

Appendix B – Buildings and Other Structures Asset Management Plan

This Asset management plan covers the portfolio of buildings assets that provide operational, recreational and business services throughout Blayney Shire.

The plan covers councils' management of its Specialised and Non-Specialised Buildings.

As the owner and manager of buildings assets, Council has a responsibility for a number of functions including:

- Operations and Maintenance
- Renewal and Refurbishment
- New Acquisitions and Upgrades
- As well as the Disposal of existing assets.

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



BUILDINGS INFRASTRUCTURE AT A GLANCE

Value & Composition	Importance to the Community – Value of Councils Services
Buildings Infrastructure assets have a total value of \$44.5m*	<ul style="list-style-type: none"> • Public Toilets – 3.64 • Centrepoint Sports and Leisure Centre – 3.61 • Blayney Shire Community Centre – 3.24 • Visitor Information Centre – 3.07 • Blayney Library – 2.98



Administration



Amenities



Bus Shelters



Emergency Services



Centrepoint Sports and Leisure Centre



Community Facilities



Central West Equestrian and Livestock Centre



Depot and Waste Depot



Library



Open Space Shelters



Pound



Sheds



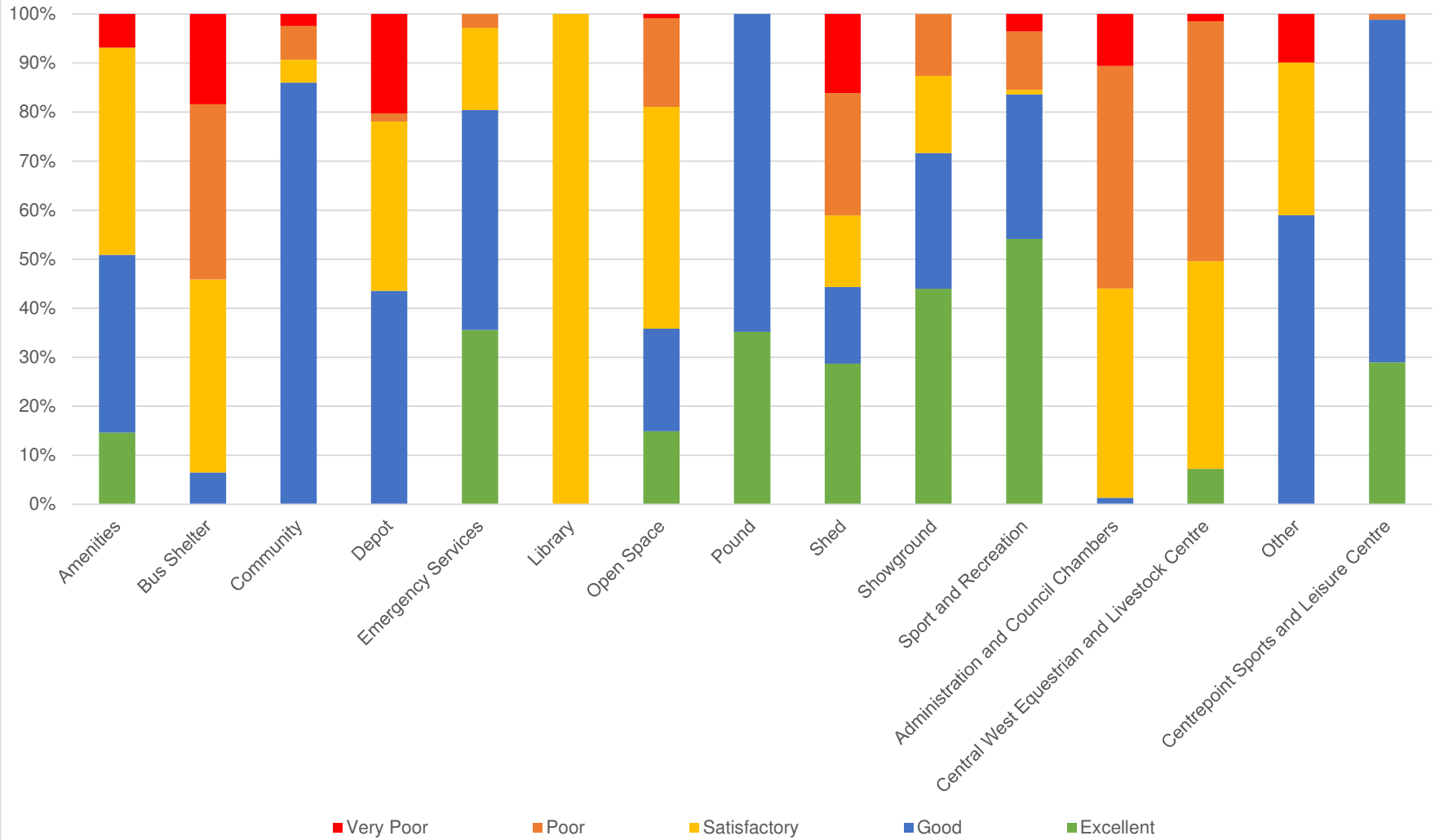
Showgrounds



Sport and Recreation

* Council Audited Annual Financial Statements 22/23

Portfolio Condition



Purpose of this Plan

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

This plan includes the following scope of management:

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

Figure 1: Relationship between Council's plans and resourcing strategies

Document	Purpose
Community Strategic Plan	Sets the community's vision for the next 10 years and strategies to achieve the vision
Community Engagement Strategy	Guides how Council engages with the community in all aspects of the IPR Framework and sets actions to be included in the Delivery Program
Delivery Program	Outlines the actions Council will undertake to meet the CSP goals over four years
Resourcing Strategy	Companion documents to the Delivery Program, outlines how Council will resource the actions (addressing Council's finances, assets and workforce)
Operational Plan and Budget	Maps what programs, projects and activities Council will undertake each financial year to fulfil the actions in the Delivery Program and to achieve the goals in the CSP
Strategic documents	Informs the actions in the Delivery Program and Operational Plan e.g. Economic Development Strategy
Quarterly reports, Annual Report and State of the Council Report	Reports Council's progress in achieving the community's vision
Blayney Town and Village community plans	Provide the master planning and vision for each of council's towns and villages.
Blayney Shire Sport and Recreation Plan	Provides the planning and needs assessment for sport and recreational activities within the shire.

Levels of service

Community Consultation and Feedback

Blayney Shire Council's Buildings portfolio provides facilities so that the local community and visitors can participate in a wide variety of recreational, cultural, educational, and social activities. The Council's administration building, and depot are the base for Council's employees who deliver essential services to the community. In 2021 Blayney Shire Council conducted a community survey to inform the Blayney Shire Community Strategic plan. The value (out of 5) that the community placed on councils' buildings assets was:

- Public Toilets – 3.64
- Centrepont Sport and Leisure Centre – 3.61
- Blayney Shire Community Centre – 3.24
- Showgrounds – 3.23
- Visitor Information Centre – 3.07
- Blayney Library – 2.98



Levels of Service

Outcome	Level of Service	How will we measure it?	What is our target?	How are we going?
Accessibility	Provision of quality of assets to meet community needs	Condition of assets are measured and reported annually	No net decrease in condition across all asset classes	
	Community has confidence in Council to manage assets	Community satisfaction survey and Community engagement strategy	Increased level of confidence from previous survey	
Quality/ condition	Assets are maintained in a satisfactory condition	Backlog ratio (estimated cost to bring asset to a satisfactory condition / written down value of the assets)	OLG benchmark <2%	
Reliability/ responsiveness	Provision of sufficient assets to meet community needs	Number of requests for additional/ increased level of service	Number of requests for additional/ increased level of service less than rolling previous three-year average	

Outcome	Level of Service	How will we measure it?	What is our target?	How are we going?
Customer satisfaction	Be responsive to the needs of customers using asset	No customer requests received	85% of requests are completed within Council's service charter	
	Opportunity for community involvement in decision making are provided	Asset management plan	All asset management plans are available on the website and for circulation to the public	
Sustainability	Assets are managed with respect for future generations	Lifecycle approach to managing assets	Prepare a ten-year asset condition and age-based renewals plan - ensure the plan is approved by Council and updated annually	
	Assets are being renewed in a sustainable manner	Asset renewal ratio (asset renewal expenditure / annual depreciation expense)	OLG benchmark >100%	

Roles and Responsibility

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

Future Demand

Drivers of Change

The future infrastructure demand for building assets is driven by changes and trends in:

- population growth and changes in the demography of our community
- urban planning
- commercial/industrial demand
- technological changes which impact our assets and our ability to monitor our assets.
- the environment and changes in our climate
- changes in behavior and utilisation of service due to the COVID-19 Pandemic



Demand Management Plan

Demand factor	Impact on services
Population	The population in the region is expected to continue to grow and supporting infrastructure will be required to accommodate this change. Local infrastructure, including buildings, will be needed to support additional housing needs and the new industry and development.
Industry	Road and rail infrastructure will continue to improve within the region, including the establishment of the Parkes Intermodal Freight Terminal, this external expenditure requires a corresponding council program to allow growth within Blayney Shire.
Demographics	An increasing and older population will place an increased demand on some assets and increased accessibility requirements for footpaths, aged care facilities, community centres and recreation assets.
Increasing costs	Increases in demand and limited providers is likely to increase the costs of providing road infrastructure projects.
Environment and climate	Buildings may be affected by extreme weather and increased variability.
Technology	Increasing connectivity and a diverse economy will retain and establish new residents, businesses and industries in Blayney Shire over the next 20 years. These factors may contribute to more complicated assets with higher maintenance and renewal costs.

Lifecycle management

Assets ¹

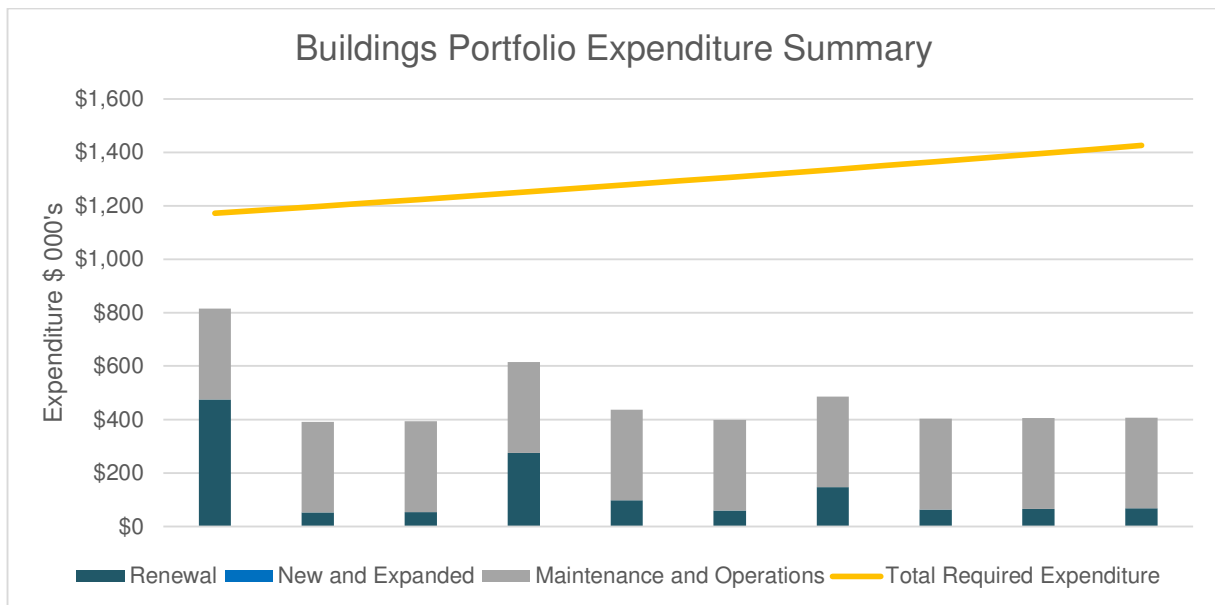
Facilities	Current Value
Administration and Council Chambers	\$6m
Amenities	\$3.8m
Bus Shelters	\$0.125m
Emergency Services	\$2.2m
Centrepont Sports and Leisure Centre	\$17.3m
Community	\$7.1m
Central West Equestrian and Livestock Centre	\$1.8m
Depot	\$3.5m
Library	\$0.9m
Open Space	\$0.7m
Pound	\$0.325m
Other	\$0.5m
Sheds	\$0.88m
Showgrounds	\$0.35m
Sport and Recreation	\$2.2m

¹ Values based on 30 September 2023 Data



Infrastructure Ratios	Budget 2023/24	Estimated 2032/33	Funding Gap \$ 000's	
Infrastructure renewals ratio Benchmark 100%	72.9%	8.5%	Budget Year	-\$177
			5-year average	-\$491
			10-year average	-\$586
Infrastructure Backlog Ratio ¹ Benchmark 2%	20.6%	15.7%	Budget Year	-\$6,168
			5-year average	-\$6,302
			10-year average	-\$6,481
Infrastructure Maintenance Ratio Benchmark 100%	65.4%	54%	Budget Year	-\$180
			5-year average	-\$203
			10-year average	-\$235
Total Funding Gap			Budget Year	-\$6,525
			5-year average	-\$6,996
			10-year average	-\$7,302

¹ The Infrastructure Backlog Ratio Funding Gap is the amount required to reduce Councils 20.6% Backlog Ratio to the OLG benchmark of 2.0%.

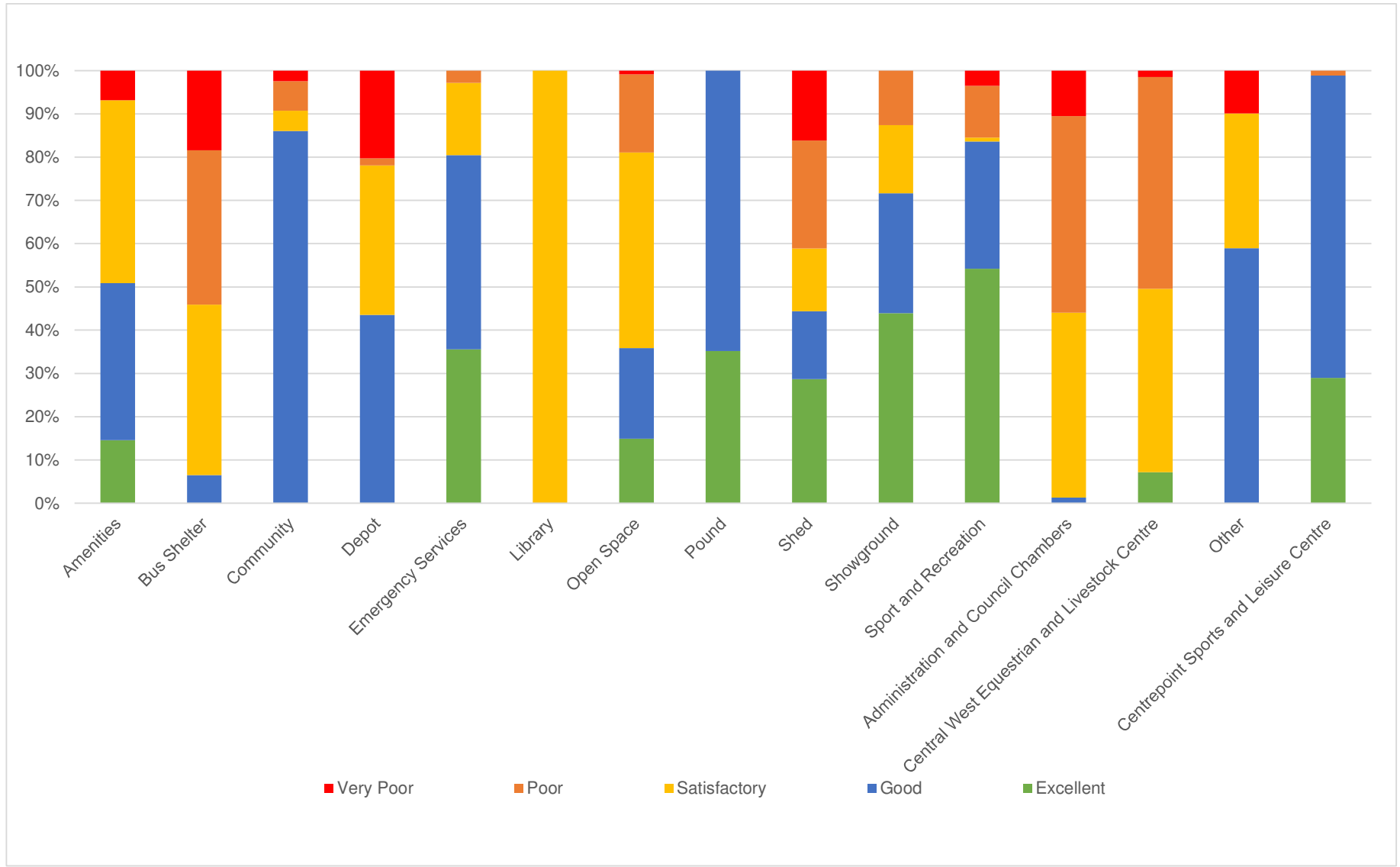


Asset Values ¹

Asset Category	Gross Replacement Cost (\$ m)	Written Down Value (\$ m)	Annual Depreciation (\$ m)	New	Good	Satisfactory	Poor	Very Poor
Administration and Council Chambers	6.06	2.83	0.120	0.0%	1.3%	42.7%	45.4%	10.6%
Amenities	3.83	2.55	0.081	14.6%	36.3%	42.3%	0.0%	6.8%
Bus Shelter	0.13	0.06	0.003	0.0%	6.5%	39.4%	35.7%	18.4%
Central West Equestrian and Livestock Centre	1.76	1.53	0.025	7.2%	0.0%	42.4%	48.9%	1.5%
Centrepoint Sports and Leisure Centre	17.29	12.84	0.378	29.0%	69.9%	0.0%	1.2%	0.0%
Community	7.19	4.94	0.141	0.0%	86.0%	4.7%	6.9%	2.4%
Depot	3.46	1.91	0.068	0.0%	43.5%	34.5%	1.6%	20.3%
Emergency Services	2.18	1.68	0.041	35.5%	44.9%	16.7%	2.8%	0.0%
Library	0.93	0.55	0.019	0.0%	0.0%	100.0%	0.0%	0.0%
Open Space	0.70	0.43	0.013	14.9%	20.9%	45.2%	18.1%	0.9%
Other	0.54	0.33	0.015	0.0%	59.0%	31.2%	0.0%	9.9%
Pound	0.32	0.27	0.004	35.2%	64.8%	0.0%	0.0%	0.0%
Shed	0.88	0.53	0.017	28.7%	15.6%	14.6%	24.9%	16.2%
Showground	0.35	0.26	0.008	44.0%	27.7%	15.8%	12.6%	0.0%
Sport and Recreation	2.17	1.69	0.035	54.2%	29.5%	0.9%	11.9%	3.6%
Grand Total	47.76	32.40	0.969	17.6%	51.2%	17.1%	9.6%	4.5%

¹ Values based on 30 September 2023 Data

Condition



Inspection Schedule

Inspection Type	Inspection intervals
Condition Inspection	Council inspects the condition of its Buildings Portfolio in accordance with its Buildings Revaluations. These are programmed every 3 – 5 years depending on inflationary environment.
Defect Inspection	Defects are currently captured reactively by property managers and through customer requests
Cyclical Inspection	Assets which are on a cyclical maintenance schedule (e.g. HVAC) are inspected inline with their programmed maintenance schedule.

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

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

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

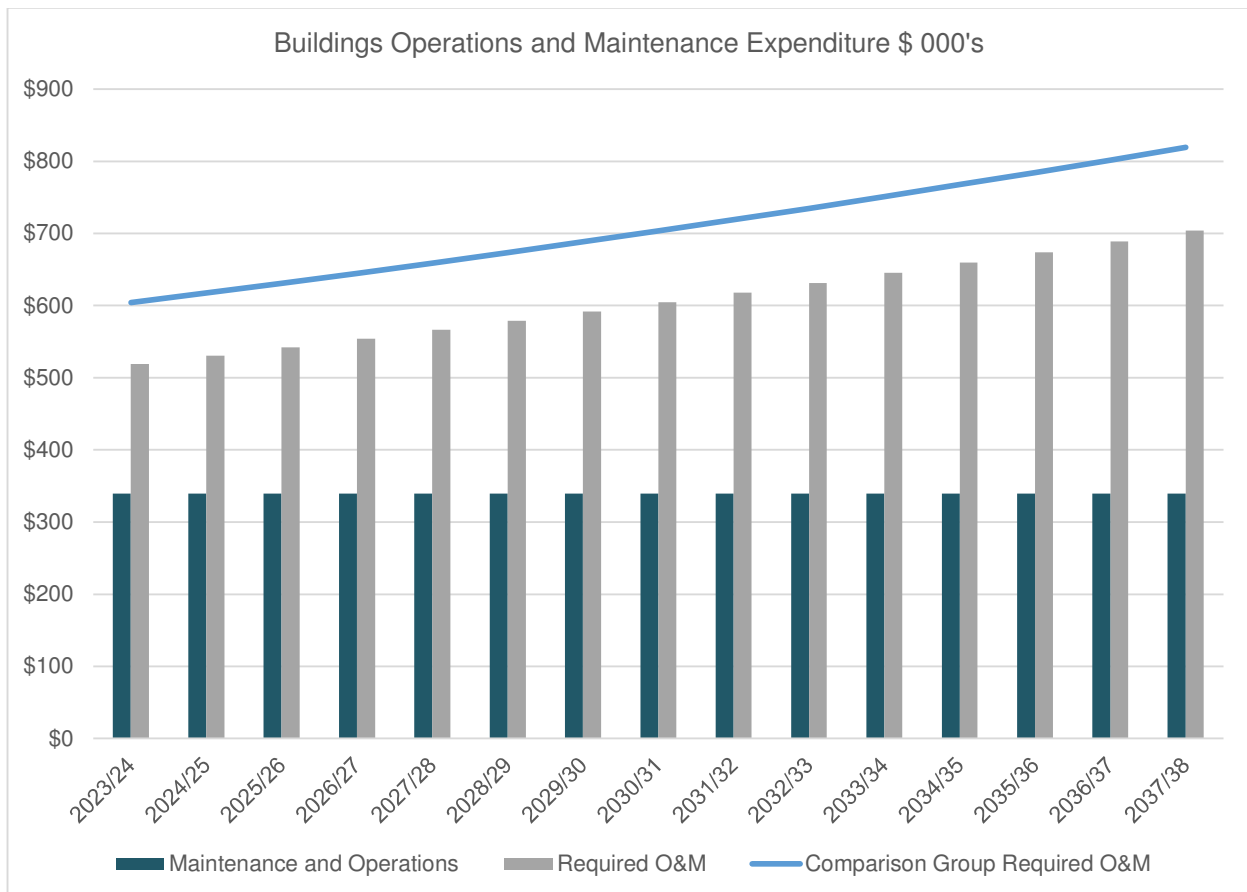
Asset class	Inventory	Condition	Age	Overall
Buildings	Reliable	Acceptable	Uncertain	Acceptable

Operations and Maintenance Plan

Councils currently manages defects in its Building portfolio in a reactive manner with no scheduled defect inspection program and relying upon property manager / customer requests on any issues which may arise.

Key Building components such as mechanical (HVAC), electrical and fire safety equipment are on cyclical maintenance and inspection schedules in accordance with legislation and have been programmed in.

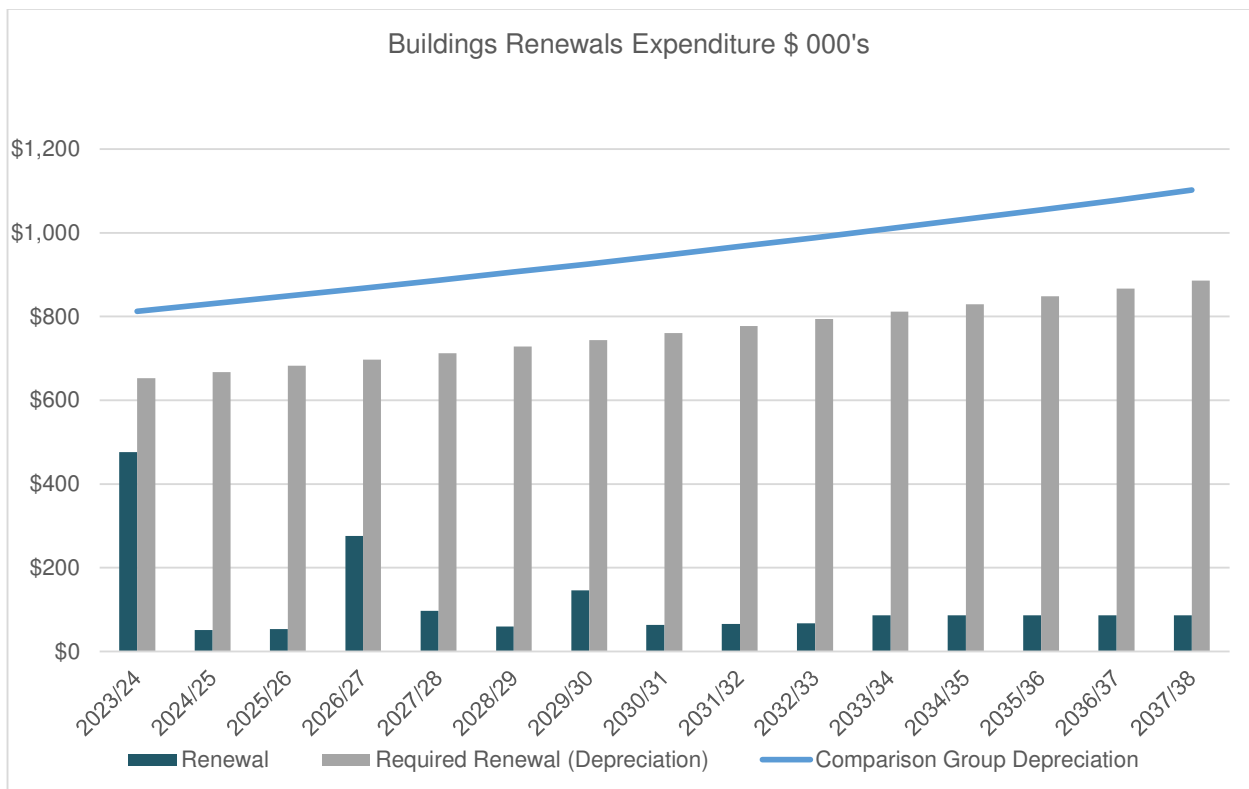
It should be noted that due to recent grant funding, a significant portion of councils buildings assets are currently in good condition and as such carry a reduced maintenance burden. As council's portfolio ages a cyclical defect inspection program will be implemented to optimise the cost of maintaining the network against the level of service delivered to the community.



Council undertook a high-level comparison of its maintenance and operations expenditure against similar NSW councils relative to the value of its portfolio. The analysis showed that Council has budgeted approximately 60% of the required funding for operations and maintenance in the current long term financial plan. While there is a significant portion of assets in 'New and Good' condition (68%), a continued shortfall here will accelerate the degradation of the condition of the portfolio and result in an increase in backlog over the 10 – year period.

1.1. Renewal Plan (Capital)

Historically, council’s asset replacement and renewals for its Building portfolio has been reactive and opportunistic to the availability of state and federal grant funding. However, having completed a full condition assessment of its portfolio as part of a revaluation in 2023, council is in the process of developing a long-term program of works for its assets. A key consideration as part of the program is the functionality (are the buildings still fit for purpose) and utilisation (have the buildings reached their usage capacity and are in need of expansion) of its Buildings in conjunction with the condition of its assets i.e. the program of renewal works will focus on the services delivered to the community and not just the physical assets themselves.



Currently, over the life of the plan, there is a significant shortfall in budgeted capital expenditure in the long-term financial plan relative to the consumption (i.e. the depreciation) of the portfolio. Less than 20% of the renewal requirements are funded in the later years of the Long Term Financial Plan and while there is a significant portion of assets currently in good condition, the consistent shortfall will result in a condition decay across the portfolio and an increase in backlog.

Risk Management

Risk Assessment

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

Service or Asset at risk	What can happen	Risk rating (VH,H)	Risk treatment plan	Residual risk*	Treatment costs
	Collapse or major failure of building structure resulting in injury or loss of service	H	Improved maintenance and renewal planning	L	
	Unplanned expansion of asset inventory	H	Develop and implement master plans	L	
	Low asset usage or inequity of facility provision	H	Implement master plans. E.g. Village Plans	M	
	Unauthorised entry/vandalism to buildings	H	Supply and Install new key system (As per Parks and Recreation AMP)	M	
	Injuries and Insurance Claims	H	Improved signage and compliance. E.g. Non Potable Water Signage	M	

* The residual risk is the risk remaining after the selected risk treatment plan is operational.

Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Similarly, critical failure modes are those which have the highest consequences. Critical assets have been identified and their typical failure mode and the impact on service delivery are as follows:

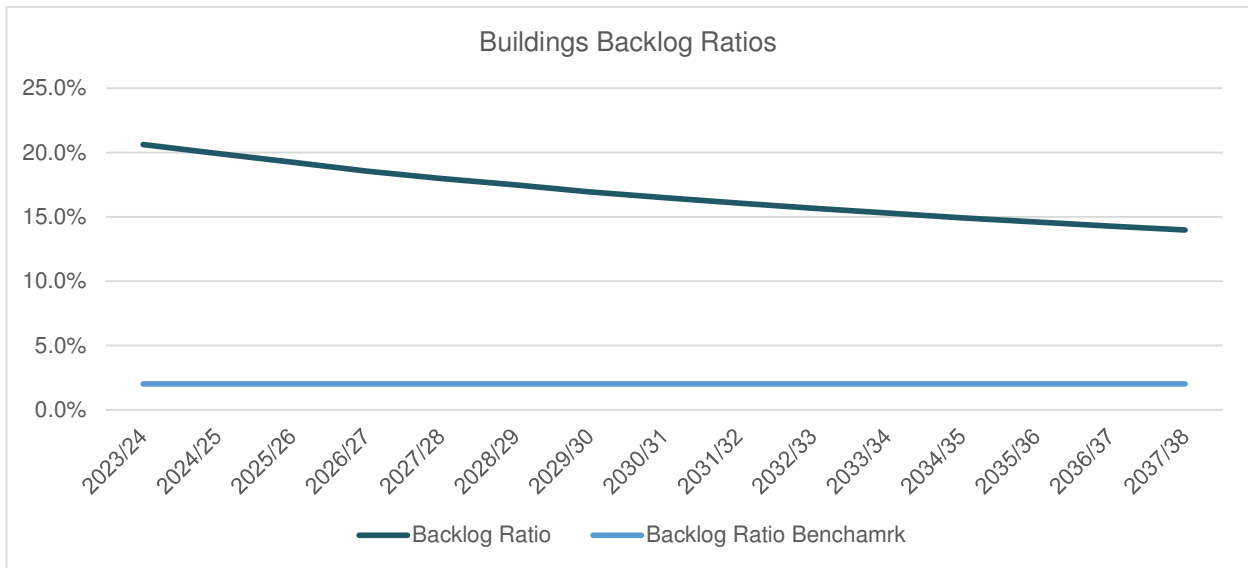
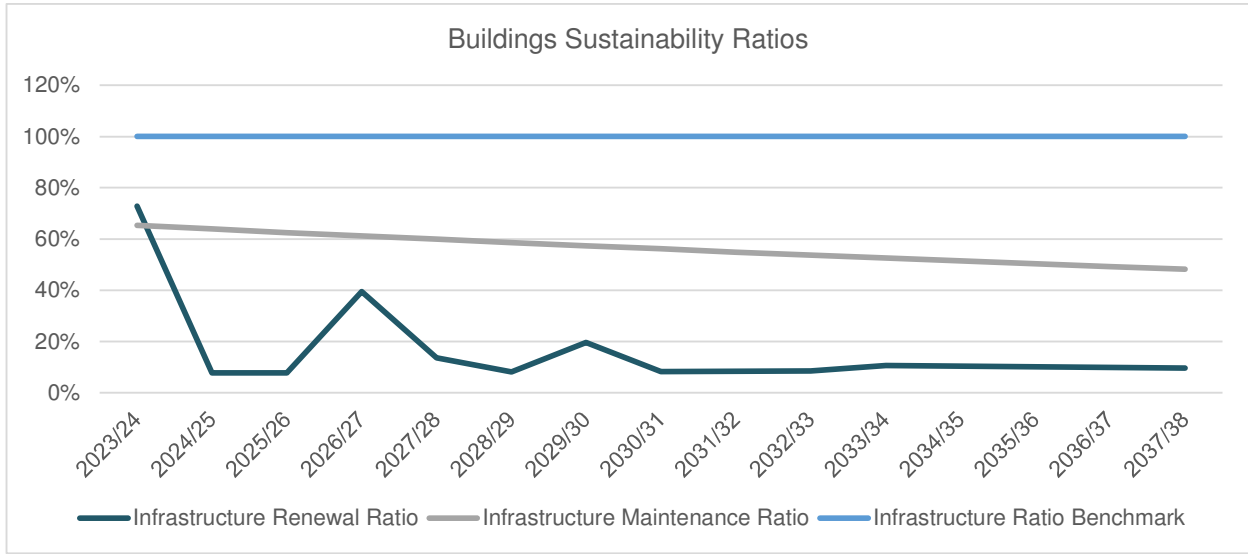
Critical Asset(s)	Failure mode	Impact
CentrePoint Sport and Leisure Centre	Failure of structural building components due to corrosive environment	Serious injury and reputation damage through closure of facility



Expenditure Forecast

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Actual (Budgeted) Expenditure											
Renewal	\$476	\$52	\$54	\$275	\$97	\$59	\$146	\$64	\$66	\$67	\$87
New and expanded	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and Operations	\$339	\$339	\$339	\$339	\$339	\$339	\$339	\$339	\$339	\$339	\$339
Total Expenditure	\$815	\$391	\$393	\$614	\$436	\$398	\$485	\$403	\$405	\$406	\$426
Required Expenditure											
Required Renewal (Depreciation)	\$653	\$667	\$682	\$697	\$712	\$728	\$744	\$761	\$777	\$794	\$812
New and expanded	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Required O&M	\$519	\$531	\$542	\$554	\$566	\$579	\$592	\$605	\$618	\$631	\$645
Total Required Expenditure	\$1,172	\$1,198	\$1,224	\$1,251	\$1,278	\$1,307	\$1,336	\$1,366	\$1,395	\$1,425	\$1,457
OPEX Balance (GAP)	-\$180	-\$192	-\$203	-\$215	-\$227	-\$240	-\$253	-\$266	-\$279	-\$292	-\$306
RENEWAL Balance (GAP)	-\$177	-\$615	-\$628	-\$422	-\$615	-\$669	-\$598	-\$697	-\$711	-\$727	-\$725
TOTAL Balance (GAP)	-\$357	-\$807	-\$831	-\$636	-\$842	-\$909	-\$851	-\$963	-\$990	-\$1,019	-\$1,031

OLG Financial Ratios



2. Improvement and Monitoring

Improvement Plan

Improvement actions including who and by when.

Ref No.	Improvement Plan tasks	Priority	Suggested Timeframe
0	Existing Data Improvement Plan		
0.1	Calculation and disclosure of data input confidence levels for all assets classes (per AMPs).	Low	9/23
0.3	Assess and include Functionality and Capacity scores (1 to 5) for all relevant assets, as per asset class revaluations.	Low	12/24
0.4	Develop age data for assets, were construction date unknown, as per asset class revaluations.	High	3/24
2.	Asset Data and Knowledge		
2.1	Clean asset data to ensure that asset condition is measured consistently across the various asset classes and sub classes.	High	2024
2.2	Develop an asset condition inspection strategy that ensures all assets are inspected on a regular basis. Consider cyclical collection over a number of years.	High	2023
2.3	Separate non-depreciable components from reported condition profiles	High	2023
3.	Asset Knowledge Processes		
3.2	Undertake an annual desktop review of asset valuations ensuring that there is an annual review of useful life of assets.	High	2023
3.3	Implementation of 1:1 relationship between financial and technical register.	Very High	2025
3.3	Develop maintenance and renewal policy for councils' bridges and stormwater assets	Very High	2024
4.	Strategic Asset Planning Processes		
4.3	Undertake annual review of Asset Management Plan	Very High	2024
5.	Operations and Maintenance Work Practices		
5.2	Identify critical assets and incorporate critical asset risk mitigation plans into Council's emergency response planning procedures.	High	2024
6.	Information Systems		
6.3	Ensure integration and access between spatial system and current technical asset register	High	2024

Monitoring and Review Procedure

This AMP will be reviewed during annual budget planning processes and amended to show any material changes in service levels and/or resources available to provide those services as a result of budget decisions. The AMP will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the long-term financial plan. The AMP has a life of 4 years and is due for complete revision and updating within 12 months of each Blayney Shire Council election.