



COOMALIE COMMUNITY

GOVERNMENT COUNCIL

STRATEGIC ASSET MANAGEMENT PLAN



EXECUTIVE SUMMARY

Coomalie is home to a diverse community of approximately 1,400 people living and working in a unique part of the Northern Territory, across an area of approximately 2,064 km².

The Council manages a range of infrastructure assets to support the community, including roads, bridges, stormwater systems, buildings and recreational spaces. These assets have a replacement value of approximately \$39 million (as of 30 June 2023), and are critical to delivering essential services, providing accessibility for residents and visitors, and fostering community wellbeing.

This Strategic Asset Management Plan (SAMP) provides a structured framework for managing the Council's infrastructure assets to effectively meet community needs and ensure long-term sustainability. It reflects the demands on Coomalie's infrastructure assets from residents, visitors and industries, and the challenges of extreme weather conditions, an ageing asset base, maintenance scheduling, meeting growing community expectations and funding constraints.

The key objectives of the SAMP are:

- Ensuring assets are maintained to a standard that meets the community's expectations.
- Aligning asset management practices with long-term financial sustainability.
- Supporting decision-making with risk-based approaches and lifecycle planning.

The SAMP outlines:

1. **Current State:** Council's current asset management documents and the documents which need to be developed; current levels of service; asset management maturity, the remaining life of assets, and the current level of confidence in asset data.
2. **Risk Assessment:** Identification of services or assets with a high-risk rating, and the actions Council will take to reduce these risks.
3. **Financial Summary:** An overview of the current financial position and the long-term funding needed for maintenance, renewal and upgrades of assets.
4. **Improvement Plan:** Specific actions the Council will take to improve data quality, risk management, community engagement, financial sustainability and performance measurement.
5. **Monitoring and Review Process:** Council will carry out an annual review, performance reporting, a five-year comprehensive review and continuous monitoring.

This document serves as a foundation for prioritising investments, improving service delivery, and fostering resilience in infrastructure management to benefit the Coomalie community now and into the future.

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CONTENTS

EXECUTIVE SUMMARY	2
1. INTRODUCTION.....	6
1.1 ABOUT COOMALIE AND ITS ASSETS.....	6
1.2 ABOUT THIS PLAN.....	6
1.3 COOMALIE'S STRATEGIC PLAN 2023–2027	7
1.4 RESPONSIBILITY FOR THE SAMP	7
1.5 DEVELOPMENT AND IMPLEMENTATION OF THE SAMP	8
2. STRATEGIC SIGNIFICANCE.....	9
2.1 ASSET PORTFOLIO	9
2.2 NEED FOR STRATEGIC ASSET MANAGEMENT PLANNING	11
2.3 FINANCIAL PLANNING AND LONG TERM FINANCIAL STRATEGY	11
2.4 VALUATION REPORT	12
2.5 BUDGET FRAMEWORKS AND CAPITALISATION	12
2.6 ASSET MANAGEMENT STAKEHOLDERS.....	13
2.7 COMMUNITY INPUT	14
3. CURRENT STATE.....	15
3.1 ASSET MANAGEMENT POLICY	15
3.2 STRATEGIC ASSET MANAGEMENT PLAN	15
3.3 ASSET MANAGEMENT PLANS	15
3.4 LEGISLATIVE REQUIREMENTS.....	15
3.5 LEVELS OF SERVICE	15
3.6 FUTURE DEMAND.....	18
3.7 ASSET MANAGEMENT MATURITY.....	18
3.8 DATA & INFORMATION SYSTEMS	19
4. STRATEGY.....	21
4.1 ASSET MANAGEMENT FRAMEWORK	21
4.2 RISK ASSESSMENT	22
4.3 FINANCIAL SUMMARY.....	24
4.4 CURRENT FINANCIAL POSITION	24
4.5 PROJECTED FUNDING NEEDS	24
4.6 FUNDING GAP	25
4.7 FUNDING STRATEGIES	25
4.8 CONTINUOUS IMPROVEMENT AND MONITORING	26
4.9 IMPROVEMENT PLAN.....	26
4.10 MONITORING AND REVIEW PROCESS.....	27
5. GENERIC RISKS.....	28

Tables

Table 1. Summary of Asset Portfolio	10
Table 2. Northern Territory Legislative Requirements	15
Table 3. Proposed Service Levels.....	17
Table 4. Demand Management Plan	18
Table 5. Remaining Life of Assets.....	19
Table 6. Asset Data Confidence Rating System	20
Table 7. Asset Data Confidence.....	20
Table 8. Risks and Treatment Actions	23
Table 9. Projected Financial Needs (Next 10 Years).....	25
Table 10. Generic Asset Management Risks	28

Figures

Figure 1. Asset Replacement Percentage Breakdown	11
Figure 2. Asset Management Framework	21
Figure 3. Risk Management Process	22



1. INTRODUCTION

1.1 ABOUT COOMALIE AND ITS ASSETS

The Coomalie Community Government Council (Coomalie Council) is located at the Top End of the Northern Territory, covering an area of 2,064 km², with a population of approximately 1,400 people (2021 Census). This small population is tasked with supporting and maintaining a significant number of assets spread across a large geographical area, presenting unique financial and operational challenges. Council provides essential services and infrastructure to residents, local business and visitors, and supports the farming, education, mining, conservation, and recreation sectors. The Council's infrastructure assets include roads, bridges, stormwater systems, public buildings, recreational spaces, a cemetery and a waste management facility, with a combined replacement value of approximately \$39 million (as of 30 June 2023).

Council is responsible for the acquisition, operation, maintenance, renewal, and disposal of these assets, which are critical to the community's economic stability and social wellbeing. These include:

- Road infrastructure, which is essential for local industry, movement of goods, accessibility of essential services and the travel needs of residents and visitors.
- Footpaths and kerbs to support community safety, connectivity, inclusivity and accessibility.
- Stormwater and drainage systems to provide water management and flood resilience.
- Public facilities and open spaces to enhance community recreation and engagement.
- Plant, equipment, and operational assets to deliver services effectively.

1.2 ABOUT THIS PLAN

The Strategic Asset Management Plan (SAMP) has been developed to guide the Council in achieving long-term sustainability through the efficient and effective management of its infrastructure assets. The SAMP helps Council to comply with the *Local Government Act 2019*¹, which emphasises high standards in governance, asset management, and financial accountability – but it will deliver more than compliance with legislation.

The SAMP translates the Council's high-level strategic objectives in the Strategic Plan 2023–2027 into specific direction for asset management, to be reflected in individual Asset Management Plans (AMPs) for each asset category (such as transport and facilities). It provides a cohesive framework for aligning asset management plans and practices with the broader vision of delivering reliable, sustainable, and cost-effective services to the community.

Additionally, the SAMP serves as a key communication tool for engaging stakeholders, including residents, government agencies, and contractors, about the Council's approach to managing its assets. By providing transparency and clarity, the SAMP ensures that stakeholders understand how the Council prioritises, maintains and invests in its assets to meet current and future community needs.

The key objectives of the Strategic Asset Management Plan (SAMP) are:

- Ensuring assets are maintained to a standard that meets the community's expectations.
- Aligning asset management practices with long-term financial sustainability.
- Supporting decision-making with risk-based approaches and lifecycle planning.

¹ Section 200 of the *Local Government Act 2019* requires Coomalie Council to develop a long-term financial plan (LTFP) that covers a minimum period of four financial years. The SAMP, in conjunction with the LTFP, the Asset Management Policy, and individual Asset Management Plans (AMPs), provides a comprehensive framework for sustainable asset management and financial planning.

1.3 COOMALIE'S STRATEGIC PLAN 2023–2027

Planning for the long-term funding and management of assets, and strengthening asset management practices, supports the Council's broader social and economic objectives and contribute to the overall vision, mission and strategic objectives of the Coomalie region, outlined below.

Vision: Connecting Community, driven by the unique Coomalie landscape.

Mission: To focus on the diversity of the social, economic, environmental, and cultural priorities of Coomalie.

Strategic Priorities:

- **Stability:** Strengthening governance and ensuring sound financial management.
- **Advocacy:** Representing the community's interests and fostering productive partnerships.
- **Sustainability:** Promoting long-term environmental and economic resilience.
- **Community Wellbeing & Resilience:** Enhancing the quality of life and supporting a thriving, inclusive community.

1.4 RESPONSIBILITY FOR THE SAMP

The following stakeholders will be involved in implementing the SAMP.

Internal Stakeholders:

1. Elected Council:
 - Acts as the custodian of the community's assets.
 - Provides strategic direction and oversight through alignment with the Shire Plan and community objectives.
 - Approves the SAMP and related policies, ensuring they align with long-term goals.
2. Executive Leadership Team (ELT):
 - Ensures the SAMP aligns with the Council's strategic priorities and is integrated with financial and operational planning.
 - Oversees the implementation of asset management strategies and improvement plans.
3. Asset Managers and Operational Teams:
 - Are responsible for the day-to-day planning, maintenance, and renewal of infrastructure.
 - Conduct condition assessments, risk management, and lifecycle planning for critical assets.
4. Finance and Governance Teams:
 - Support asset management through budgeting, funding strategies, and compliance with financial policies.
 - Maintain transparency and accountability in reporting asset performance and funding needs.

External Stakeholders:

1. Community:
 - Sets service expectations and provides feedback on infrastructure performance.
 - Benefits from well-maintained assets and contributes to their sustainability through rates and charges.
2. Northern Territory Government
 - Provides policy direction, funding, and compliance oversight for asset management practices.
3. Service Providers and Contractors:
 - Partner with the Council to deliver maintenance, upgrades, and asset-related services efficiently.

The collaborative approach outlined in this section ensures the SAMP is integrated across all functions of the Council, aligning resources and efforts to deliver sustainable and reliable services to the Coomalie community.

1.5 DEVELOPMENT AND IMPLEMENTATION OF THE SAMP

The SAMP was developed under the leadership of the Council's Executive team and presented as a draft to the elected Council for formal review and adoption.

The SAMP remains a living document. It will evolve as the Council implements the improvement plan in section 4.9. Council may also need to update the SAMP to reflect changes in priorities, risks, or other requirements.

The implementation of the SAMP is essential to achieving long-term sustainability of Council's assets and meeting the objectives outlined in the Council's Strategic Plan. This will be accomplished through the development, execution, and continuous improvement of a comprehensive asset management framework.

Successful implementation requires critical thinking, targeted investment, and informed decision-making, ensuring that assets are managed with a whole-of-life perspective. This approach maximises long-term benefits, supports efficient resource use, and positions the Council for sustainable growth and service delivery.

For the SAMP to be effective, it must be well-communicated and understood by all stakeholders involved in asset management. Strong support from the Executive Leadership Team is crucial, to ensure the SAMP is integrated with the Council's overall long-term strategic planning, and that asset management remains a core focus for the Council.

The monitoring and review process for implementation of the SAMP is outlined in section 4.10. Carrying out this ongoing review process, and making further improvements in response to the findings, will ensure infrastructure remains fit for purpose and supports the wellbeing and resilience of the Coomalie community.



2. STRATEGIC SIGNIFICANCE





2.1 ASSET PORTFOLIO

The SAMP applies to all physical assets owned or managed by Council. A summary of the asset portfolio for each of the asset categories is provided in Table 1 below. This is based on a valuation report from 11 July 2023 conducted by NT Valuers. The significant difference between the current value and the replacement value of the Council's assets reflects factors such as the age of the assets, general wear and tear, the impact of severe weather events, and the increasing costs of materials and labour. This data is also critical for calculating the remaining useful life of the assets, as outlined in section 3.7.

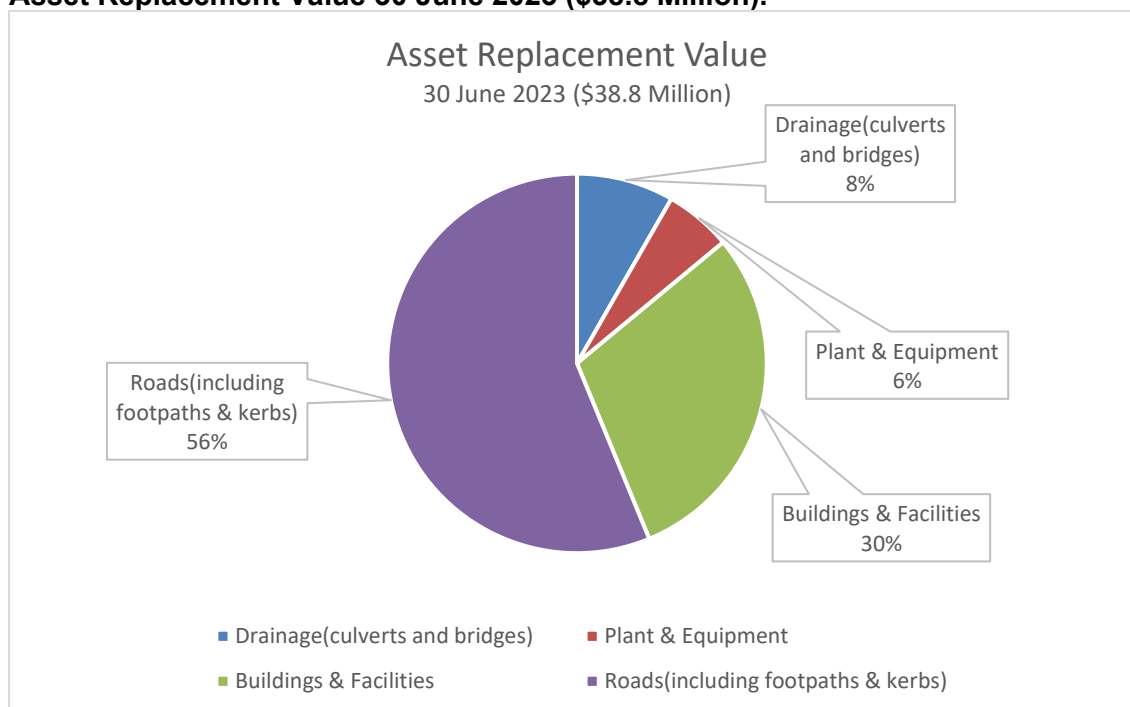
Stormwater assets and street lighting are key components of the Council's infrastructure portfolio; however, they are not included in this SAMP as valuations for these asset categories were not conducted as part of the 2023 asset valuation report.



Table 1. Summary of Asset Portfolio

	Buildings & Facilities	Replacement Value \$11.5 Million Current Value \$4.2 Million		Drainage (culverts and bridges)	Replacement Value \$3.2 Million Current Value \$1.7 Million
	Roads (including footpaths & kerbs)	Replacement Value \$21.7 Million Current Value \$10.5 Million		Plant & Equipment	Replacement Value \$2.2 Million* Current Value \$1.1 Million

*Estimated value, as this data was not included in the 2023 asset valuation report.

Asset Replacement Value 30 June 2023 (\$38.8 Million).**Figure 1. Asset Replacement Percentage Breakdown****2.2 NEED FOR STRATEGIC ASSET MANAGEMENT PLANNING**

The Council faces challenges in funding lifecycle costs through its current revenue streams, which include rates and grants. While the Council successfully secured over \$1.8 million in grants in the past year, such funding is often uncertain and insufficient to meet long-term infrastructure needs.

Historically, much of the Council's infrastructure was developed without detailed lifecycle planning (on how to maintain and pay for assets from construction through to disposal), leading to the issues discussed in this SAMP. To overcome these challenges, the Council is implementing robust long-term planning processes to identify funding requirements and integrate sustainable infrastructure management as a central strategic objective.

The development of the SAMP supports:

- Alignment of asset management practices with the Strategic Plan 2023–2027.
- Implementation of effective funding, risk mitigation, and lifecycle management strategies.
- Delivery of sustainable and efficient infrastructure services to the community.

This strategic approach enables the Council to address challenges such as the need for additional resources in land and asset management, as highlighted in the Annual Report 2023–24, and to prioritise key projects under the "Super 7" initiative for long-term community benefit.

2.3 FINANCIAL PLANNING AND LONG TERM FINANCIAL STRATEGY

The 2023 Valuation Report, developed by Valuation Advisory (Australia) Pty Ltd, correlates directly with the Council's ability to maintain its assets by providing a clear financial snapshot of the assets' replacement costs, current values and annual depreciation. This information is crucial to inform the SAMP and future planning, and highlight funding gaps, sustainability issues and existing and emerging priorities.

Key Insights from the Valuation Report:

Asset Valuation:	<ul style="list-style-type: none"> • Total Replacement Cost: \$38,822,436 • Fair Value (2023): \$17,677,270 • Accumulated Depreciation: \$21,145,165 <p><i>These figures indicate the scale of the investment needed to sustain and renew assets.</i></p>
Annual Depreciation Expense:	<p>The \$1,598,564 annual depreciation expense reflects the ongoing cost of asset ageing and deterioration. - Valuation Report (2023).</p> <p><i>Without consistent funding to match or exceed this figure, asset conditions will continue to decline.</i></p>
Breakdown by Asset Class:	<ul style="list-style-type: none"> • Roads: Replacement cost of \$21,203,006, with a fair value of \$10,378,834. <i>Roads represent the largest asset group, accounting for over 59% of the portfolio.</i> • Buildings & Infrastructure: Replacement cost of \$11,543,630, fair value \$4,194,419. • Culverts & Bridges: Replacement cost of \$3,288,696, fair value \$1,765,416. • Footpaths and Kerbs: Replacement cost of \$549,504, fair value \$219,802. • Plant & Equipment: Replacement cost of \$2,237,600, fair value \$1,118,800.

The Valuation Report shows there is a significant gap between the current value of assets and the cost of replacing them. This depreciation of value means Council needs to prioritise long-term financial planning to be able to manage this issue. The annual grant funding from the State and Federal Government is an essential contribution to Council's budget but may be insufficient for addressing major asset renewals.

2.4 VALUATION REPORT

The Valuation Report shows the need for the SAMP to focus on financial sustainability and to plan lifecycle management and asset renewals. Adopting this SAMP will provide a framework for making decisions on asset management priorities. The SAMP will also provide information and justification for grant applications, and guide the 10-year Asset Renewal Program

Council will use the valuation data in a number of different ways.

- **Incorporate Key Data:** It provides the context for Council's current position in this SAMP and justifies the focus on sustainable asset management.
- **Lifecycle Planning:** It supports the development of strategies to balance renewal, maintenance, and disposal of assets in line with the fair value trends.
- **Highlight Risks:** The issue of insufficient funding is reflected in the risk assessment, particularly for high-cost assets like roads and buildings.
- **Grant Applications:** Leverage the valuation data to strengthen funding applications for state and federal grants.

2.5 BUDGET FRAMEWORKS AND CAPITALISATION

Coomalie Council recognises the need to improve and regularly review its budgeting processes to effectively fund the infrastructure asset base. These processes form the foundation of the Council's strategic financial planning and its ability to sustain assets over the long term.

To achieve this, the Council has adopted a funding framework that expands beyond the traditional two funding areas (operating and capital) to include four key categories (within capital expenditure), as follows:

Asset Renewal:

Expenditure on an existing asset, or the replacement of an existing asset, that restores the service capability of the asset to its original condition or capacity.

Asset Expansion:

Expenditure that increases the capacity of an existing asset to accommodate new users while maintaining the same service standards for existing users.

Asset Upgrade:

Expenditure that:

- Enhances an existing asset to provide a higher level of service.
- Extends the useful life of the asset beyond its original design life.

New Assets:

Expenditure that creates a new asset to deliver a service that did not previously exist.

The first two categories, **Asset Renewal** and **Asset Expansion**, are considered “non-discretionary” and are essential for ensuring the ongoing sustainability and longevity of Council's infrastructure assets. In contrast, discretionary spending, such as **Asset Upgrades** and **New Assets**, is typically justified when there is a clear need to enhance service levels, address community growth, or respond to specific opportunities or priorities identified by the Council. Discretionary expenditure may also be considered when external funding becomes available or when projects align with the Council's strategic objectives and deliver long-term community value.

The budgetary framework ensures that the Council's financial resources are allocated effectively across operational activities and asset maintenance (operational expenditure) and the four capital expenditure categories. These categories provide a structured approach for the Council to balance competing priorities, including meeting community service needs, ensuring infrastructure longevity, and maintaining financial sustainability.

Although operations and maintenance are not included within the four capital expenditure categories, they are critical components of the Council's overall financial planning. These activities preserve assets in their current condition, prevent accelerated deterioration, and extend their useful life. By integrating operations and maintenance with long-term capital planning, the Council ensures that all assets remain fit-for-purpose and capable of meeting community expectations.

This integrated approach allows Coomalie Council to make informed budgetary decisions that align with its strategic objectives while addressing the immediate and long-term infrastructure needs of the community.

2.6 ASSET MANAGEMENT STAKEHOLDERS

The Council recognises that it has not previously conducted a comprehensive analysis of its internal and external asset management stakeholders. Asset management is a cross-functional activity with far-reaching impacts on both Council operations and the community. It also needs to comply with Northern Territory legislation.

Identifying and understanding the needs, roles, and influences of asset management stakeholders is a critical step in ensuring that asset delivery and management practices are effectively targeted. By engaging with stakeholders (listed in section 1.4) and discussing their expectations within the context of Council's objectives, the Council can enhance decision-making, resource allocation, and community outcomes.

Stakeholder engagement is essential for improving transparency, building trust, and ensuring that asset management aligns with the broader needs of the community and regulatory requirements. It

also provides a foundation for developing tailored strategies to meet the unique needs of each stakeholder group.

2.7 COMMUNITY INPUT

Consultation and feedback from the community is essential for Coomalie Council to understand and meet the needs of residents. The Council is committed to engaging with the community using a variety of platforms to ensure diverse voices are heard.

The Council will continue to prioritise community engagement by:

- Providing opportunities for residents to offer feedback on asset plans and strategies.
- Implementing new education and consultation initiatives to raise awareness about its asset management plans.
- Sharing the outcomes of consultations transparently to build trust and accountability.

Consultation efforts will be tailored to reflect the diversity of the community, ensuring that all groups have an opportunity to contribute to the decision-making process. This approach strengthens the relationship between the Council and the community, fostering shared responsibility for the management and sustainability of local assets.

The community's needs and expectations will be balanced with industry best practices in asset management by defining levels of service for each asset category within the Council's Asset Management Plans. These levels of service outline the required standards for maintaining, renewing, refurbishing, or replacing assets while considering associated risks.

Establishing clear, agreed levels of service enables assets to be managed in a way that meets community expectations and reflects the Council's ability to pay for services. Setting levels of service also supports the strategic allocation of limited funding resources, to ensure the most important issues are addressed without compromising the long-term sustainability of assets.



3. CURRENT STATE

This section compares the Council's current asset management system with best practices.

3.1 ASSET MANAGEMENT POLICY

An Asset Management Policy has been adopted at the time of developing the SAMP, which provides guidance on the principles and objectives of asset management.

3.2 STRATEGIC ASSET MANAGEMENT PLAN

Coomalie Council does not currently have an approved strategic asset management plan.

3.3 ASSET MANAGEMENT PLANS

Coomalie Council does not currently have any approved asset management plans in place.

3.4 LEGISLATIVE REQUIREMENTS

Current service levels provided by Council and basic demand planning should be documented within individual Asset Management Plans.

Table 2. Northern Territory Legislative Requirements

Legislation	Requirement
<i>Local Government Act 2019</i> s6(e)	This Act provides for the following: (e) The requirement on councils of high standards of governance, service delivery, asset management and financial accountability.
<i>Local Government Act 2019</i> s167(g)	The CEO is responsible to the council: (g) To ensure that the council's assets and resources are properly managed and maintained.
<i>Local Government Act 2019</i> s205(1)	A council must keep accounting records that give a true and fair view of: (a) the council's revenue and expenditure; and (b) the council's assets and liabilities.
<i>Local Government (General) Regulations 2021</i> Reg 6(1)(d)(v)	A council must maintain the following information: (d) The council's internal controls, including the following: (v) a policy made by the CEO for asset management.
<i>Local Government (General) Regulations 2021</i> Reg 24(2)	(1) The CEO of a council or chief executive of a local government subsidiary is responsible for the safekeeping of all council assets or local government subsidiary assets. (2) The CEO or chief executive must ensure that adequate records are kept of council assets or local government subsidiary assets.

3.5 LEVELS OF SERVICE

This SAMP has been developed to support consultation prior to the adoption of levels of service by the Council. Future updates to the plan will incorporate community feedback on service levels and the costs of delivering the agreed services. This approach will help Council and its stakeholders align the desired level of service, associated risks, and potential consequences with the community's ability and willingness to fund the services.

Council defines service levels in two categories: **Community Levels of Service** and **Technical Levels of Service**. These levels guide asset management practices, ensuring that infrastructure meets the needs of the community while aligning with operational and financial realities.

Community Levels of Service

Community levels of service focus on the outcomes that the community expects from Council's infrastructure and services. These outcomes are defined in terms of safety, quality, function, cost-effectiveness and legislative compliance.

The three measures used to evaluate community levels of service are:

- **Quality:** How good is the service and does it meet community expectations?
- **Function:** Does it meet user needs effectively?
- **Safety:** Is it safe to use?

Technical Levels of Service

Technical levels of service support the achievement of community service outcomes by focusing on operational and technical performance. These measures relate to resource allocation for the following activities.

1. **Operations:** Regular activities that deliver services, such as facility opening hours, cleaning schedules, and mowing frequencies.
2. **Maintenance:** Activities to maintain assets as close as possible to their original condition, such as road patching, grading unsealed roads, or repairing buildings.
3. **Renewal:** Activities that restore assets to their original performance capability, such as road resurfacing, pipeline replacement, or rebuilding asset components.
4. **Upgrades/New Assets:** Activities that improve service levels or create new services, such as road widening, sealing unsealed roads, or constructing new facilities.

Current Service Levels

Coomalie Council does not currently have formally documented levels of service for its infrastructure assets. As part of this SAMP, Table 3 outlines the Council's proposed service levels, including key performance measures and budget allocations for operations, maintenance, renewals, and upgrades. These proposed levels of service aim to establish a clear framework for balancing community expectations, financial sustainability, and the long-term management of Council's infrastructure assets.

Table 3. Proposed Service Levels

Key Performance Measure	Level of Service Objective	Performance Measure Process	Desired Level of Service	Recommended Performance
COMMUNITY LEVELS OF SERVICE				
Quality	Provide high-quality services to meet community expectations.	Community surveys and feedback.	Minimal number of complaints and positive customer survey rating.	Conduct Customer surveys.
Function	Ensure services meet user needs effectively.	Review of service usage data and community input.	Minimal number of complaints and positive customer survey rating.	Conduct Customer surveys.
Safety	Ensure services are safe for public use.	Incident reports and compliance checks.	Minimal number of complaints and positive customer survey rating.	Conduct Customer surveys.
TECHNICAL LEVELS OF SERVICE				
Operations	Deliver services in a timely and cost-effective manner.	Annual budget allocations and service reviews.	New assets are funded through project budgets and recorded in the appropriate registers.	Improve current approach.
Maintenance	Retain assets close to their original condition.	Inspection schedules and maintenance records.	Annual inspections scheduled in for planned/reactive maintenance.	Satisfied with current performance.
Renewal	Restore assets to their original service capability.	Asset renewal plans and lifecycle costing.	Assets renewed when condition deteriorates past intervention levels.	Satisfied with current performance.
Upgrade/New Assets	Enhance service levels or provide new services.	Capital works programs and community consultation.	Ongoing installation/construction of new infrastructure assets as part of the Capital Works programme/budget.	Satisfied with current performance.

3.6 FUTURE DEMAND

Several factors influence demand for services and assets, including population growth or decline, regulatory changes, shifts in demographics, seasonal variations, vehicle ownership trends, industrial activities, technological advancements, economic conditions, agricultural practices, and increasing environmental awareness.

The current status and future projections of demand drivers that may impact service delivery and asset usage have been assessed and documented.

Table 4 provides a summary of these demand drivers, including their potential effects on service delivery and asset management.

Table 4. Demand Management Plan

Demand Driver	Current Position	Projection	Impact on Services	Demand Management Plan
Population	Current population estimated at approximately 1,400.	Gradual growth projected at ~1% per year.	Increased population will require expanded infrastructure and community services, potentially straining existing assets.	Balance infrastructure priorities with community needs and willingness to pay. Regularly review population data to update projections and resource allocations.
Industry Shift	Established tourism and agriculture base, with growing potential for mining.	Expansion of tourism and agricultural industries.	Increase in visitors and demand for infrastructure and services, such as roads and waste management.	Monitor changing industry needs and develop business cases for upgrading or adapting existing infrastructure to support economic growth.
Environmental/ Climate Change	Tropical climate with seasonal heavy rainfall and extreme weather events.	Increased temperatures and more frequent extreme weather events, including flooding.	Increased maintenance and renewal costs for infrastructure affected by heavy rainfall and potential resource relocations.	Develop and implement climate resilience strategies, including flood mitigation plans and resource relocation measures as required.
Changes in Technology	Limited adoption of modern construction techniques and alternative materials.	Emerging use of innovative construction materials and techniques.	Potential for reduced lifecycle costs and improved construction efficiency.	Monitor advancements in materials and construction techniques to assess impacts on costs and long-term infrastructure performance.

3.7 ASSET MANAGEMENT MATURITY

Council recognises the importance of improving its asset management maturity and acknowledges that advancing this requires a commitment of resources. There is a shared understanding across the organisation of the need to progress and enhance our practices in this area.

To estimate the remaining life of Coomalie Council's assets based on the valuation data, the following formula is used:

$$\text{Remaining Life (\%)} = \frac{\text{Replacement Cost}}{\text{Fair Value}} \times 100$$

Table 5 gives an approximate percentage of life left per asset class.

On average, most assets have approximately 40–50% of their useful life remaining, highlighting the need for structured renewal planning to prevent service disruptions, with critical assets such as roads, culverts, and building requiring prioritised attention to maintain functionality and manage future costs.

Table 5. Remaining Life of Assets

Asset Class	Replacement Cost (\$M)	Fair Value (\$M)	Remaining Life (%)	Notes
Buildings & Infrastructure	11.54	4.19	36%	Assets are ageing, with less than half of their useful life remaining.
Culverts & Bridges	3.29	1.77	54%	Moderate remaining life, but proactive renewal planning is critical.
Roads (including footpaths & kerbs)	21.75	10.6	48%	Roads and kerbs are approaching mid-life; renewal planning is essential.
Plant & Equipment	2.2	1.12	50%	Moderate remaining life; ensure timely renewal for operational efficiency.

Overall, Council's asset portfolio is in a moderate stage of its lifecycle, with many assets having approximately 40–50% of their useful life remaining. While some assets, such as roads and drainage systems, are approaching mid-life, others, like plant and equipment, may require renewal sooner. It is anticipated that renewal demands will increase significantly in the medium to long term as key infrastructure assets, including roads and drainage, near the end of their useful lives. Proactive planning and investment in renewal strategies will be critical to managing this transition effectively.

3.8 DATA & INFORMATION SYSTEMS

Coomalie Council strives to maintain asset data systems that are transparent and grounded in sound logic, ensuring they can withstand audit scrutiny. The Council's primary objective is to continuously improve the confidence levels of asset data, thereby enhancing the accuracy and reliability of asset management outputs.

Asset data confidence is assessed using a structured Confidence Rating System (Table 6), which evaluates the completeness and quality of data for inventory, condition, and asset registers.

Table 6. Asset Data Confidence Rating System

Data confidence	Confidence Rating System	Determination
Incomplete	0 - 25 %	Incomplete knowledge-based data. Most assets lack inventory, condition assessments, and accurate unit rates or useful life estimates.
Partial	25 - 50%	Partially complete data. Many assets are missing component information, with condition assessments conducted by untrained staff and estimated unit rates and useful life benchmarks.
Near Complete	50 - 85%	Near-complete data. Some assets still lack component or condition details, but assessments are performed by trained staff, with tendered unit rates and useful life benchmarks.
Complete	85 - 100%	Complete and confirmed data. Most assets have detailed inventory and condition information assessed by accredited external professionals, using actual unit rates and useful life data.

The approximate current level of confidence for asset management data across various asset classes is outlined in Table 7. Confidence levels vary across asset classes, with some areas requiring improvement to better align data quality with the criticality and risk profiles of the assets.

Table 7. Asset Data Confidence

Asset Class	Data confidence	Determination
Plant & Equipment	Partial	30%
Roads	Near Complete	60%
Drainage (culverts and bridges)	Near Complete	60%
Buildings	Partial	25%
Other Infrastructure	Incomplete	10%
Stormwater	Incomplete	5%
Street Lights	Incomplete	10%

4. STRATEGY

4.1 ASSET MANAGEMENT FRAMEWORK

Figure 2 represents the asset management framework, its hierarchy and how these relate to other key Council documentation.

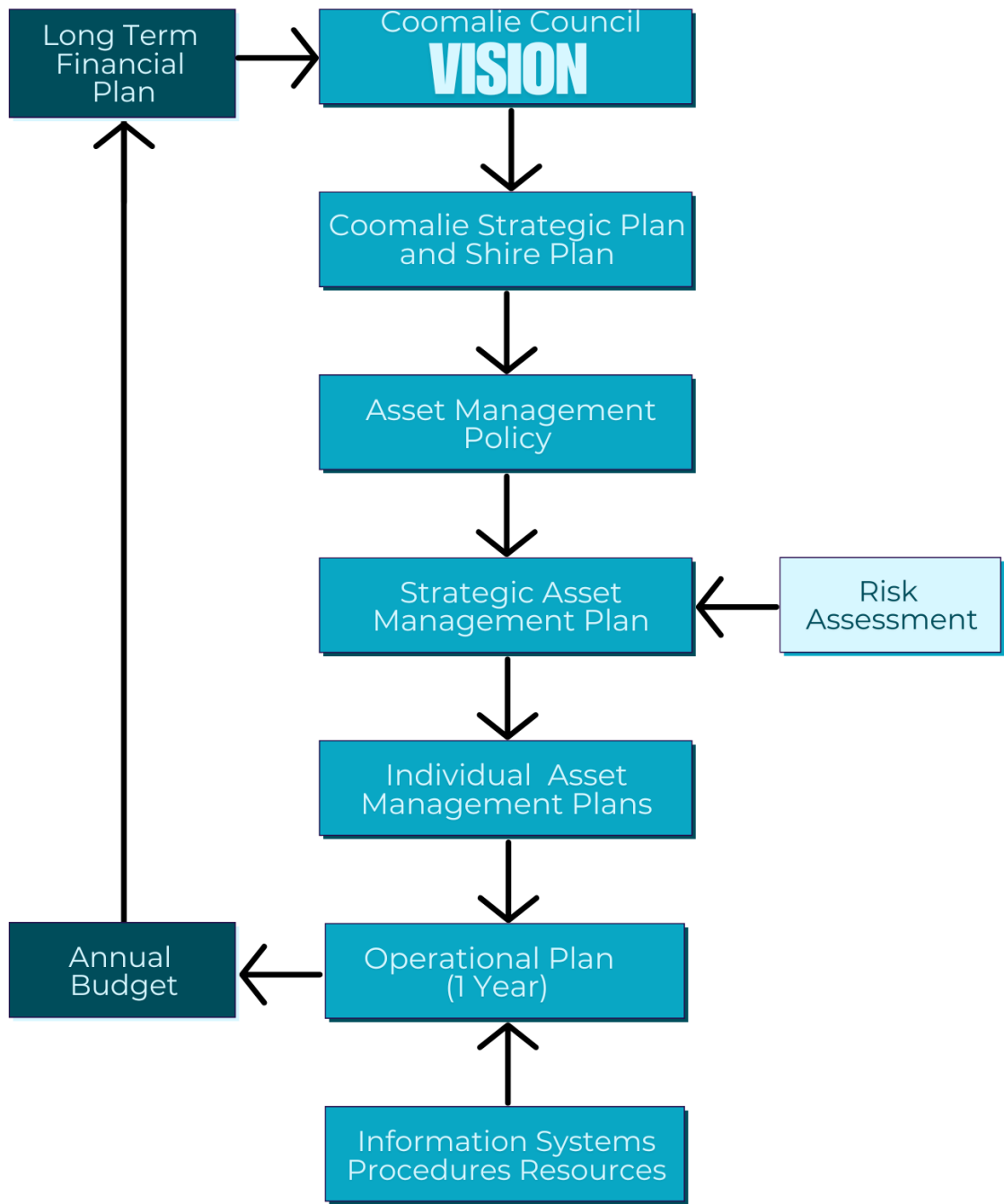


Figure 2. Asset Management Framework

4.2 RISK ASSESSMENT

The purpose of asset risk management is to document the findings and recommendations resulting from the systematic identification, assessment, and treatment of risks associated with delivering services from infrastructure. This process is guided by the principles outlined in ISO 31000:2018 – Risk Management: Guidelines.

Risk Management, as defined in ISO 31000:2018, refers to "coordinated activities to direct and control an organisation with regard to risk." – (ISO 31000:2018, p 1).

A risk assessment associated with service delivery identifies potential risks that could lead to service disruptions, personal injury, environmental impacts, financial shocks, reputational damage, or other adverse consequences. The process involves identifying credible risks, assessing the likelihood of their occurrence, and evaluating the potential consequences. The process also includes developing a risk rating to prioritise risks, evaluating their acceptability, and formulating a risk treatment plan.

The risk management process that informs the SAMP is shown in Figure 3 below. This is a structured analysis and problem-solving approach designed to provide a logical framework for selecting treatment plans and management actions to mitigate unacceptable risks. The process is grounded in the principles of ISO 31000:2018 – Risk Management Guidelines.

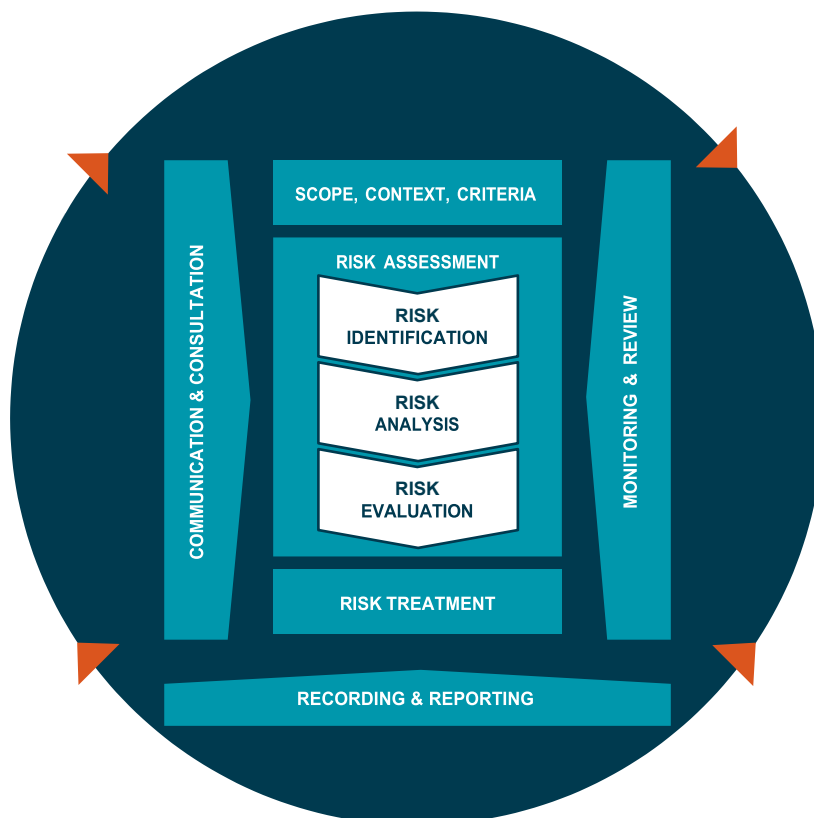


Figure 3. Risk Management Process

Source: (ISO 31000:2018, p 9)

Critical risks are those classified as 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) in the Council's Risk Management Plan. The residual risk levels and associated treatment costs for implementing the chosen risk mitigation strategies are outlined in Table 8. Reporting these critical risks and their costs to management and the Council is essential to ensure informed decision-making and resource allocation.

Table 8. Risks and Treatment Actions

Service or Asset at Risk	What Can Happen	Risk Rating	Risk Treatment	Residual Risk
Sealed Roads	Incident due to poor surface condition	High	Implement a planned reseal program based on condition assessments.	Medium
Road Pavements	Water ingress leading to costly reconstructions	High	Annual reseal program, planned maintenance, and timely repair of surface defects.	Medium
Footpaths	Pedestrian injuries due to trip hazards	High	Conduct condition surveys, maintain a defect register, and carry out planned/reactive maintenance.	Medium
Street Lighting	Injuries caused by inadequate lighting or pole failure	Medium	Conduct regular inspections and annual lighting audits.	Low
Open Drains/ Culverts	Death/injury during high rainfall events	High	Perform annual inspections, including risk assessments for each structure.	Low
Open Space Play/Recreation Equipment	User injuries due to faulty equipment	High	Ensure proper design, installation, regular inspections, and safety audits.	Medium
Buildings	Major incidents such as fire or flood	High	Conduct electrical safety audits, safety equipment checks, and periodic emergency drills.	Medium

4.3 FINANCIAL SUMMARY

The financial summary provides an overview of the funding requirements to sustain Coomalie Council's infrastructure assets and ensure the delivery of services to the community. This section outlines the current financial position, projected funding needs, and the financial strategies required to achieve sustainable asset management.

4.4 CURRENT FINANCIAL POSITION

As of the most recent valuation, the total replacement cost of Coomalie Council's infrastructure assets is estimated at \$38.8 million, with a fair value of \$17.7 million. Annual depreciation expenses are calculated at \$1.59 million, reflecting the yearly cost of asset deterioration.

Operational revenue from rates and fees remains insufficient to fully fund the lifecycle costs of all assets. It means Council's current funding for asset maintenance, renewals, and upgrades is heavily reliant on grants, which introduces financial uncertainty for long-term planning.

Coomalie Council's funding for infrastructure and services comes from a combination of rates, Government grants, and other revenue sources (Coomalie Shire Plan 2024–2025):

- **Total Operating Revenue (2024–2025): \$3,550,840**
 - Rates: \$1,200,193 (33.8% of revenue).
 - Operational grants: \$1,550,487 (43.6% of revenue).
- **Total Operating Expenditure: \$3,578,452**
 - Employee expenses: \$1,498,126 (41.9% of expenditure).
 - Materials and contracts: \$1,270,588 (35.5% of expenditure).
 - Depreciation: \$640,488.
- **Capital Budget (2024–2025): \$2,223,903, including:**
 - Roads: \$1,056,903.
 - Buildings: \$415,000.
 - Plant and equipment: \$230,000.
 - Community assets: \$522,000.

While this funding supports current operations, there is a significant gap between available resources and the long-term funding needed for maintenance, renewal and upgrades of assets.

4.5 PROJECTED FUNDING NEEDS

To maintain the current level of service and meet future demand, Council will need to invest in:

- **Asset renewals** – Addressing the increasing renewal requirements as assets approach the end of their useful life.
- **Asset expansions, upgrades and/or new assets** – Expansions, upgrades and new infrastructure to accommodate population growth and economic development.
- **Risk management** and improving the resilience of critical infrastructure, particularly in the context of climate change and extreme weather events.

Projected financial needs are based on replacement costs, typical lifecycle requirements, and maintenance demands. Details on how the calculations were derived are provided in Table 9.

Table 9. Projected Financial Needs (Next 10 Years)

Asset Category	Annual Maintenance (\$)	Annual Renewal (\$)	Projected Upgrades/New Works (\$)	How Figures Were Calculated
Roads (including kerbs)	\$500,000	\$1,200,000	\$300,000	Maintenance: 2.5% of replacement cost. Renewals: Resealing/pavement reconstruction cycles. Upgrades: 1.5% annually.
Drainage (culverts & bridges)	\$200,000	\$400,000	\$150,000	Maintenance: 6% of replacement cost. Renewals: 12–15% every 3 years.
Buildings	\$150,000	\$300,000	\$200,000	Maintenance: 1.5% of replacement cost. Renewals: Major components every 20–25 years.
Plant & Equipment	\$100,000	\$150,000	\$50,000	Maintenance: 5% of replacement cost. Renewals: Replacement every 10–12 years.
Other Infrastructure	\$50,000	\$100,000	\$50,000	Maintenance and renewals estimated based on smaller asset categories.
Total	\$1,000,000	\$2,150,000	\$750,000	

4.6 FUNDING GAP

The total annual funding required to operate, maintain, renew, expand, upgrade or develop new Council assets is estimated at \$3.9 million, while current funding levels are significantly lower.

- Current Funding Allocated to Infrastructure: Approximately \$2.5–3.0 million annually.
- Annual Shortfall: \$0.9–1.4 million.

This gap highlights the need for targeted investment and prioritised resource allocation, and the urgent need to:

- Advocate for increased and consistent external funding from state and federal governments.
- Explore alternative revenue streams.
- Prioritise critical asset renewals and defer non-essential works where feasible.

4.7 FUNDING STRATEGIES

To address the funding gap and ensure sustainable asset management, Coomalie Council will implement the following strategies:

1. Long-Term Financial Planning: Align financial planning with asset renewal projections to ensure funding consistency.

2. Grant Advocacy: Proactively seek Government grants for capital works and essential upgrades.
3. Optimisation of Resources: Focus on lifecycle management to reduce maintenance costs and extend asset life.
4. Community Engagement: Communicate financial challenges and involve the community in decisions regarding service levels and funding priorities.

This financial summary ensures that Coomalie Council's SAMP provides a clear understanding of the funding needs, challenges, and strategies required to sustain its infrastructure assets over the long term.

4.8 CONTINUOUS IMPROVEMENT AND MONITORING

The SAMP is a dynamic document that requires regular review and updates to reflect changing circumstances, community needs, and advancements in asset management practices. Coomalie Council is committed to continuous improvement and robust monitoring of the SAMP to ensure it remains relevant and effective.

4.9 IMPROVEMENT PLAN

Coomalie Council will take the following actions to enhance its asset management practices.

Data Quality Enhancement:

- Conduct detailed condition assessments for all major asset categories to improve data accuracy.
- Integrate data into an Asset Management Information System (AMIS).

Risk Management Integration:

- Develop a comprehensive risk register, aligned with ISO 31000:2018 standards.
- Ensure risk assessments are updated regularly to address emerging challenges and asset vulnerabilities.

Community Engagement:

- Expand consultation processes to align service levels and asset priorities with community expectations.
- Incorporate feedback from community consultations into future updates of the SAMP.

Financial Sustainability:

- Align asset management strategies with the Long-Term Financial Plan (LTFP) to ensure funding gaps are addressed.
- Advocate to State and Federal Government for consistent grant funding to support asset renewal and upgrades.

Performance Measurement:

- Develop Key Performance Indicators (KPIs) to monitor asset performance, service delivery, and progress toward strategic objectives.
 - Establish a baseline for asset management maturity and set improvement targets.
-

4.10 MONITORING AND REVIEW PROCESS

The monitoring and review process ensures that the SAMP remains effective and responsive to changing conditions. Coomalie Council will adopt the following measures:

Annual Review:

- Update the SAMP annually to reflect progress on improvement actions, condition changes, and updated financial projections.
- Align reviews with the Council's Shire Plan to maintain consistency with strategic goals.

Performance Reporting:

- Produce an annual report on asset management performance, including service levels, risk mitigation, and financial outcomes.
- Present findings to Council leadership and stakeholders to promote transparency.

Five-Year Comprehensive Review:

- Conduct a major review of the SAMP every five years to evaluate its alignment with community needs, legislative requirements, and emerging best practices.

Continuous Monitoring:

- Implement a process for continuous monitoring of the condition of assets, financial sustainability, and risk management outcomes.
- Use monitoring data to inform operational and strategic decision-making.

The responsibility for improving and monitoring the SAMP lies with the Coomalie Council Executive Leadership Team (ELT), supported by staff across operational and strategic roles. The ELT will:

- Oversee the implementation of improvement actions.
 - Ensure alignment between the SAMP, the Long-Term Financial Plan, and the Shire Plan.
 - Provide regular updates to the Council and community on progress.
-

5. GENERIC RISKS

This section highlights the general risks that could affect the achievement of strategic asset management objectives, along with the processes for monitoring and managing these risks. Council plans to conduct a risk workshop to further refine and document these potential risks in a comprehensive risk register.

Table 10. Generic Asset Management Risks

Risk ID	Risk
1	Unclear asset management (AM) objectives.
2	Insufficient role clarity to ensure that all AM responsibilities are covered and clearly understood.
3	Staff may not be adequately trained or experienced.
4	Inadequate resources (staff) to manage existing assets.
5	Inadequate levels of staff to manage long term assets.
6	Elected members or staff making decisions without assessing long term impacts.
7	Long term financial planning does not meet asset expenditure requirements (budget shortfalls).
8	Depreciation calculation not robust.
9	Data quality or confidence does not support robust reporting or planning requirements.
10	Not able to provide effective and timely reporting to support decision-making and control.
11	AM Information System (AMIS) unable to integrate with other Council systems.
12	AM risk processes not followed.
13	Importance and benefits of AM not understood by all stakeholders.
14	Effective AM governance not managed.
15	Service level requirements not understood.
16	Service levels not achieved.
17	AM planning not completed/sufficient.
18	Budget overspend/underspend.
19	End user safety issues.
20	Legislative compliance issues.
21	Strategic or operational plans not followed.
22	Continual improvement in AM delivery not achieved.
23	Growth scenarios and implications not planned.
24	Cross-functional collaboration not effective.
25	AM system failure.
26	Device failure when gathering AM information.