

# Coorong Asset Management Strategy

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2023–2033





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## INTRODUCTION

The Coorong District Council region is one of the most diverse in South Australia. Spread over 8,832 square kilometres, the Coorong District Council comprises three distinct geographical zones, each is connected to the other but is unique in its character, and together they combine to present opportunity for current and future generations.



These three geographical zones are:

- **GATEWAY**  
the tourism and grain gateway of Taillem Bend
- **TOURISM**  
wetlands and waterways of the lower lakes and Coorong
- **FOOD BOWL**  
the food-bowl of the Upper Southeast



**Coorong District Council Geographical Zones**

**FIGURE 1**

Coorong District Council is the custodian of a large portfolio of community assets with an estimated replacement value of approximately \$243 million.

As South Australia’s largest Council by area, a significant proportion of Council’s Asset inventory is made up of an extensive road network required to support our community in terms of freight movements, commuting to services and supporting tourism. Coorong District Council also manages an extensive buildings and structure portfolio, four (4) community wastewater schemes, two (2) non-potable / non-drinking water supply systems, a significant fleet of construction and maintenance equipment, and a vast array of parks, gardens and nature reserves spread across the district.

A key focus and requirement of the Coorong District Council is to ensure that the assets and infrastructure under its care and control, and which support services provided to the

community, are managed in an efficient, responsible, and sustainable way.


Failure to adequately manage existing assets and infrastructure will result in Council not meeting the long term needs of the community, placing a significant risk on Council’s sustainability and shift an unfair financial burden onto future generations.

The Coorong Asset Management Strategy (CAMS), along with Council’s Asset Management and Accounting policies, supported by Asset Management Plans specific to asset type, and Councils Long Term Financial Plan, form the basis of developing a framework for sustainable service delivery and generational equity in the management of community assets.

# STRATEGIC OBJECTIVE

## ASSET DETAILS

In March 2021, Coorong District Council launched its 2021-2025 Community Vision Plan. The Community Vision Plan (CVP) sets the direction for Council's work over a four (4) year period and provides the structure for how Council will meet its legislative requirements and achieve balanced, effective, and sustainable outcomes for the community.

The objective of this strategy is to guide the asset management practices of Council to ensure the infrastructure and asset portfolio meets the service delivery requirements of the community and aligns with the [2021-2025 Community Vision Plan](#)  and subsequently informs Council's Long Term Financial Plan (LTFP).

Community Vision Plan strategic outcomes that align to Council's asset management objectives are detailed in *Figure 2 – Asset Management Strategic Objectives*.

### Strategic Delivery

The Coorong Asset Management Strategy will be delivered through:

- Identifying all relevant legislative, regulatory, and statutory requirements together with political, social, economic, and environmental requirements.
- Establishing consistent Asset Management practices throughout Council by aligning them to ISO 55000:2014 without seeking ISO accreditation in the short term.
- Integrating Asset Management principles within existing planning, development, and operational processes.
- Fully funding agreed service levels defined in the Asset Management Plans that are aligned to Councils Long Term Financial Plan (LTFP).
- Ensuring resources and operational capabilities are identified and responsibility for Asset Management is allocated appropriately.
- Demonstrating transparent and responsible Asset Management processes that align with best practice Asset Management and Councils Asset Account and Asset Management Policies.
- Addressing risks associated with the provision of infrastructure and assets and implement management strategies to control risks identified.
- Develop a community consultation tool to assess and measure service level outputs against sustainable service costs.

The successful delivery of the Coorong Asset Management Strategy will rely on a process of continuous improvement and growth in the development of Councils asset management system. A Detailed Asset Management improvement plan has been documented as part of this strategy.

**Asset Management Strategic Objectives**

**FIGURE 2**

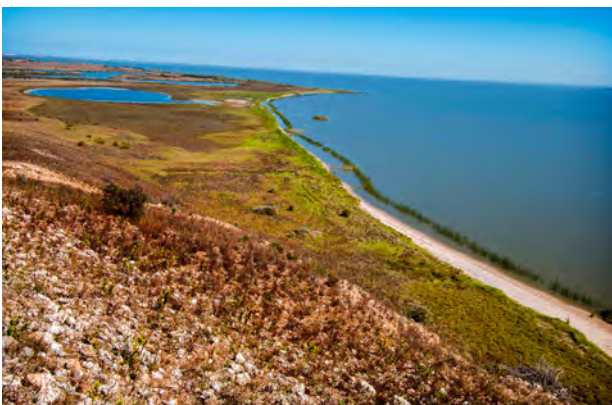
|                            |  |  |
|----------------------------|--|--|
| <b>2</b><br>Infrastructure | <b>2.1</b>   | <b>Our Roadways and Footpaths</b>  |
|                            | 2.1.1  | Enhance Council’s heavy vehicle road network to accommodate the growth in primary production   |
|                            | 2.1.2  | Maintain our unsealed road network in line with emerging and changing needs  |
|                            | 2.1.3  | Improve Council footpath network within its townships based on changing community and demographic needs                              |
|                            | <b>2.3</b>   | <b>Built Environment</b>   |
|                            | 2.3.1  | Review, update and deliver Asset Management Plans for Council’s major assets classes   |
| <b>3</b><br>Community      | <b>3.2</b>   | <b>Social Connections</b>  |
|                            | 3.2.1  | Provide welcoming spaces and places for the community through our libraries, community centres and council and community facilities. |
| <b>4</b><br>Environment    | <b>4.3</b>   | <b>Parks and Reserves</b>  |
|                            | 4.3.1  | Work with other agencies to optimise awareness of and access to existing parks and reserves  |
|                            | 4.3.2  | Work with other agencies to optimise environmental and sustainable management of existing parks and reserves                         |
|                            | <b>4.5</b>   | <b>Water Security</b>  |
|                            | 4.5.3  | Promote adoption of water security technologies and innovations  |
|                            | <b>4.6</b>   | <b>Climate Change</b>  |
| 4.6.3                      | Continue to identify and deliver actions which address or mitigate the impacts of climate change |  |
| <b>5</b><br>Leadership     | <b>5.3</b>   | <b>Business Excellence</b>   |
|                            | 5.3.2  | Council takes a responsible approach to financial sustainability   |
|                            | 5.3.8  | Council Members actively communicate and consult with the community  |



# ASSET MANAGEMENT FRAMEWORK

The Coorong District Council acknowledges the need for a structured asset management framework to develop, consolidate and improve its asset management practices. An asset management framework is not simply a software system, but rather a set of interconnected elements, used by an organisation to direct, coordinate, and control its asset management activities. *Figure 3 – Coorong Asset Management Framework*

The asset management system comprises a combination of organisational functions, which includes people, processes, information, and tools necessary to manage and deliver best practice and contemporary management of Council asset and infrastructure portfolio.



The elements of this framework include:



**Asset Management Policy:** provides guidelines and a framework for implementing coordinated and consistent asset management across Council, as well as defining key principles in which we will review and manage our assets. [Asset Management Policy \(coorong.sa.gov.au\)](https://www.coorong.sa.gov.au) 



**Coorong Asset Management Strategy:** (this document) provides a 10-year action plan to deliver on the principles of the Asset Management Policy. It specifies asset management objectives and articulates how we will achieve these objectives. As Council reviews the Community Vision Plan every four years, the Asset Management Strategy will be reviewed and updated to ensure it aligns with the Community Vision Plan.



**Asset Management Plans:** outlines the practices and procedures required to manage and operate Councils assets at an agreed level of service. Asset Management Plans provide details on current assets, future asset requirements, agreed levels of service, and capital investment required to deliver services now and in the future.






**Asset Lifecycle Activities:** defines the delivery component and visible actions regarding the management of Council assets. This element of the AM framework involves the planning and forecasting of capital works programs, managing the acquisition of gifted asset, monitoring performance of existing assets, and identifying timing and treatments required for renewal, upgrade, expansion and disposal of assets.

Asset Lifecycle activities also involves the operations and maintenance programs developed and implemented to ensure assets perform as intended and meet lifecycles targets in terms of the level of service specific assets provide the community.



**Long Term Financial Plan** : outlines the future funding requirements to deliver Councils long term strategic objectives and whole-of-life asset management practices, including but not limited to operations, maintenance, renewal, upgrade, and the provision of new infrastructure.

### Coorong Asset Management Framework

FIGURE 3



## ASSET MANAGEMENT MATURITY

Pursuant to the South Australian Local Government Act 1999 section 122, Coorong District Council must develop and adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets for a period of 10-years.

As such, Council has a responsibility to manage its assets to ensure cost effective delivery of its services which is based on the principle of sustainably managing the built and natural environment.

In assessing Council’s current asset management capacity, several gaps and areas requiring improvement have been identified. In accordance with the following table, Coorong District Councils has a self-assessed “Maturity Level” of 2.

Historically, Council’s approach to managing infrastructure has been reactive. This approach is where incidents and failures drive operational decisions and financial modelling of asset renewal is based on simple straight-line depreciation rather than a consumption-based model. Council knows, with a moderate degree of confidence, what assets it has and at what condition they are in.

Coorong District Council is committed to improving its asset management maturity and aspires to reach a “Maturity Level” of 4, along with aligning its asset management processes to ISO55001 – Asset Management Systems, by June 2027.

Maturity Level 4 will see Council using asset data to develop and manage capital works programs, forecast future capital expenditure needs and optimise operational and maintenance expenditure.

Asset Management Maturity Scale

FIGURE 4



All future Asset Management Plans will be developed with a focus on elevating Council’s Asset Management maturity and incorporating contemporary asset management strategies and improvement actions, including but not limited to:

- Decision making based on asset criticality and risk.
- Develop consumption based predictive modelling for assets renewal.
- Establish ongoing condition assessment and revaluation schedule, including budget provision, for all assets categories on 3 to 5 yearly cycles.
- Confirm the condition and remaining life of assets identified for renewal over and investigate alternatives for renewal or extension of the asset lives.
- Implement a robust asset acquisition and disposal processes.
- Assess the current levels of service being provided to stakeholders and determine if they are achievable within the setting of the Long-term Financial Plan. Stakeholder groups with an interest in Councils assets and infrastructure are detailed within figure 5.

**Asset Management Stakeholder**

**FIGURE 5**

| Stakeholder Group                      | Role Description   |
|--|--|
| <b>Council Officer</b>                 | Council officers play a role in analysing asset data and modelling levels of service aligned to the LTFP to find a sustainable balance between service expectations of both residents and visitors to the area and affordability.                            |
| <b>Elected members</b>                 | Councillors and the Mayor of the Council are primarily responsible for ensuring that their decisions represent and reflect the needs of the wider community in terms of service expectations, sustainability, and responsible financial management.          |
| <b>Residents</b>                       | Residents are the core users of Councils asset inventory. Their needs, wants and service expectations are conveyed to the Council, which should be considered and reflected in the desired levels of service   |
| <b>Visitors/Tourist</b>                | Visitors and Tourists are the second largest users of assets, due to their frequency of use driven being driven by seasonal influences. Visitors’ wants, needs and service expectations drive development in areas of the high criticality assets.           |
| <b>Insurers (LGA)</b>                  | Insurers have an interest to drive the implementation of systems to enable Council to build asset management maturity.   |
| <b>State Government &amp; Agencies</b> | Contribute to the setting of service levels and the provision of funding for asset maintenance programs. This stakeholder group includes Roads Authority (DIT), Emergency Services, Sport & Recreation, and Utilities Authorities such as SA Water and SAPN. |
| <b>Federal Government</b>              | Contributes to the setting of service levels and the provision of funding for asset maintenance and capital works programs. Representatives of this stakeholder group include Australian Department of Infrastructure and Regional Development, etc          |

# ASSET PORTFOLIO & CURRENT STATUS

## ASSET CLASSIFICATION

The intent of the Coorong Asset Management Strategy (CAMS) is to consider Council’s entire asset inventory and analyse performance in terms of asset criticality, service level, risk management and best practice engineering principles, in order to reach as balance between communities’ expectation and level of service affordability.

The challenge for asset management practitioners is to understand the way assets perform over time and whether assets can be maintained in a “fit for purpose” condition, given that significant proportions of Council’s asset portfolio were built many years ago.

The needs of Coorong District Council’s community are changing rapidly. Sustained growth in freight movements, including vehicle size; intensification and expansion within the agriculture sector and a significant uplift in domestic tourism presents Council with challenges to not only fund existing asset renewal but also provide for the upgrades, expansion, and new infrastructure to meet the communities’ growing needs and expectations.

To manage its asset portfolio effectively and identify the priority needs of the community, Council has categorised its asset inventory into (4) specific asset classes.

## Asset Management Categories

FIGURE 6

| Asset Category  |
|---|
| <b>Roads and Transport Infrastructure</b><br><b>ASSET SUB-CLASSIFICATION</b> <ul style="list-style-type: none"> <li>• Sealed Roads, Unsealed Road and carparks</li> <li>• Footpaths, kerb and other road related surface drainage</li> </ul>  |
| <b>Buildings &amp; Community Facilities</b><br><b>ASSET SUB-CLASSIFICATION</b> <ul style="list-style-type: none"> <li>• Buildings, Sport and Recreational Facilities &amp; Public Amenities</li> <li>• Playgrounds, Public Art, Street and Park Furniture</li> <li>• Marine Structures</li> </ul> |
| <b>Water &amp; Drainage Infrastructure</b><br><b>ASSET SUB-CLASSIFICATION</b> <ul style="list-style-type: none"> <li>• Community Waste Water Management Systems (CWMS)</li> <li>• Irrigation Systems</li> <li>• Stormwater Drainage Infrastructure</li> <li>• Non-potable Water Supply</li> </ul> |
| <b>Plant and Fleet</b><br><b>ASSET SUB-CLASSIFICATION</b> <ul style="list-style-type: none"> <li>• Plant and Fleet</li> </ul>   |

## REPLACEMENT COST, USEFUL LIFE & FAIR VALUE

The total value of Council’s asset portfolio has been calculated at \$242.7 million dollars.

Council utilised various methods for the development of asset valuations which is subject to external audit and approval to meet asset accounting standards. Council’s asset portfolio including Replacement Value, Annual Depreciation and Fair Value are presented in Figure 6.2 – Asset Valuation and Fair Value

The annual depreciation expense, or asset consumption, is considered a measure of the wearing out or loss of an assets value over time that arises from the assets intended use.

It should be acknowledged that the use of depreciation is no longer considered best practice in determining community-based level of service required or to develop annual renewal budgets.

Modern asset management practice has a focus more on sustainability-based analysis of asset service level with long term financial plans based on strategic lifecycle modelling and planning.

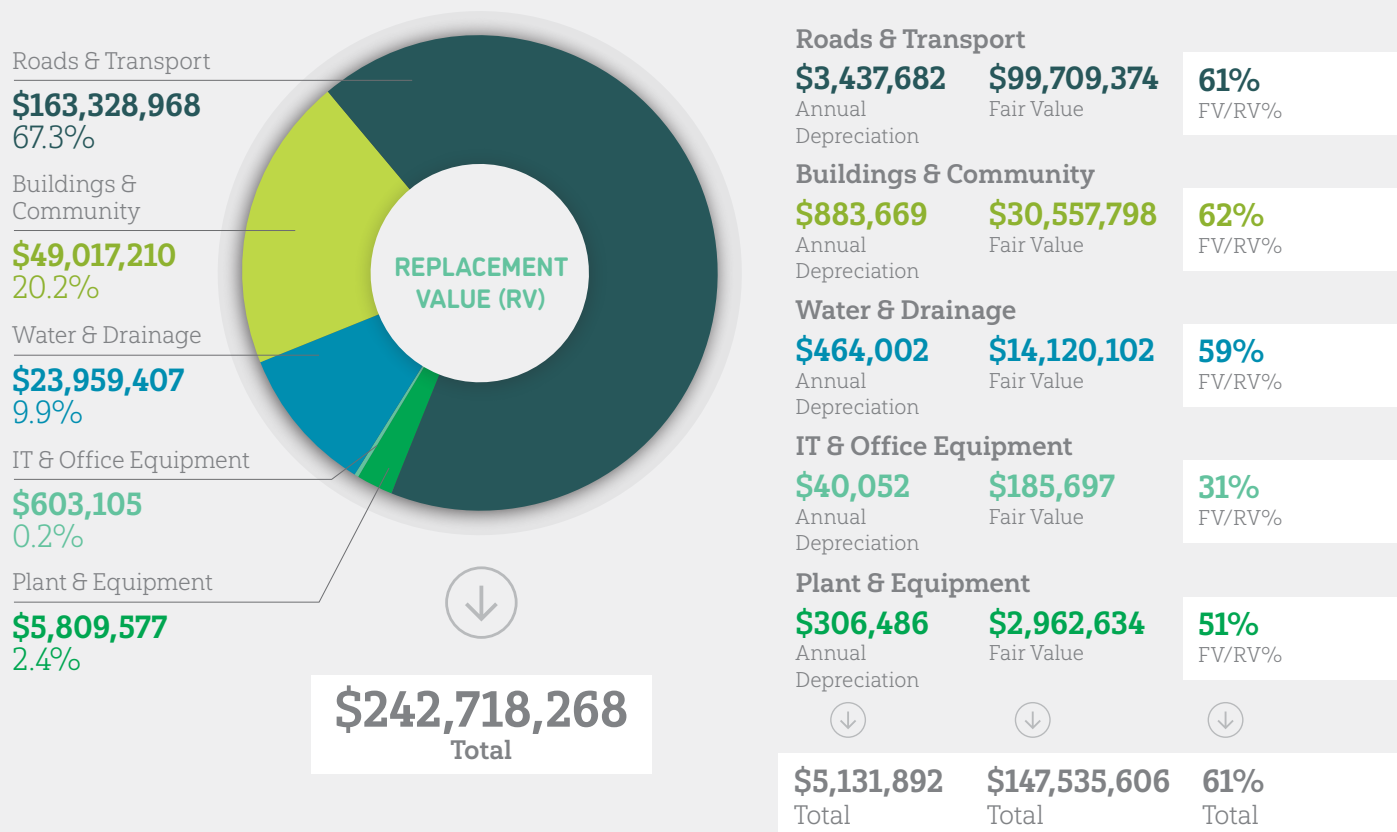
From a sustainability measure, the Remaining Service Potential Index of Coorong District Council’s asset inventory is calculated at 61%. This ratio is calculated by taking an assets **Fair Value** divided by the **Replacement Cost**.

**Fair value** is a broad measure of an asset’s intrinsic worth measured in terms of condition and performance and is used rather than **Written Down Value (book value)** which is financial measure based on depreciation.

The lower the ratio, the more the asset stock has been consumed, which typically indicates that historically, not enough capital expenditure has been allocated to the renewal of assets.

Asset Valuations and Fair Value

FIGURE 7



\* NOTE: The figures displayed in Figure 6.2 represent the financial status of Council asset inventory at a point in time. As assets are consumed on a continuous basis the fair value of asset will continue to decline. In addition, not all assets depreciated in a linear fashion, as such annual depreciation may vary over time for different asset categories. This table will be updated at each review.

# STRATEGIC CHALLENGES

## CLIMATE CHANGE

The Australian Government Bureau of Meteorology latest generation of global climate modelling indicates that over coming decades Australia is projected to experience the following environmental impacts as a result of climate change.

*As the climate changes, so must Council's approach to managing its assets.*

With the onset of climate change, Council's risk profile will shift, and it is critical that its asset management practices are adaptive and agile to accommodate the potential impacts.

Climate change will impact the decisions Council makes regarding managing its asset portfolio in at least three ways:

1. Compliance with policy, legislation, and community expectation to mitigate climate change and reduce Councils environmental footprint whilst maintaining services. (Implementation of circular economy principles)
2. Managing the risk Climate Change posed in

terms of damage to assets and the provision of resources to address the impact in a timely and affordable fashion.

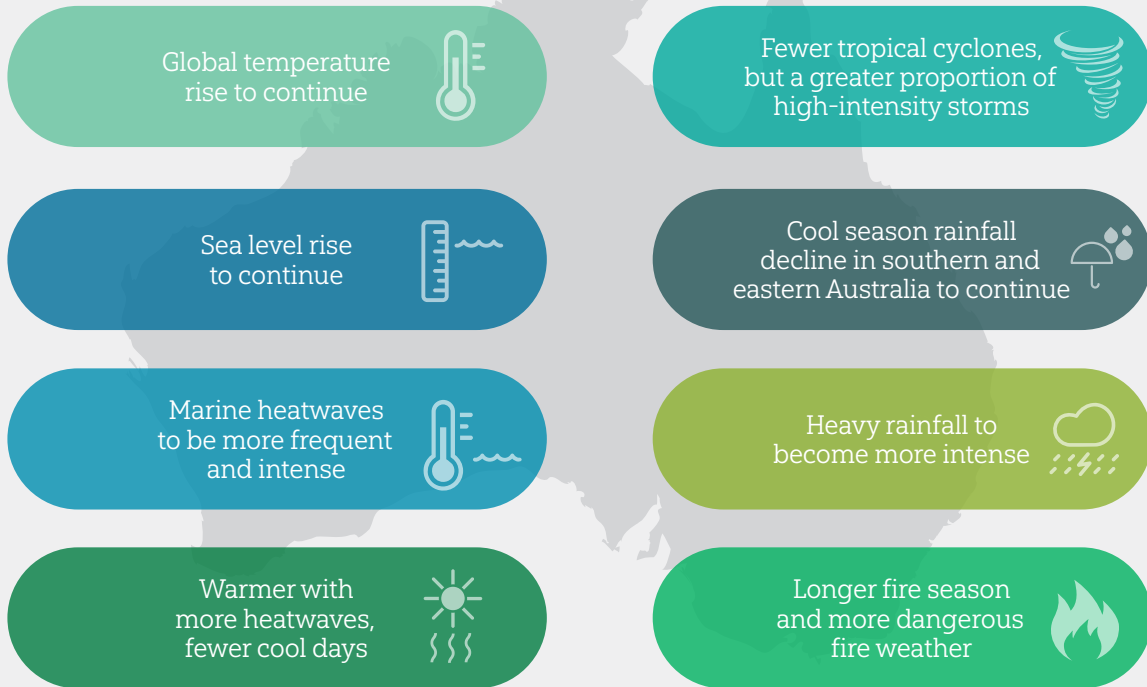
3. The impact on the cost of maintaining, operating, renewing, and upgrading assets so that they continue to be fit for purpose and provided a desirable level of service.

In terms of Climate Change, Council's will need to take an agile approach in how it manages its asset inventory. In the process of managing assets Council will need to consider:

1. The use of recycled materials and circular economy initiatives to combat the increased cost in materials as well as limiting the volume of new/raw material being used.
2. The additional costs associated with not only renewing assets but upgrading and/or enhancing assets to accommodate more frequent and more intense weather events.
3. Refining procurement practices to consider innovation in reducing environmental footprint and incorporate this in terms of awarding and delivering works.
4. Identify and implement opportunities to offset Council environmental footprint.

## Impacts of Climate Change

FIGURE 8



Source: Bureau of Meteorology and CSIRO

## AGEING INFRASTRUCTURE

Coorong District Council has care and control of a vast asset portfolio, some of which was constructed many decades ago. Whilst these assets have served the community well, some are approaching the end of their expected life where the physical condition and service provided no longer meet the expectation of the community. The risk associated with aging infrastructure is one that must be acknowledged and managed.

Addressing aged base risk requires a long-term strategy, as such Council will address the risk of aging infrastructure by:

- Adopting best-practice asset management strategies to ensure intergenerational sustainability and that assets are 'fit for purpose and fit for use'.
- Forecast, priorities, and plan for the funding required to upgrade existing infrastructure assets to meet changing needs, priorities and expectations of the community.
- Implement evidence-based funding analysis and optimised budgeting frameworks.
- Being able to reliably predict the condition of assets into the future based on the current rate of expenditure as well as other funding scenarios.
- Applying sound risk management and mitigation associated with Council's infrastructure assets.
- Identifying and planning for future maintenance and operational needs while managing sustainability through the introduction of level of service standards.

## NETWORK SIZE & RESOURCING

The Coorong District Council covers 8,832 square kilometres and has a road network approaching 2,000 kilometres. The sheer size of the Council area poses a significant challenge for staff to address asset management responsibilities in a timely and efficient manner.

To address this challenge Council must become adaptive and implement systems that build capacity in its workforce so that all staff can perform asset management tasks as part of their normal working day.

These tasks may include.

- Proactive and reactive asset inspections
- Hazard observations and notifications
- Condition reporting
- Data collections
- Risk inspections and mitigation strategies

All Council staff have been provided with suitable Information Technology to assist in the collection of information when working in the field, however a full mobile solution has not yet been implemented. The implementation of a mobile asset management data collection and reporting system that is integrated and aligned with Council's corporate asset management system will form part of this strategies improvement plan.

In addition, Council need to investigate opportunities to educate, enable and empower the community, as the primary users of Council assets, to be proactive and provide constructive and balanced feedback regarding the condition and performance of assets. Like a mobile solution for staff, the development of a process to enable the community to become an integral part of the Coorong Asset Management Strategy improvement plan.

## FINANCIAL CONSTRAINTS

The CAMS purpose is to develop the strategies to achieve the asset management objectives through balancing asset service performance, cost, and risk.

The development of appropriate strategies needs to be undertaken in the context of limited financial resources and competing funding priorities. Incorporating strategic predictive modelling tools and techniques will allow Council to undertake long-term infrastructure asset planning, across its complex portfolio of infrastructure assets, and:

- Inform long term financial planning and investment in asset renewal and improvements.
- Forecast the future performance and level of service of infrastructure assets based on various investment models.
- Optimise available budgets over the life of the asset portfolio and identify priorities based on risk when funding is constrained.
- Develop long term investment forecasts and financial plans and five (5) year works programs for the renewal of Councils asset portfolio.
- Build scenario-based models that compare outcomes of different asset management strategies (treatment types, intervention triggers, budget constraints, level of service) to inform decision makers.





# ASSET MANAGEMENT APPROACH

## OPERATIONS AND MAINTENANCE

Operations activities are actions undertaken during normal daily business activities which are necessary to meet service delivery requirements and community expectations.

Operational activities can include service delivery tasks such as irrigation of an oval or cleaning of public amenities. Operational activities also include proactive and reactive inspections undertaken by Council staff and / or specialist contractors to inform works programs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to its intended lifecycle profile path ensuring that it continues to provide its intended level of service, for which it was designed.

Maintenance activities include works such as repairing isolated defects such as pothole patching or repairing a broken swing. Often this type of work has a low financial threshold as the expenditure does not improve the assets condition, but rather ensures that the asset's performance and failure does not accelerate faster than its intended useful life.

Coorong District Council allocates \$5.97M per annum (2022/23) to undertake ongoing proactive and reactive maintenance, and operational tasks on infrastructure under its care and control.

## RENEWAL, REPLACEMENT, REHABILITATION

The fundamental principle of Asset Management is to ensure infrastructure and assets under the care and control of Council are managed and renewed in the most economical and practical manner.

Renewal expenditure is defined as Capital Works that do not increase the asset's design capacity but restores, rehabilitates, replaces, or renews an existing asset to its original service potential. Sound asset management dictates that assets are renewed or replaced before they deteriorate to the point where associated assets may be affected or become unserviceable.

## UPGRADE AND EXPANSION

Upgrade and expansion works are associated with improving service levels beyond the original designed capability or current day equivalent. Additionally, expansion works include activities that extends the capacity of an existing asset, to provide higher levels of service and/or meet changes in asset resilience requirements, such as widening a 1.5m wide pathway to 2.5m to cater for pedestrians and cyclist movements.



## NEW AND GIFTED

New and gifted assets are those that are constructed, purchased or gifted by a third party (developer) that creates an asset that did not previously exist within Council asset inventory. Council can acquire existing built assets or new assets in several ways, as follows:

- Transferring ownership from a third party (such as land developers)
- Construction of new assets via capital projects.
- Purchase of a new asset (purchase of new plant/fleet)

All assets acquired by Council are subject to a formal asset handover process (quality management processes) to ensure that the new asset meets Council standards.

## DISPOSAL

Asset disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition, relocation, or transfer of ownership to a third party.

Where disposals, or partial disposal of infrastructure assets occurs, they are managed in accordance with corporate policies and procedures (Asset Accounting Policy). As part of the renewal or upgrade of an asset, there is potential for part of an asset to be disposed.

Similar to new and gifted assets, asset that are to be disposed of must be not only physically disposed of but financially disposed of and appropriate accounting treatments followed to address any balance sheet adjustments required.

## LEVEL OF SERVICE

Council have defined two tiers of service levels.

### Strategic Levels of Service

Strategic Levels of Service measure how the community receives the service and whether the organisation is providing community value. Strategic levels of service measured in terms of:



#### QUALITY:

**Condition** - How good and/or safe is the service?



#### FUNCTION:

**Fit for purpose** - Is it the right service, is it performing as designed?



#### CAPACITY:

**Utilisation** - Do we need more or less of these assets?



#### AFFORDABILITY:

Are we funding our capital works program at the desired levels to maintain / improve our levels of service?



### Technical Levels of Service

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 the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets and form Asset Lifecycle Activities as defined in section 2 of this strategy:



**OPERATIONS:** the regular activities to provide services such as access, availability, cleaning, inspections, make-safe, etc.



**MAINTENANCE:** the activities necessary to retain an asset as near as practicable to an appropriate service condition.



**RENEWAL:** the activities that return the service capability of an asset like that which it had originally (e.g. replacement of a concrete pathway using similar design and materials)



**UPGRADE:** the activities to provide a higher level of service (e.g. reconstruction of an unsealed road with a spray sealed surface).



**NEW:** the provision of a brand new asset the previously did not exist (e.g. purchase of a new item of plant or construction of a new boat ramp)

## ASSET CONDITION

The condition of Council's assets are continually monitored by staff through asset defect and hazard inspections. In addition, detailed network condition assessments will be independently conducted on each asset category, where appropriate, on a rolling 3–5-year cycle, with frequency of assessments being aligned to risk exposure.

Each individual asset, and/or their components, is given an overall condition score. Council's Condition Rating scale (score) is detailed in Figure 8.71 – Asset Condition Index.

As the physical condition of Council's assets varies between condition audits, so does the level of confidence in the Overall Condition Index (OCI) values for each individual asset. Some assets can

deteriorate inconsistently depending on level of use and environmental factors. The longer the elapsed time between conditions audits, the greater the variance in how condition may have changed. This highlights the importance of regular defect and hazard inspections in the management of public Infrastructure.

Councils strategy for the maintenance of asset data including asset revaluations and condition survey is detailed in Figure 8.72 – Asset Class and sub-class revaluation and condition survey schedule.

The maintenance and operational cost required to manage Council's asset management system is forecast to be \$170,000 per annum. This figure is based on the tasks and actions identified in the Strategy Improvement Plan.

Asset Condition Index

FIGURE 9

| Condition Index | Condition     | Condition Description  |
|-----------------|---------------|--|
| 0               | New           | Exceptional quality standards built as intended. High level customer service provided. No maintenance required. Location and accessibility as designed   |
| 1               | Excellent     | Exceptional quality standards. High level customer service provided. Maintained and presented in pristine condition. Very good location and high accessibility   |
| 2               | Good          | Excellent quality standards. High level customer service provided. Maintained and presented in good condition. Good location and accessibility   |
| 3               | Fair          | Very good quality and acceptable standards. Good customer service level provided. Maintained and presented in good condition. Good location and acceptable accessibility. Renewal planning required for critical assets                        |
| 4               | Poor          | Average quality standards and customer service levels. Maintained and presented in a condition that may require and increased level of maintenance. Location and accessibility are inconsistent or low. Renewal planning becomes high priority |
| 5               | Very Poor     | Poor quality standards. Low level customer service provided. Maintained and presented in poor condition. Poor location and accessibility. Renewal required   |
| 6               | Unserviceable | Very Poor-quality standards. Low level customer service provided. Maintenance becomes unfeasible. Asset to be disposed and renewal essential.  |

Asset Class and sub-class revaluation and condition survey schedule

FIGURE 10

| Asset Class                        | Asset Sub-Class            | Freq | 2022 /23 | 2023/ 24 | 2024/ 25 | 2025/ 26 | 2026/ 27 | 2027/ 28 |
|------------------------------------|----------------------------|------|----------|----------|----------|----------|----------|----------|
| Roads and Transport Infrastructure | Roads and Carparks         | 3    |          |          | ✓        |          |          | ✓        |
|                                    | Footpaths                  | 3    |          |          | ✓        |          |          | ✓        |
|                                    | Kerb & surface drainage    | 3    |          |          | ✓        |          |          | ✓        |
| Buildings & Community Facilities   | Buildings & Structures     | 4    | ✓        | ✓        |          |          | ✓        |          |
|                                    | Playgrounds and Public Art | 5    |          |          | ✓        |          |          |          |
|                                    | Marine Structures          | 4    |          | ✓        |          |          |          | ✓        |
|                                    | Furniture and Equipment    | 5    |          | ✓        |          |          |          | ✓        |
|                                    | Sports & Recreational      | 5    |          |          | ✓        |          |          |          |
| Water and Drainage Infrastructure  | CWMS                       | 5    |          | ✓        |          |          |          |          |
|                                    | Irrigation Systems         | 5    |          |          |          | ✓        |          |          |
|                                    | Stormwater                 | 5    | ✓        | ✓        |          |          |          |          |
|                                    | Non-potable Water Supply   | 5    |          | ✓        |          |          |          |          |
| Plant and Fleet                    | Plant and Fleet            | 2    | ✓        |          | ✓        |          | ✓        |          |

# FINANCIAL SUMMARY

A key element in the successful implementation of the CAMS is the establishment of a sustainable financial framework upon which the Class Specific Asset Management Plans are implemented.

This Strategy reflects the long-term financial investment requirements, that have been developed using improved modelling techniques and frameworks, implemented during the development of this Asset Management Strategy.

Council's financial settings required to deliver positive and sustainable outcomes for the assets and infrastructure under its care and control is based on the information presented in previous sections of this strategy and by testing the sensitivity of various attributes to model and forecast the most efficient management approach.

As Council's data collection methods improve and historical modelling is analysed against true asset performance, Council's financial projections will also improve, and the level of Asset Management Maturity will develop.

Coorong District Council has implemented an asset management approach that implements live data modelling and enables sensitivity testing of Council's asset management setting and

strategies. This process allows Council to make management decisions and align future works programs with its Long-Term Financial Plan quickly and efficiently.

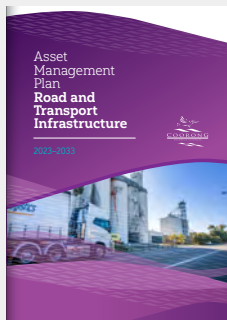
## 10-YEAR FUNDING PLAN

Predictive modelling has been implemented to allow Council to forecast the deterioration of infrastructure assets under its care and control. Each asset class has been subject to varied funding scenarios enabling Council to analyse lifecycle performance of each asset class.

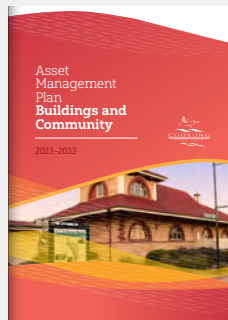
The scenario modelling has been undertaken using Council current asset data set (as of 30 June 2022) which has predicted the asset class performance for each funding option out to 2033. Each scenario provides, total renewal (capital investment), end of program renewal backlog and asset condition after the 10-year funding strategy has been implemented. Detail relating to specific financial modelling and condition forecast is provided in specific asset management plans appended to the strategy.



## Weblinks to AMP's



2023/2033  
Road and  
Transport Asset  
Management Plan



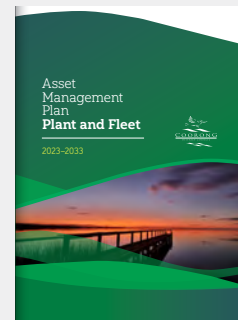
2023-2033  
Buildings and  
Community  
Facilities AMP

- IN DEVELOPMENT



2024-2034  
Water & Drainage  
AMP

- IN DEVELOPMENT  
(due 23/24)



2022-2027  
Plant and Fleet  
AMP

- ENDORSED BY COUNCIL  
(review 23/24)



## Cams Improvement Plan

| Improvement Action  | Intended Outcome   | Priority | Budget                                     | Date                                    |
|---|--|----------|--|---|
| <b>Systems Improvement</b>  |  |          |  |   |
| Allocated dedicated resources to proactively manage Council Asset Management System                   | Ensure consistent management of Council Asset Management Systems and outcome of the Asset Management Strategy Improvement Plan. Including the provision of internal and external resources | V/High   | Included in Council annual Business Plan   | Immediate                               |
| Develop an asset class condition and revaluation schedule (3-6 years)                                 | Asset data remains accurate resulting is informed and sound decision making  | V/High   | Budget allocation required annually        | 30-Jun-23                               |
| Develop a 10-year asset investment program plan to inform Councils LTFP                               | Develops a sustainable long term funding model which can be communicated to the community  | High     | NA   | 31-Mar-23                               |
| Build scenario-based funding models for the renewal of each asset class                               | Decision makers are fully informed and aware of the long-term impact funding levels have on long term service delivery   | V/High   | Included in current AMS annual service fee | 31-Mar-23                               |
| Document long term service level targets for all asset classes based on scenario-based funding models | Manage the expectation of the community and communicate what should be expected and what is acceptable in terms of asset condition   | High     | Included in current AMS annual service fee | annual & monitor community satisfaction |
| Undertake consultation and information process in regard to level of service for all asset categories | Provide clear and up to date information regarding the level of service in terms of risk, quality, and affordability   | High     | Minimal (internal)                         | ongoing                                 |
| Develop and implement asset capitalisation and handover process                                       | Ensure 100% of in year asset treatments are collected accurately with valuation and condition recorded in a timely manner  | V/High   | Internal costs                             | 30-Jun-23                               |



| Improvement Action  | Intended Outcome   | Priority | Budget  | Date      |
|---|--|----------|---|-----------|
| Review and agree on Council operational and maintenance service levels and align them to the CAMS                                     | Ensure operation and maintenance programs are aligned to the intended LoS and Asset Management Strategy  | Med      | Internal cost – Process may require external assistance | 31-Dec-23 |
| Investigate options to implement a mobile/digital AM solution for operation and maintenance tasks carried out in the field            | For Council to be agile and adaptive and improve efficiency through digital workflow and recording of actions against specific assets while in the field | Low      | TBC – business case to be developed                     | 31-Dec-23 |
| Investigate opportunities to educate, enable and empower the community, to be active participants in the management of Council assets | Engaged the community, so they become an integral part of Council asset management practices   | Low      | Internal cost   | 30-Jun-24 |

## Roads & Transport

|   |  |        |  |           |
|---|--|--------|--|-----------|
| Revaluation and asset data capture for all footpath infrastructure  | Improve data accuracy, AM processes and improve long term Level of Service   | Med    | Internal cost plus \$20,000                | complete  |
| Revaluation and asset data capture of kerb, spoon drains and surface drainage assets  | Improve data accuracy, AM processes and improve long term Level of Service   | Med    | Internal cost plus \$20,000                | 30-Jun-23 |
| Build scenario based predictive models and undertake lifecycle costing analysis to develop a robust 10-year Roads and Transport renewal program | Manage Councils largest asset portfolio in the most effective manner and enable staff to communicate an affordable level of service to the community | V/High | Included in current AMS annual service fee | 30-Jun-23 |
| Plan and budget for an independent road network revaluation and condition assessment in 2025/26FY   | Recalibrate all road asset data and realign renewal works programs to Council agree asset management strategy  | V/High | \$100,000 2025/26FY                        | 30-Jun-26 |

| Improvement Action  | Intended Outcome  | Priority | Budget                                     | Date       |
|---|---|----------|--|------------|
| <b>Building &amp; Community Facilities</b>  |   |          |  |            |
| Detailed asset condition inspection, Data Capture and revaluations for all Buildings, Structures, Community Facilities & Land                   | Improved data accuracy and knowledge of Council building and structure portfolio to develop more robust and targeted long term renewal programs | V/High   | Internal Cost plus \$50,000                | 30-Sept-23 |
| Build predictive models develop robust 10 year Building and Structures renewal program  | Address council current building renewal requirements and quantify the renewal backlog  | High     | Included in current AMS annual service fee | 30-Sept-23 |
| <b>Water &amp; Drainage</b>   |   |          |  |            |
| Revaluation and asset data capture of stormwater and drainage assets  | Build a greater understanding of council stormwater drainage network and identify areas that pose a risk to community assets                    | High     | Internal cost plus \$150,000               | 30-Apr-24  |
| Revaluation, and detailed asset inspection and data capture for all CWMS Assets   | Build a greater understanding of council CWMS drainage and treatment network and identify areas that pose a risk to community assets            | High     | Internal cost plus \$40,000                | 30-Apr-24  |
| Revaluation, and detailed asset inspection and data capture for all Water Supply Assets   | Build a greater understanding of council Water Supply network and identify areas that pose a risk to community assets                           | High     | Internal cost plus \$40,000                | 30-Apr-24  |
| Undertake data collection and valuation of Council irrigation systems including development and implementation of an irrigation management plan | Understand the location of Council irrigation infrastructure and model its performance in delivering a greener CDC                              | Med      | Internal cost plus \$20,000                | 30-Apr-24  |

| Improvement Action   | Intended Outcome  | Priority | Budget                                     | Date      |
|--|---|----------|--|-----------|
| <b>Plant &amp; Fleet</b>   |   |          |  |           |
| Transition Plant and Fleet AMP to corporate AM system  | Build consistency in Council asset management practices   | Low      | Included in current AMS annual service fee | 31-Dec-23 |
| Refine current Plant and Fleet LoS standard and develop operational and maintenance programs | Operate and maintain plant and fleet in a safe and efficient manner and align plant and fleet inventory with Operational and Maintenance Level of Service | Med      | Internal cost                              | Annual    |



# SEALED ROAD

## CURRENT STATE

**403km**

Sealed road

**83%**

Good + (Cond 0-3)

**\$89.5m**

Replacement value

**2.1%**

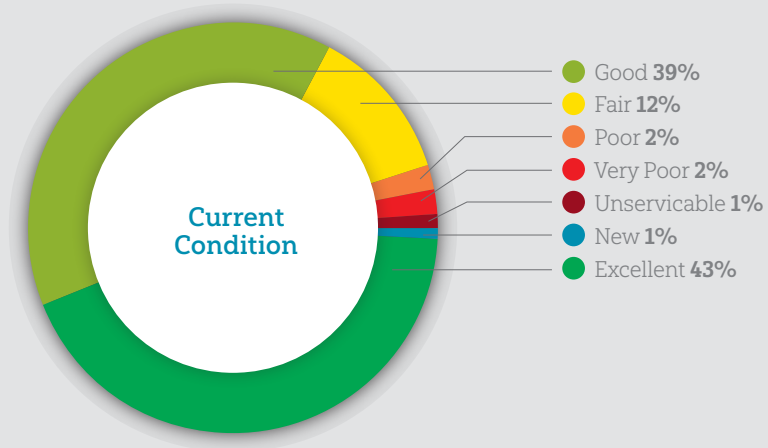
VP% (Cond 5&6)

**1.7**

Condition index

**\$1.55m**

Renewal Backlog



**44%**

of Sealed Road Network in excellent condition or better



**85%**

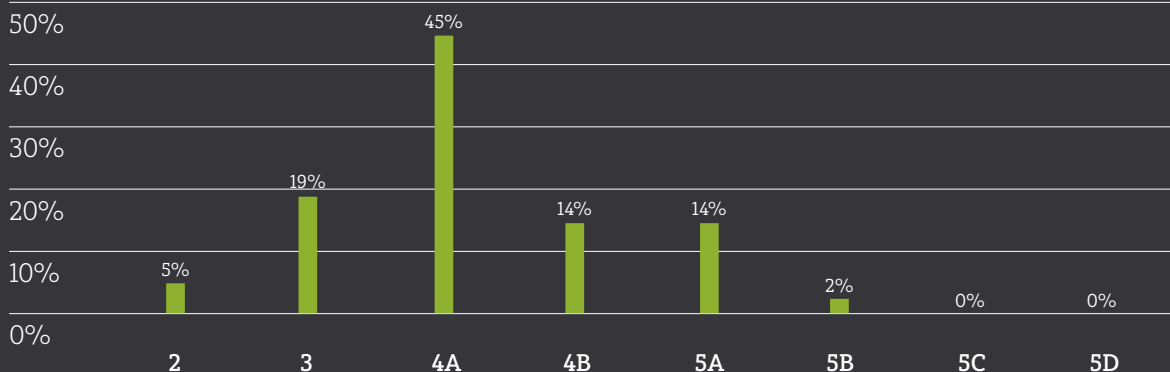
Class 3 Routes considered Good (3) or better.



**6.2%**

Class 3 Routes considered V/Poor (5) or Unservicable (6)

### Road classification



## 10YR FORECAST

**\$23.8m**

10yr CAPEX investment

**\$2.4m**

Ave annual CAPEX investment

**2.4**

10yr forecast OCI

**66%**

Good + (Cond 0-3)

**5.2%**

VP% (Cond 5&6)

**\$4.01m**

Renewal Backlog

### Asset Renewal Strategy & Level of Service

**2.0**

Class 2 & 3 roads meet condition 2.0

**2.5**

Class 4A & 4B roads meet condition 2.5

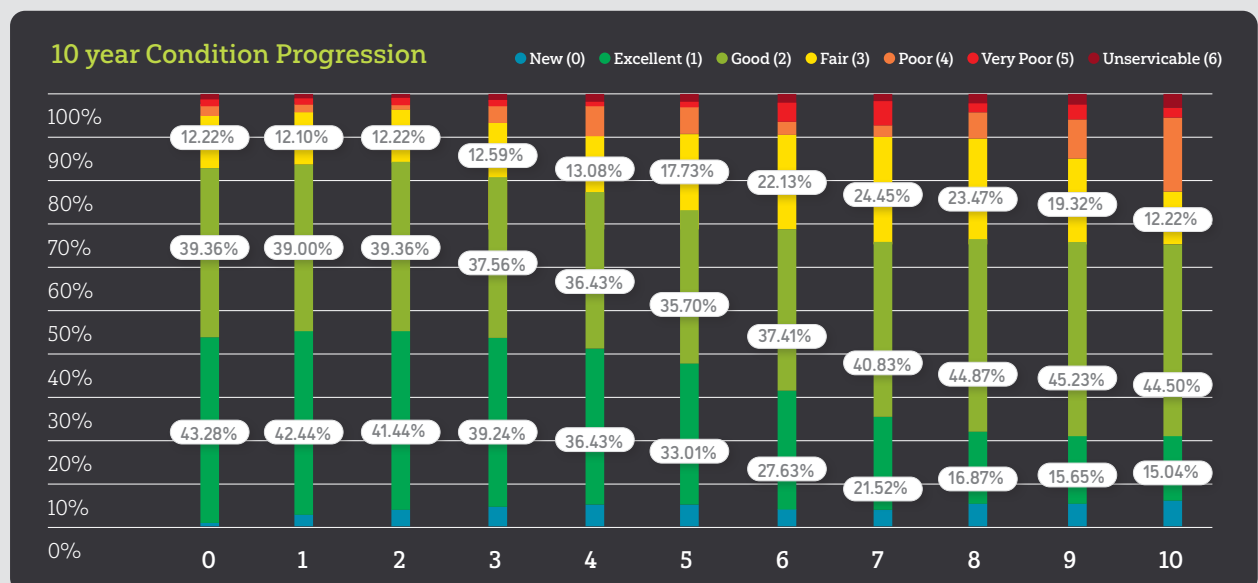
**2.5**

Class 5A & 5B roads meet condition 2.5

**5 or 6**

No more than 7.5% of network in Condition 5 or 6

| Road Hierarchy | Current OCI                           | 10yr OCI | Level of Service         |
|----------------|---------------------------------------|----------|--------------------------|
| Class 2        | 1.34                                  | 1.94     | Good                     |
| Class 3        | 1.72                                  | 2.58*    | Being addressed in 22/23 |
| Class 4A       | 1.67                                  | 2.36     | Good                     |
| Class 4B       | 1.62                                  | 2.28     | Good                     |
| Class 5A       | 1.9                                   | 2.48     | Good                     |
| Class 5B       | 2.06                                  | 2.79     | Fair                     |
| Class 5C & 5D  | % of sealed road network not material |          |                          |



# UNSEALED ROAD

## CURRENT STATE

**1,674km**  
Unsealed road

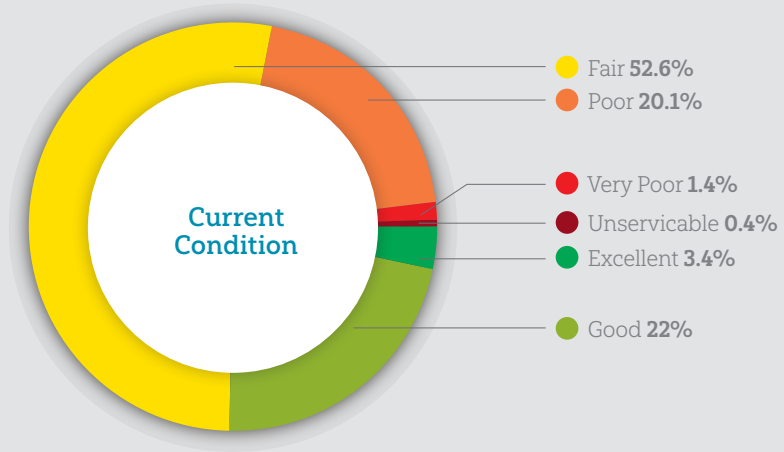
**25%**  
Good + (Cond 0-3)

**\$61.6m**  
Replacement value

**2.0%**  
VP% (Cond 5&6)

**2.95**  
Condition index

**\$1.47m**  
Renewal Backlog

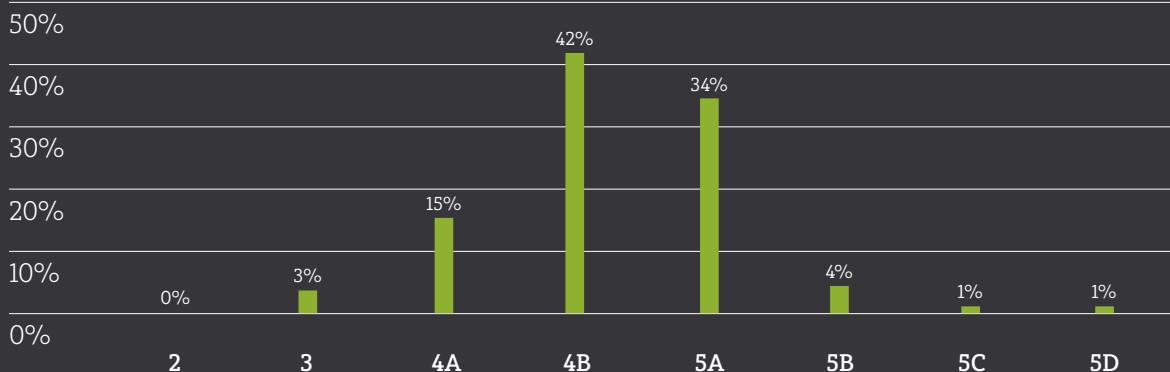


**75%**  
of Unsealed Road Network in Fair condition or worse



**2%**  
of the unsealed road network (33km) required intervention.

### Road classification



## 10YR FORECAST

# \$32.9m

10yr CAPEX investment

# \$3.3m

Ave annual CAPEX investment

# 2.0

10yr forecast OCI

# 71%

Good + (Cond 0-3)

# 7.0%

VP% (Cond 5&6)

# \$6.12m

Renewal Backlog

### Asset Renewal Strategy & Level of Service

# 2.0

**Overall Network Condition**  
(OCI) of 2.0 or better

# 2.0

**Class 3, 4A & 4B roads**  
meet condition 2.0

# 2.5

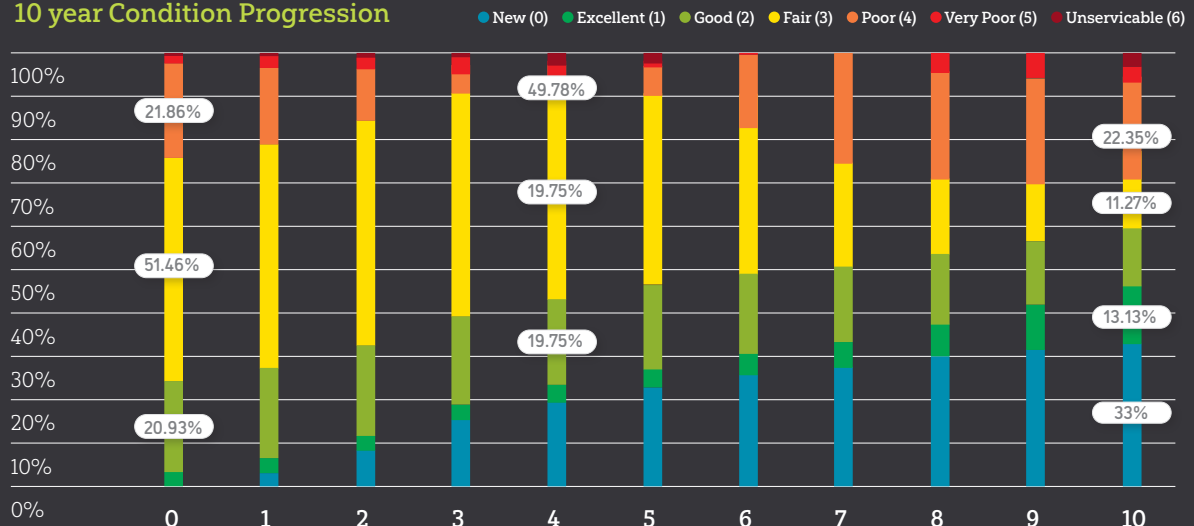
**Class 5A & 5B roads**  
meet condition 2.5

# 5 or 6

**No more than 7.5%** of  
network in Condition 5 or 6

| Road Hierarchy | Current OCI | 10yr OCI | Level of Service |
|----------------|-------------|----------|------------------|
| Class 3        | 3.04        | 1.06     | Excellent        |
| Class 4A       | 2.72        | 1.67     | Good             |
| Class 4B       | 2.9         | 2.04     | Good             |
| Class 5A       | 2.99        | 2.24     | Good             |
| Class 5B       | 3.41        | 2.06     | Good             |
| Class 5C       | 4.27        | 0.97     | Excellent        |
| Class 5D       | 3.91        | 2.12     | Good             |

### 10 year Condition Progression





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