildings	17,800	0
2028	Waste & Emergency Buildings	0	0
2029	Waste & Emergency Buildings	328,060	0
2030	Waste & Emergency Buildings	0	0
2031	Waste & Emergency Buildings	890,511	0
2032	Waste & Emergency Buildings	518,444	0
2033	Waste & Emergency Buildings	1,180,795	0
2024	Water & Sewer Buildings	0	30,000
2025	Water & Sewer Buildings	0	30,000
2026	Water & Sewer Buildings	0	30,000
2027	Water & Sewer Buildings	0	30,000
2028	Water & Sewer Buildings	0	30,000
2029	Water & Sewer Buildings	0	30,000
2030	Water & Sewer Buildings	0	30,000
2031	Water & Sewer Buildings	837,646	30,000
2032	Water & Sewer Buildings	86,676	30,000
2033	Water & Sewer Buildings	185,735	30,000

D.4 – Renewal Plan

The 10-year renewal plan is listed below by asset class

Table D4 – Renewal Plan by Asset Class

Community Buildings

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
16000112	Ellenborough Falls - Kiosk	-4	2020	2024	10,000	50
16000223	DEMOLISH - Harrington Esmond Hogan Park	-4	2020	2024	530,197	40
16000300	Old Bar Mud Bishops Amenities	-1	2023	2024	103,830	59
16000546	Manning Regional Art Gallery Garden Shed	-1	2023	2024	4,418	13
16000501	Wingham Storage Shed	0	2024	2024	22,092	50
16000424	TG Works Depot - Site Shed	1	2025	2025	38,660	20
16000338	Stroud Showground - Mexon Pavilion	2	2026	2026	240,798	50
16001366	Main Beach - Kiosk/Amenities / Awning Internal Finishes	2	2026	2026	509,321	14
16001364	Main Beach - Kiosk/Amenities / Awning Electrical	3	2027	2027	135,819	20
16001341	Community Hall/Meals-on-Wheels/Community – Internal Finishes	3	2027	2027	434,099	14
16000309	Pindimar Foreshore - Volunteers Storage	4	2028	2028	5,523	20
16001367	Main Beach - Kiosk/Amenities / Awning Mechanical	4	2028	2028	169,774	20
16001261	Tea Gardens Works Depot - Stores/Workshop - Structure	4	2028	2028	160,164	20
16000455	Tuncurry Works Depot - Call-Out Shed	4	2028	2028	75,111	20
16000653	Wingham Sport Complex - Mechanical	4	2028	2028	302,831	20
16001247	Tuncurry Works Depot - Admin - Internal Finishes	5	2029	2029	186,729	14
16001396	Sports Complex - Amenities Rugby – Internal Finishes	5	2029	2029	587,635	14
10010857	Crowdy Head SLSC	5	2029	2029	1,401,433	14

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Clubhouse - Internal Finishes					
16000013	Boomerang Beach Amenities Block (north)	5	2029	2029	88,366	20
16001385	School of Arts/Pre-school Bulahdelah Mechanical	5	2029	2029	120,819	20
10010793	Forster Tuncurry Tennis Club - Clubhouse - Internal Finishes	5	2029	2029	290,228	14
16001192	Rec Centre Mechanical Components	5	2029	2029	396,588	20
16000269	Mondrook Old School House (Playgroup)	5	2029	2029	208,765	75
16001342	Community Hall/Meals-on-Wheels/Community - Mechanical	5	2029	2029	130,230	20
16001372	Pre-school/Kindergarten Yamba Street Internal Finishes	5	2029	2029	391,021	14
16000355	Stroud Workshop Depot - Tool Room	5	2029	2029	57,438	75
16000354	Stroud Workshop Depot - Workshop Building	5	2029	2029	206,556	75
16001379	School of Arts/Pre-school Mechanical	5	2029	2029	182,653	20
16000378	Taree Dwelling - 29 Mackay Street	5	2029	2029	425,263	75
16000380	Taree Mitchell Reserve - Amenities Block	5	2029	2029	110,458	75
16000232	Jimmys Beach Sailing Club	6	2030	2030	167,896	20
16001339	Community Hall/Meals-on-Wheels/Community - Electrical	6	2030	2030	181,811	20
16001310	Nabiac Showground - Public Hall Mechanical	6	2030	2030	102,129	20
16001214	Senior Citizens Centre - Electrical	6	2030	2030	143,153	20
16001216	Senior Citizens Centre - Mechanical	6	2030	2030	143,153	20
16001322	Aquatic & Leisure Centre - Internal Finishes	6	2030	2030	36,05,784	14
16000014	Boomerang Beach	6	2030	2030	68,484	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Amenities Block (south)					
16001248	Tuncurry Works Depot - Admin Bld – Mechanical	6	2030	2030	124,486	20
16001245	Tuncurry Works Depot - Admin – Electrical	6	2030	2030	124,486	20
16001355	Kindilan Child Care Centre Internal Finishes	6	2030	2030	656,451	14
10010878	Wingham Sport Complex - Plumbing/Hydraulics	6	2030	2030	264,977	30
16000568	Wingham Cout House Neighbour Ctr Mechanical	6	2030	2030	150,885	20
16000652	Wingham Sport Complex – Electrical	6	2030	2030	378,539	30
16000651	Wingham Sport Complex - Internal Finishes	6	2030	2030	757,078	25
16000459	Tuncurry Works Depot - Parks Shed	7	2031	2031	179,802	20
16001402	Sports Complex - Grandstand/Amen – Internal Finishes	7	2031	2031	516,059	14
16000605	MEC - Mechanical	7	2031	2031	1,885,294	20
16001275	Tea Gardens District Office/Visitors/Craft Centre – Internal Finishes	7	2031	2031	557,812	14
16001281	Tea Gardens Library - Internal Finishes	7	2031	2031	407,589	14
16000556	Cuddleprie Day Care Centre mechanical	7	2031	2031	172,756	20
10010859	Crowdy Head SLSC Clubhouse - Mechanical	7	2031	2031	400,410	20
10010779	Main Beach - Kiosk/Amenities / Awning Plumbing	7	2031	2031	118,842	30
10010772	Pacific Palms Community Centre/hall - Internal	7	2031	2031	385,498	14
16001580	Community/Senior Citizens Centre - Roof	7	2031	2031	351,919	20
10010781	Forster Arts & Crafts Centre – Internal Finishes	7	2031	2031	728,745	14
10010795	Forster Tuncurry Tennis Club - Clubhouse – Electrical	7	2031	2031	116,091	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10010796	Forster Tuncurry Tennis Club - Clubhouse – Mechanical	7	2031	2031	116,091	20
10010920	Library Plumbing/Hydraulics (Denison St)	7	2031	2031	111,187	30
16001198	Library Electrical components (as part of	7	2031	2031	127,071	30
10010824	North Arm Cove Community Centre – Internal Finishes	7	2031	2031	320,880	14
16000657	EG Trad Amenities - Internal Finishes	7	2031	2031	709,415	14
16001370	Pre-school/Kindergarten Yamba Street Electrical	7	2031	2031	156,408	20
10010818	Harrington Marine Rescue- Amenities - Internal finishes	7	2031	2031	281,944	14
10010820	Harrington Marine Rescue- Amenities – Mechanical	7	2031	2031	169,166	20
16000638	Amenities /Kiosk/Store Internal Finishes	7	2031	2031	737,251	25
16000640	Amenities /Kiosk/Store Mechanical	7	2031	2031	252,772	20
16000611	MALC - Mechanical	7	2031	2031	1,480,576	20
16000676	Basketball Stadium - Mechanical	7	2031	2031	468,783	20
16001288	Public Hall /Library/Offices - Stroud Mechanical	7	2031	2031	72,836	20
16000562	Ormsby - Mechanical	8	2032	2032	420,071	20
16000664	VIC - Mechanical	8	2032	2032	252,551	20
10010819	Harrington Marine Rescue- Amenities – Electrical	8	2032	2032	101,500	20
16001373	Pre-school/Kindergarten Yamba Street Mechanical	8	2032	2032	130,340	20
16001197	Library Internal Finishes	8	2032	2032	476,515	25
16001210	Aged Units Hay St Mechanical	8	2032	2032	141,717	20
16001208	Aged Units Hay St Electrical	8	2032	2032	70,859	20
16001213	Senior Citizens Centre - Internal Finishes	8	2032	2032	371,216	25
16000146	Forster Volunteers Shed (rear) The Mews	8	2032	2032	5,523	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10010785	Forster Arts & Crafts Centre – Mechanic	8	2032	2032	291,498	20
10010783	Forster Arts & Crafts Centre – Electrical	8	2032	2032	291,498	20
10010790	Forster Arts & Crafts Centre – Roof	8	2032	2032	141,340	20
10010800	Forster Arts Society/Bridge Club – Internal Finishes	8	2032	2032	666,061	14
16001578	Community/Senior Citizens Centre – Internal finishes	8	2032	2032	2,241,480	14
16000542	Airport Terminal - Mechanical	8	2032	2032	234,833	20
10010858	Crowdy Head SLSC Clubhouse - Electrical	8	2032	2032	280,287	20
16001348	Court House Ann Street Bulahdelah Mechanical	8	2032	2032	139,111	20
16000574	Wingham Town Hall - Mechanical	8	2032	2032	362,390	20
16001390	Tunc Sports Complex - Amenities Block Internal finishes	8	2032	2032	424,489	14
16001356	Kindilan Child Care Centre Mechanical	9	2033	2033	218,817	20
16001283	Tea Gardens Library - Roof	9	2033	2033	106,592	20
16001277	Tea Gardens District Office/Visitors/Craft Centre - Roof	9	2033	2033	213,736	20
16001394	Sports Complex - Amenities Rugby - Electrical	9	2033	2033	117,527	20
16000425	TG Works Depot - Storage Shed	9	2033	2033	36,451	20
16000554	Cuddleprie Day Care Centre Internal Finishes	9	2033	2033	518,268	25
10010935	Court House Ann Street Bulahdelah Plumbing	9	2033	2033	162,296	30
10010940	School of Arts/Pre-school Bulahdelah Hydraulic	9	2033	2033	140,955	30
10010768	Coomba Community Hall - Mechanical	9	2033	2033	89,073	20
16001579	Community/Senior Citizens Centre - Mechanical	9	2033	2033	711,017	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
16001576	Community/Senior Citizens Centre - Electrical	9	2033	2033	711,017	20
16000132	Forster - Leased - 3 Lake St	9	2033	2033	498,165	59
10010812	Cape Hawke SLSC Clubhouse – Internal Finishes	9	2033	2033	988,155	14
10010922	Senior Citizens Centre - Plumbing/Hydraulic	9	2033	2033	114,523	30
10010919	Rec Centre Plumbing/Hydraulics	9	2033	2033	347,014	30
16000236	Hawks Nest Myall Park Changeroom Amenities	9	2033	2033	521,361	59
10010934	Community Hall/Meals-on-Wheels/Community - Hydraulic	9	2033	2033	151,935	30
10010829	North Arm Cove Community Centre - Roof	9	2033	2033	88,974	20
16000622	Workshop/Stores Internal Finishes	9	2033	2033	586,862	25
16000609	MALC - Internal Finishes	9	2033	2033	1,974,102	25
16000633	ATC Valley Skills - Mechanical	9	2033	2033	1,140,919	20
16000564	Ormsby House - Internal Finishes	9	2033	2033	1,050,178	25
16001287	Public Hall /Library/Offices - Stroud Internal Finishes	9	2033	2033	242,786	25
16001376	School of Arts/Pre-school Electrical	9	2033	2033	228,316	30
16001305	Stroud Showground - Produce Pavilion	9	2033	2033	121,504	50
16001378	School of Arts/Pre-school Internal Finishes	10	2034	2034	570,791	25
10010867	Ormsby - Plumbing/Hydraulics	10	2034	2034	294,050	30
16000561	Ormsby - Electrical	10	2034	2034	420,071	30
16000674	Basketball Stadium – Internal Finishes	10	2034	2034	1,171,957	25
10010873	MALC - Plumbing/Hydraulics	10	2034	2034	690,936	30
10010876	Amenities /Kiosk/Store Plumbing/Hydraulic	10	2034	2034	147,450	30

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
16000624	Workshop/Stores Mechanical	10	2034	2034	273,869	20
10010931	Nabiac Showground - Public Hall Plumbing/Hydraulic	10	2034	2034	119,151	30
10010825	North Arm Cove Community Centre – Electrical	10	2034	2034	128,352	20
10010826	North Arm Cove Community Centre - Mechanical	10	2034	2034	128,352	20
16001190	Rec centre Internal Finishes	10	2034	2034	991,469	25
16001207	Aged Units Hay St Internal Finishes	10	2034	2034	425,152	25
16001320	Aquatic & Leisure Centre - Electrical	10	2034	2034	1442,314	20
16001323	Aquatic & Leisure Centre - Mechanical	10	2034	2034	144,2314	20
16001324	Aquatic & Leisure Centre - Roof	10	2034	2034	1,020,713	20
10010774	Pacific Palms Community Centre/hall - Mechanical	10	2034	2034	154,199	20
10010777	Pacific Palms Community Centre/hall - Roof	10	2034	2034	130,920	20
16000510	Elizabeth Beach Volunteers Storage	10	2034	2034	5,523	20
10010773	Pacific Palms Community Centre/hall - Electrical	10	2034	2034	154,199	20
16001384	School of Arts/Pre-school Bulahdelah Internal Finishes	10	2034	2034	407,126	25
16001347	Court House Ann Street Bulahdelah Internal Finishes	10	2034	2034	46,3702	25
16000593	Wingham Library Mechanical	10	2034	2034	214,730	20
16001404	Sports Complex - Grandstand/Amen - Roof	10	2034	2034	476,736	20
16001397	Sports Complex - Amenities Rugby - Mechanical	10	2034	2034	167,896	20
16001398	Sports Complex - Amenities Rugby - Roof	10	2034	2034	146,136	20
16001353	Kindilan Child Care Centre Electrical	10	2034	2034	262,580	20
16000461	Tuncurry Works Depot - Store	10	2034	2034	444,040	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
16000458	Tuncurry Works Depot - Cemetery Shed	10	2034	2034	18,778	20
16001392	Tuncurry Sports Complex - Amenities Block Roof	10	2034	2034	102,891	20

Waste & Emergency Services Buildings

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10005529	Tuncurry WMC - New MRF/Office Building	0	2024	2024	673,000	0
10005423	Tuncurry MRF - Wash Bay	0	2024	2024	167,000	0
20720220	Waste Management Centre - Oil Shed	3	2027	2027	17,800	3
16000428	Tea Gardens Landfill - Men's Shed	5	2029	2029	328,060	5
10010840	Tea Gardens WMC - Site Office & Tip Shop – Internal Finishes	7	2031	2031	204,126	7
16000587	Fire Emergency Control Centre Mechanical	7	2031	2031	452,214	7
16000317	Smiths Lake Bush Fire Shed Smiths Lake	7	2031	2031	234,171	7
16000194	Gloucester RFS - Training Cell	8	2032	2032	60,752	8
10010832	Taree SES Headquarters/Store - Mechanical	8	2032	2032	139,574	8
16000106	Tuncurry Waste Management Centre	8	2032	2032	318,118	8
16000102	Tuncurry WMC - Storage Unit	9	2033	2033	58,543	9
16000104	Tuncurry WMC - Tip Shop	9	2033	2033	652,806	9
16000470	Tuncurry RFS Fire Control Building No 1	9	2033	2033	136,968	9
16000064	Charlotte Bay SES - Storage Shed	9	2033	2033	332,478	9
16000222	Harrington SES Esmond Hogan Park	10	2034	2034	258,471	10
16000268	Mitchells Island Rural Fire	10	2034	2034	192,197	10

	Service					
16000585	Fire Emergency Control Centre Internal Finishes	10	2034	2034	339,161	10

Water & Sewer Buildings

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
16001070	TG WTP 01 - Treatment Building - Fitout	7	2031	2031	171,320	14
16001082	TU RTP - Process Building - Internal Finishes	7	2031	2031	140,171	14
16001272	Tunc Works Depot - Water Services – Structure	7	2031	2031	340,420	20
16001269	Tunc Works Depot - Water Services - Internal Finishes	7	2031	2031	185,735	14
16001270	Tunc Works Depot - Water Services - Mechanical	8	2032	2032	86,676	20
16001268	Tunc Works Depot - Water Services - Electrical	9	2033	2033	185,735	20
16001271	Tunc Works Depot - Water Services - Roof	10	2034	2034	328,225	20

Community Assets & Swimming Pools

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10005821	Retaining Wall Forster Ocean Baths	-1	2023	2024	111,109	3
Group	Furniture - Bubbler (Group)	0	2024	2024	0	10
Group	Furniture - Seats (Group)	0	2024	2024	0	15
13205184	Playground - Barton Walk Taree	0	2024	2024	44,183	14
13205237	Playground - Winton Reserve Taree	0	2024	2024	22,092	14
13205397	Playground - Apex Park Wingham	0	2024	2024	66,275	14
10207781	BBQ Rotary Park Chatham	0	2024	2024	22,092	10
10105202	BBQ x 2 John Wright Park Tuncurry	0	2024	2024	44,183	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10206284	Cricket Wicket Syn Central Park Wingham	0	2024	2024	11,046	20
10209001	Signage Shelter - Wingham	0	2024	2024	7,732	20
10105379	BBQ Point Road Tuncurry	1	2025	2025	22,092	10
10102678	BBQ Tuncurry Rockpool (facing bridge)	1	2025	2025	22,092	10
10105580	BBQ Tuncurry Rockpool (facing amenities)	1	2025	2025	22,092	10
10207126	BBQ Horrace Dean Memorial Park Tinonee	1	2025	2025	2,2092	10
10207150	BBQ Tinonee Recreation Reserve	1	2025	2025	22,092	10
10105404	BBQ Double Jimmys Beach Day Area Beach	1	2025	2025	22,092	10
10206733	BBQ Old Bar Park (near playground)	1	2025	2025	22,092	10
10206804	BBQ Old Bar Tennis Courts	1	2025	2025	22,092	10
10103127	BBQ John Debert Reserve Smiths Lake	1	2025	2025	22,092	10
10207238	BBQ Muir Park Crowdy Head	1	2025	2025	4,418	10
10206362	BBQ Cundletown Park	1	2025	2025	22,092	10
10206380	BBQ Market Square Cundletown	1	2025	2025	22,092	10
10105615	BBQ John Holland Park Forster	1	2025	2025	22,092	10
10105407	BBQ Palmgrove Park (facing centre)	1	2025	2025	22,092	10
10106192	BBQ Palmgrove Park (closest to carpark)	1	2025	2025	22,092	10
10105361	BBQ Pebbly Beach Playground Forster	1	2025	2025	22,092	10
10104372	BBQ Elizabeth Reserve Forster Keys	1	2025	2025	11,046	10
10001391	Concrete around Wingham Pool	1	2025	2025	82,843	30
10001297	Pool Pump Black Head Ocean Baths	1	2025	2025	4,418	5
10000839	Pool Pump Forster Ocean Baths	1	2025	2025	5,523	5

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
13103078	Playground - Forster Town Park	1	2025	2025	33,137	10
Group	Furniture - Picnic Setting (Group)	1	2025	2025	944	15
Group	Furniture - Bubbler (Group)	1	2025	2025	600	10
Group	Fencing - Bollards (Group)	1	2025	2025	1,485	15
Group	Furniture - Seats (Group)	1	2025	2025	6,948	15
10005926	Landscaping - Livvis Place Playground	2	2026	2026	99,101	6
Group	Fencing (Group)	2	2026	2026	13,197	20
13104959	Playground - Pacific Palms Community Centre	2	2026	2026	16,569	14
10000808	Pool Pump Bulahdelah Pool	2	2026	2026	5,523	10
13205400	Playground - Jacaranda Ave Wingham	2	2026	2026	49,706	14
13205583	Playground - Price Street Wingham	2	2026	2026	38,660	14
10005925	Soft Fall - Livvis Place Playground	2	2026	2026	29,944	6
13205088	Playground - Stokes Park Taree	2	2026	2026	77,320	14
13205224	Playground - Boyce Park Taree	2	2026	2026	11,046	14
13205174	Playground - Mitchell Reserve Taree	2	2026	2026	55,229	14
10105403	BBQ Single Jimmys Beach Day Area Beach	2	2026	2026	11,046	10
10105898	BBQ Single Jimmys Beach Caravan Pk side	2	2026	2026	11,046	10
10206288	Cricket Wicket Synthetic Esmond Hogan Park	2	2026	2026	11,046	20
10206289	Cricket Wicket Synthetic Lansdowne Rec Reserve	2	2026	2026	11,046	20
10102242	Cricket Wicket Synthetic Nabitac Oval	2	2026	2026	11,046	20
13205477	Tennis Court x 3 Lansdowne	2	2026	2026	265,099	50
10000807	Pool Pump Stroud Pool	2	2026	2026	6,627	10
10307416	Picnic Shelter Combo - Craven	2	2026	2026	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10005821	Retaining Wall Forster Ocean Baths			2027	111,109	3
13205182	Playground - Kanangra Drive Taree	3	2027	2027	10,4935	14
13104777	Playground - Dunshea Res - Tea Gardens	3	2027	2027	5,523	14
13103246	Playground - Wards River	3	2027	2027	16,569	14
13103460	Swimming Pool 25m Stroud	3	2027	2027	579,903	50
13104726	Playground - Pilot Hill Forster	3	2027	2027	16,569	10
13205334	Playground - Vic Shoesmith Manning Point	3	2027	2027	27,614	10
13205311	Playground - Molong Reserve Old Bar	3	2027	2027	77,320	14
13103386	Playground - Kevin Francis Park Stroud	3	2027	2027	27,614	14
13103024	Playground - Edith Waters Res Allworth	3	2027	2027	38,660	14
13108039	Dump Point Nabiac Oval	3	2027	2027	3,314	10
13106319	Dump Point Elouera Park Tea Gardens	3	2027	2027	3,314	10
10001886	Fish Cleaning Table Harrington Breakwall	3	2027	2027	1,1046	25
10108371	Fitness Equipment Coomba Park Foreshore	3	2027	2027	1,105	14
10206857	BBQ Leo Carney Park Krambach	3	2027	2027	22,092	10
10102897	BBQ Double x 2 Providence Bay Park	3	2027	2027	22,092	10
10104881	BBQ Double Pindimar South Reserve	3	2027	2027	22,092	10
10206498	BBQ Endeavour Reserve Taree	3	2027	2027	22,092	10
10206940	BBQ Central Park Wingham	3	2027	2027	11,046	10
10000270	BBQ #1 Mick Tuck Riverside	3	2027	2027	22,092	10
10105690	BBQ Double North Arm Cove Community Cent	3	2027	2027	22,092	10
10105112	BBQ Wade Park Bulahdelah	3	2027	2027	11,046	10
10307431	BBQ Double Billabong Park	3	2027	2027	22,092	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	(Amenities)					
10207104	BBQ Diamond Park Diamond Beach	3	2027	2027	11,046	10
10106243	BBQ Double Coomba Park Foreshore	3	2027	2027	22,092	10
13104787	Jetty Pontoon Gangway - Regional Boat ramp	3	2027	2027	193,301	50
10207038	BBQ Black Head Reserve	3	2027	2027	11,046	10
10207060	BBQ Wylie Breckenridge Park Black Head	3	2027	2027	22,092	10
10105622	BBQ Lions Park Bulahdelah	3	2027	2027	11,046	10
10001372	Shade Sail at side of pool MALC Outdoor	3	2027	2027	26,510	20
10001295	Pool Pump Gloucester Pool	3	2027	2027	11,046	10
10001294	Pool Pump Krumbach Pool	3	2027	2027	5,523	10
10003099	Pool Pump Nabiac Pool	3	2027	2027	6,627	10
10000835	Pool Pump Tea Gardens Pool	3	2027	2027	6,627	10
10000385	Shade Sail #1 over seats Wingham Pool	3	2027	2027	12,150	20
10000386	Shade Sail #2 over seats Wingham Pool	3	2027	2027	12,150	20
10000388	Shade Sail at end of pool - Wingham Pool	3	2027	2027	49,706	20
10207286	Picnic Shelter #1- Oxley Reserve #1	3	2027	2027	6,075	20
10209141	Picnic Shelter #2 - Oxley Reserve #1	3	2027	2027	6,075	20
10104756	Rotunda - The Admirals Green Park Tea Gardens	3	2027	2027	9,941	20
10000391	Shelter & Picnic Setting #1 Wingham Pool	3	2027	2027	4,418	20
10000392	Shelter & Picnic Setting #2 Wingham Pool	3	2027	2027	4,418	20
10000393	Shelter & Picnic Setting #3 Wingham Pool	4	2028	2028	6,627	20
10000395	Shelter over Baby Pool - Wingham Pool	4	2028	2028	8,837	20
10206597	Picnic Shelter - Taree	4	2028	2028	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10207340	Picnic Shelter - Harrington	4	2028	2028	7,732	20
10102509	Picnic Shelter - Forster Heights Park	4	2028	2028	15,464	20
10102568	Picnic Shelter Combo - Little Street Forster	4	2028	2028	6,627	20
10109070	Picnic Shelter Combo - Little Street Forster	4	2028	2028	6,627	20
10000387	Shade Sail #3 over seats Wingham Pool	4	2028	2028	8,837	20
10206676	Shade Sail - Shelly Close Playground	4	2028	2028	45,288	20
10106337	Shade Sail - Tea Gardens Baby Pool	4	2028	2028	70,693	20
10006133	Players Shelter - Taree	4	2028	2028	5,523	20
10207205	BBQ Cooperook Park	4	2028	2028	11,046	10
10107736	BBQ 2 x Lone Pine Memorial Park Tuncurry	4	2028	2028	44,183	10
13108044	Dump Point Coolongolook Oval	4	2028	2028	3,314	10
13105747	Dump Point Number One Beach Seal Rocks	4	2028	2028	3,314	10
10206290	Cricket Wicket Synthetic Muscio Park	4	2028	2028	11,046	20
10207372	Cricket Wicket Syn Ruprecht Park	4	2028	2028	11,046	20
10206292	Cricket Wicket Synthetic Stokes Park	4	2028	2028	11,046	20
10206296	Cricket Wicket Synthetic Wrigley Park	4	2028	2028	11,046	20
10206294	Cricket Wicket Syn Tinonee Recreation Reserve	4	2028	2028	11,046	20
10105563	Cricket Wicket Synthetic Tuncurry Sports	4	2028	2028	11,046	20
10104693	Cricket Nets double Pacific Palms Sports	4	2028	2028	33,137	20
10000828	Pool Pump Forster Aquatic Centre x 9	4	2028	2028	102,874	10
13103229	Playground - Lone Pine Memorial Park	4	2028	2028	165,687	10
Group	Furniture - Water Bottle Refill Unit (Group)	4	2028	2028	2,460	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10015864	Landscaping - Bennetts Beach Hawks Nest	4	2028	2028	59,525	5
10013386	Landscaping Smiths Lake Recreation Group	4	2028	2028	52,838	5
Group	Furniture - Bubbler (Group)	4	2028	2028	7,380	10
10002298	1 x Light and Post Black Head Ocean Baths	5	2029	2029	4,418	20
10207339	4 x Light & Post Gordon Smith Reserve	5	2029	2029	35,346	20
13205099	Playground - Tinonee Rec Ground	5	2029	2029	99,412	14
13104538	Playground - Banksia Estate Tuncurry	5	2029	2029	44,183	10
13104948	Playground - Allen Park Stroud	5	2029	2029	104,935	14
13205104	Playground - Wrigley Park Taree	5	2029	2029	77,320	14
13205114	Playground - Edinburgh Park Taree	5	2029	2029	33,137	14
13104949	Playground - Coomba Park Foreshore	5	2029	2029	66,275	14
10102406	1 x Light & Post John Wright Park	5	2029	2029	4,418	20
13104932	Playground - Scenic Park Stroud Road	5	2029	2029	27,614	14
13104536	Playground - Taylor Park Stroud Road	5	2029	2029	6,627	14
13205312	Playground - Bluehaven Reserve Old Bar	5	2029	2029	66,275	14
13205445	Playground - Diamond Park Diamond Beach	5	2029	2029	99,412	10
10000411	Playground - Gloucester Swimming Pool	5	2029	2029	22,092	14
13205527	Playground - Oxley Reserve Bowling Club	5	2029	2029	44,183	10
13103276	Playground - Jimmys Beach Day Area	5	2029	2029	77,320	10
10206299	Cricket practice nets double Cundletown Park	5	2029	2029	35,346	20
10106222	Cricket Wicket Synthetic Stroud Showground	5	2029	2029	11,046	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10206616	Cricket Wicket Synthetic Martin Reserve	5	2029	2029	11,046	20
10206291	Cricket Wicket Synthetic Old Bar Park	5	2029	2029	11,046	20
10206295	Cricket Wicket Synthetic Wingham Sports	5	2029	2029	11,046	20
10208369	Fitness Equipment #3 Endeavour Reserve	5	2029	2029	13,255	10
10208403	Fitness Equipment - #1 Queen Elizabeth Park	5	2029	2029	13,255	10
10208404	Fitness Equipment - #2 Queen Elizabeth Park	5	2029	2029	13,255	10
10105406	BBQ Double Winda Woppa (near amenities)	5	2029	2029	22,092	10
10106194	BBQ Double Providence Bay Park @ playground	5	2029	2029	30,702	10
10105906	BBQ Single Moira Parade Reserve	5	2029	2029	11,046	10
10000415	BBQ Double - Gloucester Pool	5	2029	2029	22,092	10
10104193	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	6,627	20
10109060	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	6,627	20
10109061	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	,6627	20
10109062	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	6,627	20
10109063	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	6,627	20
10109064	Picnic Shelter Combo - Bulahdelah Pool	5	2029	2029	6,627	20
10207254	Picnic Shelter - Crowdy Head	5	2029	2029	6,627	20
10001296	Pool Pump Gloucester Hydrotherapy Pool	5	2029	2029	10,417	10
10001047	Shade Sail Taree Rec Ground Fitness Equipment	5	2029	2029	17,673	20
10006129	Picnic Shelter Combo - Edith Waters Res	5	2029	2029	6,627	20
10106113	Picnic Shelter Combo - Little	5	2029	2029	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Street VIC					
10104264	Picnic Shelter #1 Forster Sports Complex	5	2029	2029	6,627	20
10109095	Picnic Shelter #2 Forster Sports Complex	5	2029	2029	6,627	20
10109067	Picnic Shelter Combo - Elizabeth Reserve	5	2029	2029	12,150	20
10307576	Picnic Shelter - Gloucester	5	2029	2029	6,627	20
10309147	Picnic Shelter - Gloucester	5	2029	2029	6,627	20
10309053	Picnic Shelter Combo - Gloucester	5	2029	2029	6,627	20
10109017	Picnic Shelter Combo - Jimmys Beach Day	5	2029	2029	6,627	20
10102927	Picnic Shelter - Moira Parade Reserve	5	2029	2029	6,627	20
10209160	Picnic Shelter - Taree	5	2029	2029	9,941	20
10005119	BMX Shelter - Starting area	5	2029	2029	20,987	20
10104778	Picnic Shelter #3 Marine Drive Foreshore	5	2029	2029	1,1046	20
10207145	Picnic Shelter - Tinonee	5	2029	2029	3,314	20
10106351	Picnic Shelter #5 Marine Drive Foreshore	5	2029	2029	11,046	20
10107484	Picnic Shelter #7 Marine Drive Foreshore	5	2029	2029	11,046	20
10109026	Picnic Shelter #6 Marine Drive Foreshore	5	2029	2029	11,046	20
10109027	Picnic Shelter #2 Marine Drive Foreshore	5	2029	2029	1,1046	20
10109156	Picnic Shelter #4 Marine Drive Foreshore	5	2029	2029	11,046	20
10106008	Picnic Shelter - Tuncurry Breakwall	5	2029	2029	3,314	20
10309041	Picnic Shelter Combo - Stratford	5	2029	2029	6,627	20
10309042	Picnic Shelter Combo - Stratford	5	2029	2029	6,627	20
10309043	Picnic Shelter Combo - Stratford	5	2029	2029	6,627	20
10307405	Picnic Shelter Combo - Stratford	5	2029	2029	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10206618	Picnic Shelter RHS of Lookout Apex Park	5	2029	2029	26,510	20
10209007	Picnic Shelter LHS of lookout Apex Park	5	2029	2029	26,510	20
10206410	Picnic Shelter Combo - Taree	5	2029	2029	11,046	20
10000396	BBQ Shelter - Wingham Pool	5	2029	2029	9,941	20
10000394	Shelter & Picnic Setting #4 Wingham Pool	5	2029	2029	26,510	20
10206726	5 x Floodlights EG Trad Soccer Fields	5	2029	2029	110,458	20
10000839	Pool Pump Forster Ocean Baths			2030	5,523	5
10001297	Pool Pump Black Head Ocean Baths			2030	4,418	5
10005821	Retaining Wall Forster Ocean Baths			2030	111,109	3
Group	Furniture - Water Bottle Refill Unit (Group)	6	2030	2030	60,450	10
Group	Fencing - Bollards (Group)	6	2030	2030	87,760	15
Group	Furniture - Bubbler (Group)	6	2030	2030	33,150	10
Group	Furniture - Seats (Group)	6	2030	2030	65,505	15
Group	Sports - Goal Sets (Group)	6	2030	2030	17,056	15
Group	Furniture - Picnic Setting (Group)	6	2030	2030	26,429	15
10206749	1 x Light & Post Old Bar Park - BBQ side	6	2030	2030	7,732	20
10206764	1 x Light Old Bar Park - Surf club	6	2030	2030	7,732	20
13205225	Playground - Martin Reserve Taree	6	2030	2030	38,660	14
13205460	Playground - Tallships Reserve Tinonee	6	2030	2030	2,7614	14
13205283	Playground - Shelly Cl Wallabi Point	6	2030	2030	77,320	10
13205706	Playground - Gordon Smith Reserve Harrington	6	2030	2030	55,229	10
13205505	Playground - Oxley Reserve Skatepark	6	2030	2030	77,320	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
13105708	Playground - Palmgrove Park Forster	6	2030	2030	88,366	10
13103058	Playground - Winda Woppa Res Hawks Nest	6	2030	2030	9,941	10
10104502	2 x Light & Post John Wright Park	6	2030	2030	8,837	20
13305595	Playground - Craven Park	6	2030	2030	44,183	14
13205437	Playground – Black Head Reserve	6	2030	2030	49,706	10
10207349	BBQ Captain Cook Bicentennial Park Harrington	6	2030	2030	22,092	10
10000325	BBQ Double Oxley Reserve #1	6	2030	2030	22,092	10
10207317	BBQ Oxley Reserve #2 (next to pub)	6	2030	2030	22,092	10
10206391	BBQ Kendall Reserve Cundletown	6	2030	2030	11,046	10
10307451	BBQ Double Billabong Park (Playground)	6	2030	2030	22,092	10
10307568	BBQ Double Gloucester District Park	6	2030	2030	22,092	10
10009146	BBQ Croki Foreshore Reserve	6	2030	2030	22,092	10
10207220	BBQ Coopernook Foreshore	6	2030	2030	22,092	10
10105388	BBQ Single Coomba Park Foreshore	6	2030	2030	11,046	10
10105630	BBQ Mountain Park Bulahdelah	6	2030	2030	2,2092	10
10005474	BBQ Double Winda Woppa (near playground)	6	2030	2030	22,092	10
10005475	BBQ Double Winda Woppa Lakeside	6	2030	2030	22,092	10
10000305	BBQ Double Livvis Place Fotheringham Pk	6	2030	2030	23,555	10
10106322	BBQ Double Anzac Park Tea Gardens	6	2030	2030	22,092	10
10105623	BBQ Double Marine Drive Foreshore	6	2030	2030	22,092	10
10005473	BBQ Barry Stoneham Park	6	2030	2030	22,092	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Tuncurry					
10005154	BBQ #2 Andrews Reserve Taree	6	2030	2030	11,046	10
10206636	BBQ #1 Andrews Reserve Taree	6	2030	2030	11,046	10
10208376	Fitness Equipment Forster Breakwall	6	2030	2030	18,778	10
10000177	Fitness Equipment – Black Head	6	2030	2030	66,275	10
10000282	Criterion Track - Taree Rec Ground	6	2030	2030	88,1453	10
13105650	Dump Point Bulahdelah Showground	6	2030	2030	3,314	10
10001411	Dump Point Allen Park	6	2030	2030	3,314	10
13207792	Dump Point Rotary Park Taree	6	2030	2030	3,314	10
13307834	Dump Point Gloucester District Park	6	2030	2030	3,314	10
10105222	Cricket practice nets single Limeburner Creek	6	2030	2030	16,569	20
10209124	Picnic Shelter #2 Mick Tuck Reserve	6	2030	2030	28,719	20
10206906	Picnic Shelter #1 - Wingham	6	2030	2030	7,732	20
10307545	33 x Floodlights Gloucester Tennis	6	2030	2030	79,530	20
10207738	Music Shelter - Taree	6	2030	2030	185,569	20
10309032	Picnic Shelter #2 - Taree	6	2030	2030	5,523	20
10309033	Picnic Shelter #1 - Taree	6	2030	2030	5,523	20
10102745	Picnic Shelter #1 Lone Pine Memorial Park	6	2030	2030	32,033	20
10109162	Rotunda - Point Road Reserve Tuncurry	6	2030	2030	44,183	20
10209151	Picnic Shelter #2 - Wingham	6	2030	2030	7,732	20
10209152	Picnic Shelter #4 - Wingham	6	2030	2030	7,732	20
10209153	Picnic Shelter #3 - Wingham	6	2030	2030	7,732	20
10001513	Awning BMX Urara Lane Taree	6	2030	2030	24,301	20
10207355	Picnic Shelter #3 - Manning Point	6	2030	2030	7,732	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10209146	Picnic Shelter #2 - Manning Point	6	2030	2030	7,732	20
10206815	Picnic Shelter - Manning Point	6	2030	2030	27,614	20
10109150	Picnic Shelter Combo - Hawks Nest	6	2030	2030	5,523	20
10001398	Picnic Shelter Combo - Memorial Park Gloucester	6	2030	2030	8,837	20
10307444	Picnic Shelter - Gloucester	6	2030	2030	2,209	20
10109014	Picnic Shelter Combo Edith Waters Reserve	6	2030	2030	7,732	20
10006862	2 x Water Pumps MALC	6	2030	2030	26,510	10
10206387	BBQ Shelter - Kendall Reserve	6	2030	2030	5,523	20
10104840	Picnic Shelter Combo - Moorrooba Road Reserve	6	2030	2030	5,523	20
10104735	Picnic Shelter Combo Coomba Pk Foreshore	7	2031	2031	12,150	20
10109079	Picnic Shelter Coomba Park Foreshore	7	2031	2031	11,046	20
10207204	BBQ Shelter - Coopersnook	7	2031	2031	4,418	20
10207101	BBQ Shelter - Diamond Beach	7	2031	2031	4,418	20
10206871	Picnic Shelter - Elands	7	2031	2031	17,673	20
10207767	Picnic Shelter - Taree Rec Ground Rec #2	7	2031	2031	9,941	20
10209006	Picnic Shelter - Taree Rec Ground Rec #3	7	2031	2031	9,941	20
10001293	Pool Pump Wingham Pool	7	2031	2031	5,523	10
10105579	Shade Sail - Bulahdelah Baby Pool	7	2031	2031	34,242	20
10000407	Shade Sail - BBQ Gloucester Pool	7	2031	2031	13,255	20
10006126	Shelter - Umbrella Wingham Swimming Pool	7	2031	2031	1,105	20
10006127	Shelter - Umbrella White Wingham Pool	7	2031	2031	1,105	20
10309056	Picnic Shelter Combo - Barrington	7	2031	2031	4,418	20
10001399	Picnic Shelter Combo -	7	2031	2031	9,941	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Memorial Park Gloucester					
10001400	Picnic Shelter Combo - Memorial Park Gloucester	7	2031	2031	9,941	20
10307476	Picnic Shelter Combo - Gloucester	7	2031	2031	4,418	20
10307477	Signage Shelter - Gloucester	7	2031	2031	3,314	20
10102443	Picnic Shelter - John Holland Park Forster	7	2031	2031	9,941	20
10109072	Picnic Shelter #1 - John Holland Park	7	2031	2031	9,941	20
10109073	Picnic Shelter #2 - John Holland Park	7	2031	2031	9,941	20
10109074	Picnic Shelter #3 - John Holland Park	7	2031	2031	9,941	20
10102590	Picnic Shelter Combo - Elizabeth Reserve	7	2031	2031	12,150	20
10109031	BBQ Shelter - Pebbly Beach Forster	7	2031	2031	9,941	20
10105581	Picnic Shelter - Bullocky Wharf Rec Reserve	7	2031	2031	3,314	20
10104929	Picnic Shelter - Heron Street Reserve	7	2031	2031	12,150	20
10105705	Picnic Shelter - Redbill Park	7	2031	2031	12,150	20
10207727	Signage Shelter - Mares Run	7	2031	2031	4,418	20
10103004	Picnic Shelter Combo Memorial Res Nabiac	7	2031	2031	9,941	20
10102939	Picnic Shelter #1 - Winda Woppa Reserve	7	2031	2031	4,418	20
10105931	Picnic Shelter Combo Winda Woppa Reserve	7	2031	2031	4,418	20
10207331	Signage Shelter - Harrington	7	2031	2031	4,418	20
10109038	Picnic Shelter #2 - Elouera Park Tea Gardens	7	2031	2031	3,314	20
10109111	Picnic Shelter #1- Tea Gardens	7	2031	2031	3,314	20
10209132	Picnic Shelter #1 - Tinonee	7	2031	2031	4,418	20
10209133	Picnic Shelter #2 - Tinonee	7	2031	2031	4,418	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10206916	Picnic Shelter #1 Mick Tuck Reserve	7	2031	2031	28,719	20
10206672	Picnic Shelter Combo - Wallabi Point	7	2031	2031	4,418	20
10104520	Picnic Shelter #4 Lone Pine Memorial Park	7	2031	2031	9,941	20
10105277	Picnic Shelter -Chapmans Reserve Tuncurry	7	2031	2031	9,941	20
10207791	Picnic Shelter Combo - Taree	7	2031	2031	29,824	20
10206730	Picnic Shelter Lions Club - Old Bar	7	2031	2031	39,765	20
10206731	Picnic Shelter Combo - Old Bar	7	2031	2031	9,941	20
10206754	Picnic Shelter - Old Bar Skatepark	7	2031	2031	3,314	20
10209040	Picnic Shelter Combo - Old Bar	7	2031	2031	9,941	20
10209117	Picnic Shelter - Old Bar Picnic Area	7	2031	2031	4,418	20
10206811	Picnic Shelter #1 Pampoolah	7	2031	2031	9,941	20
10209120	Picnic Shelter #2- Pampoolah	7	2031	2031	9,941	20
10206833	2 x Floodlights Kimbriki Tennis	7	2031	2031	30,928	20
10206420	4 x Floodlights Chatham Park	7	2031	2031	53,020	20
10102286	7 x Floodlights Pacific Palms Sports	7	2031	2031	115,981	20
10207799	4 x Floodlights Taree Zone Field	7	2031	2031	176,732	20
10208513	4 x Floodlights Taree League 2	7	2031	2031	176,732	20
10208514	4 x Floodlights Taree League 4	7	2031	2031	110,458	20
10207202	3 x Floodlights Coopers Creek Oval	7	2031	2031	39,765	20
10206790	4 x Floodlights Old Bar West Field	7	2031	2031	220,916	20
10105020	6 x Floodlights Stroud	7	2031	2031	39,765	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Sportsfield/Arena					
10206451	4 x Floodlights Omaru Park	7	2031	2031	66,275	20
10102260	4 x Floodlights Tuncurry Sports Soccer	7	2031	2031	66,275	20
10206301	Cricket practice nets double Edinburgh Park	7	2031	2031	35,346	20
10105616	Cricket Wicket Synthetic Pacific Palms S	7	2031	2031	11,046	20
10106274	Cricket Wicket Synthetic Jack Ireland Sports Complex	7	2031	2031	11,046	20
10104270	Cricket practice nets Forster Sports Com	7	2031	2031	35,346	20
10001401	Tennis Court Clay x 9 Gloucester District	7	2031	2031	397,648	50
10307494	Cricket Wicket Syn Oval #4 Kay Green	7	2031	2031	11,046	20
10105258	Cricket Wicket Synthetic Memorial Park	7	2031	2031	11,046	20
10208393	Fitness Equipment Station #1 Harrington	7	2031	2031	11,046	10
10208394	Fitness Equipment Station #2 Harrington	7	2031	2031	11,046	10
10208397	Fitness Equipment Station #3 Harrington	7	2031	2031	11,046	10
10208400	Fitness Equipment Station #4 Harrington	7	2031	2031	11,046	10
10105043	BBQ Wards River Community Park	7	2031	2031	11,046	10
10000361	BBQ Nabiac Playground	7	2031	2031	11,046	10
10106321	BBQ Kevin Francis Park Stroud	7	2031	2031	11,046	10
10102834	BBQ Single Silo Hill Stroud	7	2031	2031	11,046	10
10102856	BBQ Taylor Park Stroud Road	7	2031	2031	11,046	10
10105181	BBQ Edith Waters Reserve Allworth	7	2031	2031	11,046	10
10002437	BBQ x 3 Forster Ocean Baths	7	2031	2031	66,275	10
10008975	Playground - Old Bar Park	7	2031	2031	228,062	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
13105028	Playground - Pebbly Beach Forster	7	2031	2031	77,320	10
10008974	Playground - Tuncurry Rockpool	7	2031	2031	265,099	10
10002290	1 x Light Manning Point Foreshore	7	2031	2031	4,418	20
10105434	35 x Light & Post Forster Breakwall	7	2031	2031	193,301	20
10102451	21 x Light & Post John Holland Park	7	2031	2031	115,981	20
10307454	2 x Light & Post Billabong Park Skate	7	2031	2031	11,046	20
10009148	Landscaping - Croki Reserve	7	2031	2031	15,767	10
10009133	Landscaping Tuncurry Rockpool Playground	7	2031	2031	71,514	10
10008063	Entry Feature Wall John Wright Park Tunc	7	2031	2031	11,046	20
10005926	Landscaping - Livvis Place Playground			2032	99,101	6
10005925	Soft Fall - Livvis Place Playground			2032	29,944	6
13205670	Playground - Ruprecht Park Taree	8	2032	2032	55,229	14
13104927	Playground - Tea Gardens Library	8	2032	2032	55,229	14
13103075	Forster Ocean Baths	8	2032	2032	552,289	50
13103458	Swimming Pool 25m Bulahdelah	8	2032	2032	66,2747	50
13103053	Playground - Bottlebrush Close Res Green	8	2032	2032	49,706	14
10005670	Playground - Seascape	8	2032	2032	5,523	14
13104888	Playground - Leone Fidden Park Pindimar	8	2032	2032	27,614	14
10000179	Playground - Providence Bay Park Hawks	8	2032	2032	272,967	10
13104812	Playground - Redbill Park Nerong	8	2032	2032	16,569	14
10206949	2 x Floodlights Central Park	8	2032	2032	33,137	20
10206890	1 x Light & Post Memorial	8	2032	2032	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Park Wingham					
10106025	2 x Light & Post Tuncurry Foreshore	8	2032	2032	8,837	20
10000777	2 x Spotlights Central Park at Plane	8	2032	2032	33,137	20
13205162	Playground - Cundletown Green	8	2032	2032	5,523	14
10104813	2 x Floodlights Tea Gardens Swimming Pool	8	2032	2032	44,183	20
10105947	3 x Solar Light & Post - John Oxley Park	8	2032	2032	16,569	20
10206529	3 x Double Lights Queen Elizabeth Park	8	2032	2032	23,196	20
10206553	3 Lights with arms Queen Elizabeth Park	8	2032	2032	33,137	20
10013392	Landscaping Bicentennial Gardens	8	2032	2032	22,578	10
Group	Furniture - Flag /Banner Pole (Group)	8	2032	2032	1,275	20
10012479	2021/22 Signage - Grouped Asset	8	2032	2032	50,943	10
10012480	2022/23 Signage - Grouped Asset	8	2032	2032	64,660	10
Group	Furniture - Water Bottle Refill Unit (Group)	8	2032	2032	5,160	10
Group	Furniture - Bubbler (Group)	8	2032	2032	5,160	10
Group	Fencing (Group)	8	2032	2032	433,257	20
10102386	9 x Light & Post Forster Town Park	8	2032	2032	49,706	20
10307438	3 x Light & Post Billabong Park Day area	8	2032	2032	16,569	20
10106066	5 x Light & Post Forster Boat Harbour	8	2032	2032	33,137	20
10108041	6 x Light & Post The Village Green - Nab	8	2032	2032	33,137	20
10107998	1 x Solar Light & Post - Yallarwah Reserve	8	2032	2032	22,092	20
10105009	1 x Light & Post Silo Hill Reserve	8	2032	2032	6,627	20
10307415	1 x Light & Post Lions Park - Gloucester	8	2032	2032	5,523	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10307470	1 x Light & Post Memorial Park Gloucester	8	2032	2032	6,627	20
10102356	2 x Light & Post Booner Street Reserve	8	2032	2032	6,627	20
10004769	1 x Light & Post Allworth Baths	8	2032	2032	6,627	20
13104774	Table Fish S/Steel Marine Drive Foreshore	8	2032	2032	1,105	25
13104836	Table Fish S/Steel Regional Boatramp Res	8	2032	2032	1,105	25
13102191	Fish Cleaning Tables - Point Road Tuncurry	8	2032	2032	3,314	25
13205493	Tennis Court Crowdy Head	8	2032	2032	66,275	50
10106278	Cricket Nets - single Jack Ireland Sport	8	2032	2032	16,569	20
10208512	4 x Floodlights Taree League 3	8	2032	2032	132,549	20
10206791	18x Floodlights Old Bar Sportsfields East	8	2032	2032	132,549	20
10105090	9 x Floodlights Nabyac Showground Arena	8	2032	2032	149,118	20
10207746	4 x Floodlights Taree Netball	8	2032	2032	79,530	20
10104308	6 x Floodlights Boronia Park Netball	8	2032	2032	99,412	20
10003186	4 x Floodlights Taree League 1	8	2032	2032	88,366	20
10207193	2 x Floodlights Lansdowne Tennis	8	2032	2032	26,510	20
10307532	4 x Floodlights Gloucester Netball	8	2032	2032	44,183	20
10206909	Signage Shelter - Wingham	8	2032	2032	8,837	20
10206886	Picnic Shelter - Wingham	8	2032	2032	2,209	20
10000348	Shelter #1 - Mudbishops Point Old Bar	8	2032	2032	5,523	20
10000349	Shelter #2 - Mudbishops Point Old Bar	8	2032	2032	5,523	20
10102844	Picnic Shelter - Allen Park Stroud	8	2032	2032	15,464	20
10104880	Picnic Shelter - Pindimar	8	2032	2032	7,732	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	South Reserve					
10109101	Picnic Shelter #3 - Kevin Francis Park	8	2032	2032	,6627	20
10109102	Picnic Shelter #4 - Kevin Francis Park	8	2032	2032	6,627	20
10109103	Picnic Shelter #5 - Kevin Francis Park	8	2032	2032	6,627	20
10109104	Picnic Shelter #6 - Kevin Francis Park	8	2032	2032	6,627	20
10105821	Picnic Shelter Combo Stroud Road Community Centre	8	2032	2032	6,627	20
10109018	Picnic Shelter Combo Stroud Road Community Centre	8	2032	2032	6,627	20
10105261	Picnic Shelter #2 Smiths Lake Recreation	8	2032	2032	18,778	20
10109105	Picnic Shelter #1 Smiths Lake Recreation	8	2032	2032	18,778	20
10105190	Picnic Shelter Combo - Scenic Park	8	2032	2032	6,627	20
10106129	Picnic Shelter PG - Barry Stoneham Park	8	2032	2032	16,569	20
10106275	Picnic Shelter - Point Road Reserve Tunc	8	2032	2032	5523	20
10109113	Picnic Shelter - Point Road Reserve Tunc	8	2032	2032	5,523	20
10206933	Picnic Shelter - Wingham	8	2032	2032	6,627	20
10207123	Picnic Shelter - Tinonee	8	2032	2032	7,732	20
10006134	Players Shelter x 3 - Harrington	8	2032	2032	44,183	20
10207341	Picnic Shelter - Harrington	8	2032	2032	15,464	20
10006128	Picnic Shelter Combo - Jimmy's Beach Day	8	2032	2032	5,523	20
10109015	BBQ Shelter Jimmys Beach Day Area	8	2032	2032	6,627	20
10109016	Picnic Shelter Combo - Jimmy's Beach Day	8	2032	2032	5,523	20
10207726	Picnic Shelter Combo - Mares Run	8	2032	2032	6,627	20
10105867	Picnic Shelter Memorial	8	2032	2032	7,732	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Reserve Nabiac					
10209012	Picnic Shelter Combo - Mares Run	8	2032	2032	6,627	20
10209013	Picnic Shelter Combo - Mares Run	8	2032	2032	6,627	20
10104257	Picnic Shelter Combo Bullocky Wharf Res	8	2032	2032	5,523	20
10103066	Picnic Shelter - Waterhen Park Nerong	8	2032	2032	6,627	20
10102471	Picnic Shelter #1 - Lions Park Forster	8	2032	2032	6,627	20
10109075	Picnic Shelter #2 - Lions Park Forster	8	2032	2032	6,627	20
10105247	2x Picnic Shelter Combo - Mather Island	8	2032	2032	6,627	20
10106054	Picnic Shelter Elizabeth Reserve	8	2032	2032	7,732	20
10105220	Picnic Shelter Combo - Belton Park Forster	8	2032	2032	6,627	20
10307424	Picnic Shelter - Gloucester	8	2032	2032	154,64	20
10006137	Picnic Combo Kia Ora Lookout	8	2032	2032	6,627	20
10307550	Picnic Shelter Combo - Gloucester	8	2032	2032	6,627	20
10307552	Picnic Shelter Combo - Gloucester	8	2032	2032	6,627	20
10309052	Picnic Shelter #4 - Gloucester	8	2032	2032	5,523	20
10105201	Picnic Shelter Combo Boomerang Beach Reserve	8	2032	2032	7,732	20
10109034	Picnic Shelter Combo - Boomerang Beach	8	2032	2032	7,732	20
10206950	Shade Sail - Central Park Fitness Equipment	8	2032	2032	22,092	20
10307646	Picnic Shelter Combo - Barrington	8	2032	2032	6,627	20
10307647	Picnic Shelter - Barrington	8	2032	2032	23,196	20
10309055	Picnic Shelter Combo - Barrington	8	2032	2032	6,627	20
10307656	Picnic Shelter Combo - Barrington	8	2032	2032	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10106344	Shade Sail - Stroud Baby Pool	8	2032	2032	50,811	20
10206707	Shade Sail - Badgers Park Playground	8	2032	2032	25,405	20
10001371	Shade Sail at end of pool - MALC Outdoor	8	2032	2032	44,183	20
10009207	Shade Sail - YMCA Forster	8	2032	2032	36,451	20
10209159	Picnic Shelter Stan Austin Taree Rec	8	2032	2032	6,627	20
10103183	Picnic Shelter - Coomba Aquatic Gardens	8	2032	2032	65,170	20
10204190	Picnic Shelter #1 Riverside Park Bulahdelah	8	2032	2032	7,732	20
10209094	Picnic Shelter #2 Riverside Park Bulahdelah	8	2032	2032	7,732	20
10207100	Picnic Shelter - Diamond Beach	8	2032	2032	7,732	20
10206375	Picnic Shelter - Market Square	8	2032	2032	23,196	20
10206357	Picnic Shelter - Cundletown Park	8	2032	2032	49,706	20
10001499	Picnic Shelter Combo - Copeland	8	2032	2032	6,627	20
10307667	Picnic Shelter Combo - Copeland	8	2032	2032	6,627	20
10005821	Retaining Wall Forster Ocean Baths		2033	2033	111,109	
10013386	Landscaping Smiths Lake Recreation Group		2033	2033	52,838	
10015864	Landscaping - Bennetts Beach Hawks Nest		2033	2033	59,525	
10001406	Pioneer Memorial Garden & Paving GDP	9	2033	2033	7,734	30
10016026	Landscaping - Tinonee Community Garden	9	2033	2033	19,880	10
Group	Fencing - Bollards (Group)	9	2033	2033	653,737	15
Group	Furniture - Seats (Group)	9	2033	2033	216,250	15
Group	Sports - Goal Sets (Group)	9	2033	2033	245,700	15
Group	Furniture - Picnic Setting (Group)	9	2033	2033	173,689	15

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10001443	1 x Light & Post Rotary Park	9	2033	2033	3,314	20
10108014	4 x Light & Post Moira Parade Reserve	9	2033	2033	66,275	20
13205167	Playground - Market Square Cundletown	9	2033	2033	55,229	14
13103026	Playground - Wade Park Bulahdelah	9	2033	2033	77,320	14
10000296	Playground - Coolongolook Oval	9	2033	2033	71,798	14
10105435	21 x Light & Post Tuncurry Breakwall	9	2033	2033	92,785	20
13105042	Playground - North Arm Cove	9	2033	2033	27,614	14
13205310	Playground - Badgers Park Old Bar	9	2033	2033	33,137	14
13105676	Playground - Nabiac Oval	9	2033	2033	77,320	14
13105707	Playground - Limeburners Creek	9	2033	2033	27,614	14
10015662	Playground - Moira Pde Res	9	2033	2033	73,006	10
13104699	Playground - Lakes Estate Forster	9	2033	2033	55,229	14
13305598	Playground - Billabong Park Gloucester	9	2033	2033	165,687	14
13205457	Playground - Horrace Dean Park Tinonee	9	2033	2033	11,046	14
13205420	Playground - Central Park Wingham	9	2033	2033	88,366	14
10208317	Fitness Equipment Central Park Wingham	9	2033	2033	2,7614	14
10208377	Fitness Equipment Station #1 Gloucester	9	2033	2033	27,614	14
10208380	Fitness Equipment Station #2 Gloucester	9	2033	2033	27,614	14
10208383	Fitness Equipment Station #3 Gloucester	9	2033	2033	27,614	14
10208387	Fitness Equipment Station #4 Gloucester	9	2033	2033	27,614	14
10208389	Fitness Equipment Station #5 Gloucester	9	2033	2033	33,137	14
10015857	BBQ Vic Shoesmith	9	2033	2033	15,197	10

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Reserve Manning Point					
10103044	Picnic Shelter Wade Park Bulahdelah	9	2033	2033	57,438	20
10209131	Picnic Shelter - Blackhead	9	2033	2033	9,941	20
10105583	Picnic Shelter - Wade Park	9	2033	2033	3,314	20
10104839	Picnic Shelter - Moorrooba Road Reserve	9	2033	2033	9,941	20
10105633	Picnic Shelter - Cedar Reserve Bundabah	9	2033	2033	9,941	20
10000389	Shade Sail at end of pool - Wingham Pool	9	2033	2033	13,255	20
10106329	Picnic Shelter The Tanks Pebbly Beach	9	2033	2033	9,941	20
10307566	Picnic Shelter #1 - Gloucester	9	2033	2033	4,418	20
10006437	Picnic BBQ Shelter - Billabong Park	9	2033	2033	15,464	20
10309051	Picnic Shelter #3 - Gloucester	9	2033	2033	4,418	20
10105254	BBQ Shelter - Forster Ocean Baths	9	2033	2033	13,255	20
10102383	Picnic Shelter - Forster Town Park	9	2033	2033	4,418	20
10109065	Picnic Shelter Combo Bullocky Wharf Res	9	2033	2033	12,150	20
10206854	BBQ Shelter - Krambach	9	2033	2033	4,418	20
10109086	BBQ Shelter - Providence Bay Park	9	2033	2033	9,941	20
10109087	Picnic Shelter #1 Providence Bay Park	9	2033	2033	9,941	20
10109088	Picnic Shelter #2 Providence Bay Park	9	2033	2033	9,941	20
10109089	Picnic Shelter #3 Providence Bay Park	9	2033	2033	9,941	20
10307420	Signage Shelter - Gloucester	9	2033	2033	3,314	20
10207311	Picnic Shelter Brick - Oxley Reserve #2	9	2033	2033	132,55	20
10105838	Picnic Shelter Myall Street Reserve TG	9	2033	2033	9,941	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10104779	BBQ Shelter - Marine Drive Foreshore TG	9	2033	2033	9,941	20
10109098	Picnic Shelter - Anzac Park Tea Gardens	9	2033	2033	9,941	20
10206596	Picnic Shelter - Taree	9	2033	2033	12,150	20
10104753	Picnic Shelter - Admiralty Avenue Res TG	9	2033	2033	12,150	20
10104591	Picnic Shelter #1 Barry Stoneham Park	9	2033	2033	3,314	20
10102684	Picnic Shelter #1 Tuncurry Rockpool	9	2033	2033	3,314	20
10109076	Picnic Shelter #2 Rockpool Res Tuncurry	9	2033	2033	3,314	20
10109077	Picnic Shelter #3 Rockpool Res Tuncurry	9	2033	2033	3,314	20
10105556	Rotunda - Allen Park	9	2033	2033	34,242	20
10104867	4 x Floodlights Myall Park	9	2033	2033	35,346	20
10207763	8 x Floodlights Allan Taylor Memorial Hock	9	2033	2033	176,732	20
10103026	4 x Floodlights Bulahdelah Show Arena	9	2033	2033	176,732	20
10206368	6 x Floodlights Cundletown Tennis	9	2033	2033	66,275	20
10206595	7 x Floodlights Wrigley Park	9	2033	2033	115,981	20
10012487	Hockey Field #2 Terry Lauanders Field Taree	9	2033	2033	1,165,458	10
10001444	6 x Floodlights Wingham Tennis	10	2034	2034	79,530	20
10207159	3 x Floodlights Tinonee Rec Ground Oval	10	2034	2034	33,137	20
10207164	4 x Floodlights Tinonee Tennis	10	2034	2034	3,0928	20
10104528	1 x Floodlights Tuncurry Oval	10	2034	2034	16,569	20
10206476	3 x Floodlights Johnny Martin Oval	10	2034	2034	49,706	20
10206437	6 x Floodlights Taree Rugby Park	10	2034	2034	13,2549	20
10206630	2 x Floodlights Edinburgh Park	10	2034	2034	44,183	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10206464	3 x Floodlights Muscio Park	10	2034	2034	3,3137	20
10107307	4 x Floodlights Boronia Soccer Field #2	10	2034	2034	88,366	20
10206848	4 x Floodlights Marlee Reserve Tennis	10	2034	2034	33,137	20
10206864	4 x Poles & Lights Leo Carney Tennis	10	2034	2034	44,183	20
10308464	6 x Light & Post Gloucester Pool	10	2034	2034	99,412	20
10207274	3 x Floodlights Esmond Hogan Park	10	2034	2034	49,706	20
10207276	2 x Floodlights Esmond Hogan Tennis	10	2034	2034	22,092	20
10206899	Players Shelter League #1 Wingham Sports	10	2034	2034	6,627	20
10209010	Players Shelter League #1 Wingham Sports	10	2034	2034	6,627	20
10206732	Picnic Shelter - Old Bar	10	2034	2034	7,732	20
10105596	Picnic Shelter #1- Leone Fidden Park	10	2034	2034	5,523	20
10109009	Picnic Shelter #2 - Leone Fidden Park	10	2034	2034	5,523	20
10206800	Picnic Shelter - Tennis Carpark Old Bar	10	2034	2034	7,732	20
10206801	Picnic Shelter #1 Old Bar Tennis	10	2034	2034	7,732	20
10209119	Picnic Shelter #2 Old Bar Tennis	10	2034	2034	7,732	20
10209154	Picnic Shelter #3 Old Bar Tennis Preschool	10	2034	2034	7,732	20
10103129	BBQ Shelter John Debert Park Smiths Lake	10	2034	2034	11,046	20
10109100	Picnic Shelter #2 - Kevin Francis Park	10	2034	2034	6,627	20
10104995	Picnic Shelter #1 - Kevin Francis Park	10	2034	2034	6,627	20
10105177	Picnic Shelter Combo - Brambles Reserve	10	2034	2034	5,523	20
10104679	Picnic Shelter - Tarbuck Bay Foreshore	10	2034	2034	11,046	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
10207789	Picnic Shelter Combo - Taree	10	2034	2034	6,627	20
10306513	Picnic Shelter #3 - Taree	10	2034	2034	5,523	20
10105203	BBQ Shelter - John Wright Park Tunc	10	2034	2034	11,046	20
10109023	Picnic Shelter #1 - John Wright Park	10	2034	2034	11,046	20
10109024	Picnic Shelter #2 - John Wright Park	10	2034	2034	11,046	20
10104794	BBQ/Picnic Shelter - Anzac Park Tea Gardens	10	2034	2034	7,732	20
10209116	Picnic Shelter - Taree	10	2034	2034	11,046	20
10104807	Picnic Shelter #1 Tea Gardens Pool	10	2034	2034	7,732	20
10102965	Picnic Shelter #1 Marine Drive Foreshore	10	2034	2034	7,732	20
10109099	Picnic Shelter #2 Tea Gardens Pool	10	2034	2034	7,732	20
10104848	Picnic Shelter - Jimmys Beach Day Area	10	2034	2034	7,732	20
10108035	Picnic Shelter - Jimmys Beach Day Area	10	2034	2034	19,882	20
10209121	Picnic Shelter - Krambach	10	2034	2034	7,732	20
10106161	Picnic Shelter Pilot Hill Forster	10	2034	2034	6,627	20
10307661	Picnic Shelter Combo - Gloryvale	10	2034	2034	5,523	20
10104489	Picnic Shelter Combo Ehelefeldt Reserve	10	2034	2034	6,627	20
10307627	Picnic Shelter Combo - Gloucester	10	2034	2034	6,627	20
10309054	Picnic Shelter Combo - Gloucester	10	2034	2034	6,627	20
10307426	Picnic Shelter Combo - Gloucester	10	2034	2034	7,732	20
10105353	Picnic Shelter Combo Pebbly Beach	10	2034	2034	7,732	20
10309057	Picnic Shelter Combo - Gloucester	10	2034	2034	7,732	20
10309058	Picnic Shelter Combo -	10	2034	2034	7,732	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Gloucester					
10309059	Picnic Shelter Combo - Gloucester	10	2034	2034	7,732	20
10206714	Shade Sail - Molong Reserve Playground	10	2034	2034	28,719	20
10109045	Picnic Shelter Combo Wade Park Bulahdelah	10	2034	2034	6,627	20
10105582	Picnic Shelter Combo Wade Park Bulahdelah	10	2034	2034	6,627	20
10109047	Picnic Shelter Combo Wade Park Bulahdelah	10	2034	2034	6,627	20
10102787	Picnic Shelter - Coomba Park Foreshore	10	2034	2034	6,627	20
10109078	Picnic Shelter #2 War Memorial Pk Darawank	10	2034	2034	7,732	20
10206388	Picnic Shelter - Cundletown	10	2034	2034	6,627	20
13106101	Table Fish S/Steel John Holland Park	10	2034	2034	2,209	25
10000169	Cricket Wicket Synthetic - Taree Rec #1	10	2034	2034	11,046	20
10000170	Cricket Wicket Synthetic - Taree Rec #2	10	2034	2034	11,046	20
10000171	Cricket Wicket Synthetic - Taree Rec #3	10	2034	2034	11,046	20
10000172	Cricket Wicket Synthetic - Taree Rec #4	10	2034	2034	11,046	20
10000173	Cricket Wicket Synthetic - Taree Rec #5	10	2034	2034	11,046	20
10104747	Cricket practice nets double Memorial Park	10	2034	2034	33,137	20
10104614	Cricket practice nets double Nabiac Oval	10	2034	2034	33,137	20
10001376	Concrete concourse MALC Outdoor Pool	10	2034	2034	115,981	30
10206948	1 x Solar Light & Post - Central Park	10	2034	2034	5,523	20
10001384	1 x Flood Lights Harry Bennett Park	10	2034	2034	27,614	20
10105915	10 x Solar Light & Post - Providence Bay	10	2034	2034	55,229	20
10001363	1 x Light & Post Krambach	10	2034	2034	6,627	20

Asset	Asset Name	Remaining Life	Register Renewal Year	Forecast Renewal Year	Renewal Cost (\$)	Useful Life
	Pool					
10104732	2 x Light & Post Coomba Park Foreshore	10	2034	2034	11,046	20
10102465	2 x Light & Post Little Street Bus Stop	10	2034	2034	11,046	20
10102656	14 x Light & Post Pelican Boardwalk	10	2034	2034	77,320	20

Appendix E Disposal Summary

E.1 – Disposal Forecast Assumptions and Source

Council does not have a formalised disposal plan. For open space assets which would be identified for disposal would be those in a condition 5 or assets that are no longer required to be in service by the community due to low usage. The service for repairs and maintenance provided to those assets will no longer be required.

E.2 – Disposal Project Summary

Table E1 – Disposal Project Summary

Asset	Reason for Disposal	Timing	Disposal Costs (\$)	Operations & Maintenance Annual Savings
16000290 – Aub Ferris Amenities	No longer required	2024	8,000	

E.3 – Disposal Forecast Summary

Table E3 – Disposal Activity Summary

Year	Disposal Forecast (\$)	Disposal Budget
2024	8,000	0
2025	0	0
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0
2032	0	0
2033	0	0

Appendix F Budget Summary by Lifecycle Activity

Table F1 – Budget Summary by Lifecycle Activity

Year		Acquisition (\$)	Operation (\$)	Maintenance (\$)	Renewal (\$)	Disposal (\$)	Total (\$)
2024	Open Space Asses & Pools	0	9,627,453	974,411	9,249,024	0	19,850,888
2025	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2026	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2027	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2028	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2029	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2030	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2031	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2032	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2033	Open Space Asses & Pools	0	9,627,453	974,411	1,419,000	0	12,020,864
2024	Community Buildings	0	4,135,478	1,772,090	11,961,770	0	17,869,338
2025	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2026	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2027	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2028	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2029	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2030	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2031	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2032	Community Buildings	0	4,135,478	1,772,090	1,250,000	0	7,157,568
2033	Community	0	4,135,478	1,772,090	1,250,000	0	7,157,568

Year		Acquisition (\$)	Operation (\$)	Maintenance (\$)	Renewal (\$)	Disposal (\$)	Total (\$)
	Buildings						
2024	Waste & Emergency Buildings	0	2,338,993	514,270	0	0	2,853,263
2025	Waste & Emergency Buildings	0	2,338,993	520,582	0	0	2,859,575
2026	Waste & Emergency Buildings	0	2,470,713	527,084	0	0	2,997,797
2027	Waste & Emergency Buildings	0	2,539,550	533,780	0	0	3,073,330
2028	Waste & Emergency Buildings	0	2,610,453	540,678	0	0	3,151,131
2029	Waste & Emergency Buildings	0	2,684,383	547,782	0	0	3,232,165
2030	Waste & Emergency Buildings	0	2,758,704	555,100	0	0	3,313,804
2031	Waste & Emergency Buildings	0	2,836,182	562,637	0	0	3,398,819
2032	Waste & Emergency Buildings	0	2,915,984	570,400	0	0	3,486,384
2033	Waste & Emergency Buildings	0	3,448,180	578,396	0	0	4,026,576
2024	Water & Sewer Buildings	0	107,000	31,000	30,000	0	438,000
2025	Water & Sewer Buildings	0	114,490	34,000	30,000	0	448,490
2026	Water & Sewer Buildings	0	122,504	36,000	30,000	0	458,504
2027	Water & Sewer Buildings	0	131,080	38,000	30,000	0	469,080
2028	Water & Sewer Buildings	0	140,255	41,000	30,000	0	481,255
2029	Water & Sewer Buildings	0	150,073	44,000	30,000	0	494,073
2030	Water & Sewer Buildings	0	160,578	47,000	30,000	0	507,578

Year		Acquisition (\$)	Operation (\$)	Maintenance (\$)	Renewal (\$)	Disposal (\$)	Total (\$)
2031	Water & Sewer Buildings	0	171,819	50,000	30,000	0	521,819
2032	Water & Sewer Buildings	0	183,846	54,000	30,000	0	537,846
2033	Water & Sewer Buildings	0	196,715	57,000	30,000	0	553,715

ASSET MANAGEMENT PLAN

Transport Assets 2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

Document Control		Asset Management Plan – Alternate Method			
Document ID:					
Rev No.	Date	Revision Details	Author	Reviewer	Approver
V2.0	June 2022	Initial version of MidCoast Roads AMP	MMcF	SN	
V3.0	June 2023	Amended to include: <ul style="list-style-type: none"> - other transport assets (footpaths, kerb and gutter, road furniture) - Re-issued Community Strategic Plan and Delivery Plan and Operational Plan - Adopted Pedestrian Access and Mobility Plan - Workshopped Risk Management Plan 	MMcF	SN	
V4.0	March 2025	Amended to include: <ul style="list-style-type: none"> - Financial Statements November 2024 - ISO 550xx 2024 - MidCoast Council Asset Management Strategy - MidCoast Council Roads Strategy - Asset Conditions and Service Levels Review – 2025 - Revised NAMS+ template (V1.16) 	MMcF	SN	
V4.1	June 2025	Updated references to new IP&R documents	SW		

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1. Executive Summary

Our community relies on a diverse portfolio of transport infrastructure assets, including roads, bridges, roundabouts and islands causeways, signage and marking and carparks, valued at approximately \$1.27b.

This Asset Management Plan (AM Plan) and others, provide a strategic framework for managing our community's infrastructure assets, ensuring they remain safe, reliable, and capable of meeting current and future demands.

1.1 Purpose of the Plan

An AM Plan aims to:

- Provide a systematic approach to asset management
- Address critical risks associated with aging infrastructure and limited funding
- Ensure infrastructure supports the community's social, economic, and environmental goals

This AM Plan details information about MidCoast Council's (Council's) transport infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The AM Plan defines the services to be provided, how the services are provided and what funds are required over the 10-year planning period. The AM Plan links to a Long Term Financial Plan (LTFP) which considers a 10-year planning period.

1.2 Asset Description

This AM Plan covers the infrastructure assets that provide a safe and efficient network for travel within and through the local government area, by vehicle, bicycle or on foot. The Roads Network comprises:

- 3,119,988m² sealed Regional Roads
- 4,946,308m² sealed Urban Roads
- 6,349,530m² sealed Rural Roads
- 8,152,660m² unsealed Rural Roads
- 84,566m² unsealed Urban Roads
- Roundabouts & islands, causeways & floodways, kerb & gutter, signage & marking, and carparks
- Footpaths and cycleways

The above infrastructure assets have a replacement value estimated at \$1,271,911,000 as at 30 June 2024. Bulk earthwork values are excluded from this AM Plan due to them being non-depreciable.

1.3 Levels of Service

This AM Plan covers the infrastructure assets that provide a safe, reliable and well-maintained road and broader transport network for active and shared travel, the whole road structure and the footpaths and cycleways.

Recent consultation with the Community has prompted modification of 'Satisfactory Condition' from Condition 2 (Good) to Condition 3 (Fair).¹

The allocation in the Planned Budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Roads, and associated asset components, will deteriorate at a faster rate
- Deteriorated roads, kerb and gutter and paths will remain deteriorated
- Most sub-standard roads will never be upgraded to current standards

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by population growth, demographic and lifestyle changes and climate change.

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets and different assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

Strategies to manage these demands are discussed in Section 4.0.

1.5 Lifecycle Management Plan

How we plan to manage and operate the assets at the agreed levels of service throughout their lifecycle is contingent on the 10-year LTFP.

Furthermore, when Council commits to the upgrade of existing and acquisition of new assets, future operations, maintenance and renewal costs including depreciation will increase.

1.5.1 What does it Cost?

The lifecycle costs necessary to provide the services covered by this AM Plan include the costs of the operation, maintenance, renewal and upgrade of existing assets, and the acquisition of new assets to meet demand. Disposal of assets is also considered.

When lifecycle costs are prepared for a minimum 10-year planning period, they can be used to inform the 10-year LTFP. The first 10-year lifecycle forecast is estimated to cost \$701,308,032 or \$70,130,800 on average per year.

Depreciation is excluded from these cost estimates.

1.5.2 What we will do

The funding made available in the first 10 years of the LTFP is **\$575,848,000** or \$57,584,800 on average per year which is approximately 82.11% of the cost to undertake the lifecycle activities.

The reality is, only what is funded in the LTFP can be provided. Informed decision-making depends on the AM Plan emphasising the consequences of planned budgets on the service levels provided and communicating the residual risks. It is important to ensure Council is delivering the services in a financially sustainable manner.

¹ MidCoast Asset Condition Survey 2025, [Asset Conditions and service levels | Have Your Say](#)

The 10-year LTFP results in a shortfall of \$-12,546,000 on average per year of the forecast lifecycle costs required to provide services. This is shown in Figure 1.5.2 below.

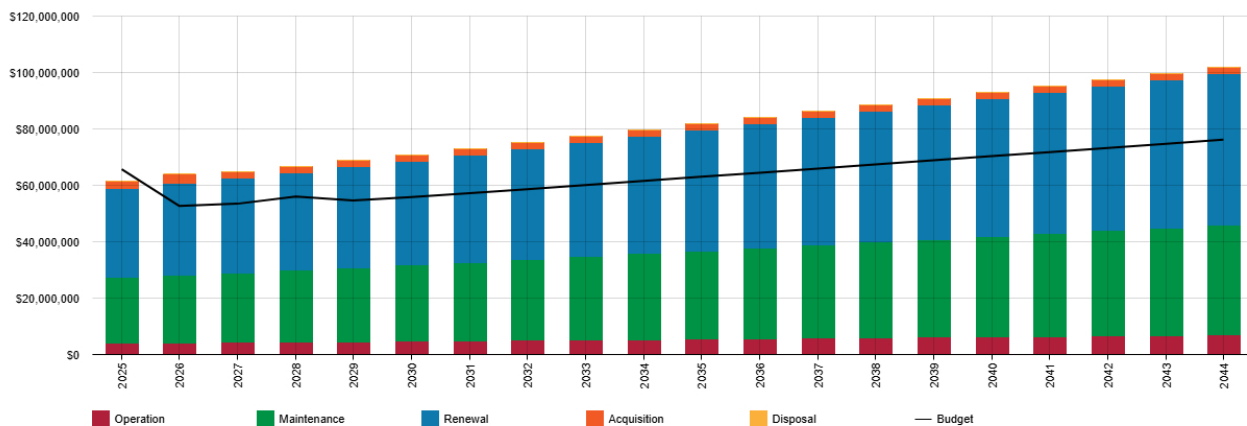


Figure 1.5.2 Forecast Lifecycle Costs and Planned Budgets

\$ values are shown in real values (i.e. current values, net of inflation).

We plan to provide Transport Assets services for the following:

- Operation, maintenance and renewal of Regional Roads, Rural Roads (sealed and unsealed), Urban Streets, Carparks, Bridges (the subject of another Asset Management Plan), Footpaths and Cycleways to meet service levels set by Council in annual budgets.
- Construction of new footpaths and cycleways and the initial seal of rural roads to meet acquisition plans determined by Council for the 10-year planning period.

1.5.3 What we cannot do

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Resealing roads at nominated end-of-life, to best protect the pavement beneath
- Renewing pavements when they need to be renewed to meet the expected service level
- Upgrading roads to meet current standards and expected level of service, even as part of renewal
- Maintaining the asset components to ensure the asset meets its intended life.

The current level of funding allocated to the road network is providing a lower level of service with works programs being restrained based on allocated budget. This will continue to lead to a higher proportion of defects and lower satisfaction over the term of the Asset Management Strategy.

1.6 Risk Management

Our present budget levels are insufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Increased dissatisfaction by road users, loss of reputation and credibility

- Increased road user costs, vehicular damage and accidents
- Deterioration to beyond any practical means of recovery

We will endeavour to manage these risks within available funding by:

- Reviewing service levels for maintenance and design standards for construction and renewal
- Developing the most effective selection and prioritisation of reseals and renewal works
- Monitoring the road network condition to track and report trends.

1.7 Financial Summary

Providing financially sustainable and affordable services from infrastructure requires the careful management of service levels, costs and risks.

The 10-year LTTP is \$57,584,800 on average per year giving a 10-year funding shortfall of \$-12,546,000 per year. This indicates that 82.11% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the LTTP.

Asset values are forecast to increase as additional assets are added.

1.8 Monitoring and Improvement Program

Key assumptions made in this AM Plan are:

- Grant funding for asset renewals and new assets will continue, and will help close the gap, although the amounts and timing are unknown
- The service levels 'inherited' from the three amalgamated councils or else adopted internally are approximate to what the community expects, pending analysis of Levels of Service survey results
- Demand forecast factors are estimated, based on best available information.

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on information from a range of sources ranging from highly reliable to uncertain, resulting in a reasonable level of confidence. The quality of the information will be reviewed in subsequent revisions of this plan in order to achieve a highly reliable level of confidence.

The next steps resulting from this AM Plan to improve asset management practices are:

- Review asset data for currency and completeness, to achieve a high level of confidence and reliability
- Review procedures and methodologies that determine operation, maintenance, renewal and disposal practices to ensure effectiveness and efficiency of the asset holding
- Involve Council stakeholders (staff from Project Delivery, Design and Maintenance) in asset management by workshopping Risk Management, Process Reviews, Standards and Maintenance practices.

Some of these steps have already been initiated and others have been completed following the initial draft of this document as the Transport Asset Management Plan.

2. Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read in conjunction with Council planning documents. This includes the Asset Management Policy and Asset Management Strategy (see MidCoast Council's Asset Management Framework described in the Asset Management Strategy), along with other key planning documents:

- *MidCoast 2035 Community Strategic Plan (2025-2035)*
- MidCoast Council Delivery Program (2025-2029)
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- Pedestrian and Access Mobility Plan
- MidCoast Climate Change Strategy
- MidCoast Council Road Strategy

As described in the Asset Management Strategy, Council's asset management journey as a unified organisation has commenced. At the time this Strategy was prepared, we had a single consolidated asset register within our corporate asset management system. The information in this register was migrated from the former Councils' asset registers and databases. Verifying the accuracy and completeness of the data has been identified as a key future focus area to ensure sound asset management decisions are made.

The adoption of the Asset Management Policy on 24 March 2021 was the first step in consolidating the practices and processes from the former councils. This Policy has since been reviewed, in 2025. Although this will take some time to implement across the whole of Council, the Asset Management Policy provides guiding principles for all asset management decisions.

The AM Policy is aligned to ISO 55000 Asset Management standards which provide common, authoritative and understandable terminology, concepts and principles for managing Council's infrastructure assets

Council also makes use of resources from the Institute of Public Works Engineers Australia (IPWEA) who provide manuals, training, templates and user forums. The IPWEA is the peak association for the professionals who deliver public works and engineering services to communities in Australia and New Zealand

As an organisation we have prioritised the need for asset management improvement and have begun our journey to asset management maturity. A May 2021 review of Council's asset management awareness identified a 'basic' level of asset management maturity. A subsequent review in August 2024 identified a 'core' level of asset management maturity had been achieved.

Council staff are preparing individual improvement programs for each asset class to reach beyond a 'core' level of asset management maturity, to intermediate or advanced in the coming years.

The infrastructure assets covered by this AM Plan include the transport assets owned and maintained by Council, including sealed, gravel and unpaved assets. For a detailed summary of the assets covered in this AM Plan refer to Table 5.1.1 in Section 5.

These assets are used to provide a safe and efficient network for travel within and through the local government area, by vehicle, bicycle or on foot.

The infrastructure assets included in this plan have a total replacement value of \$2,878,642,000.

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
External Bodies	<ul style="list-style-type: none"> Community <ul style="list-style-type: none"> Participating in community surveys to determine required LOS Providing feedback on asset condition and usage State & Federal Government <ul style="list-style-type: none"> Providing funding opportunities to assist with capital renewals and acquisitions Providing resources for best practice in asset management Providing guidance regarding transport planning
MidCoast Elected Council	<ul style="list-style-type: none"> Representing the needs of community/shareholders Allocating resources to meet planning objectives in providing services while managing risks Providing leadership and governance Adopting an asset management policy and strategy Considering the impact of financial and service level decisions on Council's assets Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MidCoast Council Leadership Group	<ul style="list-style-type: none"> Allocating resources to the implementation of the Asset Management Strategy and Plans Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents Delivering Levels of Service to agreed risk and cost standards Ensuring the community is involved and engaged on all key Council matters affecting service delivery Managing infrastructure assets in consideration of long-term sustainability Presenting information to Council on lifecycle risks and costs Approving the Asset Management Plans
Asset Management Working Group	<ul style="list-style-type: none"> Providing strategic direction and governance for asset management by contributing to the development and implementation of Council's Asset

Key Stakeholder	Role in Asset Management Plan
	<p>Management Policy, Asset Management Strategy and Asset Management Plans as required by the Office of Local Government's Integrated Planning & Reporting Framework</p> <ul style="list-style-type: none"> • Collaborating across the organisation to consistently monitor, develop, implement and review all elements of the Asset Management Framework, associated policies and procedures • Monitoring and reporting on the implementation of Asset Management Improvement Plan(s) • Providing a forum for sharing of information and experience as well as providing professional advice and collaboration across the organisation in relation to asset management within the group's 'Terms of Reference'
Corporate Services	<ul style="list-style-type: none"> • Developing supporting financial processes such as capitalisation and depreciation • Preparing asset sustainability and financial reports incorporating asset depreciation in compliance with current accounting standards • Providing GIS support and administration
Manager, Strategic Asset Planning & Project Management	<p>In consultation with Asset Owners:</p> <ul style="list-style-type: none"> • Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents • Monitoring the development and implementation of the Asset Management Policy, Strategy and Plans • Developing and reviewing policies, processes and practices to ensure effective asset management across all asset classes • Implementing the Asset Management Improvement Plan in accordance with agreed timeframes • Collating and preparing the annual State of our Assets report <p>Providing professional advice and collaborating with other departments of Council in relation to asset management</p>
Team Leader Strategic Assets	<ul style="list-style-type: none"> • Managing and continually improving Council's asset management system for Transport assets • Developing, implementing and reviewing Council's Asset Management Plans, for Transport assets • Coordinating asset valuations in accordance with relevant accounting codes • Developing and managing processes to ensure the accurate collection and compilation of asset data from both internal and external sources.

Figure 2.1 is an extract from Council's organisational structure which identifies the departments responsible for assets included under this AM Plan.

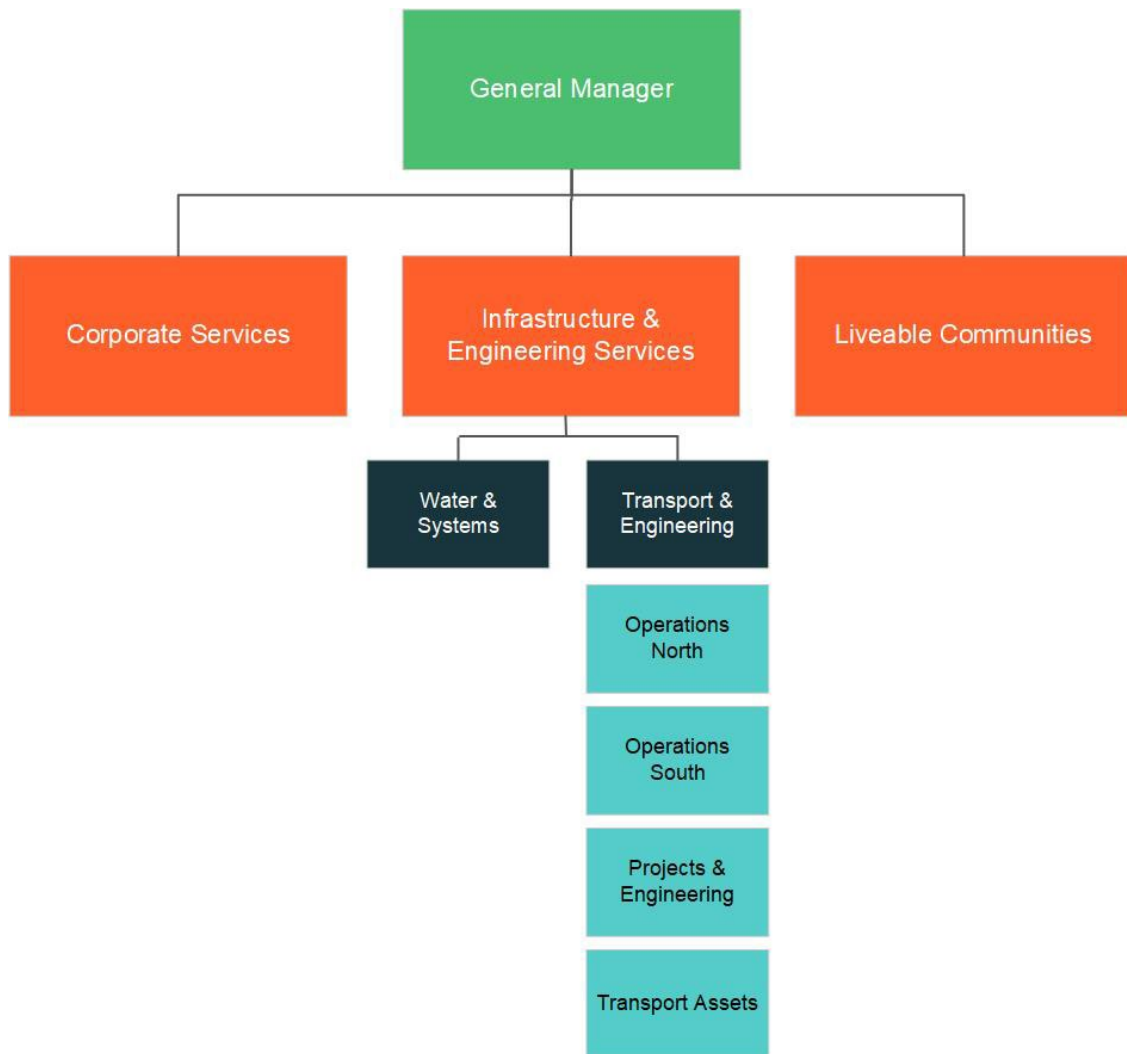


Figure 2.1: Organisational Responsibility for Transport Assets

2.2 Principles, Goals and Objectives of Asset Management

The principles of asset management as per the International Standards for asset management² are:

- **Value:** asset management focuses on the value assets provide to the organisation over time
- **Alignment:** asset management aligns financial, technical and operational decisions with the organisational objectives, promoting vertical and horizontal coordination
- **Leadership:** leadership and sustained commitment at all levels are crucial for successful asset management.

Our goal for managing infrastructure assets is to deliver the defined level of service (as amended from time to time) in the most cost-effective manner for present and future consumers.

The key objectives of infrastructure asset management as defined by the International Infrastructure Management Manual³ are:

- Defining levels of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks
- Linking to a Long Term Financial Plan which accommodates the required expenditure and how it will be funded.

² ISO 55000:2024 Asset Management – Vocabulary, overview, and principles

³ IPWEA International Infrastructure Management Manual (IIMM), Sec 1.2.1

3. Levels of Service

Levels of service define the standards and performance targets that infrastructure assets are expected to meet to ensure they provide reliable, safe, and efficient services to the community.

3.1 Customer Research and Expectations

A Community Engagement consultation exercise has recently been completed. Initial findings are limited to determining that Condition 3 is Satisfactory, in place of Condition 2 as mandated by the Office of Local Government (OLG). Pending the results of detailed analysis of the survey results, a summary of the results of a Community Satisfaction Survey conducted by Micromex Research in 2023 are shown below in Table 3.1

Table 3.1: Customer Satisfaction Survey Levels

	Community Satisfaction		Community Importance	
	MidCoast Council	Regional Benchmark ⁴	MidCoast Council	Regional Benchmark ⁴
Maintaining local roads	26%	58%	98%	93%
Maintaining footpaths	60%	68%	85%	81%
Provision of bike paths	54%	71%	64%	63%
Road safety	79%	84%	93%	91%
Availability of carparking all day or timed	70%	70%	85%	82%
Overall condition of the local sealed road network	37%	58%	95%	93%

While community satisfaction with road safety and the availability of carparking is relatively high, satisfaction with maintaining local roads and the overall condition of the local sealed road network is significantly lower.

3.2 Corporate Goals and Strategic Links

This AM Plan is prepared under the direction and support of Council's vision, mission, goals and objectives as well as the key directions and strategic objectives as outlined in Council's Community Strategic Plan.

Our vision is **“to be a high performing organisation where we are always striving to be better. One where we work collaboratively and are trusted. One where we are better every day.”**

Council's mission sets out how we are going to achieve our vision, and ensures we are all working towards the same outcomes. Our mission is to **“deliver benefits to the community in a way that adds value and builds trust.”**

Council's aim is to provide sustainable asset management and to ensure assets can deliver the community's desired service levels in priority areas in the most cost-efficient manner. This is

⁴ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

considered necessary if we are to achieve the Vision and desired Community Outcomes identified in the *MidCoast 2035* Community Strategic Plan.

The community's vision is:

“Together we can make the MidCoast even better”

The Community Outcomes support the vision. They describe the ‘big picture’ results we want to see for our community for each of five focus areas our *Wellbeing, Natural Environment, Places and Infrastructure, Economic Prosperity, and Leadership*.

The Strategies describe at a high level what the community will do to support the achievement of the Community Outcomes.

The Community Outcomes and Strategies most relevant to Transport Assets and how these are addressed in this AM Plan are summarised in Table 3.2.

Table 3.2: Community Outcomes and Strategies and how these are addressed in this AM Plan

Community Outcome	Strategy	How the Community Outcome and Strategy are addressed in the AM Plan
Our Places & Infrastructure		
... we can travel safely and easily around the MidCoast	PI-5 Provide a safe, reliable and well-maintained road and broader transport network with options for active and safe travel	This AM Plan identifies how the roads and transport assets can be maintained to meet performance, condition and safety requirements, while balancing costs and risk
		This AM Plan addresses the development of walking and cycling networks and infrastructure across the region, proposed in the Pedestrian Access and Mobility Plan
Our Leadership		
Decisions are evidence-based and informed by our input. Decisions also balance the interests of current and future generations	L-1 Inform, engage and involve the community in projects and decision-making	This AM Plan identifies community consultation as a necessary component in defining levels of service
		This AM Plan identifies the community (road users and other customers) as a valid source of information for the management of the local road and path networks
Together, all levels of government can deliver the facilities and services we need.	L-2 Build our ability to deliver community outcomes through capacity building, growing partnerships, and advocating for funding, services and enabling infrastructure	This AM Plan is a key document in the development of a regional transport network, in partnership with RMS

Our Council is financially sustainable	L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health	This AM Plan identifies the need for “developing and reviewing policies, processes and practices to ensure effective asset management across the organisation”
		This AM Plan identifies process review, project management and risk management as tool for effective and efficient delivery of services
		This AM Plan considers levels of service, demand management, efficiencies and their financial impacts
We have confidence and trust in our elected representatives and community leaders	L-3 Provide open and transparent leadership with a focus on clear decision-making processes and ongoing communication with the community	This AM Plan provides for documented, objective methodologies for prioritising maintenance, renewal and acquisition work, which can be demonstrated and explained to the community.

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the roads service are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	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
Roads Act 1993	Sets out the rights for the use of public roads, confers certain road related functions on road authorities and regulates the carrying out of various activities
Environmental Planning and Assessment Act 1997	Encourages the proper management, development and conservation of natural and artificial resources, for the purpose of promoting the social and economic welfare of the community and a better environment
Protection of the Environment and Operations Act 1997 (POEO Act)	Enables the Government to set out explicit protection of the environment policies and adopt more innovative approaches to reducing pollution.
Occupational Health and Safety Act 2000	Aims to ensure the health, safety and welfare of people at work. It lays down general requirements which must be met at places of work in NSW.
Public Works and Procurement	An Act to consolidate the Acts relating to Public Works; and to make

Legislation	Requirement
Act 1912	provision in relation to the procurement of goods and services for New South Wales government agencies.
Road Improvement (Special Funding) Act 1989	An Act to make provision with respect to special funding for road improvement, road safety and road related public transport infrastructure; and for other purposes.
Workers Compensation Act 1987	An Act to provide for the compensation and rehabilitation of workers in respect of work-related injuries; to repeal the Workers' Compensation Act 1926 and certain other Acts; and for other purposes.
Civil Liability Act 2002	An Act to make provision in relation to the recovery of damages for death or personal injury caused by the fault of a person; to amend the Legal Profession Act 1987 in relation to costs in civil claims; and for other purposes.
Disability Inclusion Act 2014	An Act relating to the accessibility of mainstream services and facilities, the promotion of community inclusion and the provision of funding, support and services for people with disability; and for other purposes.
Native Vegetation Act 2003	An Act relating to the sustainable management and conservation of native vegetation; to repeal the Native Vegetation Conservation Act 1997; and for other purposes.

3.4 Customer Values

Service levels are defined in three ways: customer values, customer levels of service, and technical levels of service.

Customer Values indicate:

- what aspects of the service are important to the customer
- whether they see value in what is currently provided *and*
- the likely trend over time based on the current budget provision

Table 3.4: Customer Values

Service Objective:

Design, construct and maintain safe and efficient local transport and mobility networks

Customer Values	Customer Satisfaction Measure	Current Feedback	Expected Trend Based on Planned Budget
Comfortable driving surface	Measured roughness	Average roughness value = 109.	Deterioration may exceed the improvement from rehabilitation of worst roads
Minimal delays	Customer feedback	2 written complaints of excessive delays at intersections in past 6 months	Complaints may increase as population grows

All weather access	Customer feedback	Occasional complaints following wet weather	Complaints will increase as materials increase in price
Safety	Customer feedback	Occasional complaints as near misses occur	Complaints will increase as conflicts increase with rise in road user numbers

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition How good is the service ... what is the condition or quality of the service?

Function Is it suitable for its intended purpose Is it the right service?

Capacity/Use Is the service over or under used ... do we need more or less of these assets?

In Table 3.5 under each of the service measure types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are quantitative measures related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %) to provide a balance in comparison to the customer perception that may be more subjective.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Road service meets user expectations	Frequency of road-related customer service requests	1,895 pothole complaints in previous 6 months	Increased customer dissatisfaction is expected without an increase to reseals budget
	Acceptable rideability	Roughness count average	Average roughness value = 103.6	Deterioration as road age is expected to exceed the improvement from rehabilitation of worst roads
	Effective drainage	K&G discharges runoff as intended	Urban reseals identify kerb & gutter repair/replacement to be ~7.5% of length	Proportion of damaged kerb reduces as poorly constructed kerb and gutter is replaced
	Acceptable path surfaces	Extent of injury claims paid	2021/22 <ul style="list-style-type: none"> 3 claims received 8 incidents reported 2022/23 <ul style="list-style-type: none"> 3 claims received 21 incidents reported 2023/24 <ul style="list-style-type: none"> 6 claims received 24 incidents reported 	Without funding for inspection and repairs, injuries are likely to increase

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
	Confidence levels		High	Medium
Function	Road widths are appropriate to road speed and function	Number of segments not meeting standards	489 segments are less than standard width	489, reducing by year by year as road rehabilitation projects give opportunity for widening
	Intersection treatments given safe separation of traffic flows	Number of intersections requiring treatment	3	Unsatisfactory intersections will increase in number as population increases
	Path networks connect origins and destinations	Coverage of path networks	Satisfaction level of Provision of Cycle Paths was measured at 57%, in 2020	Call for more footpaths over time is likely to exceed current capacity to provide
	Confidence levels		High	Medium
Capacity	Intersection treatments are appropriate for volumes	Number of intersections requiring treatment	2	Unsatisfactory intersections will increase in number as population increases
	Rural road overtaking opportunities are sufficient	Number of locations identified through customer complaints	3	Requests for overtaking lanes are likely to increase in number as population and traffic increases
	Paths can accommodate users without conflict and congestion	Number of complaints reporting conflict or congestion on paths	Not currently measured	Population growth and change will likely result in conflict between cyclists, pedestrians and drivers
	Confidence levels		High	Low

3.6 Technical Levels of Service

Technical Levels of Service –To deliver on the customer values, and impact the Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the lifecycle activities (see Section 5) and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new footpath).
- **Operation** – the regular activities necessary to provide services (e.g. vegetation control, streetlighting, inspections, etc.)
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide the intended service for its planned life (e.g. road patching, unsealed road grading, footpath grinding and structure repairs)
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement)

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.⁵

Table 3.6 shows the lifecycle activities related to the current 10-year Planned Budget, and the forecast costs recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁶	Recommended Performance ⁷
Acquisition	Construct sealed road in place of gravel road	The portion of the candidate roads identified for initial seal completed each year	Funding allocated to initial seal construction each year is currently a nominal \$3m	Maintain funding but select candidates to reduce the maintenance burden
	Construct new footpath/cycleway in place of turf verge	The portion of the new paths proposed in Pedestrian Access and Mobility Plan	Funding allocated to new footpath/cycleway construction each year is \$400,000	Increase funding to achieve desired network in adopted timeframe
	Upgrade of sub-standard roads to meet current demands and standards	The portion of a program of identified projects completed annually	Upgrade work is currently deemed a part of renewal work – 'replace a road with a road'	Costs of upgrade work should be differentiated from that of renewal and funded and reported as such
	New kerb and gutter added to an existing urban street to address drainage issues	Nil	As complaints are received and funding is available	Identify and prioritise proposals for new kerb & gutter in urban streets and provide for program

⁵ IPWEA, 2015, IIMM, p 2|28.

⁶ Current activities related to planned budget

⁷ Expected performance related to forecast lifecycle costs

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁶	Recommended Performance ⁷
		Budget	\$2,264,800	\$2,264,800
Operations	Inspections – for planning of renewal projects	Frequency of LGA-wide condition assessment	Irregular, unscheduled	5-yearly routine
	Inspections – for planning repair and maintenance		Unplanned, reactive inspection by various staff	Scheduled inspection by specifically 'trained' staff
	Roadside vegetation control – to maintain a safe road environment	Complaints from road users	Roadside vegetation control is reactive, responding to road users' complaints.	A planned, seasonal approach can achieve greater coverage and pre-empt complaints
		Budget	\$2,810,775	\$4,699,560
Maintenance	Clearing and reshaping of rural road table drains to drain roadside	Zero cases of road pavement failure by saturation	No budget is provided for routine table drain maintenance	Annual program of table drain maintenance is planned, funded and implemented
	Reactive pothole patching	Percentage of reported potholes patched within time	Bitumen patching resources have open-ended funding	As per current management
	Periodic bitumen seal maintenance (hand lance, weed removal, etc)	All areas	No budget is provided for bitumen seal maintenance	Annual (seasonal) program of bitumen seal maintenance is planned funded and implemented
	Periodic repair (grinding, cold mix fill, etc) to maintain surface	Portion of path network covered annually	Largely reactive, complaint-driven	Proactive monitoring of path condition required to avoid trips and falls
		Budget	\$15,927,725	\$26,630,840
Renewal	Renew failing sealed road segments (Condition class 5)	Length of sealed road segments with a condition rating of 5	Current funding of local roads renewal projects is \$8.8m annually, achieving 46,000m2 of renewed pavement	Funding should be not less than sufficient to renew the segments expected to reach end of life over the next ten years; 61,000m2.
	Scheduled Reseals to maintain weatherproof surface	Area sealed annually should be 1/12th (8%) of the total area of sealed	Current funding (\$4m) is sufficient for 12% of the total seal area which	Funding should be not less than sufficient for 8% of the total seal area

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁶	Recommended Performance ⁷
		road (= 300,000m ²)	helps address backlog	(per a 13-year expected life)
	Replacement of failing panels	Program of inspection, risk assessment and repair work	Largely reactive, complaint-driven	Proactive monitoring of path condition required to avoid trips and falls
	Replacement of failing sections of kerb & gutter		Repair and replacement of kerb & gutter only occurs as part of urban resealing and rehabilitation works	Failing kerb & gutter should be identified for repair separate to resealing and rehabilitation works
		Budget	\$36,581,500	\$36,535,600

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged that circumstances such as technology and customer priorities will change over time.

4. Future Demand

Future demand refers to the anticipated need for infrastructure services driven by factors such as population movement, economic development, technological advancements, and changing environmental or community expectations.

4.1 Demand Drivers

A demand driver refers to the factors or trends that influence the need for infrastructure services and capacity. The factors influencing future demand are created by:

- Population growth
- Demographic and lifestyle changes
- Changes in transport modes and habits
- Emergency Management requirements

Demand drivers help predict future infrastructure needs and guide planning and investment decisions.

4.2 Demand Forecasts

The current position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented in Table 4.3.

4.3 Impacts and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3. The impact on service delivery will be managed through a combination of managing and upgrading existing assets and the provision of new assets to meet demand. Demand management practices can include non-asset solutions, insuring against risks and managing failures.

Opportunities identified to manage demand are shown in Table 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population growth	101,600 as of 2025 (estimated)	116,700 by 2036 (estimated)	Impact will be first felt at intersections and parking	Commence design and funding of increased capacity intersections and additional CBD parking
Demographic and lifestyle changes	32,066 residents aged 65 years and over, as of 2021	38,013 residents aged 65 years and over, by 2036 (estimated)	Increased demand for non-car transport facilities.	Monitor national trends and review design standards.
Changes in transport modes and habits	Prevalent use of motor vehicles for short trips	Climate Change reduce use of private vehicles for short trips	Increased demand for public transport and walking/cycling options	Monitor national trends and review PAMP
	Rural areas are farms with occasional travel to town	Tree-changers cause increased use of villages as dormitory suburbs	More frequent use of rural roads by 'town cars and town drivers'	Review design standards and levels of service
Emergency management	Recent fire and flood events highlight difficulties accessing refuge	Emergency management planning identifies need for more access and egress routes	Some roads will need to be created, upgraded or extended	Ensure future developments provide for second road out. Develop non-asset options wherever appropriate

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit MidCoast Council to ongoing operations, maintenance and renewal costs, and depreciation expenses for the period that the service provided from the assets is required.

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process, climate change can be considered as both a future demand and a risk that needs to be managed.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.⁸

As a minimum we consider how to manage our existing assets given potential climate change impacts for our region. MidCoast Council's Climate Change Strategy, published June 2021, has as one of its guiding principles:

“Council will reduce the emissions from its operations and ensure its assets and services are resilient to the impacts of climate change by adopting adaptation measures “

Risk and opportunities identified to date are shown in Table 4.5

Table 4.5: Managing the Impact of Climate Change on Assets and Services

Climate Change risk	Projection	Impact on services	Climate Change Management Plan
Increase in the number of extreme rainfall/storm events	Increased strain on Council's road maintenance resources	Roads will more frequently be untrafficable or in poor condition, for longer periods	Adopt more conservative criteria in drainage design. Adopt construction methods that reduce susceptibility of pavement to water/moisture Consider high-productivity repair plant and methods
Increase in drier and hotter weather	Shortened life of bituminous road surfaces	Resealing frequency will have to be increased – with a resultant cost increase	Research and trial crumbed rubber and other methods of UV protection.
Rising sea levels	Higher sea levels may inundate some road pavements, if not top those roads	Roads with inundated pavements will weaken Low-lying roads may be topped occasionally, periodically or permanently	Research (international) methods of construction Identify such vulnerable roads and develop options for walling, raising or closing

Additionally, the way in which we construct new, and upgrade existing assets should recognise that there are opportunities to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change
- Services can be sustained *and*
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint.

The impact of climate change on new and existing assets is evolving and new opportunities will be developed in future revisions of this AM Plan.

⁸ IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

5. Lifecycle Management Plan

This Lifecycle Management Plan details how Council plans to manage and operate the Transport assets at the agreed levels of service (Refer to Section 3) throughout their entire lifecycle, from acquisition or creation to disposal. The goal is to maximise the value of the assets while minimising costs and risks, ensuring they continue to meet performance requirements over time.

From a financial perspective, infrastructure activities tend to be classified as being either Operating or Capital. The lifecycle activities used in the asset management and financial planning and reporting process cover:

Capital

- **Acquisition** – the activities to provide a higher level of service (e.g., widening a road or sealing an unsealed road) or a new service that did not exist previously (e.g. a new footpath)
- **Renewal** – the activities that replace or restore assets to the standard it had originally provided (e.g. road resurfacing and pavement reconstruction)

Operating

- **Operations** - the routine activities that keep services accessible and effective, balancing efficiency with user expectations (e.g. vegetation management, line marking)
- **Maintenance** – the preventative and corrective actions to sustain asset functionality and minimise unexpected failures. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading)
- **Disposal** – the decommissioning, removing, or repurposing of assets that are no longer cost-effective, safe, or necessary (e.g. dismantling old bridges)

A pictorial representation of the asset lifecycle activities is shown below in Figure 5.



Figure 5: Asset Lifecycle Activities

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 5.1.1.

Council's transport asset class includes:

- Regional Roads, which allow travel from any town or region to another, within the LGA and beyond
- The Rural Roads, which provide access to and from our towns, villages and countryside
- The Urban Roads that provide access to our homes and in and around our urban centres
- Car parks that support our retail, commercial, recreational and tourist destinations
- Table drains and kerb and gutter that adjoin the above
- The constructed footpaths and cycleways that facilitate pedestrian use of the road network (excluding those in parks and properties, not on a public road)
- The bus shelters and other road-side structures.

Any road is typically comprised of:

- the road reserve – the land formally set aside (gazetted) for the purpose of movement of people and goods, with Council as the Road Authority
- the road carriageway – a formed pavement and often a wearing course (a seal)
- the bulk earthworks that allow roads to cut through the hills and valleys (non-depreciable) and value is excluded from this AM Plan
- the bridges that carry the roads across our waterways, gullies and railway lines*
- the footpaths and cycleways that facilitate active transport and recreation
- the shoulder and table drain or kerb and gutter that protects the road edge and carries stormwater away for safety and convenience and to protect the pavement
- road furniture, devices, signage and structures that improve the trip for drivers, riders, passengers and pedestrians.

* Note: Bridges are the subject of a separate Asset Management Plan

Table 5.1.1: Assets covered by this AM Plan

Asset Category	Dimension	Replacement Value (as at April 2025)
Sealed Regional Roads	3,119,988m ²	\$281,815,053
Sealed Urban Roads	5,369,462m ²	\$356,858,494
Sealed Rural Roads	6,349,530m ²	\$408,377,378
Unsealed Rural and Urban Roads	8,237,226m ²	\$44,323,719
Footpaths and cycleways	340,040m ²	\$39,605,548
Kerb and Gutter	940km	\$153,137,319
Total		\$1,257,940,982

The age profile of the assets included in this AM Plan are shown in Figure 5.1.1.

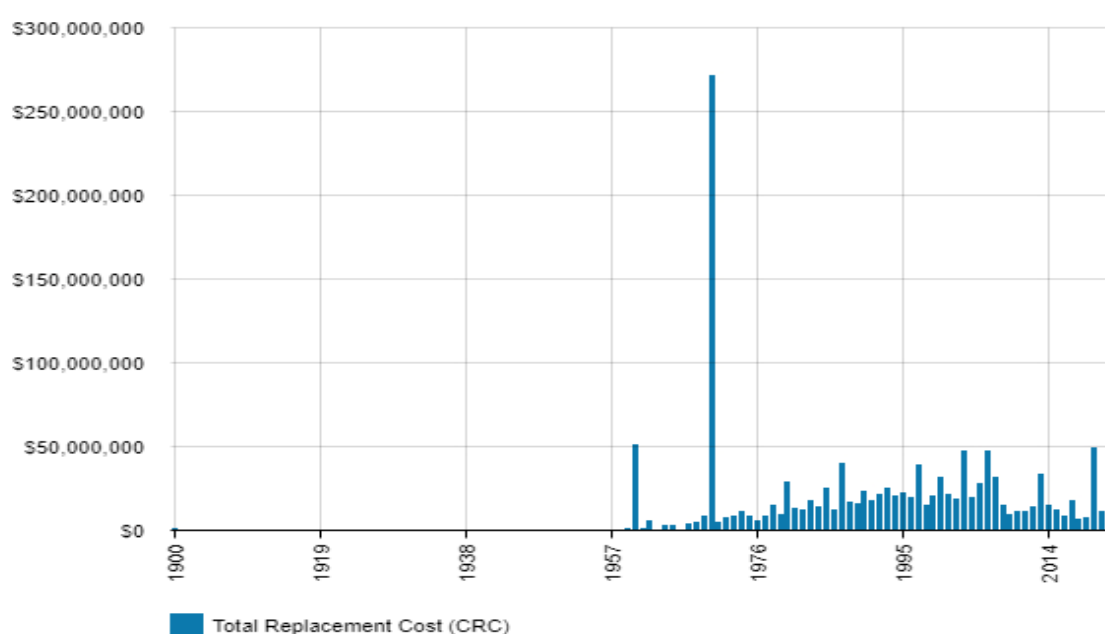


Figure 5.1.1: Asset Age Profile

All \$ values are shown in real values (i.e. current values, net of inflation)

The asset age profile shows an erratic range of ages, with significant aberrations:

- one outlier entry in 1900 distorts the spread of ages
- the very high value in 1960 is assumed to be all roads at the time being given a nominal acquisition date
- the extremely high value in 1970 is similarly assumed to be a nominal acquisition date for all roads first identified by the former Taree Municipal Council.

These aberrations will prompt analysis and correction of the data so that ages are reported more accurately. Nonetheless, the spread of ages of the road assets raises questions to be answered:

- are roads constructed to be fit-for-purpose still satisfactory?
- what roads have exceeded their expected useful lives?
- how can the renewal schedule from the peaks of investment be smoothed, to suit recurrent funding and work capacity?

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. 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
Rural sealed roads	Many roads are 5.5m to 6.0m seal width, with little or no shoulder, poor geometry and insufficient pavement
Rural unsealed roads	Road geometry is often substandard, from early road construction and maintenance practices since
Rural unsealed roads	Several roads should now be reconstructed as sealed roads, as per design standards
Footpaths	Footpath widths of 1.2m and below are insufficient for many parts of the footpath network
Kerb and Gutter	Many sections of kerb and gutter, built to earlier standards, have rolled or broken, allowing water to soak into the pavement
Rural sealed roads	Many roads are 5.5m to 6.0m seal width, with little or no shoulder, poor geometry and insufficient pavement

The above service deficiencies were identified from knowledge of the road network, held by key Council staff.

5.1.3 Asset condition

The condition of roads is currently monitored via inspection by Council's Transport Assets staff, for specific purposes. An LGA-wide condition assessment by a specialist contractor, not previously undertaken since amalgamation of the three former councils, was carried out in 2022. It is intended that this will be repeated on a five-yearly basis, so that the first five years of any long-term planning will be accurate and realistic.

Condition is measured using a 1 – 5 grading system as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM Plan, results are translated to a 1 – 5 grading scale for ease of communication.

Table 5.1.3: Condition Grading System

ASSET CONDITION			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 5.1.3.

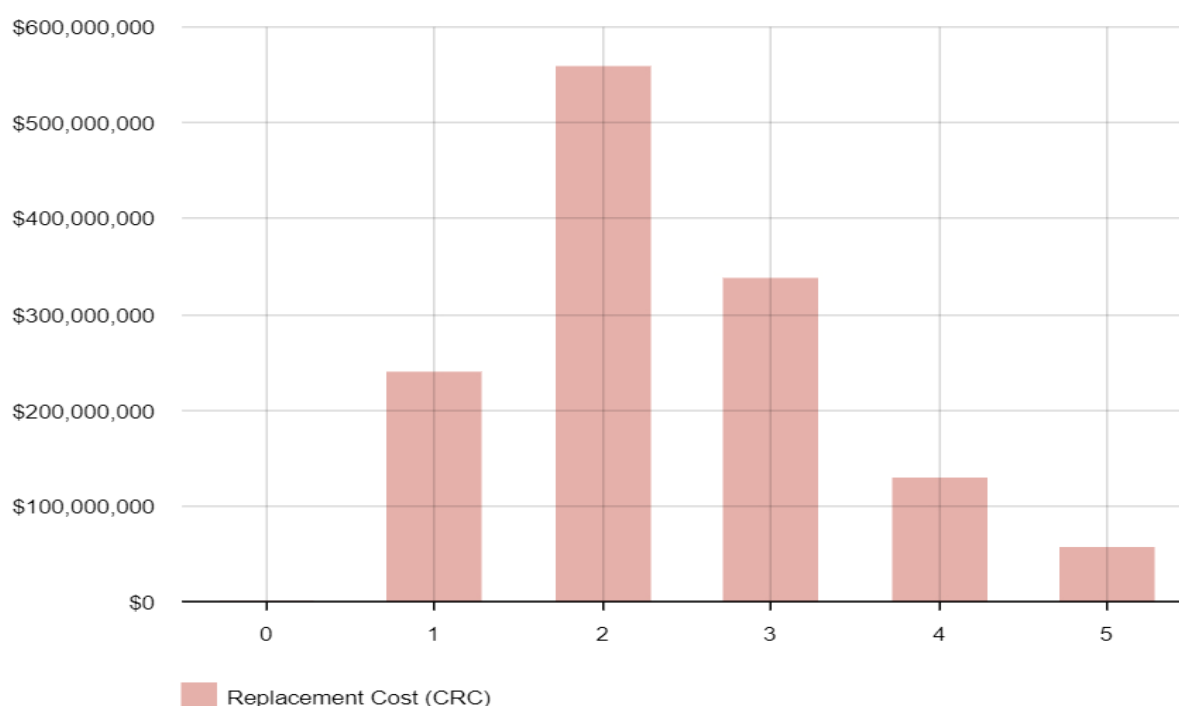


Figure 5.1.3: Asset Condition Profile

All \$ values are shown in current day dollars.

The roads asset condition is that which was uploaded from the three amalgamated authorities. While changes to the asset (by renewals and observation) had been reflected by changes to the data, the bulk of the data was rapidly becoming out of date. An LGA-wide condition assessment by a specialist contractor was carried out in 2022, which has restored confidence in the condition data. Additionally, the inventory data that was inherited from the three amalgamated authorities is being corrected and improved, in order to achieve a high level of confidence in the asset data.

In the meantime, the transport assets rated four and five are the focus of renewals planning; how to afford renewal of condition five assets and how to prevent condition four assets from becoming condition five assets.

5.2 Operations and Maintenance Plan

Operations includes regular activities to provide services. Examples of typical operational activities include line marking, street sweeping and asset inspections.

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 operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in roads maintenance budgets is shown in Table 5.2.1. There has been a very consistent, nominal value applied annually. Extra funding for unexpected events, including bushfire, flood and extended rain, has not been included as it is yet to be incorporated into the long-term planning that is evolving in response to climate change.

While the roads maintenance budget is increasing, it is approximately \$580,000 lower than the rate peg increase and \$1.2m less than the level of inflation over the same period. Whilst a commensurate reduction in service levels has not been defined, less maintenance work is being carried out now than six years previously, due to the disproportionate increase in costs.

Maintenance budgets for Footpaths and Cycleways, Kerb & Gutter and other structures are not shown, as lifecycle costs after construction are primarily operational or replacement. Maintenance trends will be analysed in subsequent revisions of this document

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget \$
2020/2021	\$15m
2021/2022	\$15m
2022/2023	\$15.2m
2023/2024	\$16.5m
2024/2025	\$17.2m
2025/2026	\$15.8m ⁹

Maintenance budget levels are considered to be inadequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

⁹ Heavy Patching re-allocated to Capital budget in 2025/2026

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in the collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting, and service level hierarchy used for service planning and delivery.

The service hierarchy is shown in Table 5.2.2.

Table 5.2.2: Asset Service Hierarchy

Service Hierarchy	Service Level Objective
Arterial – Regional Road	As per Regional Road Black Grant Agreement
Primary Collector	Inspect and schedule low risk pothole – 10 days
Local Collector	Inspect and schedule all other potholes – 5 days Install new signage – 50 days from LTC approvals
Local Access	Replace existing regulatory signage – 15 days Replace existing specialist signage – 40 days Inspect and schedule works for vegetation control – 20 days Inspect and schedule works for drainage – 10 days
Unmaintained Lane	Inspect all reports, schedule any work on a Risk-Management basis

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of, the forecast operation and maintenance costs are expected to decrease.

Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

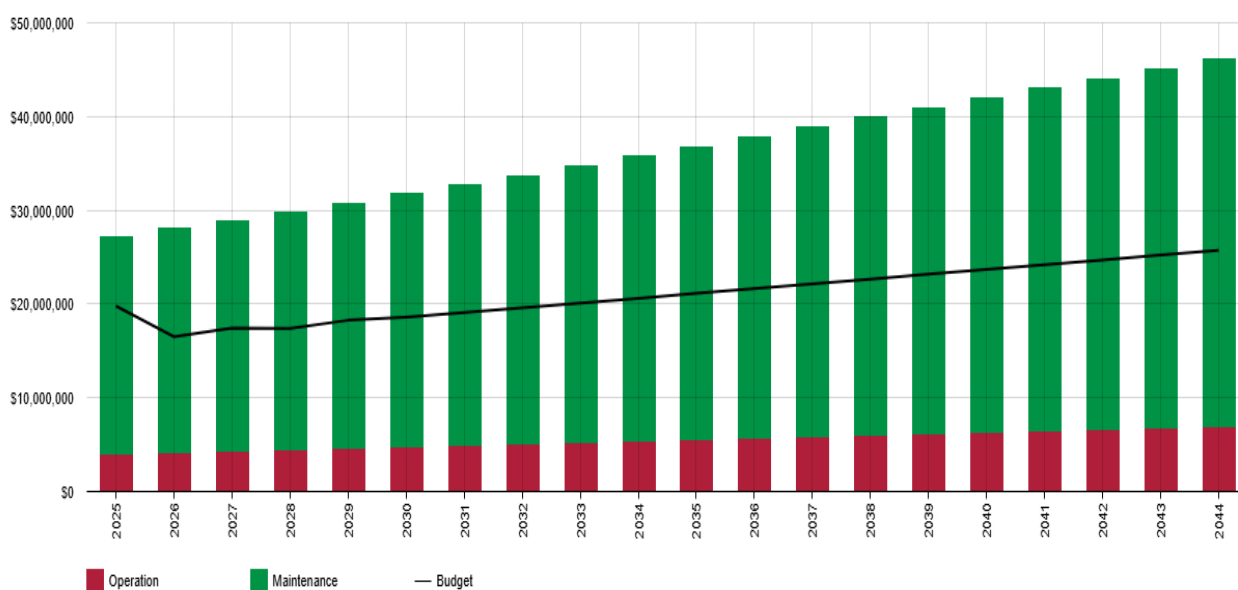


Figure 5.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars (i.e. current values, net of inflation).

The Operations and Maintenance Summary graph shows little growth from current levels, which reflects the following key points of the lifecycle plan:

- Acquisition of assets that will increase operations and maintenance expenditure is limited to \$2,000,000 per annum and may even be reduced further as current external funding dries up
- The planned renewal of deteriorating road assets will reduce maintenance demands (such as pothole repair and heavy patching)

The graph also shows that the operations and maintenance budget is insufficient for current practices and does not allow for increases due to growth.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The values in the Roads Infrastructure - Required Renewal (Depreciation) are reflective of what can be achieved within existing funding constraints. In particular, the life of the asset component being renewed exceeds the optimal intervention point. The depreciation-based assessment is centred around what can be afforded.

The Roads Infrastructure – Required Renewals (Road Strategy) is based on the principle of optimising the asset lifecycle. This scenario will minimise the rate of deterioration and reduce the maintenance effort required. The Road Strategy-based assessment is centred around what should be done.

The current state of the road network has, on average, deteriorated beyond the point where the lowest lifecycle costs can be achieved through optimum renewal and maintenance. There is now a greater need for renewal than the depreciation model provides.

The current level of funding allocated to the road network is providing a lower level of service with works programs being restrained based on allocated budgets. This will continue to lead to a higher proportion of defects and lower satisfaction over the term of the Asset Management Strategy.

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed in June 2023.¹⁰

Table 5.3: Useful Lives of Assets

Asset (Sub) Category	Useful life
Roads – Bulk earthworks	Not depreciable
Roads – Sealed – Regional	60 years
Roads – Sealed – Urban	60 years
Roads – Sealed – Rural	60 years
Roads – Unsealed	15 years
Roads – Spray Seal – Regional	10 years
Roads – Spray Seal – Urban	10 years
Roads – Spray Seal – Rural	15 years
Roads – Asphalt	25 years
Roads – Kerb & Gutter	50 years

The estimates for renewals in this AM Plan were based on the Alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5-tonne load limit), or

¹⁰ Transport Asset Revaluation Report June 2023

- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of the road pavement).¹¹

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure
- Have high use and subsequent impact on users would be significant
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.¹²

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

Table 5.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Condition (condition rating and roughness measure)	30%
Usage (vpd, %commercial, bus route)	20%
Road class	20%
Proximity to schools and retail areas	10%
Maintenance costs	10%
Risk and safety to all road users	10%
Total	100%

These criteria and the methodology for their use, is documented in the Transport Assets procedure document; 'Transport – Capital Project Evaluation and Prioritisation', currently in draft form.

5.3.2 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.3.2.

¹¹ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

¹² IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

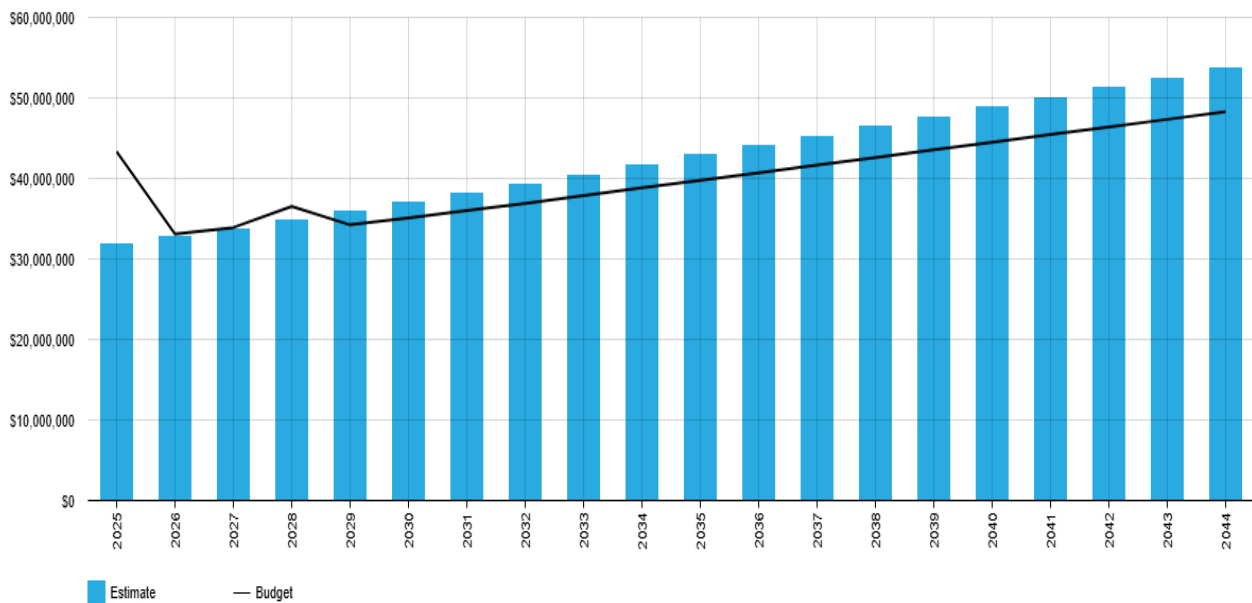


Figure 5.3.2: Forecast Renewal Costs

All \$ values are shown in current day dollars (i.e. current values, net of inflation).

The forecast renewal costs chart shows that the funds available to Council and being expended on asset renewal currently exceeds that which is required. However, the chart also shows that this situation will soon change dramatically. This will occur as the current flow of grant funding from the state government comes to an end. Further grant funding is likely, but the amount and timing are unknown, so cannot be included in this forecast planning. Meanwhile, as the infrastructure ages, the backlog increases so that the forecast renewal costs significantly exceed the proposed renewal budget.

The impacts of deferred renewal (assets identified for renewal and not scheduled in capital works programs) are described in the risk analysis process in the risk management plan.

5.4 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its original service level. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

5.4.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the community's needs. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria are detailed in Table 5.4.1.

Table 5.4.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting
Traffic volumes	15%
Heavy vehicles	15%
Dust receptors (residences, waterways)	15%
Road function within the network	15%
Maintenance Costs	15%
Risk and safety	15%
Condition (remaining useful life)	10%
Total	100%

5.4.2 Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 5.4.1 and shown relative to the proposed acquisition budget.

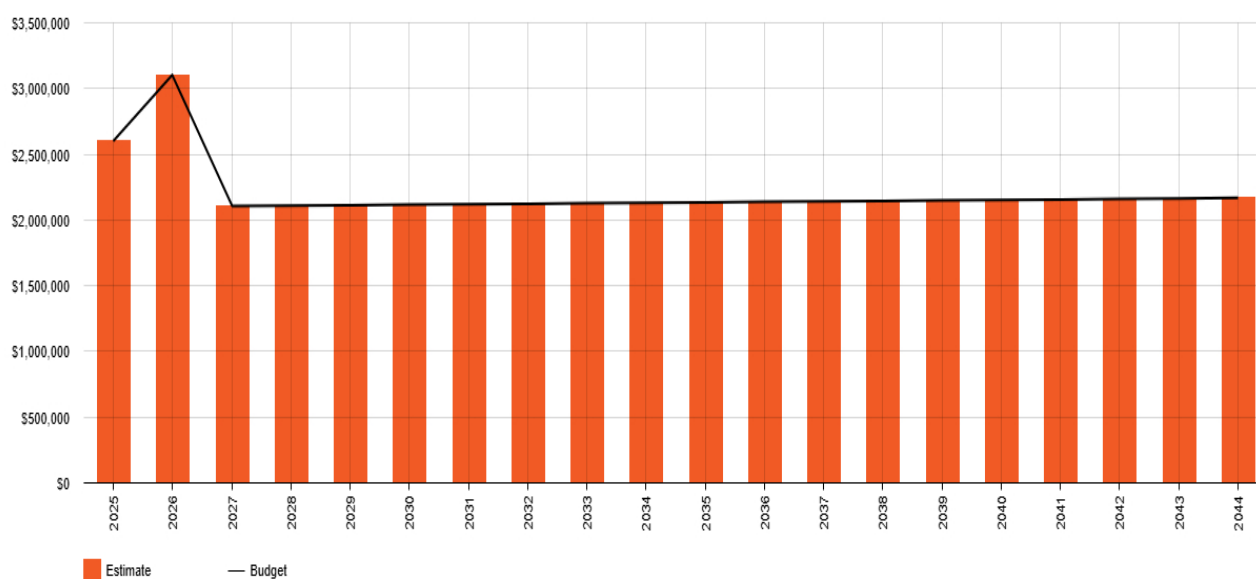


Figure 5.4.2: Acquisition (Constructed) Summary

All \$ values are shown in current day dollars (i.e. current values, net of inflation).

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. We must also account for future depreciation when reviewing long-term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by Council. The cumulative value of all acquisition work, including assets that are constructed and contributed is shown in Figure 5.4.2.

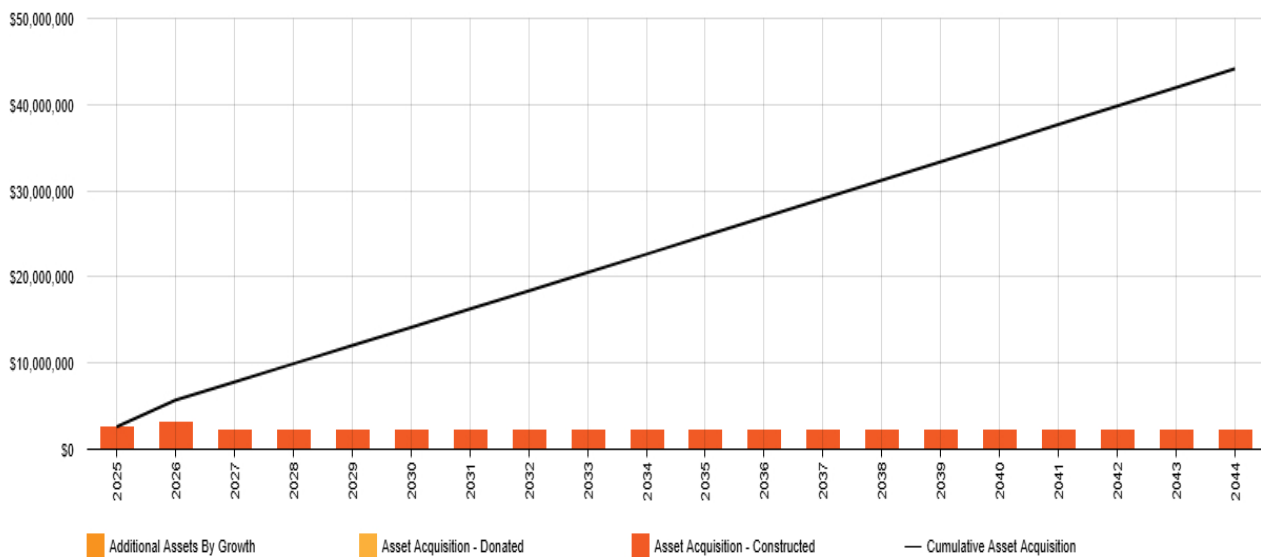


Figure 5.4.2a: Acquisition Summary

All \$ values are shown in current day dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the LTFP, but only to the extent that there is available funding.

Council does not maintain a significant acquisitions program, limited to \$2,000,000 per annum for roads and \$400,000 for footpaths and cycleways, plus grant-funded works. The chart of the Acquisition Summary shows how that repeated (annual) acquisition of assets will accumulate to a massive asset holding. That extra asset holding will obligate Council to a similar (proportionate) increase in operations, maintenance and renewal costs as well as the funding of future depreciation.

5.5 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.5. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.5. Any costs or revenue gained from asset disposals is included in the LTFP.

Table 5.5: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Nil				

5.6 Summary of asset forecast costs

The financial projections from this AM Plan are shown in Figure 5.6. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the lifecycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

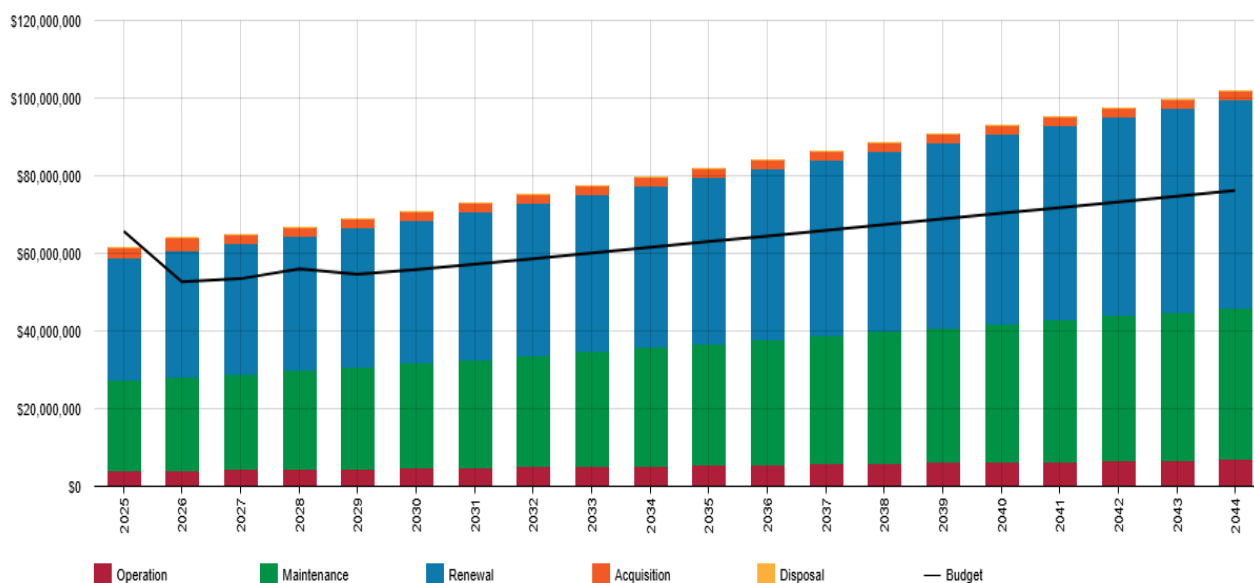


Figure 5.6: Lifecycle Summary

All \$ values are shown in current day dollars.

This has been explained in 5.4 Future Renewal Summary. The inclusion of costs of Operations, Maintenance, Acquisition and Disposal does not change the situation significantly, because these activities do not involve a shortfall between budget and forecast. While Council funds the practices required to effectively operate and maintain its roads, the funding required to renew the asset, primarily seals and pavements will continue to rise.

The impacts of deferred renewal (assets identified for renewal and not scheduled in capital works programs) are described in the risk analysis process in the risk management plan.

6. Risk Management Planning

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’.¹³

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. MidCoast Council’s Asset Management Strategy and Business Continuity Plan identify assets that are essential for Council’s operations and outcomes. These include Council’s works depots located at Taree and Tuncurry and do not include any component of the road asset network. Critical roads assets will be identified in coming years, to be reported along with their typical failure mode, and the impact on service delivery. Failure modes may include physical failure, collapse or essential service interruption, such as occurred in recent landslips.

By identifying critical assets and failure modes Council can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 and is based on the fundamentals of International Standard ISO 31000:2018.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

¹³ ISO 31000:2009, p 2

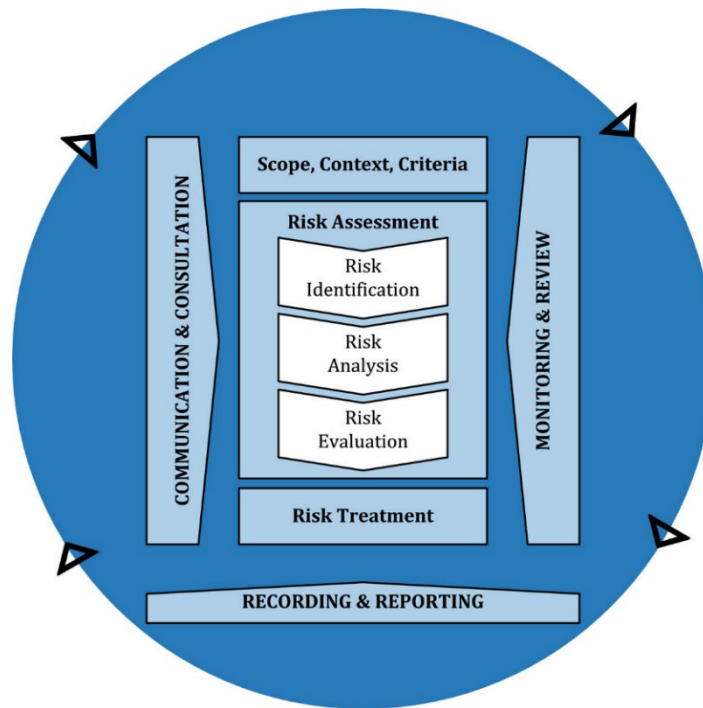


Fig 6.2 Risk Management Process – Abridged¹⁴

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action), and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan are shown in Table 6.2. It is essential that these critical risks and costs are reported to management and to the elected Council.

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H, M, L) ¹⁵	Treatment Costs
Road Network planning Path Networks planning	Planned transport network infrastructure does not meet current and future community needs	H	Utilise improved methodology for asset condition assessment data for roads/drainage and implement ongoing procedure to ensure data remains accurate and current to inform future planning Regularly revise Asset Management Plans	M	Unquantified
Road Renewals Project Delivery	Agreed Capital Works Program not delivered in accordance with	H	Discuss with Manager Projects & Engineering an audit of the effectiveness of the Project Management	H	Unquantified

¹⁴ Source: ISO 31000:2018, Figure 1, p9

¹⁵ The residual risk is the risk remaining after the selected risk treatment plan is implemented

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H, M, L) ¹⁵	Treatment Costs
	allocated budget and timeframes		Framework and identify / implement improvements		
Road Renewals Project Delivery	Inability to deliver transport asset renewals in the medium to long term due to underfunding	VH	Determine actions in the adopted Road Strategy for implementation, in collaboration with Executive Manager Transport Assets	H	Unquantified
Asset Condition	Climate change adversely impacts asset condition and lifecycle	H	Regularly review planning documents Participate in regional and state climate change initiatives Access State and Federal Natural Disaster Funding	M	Unquantified
Project Delivery	Non-compliant or unsuitable transport infrastructure	H	Review handover process in Project Management Framework in liaison with Projects & Engineering Department and ensure compliance	M	Unquantified
Road Safety	Non-compliant or unsuitable traffic management arrangements	VH	Use suitable capable staff Use relevant, current standards and guides Refer to Local Traffic Committee and Council Refer DAs, Events, CRM requests to Traffic Engineer	M	Unquantified
Road Network planning Paths Networks planning	Failure to manage floodplain & coastal environmental hazards	H	Use suitable capable staff Use relevant, current standards and guides Refer to Floodplain Management Advisory Committee Refer DAs to CF&D team Access grants funding	L	Unquantified

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H, M, L) ¹⁵	Treatment Costs
Emergency Management	Lack of emergency management preparedness and implementation to support government agencies	H	Attend regular Emergency Management Meetings with all agencies Adopt MCC BCP / Infrastructure & Engineering Services Divisional Plan Regularly test Emergency Management Plan	M	Unquantified
Road Safety	Unauthorised or unsafe works and structures within the road reserve	H	Finalise Awnings Procedure and implement	M	Unquantified
Road Safety	Failure to effectively implement and manage road safety programs and initiatives	M	Use dedicated Road Safety Officer Work in collaboration with TfNSW and other groups Refer to Community Engagement strategies	L	Unquantified
Workplace Safety	Staff, contractor and volunteers incidents and injuries	H	Purchase and implement satellite phones and associated procedures Identify and implement improvements identified as part of the corporate WHS Risk Assessment (e.g. psychosocial hazards)	M	\$7,500 Unquantified
Human Resources	Failure to attract and retain qualified, skilled and motivated staff Poor staff culture and performance	H	Recruit in accordance with HR recruitment Processes Implement HR programs; EAP, FWAF, IWDP, staff culture-building Facilitate regular team meetings and staff check-ins Undertake staff and team development Redesign positions in the structure where appropriate and possible	H	Unquantified

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk (H, M, L) ¹⁵	Treatment Costs
Procurement	Poor procurement and management of contracts	H	QMS for procedures and compliance Review tender and contract documents Seek panel contract arrangements	L	Unquantified
Human Resources	Breach of internal Governance Framework (e.g. code of conduct, delegations, fraud control)	H	Ensure Governance Framework requirements are communicated in staff inductions, IWDPs, PDs and staff delegations and financial systems and procedures	L	Unquantified
Administration Information Technology	Loss of corporate records and information	H	Transport Assets Team to discuss information management needs and visibility requirements associated with moving records to the M drive and liaise with IT about solutions for issues raised	M	Unquantified
Road Condition and Safety	Heavy vehicles adversely impact transport network condition and safety	H	Weight of Loads Group for compliance and education NHVR Heavy route assessment and approval process Monitoring and implementation of route controls (e.g. load limits) Transport NSW mapping of approved routes Grant funding sourced and works delivered Route Strategies for targeted, staged betterment of freight routes	M	Unquantified

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

This approach requires resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Council does not currently measure its resilience in service delivery. This will be included in future iterations of the AM Plan.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Resealing roads at nominated end-of-life, to best protect the pavement beneath
- Renewing pavements, kerb & gutter, footpaths and other structures when they need to be renewed to meet the expected service levels
- Upgrading roads to meet current standards and expected level of service, even as part of renewal
- Constructing an initial seal on a gravel road to improve and protect the road pavement
- Expanding the footpath and cycleway networks to meet the expected service level.

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Roads and associated infrastructure will deteriorate at a faster rate
- Deteriorated roads and associated infrastructure will remain deteriorated
- Sub-standard roads and associated infrastructure will never be upgraded to current standards

6.4.3 Risk trade-off

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

- Increased dissatisfaction by road users, loss of reputation and credibility
- Increased road user costs, vehicular damage and accidents
- Accelerated deterioration to beyond any practical means of recovery

These actions and expenditures are considered and included in the forecast costs, and the Risk Management Plan.

7. Financial Summary

This section contains the financial and valuation forecasts resulting from the information presented in previous sections of AM Plan. Forecasts will be improved as the discussion on sustainable levels of service, risk and cost matures in line with the financial strategy.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in this AM Plan. The two indicators are the:

- Asset Renewal Funding Ratio (planned renewal budget for the next 10 years / forecast renewal outlays for the next 10 years identified as warranted in the AM Plan), and
- Lifecycle Funding Ratio (planned lifecycle budget for the next 10 years / forecast lifecycle outlays for the next 10 years identified as warranted in the AM Plan).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹⁶ 100.13%

The Asset Renewal Funding Ratio illustrates that over the next 10 years we expect to have 100.13% of the funds required for the optimal renewal of assets.

Lifecycle Funding Ratio – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide the levels of service to the community over a 10-year period. This provides input into Council's 10-year LTFP which aims to provide the required services in a sustainable manner.

This forecast work can be compared to the planned budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10-year planning period are \$67,866,000 on average per year.

The proposed (budget) in the LTFP for operations, maintenance and renewal is \$55,320,000 on average per year giving a 10-year funding shortfall of \$-12,546,000 per year. This indicates that 81.51% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude depreciation and the acquisition of new and upgrade of existing assets.

Providing sustainable and affordable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the AM Plan and ideally over the 10-year life of the LTFP.

7.1.2 Forecast Costs (outlays) for the Long Term Financial Plan

Table 7.1.2 shows the forecast costs (outlays) required for consideration in the 10-year LTFP.

¹⁶ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the LTFP.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan and/or financial projections in the LTFP. We will manage any 'gap' by communicating the service performance, cost, and risk implications in consultation with the community and key stakeholders.

Forecast costs are shown in 2024/25-dollar values.

Table 7.1.2: Forecast Costs (Outlays) for the Long Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2025	2,600,000	4,085,850	23,153,150	31,761,000	0
2026	3,104,000	4,212,750	23,872,250	32,742,000	0
2027	2,107,000	4,341,900	24,604,100	33,757,000	0
2028	2,109,000	4,475,100	25,358,900	34,792,000	0
2029	2,113,000	4,612,350	26,136,650	35,859,000	0
2030	2,116,000	4,753,650	26,937,350	36,957,000	0
2031	2,119,000	4,899,150	27,761,850	38,089,000	0
2032	2,123,000	5,049,000	28,611,000	39,254,000	0
2033	2,127,000	5,203,350	29,485,650	40,454,000	0
2034	2,130,000	5,362,500	30,387,500	41,691,000	0
2035	2,134,000	5,514,600	31,249,400	42,873,500	0

7.2 Valuation Forecasts

The best available estimates of the value of assets included in this AM Plan are shown below. The assets are valued at fair value at cost to replace service capacity:

Replacement Cost (Gross)	\$ 2,878,642,532
Depreciable Amount	\$ 2,020,287,286
Current Replacement Cost ¹⁷	\$ 2,130,266,660
Depreciation	\$ 748,375,872

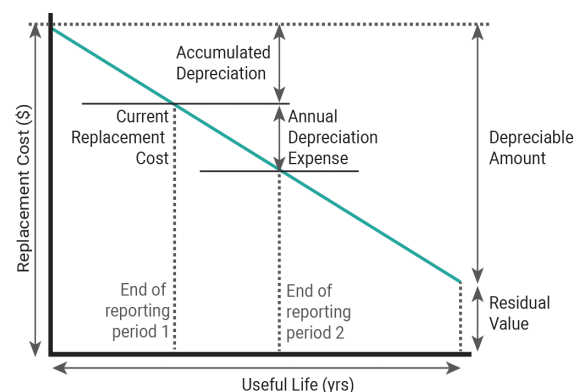


Figure 7.2: Valuation Terminology

¹⁷ Also reported as Written Down Value, Carrying or Net Book Value.

8. Assumptions and Improvement Planning

8.1 Data and Information Sources

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data sourced from Council's Enterprise software as accessed by Council's Assets Accountant.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is Council's Enterprise software as accessed by the Team Leader, Strategic Assets and Manager, Transport Assets.

8.2 Key Assumptions

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

- Road Renewal works includes 20% upgrade works
- The Capital Works Program is based on the LTFP Business-As-Usual scenario

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge. When doing so, the forecast remaining useful life in the asset register should be adjusted where necessary.

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

8.3 Forecast Reliability and Confidence

The forecast demands, costs, planned budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset management and financial planning and reporting, it is critical that the information is reliable and up to date. Data confidence is classified on an A to E level scale in accordance with the guidance provided in the International Infrastructure Management Manual.¹⁸

¹⁸ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

Table 8.3.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	None or very little data held

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 8.3.2.

Table 8.3.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	Medium	Sourced from Council's strategic documents with some extrapolation
Growth projections	High	Sourced from Council's strategic documents
Acquisition forecast	High	Sourced from Council's strategic documents
Operation forecast	Low	Sourced from Council's strategic documentation, with significant extrapolation
Maintenance forecast	Low	Sourced from Council's strategic documentation, with significant extrapolation
Renewal forecast - Asset values	High	Sourced from 2023 valuations
- Asset useful lives	Medium	Sourced from 2023 re-valuation
- Condition modelling	High	Condition data has recently been made complete and current
Disposal forecast	Very High	Sourced from Council's strategic documents

The overall estimated confidence level for and reliability of data used in this AM Plan is **Medium**.

8.4 Improvement Plan

It is important that we recognise gaps in the planning process that require improvement to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.4.

Table 8.4: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Review road network for critical assets, such as bridges, landslip areas	Team Leader Strategic Assets	Current staff	12 months
2	Analyse trends in maintenance funding, practice and outcomes	Team Leader Strategic Assets	Current staff	12 months
3	Rationalise road holding – identify roads that could be abandoned, disposed or replaced with road with a lower lifecycle cost	Team Leader Strategic Assets	Current staff	24 months
4	Develop proposals for changes to Operation practices (to be developed by further workshopping and consultation, with research into technologies and industry experience)	Team Leader Strategic Assets	Current staff	24 months
5	Develop proposals for changes to Maintenance practices (to be developed by further workshopping and consultation, with research into technologies and industry experience)	Team Leader Strategic Assets	Current Staff	24 months
6	Further develop more comprehensive guidelines to ensure consistency in asset condition rating ¹⁹	Team Leader Strategic Assets	Current Staff	12 months
7	Undertake annual desktop review of asset values, in accordance with the accounting and valuation standards ¹⁵	Team Leader Strategic Assets	Current Staff	24 months

8.5 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

It will also be reviewed and updated annually to ensure it represents the current service levels, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the LTFP or will be incorporated into the LTFP once completed.

¹⁹ Recommendation from Morrison Low Asset Management Maturity Assessment May 2021

The AM Plan has a maximum life of 4 years and is revised and updated within 6 months of each Council election and following any significant change to the Asset Management Policy and the Asset Management Strategy.

8.6 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the LTFP
- The degree to which the 1- to 5-year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into Council's strategic planning documents and associated plans
- The Asset Renewal Funding Ratio achieving Council's target of 100%.

9. References

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- ISO, 2018, ISO 31000:2018 Risk management – Guidelines
- *MidCoast 2035 Community Strategic Plan (2025-2035)*
- *MidCoast Council Delivery Program (2025-2029)*
- *MidCoast Council Operational Plans*
- *MidCoast Council Resourcing Strategy including the:*
 - *MidCoast Council Asset Management Strategy (2024-2034)*
 - *Workforce Management Strategy,*
 - *Long Term Financial Plan and*
 - *ICT Strategy*
- *Pedestrian and Access Mobility Plan*
- *MidCoast Climate Change Strategy*
- *MidCoast Council Road Strategy*

ASSET MANAGEMENT PLAN

Bridges
2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

Document Control		Asset Management Plan			
Document ID:					
Rev No.	Date	Revision Details	Author	Reviewer	Approver
V1.11	May 2021	Update	IPWEA		
V2.0	June 2023	Initial version of MidCoast Bridges AMP	SM	SN	
V3.0	December 2023	Updated with 2023 revaluation data	SM		
V4.0	December 2024	Updated with latest financial data and forecasts	SM		
V4.1	April 2025	Updated with latest financial data and forecasts	SM	MM	
V4.2	June 2025	Updated references to new IP&R documents	SW		

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1. Executive Summary

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about MidCoast Council's (Council's) bridge infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The AM Plan defines the services to be provided, how the services are provided, and what funds are required over the 10-year planning period. The AM Plan links to a Long Term Financial Plan which considers a 10-year planning period.

1.2 Asset Description

This AM Plan covers the bridge infrastructure assets that provide safe and efficient access for travel within and through the local government area, by vehicle, bicycle or on foot.

The Bridges network comprises:

- A total of 670 Bridges
- 153 Timber Bridges
- 444 Concrete Bridges
- 27 Steel Bridges
- 46 Composite Bridges

The above infrastructure assets have a replacement value estimated at \$167,026,243 as at 30 June 2024.

1.3 Levels of Service

The allocation in the Planned Renewal Budget is sufficient to continue providing existing services at current levels, however the Planned Operations and Maintenance Budget is not sufficient for the for the planning period.

The main service consequences of the Planned Budget are:

- Bridges will deteriorate at a faster rate
- Sub-standard bridges will be upgraded to current standards as they are replaced

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population growth
- Demographic and lifestyle changes
- Climate change

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan include the costs of the operation, maintenance, renewal, acquisition, and disposal of assets. Although an AM Plan may be prepared for a range of time periods, it typically informs a long term financial planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for the bridges asset class is estimated as **\$37,381,000** or \$3,738,100 on average per year.

1.6 Financial Summary

1.6.1 What we will do

Estimated available funding for the 10-year period is \$57,755,000 or \$5,775,500 on average per year as per the Long Term Financial plan or Planned Budget. This is 154.5% of the cost to sustain the current level of service at the lowest lifecycle cost. This high average is due to a large sum of external funds in the first two planning years which will not carry over to following years. The remaining period has an average of 67.3% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the Long Term Financial Plan can be provided. Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for bridge assets leaves a surplus of \$2,037,400 on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long Term Financial Plan. As noted above, this high average is due to a large sum of external funds in the first two planning years which will not carry over to following years as seen in Figure 1.6.1 below.

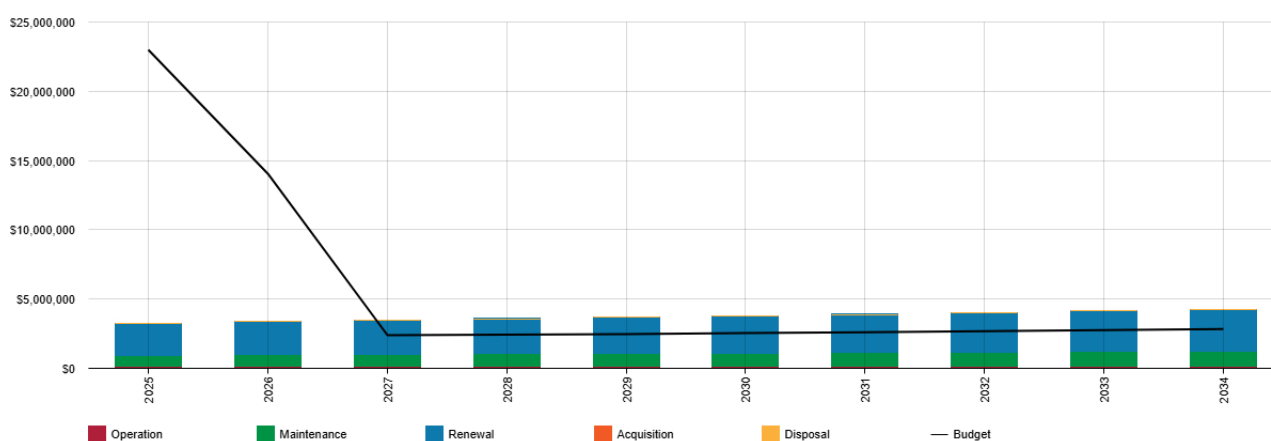


Figure 1.6.1: Forecast Lifecycle Costs and Planned Budgets

\$ values are in current dollars.

We plan to provide bridge asset services for the following:

- Operation, maintenance and renewal of Bridges to meet service levels set by Council in annual budgets

- Construction of new Bridges to meet acquisition plans determined by Council for the 10-year planning period

1.6.2 What we cannot do

We currently do **not** allocate enough budget to improve these services above the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Maintaining bridge asset components to ensure the bridges reach their intended life
- Renewing bridges to improve the service level
- Upgrading all bridges to meet current standards and expected level of service before end-of-life

1.6.3 Managing the Risks

Our present budget levels are sufficient to continue to manage risks in the medium term.

The main consequences of not managing the risks are:

- Increased dissatisfaction by bridge users, loss of reputation and credibility
- Increased bridge user costs, vehicular damage and accidents
- Deterioration to beyond any practical means of recovery

We will endeavour to manage these risks within available funding by:

- Reviewing service levels for maintenance and design standards for construction and renewal
- Developing most effective selection and prioritisation of renewals and refurbishment works
- Monitoring the bridge network condition to track and report trends

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Grant funding for asset renewals and new assets will continue although the amounts and timing are unknown
- The Operations and Maintenance budgets are combined. For the purpose of modelling, these have been estimated at 15% for Operations and 85% for Maintenance
- The service levels 'inherited' from the three amalgamated councils or else adopted internally, approximate community expectations
- Demand forecast factors are estimated, based on best available information

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Review asset data for currency and completeness, to achieve high level of confidence and reliability
- Review procedures and methodologies that determine operation, maintenance, renewal and disposal practices to ensure effectiveness and efficiency of the asset holding
- Review service levels via community consultation
- Involve Council stakeholders (staff from Project Delivery, Design and Maintenance) in asset management by workshopping Risk Management, Process Reviews, Standards and Maintenance practices

2. Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read in conjunction with Council's planning documents. This includes the Asset Management Policy and Asset Management Strategy (see MidCoast Council's Asset Management Framework described in the Asset Management Strategy), along with other key planning documents:

- *MidCoast 2035 Community Strategic Plan (2025-2035)*
- MidCoast Council Delivery Program 2025-2029
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- Pedestrian and Access Mobility Plan
- MidCoast Climate Change Strategy

As described in the Asset Management Strategy, Council's asset management journey as a unified organisation has commenced. At the time this Strategy was prepared, Council had a single consolidated asset register within our corporate asset management system. The information in this register was migrated from the former Councils' asset registers and databases. Verifying the accuracy and completeness of the data has been identified as a key future focus area to ensure sound asset management decisions are made.

The adoption of the Asset Management Policy on 24 March 2021 was the first step in consolidating the practices and processes from the former councils. Revised in April 2025, the Asset Management Policy provides guiding principles for all asset management decisions. The AM Policy is aligned to ISO 55000 Asset Management standards which provide common, authoritative and understandable terminology, concepts and principles for managing Council's infrastructure assets.

Council also makes use of resources from the Institute of Public Works Engineers Australia (IPWEA) who provide manuals, training, templates and user forums. The IPWEA is the peak association for the professionals who deliver public works and engineering services to communities in Australia and New Zealand

As an organisation we have prioritised the need for asset management improvement and have begun our journey to asset management maturity. A May 2021 review of Council's asset management awareness identified a 'basic' level of asset management maturity. A subsequent review in August 2024 identified a 'core' level of asset management maturity had been achieved. Council staff are preparing individual improvement programs for each asset class to reach beyond a 'core' level of asset management maturity, to intermediate or advanced in the coming years.

The infrastructure assets covered by this AM Plan include the bridges owned or otherwise provided and maintained by Council, including timber, concrete, steel, and composite bridges. For a summary of the assets covered in this AM Plan refer to Table 5.1.1 in Section 5.

These assets are used to provide a safe and efficient network for travel within and through the local government area, by vehicle, bicycle or on foot.

The infrastructure assets included in this plan have a total replacement value of \$167,026,243.

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
External Bodies	<ul style="list-style-type: none"> Community <ul style="list-style-type: none"> Participating in community surveys to determine required LOS Providing feedback on asset condition and usage State & Federal Government <ul style="list-style-type: none"> Providing funding opportunities to assist with capital renewals and acquisitions Providing resources for best practice in asset management
MidCoast Elected Council	<ul style="list-style-type: none"> Representing the needs of community/shareholders Allocating resources to meet planning objectives in providing services while managing risks Providing leadership and governance Adopting a Council asset management policy and strategy Considering the impact of financial and service level decisions on Council's assets Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MidCoast Council Leadership Group	<ul style="list-style-type: none"> Allocating resources to the implementation of the Asset Management Strategy and Plans Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents Delivering Levels of Service to agreed risk and cost standards Ensuring the community is involved and engaged on all key Council matters affecting service delivery Managing infrastructure assets in consideration of long-term sustainability Presenting information to Council on lifecycle risks and costs Approving the Asset Management Plans
Asset Management Working Group	<ul style="list-style-type: none"> Providing strategic direction and governance for asset management by contributing to the development and implementation of Council's Asset Management Policy, Asset Management Strategy and Asset Management Plans as required by the Office of Local Government's Integrated Planning & Reporting Framework

Key Stakeholder	Role in Asset Management Plan
	<ul style="list-style-type: none"> • Collaborating across the organisation to consistently monitor, develop, implement and review all elements of the Asset Management Framework, associated policies and procedures • Monitoring and reporting on the implementation of Asset Management Improvement Plan(s) • Providing a forum for sharing of information and experience as well as providing professional advice and collaboration across the organisation in relation to asset management within the group's 'Terms of Reference'
Corporate Services	<ul style="list-style-type: none"> • Developing supporting financial processes such as capitalisation and depreciation • Preparing asset sustainability and financial reports incorporating asset depreciation in compliance with current accounting standards • Providing GIS support and administration
Manager, Strategic Asset Planning & Project Management	<p>In consultation with Asset Owners:</p> <ul style="list-style-type: none"> • Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents • Monitoring the development and implementation of the Asset Management Policy, Strategy and Plans • Developing and reviewing policies, processes and practices to ensure effective asset management across all asset classes • Implementing the Asset Management Improvement Plan in accordance with agreed timeframes • Collating and preparing the annual State of our Assets report • Providing professional advice and collaborating with other departments of Council in relation to asset management
Team Leader Strategic Assets & Asset Officer	<ul style="list-style-type: none"> • Managing and continually improving Council's asset management system for Bridge assets • Developing, implementing and reviewing Council's Asset Management Plan for Bridge assets • Coordinating asset valuations in accordance with relevant accounting codes • Developing and managing processes to ensure the accurate collection and compilation of asset data from both internal and external sources.

Figure 2.1 is an extract from Council's organisational structure which identifies the departments responsible for assets included under this AM Plan:

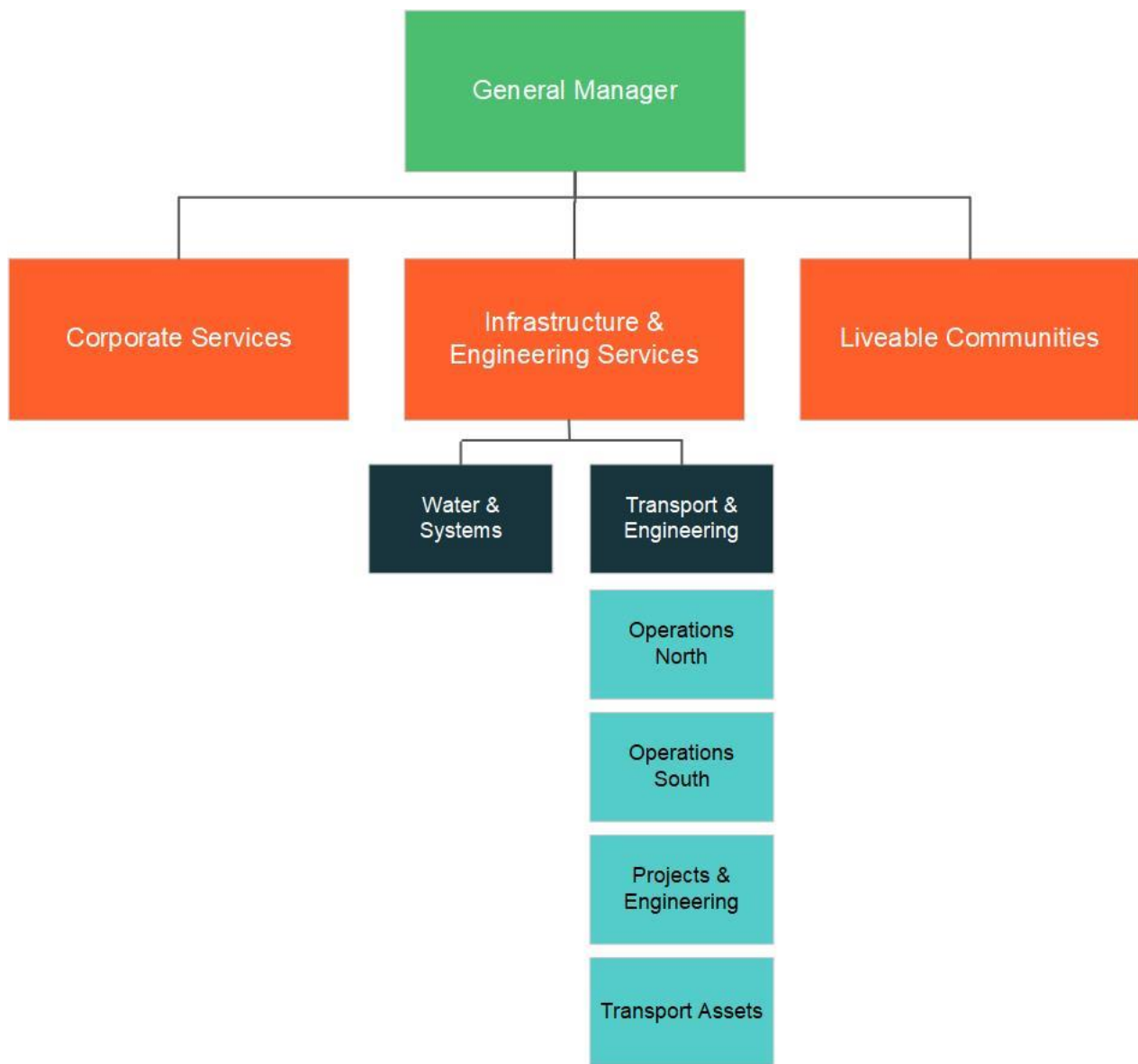


Figure 2.1: Organisational Responsibility for Transport Assets

2.2 Goals and Objectives of Asset Ownership

Council's goal for managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost-effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment
- Taking a lifecycle approach to developing cost-effective management strategies for the long term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks
- Linking to a Long Term Financial Plan which identifies required, affordable forecast costs and how they will be allocated.

Key elements of the planning framework are:

- Levels of service – specifies the services and levels of service to be provided
- Risk management
- Future demand – how this will impact on future service delivery and how this is to be met
- Lifecycle management – how to manage our existing and future assets to provide defined levels of service
- Financial management – what funds are required to provide the defined services
- Asset management practices – how we manage provision of the services
- Monitoring – how the AM Plan will be monitored to ensure objectives are met
- Asset management improvement plan – how we increase our asset management maturity.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015¹
- ISO 55000²

¹ Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2| 13

² ISO 55000 Overview, principles and terminology

A road map³ for preparing an AM Plan is shown in Figure 2.2 below.

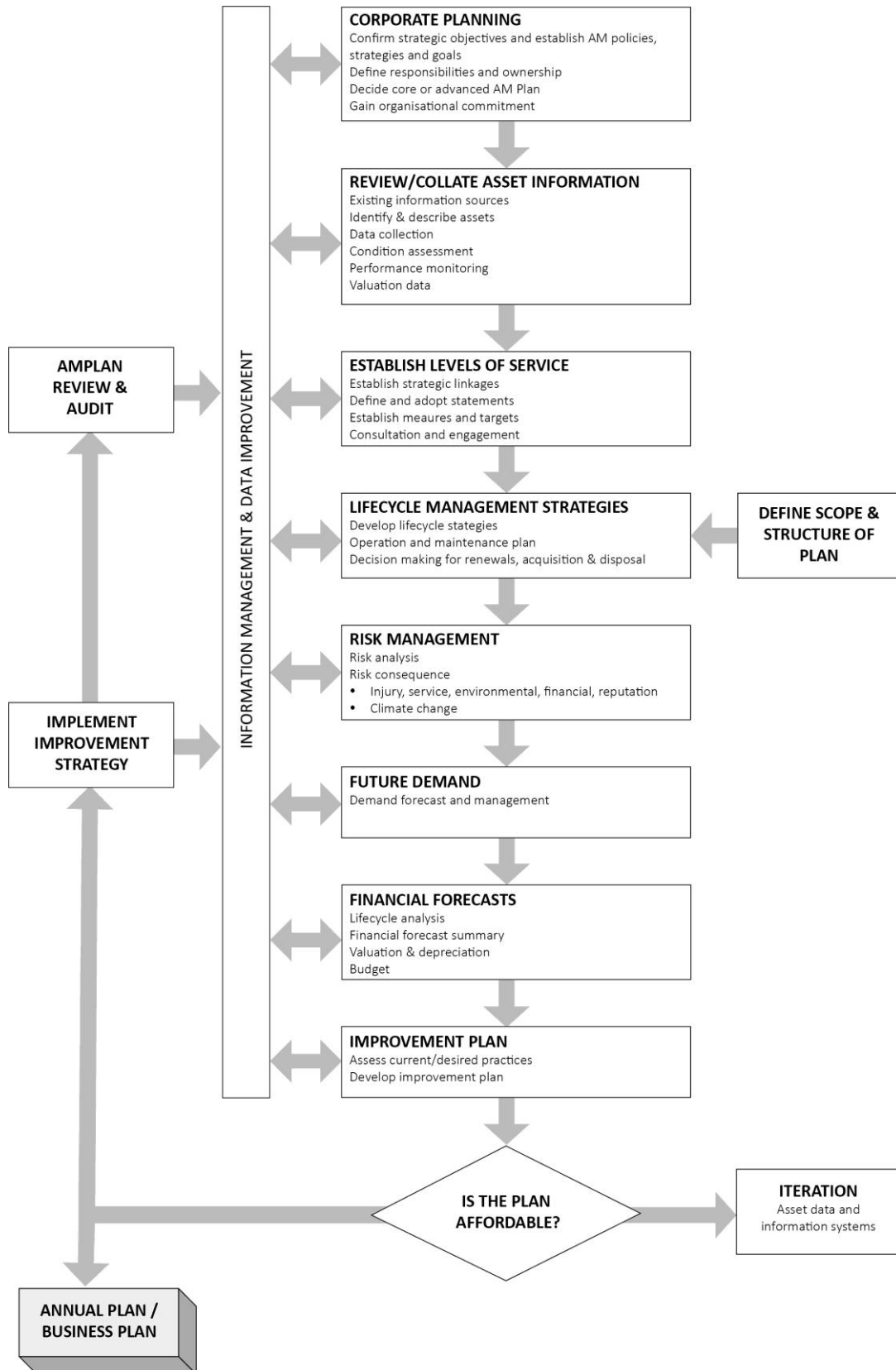


Figure 2.2: Road Map for preparing an Asset Management Plan

³ Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11

3. Levels of Service

3.1 Customer Research and Expectations

This AM Plan is prepared to facilitate consultation prior to adoption of levels of service by MidCoast Council. Future revisions of the AM Plan will incorporate customer consultation on service levels and costs of providing the service. This will assist MidCoast Council and stakeholders in matching the level of service required and service risks and consequences, with the customer's ability and willingness to pay for the service.

Pending that consultation, this AM Plan makes use of a Council Community Satisfaction survey, conducted by Micromex Research in 2023, asking the community to respond on the importance and satisfaction over a range of services and assets. A core element of this community survey was the rating of 42 facilities/services in terms of Importance and Satisfaction. Table 3.1 below identifies the result related to Council's network of bridges.

Table 3.1: Customer Satisfaction Survey Levels

	Community Satisfaction		Community Importance	
	MidCoast Council	Regional Benchmark ⁴	MidCoast Council	Regional Benchmark ³
Maintaining Local Bridges	77%	84%	93%	83%

3.2 Corporate Goals and Strategic Links

This AM Plan is prepared under the direction and support of Council's vision, mission, goals and objectives as well as the key directions and strategic objectives as outlined in Council's Community Strategic Plan.

Our vision is **“to be a high performing organisation where we are always striving to be better. One where we work collaboratively and are trusted. One where we are better every day.”**

Council's mission sets out how we are going to achieve our vision, and ensures we are all working towards the same outcomes. Our mission is to **“deliver benefits to the community in a way that adds value and builds trust.”**

Council's aim is to provide sustainable asset management and to ensure assets can deliver the community's desired service levels in priority areas in the most cost-efficient manner. This is considered necessary if we are to achieve the Vision and desired Community Outcomes identified in the *MidCoast 2035* Community Strategic Plan.

The community's vision is:

“Together we can make the MidCoast even better”

The Community Outcomes support the vision. They describe the 'big picture' results we want to see for our community for each of five focus areas our *Wellbeing, Natural Environment, Places and Infrastructure, Economic Prosperity, and Leadership*.

⁴ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

The Strategies describe at a high level what the community will do to support the achievement of the Community Outcomes.

The Community Outcomes and Strategies most relevant to bridge assets and how these are addressed in this AM Plan are summarised in Table 3.2.

Table 3.2: Community Outcomes and Strategies and how these are addressed in this AM Plan

Community Outcome	Strategy	How the Community Outcome and Strategy are addressed in the AM Plan
Our Places & Infrastructure		
... we can travel safely and easily around the MidCoast	PI-5 Provide a safe, reliable and well-maintained road and broader transport network with options for active and safe travel	This AM Plan identifies how the bridge assets can be maintained to meet performance, condition and safety requirements, while balancing costs and risk
Our Leadership		
Decisions are evidence-based and informed by our input. Decisions also balance the interests of current and future generations	L-1 Inform, engage and involve the community in projects and decision-making	<p>This AM Plan identifies community consultation as a necessary component in defining levels of service</p> <p>This AM Plan identifies the community (road users and other customers) as a valid source of information for the management of the bridge assets</p>
Together, all levels of government can deliver the facilities and services we need.	L-2 Build our ability to deliver community outcomes through capacity building, growing partnerships, and advocating for funding, services and enabling infrastructure	This AM Plan is a key document in the development of a regional transport network (including bridges) in partnership with RMS
Our Council is financially sustainable	L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health	<p>This AM Plan identifies the need for “developing and reviewing policies, processes and practices to ensure effective asset management across the organisation”</p> <p>This AM Plan identifies process review, project management and risk management as tool for effective and efficient delivery of services</p> <p>This AM Plan considers levels of service, demand management, efficiencies and their financial impacts</p>
We have confidence and trust in our elected	L-3 Provide open and transparent leadership with a focus on clear decision-making	This AM Plan provides for documented, objective methodologies for prioritising maintenance, renewal and acquisition

representatives and community leaders	processes and ongoing communication with the community	work, which can be demonstrated and explained to the community.
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3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the Bridges service are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	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
Roads Act 1993	Sets out the rights for the use of public roads, confers certain road related functions on road authorities and regulates the carrying out of various activities
Environmental Planning and Assessment Act 1997	Encourages the proper management, development and conservation of natural and artificial resources, for the purpose of promoting the social and economic welfare of the community and a better environment
Protection of the Environment and Operations Act 1997 (POEO Act)	Enables the Government to set out explicit protection of the environment policies and adopt more innovative approaches to reducing pollution.
Occupational Health and Safety Act 2000	Aims to ensure the health, safety and welfare of people at work. It lays down general requirements which must be met at places of work in NSW.
Public Works and Procurement Act 1912	An Act to consolidate the Acts relating to Public Works; and to make provision in relation to the procurement of goods and services for New South Wales government agencies.
Road Improvement (Special Funding) Act 1989	An Act to make provision with respect to special funding for road improvement, road safety and road related public transport infrastructure; and for other purposes.
Workers Compensation Act 1987	An Act to provide for the compensation and rehabilitation of workers in respect of work-related injuries; to repeal the Workers' Compensation Act 1926 and certain other Acts; and for other purposes.
Civil Liability Act 2002	An Act to make provision in relation to the recovery of damages for death or personal injury caused by the fault of a person; to amend the Legal Profession Act 1987 in relation to costs in civil claims; and for other purposes.
Disability Inclusion Act 2014	An Act relating to the accessibility of mainstream services and facilities, the promotion of community inclusion and the provision of funding, support and services for people with disability; and for

Legislation	Requirement
	other purposes.
Native Vegetation Act 2003	An Act relating to the sustainable management and conservation of native vegetation; to repeal the Native Vegetation Conservation Act 1997; and for other purposes.

3.4 Customer Values

Service levels are defined in three ways, customer values: customer levels of service, and technical levels of service.

Customer values indicate:

- what aspects of the service are important to the customer
- whether they see value in what is currently provided *and*
- the likely trend over time based on the current budget provision

Table 3.4: Customer values

Service Objective:

Design, construct and maintain safe and efficient local transport and mobility networks

Customer Values	Source of Customer Satisfaction Measure	Current Feedback	Expected Trend Based on Planned Budget
Comfortable driving surface	Customer feedback	Occasional complaints as bridge approaches and surface deteriorate.	Deterioration may exceed the improvement from renewal of worst bridges
Minimal delays	Customer feedback	Occasional complaints during bridge repairs and renewals.	Complaints may increase as population grows
All weather access	Customer feedback	Occasional complaints following wet weather and flooding	Complaints will increase with more frequent rain events due to climate change
Safety	Customer feedback	Occasional complaints as near misses occur	Complaints will increase as conflicts increase with rise in bridge user numbers

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition How good is the service ... what is the condition or quality of the service?

Function Is it suitable for its intended purpose Is it the right service?

Capacity/Use Is the service over or under used ... do we need more or less of these assets?

In Table 3.5 under each of the service measure types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are quantitative measures related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %s) to provide a balance in comparison to the customer perception that may be more subjective.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Bridge service meets user expectations	% asset condition and frequency of bridge-related customer service requests	<ul style="list-style-type: none"> 80.7% Good or Very Good Condition 15.1% Fair Condition 4.2% Poor or Very Poor Condition 	Expected customer requests to remain the same or increase as older timber bridges deteriorate. Condition to decrease if maintenance budget not increased. Deterioration may exceed the improvement from rehabilitation of worst bridges
	Confidence levels		High	Medium
Function	Bridge widths are appropriate to road speed and function	Number of bridges not meeting standards	116 bridges are less than standard width (4.2m wide)	Reduced annually as bridge renewal projects give opportunity for widening
	Bridge load capacities are appropriate for all vehicles	Number of bridges not meeting load capacities	15	Unsatisfactory bridge capacities will likely increase as the older bridges deteriorate
	Confidence levels		Medium	Medium
Capacity	Bridge assets are appropriate for providing access to the road network	Number of impassable waterways/ closed bridges on the road network	1	Closed bridges may increase as older timber bridges deteriorate
	Confidence levels		High	Low

3.6 Technical Levels of Service

Technical Levels of Service – To deliver on the customer values, and impact they have on Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. widening a bridge) or a new service that did not exist previously (e.g. installing a new bridge underpass)
- **Operation** – the regular activities to provide services (e.g. asset inspections)
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. bridge repairs)
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. bridge guardrail replacement)

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.⁵

Table 3.6 shows the activities expected to be provided under the current 10-year Planned Budget allocation, and the forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁶	Recommended Performance ⁷
Acquisition	Construct a two-lane bridge in place of a single lane bridge	The number of bridge width upgrades completed annually	Funding allocated to bridge upgrades each year currently meets requirements	Maintain funding for bridge upgrades, prioritise projects to reduce the maintenance burden
	Upgrade a sub-standard bridge to meet current demands and standards	The number of bridge upgrade projects completed annually	Upgrade work is currently deemed a part of renewal work – the new bridge performs the same function but meets current standards	Costs of upgrade work should be differentiated from that of renewal and funded and reported as such
		Budget	\$0 (average over planning period)	\$0 (average over planning period)
Operation	Inspections – for planning of renewal projects	Frequency of LGA-wide condition assessment	Irregular, unscheduled	Scheduled for every 2-5 years. Full inventory

⁵ IPWEA, 2015, IIMM, p 2|28.

⁶ Current activities related to Planned Budget

⁷ Expected performance related to forecast lifecycle costs

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance ⁶	Recommended Performance ⁷
	Inspections – for planning repair and maintenance	Frequency of LGA-wide defect inspections	Unplanned, reactive inspection by various staff	inspections due to be commenced 2025/26
		Budget	Combined with Maintenance	Combined with Maintenance
Maintenance	Replacing rotted timber components	Cases of bridge failure due to rotted timber components	No cases of bridge failure due to routine timber bridge maintenance	Annual program of timber bridge maintenance is planned, funded and implemented
	Approach surface repair	Reported potholes and washouts repaired within appropriate timeframe	Currently reactive maintenance only	Annual program of bridge approach maintenance is planned, funded and implemented
	Repair of deteriorated concrete bridge components	Concrete structures are maintained to reach optimum life span through programmed maintenance	Currently reactive maintenance only	Annual program of concrete bridge maintenance is planned funded and implemented
		Budget	\$987,300 (average over planning period)	\$1,100,200 (average over planning period)
Renewal	Renew poor condition bridges (Condition rating of 4 and 5)	Number of bridges with a condition rating of 4 or 5	46 Bridges in condition 4 or 5. Current funding of bridges renewal projects achieves 5-7 new bridges annually	Funding should be not less than sufficient to renew the bridges expected to reach end of life over the next 10 years
	Scheduled renewals to maintain road network access	Number of bridges impassable or restricted due to condition	15 restricted bridges. Current funding of bridges renewal projects achieves 5-7 new bridges annually	Funding should be not less than sufficient to renew the bridges expected to reach end of life over the next 10 years
		Budget	\$4,788,200 (average over planning period)	\$2,637,900 (average over planning period)

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4. Future Demand

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices and environmental awareness.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

4.3 Demand Impact and Demand Management Plan

The impacts of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

Demand for new services will be managed through a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand and demand management. Demand management practices can 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 AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population growth	101,600 as of 2025 (estimated)	116,700 by 2036 (estimated)	More frequent use of bridges by residents and businesses	Identify and plan for upgrade of critical assets on developing corridors. Commence design and funding of increased capacity bridges.
Demographic and lifestyle changes	32,066 residents aged 65 years and over, as of 2021	38,013 residents aged 65 years and over, by 2036 (estimated)	Increased demand for non-car transport facilities. Increased use of mobility scooters	Plan for pedestrian/ mobility scooter access across bridges. Monitor national trends and review design standards.
	Rural areas are farms with occasional travel to town	Development of farmland into sub-divisions. Increased use of rural roads	More frequent use of rural roads and bridges. Bridges may no longer meet capacity requirements.	Monitor traffic volumes increases. Review design standards and levels of service. Allocate additional maintenance resources if necessary.

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
			Increased maintenance costs.	
Emergency management	Recent fire and flood events have highlighted the importance of bridges for access. Some bridges are often flooded. Some need increased capacity for emergency vehicles (e.g. fire trucks)	Emergency management planning identifies critical access bridges. These are weighted for increased priority in upgrades or renewals	Some bridges will need to be renewed, created or upgraded.	Develop non-asset options wherever appropriate. Plan to upgrade critical bridges to ensure they are able to support emergency vehicles (fully loaded fire trucks)
Environmental sustainability	Bridges are constructed to withstand existing environmental conditions.	More frequent extreme weather events and increased exposure to weathering effects.	More rapid deterioration of bridges, increasing frequency of inspections and maintenance and repairs.	Commence design and funding for replacement of bridges with natural disaster resilient solutions.

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Council to ongoing operations, maintenance and renewal 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 operations, maintenance and renewal costs for inclusion in the Long Term Financial Plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the asset management planning process, climate change can be considered as both a future demand and a risk that needs to be managed.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.⁸

As a minimum we consider how to manage our existing assets given potential climate change impacts for our region. MidCoast Council's Climate Change Strategy, published June 2021, has as one of its guiding principles:

⁸ IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

“Council will reduce the emissions from its operations and ensure its assets and services are resilient to the impacts of climate change by adopting adaptation measures “

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Increase in the number of extreme rainfall/storm events	Increased strain on Council's bridge maintenance resources	Bridges will more frequently be untrafficable or in poor condition, for longer periods	<p>Adopt more conservative criteria in bridge design to be above flood levels</p> <p>Adopt construction methods that reduce bridge approach susceptibility to water/moisture</p> <p>Consider high-productivity repair equipment and methods</p>
Increase in drier and hotter weather	<p>Increased damage to timber structures due to fire.</p> <p>Increased reliance on bridges for fire truck access.</p>	Timber bridge maintenance frequency will have to be increased – with a resultant cost increase	<p>Schedule regular inspections of critical bridge assets to ensure capacity to support emergency vehicles.</p> <p>Plan for replacement of timber structures with concrete structures.</p>
Rising sea levels	Higher sea levels may inundate some bridges	<p>Bridges that become inundated will experience higher levels of weathering.</p> <p>Low-lying bridges may be topped occasionally, periodically or permanently</p>	<p>Research (international) methods of construction.</p> <p>Identify such vulnerable roads and bridges and develop options for raising or closing</p>

Additionally, the way in which we construct new, and upgrade existing assets should recognise that there are opportunities to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change
- Services can be sustained *and*
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change Impact These assets?	Build Resilience in New Works
Replacement Bridges	Yes	<p>Increase height to above 1/100 year ARI events.</p> <p>Replace timber bridges with concrete or steel bridges.</p>

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AM Plan.

5. Lifecycle Management Plan

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 5.1.1.

Council’s bridge assets fall under the Council transport asset class, which includes:

- Regional Roads, which allow travel from any town or region to another, within the Local Government Area and beyond
- The Rural Roads, which provide access to and from our towns, villages and countryside
- The Urban Roads that provide access to our homes and in and around our urban centres
- Car parks that support our retail, commercial, recreational and tourist destinations

Any road is typically comprised of:

- the road reserve – the land formally set aside (gazetted) for the purpose of movement of people and goods, with Council as the Road Authority
- the road carriageway – a formed pavement and often a wearing course (a seal)
- the bulk earthworks that allow roads to cut through the hills and valleys
- **the bridges that carry the roads across our waterways, gullies and railway lines⁹**
- the footpaths and cycleways that facilitate active transport and recreation
- the shoulder and table drain or kerb and gutter that protects the road edge and carries stormwater away for safety and convenience and to protect the pavement
- road furniture, devices, signage and structures that improve the trip for drivers, riders, passengers and pedestrians

The age profile of the assets included in this AM Plan is shown in Figure 5.1.1.

Table 5.1.1: Assets covered by this AM Plan

Asset Category	Dimension	Replacement Value (as at June 30, 2024)
Bridges	670	\$167,026,243

⁹ Bridges over State Rail networks are owned and maintained by the State Government.

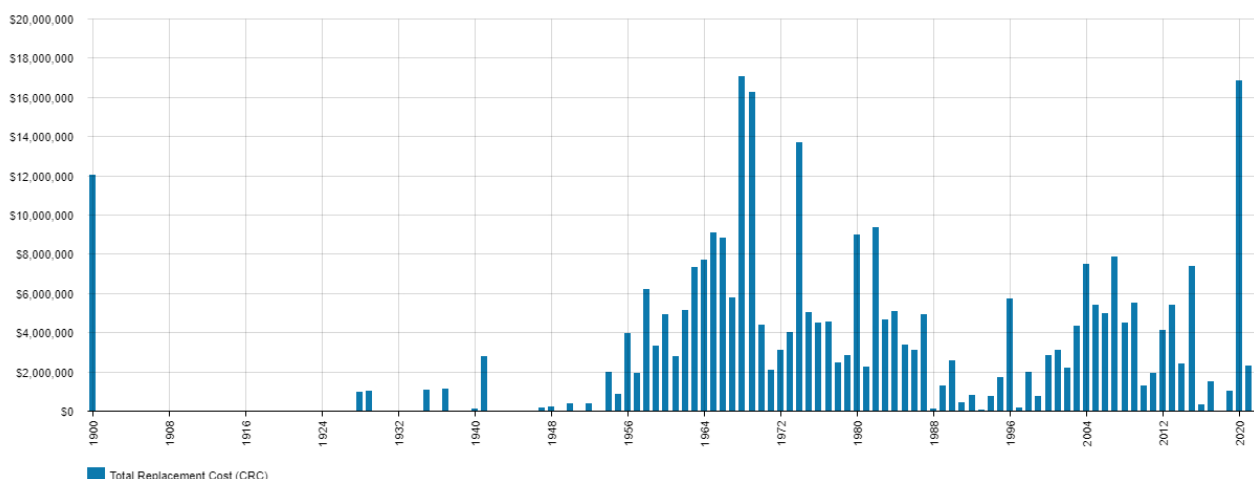


Figure 5.1.2 Asset Age Profile

All \$ values are shown in current day dollars

The asset age profile shows an erratic range of ages, with significant aberrations:

- the very high value in 1900 is assumed to be all bridges at the time being given a nominal acquisition date
- the extremely high value in 2020 is similarly assumed to be a nominal acquisition date for all bridges first identified by the newly merged MidCoast Council.

These aberrations will prompt analysis and correction of the data so that ages are reported more accurately.

Nonetheless, the spread of ages of the bridge assets raises questions to be answered:

- are bridges constructed to be fit-for-purpose still satisfactory?
- what bridges have exceeded their expected useful lives?
- how can the renewal schedule from the peaks of investment be smoothed, to suit recurrent funding and work capacity?

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. 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
Timber bridges	Many timber bridges do not meet the current load capacity requirements and do not meet current Australian Standards. The majority of timber bridges should now be reconstructed as concrete or steel bridges, as per design standards.
Bridge guardrails	Bridge guardrails are not to standard. Risk assessment and identification is required for improvement.
Bridge width	Bridges constructed with widths that no longer meet demand.

The service deficiencies were identified from the knowledge of the bridge network, held by key Council staff.

5.1.3 Asset condition

Condition is currently monitored by inspection by Council's Transport Assets staff, for specific purposes. Council plans to carry out an LGA- wide condition assessment of bridges commencing in 2025/26. Such assessments will be repeated on a five-yearly basis, so that the long-term asset planning will be accurate and realistic.

Condition is measured using a 1 – 5 grading system as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM plan results are translated to a 1 – 5 grading scale for ease of communication.

Table 5.1.3: Asset Condition Grading System

Acquisition			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 5.1.3

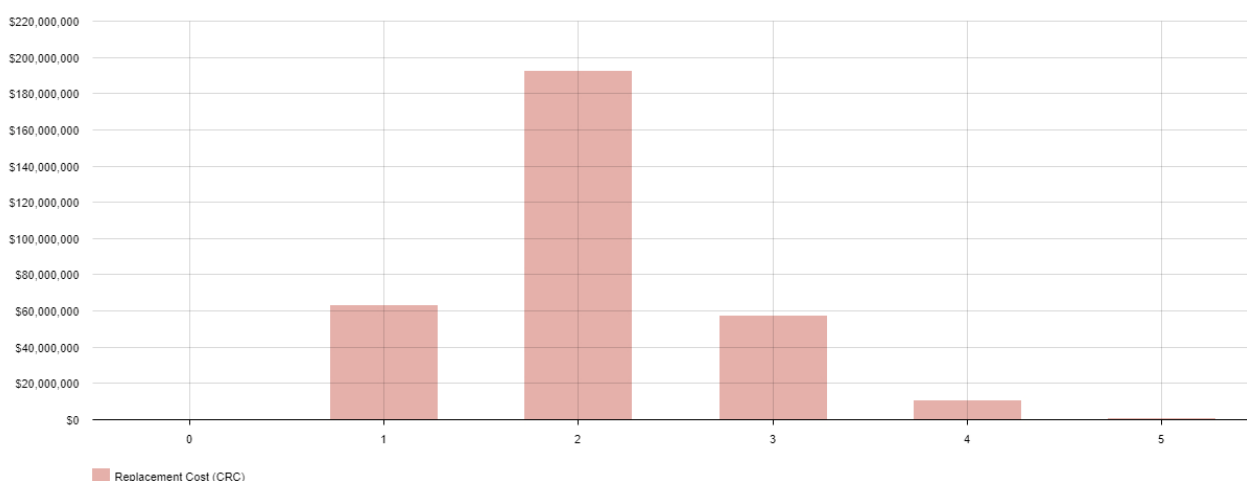


Figure 5.1.3 Asset Condition Profile

All \$ values are shown in current day dollars.

The asset condition is that uploaded from the three amalgamated authorities. While changes to the asset (by renewals and observation) have been reflected by changes to the data, the bulk of the

data is rapidly becoming out of date. An LGA-wide condition assessment is scheduled to commence in 2025/26, which will restore confidence in the data.

In the meantime, the bridges with a condition rating of rated four and five are the focus of renewals planning and how to fund their renewal.

5.2 Operations and Maintenance Plan

Operations includes regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping and asset inspections.

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 operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets is shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Operations and Maintenance Budget \$
2024/2025	\$899,000
2025/2026	\$900,000
2026/2027	\$927,000

Maintenance budget levels are considered to be inadequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

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

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The service hierarchy is shown is Table 5.2.2.

Table 5.2.2: Asset Service Hierarchy

Service Hierarchy	Service Level Objective
Arterial – Regional Road	Inspect and schedule low risk repairs – 10 days Inspect and schedule all other repairs – 1 days
Primary Collector	Inspect and schedule low risk repairs – 30 days Inspect and schedule all other repairs – 5 days
Local Collector	Inspect and schedule low risk repairs – 30 days Inspect and schedule all other repairs – 5 days
Local Access	Inspect and schedule low risk repairs – 30 days Inspect and schedule all other repairs – 5 days
Unmaintained Lane	Inspect all reports, schedule any work on a Risk-Management basis

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

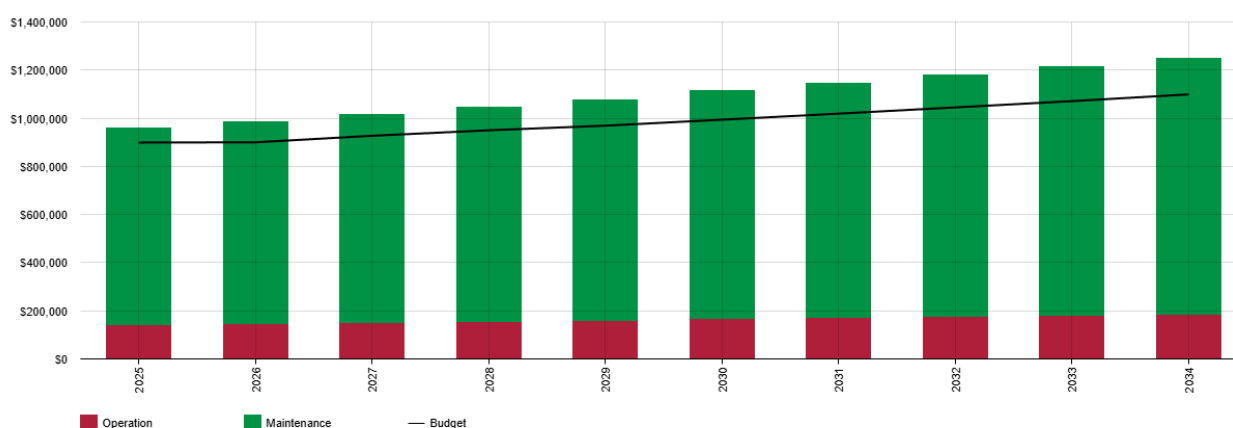


Figure 5.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

The Operations and Maintenance Summary graph shows moderate growth from current levels, which reflects the following key points of the lifecycle plan:

- Acquisition of assets that will increase operations and maintenance expenditure is limited to \$0 per annum in the following years
- The planned renewal of deteriorating timber bridge assets will reduce maintenance demands (such as timber deck repair and approach surface repairs)
- The expected savings in maintenance will be used to fund neglected maintenance practices, such as concrete bridge maintenance

The graph also shows that the operations and maintenance budget is insufficient for current practices.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is considered to be an acquisition, which results in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed on 18/05/2023.¹⁰

Table 5.3: Useful Lives of Assets

Asset (Sub) Category	Useful life
Bridges – Concrete	100 years
Bridges – Steel	90 years
Bridges – Timber	80 years
Bridges – Composite	80 years

The estimates for renewals in this AM Plan were based on the Alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5-tonne load limit), or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).¹¹

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,

¹⁰ Review of Useful Life of Assets 2023

¹¹ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.¹²

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

Table 5.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Condition Rating	30%
Usage (vpd, % commercial, bus route)	20%
Road class	20%
Risk and safety to all road users	20%
Maintenance Costs	10%
Total	100%

5.4 Summary of future renewal costs

The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A summary of the forecast renewal costs is shown in Appendix C.

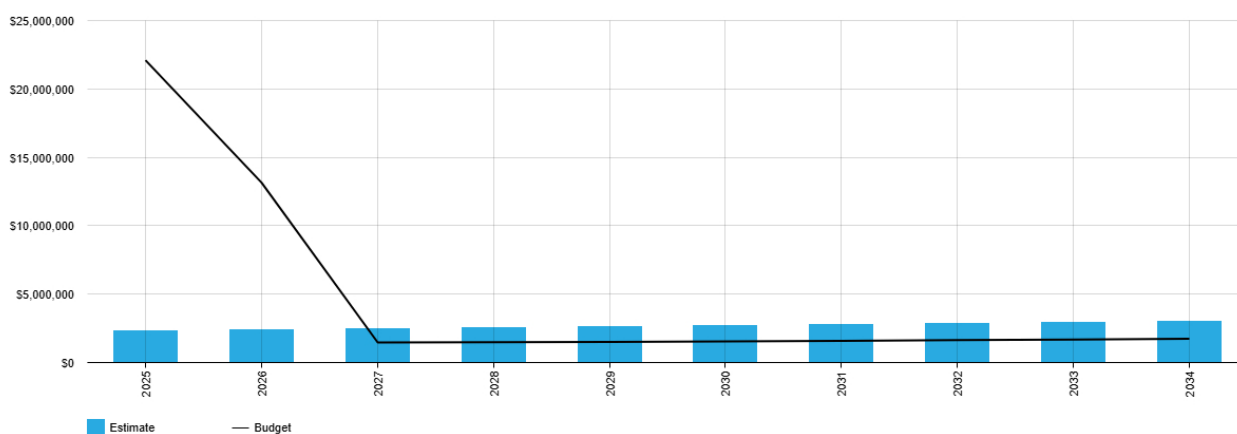


Figure 5.4.1: Forecast Renewal Costs

All figure values are shown in current day dollars.

The forecast renewal costs chart shows that the funds available to Council and being expended on asset renewal currently exceed that which is required. The high budget in the first two years is due

¹² Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

to a large amount of external funding secured for a number of major bridge renewals, particularly the Cedar Party Creek Bridge project. This external funding will not carry over to following years.

Council's 670 bridges include 153 aging timber bridges which are being replaced with concrete structures for longer life, less maintenance, improved flood resilience, and greater carrying capacity. The upgrade of these timber bridges will secure the capacity to support growing regional communities, businesses and freight movements into the future. This is being achieved at an accelerated pace due to State Government's 'Fixing Country Bridges' program and the Federal Government's 'Safer Local Roads and Infrastructure Program'. As per the current situation with roads funding, the continuation of such funding for renewing bridges is not assured.

As the current flow of grant funding from the state government comes to an end, the budget will be reduced. Further grant funding is likely, but the amount and timing is unknown, so cannot be included in this forecast planning. Meanwhile, as the infrastructure ages, estimate renewals increase at a faster rate than the increase in budget.

The impacts of deferred renewal (assets identified for renewal and not scheduled in capital works programs) are described in the risk analysis process in the risk management plan.

5.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Council.

Council does not maintain an acquisitions program for bridge assets.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Any costs or revenue gained from asset disposals is included in the Long Term Financial Plan.

Table 5.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Nil				

5.7 Summary of asset forecast costs

The financial projections from this AM Plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

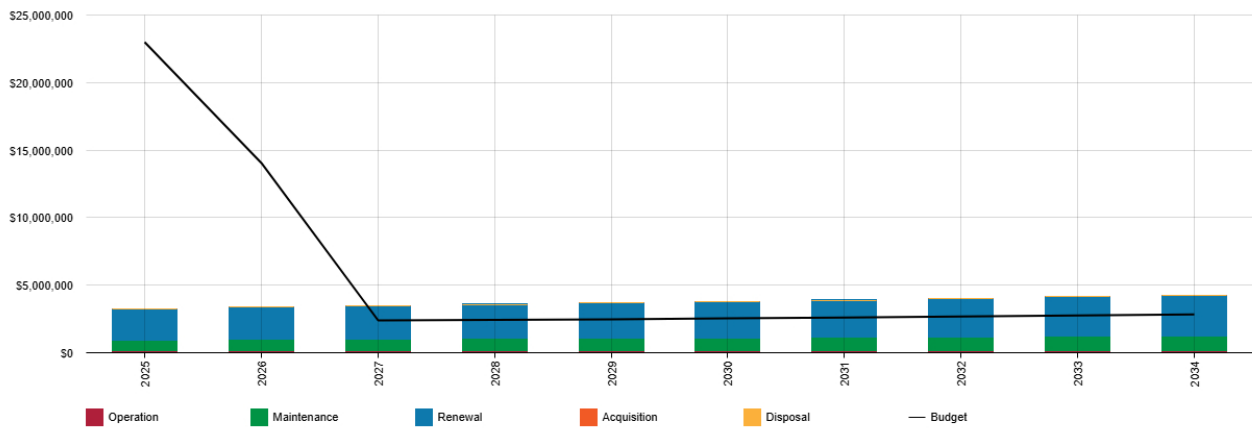


Figure 5.7.1: Lifecycle Summary

All \$ values are shown in current day dollars.

The Lifecycle Summary chart shows that the funds available to Council and being expended on asset operation, maintenance and renewal currently exceed that which is required. However, the chart also shows that this situation will soon change. This will occur as the current flow of grant funding from the state government comes to an end. The high budget in the first two years is due to a large amount of external funding secured for a number of major bridge renewals, particularly the Cedar Party Creek Bridge project. This external funding will not carry over to following years. Further grant funding is likely, but the amount and timing are unknown, so cannot be included in this forecast planning. Meanwhile, as the infrastructure ages, the forecast renewal costs increasing operation, maintenance and renewal costs will start to exceed the proposed budget.

This has been explained in 5.4 Future Renewal Summary. The inclusion of costs of Acquisition and Disposal does not change the situation significantly, because these activities do not involve a shortfall between budget and forecast. While Council funds the practices required to effectively operate and maintain its bridges, the funding required to renew and maintain the assets will continue to rise.

The impacts of deferred renewal (assets identified for renewal and not scheduled in capital works programs) are described in the risk analysis process in the risk management plan.

6. Risk Management Planning

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'¹³.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. MidCoast Council's Asset Management Strategy and Business Continuity Plan identify assets that are essential for Council's operations and outcomes. These include Council's works depots located at Taree and Tuncurry and do not include any component of the road asset network. Critical roads assets will be identified in coming years, to be reported along with their typical failure mode, and the impact on service delivery. Failure modes may include physical failure, collapse or essential service interruption, such as occurred in recent flooding events.

By identifying critical assets and failure modes, Council can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 and is based on the fundamentals of International Standard ISO 31000:2018.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

An assessment of risks¹⁴ associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

¹³ ISO 31000:2009, p 2

¹⁴ As part of MidCoast Council's Risk Management Process

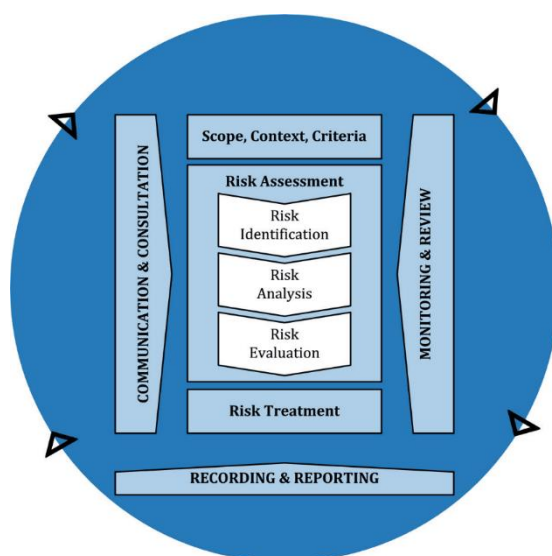


Figure 6.2 Risk Management Process – Abridged¹⁵

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action), and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan are shown in Table 6.2. It is essential that these critical risks and costs are reported to management and to the elected Council.

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk ¹⁶	Treatment Costs
Condition 4 and 5 Bridges	Bridge Collapse	VH	Monitor bridges, implement load limits where needed, replace condition 4 and 5 bridges as a priority based on use, risk and road hierarchy	M	\$9,645,644
Bridge Renewals	Poor design or construction can cause damage, injury or asset failure	H	Investigation, Design and Project Management supervised by suitably qualified and experienced staff	L	Unquantified
Bridge Renewals and Maintenance	Condition of assets decreases due to inadequate renewal and maintenance programs	M	Establish clear management plans, with forecast costs, to maintain Levels of Service and debate with Council.	L	Unquantified

¹⁵ Source: ISO 31000:2018, Figure 1, p9

¹⁶ The residual risk is the risk remaining after the selected risk treatment plan is implemented

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk ¹⁶	Treatment Costs
Bridge Renewals and Maintenance	Unforeseen increases in materials and labour costs or unavailability	H	Monitor costs, ensure alternative supply arrangements are in place for critical materials	L	Unquantified
Human Resources and Asset Management	Staff resource constraints affect the management of the assets	H	Monitor staff turnover and maximise staff retention.	M	Unquantified
Bridge Safety/ Road Access	Unanticipated storm events, bushfire and other natural disasters damaging or destroying bridges resulting in bridge closure	VH	Establish rapid response procedures among works crews to repair or provide temporary access.	M	Unquantified
Bridge Renewals and Maintenance	Poor planning, prioritisation, resourcing decisions and deferred renewal will cause failure to meet community service level expectations	VH	Develop, establish and enforce Asset Management procedures	M	Unquantified
Bridge Renewals and Maintenance	Increased deterioration of assets due to increases in heavy vehicle haulage/ local development	H	Identify assets on key haulage routes, include as factor in prioritisation for renewals, establish clear management plans	M	Unquantified

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

This approach requires resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Council does not currently measure its resilience in service delivery. This will be included in future iterations of the AM Plan.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Maintaining bridge asset components to ensure bridges reach their intended life
- Renewing bridges to improve the service level
- Upgrading all bridges to meet current standards and expected level of service before end-of-life

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Bridges will deteriorate at a faster rate
- Deteriorated bridges will remain deteriorated
- Sub-standard bridges will never be upgraded to current standards

6.4.3 Risk trade-off

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

- Increased dissatisfaction by road users, loss of reputation and credibility
- Increased road user costs, vehicular damage and accidents
- Deterioration to beyond any practical means of recovery

These actions and expenditures are considered and included in the forecast costs and the Risk Management Plan.

7. Financial Summary

This section contains the financial requirements resulting from the information presented in previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in this AM Plan: The two indicators are the:

- Asset Renewal Funding Ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and the
- Lifecycle Funding Ratio (planned lifecycle budget for the next 10 years / forecast lifecycle outlays for the next 10 years identified as warranted in the AM Plan)

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹⁷ 181.52%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 181.52% of the funds required for the optimal renewal of assets. This high ratio is due to a large amount of external funding secured for a number of major bridge renewals, particularly the Cedar Party Creek Bridge project. This external funding will not carry over to following years. The ratio for the remaining period is 67.3%.

The forecast renewal work along with the proposed renewal budget is illustrated in Appendix C.

Lifecycle Funding Ratio – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10-year period. This provides input into 10-year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall or surplus.

The forecast operations, maintenance and renewal costs over the 10-year planning period are \$3,738,100 on average per year.

The proposed (budget) operations, maintenance and renewal funding is \$5,775,500 on average per year giving a 10-year funding surplus of \$2,037,400 per year. This indicates that 154.5% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

This high budget average is due to a large amount of external funding secured for a number of major bridge renewals, particularly the Cedar Party Creek Bridge project. This external funding will not carry over to following years. The remaining period has an average of 67.3% of the cost to sustain the current level of service at the lowest lifecycle cost.

¹⁷ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing sustainable and affordable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the AM Plan and ideally over the 10-year life of the Long Term Financial Plan.

7.1.2 Forecast Costs (outlays) for the Long Term Financial Plan

Table 7.1.2 shows the forecast costs (outlays) required for consideration in the 10-year Long Term Financial Plan.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the Long Term Financial Plan.

A gap between the forecast outlays and the amounts allocated in the Financial Plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the Long Term Financial Plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Forecast costs are shown in 2024/25 dollar values.

Table 7.1.2: Forecast Costs (Outlays) for the Long Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2025	0	144,000	816,000	2,301,000	0
2026	0	148,200	839,800	2,370,000	0
2027	0	152,700	865,300	2,441,000	0
2028	0	157,350	891,650	2,514,000	0
2029	0	162,000	918,000	2,590,000	0
2030	0	166,950	946,050	2,668,000	0
2031	0	171,900	974,100	2,748,000	0
2032	0	177,000	1,003,000	2,830,000	0
2033	0	182,400	1,033,600	2,915,000	0
2034	0	187,800	1,064,200	3,002,000	0

7.2 Funding Strategy

The proposed funding for assets is outlined in Council's budget and Long Term Financial Plan.

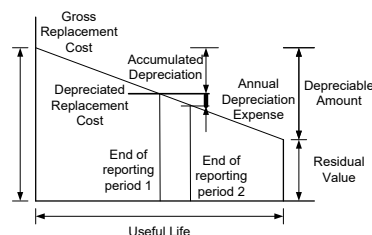
Council's financial strategy determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimates of the value of assets included in this AM Plan are shown below. The assets are valued at their fair value, which is the cost to replace service capacity:

Replacement Cost (Current/Gross)	\$ 227,244,759
Depreciable Amount	\$ 227,244,759
Depreciated Replacement Cost ¹⁸	\$ 167,026,243
Depreciation	\$ 60,218,515



7.3.2 Valuation forecast

Asset values are forecast to increase as timber bridges are replaced with concrete bridges. Concrete bridges will generally reduce the operations and maintenance needs in the longer term.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

- Capital Works Program is based on the Long Term Financial Plan Business-As-Usual scenario
- The Operations and Maintenance budgets are combined. For the purpose of modelling, these have been estimated at 15% for Operations and 85% for Maintenance.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on an A - E level scale¹⁹ in accordance with Table 7.5.1.

¹⁸ Also reported as Written Down Value, Carrying or Net Book Value.

¹⁹ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71. Section 8.2

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	No or very little data held

The estimated confidence level for the reliability of data used in this AM Plan is shown in Table 7.5.2. The overall estimated confidence level for the reliability of data used in this AM Plan is **Medium**.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	Medium	Sourced from Council's strategic documents with some extrapolation
Growth projections	High	Sourced from Council's strategic documents
Acquisition forecast	High	Sourced from Council's strategic documents
Operation forecast	Low	Sourced from Council's strategic documentation, with significant extrapolation
Maintenance forecast	Low	Sourced from Council's strategic documentation, with significant extrapolation
Renewal forecast - Asset values	Medium	Sourced from 2024 valuations
- Asset useful lives	Medium	Sourced from 2024 valuations
- Condition modelling	Low	Condition data is known to be out-of-date
Disposal forecast	Very High	Sourced from Council's strategic documents

8. Plan Improvement and Monitoring

8.1 Status of Asset Management Practices²⁰

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is Council's Enterprise software as accessed by Council's Assets Accountant.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is Council's Enterprise software as accessed by the Asset Engineer, Bridges and Manager, Transport Assets.

8.2 Improvement Plan

It is important that Council recognises areas of our AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Collect asset data where there are errors or missing data	Asset Engineer Bridges	Current staff	2025/26
2	Update asset condition data by LGA-wide inspections	Asset Engineer Bridges	Current staff	Commence 2025/26
3	Implement initial regular inspection schedules	Asset Engineer - Bridges	Current staff	2025/26
4	Identify bridges that could be abandoned, disposed or replaced with a bridge or structure with a lower lifecycle cost	Asset Engineer - Bridges	Current staff	24 months
5	Review road network for critical bridge assets	Asset Engineer - Bridges	Current staff	24 months
6	Further develop maintenance response levels of service	Manager Operations	Current staff	6 months
7	Further develop and establish renewal priority ranking criteria	Asset Engineer - Bridges	Current staff	12 months
8	Prepare a detailed maintenance program for concrete bridges	Asset Engineer – Bridges	Current staff	12 months

²⁰ ISO 55000 Refers to this as the Asset Management System

Task	Task	Responsibility	Resources Required	Timeline
9	Carry out an annual desktop review of asset values in accordance with the accounting and valuation standards ²¹	Team Leader Strategic Assets	Current Staff	24 months

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long Term Financial Plan or will be incorporated into the Long Term Financial Plan once completed.

The AM Plan has a maximum life of 4 years and is revised and updated within 6 months of each Council election and following any significant change to the Asset Management Policy and the Asset Management Strategy.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the Long Term Financial Plan
- The degree to which the 1- to 5-year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into Council's strategic planning documents and associated plans
- The Asset Renewal Funding Ratio achieving Council's target of 100%.

²¹ Recommendation from the Morrison Low Asset Management Maturity Assessment May 2021

9. References

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- ISO, 2014, ISO 55000:2014, Overview, principles and terminology
- ISO, 2018, ISO 31000:2018, Risk management – Guidelines
- *MidCoast 2035* Community Strategic Plan (2025-2035)
- MidCoast Council Delivery Program (2025-2029)
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- Pedestrian and Access Mobility Plan
- MidCoast Climate Change Strategy



APPENDICES

Appendix A Operation Forecast

A.1 – Operation Forecast Assumptions and Source

Forecast costs and budget prepared by Morrison Low using actual expenditure figures and data. The Operations and Maintenance budget within MidCoast Council is combined and has assumed to be split 85% for Maintenance, 15% for Operations.

A.2 – Operation Forecast Summary

Table A2 - Operation Forecast Summary

Year	Operation Budget	Total Operation Forecast
2025	134,850	144,000
2026	135,000	148,200
2027	139,050	152,700
2028	142,500	157,350
2029	145,350	162,000
2030	149,100	166,950
2031	152,850	171,900
2032	156,750	177,000
2033	160,650	182,400
2034	164,850	187,800

Appendix B Maintenance Forecast

B.1 – Maintenance Forecast Assumptions and Source

Forecast costs and budget prepared by Morrison Low using actual expenditure figures and data. The Operations and Maintenance budget within MidCoast Council is combined and has assumed to be split 85% for Maintenance, 15% for Operations.

B.2 – Maintenance Forecast Summary

Table B2 - Maintenance Forecast Summary

Year	Maintenance Budget	Total Maintenance Forecast
2025	764,150	816,000
2026	765,000	839,800
2027	787,950	865,300
2028	807,500	891,650
2029	823,650	918,000
2030	844,900	946,050
2031	866,150	974,100
2032	888,250	1,003,000
2033	910,350	1,033,600
2034	934,150	1,064,200

Appendix C Renewal Forecast Summary

C.1 – Renewal Forecast Assumptions and Source

Forecast costs and budget prepared by Morrison Low using actual expenditure figures and data.

C.2 – Renewal Project Summary

To Be Determined

C.3 – Renewal Forecast Summary

Table C3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2025	2,301,000	22,093,000 ²²
2026	2,370,000	13,146,000 ¹⁶
2027	2,441,000	1,464,000
2028	2,514,000	1,480,000
2029	2,590,000	1,501,000
2030	2,668,000	1,545,000
2031	2,748,000	1,591,000
2032	2,830,000	1,638,000
2033	2,915,000	1,687,000
2034	3,002,000	1,737,000

²² Refer Section 5.4 for explanation of higher than usual budget for 2025 and 2026

Appendix D Budget Summary by Lifecycle Activity

Forecast costs and budget prepared by Morrison Low using actual expenditure figures and data.

Table D1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2025	0	134,850	764,150	22,093,000	0	22,992,000
2026	0	135,000	765,000	13,146,000	0	14,046,000
2027	0	139,050	787,950	1,464,000	0	2,391,000
2028	0	142,500	807,500	1,480,000	0	2,430,000
2029	0	145,350	823,650	1,501,000	0	2,470,000
2030	0	149,100	844,900	1,545,000	0	2,539,000
2031	0	152,850	866,150	1,591,000	0	2,610,000
2032	0	156,750	888,250	1,638,000	0	2,683,000
2033	0	160,650	910,350	1,687,000	0	2,758,000
2034	0	164,850	934,150	1,737,000	0	2,836,000

ASSET MANAGEMENT PLAN

Stormwater Assets
2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

Document Control		Asset Management Plan			
Document ID:					
Rev No.	Date	Revision Details	Author	Reviewer	Approver
V0.9	May 2023	Updated Morrison Low	ML	TMc	
V1.1	June 2023	Updated Team Leader Coastal, Flooding and Drainage	EV	SN	
V1.2	August 2023	Updated due to drainage asset team comments	EV	SN	
V1.3	November 2024	Updated NAMS Modelling	NK	TMc	
V2	April 2025	Updated with input from Finance	EV	SN	
V2.1	June 2025	Updated references to new IP&R documents	SW		

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1. Executive Summary

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about MidCoast Council's (Council's) stormwater infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The AM Plan defines the services to be provided, how the services are provided and what funds are required over the 10-year planning period. The AM Plan will link to a Long Term Financial Plan which considers a 10-year planning period.

1.2 Asset Description

This AM Plan covers the infrastructure assets that provide Stormwater services to MidCoast Council.

The Stormwater drainage network comprises:

- | | |
|--------------------------------------|---------|
| • Water Sensitive Urban Design Areas | 519 |
| • Surface Drains | 22.0 km |
| • Stormwater Pits | 15,973 |
| • Gross pollutant traps (Simple) | 447 |
| • Gross pollutant traps (Complex) | 44 |
| • Culverts | 74.7 km |
| • Stormwater Pipes | 368 km |

The above infrastructure assets have a replacement value estimated at \$541 million as at 30 June 2024.

1.3 Levels of Service

The allocation in the Planned Budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Premature failure of stormwater assets
- Increased localised flooding as a result of failed or undersized drainage infrastructure

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Increased density of urban development
- Increase in population
- Increased stormwater runoff due to climate change impacts

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan include the costs of the operation, maintenance, renewal, acquisition, and disposal of assets. Although an AM Plan may be prepared for a range of time periods, it typically informs a long term financial planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for the Stormwater Assets is estimated as **\$51,259,482** or \$5,125,948 on average per year.

1.6 Financial Summary

1.6.1 What we will do

Estimated available funding for the 10-year period is \$42,359,699 or \$4,235,970 on average per year as per the Long Term Financial Plan or Planned Budget. This is 82.64% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the Long Term Financial Plan can be provided. Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for stormwater assets leaves a shortfall of \$-889,978 on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long Term Financial Plan. This is shown in the figure below.

The large spike in acquisition of assets for 2024 relates to development activity and the significant increase in the number of subdivisions that were constructed in this period.

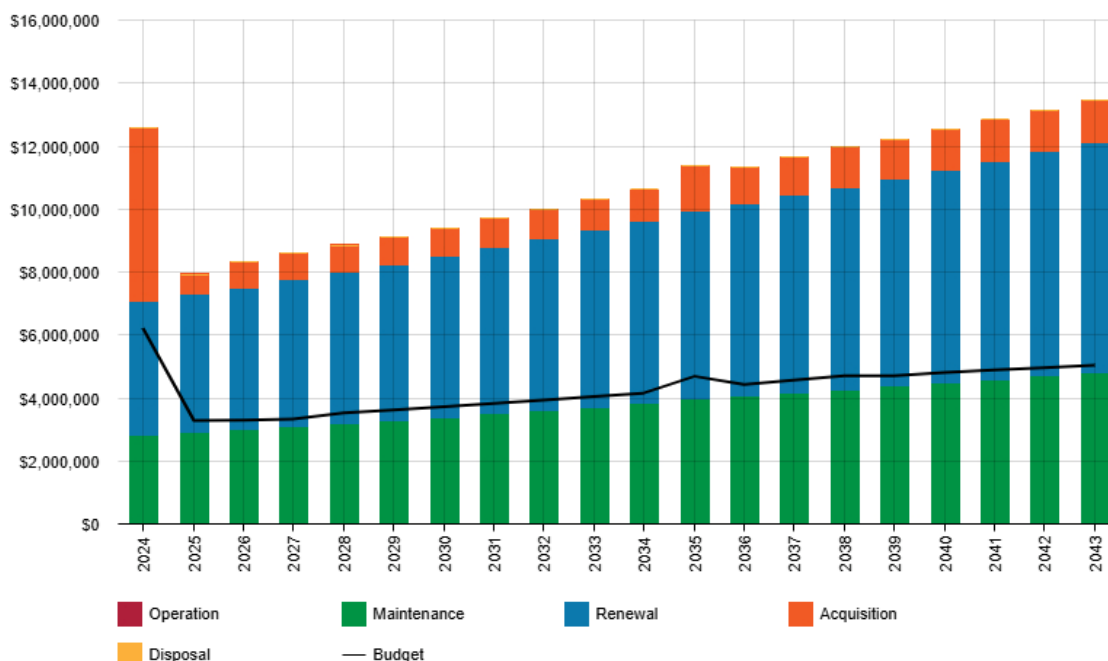


Figure 1.6.1: Forecast Lifecycle Costs and Planned Budgets

\$ values are in current dollars.

We plan to provide stormwater services for the following:

- Operation, maintenance, renewal and acquisition of Water Sensitive Urban Design (WSUD), Surface drains, Stormwater pits, GPT's, Culverts and Pipes to meet service levels set by Council in annual budgets.

1.6.2 What we cannot do

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Fully funding long term renewals or
- Fully funding the necessary maintenance required to meet ongoing service levels

1.6.3 Managing the Risks

Our present budget levels are sufficient to continue to manage risks in the short term.

The main risk consequences are:

- Premature failure of stormwater assets
- Inability to undertake stormwater asset augmentation to address legacy capacity issues
- A longer term degradation of service level delivered due to climate change impacting system capacity through sea level rise and more intense rainfall events

We will endeavour to manage these risks within available funding by:

- Undertaking increased survey through the use of CCTV for piped systems and visual for other systems
- Undertaking (or maintaining) stormwater management plans to allow identification and prioritisation of legacy system issues
- Undertaking climate change impact assessments at the system level to determine vulnerability and prioritise accordingly

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Base year is the current Financial Statements
- Asset values are based on current asset registers
 - May not exactly match IPP&E schedules in most recent statements but will be very close
- Capital works program is based on the Long Term Financial Plan Business-As-Usual scenario
 - Program in the Long Term Financial Plan is split 80/20 between renewals and new assets
 - Capital funding is split on asset values

- Works programs split into:
 - New assets
 - Renewal projects
 - Donated assets
 - Disposed assets
- Benchmarking of depreciation and required maintenance is based on the Regional Town & City Classification

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Improve data integrity in the corporate system
- Revise and update asset condition assessments in EAM (MC1)
- Develop renewal programs based on criticality and risk

2. Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read in conjunction with Council's planning documents. This includes the Asset Management Policy and Asset Management Strategy, along with other key planning documents:

- *MidCoast 2035 Community Strategic Plan (2025-2035)*
- MidCoast Council Delivery Program 2025-2029
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- MidCoast Climate Change Strategy

The infrastructure assets covered by this AM Plan include a range of stormwater assets across the MidCoast local government area (LGA). For a detailed summary of the assets covered in this AM Plan refer to Table 5.1.1 in Section 5.

These assets are used to provide stormwater services.

The infrastructure assets included in this plan have a total replacement value of \$541,164,416 (as at 30 June 2024).

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
External Bodies	<ul style="list-style-type: none">• Community<ul style="list-style-type: none">○ Participating in community surveys to determine required LOS○ Providing feedback on asset condition and usage• State & Federal Government<ul style="list-style-type: none">○ Providing funding opportunities to assist with capital renewals and acquisitions○ Providing resources for best practice in asset management
MidCoast Elected Council	<ul style="list-style-type: none">• Representing the needs of community/shareholders• Allocating resources to meet planning objectives in providing services while managing risks• Providing leadership and governance• Adopting a corporate asset management policy and strategy

Key Stakeholder	Role in Asset Management Plan
	<ul style="list-style-type: none"> Considering the impact of financial and service level decisions on Council's assets Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MidCoast Council Leadership Group	<ul style="list-style-type: none"> Allocating resources to the implementation of the Asset Management Strategy and Plans Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents Delivering Levels of Service to agreed risk and cost standards Ensuring the community is involved and engaged on all key Council matters affecting service delivery Managing infrastructure assets in consideration of long-term sustainability Presenting information to Council on lifecycle risks and costs Approving the Asset Management Plans
Asset Management Working Group	<ul style="list-style-type: none"> Collaborating across the organisation to consistently monitor, develop, implement and review all elements of the Asset Management Framework, associated policies and procedures Monitoring and reporting on the implementation of Asset Management Improvement Plan(s) Providing a forum for sharing of information and experience as well as providing professional advice and collaboration across the organisation in relation to asset management within the group's 'Terms of Reference'
Corporate Services	<ul style="list-style-type: none"> Developing supporting financial processes such as capitalisation and depreciation Preparing asset sustainability and financial reports incorporating asset depreciation in compliance with current accounting standards Providing GIS support and administration
Manager, Strategic Asset Planning & Project Management	<p>In consultation with Asset Owners:</p> <ul style="list-style-type: none"> Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents Monitoring the development and implementation of the Asset Management Policy, Strategy and Plans Developing and reviewing policies, processes and practices to ensure effective asset management across all asset classes Implementing the Asset Management Improvement Plan in accordance with agreed timeframes Collating and preparing the annual State of our Assets report Providing professional advice and collaborating with other departments of Council in relation to asset management

Key Stakeholder	Role in Asset Management Plan
Team Leader Strategic Assets	<ul style="list-style-type: none"> Managing and continually improving Council's asset management system for Transport assets Developing, implementing and reviewing Council's Asset Management Plans, for Transport assets Coordinating asset valuations in accordance with relevant accounting codes Developing and managing processes to ensure the accurate collection and compilation of asset data from both internal and external sources.

2.2 Goals and Objectives of Asset Ownership

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

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and infrastructure investment
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks
- Linking to a Long Term Financial Plan which identifies required, affordable forecast costs and how it will be allocated.

Key elements of the planning framework are:

- Levels of service – specifies the services and levels of service to be provided
- Risk management
- Future demand – how this will impact on future service delivery and how this is to be met
- Lifecycle management – how to manage our existing and future assets to provide defined levels of service
- Financial summary – what funds are required to provide the defined services
- Asset management practices – how we manage provision of the services
- Monitoring – how the plan will be monitored to ensure objectives are met
- Asset management improvement plan – how we increase asset management maturity.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 ¹
- ISO 55000²

¹ Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2| 13

² ISO 55000 Overview, principles and terminology

A road map³ for preparing an AM Plan is shown below.

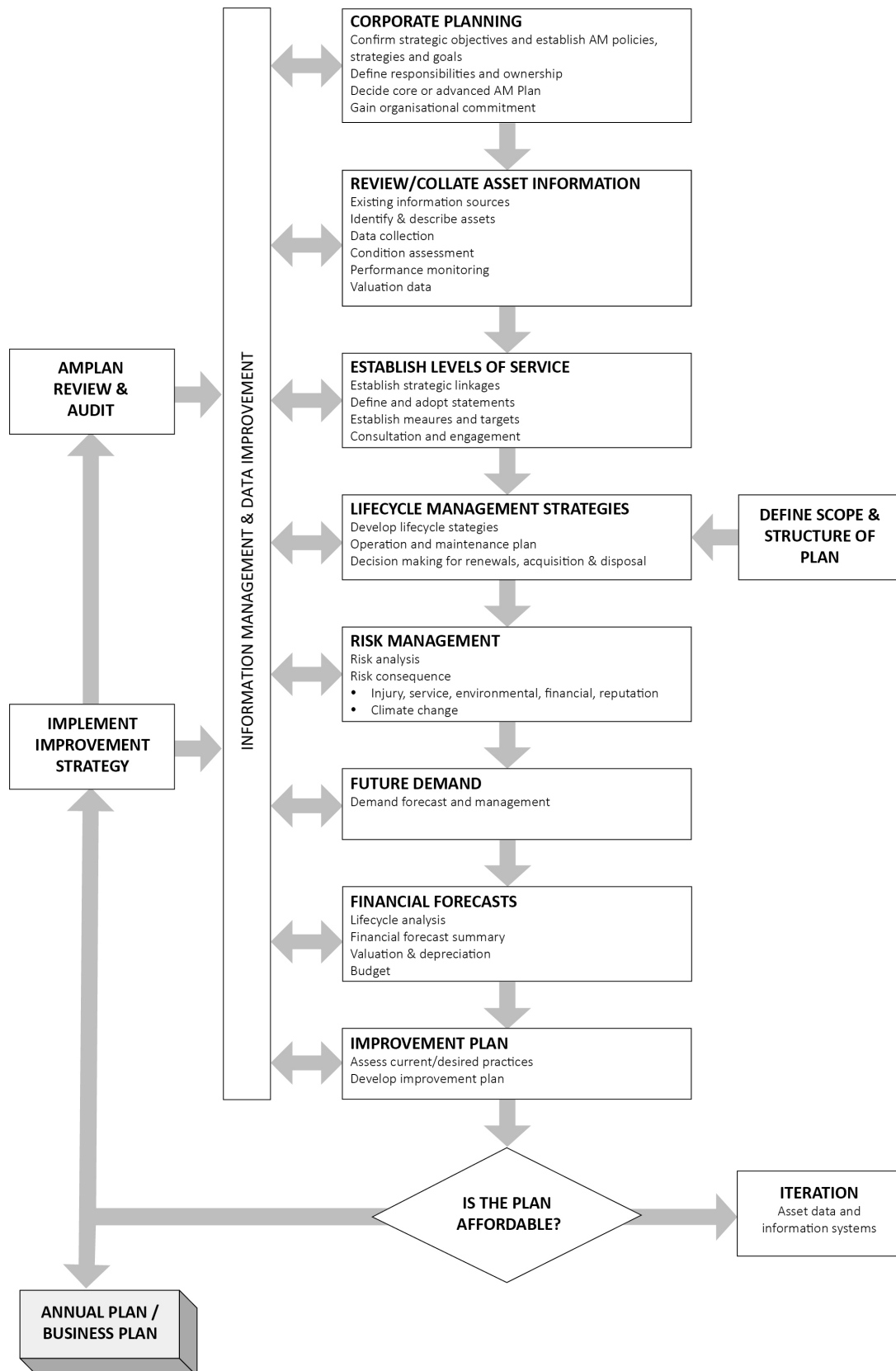


Figure 2.2: Road Map for preparing an Asset Management Plan

³ Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11

3. Levels of Service

3.1 Customer Research and Expectations

A community satisfaction survey conducted by Micromex Research in 2023 identified our stormwater drainage assets as a priority and supported reducing funding gaps to improve the condition of these assets. The community's high expectation of our stormwater drainage influences the investment in capital and operational funding. Table 3.1 summarises the results from this survey:

Table 3.1: Customer Satisfaction Survey Levels

	Community Satisfaction		Community Importance	
	MidCoast Council	LGA Benchmark ⁴	MidCoast Council	LGA Benchmark ³
Stormwater Drainage	72%	77%	81%	81%

3.2 Corporate Goals and Strategic Links

This AM Plan is prepared under the direction and support of Council's vision, mission, goals and objectives as well as the key directions and strategic objectives as outlined in Council's Community Strategic Plan.

Our vision is **“to be a high performing organisation where we are always striving to be better. One where we work collaboratively and are trusted. One where we are better every day.”**

Council's mission sets out how we are going to achieve our vision, and ensures we are all working towards the same outcomes. Our mission is to **“deliver benefits to the community in a way that adds value and builds trust.”**

Council's aim is to provide sustainable asset management and to ensure assets can deliver the community's desired service levels in priority areas in the most cost-efficient manner. This is considered necessary if we are to achieve the Vision and desired Community Outcomes identified in the *MidCoast 2035* Community Strategic Plan.

The community's vision is:

“Together we can make the MidCoast even better”

The Community Outcomes support the vision. They describe the 'big picture' results we want to see for our community for each of five focus areas our *Wellbeing, Natural Environment, Places and Infrastructure, Economic Prosperity, and Leadership*.

The Strategies describe at a high level what the community will do to support the achievement of the Community Outcomes.

The Community Outcomes and Strategies most relevant to stormwater assets and how these are addressed in this AM Plan are summarised in Table 3.2.

⁴ Micromex has developed Community Satisfaction Benchmarks using normative data from over 60 unique councils, more than 120 surveys and over 68,000 interviews since 2012

Table 3.2: Community Outcomes and Strategies and how these are addressed in this Plan

Community Outcome	Strategy	How the Community Outcome and Strategy are addressed in the AM Plan
Our Natural Environment		
Our natural environment is healthy and safeguarded for future generations.	<p>NE-1 Protect our native flora, fauna and local ecosystems</p> <p>NE2 Protect and improve the health of our coastlines, waterways, wetlands and water catchments.</p> <p>NE-5 Manage risks to our environment and communities from climate change and natural disasters</p>	This AM Plan identifies how the stormwater assets can be maintained to meet performance, condition and safety requirements, while balancing costs and risk to ensure good environmental outcomes
Our Leadership		
Decisions are evidence-based and informed by our input. Decisions also balance the interests of current and future generations	L-1 Inform, engage and involve the community in projects and decision-making	This AM Plan identifies community consultation as a necessary component in defining levels of service
		This AM Plan identifies the community (road users and other customers) as a valid source of information for the management of the stormwater assets
Our Council is financially sustainable	L-4 Deliver services to the community with a focus on customer service, efficiency, continuous improvement and long-term financial health	This AM Plan identifies the need for “developing and reviewing policies, processes and practices to ensure effective asset management across the organisation”
		This AM Plan identifies process review, project management and risk management as tool for effective and efficient delivery of services
		This AM Plan considers levels of service, demand management, efficiencies and their financial impacts
We have confidence and trust in our elected representatives and community leaders	L-3 Provide open and transparent leadership with a focus on clear decision-making processes and ongoing communication with the community	This AM Plan provides for documented, objective methodologies for prioritising maintenance, renewal and acquisition work, which can be demonstrated and explained to the community.

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the stormwater service are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	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
Roads Act 1993	Sets out the rights for the use of public roads, confers certain road related functions on road authorities and regulates the carrying out of various activities
Environmental Planning and Assessment Act 1997	Encourages the proper management, development and conservation of natural and artificial resources, for the purpose of promoting the social and economic welfare of the community and a better environment
Protection of the Environment and Operations Act 1997 (POEO Act)	Enables the Government to set out explicit protection of the environment policies and adopt more innovative approaches to reducing pollution.
Work Health and Safety Act and Regulations	Aims to ensure the health, safety and welfare of people at work. It lays down general requirements which must be met at places of work in NSW.
Public Works and Procurement Act 1912	An Act to consolidate the Acts relating to Public Works; and to make provision in relation to the procurement of goods and services for New South Wales government agencies.
Road Improvement (Special Funding) Act 1989	An Act to make provision with respect to special funding for road improvement, road safety and road related public transport infrastructure; and for other purposes.
Workers Compensation Act 1987	An Act to provide for the compensation and rehabilitation of workers in respect of work-related injuries; to repeal the Workers' Compensation Act 1926 and certain other Acts; and for other purposes.
Civil Liability Act 2002	An Act to make provision in relation to the recovery of damages for death or personal injury caused by the fault of a person; to amend the Legal Profession Act 1987 in relation to costs in civil claims; and for other purposes.
Disability Inclusion Act 2014	An Act relating to the accessibility of mainstream services and facilities, the promotion of community inclusion and the provision of funding, support and services for people with disability; and for other purposes.
Native Vegetation Act 2003	An Act relating to the sustainable management and conservation of native vegetation; to repeal the Native Vegetation Conservation Act 1997; and for other purposes.

3.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer values indicate:

- what aspects of the service are important to the customer
- whether they see value in what is currently provided *and*
- the likely trend over time based on the current budget provision

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition How good is the service ... what is the condition or quality of the service?

Function Is it suitable for its intended purpose Is it the right service?

Capacity/Use Is the service over or under used ... do we need more or less of these assets?

In Table 3.5 under each of the service measure types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are quantitative measures related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %) to provide a balance in comparison to the customer perception that may be more subjective.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Capacity - Health and Safety	Sufficient capacity to protect life and property	Number of customer requests of stormwater over floor flooding reported annually	1	3 requests annually
Function - Customer satisfaction	Be responsive to the needs of customers requesting service of stormwater assets	No customer requests received	92% addressed. 339 stormwater related requests received from January 2024	85% of requests are completed within Council's service charter
Condition - Reliability/ responsiveness	Planned inspection and associated works completed in accordance with schedules	Completion of scheduled inspections work	92%	90% completion within service standard

3.6 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. replacing a stormwater pipeline with a larger size) or a new service that did not exist previously (e.g. installing new stormwater pits)
- **Operation** – the regular activities to provide services (e.g. inspections)
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. stormwater pipeline repairs)
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. pipeline replacement)

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.⁵

Table 3.6 shows the activities expected to be provided under the current 10-year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Type of Measure	Level of Service	Performance Measure	Current Performance	Extended Trend Based on Planned Budget
Affordability	The services are affordable and use the most cost effective methods for the required level of service	Review of service agreements and benchmark with other councils	Maintenance budget is fully expended.	Maintenance/Opex budget expenditure +/- 5% of Annual Budget
Quality / Condition	Pipes and culverts in adequate condition to convey design stormwater flows	Survey of Drainage network condition	88.9% of stormwater assets are in Condition 3 or better condition	90% of Drainage Assets condition 3 or better
Sustainability	Assets are being renewed in a sustainable manner	Asset renewal ratio (asset renewal expenditure / annual depreciation expense)	30.8%	OLG benchmark >100%
	Assets are maintained in a	Backlog ratio (estimated cost to bring asset to a	1.6%	OLG benchmark <2%

⁵ IPWEA, 2015, IIMM, p 2|28.

Type of Measure	Level of Service	Performance Measure	Current Performance	Extended Trend Based on Planned Budget
	satisfactory condition	satisfactory condition / written down value of the assets)		

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4. Future Demand

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices and environmental awareness.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

4.3 Demand Impact and Demand Management

The impacts of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

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 can 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 AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Increased density of urban development	Increased density is occurring slowly	Density will increase as land availability decreases	Increased hard surface will increase peak stormwater discharges meaning existing systems will be undersized	Enforce peak site discharge limits for increased flows through the consent process (i.e. through on-site detention)
Increase in population	Population is growing but largely through new subdivisions of land	Population growth will continue through new subdivision for the immediate future	Increased hard surface for new subdivisions will increase peak stormwater discharges meaning existing systems will be undersized	Enforce peak site discharge limits for increased flows through the consent process (i.e. through on-site detention)
Increased stormwater runoff due to climate change impacts	Climate change impacts are included in rainfall intensity frequency duration data	Rainfall intensity and sea level will increase due to climate change impacts	New systems will be designed to include climate change impacts. Legacy systems will require augmentation at outfalls to address sea level rise	New systems will be designed incorporating climate change impacts. Legacy systems will be assessed through tidal inundation studies being undertaken through the Catchment Management Plans initiated by Natural Systems

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Council to ongoing operations, maintenance and renewal 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 operations, maintenance and renewal costs for inclusion in the Long Term Financial Plan (Refer to Section 5).

5. Lifecycle Management Plan

The lifecycle management plan details how Council plans to manage and operate the assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 5.1.1.

The age profile of the assets included in this AM Plan is shown in Figure 5.1.1.

Table 5.1.1: Assets covered by this AM Plan

Asset Category	Dimension / Number	Replacement Value (as at June 30, 2024)
Water Sensitive Urban Design Areas	132	\$10,001,736
Surface Drains	22.0 km	\$1,945,768
Stormwater Pits	15973	\$40,231,631
Gross pollutant traps (Simple)	447	\$316,443,397
Gross pollutant traps (Complex)	44	\$46,761
Culverts	74.7 km	\$2,112,520
Stormwater Pipes	368 km	\$170,385,463
Total		\$541,167,276

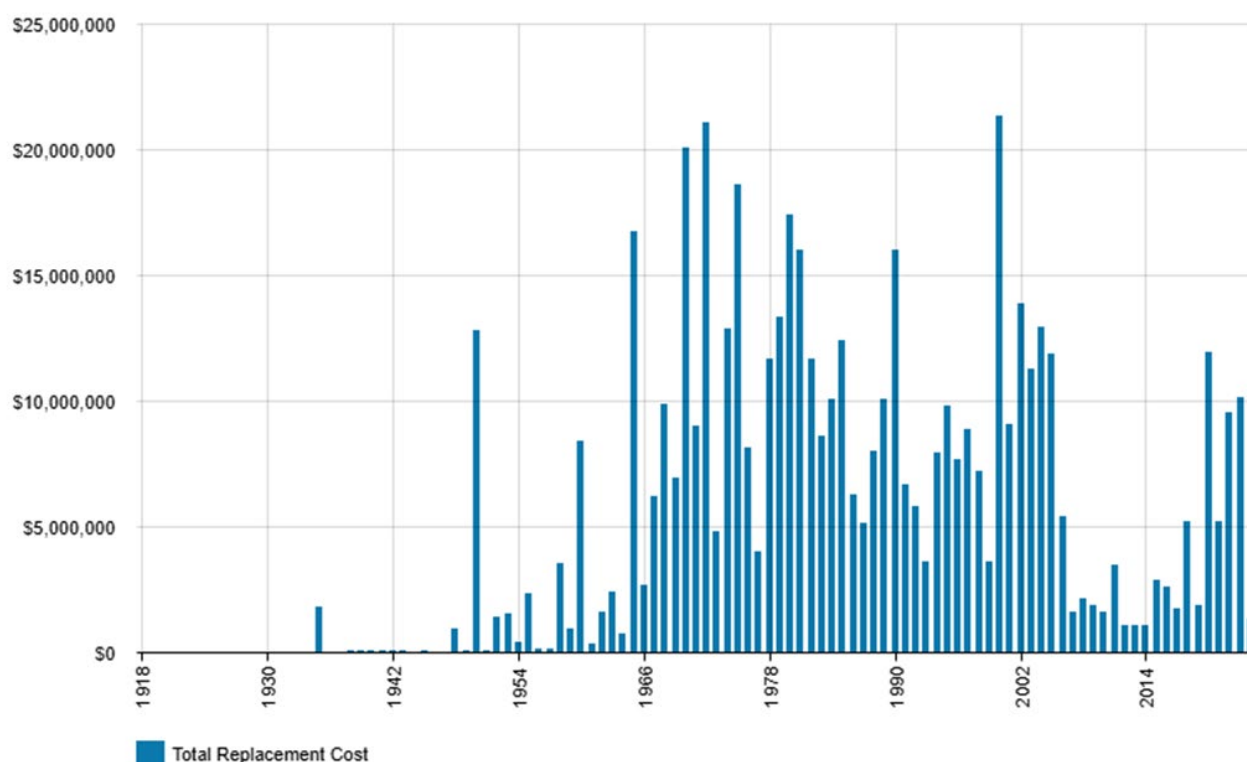


Figure 5.1.1 Asset Age Profile

All \$ values are shown in current day dollars.

The graph indicates that significant investment in infrastructure occurred from the 1960's to the 1980's. Given the long life that stormwater assets have, the majority of these existing assets still have a long useful life. An increase in renewals will begin occurring and expenditure will increase into the future as these assets begin to deteriorate and reach the end of their useful life (2060 onwards).

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there are insufficient resources to address all known deficiencies. 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
Taree	Numerous areas have legacy capacity issues due to lack of pipes and pits
Wingham	Numerous areas have legacy capacity issues due to lack of pipes and pits
Gloucester	Numerous areas have legacy capacity issues due to lack of pipes and pits
Taree	Creeks were concrete lined, and houses built over the top. This creates a flooding risk
Wingham	Creeks were concrete lined, and houses built over the top. This creates a flooding risk
Various	Low-lying areas around estuaries, impacted by rising sea levels

The above service deficiencies were identified from stormwater management plans and inspections.

5.1.3 Asset condition

Condition is currently monitored by an inspection regime involving CCTV inspections along with inspections undertaken by Council officers.

Condition is measured using a 1 – 5 grading system as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM plan results are translated to a 1 – 5 grading scale for ease of communication.

Table 5.1.3: Condition Grading System

Acquisition			GENERAL ASSET INTERVENTION		
Rating	Grade	Asset Description	Planned Maintenance	Reactive Maintenance	Renewal/ Upgrade
1	Very Good	Defects free, only planned/routine maintenance required			
2	Good	Minor defects, minor planned maintenance required		Small amount	
3	Fair	Defects requiring regular and/or significant planned maintenance		Medium amount	Long-term
4	Poor	Significant defects, higher order cost intervention required		Large amount	Short/ Medium-term
5	Very Poor	Asset failed / beyond rehabilitation, urgent renewal /upgrading required			Immediate

The condition profile of our assets is shown in Figure 5.1.3

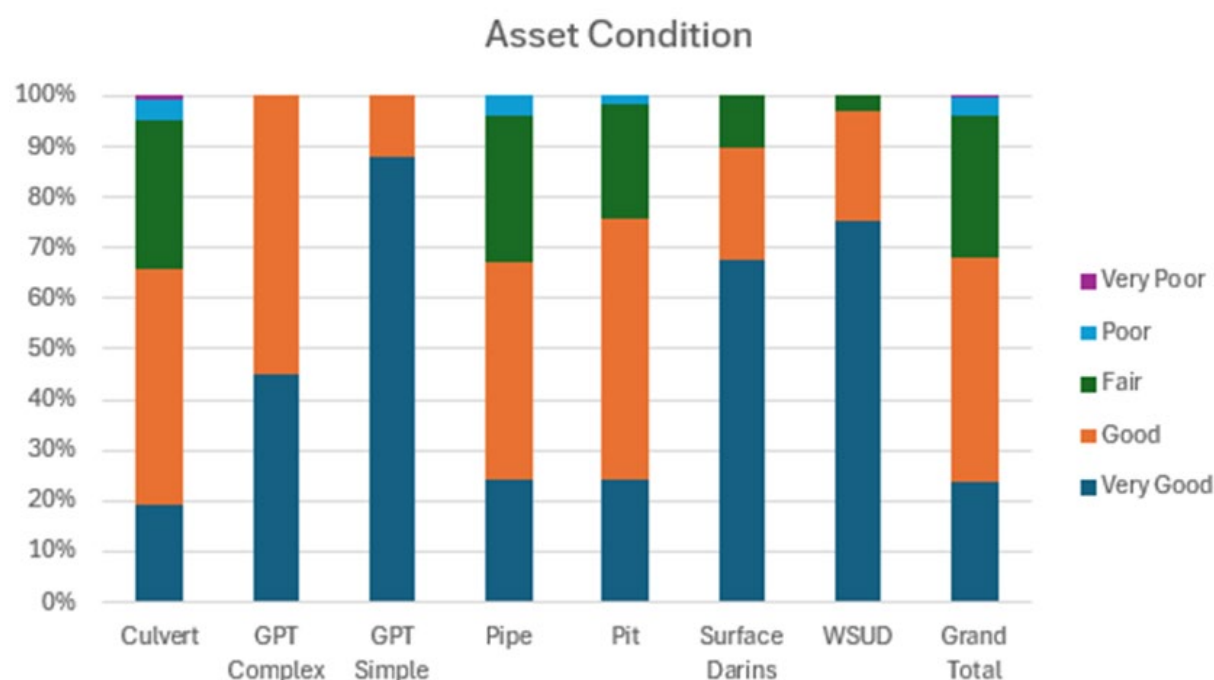


Figure 5.1.3 Asset Condition Profile

Currently most of Council's stormwater assets are in better than fair condition with only 11.08% of the total asset base in poor or very poor condition.

5.2 Operations and Maintenance Plan

Operations includes regular activities to provide services. Examples of typical operational activities include cleaning and asset inspections.

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 operating. Examples of typical maintenance activities include pipe and culvert repairs.

The trend in maintenance budgets over the previous three years is shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget
2021/2022	\$366,000
2022/2023	\$422,000
2023/2024	\$1,783,000

Maintenance budget levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

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

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

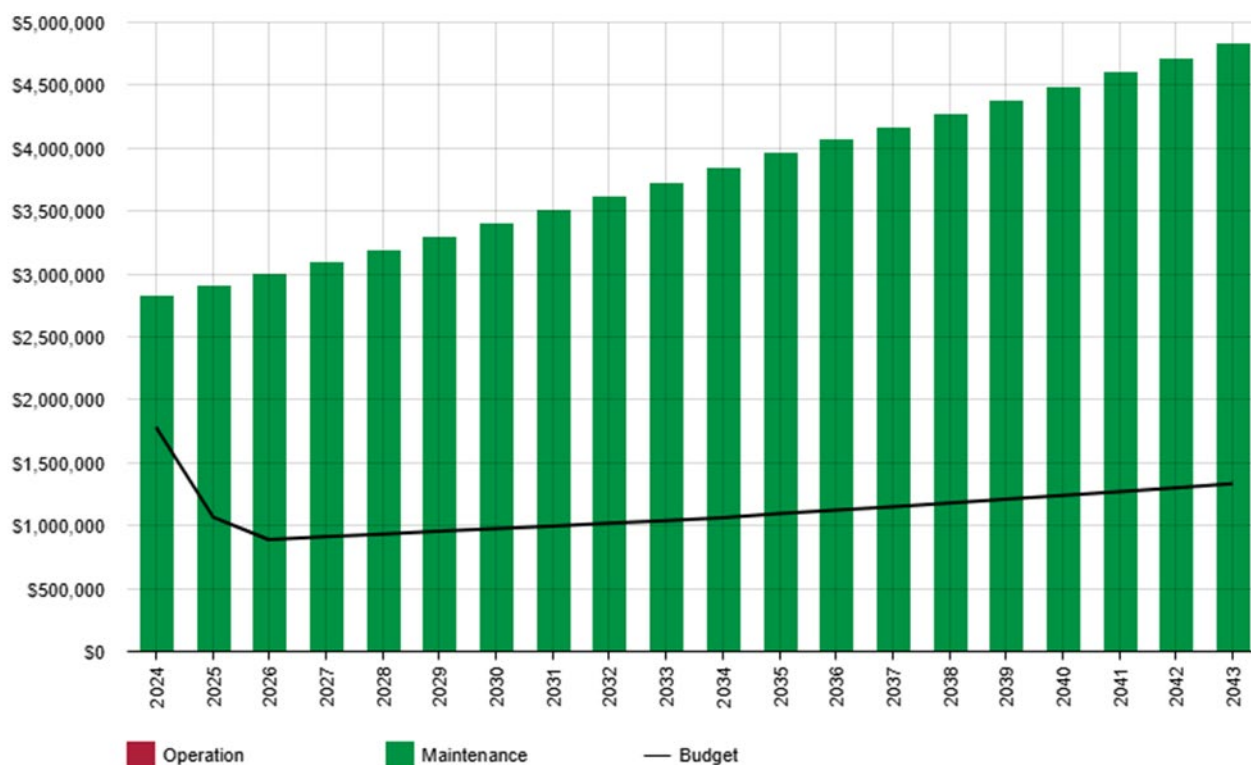


Figure 5.2: Operations and Maintenance Summary

All \$ values are shown in current day dollars.

As can be seen above, there is a shortfall in the longer-term maintenance budget to meet the required maintenance standards. Council should initially determine whether the full maintenance and operational expenditure has been allocated to the appropriate asset before making a case for additional maintenance expenditure.

Deferred maintenance (i.e. works that are identified for maintenance activities but unable to be completed due to available resources) should be included in the infrastructure risk management plan.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is considered to be an acquisition, which results in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed in conjunction with the cyclical revaluation of assets and the annual review of fair value in March 2023.⁶

Table 5.3: Useful Lives of Assets

Asset (Sub) Category	Useful life
Water Sensitive Urban Design Areas	Weirs and Outlets 100, Filter Media 20, Forebay 100, Earthworks 200
Surface Drains	100
Stormwater Pits	100
Gross pollutant traps (Simple)	20
Gross pollutant traps (Complex)	50
Culverts	Timber 50, PVC 60, Concrete 100, Corrugated steel 50
Stormwater Pipes	PVC 60, Conc 100

The estimates for renewals in this AM Plan were based on the Alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a stormwater pipe to be able to manage waterflow requirements), or
- Ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of the stormwater pits).⁷

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.⁸

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

⁶ AssetVal Valuation of Water, Sewer & Stormwater Assets for Financial Reporting Purposes 31 Mar 2023

⁷ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

⁸ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.

Table 5.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Age of assets	20%
Assets under roads	30%
Assets in easement in private property	50%
Total	100%

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1.

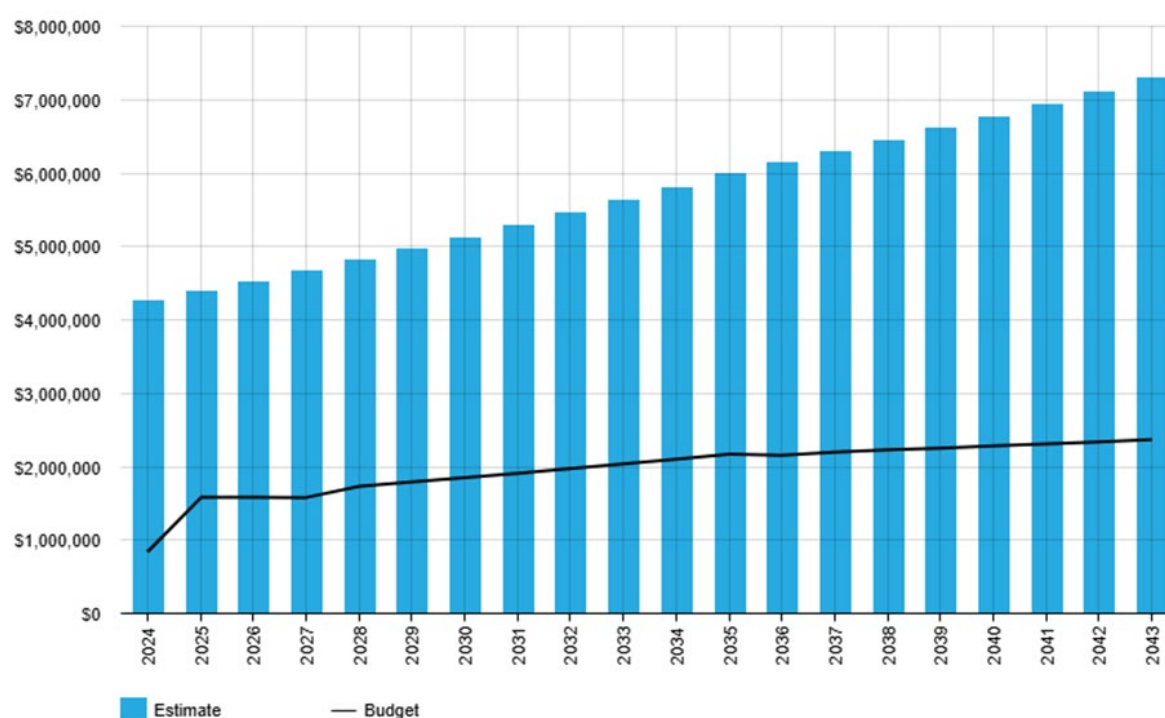


Figure 5.4.1: Forecast Renewal Costs

All \$ values are shown in current day dollars.

An accurate estimate of required asset renewal for stormwater assets is very difficult. The long life span of assets and the difficult operational environment make the traditional “replace like with like assets” approach difficult and, in many cases, not practical. To get a better understanding of the renewal profile, additional and more regular asset inspections are required. It is possible that the adopted life for stormwater assets may be longer than anticipated. Further, the impact of pipe relining as a renewal practice will have a positive impact on the ongoing renewal requirement.

Deferred renewal (assets identified for renewal and not scheduled in capital works programs) should be included in the risk analysis process in the risk management plan.

5.5 Acquisition Plan

Acquisition refers to new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to MidCoast Council.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrades and new works should be reviewed to verify that they are essential to the community's needs. Proposed upgrades and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria are detailed in Table 5.5.1.

Table 5.5.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting
Flooding assessments from stormwater management plans	50%
Demonstrated over-floor flooding	50%
Total	100%

Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program for 2025-26 is shown in Appendix A.

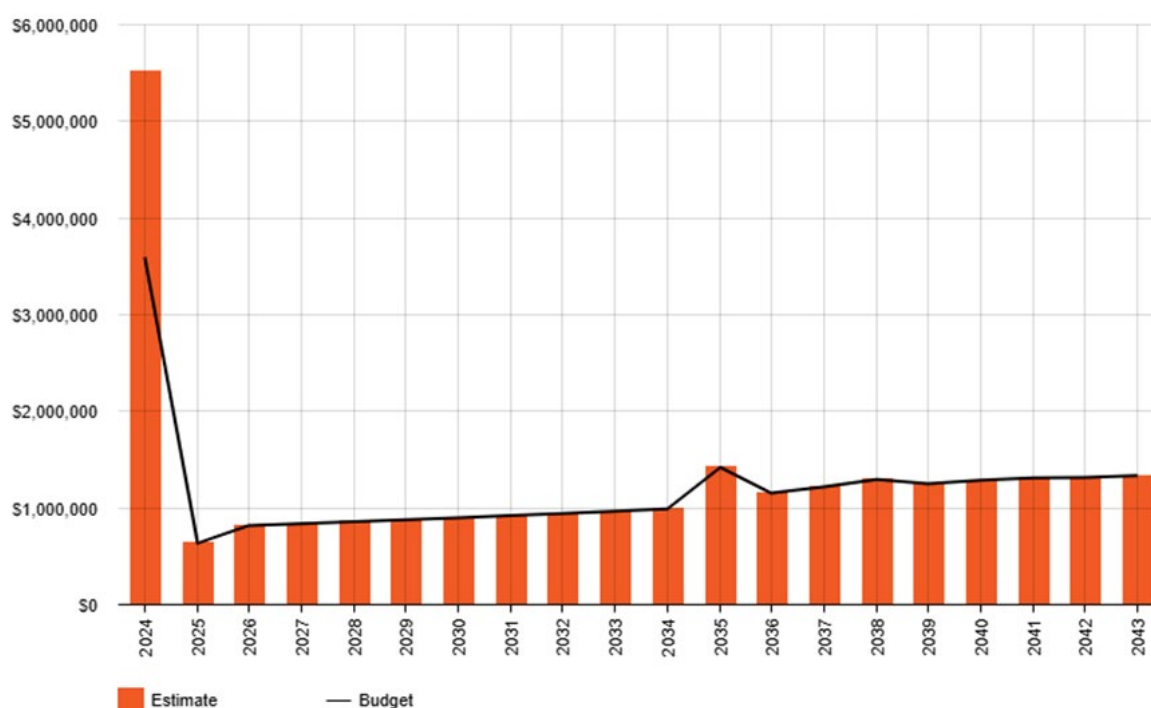


Figure 5.5.1: Acquisition (Constructed) Summary

All \$ values are shown in current day dollars.

The year 2024 has a significant spike which represents the backlog of assets requiring renewal as they are nearing the end of their useful life.

When Council commits to new assets, we must be prepared to fund future operations, maintenance and renewal costs. We must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by Council. The cumulative value of all acquisition work, including assets that are constructed and contributed is shown in Figure 5.5.2.

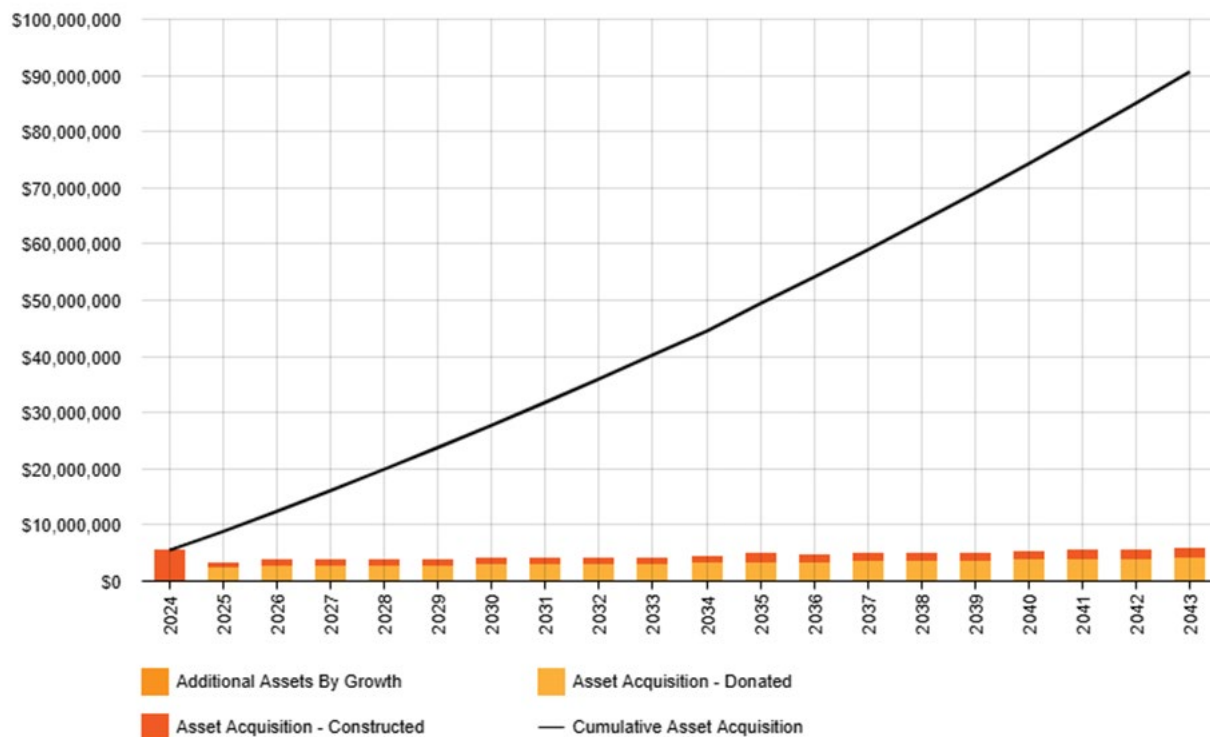


Figure 5.5.2: Acquisition Summary

All \$ values are shown in current day dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the Long Term Financial Plan, but only to the extent that there is available funding.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Any costs or revenue gained from asset disposals is included in the long-term financial plan. Currently, no assets are being considered for disposal.

5.7 Summary of asset forecast costs

The financial projections from this AM Plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the

discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

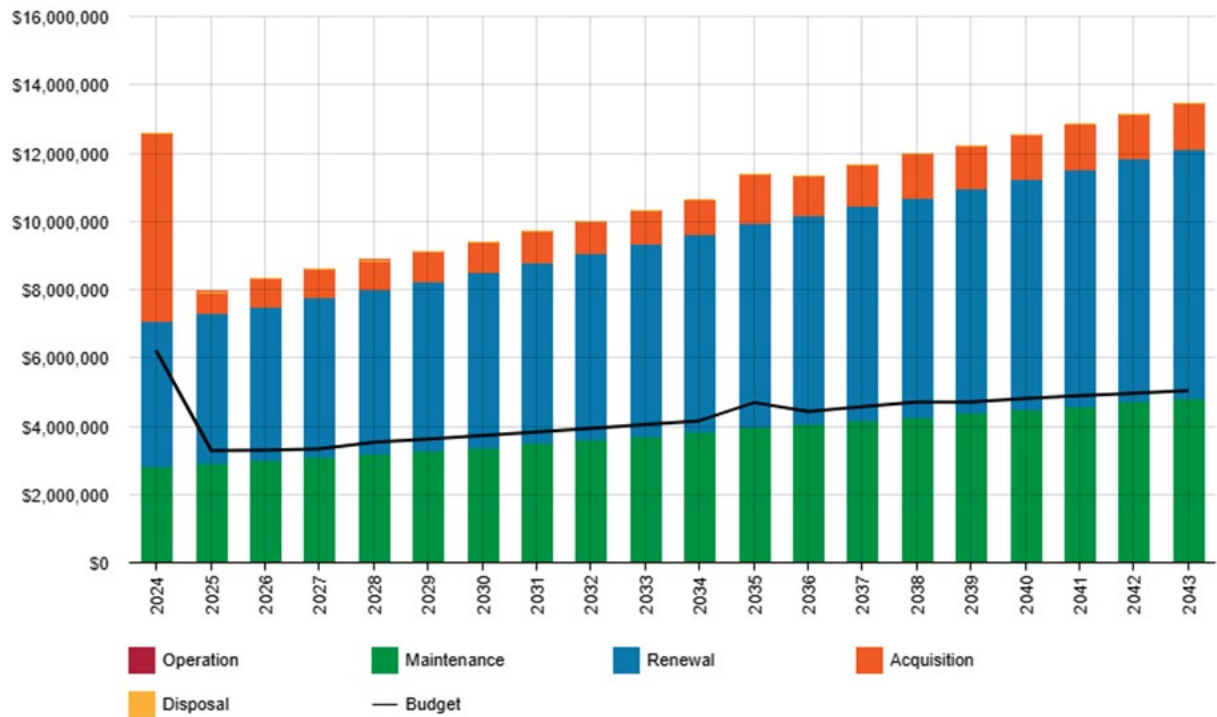


Figure 5.7.1: Lifecycle Summary

All \$ values are shown in current day dollars.

6. Risk Management Planning

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’⁹.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, these assets include trunk mains and infrastructure within private properties. Failure modes may include physical failure, collapse or essential service interruption.

By identifying critical assets and failure modes, Council can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 and is based on the fundamentals of International Standard ISO 31000:2018.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

An assessment of risks¹⁰ associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences.

⁹ ISO 31000:2009, p 2

¹⁰ As part of MidCoast Council’s Risk Management Process

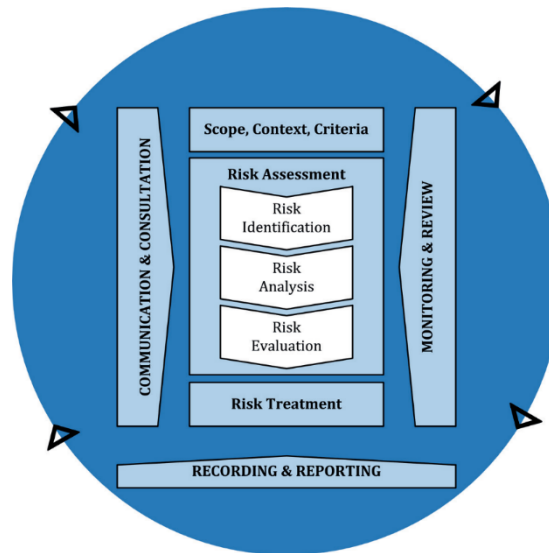


Fig 6.2 Risk Management Process – Abridged¹¹

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action) and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan are shown in Table 6.2. It is essential that these critical risks and costs are reported to management and to the elected Council.

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk ¹²
Planned network infrastructure does not meet current and future community needs	<ul style="list-style-type: none"> Service gaps - infrastructure does not meet community needs (current and in the future) Negative long term impacts on asset base Dissatisfied community Increased financial costs Complaints Damage to reputation 	H	<p>Utilise improved methodology for asset condition assessment data for roads/drainage and implement ongoing procedure to ensure data remains accurate and current to inform future planning</p> <p>Periodically revise Asset Management Plans</p>	M
Agreed Capital Works Program not delivered in accordance with allocated budget and timeframes	<ul style="list-style-type: none"> Transport infrastructure condition declines / reduced services levels - adverse long term impacts on asset base and associated strategies 	H	Audit the effectiveness of Project Management Framework and identify / implement improvements	H

¹¹ Source: ISO 31000:2018, Figure 1, p9

¹² The residual risk is the risk remaining after the selected risk treatment plan is implemented

Service or Asset at Risk	What Can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk ¹²
	<ul style="list-style-type: none"> Non-delivery of critical infrastructure - increased risk of existing asset failure Reprioritisation of program Increased financial cost to facilitate reactionary works Complaints from the community Damage to reputation 			
Inability to deliver asset renewals in the medium to long term due to underfunding	<ul style="list-style-type: none"> Disruptions to service due to increased failure rates, reactive maintenance and associated increased costs, maintenance backlog Non-compliance with asset management principles, internal policies and procedures Public health and safety issues Claims, disputes, financial costs Loss of trust / dissatisfied community and Council Damage to reputation 	H	Seek more funding through alternative funding sources	M

6.3 Infrastructure Resilience Approach

Council does not currently measure its resilience in service delivery. This will be included in future iterations of the AM Plan.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Upgrading legacy infrastructure to meet contemporary standards
- Constructing Overland Flow paths

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Less/no maintenance of easements in private property
- Lower flood immunity for older areas
- Increased risk of blockages

6.4.3 Risk trade-off

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

- Unsatisfied customers
- Loss of reputation
- Property damage

These actions and expenditures are considered and included in the forecast costs and the Risk Management Plan.

7. Financial Summary

This section contains the financial requirements resulting from the information presented in previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- Lifecycle Funding Ratio (planned lifecycle budget for the next 10 years / forecast lifecycle outlays for the next 10 years identified as warranted in the AM Plan)

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹³ 30.88%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 30.88% of the funds required for the optimal renewal of assets.

Lifecycle Funding Ratio – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10-year period. This provides input into 10-year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall or surplus.

The forecast operations, maintenance and renewal costs over the 10-year planning period are \$3,633,695 on average per year.

The proposed (budget) operations, maintenance and renewal funding is \$2,743,717 on average per year giving a 10-year funding shortfall of \$-889,978 per year. This indicates that 76% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the AM Plan and ideally over the 10-year life of the Long Term Financial Plan.

7.1.2 Forecast Costs (outlays) for the Long Term Financial Plan

Table 7.1.2 shows the forecast costs (outlays) required for consideration in the 10-year Long Term Financial Plan.

¹³ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the Long Term Financial Plan.

A gap between the forecast outlays and the amounts allocated in the Financial Plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the Long Term Financial Plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Budget
2024	\$3,592,168	\$0	\$2,814,324	\$2,182,649	\$2,860,000	\$9,074,168
2025	\$635,000	\$0	\$2,933,527	\$557,795	\$83,900	\$3,367,526
2026	\$819,547	\$0	\$3,030,665	\$0	\$57,000	\$3,346,148
2027	\$839,071	\$0	\$3,132,264	\$20,501	\$74,933	\$3,406,417
2028	\$859,002	\$0	\$3,236,978	\$61,613	\$76,807	\$3,602,067
2029	\$879,523	\$0	\$3,344,902	\$124,953	\$78,727	\$3,702,628
2030	\$900,276	\$0	\$3,456,133	\$242,235	\$80,695	\$3,804,386
2031	\$921,634	\$0	\$3,570,770	\$31,633	\$82,712	\$3,909,354
2032	\$943,616	\$0	\$3,688,919	\$70,422	\$84,780	\$4,017,642
2033	\$966,239	\$0	\$3,810,689	\$25,981	\$86,900	\$4,129,363
2034	\$989,523	\$0	\$3,936,192	\$12,509	\$89,072	\$4,244,633

7.2 Funding Strategy

The proposed funding for assets is outlined in Council's budget and Long Term Financial Plan.

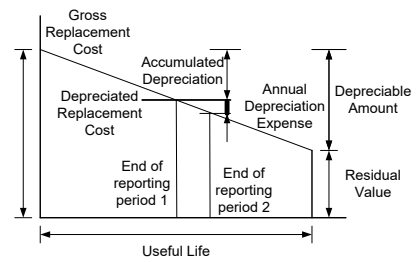
Council's financial strategy determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimates of the value of assets included in this AM Plan are shown below. The assets are valued at their fair value, which is the cost to replace service capacity:

Replacement Cost (Current/Gross)	\$ 541,164,416
Depreciable Amount	\$ 541,164,416
Depreciated Replacement Cost ¹⁴	\$ 336,759,616
Depreciation	\$ 5,582,593



7.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are added.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

- Base year is the current Financial Statements.
- Asset values are based on current asset registers.
 - These may not exactly match IPP&E schedules in most recent statements but are very close.
- Capital works program based on the Long Term Financial Plan Business-As-Usual scenario
 - The program in the Long Term Financial is split 80/20 between renewals and new assets
 - Capital funding is split on asset values
- Works programs are split into:
 - New assets
 - Renewal projects
 - Donated assets
 - Disposed assets
- Benchmarking of depreciation and required maintenance based on the Regional Town & City Classification

¹⁴ Also reported as Written Down Value, Carrying or Net Book Value.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on an A - E level scale¹⁵ in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	No or very little data held

The estimated confidence level for the reliability of data used in this AM Plan is shown in Table 7.5.2.

¹⁵ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	High	Sourced from Council's strategic documents with some extrapolation
Growth projections	High	Sourced from Council's strategic documents
Acquisition forecast	Medium	Sourced from Council's strategic documents
Operation forecast	Very Low	Sourced from Council's strategic documentation, with significant extrapolation
Maintenance forecast	Medium	Sourced from Council's strategic documentation, with some extrapolation
Renewal forecast - Asset values	High	Sourced from 31 Mar 2023 valuations
- Asset useful lives	Medium	Sourced from 31 Mar 2023 valuations
- Condition modelling	Medium	Sourced from 31 Mar 2023 valuations
Disposal forecast	High	Sourced from Council's strategic documents

The overall estimated confidence level for the reliability of data used in this AM Plan is **Medium**.

8. Plan Improvement and Monitoring

8.1 Status of Asset Management Practices¹⁶

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is Council's Enterprise software as accessed by Council's Finance Section.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is Council's Enterprise software as accessed by Council's Transport Assets Section.

8.2 Improvement Plan

It is important that Council recognises areas of our AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Improve data integrity in the corporate system	Team Leader Coastal, Flooding and Drainage	Existing staff	Ongoing
2	Revise and update asset condition assessments in EAM (MC1)	Team Leader Coastal, Flooding and Drainage	Existing staff	Ongoing
3	Develop renewal programs based on criticality and risk	Team Leader Coastal, Flooding and Drainage	Existing staff	Ongoing

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long Term Financial Plan or will be incorporated into the Long Term Financial Plan once completed.

The AM Plan has a maximum life of 4 years and is revised and updated within 6 months of each Council election and following any significant change to the Asset Management Policy and the Asset Management Strategy.

¹⁶ ISO 55000 Refers to this as the Asset Management System

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the Long Term Financial Plan
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into Council's strategic planning documents and associated plans
- The Asset Renewal Funding Ratio achieving Council's target of 100%.

9. References

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- ISO, 2014, ISO 55000:2014, Overview, principles and terminology
- ISO, 2018, ISO 31000:2018, Risk management – Guidelines
- *MidCoast 2035* Community Strategic Plan (2025-2035)
- MidCoast Council Delivery Program (2025-2029)
- MidCoast Council Operational Plans
- MidCoast Council Resourcing Strategy including the:
 - MidCoast Council Asset Management Strategy (2024-2034)
 - Workforce Management Strategy,
 - Long Term Financial Plan and
 - ICT Strategy
- MidCoast Climate Change Strategy



APPENDIX

Appendix A Capital Works Program

2025-2026 Financial Year

Project	Estimate	Start Date	Completed Date	Assets Added
Oceanic Place, Old Bar – Revetment Wall Renewal	\$350,000	25/26		
7 Saltwater Crescent, Diamond Beach	\$100,000	25/26		
Patsys Flat Road, Smiths Lake – Drainage improvements	\$120,000	25/26		
Eastslope Way, North Arm Cove – Drainage Renewal works	\$50,000	25/26		
Kindaron Close, Wingham – Drainage Impvements	\$100,000	25/26		
Total Estimated	\$720,000			

ASSET MANAGEMENT PLAN

Water Assets

2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

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Rev No.	Date	Revision Details	Author	Reviewer	Approver
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EXECUTIVE SUMMARY



Executive Summary

The Purpose of the Plan

MidCoast Council (Council) manage an extensive network of water infrastructure assets to provide water services to the population of the region's Local Government Area (LGA). This Asset Management Plan (AMP) provides the guiding objectives, strategies and programs of work to manage the water infrastructure in a prudent and cost-effective manner. This AMP aligns to the standards of both NAMS+ and the Institute of Asset Management (IAM), to ensure a good practice approach is maintained by Council across all of its asset classes.

Asset Description

The water infrastructure in scope of this plan consists of five primary asset groups, which include potable water reticulation, reservoirs, dam, water treatment plants and pump stations. Collectively, the assets hold a total current cost of \$909.7 million¹, in FY25 figures. The state of the portfolio at the time of developing this AMP is depicted in Figure 1, where the size of the bubble represents the replacement value of the asset group and the position along the curve represents the weighted useful life expired and condition of the assets.

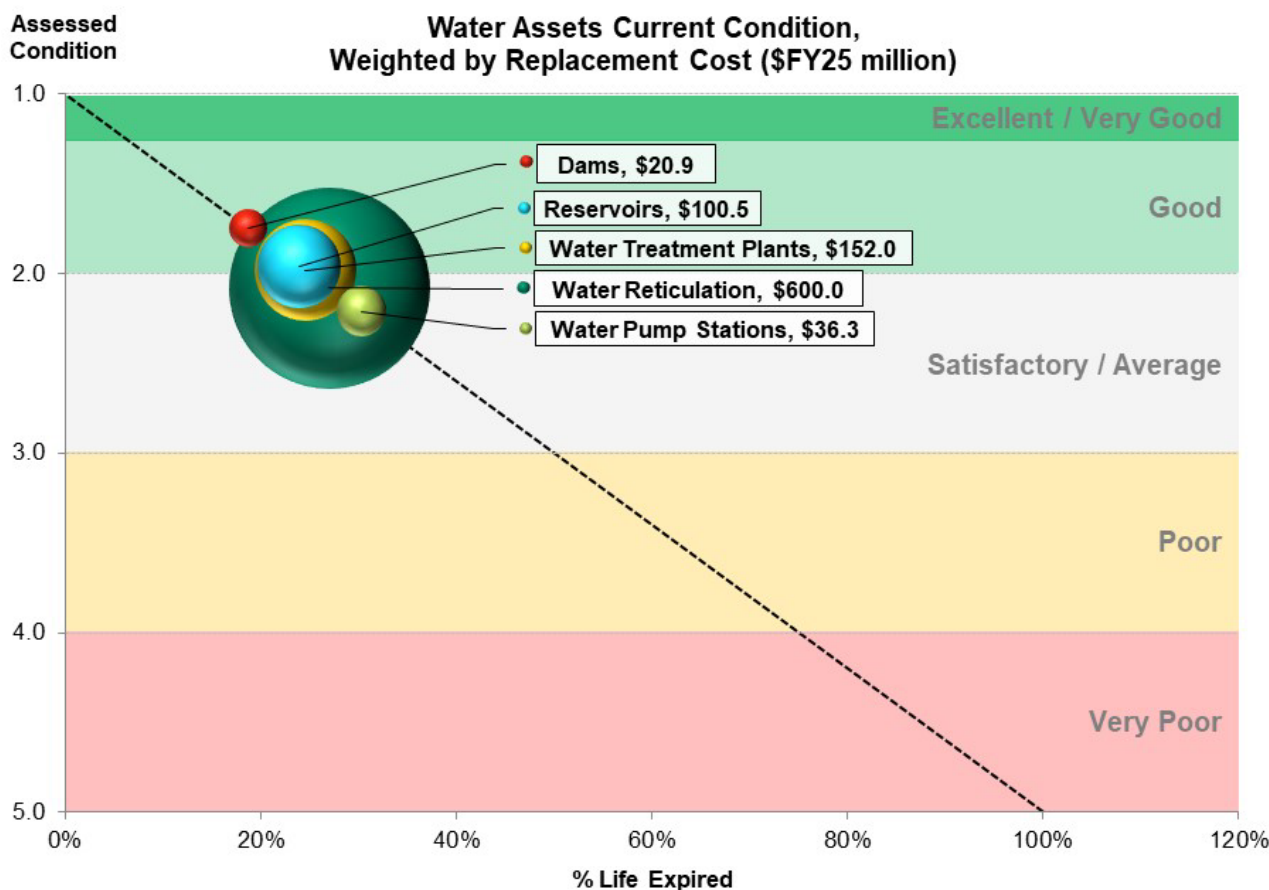


Figure 1 Water Assets Current Condition, Weighted by Replacement Cost

¹ Current cost (replacement cost) figure (\$909.7 million) is sourced from Council's '2023-24 Water Assets' Register, for alignment with the capital modelling. This current cost figure is indexed to FY25 dollars by the current CPI rates as at the time of developing this AMP.

The dashed line presents the relationship between Council's condition ratings and the corresponding percentage of life expired for the assets. It does not represent the path of deterioration.

The bulk of the water assets are in a 'Good' condition state at roughly 25% through the assets expected life. This condition is acceptable, according to the IAM's consideration of prudent asset management, for managing the level of risk Council can tolerate for potential asset failure and can be managed through routine maintenance and capital planning. However, the MidCoast Council Asset Management Strategy², states that a condition state of 2 ('Good') is defined as satisfactory. As such, an initial investment into capital renewal is required to address an existing backlog and increase the weighted mean condition of the portfolio into a condition state of 2 ('Good').

Levels of Service

The water infrastructure under Council ownership and management, facilitates water services for a population of roughly 99,000 people. The level of service (LoS) expectations for all stakeholders of these assets have been defined through consultation with both internal and external representatives of Council, and refined during development of this AMP. Detailed service levels are provided in this report and include the following categories for customer expectations:

- Quantity
- Supply of service
- Responsiveness
- System reliability
- Customer satisfaction
- Asset reliability
- Compliance
- Safety
- Environmental
- System capacity

² MidCoast Council, Asset Management Strategy 2022-2032

Financial Summary

Council operates with constrained budgets across each of its asset classes and apply a risk-based approach to prioritising works (Section 5.2.1). The budget which has informed the schedule of works (Scenario 2) in this AMP has been informed by Council's 30-year planned capital projections³. Figure 2 presents the 10-year projection of capital expenditure with a total spend over the period of \$101 million, in FY25 dollars.

The solid line represents the weighted mean condition of the water portfolio in a scenario without capital expenditure, whereas the dashed line represents the weighted condition of the portfolio in a scenario where the capital expenditure equals what is shown by the column values.

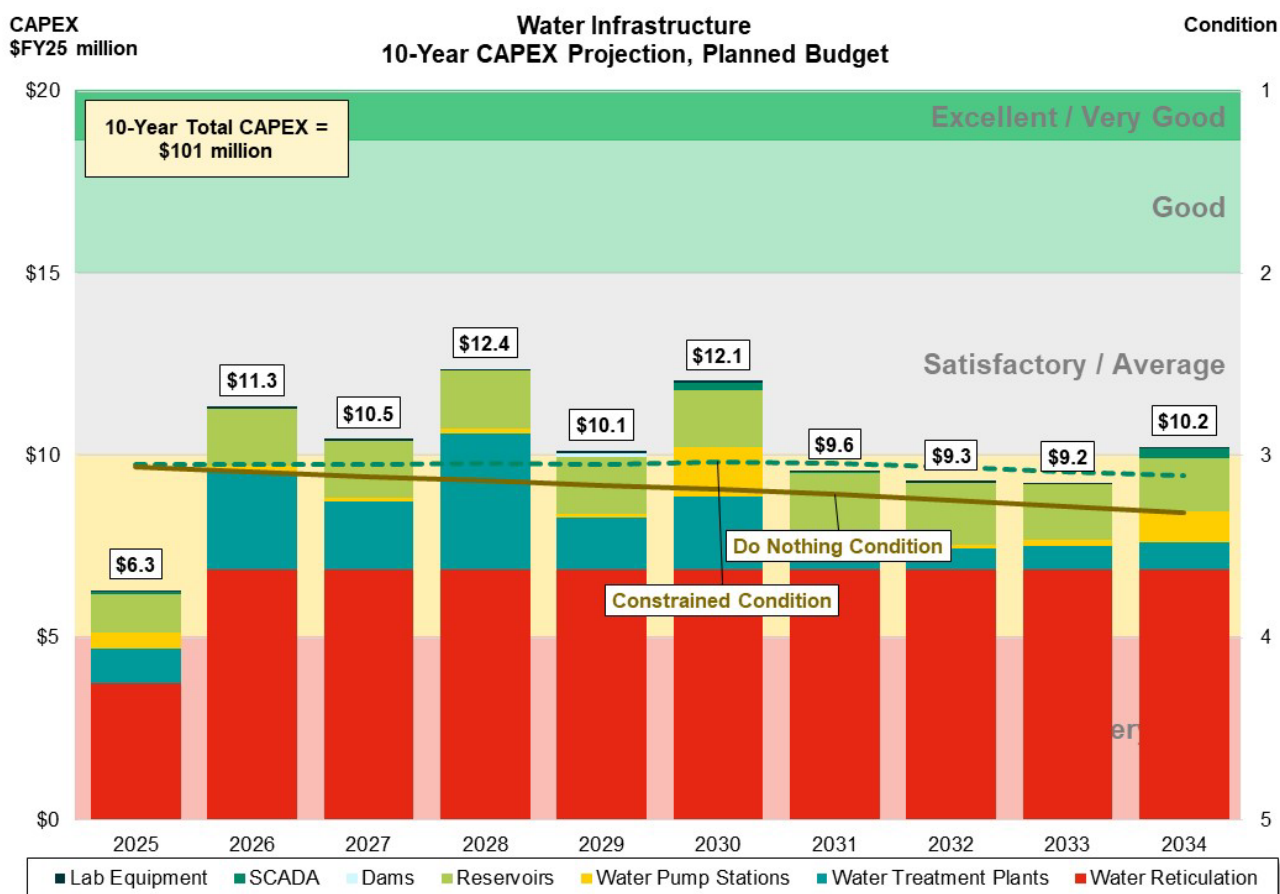


Figure 2 10-Year CAPEX Projection, Planned Budget

Following the planned budget constraints, the weighted mean condition state of the water portfolio is expected to sustain a condition slightly below 'Satisfactory'. The 'Satisfactory' condition (rating of 3) represents the highest acceptable level of risk the assets may take on for the potential of failure. Any additional constraints to delivering capital works, beyond the planned budgets used in this funding scenario, would result in the assets steady decline towards a poor condition state, at which point Council would be taking on excessive risk to delivery of its essential water services. This is assuming that works captured in this scenario are able to be completed as and when scheduled.

³ 30-Year CAPEX Projects, October 2024

This AMP provides additional funding strategies to illustrate the impact that various amounts of funding would have on the mean weighted condition of the portfolio. Figure 3 shows the four funding scenarios considered in this AMP. Section 6.3.6 details the impact of each scenario and the lifecycle assumptions which form the basis of each level of required funding.

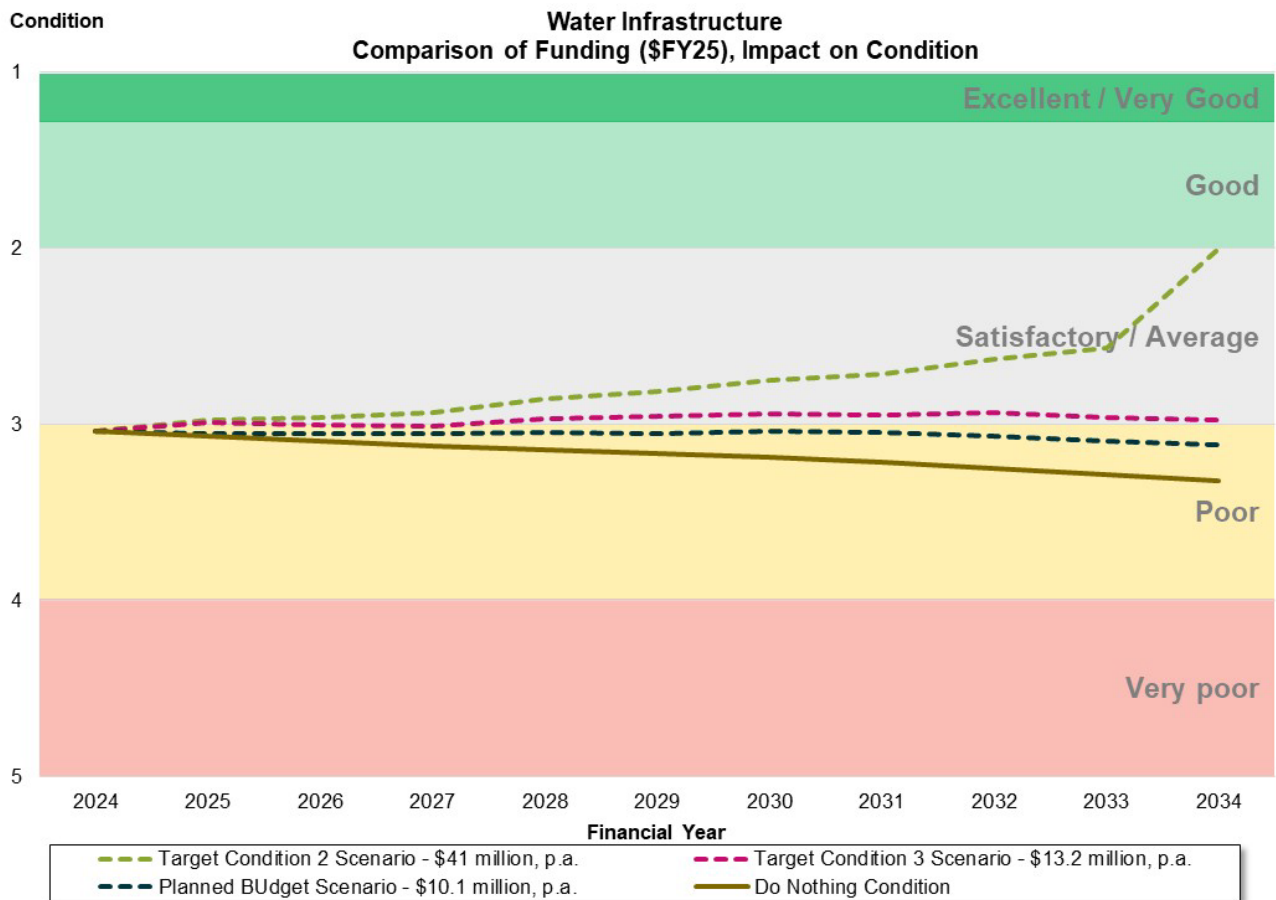


Figure 3 Comparison of Funding, Impact on Condition

Maintenance

Maintenance for the water assets has been projected over the next 10-years by indexing historic values to FY25 figures, assuming planned and unplanned maintenance will remain consistent. Figure 4 shows values as nominal figures in thousands, separated by asset group. New maintenance requirements are sourced projections from the 30-year planned capital budgets.

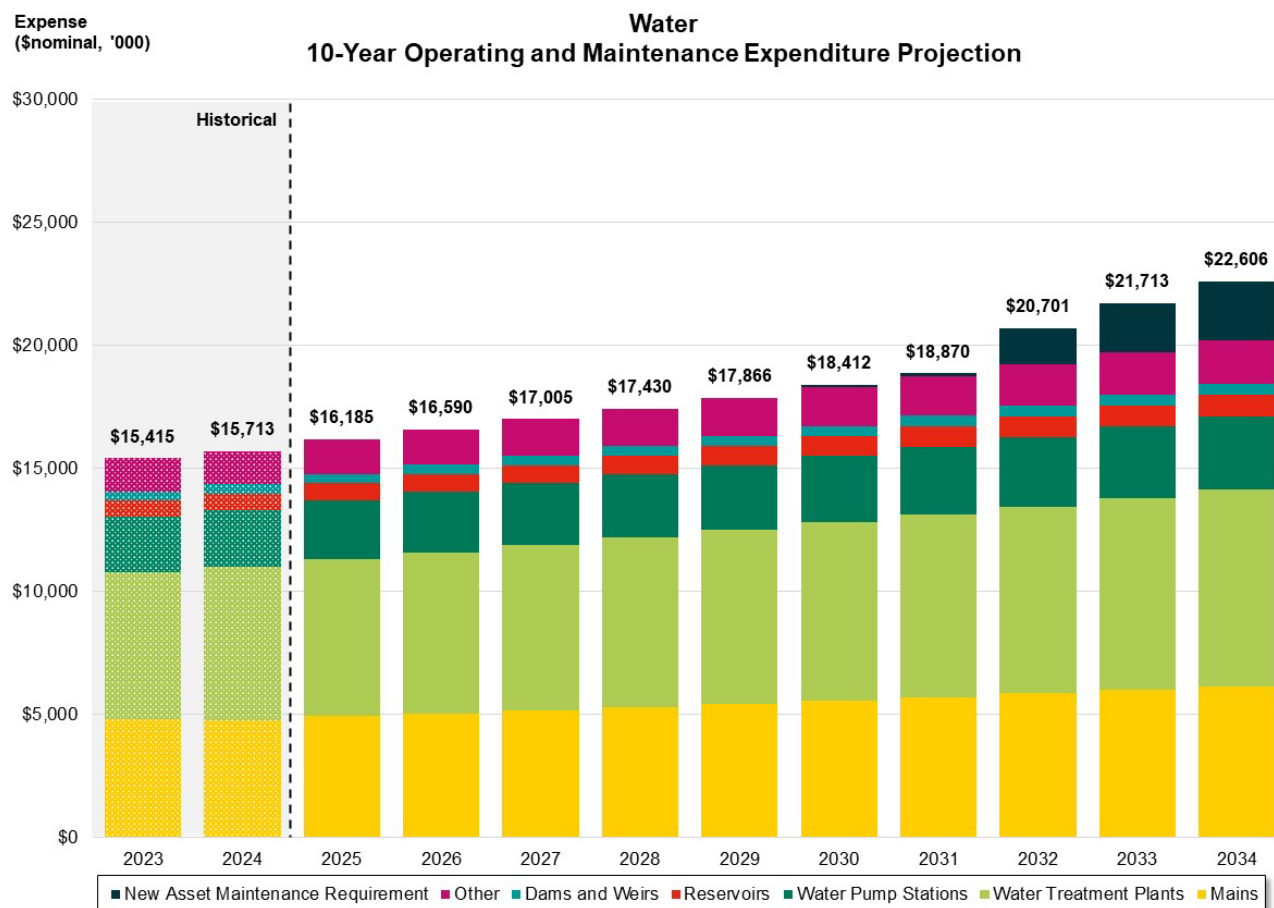


Figure 4 10-Year Operating and Maintenance Projection, by Asset Group

Section 6.4 of this AMP provides operating and maintenance expenditure benchmarks against a selection of comparable regional Councils⁴.

Section 6.3.4 presents the Infrastructure Asset Performance Indicators, as a reporting requirement of Council. The maintenance ratio reported in this AMP considers both 'actual' maintenance values sourced from the FY24 Water Supply Income Statements (FDR), and 'required' maintenance values sourced from the Asset Management Strategy (Draft) produced by Morrison Low.

This maintenance ratio presents different values to that provided in the Asset Management Strategy as it considers both operational and maintenance expenditure benchmarked to the National Performance Reporting (Bureau of Meteorology) 2022-23 (NPR).

The approach taken for developing this AMP remains consistent across both Water and Sewer portfolios.

⁴ Benchmark figures provided in this AMP are sourced from the Australian Government Bureau of Meteorology, Urban NPR 2022-23 Complete Dataset

Managing the Risks

Risk management for the water infrastructure is assessed in accordance with the MidCoast Council Risk Management Framework. For the development of this AMP, Council has completed several internal workshops to assess risk across the various facilities in the water portfolio. As a result of these workshops, several significant risks have been identified and presented in Table 1. Significant asset related risks are considered those with a residual risk rating of High or greater.

Table 1 Significant Asset Specific Risks

Risk Category	Risk Description	Residual Risk Rating
Asset/Facility Failure	BO WTP 01 – Water Treatment Plant	High – 12
Asset/Facility Failure	GL WTP 01 – Gloucester Water Plant	High – 12

Further asset operational risks are captured in this AMP with a full risk register provided in Appendix D.

Monitoring and Improvement Program

The actions captured in Table 2 are recommended for Council to develop and implement over the suggested timing to improve its maturity and capabilities in asset management. These improvement actions surmise the key improvement activities, identified throughout the development of this AMP, recommended to occur over the next 3-years. A full schedule of improvement opportunities is detailed in Table 26.

Table 2 Key Continuous Improvement Actions

Improvement Area	Description	Timing
Delivery of works	There may be opportunities to package works to reduce the overall cost of delivery. Creating work packages will reduce the upfront supplier cost.	Ongoing
Asset failure data	MidCoast Council should seek to record asset failure data to better inform its ability to predict future failure (this is achieved through Weibull Curve plotting for major asset classes – a method which applies the Weibull mathematical calculation for predictive future failure based on historical intervals). Further failure data, such as type of failure, component which failed, timing since last failure, etc. would improve predictive ability and better enable a clear linking of quantitative levels of service to asset life.	Ongoing
Technical Levels of Service	Development of this AMP identified a number of existing performance measures which do not align with the capabilities and capacity of current Council. These KPI's require updating to provide achievable targets which management and relevant staff can work towards attaining. KPI's should constantly be reviewed and adjusted to reflect the current operational capacity and capabilities of Council.	Within 1-Year

Improvement Area	Description	Timing
Condition standard	<p>Council has defined its target (satisfactory) condition state for all asset classes to be at a rating of 2. While this condition rating would effectively allow the assets to meet their service expectations and eliminate most risks of potential asset failure, it is considered excessive and unrealistic for the water and sewer assets.</p> <p>Due to the nature of this asset class, primarily being buried, non-public facing or used infrastructure, the water infrastructure can sufficiently provide all service requirements and maintain a tolerable degree of risk, according to Council's Risk Management Framework, when sustained at a condition rating of 3.</p> <p>For this reason, it would be considered more prudent and cost effective for Council to reassess its objective condition ratings across each asset class.</p> <p>Council are to engage with the community for consultation and feedback on the potential change to its Condition Standards.</p>	Within 1-Year
Operational Asset Management Plans	Council is to prepare operationally focussed asset management plans to enable to efficient delivery of works, and provide line of sight between the organisational objectives, asset management plans and operational activities required of the assets.	Within 1-Year
Asset hierarchy	Hierarchical structuring of asset information is necessary for Council to categorise, analyse and report on not only its Water assets but all asset classes within the organisation. Ongoing development of the current asset hierarchy is underway and further improvements and standardisation of this information shall be completed over the suggested time period.	Within 2-Years
Criticality	At the time of development for this AMP, criticality has been assessed at the facility level across the major asset groups. Council is to continue to assess criticality at the more granular asset category and sub-category levels, to improve prioritisation across the schedule of works.	Within 2-Years
Maintenance Strategy	Development of a Maintenance Strategy to detail the planned maintenance requirements for each of the tasks listed in this AMP. Inclusive of detailed tasks, number of impacted assets, resource requirements, timing and delivery methods.	Within 2-3 Years
OPEX benchmarking	A detailed benchmarking exercise for the operational and maintenance expenditure of other water utilities and regional councils of comparative size, would prove beneficial for understanding current and expected expenditure. Benchmarking would consider a selection of organisations, and analyse the annual expenditure levels across operational expenses, planned and unplanned maintenance for both water and sewerage utilities. The results of this exercise would inform future iterations of this AMP and the Strategic Business Plan.	Within 3-Years

Improvement Area	Description	Timing
Buildings	The buildings associated with water assets are currently included in both this AMP and the Buildings AMP. The information contained within this AMP should be consolidated into the Buildings AMP when the maturity of the data contained within that AMP is sufficient.	Within 3-Years
Roads	The roads associated with sewer assets require recognition in their respective transport asset planning documentation.	Within 3-Years
Asset management maturity	Council identifies the objective of achieving a core level of asset management maturity by 2023 in its Asset Management Strategy 2022-32. Council should reassess its maturity following the completion of this AMP to review performance of this targeted KPI, and update this AMP accordingly.	Within 3-Years

This AMP is to be updated every 4-years (or to align with the Integrated Planning and Reporting timeframes) to ensure currency and accuracy of asset data and information which has been used to create the programs of works across planned and unplanned maintenance.



INTRODUCTION

1.0 Introduction

This section outlines the background, objectives, and function of the water system owned and managed by MidCoast Council (Council). It includes a summary of the assets that enable the services provided by Council.

1.1 Background

MidCoast Council was formed in 2016 through an amalgamation of several regional councils and a water utility. The Council's local government area (LGA) covers a geographical footprint of over 10,000 km², with a current population of roughly 99,000 residents. Council owns and operates a portfolio of over \$5.80 billion⁵ worth of infrastructure, of which roughly \$909.7 million (FY25) is made up by the water infrastructure assets.

To effectively supply water throughout the region, Council manages six water schemes across the network, which are shown in Figure 5.



Figure 5 Map of Water Scheme Network

⁵ MidCoast Council, Financial Statement 2023-24

The water network includes 1,200 km of pipeline, six Water Treatment Plants (WTP), two bore fields, 45 reservoirs and 25 Water Pump Stations (WPS)⁶. These supply systems service over 90% of the region's population including roughly 42,000 households and businesses. The summary of the properties serviced by this network is provided in Table 3.

Table 3 Summary of Water Schemes

Water Supply Scheme	Total Property Connections	% of Total Connections
Manning	35,000	85.5%
Tea Gardens	3,000	7.3%
Gloucester	1800	4.4%
Bulahdelah	600	1.5%
Stroud	500	1.2%
North Karuah	40	0.1%

1.2 Goals and objectives of asset ownership

Council is committed to managing its infrastructure assets in a manner that is sustainable, cost effective and is informed by defined service levels and performance standards. This is to ensure Council meets service expectations and provides quality service to the community. To achieve this, Council has outlined key objectives in its Asset Management Strategy, which include:

- Ensuring compliance with relevant legislation and regulatory requirements and consideration of social, political and economic environments in management of Council's assets.
- Implementation of systematic asset management and good practice to be consistent across Council's asset portfolio.
- Ensuring plans are informed by community consultation, technical stakeholders, financial planning and reporting.
- Ensuring defined services levels are developed and future service levels are informed by engagement and consultation with the community.
- Development of programs for each asset class to include routine inspections, maintenance and repairs that are carried out to meet agreed service levels and identify asset renewal priorities.
- Ensure renewal plans are informed by service levels, risk and asset condition.
- Maintaining future lifecycle costs reporting and ensure consideration in all decisions pertaining to new services and assets as well as upgrading existing services and assets.
- Ensuring operational capabilities and resources are available when necessary and AM responsibilities are appropriately assigned.

⁶ Midcoast.nsw.gov.au, Water and sewer services – Water supplies

This AMP is intended to provide a roadmap for making informed decision-making in line with these objectives and is developed in accordance with NAMS+ and ISO55001:2024 standards. This is to ensure a prudent approach to asset management is achieved across Council's entire portfolio of assets.

1.3 Water services overview

1.3.1 Description of services

The water network provides a service to the region, which is facilitated through key infrastructure systems and processes. Table 4 provides a summary of the systems that supply water throughout the network.

Table 4 Service Descriptions

Asset System	Service Description
On-river storages	Council manages on-stream storage weirs at Bulahdelah, which sources water from Crawford River and Stroud, which extracts water from Karuah River.
Off-river storages	Council manages and monitors Bootawa Dam that extracts water from Manning River. The dam serves as an off-river storage system and is used to facilitate water quality management and currently supplies water to the majority of the Council's region.
Bores	Council uses groundwater sources as the primary supply of water to Tea Gardens and Hawks Nest. The water is extracted from an aquifer borefield and is treated at Tea Gardens WTP.
River extraction systems	Council utilises extraction systems to supply treated water to local reservoirs in Gloucester, Stroud and Bulahdelah areas.
Water treatment plants (WTP)	Council operates six WTP including Bootawa, Bulahdelah, Stroud, Tea Gardens, Gloucester and Nabiab. Bootawa is the major WTP that treats water extracted from Manning River and pumps treated water to reservoirs in Manning and Great Lakes for distribution to households. This WTP forms part of the supply scheme that services over 80% of Council's customers.
Reservoirs	Council manages various reservoirs within the network of supply, with the major reservoirs being Manning and Great Lakes. The water stored in these reservoirs supply water directly to homes and businesses. Water which is supplied to approximately 40 properties in North Karuah is sourced from Hunter Water, however distributed via the Karuah Reservoir.
Water pump stations	Council operates pump stations across the water network that support distribution of water to households and businesses.
Water mains (distribution and reticulation)	The mains infrastructure distribute water from the WTP to the reservoirs and facilitate potable water delivery through the network of pipes to households.
Water valves and hydrants	Council operates approximately 7,500 valves and 10,000 hydrants. These assets are incorporated along the distribution and reticulation networks.

Asset System	Service Description
Water meters and services	Council is responsible for managing the customer water meters and connection services for customers. This also includes monitoring of water use and services as outlined in Council's Customer Service Charter.

1.3.2 Asset summary

The assets included in this AMP are summarised in Figure 6. The hierarchy provides a method of categorisation, against which the criticality, risk, life expectancy and condition of the assets can best be allocated at varying levels of granularity. The water asset hierarchy consists of six levels of categorisation, with the first three depicted in the figure below.

*Asset Group (Level 1) Asset Category (Level 2) Sub-Category (Level 3)

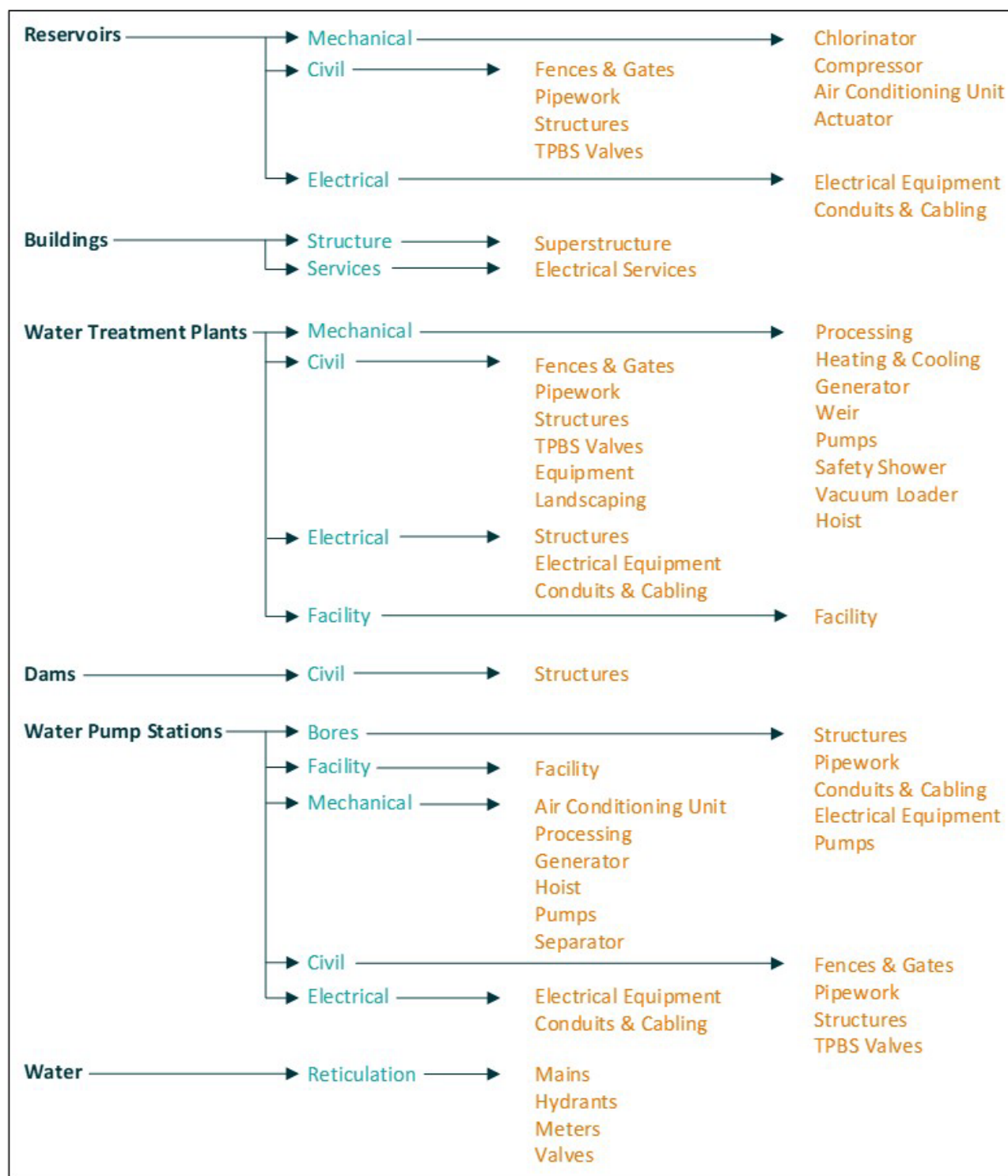


Figure 6 Asset Hierarchy

Furthermore, classifying the water assets in this hierarchy allows future use of the asset data to be efficiently located despite the extensive scale of the database and granularity of data available for these assets.

1.3.3 Portfolio valuation

The assets considered within the water asset class for Council has a total current cost of approximately \$909.7 million, in FY25 dollars. The figures provided in Table 5 have been sourced from the Council's asset register⁷ and expressed in thousands.

Table 5 Asset Replacement Valuation

Asset Classification Type	Asset Sub-Class	Current Asset Cost (\$FY25, '000)
Facilities	Facility	\$1,450
Network	Water	\$600,037
Treatment Processing & Bulk Storage	Civil	\$216,683
	Mechanical	\$40,035
	Electrical	\$51,544
Grand Total		\$909,748

1.3.3.1 Buildings

All buildings associated with the water assets are operated and maintained as part of the water assets portfolio. Consequently, any capital costs associated with these buildings are included in this AMP. These assets are also considered in Council's Buildings AMP to ensure consistency of management principles, but their costs are specifically reflected in this AMP.

⁷ Councils 2023-24 Water Assets

LEVELS OF SERVICE



2.0 Levels of Service

This section defines the service level expectations of the Council from its stakeholders, the strategic goals that underpin the management of water supply assets, and the regulatory requirements that operations and management of these assets must adhere to.

Levels of service establish a standard of performance for an organisation to deliver, through the provision of its services which are facilitated by the assets. Assets are then managed in a cost effective and prudent manner to ensure risks are suitably managed.

2.1 Customer research and expectations

2.1.1 Research and customer feedback

The Council utilised an external research provider to facilitate and ascertain community feedback regarding the provision of services in March 2020. The results of the research are documented in the Community Satisfaction & CSP Research⁸ report. Water quality outperformed most other services provided by Council, meeting customer satisfaction levels.

The report indicates customer satisfaction levels for water quality of approximately 89%. Furthermore, water quality was captured among the top five most important services and/or facilities provided by Council. The results of this research, while dated over three years prior to the development of this AMP, supports the importance of clearly defined service levels and expectations for Council's water assets.

The levels of service for Council's water assets have largely been informed by the IWCM⁹. Community consultation, as indicated in Figure 11 of the Strategy¹⁰. This has involved numerous community workshops, engagement activities through youth and school programs, and strategic reviews with regulators and specialists.

2.1.2 Stakeholder expectations

Council has several stakeholders with varying levels of interest and investment. The stakeholders' service expectations are provided in Table 6, for the assets in scope of this AMP. These have been informed by both internal and external consultation.

⁸ MidCoast Council, Community Satisfaction & CSP Research, 2020

⁹ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

¹⁰ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, Figure 11: Our community engagement

Table 6 Stakeholder Expectations

Stakeholder	Stakeholder expectations
Customers / Rate payers	<ul style="list-style-type: none"> • Supply of service – water is supplied seamlessly with minimal disruptions. • Quality – water is safe and clean for use. • Quantity – water services are available as and when needed. • Responsiveness – enquiries are promptly responded to. • System reliability – minimal disruptions to water services are incurred. • Asset reliability – assets function as intended. • Customer satisfaction – the needs and expectations of customers are maintained. • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in an environmentally responsible manner.
MidCoast Council (Leadership)	<ul style="list-style-type: none"> • Quantity – supply of water sufficiently meets the needs of stakeholders. • Quality – water supplied is safe, clean, and meets regulatory requirements. • Customer satisfaction – the needs and expectations of customers are maintained. • Compliance – assets comply with all relevant legislation and regulatory requirements.
Department of Planning and Environment (DPE)	<ul style="list-style-type: none"> • Quantity – water services are available as and when needed. • Quality – water supplied is safe, clean, and meets regulatory requirements. • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in accordance with relevant environment standards and Council's sustainability targets. • System capacity – water system satisfies current demand and considers future demand.
External Contractors	<ul style="list-style-type: none"> • Safety – assets are safe to use and maintain. • Asset reliability – assets function as intended.

Stakeholder	Stakeholder expectations
Water Operations and Maintenance Team	<ul style="list-style-type: none"> • Supply of service – water services are available as and when needed. • Responsiveness – enquiries are responded to promptly • System reliability – the system provides dependable and continuous services. • Asset reliability – assets function as intended. • Safety – assets are safe to use and maintain. • Customer satisfaction – ability to meet the needs and expectations of its stakeholders. • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in accordance with relevant environment standards and Council's sustainability targets. • System capacity – water system satisfies current demand and considers future demand.
Planning and Assets	<ul style="list-style-type: none"> • Asset reliability – assets function as intended. • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in accordance with relevant environment standards and Council's sustainability targets. • System capacity – ability to meet the current and future water demand.
Capital Delivery	<ul style="list-style-type: none"> • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in accordance with relevant environment standards and Council's sustainability targets. • System capacity – water system satisfies current demand and considers future demand. • System reliability – the system provides dependable and continuous services. • Asset reliability – assets function as intended. • Supply of service – continuous reliability and availability of the water utility and infrastructure providing the service. • Responsiveness – timely response to stakeholders needs, concerns, and issues promptly and efficiently.

Stakeholder	Stakeholder expectations
Water Management and Treatment	<ul style="list-style-type: none"> • Compliance – assets comply with all relevant legislation and regulatory requirements. • Environment – assets are managed in accordance with relevant environment standards and Council's sustainability targets. • System capacity – water system satisfies current demand and considers future demand. • System reliability – the system provides dependable and continuous services. • Asset reliability – assets function as intended. • Supply of service – continuous reliability and availability of the water utility and infrastructure providing the service. • Responsiveness – timely response to stakeholders needs, concerns, and issues promptly and efficiently.
Regulators	<ul style="list-style-type: none"> • Compliance – assets comply with all relevant legislation and regulatory requirements. • Quantity – water services are available as and when needed. • Quality – water supplied is safe, clean, and meets regulatory requirements. • System reliability – the system provides dependable and continuous services. • Asset reliability – assets function as intended.
NSW Fire and Rescue	<ul style="list-style-type: none"> • Safety – assets are safe to use and maintain.
Energy Authority	<ul style="list-style-type: none"> • Safety – assets are safe to use and maintain.
Customer Services	<ul style="list-style-type: none"> • Customer satisfaction – services provided by the assets meet the needs and expectations of its stakeholders. • Asset reliability – assets are maintained at an acceptable level in order to provide quality and uninterrupted services. • Responsiveness – enquiries are responded to promptly.
Public	<ul style="list-style-type: none"> • Safety – assets are safe to use and maintain.

2.2 Strategic and corporate goals

Council's objectives in the management of its water supply assets are described in the Asset Management Strategy¹¹. The key objectives include:

1. Protection of public health
2. Protection of the environment
3. Maintain service availability
4. Operate in a financially sustainable manner

The Council also sets out its community objectives in the Community Strategic Plan¹², which outlines the community expectations of Council along with identified strategies to achieve these goals.

2.3 Legislative requirements

There are several key legislative requirements that must be considered in the management of Council's water supply assets. Management of the assets, including maintenance activities and future acquisition of new assets, is done so in accordance with:

- Australian Drinking Water Quality Guidelines 2011
- Environment Protection Act 1994
- NSW Local Government Act 1993
- NSW Best-practice management of Water Supply and Sewerage Guidelines, 2007
- Plumbing and Drainage Act 2011
- Public Health Act 2010
- Water Management Act 2000
- Work Health and Safety Act 2011
- Plumbing Code of Australia (PCA)
- Water Industry Competition Amendment Act, 2021

¹¹ MidCoast Council, Asset Management Strategy, 2022-2032

¹² Community Strategic Plan, 2022-2032

2.4 Customer values

Service levels are derived from the customer values and establish the expectations that Council stakeholders demand from the assets.

Customer values are driven by:

- Identification of the service attributes that hold significance for the customer.
- Assessment of the perceived value in the current service offerings.
- Prediction of future trends based on socioeconomic state of the LGA and competitive landscape across comparative Councils.

The customer levels of service is further detailed in Section 2.5, whilst the technical levels of service (TLoS) are described in Section 2.6.

2.5 Customer levels of service

Council's commitment to upholding the customer levels of service is documented in the Customer Charter¹³, which describes the responsibilities Council has to its customers.

The water assets managed by Council must be adequately maintained to enable and support the delivery of water supply services. Council's responsibility to its customers, as defined in the Charter, includes:



Minimise interruption to water services, or variation to water quality



Respond to issues in the water network as soon as practicable



Provide a pressure of not less than 150kPa to your water meter



Minimise water losses from our network

¹³ MidCoast Council Customer Charter (Draft), 2023



Bill you quarterly for the water you use



Give you >48 hours' notice for planned interruption to services

Service responsibilities, which define the role of Council for each of the service levels described in the Customer Charter, are provided in Table 7.

Table 7 Customer Service Levels

Customer Service Level	Service Responsibilities
Information and Privacy	<ul style="list-style-type: none">• Ethical, fair and honest treatment of customer information• Protection of customer information to third parties• Contact with customers only between 7:00am to 4:30pm weekdays• Make available information requested by customers, within reason
Enquiries and complaints	<ul style="list-style-type: none">• Provision of convenient options to lodge complaints and enquiries• Resolve complaints as soon as reasonable possible• Deal with customer complaints efficiently and fairly• Keep customers advised of progress / changes to their enquiries• Discuss any and all associated costs prior to undertaking any action• Provide reasons for all decisions• Learn from feedback for continual improvement• Treat all customers with courtesy and respect
Water services and water meters	<ul style="list-style-type: none">• Provision of 24-hour emergency phone service for reports of interruptions• Read meters on a quarterly basis• Respond as soon as practicable when notified of water network issues• Minimise interruptions to water services or quality• Minimise losses from the water network• Provision of at least two (2) business days written notice before planned interruptions. Registered life support properties will be contacted directly.
Water pressure	<ul style="list-style-type: none">• Provision of a pressure no less than 15 meters (150 kPa) at your water meter
Backflow prevention	<ul style="list-style-type: none">• Maintain a record of all properties backflow hazard rating

Customer Service Level	Service Responsibilities
Water and sewer pipe protection spaces	<ul style="list-style-type: none"> • Provision of 48-hours' notice to access pipes on properties for planned maintenance (excluding emergency situations) • Work on premises will be returned to a similar condition (unless the process of restoring will interfere with water infrastructure) • Advise where assets are located and where customers can build and landscape
Building, renovation, landscaping	<ul style="list-style-type: none"> • Process applications for landscape, building and renovation within 40 business days • Provision of information requested regarding water assets
Entry to your property	<ul style="list-style-type: none"> • Provide written notice, 48-hours before entering a property for planned maintenance (exclusions for emergency) • Attendance to appointments no more than 30-minutes late (one hour notice to be given if later than 30-minutes) • Provide 24-hours' notice to cancel an appointment • Property to be returned to a similar condition where work is undertaken • Employees and contractors to carry identification that will be shown to customers
Your Account	<ul style="list-style-type: none"> • Provision of account for water services at least every 120-days (unless otherwise agreed) • Accounts to contain all information required by the Local Government Act 1993 • Accounts reflect any rebates and concessions • Notification of any change to schedule of charges • Provision of convenient options for customer to pay their accounts • Provision of account information upon request (relating to the previous 12-months) • Water usage to be based on a reading of customers water meter (unless unable to obtain reading, in which case account based on an estimated consumption) • Overcharges to be credited to customer and informed once aware • Undercharges to be recovered based on sums incurred during the 12-months prior customers last account

2.6 Technical levels of service

Technical levels of service (TLoS) provide measurable performance requirements which the assets must achieve, in order to satisfy the service levels and stakeholder expectations. The detailed TLoS for Council's water assets are provided in Table 8, and have been sourced from the IWCM¹⁴.

Table 8 Technical Levels of Service

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting Target
Quantity	Quantity of treated water supplied to communities meets agreed upon levels.	Average annual residential water demand. Total supply to communities, expressed as kL/property (based on average across related communities).	Less than 205kL per property/yr	131.2 kL per property/yr	Yes
Quantity	Quantity of treated water supplied to customers meets agreed upon levels.	Peak daily water demand. Total supply to properties, expressed as kL/d/property (based on highest recorded usage day in the year).	Less than State Median 1.08 kL/d/property	0.73 kL/d/property	Yes
Quantity	Quantity of treated water produced meets agreed upon levels.	Non-revenue Water. Total treated water delivered from the various WTP's, expressed as a percentage.	Less than 10%	11.3% ¹⁵	No
Quality	Water quality continuously in line with all legislative and standard guideline.	Water quality to meet 2011 Australian Drinking Water Guidelines (ADWG).	E.coli 100% Chemical 95%	E.coli 100% Chemical 98.5%	Yes

¹⁴ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

¹⁵ Data submitted for 2023-24 Performance Monitoring Report NSW

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting Target
Supply of service	Notice ahead of planned service interruption is provided within the expected timeframe.	24-hour notice prior to any planned service interruption.	24 hours	<24 hours	Yes
Supply of service	Unplanned interruptions to properties are responded to within a timely manner.	Number of Properties that will experience an unplanned interruption of more than 5 hours in a financial year.	No more than 1,000 properties a year	Unknown	Unknown
Supply of service	Mains breaks are promptly managed in line with maintenance plans.	Quantity of mains breaks and/or faults.	Less than State Median 12.35/100km	10.15/100km ¹⁶	Yes
Responsiveness	All interruptions to services be attended to within nominated timeframe.	Response time to attend service interruption.	4 hours	4 hours	Yes
Responsiveness	Installation of new water meters within the agree timeframe.	Duration of install.	<10 working days after receipt of payments	10 working days	Yes
System reliability	Redundancy measures are in place for main pump systems.	Main pumps with standby facilities.	100% standby over 22-hour pumping per day	All have standby	Yes

¹⁶ Data submitted for 2023-24 Performance Monitoring Report NSW

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting Target
Safety	Fire hydrants perform to the expected standard.	Fire flow measured in L/s for all hydrants.	Fire flows of 10 L/s can be supplied to all hydrants (20 L/s to commercial and industrial outlets.	> 95% of hydrants meet flow standards for commercial and industrial	Yes Commercial 95.5% Industrial 99.5%
Safety	Assets are safe to operate and maintain.	Risks are managed in accordance with the MidCoast Council Risk Management Framework.	No risk exceeds tolerance levels untreated.	Significant risks prioritised in work order.	Yes
Customer satisfaction	Community is satisfied with current water services.	Community feedback surveys and customer satisfaction research ¹⁷ .	Result of customer satisfaction survey as a percentage of overall satisfaction	84.5% ¹⁸	Yes
Customer satisfaction	Minimal number of customer complaints.	Number of complaints made by customers as detailed in the SoE.	9.5/1000 customers state median	1.64/1000 customers	Yes
Customer satisfaction	Suitable response and record maintained of customer complaints.	Log customer complaints in CRM system and report annually.	9.5/1000 customers state median	1.64/1000 customers	Yes

¹⁷ Community Survey, completed in 2020, indicated that most customers are satisfied with sewerage services, water quality and water service. The community satisfaction survey confirmed that both sewer and water services are of high importance with water quality rated as one of the most important services provided by Council. – Micromex Community Survey 2020

¹⁸ Average result for water service and water quality

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting Target
Customer satisfaction	Residential cost of water supply maintains a reasonable price point.	Typical residential water service bill based on 200kL/yr (\$/yr).	\$728/yr weighted State Median ((2022-23 Performance Monitoring Report NSW)	\$1,099/yr.	No
Compliance	Assets are designed, maintained and operated to meet legislative requirements and standards.	Number of non-compliances.	Unknown	Unknown	Unknown
Environment	Manage assets with consideration for Council's sustainability objectives.	Progress against sustainability targets.	Unknown	Unknown	Unknown
System capacity	Future demand is assessed and to be considered in future capacity requirements.	Demand is considered within asset planning processes.	5-10-10 rule restrictions would apply for no more than 5% of the time, with a probability of restrictions being required in any one year being 10% (one in 10 years). The reduction in supply would be no greater than 10%)	Process is underway.	Yes



FUTURE DEMAND

3.0 Future Demand

The environment within which an asset operates largely determines the functional requirements of the asset and rate at which the asset degrades. This environment is ever-changing due to demand pressures. Assessing demand and the future state scenarios in which an organisation is expected to be operating its assets within, will better allow it to plan accordingly.

3.1 Demand drivers

The current water system services more than 40,000 properties throughout Council's LGA. This is estimated to increase to roughly 60,000 properties by 2050, by which time the network of assets must be sufficient to sustain the growth in demand and capacity.

Changes in demand on the network is primarily driven by several factors provided in Table 9.

Table 9 Factors Driving Demand for Water Supply Assets

Demand Driver	Description
Population growth	Growth in population and size directly influences the demand for water services. As the number of residents, households and businesses grow, there is increased need for services provisioned by Council
Climate change	Changes in climate conditions will have a direct impact on water supply and resilience of existing network infrastructure in the provision of water supply. Demand may be exacerbated as unfavourable weather conditions persist, including droughts.
Primary industries	The type of industry and the activities supported that rely on heavy consumption of water can drive overall demand for water supply by Council.
Regulatory and legislative changes	Changes in regulations can either prompt changes in standards necessitating compliance of existing assets and/or a need to build new infrastructure.

3.2 Demand projection

According to projections by MidCoast Council, the population growth across the region is projected to increase from approximately 99,000 people in 2023 to 116,000 by 2036, a 18% increase over this timeframe. It is projected that the population serviced by Council's water and sewer infrastructure will grow by an estimated 48% by 2051.

Figure 7 illustrates the projected population, depicted by the blue columns and the annual change rate, depicted by the yellow line. As demonstrated, the population will experience a steady increase in growth over the next 10 years, however the pace of growth is anticipated to gradually decline, which is attributed to factors such as interstate migration and changes in demographics.

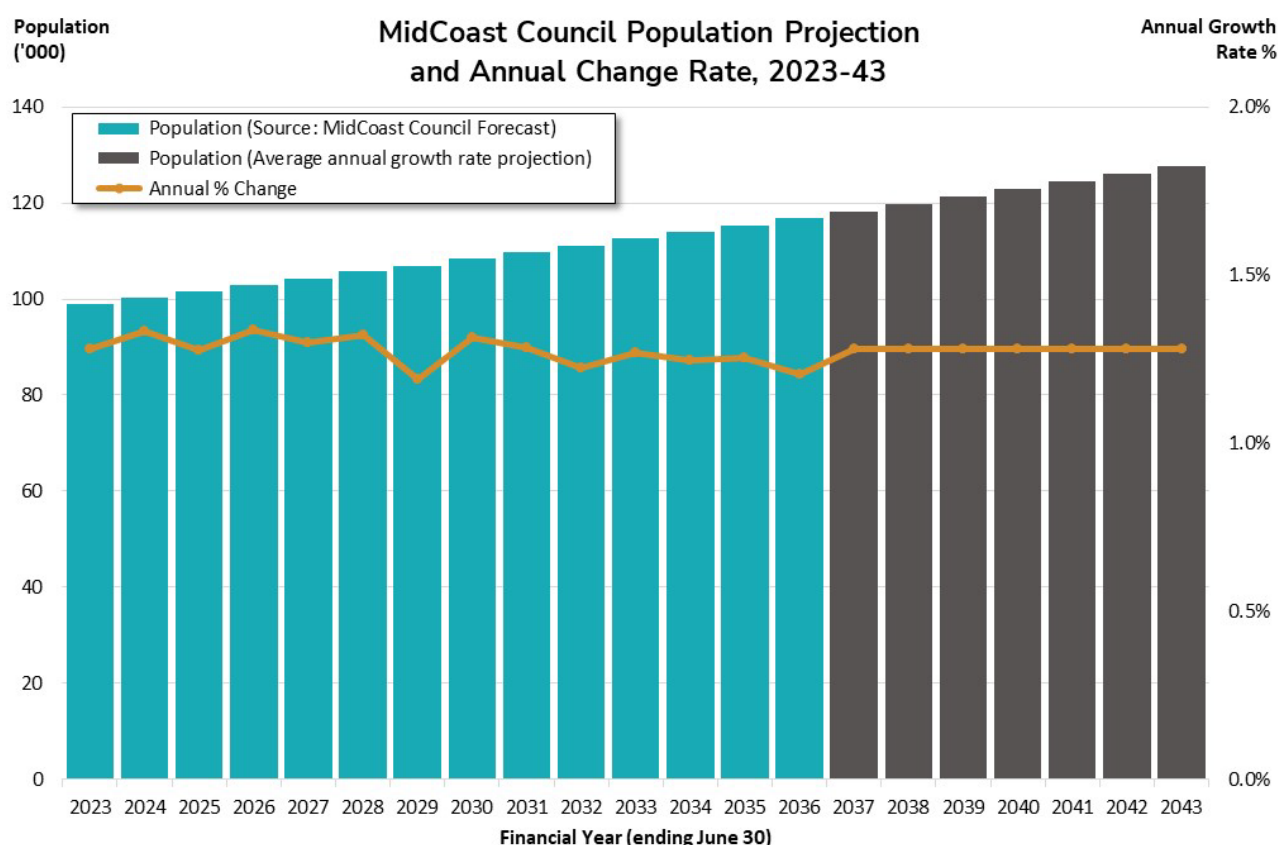


Figure 7 MidCoast Council Population Projection

3.3 Demand impact and demand management plan

The demand for water supply services across the MidCoast Council is subject to change over time, influenced by various factors. Table 10 outlines the relevant driving factors, the implications for Council's management of assets and the potential management response to these challenges.

Table 10 Key Demand Drivers and Implications for Demand Management

Key Demand Driver	Demand Impact	Management Response
Population Growth	Asset operating at maximum capacity, with inability to accommodate increased throughput to water supply network. Increased maintenance and service requirements. Council anticipates further growth in the community and certain challenges in its management of delivery of water supply as increased pressure on water infrastructure may continue to grow in line with expected population growth.	Asset acquisition and expansion to water supply network (increased capital requirements).

Key Demand Driver	Demand Impact	Management Response
Changes in Climate Conditions	Council has highlighted in its IWCM that another key driver of water infrastructure assets is climate uncertainty and unpredictability. As the existing infrastructure is reliant on the climate as a source for water, changes in climate conditions will have a direct impact on water supply. Reduced water supply poses certain challenges in meeting current demand, exacerbating pressure on existing infrastructure. Management of water supply and the resilience of the existing network is fundamental to ensuring continued supply to meet current and future demand.	Expansion to water supply network. Investment in climate-resilient infrastructure and or assets (to be consistent with NSW net zero objectives). Investment in alternative sources of water supply infrastructure or assets.
Industrial Practices	As highlighted in the Local Strategic Planning Statement ¹⁹ , prominent industries in the region are agriculture, oyster farming, forestry, and mining. Demand for water supply may be driven by these industries and practices.	Predictive maintenance. Optimisation of asset utilisation. Periodic condition assessments.
Regulatory and legislative changes	These changes can also impact the way in which services are delivered by Council and therefore impact demand for Council's provision of water services and assets.	Periodic audits and assessments. Implementation of best practice asset management planning, compliance and adherence.

3.4 Asset programs to meet demand

The Council will continue to manage current and future levels of demand for water supply through its management of its existing assets to either upgrade or renew. The Council has an adaptive plan²⁰ to address demand challenges in future. These include:

- **Peg Leg Creek Off-Stream Storage:** this pathway includes the potential of identifying a second storage option for the Manning Scheme.
- **Off-stream storages:** this option considers options for concrete storage that will be located on a plot of land at three potential locations including Bulahdelah, Gloucester and Stroud.
- **Purified Recycled Water:** this pathway considers the use of a water treatment facility and technology to purify waste water for drinking water.
- **Exploration of Groundwater:** another option considered in the plan is the exploration of an aquifer to pump out groundwater that will be treated and redistributed.

¹⁹ Local Strategic Planning Statement, MidCoast Council, 2020.

²⁰ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

Council also considers further opportunities to be:

- The increased use of recycled water for public space and irrigation and agriculture purposes
- Potential generation of green energy such as hydropower or solar at key sites

3.5 Climate change adaptation

Council's Climate Change Strategy²¹ identifies potential risks to the operation of its assets including extreme weather conditions such as heat, storms and flooding, bushfires, droughts and sea level rise. In recognising these risks to the management of its assets, Council has considered incorporation of key day-to-day activities to address these risks including:

- Considering the impact of sea level rise in review of land and develop planning.
- Sourcing alternative power supply options to ensure non-interruption to services.
- Improvement to emergency response planning and enabling knowledge sharing and decision-making during emergencies.
- Further opportunities also include the use of solar panels on critical assets and pumped hydropower.

Council is committed to achieving Net Zero by 2040 and ensures any measure taken to respond to changes in demand and climate change is progressing towards its renewable energy targets. Actions highlighted in the Asset Management Strategy to reduce Council emissions and the impacts of climate change include:

- Larger investment in renewable energy
- Becoming more energy efficient
- Sequestering carbon
- Transitioning to more sustainable transportation options
- Reducing waste to landfill

²¹ MidCoast Council Climate Change Strategy, 2021



RISK MANAGEMENT PLANNING

4.0 Risk Management Planning

The application of a risk-based approach to asset management allows an organisation to manage its exposure to potential and residual risk in a cost-effective manner to drive better business decisions. Risk information is used to categorise the criticality of particular works in relation to its ability to mitigate hazards that have the potential to interfere with service delivery.

This section refers to the risk management framework which is used by Council to assess its asset related risks and presents the suitable actions necessary to mitigate those risks which have been identified as significant, through the development of this AMP.

4.1 Critical assets

Critical assets are recognised as those where failure would create significant impact on Council and its ability to meet agreed service levels to the community / customers.

A criticality assessment workshop was held in consultation with relevant internal asset stakeholders. The workshop assessed individual assets against a Consequence of Failure (COF) and Likelihood of Failure (LOF) criterium. This assessment assigned a criticality rating for specific water assets. The assessment included the following asset groups:

- Water Treatment Plants (WTP)
- Dams, Reservoirs, Bores
- Water Pump Stations (WPS)
- Communication Infrastructure (COT)

Further assessment of critical components within each of the above asset groups will be undertaken with the review of Council's Asset Management Strategy due for completion June 2025. However, during the criticality workshops the following components were identified as critical for overall operations and continual service delivery:

- Switchboards
- Large Pumps

The facilities and assets which are highlighted above as critical are ranked highest in priority order within the entire water portfolio. This approach ensures any and all works (maintenance and renewals) against these assets are scheduled first in the works list. By doing so, the allocation of limited resources will firstly ensure the highest criticality assets are treated first before those with a lower impact on the overall operation of the water infrastructure and service

Water reticulation and provision of potable drinking water to the communities within MidCoast Council LGA is recognised as one of the critical services managed by Council. These assets have been individually assessed and assigned a criticality rating by a separate process facilitated through a Satellite AI program (Rezatec Satellite AI) which allows for the prioritisation of renewal works.

The methodology for assessing critical assets applies Council's Risk Management Framework²², to determine the consequence of failure against the seven organisational and operational categories. The criteria for assessment is provided in Table 11, with the complete Risk Management Framework provided in Appendix C.

Table 11 Risk Consequence Criteria

Risk Categories What could be the consequences if the risk occurs?		Consequence Rating				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Severe 5
Organisational & Operational	Financial Risks that have a financial impact on the organisation (revenue, expenses, assets, liabilities, reserve)	Negligible financial loss < \$10,000	Minor financial loss \$10,000 - \$100,000	Substantial financial loss \$100,000 - \$500,000	Significant financial loss \$500,000 - \$3million	Major financial loss >\$3million
	Worker health & wellbeing Risks that impact the health and safety of staff, as well as contractors & volunteers	Insignificant injury; no first aid required; no impact on staff morale / performance	Minor injury; first aid required; minor impact on individual staff morale / performance	Injury or illness requiring medical attention; several days leave; short term impact on staff morale / performance	Long term illness or injury; extensive medical attention and leave required; medium term impact on staff morale/ performance within multiple business areas	Fatality; permanent disability; illness or disease; long term impact on staff morale/performance across organisation
	Public health & wellbeing Risks that impact the health and safety of the community	Insignificant injury; no medical treatment required	Short term isolated incidents of illness or injury; first aid required	Medium term illness or injury; medical attention required; health impacts in single Council locality	Long term illness or injury; long term medical attention required; health impacts in multiple Council localities	Fatality; permanent disability; illness or disease; widespread health impacts across LGA
		Water & sewerage operations				
	Service delivery & infrastructure Risks that impact the ability to deliver internal and external services (includes assets and technology)	Results indicating poor performance leading to non-conformance. No effect on public health	Some customers (neighbouring households) exposed to contaminated drinking water	Customers in multiple streets within a suburb/town exposed to contaminated drinking water or sewage	Illness affecting customers in many streets within a suburb/ town attributable to drinking water contamination or sewage exposure	One or more fatalities and/or a widespread illness (multiple suburbs/towns) attributable to drinking water contamination or sewage exposure
		Isolated, insignificant impact on service delivery; minimal inconvenience to customers	Short term minor impact on service delivery; some inconvenience & customer dissatisfaction	Medium term disruption to delivery of several services; moderate inconvenience & increased customer dissatisfaction	Long term disruption to delivery of several services, incl. some key services; significant inconvenience & high level customer dissatisfaction	Ongoing inability to deliver key services; widespread customer dissatisfaction; threat to viability of organisation
	Compliance Risks that impact compliance with legislation and regulatory requirements	Water & sewerage operations				
		Continuity of supply; disruption to an individual customer for 4 hours; OR Continuity of operations: insignificant and/or short term (days) effects on an element of operations	Continuity of supply; disruption to multiple customers (approx. 20 neighbouring households) for 4 hours; OR Continuity of operations: minor and/or short term (days) effects on an element of operations	Continuity of supply; disruption to <5% of customers (many streets) for 4 hours; OR Continuity of operations: moderate and/or short-medium term (weeks/months) effects on an element of operations	Continuity of supply; disruption to <5% of customers for 4 hours; OR Continuity of operations: major and/or medium term (weeks) effects on an element of operations	Continuity of supply; disruption to >5% of customers for 4 hours; OR Continuity of operations: Long term (months) effects on an element of operations
	Environment Risks that impact the natural environment	Isolated non-compliance of minimal significance; minor fine; internal staff warning	Minor breach of legal obligations; improvement notice; minor fine / penalty	Substantial breach of legal obligations; adverse finding; substantial fine / penalty	Significant breach of legal obligations; adverse finding with long term significance; significant fine / penalty	Major breach of legal obligations; adverse findings against Council and / or individuals; major fines or penalties (>\$1mil); possible imprisonment; dismissal of Council
	Reputation Risks that impact Council's reputation in the community and media, as well as with the government	Insignificant, immediately reversible impacts on the environment	Limited short to medium term, quickly reversible impacts on the environment	Potentially significant medium term reversible impacts on the environment	Severe, medium to long term potentially irreversible impacts on the environment	Critical, long term irreversible impacts on the environment
		Isolated complaints from members of the community; one off insignificant enquiries from local media and/or on social media	Minor unfavourable local and/or social media attention; heightened concern and criticism from narrow group/s within the community	Short-term adverse local and / or social media attention; moderate community dissatisfaction; potential government agency concern	Significant adverse local / state media attention; public outcry and community dissatisfaction across multiple Council localities; potential government agency enquiry	Sustained adverse local, state and/or national media attention; severe widespread dissatisfaction and loss of community trust; potential loss of Government support & adverse intervention

For the purposes of developing this AMP, criticality has been assessed at the facility level across the major asset groups. As a continual improvement, Council will assess criticality at the asset sub-category level for a more targeted prioritisation of works in the capital expenditure schedule.

²² MidCoast Council Risk Management Framework, 2021

4.2 Risk assessment

Council has assessed risk in accordance with its Risk Management Framework (Appendix C). Risk considers both the consequence and likelihood of an identified risk event. An internal workshop with relevant stakeholders of the water infrastructure was undertaken to assess risk at the facility level. Further workshops are to be completed by Council for a more granular assessment of risk. Risk information is used to inform the prioritisation of all works which are associated within a facility or asset which has been assessed as significant.

In addition to the asset specific (asset failure) risks, several operational and planning risks have been captured from Council's Operational Risk Management Report²³, to provide a holistic view across risk for the water asset portfolio.

A summary of the significant asset specific risks (those with a rating of 'High' or 'Extreme') is provided in Table 12. The residual risk ratings consider current mitigation strategies in place to address the inherent risk.

Table 13 provides a summary of the significant asset related operational risks. The complete register of these risks can be found in the Risk Management Reports respectively.

Table 12 Significant Asset Specific Risks

Risk Category	Risk Description	Residual Risk Rating
Asset/Facility Failure	BO WTP 01 - Water Treatment Plant	High - 12
Asset/Facility Failure	GL WTP 01 - Gloucester Water Plant	High - 12

The full register of asset related risks can be viewed in more detail in Appendix D.

Table 13 Significant Asset Related Operational Risks

Risk Category	Risk Description	Residual Risk Rating
SCADA	Inadequate management, advancement and implementation of SCADA strategy and security	High - 10
Planning and Assets	Planned renewal and capital works cannot be delivered in accordance with program and strategies not achievable	High - 10

²³ Operational Risk Profile – Risk Management Report, v 3.0, 2024 (Last updated November 2024)

Several organisational response strategies are applied by Council to manage both the likelihood and consequence of identified risks. A summary of these mitigation strategies is provided in Table 14.

Table 14 Risk Mitigation Strategies

Mitigation Strategy	Description
Asset renewal or refurbishment (capital works)	Works to renew, replace or refurbish assets that are likely to fail can help mitigate the risks to service levels. Undergoing asset condition inspections to identify required works.
New assets or asset enhancement (capital works)	Works designed to enhance the capacity of assets can help mitigate risk to future service levels. I.e., assets in its current state will result in service failures due to increasing capacity requirements.
Maintenance (operational)	Planned and preventative maintenance strategies maintain assets in a state of good repair. This helps to keep the risk of asset failure low and enable Council to meet its levels of service (LoS) and legislative requirements.
Operational procedures (operational)	Operating procedures provide protocols on how assets should be operated to maximise the life of the asset and maintain acceptable levels of risk. Following operating procedures reduces the risk of asset failure and non-compliance with legislative requirements.

4.3 Infrastructure resilience approach

The MidCoast Council region has faced several climate related challenges detailed in Section 3.5. Council also faces several social changes such as urban sprawl, population growth, pollution and the loss of biodiversity. All of which contribute to the adaptive capabilities and pressures on the water network.

Establishment of proactive strategies to manage the resilience of the infrastructure is essential. Council has taken an adaptive planning approach that is intended to build flexibility and enable ease of change. This approach is detailed in Figure 12 of Council's IWCM²⁴. The diagram maps out Council's preferred strategy alongside trigger points that connect to alternative scenarios that can be adopted if the preferred points in the strategy are no longer feasible.

4.4 Service and risk trade-offs

Effective asset management balances the trade-off between the organisation's required levels of service and tolerance for risk to ensure benefits are maximised with the resources available. Ensuring optimal balance between such factors within the constraints of resources means inherent trade-off to service and or risk. The implications are summarised below.

²⁴ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

4.4.1 What we cannot do

Council is unable to significantly reduce service levels due to its authority as a Local Government entity, responsible for providing essential services to the community. The confines of labour and financial resource availability may limit Councils ability to deliver the full schedule of works and future developments it outlines in the IWCM.

4.4.2 Service trade-off

Access to sufficient resources to carry out the required works for maintenance and operations of the water infrastructure assets is critical to sustained service delivery. Where works cannot be carried out due to limitations in resources, this may result in trade-off to the service capability, and the consequences that may occur include:

- Reduced water quality
- Increased downtime of the service
- Increased time to complete required works
- Increased staff fatigue
- Adverse effects to health of workers
- Increase to costs of replacements
- Longer lead times for procurement of materials and assets
- Infrastructure deterioration
- Reduced capacity to meet community needs and expectations.

4.4.3 Risk trade-off

Inability to carry out the required works due to constraints in resources can lead to further escalation of existing risks and or result in risks exceeding the tolerance of Council. Response strategies to excessive risk may impact the standard of service.

LIFECYCLE MANAGEMENT PLAN



5.0 Lifecycle Management Plan

5.1 Background

This section details the lifecycle management plan and Council's approach to the management and operation of water infrastructure assets to ensure they sustain required levels of service.

5.1.1 Physical parameters

The extent of Council's responsibility for its water network includes all processes and assets involved from the sourcing of water to the connection point at property boundaries. As such, Council must provide sufficient notice in advance of works required on customer properties, in accordance with the timing indicated in Section 2.5.

The physical parameters around location of assets, expansion to the network and access to existing infrastructure is mostly unavoidable. That is, the sourcing locations for water and disposal locations of effluent are dependent upon the natural water systems through the Manning river and ancillary river networks.

Access to the existing infrastructure to undertake inspections and works is limited due to the bulk of the linear assets being buried, and in many cases located beneath customer and community properties. Where these parameters exist, it is more efficient and prudent for Council to reroute new sections of mains through available open routes, and leave obsolete assets insitu.

5.1.2 Asset capacity and performance

The capacity and performance of the water network, informed by Council stakeholders, currently meets the service expectations of customers. However, water storage solutions that are soon to be operating at capacity have been identified. These are highlighted in Council's IWCM²⁵, as water security is recognised as a key priority.

To ensure continuity of its service performance and anticipation of growing capacity requirements, Council provides forward planning strategies in the IWCM as detailed in Section 3.4.

5.1.3 Asset condition

Assets are expected to deteriorate at a rate equivalent to their nominal service life. Routine condition assessments help to adjust the expected condition and remaining life of these assets to that which is actually observed. The water infrastructure assets are rated in accordance with Council's condition assessment criteria provided in Table 15.

²⁵ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council, Section 6

Table 15 Council Asset Condition Matrix

Condition Rating	Description
1 – Excellent / Very Good	New or as new condition. Only planned cyclic inspection and routine maintenance required.
2 – Good	Good condition with minor defects. Minor routine maintenance along with planned cyclic inspection and maintenance.
3 – Satisfactory / Average	Average / fair condition with some significant defects requiring regular maintenance on top of planned cyclic inspections and maintenance.
4 – Poor	Poor condition with asset requiring significant renewal / rehabilitation, or higher levels of inspection and substantial maintenance to keep the asset serviceable.
5 – Very Poor	Very poor condition. Asset physically unsound and / or beyond rehabilitation. Renewal required.

Figure 8 presents the current state condition of the assets, categorised by asset group. The position of the bubble indicates the current condition (weighted by replacement cost) and percentage of service life expired, while the size of the bubble represents the relative replacement cost of the asset group.

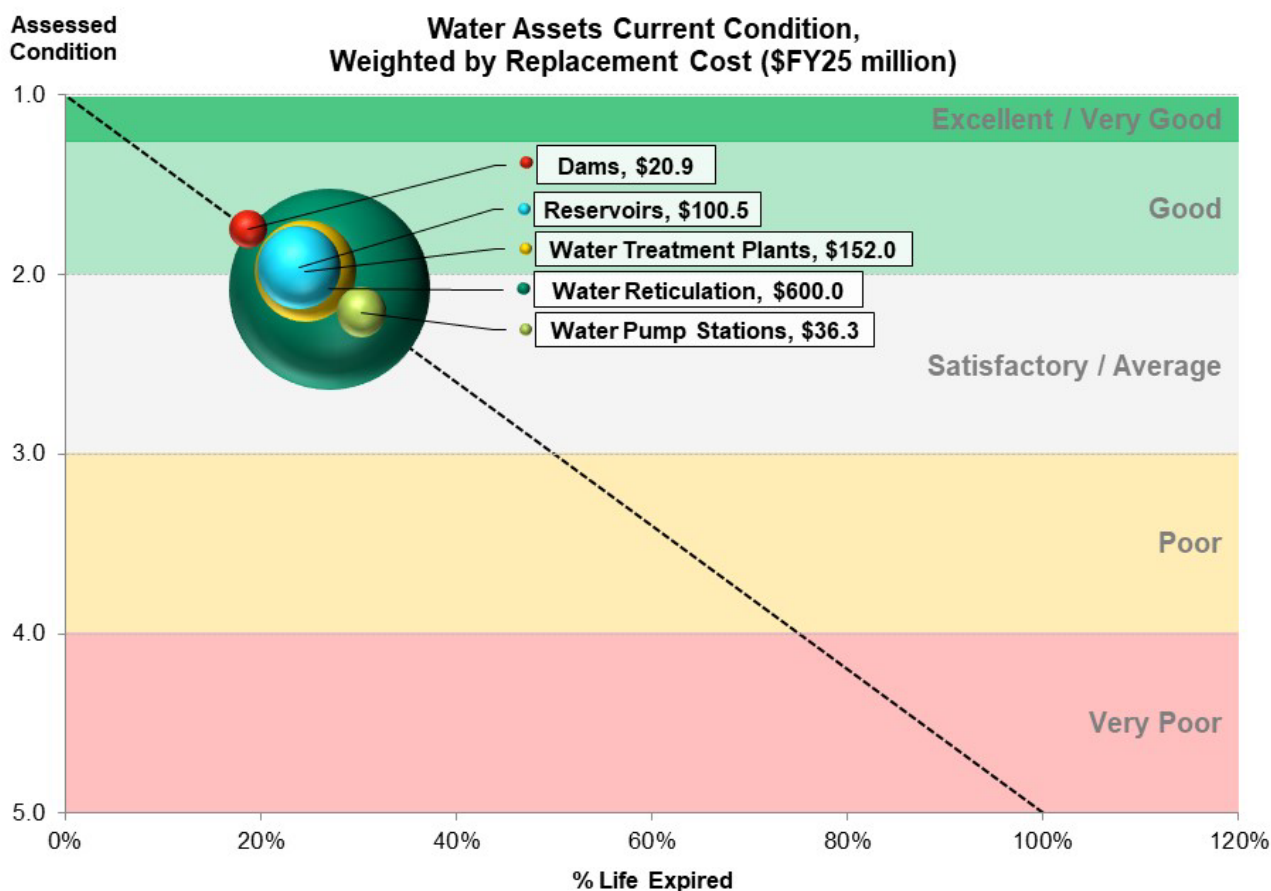


Figure 8 Water Assets Current Condition, Weighted by Replacement Cost

The dashed line presents the relationship between Council's condition ratings and the corresponding percentage of life expired for the assets. It does not represent the path of deterioration. Asset deterioration is unique for each asset type and is ideally developed using a large quantity of historical failure data to predict future asset failure. Where insufficient historical data is available to develop such curves, a standard decay curve is adopted to model an assets lifecycle. This decay curve is presented in Section 5.3.

The bulk of the water assets are in a 'Good' condition state while reservoirs have been assessed as 'Satisfactory', however are relatively long-lived assets and do not require immediate investment. This condition is considered to be acceptable for managing the level of risk Council face for potential asset failure and can be managed through routine maintenance and capital planning.

Condition data and the associated valuations for each asset group has been sourced from the water assets register²⁶.

5.2 Lifecycle management approach

5.2.1 Prioritisation

Asset renewal timings are scheduled according to the criticality of the assets. A description on how criticality is calculated is provided in Section 4.1.

Unplanned works are scheduled in line with Section 5.3.2, then assigned a priority rating in line with the risk rating of the works. In addition to this, where unplanned works have the same priority rating as asset renewal works, the unplanned works will take priority.

This logic is used to provide a schedule of prioritised works containing both asset renewals, such as refurbishments or replacements, and unplanned works.

In an unconstrained budget model, all projects are expected to have the necessary funds available according to the specified timeline they are scheduled to occur. This model assumes no budget limitations are in place and all works can be completed as and when they occur in the cycle.

In a constrained budget model, projects are scheduled based on their priority, with the highest priority projects scheduled first each year within the allocated budget. Projects that exceed the available budget are rescheduled for the following year and reassessed along with that year's scheduled projects, in terms of priority.

This process applies across the entire projection period. As a result, a backlog of projects that cannot be scheduled due to budget constraints is generated, serving as the capital shortfall.

5.2.2 Lifecycle assumptions

Lifecycle optimisation for discreet assets (valves, pumps, equipment, etc) is done by timing renewals considering asset criticality. Critical asset renewals are scheduled ahead of their expected end-of-life, while non-critical assets are scheduled at or beyond expected end-of-life as these assets can afford to be run to failure.

For linear assets (mains, electrical cabling, etc) such as water reticulation, it is more realistic to adopt an ongoing rolling program of works for the replacement of sections of the network. By adopting this approach year-on-year, replacements will trend towards a steady state of repair.

²⁶ Councils 2023-24 Water Assets

5.3 Asset lifecycle plan

This section defines the activities which occur over the lifecycle of the assets. These definitions are further defined in Section 9.1.

Assets may last longer or degrade faster than expected, due to influencing factors such as duty factor, operating conditions, maintenance upkeep and the local environment. Inspection of asset condition at regular intervals will help to confirm or adjust this condition expectation and therefore enables re-assessment of the asset's remaining useful life, which may in turn affect asset renewal planning and funding requirements.

It should be noted that an asset renewal can be triggered by performance, beyond simply the condition of the assets. This would occur, for example, if the minimum service level was increased and the existing assets, despite being in a good condition, can no longer meet the service requirements. At present, condition is representing performance, however this could change in the future if Council was to adopt new levels of service and performance standards.

Figure 9 below provides an example of how condition is used to adjust the remaining useful life of an asset. The blue curve shows the expected deterioration of the asset, which has a nominal service life of 30 years. At 35 years, industry experience suggests that the asset would be expected to be in condition 4.5, beyond useful life. If the asset is inspected and assessed to be in a condition state closer to 3 (as the green box indicates), the implication is that the asset is deteriorating less quickly than expected. The remaining life would therefore be adjusted so that the asset reaches end-of-life at 44 years instead of 30.

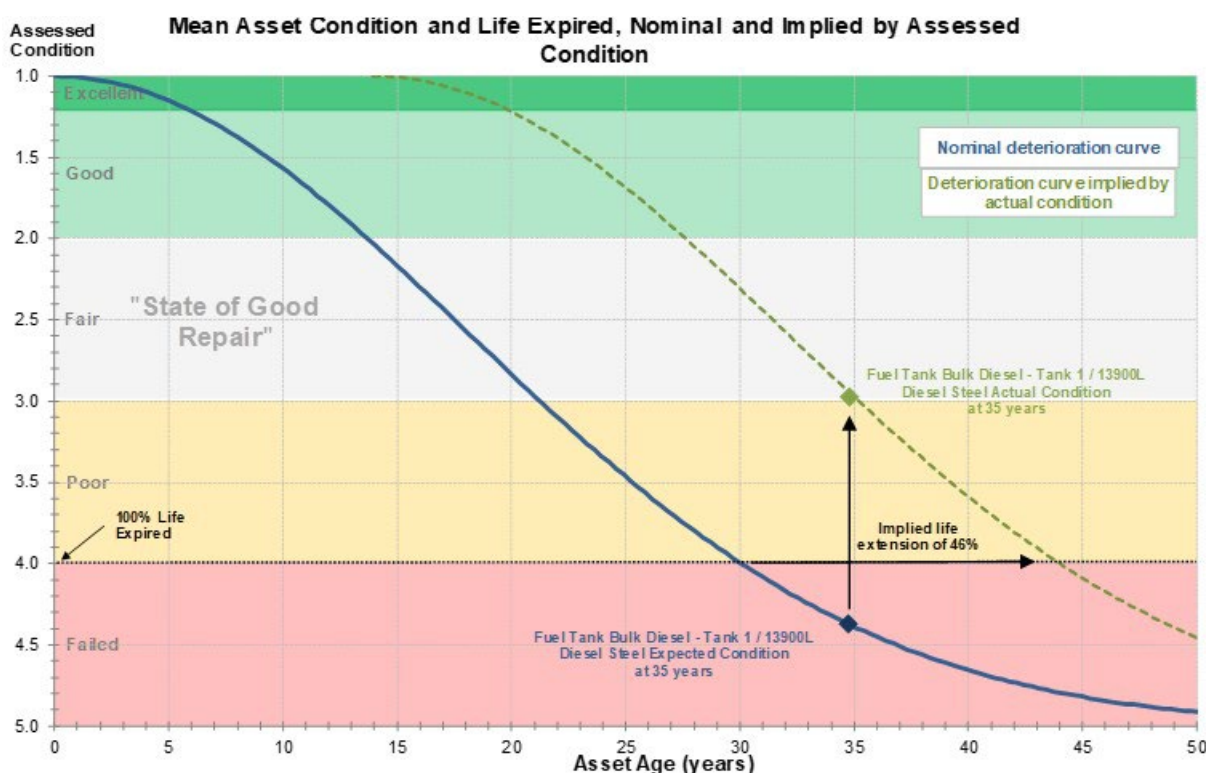


Figure 9 Asset Condition and Life Expired (Example)

5.3.1 Planned maintenance

Planned maintenance activities and the timing of these works are established to sustain the rate of deterioration of the assets while mitigating risks to service levels. Intervals between planned maintenance activities are often informed by standard practice to align with compliance requirements, and typically detailed in a Maintenance Strategy. Planned maintenance activities summarised in this AMP are not specified on a location basis, and provided in Appendix B.

Detailed maintenance schedules specific to each facility location can be found in the MCC PM Schedules²⁷.

5.3.2 Unplanned maintenance

Unplanned maintenance works respond to unexpected asset failures, to return the assets to an adequate state of repair and reduce the risk of condition related incidents. Unplanned works are completed as and when identified if the cost of repair and resources are readily available. Where unplanned works require unavailable resources or are of large scope, they will be scheduled for renewal.

5.3.3 Asset renewals

Renewal of water infrastructure assets involves refurbishment or replacement of failed assets with assets that are of equivalent capacity, or in some instances with upgrades to deliver the required service. Identification of assets for renewal is achieved through regular inspections and maintenance, whilst development of renewal plans is based on service levels, asset criticality, conditions, and risk.

Several significant capital works are scheduled to occur over the next 10-years and presented in Table 16. These works are sourced from the 30-Year planned capital projections schedule of projects and considers significant works as those with a capital value greater than one million dollars and a scope exceeding one year. A more detailed schedule of works which aligns with the capital projections provided in this AMP is included in Appendix A.

²⁷ Current PM Schedules - Water

Table 16 Significant Capital Works (\$FY25, '000)

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Water Reticulation	GE-WRT-00 Renewals Program (400134 - Water Mains - Renewals)	2,062	3,583	5,010	5,022	6,367	4,697	4,975	4,975	5,323	5,323
Water Reticulation	GE Smart Meter Installation Program	77					1,547	1,547	1,547	1,160	1,160
Water Reticulation	HR-WRT Replacement		1,005	1,508							
Water Reticulation	HR-WRT-00 Harrington Rd to Coopernook Res. (Lansdowne Main Augmentation)	516									
Water Reticulation	WG-WRT-00 Wingham Res to Bungay Res				1,186						
Water Treatment Plant	GE-WTP-00 Renewals Program	258	2,833	2,709			2,833	2,833	2,833	2,678	2,472

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Water Treatment Plant	GL-WTP-01 Upgrade/ Replacement			124	2,887	2,887					
Reservoir	GE-RES-00 Renewals Program	928	244	930		79	785			1,625	1,625
Reservoir	GL-RES & WRT Upgrade										
Reservoir	FO-RES-02 Forster Reservoir major works				1,650	516					
Reservoir	NA-WTP-01 Napiac WTP Reservoir 1 major works					1,031					
Reservoir	WG-RES - Wingham Reservoirs Combined - additional 14 ML required - 2031							1,392	1,392		

5.3.4 New assets

New assets, created or acquired, are to be made in accordance with Council's *Procurement Policy*²⁸ and relevant NSW government procurement legislation. Future capital projects pertaining to development or installation of new assets are captured in Council's IWCM. These asset acquisitions are detailed in Table 17.

The schedule of new assets expecting acquisition or creation over the next 5-years has been sourced from the 30-year planned capital projections²⁹. Several programs of work transposed into Table 17, have allocated a percentage of the overall project value towards new assets. For this reason, project details which denote a 'replacement' or 'renewal' consider only the percentage which is aimed towards new assets.

Table 17 New Assets – 5-Year Schedule (\$FY25, '000)

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29
SCADA & Electrical	CM-COT-01 Comboyne Communication Tower New	129				
SCADA & Electrical	GL-COT-01 Asset Acquisition		52			
Dams, Weirs & Aquifers	Peg Leg Creek Dam	108	1,547	928	928	309
Dams, Weirs & Aquifers	Gloucester Off River Storage	93				
Dams, Weirs & Aquifers	Bulahdelah Off River Storage - 100ML	93				
Water Reticulation	GE-WRT-00 New Mains (400133 - Water Mains - New or Extensions)	309	309	309	309	309
Water Reticulation	GE-WRT-00 Water filling stations	412	412			
Water Reticulation	HR-WRT Replacement		335	503		
Water Reticulation	TA-WRT-00 Figtree on Manning New Main & Pioneer St/Bligh		516			
Water Treatment Plant	GL-WTP-01 Upgrade/ Replacement			93	2,165	2,165

²⁸ MidCoast Council Procurement Policy, 2019

²⁹ 30-Year CAPEX Projects, October 2024

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29
Water Treatment Plant	NA-WTP-01 Stage 2A	4,511				
Water Treatment Plant	TG-WTP-01 Tea Gardens WTP - Stage 2 Upgrade				2,062	2,062
Water Pump Stations	GL-WPS Jacks Road PS relocation & upgrade		21	82	41	
Water Pump Stations	KO-WPS-01 Kolodong Pump & Electrical Upgrade & Renewals	21	144			
Water Pump Stations	LC-WPS-01 Lantana Crossing to future Four Mile Reservoir (2026)			1,176		
Water Pump Stations	NA-WPS-00 Nabiac Borefield Stage 2B	3,196				
Reservoir	KO-RES-03 - duplicate reservoir 9 ML -prior to 2031					2,268
Reservoir	KR-RES-01 - Duplicate reservoir required 0.5ML (Krambach) - 2026		603	603		
Reservoir	Four Mile Reservoir - new reservoir (~10 ML)				3,866	3,866
Reservoir	Irkanda Reservoir No. 02 - duplicate (7 ML or 14ML for Brimbin)					3,866

The complete 30-schedule of asset acquisitions, as sourced from the most recent version of Council's 30-year planned capital works projections³⁰, is provided in Appendix E.

³⁰ 30-Year CAPEX Projects, October 2024

5.3.5 Disposals and decommissioning

Assets which are scheduled for decommissioning or disposal, are to be processed in accordance with Council's Asset Disposal Policy³¹ and NSW Treasury Guidelines for Disposals³². Assets which are currently identified by Council for decommission include:

- Decommission of Coopernook Reservoir (take offline only)
- KO-RES-01 (Koorainghat) Decommission
- Chatham (Taree) Reservoir
- Cundletown Reservoir No. 30230806
- Red Head – RH RES 01 No. 30005672
- Hallidays Point (Black Head) Reservoir No. 30230808
- GL RES 01 – Tyrell Street Reservoir Asset No. 30237299
- GL RES 02 - Ravenshaw Reservoir. No. 30237300 (will become redundant with the GL upgrade PJ)

³¹ MidCoast Council Disposal Policy, 2024

³² NSW Treasury, TPP19-07 Asset Management Policy, 2019



FINANCIAL SUMMARY

6.0 Financial Summary

Capital and operational expenditure is necessary to maintain assets as they deteriorate to an eventual point of failure. Asset interventions can be projected by using available information to model the lifecycle of the assets, which enables the organisation to proactively manage, respond and treat associated risks and continue the provision of services.

This section provides an overview of both the capital projections and maintenance projections over a 10-year period. All projections are made with the available asset data and are subject to a level of accuracy and assumptions, further defined below.

6.1 Financial sustainability and projections

Long-term financial sustainability is highlighted in Council's Strategic Business Plan³³ as a key objective for the ongoing positive financial positioning of Council funds. Since 2017, Council has actioned strategic constraints to capital expenditure for its water infrastructure, however, financial pressures persist as an ongoing concern for management of these water services.

To ensure the financial position of Council is improved over the projected time period, this plan has been developed with consideration for financial sustainability by informing budgets over the next 30-years from the processes embedded throughout the planned capital projections and IWCM. Asset renewals which are presented in this AMP are targeted to ensure costs are accurately incorporated from the 30-year planned capital projections and modelled for affordability.

6.1.1 Sustainability of service delivery

In line with the IWCM strategy, this financial plan has been developed with a focus on sustainable and cost-effective options to help Council meet the challenges of a growing population and the impacts of climate change. This considers the economic well-being of MidCoast Council as well as the environmental impact of its assets and asset management activities, and the evaluation of performance, risk and cost of the assets across whole-of-life.

³³ Water & Systems Strategic Business Plan, February 2023

6.2 Funding strategy

This AMP provides four funding strategies for both comparative and scheduling purposes. The four funding scenarios include:

Target Condition 3 – This scenario projects capital expenditure assuming that no budget restrictions are in place and assets are replaced or refurbished when required, in line with its criticality and Council's risk appetite. Under the assumptions applied in this scenario, all scheduled works are assumed to be completed on time.

Planned Budget – This scenario adopts the annual budget allocations which have been provided in the 30-year planned capex projections³⁴ across each of the asset groups. This scenario schedules works in order of priority until the annual budget is reached, at which point, incomplete works are rolled into the following year. This process is repeated until the entire projection period is scheduled. Due to the constraint in funding, a progressive backlog of works that are unable to be funded in their originally scheduled years will accumulate.

Target Condition 2 – This scenario considers Council's targeted satisfactory condition state to be sustained at a rating of 2 ('Good'). This scenario schedules works, in order of priority, with no budgetary constraints, however, lifecycle assumptions are adjusted to allow for early asset renewals to achieve a 'Satisfactory' weighted mean condition rating of the portfolio. These adjusted lifecycle assumptions are defined in Section 6.5.

Do Nothing – A 'Do Nothing' scenario is projected to establish the lower bounds for impact on the portfolio's condition, should no capital expenditure be made. The condition of the portfolio will decline under this scenario to an estimated point in time when Council can expect asset failure.

While these funding strategies are provided to inform this AMP and Council's operational requirements, it is recommended, following good practice in asset management, to maintain the water infrastructure within the condition state of 'Satisfactory / Average', which is considered the optimal amount of funding necessary to maintain the assets while still meeting service obligations.

³⁴ 30-Year Capex Projects, October 2024

6.3 Capital expenditure projections

6.3.1 Target condition 3 funding

The Target Condition 3 funding strategy assumes no budgetary or resource constraints on the ability to deliver works, as and when they are scheduled to occur, under the lifecycle assumptions described in Section 5.2.2. This strategy improves and sustains asset condition at the satisfactory condition state or a rating of 3. Figure 10 presents this funding strategy, where the dashed line represents the weighted mean condition of the portfolio post investment, and the solid line represents the weighted mean condition assuming no capital funding. Following this strategy, the 10-year total capital expenditure amounts to \$131.5 million, in FY25 dollars.

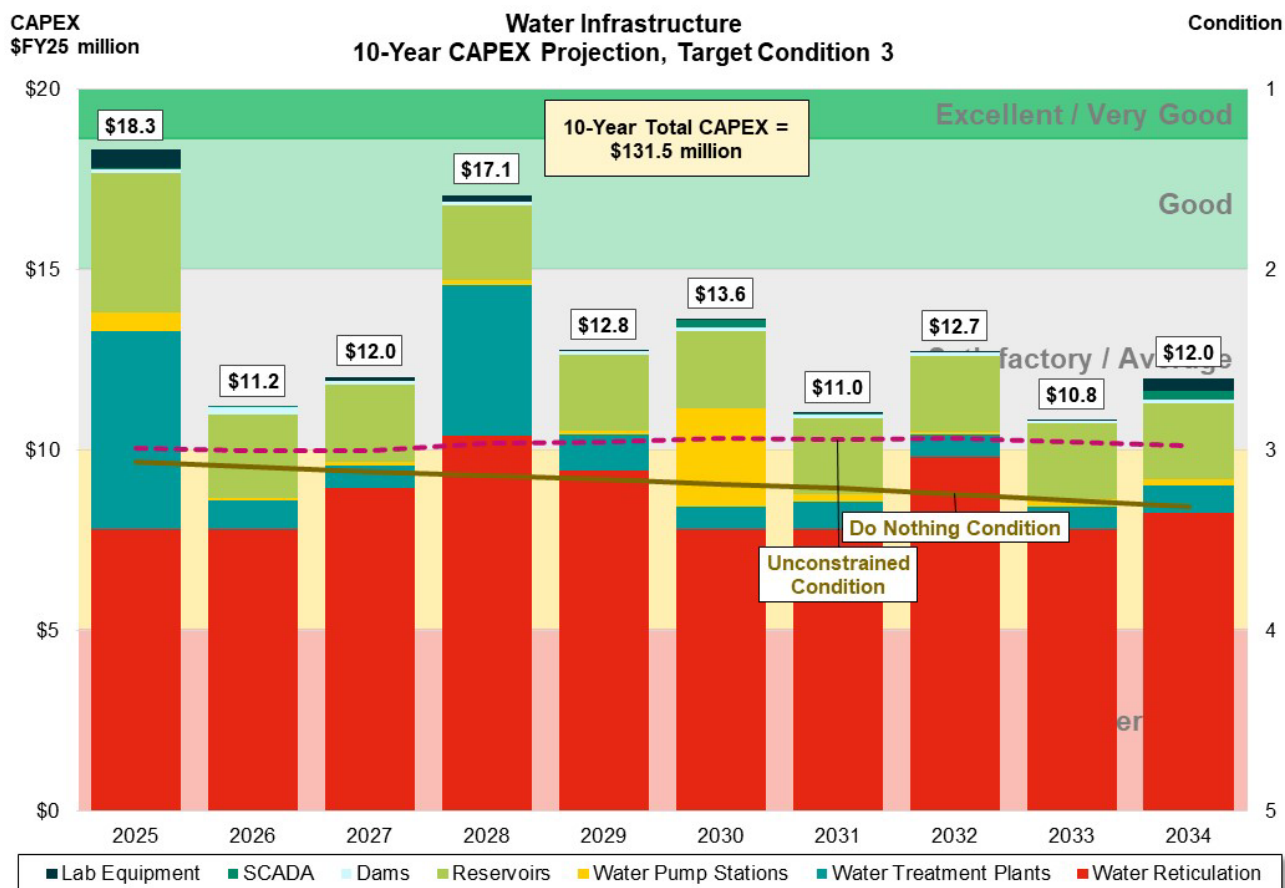


Figure 10 10-Year CAPEX Projection, Target Condition 3

The condition of the active water assets, post investment, is sustained to a 'Satisfactory' condition state. At this condition, the risk of unexpected asset failure is tolerable according to the MidCoast Council Risk Management Framework, and there should be minimal increase to operational expenditure due to unplanned maintenance.

6.3.2 Planned budget funding

Figure 11 presents the 10-year capital expenditure projections aligned with the budgets which have been modelled in the 30-year planned capital projections³⁵, applied as annual constraints. The dashed line in the figure represents the weighted mean condition of the water portfolio post investment for each year of the projection. The total expenditure of this scenario amounts to \$101 million, in FY25 dollars.

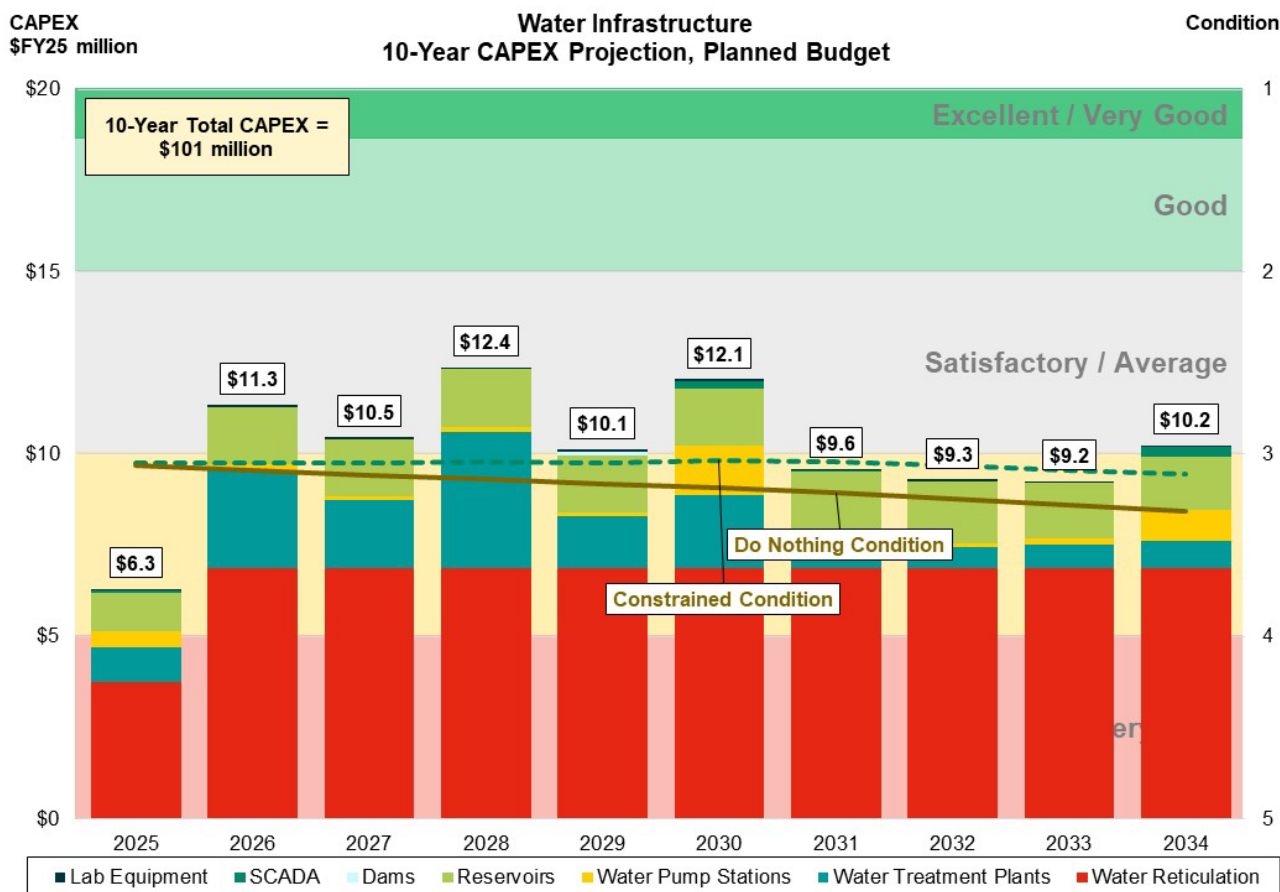


Figure 11 10-Year CAPEX Projection, Planned Budget

Despite budgetary constraints, capital expenditure is still sufficient to maintain the portfolio to a similar condition as the Target Condition 3 scenario. Best practice asset management is expected to deliver an optimal trade-off of asset-related risk (to minimum acceptable levels of service) and cost. A common target is a weighted mean asset condition sustained above 3 on the standard asset condition scale, which is generally assumed to avoid 'gold-plating' of assets (over-expenditure) but keep risk of failure at an acceptable level (the proportion of the assets projected to be in or close to an end-of-life state, being a condition rating close to or below 4 on the standard asset deterioration chart). This target is often referred to as the 'state of good repair'.

A lower level of investment than this optimum will allow the assets to deteriorate and increase the risk of failure to provide the services required, and a higher level of investment will reduce the risk of failure further. The impact of varying levels of investment is shown in Figure 17.

The complete schedule of works following the constrained planned budgets is provided in Appendix A.

³⁵ 30-Year CAPEX Projects, October 2024

6.3.3 Target condition 2 funding

The Target Condition 2 scenario assumes a capital funding profile to improve the weighted mean condition of the water assets to a condition rating of 2. To improve, and sustain, the assets to this condition rating, which aligns to Council's target condition state defined in its Asset Management Strategy, more aggressive lifecycle assumptions must be adopted, as defined in Section 6.5.

Figure 12 represents this funding scenario, where the dashed line illustrates the weighted mean condition improving towards a rating of 2 over the 10-year projection period. Total capital funding required over this period amounts to \$409.8 million, in FY25 dollars.

It is noted, however, that once the targeted condition state is reached, annual funding to sustain at a condition rating of 2 would reduce to the average annual requirement outlined in the Target Condition 3 scenario.

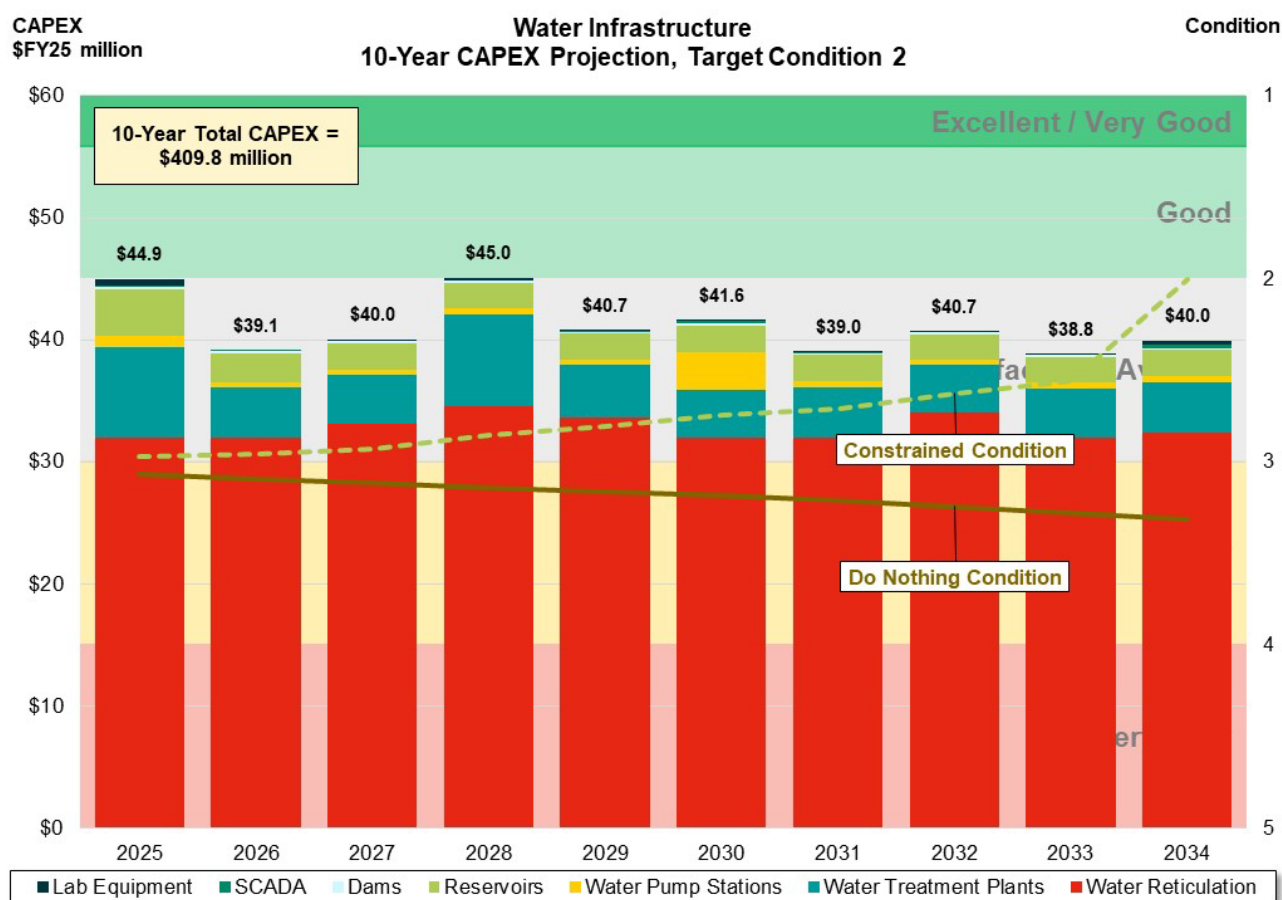


Figure 12 10-Year CAPEX Projection, Target Condition 2

While an improved condition for these assets would reduce any current level of risk for potential service failure, it is recognised as 'gold plating' for an asset class which does not necessarily require such substantial investment to sustain asset performance to the required standard. For this reason, it is recommended this scenario is better used for comparative purposes and rather adopt the funding strategy which aligns to the planned budget.

6.3.4 Infrastructure Asset Performance Indicators

The Office of Local Government (OLG) requires several prescribed performance indicators in relation to infrastructure asset management. These measures are designed to assess whether a council is maximising its return on resources and minimising unnecessary burden on the community and local businesses. This includes consideration of whether council is meeting the agreed level and scope of infrastructure for communities as identified through the Integrated Planning and Reporting process. The infrastructure asset performance indicators that will be used include:

1. Building and Infrastructure Renewal Ratio

This ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. It is an indicator of whether Council's infrastructure backlog is likely to increase. The benchmark is greater than 100%.

The renewal ratio is provided in Table 18. The renewals ratio is based on the annual capital expenditure according to the Planned Budget funding strategy. Historical values for FY24, shown in Figure 13, are sourced from Council's 2024 Income Statement³⁶.

Table 18 Water Assets Renewals Ratio

Year (FY)	Planned Renewals (\$FY25, '000)	Required Renewals (Depreciation*)	Renewal Ratio
2025	\$6,298	\$15,685	40.2%
2026	\$11,343	\$16,329	69.5%
2027	\$10,459	\$16,944	61.7%
2028	\$12,385	\$17,716	69.9%
2029	\$10,121	\$18,603	54.4%
2030	\$12,052	\$19,323	62.4%
2031	\$9,590	\$20,061	47.8%
2032	\$9,299	\$21,035	44.2%
2033	\$9,250	\$22,101	41.9%
2034	\$10,248	\$23,033	44.5%

**Required renewals aligns to, and sourced from, the Asset Management Strategy (Draft) 2024-34, Section 14.3.*

³⁶ MidCoast Council, Report on infrastructure assets as at 30 June 2024, Annual Financial Statements, 30 June 2024

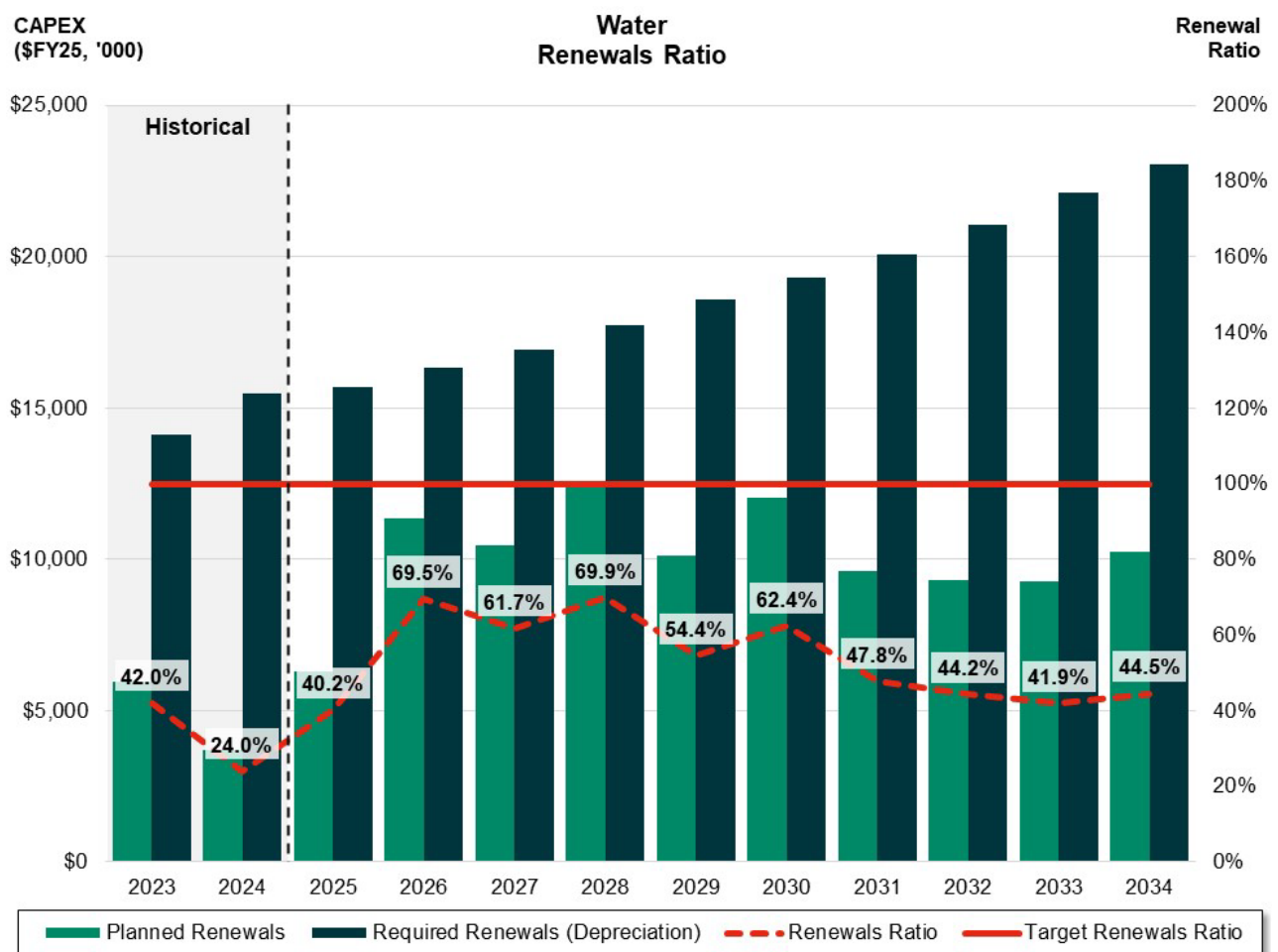


Figure 13 Water Assets Renewals Ratio

2. Infrastructure Backlog Ratio

Refer to Section 6.3.5.

3. Asset Maintenance Ratio

Refer to Section 6.4.

6.3.5 Backlog

Backlog calculations are based off the Target Condition 2 scenario funding requirements, as the current standard for condition defined by Council. Over the 10-year projection period, the Planned Budget, Target Condition 3 and Do Nothing scenarios accumulate various backlogs of work. Figure 14 presents the comparative backlog as cumulative totals, where after 10 years, Council can expect roughly \$308.7 million (FY25) in backlogged works, following the planned budget, when compared to the required capex funding to reach a weighted average condition rating of 2.

The large backlog is not necessarily required by Council to fund, considering the Planned Budget scenario sufficiently sustains the portfolio to a satisfactory condition. It is recommended that Council reassesses how it establishes target condition states across its asset classes and differentiates between long-lived, high valued assets such as the water infrastructure and those which follow a steady degradation curve and asset replacement cycle more closely. This improvement opportunity is further detailed in Table 26.

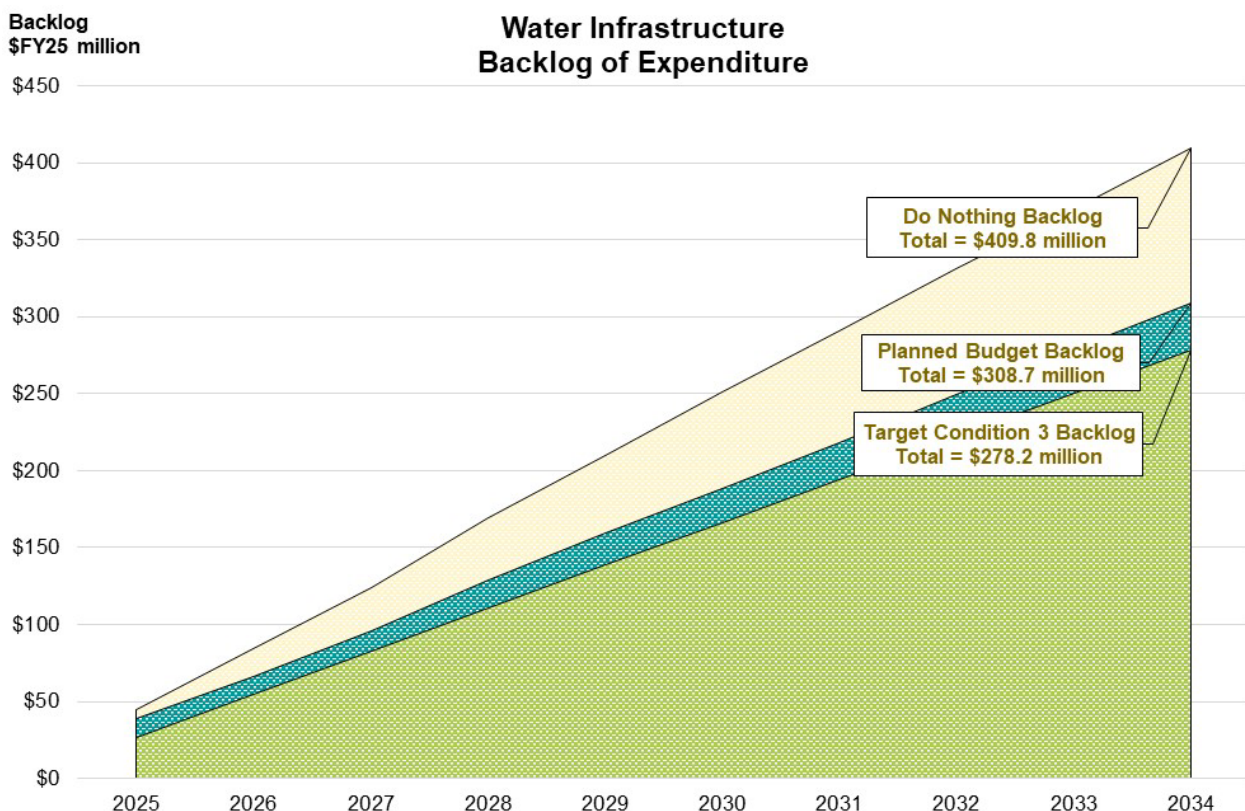


Figure 14 Backlog of Expenditure

Infrastructure Backlog Ratio

This ratio indicates what proportion the infrastructure backlog is against the total value of the Council's water infrastructure. Increasing backlogs may affect the Council's ability to provide services and remain sustainable. The benchmark is less than 2%. Table 19 presents the backlog ratio over the next 10-years based on the Planned Budget funding scenario.

The amount of capital (backlog) required to achieve Council's targeted satisfactory condition state (rating of 2) is considered the difference between the Planned Budget funding and Target Condition 2 funding scenarios.

Total value figures for the water portfolio considers the Fair Value³⁷ of the assets and is depreciated by an annual depreciation of \$15.9 million (FY25) and accounts for the annual capital investment following the Planned Budget funding scenario.

Table 19 Backlog Ratio (Satisfactory Target Condition 2)

Financial Year	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value(\$FY25, '000)	Backlog Ratio
2025	\$38,631	\$610,695	6.33%
2026	\$27,800	\$604,469	4.60%
2027	\$29,521	\$597,665	4.94%
2028	\$32,645	\$592,081	5.51%
2029	\$30,601	\$584,969	5.23%
2030	\$29,519	\$579,323	5.10%
2031	\$29,382	\$571,850	5.14%
2032	\$31,383	\$564,131	5.56%
2033	\$29,540	\$556,365	5.31%
2034	\$29,707	\$549,401	5.41%

The projected backlog ratio is presented graphically in Figure 15.

³⁷ Fair value represents the replacement cost of the assets minus depreciation. Fair value for 2024 has been sourced from Councils 2023-24 Water Assets register.

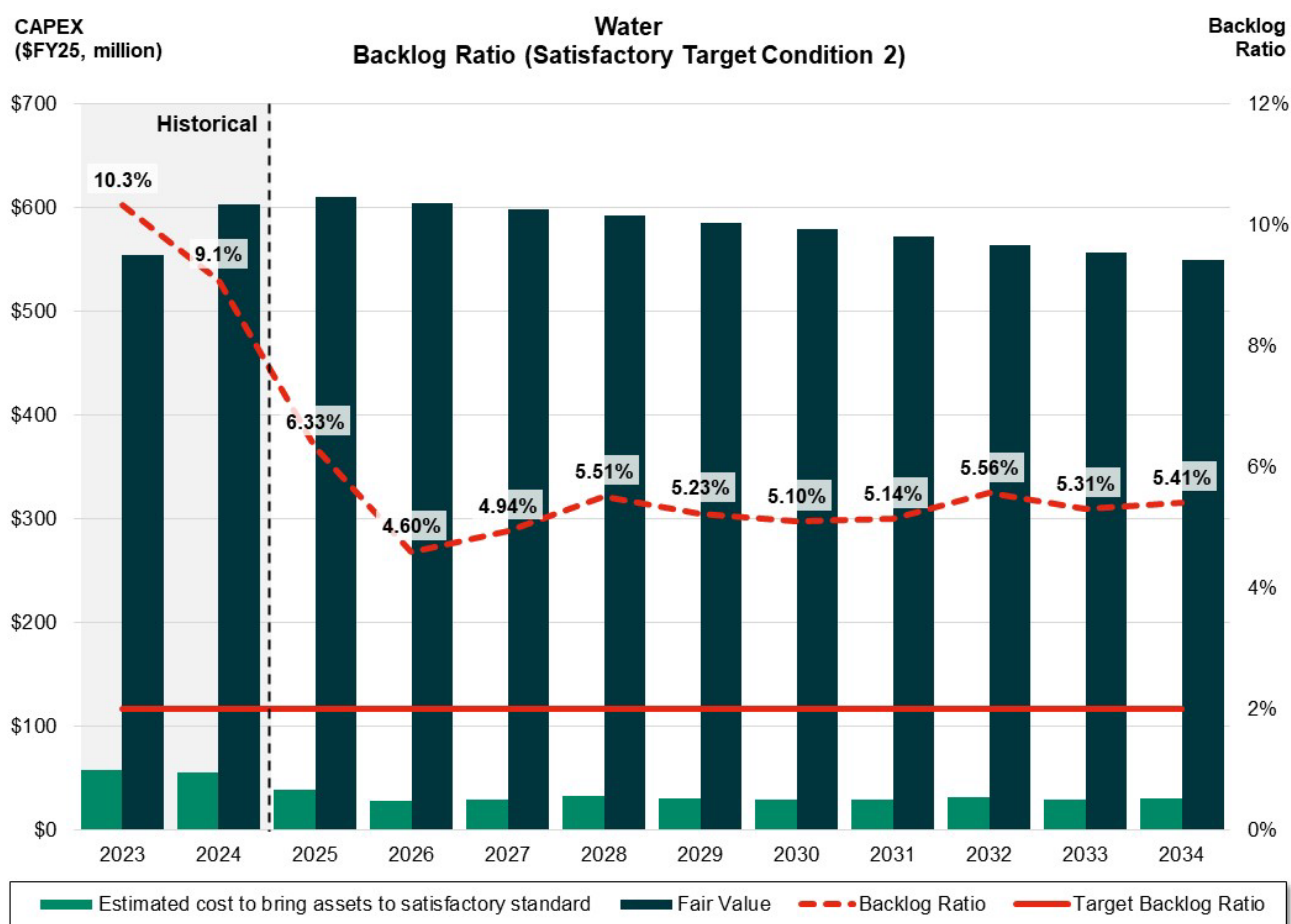


Figure 15 Backlog Ratio, Water Infrastructure (Satisfactory Target Condition 2)

Comparison of Satisfactory Condition Ratings on the Backlog Ratio

A second backlog ratio has been calculated for the purposes of comparing the impact of various target condition states for the water infrastructure. Should Council adopt the recommended target condition rating of 3, the resulting backlog ratio would reduce within the benchmark of less than 2%. The results of this analysis is provided in Table 20, and the accompanying Figure 16.

Table 20 Backlog Ratio (Satisfactory Target Condition 3)

Year (FY)	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value (\$FY25, '000)	Backlog Ratio
2025	\$12,045	\$610,695	1.97%
2026	-\$161	\$604,469	-0.03%
2027	\$1,561	\$597,665	0.26%
2028	\$4,684	\$592,081	0.79%
2029	\$2,640	\$584,969	0.45%
2030	\$1,558	\$579,323	0.27%
2031	\$1,421	\$571,850	0.25%

Year (FY)	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value (\$FY25, '000)	Backlog Ratio
2032	\$3,422	\$564,131	0.61%
2033	\$1,580	\$556,365	0.28%
2034	\$1,746	\$549,401	0.32%

Figure 16 depicts the backlog ratio considering a target condition rating of 3, against Councils benchmark of <2%.

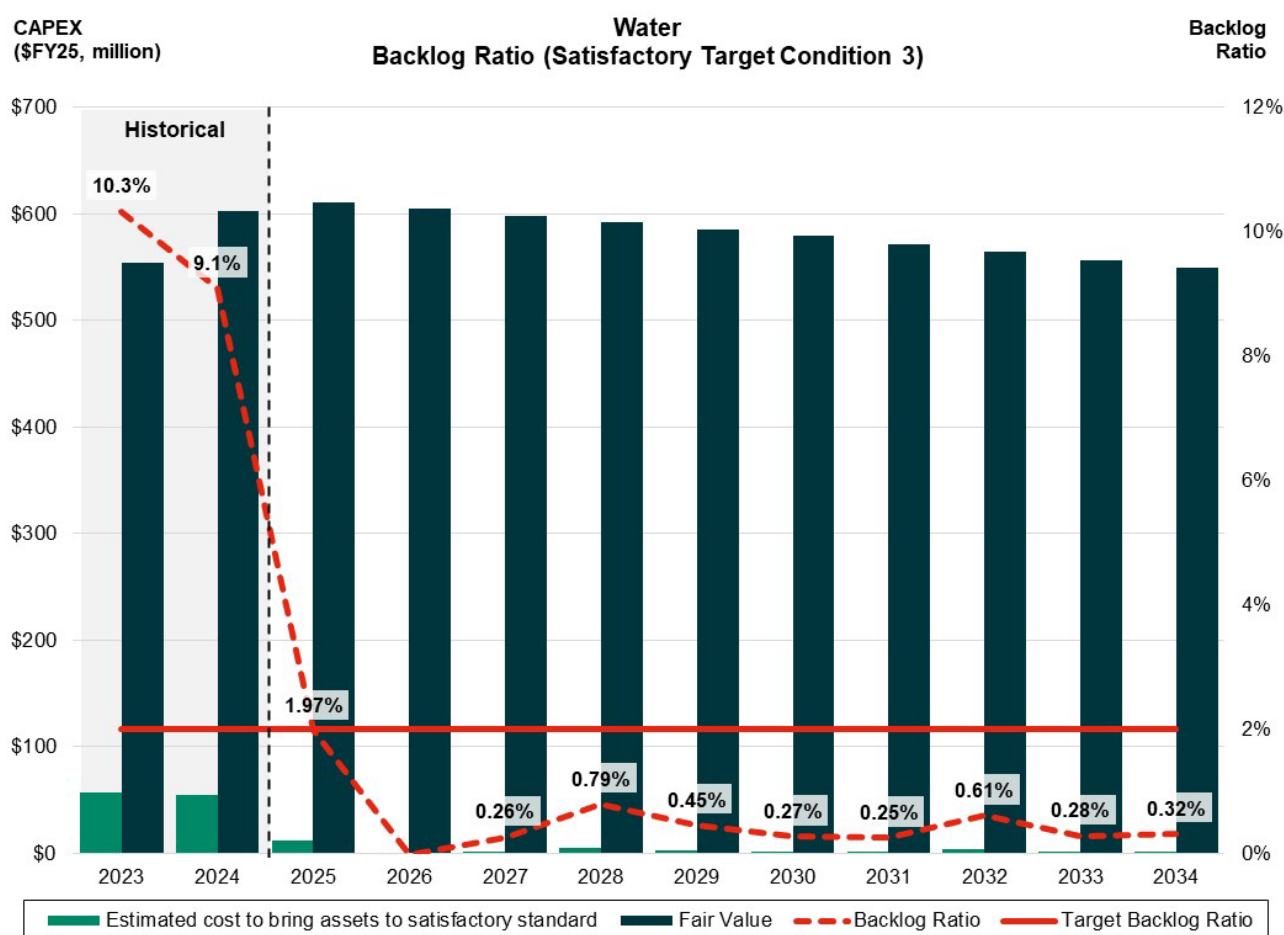


Figure 16 Backlog Ratio, Water Infrastructure (Satisfactory Target Condition 3)

6.3.6 Comparison of funding scenarios

The four funding strategies described in Section 6.2 each sustain the water portfolio to varying condition states over the period of the projection. Figure 17 provides a comparison for the impact that each funding profile has on the weighted mean condition of the portfolio.

In accordance with the Asset Management Strategy, Council have defined its satisfactory condition state to a rating of 2 ('Good'). The required capital to achieve this condition, however, is largely excessive for achieving the levels of service that are required from these assets. Following asset management standards such as the IAM and IIMM, it is recommended for Council to rather seek the funding required to sustain the portfolio to a condition state of 3 ('Satisfactory'), for a more prudent and optimal use of capital budgets.

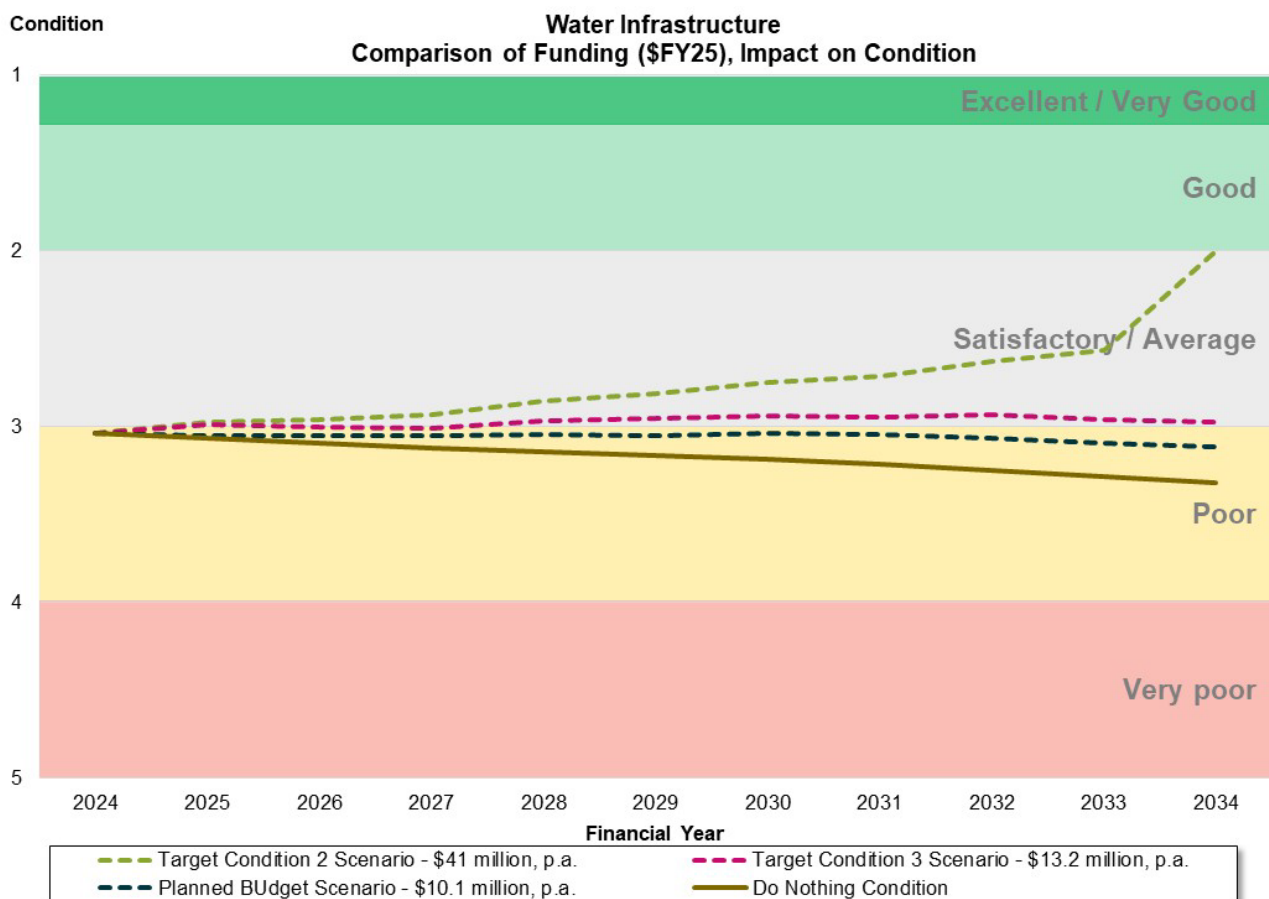


Figure 17 Comparison of Funding, Impact on Condition

Both the Target Condition 3 (dashed red line) and Planned Budget (dashed teal line) scenarios sustain the portfolio to a marginal satisfactory condition state. These two scenarios are both recognised as sustaining a mean condition state which allows the assets to provide their expected service requirements while managing a tolerable degree of risk for potential asset failures or service failure. The slightly lower condition, represented by the planned budget line, can be expected to take on a higher degree of risk. For this reason, it is recommended for Council to reassess the current condition state at routine intervals (3-5 years) to ensure the water assets do not deteriorate at a rate greater than that which is projected in these modelling outputs. The annual mean capital required to achieve Target Condition 3 funding, amounts to \$13.2 million (FY25), whereas the Planned Budget scenario would require roughly \$10.1 million, averaged annually in FY25 figures.

The 'Do Nothing' scenario provides a lower bound of asset condition, demonstrating the deterioration rate of the portfolio should no capital investment be made. This scenario (solid brown line) illustrates a slow rate of deterioration due to the water assets primarily being long lived, high value assets. While this scenario does not reach a very poor (failed) state over the period of the projection, Council would be taking on excessive risk of failure as a large portion of the assets would be in a poor to very poor condition, better demonstrated in the backlog figure in Section 6.3.5.

The dashed green line, representing the Target Condition 2 scenario, demonstrates the funding required to improve asset condition to Council's targeted condition rating of 2. This scenario requires an average annual capital spend of \$41 million in FY25 dollars.

6.4 Maintenance expenditure projections

Maintenance expenditure is classified by Council as planned and unplanned maintenance. Maintenance activities, as defined in Section 5.6 of the Asset Management Strategy, consider routine activities undertaken by Council to preserve the service capacity or durability of the assets as they age. For this reason, the projection of maintenance presented in Figure 18 shows the portion of both planned and unplanned maintenance. Figure 19 shows the same operational expenditure broken down by asset group. These figures have been sourced from the 2023-24 financial report³⁸.

Maintenance projections account for future acquisition of new assets as indicated through the 30-year planned capital projections and assumes a required percentage of maintenance for these new assets in-line with current maintenance spend as a percentage of the sewerage portfolio. A more detailed projection which accounts for changes in demand, required maintenance according to the change in condition of the assets and efficiency of the network is recommended to be included in the Asset Maintenance Strategy as a continual improvement.

The data which informs this graph has been assumed to be of nominal values, and as such, indexed against current CPI³⁹ rates and presented in nominal figures. The 10-year projection assumes past spend will continue over future years due to the nature of the works. Shaded columns in Figure 18 represent historical data and are categorised between planned and unplanned maintenance and operating expenses.

³⁸ MidCoast Council, Report on infrastructure assets as at 30 June 2024, Annual Financial Statements, 30 June 2024

³⁹ Reserve Bank of Australia, Statement of Monetary Policy, November 2024

*The dashed lines provide a benchmark range for the mean, 25th and 75th percentile O&M expenses across several comparable Councils (New South Wales – Rural) within a similar range of connected properties. The data which has informed these values is sourced from the Bureau of Meteorology (BoM)⁴⁰. A detailed benchmarking exercise is captured in Table 26 for continual improvement to further assess performance and expenditure for Council against other regional Council's, in addition to water utilities, such as Hunter Water.

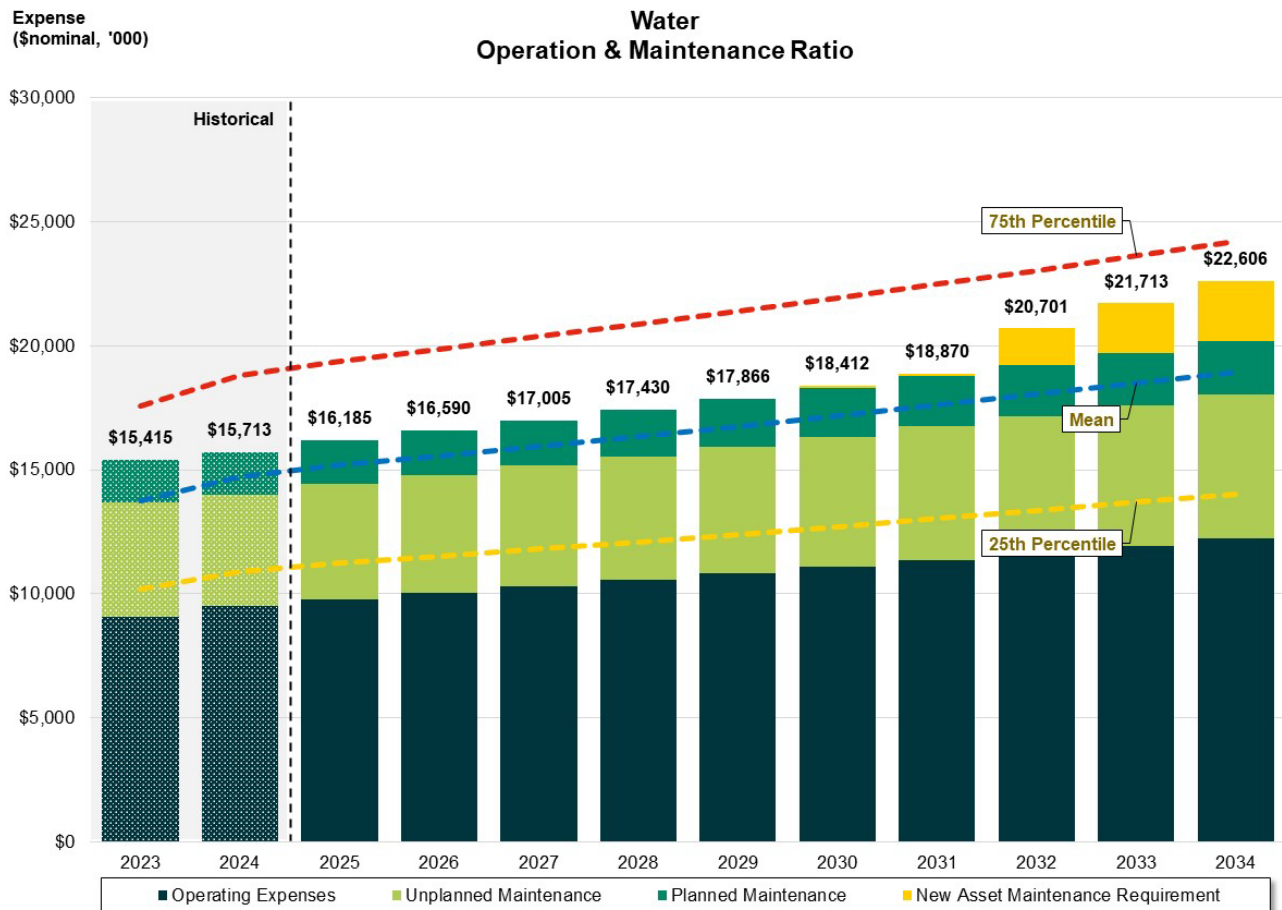


Figure 18 10-Year Operating and Maintenance Projection, by Type of Works

⁴⁰ Australian Government Bureau of Meteorology, Urban NPR 2022-23 Complete Dataset

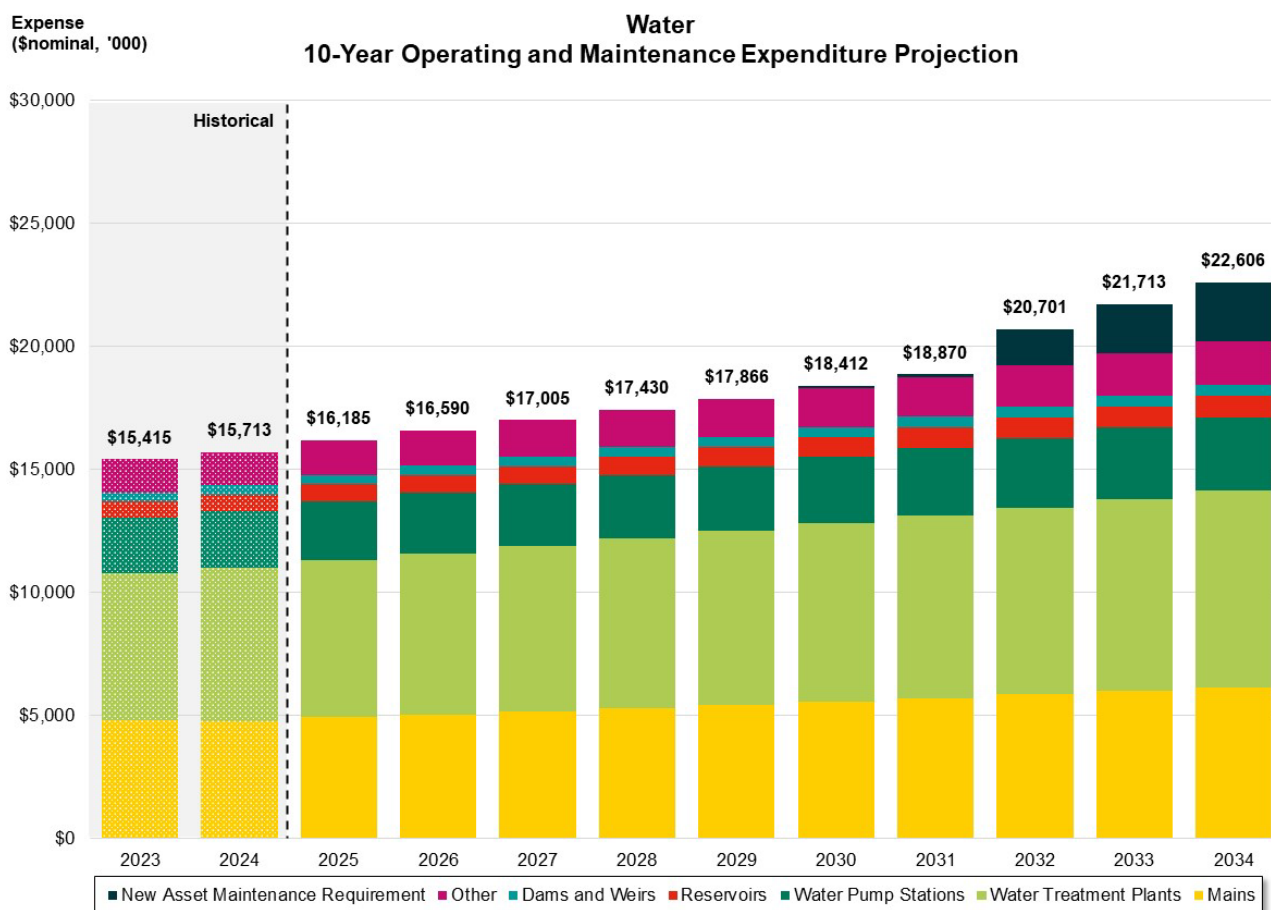


Figure 19 10-Year Operating and Maintenance Projection, by Asset Group

Total maintenance expenditure in FY25 dollars is expected to total \$16.2 million, annually for the portfolio of water assets. The creation of new assets and/or decommissioning of existing assets accounts for an additional \$6.1 million worth of operating and maintenance expenditure required over the 10 year period, and varies year on year based on the new asset projections estimated in the 30-year planned capital projections.

Asset Maintenance Ratio

This ratio compares actual versus required annual asset maintenance. It measures whether Council is spending enough on maintaining its assets to avoid increasing its infrastructure backlog.

The maintenance ratio has been calculated assuming continued expenditure of the most recent years operational and maintenance expenses, sourced from the MCC Water Supply Income Statement. The ratio calculates the percentage of actual maintenance over required maintenance. Required maintenance has been informed by the Asset Management Strategy (2024-34). A summary of this ratio over a 10-year projection from FY25-FY34 is provided in Table 21.

The benchmark is greater than 100%.

Table 21 Water Assets Maintenance Ratio

Year (FY)	Actual Maintenance (\$nominal, '000)	Required Maintenance (\$nominal, '000)	Maintenance Ratio
2025	\$16,185	\$12,800	126.4%
2026	\$16,590	\$13,325	124.5%
2027	\$17,005	\$13,827	123.0%
2028	\$17,430	\$14,458	120.6%
2029	\$17,866	\$15,181	117.7%
2030	\$18,412	\$15,768	116.8%
2031	\$18,870	\$16,371	115.3%
2032	\$20,701	\$17,166	120.6%
2033	\$21,713	\$18,035	120.4%
2034	\$22,606	\$18,796	120.3%

Figure 20 graphically presents the values captured in the table above.

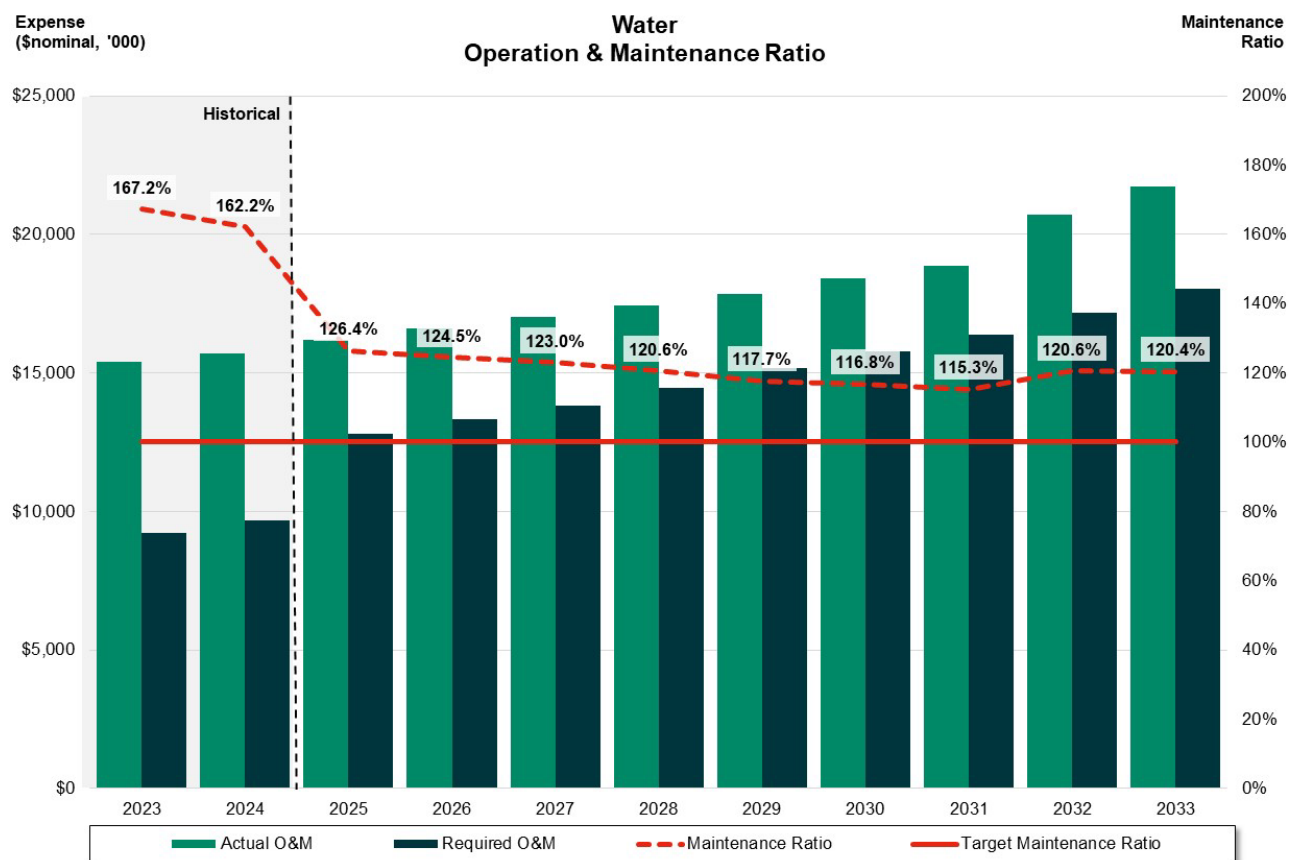


Figure 20 Water Assets Maintenance Ratio

6.5 Key assumptions made in financial projections

All costs used for the purposes of financial projections have been assumed current as of the time of developing this AMP. All asset information has been sourced from Council databases, as references in this AMP. Key assumptions made in the financial projections include:

- Indexation of costs applied the CPI rates sourced from the most current RBA inflation tables⁴¹.
- On-costs are assumed included in the valuation figures sourced from the asset register. As such, no further on-costs for PM, contingency etc. have been included in the financial projections.
- Financial projections do not account for changes in demand for the assets which may impact the rate of deterioration and capital enhancements.
- Due to insufficient historical data, financial projections assume a standardised asset deterioration curve.
- A portion of expenditure is not captured in the financial projections due to gaps in asset data. These should be updated once accurate data is captured and updated in the asset register⁴².
- Criticality ratings for reticulation assets is sourced from datasets provided by Rezatec Satellite AI. These datasets assign criticality against mains assets only. For this reason, asset categories, excluding mains, within the reticulation asset group, have been attributed the criticality rating of the mains system each asset belongs within. Refer to the works schedule in Appendix B to view the criticality and priority order of all assets.

⁴¹ Reserve Bank of Australia, Statement of Monetary Policy, November 2024

⁴² Councils 2023-24 Water Assets

- Lifecycle assumptions for Scenario 3 (Target Condition 2) are more aggressively adjusted, to achieve a condition rating of 2 over the period of the projection. This strategy to achieve a condition rating of 2 represents an unrealistic expenditure profile and does not necessarily represent the expenditure required to deliver the expected service and performance levels. The adjusted lifecycle assumptions are as follows:

- Rolling replacement percentage assumptions for long lived, high value assets:

Scenario 1 (Target Condition 3) & Scenario 2 (Planned Budget) Adopts a steady state allocation of capital funding annually proportional to the useful life of the asset. This can be calculated as $\frac{1}{\text{Useful Life}}$

Scenario 3 (Target Condition 2) Adopts a steadily improving allocation of capital funding. This can be calculated as $\left(\frac{1}{\text{Useful Life}}\right) * 4$

- Lifecycle intervention timing for Critical assets is shown in Table 22.

Table 22 Lifecycle Assumptions, Intervention Timing

Criticality	Scenario 1 & 2 Intervention (%ULE)	Scenario 3 Intervention (%ULE)
5	90%	70%
4	100%	75%
3	120%	80%
2	120%	85%
1	120%	90%

6.6 Projection reliability and confidence

The financial projections provided in this AMP use currently available data for the water assets. The accuracy of the projections is contingent on the reliability and confidence Council has in its data and data sources. Table 23 provides the criteria for assessing level of confidence.

Table 23 Asset Data Confidence Rating

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	None or very little data held.

The data used to inform this AMP has been assessed to have a confidence Grade B in accuracy and Grade B in completeness. Future iterations of this AMP should seek to continually improve the accuracy and completeness of asset information.



DELIVERY OF THIS PLAN

7.0 Delivery of this Plan

This section describes the approach to be considered when planning for successful delivery of the works schedule. Delivery includes the roles and responsibility of the various levels of governance over the assets, as well as the types of constraints and response actions anticipated to occur when delivering the works.

7.1 Governance

Council's governance structure relating to asset management enables effective management of its assets. The daily process of asset management is delivered internally by the operations team, while strategic asset management decision-making, such as capital funding of major works, are co-ordinated by Council management on behalf of the NSW Government.

The roles and responsibilities of the personnel involved in the management of Council's water assets are summarised in Table 24.

Table 24 Asset Management Roles and Responsibilities

Authority	Asset Management Responsibility
MidCoast Council	<ul style="list-style-type: none">• Providing leadership and governance• Adopting a corporate asset management policy and strategy• Considering the impact of financial and service level decisions on Council's assets• Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MANEX & Extended MANEX (General Manager, Directors and Managers)	<ul style="list-style-type: none">• Allocating resources to the implementation of the Asset Management Strategy and Plans• Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes• Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation• Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents• Delivering Levels of Service to agreed risk and cost standards• Ensuring the community is involved and engaged on all key Council matters affecting service delivery• Managing infrastructure assets in consideration of long-term sustainability• Presenting information to Council on lifecycle risks and costs• Approve the Asset Management Plans

Authority	Asset Management Responsibility
Asset Management Working Group	<ul style="list-style-type: none"> • Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long-Term Financial Plan and other Integrated Planning & Reporting documents • Monitoring the development and implementation of Asset Management Policy, Strategy and Plans • Developing and reviewing policies, processes and practices to ensure effective asset management across the organisation • The implementation of the Asset Management Improvement Plan • Providing professional advice and collaborate with other departments of Council in relation to asset management • Operating within an agreed 'Terms of Reference'

7.2 Delivery

The successful delivery of this plan considers the availability of resources and any constraints which may impede on the ability for Council to carry out the strategies and processes captured in this AMP. Required works are generally organised and packaged by work discipline and / or trade for efficient delivery.

7.2.1 Procurement

Procurement of suitable internal resources to enable successful delivery of works should comply with Council's relevant employment policies and guidelines⁴³. Similarly, sourcing external contractors, materials and assets where necessary to assist with works delivery, should comply with NSW Government's procurement laws⁴⁴ and regulations, in addition to internal Council policy⁴⁵.

7.2.2 Delivery constraints

Table 25 summarises the various factors which pose potential risks to successful delivery of the works.

⁴³ MidCoast Council, Equal Employment Opportunity (EEO) Management Plan and Fair Treatment Policy, 2022

⁴⁴ Government Procurement Act 2001 and Government Procurement Regulation 2007 / Local Government Act 1993

⁴⁵ MidCoast Council, Procurement Policy, 2019

Table 25 Delivery Constraints

Delivery Constraint	Implication	Response Action
Presence of hazardous materials at work sites	Handling and disposal of hazardous materials (such as chlorine) must comply with Work Health and Safety 2017 and other standards that apply. This may constrain the delivery of works or increase contractor costs.	Check available chemicals registers of any materials prior to works commencing. Handle, dispose or relocate materials according to relevant controls. Arrange relocation of large quantities of chemicals prior to works, where required.
Materials disposal	Local material disposal is limited. Council aims to divert 70% of waste from landfill by 2030.	Material disposal should comply with any NSW Government asset disposal policies. Assets should look to be repurposed where possible to reduce disposals.
Outage / scheduling constraints	Service level targets related to service continuity could constrain the ability to interrupt service delivery (outage) and take control of assets (possession) for works.	Provide sufficient notice of planned minor works to customers according to Customer Charter. The design of long-term, major works on critical assets (like the Manning scheme) should include delivery options considering outage constraints.
Availability of materials and equipment	The transport costs, biosecurity requirements and approval processes may constrain works delivery especially for unexpected failures of critical assets. Major projects which may occur in the region, unrelated to water infrastructure, create additional impacts on the availability of materials and sourcing times.	Organise material and plant procurement with other projects to minimise transport costs and approval processes. This may require aligning the timing of works with other projects or delivering works that do not require extended sourcing time first. Hold critical spares in-Council for emergency works.
Retaining local resources	Where possible, works are to be sourced locally to minimise travel costs, support the local economy and align with the Commonwealth's Indigenous Procurement Policy. This may be difficult if works are infrequent or inconsistent.	Large capital projects are to be delivered in stages to provide consistent work for the local workforce, where the budget allows.
Availability of specialist skills and labour	Some works may require specific labour skillsets not available in regional locations.	Work requiring skillsets not found regionally should be scheduled together, where possible. Works may be scheduled with other projects outside of water.

7.2.3 Funding constraints

Funding is assumed to be available for the identified works included in this AMP, however actual available funding may vary in subsequent years. Once funding is made available, Council should schedule works according to priority as indicated in this AMP.

Council should seek suitable funding from Government to enable it to effectively meet all legislative and service requirements. This AMP and subsequent AMPs shall be developed to best achieve this outcome.



PLAN IMPROVEMENT AND MONITORING

8.0 Plan Improvement and Monitoring

Continual improvement is a key aspect of good asset management practices, as detailed in the ISO55001:2024 standard. Assessing an organisation's level of maturity against good practice highlights areas of weakness as well as opportunities to strengthen efficiencies and capabilities within the organisation.

This section summarises the ongoing state of asset management in Council by providing a series of improvement opportunities. They should be routinely reviewed and updated to reflect the current state of the practice.

8.1 Status of asset management practices

Asset management maturity at MidCoast Council is assessed at a basic level as of the time of developing this AMP. The most recent maturity assessment was undertaken in 2022, with the objective to reach a core level of asset management maturity by 2023. It is recommended for Council to undertake a more current assessment of maturity to confirm achievement of this target.

Council is committed to growing its capabilities and efficiency in asset management through developing and updating related strategies and documentation. It intends to drive organisational change through a cohesive understanding for the importance of asset management and the importance that each stakeholder at every level plays in driving forward this vision.

8.1.1 Accounting and financial data sources

Council currently maintains an extensive register of asset information for accounting and book purposes. This database is maintained to a substantial level of granularity for improved accuracy and quality of the financial figures. The financial database provides the source of information for annual budgetary reporting purposes and for the capture of the water asset portfolio's valuation, as presented in this AMP. The source of financial data informing this AMP has come from Councils Water Asset Register⁴⁶.

8.1.2 Asset management data sources

Asset information which contains the unique attributes specific to asset performance, condition, criticality and life expectancy, for asset management purposes is maintained in a separate register to that of financial use. This collation of asset information is maintained to the same level of granularity as the book database to allow cross referencing and reporting. The same hierarchy is applied across both registers for this same purpose. The source of asset data informing this AMP has come from the Water Asset Register⁴⁷.

⁴⁶ Councils 2023-24 Water Assets

⁴⁷ Councils 2023-24 Water Assets

8.2 Asset management improvement plan

A number of improvement opportunities to enhance the maturity, accuracy and operational efficiencies of the asset management practice within MidCoast Council has been identified through the development of this AMP. These actions are summarised in Table 26 with indicative timings for their implementation.

Table 26 Improvement Plan

Improvement Area	Description	Timing
Delivery of works	There may be opportunities to package works to reduce the overall cost of delivery. Creating work packages will reduce the upfront supplier cost.	Ongoing
Asset failure data	Asset decay is influenced by a range of environmental factors. MidCoast Council should seek to record asset failure data to better inform its ability to predict future failure (this is achieved through Weibull Curve plotting for major asset classes – a method which applies the Weibull mathematical calculation for predictive future failure based on historical intervals). Further failure data, such as type of failure, component which failed, timing since last failure, etc. would improve predictive ability and better enable a clear linking of quantitative levels of service to asset life.	Ongoing
Collaboration and Engagement	Council's operational and technical teams aim to improve asset management processes, to ensure that decisions are based on current asset information, and that staff understand why improvements in asset management are needed, and are motivated to make this shift. This improvement is sourced and in line with the Water & Systems Strategic Business Plan ⁴⁸ .	Ongoing
Technical Levels of Service	Development of this AMP identified a number of existing performance measures which do not align with the capabilities and capacity of current Council. These KPI's require updating to provide achievable targets which management and relevant staff can work towards attaining. KPI's should constantly be reviewed and adjusted to reflect the current operational capacity and capabilities of Council.	Within 1-Year

⁴⁸ Water & Systems Strategic Business Plan, February 2023

Improvement Area	Description	Timing
Condition Standard	<p>Council have defined its target (satisfactory) condition state for all asset classes to be at a rating of 2. While this condition rating would effectively allow the assets to meet their service expectations and eliminate most risks of potential asset failure, it is considered excessive and unrealistic for the water and sewer assets.</p> <p>Due to the nature of this asset class, primarily being buried, non-public facing or used infrastructure, the water infrastructure can sufficiently provide all service requirements and maintain a tolerable degree of risk, according to Council's Risk Management Framework, when sustained at a condition rating of 3.</p> <p>For this reason, it would be considered more prudent and cost effective for Council to reassess its objective condition ratings across each asset class.</p> <p>Council are to engage with the community for consultation and feedback on the potential change to its Condition Standards.</p>	Within 1-Years
Operational Asset Management Plans	Council are to prepare operationally focussed asset management plans to enable to efficient delivery of works, and provide line of sight between the organisational objectives, asset management plans and operational activities required of the assets.	Within 1-Year
Asset Hierarchy	Hierarchical structuring of asset information is necessary for Council to categorise, analyse and report on not only its Water assets but all asset classes within the organisation. Ongoing development of the current asset hierarchy is underway and further improvements and standardisation of this information shall be completed over the suggested time period.	Within 2-Years
Criticality	At the time of development for this AMP, criticality has been assessed at the facility level across the major asset groups. Council is to continue to assess criticality at the more granular asset component level, to improve prioritisation across the schedule of works.	Within 2-Years
Maintenance Strategy	Development of a Maintenance Strategy to detail the planned maintenance requirements for each of the tasks listed in this AMP. Inclusive of detailed tasks, number of impacted assets, resource requirements, timing and delivery methods.	Within 2-3 Years
Buildings	The buildings associated with water assets are currently included in both this AMP and the Buildings AMP. The information contained within this AMP should be consolidated into the Buildings AMP when the maturity of the data contained within that AMP is sufficient.	Within 3-Years
Roads	The roads associated with sewer assets require recognition in their respective transport asset planning documentation.	Within 3-Years

Improvement Area	Description	Timing
Asset Management Maturity	Council identify the objective of achieving a core level of asset management maturity by 2023 in its Asset Management Strategy 2022-32. Council should reassess Maturity following the completion of this AMP to review performance of this targeted KPI, and update this AMP accordingly.	Within 3-Years
Asset Planning and Creation Processes	Improvement to the asset planning and creation processes, including policy development, along with education to enhance the use of systems to support project managers, asset managers and accountants.	Within 3-Years
Asset Naming Convention	The asset naming convention is an established and well accepted location hierarchy which provides further classification and ordering of Council's assets by location, type and component. Following the completed review of the Asset Hierarchy, the naming convention information should be aligned to provide consistent and documented attribute information of the Water portfolio. This improvement opportunity is recommended to occur following the standardisation of the asset hierarchy.	Within 4-Years
Digital Capability	Council aim to move towards being a digital utility by introducing new and mobile technologies that supports planned maintenance decisions and allows operational staff to record, review and update asset information out in the field. This real-time capture of current asset data will improve data confidence and the accuracy of future updates to this AMP. This improvement is sourced and in line with the Water & Systems Strategic Business Plan.	Within 5-Years

8.3 Monitoring and review procedures

This AMP is a live document that should be reviewed annually to support the strategy adopted by Council in the Asset Management Strategy 2023. In addition to annual reviews, a complete update to the AMP should occur every 4-years (or to align with the Integrated Planning and Reporting timeframes) to ensure accuracy and currency of asset information. The review of asset management planning includes:

- Assessment of asset condition – The frequency of inspections for critical assets should increase as the asset approaches its expected end of life state. The frequency of inspections for non-critical assets should reflect an acceptable level of risk. Condition data which is acquired from inspections should be used to support this AMP and validate projected works.
- Update to capital availability – Constrained scenarios presented in this AMP are aligned to indicative budgetary figures informed by Council. These figures should be updated to reflect any changes to capital availability for subsequent years in the projection.

8.4 Performance measures

The performance of Council's asset management system can be determined through the ability to meet and sustain service level requirements through the performance KPI's, indicated in Section 2.6. Measurements of performance should reflect the current requirements of the assets and be updated as these service level targets shift.

8.4.1 Industry Performance Indicators

NSW Department of Environment, Climate Change and Water⁴⁹ (DECCW - formerly Department of Planning and Environment) collects data for regional local water utilities for performance monitoring and reporting of water supply and sewerage data annually. This information is collected as part of the Regulatory and assurance framework for local water utilities which provides analysis of performance trends and measures of performance relative to other local water utilities. The monitoring and reporting information and analysis is used to:

- target regulatory effort and inform risk-based approach to regulation and assurance of local water utilities,
- take proactive action to drive improvements in risk management and performance and help local water utilities achieve their regulatory objectives.
- inform applications for local water utilities to develop new infrastructure.
- identify performance trends and strengthen local water utilities' responses to those changes.
- publish information to facilitate local water utilities' understanding of performance, including compared to other local water utilities, and opportunities to improve.
- provide information to customers and the community about the performance of local water utilities.

In 2022, the then Town Water Risk Reduction Program reviewed the department's approach to collecting, and reporting on, annual performance of local water utilities and committed to rationalising the department's indicator set in consultation with key stakeholders. The department sought feedback on:

- the proposed additional, NSW-specific indicators that are part of the full list of NSW performance indicators.
- the proposed list of key performance indicators for focused reporting and benchmarking products on key performance information for utilities and their customers.

The new full list of NSW performance indicators is to replace the annual indicator set the department currently uses for all local water utilities from the 2024 to 2025 reporting year, to align with the introduction of the revised National Performance Report indicator set, and to give utilities sufficient notice. The aim of these new indicators is to focus performance reporting and benchmarking for local water utilities on key performance information.

A full set of these indicators is attached in Appendix E.

⁴⁹ NSW Department of Planning and Environment Regulatory and assurance framework for local water utilities, July 2022

Water Services Association of Australia (WSAA) is the peak industry body representing the urban water industry. Its members provide water and sewerage services to over 24 million customers in Australia and New Zealand and many of Australia's largest industrial and commercial enterprises. WSAA was formed in 1995 as a non-profit organisation to foster the exchange of information between industry, government, and the community to promote sustainable water resource management. WSAA's demonstrated success in the standardisation of industry policy and practices, improving industry performance and establishing benchmarks and industry leading practices for water service processes and fostering the exchange of information on education, training, research, water and waste water management and treatment and other matters of common interest.

Every four years since 2004, WSAA has run an international asset management process benchmarking project, with the aim of improving the standard of asset management performance within the international water sector through the identification and promotion of leading practice.

In 2016, the WSAA Asset Management Customer Value (AMCV) benchmarking process reflected recent global trends in asset management. The assessment and scoring process was aligned with the principles of ISO55001:2024 that reflect customer-centric and value management approaches to deliver services. Participants from Australia, New Zealand, United States of America, Canada, United Kingdom and Japan participated. The AMCV 2016 outcomes provide an international perspective on asset management processes and activities across sectors that encompass organisational leadership, customer focus, and value optimisation as well as more traditional asset management areas.

MidCoast Council's Water & Systems business unit (formerly MidCoast Water) participated in the 2016 project. The AMCV assessed the following function areas of each participating organisation:

1. Organisational Management
2. Asset Capability and Forward Planning
3. Asset Acquisition
4. Asset Operation
5. Asset Maintenance
6. Asset Renewal
7. Asset Management Applications

WSAA has initiated the 2024 iteration of the AMCV project to assist local water utilities in prioritising their asset management focus. MidCoast Council is a participant of this project, and the results will be included in future AMPs as improvement opportunities.

DEFINITIONS & REFERENCES



9.0 Definitions and References

9.1 Definitions

The following definitions provide the reader with an understanding of the terminology used in this AMP, in the context of asset management. Definitions are in accordance with those provided in the Asset Management Policy⁵⁰. Use of this terminology outside the context of asset management may consider alternative meanings.

Asset

A physical item owned by Council that has economic value and enables services to be provided.

Asset Lifecycle

The life of an asset, from its acquisition to disposal.

Asset Management Information System

An asset management information system is a combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment.

Asset Management

Asset management (AM) is a systematic process to guide the planning, acquisition, creation, operation and maintenance, renewal and disposal of assets.

Asset Management Plan

A plan developed for the management of an asset class that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset, in the most cost-effective manner to provide a specified level of service.

Asset Management Strategy

The Asset Management Strategy is a component of the Resourcing Strategy. It demonstrates how our assets support service delivery in consultation with the community and within available funding.

Asset Register

A record of asset information including inventory, historical, financial, condition, construction, technical, and financial details.

Infrastructure Asset

Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components.

Level of Service

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

⁵⁰ MidCoast Council, Asset Management Policy, 2020

Lifecycle Cost

The total cost of an asset throughout its useful life.

Useful Life

Either the period over which an asset or component is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset or component by the entity.

Critical asset

Asset/s having potential to significantly impact on the achievement of the organisation's objectives.

Asset life

Period from asset creation to asset disposal or decommissioning.

Remaining service life

The remaining service life is based on the current exposure conditions with no major rehabilitation works or interventions being assumed to occur.

Prioritisation

The approach to selecting which activity is to be completed ahead of another when faced with constraints on delivery.

End of life

The point in an asset's service life where it can no longer provide its intended service to the organisation or system.

Capital maintenance

Maintenance that improves the condition of the asset beyond its originally assessed standard of performance or capacity.

Condition-based maintenance

Preventive maintenance which includes a combination of condition monitoring and/or inspection and / or testing, analysis and the ensuing maintenance actions.

Unplanned (reactive) maintenance

Unplanned maintenance carried out to put an asset into a state in which it can perform a required function.

Planned (routine) maintenance

All actions necessary for retaining an asset as near as practicable to its original condition, excluding rehabilitation or renewal.

Preventative maintenance

Maintenance carried out at predetermined intervals, or corresponding to prescribed criteria, and intended to reduce the probability of failure or the degradation in performance of an item.

9.2 References

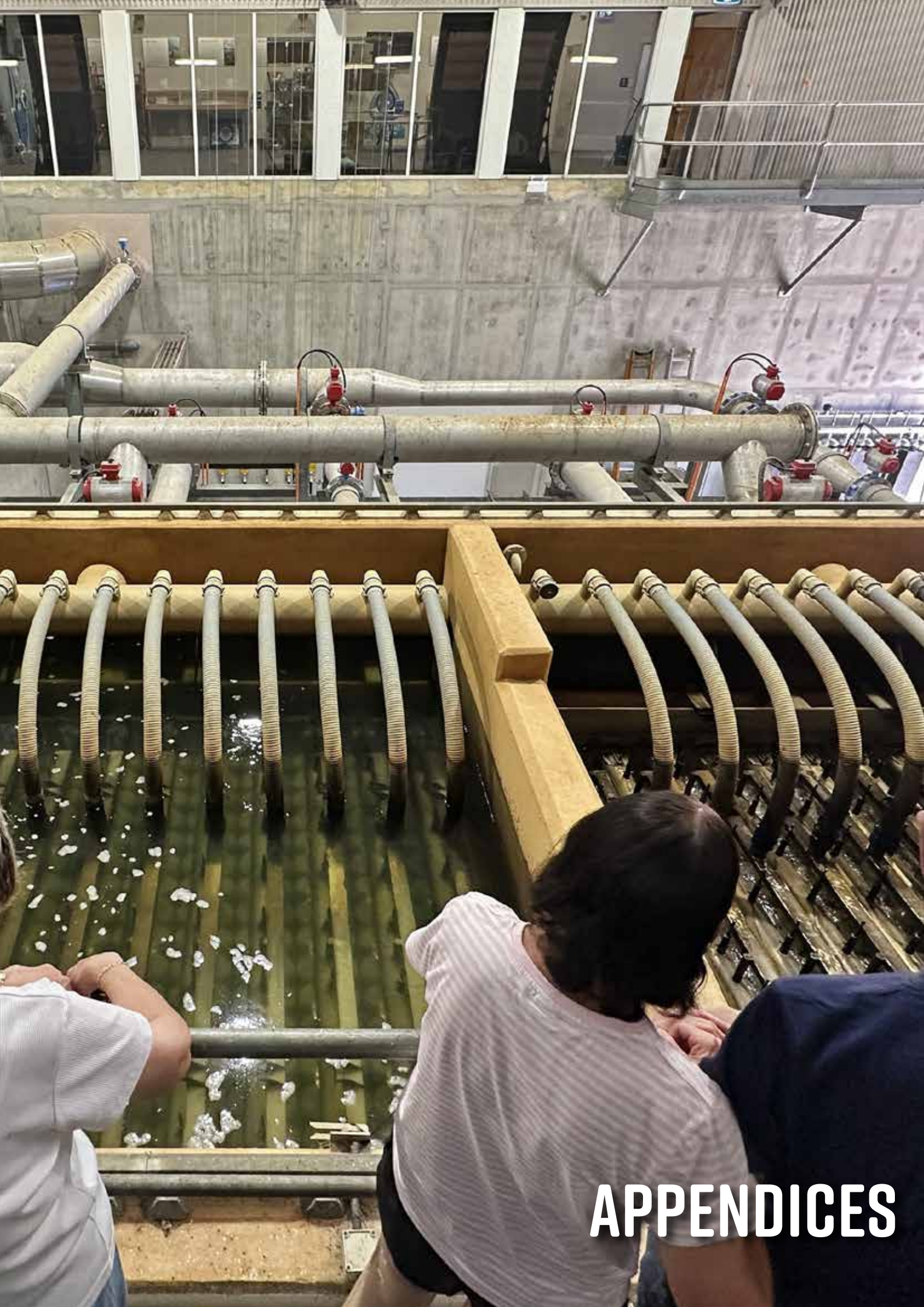
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APPENDICES

Appendix A- Capital Works Schedule

Capital Project Schedule (Basis for this Plan)

MidCoast Council, 30 yr CAPEX projects.xlsx (October 2024)

Capital Project Schedule (Latest Version)

M:\Water Asset Planning\LONG TERM FINANCIAL MODELLING\Financial Plan\30 yr CAPEX projects - Oct 2024

Appendix B- Planned Maintenance

Table 27 Planned Maintenance Schedule

Description of works	Frequency
11 kV Switchboard Minor Service	1 Year
3.3 kV Switchboard Minor Service	1 Year
Access Structures Safety Inspection	1 Year
Aeration Tower Mechanical Inspection	1 Month
AfterCooler Inspection	6 Months
Air Compressor Major Service	1 Year
Air Compressor Minor Service	6 Months
Air Conditioning Service	6 Months
Air Dryer Mechanical Service	3 Months
Air Header Pressure Switch Function Test	2 Years
Air Pulse and Extraction Fan Inspection	1 Year
Air Receiver Condensate Drain Service	6 Months
Air Scour Blower Temp Trans Verification	2 Years
Alum Filter Inspection	1 Year
Analyser Inspection	1 Month
Annual Dam Safety Report	1 Year
Annual Electrical Inspection	1 Year
Annual Operator Service	1 Year
Arkal Filter Unit Service	1 Year
Automatic Control Valve Inspection	6 Months
BAC Filter Quality Check	1 Year
Backup Generator Test Run	1 Month
Battery Charger Minor Service	2 Years
Bermad Flow Control Valve Inspection	1 Month
Bilge Pump (Sump Pump) 1 Inspection	6 Months
Blower Electrical Inspection	2 Years
Blower Mechanical Inspection	3 Months
Bridge Structural Inspection	10 Years
Building Inspection and Gutter Clean	1 Year
Building Structural Inspection	10 Years
Bund Integrity Test	5 Years
BW Pump Isolation Valve Exercising	1 Year

Description of works	Frequency
BW Pump Unit Lubrication	6 Months
Cable Pit Inspection	2 Years
Cabling IR test	10 Years
Cabling Visual Inspection	1 Year
Catalytic Destructor Checks	1 Year
Cathodic Protection Inspection	2 Months
Centrifuge Mechanical Inspection	2 Years
Centrifuge Minor Service	1 Month
Chemical Dosing Pump Test	3 Months
Chlorinator Online Chlorine	1 Year
Chlorine Booster – Hypo	1 Month
Chlorine Dosing Mechanical Service	1 Year
Chlorine Gas System Service	1 Month
Chlorine Injector Mechanical Service	6 Months
Chlorine Leak Detector Calibration	1 Year
Chlorine Leak Detector Function	1 Month
Chlorine Scale Service	1 Year
CIP Hot Water Pump	1 Year
Clarifier Bearing Greasing	3 Months
Clarifier Cleaning and Inspection	1 Year
Clarifier Impeller & Rake Lubrication	1 Month
Clarifier Sludge Level Check	1 Year
Clarifier Structural inspection	5 Years
Clarifier Waste Valve Manual Bypass	1 Year
Clear Water Tank Clean & Inspection	2 Years
Clear Water Tank Diver Inspection	5 Years
CO2 System Inspections	1 Year
Coag Dosing Pump Mechanical Inspection	1 Year
Comms Tower Inspection	5 Years
Compliance Air + Inert Gas PSV Test	5 Years
Compliance Appliance Test and Tag	6 Months
Compliance Boiler + Corrosive PSV Test	1 Year
Compliance Crane Major Inspection	3 Years
Compliance Crane Routine Service	3 Months

Description of works	Frequency
Compliance Crane Third Party Inspection	1 Year
Compliance Emergency Light Inspection	1 Year
Compliance External Vessel Inspection	2 Years
Compliance Fall Arrest Device Inspection	6 Months
Compliance Fire Exting Service (1 year)	1 Year
Compliance Fire Exting Service (5 year)	5 Years
Compliance Fire Exting Service (6-month)	6 Months
Compliance Fire Hydrant Service (1 year)	1 Year
Compliance Fire Hydrant Service (1-month)	1 Month
Compliance Fire Hydrant Service (5 year)	5 Years
Compliance Fire Hydrant Service (6-month)	6 Months
Compliance Flotation Devices Inspection	6 Months
Compliance Internal Vessel Inspection	4 Years
Compliance Lifting Structure Inspection	2 Years
Compliance Major Inspection	7 Years
Compliance RCD Operating Time Testing	1 Year
Compliance RCD Push Button Testing	6 Months
Compliance Safety Showers Service	1 Year
Compliance Safety Valve Inspection	1 Year
Compressed Air Dryer Minor Service	1 Year
Compressor Belt Check	1 Year
Compressor Mechanical Inspection	6 Months
Cooling Fan Bearing Greasing	1 Month
Cooling Fan Mechanical Inspection	3 Months
Dam Inlet Tower Valve Exercising	1 Year
Dam Inspection A	5 Years
Dam Inspection B	1 Month
Dam Pipe Check	1 Year
Dam Surface Mixer Gearbox Service	1 Year
Distribution Board Inspection	1 Year
Diver Inspection of Dam Inlet	1 Year
Diver Internal Inspection	2 Years
Dosed Water pH Analyser Calibrate	6 Months
DSEP Emergency Exercise	3 Years

Description of works	Frequency
Dust Extractor Functional Check	1 Year
Earth Grid Spec Service	6 Months
Earthing Protection System Inspection	1 Year
Eductor Nozzle Check	3 Months
Effluent Drainage Service	1 Year
Electrical Cabling	1 Year
Electrical Cabling Pits	2 Years
Electrical Inspection	1 Year
Electrical Reticulation Function	1 Year
Electrical Service	6 Months
Elevator Service	6 Months
E-stop Function Checks	1 Year
E-Stop, Isolator Panel Electrical Checks	1 Year
External Operator Inspection	1 Month
Fence Security Inspection	3 Months
Filter Element Service	6 Months
Filters Access Safety Inspection	1 Year
Filtrate Pump Efficiency Test	3 Years
Filtrate Pump Unit Lubrication	1 Month
Filtration Tank Inspection	3 Months
Flash Mixer Gear Box Oil Change	2 Years
Flow Switch Inspect and Function Check	1 Year
Flowmeter Verification and Inspection	1 Year
Fluoride Bag Unloader Filter Inspection	1 Year
Fluoride Bund Level Sensor Test	6 Months
Fluoride Hopper Slide Gate Exercising	1 Year
Fluoride PPE Inspection	1 Month
Fluoride Tank Inspection	1 Year
Gantry and Scraper Drive Lubrication	6 Months
Gearbox Service	2 Years
Grounds & Site Maintenance	6 Months
Grounds General Security Inspection	6 Months
Hand Valve Discharge Functional Check	1 Year
High Level Switch Function Test	1 Year

Description of works	Frequency
High Lift Pump Mechanical Service	6 Months
Hot Water Pump Mechanical Check	6 Months
HV and Substation Electrical Testing	10 Years
HV Motor Lubrication Service	1 Year
HV Switchyard Inspection	1 Year
Hygiene Inspection of Clear Water Tanks	5 Years
Hypo Bund Hydro Test	5 Years
Impeller & Rake Mechanical Service	2 Years
Impressed Current Device Inspection	6 Months
Instrument Calibration and Inspection	1 Month
Int. Dam Surveillance Report	2 Years
Isolation Valve Inspection	1 Year
ISV & PRV Inspection and Exercise	1 Year
IT Comms Equipment Service	1 Year
Large Manual Iso Valve Functional Checks	1 Year
LCP Inspection	1 Year
Level Switch and Alarm Functional Check	1 Year
Lime Hopper Valve Checks	6 Months
Lime Silo Weight Scale Calibration	1 Year
Lime Slurry Pump Mechanical Inspection	6 Months
Lime Slurry Tank Clean	6 Months
Lime Storage Structural Inspection	10 Years
Load Cells Calibration	2 Years
Low Level Switch Function Test	1 Year
Major Dam Surveillance Report	5 Years
Major Electrical Inspection	2 Years
Major Operator Inspection	2 Years
Manual Valve Gearbox Check	1 Year
Mechanical Service	6 Months
Media Filter Inspection	1 Month
Media Filter Structural Inspection	5 Years
Mem Filter Man Iso Valve Exercising	2 Years
Mixer Mechanical Service	2 Years
Monthly External Operator Inspection	1 Month

Description of works	Frequency
Motor Bearing Lubrication	6 Months
Motor Electrical Testing	3 Months
Non Return Valve External Inspection	6 Months
Nozzle Inspection	10 Years
NRV Mechanical Service	1 Year
O&M Plan Update	5 Years
Online Chlorine	1 Year
Operator Service	6 Months
OSS Pontoon & Screens Inspection	2 Years
Ozone Diffuser Grid	1 Year
Ozone Generator Service	3 Months
Ozone Tank Diver Inspection	1 Year
Panel Electrical Inspection	1 Year
Performance Readings and Pump Service	6 Months
PFCU Major	2 Years
PFCU Minor	1 Year
pH Analyser Calibration	3 Months
Pipework Inspection	10 Years
Pit Structural Inspection	1 Year
Planned Pest Control Contract	6 Months
PLC Battery Service	3 Years
PLC Inspection	1 Year
Polymer Dosing Pump Mechanical Checks	6 Months
Polymer Hopper Inspection	2 Years
Power Generator Specialist Service	1 Year
Pressure Indicator Functional Check	1 Year
Pump Condition Monitoring (Vibration)	3 Months
Pump Mechanical Inspect and Lubrication	6 Months
Pump Performance Test	3 Months
Pump Structural Inspection	1 Month
Raw Water 900 Butterfly Valve Exercising	1 Year
Raw Water Screens and DestratD	1 Year
Raw Water to Clarifier Inflow Meter	6 Months
Raw Water Trunnion Winch Inspection	1 Year

Description of works	Frequency
Raw Water Valves Mechanical Service	1 Year
Raw Wtr PSTN Controls Verifications	2 Years
Raw Wtr PSTN Penstock Exercising	2 Years
Raw Wtr PSTN Valve Exercising	2 Years
Recirculation Pump Service	6 Months
Refrigerant Dryer Mechanical Checks	1 Year
Relief Valve Mechanical Inspection	3 Months
RES 1M Operator External Inspection	1 Month
RES 1Y Operator Inspection	1 Year
RES 1Y Roof Structural Inspection	1 Year
Reservoir Scour	1 Year
RES-WPS Diver Internal Inspection	4 Years
Reuse Pond Inspection	1 Year
Review Dam Safety Management	1 Year
Review of DSEP Contact Informa	1 Year
Rising Main Inspection	1 Year
Rising Main Ultrasound Inspection	10 Years
Roller Door Maintenance & Operational Check	1 Year
ROM Central Water Mains Inspection	1 Year
ROM North Water Mains Inspection	1 Year
Roof Inspection and Clean	6 Months
Roof Structural Inspection	1 Year
Rotary Valve and Bin Activator Service	6 Months
Rotating Drum Screen Mechanical Inspection	3 Months
Rotork Actuator Battery Replacement	5 Years
RPZ/Backflow Device Annual Inspections	1 Year
RTU Functional Test/Cubicle Inspection	1 Year
RWPS Delivery Valve Exercising	1 Year
RWPS Pipework Inspection	1 Year
RWPS Road Bridge Pipework Inspection	1 Year
RWPS Telemetry	1 Year
Safety Valve Service	1 Year
Sand Filter Inspection	1 Year
SCADA Server Cubicle Inspection & Service	1 Year

Description of works	Frequency
SCBA01 Contract Servicing	6 Months
Security Inspection	6 Months
Security System Cameras Inspection	1 Year
Silo Vibrator Functional Check	1 Year
Site Fencing Inspection	4 Months
Site Security Service	1 Year
Sludge Lagoon Inspection	6 Months
Slurry Mixing Tank Inspection and Service	3 Months
Slurry Pump Hose Replacement	2 Years
Slurry Pump Mechanical Service	1 Year
Slurry Tank Level Switch Check	1 Year
Static Mixer Inspection	1 Year
Stop Valve External Inspection	6 Months
Strainer Inspection	6 Months
Structural Inspection	5 Years
Submersible Mixer Service	1 Year
Submersible Pump Electrical Testing	1 Year
Submersible Pump Mechanical Inspection	1 Year
Sump Pump Functional Check	3 Months
Sump Pump Inspection	1 Year
Switch Function Check and Inspection	1 Year
Switchboard Electrical Examination	5 Years
Switchboard Electrical Inspection	1 Year
SWRI Screen Clean & Inspection	2 Years
Tank Access Safety Inspection	1 Year
Tank Clean and Instrumentation Check	6 Months
Tank External Inspection	1 Year
Tank Inspection and Bund Test	5 Years
Tank Level Indicator Functional Check	1 Year
Tank Structural Inspection	5 Years
Telemetry Battery Replace	3 Years
Telemetry Equipment Service	1 Year
Timber Comm Pole Inspection	2 Years
Transformer External Inspection	1 Year

Description of works	Frequency
Transformer Major Service	2 Years
Transformer Minor Service	1 Year
Treated Water Level Transmit	1 Year
Turbidity Meter Check	2 Years
TW Disch Flow Switch Inspection	2 Years
TWR Chlorine Analyser Service	1 Month
TWR Fluoride Analyser Service	1 Month
TX Oil Check	2 Years
TX Relay Functional Check and Calibration	1 Year
TX Service	6 Months
UPS Battery Replacement	3 Years
UPS Functional Testing	1 Year
Vacuum Regulator Operating Test	6 Months
Valve Exercising and Inspection	1 Year
Valve Mechanical Inspection	1 Year
Valve Pit Operator Service	6 Months
VSD Electrical Inspection	6 Months
VSD Filter Service	6 Months
Warm Water Tank Level Sensor Function Check	1 Year
Warm Water Tank Temp Validation	1 Year
Waste Water Pump Service	1 Year
Waste water Pump Mechanical Inspection	1 Year
Weighbridge Calibration	1 Year
Wells and Pits Cleaning and Inspection	1 Year
Wells and Pits Cover Safety Inspection	2 Years
Wells and Pits Structural Inspection	10 Years
Wet well level indicator	2 Years
WW Pump Operational Check	1 Month
Yaypo Dam Water Meter Check	1 Year

Appendix C - Risk Management Framework



ORGANISATIONAL Risk Assessment Criteria

Risk rating = consequence rating x likelihood rating

Risk Rating = C x L		Consequence rating							Likelihood rating				
		Financial (impact on the organisation)	Worker health & wellbeing	Public health & wellbeing	Service delivery & infrastructure	Compliance	Environment	Reputation	The event may occur but only in exceptional circumstances; no past event history. <2%	The event could occur at some time, no event history. 2-20%	The event might occur at some time; some past warning signs or previous event history. 21-60%	The event will probably occur in most circumstances in the current environment; some recurring past event history. 61-90%	The event is expected to occur in most circumstances in the current environment; frequent past event history. >90%
		Risks that have a financial impact on the organisation (revenue, expenses, assets, liabilities, reserve)	Risks that impact the health and safety of staff, as well as contractors & volunteers	Risks that impact the health and safety of the community	Risks that impact the ability to deliver internal and external services (includes assets and technology)	Risks that impact compliance with legislation and regulatory requirements	Risks that impact the natural environment	Risks that impact Council's reputation in the community and media, as well as with the government	Rare	Unlikely	Possible	Likely	Almost Certain
		1	2	3	4	5	6	7	1	2	3	4	5
Severe	5	Major financial loss >\$3million	Fatality; permanent disability; illness or disease; long term impact on staff morale/performance across organisation	Fatality; permanent disability; illness or disease; widespread health impacts across LGA Water & sewerage ops One or more fatalities and/or a widespread illness (multiple suburbs/towns) attributable to drinking water contamination or sewage exposure	Ongoing inability to deliver key services; widespread customer dissatisfaction; threat to viability of organisation Water & sewerage ops Continuity of supply: disruption to >5% of customers for 4 hours; OR Continuity of operations: Long term (months) effects on an element of operations	Major breach of legal obligations; adverse findings against Council and / or individuals; major fines or penalties (>\$1mil); possible imprisonment; dismissal of Council	Critical, long term irreversible impacts on the environment	Sustained adverse local, state and/or national media attention; severe widespread dissatisfaction and loss of community trust; potential loss of Government support & adverse intervention	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Major	4	Significant financial loss \$500,000 - \$3million	Long term illness or injury; extensive medical attention and leave required; medium term impact on staff morale/performance within multiple business areas	Long term illness or injury; long term medical attention required; health impacts in multiple Council localities Water & sewerage ops Illness affecting customers in many streets within a suburb/town attributable to drinking water contamination or sewage exposure	Long term disruption to delivery of several services; incl. some key services; significant inconvenience & high level customer dissatisfaction Water & sewerage ops Continuity of supply: disruption to <5% of customers for 4 hours; OR Continuity of operations: major and/or medium term (weeks) effects on an element of operations	Significant breach of legal obligations; adverse finding with long term significance; significant fine / penalty	Severe, medium to long term potentially irreversible impacts on the environment	Significant adverse local / state media attention; public outcry and community dissatisfaction across multiple Council localities; potential government agency enquiry	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Moderate	3	Substantial financial loss \$100,000 - \$500,000	Injury or illness requiring medical attention; several days leave; short term impact on staff morale / performance	Medium term illness or injury; medical attention required; health impacts in single Council locality Water & sewerage ops Customers in multiple streets within a suburb/town exposed to contaminated drinking water or sewage	Medium term disruption to delivery of several services; moderate inconvenience & increased customer dissatisfaction Water & sewerage ops Continuity of supply: disruption to multiple of customers (many streets) for 4 hours; OR Continuity of operations: moderate and/or short-medium term (weeks/months) effects on an element of operations	Substantial breach of legal obligations; adverse finding; substantial fine / penalty	Potentially significant medium term reversible impacts on the environment	Short-term adverse local and / or social media attention; moderate community dissatisfaction; potential government agency concern	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Minor	2	Minor financial loss \$10,000 - \$100,000	Minor injury; first aid required; minor impact on individual staff morale / performance	Short term isolated incidents of illness or injury; first aid required Water & sewerage ops Some customers (neighbouring households) exposed to contaminated drinking water	Short term minor impact on service delivery; some inconvenience & customer dissatisfaction Water & sewerage ops Continuity of supply: disruption to multiple customers (approx. 20 neighbouring households) for 4 hours; OR Continuity of operations: minor and/or short term (days) effects on an element of operations	Minor breach of legal obligations; improvement notice; minor fine / penalty	Limited short to medium term, quickly reversible impacts on the environment	Minor unfavourable local and/or social media attention; heightened concern and criticism from narrow groups within the community	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Insignificant	1	Negligible financial loss < \$10,000	Insignificant injury; no first aid required; no impact on staff morale / performance	Insignificant injury; no medical treatment required Water & sewerage ops Results indicating poor performance leading to non-conformance. No effect on public health	Isolated, insignificant impact on service delivery; minimal inconvenience to customers Water & sewerage ops Continuity of supply: disruption to an individual customer for 4 hours; OR Continuity of operations: insignificant and/or short term (days) effects on an element of operations	Isolated non-compliance of minimal significance; minor fine; internal staff warning	Insignificant, immediately reversible impacts on the environment	Isolated complaints from members of the community; one off insignificant enquiries from local media and/or on social media	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Risk Rating Matrix

ORGANISATIONAL Risk Assessment Criteria

Control effectiveness rating table

Use this table to rate how effectively existing controls manage or reduce risk likelihood and/or consequence.

Effectiveness rating	Description	Quantification
Effective	Control is mostly reliable, efficient and effective; will significantly reduce the risk likelihood and/or consequences; fully documented processes and well communicated.	up to 99% effective
Somewhat effective	Control is somewhat effective; will have some effect on reducing risk likelihood and/or consequences; additional action required to improve existing controls and/or possibly implement some additional controls; improved documentation and/or communication of controls required.	up to 60% effective
Ineffective	Control is not reliable, efficient or effective; will not reduce the risk likelihood and/or consequence; reliable, effective and efficient controls to be developed and implemented; controls need to be documented and communicated.	0% effective

Likelihood Rating	Description	Estimated Probability
Almost Certain 5	The event is expected to occur in most circumstances in the current environment; frequent past event history	>90%
Likely 4	The event will probably occur in most circumstances in the current environment; some recurring past event history	61-90%
Possible 3	The event might occur at some time; some past warning signs or previous event history	21-60%
Unlikely 2	The event could occur at some time, no event history	2-20%
Rare 1	The event may occur but only in exceptional circumstances; no past event history	<2%

Preferred risk treatment & escalation rating table

Use this table to evaluate your risks against your risk analysis - is your risk acceptable or is additional treatment or escalation necessary?

Residual Risk Rating	Preferred risk treatment options	Escalation: minimum reporting / escalation level for decision to cease activity, continue or take other necessary actions
Extreme	Preferred treatment options: Prevent, Avoid → Cease activity, process or task until further directed. → Requires immediate escalation and active management through additional and effective treatment measures to reduce risk before proceeding → Detailed planning required in consultation with the Director (and/or MANEX/GM) to prepare a risk management plan	Director (escalate MANEX / GM as deemed necessary)
High	Preferred Treatment Options: Prevent, Avoid, Transfer or Mitigate → Subject to discussions with Manager (and/or Director), consider ceasing activity, process or task temporarily to consider alternative options or review risk treatment strategies to enhance adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Manager (escalate to Director as deemed necessary)
Medium	Preferred Treatment Options: Prevent, Mitigate or Accept → Subject to discussions with Supervisor, Co-ordinator or Team Leader (and/or Manager), review risk treatment strategies to determine their adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Supervisor, Co-ordinator or Team Leader (escalate to Manager as deemed necessary)
Low	Preferred Treatment Options: Accept and identify corrective action → Manage by existing routing procedures and work practices → Continue to monitor control effectiveness	Responsible staff (escalate as deemed necessary)

Appendix D - Risk Register

Table 28 Water Assets Risk Register

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Reservoir	PP RES 01 - Elizabeth Beach RES 1	Poor	Low
Reservoir	BU RES 01 - Bulahdelah RES 1	Very Poor	Medium
Reservoir	BU RES 02 - Bulahdelah Reservoir 2	Good	Low
Reservoir	BU RES 03 - Bulahdelah Reservoir 3	Good	Low
Reservoir	CH RES 01 - Crowdy Head Reservoir 1	Poor	Medium
Reservoir	FO RES 01 - Forster Reservoir 1	Poor	Medium
Reservoir	FO RES 02 - Forster Reservoir 2	Satisfactory	Medium
Reservoir	HR RES 01 - Harrington Reservoir 1	Poor	Medium
Reservoir	KR RES 01 - Krambach RES 1	Poor	Medium
Reservoir	LA RES 01 - Lansdowne Reservoir 1	Poor	Medium
Reservoir	NA RES 01 - Nahiack Reservoir 1	Poor	Medium
Reservoir	OB RES 01 - Old Bar Reservoir 1	Satisfactory	Medium
Reservoir	SL RES 01 - Smiths Lake Reservoir 1	Satisfactory	Medium
Reservoir	ST RES 01 - Stroud Reservoir 1	Poor	Medium
Reservoir	ST RES 02 - Stroud Reservoir 2	Satisfactory	Medium
Reservoir	SR RES 01 - Stroud Road Reservoir 1	Satisfactory	Medium
Reservoir	TG RES 01 - Tea Gardens Reservoir 1	Poor	Medium
Reservoir	TG RES 02 - Tea Gardens Reservoir 2	Satisfactory	Low
Reservoir	TG RES 03 - Tea Gardens Reservoir 03	Good	Low
Reservoir	WG RES 01 - Wingham Reservoir 1	Very Poor	Medium
Reservoir	WG RES 02 - Wingham Reservoir 2	Very Poor	Medium
Reservoir	WG RES 03 - Wingham Reservoir 3	Poor	Medium
Reservoir	WG RES 04 - Wingham Reservoir 4	Good	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Reservoir	IR RES 01 - Irkanda Reservoir 1	Satisfactory	Medium
Reservoir	KG RES 01 - Kolodong Reservoir 1	Poor	Medium
Reservoir	KG RES 02 - Kolodong Reservoir 2	Poor	Low
Reservoir	KG RES 03 - Kolodong Reservoir 3	Poor	Medium
Reservoir	LC RES 01 - Lantana Crossing Reservoir 1	Satisfactory	High
Reservoir	BI RES 01 - Bishops Balance Tank 1	Poor	Low
Reservoir	BI RES 02 - Bishops Balance Tank 2	Good	Low
Reservoir	BY RES 01 - Bungay Road Reservoir 1	Satisfactory	Low
Reservoir	MI RES 01 - Mitchells Island Reservoir 1	Satisfactory	Low
Reservoir	CO RES 02 - North Coopernook RES 2	Good	Medium
Reservoir	KO RES 01 - Koorainghat Reservoir 1	Poor	Medium
Reservoir	DA RES 01 - Darawank Reservoir 1	Good	Low
Reservoir	RF RES 01 - Rainbow Flat Reservoir 1	Good	Low
Reservoir	TW RES 01 - Tallwoods Reservoir Facility	Good	Low
Reservoir	RH RES 02 - Red Head Reservoir 2	Good	Low
Reservoir	GL RES 03 - Cemetery Road Reservoir	Very Good	Medium
Dams	Bootawa Dam	Very Good	Medium
Water Treatment Plant	ST WTP 01 - Water Treatment Plant	Good	Medium
Water Treatment Plant	BU WTP 01 - Facility	Poor	Medium
Water Treatment Plant	BO WTP 01 - Water Treatment Plant	Very Good	High
Water Treatment Plant	GL WTP 01 - Gloucester Water Plant	Satisfactory	High
Water Treatment Plant	TG WTP 01 - Tea Gardens Water Treatment	Very Good	Medium
Water Treatment Plant	NA WTP 01 - Water Treatment Plant	Very Good	Medium
Water Treatment Plant	ST WTP 01 - Water Treatment Plant	Good	Medium
Water Treatment Plant	BU WTP 01 - Facility	Poor	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Water Treatment Plant	BO WTP 01 - Water Treatment Plant	Very Good	High
Water Treatment Plant	GL WTP 01 - Gloucester Water Plant	Satisfactory	High
Water Treatment Plant	TG WTP 01 - Tea Gardens Water Treatment	Very Good	Medium
Water Treatment Plant	NA WTP 01 - Water Treatment Plant	Very Good	Medium
Bore	NA WPS 01A - Bore Pump	Good	Low
Bore	NA WPS 02 - Bore Pump	Good	Low
Bore	NA WPS 03 - Bore Pump	Good	Low
Bore	NA WPS 04 - Bore Pump	Good	Low
Bore	NA WPS 05 - Bore Pump	Good	Low
Bore	NA WPS 06 - Bore Pump	Good	Low
Bore	NA WPS 07 - Bore Pump	Good	Low
Bore	NA WPS 08 - Bore Pump	Good	Low
Bore	NA WPS 09 - Bore Pump	Good	Low
Bore	NA WPS 10 - Bore Pump	Good	Low
Bore	NA WPS 11 - Bore Pump	Good	Low
Bore	NA WPS 12 - Bore Pump	Good	Low
Bore	NA WPS 13 - Bore Pump	Good	Low
Bore	NA WPS 14 -Bore Pump	Good	Medium
Bore	NA WPS 20 - Bore Pump	Very Good	Medium
Bore	NA WPS 21 - Bore Pump	Good	Low
Bore	NA WPS 22 - Bore Pump	Very Good	Low
Bore	NA WPS 23 - Bore Pump	Very Good	Low
Bore	NA WPS 24 - Bore Pump	Very Good	Low
Bore	NA WPS 25 - Bore Pump	Very Good	Low
Bore	NA WPS 32 - Bore Pump	Very Good	Low

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Bore	NA WPS 33 - Bore Pump	Very Good	Low
Bore	NA WPS 35 - Bore Pump	Very Good	Low
Bore	TG WPS 02 - Bore Pump 1	Very Good	Low
Bore	TG WPS 02 - Bore Pump 2	Good	Low
Bore	TG WPS 02 - Bore Pump 3	Good	Low
Bore	TG WPS 02 - Bore Pump 4	Good	Low
Bore	TG WPS 02 - Bore Pump 5	Good	Low
Bore	TG WPS 02 - Bore Pump 7	Good	Low
Bore	TG WPS 02 - Bore Pump 8	Good	Low
Bore	TG WPS 02 - Bore Pump 12	Good	Low
Bore	TG WPS 02 - Bore Pump 17	Good	Low
Bore	TG WPS 02 - Bore Pump 18	Good	Low
Water Pump Station	NA WPS 01 - Water Pump Station	Poor	Medium
Water Pump Station	BO WPS 1A - Bootawa River WPS 1A	Satisfactory	Medium
Water Pump Station	BO WTP 01 - Koorainghat Pump 1 Water Pump Station 2B	Very Good	Medium
Water Pump Station	Bo WTP 01 - Koorainghat Pump 2 Water Pump Station 2B	Very Good	Medium
Water Pump Station	BO WTP 01 - Wingham Pump 1 Water Pump Station 2B	Very Good	Medium
Water Pump Station	BO WTP 01 - Wingham Pump 2 Water Pump Station 2B	Very Good	Medium
Water Pump Station	BO WTP 01 - Lantana Pump 1 Water Pump Station 2B	Very Good	Medium
Water Pump Station	BO WTP 01 - Lantana Pump 2 Water Pump Station 2B	Very Good	Medium
Water Pump Station	BO WTP 01 - Lantana Pump 3 Water Pump Station 2B	Very Good	Medium
Water Pump Station	KG WPS 01 - Kolodong WPS 1	Very Poor	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Water Pump Station	LC WPS 01 - Lantana WPS 1	Poor	High
Water Pump Station	ST WPS 01 - Stroud Road WPS 1	Satisfactory	Medium
Water Pump Station	ST WTP 01 - Clear Water Pump 1		Low
Water Pump Station	ST WTP 01 - Clear Water Pump 1		Low
Water Pump Station	ST WTP 01 - Raw Water Pump 1	Satisfactory	Medium
Water Pump Station	ST WTP 01 - Raw Water Pump 2	Satisfactory	Medium
Water Pump Station	ST WPS 03 - Stroud High Press Zone WPS 3	Satisfactory	Low
Water Pump Station	GL WPS 05 - Gloucester Booster Pump Station	Satisfactory	Medium
Water Pump Station	GL WPS 06 - Gloucester Booster Pump Station	Satisfactory	Medium
Water Pump Station	MI WPS 01 - Mitchells Island WPS 1	Satisfactory	Low
Water Pump Station	BU WPS 03 - Bulahdelah RES Pump Station	Poor	Low
Water Pump Station	TG WPS 01 - Tea Gardens RES Booster Pump Station 1	Very Poor	Low
Water Pump Station	BU WPS 01 - Bulahdelah River WPS 1	Poor	Medium
Water Pump Station	DA WPS 01 - Darawank WPS 1	Good	Medium
Communications	TW RES 01 - Northern Communication Tower	Very Good	Low
Communications	TA Depot - Communications Tower	Good	Low
Communications	FO RES 01 - Comms Tower Structure	Good	Medium
Communications	HP STP 01 - Communication Tower	Good	Medium
Communications	TG RES 01 - Comms Tower Structure	Good	Medium
Communications	Carey's Mountain - Comms Tower	Good	Medium
Communications	BO WTP 01- Communication Tower	Good	Medium
Communications	ST COT 01 - Peppers Mountain Communications Tower	Good	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Communications	GL COT 01 - Communication Facility Cemetery Road	Good	Low

Appendix E - Infrastructure NSW Performance Indicators

The proposed indicator set has not yet been finalised upon development of this AMP. Refer to the Department of Planning and Environment (dpie.sw.gov.au), Performance indicators for local water and sewer utilities, August 2023 for context on the current state of this development.

This appendix should be updated upon release of the final indicator set.

ASSET MANAGEMENT PLAN

Sewer Assets
2024





Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

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EXECUTIVE SUMMARY

Executive Summary

The Purpose of the Plan

MidCoast Council (Council) manages an extensive network of sewer infrastructure assets to provide sewerage services to the population of the region's Local Government Area (LGA). This Asset Management Plan (AMP) provides the guiding objectives, strategies and programs of work to manage the sewer infrastructure in a prudent and cost-effective manner. This AMP aligns to the standards of both NAMS+ and the Institute of Asset Management (IAM), to ensure a good practice approach is maintained by Council across all its asset classes.

Asset Description

The sewer infrastructure in scope of this plan consists of three primary asset groups, which include reticulation, treatment plants and pump stations. Collectively, the assets hold a total replacement value of \$724.2 million¹, in FY25 figures. At the time of developing this AMP, the current state of the portfolio is depicted in Figure 1, where the size of the bubble represents the replacement value of the asset group and the position along the curve represents the weighted useful life expired and condition of the assets.

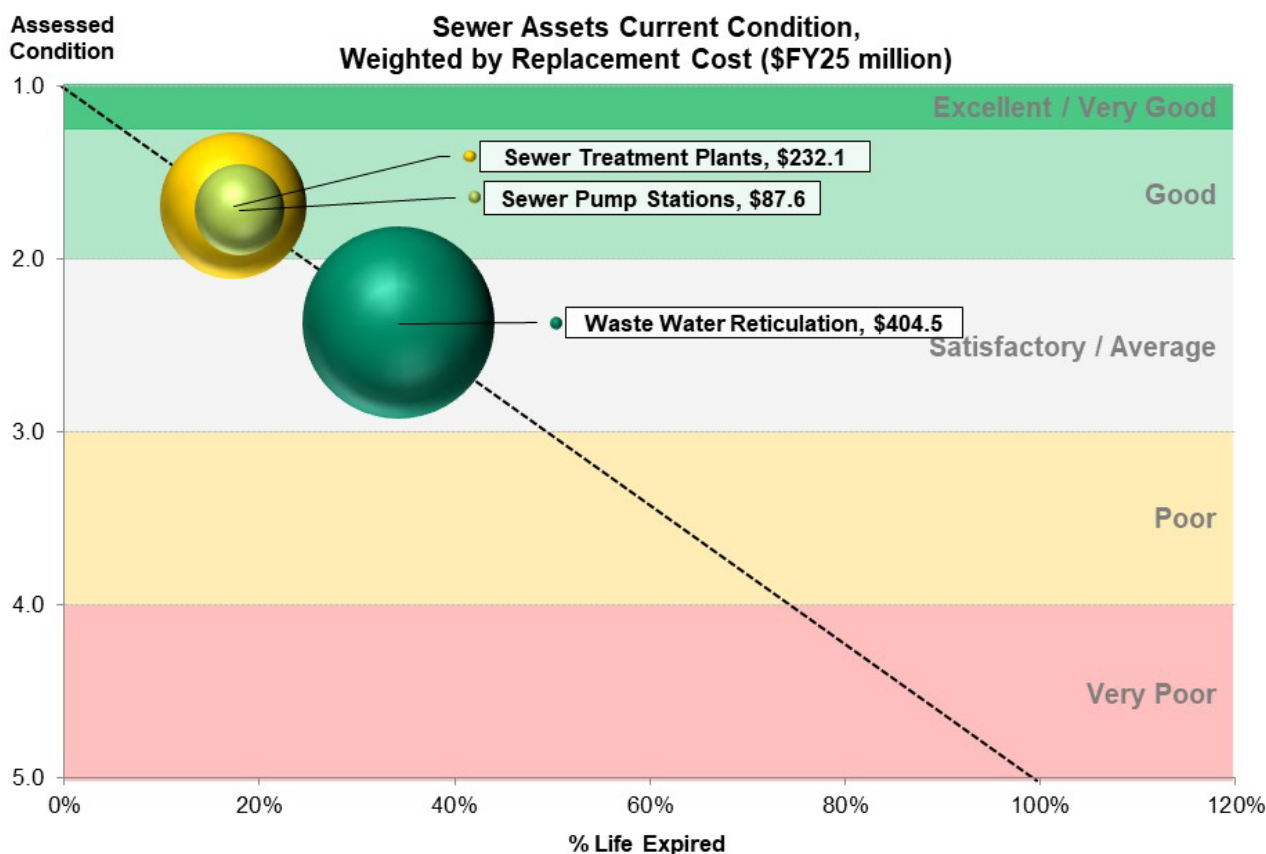


Figure 1 Sewer Assets Current Condition, Weighted by Replacement Cost

¹ Replacement value figure (\$724.2 million) is sourced from Council's '2023-24 Sewer Assets' Register, for alignment with the capital modelling. This current cost figure is indexed to FY25 dollars by the current CPI rates as at the time of developing this AMP.

The dashed line presents the relationship between Council's condition ratings and the corresponding percentage of life expired for the assets. It does not represent the path of deterioration.

The reticulation assets are in a 'Satisfactory' condition state at roughly 30% through the long-lived assets expected life. Sewer treatment plants and pump stations are both assessed as 'Good'.

This condition is considered to be an acceptable state, according to IAM's consideration of prudent asset management, for managing the level of risk Council can tolerate for potential asset failure and can be managed through routine maintenance and capital planning.

However, the MidCoast Council Asset Management Strategy² states that a condition state of 2 ('Good') is defined as satisfactory. As such, an initial investment into capital renewal is required to address an existing backlog of works and increase the weighted mean condition of the portfolio into a condition state of 2 ('Good').

Levels of Service

The sewer infrastructure under Council ownership and management, facilitates sewerage services for a population of roughly 99,000 people. The level of service (LoS) expectations by not only residents but all stakeholders of these assets have been defined through consultation with both internal and external representatives of Council and refined during development of this AMP. Detailed service levels are provided in this report and include the following categories for customer expectations:

- Compliance
- System capacity
- Sewer reliability
- Sewer infrastructure robustness
- Customer satisfaction
- Performance
- Affordable cost
- Safety
- Environmental Impact
- Service Standard

Financial Summary

Council operates with constrained budgets across each of its asset classes and apply a risk-based approach to prioritising works (Section 5.2.1). The budget which has informed the schedule of works (Scenario 2) in this AMP has been informed by Council's 30-year planned capital projections³. Figure 2 presents the 10-year projection of capital expenditure with a total spend over the period of \$87.5 million, in FY25 figures.

² MidCoast Council, Asset Management Strategy 2022-2032

³ 30-Year CAPEX Projects, October 2024

The solid line represents the weighted mean condition of the sewer portfolio in a scenario without capital expenditure, whereas the dashed line represents the weighted condition of the portfolio in a scenario where the capital expenditure equals what is shown by the column values.

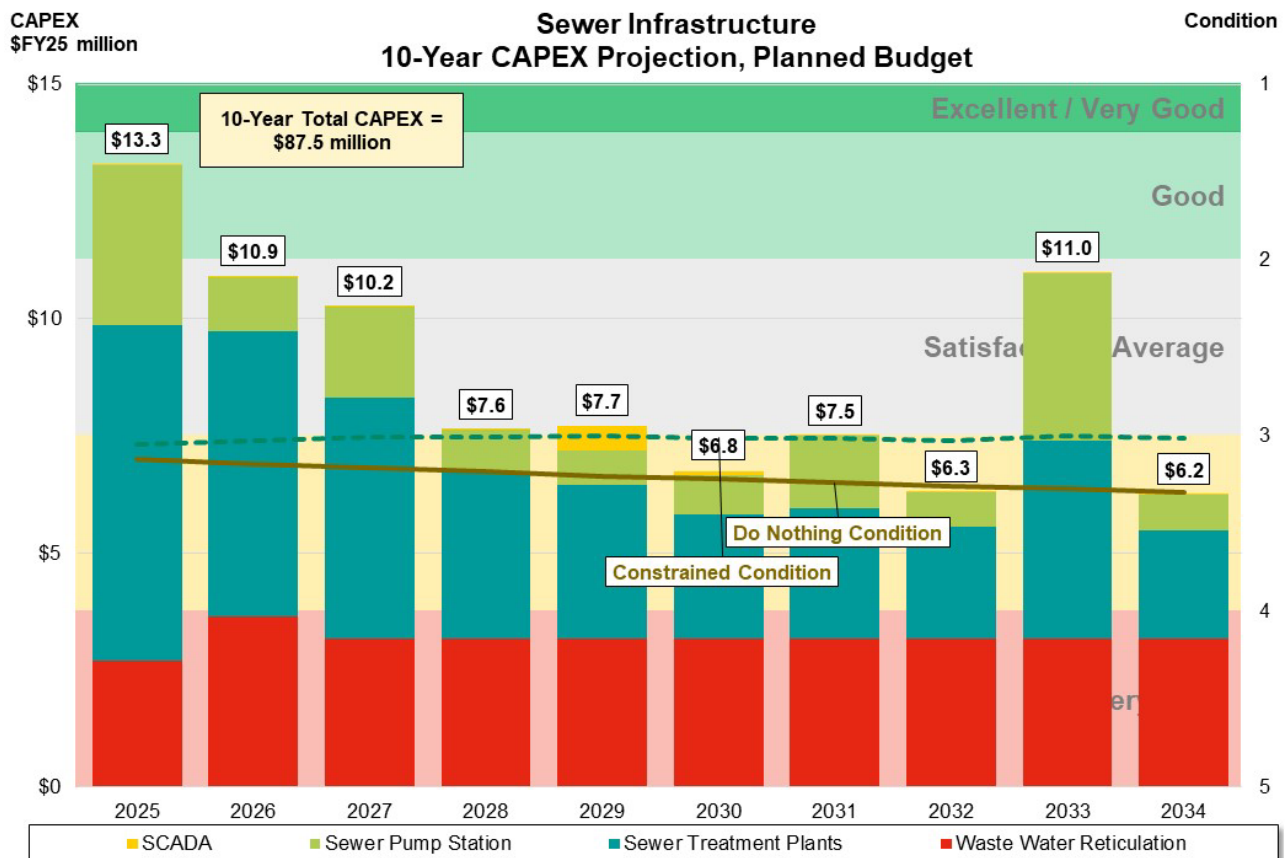


Figure 2 10-Year CAPEX Projection, Planned Budget

Following the planned budget constraints, the weighted mean condition state of the sewer portfolio is expected to sustain a 'Satisfactory' condition. The 'Satisfactory' condition (rating of 3) represents the highest acceptable level of risk the assets may take on for the potential of failure. Any additional constraints to delivering capital works, beyond the budgets used in this funding scenario, would result in the assets steady decline towards a poor condition state, at which point Council would be taking on excessive risk to delivery of its essential sewerage services. This is assuming that works captured in this scenario are able to be completed as and when scheduled.

On the provisional basis that labour resources and delivery constraints allow for all scheduled works to be complete, this level of funding is expected to be sufficient to meet the performance requirements of the sewer portfolio of assets.

This AMP provides additional funding strategies to illustrate the impact which various amounts of funding would have on the mean weighted condition of the portfolio. Figure 3 shows the four funding scenarios considered in this AMP. Section 6.3.6 details the impact of each scenario and the lifecycle assumptions which form the basis of each level of required funding.

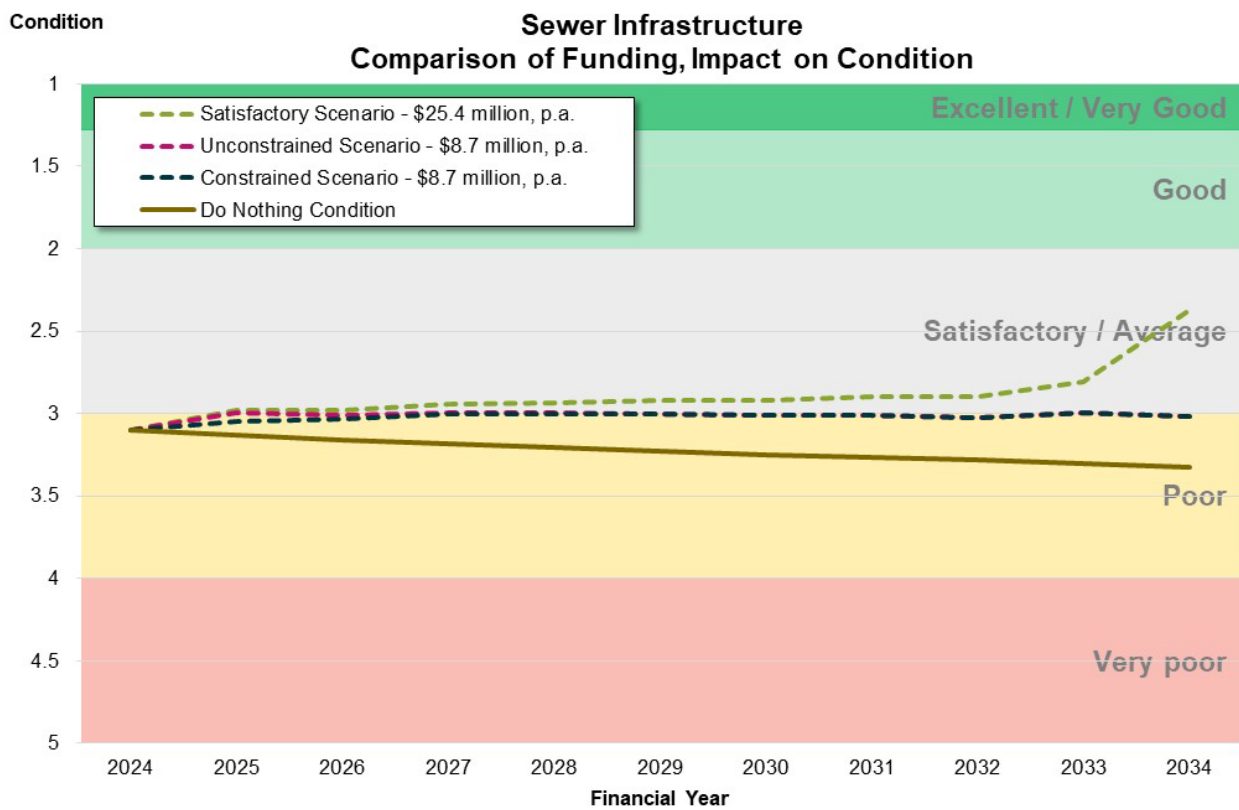


Figure 3 Comparison of Funding, Impact on Condition

Maintenance

Maintenance for the sewer infrastructure has been projected over the next 10-years by indexing historic values to FY25 figures, assuming planned and unplanned maintenance will remain consistent. Figure 4 shows values as nominal figures in thousands, separated by asset group. New maintenance requirements are sourced projections from the 30-year planned capital budgets.

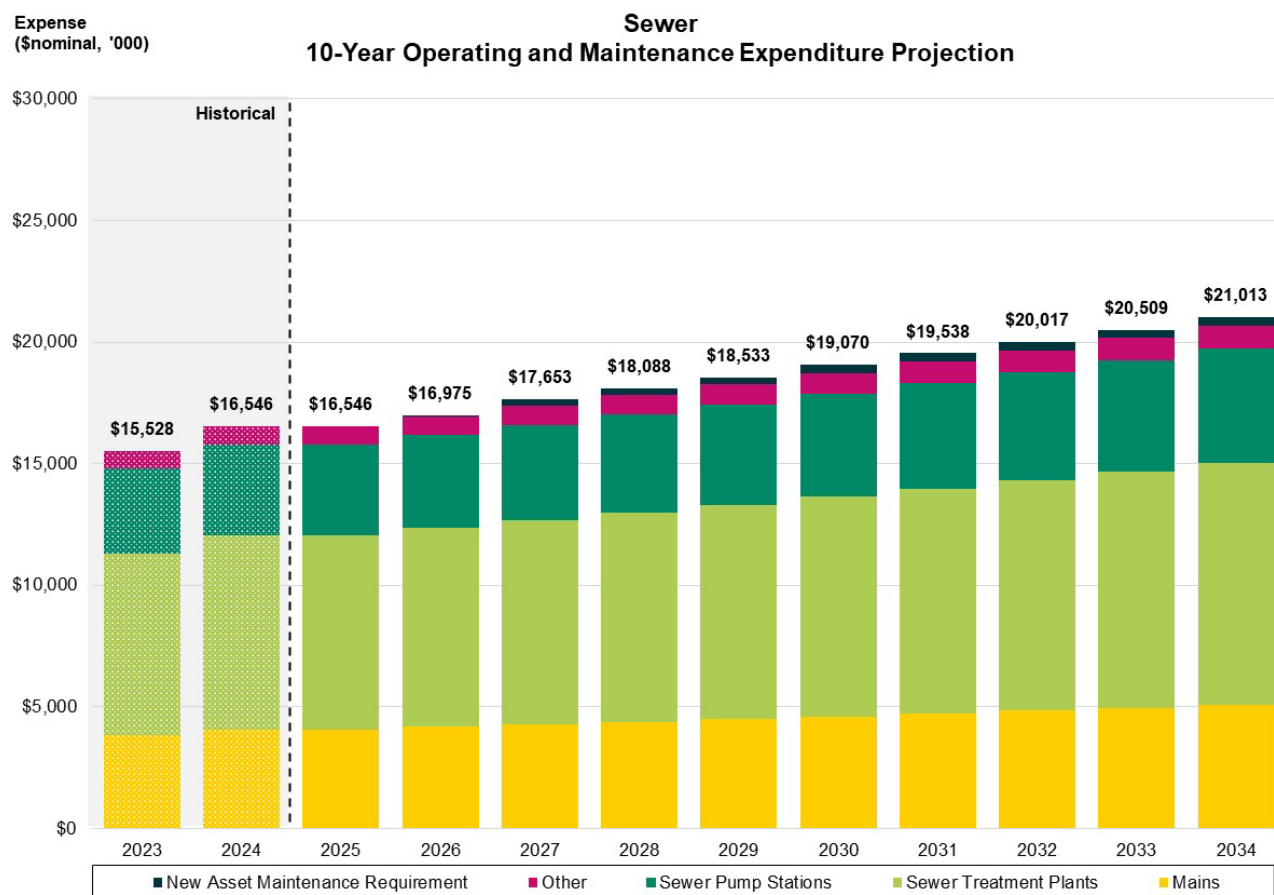


Figure 4 10-Year Operating and Maintenance Projection, by Asset Group

Section 6.4 of this AMP provides operating and maintenance expenditure benchmarks against a selection of comparable regional Councils⁴.

Section 6.3.4 presents the Infrastructure Asset Performance Indicators, as a reporting requirement of Council. The maintenance ratio reported in this AMP considers both 'actual' maintenance values sourced from the FY24 Water Supply Income Statements (FDR), and 'required' maintenance values sourced from the Asset Management Strategy (Draft) produced by Morrison Low.

This maintenance ratio presents different values to that provided in the Asset Management Strategy as it considers both operational and maintenance expenditure benchmarked to the National Performance Reporting (Bureau of Meteorology) 2022-23 (NPR).

⁴ Benchmark figures provided in this AMP are sourced from the Australian Government Bureau of Meteorology, Urban NPR 2022-23 Complete Dataset

The approach taken for developing this AMP remains consistent across both Water and Sewer portfolios.

Managing the Risks

Risk management for the sewer infrastructure is assessed in accordance with the MidCoast Council Risk Management Framework. For the development of this AMP, Council has completed several internal workshops to assess risk across the various asset categories for the sewer portfolio. As a result of these workshops, several of significant risks have been identified and presented in Table 1. Significant asset related risks are considered those with a residual risk rating of High or greater.

Table 1 Significant Asset Specific Risks

Risk Category	Risk Description	Residual Risk Rating
Asset/Facility Failure	HR SPS 09 – Vacuum Sewer Pump Station	High – 12
Asset/Facility Failure	WG SPS 01 – Sewer Pump Station	High – 11
Asset/Facility Failure	FO SPS 18 – Sewer Pump Station	High – 11
Asset/Facility Failure	TI SPS 04 – Sewer Pump Station	High – 11
Asset/Facility Failure	HP SPS 01 – Sewer Pump Station	High – 10
Asset/Facility Failure	PP SPS 11 – Sewer Pump Station	High – 10
Asset/Facility Failure	BU SPS 01 – Sewer Pump Station	High – 10
Asset/Facility Failure	FO SPS 03 – Sewer Pump Station	High – 10
Asset/Facility Failure	GL STP 01 – Sewer Treatment Plant	High – 12
Asset/Facility Failure	HN STP 01 – Sewer Treatment & Re-use	High – 11
Asset/Facility Failure	BU STP 01 – Sewer Treatment & Re-use	High – 11
Asset/Facility Failure	DR STP 01 – Sewer Treatment & Re-Use	High – 10
Asset/Facility Failure	HR STP 01 – Sewer Treatment & Re-use	High – 10

Further asset operational risks are captured in this AMP with a full risk register provided in Appendix D.

Monitoring and Improvement Program

Part of good practice in asset management and what is now standard practice for MidCoast Council, is to consider continual improvement in asset management. The actions which are captured in Table 2 have been identified throughout the development of this AMP, and are recommended for Council to develop and implement over the next 3-years to improve its maturity and capabilities in asset management. A full schedule of improvement opportunities is detailed in Table 26.

Table 2 Key Continuous Improvement Actions

Improvement Area	Description	Timing
Delivery of works	There may be opportunities to package works to reduce the overall cost of delivery. Creating work packages will reduce the upfront supplier cost.	Ongoing
Asset failure data	Asset decay is influenced by a range of environmental factors. MidCoast Council should seek to record asset failure data to better inform its ability to predict future failure (this is achieved through Weibull Curve plotting for major asset classes – a method which applies the Weibull mathematical calculation for predictive future failure based on historical intervals). Further failure data, such as type of failure, component which failed, timing since last failure, etc. would improve predictive ability and better enable a clear linking of quantitative levels of service to asset life.	Ongoing
Technical Levels of Service	Development of this AMP identified a number of existing performance measures which do not align with the capabilities and capacity of current Council. These KPI's require updating to provide achievable targets which management a relevant staff can work towards attaining. KPI's should constantly be reviewed and adjusted to reflect the current operational capacity and capabilities of Council.	Within 1-Year
Condition Standard	Council have defined its target (satisfactory) condition state for all asset classes to be at a rating of 2. While this condition rating would effectively allow the assets to meet their service expectations and eliminate most risks of potential asset failure, it is considered excessive and unrealistic for the water and sewer assets. Due to the nature of this asset class, primarily being buried, non-public facing or used infrastructure, the water infrastructure can sufficiently provide all service requirements and maintain a tolerable degree of risk, according to Council's Risk Management Framework, when sustained at a condition rating of 3. For this reason, it would be considered more prudent and cost effective for Council to reassess its objective condition ratings across each asset class. Council are to engage with the community for consultation and feedback on the potential change to its Condition Standards.	Within 1-Year

Improvement Area	Description	Timing
Operational Asset Management Plans	Council are to prepare operationally focussed asset management plans to enable to efficient delivery of works, and provide line of sight between the organisational objectives, asset management plans and operational activities required of the assets.	Within 1-Year
Asset Hierarchy	Hierarchical structuring of asset information is necessary for Council to categorise, analyse and report on not only its Sewer assets but all asset classes within the organisation. Ongoing development of the current asset hierarchy is underway and further improvements and standardisation of this information shall be completed over the suggested time period.	Within 2-Years
Criticality	At the time of development for this AMP, criticality has been assessed at the facility level across the major asset groups. Council is to continue to assess criticality at the more granular asset component level, to improve prioritisation across the schedule of works.	Within 2-Years
Maintenance Strategy	Development of a Maintenance Strategy to detail the planned maintenance requirements for each of the tasks listed in this AMP. Inclusive of detailed tasks, number of impacted assets, resource requirements, timing and delivery methods.	Within 2-3 Years
Buildings	The buildings associated with sewer assets are currently included in both this AMP and the Buildings AMP. The information contained within this AMP should be consolidated into the Buildings AMP when the maturity of the data contained within that AMP is sufficient.	Within 3-Years
Roads	The roads associated with sewer assets require recognition in their respective transport asset planning documentation.	Within 3-Years
Asset Management Maturity	Council identify the objective of achieving a core level of asset management maturity by 2023 in its Asset Management Strategy 2022-32. Council should reassess Maturity following the completion of this AMP to review performance of this targeted KPI, and update this AMP accordingly.	Within 3-Years

This AMP is to be updated every 4-years (or to align with the Integrated Planning and Reporting timeframes) to ensure currency and accuracy of asset data and information which has been used to create the programs of works across planned and unplanned maintenance.



INTRODUCTION

1.0 Introduction

This section outlines the background, objectives, and function of the sewer infrastructure owned and operated by MidCoast Council (Council). It includes a summary of the assets which facilitate the services provided by Council.

1.1 Background

MidCoast Council was formed in 2016 through an amalgamation of several regional councils and a water utility. The Council's local government area (LGA) covers a geographical area of over 10,000 km² and has a current population size of roughly 99,000 people. Council is responsible for the management of over \$5.80 billion⁵ worth of infrastructure including water and sewerage infrastructure assets, of which roughly \$724.2 million is made up by the sewerage assets.

Approximately seven billion litres of sewerage are collected annually and treated by one of the 14 sewerage treatment plants that Council manages and operates. The scale of the sewer infrastructure is shown in Figure 5.

⁵ MidCoast Council, Financial Statement 2023-24



Figure 5 Map of Sewer Infrastructure

The sewer infrastructure includes 1,100 km of sewer pipeline which convey sewer to the treatment plants through 204 pump stations. The sewer infrastructure facilitates services to 20 communities summarised in Table 3.

Table 3 Summary of Sewerage Schemes

Sewerage Scheme	Service Communities and Towns	Discharge Point
Bulahdelah	Bulahdelah	Frys Creek
Coopernook	Coopernook	Lansdowne River
Forster	Forster, Green Point, Pacific Palms, Seven Mile Beach, Smiths Lake, Tarbuck Bay	Pacific Ocean
Gloucester	Gloucester and Barrington	Gloucester River

Sewerage Scheme	Service Communities and Towns	Discharge Point
Hallidays Point	Hallidays Points, Wallamba, Nabitac, Tuncurry	Sand exfiltration – Hallidays Point / Tuncurry Aquifer
Harrington	Harrington and Crowdy Head	Sand exfiltration / wetland release – Harrington wetland
Hawks Nest	Hawks Nest and Tea Gardens	Sand exfiltration – North Hawks Nest Aquifer
Lansdowne	Lansdowne	Lansdowne River
Manning Point	Manning Point and Pelican Bay	Sand exfiltration – Manning Point Aquifer
North Karuah	North Karuah	All effluent is reused
Old Bar	Old Bar and Wallabi Point	Sand exfiltration – Old Bar Aquifer
Stroud	Stroud	Karuah River
Taree	Taree, Taree South and Tinonee	Dawson River
Wingham	Wingham	Manning River

1.2 Goals and objectives of asset ownership

Council is committed to managing its infrastructure asset in a manner that is sustainable, cost effective and is informed by defined service levels and performance standards. This is to ensure Council meets service expectations and delivers quality service to the community. To achieve this Council has outlined key objectives in its Asset Management Strategy which include:

- Ensuring compliance with relevant legislation and regulatory requirements and consideration of social, political and economic environments in management of Council's assets.
- Implementation of systematic asset management and good practice to be consistent across Council's asset portfolio.
- Ensuring plans are informed by community consultation, technical stakeholders, financial planning and reporting.
- Ensuring defined services levels are developed and future service levels are informed by engagement and consultation with the community.
- Development of programs for each asset class to include routine inspections, maintenance and repairs that are carried out to meet agreed service levels and identify asset renewal priorities.
- Ensure renewal plans are informed by service levels, risk and asset condition.
- Maintaining future lifecycle costs reporting and ensure consideration in all decisions pertaining to new assets as well as upgrading existing services and assets.

- Ensuring operational capabilities and resources are available and AM responsibilities are appropriately assigned.

This AMP is intended to provide a roadmap for making informed decision-making in line with these objectives and is developed in accordance with NAMS+ and ISO55001:2024 standards. This is to ensure a prudent approach to asset management is achieved across Council's entire portfolio of assets.

1.3 Sewerage services overview

1.3.1 Description of services

The sewer infrastructure provides services to the region which is facilitated through key infrastructure systems and processes. Table 4 provides a summary of the sewer infrastructure which facilitate collection and treatment of sewerage across the Council region.

Table 4 Services Descriptions

Asset System	Service Description
Sewer Treatment Plants (STP)	Council operates 14 sewer treatment plants across the region servicing 20 communities. The level of treatment required is defined by the operating license provisioned by EPA for each plant. Council ensures compliance is met before sewerage is released into the environment.
Lagoons	Council operates 30 lagoons across the sewerage treatment plants and provides services including sludge management, tertiary treatment and recycled water.
Sewer Pump Stations	Council operates 204 pump stations that convey sewage to treatment plants.
Sewer Mains (Rising and Gravity)	Council mains network is operated to collect sewage from customer properties that is transported to treatment plants.
Sewer Manholes	Over 15,000 manholes are managed by Council which service the sewer reticulation networks, to ensure access is maintained for inspection and maintenance as required.
Sewer Valves	Council operates over 1,600 valves along the reticulation networks and includes valves for air release, gate, stop and scour.
Recycling Treatment Plants	Council manages 10 reuse treatment plants that provide services in treating effluent from sewerage treatment plants to be used for irrigation purposes.

1.3.2 Asset summary

The assets included in this AMP are summarised in Figure 6. The hierarchy provides a method of categorisation, against which the criticality, risk, life expectancy and condition of the assets can best be allocated at varying levels of granularity. The sewerage infrastructure hierarchy consists of six levels of categorisation, with the first three depicted in the figure below.

*Asset Group (Level 1) Asset Category (Level 2) Asset Sub-Category (Level 3)

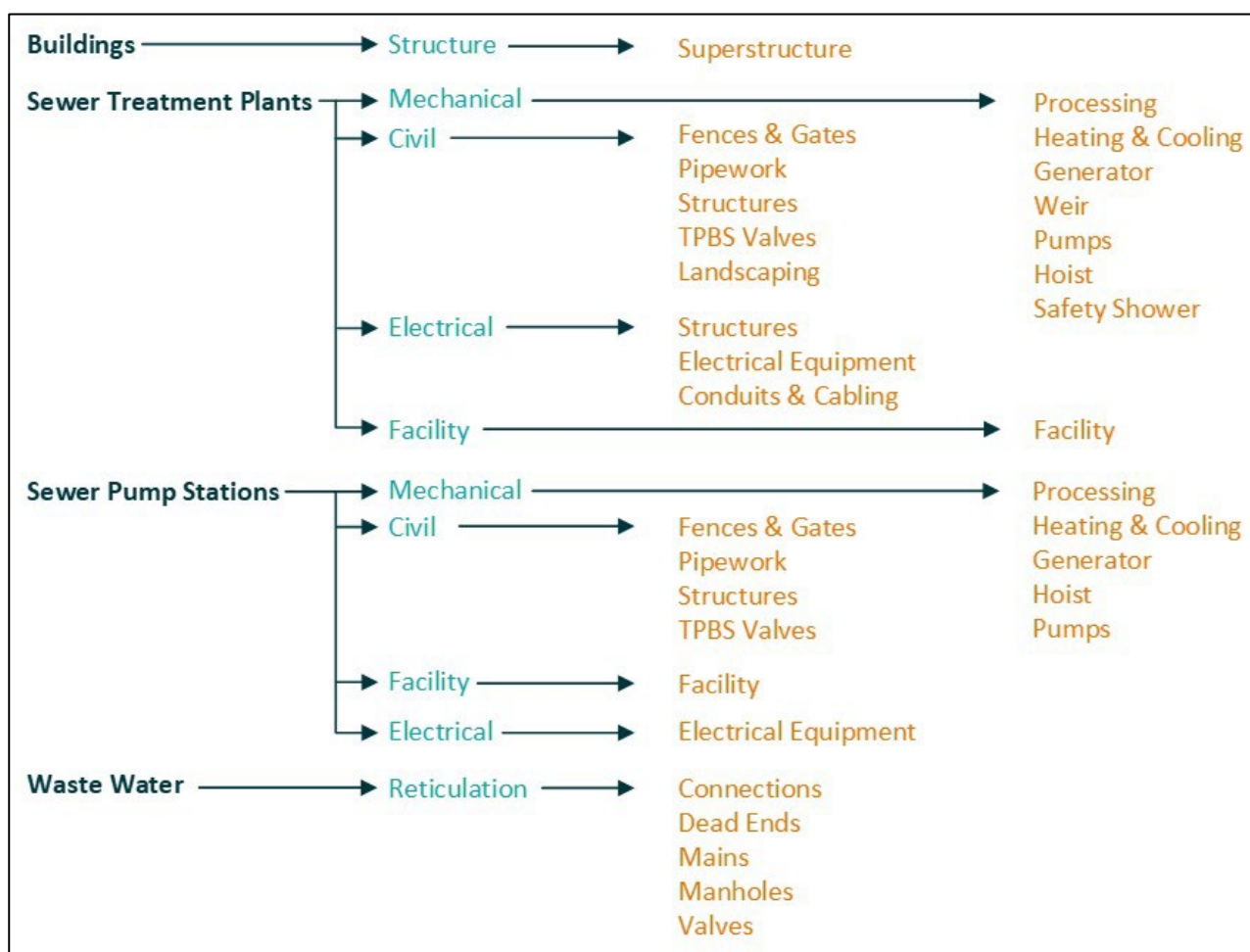


Figure 6 Asset Hierarchy

Furthermore, classifying the sewerage infrastructure in this hierarchy allows future use of the asset data to efficiently be located despite the extensive scale of the database and granularity of data available for these assets.

1.3.3 Portfolio valuation

The assets which are considered within the sewer asset class for the Council has a total replacement value of \$724.2 million, in FY25 dollars. The figures provided in Table 5 have been sourced from the existing database made available by Council⁶ and expressed in FY25 dollars.

⁶ Councils 2023-24 Sewer Assets

Table 5 Asset Replacement Valuation

Asset Classification Type	Asset Sub-Class	Current Asset Cost (\$FY25, '000)
Facilities	Facility	\$387
Network	Water	\$404,487
Treatment Processing & Bulk Storage	Civil	\$225,622
	Mechanical	\$42,964
	Electrical	\$50,718
Grand Total		\$724,179

1.3.3.1 Buildings

All buildings associated with the sewer assets are operated and maintained as part of the sewerage infrastructure portfolio. Consequently, any capital costs associated with these buildings are included in this AMP. These assets are also considered in Council's Buildings AMP to ensure consistency of management principles, but their costs are specifically reflected in this AMP.



LEVELS OF SERVICE

2.0 Levels of Service

This section defines the service level expectations of the Council from its stakeholders, the strategic goals which underpin the management of sewerage assets, and the regulatory requirements.

2.1 Customer research and expectations

2.1.1 Research and customer feedback

Council utilised an external research provider to facilitate and ascertain community feedback regarding the provision of services, in March 2020. The results following the research are documented in the Community Satisfaction & CSP Research⁷ report.

Sewerage services achieved the second highest satisfaction rating of roughly 92%. This AMP supports Council to maintain the quality of this service.

The levels of service for Council's sewer infrastructure has largely been informed by the IWCM⁸. Community consultation, as indicated in Figure 11 of the Strategy⁹. This has involved numerous community workshops, engagement activities through youth and school programs, and strategic reviews with regulators and specialists.

2.1.2 Stakeholder expectations

Council has several stakeholders with varying levels of interest and investment. The stakeholders' service expectations are provided in Table 6, for the assets in scope of this AMP.

Table 6 Stakeholder Expectations

Stakeholder	Stakeholder expectations
Customers / Rate payers	<ul style="list-style-type: none">• Sewer infrastructure robustness – sewerage infrastructure functions as and when required.• Customer satisfaction – service is in line with customer expectations.• Performance – assets function as intended.• Affordable cost – services are reasonably priced and provide value to customers.• Service standards – sewerage infrastructures as intended with minimal interruptions.

⁷ MidCoast Council, Community Satisfaction & CSP Research, 2020

⁸ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

⁹ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, Figure 11: Our community engagement

Stakeholder	Stakeholder expectations
MidCoast Council	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required. • Customer satisfaction – service is in line with customer expectations. • Performance – assets function effectively and reliably, and meet the performance targets. • Affordable cost – services are reasonable prices. • Environment – management of the assets are in accordance with relevant environment standards and Council's sustainability targets. • Infrastructure capacity – sewerage infrastructure meets current demand and considers future demand. • Sewer reliability – the infrastructure provides dependable and continuous services.
Department of Planning and Environment (DPE)	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required. • Customer satisfaction - service is in line with customer expectations. • Performance – assets function effectively and reliably and meet the performance targets. • Infrastructure capacity – sewerage infrastructure meets current demand and considers future demand.
NSW EPA	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required, whilst also meeting NSW EPA guidelines. • Performance – assets function effectively and adhere to relevant environmental regulations set by NSW EPA. • Environment – management of assets are complaint with relevant EPA guidelines and standards.
Regulators	<ul style="list-style-type: none"> • Compliance – assets comply with all relevant legislation and regulatory requirements. • Sewer reliability – the infrastructure is reliable in complying with relevant legislative requirements and standards.
Sewer Operations and Maintenance Team	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required. • Customer satisfaction – service is in line with customer expectations. • Performance – assets function effectively and reliably and meet the performance targets.
Planning and Assets	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required. • Customer satisfaction – service is in line with customer expectations. • Performance – assets function effectively and reliably and meet the performance targets.

Stakeholder	Stakeholder expectations
Capital Delivery	<ul style="list-style-type: none"> • Sewer infrastructure robustness – sewerage infrastructure functions as and when required. • Customer satisfaction – service is in line with customer expectations. • Performance – assets function effectively and reliably and meet the performance targets.
External Contractors	<ul style="list-style-type: none"> • Safety – assets are safe to use and maintain.

2.2 Strategic and corporate goals

Council's objectives in the management of its sewerage assets are described in the Asset Management Strategy¹⁰. The key objectives include:

1. Protection of public health
2. Protection of the environment
3. Maintain service availability
4. Operate in a financially sustainable manner

The Council also sets out its community objectives in the Community Strategic Plan¹¹, which outlines the community expectations of Council along with identified strategies to achieve these goals.

2.3 Legislative requirements

There are many legislative requirements relating to the management of Council's sewerage assets. All maintenance activities and / or future acquisition of new assets are in accordance with:

- Environment Protection Act 1994
- NSW Local Government Act 1993
- NSW Best-practice management of Water Supply and Sewerage Guidelines, 2007
- Plumbing and Drainage Act 2011
- Public Health Act 2010
- Water Management Act 2000
- Work Health and Safety Act 2011
- Plumbing Code of Australia (PCA)

¹⁰ Asset Management Strategy, 2022-2032

¹¹ Community Strategic Plan, 2022-2032

2.4 Customer values

Service levels are derived from the customer values which establish the expectations Council stakeholders demand from the assets.

Customer values are driven by:

- Identification of the service attributes that hold significance for the customer.
- Assessment of the perceived value in the current service offerings.
- Prediction of future trends based on socioeconomic state of the LGA and competitive landscape across comparative Councils.

The customer levels of service is further detailed in Section 2.5, whilst the technical levels of service (TLoS) are described in Section 2.6.

2.5 Customer levels of service

Council's commitment to upholding the customer levels of service is documented in the Customer Charter¹², which describes the responsibilities Council has to its customers.

The sewerage assets managed by Council must be adequately maintained to enable and support the delivery of sewerage disposal services. Council's responsibility to its customers, as defined in the Charter, includes:



Minimise the inconvenience to you when sewer overflows occur due to an issue with our system and efficiently and adequately clean the affected area



Respond to issues in our waste water network as soon as practicable but always within 6 hours.



Give you >48 hours' notice for planned interruption to services

Service responsibilities which define the role of Council for each of the service levels described in the Customer Charter, are provided in Table 7.

¹² MidCoast Council Customer Charter (Draft), 2023

Table 7 Customer Service Levels

Customer Service Level	Service Responsibilities
Information and Privacy	<ul style="list-style-type: none"> • Ethical, fair and honest treatment of customer information • Protection of customer information to third parties • Contact with customers only between 7:00am to 4:30pm weekdays • Make available information requested by customers, within reason
Sewerage services	<ul style="list-style-type: none"> • Provision of 24-hour emergency phone service to report service interruptions • Respond to notified issues as soon as possible • Minimise service interruptions to sewerage services • Minimise damage and inconvenience in the event of overflow and system failure
Enquires and complaints	<ul style="list-style-type: none"> • Provision of convenient options to lodge complaints and enquiries • Resolve complaints as soon as reasonable possible • Deal with customer complaints efficiently and fairly • Keep customers advised of progress / changes to their enquiries • Discuss any and all associated costs prior to undertaking any action • Provide reasons for all decisions • Learn from feedback for continual improvement • Treat all customers with courtesy and respect
Water and sewer pipe protection spaces	<ul style="list-style-type: none"> • Provision of 48-hours' notice to access pipes on properties for planned maintenance (excluding emergency situations) • Work on premises will be returned to a similar condition (unless the process of restoring will interfere with sewer infrastructure) • Advise where assets are located and where customers can build and landscape
Building, renovation, landscaping	<ul style="list-style-type: none"> • Process applications for landscape, building and renovation within 40 business days • Provision of information requested regarding sewer assets
Entry to your property	<ul style="list-style-type: none"> • Provide written notice, 48-hours before entering a property for planned maintenance (exclusions for emergency) • Attendance to appointments no more than 30-minutes late (one hour notice to be given if later than 30-minutes) • Provide 24-hours' notice to cancel an appointment • Property to be returned to a similar condition where work is undertaken • Employees and contractors to carry identification that will be shown to customers

Customer Service Level	Service Responsibilities
Your account	<ul style="list-style-type: none"> • Accounts to contain all information required by the Local Government Act 1993 • Accounts reflect any rebates and concessions • Notification of any change to schedule of charges • Provision of convenient options for customer to pay their accounts • Provision of account information upon request (relating to the previous 12-months) • Overcharges to be credited to customer and informed once aware • Undercharges to be recovered based on sums incurred during the 12-months prior customers last account

2.6 Technical levels of service

Technical levels of service (TLoS) provide measurable performance requirements which the assets must achieve, in order to satisfy the service levels and stakeholder expectations. The detailed TLoS for Council's sewer infrastructure are provided in Table 8 and have been informed by the IWCM¹³.

Table 8 Technical Levels of Service

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting target (Yes / No)
Compliance	Effluent samples compliant with concentration limits.	% of effluent samples compliant with licence concentration limits.	95% (State median 83.05%)	96.26% ¹⁴	Yes
Service standards	All sewerage deposited in system is to be directed to treatment facilities.	All unintentional discharges to be monitored and cause determined.	100% compliance (LOS Agreement)	All unintentional discharges have been monitored and cause determined	Yes
Environment	Effluent that is recycled is to be measured.	% of treated effluent that is recycled.	20% average (State median 8.0%)	8.41%	No, however higher than state median (Performance is weather dependent)
Environment	Suitable management of dry weather sewer overflow events.	Number of dry weather sewer overflow expressed in event, per 100km of pipe installed.	100% (State median 0.79/100km)	1.62/100km	No

¹³ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

¹⁴ Data submitted for 2023-24 Performance Monitoring Report NSW

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting target (Yes / No)
Environment	Wet weather sewer overflow is maintained to an acceptable number of occurrences.	Number and extent of wet weather sewer overflow.	100% measure and report	19	Unknown
Sewer reliability	Pump stations are maintained a sufficient degree of standby capacity.	Percentage of pump stations with more than 100% standby capacity.	100%	100%	Yes
Sewer infrastructure robustness	A sufficient quantity of pump stations include wet weather storage capacity.	Percentage of pump stations with wet weather storage capacity greater than 4 hours of anticipated average dry weather flow.	100%	86%	No
Customer satisfaction	Odour complaints are incurred at minimal rates.	Number of odour complaints per 1000 properties.	State Median 1/1000 properties	2/1000 properties ¹³	No
Customer satisfaction	Service complaints are incurred at minimal rates.	Number of service complaints per 1000 properties.	State Median 4.04/1000 properties	1.67/1000 properties ¹³	Yes
Customer satisfaction	Customer satisfaction meets target levels.	Percentage of satisfied customers ¹⁵ .	90% (2020)	92% (2020)	Yes

¹⁵ Community Survey, completed in 2020, indicated that most customers are satisfied with sewerage services. The community satisfaction survey confirmed that both sewer and water services are of high importance with water quality rated as one of the most important and water services are of high importance with water quality rated as one of the most important services provided by Council. – Micromex Community Survey 2020

Service Level	TLoS	Key Performance Measure	Target Performance	Current Performance	Meeting target (Yes / No)
Performance	Sewer main breaks and chokes are maintained to a minimal quantity.	Number of sewer main breaks and chokes per 100km.	State Median 22 / 100km	14.32/100km	Yes
Affordable cost	Affordability of residential sewerage service bill.	Typical residential sewerage service bill (\$/yr).	State Median \$835.88 /yr /connection	\$1,049 /yr /connection	No
Safety	Assets are safe to operate and maintain.	Risks are managed in accordance with the MidCoast Council Risk Management Framework.	No risk exceeds tolerance levels untreated.	Significant risks identified in risk register and prioritised.	Yes

FUTURE DEMAND



3.0 Future Demand

The environment which assets are operating in is constantly changing due to several factors which affect the operating requirements of the asset and rate at which the assets degrade. Assessing demand and the future state scenarios in which an organisation is expected to be operating its assets within, will better allow it to plan accordingly.

3.1 Demand drivers

The current sewerage system services 20 communities including 40,000 households throughout Council's LGA. This is estimated to increase to roughly 60,000 properties by 2050, by which the network of assets must be sufficient to sustain the growth in demand and capacity.

Changes in demand on the network is primarily driven by several factors provided in Table 9.

Table 9 Factors Driving Demand for Sewerage Service Assets

Demand Driver	Description
Population growth	Growth in population and size directly influence the sewerage services. As the number of residents, households and businesses grow, there is increased need for sewerage services provided by Council.
Regulatory and legislative changes	Changes in regulation can either prompt changes in conditions required for compliance and or standards of existing assets and new infrastructure. These changes can lead to increased demand for infrastructure or levels of treatment needed to meet regulation.
Primary industries	The type of industry and the activities supported that rely on sewerage services can drive overall demand.
Climate change	Changes in climate conditions will have a direct impact on sewer infrastructure and the resilience of existing networks infrastructure. Demand may be exacerbated as unfavourable weather conditions persist, including storms.

3.2 Demand projection

According to projections by MidCoast Council, the population across the LGA is projected to increase from approximately 99k in 2023 to 116k by 2036, a 18% increase over the 13-year timeframe. It is noted in Council's IWCM, that the projected population serviced by Council's sewer infrastructure will grow by an estimated 48% by 2051.

Figure 7 illustrates the projected population, depicted by the blue columns and the annual change rate, depicted by the yellow line. As demonstrated, the population will experience a steady increase in growth over the next 10 years, however the pace of growth is anticipated to gradually decline, which could be attributed to factors such as interstate migration and changes in demographics.

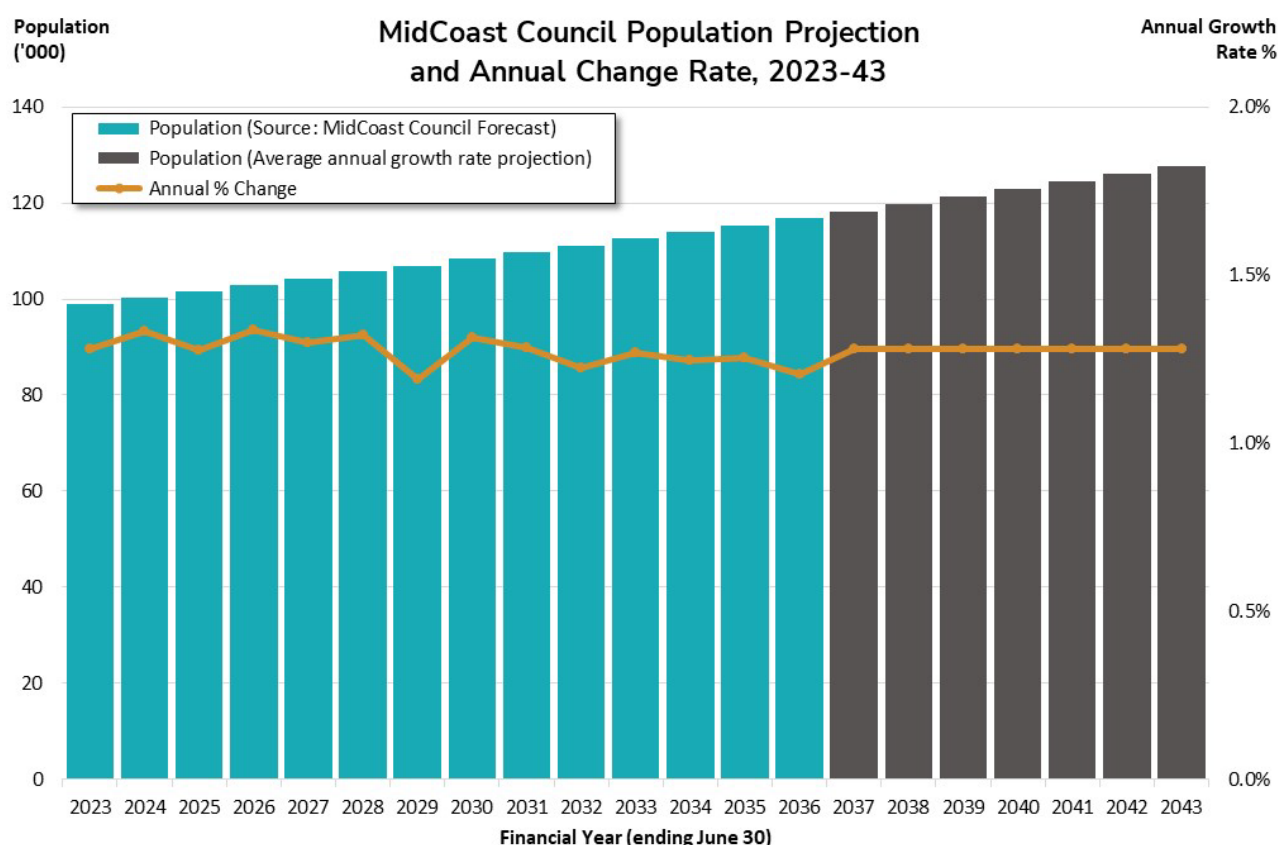


Figure 7 MidCoast Council Population Projection

3.3 Demand impact and demand management plan

The demand for sewerage services across MidCoast Council is subject to change over time, influence by various factors. Table 10 outlines the relevant driving factors, the implications for Council's management of assets and the potential management response to these challenges.

Table 10 Key Demand Drivers and Implications for Demand Management

Key Demand Driver	Demand Impact	Management Response
Population Growth	Asset operating at max capacity, with inability to accommodate increased throughput to the sewer infrastructure. Increased maintenance and service requirements. Council anticipates further growth in the community in its ICWM 2050 ¹⁶ and highlights certain challenges in its management of sewerage services as increased pressure on the network of infrastructure may continue to grow in line with expected population growth.	Asset acquisition and expansion to sewer infrastructure (increase capital requirements).

¹⁶ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

Key Demand Driver	Demand Impact	Management Response
Changes in Climate Conditions	Council has highlighted in its IWCM that another key driver of sewerage infrastructure assets is climate uncertainty and unpredictability. This poses certain challenges in meeting current demand exacerbating pressure on existing infrastructure. Management of sewerage services and the resilience of the existing network is fundamental to ensuring continued supply to meet current and future demand.	Expansion to sewerage supply network. Investment in climate-resilient infrastructure and or assets. Investment in alternative sources of sewerage services infrastructure or assets.
Industrial Practices	As highlighted in the Council's Local Strategic Planning Statement ¹⁷ , prominent industries in the region entail agriculture, oyster farming, forestry, and mining. Dependent on the industrial practices that support these industries, demand for sewerage services can be driven by these industries and practices.	Predictive maintenance. Optimisation of asset utilisation. Periodic condition assessments.
Regulatory and legislative changes	These changes can also impact the way in which services are delivered by Council and therefore impact demand for Council's provision of sewerage services.	Periodic audits and assessments. Implementation of best practice asset management planning, compliance, and adherence.

3.4 Asset programs to meet demand

The Council will continue to manage current and future levels of demand for sewerage services through its management of its existing assets to either upgrade or renew. Council has outlined key strategies to address meeting current and future demand. These options have been sourced from the IWCM¹⁸, and include:

- **Asset Renewals:** Increasing spending on renewals for sewer gravity and rising mains, sewer pumps and treatment plant assets.
- **Upgrade of treatment plants:** Several plants have been identified to be upgraded to continue sufficient level of services that meet the growing LGA population. The sewerage treatment plants to be upgraded include Hawks Nest, Gloucester, Dawson, Harrington and Old Bar.
- **Increase use of recycled water:** Council is exploring opportunities to increase supply of recycled water to 40% of all effluent recycled, to meet challenges of increased supply of quality recycled water. This will likely prompt potential investment in expanding treatment facilities to support required operations.

¹⁷ Local Strategic Planning Statement, MidCoast Council, 2020

¹⁸ Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

3.5 Climate change adaptation

Council's climate adaption strategy¹⁹, detailed in the IWCM, identifies potential risks to the operation of its assets including extreme weather conditions including heat, storms and flooding, bushfires, droughts, and sea level rise. In recognising these risks to the management of its assets, Council has considered incorporation of key day-to-day activities to address these risks including:

- Considering impact of sea level rise in review of land and development planning.
- Sourcing alternative power supply options to ensure non-interruption to services.
- Improvement to emergency response planning and enabling knowledge sharing and decision-making during emergencies.
- Further opportunities also include the use of solar panels on critical assets and pumped hydropower.

Council is committed to achieving Net Zero by 2040 and ensures any measure taken to respond to changes in demand and climate change is progressing towards its renewable energy targets.

¹⁹ MidCoast Council Climate Change Strategy, 2021



RISK MANAGEMENT PLANNING

4.0 Risk Management Planning

The application of a risk-based approach to asset management allows an organisation to manage its exposure to potential and residual risk in a cost-effective manner to drive better business decisions. Risk information is used to categorise the criticality of all works in relation to their ability to mitigate hazards that have the potential to interfere with levels of service.

This section refers to the risk management framework which is used by Council to assess its asset related risks and presents the suitable actions necessary to mitigate those risks which have been identified as significant, through the development of this AMP.

4.1 Critical assets

Critical assets are recognised as those where failure would create significant impact on Council and its ability to meet agreed service levels to the community/customers.

A criticality assessment workshop was held in consultation with relevant internal asset stakeholders. The workshop assessed individual assets against a Consequence of Failure (COF) and Likelihood of Failure (LOF) criterium. This assessment assigned a criticality rating for specific sewer assets. The assessment included the following asset groups:

- Sewer Treatment Plants (STP)
- Recycled Treatment Plants (RTP)
- Sewer Pump Stations (SPS)
- Communication Infrastructure (COT)

Further assessment of critical components within each of the above asset groups will be undertaken with the review of Council's Asset Management Strategy due for completion June 2026. However, during the criticality workshops the following components were identified as critical for overall asset operations and continual service delivery:

- Switchboards
- Large pumps

The facilities and assets which are highlighted above as critical are ranked highest in priority order within the entire sewer portfolio. This approach ensures any and all works (maintenance and renewals) against these assets are scheduled first in the works list. By doing so, the allocation of limited resources will firstly ensure the highest criticality assets are treated first before those with a lower impact on the overall operation of the sewerage infrastructure and service.

Sewer reticulation is recognised as one of the critical services managed by Council. These assets have been individually assessed and assigned a criticality rating by a separate process facilitated through a Satellite AI program (Rezatec Satellite AI) which allows for the prioritisation of renewal works.

The methodology for assessing critical assets applies Council's Risk Management Framework²⁰, to determine the consequence of failure against the seven organisational and operational categories. The criteria for assessment is provided in Table 11, with the complete Risk Management Framework provided in Appendix C.

Table 11 Risk Consequence Criteria

Risk Categories What could be the consequences if the risk occurs?		Consequence Rating				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Severe 5
Organisational & Operational	Financial Risks that have a financial impact on the organisation (revenue, expenses, assets, liabilities, reserve)	Negligible financial loss < \$10,000	Minor financial loss \$10,000 - \$100,000	Substantial financial loss \$100,000 - \$500,000	Significant financial loss \$500,000 - \$3million	Major financial loss >\$3million
	Worker health & wellbeing Risks that impact the health and safety of staff, as well as contractors & volunteers	Insignificant injury; no first aid required; no impact on staff morale / performance	Minor injury; first aid required; minor impact on individual staff morale / performance	Injury or illness requiring medical attention; several days leave; short term impact on staff morale / performance	Long term illness or injury; extensive medical attention and leave required; medium term impact on staff morale/ performance within multiple business areas	Fatality; permanent disability; illness or disease; long term impact on staff morale/performance across organisation
	Public health & wellbeing Risks that impact the health and safety of the community	Insignificant injury; no medical treatment required	Short term isolated incidents of illness or injury; first aid required	Medium term illness or injury; medical attention required; health impacts in single Council locality	Long term illness or injury; long term medical attention required; health impacts in multiple Council localities	Fatality; permanent disability; illness or disease; widespread health impacts across LGA
		Water & sewerage operations				
		Results indicating poor performance leading to non-conformance. No effect on public health	Some customers (neighbouring households) exposed to contaminated drinking water	Customers in multiple streets within a suburb/town exposed to contaminated drinking water or sewage	Illness affecting customers in many streets within a suburb/ town attributable to drinking water contamination or sewage exposure	One or more fatalities and/or a widespread illness (multiple suburbs/towns) attributable to drinking water contamination or sewage exposure
	Service delivery & infrastructure Risks that impact the ability to deliver internal and external services (includes assets and technology)	Isolated, insignificant impact on service delivery; minimal inconvenience to customers	Short term minor impact on service delivery; some inconvenience & customer dissatisfaction	Medium term disruption to delivery of several services; moderate inconvenience & increased customer dissatisfaction	Long term disruption to delivery of several services, incl. some key services; significant inconvenience & high level customer dissatisfaction	Ongoing inability to deliver key services; widespread customer dissatisfaction; threat to viability of organisation
		Water & sewerage operations				
		Continuity of supply; disruption to an individual customer for 4 hours; OR Continuity of operations: insignificant and/or short term (days) effects on an element of operations	Continuity of supply; disruption to multiple customers (approx. 20 neighbouring households) for 4 hours; OR Continuity of operations: minor and/or short term (days) effects on an element of operations	Continuity of supply; disruption to <5% of customers (many streets) for 4 hours; OR Continuity of operations: moderate and/or short-medium term (weeks/months) effects on an element of operations	Continuity of supply; disruption to <5% of customers for 4 hours; OR Continuity of operations: major and/or medium term (weeks) effects on an element of operations	Continuity of supply; disruption to >5% of customers for 4 hours; OR Continuity of operations: Long term (months) effects on an element of operations
	Compliance Risks that impact compliance with legislation and regulatory requirements	Isolated non-compliance of minimal significance; minor fine; internal staff warning	Minor breach of legal obligations; improvement notice; minor fine / penalty	Substantial breach of legal obligations; adverse finding; substantial fine / penalty	Significant breach of legal obligations; adverse finding with long term significance; significant fine / penalty	Major breach of legal obligations; adverse findings against Council and / or individuals; major fines or penalties (>\$1mil); possible imprisonment; dismissal of Council
	Environment Risks that impact the natural environment	Insignificant, immediately reversible impacts on the environment	Limited short to medium term, quickly reversible impacts on the environment	Potentially significant medium term reversible impacts on the environment	Severe, medium to long term potentially irreversible impacts on the environment	Critical, long term irreversible impacts on the environment
	Reputation Risks that impact Council's reputation in the community and media, as well as with the government	Isolated complaints from members of the community; one off insignificant enquiries from local media and/or on social media	Minor unfavourable local and/or social media attention; heightened concern and criticism from narrow group/s within the community	Short-term adverse local and / or social media attention; moderate community dissatisfaction; potential government agency concern	Significant adverse local / state media attention; public outcry and community dissatisfaction across multiple Council localities; potential government agency enquiry	Sustained adverse local, state and/or national media attention; severe widespread dissatisfaction and loss of community trust; potential loss of Government support & adverse intervention

For the purposes of developing this AMP, criticality has been assessed at the facility level across the major asset groups. As a continual improvement, Council will assess criticality at the asset sub-category level for a more targeted prioritisation of works in the capital expenditure schedule.

²⁰ MidCoast Council Risk Management Framework, 2021

4.2 Risk assessment

Council has assessed risk in accordance with its Risk Management Framework (Appendix C). Risk considers both the consequence and likelihood of an identified risk event. An internal workshop with relevant stakeholders of the sewerage infrastructure was undertaken to assess risk at the facility level. Further workshops are to be completed by Council for a more granular assessment of risk. Risk information is used to inform the prioritisation of all works which are associated within a facility or asset which has been assessed as significant.

In addition to the asset specific (asset failure) risks, several operational and planning risks have been captured from Council's Operational Risk Management Report²¹, to provide a holistic view across risk for the sewer infrastructure portfolio.

A summary of the significant asset specific risks (those with a rating of 'High' or 'Extreme') is provided in Table 12. The residual risk ratings consider current mitigation strategies in place to address the inherent risk.

Table 13 provides a summary of the significant asset related operational risks. The complete register of these risks can be found in the Risk Management Reports respectively.

Table 12 Significant Asset Specific Risks

Risk Category	Risk Description	Residual Risk Rating
Asset/Facility Failure	HR SPS 09 - Vacuum Sewer Pump Station	High - 12
Asset/Facility Failure	WG SPS 01 - Sewer Pump Station	High - 11
Asset/Facility Failure	FO SPS 18 - Sewer Pump Station	High - 11
Asset/Facility Failure	TI SPS 04 - Sewer Pump Station	High - 11
Asset/Facility Failure	HP SPS 01 - Sewer Pump Station	High - 10
Asset/Facility Failure	PP SPS 11 - Sewer Pump Station	High - 10
Asset/Facility Failure	BU SPS 01 - Sewer Pump Station	High - 10
Asset/Facility Failure	FO SPS 03 - Sewer Pump Station	High - 10
Asset/Facility Failure	GL STP 01 - Sewer Treatment Plant	High - 12
Asset/Facility Failure	HN STP 01 - Sewer Treatment & Re-use	High - 11
Asset/Facility Failure	BU STP 01 - Sewer Treatment & Re-use	High - 11
Asset/Facility Failure	DR STP 01 - Sewer Treatment & Re-Use	High - 10
Asset/Facility Failure	HR STP 01 - Sewer Treatment & Re-use	High - 10

The full register of asset related risks can be viewed in more detail in Appendix D.

²¹ Operational Risk Profile – Risk Management Report, v 3.0, 2024 (Last updated November 2024)

Table 13 Significant Asset Related Operational Risks

Risk Category	Risk Description	Residual Risk Rating
SCADA	Inadequate management, advancement and implementation of SCADA strategy and security	High - 10
Planning and Assets	Planned renewal and capital works cannot be delivered in accordance with program and strategies not achievable	High - 10

Several organisational response strategies are applied by Council to manage both the likelihood and consequence of identified risks. A summary of these mitigation strategies is provided in Table 14.

Table 14 Risk Mitigation Strategies

Mitigation Strategy	Description
Asset renewal or refurbishment (capital works)	Works to renew, replace or refurbish assets that are likely to fail can help mitigate the risks to service levels. Undergoing asset condition inspections to identify required works.
New assets or asset enhancement (capital works)	Works designed to enhance the capacity of assets can help mitigate risk to future service levels. I.e., assets in its current state will result in service failures due to increasing capacity requirements.
Maintenance (operational)	Planned and preventative maintenance strategies maintain assets in a state of good repair. This helps to keep the risk of asset failure low and enable Council to meet its levels of service (LoS) and legislative requirements.
Operational procedures (operational)	Operating procedures provide protocols on how assets should be operated to maximise the life of the asset and maintain acceptable levels of risk. Following operating procedures reduces the risk of asset failure and non-compliance with legislative requirements.

4.3 Infrastructure resilience approach

The MidCoast Council region has faced several climate related challenges detailed in Section 3.5. Council also faces a number of social changes such as urban sprawl, population growth, pollution and the loss of biodiversity. All of which contribute to the adaptive capabilities and pressures on the sewer infrastructure.

Establishment of proactive strategies to manage the resilience of the infrastructure is essential. Council has taken an adaptive planning approach that is intended to build flexibility and enable ease of change. This approach is detailed in Figure 12 of Council's IWCM22. The diagram maps

²² Our Water Our Future 2050, Integrated Water Cycle Management Strategy, MidCoast Council

out Council's preferred strategy alongside triggers points that connect to alternative scenarios that can be adopted if the preferred points in the strategy are no longer feasible.

4.4 Service and risk trade-offs

Effective asset management balances the trade-off between the organisation's required levels of service and tolerance for risk to ensure benefits are maximised with the resources available. Ensuring optimal balance between such factors within the constraints of resources means inherent trade-off to service and or risk. The implications are summarised below.

4.4.1 What we cannot do

Council is unable to significantly reduce service levels due to its authority as a Local Government entity, responsible for providing essential services to the community. The confines of labour and financial resource availability may limit Councils ability to deliver the full schedule of works and future developments it outlines in the IWCM.

4.4.2 Service trade-off

The level of resources required to carry out maintenance and operations works across sewer infrastructure assets is critical to sustain service delivery. Where works cannot be carried out due to limitations in resources, there may result in a trade-off to the service capability, and the consequences that may occur include:

- Reduced quality in treatment
- Increased downtime of the service
- Increased time to complete required works
- Increased staff fatigue
- Adverse effects to health of workers
- Increase to costs of replacements
- Longer lead times for procurement of materials and assets
- Infrastructure deterioration
- Reduced capacity to meet community needs and expectations.

4.4.3 Risk trade-off

Inability to carry out all works due to constraints in resources can lead to further escalation of existing risks and or result in risks exceeding the tolerance of Council. Response strategies to excessive risk may impact the standard of service.



LIFECYCLE MANAGEMENT PLAN

5.0 Lifecycle Management Plan

5.1 Background

This section details the lifecycle management plan and Council's approach to the management and operation of sewerage infrastructure to ensure they sustain required levels of service.

5.1.1 Physical parameters

The extent of Council's responsibility for its sewer infrastructure includes all processes and assets involved from the collection of sewerage to its processing and disposal.

The physical parameters around location of assets, expansion to the network and access to existing infrastructure is mostly unavoidable. Access to the existing infrastructure to undertake inspections and works is limited due to the bulk of the linear assets being buried, and in many cases located beneath customer and community properties. Where these parameters exist, it is more efficient and prudent for Council to reroute new sections of mains through available open routes and leave obsolete assets insitu.

5.1.2 Asset capacity and performance

The capacity and performance of the sewer infrastructure, as informed by Council stakeholders, currently meets the service expectations of customers.

To ensure continuity of its service performance and anticipation of growing capacity requirements, Council provides forward planning strategies in the IWCM as detailed in Section 3.4.

5.1.3 Asset condition

Assets are expected to deteriorate at a rate equivalent to their nominal service life. Routine condition assessments help to adjust the expected condition and remaining life of these assets to that which is actually observed. The sewerage assets are rated in accordance with Council's condition assessment criteria provided in Table 15.

Table 15 Council Asset Condition Matrix

Condition Rating	Description
1 – Excellent / Very Good	New or as new condition. Only planned cyclic inspection and routine maintenance required.
2 – Good	Good condition with minor defects. Minor routine maintenance along with planned cyclic inspection and maintenance.
3 – Satisfactory / Average	Average / fair condition with some significant defects requiring regular maintenance on top of planned cyclic inspections and maintenance.
4 – Poor	Poor condition with asset requiring significant renewal / rehabilitation, or higher levels of inspection and substantial maintenance to keep the asset serviceable.
5 – Very Poor	Very poor condition. Asset physically unsound and / or beyond rehabilitation. Renewal required.

Figure 8 presents the current state condition of the assets, categorised by asset group. The position of the bubble indicates the current condition and percentage of service life expired, while the size of the bubble represents the relative replacement cost of the asset group.

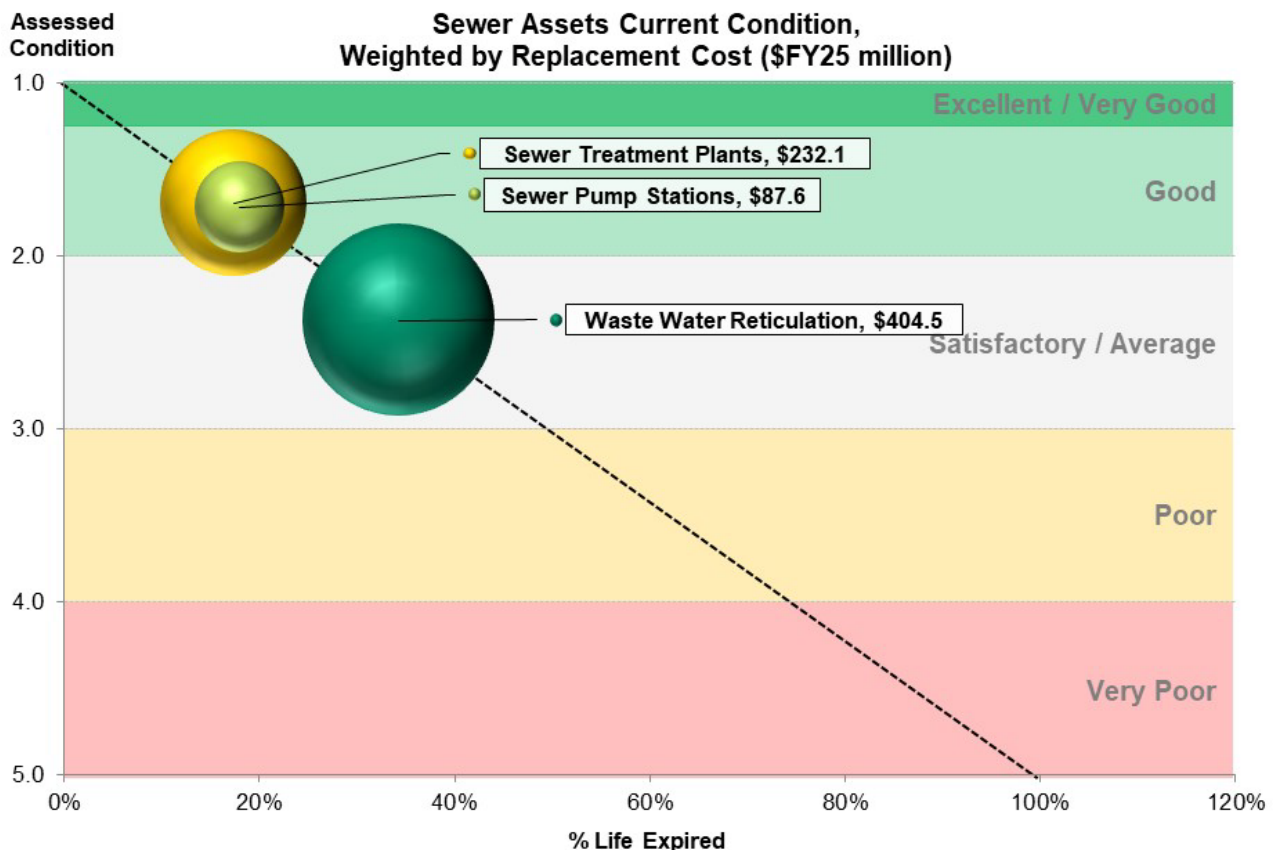


Figure 8 Sewer Assets Current Condition Weighted by Replacement Cost

The dashed line presents the relationship between Council's condition ratings and the corresponding percentage of life expired for the assets. It does not represent the path of deterioration. Asset deterioration is unique for each asset type and is ideally developed using a large quantity of historical failure data to predict future asset failure. Where insufficient historical data is available to develop such curves, a standard decay curve is adopted to model an assets lifecycle. This decay curve is presented in Section 5.3.

The sewerage assets are currently assessed at a condition between 'Good' and 'Satisfactory', which is considered to be the condition state that is sufficient for mitigating excessive risk that the assets may pose to service levels. Both the sewerage pump stations (SPS) and sewerage treatment plants (STP) are approaching a condition rating of 2, at which point it is expected to observe an increase in defect occurrences and a decrease in the performance of the assets. Routine inspections will identify the necessary works to maintain these assets within the satisfactory condition state.

Condition data and the associated valuations for each asset group has been sourced from the water and sewer asset register²³.

²³ Councils 2023-24 Sewer Assets

5.2 Lifecycle management approach

5.2.1 Prioritisation

Asset renewal timings are scheduled according to the criticality of the assets. A description on how criticality is calculated is provided in Section 4.1.

Unplanned works are scheduled in line with Section 5.3.2, then assigned a priority rating in line with the risk rating of the works. In addition to this, where unplanned works have the same priority rating as asset renewals, the unplanned works will take priority.

This logic is used to provide a schedule of prioritised works containing both asset renewals, such as refurbishments or replacements, and unplanned works.

In an unconstrained budget model, all projects are expected to have the necessary funds available according to the specified timeline they are scheduled to occur. This model assumes no budget limitations are in place and all works can be completed as and when they occur in the cycle.

In a constrained budget model, projects are scheduled based on their priority, with the highest priority projects scheduled first each year within the allocated budget. Projects that exceed the available budget are rescheduled for the following year and reassessed along with that year's scheduled projects, in terms of priority.

This process applies across the entire projection period. As a result, a backlog of projects that cannot be scheduled due to budget constraints is generated, serving as the capital shortfall.

5.2.2 Lifecycle assumptions

Lifecycle optimisation for discreet assets (valves, pumps, equipment, etc) is done by timing renewals considering asset criticality. Critical asset renewals are scheduled ahead of their expected end-of-life, while non-critical assets are scheduled at or beyond expected end-of-life as these assets can afford to be run to failure.

For linear assets (mains, electrical cabling, etc) such as reticulated sewerage, it is more realistic to adopt an ongoing rolling program of works for the replacement of sections of the network. By adopting this approach year-on-year, replacements will trend towards a steady state of repair.

5.3 Asset lifecycle plan

This section defines the activities which occur over the lifecycle of the assets. These activities are further defined in Section 9.1.

Assets may last longer or degrade faster than expected, due to influencing factors such as duty factor, operating conditions, maintenance upkeep and the local environment. Inspection of asset condition at regular intervals will help to confirm or adjust this condition expectation and therefore enables re-assessment of the asset's remaining useful life, which may in turn affect asset renewal planning and funding requirements.

It should be noted that an asset renewal can be triggered by performance, beyond simply the condition of the assets. This would occur, for example, if the minimum service level was increased and the existing assets, despite being in a good condition, can no longer meet the service requirements. At present, condition is representing performance, however this could change in the future if Council was to adopt new levels of service and performance standards.

Figure 9 below provides an example of how condition is used to adjust the remaining useful life of an asset. The blue curve shows the expected deterioration of the asset, which has a nominal service life of 30 years. At 35 years, industry experience suggests that the asset would be expected to be in condition 4.5, beyond useful life. If the asset is inspected and assessed to be in a

condition state closer to 3 (as the green box indicates), the implication is that the asset is deteriorating less quickly than expected. The remaining life would therefore be adjusted so that the asset reaches end-of-life at 44 years instead of 30.

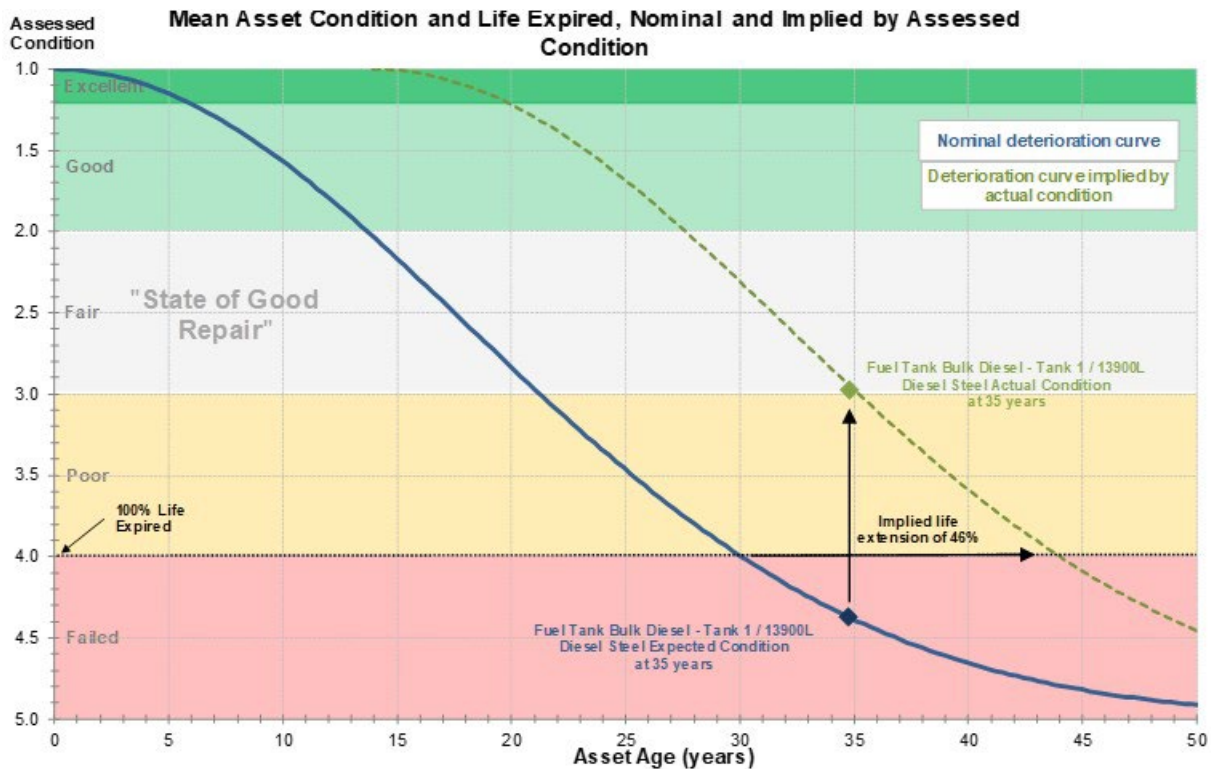


Figure 9 Asset Condition and Life Expired (Example)

5.3.1 Planned maintenance

Planned maintenance activities and the timing of these works are established to sustain the rate of deterioration of the assets while mitigating risks to service levels. Intervals between planned maintenance activities are often informed by standard practice to align with compliance requirements, and typically detailed in a Maintenance Strategy. Planned maintenance activities summarised in this AMP are not specified on a location basis and are provided in Appendix B. Detailed maintenance schedules specific to each facility location can be found in the MCC PM Schedules²⁴.

5.3.2 Unplanned maintenance

Unplanned maintenance works respond to unexpected asset failures, to return the assets to an adequate state of repair and reduce the risk of condition related incidents. Unplanned works are completed as and when identified if the cost of repair and resources are readily available. Where unplanned works require unavailable resources or are of large scope, they will be scheduled for renewal.

²⁴ Current PM Schedules - Sewer

5.3.3 Asset renewals

Renewal of sewerage infrastructure involves refurbishment or replacement of failed assets with assets that are of equivalent capacity, or in some instances with upgrades to deliver the required service. Identification of assets for renewal is achieved through regular inspections and maintenance, whilst development of renewal plans is based on service levels, asset criticality, conditions, and risk.

Several significant capital works are scheduled to occur over the next 10-years and presented in Table 16. These works are sourced from the 30-year planned capital projections schedule of projects and considers significant works as those with a capital value greater than one million dollars and a scope exceeding one year. A more detailed schedule of works which aligns with the capital projections provided in this AMP is included in Appendix A.

Table 16 Significant Capital Works (\$FY25, '000)

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Waste Water Reticulation	GE-SRT-00 Renewals Program (MHs and both GM and RM)	2,114		569	290	2,332	2,332	2,332	2,332	2,332	2,332
Waste Water Reticulation	TA-SPS-12 Diverson to Dawson & New Pump Station	103	155	1,031	1,959						
Waste Water Reticulation	TG-SRT-00 Singing Bridge Crossing Renewal	361	4,640								
Sewer Treatment Plant	GE-STP-00 Renewals Program (500066 PL401447) - STP Renewals Program)	619				1,104	1,104	2,681	2,960	2,960	1,197
Sewer Treatment Plant	GE-RTP-00 Membrane Renewals										1,959
Sewer Treatment Plant	DR-STP-01 Dawson STP Switchboards		103	1,443	1,547						

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sewer Treatment Plant	FO-STP-01 Forster Decant Upgrade	1,392									
Sewer Treatment Plant	FO-STP-01 Forster STP Switchboards incl Effluent SB	103	1,443	1,547							
Sewer Treatment Plant	FO-STP-01 Treated effluent discharge main			103	516	2,062	2,062				
Sewer Treatment Plant	GL-STP-01 Replacement	34	2,722	4,933	3,743						
Sewer Treatment Plant	HN-STP-01 Upgrade Project - Stage 2 and 3, incl Biosolida area improvement	773	1,804	1,928	516						
Sewer Pump Station	GE-SPS-00 Renewals Program	670			1,350	1,796	1,796	1,796	1,796	1,796	1,796
Sewer Pump Station	TA-SPS-06 Switchboard	1,804									

Asset Group	Project Details	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sewer Pump Station	TA-SPS-01 & TA-SPS-06 and RM renewal	464	2,784	1,160							

5.3.4 New assets

New assets, created or acquired, are to be made in accordance with Council's *Procurement Policy*²⁵ and relevant NSW government procurement legislation. There are several assets currently scheduled as part of planned capital works to be acquired over the foreseeable future. These asset acquisitions are detailed in Table 17.

The schedule of new assets expecting acquisition or creation over the next 5-years has been sourced from the 30-year planned capital projections²⁶. Several programs of work transposed into Table 17, have allocated a percentage of the overall project value towards new assets. For this reason, project details which denote a 'replacement' or 'renewal' consider only the percentage which is aimed towards new assets.

Table 17 New Assets – 5-Year Schedule (\$FY25, '000)

Asset Group	Project Details	2025/26	2026/27	2027/28	2028/29	2029/30
SCADA/Elec	CM-COT-01 Comboyne Communication Tower New	258				
SCADA/Elec	GL-COT-01 Asset Acquisition		103			
Waste Water Reticulation	GE-SRT-00 New Sewer Mains	52	52	52	52	52
Waste Water Reticulation	HP-SRT-00 Hallidays Point New RM from SPS HP07 to SPS HP10				309	840
Waste Water Reticulation	Old Bar 08 gravity trunk mains	206	1,237	1,237	1,237	1,237
Waste Water Reticulation	TA-SPS-12 Diverson to Dawson & New Pump Station	206	309	2,062	3,918	
Waste Water Reticulation	TG-SPS-13 New Pump Station & Rising Main	2,062	7,784	9,279	3,093	
Sewer Treatment Plant	DR-STP-01 Dawson STP - Balance tank at inlet works	206	722			
Sewer Treatment Plant	GL-STP-01 Replacement	103	8,248	14,950	11,341	

²⁵ MidCoast Council Procurement Policy, 2019

²⁶ 30-Year CAPEX Projects, October 2024

Asset Group	Project Details	2025/26	2026/27	2027/28	2028/29	2029/30
Sewer Treatment Plant	HN-STP-01 Upgrade Project - Stage 2 and 3, incl Biosolida area improvement	7,733	18,043	19,280	5,155	
Sewer Treatment Plant	HR-STP-01 Upgrade Project - Stage 1 and 2	516	1,547	1,031	12,372	15,465
Sewer Pump Station	GL-SPS-05 Upgrade and RM	206				
Sewer Pump Station	OB-SPS-08 & 2 x RMs	1,547	2,423			
Sewer Pump Station	OB-SPS-07 Upgrade - Pumps Only				82	
Sewer Pump Station	TA-SPS-36 New SPS and Rising Main (Brimbin Development)	26				
Unserviced Villages	Tea Gardens Industrial Estate Sewerage			804		

The complete schedule of asset acquisitions, as sourced from the most recent version of Council's 30 - year planned capital works projections²⁷, is provided in Appendix E.

5.3.5 Disposals and decommissioning

Assets which are scheduled for decommissioning or disposal, are to be processed in accordance with Council's Asset Disposal Policy²⁸ and NSW Treasury Guidelines for Disposals²⁹. Assets which are currently identified by Council for decommissioning include:

- HP STP 01 – Sewer Treatment Plant (partial disposal)
- HP SPS 11 – Sewer Pump Station
- GL STP 01 – Sewer Treatment Plant
- HR STP 01 Sewer Treatment Plant & Re-use
- HN STP 01 – Sewer Treatment Plant (partial disposal)

²⁷ 30-Year CAPEX Projects, October 2024

²⁸ MidCoast Council Disposal Policy, 2024

²⁹ NSW Treasury, TPP19-07 Asset Management Policy, 2019



FINANCIAL SUMMARY

6.0 Financial Summary

Capital and operational expenditure is necessary to maintain assets as they deteriorate to an eventual point of failure. Asset interventions can be projected by using available information to model the lifecycle of the assets, which enables the organisation to proactively manage, respond and treat associated risks and continue the provision of services.

This section provides an overview of both the capital projections and maintenance projections over a 10-year period. All projections are made with the available asset data and are subject to a level of accuracy and assumptions, further defined below.

6.1 Financial sustainability and projections

Long-term financial sustainability is highlighted in Council's Strategic Business Plan³⁰ as a key objective for the ongoing positive financial positioning of Council funds. Since 2017, Council has actioned strategic constraints to capital expenditure for its sewerage infrastructure and successfully established a positive operating position for this asset class.

This plan has been developed with consideration for financial sustainability by informing budgets over the next 30-years from the processes embedded throughout the planned capital projections and IWCM. Asset renewals which are presented in this AMP are targeted to ensure costs are accurately incorporated from the 30-year planned budgets and modelled for affordability.

6.1.1 Sustainability of service delivery

In line with the IWCM strategy, this financial plan has been developed with a focus on sustainable and cost-effective options to help Council meet the challenges of a growing population and the impacts of climate change. This considers the economic well-being of MidCoast Council as well as the environmental impact of its assets and asset management activities, and the evaluation of performance, risk and cost of the assets across whole-of-life.

6.2 Funding strategy

This AMP provides three funding strategies for both comparative and scheduling purposes. The three funding scenarios include:

Target Condition 3 – This scenario projects capital expenditure assuming that no budget restrictions are in place and assets are replaced or refurbished when required, in line with its criticality and Council's risk appetite. Under the assumptions applied in this scenario, all scheduled works are assumed to be completed on time.

Planned Budget – This scenario adopts the annual budget allocations which have been provided in the 30-year planned capital projections³¹ across each of the asset groups. This scenario schedules works in order of priority until the annual budget is reached, at which point, incomplete works are rolled into the following year. This process is repeated until the entire projection period is scheduled. Due to the constraint in funding, a progressive backlog of works that are unable to be funded in their originally scheduled years will accumulate.

Target Condition 2 – This scenario considers Council's targeted satisfactory condition state to be sustained at a rating of 2 ('Good'). This scenario schedules works, in order of priority, with no

³⁰ Water & Systems Strategic Business Plan, February 2023

³¹ 30-Year CAPEX Projects, October 2024

budgetary constraints, however, lifecycle assumptions are adjusted to allow for early asset renewals to achieve a 'Satisfactory' weighted mean condition rating of the portfolio. These adjusted lifecycle assumptions are defined in Section 6.5.

Do Nothing – A 'Do Nothing' scenario is projected to establish the lower bounds for impact on the portfolio's condition, should no capital expenditure be made. The condition of the portfolio will decline under this scenario to an estimated point in time when Council can expect asset failure.

While these funding strategies are provided to inform this AMP and Council's operational requirements, it is recommended, following good practice in asset management, to maintain the sewer infrastructure to a condition state of 'Satisfactory / Average', which is considered the optimal amount of funding necessary to maintain the assets while still meeting service obligations.

6.3 Capital expenditure projections

6.3.1 Target condition 3 funding

The Target Condition 3 funding strategy assumes no budgetary or resource constraints on the ability to deliver works, as and when they are scheduled to occur, under the lifecycle assumptions described in Section 5.2.2. This strategy improves and sustains asset condition at the satisfactory condition state or a rating of 3. Figure 10 presents this funding strategy, where the dashed line represents the weighted mean condition of the portfolio post investment, and the solid line represents the weighted mean condition assuming no capital funding. Following this strategy, the 10-year total capital expenditure amounts to \$87.5 million, in FY25 dollars.

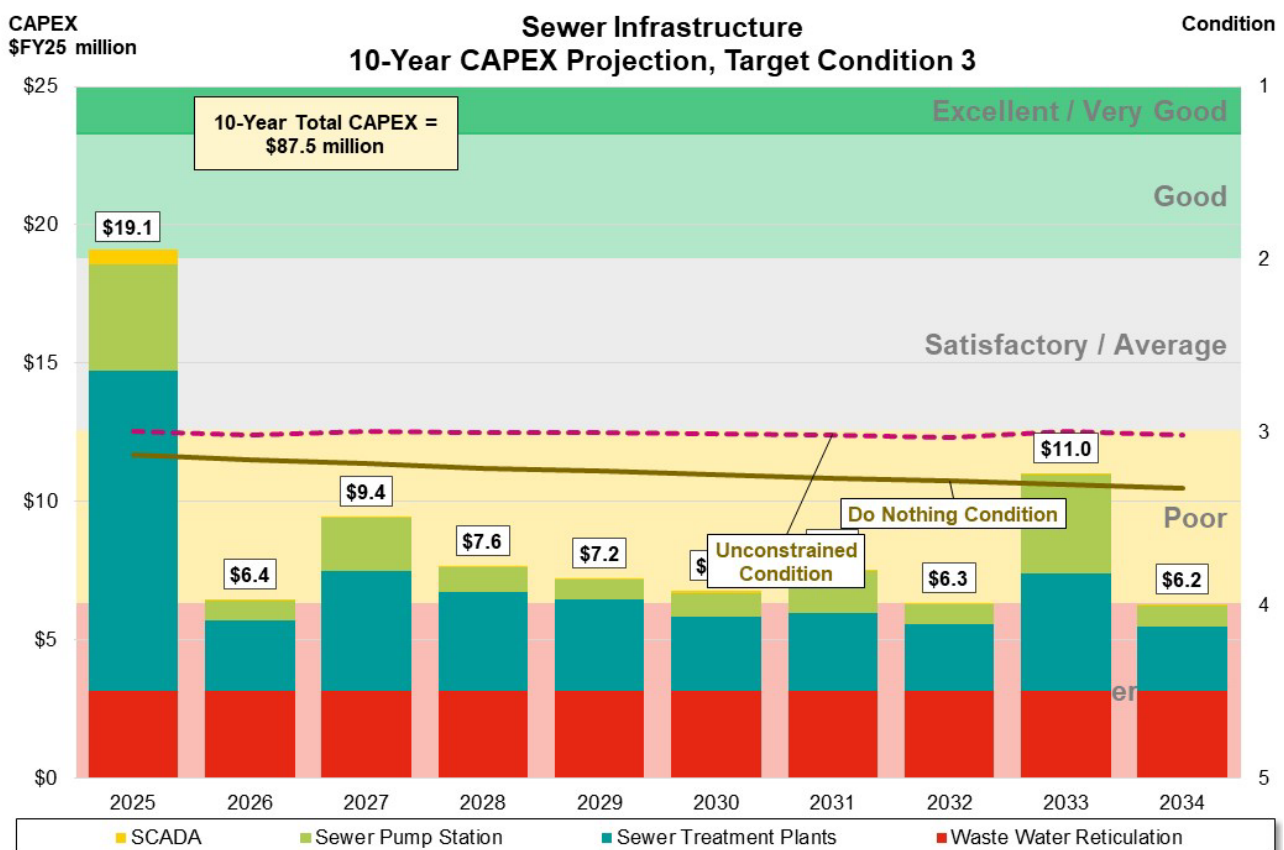


Figure 10 10-Year CAPEX Projection, Target Condition 3

The condition of the active sewerage assets, post investment, is sustained to a 'Satisfactory' condition state. At this condition, the risk of unexpected asset failure is tolerable according to the MidCoast Council Risk Management Framework, and there should be minimal increase to operational expenditure due to unplanned maintenance.

6.3.2 Planned budget funding

Figure 11 presents the 10-year capital expenditure projections aligned with the budgets which have been modelled in the 30-year planned capital projections³², applied as annual constraints. The dashed line in the figure represents the weighted mean condition of the sewer portfolio post investment for each year of the projection. The total expenditure of this scenario amounts to \$87.5 million, in FY25 dollars.

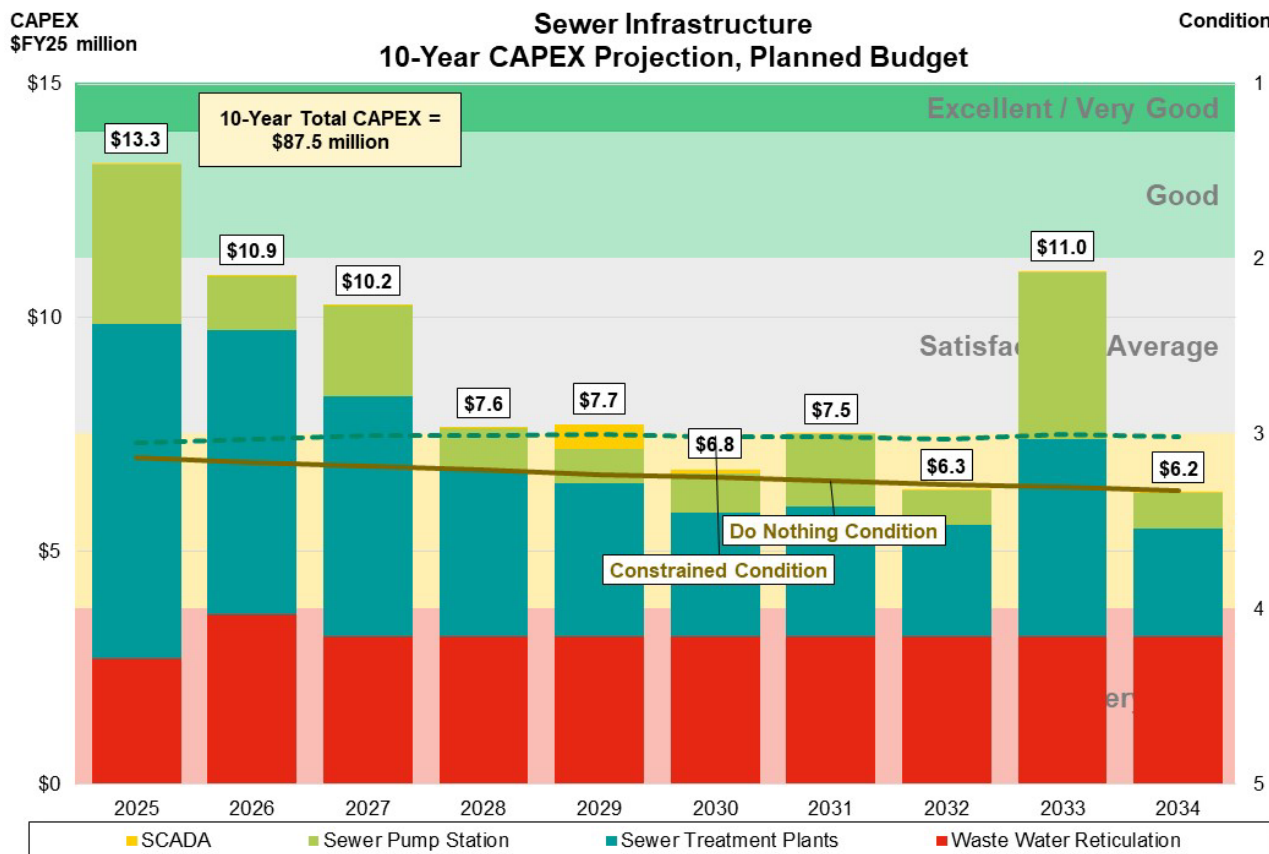


Figure 11 10-Year CAPEX Projection, Planned Budget

The total capital replacements captured under the planned budgeted values is only slightly less than that of the Target Condition 3 scenario values. Best practice asset management is expected to deliver an optimal trade-off of asset-related risk (to minimum acceptable levels of service) and cost. A common target is a weighted mean asset condition sustained above 3 on the standard asset condition scale, which is generally assumed to avoid 'gold-plating' of assets (over-expenditure) but keep risk of failure at an acceptable level (the proportion of the assets projected to be in or close to an end-of-life state, being a condition rating close to or below 4 on the standard asset deterioration chart). This target is often referred to as the 'state of good repair'.

A lower level of investment than this optimum will allow the assets to deteriorate and increase the risk of failure to provide the services required, and a higher level of investment will reduce the risk of failure further. The impact of varying levels of investment is shown in Figure 17.

The complete schedule of works following the planned budgets is provided in Appendix A.

³² 30-Year CAPEX Project, October 2024

6.3.3 Target condition 2 funding

The Target Condition 2 scenario assumes a capital funding profile to improve the weighted mean condition of the sewerage infrastructure to a condition rating of 2. To improve, and sustain, the assets to this condition rating, which aligns to Council's target condition state defined in its Asset Management Strategy, more aggressive lifecycle assumptions must be adopted, as defined in Section 6.5. Figure 12 represents this funding scenario, where the dashed line illustrates the weighted mean condition improving towards a rating of 2 over the 10-year projection period. Total capital funding required over this period amounts to \$253.5 million, in FY25 dollars.

It is noted, however, that once the targeted condition state is reached, annual funding to sustain at a condition rating of 2 would reduce to the average annual requirement outlined in the Target Condition 3 scenario.

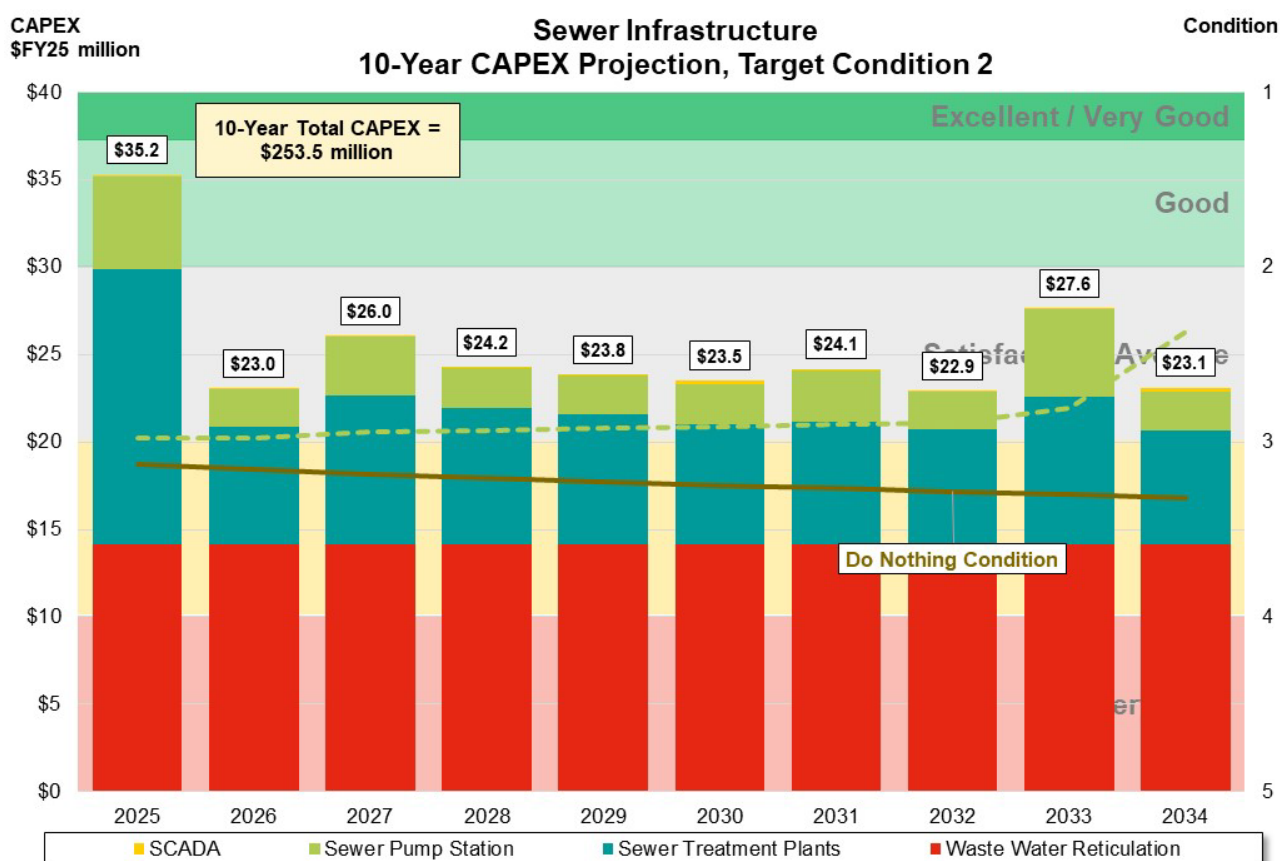


Figure 12 10-Year CAPEX Projection, Target Condition 2

While an improved condition for these assets would reduce any current level of risk for potential service failure, it is recognised as 'gold plating' for an asset class which does not necessarily require such substantial investment to sustain asset performance to the required standard. For this reason, it is recommended this scenario is better used for comparative purposes and rather adopt the funding strategy which aligns to the planned budget.

6.3.4 Infrastructure Asset Performance Indicators

The Office of Local Government (OLG) requires several prescribed performance indicators in relation to infrastructure asset management. These measures are designed to assess whether a council is maximising its return on resources and minimising unnecessary burden on the community and local businesses. This includes consideration of whether council is meeting the agreed level and scope of infrastructure for communities as identified through the Integrated Planning and Reporting process. The infrastructure asset performance indicators that will be used include:

1. Building and Infrastructure Renewal Ratio

This ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. It is an indicator of whether Council's infrastructure backlog is likely to increase. The benchmark is greater than 100%.

The renewal ratio is provided in Table 18. The renewals ratio is based on the annual capital expenditure according to the Planned Budget funding strategy. Historical values for FY24, shown in Figure 13, are sourced from Council's 2024 Income Statement³³.

Table 18 Sewer Infrastructure Renewals Ratio

Year (FY)	Planned Renewals (\$FY25, '000)	Required Renewals (Depreciation*)	Renewal Ratio
2025	\$13,287	\$11,642	114.1%
2026	\$10,884	\$12,612	86.3%
2027	\$10,244	\$13,661	75.0%
2028	\$7,622	\$14,608	52.2%
2029	\$7,704	\$15,357	50.2%
2030	\$6,750	\$16,068	42.0%
2031	\$7,489	\$17,042	43.9%
2032	\$6,286	\$18,052	34.8%
2033	\$10,967	\$18,923	58.0%
2034	\$6,234	\$19,606	31.8%

**Required renewals aligns to, and sourced from, the Asset Management Strategy (Draft) 2024-34, Section 14.3.*

³³ MidCoast Council, Report on infrastructure assets as at 30 June 2024, Annual Financial Statements, 30 June 2024

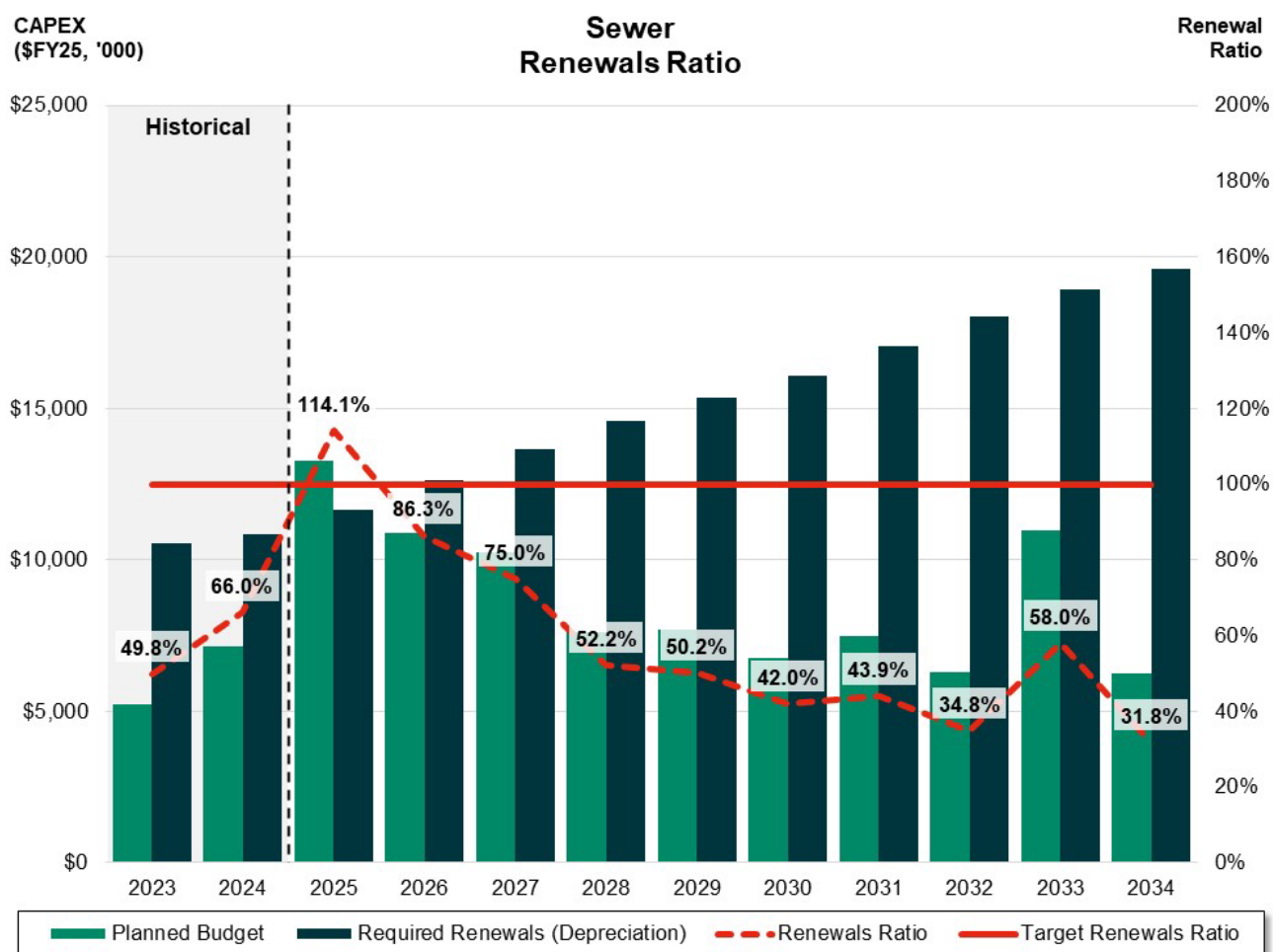


Figure 13 Sewer Infrastructure Renewals Ratio

2. Infrastructure Backlog Ratio

Refer to Section 6.3.5.

3. Asset Maintenance Ratio

Refer to Section 6.4.

6.3.5 Backlog

Backlog calculations are based off the Target Condition 2 scenario funding requirements, as the current standard for condition defined by Council. Over the 10-year projection period, the Planned Budget, Target Condition 3 and Do-Nothing scenarios accumulate various backlogs of work. Figure 14 presents the comparative backlog as cumulative totals, where after 10 years, Council can expect roughly \$166.1 million in backlogged works, following the planned budget, when compared to the required capex funding to reach a weighted average condition rating of 2.

The large backlog is not necessarily required by Council to fund, considering the Planned Budget scenario sufficiently sustains the portfolio to a satisfactory condition. It is recommended for Council to reassess how it establishes target condition states across its asset classes and differentiates between long-lived assets such as the sewerage infrastructure and those which may require more intense maintenance and capital investment. This improvement opportunity is further detailed in Table 26.

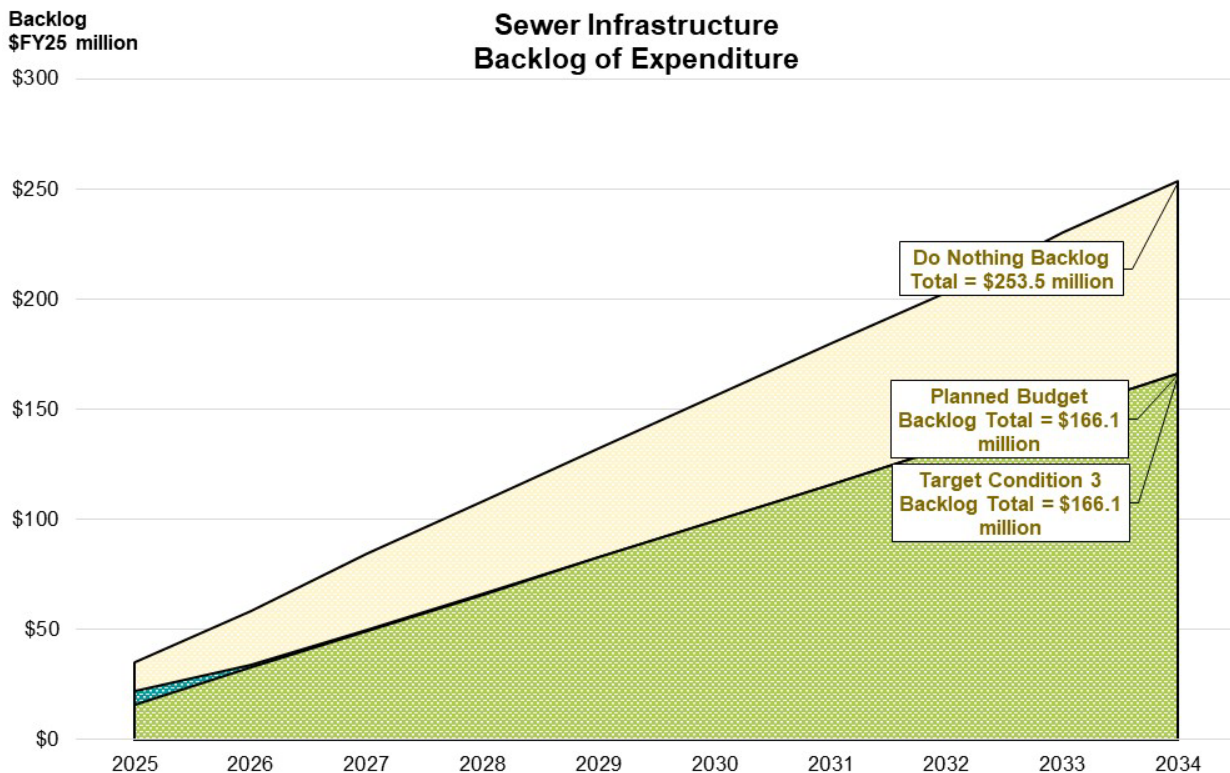


Figure 14 Backlog of Expenditure

Infrastructure Backlog Ratio

This ratio indicates what proportion the infrastructure backlog is against the total value of Council's sewer infrastructure. Increasing backlogs may affect the Council's ability to provide services and remain sustainable. The benchmark is less than 2%. Table 19 presents the backlog ratio over the next 10-years based on the Planned Budget funding scenario.

The amount of capital (backlog) required to achieve Council's targeted satisfactory condition state (rating of 2) is considered the difference between the Planned Budget funding and Target Condition 2 funding scenarios.

Total value figures for the sewerage portfolio considers the Fair Value³⁴ of the assets and is depreciated by an annual depreciation of \$11.1 million (FY25) and accounts for the annual capital investment following the Planned Budget funding scenario.

Table 19 Backlog Ratio (Satisfactory Target Condition 2)

Year (FY)	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value (\$FY25, '000)	Backlog Ratio
2025	\$21,954	\$488,563	4.49%
2026	\$12,139	\$483,194	2.51%
2027	\$15,796	\$478,052	3.30%

³⁴ Fair value represents the replacement cost of the assets minus depreciation. Fair value for 2024 has been sourced from Council's 2023-24 Sewer Assets Register.

Year (FY)	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value (\$FY25, '000)	Backlog Ratio
2028	\$16,615	\$471,227	3.53%
2029	\$16,085	\$465,266	3.46%
2030	\$16,730	\$458,363	3.65%
2031	\$16,643	\$452,045	3.68%
2032	\$16,615	\$444,974	3.73%
2033	\$16,615	\$438,780	3.79%
2034	\$16,867	\$431,670	3.91%

The projected backlog ratio is presented graphically in Figure 15.

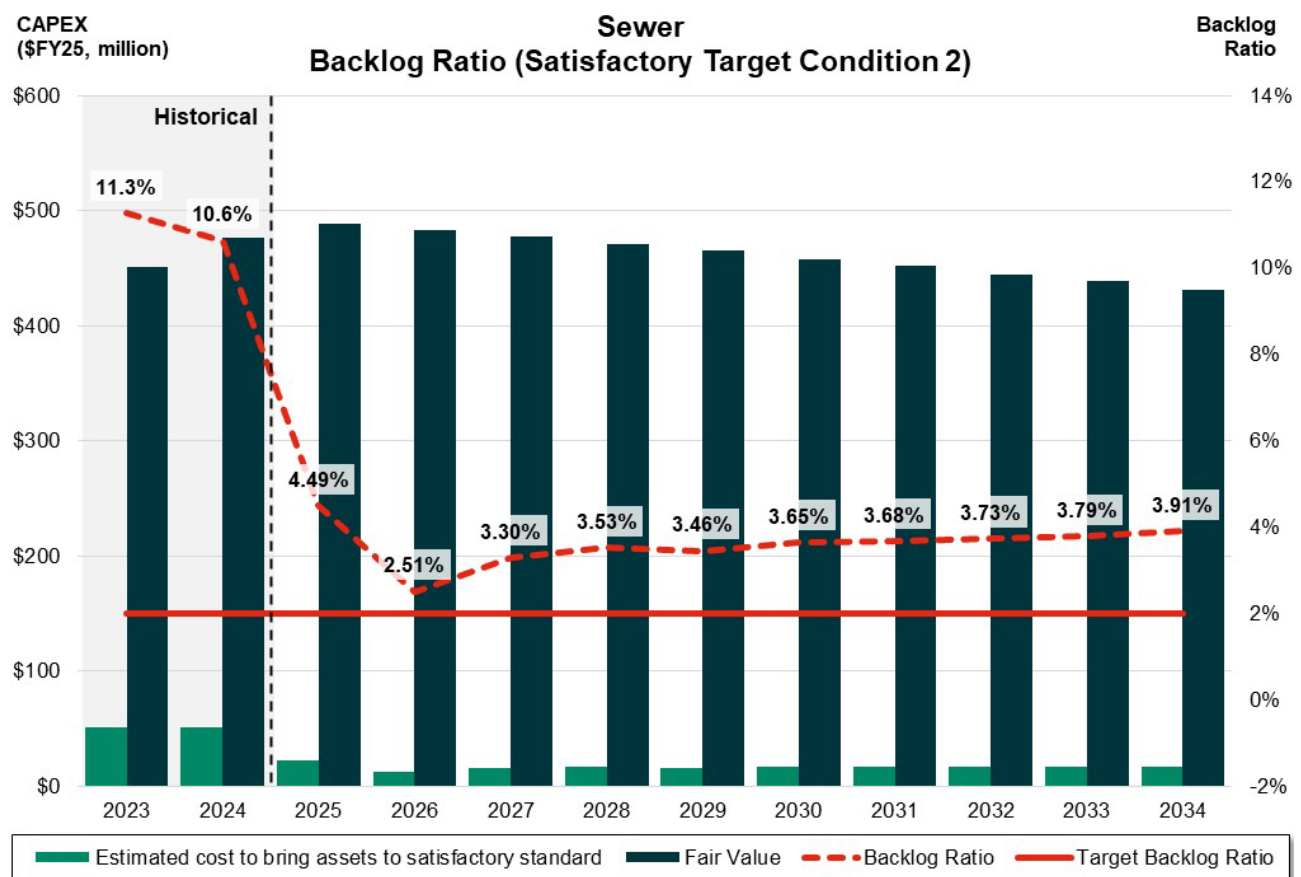


Figure 15 Backlog Ratio, Sewerage Infrastructure (Satisfactory Target Condition 2)

Comparison of Satisfactory Condition Ratings on the Backlog Ratio

A second backlog ratio has been calculated for the purposes of comparing the impact of various target condition states for the sewerage assets. Should Council adopt the recommended target condition rating of 3, the resulting backlog ratio would reduce within the benchmark of less than 2%. The results of this analysis is provided in Table 20, and the accompanying Figure 16.

Table 20 Backlog Ratio (Satisfactory Target Condition 3)

Year (FY)	Estimated cost to bring assets to satisfactory standard (\$FY25, '000)	Fair Value (\$FY25, '000)	Backlog Ratio
2025	\$5,824	\$488,563	1.19%
2026	-\$4,476	\$483,194	-0.93%
2027	-\$818	\$478,052	-0.17%
2028	\$0	\$471,227	0.00%
2029	-\$529	\$465,266	-0.11%
2030	\$0	\$458,363	0.00%
2031	\$0	\$452,045	0.00%
2032	\$0	\$444,974	0.00%
2033	\$0	\$438,780	0.00%
2034	\$0	\$431,670	0.00%

Figure 16 depicts the backlog ratio considering a target condition rating of 3, against Councils benchmark of <2%.

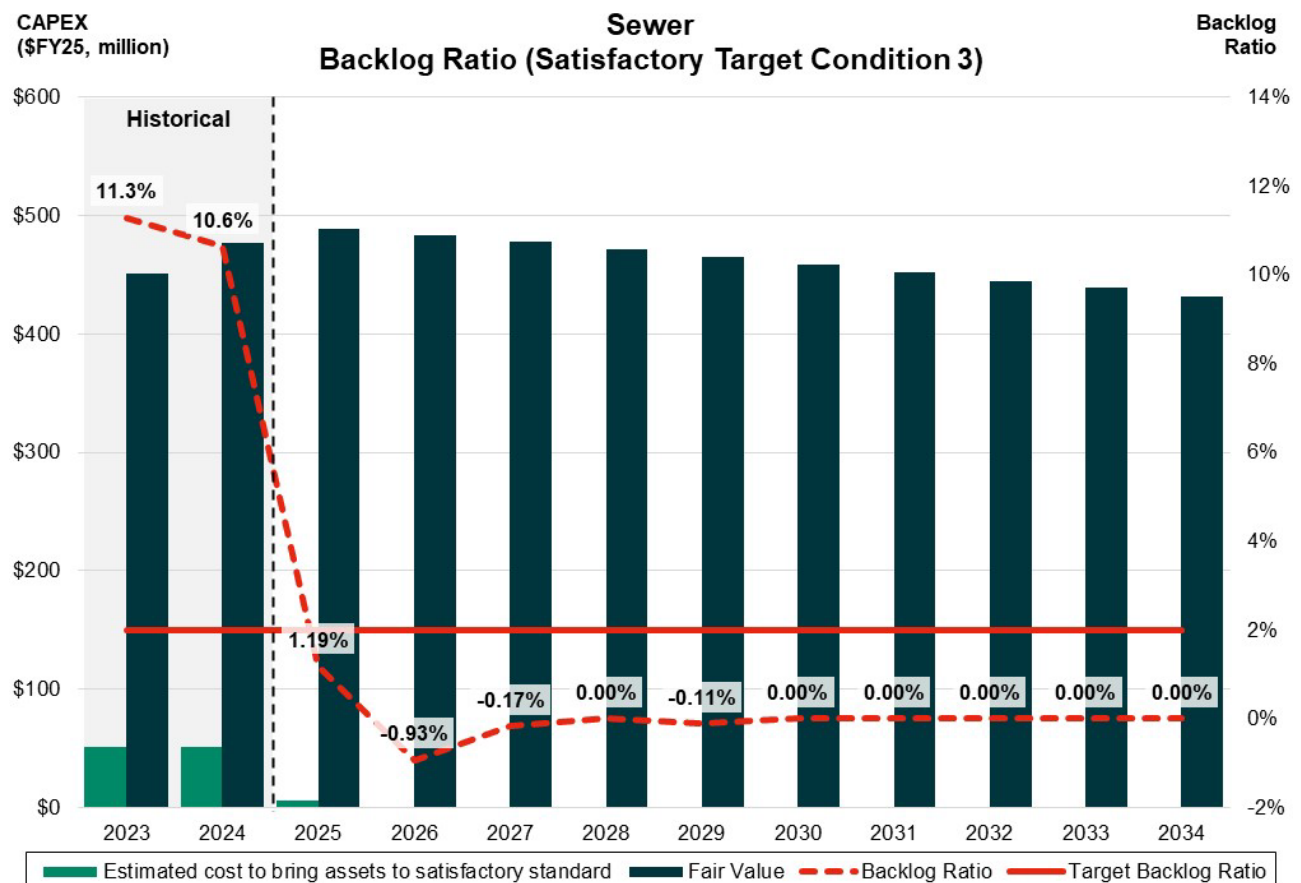


Figure 16 Backlog Ratio, Sewerage Infrastructure (Satisfactory Target Condition 3)

In the years FY26, a negative ratio percentage is expressed, indicating a planned budget expenditure greater than the required funding projected in a Target Condition 3 scenario. This is not considered to represent overfunding of the sewerage assets. A history of underfunding has resulted in a large backlog of works required in the first year of the Target Condition 3 scenario. Due to funding constraints and resource availability, these required works are better addressed over several years, which is represented in the planned budget. This does create a perceived increase in the backlog ratio for FY25 and a negative ratio for FY26, however this is simply the result of distributing required works over several years.

6.3.6 Comparison of funding scenarios

The four funding strategies described in Section 6.2 each sustain the sewerage portfolio to varying condition states over the period of the projection. Figure 17 provides a comparison for the impact that each funding profile has on the weighted mean condition of the portfolio.

In accordance with the Asset Management Strategy, Council have defined its satisfactory condition state to a rating of 2 ('Good'). The required capital to achieve this condition, however, is largely excessive for achieving the levels of service that are required from these assets. Following asset management standards such as the IAM and IIMM, it is recommended for Council to rather seek the funding required to sustain the portfolio to a condition state of 3 ('Satisfactory'), for a more prudent and optimal use of capital budgets.

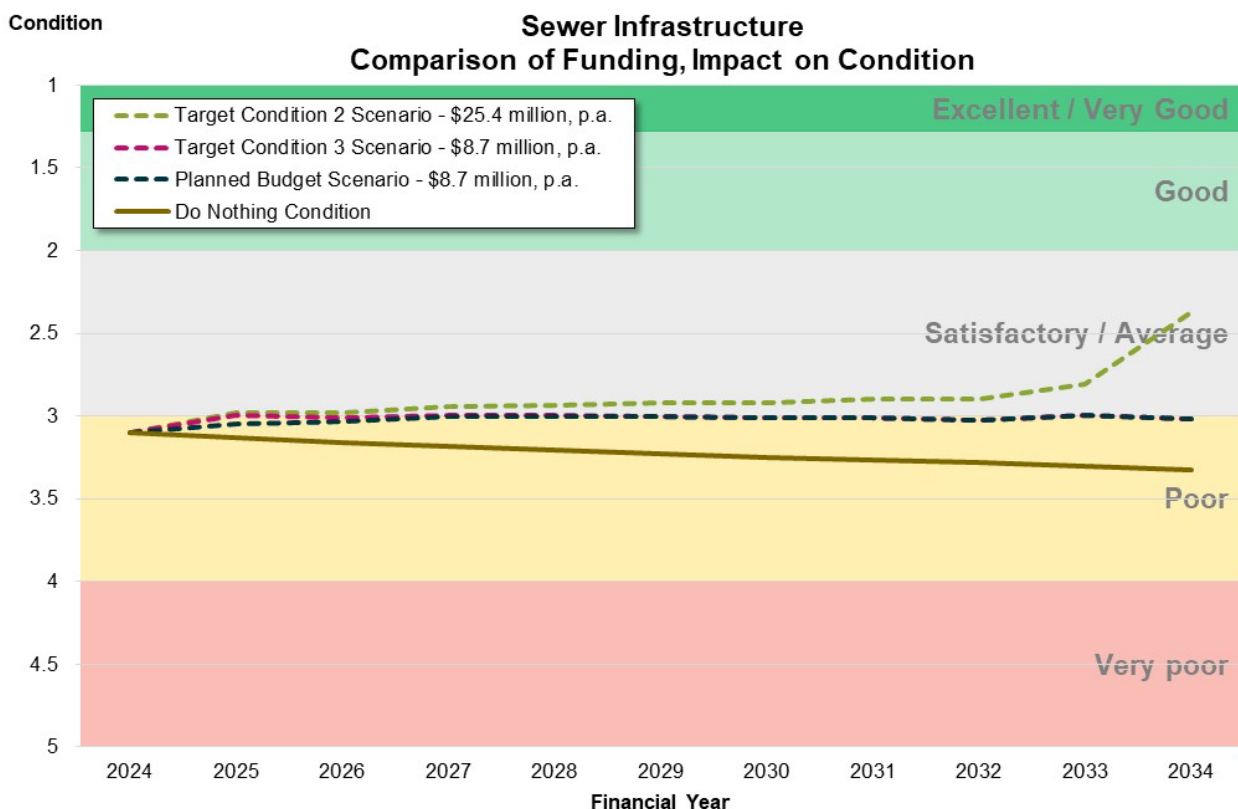


Figure 17 Comparison of Funding, Impact on Condition

Both the Target Condition 3 (dashed red line) and Planned Budget (dashed teal line) scenarios sustain the portfolio to a satisfactory condition state. These two scenarios are both recognised as sustaining a mean condition state which allows the assets to provide their expected service requirements while managing a tolerable degree of risk for potential asset failures or service failure. The average annual capital required to achieve the Target Condition 3 scenario amounts to \$8.7 million, equal to the Planned Budget scenario capital required annually in FY25 figures.

The 'Do Nothing' scenario provides a lower bound of asset condition, demonstrating the deterioration rate of the portfolio should no capital investment be made. This scenario (solid brown line) illustrates a slow rate of deterioration due to the sewerage assets primarily being long lived, high value assets. While this scenario does not reach a very poor (failed) state over the period of the projection, Council would be taking on excessive risk of failure as a large portion of the assets would be in a poor to very poor condition, better demonstrated in the backlog figure in Section 6.3.5.

The dashed green line, representing the Target Condition 2 scenario, demonstrates the funding required to improve asset condition to Council's targeted condition rating of 2. This scenario requires an average annual capital funding of \$25.4 million in FY25 dollars.

6.4 Maintenance expenditure projections

Maintenance expenditure is classified by Council as planned and unplanned maintenance. Maintenance activities, as defined in Section 5.6 of the Asset Management Strategy, consider routine activities undertaken by Council to preserve the service capacity or durability of the assets as they age. For this reason, the projection of maintenance presented in Figure 18 show the portion of both planned and unplanned maintenance. Figure 19 shows the same operational expenditure broken down by asset group. These figures have been sourced from the 2023-24 financial report 35.

Maintenance projections account for future acquisition of new assets as indicated through the 30-year planned capital projections and assumes a required percentage of maintenance for these new assets in-line with current maintenance spend as a percentage of the sewerage portfolio. A more detailed projection which accounts for changes in demand, required maintenance according to the change in condition of the assets and efficiency of the network is recommended to be included in the Asset Maintenance Strategy as a continual improvement.

The data which informs this graph has been assumed to be of nominal values, and as such, indexed against current CPI³⁶ rates and presented in nominal figures. The 10-year projection assumes past spend will continue over future years due to the nature of the works. Shaded columns in Figure 18 represent historical data and are categorised between planned and unplanned maintenance.

³⁵ MidCoast Council, Report on infrastructure assets as at 30 June 2024, Annual Financial Statements, 30 June 2024

³⁶ Reserve Bank of Australia, Statement of Monetary Policy, November 2024

*The dashed lines provide a benchmark range for the mean, 25th and 75th percentile O&M expenses across several comparable Councils (New South Wales – Rural) within a similar range of connected properties. The data which has informed these values is sourced from the Bureau of Meteorology (BoM)³⁷. A detailed benchmarking exercise is captured in Table 26 for continual improvement to further assess performance and expenditure for Council against other regional Council's, in addition to water and sewer utilities.

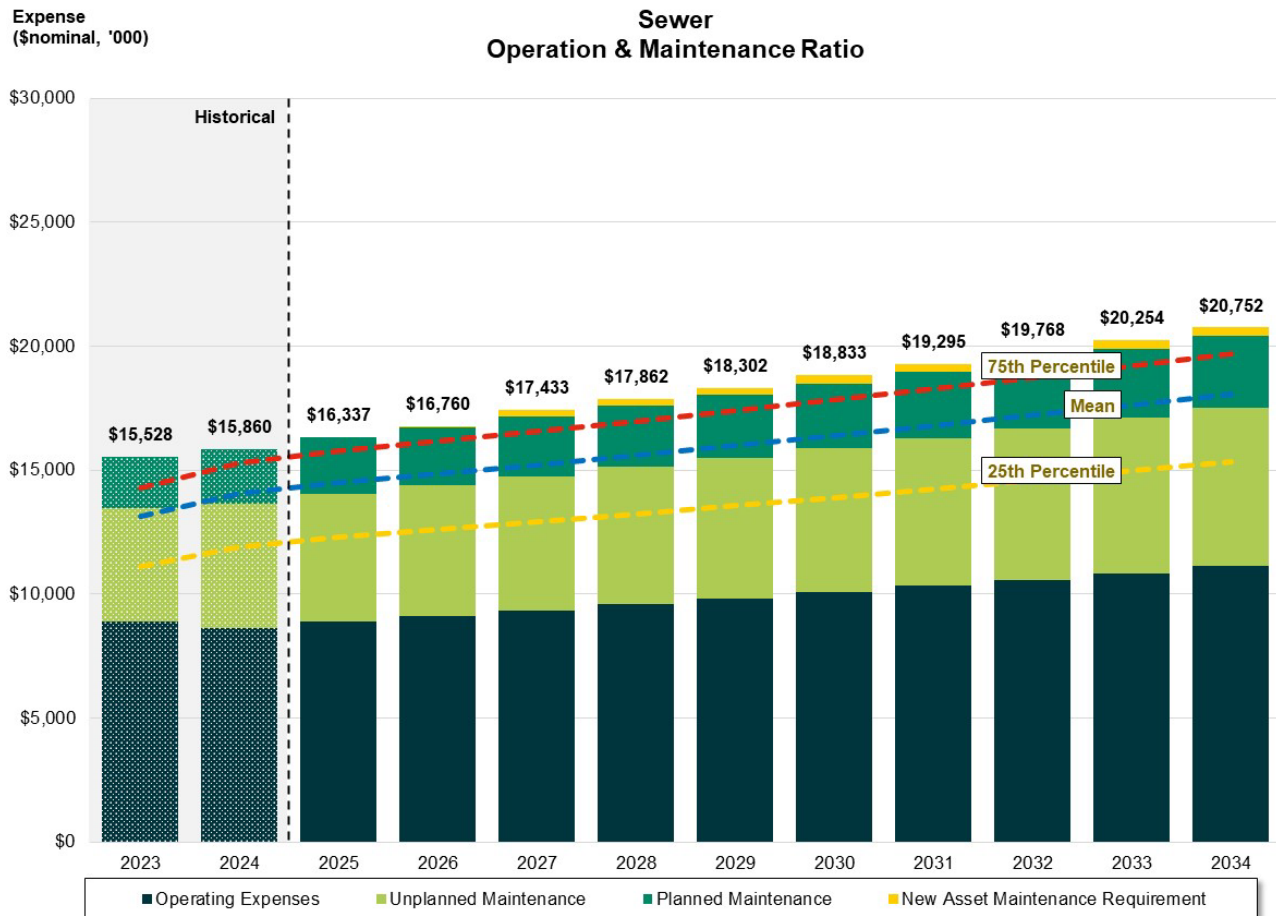


Figure 18 10-Year Operating and Maintenance Projection, by Type of Works

³⁷ Australian Government Bureau of Meteorology, Urban NPR 2022-23 Complete Dataset

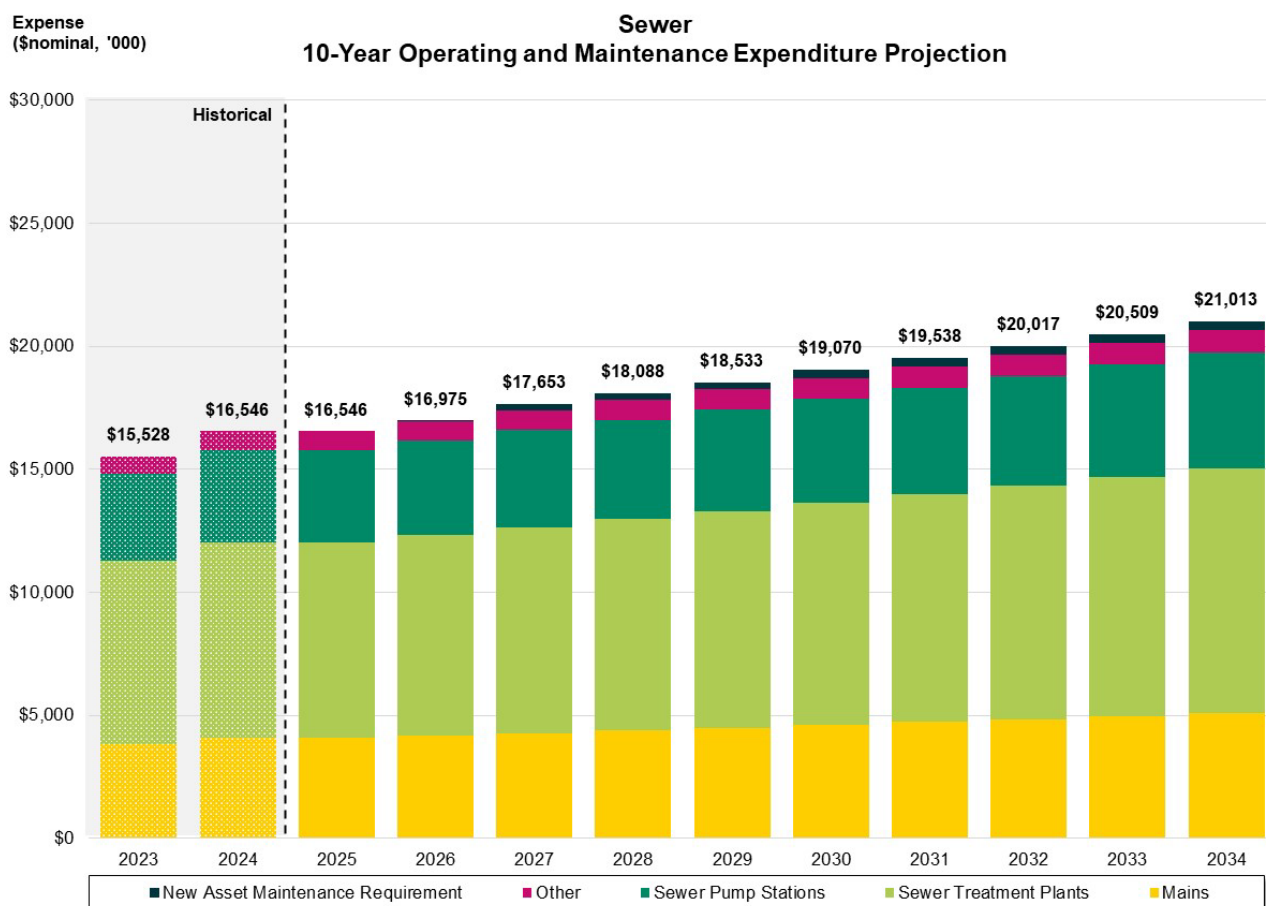


Figure 19 10-Year Operating and Maintenance Projection, by Asset Group

Total maintenance expenditure in FY25 dollars is expected to total \$16.5 million, annually for the portfolio of sewer assets. The creation of new assets and/or decommissioning of existing assets accounts for an additional \$2.6 million worth of operating and maintenance expenditure required over the 10-year period, and varies year on year based on the new asset projections estimated in the 30-year planned capital projections.

Asset Maintenance Ratio

This ratio compares actual versus required annual asset maintenance. It measures whether Council is spending enough on maintaining its assets to avoid increasing its infrastructure backlog.

The maintenance ratio has been calculated assuming continued expenditure of the most recent years operational and maintenance expenses, sourced from the MCC Water Supply Income Statement. The ratio calculates the percentage of actual maintenance over required maintenance. Required maintenance has been informed by Asset Management Strategy (2024-34). A summary of this ratio over a 10-year projection from FY24-FY33 is provided in Table 21.

The benchmark is greater than 100%.

Table 21 Sewer Assets Maintenance Ratio

Year (FY)	Actual Maintenance (\$nominal, '000)	Required Maintenance (\$nominal, '000)	Maintenance Ratio
2025	\$16,337	\$15,532	105.2%
2026	\$16,760	\$16,827	99.6%
2027	\$17,433	\$18,226	95.6%
2028	\$17,862	\$19,489	91.7%
2029	\$18,302	\$20,489	89.3%
2030	\$18,833	\$21,437	87.9%
2031	\$19,295	\$22,738	84.9%
2032	\$19,768	\$24,084	82.1%
2033	\$20,254	\$25,246	80.2%
2034	\$20,752	\$26,157	79.3%

Figure 20 graphically presents the values captured in the table above.

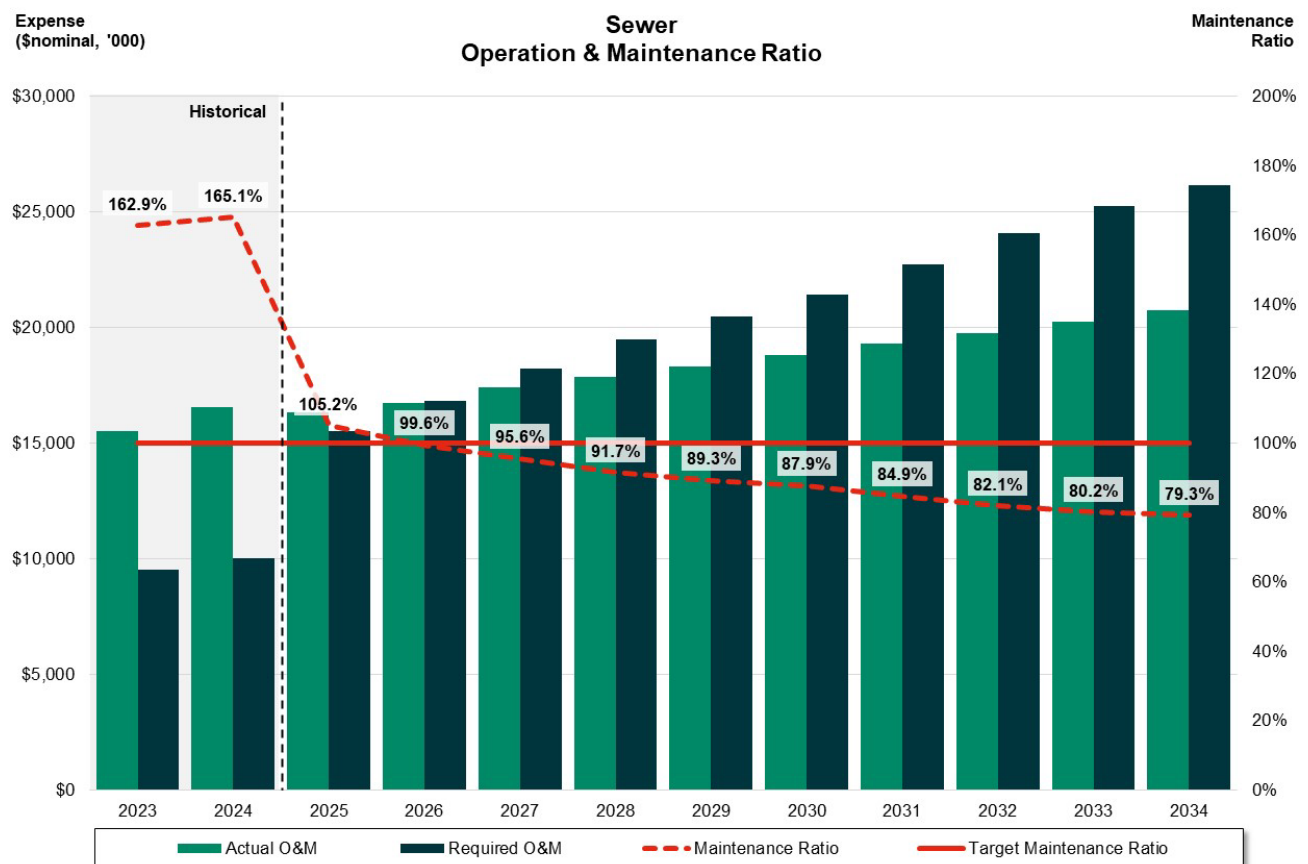


Figure 20 Sewer Assets Maintenance Ratio

6.5 Key assumptions made in financial projections

All costs used for the purposes of financial projections have been assumed current as of the time of developing this AMP. All asset information has been sourced from Council databases. Key assumptions made in the financial projections include:

- Indexation of costs applied the CPI rates sourced from the most current RBA inflation tables³⁸.
- On-costs are assumed included in the valuation figures sourced from the valuations database³⁹. As such, no further on-costs for PM, contingency etc. have been included in the financial projections.
- Financial projections do not account for changes in demand for the assets which may impact the rate of deterioration and capital enhancements.
- Due to insufficient historical data, financial projections assume a standardised asset deterioration curve.
- A portion of expenditure is not captured in the financial projections due to gaps in asset data. These should be updated once accurate data is captured and updated in the asset register.
- Criticality ratings for reticulation assets is sourced from datasets provided by Rezatec Satellite AI. These datasets assign criticality against mains assets only. For this reason, asset categories, excluding mains, within the reticulation asset group, have been attributed the criticality rating of the mains system each asset belongs within. Refer to the works schedule in Appendix B to view the criticality and priority order of all assets.

³⁸ Reserve Bank of Australia, Statement of Monetary Policy, November 2024

³⁹ Councils 2023-24 Sewer Assets

- Lifecycle assumptions for Scenario 3 (Target Condition 2) are more aggressively adjusted, to achieve a condition rating of 2 over the period of the projection. This strategy to achieve a condition rating of 2 represents an unrealistic expenditure profile and does not necessarily represent the expenditure required to deliver the expected service and performance levels. The adjusted lifecycle assumptions are as follows:

- Rolling replacement percentage assumptions for long lived, high value assets:

Scenario 1 (Target Condition 3) & Scenario 2 (Planned Budget)

Adopts a steady state allocation of capital funding annually proportional to the useful life of the asset. This can be calculated as $\frac{1}{\text{Useful Life}}$

Scenario 3 (Target Condition 2)

Adopts a steadily improving allocation of capital funding. This can be calculated as $\left(\frac{1}{\text{Useful Life}}\right) * 4.2$

- Lifecycle intervention timing for Critical assets is shown in Table 22.

Table 22 Lifecycle Assumptions, Intervention Timing

Criticality	Scenario 1 & 2 Intervention (%ULE)	Scenario 3 Intervention (%ULE)
5	90%	70%
4	100%	75%
3	100%	80%
2	100%	85%
1	120%	90%

6.6 Projection reliability and confidence

The financial projections provided in this AMP use currently available data for the sewerage assets. The accuracy of the projections are contingent on the reliability and confidence Council has in its data and data sources. Table 23 provides the criteria for assessing level of confidence.

Table 23 Asset Data Confidence Rating

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	None or very little data held.

The data used to inform this AMP has been assessed to have a confidence Grade B in accuracy and Grade B in completeness. Future iterations of this AMP should seek to continually improve the accuracy and completeness of asset information.



DELIVERY OF THIS PLAN

7.0 Delivery of this Plan

This section describes the approach to be considered when planning for successful delivery of the works schedule. Delivery includes the roles and responsibility of the various levels of governance over the assets, as well as the types of constraints and response actions anticipated to occur when delivering the works.

7.1 Governance

Council's governance structure relating to asset management enables effective management of its assets. The daily process of asset management is delivered internally by the operations team, while strategic asset management decision-making, such as capital funding of major works, are co-ordinated by Council management on behalf of the NSW Government.

The roles and responsibilities of the personnel involved in the management of Council's sewerage assets are summarised in Table 24.

Table 24 Asset Management Roles and Responsibilities

Authority	Asset Management Responsibility
MidCoast Council	<ul style="list-style-type: none">• Providing leadership and governance• Adopting a corporate asset management policy and strategy• Considering the impact of financial and service level decisions on Council's assets• Ensuring that organisational resources are allocated to safeguard sustainable service delivery
MANEX & Extended MANEX (General Manager, Directors and Managers)	<ul style="list-style-type: none">• Allocating resources to the implementation of the Asset Management Strategy and Plans• Ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes• Ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation• Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents• Delivering Levels of Service to agreed risk and cost standards• Ensuring the community is involved and engaged on all key Council matters affecting service delivery• Managing infrastructure assets in consideration of long-term sustainability• Presenting information to Council on lifecycle risks and costs• Approve the Asset Management Plans

Authority	Asset Management Responsibility
Asset Management Working Group	<ul style="list-style-type: none"> • Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long-Term Financial Plan and other Integrated Planning & Reporting documents • Monitoring the development and implementation of Asset Management Policy, Strategy and Plans • Developing and reviewing policies, processes and practices to ensure effective asset management across the organisation • The implementation of the Asset Management Improvement Plan • Providing professional advice and collaborate with other departments of Council in relation to asset management • Operating within an agreed 'Terms of Reference'

7.2 Delivery

The successful delivery of this plan considers the availability of resources and any constraints which may impede on the ability for Council to carry out the strategies and processes captured in this AMP. Required works are generally organised and packaged by work discipline and / or trade for efficient delivery.

7.2.1 Procurement

Procurement of suitable internal resources to enable successful delivery of works should comply with Council's relevant employment policies and guidelines⁴⁰. Similarly, sourcing external contractors, materials and assets where necessary to assist with works delivery, should comply with NSW Government's procurement laws⁴¹ and regulations, in addition to internal Council policy⁴².

⁴⁰ MidCoast Council, Equal Employment Opportunity (EEO) Management Plan and Fair Treatment Policy, 2022

⁴¹ Government Procurement Act 2001 and Government Procurement Regulation 2007 / Local Government Act 1993

⁴² MidCoast Council, Procurement Policy, 2019

7.2.2 Delivery constraints

Table 25 summarises the various factors which pose potential risks to successful delivery of the works.

Table 25 Delivery Constraints

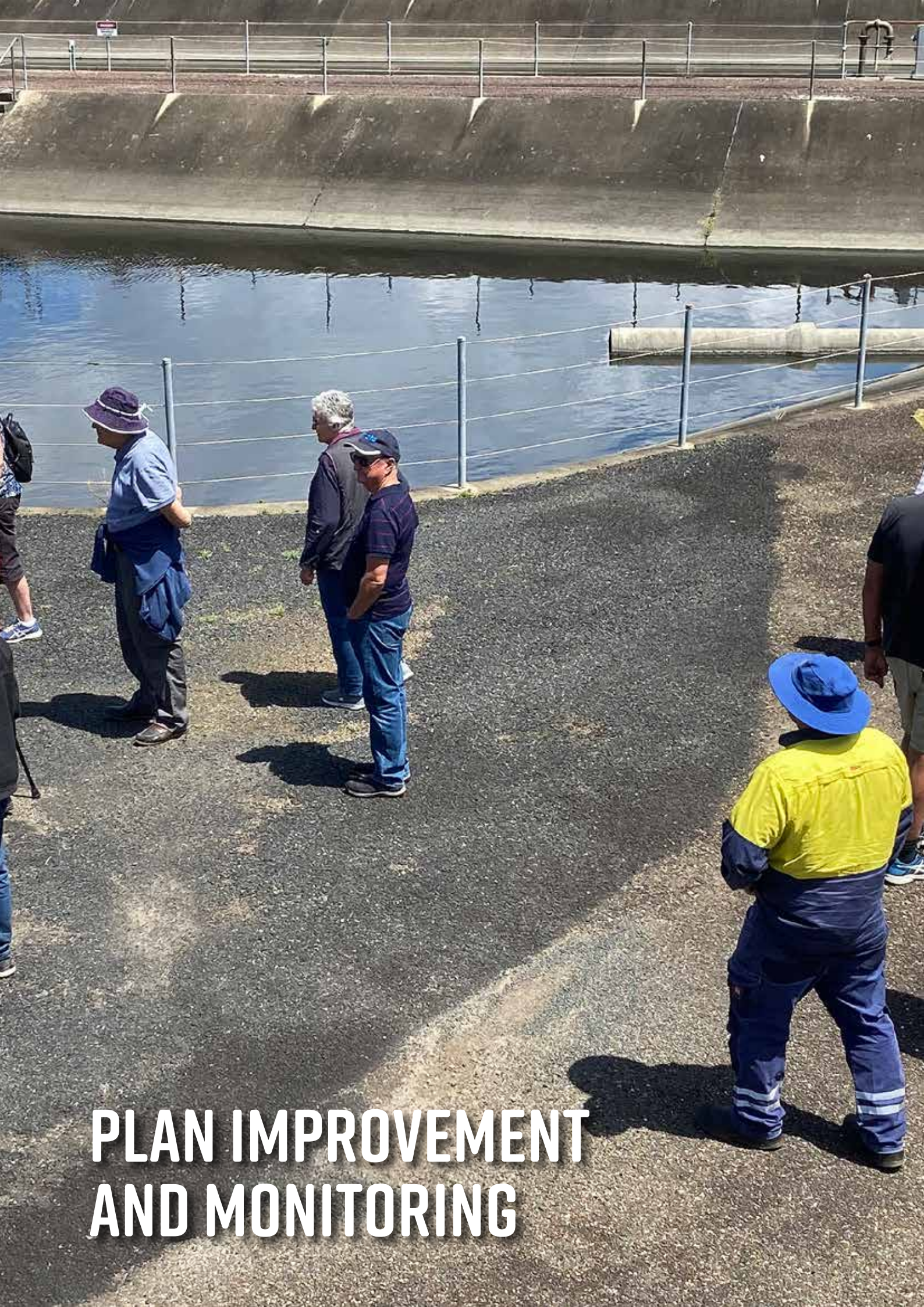
Delivery Constraint	Implication	Response Action
Presence of hazardous materials at work sites	Handling and disposal of hazardous materials (such as chlorine) must comply with the Work Health and Safety 2017 and other standards that apply. This may constrain the delivery of works or increase contractor costs.	Check available chemicals registers of any materials prior to works commencing. Handle, dispose or relocate materials according to relevant controls. Arrange relocation of large quantities of chemicals prior to works, where required.
Materials disposal	Local material disposal is limited. Council aims to divert 70% of waste from landfill by 2030.	Material disposal should comply with any NSW Government asset disposal policies. Assets should look to be repurposed where possible to reduce disposals.
Outage / scheduling constraints	Service level targets related to service continuity could constrain the ability to interrupt service delivery (outage) and take control of assets (possession) for works.	Provide sufficient notice of planned minor works to customers according to Customer Charter. The design of long-term, major works on critical assets (like the Manning scheme) should include delivery options considering outage constraints.
Availability of materials and equipment	The transport costs, biosecurity requirements and approval processes may constrain works delivery especially for unexpected failures for critical assets.	Organise material and plant procurement with other projects to minimise transport costs and approval processes. This may require aligning the timing of works with other projects or delivering works that do not require extended sourcing time first. Hold critical spares in-Council for emergency works.
Retaining local resources	Where possible, works are to be sourced locally to minimise travel costs, support the local economy and align with the Commonwealth's Indigenous Procurement Policy. This may be difficult if works are infrequent or inconsistent.	Large capital projects are to be delivered in stages to provide consistent work for the local workforce, where the budget allows.

Delivery Constraint	Implication	Response Action
Availability of specialist skills and labour	Some works may require specific labour skillsets not available in regional locations.	Work requiring skillsets not found regionally should be scheduled together, where possible. Works may be scheduled with other projects outside of sewerage.

7.2.3 Funding constraints

Funding is assumed to be available for the identified works included in this AMP, however actual available funding may vary in subsequent years. Once funding is made available, Council should schedule works according to priority as indicated in this AMP.

Council should seek suitable funding from Government to enable it to effectively meet all legislative and service requirements. This AMP and subsequent AMPs shall be developed to best achieve this outcome.



**PLAN IMPROVEMENT
AND MONITORING**

8.0 Plan Improvement and Monitoring

Continual improvement is a key aspect of good asset management practices, as detailed in the ISO55001:2024 standard. Assessing an organisations level of maturity against good practice highlights areas of weakness as well as opportunities to strengthen efficiencies and capabilities within the organisation.

This section summarises the ongoing state of asset management in Council by providing a series of improvement opportunities and should be routinely reviewed and updated to reflect the current state of practice.

8.1 Status of asset management practices

Asset management maturity at MidCoast Council is assessed at a basic level as of the time of developing this AMP. The most recent maturity assessment was undertaken in 2022, with the objective to reach a core level of asset management maturity by 2023. It is recommended for Council to undertake a more current assessment of maturity to confirm achievement of this target.

Council is committed to growing its capabilities and efficiency in asset management through developing and updating related strategies and documentation. It intends to drive organisational change through a cohesive understanding for the importance of asset management and the importance that each stakeholder at every level plays in driving forward this vision.

8.1.1 Accounting and financial data sources

Council currently maintains an extensive register of asset information for accounting and book purposes. This database is maintained to a substantial level of granularity for improved accuracy and quality of the financial figures. The financial database provides the source of information for annual budgetary reporting purposes and for the capture of the sewerage asset portfolio's valuation, as presented in this AMP. The source of financial data informing this AMP has come from Councils Revaluation, March 2023⁴³.

8.1.2 Asset management data sources

Asset information which contains the unique attributes specific to asset performance, condition, criticality and life expectancy, for asset management purposes is maintained in a separate register to that of financial use. This collation of asset information is maintained to the same level of granularity as the book database to allow cross referencing and reporting. The same hierarchy is applied across both registers for this same purpose. The source of asset data informing this AMP has come from the Corporate Water and Sewer Asset Registers⁴⁴.

⁴³ Councils 2023-24 Water Assets

⁴⁴ Councils 2023-24 Water Assets

8.2 Asset management improvement plan

A number of improvement opportunities to enhance the maturity, accuracy and operational efficiencies of the asset management practice within MidCoast Council has been identified through the development of this AMP. These actions are summarised in Table 26 with indicative timings for their implementation.

Table 26 Improvement Plan

Improvement Area	Description	Timing
Delivery of works	There may be opportunities to package works to reduce the overall cost of delivery. Creating work packages will reduce the upfront supplier cost.	Ongoing
Asset failure data	Asset decay is influenced by a range of environmental factors. MidCoast Council should seek to record asset failure data to better inform its ability to predict future failure (this is achieved through Weibull Curve plotting for major asset classes – a method which applies the Weibull mathematical calculation for predictive future failure based on historical intervals). Further failure data, such as type of failure, component which failed, timing since last failure, etc. would improve predictive ability and better enable a clear linking of quantitative levels of service to asset life.	Ongoing
Collaboration and Engagement	Council's operational and technical teams aim to improve asset management processes, to ensure that decisions are based on current asset information, and that staff understand why improvements in asset management are needed and are motivated to make this shift. This improvement is sourced and in line with the Water & Systems Strategic Business Plan ⁴⁵ .	Ongoing
Technical Levels of Service	Development of this AMP identified a number of existing performance measures which do not align with the capabilities and capacity of current Council. These KPI's require updating to provide achievable targets which management a relevant staff can work towards attaining. KPI's should constantly be reviewed and adjusted to reflect the current operational capacity and capabilities of Council.	Within 1-Year

⁴⁵ Water & Systems Strategic Business Plan, February 2023

Improvement Area	Description	Timing
Condition Standard	<p>Council have defined its target (satisfactory) condition state for all asset classes to be at a rating of 2. While this condition rating would effectively allow the assets to meet their service expectations and eliminate most risks of potential asset failure, it is considered excessive and unrealistic for the water and sewer assets.</p> <p>Due to the nature of this asset class, primarily being buried, non-public facing or used infrastructure, the water infrastructure can sufficiently provide all service requirements and maintain a tolerable degree of risk, according to Council's Risk Management Framework, when sustained at a condition rating of 3.</p> <p>For this reason, it would be considered more prudent and cost effective for Council to reassess its objective condition ratings across each asset class.</p> <p>Council are to engage with the community for consultation and feedback on the potential change to its Condition Standards.</p>	Within 1-Years
Operational Asset Management Plans	Council are to prepare operationally focussed asset management plans to enable to efficient delivery of works, and provide line of sight between the organisational objectives, asset management plans and operational activities required of the assets.	Within 1-Year
Asset Hierarchy	Hierarchical structuring of asset information is necessary for Council to categorise, analyse and report on not only its Sewer assets but all asset classes within the organisation. Ongoing development of the current asset hierarchy is underway and further improvements and standardisation of this information shall be completed over the suggested time period.	Within 2-Years
Criticality	At the time of development for this AMP, criticality has been assessed at the facility level across the major asset groups. Council is to continue to assess criticality at the more granular asset component level, to improve prioritisation across the schedule of works.	Within 3-Years
Maintenance Strategy	Development of a Maintenance Strategy to detail the planned maintenance requirements for each of the tasks listed in this AMP. Inclusive of detailed tasks, number of impacted assets, resource requirements, timing and delivery methods.	Within 2-3 Years
Buildings	The buildings associated with sewer assets are currently included in both this AMP and the Buildings AMP. The information contained within this AMP should be consolidated into the Buildings AMP when the maturity of the data contained within that AMP is sufficient.	Within 3-Years
Roads	The roads associated with sewer assets require recognition in their respective transport asset planning documentation.	Within 3-Years

Improvement Area	Description	Timing
Asset Management Maturity	Council identify the objective of achieving a core level of asset management maturity by 2023 in its Asset Management Strategy 2022-32. Council should reassess Maturity following the completion of this AMP to review performance of this targeted KPI, and update this AMP accordingly.	Within 3-Years
Asset Planning and Creation Processes	Improvement to the asset planning and creation processes, including policy development, along with education to enhance the use of systems to support project managers, asset managers and accountants.	Within 3-Years
Asset Naming Convention	The asset naming convention is an established and well accepted location hierarchy which provides further classification and ordering of Council's assets by location, type and component. Following the completed review of the Asset Hierarchy, the naming convention information should be aligned to provide consistent and documented attribute information of the Sewer portfolio. This improvement opportunity is recommended to occur following the standardisation of the asset hierarchy.	Within 4-Years
Digital Capability	Council aim to move towards being a digital utility by introducing new and mobile technologies that supports planned maintenance decisions and allows operational staff to record, review and update asset information out in the field. This real-time capture of current asset data will improve data confidence and the accuracy of future updates to this AMP. This improvement is sourced and in line with the Water & Systems Strategic Business Plan	Within 5-Years

8.3 Monitoring and review procedures

This AMP is a live document that should be reviewed annually to support the strategy adopted by Council in the Strategic Asset Management Plan 2023. In addition to annual reviews, a complete update to the AMP should occur every 4-years (or to align with the Integrated Planning and Reporting timeframes) to ensure accuracy and currency of asset information. The review of asset management planning includes:

- Assessment of asset condition – The frequency of inspections for critical assets should increase as the asset approaches its expected end of life state. The frequency of inspections for non-critical assets should reflect an acceptable level of risk. Condition data which is acquired from inspections should be used to support this AMP and validate projected works.
- Update to capital availability – Constrained scenarios presented in this AMP are aligned to indicative budgetary figures informed by Council. These figures should be updated to reflect any changes to capital availability for subsequent years in the projection.

8.4 Performance measures

The performance of Council's asset management system can be determined through the ability to meet and sustain service level requirements through the performance KPI's, indicated in Section 2.6. Measurements of performance should reflect the current requirements of the assets and be updated as these service level targets shift.

8.4.1 Industry performance indicators

NSW Department of Environment, Climate Change and Water⁴⁶ (DECCW - formerly Department of Planning and Environment) collects data for regional local water utilities for performance monitoring and reporting of water supply and sewerage data annually. This information is collected as part of the Regulatory and assurance framework for local water utilities which provides analysis of performance trends and measures of performance relative to other local water utilities. The monitoring and reporting information and analysis is used to:

- target regulatory effort and inform risk-based approach to regulation and assurance of local water utilities,
- take proactive action to drive improvements in risk management and performance and help local water utilities achieve their regulatory objectives.
- inform applications for local water utilities to develop new infrastructure.
- identify performance trends and strengthen local water utilities' responses to those changes.
- publish information to facilitate local water utilities' understanding of performance, including compared to other local water utilities, and opportunities to improve.
- provide information to customers and the community about the performance of local water utilities.

In 2022, the then Town Water Risk Reduction Program reviewed the department's approach to collecting, and reporting on, annual performance of local water utilities and committed to rationalising the department's indicator set in consultation with key stakeholders. The department sought feedback on:

- the proposed additional, NSW-specific indicators that are part of the full list of NSW performance indicators.
- the proposed list of key performance indicators for focused reporting and benchmarking products on key performance information for utilities and their customers.

The new full list of NSW performance indicators is to replace the annual indicator set the department currently uses for all local water utilities from the 2024 to 2025 reporting year, to align with the introduction of the revised National Performance Report indicator set, and to give utilities sufficient notice. The aim of these new indicators is to focus performance reporting and benchmarking for local water utilities on key performance information.

A full set of these indicators is attached in Appendix E.

Water Services Association of Australia (WSAA) is the peak industry body representing the urban water industry. Its members provide water and sewerage services to over 24 million customers in Australia and New Zealand and many of Australia's largest industrial and commercial enterprises. WSAA was formed in 1995 as a non-profit organisation to foster the exchange of information between industry, government, and the community to promote sustainable water resource management. WSAA's demonstrated success in the standardisation of industry policy and practices, improving industry performance and establishing benchmarks and industry leading practices for water service processes and fostering the exchange of information on education,

⁴⁶ NSW Department of Planning and Environment Regulatory and assurance framework for local water utilities, July 2022

training, research, water and waste water management and treatment and other matters of common interest.

Every four years since 2004, WSAA has run an international asset management process benchmarking project, with the aim of improving the standard of asset management performance within the international water sector through the identification and promotion of leading practice.

In 2016, the WSAA Asset Management Customer Value (AMCV) benchmarking process reflected recent global trends in asset management. The assessment and scoring process was aligned with the principles of ISO55001:2024 that reflect customer-centric and value management approaches to deliver services. Participants from Australia, New Zealand, United States of America, Canada, United Kingdom and Japan participated. The AMCV 2016 outcomes provide an international perspective on asset management processes and activities across sectors that encompass organisational leadership, customer focus, and value optimisation as well as more traditional asset management areas.

MidCoast Council's Water & Systems business unit (formerly MidCoast Water) participated in the 2016 project. The AMCV assessed the following function areas of each participating organisation;

1. Organisational Management
2. Asset Capability and Forward Planning
3. Asset Acquisition
4. Asset Operation
5. Asset Maintenance
6. Asset Renewal
7. Asset Management Applications

The WSAA has initiated the 2024 iteration of the AMCV project to assist local water utilities in prioritising their asset management focus. MidCoast Council is a participant of this project, and the results will be included in future AMPs as improvement opportunities.

DEFINITIONS & REFERENCES



9.0 Definitions and References

9.1 Definitions

The following definitions provide the reader with an understanding of the terminology used in this AMP, in the context of asset management. Definitions are in accordance with those provided in the Asset Management Policy⁴⁷. Use of this terminology outside the context of asset management may consider alternative meanings.

Asset

A physical item owned by Council that has economic value and enables services to be provided.

Asset Lifecycle

The life of an asset, from its acquisition to disposal

Asset Management Information System

An asset management information system is a combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment.

Asset Management

Asset management (AM) is a systematic process to guide the planning, acquisition, creation, operation and maintenance, renewal and disposal of assets.

Asset Management Plan

A plan developed for the management of an asset class that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset, in the most cost-effective manner to provide a specified level of service.

Asset Management Strategy

The Asset Management Strategy is a component of the Resourcing Strategy. It demonstrates how our assets support service delivery in consultation with the community and within available funding.

Asset Register

A record of asset information including inventory, historical, financial, condition, construction, technical, and financial details.

Infrastructure Asset

Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components.

Level of Service

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

⁴⁷ MidCoast Council, Asset Management Policy, 2020

Lifecycle Cost

The total cost of an asset throughout its useful life.

Useful Life

Either the period over which an asset or component is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset or component by the entity.

Critical asset

Asset/s having potential to significantly impact on the achievement of the organisation's objectives.

Asset life

Period from asset creation to asset disposal or decommissioning.

Remaining service life

The remaining service life is based on the current exposure conditions with no major rehabilitation works or interventions being assumed to occur.

Prioritisation

The approach to selecting which activity is to be completed ahead of another when faced with constraints on delivery.

End of life

The point in an asset's service life where it can no longer provide its intended service to the organisation or system.

Capital maintenance

Maintenance that improves the condition of the asset beyond its originally assessed standard of performance or capacity.

Condition-based maintenance

Preventive maintenance which includes a combination of condition monitoring and/or inspection and / or testing, analysis and the ensuing maintenance actions

Unplanned (reactive) maintenance

Unplanned maintenance carried out to put an asset into a state in which it can perform a required function.

Planned (routine) maintenance

All actions necessary for retaining an asset as near as practicable to its original condition, excluding rehabilitation or renewal.

Preventative maintenance

Maintenance carried out at predetermined intervals, or corresponding to prescribed criteria, and intended to reduce the probability of failure or the degradation in performance of an item.

Sewer Infrastructure

Terminology which refers to the full extent of assets which are in scope of this Asset Management Plan. Sewer infrastructure includes all major asset groups in the Sewer Asset Management Plan, namely reticulation, treatment plants, pump stations and communication equipment.

9.2 References

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APPENDICES

Appendix A- Capital Works Schedule

Capital Project Schedule (Basis for this Plan)

MidCoast Council, 30 yr CAPEX projects.xlsx (October 2024)

Capital Project Schedule (Latest Version)

M:\Water Asset Planning\LONG TERM FINANCIAL MODELLING\Financial Plan\30 yr CAPEX projects - Oct 2024

Appendix B- Planned Maintenance

Table 27 Planned Maintenance Schedule

Description of works	Frequency
6m Electrical Inspection	6 Months
A/C Scheduled Service	1 Year
Access And Safety Inspection	1 Year
Access Structures Safety Inspection	1 Year
Actuated Penstock Electrical Service	1 Year
Actuated Penstock Inspection	1 Year
Actuated Valve Battery Replace	5 Years
Aerator Mechanical Service	1 Year
Aerator Mechanical Lubrication	3 Months
Aerator Mechanical Service	1 Year
Aerator Operator Inspection	1 Month
Air Blower Functional Test And Service	1 Year
Air Conditioner Inspection	6 Months
Air Conditioning Service	6 Months
Air Conditioning Unit Electrical	1 Year
Air Conditioning Unit Operator	6 Months
Air Dryer Inspection	1 Year
Air Dryer Mechanical Service	3 Months
Air Dryer Verification	1 Month
Air Valve Mechanical Verification	1 Year
All Site Pipework Inspection	1 Year
Alum Tank Switch Function Check	2 Years
Annual Electrical Inspection	1 Year
Artificial Wetlands Operator Inspection	1 Month
Auto-Lubricator Level Checks	1 Month
Axial Pump Mechanical Inspection	5 Years
Backup Generator Load Test	6 Months
Backup Generator Service	1 Year
Backup Generator Test Run	1 Month
Balance Tank Penstock Exercise	1 Year
Band Screen Inspection	2 Years
Biological Treatment Submersible	1 Year

Description of works	Frequency
Bioreactor Blowers Mechanical	3 Months
Bioreactor Diffusers Lift	2 Years
Bioreactor Mixers Mechanical Service	1 Year
Blower Filter Check	1 Year
Blower Hose Inspection	1 Month
Blower Inspection	6 Months
Blower Mechanical Inspection	3 Months
Blower Mechanical Service	6 Months
Building Operator Inspection	1 Year
Building Structural Inspection	5 Years
Bund Integrity Test	5 Years
Bund Pump Operator Service	1 Year
Bunded Area Operator Inspection	1 Year
Cable Pit Inspection	1 Year
Cable Pits Inspection	1 Year
Cabling Specialist Cleaning	5 Years
Catch Pond Service	1 Year
Catch Pond Tank Clean & Inspection	1 Year
Catch Pond Tank Structural Inspection	5 Years
Catch Pond Operator Clean & Inspection	3 Months
Central Sewer Mains Inspection	1 Year
Centrifuge Feed Pump & Screw	2 Years
Centrifuge Lubrication	1 Month
Centrifuge Operator Check	1 Month
Centrifuge Operator Inspection	1 Month
Centrifuge Run Hour Check	1 Year
Centrifuge Run Hour Check	1 Year
Centrifuge Service	1 Year
Centrifuge Structural Inspection	5 Years
Centrifuge Test Run	1 Month
Centrifuge Vibration Analysis	1 Year
Clarifier Drain And Clean	1 Year
Clarifier Drive Mechanical Service	6 Months
Clarifier Electrical Inspection	1 Year

Description of works	Frequency
Clarifier Flow Splitter Inspection	1 Year
Clarifier Inspection	3 Months
Clarifier Mechanical Inspection	2 Years
Clarifier Mechanical Service	2 Years
Clarifier Operator Inspection	1 Month
Clarifier Sprocket Mechanical	2 Months
Clarifier Structural Inspection	10 Years
Clarifier Tank Cleaning	6 Months
Clarifier Tanks Cleaning	2 Years
Clarifiers Electrical Inspection	1 Year
Clear Water Tank Integrity Inspection	1 Year
Communications Antenna Inspect	2 Years
Compliance Air + Inert Gas Psv	5 Years
Compliance Appliance Test	6 Months
Compliance Crane Major Inspection	3 Years
Compliance Crane Routine Inspection	3 Months
Compliance Crane Routine Inspection	3 Months
Compliance Crane Third Party Inspection	1 Year
Compliance Emerg Light Inspect	6 Months
Compliance External Vessel Inspection	2 Years
Compliance Fall Arrest Device	6 Months
Compliance Fall Arrest Service	5 Years
Compliance Fire Exting Service	6 Months
Compliance Fire Hydrant Service	6 Months
Compliance Gas Detector Inspection	1 Year
Compliance Internal Vessel Inspection	4 Years
Compliance Lifting Structure Inspection	2 Years
Compliance Major Inspection	7 Years
Compliance Power Distribution	1 Year
Compliance Rcd Operating Time	6 Months
Compliance Rcd Push Button Testing	6 Months
Compliance Rcd Push Button Testing	6 Months
Compliance Safety Showers Service	1 Year
Compliance Safety Valve Inspection	1 Year

Description of works	Frequency
Compliance Test And Tag Appliance	1 Year
Compliance Valve Inspection	1 Year
Compliance Yearly Inspection	1 Year
Compressor Mech Inspection	3 Months
Compressor Mechanical Inspection	4 Months
Compressor Mechanical Service	1 Year
Control System Electrical Service	5 Years
Control System Instrumentation	1 Year
Crane Major Inspection – Compliance	7 Years
Crane Routine Service – Compliance	3 Months
Crane Third Party Inspection – Compliance	1 Year
Decant Trough Lubrication Service	1 Month
Decant Trough Operator Inspection	1 Year
Decant Weir Inspection	6 Months
Decant Weir Service	1 Year
Decanter Actuator Battery Change	3 Years
Decanter Actuator Electrical Inspection	1 Year
Decanter Mechanical Components	1 Year
Decanter Mechanism Mechanical	3 Months
Detailed Vibration Analysis	1 Year
Diffuser Grids Inspection	2 Years
Diffuser Inspection	2 Years
Digester Structural Inspection	10 Years
Disinfection Treatment Compliance	2 Years
Disinfection Treatment Penstock	1 Year
Disinfection Unit Specialist I	6 Months
Distribution Filters Check	6 Months
Distribution Chamber Internal	1 Year
Do Probe Inspection And Calibration	6 Months
Drain & Clean Effluent Pond	5 Years
Earthing Protection System Inspection	1 Year
Effluent Outfall Inspection	1 Year
Effluent Overflow Clean	1 Year
Effluent Pond Clean & Inspection	2 Years

Description of works	Frequency
Effluent Pond Structural Inspection	10 Years
Electrical Inspection	6 Months
Electrical Works & Cabling Inspection	1 Year
Emergency Light Inspect (1 Year)	1 Year
Emergency Light Inspect (6 Month)	6 Months
E-Stop Function Checks	1 Year
Exfiltration Ponds Inspection	6 Months
External Vessel Inspection – Compliance	2 Years
Fall Arrest Device Inspection	1 Year
Fencing Condition Inspection	6 Months
Fencing Inspection	4 Months
Fencing Mechanical Inspection	6 Months
Fencing Security Inspection	3 Months
Filter Clean And Inspection	1 Month
Filter Element Mechanical Service	1 Year
Filter Level Clean And Check	1 Year
Filter Operator Inspection	6 Months
Fire Exting Service (1 Year)	1 Year
Fire Exting Service (5 Year)	5 Years
Fire Exting Service (6-Month)	6 Months
Flow Meter Inspection	1 Year
Flow Switch Electrical Verification	1 Year
Flowmeter Inspection	1 Year
Flowmeter Verification And Inspection	1 Year
FO STP 01 Power Generator Specialist Service	1 Year
Full Service	1 Year
Gas Boiler Service	6 Months
Gas Detector Inspection And Test	6 Months
Gate Lubrication	6 Months
Gate Mechanical Service	6 Months
Gearbox Level Check	6 Months
Gearbox Service	3 Months
Gravity Main Lift Pump Station	1 Year
Gravity Main Sps Flowmeter Verification	1 Year

Description of works	Frequency
Grit Arrestor Paddle Mechanical	1 Month
Grit Classifier Hopper Inspection	3 Months
Grit Classifier Mechanical Service	2 Years
Grit Classifier Mechanical Inspection	1 Year
Grit Classifier Mechanical Service	1 Year
Grit Vortex Paddle Lubrication	3 Months
Grounds & Gardens	1 Year
Grounds And Gardens	3 Months
Grounds And Gardens (Annual)	1 Year
Grounds General Security Inspection	1 Month
Grounds Maintenance	3 Months
Grounds Operator Inspection	3 Months
Grounds, Buildings & Lighting	1 Year
Iat 2 Was Pump Mechanical Inspection	6 Months
Iat Diffuser Grid Mechanical Inspection	2 Years
Ideat Tank Annual Inspection	1 Year
In-Ground Concrete Circular	1 Year
Inspection	6 Months
Inspection And Testing Of Site	1 Month
Inspection Working At Heights	6 Months
Instrument Calibration And Inspection	1 Month
Instrument Inspection	1 Year
Instrument Inspection Rtu & Telemetry	1 Year
Instrument Operator Inspection	1 Month
Instrument Operator Service	1 Month
Instrument Specialist Calibration	1 Year
Instrument Specialist Service	6 Months
Internal Vessel Inspection – Compliance	4 Years
Irrigation Pump Mechanical Service	1 Year
Irrigation Pumps Motor Electrical	1 Year
Irrigation Pumps Service	5 Years
Lab Equipment Lab Tech Inspection	1 Year
Lagoon Level Transmitter Calibration	1 Year
Lagoon Operator Inspection	1 Month

Description of works	Frequency
Landscaping	1 Month
Level Switch Function Check	1 Year
Level Transmitter Calibration	1 Year
Lift Pump Station Hydrostatic	6 Months
Lifting Gear Compliance Inspection	3 Months
Lighting Functional Check	1 Year
Macerator Internal Inspection	2 Years
Machine Condition Monitoring	1 Year
Main Switchboard Compliance Rcd	6 Months
Main Switchboard Electrical Inspection	1 Year
Major Electrical Inspection	5 Years
Major Switchboard Elec Examination	5 Years
Mechanical Inspection	6 Months
Mechanical Valve Exercising	6 Months
Media Filter Inspection	1 Month
Media Filter Operating Inspection	1 Year
Media Filter Structural Inspection	5 Years
Mixer Belt Inspection	6 Months
Mixer Inspection And Clean	3 Months
Mixer Mechanical Inspection	6 Months
Mixer Mechanical Service	1 Year
Mixer Operator Service	6 Months
Motor Bearing Lubrication	3 Months
Motor Electrical Testing	1 Year
Multistage Pump Greasing	3 Months
North Rising Sewer Mains Inspection	1 Year
Nrv Switch's Functional Test	1 Year
Oil Change	1 Year
Onsite Reuse Storage Tank Exterior	1 Year
Operator Control Panel Electrical	1 Year
Operator Inspection	3 Months
Paddle Lubrication	1 Month
Panel Electrical Inspection	1 Year
Penstock Mechanical Inspection	6 Months

Description of works	Frequency
Penstock & Valve Mech Insp	1 Year
Penstock Mechanical Service	6 Months
Periodic Maintenance Inspection	6 Months
Peristaltic Pump Inspection & Calibration	1 Month
Peristaltic Pump Mechanical Service	1 Month
Personal Ppe Compliance Testin	3 Months
Ph Analyser Do Probe Calibration	6 Months
Ph. Meter Calibration	1 Year
Pilot Valve Service	1 Year
Pipework Inspection	3 Months
Pipework Inspection	1 Month
Planned Pest Control Contract	6 Months
Plc Battery Service	3 Years
Plc Inspection	1 Year
Poly Dosing Pumps Mechanical Inspection	6 Months
Poly Hopper Dry Feeder Gearbox	2 Years
Poly Hopper Screw Conveyor Mechanical	1 Month
Pond Operator Inspection	1 Month
Pontoon And Mixer Mechanical Inspection	1 Year
Pontoon Inspection	1 Year
Pontoon Pump Mechanical Inspection	1 Year
Pontoon Service	1 Year
Power Distribution Electrical	1 Year
Power Generator Specialist Service	1 Year
Pre-Treat Submersible Pump Inspection	3 Months
Prv Valve Mechanical Service	1 Year
Pump Gearbox Service	1 Year
Pump Guiderail Inspection	1 Year
Pump Mechanical Inspect And Lubrication	6 Months
Pump Performance Test	1 Month
Pump Stations Level Switch Function	1 Year
Pump Test	1 Year
Pumps Mechanical Inspection	6 Months
Rain Water Pump Mechanical Inspection	1 Year

Description of works	Frequency
Rain Water Pump Service	5 Years
Ras Pumps Submersible Pumps	1 Year
Raw Water Air Valve Service	1 Year
Rcd Operating Time Testing – Compliance	1 Year
Rcd Push Button Testing – Compliance	6 Months
Reflux Valve Mechanical Inspection	6 Months
Relief Valve Functional Test	3 Months
Relief Valve Mechanical Inspection	1 Year
Relief Valve Mechanical Verification	3 Months
Reservoir Operator Inspection	1 Month
Reuse Lagoon Aerator Inspection	6 Months
Reuse Pump Mechanical Inspection	1 Year
Reuse Pumps Surge Cell Compliance	4 Years
Rising Main Scour Valve Exercise	1 Year
River Bank Inspection	6 Months
Roller Door Maintenance	1 Year
Roof Inspection And Clean	1 Year
Rotating Screen Mechanical Service	1 Month
Rotork Battery Replacement	5 Years
Rtu Functional Test/Cubicle Inspection	3 Months
Safety Inspection	1 Year
Safety Showers Service – Compliance	1 Year
Screen Mechanical Inspection	1 Year
Screen Mechanical Service	2 Years
Screen Operator Service	1 Month
Screw Conveyor Lubrication	3 Months
Screw Conveyor Mechanical Inspection	3 Months
Screw Conveyor Service Oil Chage	2 Years
Screw Press Mechanical Service	2 Years
Screw Press Service	6 Months
Secondary/Biological Treatment	1 Year
Security Inspection	1 Month
Security System Cameras Inspection	1 Year
Security System Electrical Service	1 Year

Description of works	Frequency
Security System Inspection	1 Month
Septic Receival Inspection	3 Months
Sewerage Pump Inspection	3 Months
Sewerage Receival Pressure	2 Years
Site Earthing Protection System	2 Years
Site Fencing Security Inspection	6 Months
Sludge Balance Tank Inspection	1 Year
Sludge Beds And Ponds Operator	5 Years
Sludge Drying Operator Inspection	1 Year
Sludge Lagoon Cleanout	5 Years
Sludge Tanks Liner Inspection	10 Years
Sludge Tanks Shade Cloth Inspection	1 Year
Sludge Thickener Clarifier	2 Years
Sludge Thickener Lubrication	1 Month
Sludge Thickening Tank Inspection	2 Years
Sludge Thickening Tank Structure	6 Years
Solar Panels Mechanical Inspection	1 Year
Solar System Electrical Inspection	1 Year
Spiral Screen Mechanical Inspection	1 Year
Step Screen Conveyor Safety	1 Month
Step Screen Greasing	3 Months
Step Screen Lubrication And Service	3 Months
Step Screen Mechanical Inspection	6 Months
Step Screen Mechanical Service	1 Year
Step Screens Lubrication	1 Month
Step Screens Screw Conveyors	6 Months
Steps Pump Station Structural	10 Years
Steps Transfer Pumps Electrical	1 Year
Storm Water System Inspection	1 Year
Strainer Inspection And Clean	1 Month
Structural Inspection	1 Year
Sub Pump Mech Service	1 Year
Submersible Mixer Electrical Test	1 Year
Submersible Pump Electrical Test	1 Year

Description of works	Frequency
Submersible Pump Guiderail Inspection	1 Year
Submersible Pump Mechanical Inspection	6 Months
Switch Electrical Verification	1 Year
Switch Function Check And Inspection	1 Month
Switchboard Electrical Examination	5 Years
Switchboard Electrical Inspection	1 Year
Tank Access Safety Inspection	1 Year
Tank External Inspection	1 Year
Tank Inspection And Bund Test	5 Years
Tank Inspection And Clean	1 Year
Tank Operator Clean & Inspection	1 Year
Tank Structural Inspection	5 Years
Tanks Access Safety Inspection	1 Year
Telecom. Pole Specialist Inspection	5 Years
Telecom. Tower Engineering Inspection	10 Years
Telecom. Tower Structural Inspection	1 Year
Telemetry Battery Replacement	3 Years
Tertiary Pond Level Testing	6 Months
Timber Comm Pole Inspection	2 Years
Trailer Registration Check	1 Year
Transfer Pump Station Structure	6 Years
Treated Effluent Storage Tank	5 Years
Trickling Filter Mechanical Inspection	2 Years
Ultrasonic Level Clean	3 Months
Underground Reservoir Operator	1 Year
Unpowered Crane Compliance Inspection	3 Months
UPS And SCADA Machine Inspection	1 Year
Ups Battery Replacement	3 Years
Ups Functional Testing	1 Year
Uv Bank Electrical Service	3 Months
Uv Bank Mechanical Service	2 Months
Uv Bank Mechanical Service	1 Year
Uv Channel Inspection	2 Months
Uv Control Unit Electrical Service	6 Months

Description of works	Frequency
Uv Disinfection Functional Check	6 Months
Uv Disinfection Unit Specialise	6 Months
UV System Clean & Service	1 Month
Uv System Specialist Service	6 Months
Vacuum Pump Mechanical Inspection	6 Months
Vacuum Pump Specialist Inspection	1 Year
Valve And Switch Inspection	6 Months
Valve Battery Replacement	3 Years
Valve Exercising And Inspection	6 Months
Valve Mechanical Inspection	6 Months
Valve Nrv Functional Check	1 Year
Valve Operator Service	6 Months
Ventilation Inspection	5 Years
Vortex Grit Removal Greasing	1 Month
Vortex Grit Removal Paddle Lubrication	1 Month
Vsd Electrical Inspection	6 Months
Vsd Filter Service	6 Months
Waste Sludge Pump Station Inspection	1 Year
Water In Filter Y Strainer Clean	1 Year
Water In Flowmeter Verification	1 Year
Water Storage Operator Clean	1 Month
Water Storage Engineering Inspection	10 Years
Weir Operator Inspection	1 Month
Wells And Pits Cleaning And Inspection	6 Months
Wells And Pits Cover Safety Inspection	2 Years
Wells And Pits Structural Inspection	2 Years

ORGANISATIONAL Risk Assessment Criteria

Control effectiveness rating table

Use this table to rate how effectively existing controls manage or reduce risk likelihood and/or consequence.

Effectiveness rating	Description	Quantification
Effective	Control is mostly reliable, efficient and effective; will significantly reduce the risk likelihood and/or consequences; fully documented processes and well communicated.	up to 99% effective
Somewhat effective	Control is somewhat effective; will have some effect on reducing risk likelihood and/or consequences; additional action required to improve existing controls and/or possibly implement some additional controls; improved documentation and/or communication of controls required.	up to 60% effective
Ineffective	Control is not reliable, efficient or effective; will not reduce the risk likelihood and/or consequence; reliable, effective and efficient controls to be developed and implemented; controls need to be documented and communicated.	0% effective

Likelihood Rating	Description	Estimated Probability
Almost Certain 5	The event is expected to occur in most circumstances in the current environment; frequent past event history	>90%
Likely 4	The event will probably occur in most circumstances in the current environment; some recurring past event history	61-90%
Possible 3	The event might occur at some time; some past warning signs or previous event history	21-60%
Unlikely 2	The event could occur at some time, no event history	2-20%
Rare 1	The event may occur but only in exceptional circumstances; no past event history	<2%

Preferred risk treatment & escalation rating table

Use this table to evaluate your risks against your risk analysis - is your risk acceptable or is additional treatment or escalation necessary?

Residual Risk Rating	Preferred risk treatment options	Escalation: minimum reporting / escalation level for decision to cease activity, continue or take other necessary actions
Extreme	Preferred treatment options: Prevent, Avoid → Cease activity, process or task until further directed. → Requires immediate escalation and active management through additional and effective treatment measures to reduce risk before proceeding → Detailed planning required in consultation with the Director (and/or MANEX/GM) to prepare a risk management plan	Director (escalate MANEX / GM as deemed necessary)
High	Preferred Treatment Options: Prevent, Avoid, Transfer or Mitigate → Subject to discussions with Manager (and/or Director), consider ceasing activity, process or task temporarily to consider alternative options or review risk treatment strategies to enhance adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Manager (escalate to Director as deemed necessary)
Medium	Preferred Treatment Options: Prevent, Mitigate or Accept → Subject to discussions with Supervisor, Co-ordinator or Team Leader (and/or Manager), review risk treatment strategies to determine their adequacy and effectiveness. → Consider implementation of additional or improved controls to reduce the risk → Continue to monitor control effectiveness	Supervisor, Co-ordinator or Team Leader (escalate to Manager as deemed necessary)
Low	Preferred Treatment Options: Accept and identify corrective action → Manage by existing routing procedures and work practices → Continue to monitor control effectiveness	Responsible staff (escalate as deemed necessary)

Appendix D Risk Register

Table 28 Sewer Assets Risk Register

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	BU SPS 01 - Sewer Pump Station	Poor	High
Sewer Pump Station	BU SPS 02 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	BU SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	CH SPS 01 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	CH SPS 02 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	CO SPS 01 - Sewer Pump Station	Good	Medium
Sewer Pump Station	CO SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	CO SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	CO SPS 04 - Sewer Pump Station	Good	Low
Sewer Pump Station	CO SPS 05 - Sewer Pump Station	Good	Medium
Sewer Pump Station	FO SPS 01 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 02 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	FO SPS 03 - Sewer Pump Station	Satisfactory	High
Sewer Pump Station	FO SPS 04 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 05 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	FO SPS 06 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 07 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 08 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	FO SPS 09 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	FO SPS 10 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	FO SPS 11 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	FO SPS 12 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	FO SPS 13 - Sewer Pump Station	Satisfactory	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	FO SPS 14 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	FO SPS 15 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	FO SPS 16 - Sewer Pump Station	Good	Low
Sewer Pump Station	FO SPS 17 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	FO SPS 18 - Sewer Pump Station	Good	High
Sewer Pump Station	FO SPS 19 - Sewer Pump Station	Good	Medium
Sewer Pump Station	FO SPS 20 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	FO SPS 21 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 22 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 23 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	FO SPS 24 - Sewer Pump Station	Good	Medium
Sewer Pump Station	FO SPS 25 - Sewer Pump Station	Good	Medium
Sewer Pump Station	FO SPS 26 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 27 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	FO SPS 28 - Sewer Pump Station	Good	Medium
Sewer Pump Station	FO SPS 30 - Sewer Pump Station	Very Poor	Low
Sewer Pump Station	FO SPS 32 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	GL SPS 01 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	GL SPS 02 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	GL SPS 03 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	GL SPS 04 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	GL SPS 05 - Sewer Pump Station	Very Poor	Low
Sewer Pump Station	GL SPS 06 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	GP SPS 01 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	GP SPS 02 - Sewer Pump Station	Poor	Low

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	GP SPS 03 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	GP SPS 04 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	HN SPS 01 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	HN SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HN SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HN SPS 04 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HN SPS 05 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HN SPS 06 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	HN SPS 07 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HP SPS 01 - Sewer Pump Station	Satisfactory	High
Sewer Pump Station	HP SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HP SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HP SPS 05 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HP SPS 06 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HP SPS 07 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HP SPS 08 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HP SPS 09 - Sewer Pump Station	Good	Low
Sewer Pump Station	HP SPS 10 - Sewer Pump Station	Good	Low
Sewer Pump Station	HP SPS 11 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HP SPS 12 - Sewer Pump Station		Low
Sewer Pump Station	HP SPS 13 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	HR SPS 01 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HR SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HR SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	HR SPS 04 - Sewer Pump Station	Satisfactory	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	HR SPS 05 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	HR SPS 06 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	HR SPS 07 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	HR SPS 08 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	HR SPS 09 - Vacuum Sewer Pump Station	Good	High
Sewer Pump Station	KR SPS 01 - Sewer Pump Station	Good	Medium
Sewer Pump Station	LA SPS 01 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	LA SPS 02 - Sewer Pump Station	Good	Low
Sewer Pump Station	LA SPS 03 - Sewer Pump Station	Good	Low
Sewer Pump Station	MP SPS 01 - Vacuum Sewer Pump Station	Very Good	Medium
Sewer Pump Station	NA SPS 01 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	NA SPS 03 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 04 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 05 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 08 - Sewer Pump Station	Good	Medium
Sewer Pump Station	NA SPS 09 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 10 - Sewer Pump Station	Good	Medium
Sewer Pump Station	NA SPS 11 - Sewer Pump Station		Low
Sewer Pump Station	NA SPS 12 - Sewer Pump Station	Good	Medium
Sewer Pump Station	NA SPS 13 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	NA SPS 16 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	OB SPS 01 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	OB SPS 02 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	OB SPS 03 - Sewer Pump Station	Very Good	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	OB SPS 04 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	OB SPS 05 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	OB SPS 06 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	OB SPS 07 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	OB SPS 09 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	PP SPS 01 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	PP SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 03 - Sewer Pump Station	Good	Low
Sewer Pump Station	PP SPS 04 - Sewer Pump Station	Poor	Low
Sewer Pump Station	PP SPS 05 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 06 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	PP SPS 07 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	PP SPS 08 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	PP SPS 09 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	PP SPS 10 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 11 - Sewer Pump Station	Good	High
Sewer Pump Station	PP SPS 12 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 13 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 14 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	PP SPS 15 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	PP SPS 16 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	PP SPS 17 - Sewer Pump Station	Good	Medium
Sewer Pump Station	PP SPS 18 - Sewer Pump Station	Good	Low
Sewer Pump Station	PP SPS 19 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	SM SPS 01 - Sewer Pump Station	Good	Low

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	SM SPS 02 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	SM SPS 03 - Sewer Pump Station	Good	Low
Sewer Pump Station	SM SPS 04 - Sewer Pump Station	Good	Medium
Sewer Pump Station	SM SPS 05 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	SM SPS 06 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	ST SPS 01 - Sewer Pump Station	Good	Low
Sewer Pump Station	ST SPS 02 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	ST SPS 03 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TA SPS 01- Sewer Pump Station - Dry	Satisfactory	Medium
Sewer Pump Station	TA SPS 02 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 03 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 04 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 05 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TA SPS 06 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TA SPS 07 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 08 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	TA SPS 10 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TA SPS 11 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TA SPS 12 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 13 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TA SPS 14 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TA SPS 15 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 17 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 18 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 19 - Sewer Pump Station	Good	Medium

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	TA SPS 20 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 21 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TA SPS 22 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 23 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TA SPS 24 - Sewer Pump Station	Very Good	Low
Sewer Pump Station	TA SPS 25 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 32 - Sewer Pump Station	Good	Low
Sewer Pump Station	TA SPS 35 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TG SPS 01 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	TG SPS 02 - Sewer Pump Station	Good	Low
Sewer Pump Station	TG SPS 03 - Sewer Pump Station	Good	Low
Sewer Pump Station	TG SPS 04 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	TG SPS 05 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TG SPS 06 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TG SPS 07 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TG SPS 08 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TG SPS 09 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TG SPS 10 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TG SPS 11 - Sewer Pump Station	Very Poor	Low
Sewer Pump Station	TG SPS 12 - Sewer Pump Station	Very Poor	Low
Sewer Pump Station	TG SPS 13 - Vacuum Sewer Pump Station	Good	Medium
Sewer Pump Station	TI SPS 01 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TI SPS 02 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TI SPS 03 - Sewer Pump Station	Very Good	Medium
Sewer Pump Station	TI SPS 04 - Sewer Pump Station	Poor	High

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	TS SPS 01 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TS SPS 02 - Sewer Pump Station	Good	Low
Sewer Pump Station	TS SPS 03 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TS SPS 04 - Sewer Pump Station	Good	Low
Sewer Pump Station	TU SPS 01 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TU SPS 02 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	TU SPS 03 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TU SPS 04 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TU SPS 05 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TU SPS 06 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TU SPS 07 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TU SPS 08 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TU SPS 09 - Sewer Pump Station	Very Poor	Medium
Sewer Pump Station	TU SPS 10 - Sewer Pump Station	Good	Low
Sewer Pump Station	TU SPS 11 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TU SPS 12 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TU SPS 13 - Sewer Pump Station	Poor	Low
Sewer Pump Station	TU SPS 14 - Sewer Pump Station	Good	Low
Sewer Pump Station	TU SPS 15 - Sewer Pump Station	Good	Medium
Sewer Pump Station	TU SPS 16 - Sewer Pump Station	Poor	Low
Sewer Pump Station	TU SPS 17 - Sewer Pump Station	Poor	Low
Sewer Pump Station	TU SPS 18 - Sewer Pump Station	Satisfactory	Low
Sewer Pump Station	TU SPS 19 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TU SPS 20 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	TU SPS 21 - Sewer Pump Station	Satisfactory	Low

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Pump Station	TU SPS 22 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	TU SPS 23 - Sewer Pump Station	Good	Medium
Sewer Pump Station	WG SPS 01 - Sewer Pump Station	Satisfactory	High
Sewer Pump Station	WG SPS 02 - Sewer Pump Station	Satisfactory	Medium
Sewer Pump Station	WG SPS 03 - Sewer Pump Station	Good	Medium
Sewer Pump Station	WG SPS 04 - Sewer Pump Station	Poor	Medium
Sewer Pump Station	WG SPS 05 - Sewer Pump Station	Good	Medium
Sewer Pump Station	WG SPS 06 - Sewer Pump Station	Good	Medium
Sewer Treatment Plant	WG STP 01 - Sewer Treatment Plant	Good	Medium
Sewer Treatment Plant	TA STP 01 - Storm Flow Detention	Poor	Medium
Sewer Treatment Plant	DR STP 01 - Sewer Treatment & Re-Use	Satisfactory	High
Sewer Treatment Plant	OB STP 01 - Sewer Treatment Plant	Satisfactory	Medium
Sewer Treatment Plant	NA STP 01 - Sewer Treatment Plant	Good	Medium
Sewer Treatment Plant	HP STP 01 _ Sewer Treatment Plant	Satisfactory	Medium
Sewer Treatment Plant	HN STP 01 - Sewer Treatment & Re-use	Satisfactory	High
Sewer Treatment Plant	HN RTP 01-Recycled Water Treatment Plant	Good	Medium
Sewer Treatment Plant	HR RTP 01 - Harrington Reuse Plant	Good	Medium
Sewer Treatment Plant	HR STP 01 - Sewer Treatment & Re-use	Satisfactory	High
Sewer Treatment Plant	FO STP 01 - Sewer Treatment Plant	Satisfactory	Medium
Sewer Treatment Plant	BU STP 01 - Sewer Treatment & Re-use	Good	High
Sewer Treatment Plant	BU RTP 01 - Recycled Treatment Plant	Very Good	Medium
Sewer Treatment Plant	LA STP 01 - Sewer Treatment & Re-use	Good	Medium
Sewer Treatment Plant	CO STP 01 - Sewer Treatment & Re-use	Good	Medium
Sewer Treatment Plant	MP STP 01 - Sewer Treatment Plant	Good	Medium
Sewer Treatment Plant	PP STP 01 - Facility	Very Good	Low

Asset Group	Facility (asset failure)	Condition	Residual Risk Rating
Sewer Treatment Plant	GL STP 01 - Sewer Treatment Plant	Very Poor	High
Sewer Treatment Plant	GL RTP 01 - Gloucester Sewer Facility	Very Good	Medium
Sewer Treatment Plant	TU RTP 01 - Facility	Good	Medium
Sewer Treatment Plant	ST STP 02 - Stroud Sewer Treatment Plant	Good	Medium
Communications	TW RES 01 - Northern Communication Tower	Very Good	Low
Communications	TA Depot - Communications Tower	Good	Low
Communications	FO RES 01 - Comms Tower Structure	Good	Low
Communications	HP STP 01 - Communication Tower	Good	Low
Communications	TG RES 01 - Comms Tower Structure	Good	Low
Communications	Carey's Mountain - Comms Tower	Good	Low
Communications	BO WTP 01-Communication Tower	Good	Low
Communications	ST COT 01 - Peppers Mountain Communications Tower	Good	Low
Communications	GL COT 01 - Communication Facility Cemetery Road	Good	Low

Appendix E - Infrastructure NSW Performance Indicators

The proposed indicator set has not yet been finalised upon development of this AMP. Refer to the Department of Planning and Environment (dpie.sw.gov.au), Performance indicators for local water and sewer utilities, August 2023 for context on the current state of this development.

This appendix should be updated upon release of the final indicator set.



MIDCOAST
council

WORKFORCE MANAGEMENT STRATEGY

2025-2029



Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

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General Manager's Foreword

Our Workforce Management Strategy is an integral component of our Resourcing Strategy, which outlines how we will meet the workforce requirements of our Delivery Program. This Strategy is reviewed every four years to ensure we are addressing the evolving needs of our workforce and planning for the future.

Our workforce consists of 965 skilled individuals, who deliver a diverse range of services to our community. As an organisation, it is our responsibility to empower our people to reach their full potential.

In developing this Strategy, we have consulted all levels of our organisation to understand the challenges we face as a relatively young regional council, as well as the current and future needs of our workforce. As a result, we have developed a well-informed and achievable 4-year plan to empower our people by building their capability and capacity through focussing on the following Key Workforce Outcomes:

- Our Leadership;
- Our Culture; and
- Our Performance.

This Strategy is centred around our people and establishes a solid foundation for achieving our organisational goals while upholding our vision of being “a high-performing organisation where we are always striving to be better, where we work collaboratively and are trusted – **Better every day.**”

I am committed to supporting our organisation in fulfilling the commitments outlined in this Strategy and look forward to seeing the positive results that the deliverables outlined in the Workforce Management Strategic Action Plan will have on our workforce and the way we deliver services to our community.

Adrian Panuccio
GENERAL MANAGER

Introduction

About the Workforce Management Strategy

MidCoast Council operates within a challenging environment that demands greater flexibility, responsiveness and performance improvements to ensure we have the right people, with the right skills, in the right positions, at the right time.

Our Workforce Management Strategy aims to address our key workforce challenges which include skill shortages, attracting and retaining suitably qualified talent, advances in technology and an imbalance in diversity.

The Strategy has been developed in consultation with our people, including our leaders and subject matter experts across the organisation. By utilising feedback collected through surveys and workshops, and analysing our current workforce data, we have created an informed strategy that ensures we will be equipped to address current workforce needs, while also anticipating and planning for future needs and capabilities.

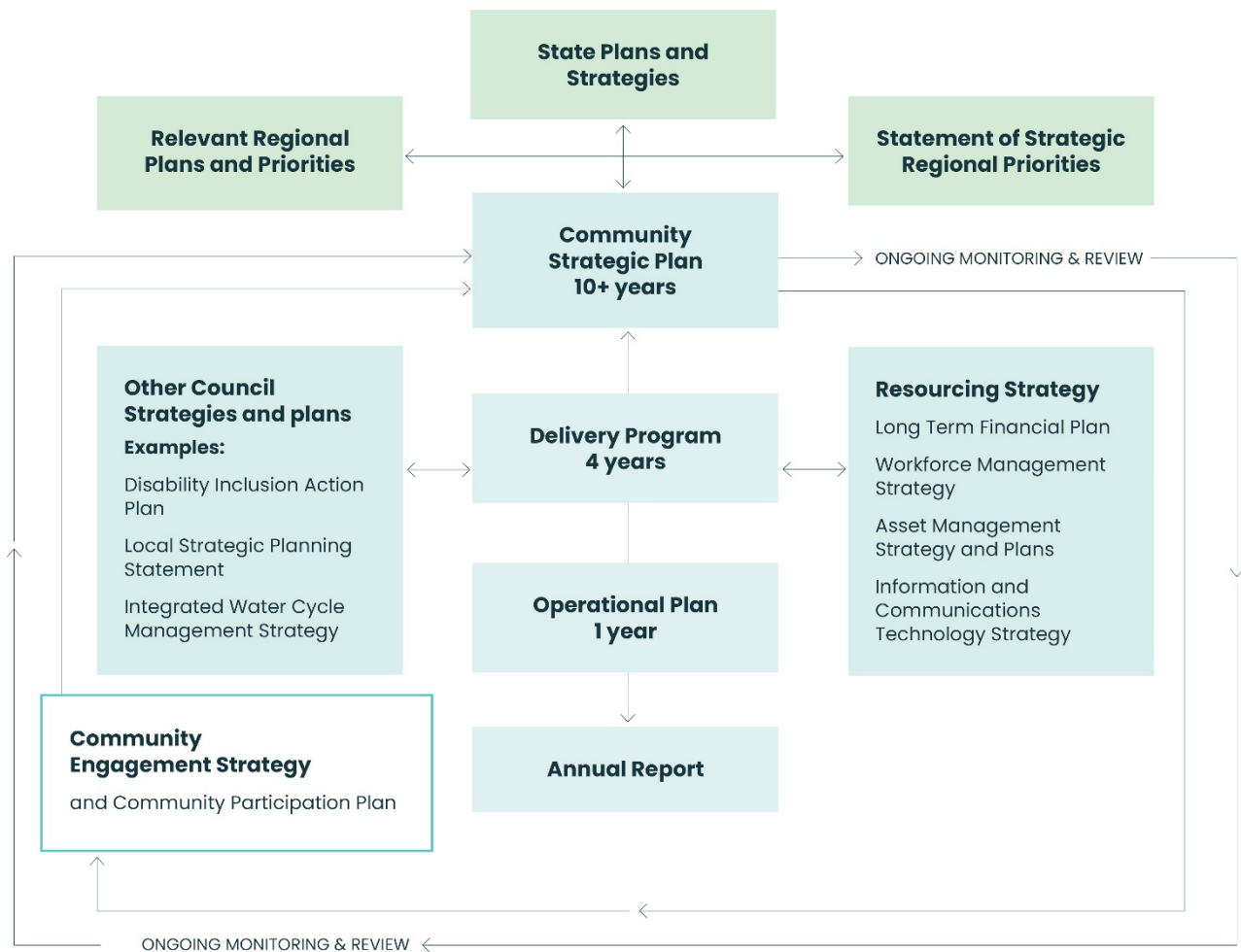
Our Workforce Management Strategy is clear, realistic and achievable, and aims to build the capability and capacity of our workforce through focusing on the following key workforce outcomes:

- Our Leadership
- Our Culture; and
- Our Performance

The deliverables aligned to each workforce outcome will have considerable impact on the way we deliver services to our community, as they aim to improve resource allocation and provide clear service level agreements, while simultaneously ensuring financial sustainability.

How the Workforce Management Strategy supports Council's planning

The Workforce Management Strategy is a key element of the Integrated Planning and Reporting Framework that all Councils use to plan for their area, based on the expectations and aspirations of their community. The suite of integrated plans details how Council intends to deliver works and services in the short and long term.



As illustrated above:

- The 10-year **Community Strategic Plan** is the highest level of planning within the framework. It sets out the community's vision and aspirations across social, environmental, economic and leadership considerations. It identifies long-term strategies to achieve the community's outcomes in each of these four areas and measures for progress against achieving the community's vision.

While Council prepares the Community Strategic Plan on behalf of the community, it is not Council's plan. All members of the community have a shared responsibility in working towards achieving the community's vision for the future.

- The 4-year **Delivery Program** describes Council's response to the Community Strategic Plan in the elected term of Council. It outlines the Councillors' priorities for the four-years and references all activities to be undertaken including the scheduling of projects and programs.

For the 2025-2029 Delivery Program, Councillors have identified the following three priorities:



Priority 1 – Improving the Road Network



Priority 2 – Improving Council's Financial Sustainability



Priority 3 – Improving the Customer Experience

- The 1-year **Operational Plan** identifies annual projects and activities against the activities identified in the Delivery Plan. Operational Plan components are updated annually to reflect the Council actions for each year and progress against the Delivery Program.
- The **Resourcing Strategy** demonstrates how work in the Delivery Program and Operational Plan will be resourced. **Annual Reporting** provides information to the community on Council's work against the Delivery Program and Operational Plan.

The Workforce Management Strategy is a proactive, four-year plan designed to enhance the capacity and capability of our workforce to achieve our strategic goals and objectives. It forecasts how we will meet the workforce requirements of our four-year Delivery Program.

Our Executive Team

The role of our executive team is to provide organisational direction to achieve Council's vision and mission and establish governance systems that support organisational effectiveness and evidence-based decision making.



Adrian Panuccio
General Manager

The General Manager is responsible for guiding the preparation of the Community Strategic Plan and the Council's response to it through the Delivery Program and the Resourcing Strategy.

The General Manager is also responsible for implementing the Delivery Program and reporting to Council on the progress of delivery to ensure that it is a 'living' document, which is regularly reviewed and updated as necessary.



Paul De Szell
Director Liveable
Communities

- Arts and Cultural Services
- Building Services
- Communication, Engagement and Marketing
- Community and Cultural Development
- Customer Service
- Development Assessment
- Development Engineering

- Economic Development
- Environmental Health
- Land Use Planning
- Library Services
- Natural Systems
- Public Spaces
- Regulatory Services
- Waste Services



Robert Scott
Director Infrastructure &
Engineering Services

- Emergency Management
- Sewerage Services
- Stormwater, Drainage, Flooding and Coastal Engineering

- Transport Network
- Water Supply and Treatment



Steve Embry
Director Corporate
Services

- Business Transformation Program
- Corporate Planning and Performance
- Finance
- Fleet Management
- Governance and Risk
- Information and Communications Technology

- Legal and Property
- Procurement and Stores
- Strategic Asset Planning and Project Management
- Workforce Services

Our Vision

Our vision is to be a high performing organisation where we are always striving to be better, where we work collaboratively and are trusted – **Better every day**.

Our Mission

We deliver benefits for our community in a way that adds value and builds trust.

Our Values

Our organisational Values are the guiding principles that provide us with purpose and direction and set the tone for our interactions with each other, with our customers and other stakeholders.

We can gain the trust of our community by keeping our values at the heart of what we do.

- **Team:** We work together to achieve the best outcomes
- **Safety:** We are proactive in keeping ourselves and our teams safe
- **Integrity:** We build trust by being open, honest and accountable to one another
- **Respect:** We are kind to each other and value our differences
- **Sustainability:** We make decisions with our long-term viability in mind

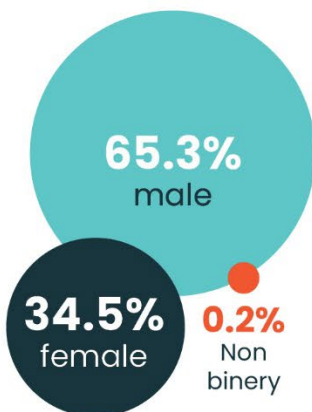
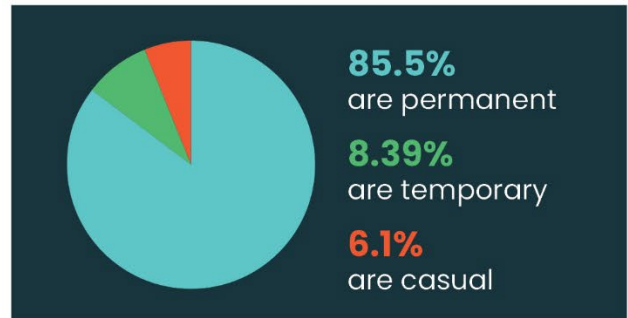
A snapshot of our workforce

We employ 965 people who deliver 32 different services across three divisions which report to the General Manager:

- Liveable Communities (397 or 41% of employees)
- Infrastructure and Engineering (418 or 43.3% of employees)
- Corporate Services (147 or 15.23% of employees)¹

965
employees

876.4
are full time



9.2
Average years
of service

47
Average age

**34.4% OF OUR
WORKFORCE IS OVER
55 YEARS OF AGE**

**6.1% OF OUR
WORKFORCE IS UNDER
25 YEARS OF AGE**

EMPLOYEE TURNOVER RATE IS 10.27%

**95.33% LIVE
WITHIN THE LGA**

**3.6% IDENTIFY
AS ABORIGINAL
AND/OR TORRES
STRAIT ISLANDER**

**5.7% PEOPLE WITH
A DISABILITY**



39
**EMPLOYEE
POSITIONS ARE:**
Graduate
Apprentice
Trainee
Cadet



Average time
to fill a vacant
position is

**51
DAYS**

¹ General Manager and Executive Assistants (3 employees total) are not included.

Our workforce demographics

This section outlines the personal demographics of our workforce.

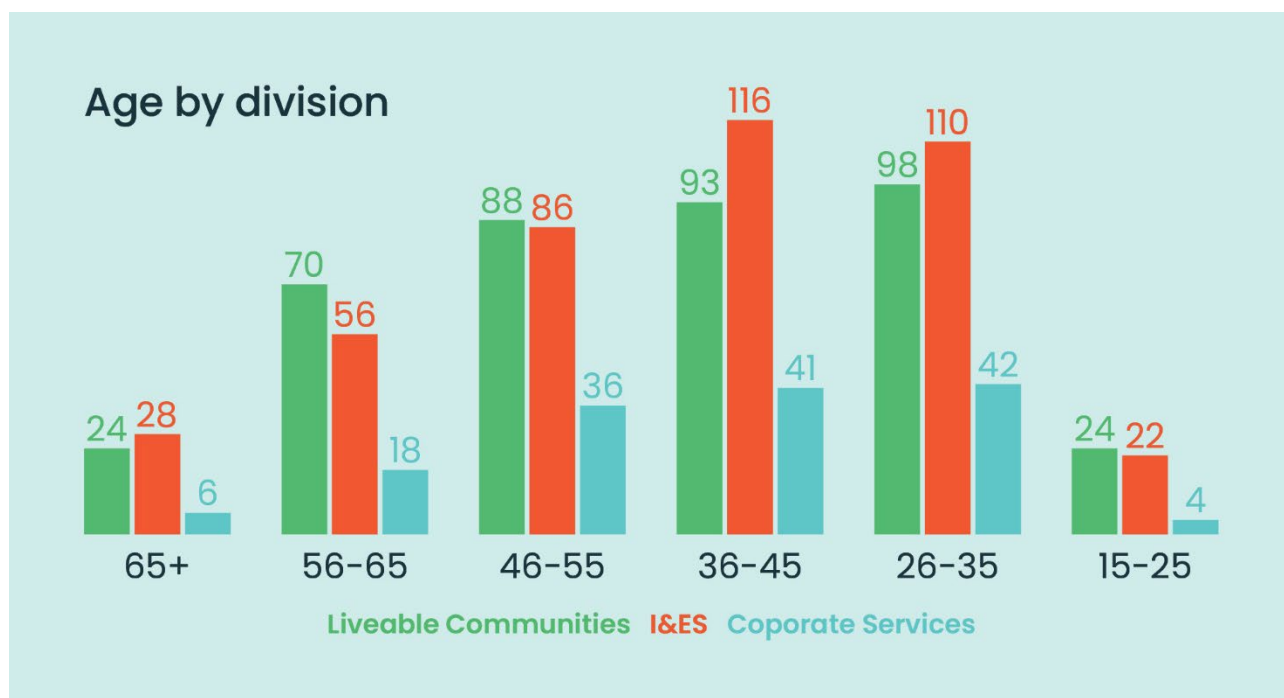
Age

Our workforce is aged between 17 to 77 years, with our youngest employees being more likely to work casually or on a fixed term basis in Apprentice, Trainee, Cadet or Graduate positions.

The average age of our workforce is 47. We currently have 301 employees who are over 55 years.



A large proportion of our employees who are aged over 55 years' work within our Infrastructure and Engineering Services (44%) and Liveable Communities (39%) Divisions. Many of these positions are operational roles which involve high levels of manual labour. Notably, 34% of our operations employees in our Transport Assets Department are aged between 56-65 years.



Gender

Our workforce is comprised of 630 males (65.2%), 333 females (34.5%) and two employees who identified as neither male nor female (0.2%).

We have 31 managers across our organisation, of which 23 are male (74.2%) and 8 are female (25.8%). We acknowledge this disparity and have embedded actions within this Strategy to assist us in achieving a more balanced representation.

Our Infrastructure & Engineering Division has a high concentration of male employees (89.5%), especially in full-time roles (87.7%). Female representation is much lower, with just 44 females employed in this Division (10.5%).

Our Liveable Communities Division has close to equal proportions of female to male employees.

Our Corporate Services Division is the only division with more females (61.22%) than males (38.10%).

Below is a breakdown of gender per division.²

Division	Females	Males
Corporate Services (146)	90 (61.6%)	56 (38.4%)
Infrastructure & Engineering Services (418)	44 (10.5%)	374 (89.5%)
Liveable Communities (396)	197 (49.7%)	199 (50.3%)

We also have a significant volunteer workforce that support and enhance the delivery of many Council services.

² The General Manager and Executive Assistants (n=3) are not included in the table. The data for those employees who have identified as neither male nor female has been excluded to protect individual confidentiality.

Employment Type

94% of our male employees work full-time, compared with 68% of our female employees. 21% of females work part-time, with a large portion of them working in our Liveable Communities and Corporate Services Divisions. Overall, part-time employment is low at Council with only 8.9% of our workforce employed on this basis.

Staff Profile

Division	Male			Female		
	FT	PT	Casual	FT	PT	Casual
Infrastructure & Engineering Services	367	7	0	42	2	0
Liveable Communities	172	7	20	110	51	36
Corporate Services	54	1	1	71	18	1
General Manager	1	0	0	2	0	0
Total	594	15	21	225	71	37
Headcount	630			333		
FTE	604.12			270.76		

Employee turnover

As of 31 December 2024, our employee turnover rate was 10.27% (excluding MidCoast Assist, which closed in September 2024). The 2023-24 Local Government NSW HR Metrics Report³ shows that the median voluntary turnover⁴ rate across all participating councils in NSW was 13.99%, indicating that our annual turnover rate is below average.

	New Starters	Leavers
Q2 2024-25	26	31
Q1 2024-25	37	31 (excluding MidCoast Assist)
Q4 2023-24	37	47
Q3 2023-24	69	39
Q2 2023-24	37	37

³ The HR Metrics Report is prepared by Local Government Management Solutions. It is based on information received from the 72 councils that contributed to the LGNSW HR Metrics 2023-2024 Benchmarking Survey.

⁴ Voluntary Turnover Rate relates to staff-initiated separations including retirements. It excludes casual/labour hire staff, contracts reaching the end of their term and agreed exits.

Challenges

The following challenges have been identified as being important to address if we are to maintain a sustainable workforce that is agile and capable of delivering the services, projects and programs detailed in the Delivery Program.

Ageing Workforce	<p>Our ageing workforce is driven by factors such as longer life expectancy and delayed retirement due to economic pressures.</p> <p>We acknowledge that our ageing workforce presents challenges for safety and wellbeing. Throughout this Strategy, we have embedded actions to support us in fostering a consistent approach to phased retirement, continuing to build a strong safety culture and focusing on job design.</p>
Attracting and retaining talent	<p>Councils across Australia, particularly regional councils, are encountering difficulties with attracting and retaining a skilled workforce.</p> <p>As a regional Council, attracting and retaining talent presents several challenges, largely driven by factors such as competitive salary packages, the ageing workforce, career progression limitations and geographical factors.</p>
Skills shortages	<p>It is increasingly difficult to fill certain roles such as network operators, engineers, planners, regulatory positions, senior leadership positions, heavy vehicle mechanics, trade positions, specialised project management, team member operations, water assets, and finance professionals with technical expertise.</p> <p>The limited regional talent pool, increasing demand for specialised expertise and pay competitiveness with the private sector and state government makes the attraction and retention of skilled professionals increasingly difficult.</p>
Technology	<p>Our five-year Business Transformation Program is enhancing our operations by implementing technological advancements that improve how our customers interact with us and streamline the way we work.</p> <p>We acknowledge that adapting to rapid change that arises from technological advancements can create challenges for employees. We must support our employees through these changes and enable them to perform in the new way of working with information and training.</p>
Diversity	<p>We lack gender diversity in leadership and senior professional positions, with males being more prominent overall in higher-graded roles. We also have an under-representation of Aboriginal and Torres Strait Islanders employees.</p>
The right people, in the right role at the right time.	<p>It is essential to regularly review organisational structures to ensure positions are aligned with the Delivery Program and agreed service levels. We also must realise Business Transformation Program improvement savings and convert these into dollar savings, to be re-invested into road delivery.</p>
Geographical spread of our workforce	<p>We have a large and diverse workforce operating over a geographically dispersed service area. This results in challenges across a range of areas including access to technology, consistent internal communication, and training delivery.</p>

Service Levels and Delivery Expectations	<p>Service levels in many areas have evolved over time in reaction to customer enquiries. Our employees do the best that they can to meet customer expectations, however this puts increasing pressure on our resources.</p> <p>Care needs to be taken to ensure that our resources are matched with our service level and the expectations we have for delivery. We must avoid overcommitting to projects that are not adequately funded or resourced. This will ensure a consistent approach to service delivery across the MidCoast and a better working environment for our employees.</p>
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What our workforce has told us

Our culture

The culture at MidCoast Council determines how effective we are at achieving our organisational goals. Research consistently shows that if employees are satisfied with their job and feel good at work, they are more productive, more effective and customer experience improves. Our culture is a snapshot of how we do our work.

Why work on our culture? Because culture impacts how we work together as one team to deliver benefits for our community every day.

Our workplace culture survey, which has been held every two to three years, offers a forum for our people to share their thoughts and experiences about what it is like to work at MidCoast Council.

This feedback provides valuable insights into our culture and current operations, allowing us to pinpoint areas where we can make improvements.

In 2023, 765 employees (78%) participated in the Culture Survey. In the same year, 147 (64%) randomly selected employees participated in a 'preferred' culture survey. The differences between the two surveys' feedback data revealed where our 'largest gaps' were, thus allowing us to focus our attention on those areas.

The next Culture Survey will be undertaken in 2025.

What our workforce like about working at MidCoast Council



Our focus areas for improving our culture

The Culture Survey highlighted the following areas that will deliver the greatest impact on our culture:

- Leadership development and training
- Greater clarity and communication on strategic priority areas
- Creating an environment of continuous improvement
- Improving how we articulate common goals and support each other when collaborating. across teams, departments and divisions
- Creating shared understanding of expectations by improving goal clarity

What outcomes have we achieved so far

Several key actions and deliverables, aligned with our collective 'aspirations' and 'focus areas' as above, have been carried out successfully since 2023, including:

- Refresh of the Organisational Values
- Delivery of leadership and management programs
- Development and implementation of a Project Management Framework
- Development of a Change Management Framework
- Development of an Innovation Framework

Our challenges

Our workplace culture survey highlighted the following aspects about our culture that require improvement:

- Our people feel that responsibility is shifted to avoid accountability
- People often avoid making decisions
- Roles can be unclear at times
- We can be overly critical and challenging of other's ideas
- We are over-reliant on rules and regulations
- We tend to do things the way they have been done before
- Our employees are unclear about what constitutes 'good' performance, specifically in terms of (a) what can realistically be expected given our resources and capabilities, and (b) meeting the expectations of the community

Our workforce aspirations

The Culture Survey highlighted that our workforce aims to be:

- Innovative
- Open to change
- Clearer about purposes and goals
- Focussed on growth and development
- More collaborative and supportive of each other's needs and goals
- Clearer in navigating our expected level/quality of delivery with our capacity to achieve

We have identified how we plan to address the challenges and workforce aspirations highlighted in our Culture Survey in **Appendix 2**.

People At Work Survey

In October 2024, all employees were encouraged to participate in the People at Work Survey, a tool developed in collaboration with SafeWork NSW to support a psychosocial risk assessment process. The survey is designed to identify, evaluate, and manage potential risks to the psychological well-being of workers and volunteers in the workplace.

The People at Work Survey measured the following:

- Job demands
- Job resources
- Workplace bullying
- Psychological distress

Findings

The People at Work Survey measures psychosocial risk based on job demands and job resources. Job demands in the low range and job resources in the high range are considered best practice.

Our workplace fell into the “minimal concern” category as our results did not identify any job demands in the high range or job resources in the low range. However, the results indicated that we have job resources and job demands that fall in the moderate range, which reflect areas for improvement. Action planning has been implemented to address these.

Our work to properly define service levels, balance them with funding and resource constraints, will further reduce psychosocial risks in the workplace.

Our Workforce Outcomes | Plan on a Page

Analysis of our current workforce demographic, identification of future resourcing challenges and consultation with key stakeholders has resulted in a Workforce Management Strategy focused on the following three key workplace outcome areas and supporting strategies:

Our Leadership

Strategy 1: Develop our leaders

Strategy 2: Implement succession planning for critical roles

Our Culture

Strategy 3: Create a diverse and capable workforce

Strategy 4: Provide a safe and supportive environment for our employees

Strategy 5: Foster transparency and collaboration

Our Performance

Strategy 6: Enhance performance through effective organisational design

Strategy 7: Enhance productivity through innovation and technology



APPENDICES

Appendix 1 – Workforce Management Strategic Action Plan

Our Leadership

Strategy 1: Develop our leaders

We appoint and train leaders who are equipped with the capability to make decisions, communicate effectively, and manage resources efficiently

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X	X	1.1 Deliver a suite of leadership development programs for both current and emerging leaders	<ul style="list-style-type: none"> Leadership programs implemented to develop our leaders; refreshed annually Increased participation in leadership development programs 	General Manager & Executive Team Workforce Services
X	X	X	X	1.2 Embed an initiative to support emerging female leaders	<ul style="list-style-type: none"> An emerging female leaders' development program is implemented 	General Manager & Executive Team Workforce Services
X	X			1.3 Clearly define performance and leadership expectations for all leadership roles that align with the Local Government Leadership Capability Framework: <ul style="list-style-type: none"> reviewing and updating position descriptions set and hold leaders' accountable to these performance standards measure performance through the Individual Work 	<ul style="list-style-type: none"> All leader position descriptions to include leadership capabilities, behaviours, and accountabilities Leadership capability and behaviour is measured in Individual Work and Development Plans Culture Survey results indicate improvement in questions that specifically measure leadership capability and behaviour 	General Manager & Executive Team Workforce Services

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
				and Development Plan process and refresh expectations as necessary		
X	X	X	X	1.4 Design and implement a manager onboarding program	<ul style="list-style-type: none"> New managers complete the program upon commencement of employment New managers understand their obligations and know how to communicate effectively and manage resources efficiently using the systems and processes at Council 	Workforce Services

Strategy 2: Implement succession planning for critical roles

We develop effective talent pipelines and recruitment plans to ensure business continuity is not impacted by changes to critical roles and key leadership positions

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X		2.1 Develop succession plans for critical roles	<ul style="list-style-type: none"> Percentage of identified critical roles with formal succession plans in place Managers actioning succession plans 	Workforce Services
	X	X		2.2 Develop training plans for critical roles and key leadership positions	<ul style="list-style-type: none"> A clear path for training and development is available and accessed by employees in critical roles and key leadership positions 	Workforce Services
X	X	X	X	2.3 Continue to balance the right level of trainees, cadets,	<ul style="list-style-type: none"> Ensure pipeline of new talent with increased knowledge transfer 	Workforce Services

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
				graduates and apprentices as our needs evolve		
	X	X		2.4 Build an organisational wide operational knowledge management system to capture existing processes and corporate knowledge	<ul style="list-style-type: none"> Reduced loss of process and corporate knowledge Improved training resource for new starters More consistent service delivery 	General Manager & Executive Team Workforce Services
	X	X		2.5 Develop and implement a transition to retirement framework to facilitate knowledge transfer	<ul style="list-style-type: none"> Implement an approach to knowledge transfer for critical roles and key leadership positions 	Workforce Services
X	X	X	X	2.6 Invest in learning and development opportunities for identified talent	<ul style="list-style-type: none"> Opportunities to act in critical roles and leadership positions are provided Provide opportunities for on-the-job shadowing for critical roles Individuals who act in higher grade roles and leadership positions have the required skills and capability to undertake the role The Individual Work and Development Plan process is used, and training and development plans are actioned 	General Manager & Executive Team Workforce Services
X	X	X	X	2.7 Review Delivery Program and Operational Plan (DPOP) for recruitment impact and identify high-demand roles over the next four years	<ul style="list-style-type: none"> Recruitment campaigns developed Labour shortage areas identified and planned for 	General Manager & Executive Team Workforce Services

Our Culture

Strategy 3: Create a diverse and capable workforce

We ensure employees are attracted to work at Council, and are offered mentorship and career paths that encourage them to stay and have a long productive career

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X	X	3.1 Implement our Diversity Management Plans (Aboriginal and Torres Strait Islander Employment Strategy, Aboriginal Action Plan and Disability Inclusion Action Plan) through integrated actions	<ul style="list-style-type: none"> Actions from plans reviewed and integrated to capture synergies before implementation Targets within our diversity management plans are met 	General Manager & Executive Team Workforce Services Community & Cultural Development
X	X	X	X	3.3 Increase the visibility of inclusion and diversity across Council through sharing stories of people with diverse lived experiences via our Intranet	<ul style="list-style-type: none"> Articles posted to our intranet highlighting individual achievements/diverse lived experience 	General Manager & Executive Team Workforce Services
X				3.4 Undertake a review of policies and procedures for inherent barriers to promotion for women and other minority groups	<ul style="list-style-type: none"> Percentage of policies reviewed 	General Manager & Executive Team Workforce Services
X	X	X	X	3.5 Review use of contingent labour to address short term needs	<ul style="list-style-type: none"> Decreased expenditure on contingent labour 	Workforce Services
X		X		3.6 Deliver customer service training for key employees within the Corporate Services Division	<ul style="list-style-type: none"> Improved inter-unit coordination and intra-unit teamwork and cooperation reported within the Culture Survey 	Workforce Services

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
					<ul style="list-style-type: none"> Culture Survey results indicate that our employees have a more positive view of our customer service focus 	
X	X	X	X	3.7 Utilise technology to improve exit interview data collection to understand reasons leaving and determine strategies to effectively manage turnover	<ul style="list-style-type: none"> Exit interview data reviewed quarterly, and results utilised to improve employee experience 	Workforce Services
X	X	X	X	3.8 Leverage Individual Work and Development Plan data to identify, develop and retain high potential employees	<ul style="list-style-type: none"> High potential employees identified Number of identified employees included in professional development programs 	Workforce Services
X		X		3.9 Review and update our Corporate Training Plan	<ul style="list-style-type: none"> Training focus is aligned to Delivery Program and Operation Plan priorities New Corporate Training Plan implemented 	Workforce Services
X	X			3.10 Develop and implement a Recruitment Strategy	<ul style="list-style-type: none"> A Recruitment Strategy is developed to target organisational needs 	Workforce Services

Strategy 4: Provide a safe and supportive environment for our employees

We recognise that a safe and supportive workplace is essential for the well-being, productivity and success of our employees

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X			4.1 Review our Reward and Recognition Program to ensure the process enables effective informal and formal employee recognition	<ul style="list-style-type: none"> Increased number of formal nominations Evidence of the use of informal recognition The Program captures a broad spectrum of the workforce and recognition is aligned to our values Increased positive response to relevant questions in the Culture Survey 	General Manager & Executive Team Workforce Services
X				4.2 Implement an integrated, software-based work, health and safety management system	<ul style="list-style-type: none"> Improved data to track work, health and safety metrics Improved safety culture through implementing a system which encourages proactive safety behaviour Reduction of workplace accidents and injuries. Improved risk identification and control. 	General Manager & Executive Team Workforce Services
	X			4.3 Create and implement a Behaviours Framework aligned to our organisational values	<ul style="list-style-type: none"> Employee understanding of “above the line/below the line” behaviours Reduction in ‘below the line behaviours’ such as bullying Improved psychosocial safety reported where measurable in the Culture Survey 	General Manager & Executive Team Workforce Services
	X	X	X	4.4 Review and embed the Flexible Working Framework	<ul style="list-style-type: none"> Increased applications for flexible working arrangements Increased female participation Reduction in use of sick leave 	General Manager & Executive Team Workforce Services

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
					<ul style="list-style-type: none"> Improved consistency of Flexible Working Arrangements 	
X			X	4.5 Conduct Culture Survey and use findings to measure employee satisfaction	<ul style="list-style-type: none"> Action plan implemented to address findings of the Culture Survey Improved levels of employee satisfaction Reduction in employee turnover 	General Manager & Executive Team Workforce Services
	X			4.6 Review and re-educate the workforce on Bullying and Harassment by reviewing our policy and rolling out training to all employees	<ul style="list-style-type: none"> Education developed and delivered with a focus on frontline people leaders Reduction in bullying complaints 	Workforce Services
X	X			4.7 Develop and include clear work, health and safety metrics in all manager position descriptions	<ul style="list-style-type: none"> Metrics align to the Local Government Capability Framework Employees are aware of their updated work, health and safety responsibilities 	Workforce Services

Strategy 5: Foster transparency and collaboration

We believe that open communication, mutual respect and information sharing is crucial to building trust and creating a culture where employees are empowered to succeed

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X	X	5.1 Review and implement a revised Internal Communication Strategy to ensure strategic priorities are regularly shared across the organisation and employees are encouraged to ask questions	<ul style="list-style-type: none"> Articles promoting collaboration posted to The Sauce (our Intranet) Evidence of regular and clear downward communications about strategic priorities Opportunity for upward communication is accessible to all employees Culture Survey results indicate that employees feel informed and trust the information shared by leadership 	General Manager & Executive Team Workforce Services
X	X	X	X	5.2 Provide employees with visibility of key workforce measures	<ul style="list-style-type: none"> The key findings of the Quarterly Human Resources Metrics Report are regularly shared 	Workforce Services
X	X	X	X	5.3 Implement the Change Management Framework to provide a mechanism to proactively manage and communicate change	<ul style="list-style-type: none"> Change Management Framework in use for Council-wide (internal impacting) projects A planned approach to communicating change is used for internal impacting projects Supervisors are equipped with resources and skills to effectively implement change Increased employee visibility of key changes that impact them Employees understand the change and trust management/Council objectives 	General Manager & Executive Team Workforce Services

Our Performance

Strategy 6: Enhance performance through effective organisational design

We acknowledge that effective organisational design ensures resources are aligned to agreed service levels, enabling the achievement of our strategic and operational plans

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X	X	6.1 Review resourcing requirements and critical roles annually to ensure alignment of resources to organisational priorities and agreed levels of service	<ul style="list-style-type: none"> Annual review conducted 	General Manager & Executive Team
X	X	X	X	6.2 Review vacancies regularly and consider conversion to critical roles	<ul style="list-style-type: none"> Review labour and workforce trends to remain updated on changes Regularly review critical role vacancies with relevant service units to address resource gaps 	General Manager & Executive Team Workforce Services
X	X	X	X	6.3 Review organisational structures to ensure they enable the Delivery Program and Operational Plan	<ul style="list-style-type: none"> Resources are aligned to agreed service level The right people in the right jobs at the right time 	General Manager & Executive Team Workforce Services
X	X	X	X	6.4 Ensure vacancy management and recruitment strategies are focussed on and aligned to the Delivery Program and Operational Plan	<ul style="list-style-type: none"> Vacancies in high demand Delivery Program and Operational Plan areas are prioritised for recruitment 	General Manager & Executive Team Workforce Services

Strategy 7: Enhance productivity through innovation and technology

We recognise that innovation improves performance by fostering creativity, streamlining processes and enabling new solutions that enhance efficiency and effectiveness

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
	X			7.1 Build a suite of innovation tools for employees to access online and deploy when pursuing continuous improvement initiatives	<ul style="list-style-type: none"> Innovation tools available on The Sauce (our Intranet) Innovation tools understood and regularly access by our employees 	General Manager & Executive Team Workforce Services
	X			7.2 Deliver organisation-wide manager training on how to “coach” and support employees to innovate	<ul style="list-style-type: none"> Number of managers trained Evidence of innovation occurring across all levels and areas of the organisation 	Workforce Services
	X			7.3 Utilise technology to update the performance review process to ensure it is robust and efficient	<ul style="list-style-type: none"> The employee performance review process (Individual Work and Development Plan) is digitised Managers are trained in effective Individual Work and Development Plan development and performance assessment 	Workforce Services
X	X	X	X	7.4 Review feedback mechanisms to ensure opportunity for feedback and suggestions is available to all employees	<ul style="list-style-type: none"> The number of channels available that are accessible to all employees 	General Manager & Executive Team Workforce Services
X	X	X	X	7.5 Annually review delegations to ensure managers are empowered to approve operational changes	<ul style="list-style-type: none"> Delegations reviewed and updated 	General Manager & Executive Team

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
X	X	X	X	7.6 Annually review format of Leadership Group and Management Group meetings to ensure robust conversations are enabled and a variety of opinions are considered in decision-making	<ul style="list-style-type: none"> Annual review of meeting format undertaken Feedback from participants is gathered and considered when undertaking the annual review of the format 	Workforce Services
X	X	X	X	7.7 Recognise innovative enhancements or improvements which are workforce driven	<ul style="list-style-type: none"> Articles are posted on The Sauce (our intranet) recognising innovative solutions The number of Reward and Recognition nominations received relating to innovation Employees recognised for innovation through their Individual Work and Development Plan 	Workforce Services
X	X	X	X	7.8 Keep abreast of technological changes that may positively impact role efficiency	<ul style="list-style-type: none"> Increased use of new technology including Artificial Intelligence to streamline processes Employees understand our adopted position and policy in relation to the use of Artificial Intelligence 	General Manager & Executive Team Workforce Services
	X	X	X	7.9 Review and refine the TechOne workforce dashboards and data available to managers to enable them to keep abreast of key workforce indicators	<ul style="list-style-type: none"> Proactive management of key workforce indicators Reduction in employee leave liabilities Lag and lead indicators that inform optimal productivity improvements Lagging data reviewed and themes and improvements documented 	Workforce Services Information & Communications Technology

25/26	26/27	27/28	28/29	Deliverables	Measures	Responsible Service
					<ul style="list-style-type: none"> Managers have access to data that enables them to drive improved performance 	
X	X	X	X	7.10 Undertake a review of functions and processes that can be automated	<ul style="list-style-type: none"> Reduce manual workflows and duplication via technology 	General Manager & Executive Team Workforce Services

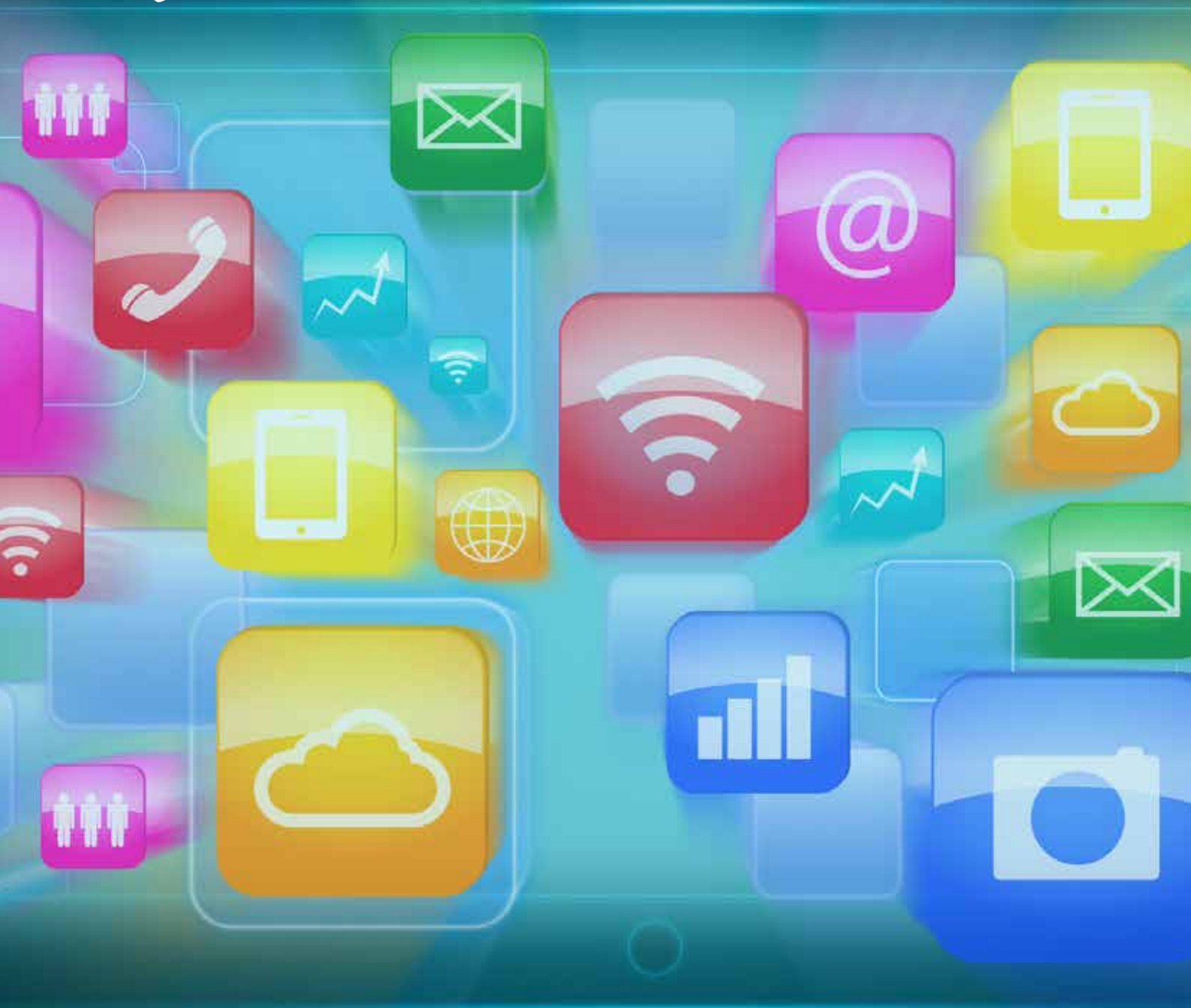
Appendix 2 – Link between Culture Survey findings and Strategic Action Plan

Culture Survey Challenges and Aspirations	Strategy	Deliverables
Our people feel that responsibility is shifted to avoid accountability People often avoid making decisions	Strategy 1: Develop our Leaders	1.1 and 1.3
	Strategy 3: Create a diverse and capable workforce	3.9
	Strategy 7: Enhance productivity through innovation and technology	7.5
Roles can be unclear at times	Strategy 7: Enhance productivity through innovation and technology	7.3
We can be overly critical and challenging	Strategy 4: Provide a safe and supportive environment for our employees	4.3
	Strategy 7: Enhance productivity through innovation and technology	7.1, 7.2 and 7.4
We are over-reliant on rules and regulations We tend to do things the way they have been done before	Strategy 7: Enhance productivity through innovation and technology	7.1 and 7.2
Our employees are unclear about what constitutes 'good' performance, specifically in terms of:	Strategy 7: Enhance productivity through innovation and technology	7.3

Culture Survey Challenges and Aspirations	Strategy	Deliverables
<ul style="list-style-type: none"> a. what can realistically be expected given our resources and capabilities; and b. meeting the expectations of the community. 	Strategy 6: Enhance performance through effective organisational design	6.1
We aim to be innovative	Strategy 7: Enhance productivity through innovation and technology	7.1 and 7.2
We aim to be open to change	Strategy 5: Foster transparency and collaboration	5.3
We aim to be clearer about our purpose and goals	Strategy 5: Foster transparency and collaboration	5.1
We aim to be focused on growth and development	Strategy 2: Implement succession planning for critical roles	2.6
	Strategy 3: Create a diverse and capable workforce	3.8 and 3.9
	Strategy 7: Enhance productivity through innovation and technology	7.1 and 7.2
More collaborative and supportive of each other's needs and goals	Strategy 4: Provide a safe and supportive environment for our employees	4.3
We aim to be clearer in navigating our expected level/quality of delivery with our capacity to achieve	Strategy 6: Enhance performance through effective organisational designed	6.3



MIDCOAST
council



INFORMATION & COMMUNICATIONS TECHNOLOGY STRATEGY

2025-2029



Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and live, the Gathang-speaking people and pay our respects to all Aboriginal and Torres Strait Islander people who now reside in the MidCoast Council area. We extend our respect to Elders past and present, and to all future cultural-knowledge holders.

Executive Summary

MidCoast Council aims to build on its ICT advancements by further integrating innovative digital solutions that enhance service delivery, improve data governance, and strengthen cybersecurity. This strategy aligns with Council's overall priorities of **Roads, Financial Sustainability, and Customer Experience**, ensuring ICT remains a driver of efficiency, resilience, and transparency.

Strategic Objectives

1. **Support Council's Priorities** – Align ICT initiatives with the core priorities of Roads, Financial Sustainability, and Customer Experience.
2. **Position ICT as a Business Enabler** – Transform ICT into a strategic business partner by embedding IT Business Partners within divisions and departments.
3. **Enhance Digital Service Delivery** – Leverage technology to provide seamless and accessible services.
4. **Strengthen Data Governance & Security** – Establish robust frameworks for data management and security.
5. **Leverage AI & Emerging Technologies** – Improve service automation, decision-making, and efficiency.
6. **Advance Enterprise Mobility & Connectivity** – Build on a reliable and scalable ICT infrastructure.
7. **Improve ICT Governance & Compliance** – Align with regulatory and industry standards.

Strategic Themes & Initiatives

1. Community Digital Experience & Customer Focus

Building on the existing Customer Experience Strategy, this theme focuses on digital transformation initiatives that enhance engagement with residents and businesses while ensuring ICT supports Council's customer-first approach.

Key Initiatives:

- **Enhance eServices & Self-Service Platforms** – Expand digital portals to provide more online service accessibility.
- **Develop an AI-powered Virtual Assistant** – Implement AI-driven chatbots for real-time customer support.
- **Knowledge Management Solution** – Review and implement enterprise-wide knowledge solutions equipping staff to provide an improved customer experience.

2. Data Governance & Security

Given the increasing importance of data integrity and privacy, this strategy prioritises the establishment of a structured data governance framework.

Key Initiatives:

- **Data Governance Framework Implementation** – Define policies for data classification, storage, and lifecycle management.
- **Data Quality & Integration** – Improve the structure, consistency and accuracy of datasets across departments.
- **Information Security & Privacy Enhancements** – Embed security and privacy measures into all ICT processes.

3. Cybersecurity & Risk Management

With strong cybersecurity initiatives already underway, Council will reinforce its security posture through proactive threat management.

Key Initiatives:

- **Cyber Incident Response & Resilience Plan** – Enhance response mechanisms for cyber threats.
- **Security Awareness & Training** – Maintain and continuously improve cybersecurity education programs to ensure ongoing staff awareness and readiness.
- **Further strengthen network and device security** – Implement additional controls to safeguard Council's data and systems.

4. AI & Emerging Technologies

To leverage the potential of artificial intelligence and automation, MidCoast Council will focus on practical AI applications.

Key Initiatives:

- **AI Ethics & Governance** – Establish guidelines for responsible AI usage in local government.
- **AI-driven Predictive Analytics** – Utilise AI to anticipate community needs and optimise resource allocation.
- **AI Literacy & Capability Building** – Training programs to help staff understand AI applications, interpret AI-driven insights, and use AI tools effectively.

5. ICT Infrastructure & Support

Council has already improved network connectivity and enterprise mobility. Future enhancements will ensure scalability and sustainability, with a focus on supporting IT infrastructure, critical assets and real-time data analytics.

Key Initiatives:

- **Network Resilience** – Explore opportunity to further improve connectivity with private radio, fibre and satellite services.
- **Enterprise Workforce Mobility** – Streamline device management and support to ensure a seamless, secure and productive user experience.
- **Critical Asset Security** – Work with critical asset owners to improve operational technology.

6. ICT as a Business Enabler & Financial Sustainability

To reposition IT as a proactive partner in Council's success, an IT Business Partner model will be introduced, ensuring ICT aligns closely with operational needs and strategic priorities, particularly in driving financial sustainability and cost efficiency.

Key Initiatives:

- **IT Business Partner Program** – Deploy IT Business Partners to act as liaisons between ICT and business units, ensuring alignment and while developing a specialised understanding of the business to identify and implement value-added initiatives.
- **IT Operating Model Optimisation** – Restructure ICT operations to focus on agility, collaboration, and responsiveness to business needs.
- **Value-driven IT Investments** – Implement frameworks to measure and communicate ICT's contribution to business goals.

7. ICT Governance & Compliance

A structured governance approach ensures technology investments align with business priorities.

Key Initiatives:

- **ICT Strategic Alignment Framework** – Provide a structured framework to ensure all ICT projects support broader Council objectives.
- **Regulatory & Compliance Adherence** – Align with government ICT and cybersecurity regulations.
- **Develop IT Capabilities** – Develop IT capabilities to support Council evolving digital environment.

Program Delivery

Phase 1 (2025-2026)

- Establish data governance policies.
- Develop AI roadmap and ethics framework.
- Implement AI-driven chatbots.
- Implement AI-driven service improvements.

Phase 2 (2026-2027)

- Implement AI-driven service improvements.
- Improve data structure and implement data analytics tools.
- Implement IT Business Partner program.

Phase 3 (2027-2028)

- Implement Knowledge Management solution.
- Strengthen ICT compliance and governance.

- Review and update cybersecurity frameworks.
- Implement AI-driven service improvements.

Phase 4 (2028-2029)

- Evaluate and optimise technology investments.
- Enhance cybersecurity resilience.
- Implement AI-driven service improvements.

Project Item	Resources	Timeline
Data Governance Framework	ICT / Governance	FY25-26 – FY26-27
Artificial Intelligence (AI) Strategy and Framework	ICT	FY25-26
Enhance Cyber Security Resilience	ICT	FY25-26 – FY28-29
Data Centre Refresh	ICT	FY26-27
Zoom Technology Refresh	ICT	FY26-27 – FY27-28
Digital Experience Platform for Local Government (DxP LG)	ICT	FY27-28
Replacement of Computer Devices	ICT	FY28-29

Conclusion

This strategy ensures MidCoast Council remains at the forefront of digital transformation, enhancing efficiency, security, and customer experience. By leveraging AI, strengthening data governance, and improving ICT governance, Council will continue delivering high-quality services to its community.