



# State of the Assets





# Our Assets

This Asset Plan focuses on infrastructure assets which account for almost 95% of the value of Council's total assets.

Infrastructure assets are represented by four portfolios:



**Roads and Footpaths (\$686M)**



**Buildings and Facilities (\$224M)**



**Stormwater Drainage (\$203M)**



**Public Open Space (\$75M)**

## Asset Value

As at 30 June 2023

<b>Replacement Cost</b>	<b>\$1,189,558,889</b>
<b>Depreciated Value</b>	<b>\$741,255,453</b>
<b>Annual Depreciation Expense</b>	<b>\$16,440,052</b>

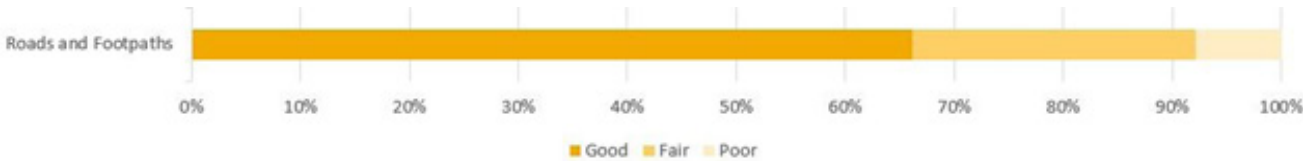


# Roads and Footpaths

## As at 30 June 2023

5,317 km Roads (1,065km sealed / 4,252km unsealed)  
 441 km Pathways  
 507 km Kerb and Channel

Replacement Cost	\$686,565,450
Depreciated Value	\$436,630,453
Annual Depreciation Expense	\$10,409,233

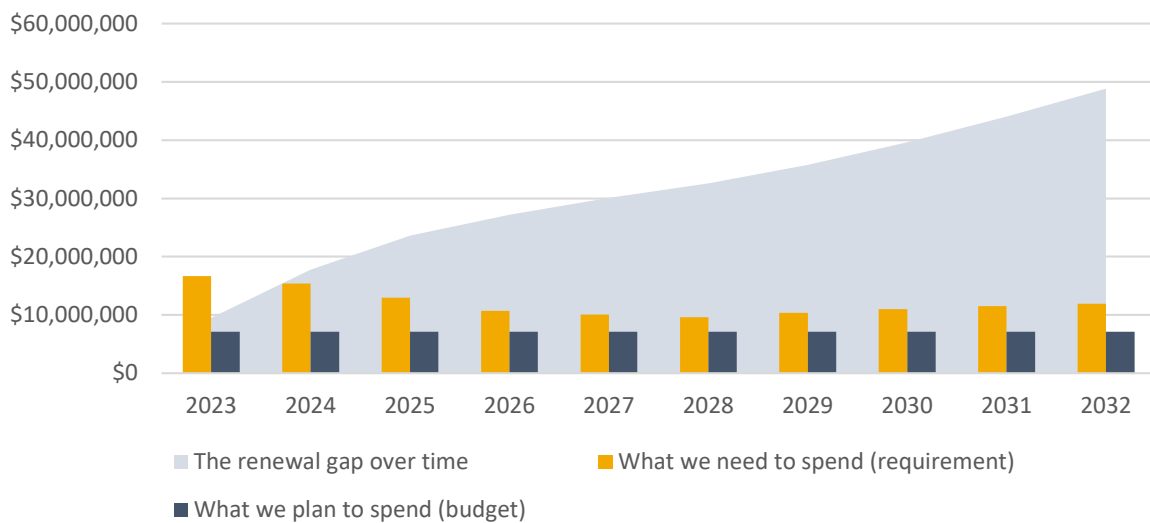


## Network growth:

2.72 km pa roads (historical 5-year average)  
 2.97 km pa pathways (historical 5-year average)  
 5.26 km pa kerb and channel (historical 5-year average)

80% Asset Sustainability Ratio  
 (Renewal Spend / Annual Depreciation)  
 59% Asset Renewal Funding Ratio  
 (over 10 years)

## Renewal funding



## Reflections:

- Changes in farming practices and the climate, impacts on the need to upgrade or downgrade roads in some outlying locations.
- As a consequence of the permission to use the entire road network, heavy vehicle requirements need to be applied.
- To cater for mobility devices, bicycle and pedestrian use, shared paths are required.
- Road safety devices and design should be applied to relieve traffic issues / congestion in areas of concern.



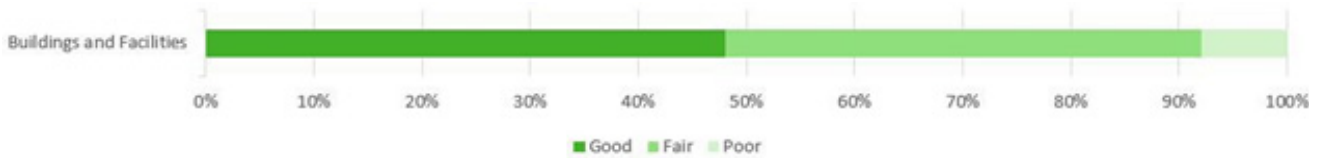
# Buildings and Facilities

## As at 30 June 2023

9 Tier 1 Buildings & Facilities  
 24 Tier 2 Buildings & Facilities  
 259 Tier 3 Buildings & Facilities

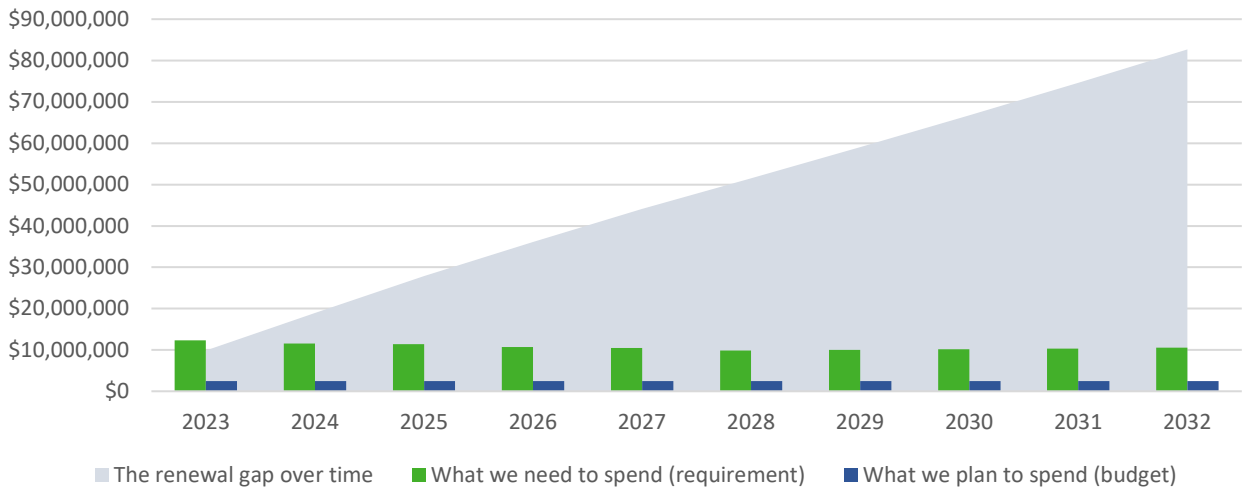
Note: Tier 4 and Tier 5 Buildings and Facilities, Pools and Water Play are excluded from this report.

Replacement Cost	\$224,040,406
Depreciated Value	\$105,343,692
Annual Depreciation Expense	\$2,650,746



46% Asset Sustainability Ratio  
 (Renewal Spend / Annual Depreciation)  
 23% Asset Renewal Funding Ratio  
 (over 10 years)

## Renewal funding



## Reflections:

- Over 50% of existing buildings are over 50 years old.
- Understanding whether a building is operating at, above or below capacity is important in managing the building network, which may lead to acquisitions or disposals. A capacity audit has been undertaken in some service areas but not others.
- There is an identified capacity issue in our Early Years infrastructure due to the introduction of the State Government's funded three-year old kindergarten program.
- Gender equity and disability access considerations should be included in the planning of Buildings and Facilities.

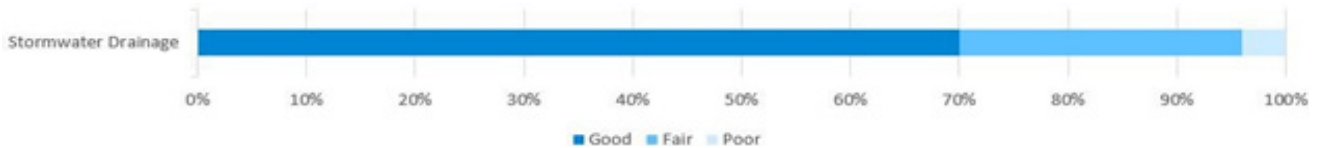


# Stormwater Drainage

## As at 30 June 2023

341 km Drainage Pipes  
 12,231 Drainage Pits  
 135 Stormwater Management Areas

Replacement Cost	\$203,452,299
Depreciated Value	\$162,473,871
Annual Depreciation Expense	\$1,475,824

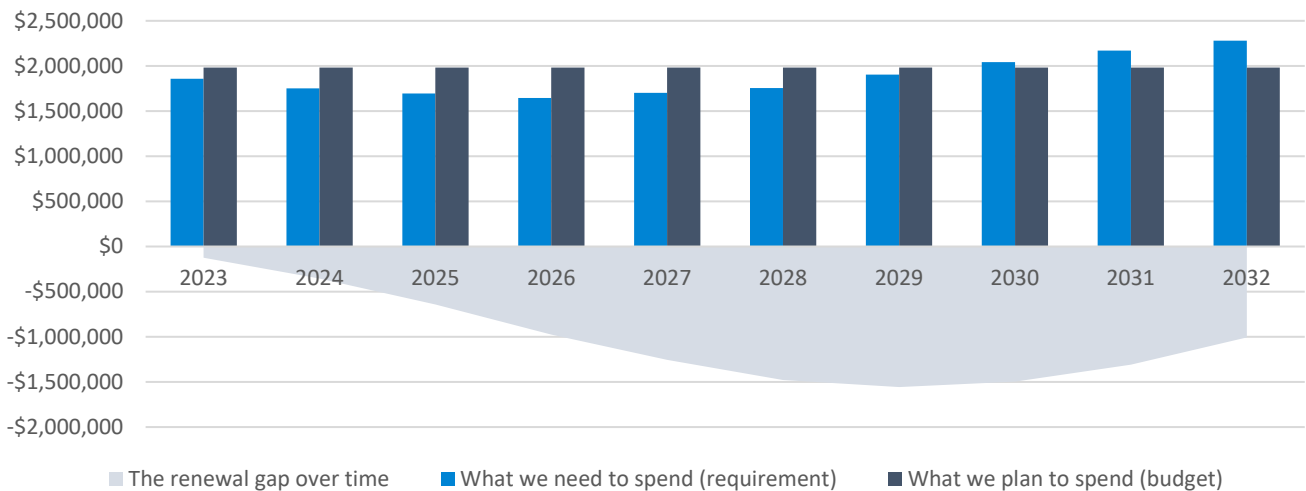


## Network growth:

4 km pa stormwater pipes  
 (historical 5-year average)  
 137 stormwater pits  
 (historical 5-year average)

104% Asset Sustainability Ratio (Renewal Spend / Annual Depreciation)
105% Asset Renewal Funding Ratio (over 10 years)

## Renewal funding



## Reflections:

- Whilst the majority of the drainage network is in adequate condition, there are known hot spot areas where the drainage capacity will not cater for the design storm event.
- There must be careful consideration of the network's capacity in planning for developing areas as expansion may put strain on the existing drainage system.
- Water may pool on a road for a period of time in a functional drainage network.
- Obstructions in drainage pipes i.e. roots, rubbish, will result in the network not performing at capacity. Regular monitoring of the pipe network through closed-circuit television (CCTV) and fixed zoom camera technology will mitigate risk caused by these defects.

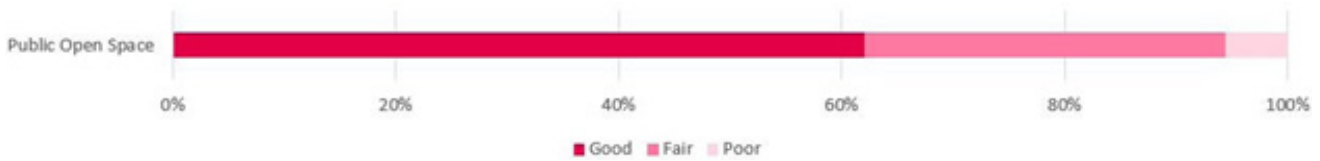


# Public Open Space

## As at 30 June 2023

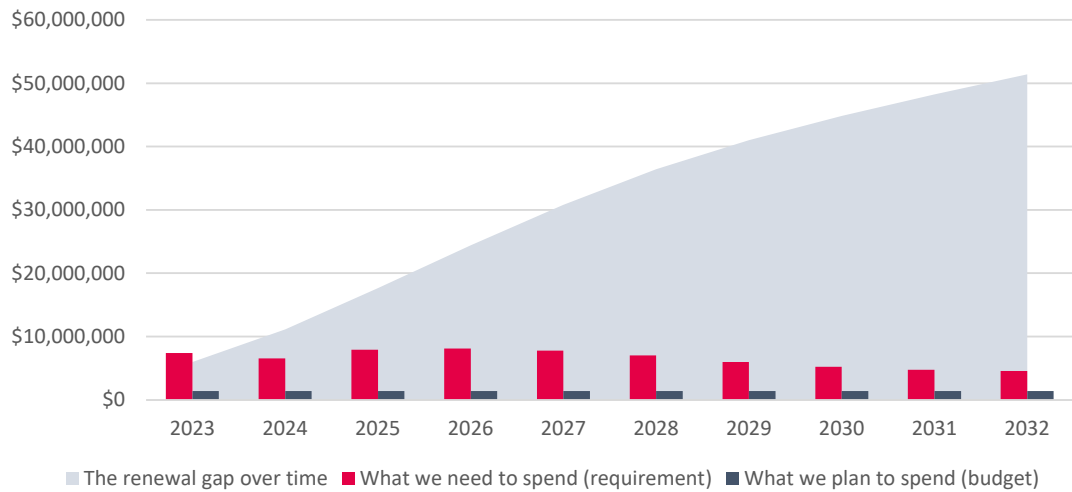
Over 4,100 items of Outdoor Infrastructure  
 282 Playgrounds and Fitness Equipment  
 139 Playing Surfaces  
 117 Recreation Structures  
 4 Skate Parks

Replacement Cost	\$75,500,733
Depreciated Value	\$36,807,437
Annual Depreciation Expense	\$1,904,249



90% Asset Sustainability Ratio  
 (Renewal Spend / Annual Depreciation)  
 22% Asset Renewal Funding Ratio  
 (over 10 years)

## Renewal funding



### Reflections:

- While overall in good condition, the Asset Renewal Funding Ratio is low with respect to the target of 100%. This is likely due to many assets being replaced through operational budgets or community grants.
- There are some open space provision gaps in developed areas identified in Council's Public Open Space Strategy.
- An infrastructure audit based on the classification in Council's Public Open Space Strategy will determine whether there is over-servicing or under-servicing of the network occurring.

# Financial Sustainability

The main principle of the state of the assets financial update and broader asset management planning is ensuring responsible stewardship of our assets to meet the needs of our community now and into the future.

## Financial Projections

This section outlines the projected expenditure requirements (\$'000) for our assets over the next 10 years.

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Recurrent	\$16,373	\$17,023	\$17,023	\$17,023	\$17,023	\$17,023	\$17,023	\$17,023	\$17,023	\$17,023	\$169,580
Renewal	\$38,254	\$35,235	\$33,974	\$31,236	\$30,036	\$28,266	\$28,263	\$28,437	\$28,815	\$29,364	\$311,880
Growth	\$20,638	\$7,381	\$7,527	\$8,159	\$7,843	\$8,410	\$9,058	\$10,195	\$10,510	\$11,321	\$101,042
<b>Total</b>	<b>\$75,265</b>	<b>\$59,639</b>	<b>\$58,524</b>	<b>\$56,418</b>	<b>\$54,902</b>	<b>\$53,699</b>	<b>\$54,344</b>	<b>\$55,655</b>	<b>\$56,348</b>	<b>\$57,708</b>	<b>\$582,502</b>

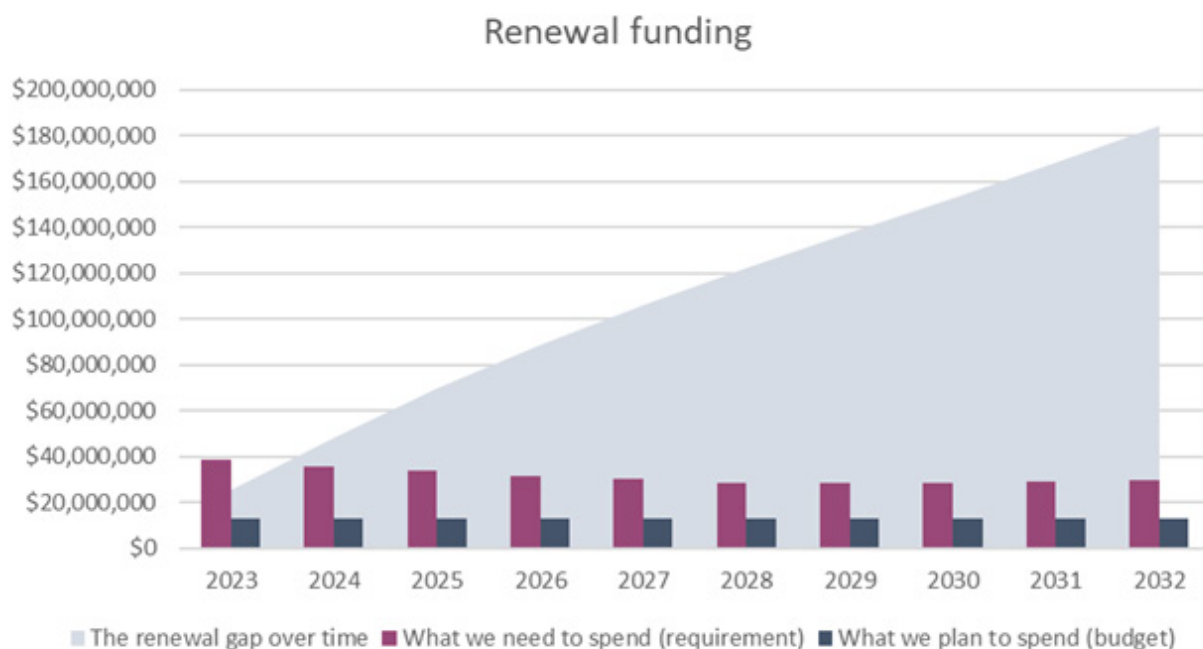
The total expenditure (\$'000) over the 10 year planning period, by asset portfolio, is summarised in the table below.

	Recurrent	Renewal	Growth	Total
Roads and Footpaths	\$58,650	\$120,188	\$47,491	\$226,329
Stormwater Drainage	\$3,211	\$18,805	\$14,815	\$36,831
Buildings and Facilities	\$73,095	\$107,596	\$14,549	\$195,240
Public Open Space	\$34,624	\$65,291	\$24,187	\$124,102
<b>Total</b>	<b>\$169,580</b>	<b>\$311,880</b>	<b>\$101,042</b>	<b>\$582,502</b>

The spending on our assets represents a significant investment by the community and is fundamental in enabling us to meet ever changing demands and to safeguard a vibrant and sustainable future for generations to come.

## Our Renewal Gap

The renewal gap represents the funding shortfall associated with the renewal of our existing asset network. It is determined by comparing what we need to spend (based on our service levels for the existing asset network), with what we have available to spend on renewals (guided by the annual depreciation expense), with the difference being the renewal gap. If we continue to manage assets the way we do currently, the renewal gap will grow to \$181m over the next 10 years.



\$'000	Renewal Required	Renewal Available	Shortfall
Roads and Footpaths	\$120,188	\$71,369	\$48,819
Stormwater Drainage	\$18,805	\$19,813	-\$1,008
Buildings and Facilities	\$107,596	\$24,882	\$82,714
Public Open Space	\$65,291	\$13,884	\$51,407
<b>Total</b>	<b>\$311,880</b>	<b>\$129,948</b>	<b>\$181,932</b>

## What can we do to reduce the gap?

There are many factors contributing to the growing renewal gap. Some of these factors include the age and condition of our infrastructure, funding limitations, service levels and risk management.

Through engagement with our community, we can work on strategies that will reduce the gap. These may include reviewing existing service levels and intervention levels, useful lives, accepting a higher level of risk, closure or decommissioning assets. These considerations will need to be made for each service that utilises assets in its delivery.