



# Infrastructure Asset Management Plan

2025-2034

May 2024

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# TABLE OF CONTENTS

<b>1. EXECUTIVE SUMMARY .....</b>	<b>1</b>
1.1. THE PURPOSE OF THE PLAN .....	1
1.2. WHAT DOES THE PLAN COVER .....	1
1.3. WHAT DOESN'T THE PLAN COVER .....	1
1.4. WHAT DOES IT COST .....	1
1.5. TOTAL EXPENDITURE FOR NEXT 10 YEARS .....	1
1.6. PLANNED LIFECYCLE EXPENDITURE .....	1
1.7. REVIEW OF ASSET MANAGEMENT PRACTICES .....	2
1.8. ADOPTED PRINCIPLES FOR COST ESTIMATION .....	2
1.9. WHAT WE WILL DO .....	2
1.10. MANAGING THE RISKS .....	2
1.11. MONITORING AND IMPROVEMENT PROGRAM .....	3
<b>2. INTRODUCTION .....</b>	<b>4</b>
2.1 BACKGROUND .....	4
2.2 GOALS AND OBJECTIVES OF ASSET OWNERSHIP .....	5
2.3 CORE AND ADVANCED ASSET MANAGEMENT .....	6
<b>3. LEVELS OF SERVICE .....</b>	<b>6</b>
3.1 CUSTOMER RESEARCH AND EXPECTATIONS .....	6
3.2 STRATEGIC AND CORPORATE GOALS .....	6
3.3 LEGISLATIVE REQUIREMENTS .....	7
3.4 COMMUNITY LEVELS OF SERVICE .....	7
3.5 TECHNICAL LEVELS OF SERVICE .....	10
3.6 MAINTENANCE RESPONSE LEVELS OF SERVICE .....	12
<b>4. FUTURE DEMAND .....</b>	<b>12</b>
4.1 DEMAND DRIVERS .....	12
4.2 DEMAND FORECASTS .....	13
4.3 DEMAND IMPACT ON ASSETS .....	13
4.4 DEMAND MANAGEMENT PLAN .....	14
4.5 ASSET PROGRAMS TO MEET DEMAND .....	15
<b>5. LIFECYCLE MANAGEMENT PLAN .....</b>	<b>15</b>
5.1 ASSET AGE PROFILE .....	15
5.2 ASSET CAPACITY AND PERFORMANCE .....	17
5.3 ASSET CONDITION .....	18
5.4 RENEWAL/REPLACEMENT PLAN .....	20
<b>6. RISK MANAGEMENT PLAN .....</b>	<b>20</b>
6.1 CRITICAL ASSETS .....	20
<b>7. RISK ASSESSMENT .....</b>	<b>21</b>
7.1 SERVICE AND RISK TRADE-OFFS .....	21
<b>8. PLAN IMPROVEMENT AND MONITORING .....</b>	<b>21</b>
8.1 IMPROVEMENT PLAN .....	21
8.2 MONITORING AND REVIEW PROCEDURES .....	22
8.3 TRADE-OFFS .....	22
8.4 RISK TRADE-OFF .....	22
<b>9. FINANCIAL SUMMARY .....</b>	<b>22</b>
9.1 FINANCIAL STATEMENTS AND PROJECTIONS .....	23
FUNDING STRATEGY .....	24

VALUATION FORECASTS .....	24
KEY ASSUMPTIONS MADE IN FINANCIAL FORECASTS.....	24
FORECAST RELIABILITY AND CONFIDENCE.....	25
<b>10. APPENDICES .....</b>	<b>26</b>
APPENDIX A: LTFP BUDGETED EXPENDITURES ACCOMMODATED IN AM PLAN .....	26
APPENDIX B: CITY OF MOUNT GAMBIER ROAD SEGMENTS CONDITION MAP (CONDITION 1= VERY GOOD; CONDITION 5=UNSERVICEABLE) .....	27
APPENDIX C: CITY OF MOUNT GAMBIER PROPOSED SHARED PATH NETWORKS .....	28

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## 1. Executive Summary

### 1.1. The Purpose of The Plan

The Infrastructure Asset Management Plan (IAMP) for the City of Mount Gambier is focused on strategically managing transport-related assets in alignment with community service expectations and the Council's strategic objectives. It encompasses a restructure of asset classes and allocation, highlighting the integration of Asset Management and Accounting as a crucial strategic priority over the next Three (3) years. The plan places emphasis on enhancing accessibility, informed by comprehensive CBD Area audit and Shared Path Masterplan, to improve community mobility. Future investments in the transport infrastructure are carefully planned, with an emphasis on prioritizing projects that provide significant community value and align with strategic goals. While detailing specific transport assets, the plan also embraces broader principles of asset management, including lifecycle management, financial planning, and service level optimization. This ensures a holistic approach to infrastructure management, aiming to meet current needs while being adaptable to future demands and challenges.

### 1.2. What does The Plan Cover

This plan covers the infrastructure assets comprises of:

- Footpaths and Shared Paths
- Kerb & Gutter
- Roads
- Traffic Signals
- Stormwater
- Carparks
- Retaining Walls

### 1.3. What Doesn't The Plan Cover

- Declared State Roads and Drainage System (Assets managed by DPTI).
- Roads and road reserves that are unmade.
- Traffic control devices such as roundabouts and road signs.
- Road Safety Barriers (i.e. Guard rails)
- Land under roads.

### 1.4. What Does It Cost

The cost of maintaining Infrastructure Assets is assessed using two principal indicators: the life cycle cost, which represents the average cost over the asset's lifespan, and the total expenditure for maintenance and capital renewal required to maintain existing service levels for the next decade, as detailed in the Council's long-term financial plan.

### 1.5. Total Expenditure for Next 10 Years

The total cost for operations, maintenance, and capital renewal to sustain the Infrastructure Assets at the current service levels for the upcoming decade is estimated at \$36,948,673. This translates to an average annual cost of \$3,694,867.

### 1.6. Planned Lifecycle Expenditure

- **Year 1 to Year 3:** Asset Management Plan will be one of the three “unlocking” strategic priority projects to be undertaken by the Council to optimise its Asset Management practices and the Asset Investment Strategy. Community asset service level satisfaction survey and Council's 2035 vision strategic plan will guide determination of optimised Asset renewal criteria and asset investment within this period. Other Key deliverables include within this timeframe are:

- The expenditure for the first three years is determined based on prioritizing infrastructure renewal works according to their critical conditions.
  - Road Asset Condition rating will be continued to be adjusted through more comprehensive condition audit based on IPWEA standard Practice notes instructions.
  - Plan and schedule capital project delivery as a two-year cycle where Year 1 allocation will be for Design and Planning works where Year 2 will be allocated for construction and delivery.
- **Year 4 to Year 10:** Once the key deliverables are achieved, the infrastructure forward works will be adjusted to include projects that are aligned with Council's strategic plans.

### 1.7. Review of Asset Management Practices

Notably, Asset Management Practices are currently under review and will be dynamically updated in response to the completion of the strategic priority projects set for a 3-year term.

### 1.8. Adopted Principles for Cost estimation

- **Cost Allocation Strategy:** The varied expenditure approach between the first period and the second period of the decade indicates a strategic method in asset management, initially focusing on assets needing urgent attention or repair.
- **Responsive Asset Management:** The ongoing review and updating of Asset Management Practices signify a proactive and adaptable approach to handling Infrastructure Assets, crucial for addressing changes in asset conditions, technological advancements, and strategic shifts.
- **Strategic Planning's Impact:** The influence of the 3-year strategic priority projects on asset management and financial planning emphasizes the importance of aligning short-term operational decisions with the long-term goal of financial sustainability.

### 1.9. What We Will Do

Council plans to provide infrastructure services for the operation, maintenance, renewal, and upgrade of all assets as outlined in **Section 1.2 asset** classes to meet service levels set by Council within annual budget.

### 1.10. Managing The Risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- **Resource Limitations:** The challenge of insufficient resources, including funding and staffing, necessary for asset replacement or renewal in line with our forecasts and maintenance standards.
- **Inaccurate Asset Data:** The risk of working with incomplete or incorrect asset data, which could lead to poor decision-making and insufficient funding for maintenance and renewals.

To mitigate these risks effectively, our strategies are intertwined with the broader strategic goals of the City of Mount Gambier:

- **Regular Condition Audits and Site Inspections:** Essential for ensuring that infrastructure is rebuilt to industry standards for a longer useful life. This approach aligns with our goal of maintaining critical infrastructure to support public safety and basic service levels.
- **Data Rationalization and Process Improvement:** By enhancing data accuracy, we support the goal of achieving maturity in asset management practices. This involves the adoption of advanced technologies, like GIS mapping, data modelling etc. to

improve decision-making and align with our goals of environmental sustainability and community development.

- **Staff Training and Education:** A key strategy to build workforce capacity and skills, particularly in dynamic reporting and new technologies. This supports our objective of enhancing the Council's capacity to deliver diverse projects and services, catering to evolving community needs and expectations.
- **Funding Requests and Maintenance Monitoring:** Aligning closely with the strategic plan, this involves advocating for necessary renewals and upgrades. It also includes monitoring maintenance trends to stimulate economic growth and ensure efficient allocation of resources.
- **Community Engagement and Feedback Mechanisms:** To address the criticality of community demand-driven renewals and upgrades, engaging with the community for feedback and adapting to demographic shifts and service expectations is crucial.
- **Strengthening Internal Governance:** Improving decision-making processes and transparency in how infrastructure projects are planned and implemented. This strengthens accountability and aligns with our commitment to efficient and responsible infrastructure management.
- **Proactive Renewal and Replacement Planning:** Prioritizing assets for renewal or replacement based on their criticality and impact on community development and public safety.

By integrating these mitigation strategies with our broader strategic goals, we aim to not only effectively manage the identified risks but also ensure that our approach to infrastructure asset management is comprehensive, sustainable, and aligned with the City of Mount Gambier's objectives for community wellbeing, environmental sustainability, and economic growth.

#### 1.11. Monitoring and Improvement Program

To enhance infrastructure asset management, Council's focus is on several key improvement plans, each structured to address specific areas:

- **Development of a Single Corporate Asset Register:** This centralized database will consolidate all asset information, streamlining management and tracking across various asset categories.
- **Defining Levels of Service:** By establishing clear and standardized service levels for each asset category, this plan aims to set consistent performance metrics and expectations, ensuring uniformity in service delivery.
- **Standard Categorization of Assets for Improved Reporting:** This involves organising assets into defined categories for better clarity in reporting. Such standardisation will facilitate more precise data analysis and decision-making, enhancing overall transparency in asset management.

These structured initiatives are designed to significantly improve the efficiency and effectiveness of asset management process.



## 2. Introduction

### 2.1 Background

This asset management plan communicates the actions required for the responsive management of assets (and services provided from assets), compliance with regulatory requirements, and funding needed to provide the required levels of service over a 10-year planning period.

The asset management plan is to be read with the City of Mount Gambier planning documents. This should include the Asset Management Policy and Asset Management Strategy where these have been developed along with other key planning documents:

- City of Mount Gambier Strategic Plan
- Long Term Financial Plan (LTFP)
- Annual Business Plan
- Asset Management Policy
- Asset Accounting Policy
- Land Development Policy L130
- Risk Management Framework
- Community land (reserves) lease / license / rental arrangements policy
- Disability Access and Inclusion Plan (DAIP)
- Sports recreation and Open Space Strategic (SROSS) Plan

The infrastructure assets covered by this asset management plan are shown in Table 2.1A. These assets provide the following services to the community for their benefit.

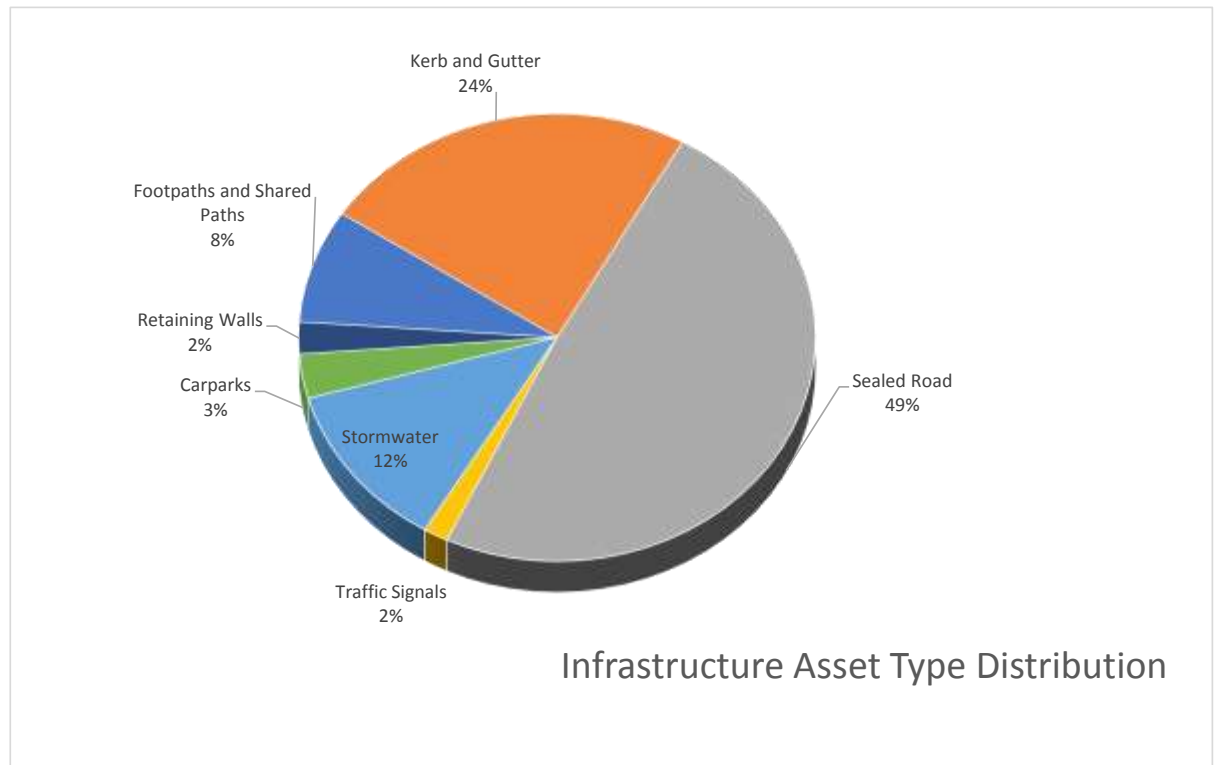
- Safe and accessible routes for pedestrians.
- Accessibility for individuals with mobility impairments.
- Recreational spaces for activities like leisure, sports, walking and cycling.
- Effective drainage control to channel stormwater disposal.
- Structural integrity and defining boundaries for roadways.
- Smooth vehicular traffic flow on roads.
- Providing a physical barrier for pedestrian safety.
- Connectivity to various community areas, including residential, commercial, and public spaces.
- Supporting local and regional economic connectivity through transportation infrastructure.
- Regulating traffic flow to reduce congestion and improve travel times.
- Enhancing road safety, especially at intersections.
- Providing safe pedestrian crossing points.
- Contributing to the overall transportation efficiency by optimizing traffic movement.

**Table 2.1A: Assets covered by this Plan (Net fair Value up to date)**

Asset Category	Dimension	Replacement Value
Footpaths and Shared Paths	171.2 Km	\$24,278,619
Kerb and Gutter	46.3 Km	\$70,054,633
Sealed Road	237.1 Km	\$144,427,844
Traffic Signals	20 sites	\$4,561,866
Stormwater	418 Council Owned Active Bore System	\$35,594,215
Carparks	113,348 Sqm of Area	\$9,463,991
Retaining Walls	6.36 km	\$6,790,527
<b>TOTAL</b>		<b>\$295,171,695</b>

These infrastructure assets have significant value estimated at **\$295,171,695** as of **1 July 2023**.

**Figure 1: Infrastructure Asset Distribution**



A 10-year work program cost for all infrastructure subclass assets has been presented in Appendix A.

**2.2 Goals and Objectives of Asset Ownership**

Council’s goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost-effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,

- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing, and appropriately controlling risks, and
- Linking to a long-term financial plan which identifies required, affordable expenditure and how it will be allocated.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 <sup>1</sup>
- ISO 55000<sup>2</sup>

### **2.3 Core and Advanced Asset Management**

This asset management plan is prepared as a ‘core’ asset management plan over a 10-year planning period in accordance with the International Infrastructure Management Manual<sup>3</sup>. Core asset management is a ‘top down’ approach where analysis is applied at the system or network level. An ‘advanced’ asset management approach uses a ‘bottom up’ approach for gathering detailed asset information for individual assets.

## **3. Levels Of Service**

### **3.1 Customer Research and Expectations**

This ‘core’ asset management plan is prepared to facilitate consultation prior to adoption by the Council. Future revisions of the asset management plan will incorporate community consultation on service level satisfaction and costs of providing those services. This will assist the Council and stakeholders in matching the level of service required, service risks and consequences with the community’s ability and willingness to pay for the service.

It is to be noted that Council is currently undertaking public consultation for its 2035 strategic visions and a new 4-year strategic plan is to be endorsed by November 2024.

### **3.2 Strategic and Corporate Goals**

This Asset Management Planning Approach has been identified as one of the Council Strategic Priority Projects for 2024-2027.

In the three years Asset Management Planning approach the following steps are identified.

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<sup>1</sup> Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2| 13

<sup>2</sup> ISO 55000 Overview, principles and terminology

<sup>3</sup> IPWEA, 2015, IIMM.

**Figure 2: Scope of the Asset Management Planning Approach Priority Project**



### 3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. These include:

**Table 3.3: Legislative Requirements**

Legislation	Requirement
<b>Local Government Act 1999 (SA)</b>	Mandates councils to responsibly plan and manage infrastructure assets, requiring the development and maintenance of asset management plans integrated with long-term financial planning.
<b>Local Government (Financial Management) Regulations 2011</b>	Requires councils to prepare an annual business plan and budget, detailing capital investment and asset management activities.
<b>Australian Accounting Standards - AASB 116 (Property, Plant and Equipment), AASB 136 (Impairment of Assets), AASB 13 (Fair Value Measurement)</b>	AASB 116 dictates the valuation and depreciation of property, plant, and equipment. AASB 136 covers impairment testing of assets, and AASB 13 outlines the principles for fair value measurement.
<b>Public Finance and Audit Act 1987 (SA)</b>	Establishes a framework for the financial administration, audit, and reporting for public sector entities, including requirements for asset management and financial accountability.
<b>Auditor General's Oversight</b>	Involves the auditing of financial reports of local governments, focusing on asset management practices and compliance with Australian Accounting Standards and legislative requirements.

### 3.4 Community Levels of Service

Service levels are defined service levels in two terms, Community levels of service and technical levels of service. These are supplemented by City of Mount Gambier Customer Request Management measures.

**Community Levels of Service** measure how the customer receives the service and whether value to the customer is provided.

Customer levels of service measures used in the asset management plan are:

**Quality** How good is the service ... *what is the condition or quality of the service?*

**Function** Is it suitable for its intended purpose .... *Is it the right service?*

**Capacity/Use** Is the service over or under used ... *do we need more or less of these assets?*

The current and expected customer service levels are detailed in Tables 3.4 and 3.5. Table 3.4 shows the expected levels of service based on resource levels in the current long-term financial plan.

**City of Mount Gambier Customer Request Management measures** are measures of fact related to the service delivery outcome e.g. number of occasions when service is not available, condition %'s of Very Poor, Poor/Average/Good, very good.

These Organisational measures provide a balance in comparison to the customer perception that may be more subjective.

**Table 3.4: Customer Level of Service**

Service Attribute	Level of Service Objective	Performance Measure Process	Desired Level of Service	Current Level of Service
<b>Quality/Condition</b>	Well maintained and suitable sealed road network.	Number of customer requests relating to sealed road maintenance	< 50 CRM per annum	Currently meeting targets Year No. CRM 2019 42 2020 42 2021 56 2022 48 2023 47
	Water is not retained on Council infrastructure for more than 2 hours after a 5yr rainfall density	Number of customer requests relating to flooding	<20 CRM per annum	Currently not meeting target Year No. CRM 2019 63 2020 56 2021 41 2022 56 2023 36
	Well maintained and suitable footpath network.	Number of customer requests relating to existing footpath maintenance	< 50 per annum	Currently not meeting target Year No. CRM 2019 102 2020 95 2021 100 2022 94 2023 114 2024 9

	It is a well maintained and suitable kerb network.	Number of customers requesting relating to kerb maintenance	< 10 per annum	Currently meeting targets Year No. CRM 2019 0 2020 0 2021 0 2022 0 2023 0
	Sealed Road network condition maintained to an acceptable level.	Routine Condition Assessment	Overall road seal and pavement average condition is maintained at 3 out of 5 for pavements and surface.	Currently Meeting Target Avg. Road seal and pavements condition is currently 2.0 out of 5. (ref: FyFe condition Audit Report 2023)
	Footpath and shared Path network condition maintained to an acceptable level.	Routine Condition Assessment	Overall average condition is maintained at 2.0 out of 5 for constructed footpaths.	Currently not meeting Target Avg. Footpath & Shared Path condition is currently 2.2 out of 5. (ref: FyFe condition Audit Report 2023)
	Kerb & Channel network condition maintained to an acceptable level.	Routine Condition Assessment	Overall average condition is maintained at 2 out of 5 for kerbs.	Currently meeting Target Avg. Kerb & Channel condition is currently 2.0 out of 5. (ref: FyFe condition Audit Report 2023)
<b>Function/ Safety</b>	Road assets meet community needs.	Community Surveys	> 75% satisfaction (being score between 5 to 10, out of 10(1=Low,10=High))	Currently not monitoring. Planned as part of the Strategic Asset Management Project
	Road line marking is well maintained.	Line marking is adequate and clearly visible	95% of all line marking is fair condition or better	Currently meeting targets. All roads are line marked on an alternate year periodic basis.
	Safe and reliable road network.	Number of settled injury and property damage claims attributable to road condition	< 2 incidents per year	Currently meeting targets Year No. of Claims 2019 1 2020 0 2021 2 2022 2 2023 0

	Safe and reliable footpath network.	Number of settled injury and property damage claims attributable to footpath condition	< 2 claims per year	Currently on Target No settled injury or property damage claims
<b>Capacity/ Utilisation</b>	Roads and Footpaths are available for public use all year round.	Number of road and footpaths closures due to degraded asset condition	Nil	Currently meeting target Nil Closure during 2019-2023

### 3.5 Technical Levels of Service

**Technical Levels of Service** - Supporting the customer service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- Operations – the regular activities to provide services (e.g. opening hours, cleansing, mowing grass, energy, inspections, etc.
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading, building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),
- Upgrade/New – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).

Service and asset managers plan, implement and control technical service levels to influence the customer service levels. [OBJ]

Table 3.5 shows the technical levels of service expected to be provided under this AM Plan. The 'Desired' position in the table documents the position being recommended in this AM Plan.

**Table 3.5: Technical Levels of Service**

<b>Service Attribute</b>	<b>Level of Service Objective</b>	<b>Performance Measure Process</b>	<b>Desired Level of Service</b>	<b>Current Level of Service</b>
<b>Operations and Maintenance Budget</b>	To ensure services are provided to achieve best value for money.	Number of customer complaints.	Roads managed taking all data into account and producing programs for maintenance and renewals to be implemented at optimal times to achieve best value for money.	Not measured

	Ensure that all transport assets are well maintained.	Quantity of work carried out.	Develop a maintenance program which meets agreed service levels and community expectations.	TBD
<b>Renewal Budget \$3,622,568 (Year 1)</b>	Develop and maintain a safe and sufficient transport network.	Successfully delivering annual renewal program on time and on budget.	Renew all assets when they reach a service level that the community is willing to accept and pay for.	Not measured
		Renewal capital projects completed. on time and within budget each financial year.	> 90% of the program completed and allocated funds spent.	Currently not meeting target
<b>Upgrade/New Budget \$411,000 (Year 1)</b>	Invest in new pedestrian footpath and shared path infrastructure to create more accessible paths for all	Implement the priority projects identified in the Shared path Master plan and the CBD Accessibility Audit	Have all transport assets meet the capacity and safety requirements of the community.	TBD
<b>Infrastructure Capital Works Delivery</b>	Deliver all capital projects as per the KPIs set in the Annual Business Plan (ABP)	Overall capital projects completed on time and within budget each financial year.	> 90% of the program completed and allocated funds spent.	Currently not meeting target.

It is important to monitor the service levels provided regularly as these will change. The current performance is influenced by work efficiencies and technology, and customer priorities will change over time. Review and establishment of the agreed position which achieves the best balance between service, risk and cost is essential.



### 3.6 Maintenance Response Levels of Service

Activity	Intervention Level	Response Times				
		Road Hierarchy	Inspection	Make Safe	Completion	Performance Target
<b>Sealed Roads</b>						
<b>Pothole Maintenance</b>	Pothole with depth of between 50mm - 100mm and area < 10m2.	Arterial	2 days	2 days	2 days	70%
		Industrial	3 days	3 days	3 days	70%
		Local	4 days	4 days	4 days	70%
	Pothole > 100mm depth.	Arterial	1 days	1 days	1 days	70%
		Industrial	2 days	2 days	2 days	70%
		Local	5 days	5 days	5 days	70%
<b>Pavement Texture Maintenance</b>	Longitudinal cracking < 20m.	Arterial	Monitor	Monitor	Reseal Program	70%
		Industrial	Monitor	Monitor	Reseal Program	70%
		Local	Monitor	Monitor	Reseal Program	70%
	Flushing between 5m2 and 50m2.	Arterial	Monitor	Monitor	Reseal Program	70%
		Industrial	Monitor	Monitor	Reseal Program	70%
		Local	Monitor	Monitor	Reseal Program	70%
	Stripping between 5m2 and 50m2.	Arterial	Monitor	Monitor	Reseal Program	70%
		Industrial	Monitor	Monitor	Reseal Program	70%
		Local	Monitor	Monitor	Reseal Program	70%

## 4. Future Demand

### 4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

## 4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets were identified and are documented in Table 4.3.

## 4.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

**Table 4.3: Demand Drivers, Projections and Impact on Services**

<b>Demand Factor</b>	<b>Present Position</b>	<b>Projection</b>	<b>Impact on Services</b>
<b>Population and Demographics *</b>	27,749 (based on 2022 Census data)  2.3% increase in people from 2016 to 2021.	A steady increase of 0.47% per annum, with the increase expected to occur mainly in the older demographic 60+.	Increase in traffic volume, accessibility demand, increase customer requests and increased demand in service levels and their timely delivery.
<b>Development</b>	Multiple Developments undertaken throughout the township areas.	Expected to continue.	Increase volume of traffic within the urban areas, increased commercial services will require better parking, accessibility, smoother operation of business, customer ease to access services, demand increase for alternative transport means and public transport infrastructure.
	Increase in the development of subdivisions and dwelling number for both City of Mount Gambier and District Council of Grant Area.	The total number of dwellings in the City of Mount Gambier increased by 453 between 2016 and 2021.	Larger footprint of physical assets to be maintained, larger volume of stormwater management, investment will be required for additional resources to maintain the current level of service.  Development in DC Grant Areas means a larger volume of people commuting to and from for work/accessing service in the city area.
<b>Environment</b>	Higher frequency of extreme weather events.	Unknown at this stage, but changes likely.	Increase to Plant and Equipment base to meet the additional road maintenance requirements as a result of extreme weather.
	Community awareness on environmental and sustainability issues is increasing.	Community expectation for assets to be environmentally sustainable as awareness increases.	Increased cost associated with purchasing environmentally friendly Plant and Equipment assets (ie. fuel efficiency).

	Climate Change and Sustainable Development targets are not inherently included for infrastructure options selection.	Requirements to use environmentally friendly renewable materials, incorporate design standards to achieve sustainable development targets.	Upfront cost in investment, however long-term return on value and environment.
<b>Industry</b>	Use of road networks by heavy vehicles has been increasing over the last 10 years.	Expected to continue to increase with industry growth.	Increase to Plant and Equipment base resulting in to meet the additional road maintenance requirements as a result of increased heavy vehicle use.

#### 4.4 Demand Management Plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices can include non-asset solutions, insuring against risks and managing failures.

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this asset management plan.

**Table 4.4: Demand Management Plan Summary**

<b>Demand Driver</b>	<b>Impact on Services</b>	<b>Demand Management Plan</b>
<b>Demographics</b>	Increased demands on access to activity points using convenient travel options. Improved pedestrian safety, accessibility, urban experience, quality public structure on transport assets, i.e. street lighting, road roughness, noise barriers etc.	Actively invest in Alternative Transport Routes i.e. Shared Path, Footpath and Public Transport Infrastructures. Improvement specification for construction to comply various standards.
	Trends in post covid Internal city to Regional Migration will have expectation of higher service standards for urban services including transport options availability.	Understand the aspiration of the community through public engagements and allocation of investment to assets are made accordingly.
<b>Development</b>	Increased number assets gifted annually to the Council which will be requiring higher volume of maintenance and replacement budgets.	Increased development and growth will bring additional rates income for council, Policy to be adopted for engaging additional resources according to the growth to maintain the current levels of service.
<b>Legislative Requirements</b>	Potential for higher construction, operation and maintenance costs if legislation was to impose additional requirements.	Costs to be monitored and considered during annual budget planning process.

#### 4.5 Asset Programs to meet Demand

The new assets required to meet demand can be acquired, donated or constructed. Additional assets are discussed in Section 5.5. The summary of the cumulative value of additional investments during the life of this AM plan is shown in Figure 1.

**Figure 1: Upgrade and New Assets to meet Demand – (Cumulative)**

Proposed Program	Present Position	Proposed Position	Required Cumulative Capital Spent over next 10 years	Ongoing annual additional maintenance budget required
<b>Shared Path Master Plan</b>	Currently Annual allocation of \$374K for new footpath constructions.	Commit the existing annual budget allocation towards the priority projects identified in the Shared Master Plan	Total avg. investment to implement the Shared Path Masterplan would require a conservative estimated cost of \$13.4M.	TBD
<b>Accessibility Compliance</b>	Currently No Allocation	Identified physical upgrades to the accessibility compliance. i.e. pram ramps.	TBD	TBD
<b>Strategic Recreation &amp; Open Space Strategy (SROSS)</b>	Currently No Allocation  Blue Lakes Sporting field Master Master Planning in progress for other identified Areas.	While this strategy is predominantly for recreation and open space, Physical infrastructure such as Access roads, Car Parking, Drainage improvements, Retaining Structures will be part of this infrastructure asset class.	TBD	TBD

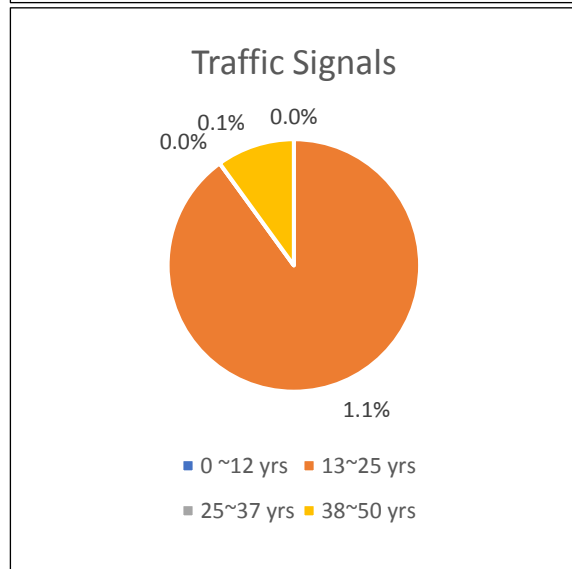
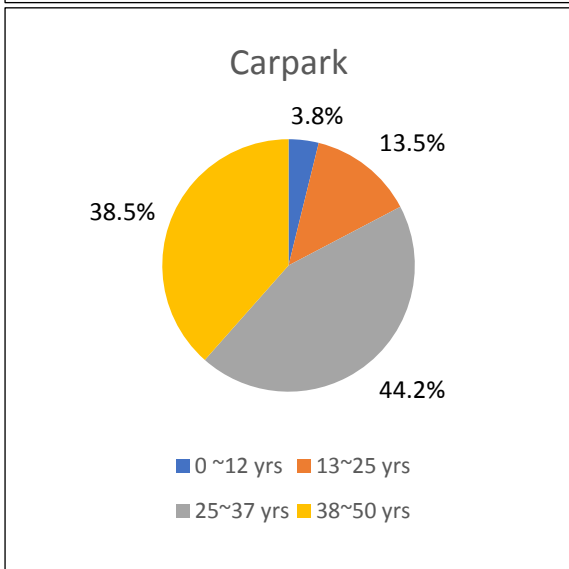
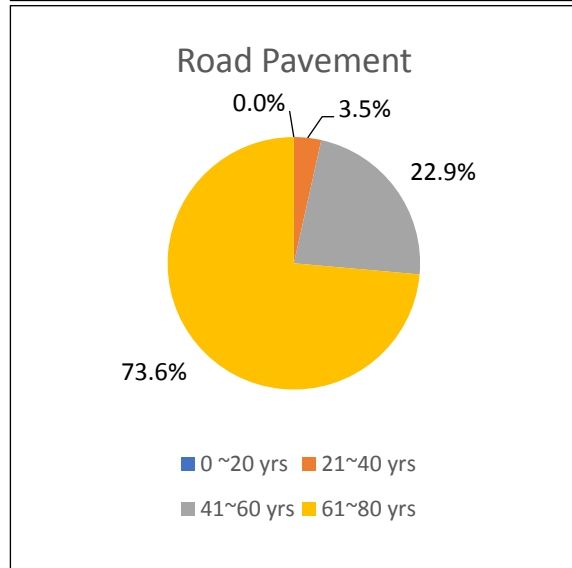
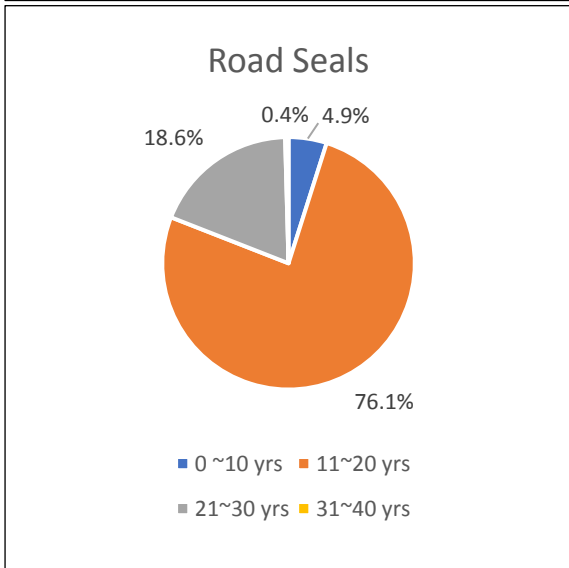
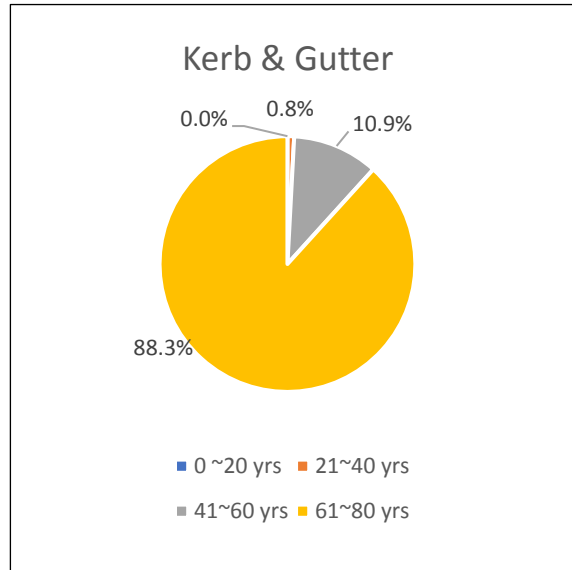
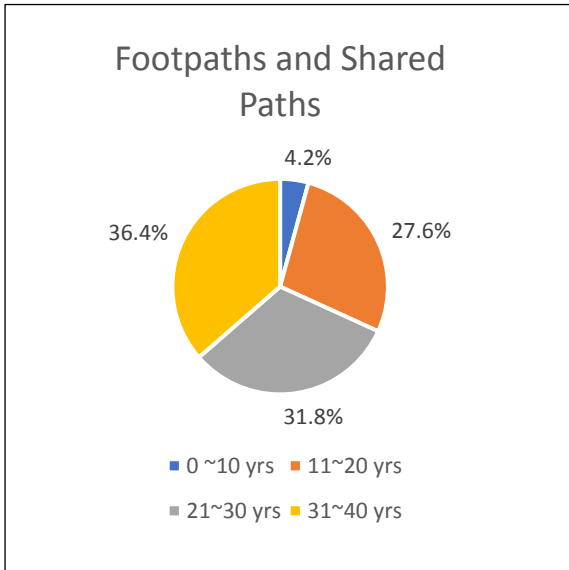
### 5. Lifecycle Management Plan

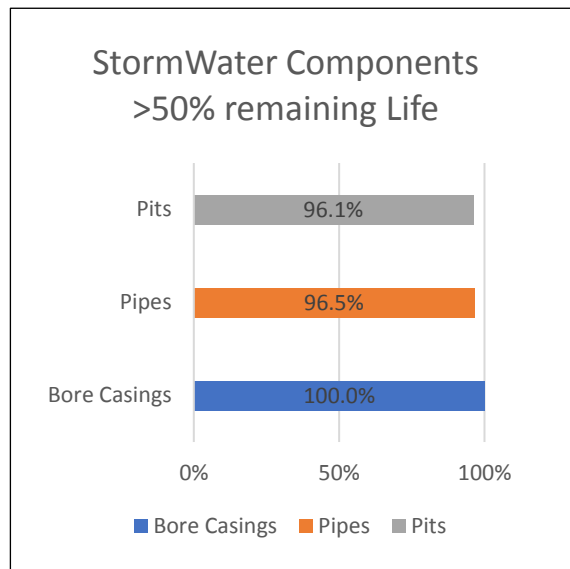
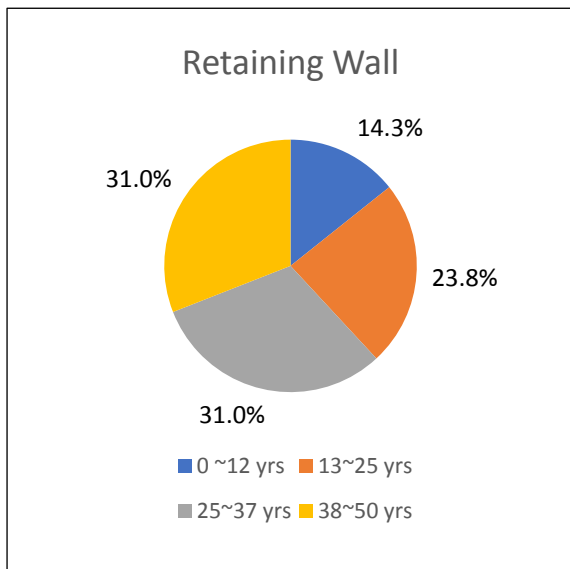
The lifecycle management plan details how the City of Mount Gambier plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while managing life cycle costs.

#### 5.1 Asset Age Profile

The age profile of Council owned assets covered by this asset management plan are shown in Figure 2.

**Figure 2: Asset Age Profile (Remaining useful life)**





## 5.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available.

Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

**Table 5.1.2: Known Service Performance Deficiencies**

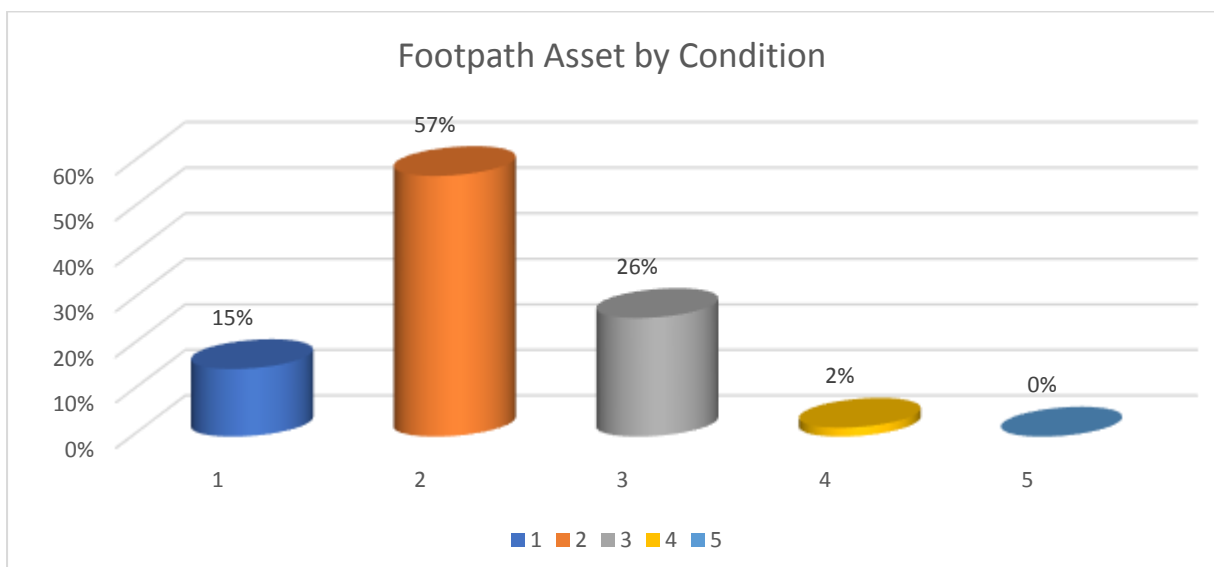
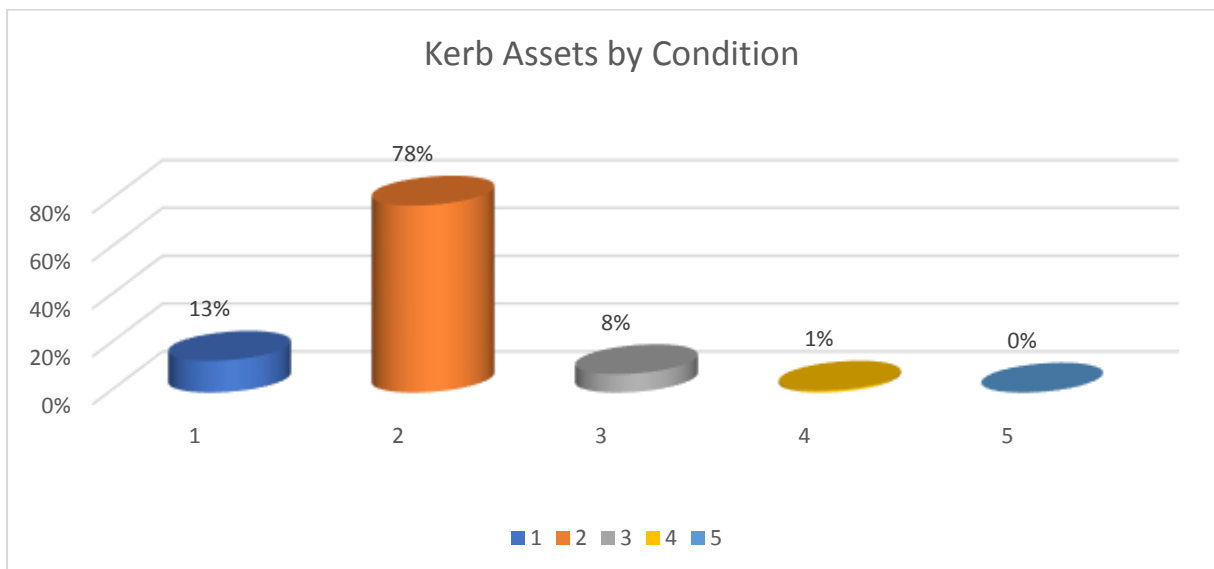
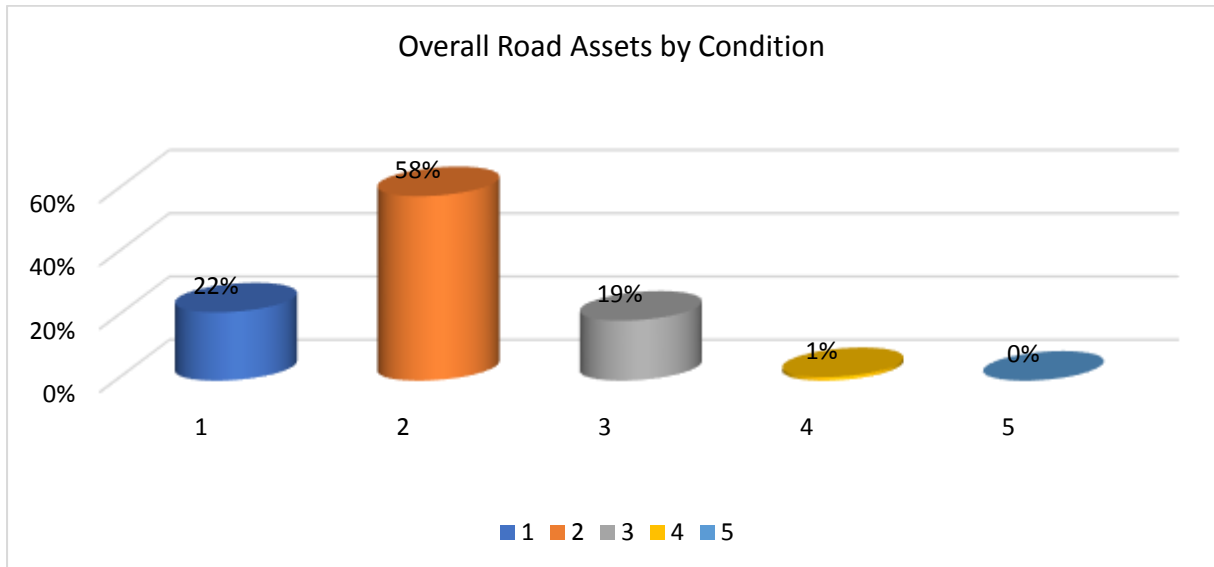
Location	Service Deficiency
<b>Accessibility Audit Priorities</b>	A CBD accessibility Audit report has identified non-compliance to current Australian Standard and prioritised a list of actions. These action items will be addressed by incorporating the replacement cost of non-compliant assets over a period of five years.
<b>Stormwater Assets</b>	Stormwater systems are unique in Mount Gambier and for the first time they have been registered component-wise and valued for replacement cost. Some old underground drainage system around the main street remains unidentified and will require further investigation for their serviceability. Works to be performed for inspecting, identifying and registering these old assets and their current conditions.
<b>Clear Renewal Strategies based on weighted ranking criteria</b>	Currently the assets are blanketly renewed when they triggered the condition rating to 3. However,

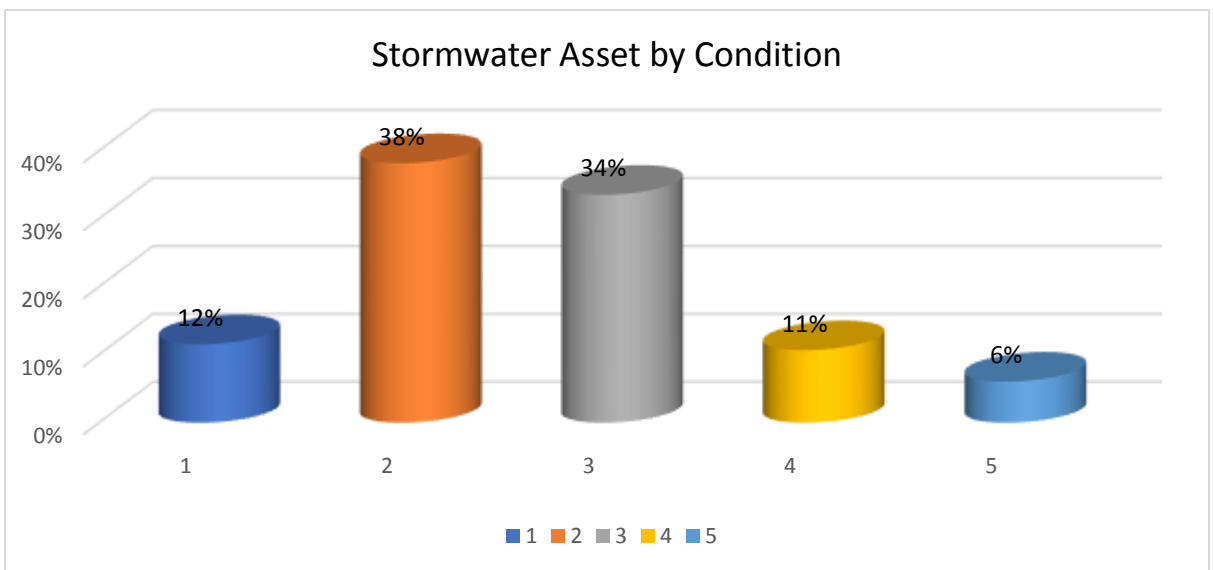
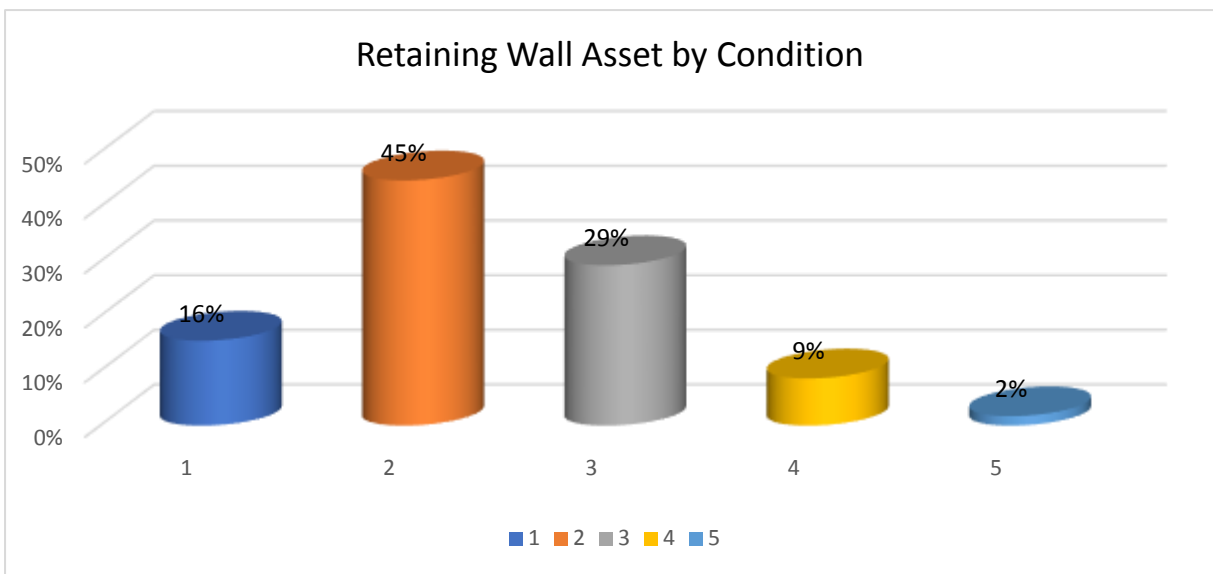
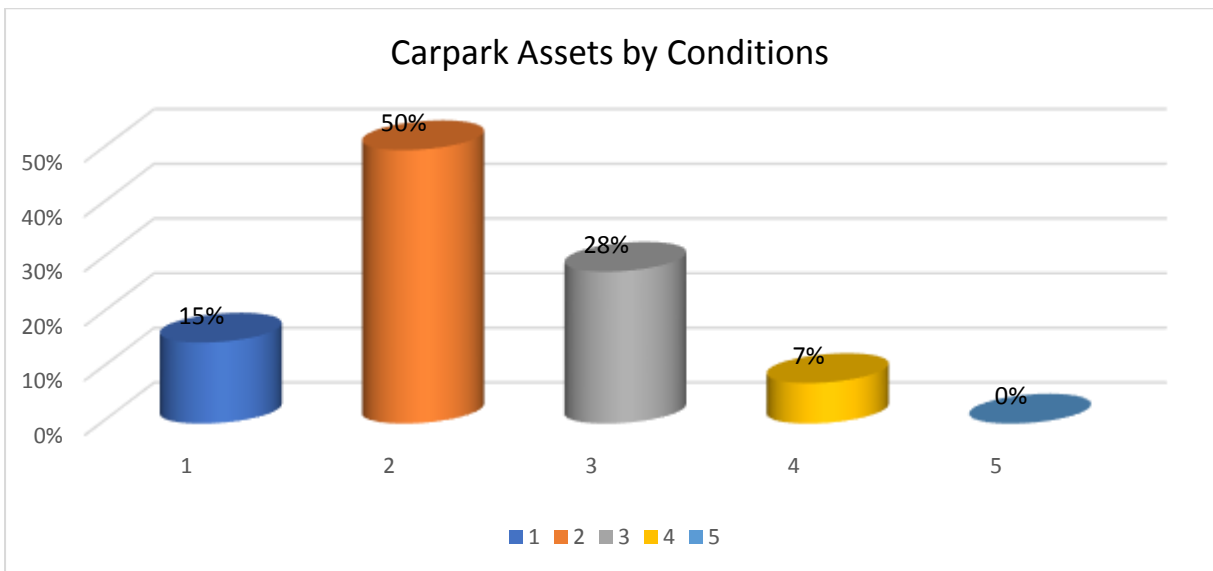
The above service deficiencies were identified from FyFe City Infrastructure Condition Audit City of Mount Gambier Customer Request Management statistics.

### 5.3 Asset condition

The condition profile of our assets is shown in Figure 3.

**Fig 3: Asset Condition Profile**





Condition is measured using a 1 - 5 grading system<sup>4</sup> as detailed in Table 5.1.3.

<sup>4</sup> IPWEA, 2015, IIMM, Sec 2.5.4, p 2|80.



**Table 5.1.3: Simple Condition Grading Model**

Condition Grading	Description of Condition
<b>1</b>	<b>Very Good:</b> only planned maintenance required
<b>2</b>	<b>Good:</b> minor maintenance required plus planned maintenance
<b>3</b>	<b>Fair:</b> significant maintenance required
<b>4</b>	<b>Poor:</b> significant renewal/rehabilitation required
<b>5</b>	<b>Very Poor:</b> physically unsound and/or beyond rehabilitation

#### 5.4 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 service potential. Work over and above restoring an asset to original service potential is considered to be an upgrade/expansion or new work expenditure resulting in additional future operations and maintenance costs.

Assets requiring renewal/replacement are identified from one of three methods provided in the ‘Expenditure Template’.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average network renewals plus defect repairs in the Renewal Plan and Defect Repair Plan worksheets on the ‘Expenditure template’.

Method 1 was used for this asset management plan.

## 6. Risk Management Plan

### 6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Similarly, critical failure modes are those which have the highest consequences.

Critical assets have been identified and their typical failure mode and the impact on service delivery are as follows:

**Table 6.1 Critical Assets**

Critical Asset(s)	Failure Mode	Impact
<b>Roads</b>	Pavement/surface damage.	Roadway become unserviceable and alternate traffic routes to be determined.
<b>Stormwater Systems</b>	Failure to discharge stormwater at the desired rate	Flooding of the roadway and spilling into private properties
<b>Traffic Signals</b>	Failure to operate	Traffic Controlling in the CBD area gets significantly complex and will require immediate replacement resulting significant investment for replacement
<b>Footpath/Cycleways</b>	Trip Hazards	Public incidents resulting in injury and claims

By identifying critical assets and failure modes investigative activities, condition inspection programs, maintenance and capital expenditure plans can be targeted at the critical areas.

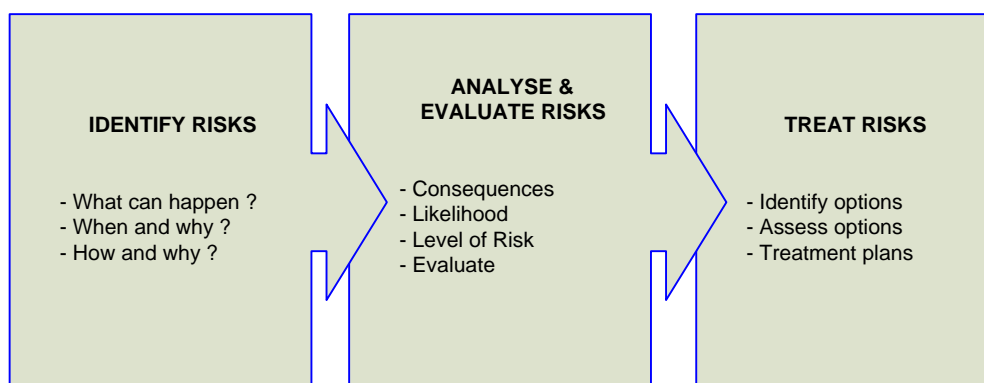
## 7. Risk Assessment

The risk management process used in this project is shown in Figure 6.2 below.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of the ISO risk assessment standard ISO 31000:2009.

**Fig 6.2 Risk Management Process – Abridged**



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.

An assessment of risks associated with service delivery from infrastructure assets has identified a gap in the current asset management practice and will be address by setting up an organisation Infrastructure Risk Register based on Council own risk reporting system tools.

The critical risks that will result in significant loss, ‘financial shock’ or a reduction in service are noted in this AM plan (Table 6.1).

### 7.1 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources which means the Capacity to address critical failure is service will result in downgraded level of service.

## 8. PLAN IMPROVEMENT AND MONITORING

### 8.1 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 8.1.

**Table 8.1: Improvement Plan**

Task No	Task	Responsibility	Timeline
1	Undertake a complete condition assessment of Council’s all Infrastructure assets and update condition information in the Asset Register.	MEDA	Completed
2	Undertake a complete revaluation of Council’s all Infrastructure assets and update condition information in the Asset Register.	MEDA/MFS	Completed
3	Undertake a community survey to determine the current level of community satisfaction	MEDA	FY 25/26
4	Review Asset categories and re-classify the subclasses as required.	MEDA	December 2024

5	Set specification for current levels of service, monitor the performance against the set level of services	MEDA	Ongoing
6	Establish asset renewal ranking framework & criteria for capital works prioritisation.	MEDA	June 2025
7	Implement new Asset Management Tools for prediction modelling using asset condition data, work history and valuation figures for optimum outcomes vs asset investments.	MEDA/MFS	June 2026
8	Complete the Shared Path Masterplan.	MEDA	June 2024
9	Following recommendation from the Shared Path Master Plan prepare prioritised list of future projects to be included in the forward capital works program for alternate pedestrian, Cyclist, Accessible transport links and routes.	MEDA/GMCI	June 2025
10	Develop a tool for accessibility compliance and annual update on the recommended actions from the CBD Accessibility Report.	MEDA	June 2025
11	Link the Infrastructure AMP to Council's Budgeting process/LTFP, so that impacts of funding levels can be addressed prior to funding allocation	MEDA/MFS/GMCI	Ongoing
12	Consider impact of regional transport strategies on future revisions of plan.	MEDA/GMCI	Ongoing
13	Review and implement infrastructure standards for maintenance, renewal, upgrade and new assets.	MEDA/PE	June 2025
14	Develop a program for undertaking regular traffic counts and with data integrated and updated in Council's road asset register.	MEDA/PE	Ongoing

## 8.2 Monitoring and Review Procedures

This AM Plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values.

## 8.3 Trade-offs

There are some operations and maintenance activities and capital projects will not be undertaken within the next 10 years as due the insignificant cost benefits for these projects.

- No PLEC scheme projects..
- No Bulk LED Lighting Projects.

## 8.4 Risk trade-off

In the absence of an integrated Asset Risk register, currently all corrective actions from Council's WHS system (Skytrust) are addressed as ad-hoc basis based on their risk scoring. Council is currently reviewing its process to include physical infrastructure asset corrective actions to create and ongoing Corrective Action.

## 9. Financial Summary

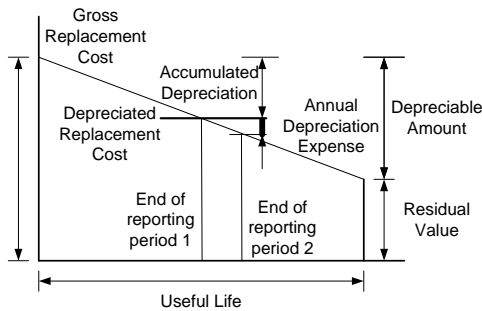
This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset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

## 9.1 Financial Statements and Projections

### Asset valuations

The best available estimate of the value of assets included in this Asset Management Plan are shown below. Assets are valued at cost.

Fair Value	\$243,179,000
Gross Replacement Cost	\$319,067,000
Accumulated Depreciation	\$75,888,000
Annual Average Asset Consumption	\$4,256,000



### Sustainability of service delivery

Two key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the:

- Asset renewal funding ratio, and
- Medium term budgeted expenditures/projected expenditure (over 10 years of the planning period).

### Asset Renewal Funding Ratio

Asset Renewal Funding Ratio<sup>5</sup> 84%

The Asset Renewal Funding Ratio is the most important indicator and indicates that over the next 10 years of the forecasting that we expect to have 95% of the funds required for the optimal renewal and replacement of assets.

### Projected expenditures for long term financial plan

Table 7.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2024 real values.

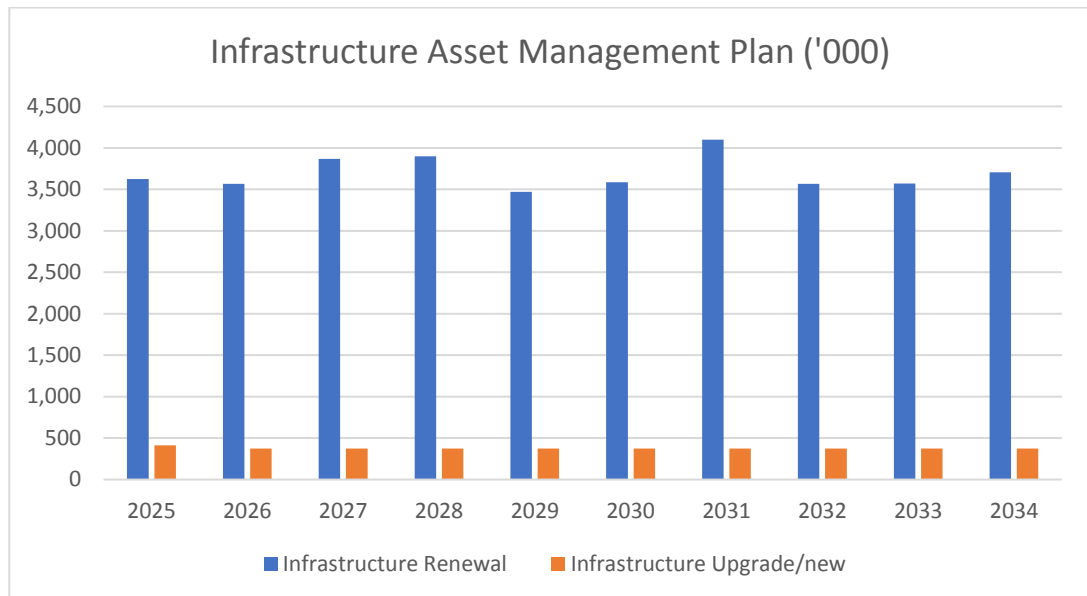
**Table 7.1.2: Projected Expenditures for Long Term Financial Plan (\$000)**

Year	Maintenance & Operations (\$000)	Projected Capital Renewal (\$000)	Capital Upgrade/ New (\$000)	Disposals (\$000)
2025	\$91.85	3,624	\$411	\$0
2026	\$91.97	3,565	\$374	\$0
2027	\$99.58	3,869	\$374	\$0
2028	\$95.94	3,897	\$374	\$0
2029	\$89.86	3,470	\$374	\$0
2030	\$92.92	3,587	\$374	\$0
2031	\$99.02	4,098	\$374	\$0
2032	\$92.58	3,565	\$374	\$0
2033	\$92.42	3,569	\$374	\$0

<sup>5</sup> AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

<b>2034</b>	\$96.46	3,707	\$374	\$0
<b>10 Year Total</b>	<b>\$942.6</b>	<b>\$36,951</b>	<b>\$3,777</b>	<b>\$0</b>

**Fig 8.2 Infrastructure Asset Management Plan**



**Funding Strategy**

Funding for assets is provided from the budget and long-term financial plan (LTFP).

The financial strategy of the entity determines how funding will be provided, whereas the asset management plan communicates how and when this will be spent, along with the service and risk consequences of differing options.

**Valuation Forecasts**

Asset values are forecast to increase as additional assets are added to the infrastructure portfolio.

Additional assets will generally add to the operations and maintenance needs in the longer term, as well as the need for future renewal. Additional assets will also add to future depreciation forecasts.

Due to the recent growth in the housing needs, more and more lands are developed into residential areas. As a result, the Council will continue to receive gifted assets as part of the new developments which will continue to grow City of Mount Gambier Infrastructure asset portfolio.

**Key Assumptions Made in Financial Forecasts**

This section details the key assumptions made in presenting the information contained in this asset management plan. 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:

**Table 7.4: Key Assumptions made in AM Plan and Risks of Change**

<ul style="list-style-type: none"> <li>• Fyfe condition ranking is applied for project selection along with Staff's input from their experience.</li> </ul>
<ul style="list-style-type: none"> <li>• Continuation of past works program will end in 2023/24. However,</li> </ul>
<ul style="list-style-type: none"> <li>• Reconstruction will be prioritised over reseal for Pavement defects. Bulk number of roads s forecasted to be requiring resealing in beyond year 2034 due to useful lives.</li> </ul>
<ul style="list-style-type: none"> <li>• Gifted asset acquisition amount is not included.</li> </ul>
<ul style="list-style-type: none"> <li>• Future demands will be approached using a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.</li> </ul>
<ul style="list-style-type: none"> <li>• Renewal interception is planned to keep assets at condition level 3.</li> </ul>
<ul style="list-style-type: none"> <li>• Assumed avg. cost for Storm water, Carpark and retaining wall assets as they are still to be revalued.</li> </ul>
<ul style="list-style-type: none"> <li>• Asphalt overlays are planned for roads with crocodile cracking/Intersections/Cul-de-sacs/RABTs.</li> </ul>

**Forecast Reliability and Confidence**

The expenditure and valuations projections in this AM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale<sup>6</sup> in accordance with Table 7.5.

**Table 7.5: Data Confidence Grading System**

Confidence Grade	Description
<b>A Highly reliable</b>	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate ± 2%
<b>B Reliable</b>	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate ± 10%
<b>C Uncertain</b>	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated ± 25%
<b>D Very Uncertain</b>	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy ± 40%
<b>E Unknown</b>	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be at **B (Reliable)**.

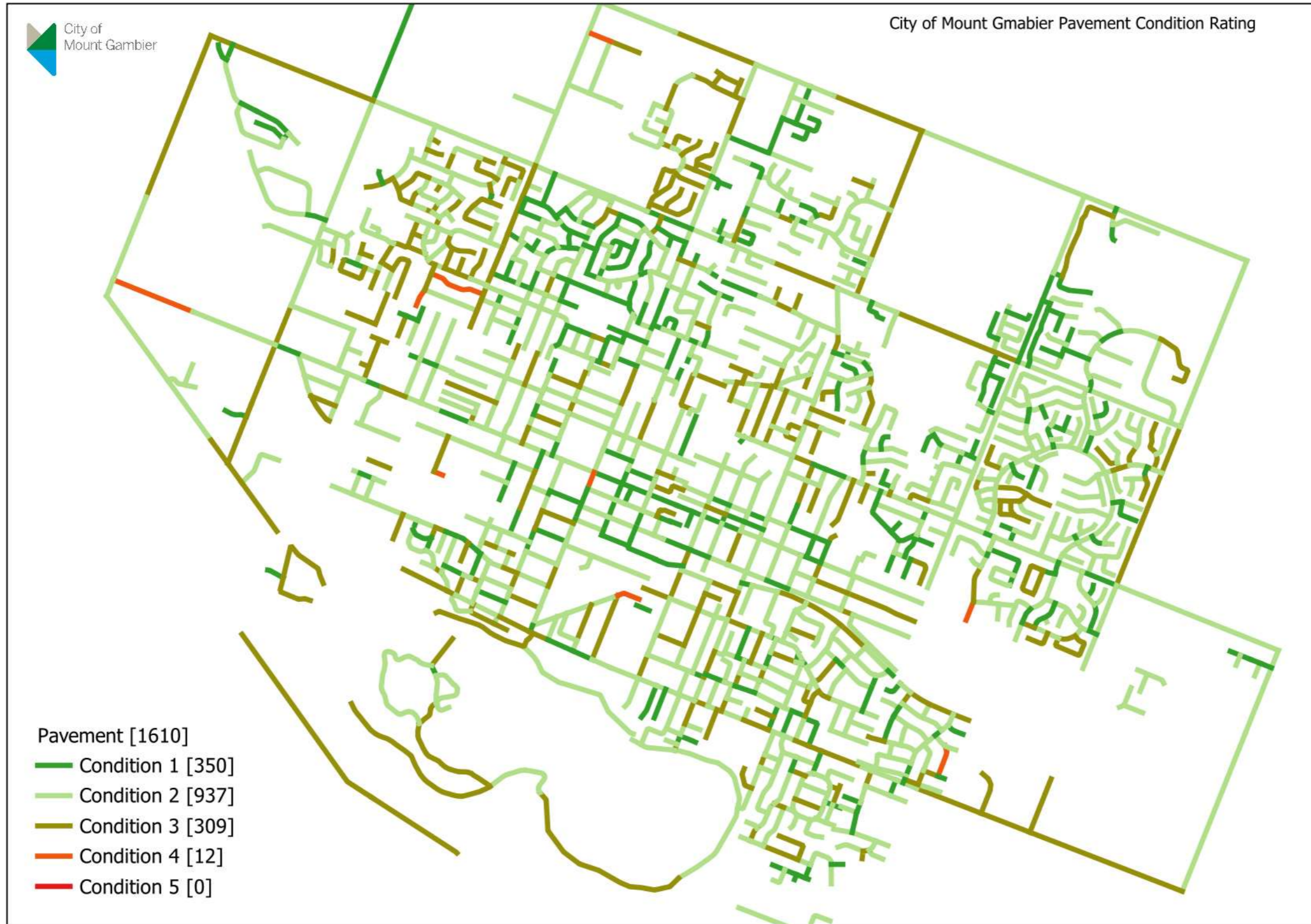
<sup>6</sup> IPWEA, 2015, IIMM, Table 2.4.6, p 2 | 71.

**10. APPENDICES**

**Appendix A: LTFP Budgeted Expenditures Accommodated in AM Plan**

<b>Infrastructure Asset Management Plan - 2025-2034</b>										
<b>\$'000</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
<b>Renewal</b>	3,624	3,565	3,869	3,897	3,470	3,587	4,098	3,565	3,569	3,707
<b>Upgrade/new</b>	411	374	374	374	374	374	374	374	374	374

Appendix B: City of Mount Gambier Road Segments Condition Map (Condition 1= Very Good; Condition 5=Unserviceable)





## Objective 2: Connected and Inclusive

### Cycling

The following primary, secondary, and local routes that classify Mount Gambier as an integrated network and hierarchy of routes. These routes that have been developed under the five internationally-recognised requirements, mainly focusing on Directness.

#### 2.1 Adoption and Endorsement of Primary Routes

- P1** Sultontown Road
- P2** Wireless Road East and West
- P3** Kennedy Avenue
- P4** Wehl Street South and North
- P5** Crouch Street South and North
- P6** Pine Hall Avenue and Bishop Road
- P7** Grant Avenue/Blue Lake (Warwar)/Crouch Street Loop

#### 2.2 Adoption and Endorsement of Secondary Routes

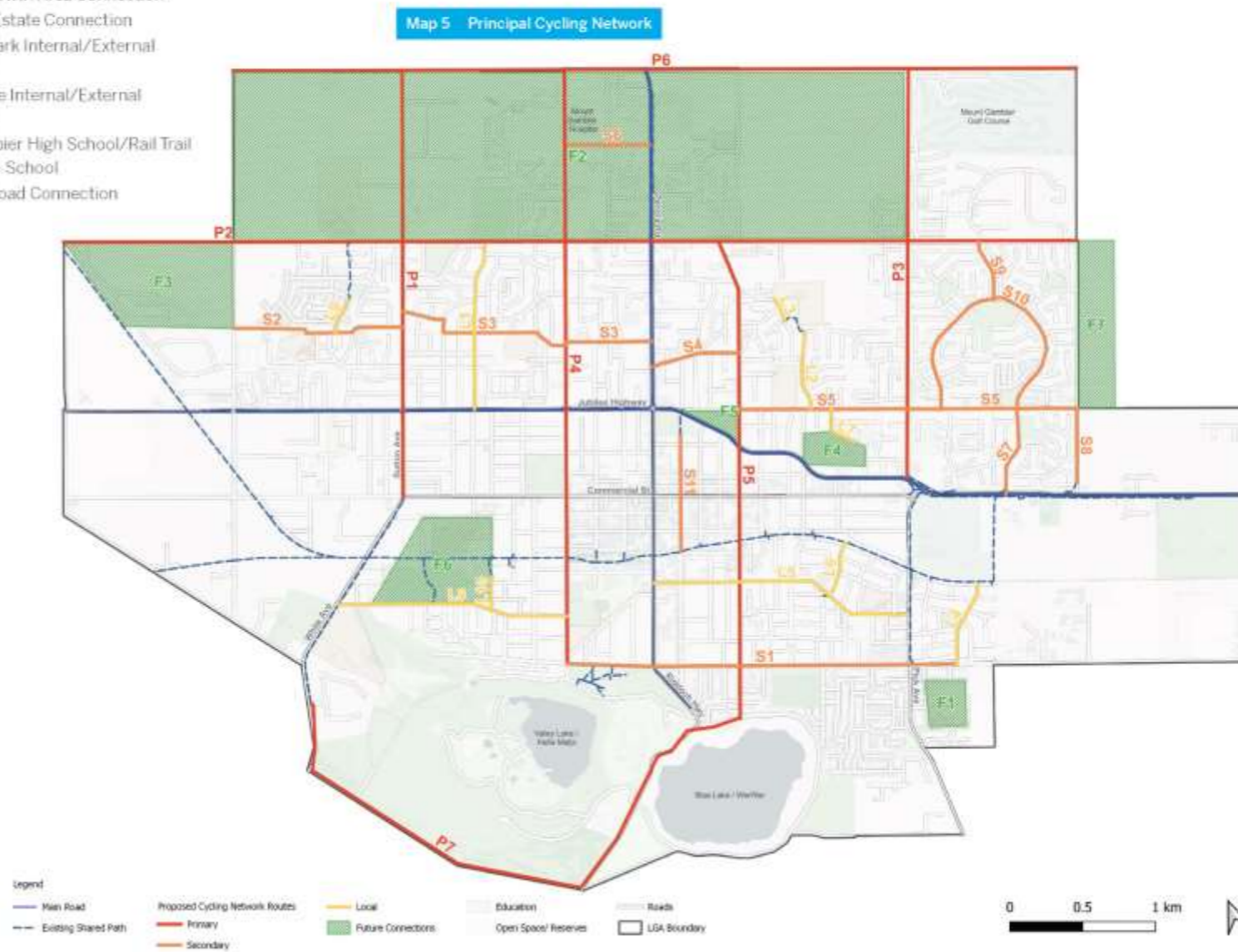
- S1** Lake Terrace East-West Connection
- S2** Mulga Street Primary School Connection
- S3** Mount Gambier North Primary Connection
- S4** Canavan Road Connection
- S5** North Terrace Connection
- S6** Allison Street Connection
- S7** Tumut Drive Connection
- S8** Attamura Road Connection
- S9** Honnington Road Connection
- S10** Conroe Drive Connection
- S11** Ferrers Street/Mitchell Street Connection

#### 2.3 Adoption and Endorsement of Local Routes

- L1** Acacia Street
- L2** Dalkeith Drive
- L3** St Martins Drive
- L4** Pressey Street
- L5** Boandik Terrace
- L6** Hanson Street
- L7** Comaun Avenue
- L8** Shepherdson Road

#### 2.4 Adoption and Endorsement of Future Connections

- F1** Grant High School Internal/External Connection - School
- F2** Northern Growth Area Connection
- F3** Springview Estate Connection
- F4** McDonald Park Internal/External Connection
- F5** City Bike Hire Internal/External Connection
- F6** Mount Gambier High School/Rail Trail Connection - School
- F7** Attamura Road Connection



<sup>7</sup> City of Mount Gambier Shared Path Masterplan