

# Norfolk Island Regional Council



## Fleet Asset Management Plan 2020-2029

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# 1.0 Executive summary

## What is this plan about?

This asset management plan (The Plan) covers all Fleet that are owned and or insured by the Norfolk Island Regional Council and are used in the delivery of services to the people of Norfolk. These assets are as tabulated in Table 5.3

## What is an Asset Management Plan?

Asset management planning is a comprehensive process assisting Council to ensure services are delivered in a financially sustainable manner. Asset management plan details information about assets including actions required to provide an agreed level of service in the most cost-effective manner. The Plan identifies asset service standards and contain long-term projections of asset maintenance, rehabilitation and replacement costs services. The Plan is prepared to conform with the Asset Management Policy and Asset Management Strategy.

# 2. Introduction

## 2.1 Background

This asset management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 20 year planning period.

The asset management plan follows the format for AM Plans as recommended in International Asset Management Manual.

The asset management plan is to be read with Council’s Asset Management Policy, Asset Management Strategy and the following associated planning documents:



## 2.2 Norfolk Island Community and Strategic Plan

The Community Strategic Plan 2016-2026 was adopted by Council 21 September 2016, following extensive community consultation. The Community Strategic Plan contains a vision for Norfolk Island and recommends strategic objectives and future directions.

## 2.3 Plan framework

- Levels of service – specifies the services and levels of service to be provided by council
- Future demand – how this will impact on future service delivery and how this is to be met. Life cycle management – how we will manage our existing and future assets to provide defined levels of service
- Financial summary – what funds are required to provide the defined services
- Asset Management practices
- Monitoring – how the plan will be monitored to ensure it is meeting the organisation’s objectives
- Asset management improvement plan

## 2.4 Core and advanced Asset Management

This asset management plan is prepared as a “core” asset management plan over a 10 year planning period. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a “top down” approach where analysis is applied at the network level.

## 3. Levels of service

### 3.1 Customer Research and Expectations

The council has not carried out any detailed research on customer expectations with regards its fleet services. This will be investigated for future updates of the asset management plan.

### 3.2 Community levels of service

Relate to the service outcomes that the community wants in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance

Community levels of service ensures used in the asset management plan are

- Safety                      Is the service safe?
- Quality                     How good is the service?
- Function                    Does it meet user’s needs?

Technical levels of service – Supporting the community service levels are operational or technical measure 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 covering:

- Operations – the regular activities to provide services such as opening hours, cleaning frequency, etc
- Maintenance- The activities necessary to retain an assets as near as practicable to an appropriate service condition
- Renewal – Renewal to maintain assets for maintaining the service levels
- Upgrade – the activities to provide an higher level of service

Asset management plan, implement and control technical service levels to influence the customer service

levels our current service levels are detailed in the following table

**Current and desired service levels**

<b>Key Performance Measure</b>	<b>Level of service</b>	<b>Performance measure process</b>	<b>Desired level of service</b>	<b>Current level of service</b>
<b>Quality</b>	Provide quality services to the frontline department	Customer requests and or complaints	To be maintained to meet the needs of frontline workers	
<b>Function</b>	Ensure facilities meet user expectations	Customer request and or complaints	Ensure that all fleet are fit for purpose	Planned and routine maintenance carried out
<b>Operations</b>	Ensure that all functions are consistently presented in a tidy and well maintained condition suited to their intended purpose	Customer notification and complaints	Regular maintenance	Provision and operations currently meets user expectations
<b>Maintenance</b>	Compliance with legislation and standards	Customer notification / complaints	Customer notifications and complaints	

### 3.4 Desired levels of service

Indications of desired levels of service will be obtained from community consultations/engagement.

## 4 Future Demand

### 4.1 Demand drivers

Factors affecting demand include population change, changes in demographics, seasonal factors, rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, and divestment or outsourcing of services..

### 4.2 Demand forecast

There is expected to be little change in demand due to population growth.

## 5. Lifecycle Management Plan

The lifecycle management plan details how council plans to manage and operate the assets at the agreed levels of service while optimising life cycle costs

### 5.1 Asset condition rating

Condition is measured using a 1-5 grading system as detailed

Condition Grading	Description of condition
1	Year of Manufacturer out to 5years
2	6 years out to 10 years
3	11 years out to 15 years
4	16 years out to 20 years
5	21 + years are closely monitored for longer service or planed replacement in Capex

### 5.2 Asset capacity and performance

The council's services are generally provided to meet the expectations of the community at par with the levels set up by Norfolk Island Regional Council Community Strategic Plan 2016-2026.

Assets	Service Deficiency
All fleet	NRIC will aim to maintain the fleet assets to the existing standards and keep them functional while replacing at a rate based on available funds.



### 5.3 Physical parameters

The Fleet covered by this asset management plan are shown below in table

Rego	Description	Cond Grade	Initial Value	Year of Manufacturer	Insured Value
A1	<b>Not Used</b>	-			
A2	Hearse - "FORD" Falcon Model Falcon,	5	\$ 35,000.00	24/09/1984	\$ 500
A3	Light Truck - MAZDA E2500	4	\$ 50,000.00	24/09/1997	\$ 1,000
A4	SUV - MISUBISHI Pajero	3	\$ 35,000.00	1/03/2000	\$ 1,000
A5	Tray Truck MAZDA T4600, with crane 1.8 t	4	\$ 55,000.00	1/07/1999	\$ 5,000
A6	<b>Not Used</b>	-			
A7	Van - Mazda Bongo	5	\$ 12,000.00	1/07/1991	\$ 1,000
A8	Forklift TOYOTA 2,500kg lift capacity, ROPS	4	\$ 40,000.00	1/07/1995	\$ 1,500
A9	Truck FORD 7 single cab w/lockers cabinet	5	\$ 50,000.00	1/07/1992	\$ 5,000
A10	Truck - Isuzu 4 Tonne	1	\$ 55,000.00	1/10/2017	\$ 55,000
A11	Tractor - KUBOTU	4	\$ 65,000.00	1/03/1995	\$ 5,000
A12	Station Wagon TOYOTA Model Carig 4 x4	4	\$ 30,000.00	1/07/1995	\$ 1,000
A13	Utility MAZDA 4WD space cab	4	\$ 30,000.00	1/07/1996	\$ 1,000
A14	Utility MAZDA white	4	\$ 30,000.00	1/09/1996	\$ 1,500
A15	<b>Not Used</b>	-			
A16	Tractor FORD Model 5000 4WD	5	\$ 40,000.00	1/07/1972	\$ 5,000
A17	Forklift TCM 1,500kg lift hydraulic attach	4	\$ 40,000.00	1/07/1998	\$ 1,500
A18	Loader BOBCAT" S/N: 515843963 w/bucket	2	\$ 75,000.00	30/11/2008	\$ 5,000
A19	Truck Isuzu 4 Tonne	1	\$ 55,000.00	1/10/2017	\$ 55,000
A20	Grader GALLION 503	5	\$ 100,000.00	1/12/1965	\$ 5,000
A21	Van Toyota Townace	4	\$ 25,000.00	1/12/1997	\$ 2,500
A22	Utility OYOTA Town Ace w/HIAB 1.35 t lift	5	\$ 50,000.00	1/07/1994	\$ 5,000
A23	Truck - Suzuki 2015 4WD Tipper	1	\$ 19,000.00	18/05/2018	\$ 19,000
A24	Vanette Nissan 4x4	2	\$ 17,000.00	6/07/2012	\$ 17,000
A26	Forklift TOYOTA with 3,0 tonne lift	3	\$ 50,000.00	30/11/2003	\$ 5,000
A28	Vanette Nissan	1	\$ 17,000.00	6/07/2014	\$ 17,000
A29	<b>Not Used</b>	-			
A30	Tractor Tigertrac 4WD	2	\$ 40,000.00	28/12/2012	\$ 5,000
A31	Truck TOYOTA Model dyna 150 1.5 tonne	5	\$ 50,000.00	1/07/1992	\$ 1,000
A32	Fire Engine ISUZU FTS, 13,000gvm	3	\$ 200,000.00	30/04/2003	\$ 50,000
A33	Fire Engine ISUZU FY FTS, 13,000gvm	3	\$ 200,000.00	30/04/2003	\$ 50,000
A34	Utility TOYOTA Hilux sgl cab, w/ timber tray	4	\$ 30,000	1/07/1995	\$ 1,000
A35	Utility - "MAZDA" Model Bravo dual cab	4	\$ 35,000	1/07/1998	\$ 1,000
A36	Trencher DITCH WITCH 3700DD	5	\$ 50,000	1/07/1993	\$ 3,000
A38	Truck - Diahatsu 4x4 Tipper	2	\$ 15,000	13/02/2008	\$ 1,000
A39	Vanaette - Nissan	2	\$ 17,000	1/07/2010	\$ 17,000
A40	Forklift TCM 700 series 1,500kg lift capacity	4	\$ 40,000	23/09/1998	\$ 5,000
A42	<b>Not Used</b>	-			
A43	Utility - "HOLDEN" Rodeo space cab	2	\$ 40,000	1/07/2000	\$ 1,000
A45	Truck - Hino 8 Tonne	4	\$ 75,000	1/12/1998	\$ 2,500

Rego	Description	Cond Grade	Initial Value	Year of Manufacturer	Insured Value
A46	Station Wagon TOYOTA Model Carig 4 x4	4	\$ 30,000	1/07/1995	\$ 1,000
A48	Truck - MAZDA Titan	3	\$ 65,000	29/01/2003	\$ 5,000
A49	Utility - Toyota 4X4	5	\$ 30,000	1/07/1993	\$ 500
A50	Truck - MAZDA Titan	4	\$ 60,000	1/08/1995	\$ 2,500
A51	<b>Not Used</b>	-			
A52	Vanette - Nissan	2	\$ 10,000	1/12/2010	\$ 10,000
A53	Truck MITS Canter cab s/s f&w tank 5000 lt	4	\$ 65,000	1/07/1996	\$ 5,000
A55	Truck HINO 6x4 cherry picker SWL 325kg	1	\$ 50,000	1/01/2016	\$ 10,000
A56	Station Wagon - "TOYOTA" Model Runner	5	\$ 30,000	1/07/1994	\$ 1,000
A57	Truck - Mazda Titan	4	\$ 50,000	1/07/1996	\$ 2,000
A58	Utility - "MITSUBUSHI" Strada dual cab 4x4	4	\$ 35,000	1/07/1997	\$ 2,000
A60	Tractor KUBOTA M6800,6 foot slasher	3	\$ 50,000	31/03/2005	\$ 5,000
A61	Van - "MAZDA" Bongo Model	3	\$ 30,000	20/03/2003	\$ 2,000
A64	Truck ISUZU 4x2 sgl cab tipper w/tipper	3	\$ 75,000	1/07/2006	\$ 5,000
A65	Utility - "TOYOTA" Model Hilux single cab	3	\$ 30,000	1/07/2002	\$ 2,000
A66	Utility - "TOYOTA" Model Hilux 3.0D	3	\$ 30,000	1/07/2004	\$ 2,000
A72	<b>Not Used</b>	-			
A76	Utility NISSAN from QFES	2	\$ 12,000	1/02/2008	\$ 4,000
A75	Utility - "FORD" Trader Crew Cab 1313	4	\$ 25,000	1/07/1995	\$ 2,500
A77	Utility TOYOTA Hilux dual cab 2.7 4x4 petrol	3	\$ 35,000	1/07/2002	\$ 2,500
A81	Truck - "MAZDA" Model T5300 2 tonne	4	\$ 55,000	1/07/1998	\$ 5,000
A82	Landcruiser - TOYOTA Prado	4	\$ 31,500	29/01/1999	\$ 5,000
A84	Truck MITSUBUSHI FK45, 8 tonne flat bed	5	\$ 65,000	1/07/1987	\$ 8,000
A86	Truck - Toyota 1 Tonne	1	\$ 20,000	1/07/2015	\$ 15,000
A87	Truck HINO Dutro with w/ kits/boxes	2	\$ 50,000	1/07/2007	\$ 5,000
A88	<b>Not Used</b>	-			
A90	Truck - MAZDA Bongo white	4	\$ 30,000	1/07/1995	\$ 1,000
A93	Utility - "MAZDA" Model B2600 2 door	5	\$ 30,000	1/07/1990	\$ 1,000
A94	Truck MAZDA Model Bongo 4WD Tipper	4	\$ 50,000	1/07/2000	\$ 1,500
A95	Truck - NISSAN 1 Tonne	3	\$ 30,000	18/03/2002	\$ 1,000
A955	<b>Not Used</b>	-			
A99	Van - "TOYOTA" Model Light Ace	1	\$ 17,000	1/07/2014	\$ 17,000
A100	Station Wagon - "TOYOTA" Corolla		\$ 30,000	1/07/1995	\$ 1,500
A101	Fire Engine - "ROSENBAUR" aviation rescue	2	\$ 1,700,000	31/12/2008	\$1,000,000
A102	Fire Engine - "ROSENBAUR" aviation rescue	2	\$ 1,700,000	31/12/2008	\$1,000,000
A104	Utility - "NISSAN" Model Navara dual cab	2	\$ 30,000	30/11/2008	\$ 1,500
A105	Truck - "DAIHATSU" Model Delta 2T Tipper	5	\$ 50,000	1/07/1985	\$ 1,000
A106	Truck HINO Tar spray s/s tanker cold 3kl	5	\$ 100,000	1/07/1999	\$ 5,000
A107	Loader VOLVO L50D w/1.2m <sup>3</sup> bucket	3	\$ 200,000	31/10/2003	\$ 80,000
A108	Utility - "NISSAN" Model Navara	2	\$ 30,000	30/11/2008	\$ 2,000
A109	Utility - Mazda 4x4	1	\$ 35,000	1/01/2015	\$ 35,000
A111	Utility MITSUBUSHI L200 dual cab , 4WD	4	\$ 35,000	1/07/1998	\$ 1,500
A112	Station Wagon MITSUBISHI Model Lancer	5	\$ 25,000	1/07/1994	\$ 1,000
A113	Truck MAZDA T3500 Flat Tray, 4 tonne	5	\$ 55,000	1/07/1989	\$ 5,000
A114	<b>Not Used</b>	-			

Rego	Description	Cond Grade	Initial Value	Year of Manufacturer	Insured Value
A115	<b>Not Used</b>	-			
A117	Utility - "TOYOTA" 4WD Landcruiser	4	\$ 45,000	1/07/1995	\$ 3,000
A118	<b>Not Used</b>	-			
A123	Loader - Volvo L50H - Eng. D4J.4L	1	\$ 221,177	29/01/2017	\$ 200,000
A124	Truck - Isuzu NLR Tipper	1	\$ 55,000	1/11/2017	\$ 55,000
A126	Utility - Toyota Hilux	1	\$ 35,000	1/01/2015	\$ 35,000
A127	Roller - SAKAI Roller TS160-2 Multi Tyre	1	\$ 45,500	1/03/2016	\$ 40,000
A128	Roller - SAKAI Roller TS160-2 Multi Tyre	1	\$ 45,500	1/03/2016	\$ 40,000
A129	Truck - Mitsubishi Fuso Tipper	3	\$ 65,000	1/03/2003	\$ 10,000
A130	Truck - Isuzu NLR Tipper	1	\$ 55,000	1/11/2017	\$ 55,000
AC1	Trailer dual axle with loading ramps	4	\$ 5,500	1/07/1995	\$ 2,000
AC2	Trailer	4	\$ 5,000	1/01/2000	\$ 500
AC3	Mulcher - Telcor	4	\$ 40,000	1/01/2000	\$ 15,000
AC5	Bobcat	2	\$ 35,000	1/01/2007	\$ 5,000
AC7	Trailer - Unbranded single axle Tar trailer	4	\$ 5,000	1/07/1995	\$ 1,000
AC9	Trailer - Launch Trailer	5	\$ 7,500	1/07/1990	\$ 1,000
AC10	Bulldozer - Caterpillar	5	\$ 75,000	1/12/1970	\$ 10,000
AC8	Trailer mtd LINCOLN Weldan 230 Elec welder	4	\$ 10,000	1/07/1998	\$ 2,000
AC12	Tractor - KUBOTU Mower	3	\$ 65,000	1/07/2006	\$ 2,000
AC13	Trailer - Lighter trailer	5	\$ 7,500	1/07/1990	\$ 1,000
AC15	Trailer - Lighter trailer	5	\$ 7,500	1/07/1990	\$ 1,000
AC16	Trailer - Tar Drum	5	\$ 5,000	1/07/1990	\$ 500
AC17	Trailer - Launch Trailer	5	\$ 7,500	1/07/1990	\$ 1,000
AC18	Trailer	5	\$ 1,000	1/07/1990	\$ 500
AC19	Trailer - for A-1 Roadliner	3	\$ 2,500	1/07/2004	\$ 1,500
AC20	Trailer - Lincoln W/Power	3	\$ 2,500	1/07/2004	\$ 2,000
AC21	Trailer - Locally made	3	\$ 2,500	1/07/2001	\$ 500
AC23	Trailer - Ditch Witch	3	\$ 2,000	1/07/2003	\$ 500
AC24	Motor Bike - "SUZUKI" Model Trail Bike	4	\$ 6,000	1/07/2000	\$ 200
AC25	Mower - Toro Reelmaster Fairway Mower	1	\$ 65,000	1/01/2019	\$ 65,000
AC26	Trailer - Diesel trailer	5	\$ 1,000	1/07/1990	\$ 500
AC28	Trailer - Mower Trailer	4	\$ 1,000	1/07/2000	\$ 500
AC29	"BOBCAT" - Model S205	3	\$ 35,000	1/07/2003	\$ 10,000
AC30	Trailer w/500 litre capacity and hand pump	4	\$ 3,000	1/07/1995	\$ 2,500
AC31	Wood Chipper VERMEER 1250BC trailer mtd	4	\$ 50,000	1/07/1995	\$ 2,000
AC33	Mower KUBOTA L2900 Ride-on 4x4, 72"	4	\$ 65,000	1/07/1997	\$ 2,000
AC34	Mower - "KUBOTA" Model L2900 Ride on	4	\$ 65,000	25/11/1997	\$ 1,500
AC35	Trailer - Lighter trailer	5	\$ 7,500	1/07/1990	\$ 1,000
AC36	Excavator - Kubota 3.5 tonne	1	\$ 70,000	1/07/2016	\$ 65,000
AC37	Forklift TCM 700 series 35 diesel, 1,500kg	4	\$ 35,000	30/07/1998	\$ 5,000
AC39	Genset tlr mtd Cat SR4 alternator, 120KVA	5	\$ 56,000	1/07/1985	\$ 1,500
AC40	Motor Bike HONDA Model CT110 ex-postie	3	\$ 6,000	28/02/1990	\$ 250
AC41	Motor Bike HONDA Model CT110 ex-postie	5	\$ 6,000	28/02/1990	\$ 250
AC42	Motor Bike HONDA Model CT110 ex-Postie	5	\$ 6,000	28/02/1990	\$ 250
AC43	Motor Bike HONDA ex-Postie Model CT110	5	\$ 6,000	28/02/1990	\$ 250

Rego	Description	Cond Grade	Initial Value	Year of Manufacturer	Insured Value
AC44	Motor Bike HOND Model CT110 ex-postie	5	\$ 6,000	28/02/1990	\$ 250
AC45	Bobcat - "KOMATSU" SK714 wheel bobcat	3	\$ 95,000	1/07/2002	\$ 5,000
AC46	Trailer mtd w/SCORPIAN, 9HP compress		\$ 10,000	30/09/2004	\$ 1,500
AC47	Light Tower tlr mtd ex-COATS HIRE" "JLG"	3	\$ 20,000	1/07/2005	\$ 2,500
AC48	Light Tower tlr mtd ex-COATS HIRE" "JLG"	3	\$ 20,000	1/07/2005	\$ 2,500
AC49	Grader CATERPILLAR 12G Grader	4	\$ 200,000	1/07/1999	\$ 10,000
AC54	Grader - Noram 65E Turbo grader 110hp	1	\$ 200,000	1/03/2016	\$ 180,000
As 213	Mower KUBOTA F2880 ride mower 60"	2	\$ 18,000	1/07/2009	\$ 2,500
As 214	Mower KUBOTA GR2110 ride-on 48"	2	\$ 15,000	1/07/2009	\$ 2,000
As 292	Mower KUBOTA G1900 diesel Ride-on 48"	3	\$ 15,000	22/12/2001	\$ 1,500
As 273	Mower JOHN DEERE 300 ride-on 42"	1	\$ 15,000	17/06/2017	\$ 12,000
As 355	Mower - Kubota Ride-on	1	\$ 22,000	12/07/2019	\$ 22,000
As 365	Mower - Walker Ride-on	1	\$ 13,544	5/04/2018	\$ 13,544
As 371	Tractor/Slasher	1	\$ 95,712	27/04/2018	\$ 95,712
			<b>\$ 8,833,721</b>		<b>\$ 3,603,706</b>

## 5.4 Asset valuations

The value of assets recorded in the asset register as of 30 of June 2018 as summarised below

Current replacement cost	\$9,849,773
Annual Depreciation Expense per year	\$144,791

## 5.5 Fleet Risk Management Plan

An assessment of risks associated with service delivery from Fleet assets has identified risks that will result in loss or reduction in service from these assets. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks

## 5.6 Routine operations and Maintenance plan

Operations include regular activities to provide services such repair and maintenance, and registration inspections. Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of asset fail and need immediate repair to make the asset operational again, or replacement is recommended.

## 5.7 Standards and specifications

Strategically we will be aiming to meet the following regulation/standards in future:-

- Work Health and Safety legislation & regulations
- Australian Standards
- All relevant council policies and
- Other regulatory requirements

## 5.8 Summary of future operations and maintenance expenditures

Future operations and maintenance expenditure is forecast to trend in line with the value of the asset stock.

## 5.9 Capitalisation Threshold

### Operations

- Service delivery management including condition assessment, defect inspections and management systems
- Supervision

### Maintenance & Repair

**Capitalise if value > \$10,000**

- Reactive maintenance to fleet assets(component replacement and repairs to facilities and structures)
- Programmed maintenance ( servicing of fleet at regular intervals)
- Replacing facilities and structures
- Partial replacement of plant and equipment (water pumps etc)

### Capital Renewal

**Capitalise if value > \$20,000**

- New assets
- Upgrade assets

## 5.10 Renewal/ replacement Plan

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/ expansion or new works expenditure.

## 5.11 Renewal plan

Council's Asset Renewal Plan is the programmed renewal dates of assets which are used to predict expenditure requirement within the long term financial plan. The current residual life of the asset identifies the date of renewal. Due Council's location constant reviewing of fleet assets' residual life as some assets will pass the planned residual life milestone.

## 5.12 Renewal and replacement strategies

The organisation attempted to move away from owning fleet assets and rely on asset leasing. This did not prove successful.

Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,

Maintain a current hierarchy of critical assets and capital renewal treatments and timings required. Review management of capital renewal and replacement activities to ensure council is obtaining best value for resources used.

### Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either

- Ensure the reliability of the existing assets to deliver the service it was constructed to facilitate
- To ensure the asset is of sufficient quality to meet the service requirement

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or assets groups that:

- Have a high consequence of failure
- Have a high utilisation and subsequent impact on users would be greatest
- The total value represents the greatest net value to the organisation
- Have the highest average age relative to their expected lives
- Are identified in the AM Plan as key cost factors
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings

### 5.13 Summary of future renewal and replacement expenditure

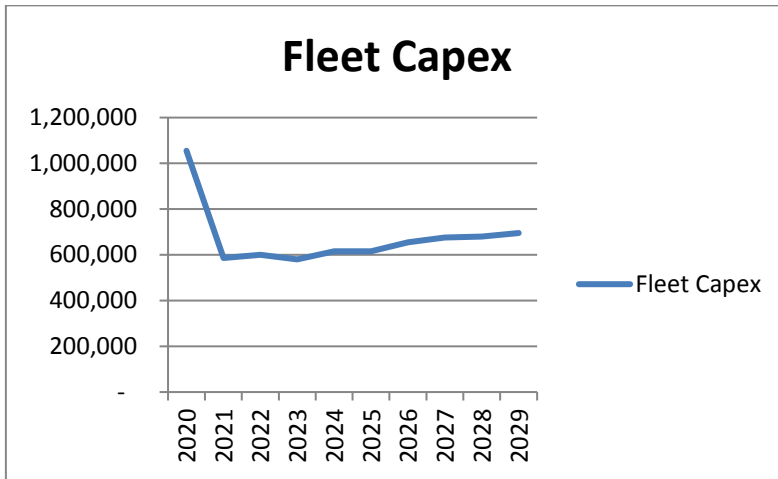
To be provided in later versions of the plan.

### 5.14 Creation/ Acquisition / Upgrade plan

New fleet purchase are currently reactive to the most pressing needs.

1x 8t truck with flat deck crane	Works Management	\$ 180,00
2x trucks space cab	Electricity	\$ 90,000
2x single cab 4x4	Telecom	\$ 80,000
2x single cab 4x4	Parks and Reserves	\$ 70,000
2x dual cab 4x4	Airport	\$ 70,000
1x truck extra cab 4x4	Electricity	\$ 70,000
1x truck 4t w/water tank and waste bins	Parks and Reserves	\$ 60,000
1x mower tractor Kubota	Airport	\$ 50,000
1x trailer mtd camera, water blaster, vacuum	All sections	\$ 45,000
1x grader multi control panel	Roads	\$ 45,000
1x station wagon	Electricity	\$ 45,000
1x aggregate spreader	Roads	\$ 40,000
1x truck multi use suit 5kl water tank	Roads	\$ 40,000
1x ute single cab 4x4	Facilities	\$ 35,000
1x ute single cab 4x4	Pest noxious weeds	\$ 35,000
1x mower ride-on	Airport	\$ 30,000
3x motor bikes	Electricity	\$ 25,000
2x hoists for spray and fabrication workshops	Fleet workshops	\$ 15,000
1x replacement engine	Airport fleet	\$ 10,000

### 5.15 Summary of future upgrade/ new assets expenditure



### 5.16 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in table below together with estimated revenue. These assets will be further reinvestigated to determine the required levels of service and see what options are available for alternate service delivery, if any. Any revenue gained from asset disposals is accommodated in the organisation’s long term financial plan.

## 6. Financial Summary

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance

### 6.1 Financial Statements and projections

The financial projections will not be known until Council has consolidated the workload its departments and the fleet requirements to be known by early next financial year.

### 6.2 Sustainability of service delivery

There are two key indicators for service delivery sustainability that have been considered in the analysis of the service provided by this asset category, these being

- Long term life cycle costs / expenditure
- Medium term projected / budgeted expenditure over 10 years of the planning period

#### *Long term – life cycle cost*

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include operations and maintenance expenditure and asset

consumption (depreciation expense).

### ***Medium term- 10 year financial planning period***

The asset management plan identifies the projected operations, maintenance, and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required service in a sustainable manner

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

At this stage it will be unrealistic to estimate these expenditures

## **6.3 Funding Strategy**

Current funding is based on depreciation values plus an initial injection to replace the worst vehicles in 2019/20..

## **6.4 Valuation forecasts**

As the council will move away from buying assets this will not be required for only a few assets that we may acquire.

## **6.5 Key Assumptions made in Financial Forecasts**

The key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts

Key assumptions made in this asset management plan are:

- The asset condition rating are a representation of the overall asset data base and based on a desktop analysis and experience by Council Staff involved with the assets through inspections, maintenance and capital improvements.
- The age of the assets recorded in Council's Asset Management database are a true representation of the actual construction date

# **7. Plan Improvement and Monitoring**

## **7.1 Accounting and financial systems**

Council employs the Authority enterprise Business system provided by CIVICA.

## **7.2 Accountabilities for financial systems**

The Chief Financial Officer is responsible for the control of council's accounting systems

## **7.3 Accounting standards and regulations**

Australia accounting standards (AASB) Local Government, code of accounting practice and financial reporting, Council's accounting policy, the Local Government Act (1993(NSW))(NI)



## **7.4 Capital/ maintenance threshold**

The aim of the capitalisation policy is to set a capitalisation threshold above which assets are required to be recorded by council in its financial statements. The process for this is the capitalisation process and is achieved by the recording of the capital cost of the acquisition of assets into Council's financial system and then into the asset management system.

## **7.5 Asset Management system**

Council proposes installing the asset management module of the Authority enterprise business system provided by CIVICA at a later date.

## **7.6 Asset Registers**

Asset registers linked to the council land register are proposed at a later date, and will reviewed and further developed as part of the improvement program for this Asset Management Plan