

29 May 2020

ASSET MANAGEMENT PLAN
BUILDINGS
2019/20 to 2048/49

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Executive summary

Warren Shire Council owns and operates buildings in the Shire to support Council operations and to provide facilities for the community. Most of the buildings that Council owns are in Warren with only some facilities at the Noel Waters Oval in Nevertire and the Rural Fire Services buildings in Nevertire and Collie.

The estimated gross replacement cost of our buildings is \$21.4m.

Council’s portfolio of buildings is anticipated to remain stable in the coming years as there is likely to be little change in the demand for our building assets.

Council will be building two new houses on Deacon Drive, Warren in the Gunningbar Residential Estate. These will be used by Council staff and will replace two houses owned by Council in Roland Street and Garden Avenue which will be sold.

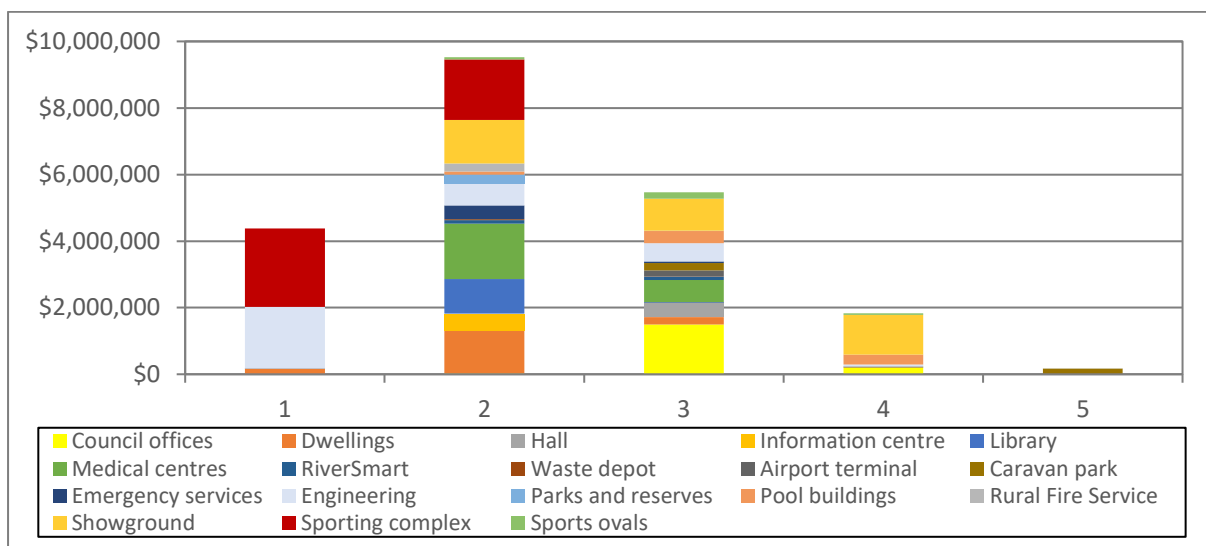
Council is also planning to upgrade and expand its Council offices in Warren. This includes utilising the block of land at 113 Dubbo Street which is next to the existing Council offices.

Council will also be building two new toilet blocks. One will be in the Central Business District (CBD) of Warren. The other will be at the Warren cemetery.

The community has certain expectations as to the level of service it requires from our buildings. These expectations fall into the categories of functionality and availability, financial sustainability and customer complaints management. This asset management plan outlines how Council delivers against these expectations and how we measure our performance.

Overall, most of our building assets are in an acceptable condition, i.e., they have a condition rating between 1 and 3 on a scale of 1 to 5. See figure ES1 below.

Figure ES1: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building asset category



Condition scale: 1=Excellent; 2=Good; 3=Average; 4=Poor; 5=Very poor

However, there is a small proportion of these assets that are in condition 4 and 5. These are providing a poor level of service and will need to be renewed in the short- to medium-term. These assets include:

- Floors, walls and ceilings in some buildings, including the council offices
- Some electrical, mechanical and plumbing components.

In this asset management plan, the lifecycle costs of our buildings are estimated and projected. There are four lifecycle categories. These categories are operations, maintenance, capital renewal and capital expansion.

A summary of the operational and maintenance activities which are undertaken is provided together with the frequency in which these activities are undertaken.

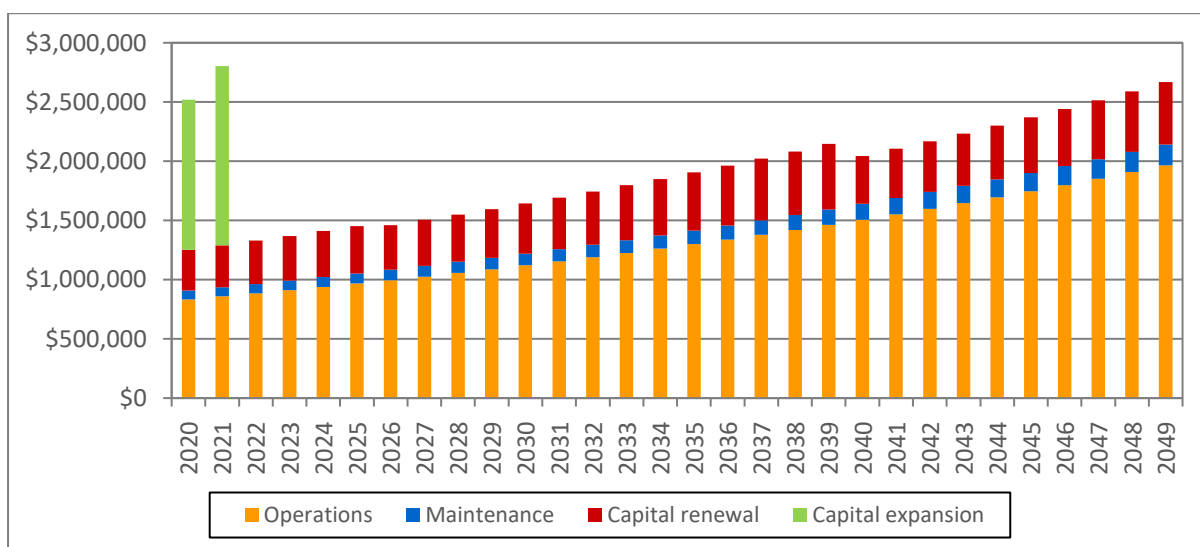
An analysis of the capital renewal funding needs over the next thirty years has been undertaken. Council will be allocating funds to an asset renewal reserve each year to ensure that it is saving money from the day it purchases an asset to allow it to replace the asset at the end of its life.

Funds also need to be allocated to the net cost of the proposed capital expansion projects that Council will be undertaking over the next thirty years (i.e. the costs over and above the grant funding that Council will receive for these projects). The capital expansion projects that are currently planned over the next thirty years are the construction of two new houses which will be used by Council staff, the upgrade and expansion of the Council offices in Warren and two new toilet blocks.

It is estimated that the two new houses will cost approximately \$835,000 to build and that the two existing houses will be sold for approximately \$363,000. The two new houses will be completed over the 2020 and 2021 financial years. The estimated cost of the Council offices development is approximately \$1.7m. This work will also be undertaken over the 2020 and 2021 financial years. The two new toilet blocks will cost approximately \$244,584 in total and will be constructed in the 2021 financial year.

The projected lifecycle expenditure on operations, maintenance, renewal and expansion activities for our buildings over the next thirty years is shown in the following graph.

Figure ES2: Thirty-year projected lifecycle expenditure on Council’s buildings, 2020 to 2049



Once the new capital expansion projects have been completed in 2021, our annual operations and maintenance costs are not expected to fluctuate significantly over the next thirty years as our building portfolio is not expected to change due to our relatively stable population. However, these costs have been indexed by 3.0% p.a. for inflation.

Our buildings, and their components, have long estimated useful lives. Most of the building components will not need to be renewed over the next thirty years. However, the projected lifecycle expenditure includes funds to be allocated to an asset renewal reserve each year to ensure that assets can be replaced when they reach the end of their life. As with operations and maintenance costs, this asset renewal reserve allocation has been indexed by 3.0% p.a. for inflation.

Estimates for capital expansion projects for buildings have also been included in the thirty-year expenditure analysis.

Funding for our buildings is derived from various sources. These include:

- Rent, fees and other income generated from the buildings
- Grants
- General funds
- Borrowings.

Income such as rent and fees is generated from the users and tenants of the building portfolio.

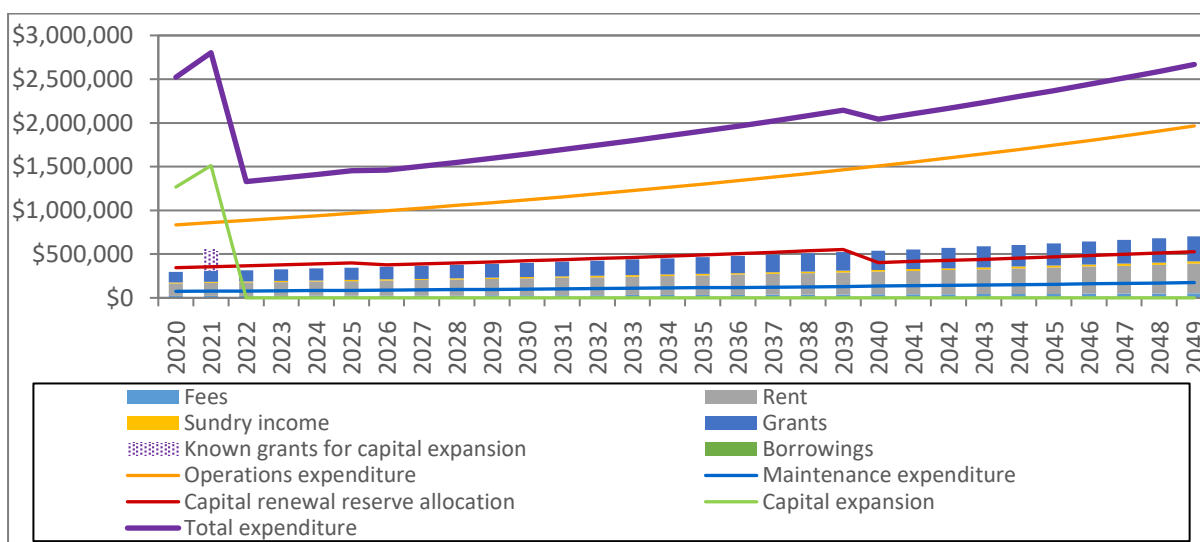
Grant funding is required when major projects need to be undertaken.

General funds are used in two ways for our buildings. Firstly, they are used to support the maintenance of our buildings. Secondly, they are used to build an asset renewal reserve each year. This will help in reducing Council’s reliance on grant funding for renewal projects.

Council also has the option of borrowing to support investments in new buildings.

The projected expenditure and funding picture for our buildings over the next thirty years is shown in figure ES3 below.

Figure ES3: Thirty-year financial plan for Council’s buildings, 2020 to 2049



This graph highlights the gap in the required funding for our buildings over the next thirty years.

It is anticipated that there will be a shortfall, i.e. total income will be less than our operations, maintenance and capital expenses. This is shown in figure ES3 as the gap between the purple total expenditure line and the top of the income bars. Whilst both income and total expenditure are indexed at 3.0% p.a. for inflation, the gap widens over time as income starts from a lower base.

Council has developed a series of performance benchmarks to help in assessing how well it is meeting the community’s expectations in relation to the condition of its assets.

Critical risks have been identified for the building portfolio. These include the risk that buildings are damaged or destroyed by fire or a severe storm, that buildings are damaged by vandals, that building structures deteriorate over time to unacceptable levels and cannot be occupied and that buildings become obsolete. Risk treatment plans have been developed to reduce the likelihood of these risks and to limit their impact.

Several initiatives have been identified to improve Council's asset management capabilities in relation to its building portfolio. These include:

- Implementing an integrated asset management system and associated processes to support Council's engineering and finance functions; this will also provide Council with much needed predictive capabilities to assist with decisions on where it should be allocating asset funding or if it should be seeking additional funding
- Regularly capturing accurate and complete asset condition data
- Tracking Council's performance against relevant community expectation benchmarks
- Implementing a productivity improvement program.

1 Introduction and strategic objectives

1.1 Introduction

Warren Shire is located in Central West NSW and covers an area of 10,860 square kilometres. Within the Shire is the town of Warren and the villages of Nevertire and Collie. According to the 2016 census, the total population for the Shire is 2,732 with 1,530 people living in Warren. In 2019 it is estimated that 92 people live in Nevertire and 46 people live in Collie.

The town of Warren is situated on the banks of the Macquarie River and is located 120 km from the regional centre of Dubbo and 515 km from Sydney. Nevertire is 20 km to the south west of Warren. Collie is located 51 km to the east of Warren.

Warren Shire Council owns and maintains \$247.0m (estimated gross replacement cost as at 30 June 2019) of community assets including roads, bridges, public buildings, the water supply network, the sewerage network and recreational assets. The Council's buildings comprise \$21.4m of this asset base. The majority of the building assets are located in Warren. In Nevertire, Council owns some amenities facilities at the Noel Waters Oval and the Rural Fire Services building. In Collie, Council owns the Rural Fire Services building.

The efficient management of our assets is vital to ensure that Council provides safe and reliable services for the community. To achieve this, Council has developed several integrated tools. These tools form the Integrated Planning and Reporting (IP&R) framework which includes Council's:

- Community strategic plan (CSP)
- Resourcing strategy
 - Long-term financial planning (LTFP)
 - Asset management planning
 - Asset management policy
 - Asset management strategy
 - Asset management plans (of which this is one).

Together, these tools guide Council and hold it to account with respect to delivering on its asset management strategic objectives.

Council has developed asset management plans for each class of asset under its control. This asset management plan for our buildings identifies our asset service standards and contains the long-term projected costs for the operations, maintenance, renewal and expansion of our assets.

1.2 Strategic objectives for our buildings

The strategic objectives of Council in operating, maintaining and improving its buildings are as follows.

Table 1.1: Strategic objectives for buildings

No.	Strategic objectives for buildings	Link with the CSP
1	Monitor pool management and implement maintenance and upgrades	Strategy 3.2.2
2	Provide a high-quality library service that meets the needs of the community	Strategy 3.2.3
3	Maintain community facilities to an appropriate standard (e.g. Sporting Complex)	Strategy 3.2.4
4	Upgrade and refurbish Warren Shire Council Chambers to comply with legislation	Strategy 3.2.6
5	Implement new management regime for Ewenmar Waste Depot	Strategy 4.2.1

1.3 Definitions

To ensure consistency between this document and the other documents in Council's IP&R framework, the following definitions are used.

Accumulated depreciation – The total depreciation of an asset's estimated gross replacement cost. Depreciation of an asset will continue to be accumulated until it is replaced. At this point, the original asset will be written off and the depreciation of the new asset will commence from zero.

Asset – A physical facility, which has value, and enables services to be provided to the community. The economic life of an asset is greater than twelve months.

Asset management – The combination of management, financial, economic and engineering practices applied to a physical asset with the objective of providing the required levels of service in the most cost-effective manner.

Estimated gross replacement cost – The estimated cost of replacing an asset calculated by multiplying estimated unit rates for each component of an asset by the size of the asset. Estimated gross replacement costs are calculated every five years when Council's assets are revalued.

Expansion – Activities associated with upgrading or improving an asset or creating a new asset.

Level of service – The ability of an asset to provide services to the community. A minimum level of service is set by Council for each asset. Community levels of service are based around the minimum required condition rating of an asset. Technical levels of service refer to the frequency in which maintenance and capital works are undertaken on an asset by Council.

Lifecycle – The phases in the life of an asset from acquisition, operations, maintenance, renewal and disposal.

Maintenance – Planned or unplanned activities required to ensure that the asset can continue to deliver the services required of it by the community.

Net carrying value – Estimated gross replacement cost minus accumulated depreciation. This is the equivalent of the written down value of an asset.

Operations – Regular, planned activities to keep the asset in service.

Renewal – Activities which involve restoring, refurbishing or replacing an asset to bring it back to its original capacity and performance capability. Renewal costs are treated as capital expenditure.

Renewal backlog – The cost to renew those assets within the Shire that do not achieve the required minimum level of service.

Useful life – The period over which an asset is expected to be available for use by Council (in the context of its service to Council, not to its actual physical life). The useful life of each asset is used by Council to determine the depreciation of the asset.

2 Services provided and classification

2.1 Buildings: categories and value

Warren Shire Council owns and operates buildings in the Shire to support Council operations and to provide facilities for the community. Most of the buildings that Council owns are in Warren with only some facilities at the Noel Waters Oval in Nevertire and the Rural Fire Services buildings in Nevertire and Collie.

The buildings can be classified as either non-specialised or specialised buildings. Non-specialised buildings are general purpose or commercial buildings that have a secondary market and a determinable market value. Specialised buildings are buildings that are designed for a particular purpose and do not have a secondary market through which they could be sold. A summary of Council's building assets is provided in the following table.

Table 2.1: Council's buildings (and value) as at 30 June 2019

Building asset category	Net carrying value \$	Estimated gross replacement cost \$
Buildings - non-specialised		
Council offices	781,112	1,731,005
Dwellings	1,186,816	1,677,500
Hall	217,822	432,300
Information centre	348,777	504,450
Library	791,485	1,061,333
Medical centres	1,626,640	2,330,390
RiverSmart	125,811	220,160
Waste depot	25,403	37,725
Total buildings - non-specialised	5,103,867	7,994,862
Buildings - specialised		
Airport terminal	96,667	201,369
Caravan park	90,773	379,488
Emergency services	226,900	459,229
Engineering	2,308,748	3,100,118
Parks and reserves	201,845	271,460
Pool buildings	326,212	774,474
Rural Fire Service	177,408	245,520
Showground	1,667,631	3,467,621
Sporting complex	3,500,872	4,176,450
Sports ovals	132,853	318,529
Total buildings - specialised	8,729,909	13,394,257
Total buildings	13,833,776	21,389,119
Total all Council assets	179,662,545	247,025,077
Percent of all Council assets	7.7%	8.7%

2.2 Managing future demand for the Shire’s buildings

2.2.1 Drivers of demand for buildings

A flat or declining demographic trend

The main driver affecting the demand for our buildings would be any change in the population of Warren and the two villages of Nevertire and Collie. As is the case with the majority of rural inland local government areas, the population of the Warren Shire has been declining steadily for several years as a result of outward migration from the Shire (especially amongst young adults). Over the long-term, this flat to declining population is likely to result in little change in the demand for our building assets.

Healthy sporting, recreational and cultural activities

Organised sporting, recreational and cultural activities continue to be well organised and supported throughout the Shire. These include regular horse events, race meetings and the Warren Show at the showground, weekly sporting fixtures at our ovals, regular sporting and cultural events at the sporting complex and at RiverSmart (the old girls guides hall and the educational building) and an active activity and swimming club program at the swimming pool. These are run by an array of active clubs and volunteer organisations. People throughout the Shire will continue demand and utilise the sporting, recreational and cultural activities that are currently on offer.

2.2.2 Factors affecting the supply of buildings

Funding uncertainties

Warren Shire Council is highly reliant on grant funding and its rates revenues are limited.

Based on the size of our communities, the provision of building assets for the community is not sustainable. We need to seek ongoing government funding, where available, when upgrading our building assets.

Council’s asset renewal backlog

Assets that are below the minimum condition rating do not meet Council’s minimum levels of service. Such assets will require renewal. These assets form part of Council’s renewal backlog and Council should be ensuring that these assets are brought up to the agreed levels of service.

Council’s asset renewal backlog will need to be funded.

Staff and resource shortages

As with financial constraints on the provision of building assets for the community, difficulties in recruiting and retaining staff has been a challenge for Council in recent years. Council, as a western rural Council, often faces challenges in filling technical and managerial positions. When technical or managerial positions are vacant it can affect Council’s ability to provide some of the services expected by the community.

3 Levels of service

One of the basic tenets of sound asset management practice is that assets provide the levels of service that the current and future community wants, and is prepared to pay for, in the most cost-effective manner.

Council has defined a set of measurable levels of service that are used to assess its performance in meeting this objective. Levels of service are grouped into:

- **Community levels of service** – These relate to what the community wants from our building assets in terms of functionality and availability, financial sustainability and customer complaints management
- **Technical levels of service** – These refer to how the services will be delivered to the community.

Table 3.1 outlines what the community desires from our building assets and how Council will deliver against this. Key performance benchmarks are also provided. These benchmarks will enable us to determine whether we are delivering on what the community wants.

Table 3.1: Community expectations, buildings

The community wants (Community level of service)	How Council delivers this (Technical level of service)	Key performance benchmark
Functionality and availability All buildings used by Council staff and the community are well maintained and remain functional and available for their intended use	Planned maintenance is carried out on buildings according to set maintenance schedules Unplanned (or reactive) maintenance is carried out within 72 hours	Planned maintenance activities are undertaken within the set schedules 95% of the time 95% of customer requests for unplanned maintenance are responded to on time
Financial sustainability The costs of operating, maintaining and renewing each building are fully funded	Operating and maintenance costs remain within budget Renewal costs are funded	Operating and maintenance costs remain within 105% of budget 75% of renewal costs are funded from an asset renewal reserve
Customer complaints Customer complaints are minimised and are handled promptly and satisfactorily	Fewer than 20 non-written complaints are received per month Fewer than 2 written complaints are received per month	Achieved 95% of the time

4 Condition of our assets

The condition of Council’s assets is currently assessed every five years. This asset condition information is then used to plan the timing of our maintenance and capital renewal activities.

The current condition of Council’s buildings is provided in this section of this plan.

Assets are rated from condition 1 to condition 5, as shown in table 4.1 below.

Table 4.1: Condition ratings for assessing the condition of our assets

Condition rating	Condition	Description
1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal / upgrading required

The intent of Council is not to undertake renewal on an asset until it reaches its intervention level. The intervention level is the condition level below which renewal is required based on the community’s level of service expectations.

Typically, building assets in condition 4 will provide a poor level of service and will need to be renewed in the short- to medium- term. Assets in condition 5 may require urgent and immediate renewal or replacement. Funding may be needed to support the required level of renewals each year. Council will be allocating funds to an asset renewal reserve each year to help in managing these funding needs. This is discussed further in section 7 of this plan.

Independent valuers assessed the value of our buildings in June 2018. They also reported on expected useful life and remaining useful life of each component of each building.

The condition of each building component has been assessed by calculating the proportion of each building component’s expected useful life that has been consumed.

The current condition ratings of Council’s buildings and building components are summarised in the tables and graphs below.

Table 4.2: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building asset category

Building asset category	Condition rating \$					Total \$
	1	2	3	4	5	
Buildings - non-specialised						
Council offices	-	23,795	1,499,465	207,745	-	1,731,005
Dwellings	171,000	1,289,540	215,100	1,860	-	1,677,500
Hall	-	-	432,300	-	-	432,300
Information centre	-	504,450	-	-	-	504,450
Library	-	1,044,351	16,981	-	-	1,061,333
Medical centres	-	1,664,144	666,246	-	-	2,330,390
RiverSmart	6,825	101,053	112,282	-	-	220,160
Waste depot	-	33,349	4,376	-	-	37,725
Total buildings - non-specialised	177,825	4,660,682	2,946,750	209,605	-	7,994,862
Buildings - specialised						
Airport terminal	-	-	178,010	23,359	-	201,369
Caravan park	-	-	218,206	-	161,282	379,488
Emergency services	-	409,123	46,130	-	3,977	459,229
Engineering	1,841,379	652,097	548,687	57,955	-	3,100,118
Parks and reserves	-	271,460	-	-	-	271,460
Pool buildings	-	100,961	369,962	303,550	-	774,474
Rural Fire Service	-	239,144	6,376	-	-	245,520
Showground	-	1,307,028	963,393	1,184,239	12,960	3,467,621
Sporting complex	2,359,694	1,816,756	-	-	-	4,176,450
Sports ovals	-	70,820	192,233	55,477	-	318,529
Total buildings - specialised	4,201,073	4,867,388	2,522,997	1,624,579	178,219	13,394,257
Total buildings	4,378,898	9,528,070	5,469,747	1,834,184	178,219	21,389,119

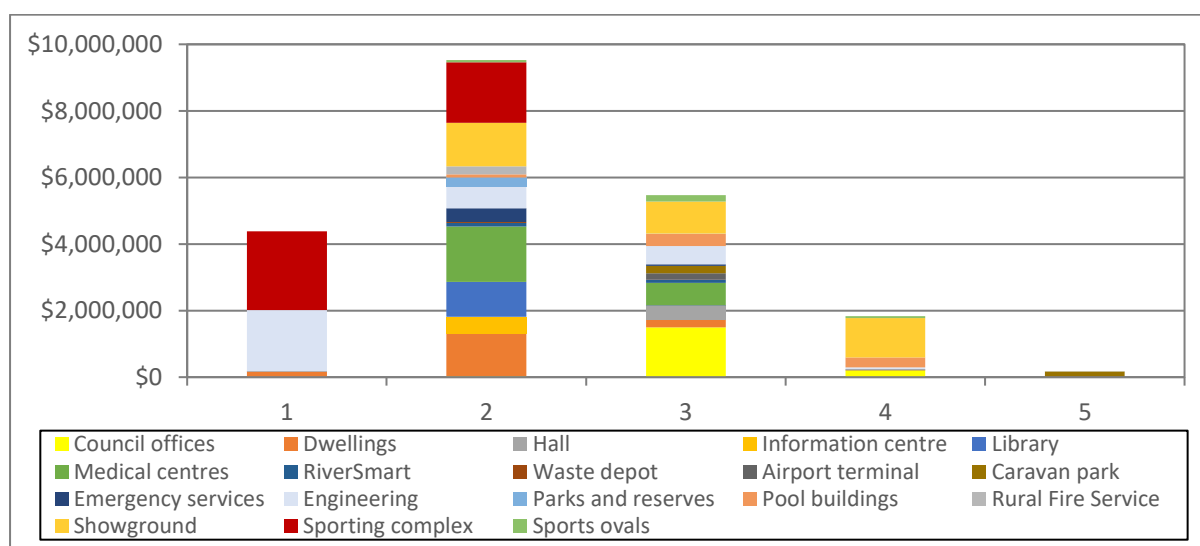
Figure 4.1: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building asset category

Table 4.3: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building specialisation

Building specialisation	Condition rating \$					Total \$
	1	2	3	4	5	
Buildings - non-specialised	177,825	4,660,682	2,946,750	209,605	-	7,994,862
Buildings - specialised	4,201,073	4,867,388	2,522,997	1,624,579	178,219	13,394,256
Total buildings	4,378,898	9,528,070	5,469,747	1,834,184	178,219	21,389,118

Figure 4.2: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building specialisation

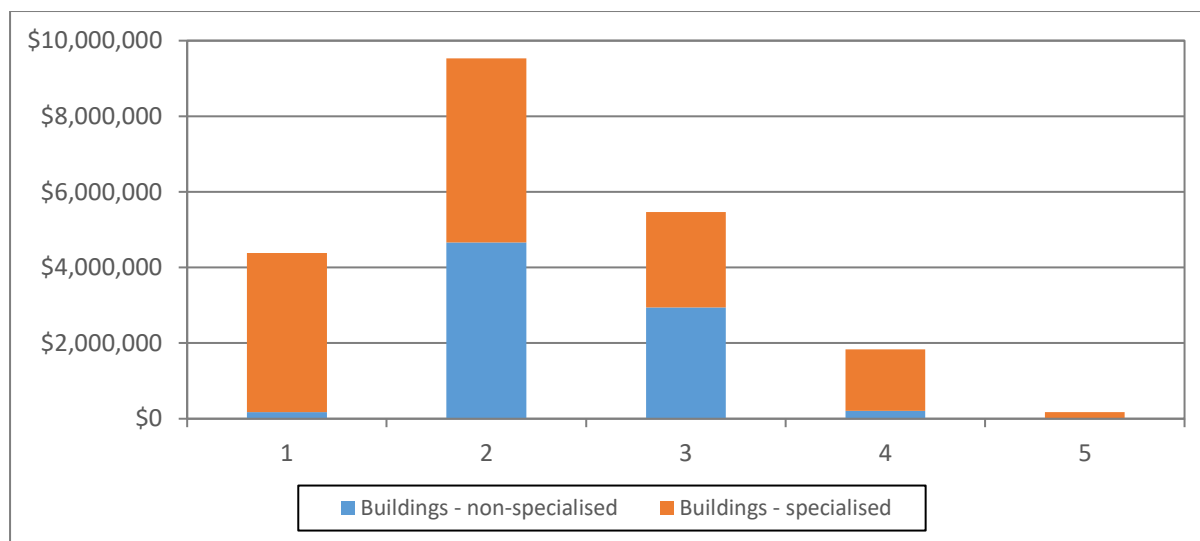
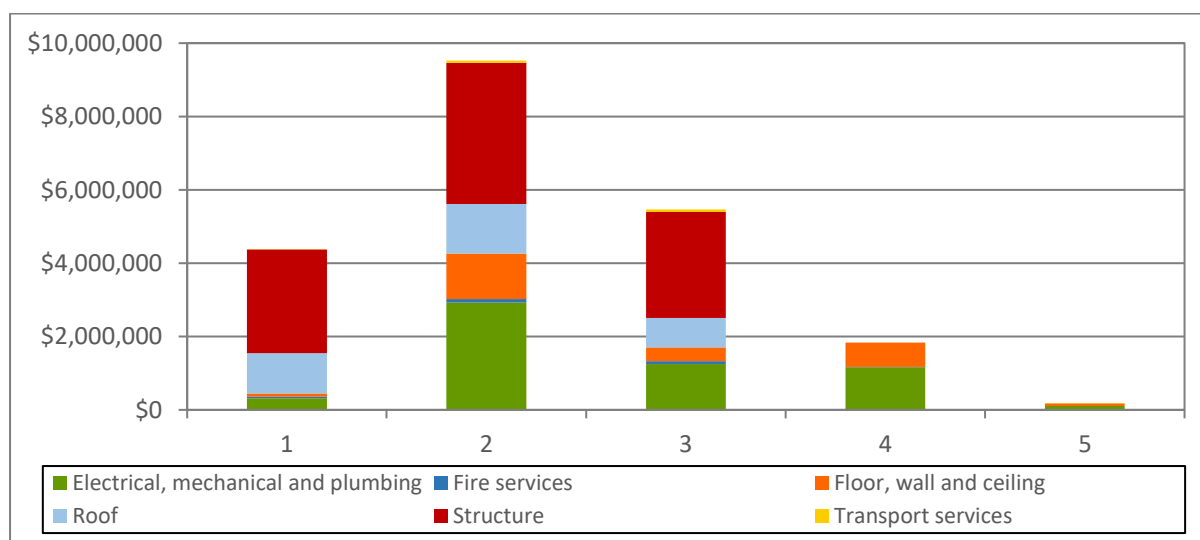


Table 4.4: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building component

Building component	Condition rating \$					Total \$
	1	2	3	4	5	
Electrical, mechanical and plumbing	316,368	2,921,867	1,248,741	1,165,600	107,016	5,759,591
Fire services	43,454	102,681	81,929	1,860	-	229,924
Floor, wall and ceiling	83,766	1,238,867	375,787	666,724	67,227	2,432,371
Roof	1,098,775	1,350,204	801,357	-	-	3,250,337
Structure	2,832,572	3,851,580	2,888,675	-	-	9,572,827
Transport services	3,963	62,872	73,259	-	3,977	144,070
Total buildings	4,378,898	9,528,071	5,469,747	1,834,184	178,219	21,389,120

Figure 4.3: Condition ratings, buildings (estimated gross replacement cost) as at 30 June 2019, by building component

The tables and graphs above show that our building assets are mostly in an acceptable condition, i.e., they have a condition rating between 1 and 3. However, some assets are in condition 4 and 5. These are providing a poor level of service and will need to be renewed in the short- to medium-term. These assets include:

- Floors, walls and ceilings in some buildings, including the council offices
- Some electrical, mechanical and plumbing components.

5 Operations

5.1 Lifecycle costs

Council allocates the costs associated with the provision of its assets into four lifecycle categories:

Table 5.1: Lifecycle cost allocation for the provision of asset services

Activity	Description
Operations	Regular, planned activities to keep the asset in service
Maintenance	Planned or unplanned activities to ensure that the asset reaches its useful life
Renewal	The like-for-like replacement of an asset or asset component
Expansion	The upgrade or improvement of an asset The creation of a new asset

Operations and maintenance costs are current-year expenditure. Renewal and expansion costs are treated as capital expenditure.

5.2 Operational activities

Operational activities are those regular activities that are required to continuously provide the service expected of the asset. For our buildings, these activities include the following.

Table 5.2: Operational activities, buildings

Activity	Frequency
Cleaning	Varies from daily (e.g. council offices) to when an event is held (e.g. the showground)
Paying utilities (e.g. electricity, telephone, rates)	Ongoing
Undertaking administration and operational activities within the building	Ongoing
Responding to customer complaints	When received

Projected operational expenditure for the next thirty years is provided in table 10.1.

6 Maintenance

Routine maintenance is the regular ongoing work that is necessary to keep assets operating to ensure they reach their useful life. It includes work on an asset where a portion may fail and needs immediate repair to make it operational again.

Council's maintenance activities for our buildings include the following.

Table 6.1: Maintenance activities, buildings

Activity	Frequency
Inspecting building components	Varies by building and component
Removing graffiti and repairing vandalised buildings	When required
Undertaking planned maintenance	Varies by building and component
Undertaking unplanned maintenance and repairs	When required

In addition to planned maintenance, which is defined and scheduled over the medium-term, Council must also repair unforeseen damage caused by storms or accidents. This type of maintenance is referred to as either unplanned or reactive maintenance.

Council's unplanned maintenance work is often carried out because of issues identified through customer requests.

Projected maintenance expenditure for the next thirty years is provided in table 10.2.

7 Capital renewal / rehabilitation

Capital renewal activities involve restoring, refurbishing or replacing an asset to bring it back to its original capacity and performance capability.

Renewal costs are treated as capital expenditure.

The annual required renewal costs reflect the amount needed to be spent on assets that have deteriorated to a point at which renewal is required based on the community's level of service expectations.

Typically, building assets in condition 4 will provide a poor level of service and will need to be renewed in the short-to medium-term and assets in condition 5 may require urgent and immediate renewal or replacement.

Assessing the condition of our assets is not easy and is based on broad assumptions and the quality of the currently available data. Work will continue to improve the quality of our asset registers and systems to increase the accuracy of our condition data.

The process of assessing the condition of our assets starts by estimating the expected remaining useful life of each asset. This is done using long-term averages and the age of the asset. Useful lives are based on industry standards and are then adjusted, where relevant, to align with local conditions (e.g. dry and hot summers, no threat of degradation by salt air). The range of expected useful lives for our building components is shown below.

Table 7.1: Expected useful life of building components (years)

Building component	Expected useful life (years) of asset components
Electrical, mechanical and plumbing	40
Fire services	30
Floor, wall and ceiling	20
Roof – dwellings	80
Roof – other buildings	70
Structure – dwellings	80
Structure – other buildings	70
Transport services	70

We supplement remaining useful life data with an assessment of each building component's actual condition. This is done through visible inspections and reviewing whether there has been a history of failure. If there have been few or no instances of failure, we consider that the building component is still in a satisfactory condition and does not need renewal.

To manage the funding needs for renewing or replacing assets that are in condition 4 or 5 each year, Council will be allocating funds to an asset renewal reserve each year. This will ensure that we are saving money from the day we purchase or build an asset to allow us to replace the asset at the end of its life. The allocation will be made against each asset on a sliding scale basis. Assets that are in condition 1 will have a small asset renewal allocation and assets that are in condition 5 will have the highest asset renewal allocation as these assets need urgent renewal or replacement. The sliding scale for the allocation of funds to the asset renewal reserve is shown below.

Table 7.2: Allocation of funds to the asset renewal reserve each year, building components

Useful life	Condition rating \$				
	1	2	3	4	5
80	0.625%	0.694%	0.833%	5.000%	16.667%
70	0.714%	0.794%	0.952%	5.000%	16.667%
40	1.250%	1.389%	1.667%	5.000%	16.667%
30	1.667%	1.852%	2.222%	5.000%	16.667%
20	2.500%	2.778%	3.333%	5.000%	16.667%

Using this analysis, Council has identified an asset renewal allocation for each year over the next thirty years. This is summarised in the graphs below. Detailed numbers are provided in tables 10.3 and 10.4. The asset renewal reserve allocations are indexed by 3.0% p.a. for inflation.

Figure 7.1: Estimated annual required asset renewal reserve allocation for Council’s buildings, 2020 to 2049, by building asset category

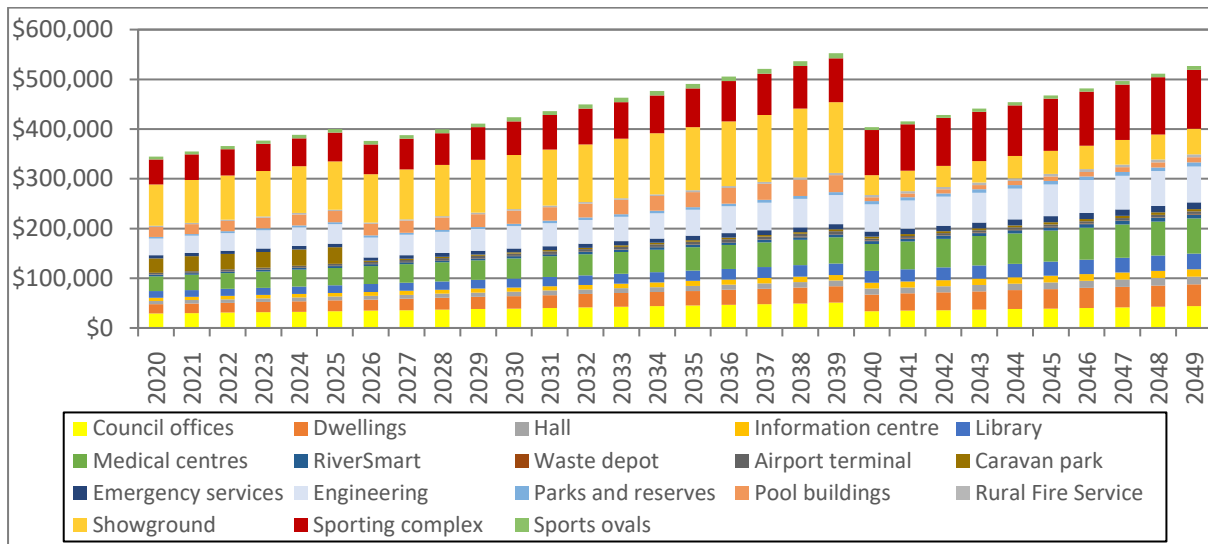
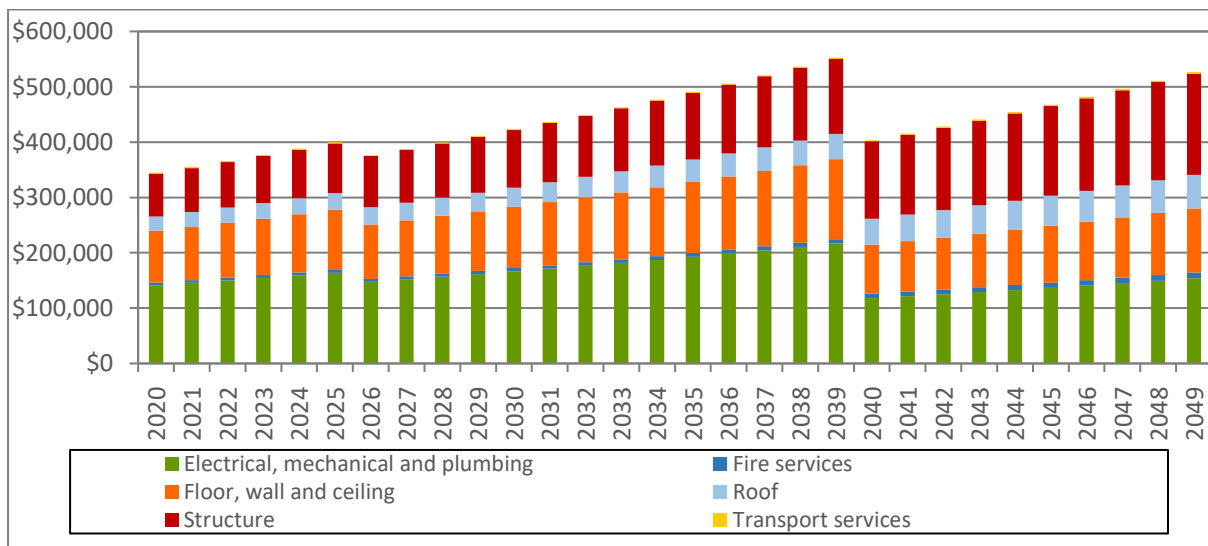


Figure 7.2: Estimated annual required asset renewal reserve allocation for Council’s buildings, 2020 to 2049, by building component



Some of the specific capital renewal projects that will be undertaken include the following.

Table 7.3: Specific future capital renewal projects, buildings

No.	Asset	Comment	Estimated cost* \$
1	Upgrade of the Warren Airport terminal building	Includes structural repairs and installation of a new lounge and kitchen	300,000 ⁽¹⁾
Total			

* Estimates need to be confirmed

(1) This is part of the Warren Airport Upgrade Project. It will be funded by the \$2.37m grant from the NSW Government Drought Stimulus Package.

This project will be undertaken during the 2021 financial year.

8 Capital expansion – upgrades and new assets

Capital expansion can refer to either the upgrade of existing assets or the acquisition of new assets.

Upgrades are improvements of existing assets to provide a higher level of service.

New assets are assets that have been built to support growth, new social or environmental needs or to create additional service level capacity.

Council is not anticipating any significant changes in the populations of Warren, Nevertire or Collie. Therefore, there will be little change in the demand for our building assets.

However, Council will be building two new houses on Deacon Drive, Warren in the Gunningbar Residential Estate. These will be used by Council staff and will replace two houses owned by Council in Roland Street and Garden Avenue which will be sold. It is estimated that the two new houses will cost approximately \$835,000 to build and that the two existing houses will be sold for approximately \$363,000.

Council is also planning to upgrade and expand its Council offices in Warren. This includes utilising the block of land at 113 Dubbo Street which is next to the existing Council offices. The cost of this development is currently estimated to be approximately \$1.7m.

Council will also be building two new toilet blocks. One will be in the Central Business District (CBD) of Warren. The other will be at the Warren cemetery. The cost of these two toilet blocks is currently estimated to be approximately \$244,584 in total.

The estimated gross and net costs (i.e. costs net of grant funding) of these projects are summarised below.

Table 8.1: Future capital expansion projects, buildings

No.	Asset	Estimated gross cost* \$	Estimated grant funding \$	Council contribution \$
1	Two new houses on Deacon Drive	835,000	- ⁽¹⁾	835,000 ⁽¹⁾
2	Upgrade and expansion of Council offices	1,700,000	- ⁽¹⁾	1,700,000 ⁽¹⁾
3	CBD toilets in Warren	162,292	162,292 ⁽²⁾	-
4	Toilets at Warren cemetery	82,292	82,292 ⁽³⁾	-
	Total	2,779,584	244,584	2,535,000

* Estimates need to be confirmed

- (1) Grant funding will not be used for these projects.
- (2) A \$162,292 grant from the Drought Communities Program will fund a new toilet block in the Central Business District of Warren.
- (3) An \$82,292 grant from the Drought Communities Program will fund a new toilet block at the Warren cemetery.

These projects will be undertaken over the 2020 and 2021 financial years.

The timing of this planned capital expansion expenditure is provided in table 10.5.

9 Disposal plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation.

The only buildings that are expected to be sold are two dwellings at 2 Roland Street, Warren and 56 Garden Avenue, Warren. These houses had been used by Council staff. They will be replaced by two new houses on Deacon Drive, Warren in the Gunningbar Residential Estate.

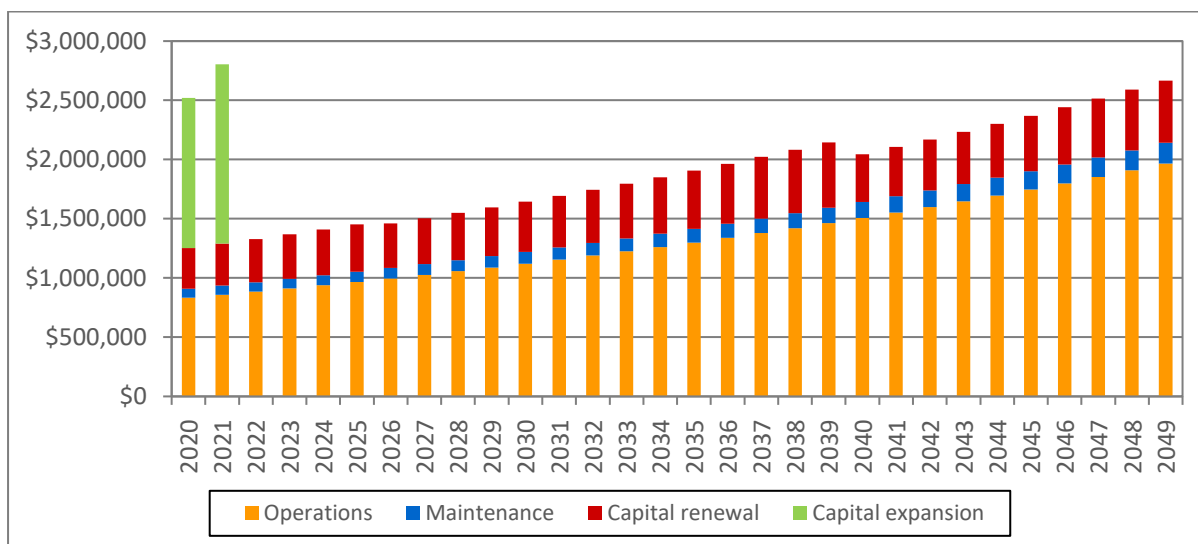
10 Financial plan

The financial plan for our buildings projects the lifecycle expenditure for our buildings over the next thirty years and considers a funding plan to support these costs.

10.1 Buildings lifecycle expenditure

The projected lifecycle expenditure on operations, maintenance, renewal and expansion activities for our buildings over the next thirty years is shown in the following graph.

Figure 10.1: Thirty-year projected lifecycle expenditure on Council’s buildings, 2020 to 2049



This graph shows where our funds will be allocated to our buildings over the next thirty years.

Once the new capital expansion projects have been completed in 2021, our annual operations and maintenance costs are not expected to fluctuate significantly over the next thirty years as our building portfolio is not expected to change due to our relatively stable population. However, these costs have been indexed by 3.0% p.a. for inflation.

Our buildings, and their components, have long estimated useful lives. Most of the building components will not need to be renewed over the next thirty years. However, the projected lifecycle expenditure includes funds to be allocated to an asset renewal reserve each year to ensure that assets can be replaced when they reach the end of their life. As with operations and maintenance costs, this asset renewal reserve allocation has been indexed by 3.0% p.a. for inflation.

The capital expansion projects that are currently planned over the next thirty years are the construction of two new houses which will be used by Council staff, the upgrade and expansion of the Council offices in Warren and two new toilet blocks in the Warren CBD and at the Warren cemetery.

The detailed projected lifecycle costs for our buildings over the next thirty years are shown in the following tables.

Table 10.1: Operations costs for Council's buildings, 2020 to 2049 (\$000)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Operations (1)																														
Cleaning	34	36	37	38	39	40	41	42	44	45	46	48	49	51	52	54	55	57	59	60	62	64	66	68	70	72	74	77	79	81
Electricity	68	70	72	75	77	79	81	84	86	89	92	94	97	100	103	106	109	113	116	120	123	127	131	135	139	143	147	152	156	161
Operations	647	666	686	707	728	750	773	796	820	844	870	896	922	950	979	1,008	1,038	1,069	1,102	1,135	1,169	1,204	1,240	1,277	1,315	1,355	1,395	1,437	1,480	1,525
Rates	75	77	80	82	84	87	90	92	95	98	101	104	107	110	113	117	120	124	128	132	135	140	144	148	152	157	162	167	172	177
Telephone	9	10	10	10	11	11	11	12	12	12	13	13	13	14	14	15	15	16	16	16	17	17	18	19	19	20	20	21	21	22
Total operations	834	859	885	911	939	967	996	1,026	1,057	1,088	1,121	1,155	1,189	1,225	1,262	1,300	1,339	1,379	1,420	1,463	1,507	1,552	1,598	1,646	1,696	1,746	1,799	1,853	1,908	1,966

(1) Operations costs are indexed by 3.0% p.a. for inflation

Table 10.2: Maintenance costs for Council's buildings, 2020 to 2049 (\$000)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Maintenance (1)																														
Council offices	8	8	8	8	9	9	9	9	10	10	10	10	11	11	11	12	12	13	13	13	14	14	15	15	15	16	16	17	17	18
Dwellings	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21	22	22	23	24	24	25	26	27	27	28	29	30	31	32	33
Hall	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Information centre	5	5	5	5	5	5	5	6	6	6	6	6	6	7	7	7	7	7	8	8	8	8	9	9	9	9	10	10	10	11
Library	20	20	21	22	22	23	24	24	25	26	27	28	28	29	30	31	32	33	34	35	36	37	38	39	40	42	43	44	46	47
Medical centres	17	17	18	18	19	20	20	21	21	22	23	23	24	25	26	26	27	28	29	30	31	31	32	33	34	35	36	38	39	40
RiverSmart	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	3
Waste depot	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport terminal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Caravan park	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Emergency services	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	5	5	5
Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural Fire Service	7	7	7	8	8	8	8	8	9	9	9	10	10	10	10	11	11	11	12	12	12	13	13	14	14	14	15	15	16	16
Sporting complex	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance	74	76	79	81	84	86	89	91	94	97	100	103	106	109	112	116	119	123	126	130	134	138	142	146	151	155	160	165	170	175

(1) Maintenance costs are indexed by 3.0% p.a. for inflation

Table 10.3: List of capital renewal reserve allocations for Council’s buildings, 2020 to 2049 (\$000), by building asset category

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Capital renewal (1)																														
Buildings - non-specialised																														
Council offices	29	30	31	32	33	34	35	36	37	38	39	40	41	43	44	45	47	48	49	51	34	35	36	37	38	39	40	41	43	44
Dwellings	19	19	20	21	21	22	22	23	24	24	25	26	27	28	28	29	30	31	32	33	34	35	36	37	38	39	40	41	43	44
Hall	7	7	7	7	7	8	8	8	8	9	9	9	9	10	10	10	10	11	11	11	12	12	13	13	13	14	14	15	15	15
Information centre	6	7	7	7	7	7	8	8	8	8	9	9	9	9	10	10	10	11	11	11	11	12	12	13	13	13	14	14	15	15
Library	13	14	14	15	15	16	16	16	17	17	18	19	19	20	20	21	21	22	23	23	24	25	26	26	27	28	29	30	31	32
Medical centres	30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	53	54	56	58	59	61	63	65	67	69	71
RiverSmart	3	3	3	3	4	4	4	4	4	4	4	4	4	5	5	5	5	5	5	5	6	6	6	6	6	7	7	7	7	7
Waste depot	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total buildings - non-specialised	108	111	114	118	121	125	129	132	136	141	145	149	154	158	163	168	173	178	183	189	176	181	186	192	198	204	210	216	223	229
Buildings - specialised																														
Airport terminal	3	3	4	4	4	4	4	4	4	4	5	5	5	5	5	5	6	6	6	6	4	4	4	4	4	5	5	5	5	5
Caravan park	29	30	31	32	33	34	2	3	3	3	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	4	5	5	5
Emergency services	6	7	7	7	7	7	7	7	7	7	8	8	8	8	9	9	9	10	10	10	10	11	11	11	12	12	12	13	13	14
Engineering	33	34	35	37	38	39	40	41	42	44	45	46	48	49	51	52	54	55	57	59	55	57	59	60	62	64	66	68	70	72
Parks and reserves	3	3	4	4	4	4	4	4	4	4	4	5	5	5	5	5	6	6	6	6	6	6	7	7	7	7	7	8	8	8
Pool buildings	20	20	21	21	22	23	23	24	25	26	26	27	28	29	30	31	31	32	33	34	8	8	8	9	9	9	9	10	10	10
Rural Fire Service	2	3	3	3	3	3	3	3	3	3	3	3	3	4	4	4	4	4	4	4	4	5	5	5	5	5	5	5	6	6
Showground	83	86	89	91	94	97	97	100	103	106	109	112	116	119	123	127	130	134	138	143	40	41	42	44	45	46	48	49	50	52
Sporting complex	50	52	53	55	57	58	60	62	64	66	68	70	72	74	76	78	81	83	86	88	91	93	96	99	102	105	108	112	115	118
Sports ovals	6	6	6	6	7	7	7	7	7	8	8	8	8	9	9	9	9	10	10	10	6	6	6	6	6	6	7	7	7	7
Total buildings - specialised	237	244	252	259	267	275	248	255	263	271	279	287	296	305	314	323	333	343	353	364	228	235	242	249	256	264	272	280	289	297
Total capital renewal	345	355	366	377	388	400	376	388	399	411	424	436	449	463	477	491	506	521	536	553	404	416	428	441	454	468	482	496	511	527

(1) Capital renewal reserve allocations are indexed by 3.0% p.a. for inflation

Table 10.4: List of capital renewal reserve allocations for Council’s buildings, 2020 to 2049 (\$000), by building component

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Capital renewal (1)																														
Electrical, mechanical and plumbing	141	146	150	155	159	164	148	152	157	161	166	171	176	182	187	193	198	204	210	217	118	122	125	129	133	137	141	145	150	154
Fire services	5	5	5	5	5	5	5	6	6	6	6	6	6	7	7	7	7	8	8	8	8	8	9	9	9	9	10	10	10	10
Floor, wall and ceiling	94	96	99	102	105	108	98	101	104	107	111	114	117	121	125	128	132	136	140	144	89	91	94	97	100	103	106	109	112	116
Roof	26	27	27	28	29	30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	47	48	50	51	53	54	56	58	59	61
Structure	77	80	82	85	87	90	92	95	98	101	104	107	110	114	117	121	124	128	132	136	140	144	148	153	157	162	167	172	177	183
Transport services	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3
Total capital renewal	345	355	366	377	388	400	376	388	399	411	424	436	449	463	477	491	506	521	536	553	404	416	428	441	454	468	482	496	511	527

(1) Capital renewal reserve allocations are indexed by 3.0% p.a. for inflation

Table 10.5: List of capital expansion projects for Council’s buildings, 2020 to 2049 (\$000)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Capital expansion																														
Two new houses on Deakin Drive	418	418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Upgrade and expansion of Council offices	850	850	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CBD toilets in Warren	-	162	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Toilets at Warren cemetery	-	82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expansion	1,268	1,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

10.2 Funding plan for buildings

Funding for our buildings is derived from various sources. These include:

- Rent, fees and other income generated from the buildings
- Grants
- General funds
- Borrowings.

Income such as rent and fees is generated from the users and tenants of the building portfolio.

Grant funding is required when major projects need to be undertaken.

General funds are used in two ways for our buildings. Firstly, they are used to support the maintenance of our buildings. Secondly, they are used to build an asset renewal reserve each year. This will help in reducing Council's reliance on grant funding for renewal projects.

Council also has the option of borrowing to support investments in new buildings. This option requires careful monitoring of Council's debt service ratio.

10.3 Summary of expenditure and funding sources

Table 10.6 is the financial plan for our buildings for the next thirty years. It summarises the projected asset lifecycle expenditure and projected funding.

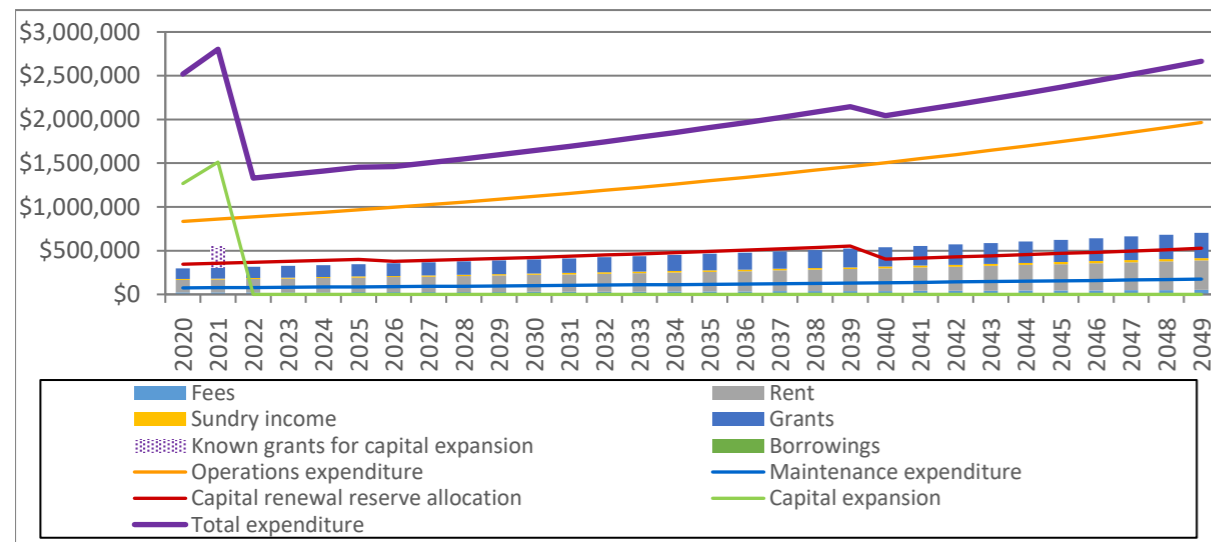
Table 10.6: Thirty-year financial plan for Council’s buildings, 2020 to 2049 (\$000)

Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Income																														
Fees (1)	22	22	23	24	24	25	26	27	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	43	44	45	47	48	49	51
Rent (1)	144	148	153	157	162	167	172	177	182	188	193	199	205	211	218	224	231	238	245	252	260	268	276	284	293	301	310	320	329	339
Sundry income (1)	11	11	12	12	12	13	13	14	14	14	15	15	16	16	17	17	18	18	19	19	20	21	21	22	22	23	24	25	26	
Grants (1)	121	125	129	133	137	141	145	149	154	158	163	168	173	178	184	189	195	201	207	213	219	226	233	240	247	254	262	270	278	286
Known grants for capital expansion	-	245	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total income	298	552	316	326	335	345	356	367	378	389	401	413	425	438	451	464	478	493	507	523	538	554	571	588	606	624	643	662	682	702
Expenditure																														
Operations (2)	834	859	885	911	939	967	996	1,026	1,057	1,088	1,121	1,155	1,189	1,225	1,262	1,300	1,339	1,379	1,420	1,463	1,507	1,552	1,598	1,646	1,696	1,746	1,799	1,853	1,908	1,966
Maintenance (3)	74	76	79	81	84	86	89	91	94	97	100	103	106	109	112	116	119	123	126	130	134	138	142	146	151	155	160	165	170	175
Capital renewal (4)	345	355	366	377	388	400	376	388	399	411	424	436	449	463	477	491	506	521	536	553	404	416	428	441	454	468	482	496	511	527
Capital expansion (5)	1,268	1,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditure	2,521	2,803	1,329	1,369	1,410	1,453	1,461	1,505	1,550	1,596	1,644	1,694	1,744	1,797	1,851	1,906	1,963	2,022	2,083	2,145	2,044	2,105	2,169	2,234	2,301	2,370	2,441	2,514	2,589	2,667
Surplus / (shortfall)	-2,223	-2,251	-1,013	-1,043	-1,075	-1,108	-1,105	-1,138	-1,172	-1,207	-1,243	-1,281	-1,319	-1,359	-1,400	-1,442	-1,485	-1,529	-1,576	-1,622	-1,506	-1,551	-1,598	-1,646	-1,695	-1,746	-1,798	-1,852	-1,907	-1,965

- (1) Income is indexed at 3.0% p.a. for inflation
- (2) Details of operations costs are provided in table 10.1 above
- (3) Details of maintenance costs are provided in table 10.2 above
- (4) Details of specific capital renewal reserve allocations are provided in tables 10.3 and 10.4 above
- (5) Details of specific capital expansion projects are provided in table 10.5 above

Figure 10.2 summarises the projected expenditure and funding picture for our buildings over the next thirty years.

Figure 10.2: Thirty-year financial plan for Council’s buildings, 2020 to 2049



The table and graph above highlight the gap in the required funding for our buildings over the next thirty years.

It is anticipated that there will be a shortfall, i.e. total income will be less than our operations, maintenance and capital expenses. This is shown in the last line of table 10.6 and in figure 10.2 as the gap between the purple total expenditure line and the top of the income bars. Whilst both income and total expenditure are indexed at 3.0% p.a. for inflation, the gap widens over time as income starts from a lower base. The known grant in this table and graph is funding from the Drought Communities Program. This grant will fund the two new toilet blocks in the Warren CBD and at the Warren cemetery in the 2021 financial year.

11 Key performance measures

Council monitors and assesses its performance with respect to maintaining and renewing its assets using key performance benchmarks. These benchmarks are used to measure how well Council is meeting the community's expectations in relation to the condition of its assets.

Council recognises the importance of working with the local community when managing the Shire's assets on behalf of the community. Council works with the community in two important ways. Firstly, it creates community service expectations. These summarise what the community wants. Secondly, it measures its progress in meeting these community service expectations against key performance benchmarks.

By using community-focussed performance benchmarks, Council can ensure that everything it does in maintaining and improving its buildings is directly relevant to the community.

The key performance benchmarks that have been established for our buildings are outlined in table 3.1.

Council will be incorporating these benchmarks into its Customer Relationship Management (CRM) system so that performance against these benchmarks can be tracked, measured and improved.

12 Risk management plan

12.1 Critical risks

Council is committed to the identification and elimination or reduction of risks associated with hazards that arise throughout Council's operations as far as reasonably practicable. Our risk assessment process:

- Identifies credible risks
- Analyses the likelihood of the risk event occurring
- Assesses the consequences should the event occur
- Develops a risk rating ('likelihood' times 'consequences')
- Evaluates the risk
- Details a risk treatment plan for non-acceptable risks.

The critical risks identified for our buildings are summarised in the following table. The table includes the risk treatment plans that have been developed to reduce the likelihood of these risks and to limit their impact.

Table 12.1: Critical risks for our buildings

No.	Description	Likelihood / frequency	Consequence	Risk rating	Risk treatment plan
1	Buildings are damaged or destroyed by fire or a severe storm	Unlikely / 75 years	<ul style="list-style-type: none"> • Buildings become fully or partially unusable 	High	<ul style="list-style-type: none"> • Install fire alarms • Conduct regular inspections on fire detection systems • Check adequacy of insurance • Develop business continuity plans
2	Buildings are damaged by vandals	Likely / 5 years	<ul style="list-style-type: none"> • Building security is compromised • Operational effectiveness is impacted 	Moderate	<ul style="list-style-type: none"> • Install security systems • Check adequacy of insurance
3	Building structures deteriorate over time to unacceptable levels and cannot be occupied	Rare / 50 years	<ul style="list-style-type: none"> • Buildings become unsafe and need to be vacated, disrupting business operations 	Moderate	<ul style="list-style-type: none"> • Inspect assets annually • Conduct routine maintenance • Conduct renewal work as required • Allocate funds to an asset renewal reserve
4	Buildings become obsolete	Possible / 20 years	<ul style="list-style-type: none"> • Buildings are no longer required 	Moderate	<ul style="list-style-type: none"> • Plan to replace or sell buildings as appropriate

No.	Description	Likelihood / frequency	Consequence	Risk rating	Risk treatment plan
5	Buildings fail to meet the Disability Discrimination Act requirements and other codes	Possible / 10 years	<ul style="list-style-type: none"> Buildings need to be modified to become compliant 	Low	<ul style="list-style-type: none"> Assess assets Optimise funding

12.2 Critical assets

Critical assets are specific assets which have a high consequence of failure. For example, failure would cause a financial loss within the community or a marked reduction of service. Generally, critical assets do not necessarily have a high likelihood of failure.

By identifying critical assets and critical failure modes, Council can appropriately target and refine inspection regimes, maintenance plans and capital expenditure plans.

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

Council has determined that any building that is used for the following purposes is deemed to be a critical asset:

- Council operations
 - Council administration
 - Council depot
- Emergency services.

13 Asset management improvement program

Council has identified several initiatives to improve its asset management capabilities in relation to its buildings. These are outlined below.

Table 13.1: Asset management improvement program, buildings

Area	Task	Who	When
1. Systems and processes	<p>Implement an integrated asset management system and associated processes. This will enable Council to:</p> <ul style="list-style-type: none"> Integrate its engineering and finance functions Store and access all asset management data from a single source Manage, upload and retrieve asset condition ratings more regularly and in a consistent format Track patterns of asset deterioration Produce timely and accurate reports including: <ul style="list-style-type: none"> The annual financial reports Detailed asset costing and valuation reports Asset component reports Financial and sustainability benchmark reports Reports supporting the LTFP Simplify all asset management decision making Enhance Council's predictive capabilities (using up-to-date condition data and unit rates) to assist with decisions on where it should be allocating its asset funding or if it should be seeking additional funding Support the engineering services division by producing and tracking work orders and then transferring the costs of this work to the general ledger in real time 	Divisional Manager Finance and Administration Services / Divisional Manager Engineering Services	December 2021
2. Accuracy and completeness of asset condition data	<p>Capture accurate and complete asset condition data regularly. This will allow Council to:</p> <ul style="list-style-type: none"> Improve its understanding of asset deterioration patterns over time Allocate capital renewal funding according to the actual condition of Council's assets 	Divisional Manager Engineering Services	May 2021
3. Community expectation benchmarks	<p>Track Council's performance against its community expectation benchmarks. This will ensure that it will:</p> <ul style="list-style-type: none"> Maintain its assets at the level that is required by the community 	Divisional Manager Engineering Services	May 2021
4. Productivity improvements	<p>Implement a productivity improvement program to:</p> <ul style="list-style-type: none"> Reduce Council's unit rate costs for asset renewal Increase the time between rehabilitation work Ensure that Council is only renewing assets that need renewing 	Divisional Manager Engineering Services	December 2021