



Cook Shire
COUNCIL

VERSION 01
OCTOBER 2022

Long-Term Asset Management Plan

2022-2032





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Introduction

Objectives of the Long-Term Asset Management Plan

Cook Shire Council manages a range of assets on behalf of the community with a replacement value estimated at over \$408 million. For Council to retain the existing service levels provided by these assets, the assets need to be operated and maintained, and then renewed or replaced at the end of their service lives. New assets may also need to be created to match population growth and community expectations for improved service levels.

This objective of this Long-term Asset Management Plan (LTAMP) is to provide an overview of how Cook Shire Council will plan, manage and allocate resources to carry out these asset management activities. The Plan has a 10-year horizon and is underpinned by eight more detailed Asset Management Plans (AMP) for core asset classes.

The LTAMP replaces the 2019 Asset Management Strategy and Asset Management Plans endorsed by Council in 2019 and summarises the following:

Council's Corporate Plan 2022–27 Themes and Actions that relate to asset management

Principles that underpin asset management planning and decision making

The asset management framework elements that support Council's asset management practices

The assets managed by Council and their condition including identification of the critical assets

The levels of service framework used in setting the quality of the services provided by the assets

How Council plans to manage and operate the assets at the agreed levels of service over the life of the assets

Financial forecasts over a 10-year period for operations and maintenance activities, and for asset renewal, upgrade or replacement

An asset improvement plan with identified actions that will be undertaken to improve asset management practices across the Council

Council's Corporate Plan 2022-27

This LTAMP has been prepared to support Cook Shire Council's Corporate Plan 2022-27. Specifically the Plan relates to the themes and actions identified in the table below.

Themes and Actions from the Cook Shire Council Corporate Plan 2022-27

Theme	Actions
Organisational Capability	<p>ORG 2 PLAN AND MANAGE THE SHIRE'S RESOURCES AND ASSETS IN AN EFFICIENT AND SUSTAINABLE MANNER</p> <p>Org 2a Continue to implement effective asset management policies and plans to ensure optimal asset maintenance, functionality and service life</p> <p>Org 2b Ensure Council's critical assets are maintained and managed with consideration given to whole-of-life costs, condition ratings, effective renewal programs and optimal maintenance forecasts</p>
Places for People	<p>PLA 4 ADOPT A PLACE-BASED APPROACH TO DEVELOPMENT IN OUR TOWN CENTRES AND GATHERING PLACES TO INCREASE ACTIVATION, IMPROVE WAYFINDING AND CREATE INVITING AND ATTRACTIVE DESTINATIONS FOR ALL COMMUNITIES</p> <p>Pla 4a Provide well-designed and maintained parks and open space networks which celebrate our natural environment, cater for the changing needs of the communities and promote outdoor social and recreational activities</p>
Accessibility and Connectivity	<p>ACC 3 ADVOCATE FOR EFFICIENT, EFFECTIVE AND SUSTAINABLE FREIGHT LINKS ACROSS THE SHIRE TO PROVIDE FLEXIBLE AND COST EFFECTIVE SOLUTIONS FOR INDUSTRY</p> <p>Acc 3c Continue to maintain and improve Council's road and air transport assets, addressing emerging transport requirements and taking advantage of emerging technologies</p> <p>Acc 4a Progressively implement the recommendations in the Cooktown and Lakeland Active Transport Network Plans as funding allows</p>
Environmental Responsibility	<p>ENV 3 ENCOURAGE RESIDENTS TO REDUCE, REUSE, RE-PURPOSE, RE-GIFT AND RECYCLE WASTE</p> <p>Env 3b Progress the implementation of the Cooktown Waste Transfer Station development to sustainably manage the disposal of the region's waste</p> <p>Env 3d Establish the Lakeland Waste Transfer Station as a pilot site for best practice waste management processes in line with the future development of Lakeland</p>

Organisational Context

The following characteristics of the Cook Shire provide unique challenges for Council in managing the assets under their control:

The Council is responsible for assets spread over a substantial geographic area of 106,000 km² or 6.1% of Queensland

The Shire is sparsely populated with an estimated residential population of 4,595 as of June 2020 with a very low population density of 0.04 persons per km² (0.02 outside of Cooktown)

There is a low number of rateable properties compared to the geographic size and asset base

The Shire is financially very dependent on State and Federal Government grants

The area is subject to extreme weather events on an annual basis with cyclones and monsoonal rains impacting on assets and services

There is restricted access to some parts of the shire for up to five months of the year

There can be difficulties in attracting and retaining qualified and experienced staff to the region.

As a result of these unique characteristics, in implementing the LTAMP, Council will need to strike a balance between:

The legal and other statutory obligations imposed on CSC

Council's Corporate risk appetite

The ability of the assets to deliver sustainable levels of service to the community

The organisation's capabilities (e.g. finances, skills and knowledge).

Legislative and Other Obligations

All Councils in Queensland have legislative obligations that must be met in managing assets they are responsible for. Specifically, Section 167 of the Local Government Regulation 2012 states that:

- (1) A local government must prepare and adopt a long-term asset management plan.
- (2) The long-term asset management plan continues in force for the period stated in the plan unless the local government adopts a new long-term asset management plan.
- (3) The period stated in the plan must be 10 years or more.

Under Section 168 of the Local Government Regulation a long-term asset management plan must:

- (a) Provide for strategies to ensure the sustainable management of the assets mentioned in the local government's asset register and the infrastructure of the local government; and
- (b) State the estimated capital expenditure for renewing, upgrading and extending the assets for the period covered by the plan; and
- (c) Be part of, and consistent with, the long-term financial forecast.

The Queensland Audit Office (QAO) is Parliament's independent auditor of the Local Government and State sectors. The QAO provide audit opinions about the reliability of Council's financial statements and provide insights on financial performance, risk, governance and internal controls.

The QAO recommends that Councils generally improve the quality of their long-term financial forecasts and financial planning by:

Maintaining complete and accurate asset condition data and asset management plans

Developing financial plans to explain their financial forecasts and how they intend to financially manage the Council and its long-life assets.

There are ever increasing expectations from the community on the activities and the levels of service that Councils should provide. These expectations need to be balanced against the ability of the assets to deliver the desired services and the capacity of Council to fund these services.











Asset Management Structure

Asset Management Framework

Council's Asset Management Framework is a set of interrelated organisational elements that together assist Council to undertake asset management practices. The key elements of the Cook Shire Council's Asset Management Framework are provided in the table below.

Key Asset Management Framework elements

Element	Description
Asset Management Policy	Outlines the guiding principles, define roles and responsibilities, and establish the governance and reporting frameworks that underpin asset management for the Cook Shire Council.
Long-term Asset Management Plan	Describes how Cook Shire Council will plan, manage and allocate resources over a 10-year period to deliver sustainable services to the current and future communities.
Asset Management Plans	<p>Provide details of core asset classes including:</p> <ul style="list-style-type: none">  Transport  Water Networks  Sewerage Networks  Buildings and facilities  Aerodromes  Waste and recycling  Parks and gardens  Fleet
Delivery programs	Operations, maintenance and capital works programs delivered by the Council teams to provide the various services to Cook Shire residents and visitors.
Asset data and systems	Various databases and corporate systems that support data and knowledge management for implementing asset management practices including Authority and MapInfo.
Governance and reporting framework	Governance arrangements including the creation of a Council Asset Management Steering Group that will guide implementation of the Long-term Asset Management Plan and report on the status and effectiveness of asset management.

Asset Management Principles

Asset management planning and decision making will be guided by the following nine principles contained in the Council's Asset Management Policy:

- 1** Council is committed to the long-term sustainable management of assets on behalf of the current and future Cook Shire communities
- 2** A 10-year Long-term Asset Management Plan will be prepared, regularly reviewed and adopted by Council that articulates how asset management activities are carried out
- 3** Asset Management Plans will be prepared and regularly reviewed for core asset classes
- 4** Asset operations, maintenance and renewal requirements in the core Asset Management Plans will inform Council's budgeting and long-term financial planning activities
- 5** Levels of Service will be set based on community desires, balanced against the ability of the assets to deliver and the available Council resources
- 6** Whole of life cycle costs will be considered when making decisions about the creation of new assets or services, and upgrading of existing assets
- 7** Council will create a culture where all employees are aware of their role in asset management by providing necessary awareness training and professional development
- 8** All relevant legislative requirements will be adhered to while taking into account the political, social and economic environments of the day
- 9** A governance and reporting framework will be developed including the creation of an Asset Management Steering Group that will guide implementation of the Long-term Asset Management Plan and report on the status and effectiveness of asset management across Council.



Asset Data and Systems

Robust and accurate data is essential for efficient and effective asset management. This can be best achieved by having a sole source of core asset knowledge and data (e.g. asset location, condition, age) that is used by the whole organisation. This single source of information should be periodically updated to capture changes in characteristics such as asset condition as assets age and when assets are upgraded or renewed.

There are currently multiple sources of asset information used by the various sections of Council including those provided in the below table. A limiting factor with the current approach is that asset related decisions and reporting on asset and financial related information may not be based on the current status of the assets. For example, asset renewal activities or changed condition ratings may be recorded in a spreadsheet by operational staff, but this changed information may not subsequently be reflected in the Financial Asset Register which is used for asset valuations and other reporting activities.

An important improvement action included in the asset improvement plan of this LTAMP is for Council to research and agree on a preferred way forward with regard to operating a single asset register that is used and updated by the entire organisation.

Current asset data and information systems

Source	General use	Comments/Risks
Authority Financial Asset Register	Asset revaluation and asset accounting tasks	May not reflect current asset information unless systems are in place to update the database
Excel spreadsheets	Used and manipulated by various workgroups to suit their needs	Changed asset data may not be shared with others in the organisation
Geographic Information System	Used for displaying geographically referenced asset information	May not reflect current asset information unless systems are in place for updating the GIS
Other databases	Used to capture and record asset related information and changes to asset characteristics	Changed asset data may not be shared with others in the organisation
Plans	Hard copy or digital plans	Cannot be easily changed to reflect changes in asset characteristics



Assets Managed by Council

A high-level listing of the assets managed by Cook Shire Council has been provided below. Further details are provided in AMPs for the core assets classes.



Transport

Roads: Total length 2,934km
Bridges: 36
Causeways: 106
Culverts: 276
Footpaths: 14.1km
Kerb and Channel: 29.3km
Boating Facilities: 7 boat ramps (6 TMR)
Wharves and Jetties: 1 wharf 1 seawall
Lighting: Various assets



Water Network

Water Intakes: 2
 (Annan R, Lankelly Ck)
Treatment Plants: 4
Water Mains: 82.8 km
Reservoirs: 8
Dams: 2
Borefields: 4



Sewerage Network

Treatment Plants: 3
 (Coen, Cooktown, Laura)
Sewerage Mains: 69.3 km
Pump Stations: 12
Manholes: 710
Irrigation Areas: 2 (Coen, Laura)



Buildings and Facilities

Total: 274
Ayton: 20
Coen: 53
Cooktown: 168
Lakeland: 12
Laura: 14
Portland Roads: 4
Rossville: 3



Aerodromes

Aerodromes: 4
 (Coen, Cooktown, Lakeland and Laura)



Waste and Recycling

Waste Transfer Stations: 4
Waste Facilities: 6
Recyclable Drop Off Sites: 5
Greenwaste Site: 1
Landfills: 1 (5 closed)
Public Litter Bins: 240



Parks and Gardens

Parks: 7
Reserves: 28
Sporting Grounds: 5
Playgrounds: 6
Park Benches/Chairs: 64
Tables: 65
Fitness Equipment: 1



Fleet

Heavy Plant: 10
Trucks: 18
Utes: 52
Wagons and Sedans: 9
Generators: 19
Tractors: 5
Heavy Duty Mowers: 10
ATV/Quad Bikes: 4
Forklifts: 4
Miscellaneous: 11

Critical Assets

Critical assets are defined as those that have a high consequence of failure causing significant loss or reduction of service and therefore require a higher level of management by Council. The identified critical assets are listed in the following table together with a summary of the Risk Treatment Plan to minimise adverse impacts.

Critical Assets

Critical Assets	Failure Mode	Impact	Risk Treatment Plan
Bridges & Major Culverts	Structural failure due to age, rusting, flooding events (Natural Disaster/ Cyclone)	Road transport routes cut at bridges/ culverts isolating properties and communities	Undertake routine bridge inspections; Repairs and maintenance; Asset replacement.
Link Roads to Communities	Flooding rendering the road non-trafficable and scoured out (Natural Disaster/ Cyclone events)	Road transport routes cut due to flooded/ non-trafficable roads isolating properties and communities	Monitor flooding, prevailing road conditions/ road closures; Maintain dedicated flood damage team; Undertake open-up grades at earliest opportunity.
Aerodromes	Pavement and/ or seal failure, runway lighting failure Generators	Air transport routes non-operational due to flooding or pavement failure isolating communities and townships	Regular routine inspections and repairs and maintenance as required.
CSC Administration Building	Building unsafe for use due to natural disaster/ cyclone impacts	Business Services provided by facility cannot be delivered	BCP includes provision for mobile computing for critical staff; Affect repairs as soon as possible.
CSC Depot Administration Buildings	Building unsafe for use due to natural disaster/ cyclone impacts	Business Services provided by facility cannot be delivered	BCP includes provision for mobile computing for critical staff; Affect repairs as soon as possible.
CSC Depot Workshop	Building unsafe for use due to natural disaster/ cyclone impacts	Business Services provided by facility cannot be delivered	Ensure BCP has alternate operation options identified; Affect repairs as soon as possible.



Critical Assets	Failure Mode	Impact	Risk Treatment Plan
Cooktown Events Centre	Building unsafe for use due to natural disaster/ cyclone impacts	Place of refuge/ cyclone shelter facility cannot be provided	Ensure building inspection and maintenance activities are scheduled and completed prior to wet season.
Water Treatment Plants at Cooktown, Coen, Laura and Lakeland	Treatment plant equipment failures or electricity supply failures	Water Services provided by facilities cannot be delivered	Stock critical spares; Periodic inspections; Programmed maintenance; Provide generator back-up for critical operations.
Cooktown treated water supply main (23 km) from the Annan plant to Cooktown	Failure/break in the water main	Treated water cannot be delivered to Cooktown	Establish emergency water supply for essential services; Repair and reinstate pipeline.
Coen Dam supply	Dam failure	Water Services cannot be delivered	Alternate water supply from borefield available.
Sewerage Treatment Plants at Cooktown, Coen and Laura	Hydraulic failure Mechanical failure Biological failure Mains power failure	Sewerage Services provided by facility cannot be delivered	Regular maintenance is performed; Suitable supply of spare parts kept; Standby generator located on site Cooktown and Coen.
Sewer Pump Stations	Hydraulic overload Mains power failure Pump failure/blockage	Non-compliance with licensing requirements environmental harm and potential human health impacts	Standby pumps at each pump station; Regular maintenance is performed; High level alarms installed; Suitable supply of spare parts kept; Standby generators available.

Condition of the Assets

Understanding of the condition of the assets and how this changes over time are important factors that guide asset maintenance activities and determine asset renewal requirements.

Asset condition status is best obtained from regular direct inspections of the assets. If direct inspections of every asset is not possible, a representative subset of assets including critical ones can be inspected and the resultant condition ratings extrapolated across the entire asset class. Caution needs to be used when using this approach due to the different characteristics of individual assets and their local environments and circumstances.

Council currently relies on asset valuation reports undertaken by external consultants to understand the condition status of the majority but not all of the Council's assets.

The condition rating criterion definitions used by Council for asset management purposes are provided below. A condition rating of 1 means the asset is in an as-new state, while condition rating 5 means that the asset is in a very poor state and requires immediate maintenance, renewal, or disposal.

Condition Rating Definitions

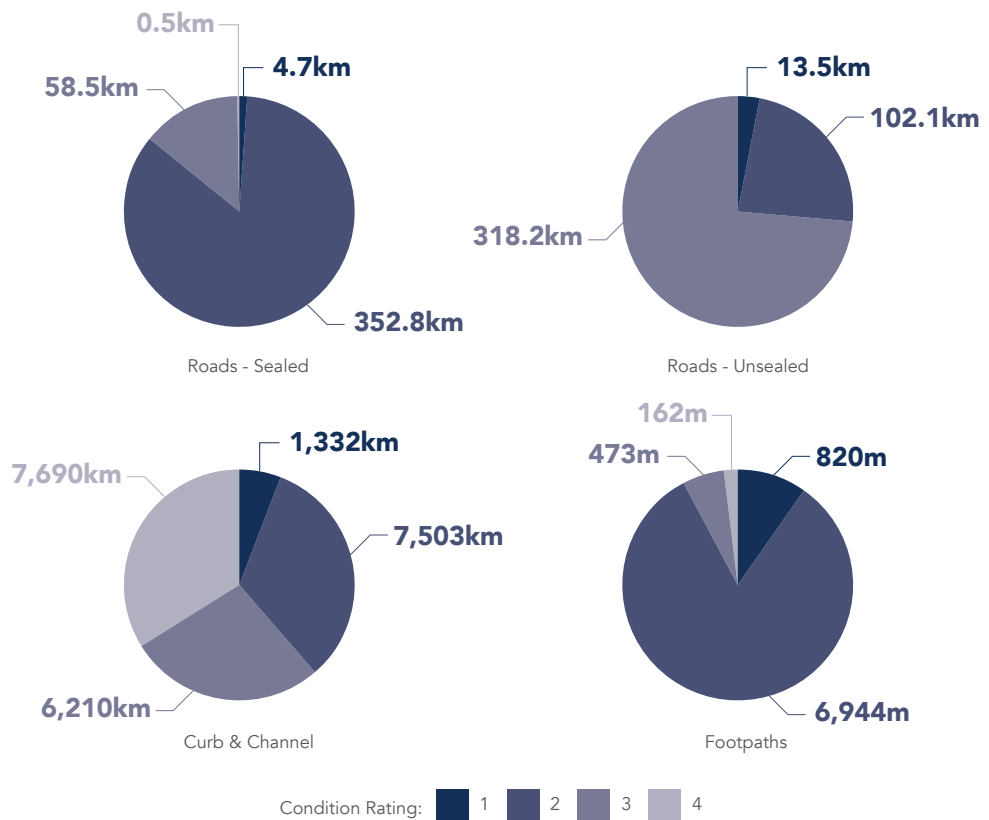
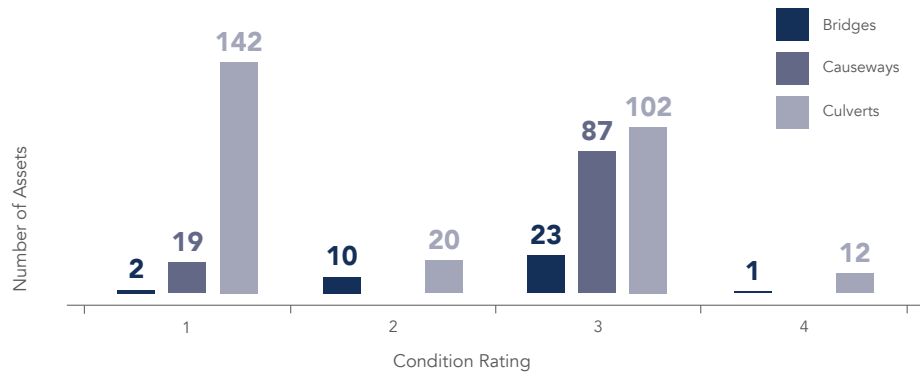
1	VERY GOOD AS-NEW	Asset is in very good condition or near new	No action required – continue with routine maintenance inspections
2	GOOD CONDITION	Asset is reliable and operates as intended	No action required – continue with routine maintenance inspections
3	FAIR CONDITION	Asset is reliable but requires some additional maintenance	Undertake required repairs/ maintenance and ensure asset renewal is on future Capex program
4	POOR CONDITION	Asset still operates but does not meet intended duty or does not appear sound	Take immediate action as appropriate to the defects e.g. temporary supports Undertake risk assessment and risk mitigation actions as required. Schedule appropriate action which may include rehabilitation and/or renewal in the short term.
5	VERY POOR CONDITION	Physically unsound and/or beyond rehabilitation	Take immediate action as appropriate Immediately undertake risk assessment and risk mitigation actions as required. Renew/replace or dispose of asset.

A summary of the current known condition of the assets based on information in the core AMPs taken from the valuation reports is provided below.



Transport Network Assets

The condition of the Transport Network assets has been provided in the graphs below based on the condition ratings in the Cardno valuation report from 2018 and 2022. Not all of the individual assets were inspected as part of these valuations due to the large geographic spread of the assets. Therefore, the number of assets or length of assets will differ from the total asset numbers shown on page 11. In addition, the condition of some of the bridges was based on photographs rather than site visits.



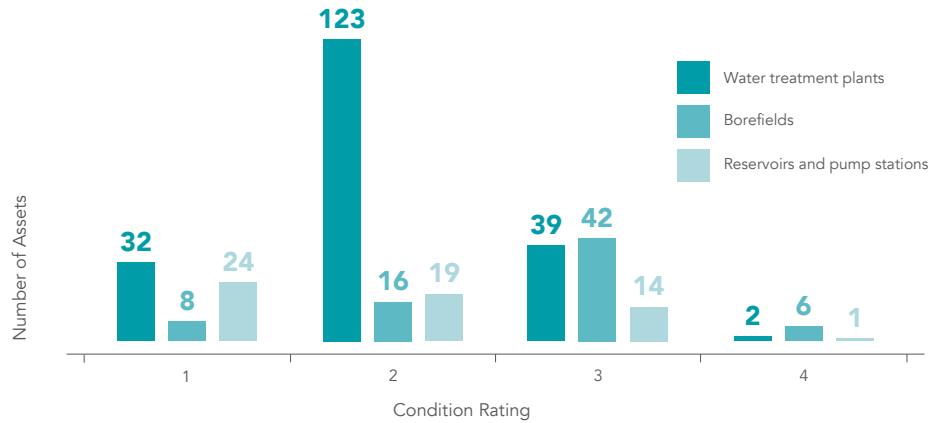
The majority of the transport assets are in fair to very good condition with most assets having a condition rating between 1 and 3. The exceptions where condition ratings are at level 4 or 5 include Jensens Crossing bridge (currently being replaced), 12 culverts, 7,690m of kerb & channel, and 162m of footpath. Planning for the renewal or replacement of these condition 4 and 5 assets should be developed in the short to medium term to ensure that service levels do not deteriorate further.



Water Network

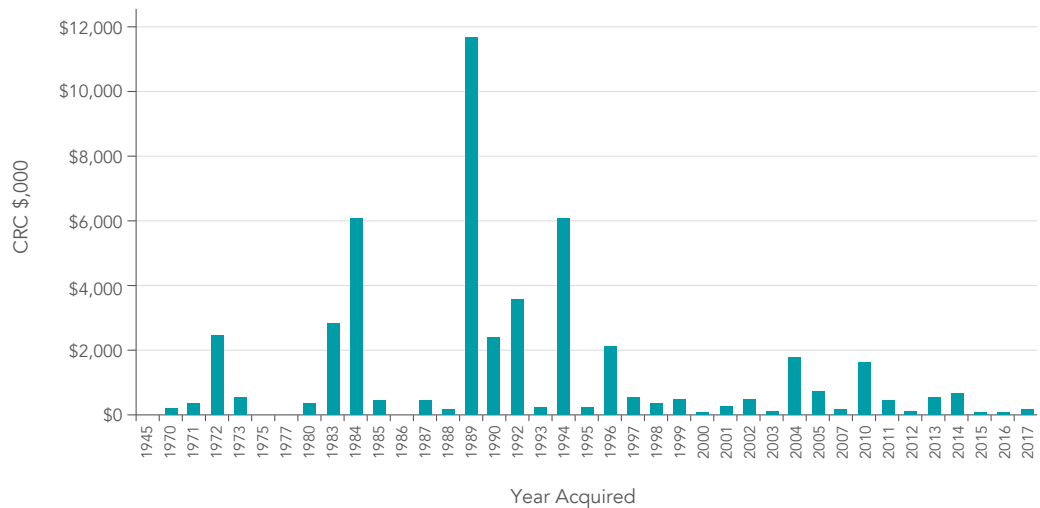
Water Network assets include the four water treatment plants and associated assets, reservoirs, borefields, pumps and water pipes. Condition assessments have been provided in the graph below based on Cardno valuation reports undertaken in 2022 for above ground water assets only.

The Water Network above ground assets are in fair to very good condition with only nine assets having a condition rating of 4. These include the high-level reservoir roof in Cooktown, fencing and electrical equipment at three different bores in Cooktown, and fencing and electrical equipment at Coen bore 10. These assets should be scheduled for replacement in the near future.



Condition assessments for buried assets like the underground water pipes can be problematic and indicators are often used such as asset failure rates and increases in maintenance expenditure levels. An alternate method is to use asset age and material type as a surrogate for asset condition. The age profile of the water mains is shown in the graph below which was reported in the 2019 Asset Management Strategy. The age profile is based on asset revaluation data and clearly shows bringing on new assets after construction of the Annan water supply in 1989-1994. As water mains are generally have long lives, the pipe network is assumed to be generally in fair condition based on the age profile.

Age profile of Water Network assets by value (source Water Network Asset Management Plan 2019)

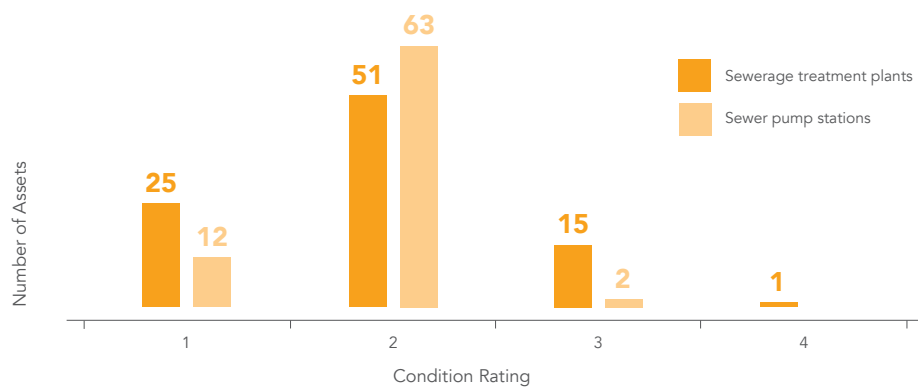




Sewerage Network

Sewerage Network assets include the three sewerage treatment plants and associated assets, pump stations, manholes and the gravity and pressure sewer mains. Condition assessments have been provided in the graph below based on Cardno valuation reports undertaken in 2022 for above ground sewerage assets only.

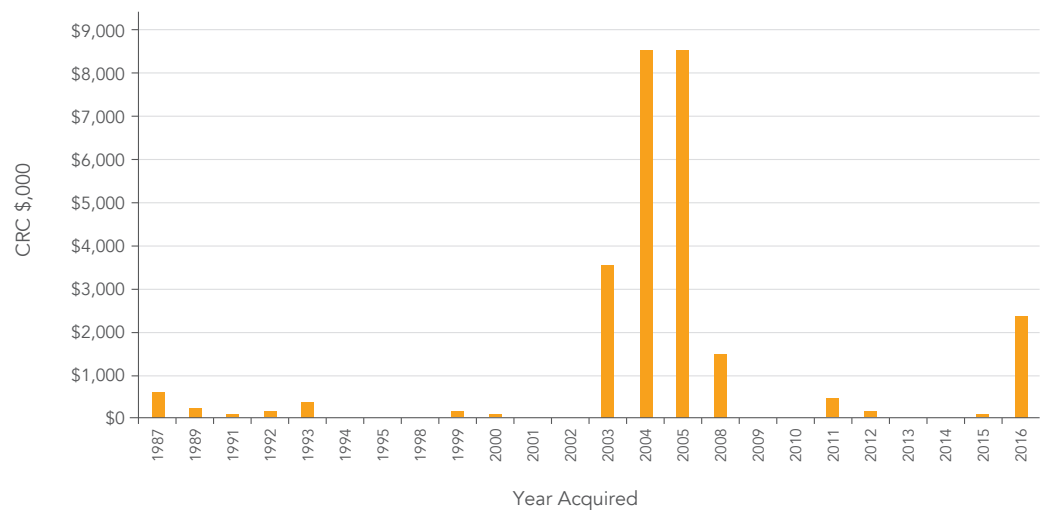
The majority of the sewerage treatment plant assets are in fair to very good condition with the exception of the old office building at Cooktown STP with a condition rating of 4. Similarly the sewer pump stations are in fair to very good condition with no asset receiving a rating above than 3.



Cardno did not provide condition ratings for the pipe network or sewer man holes. Condition assessments for buried assets like the underground sewerage pipes can be undertaken using a number or combination of methods. CCTV technology can be used however, this process can be expensive and may interrupt services during inspections. An alternate method is to use asset age and material type as a surrogate for asset condition. The age profile of the Sewerage Network assets is shown in Figure 2 and clearly shows bringing on new assets after construction of the Coen scheme in 2002, the Cooktown scheme in 2005, and the Laura sewerage scheme in 2016. Based solely on the age of the pipe network, these assets are assumed to be in fair to good condition.

Year Acquired

Age profile of Sewerage Network assets by value (source Sewerage Asset Management Plan 2019)

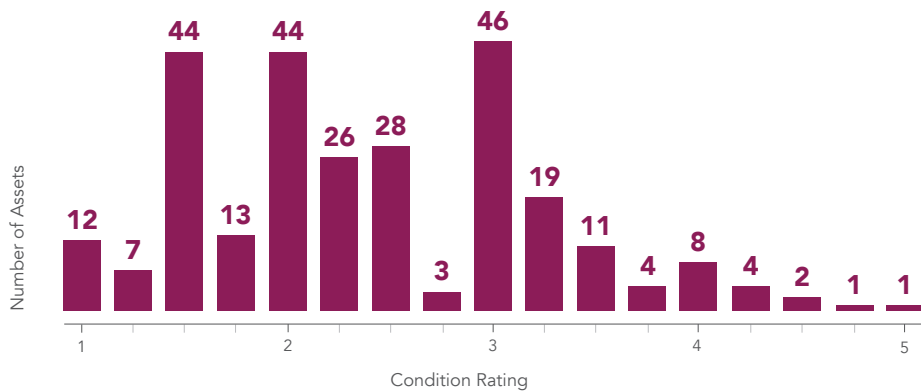




Buildings and Facilities

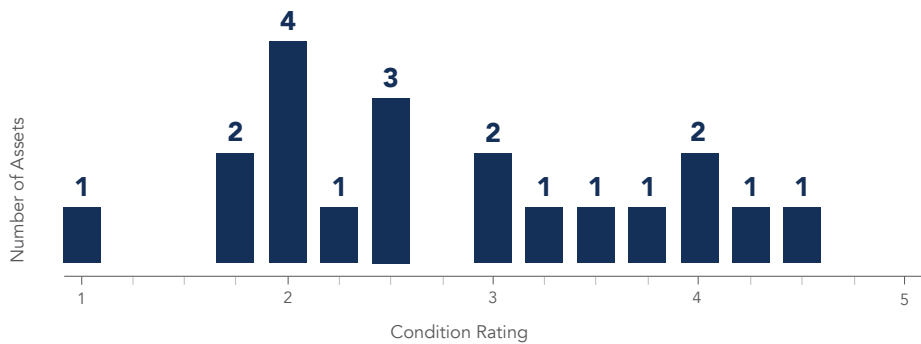
The condition of buildings and facilities is monitored as part of the periodic building asset valuations which are complimented from time to time with additional general condition assessments. The data from the Cardno 2021 asset valuations was used to identify the current condition of the 274 building and facilities that were inspected as shown in the graph below.

The assessment shows that approximately 92 percent of buildings and facilities are in very good to fair condition with only 17 buildings having a condition between 4 and 5. The condition 4 and 5 rated buildings include a number of sheds, an archiving container, a washdown bay, the Cooktown landfill cage and the Bloomfield cricket cage. Council should develop plans to either improve/repair the assets or consider other options depending on the importance of the buildings to Council and the community.



Aerodromes

Council's four aerodromes each have a range of assets including runways, taxiways, lighting, generators, sheds and other buildings, and fuel storage. Based on the Cardno 2022 valuation reports, the aerodrome assets are generally in a fair to very good condition with 76.3% of assets between condition rating 1.25 and 3.5 as shown in the graph below. There are four sheds (2 at Cooktown and 2 at Coen) that are in condition 4 to 4.5 which should be renewed or replaced in the near future.

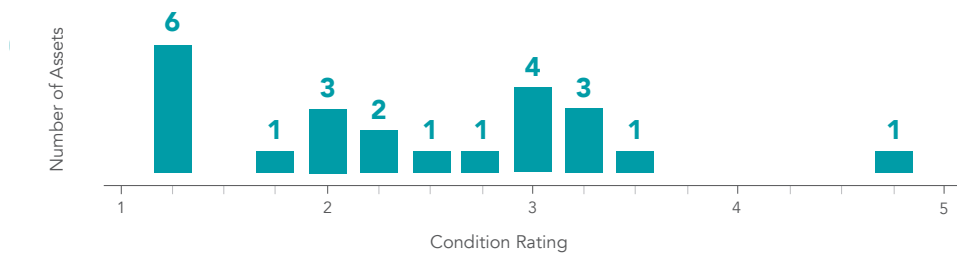




Waste and Recycling

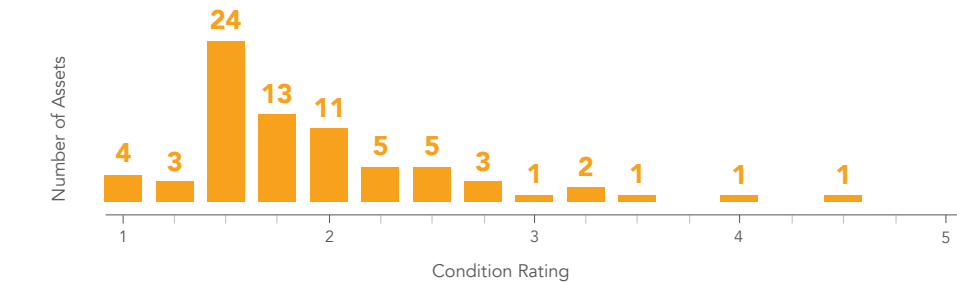
Waste and Recycling assets include buildings, sheds, fences and landfill associated structures. The condition ratings completed by Cardno in 2022 only included three skip bins. Council owns approximately 20 skip bins across all sites and these should be scheduled for replacement over time as required.

The Waste and Recycling assets are generally in a fair to very good condition as shown in the graph below with 91.8% of assets between condition rating 1.25 and 3.25. Of concern is the litter net surrounding the general waste pad at the Cooktown Waste Transfer Station with a condition rating of 4.75 and an estimated remaining useful life estimate of 2 years. This asset should be considered for replacement in the short term to ensure compliance with legislative requirements.



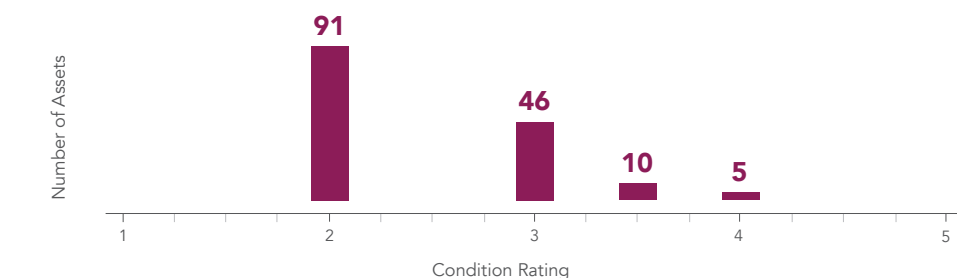
Parks and Gardens

Parks and Gardens assets include playgrounds, irrigation systems, BBQ, shade structures, exercise equipment, picnic tables and chairs and other miscellaneous assets. As can be seen in the graph below, based on the Cardno 2022 valuation inspections, the majority of the Parks and Gardens assets are in a good to very good condition with only two assets with a rating above 3.5 which are the Lakeland sports field pump and the Bloomfield cricket net (previously identified in the Buildings and Facilities section). These assets should be included in future renewal programs and replaced or renewed.

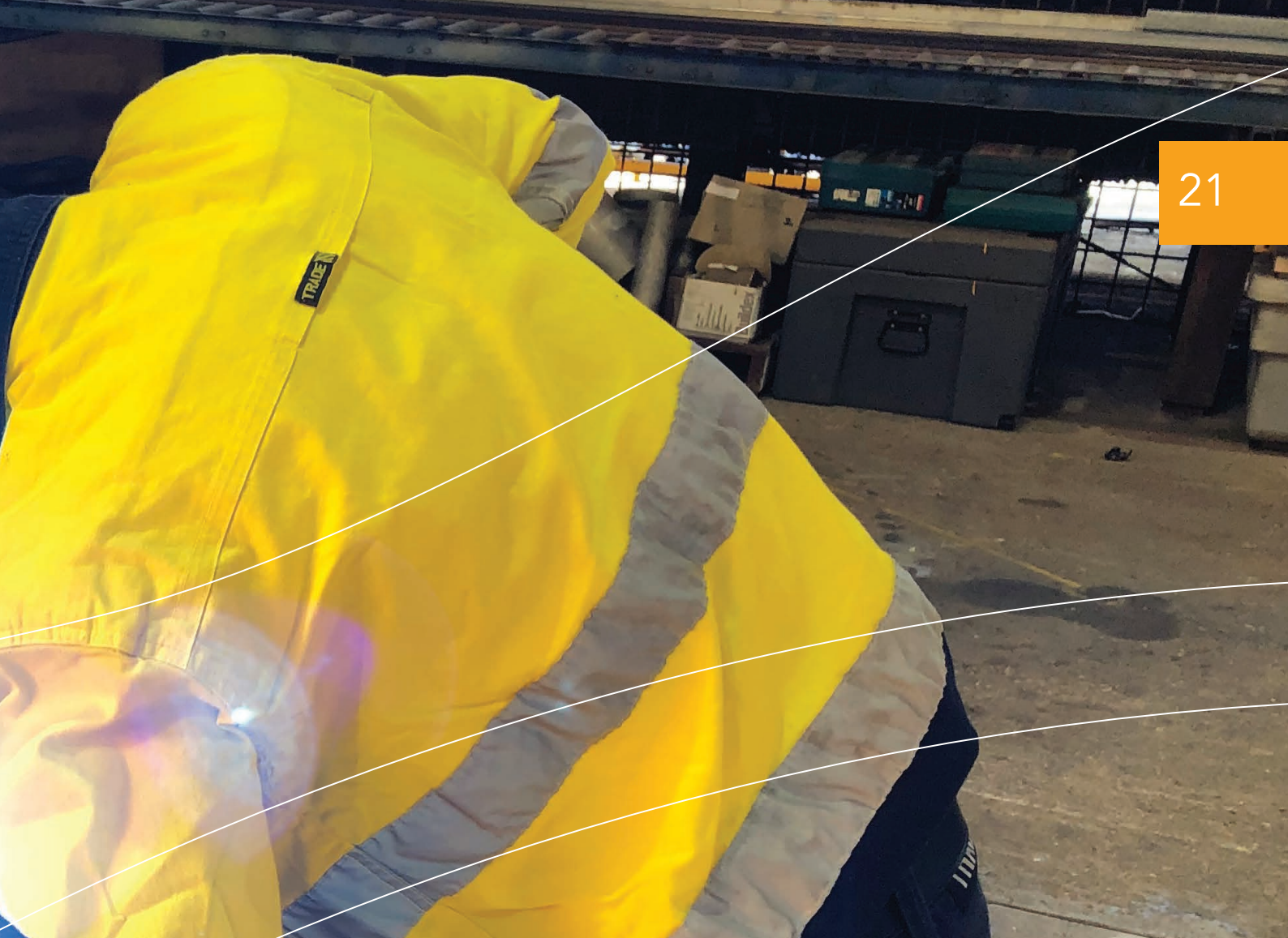


Fleet

Council owns, operates and maintains a suite of fleet assets including heavy plant, tractors, trucks, utilities, passenger vehicles, generators and other miscellaneous plant that are used in activities across the shire. Fleet assets are generally maintained to the manufacturer's specifications and therefore remain in fair to very good condition.







Levels of Service

Levels of Service in asset management refers to the quality of a service provided by an asset. These can be expressed in a myriad of different ways depending on the approach taken by the organisation. The Cook Shire Council Levels of Service are currently defined in the core AMPs in terms of both Customer and Technical Levels of Service based on the definitions provided below.

CUSTOMER SERVICE LEVELS

The level of service that a customer can expect from their interaction with Council assets, staff or activities

TECHNICAL SERVICE LEVELS

The target service levels for operational activities that contribute to achievement of the customer service standards

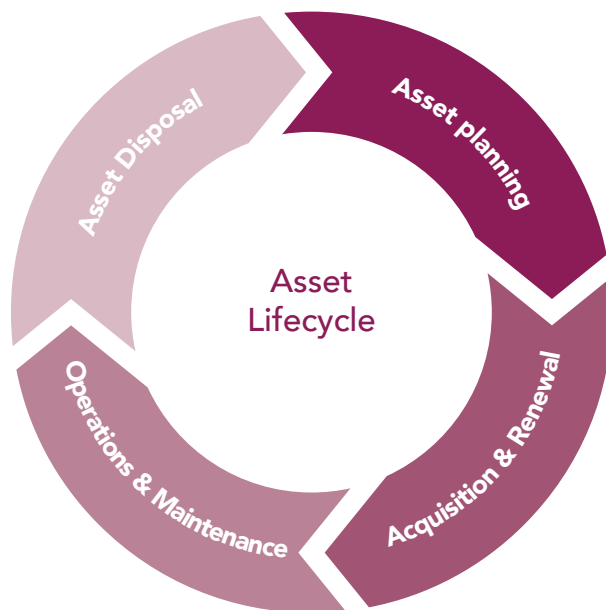
The Levels of Service should be periodically reviewed to ensure that they remain relevant and appropriate and meet community expectations.

Asset Lifecycle Management

The asset lifecycle refers to how Cook Shire Council plans to manage and operate the assets at the agreed Levels of Service over the assets lives. There are four key stages in the asset lifecycle as shown in the diagram below and these are discussed in subsequent sections of this LTAMP.

Asset Lifecycle Management

The asset lifecycle refers to how Cook Shire Council plans to manage and operate the assets at the agreed Levels of Service over the assets lives. There are four key stages in the asset lifecycle as shown below and these are discussed in subsequent sections of this LTAMP.



Asset Planning

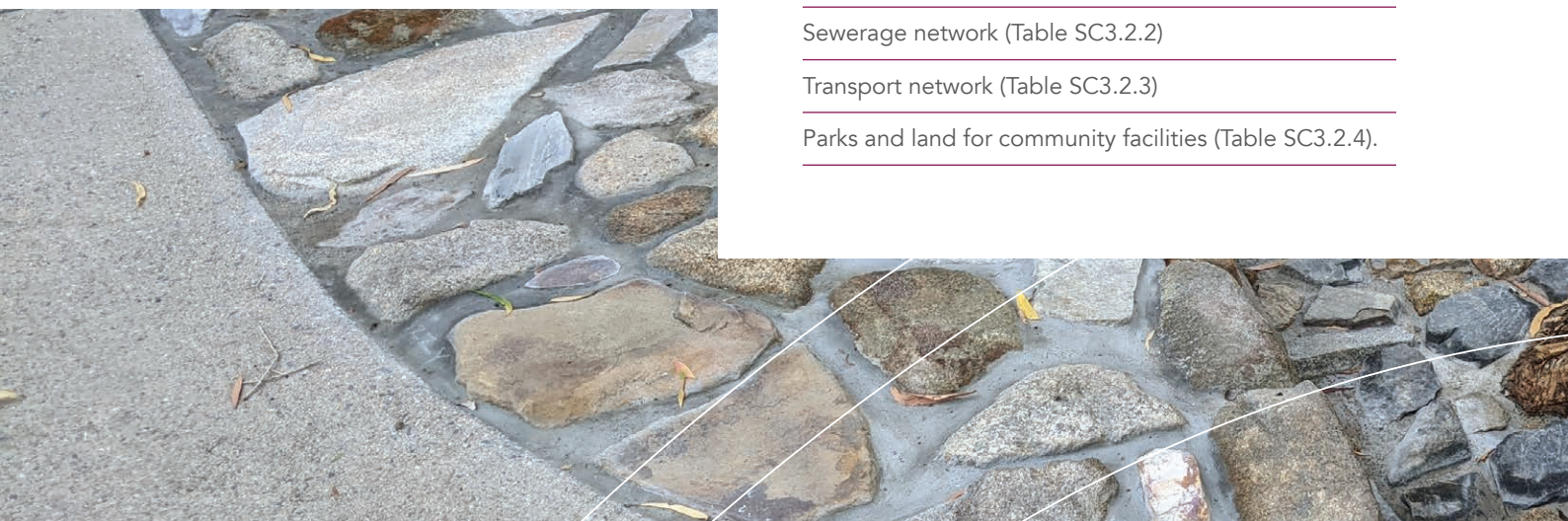
The purpose of Asset Planning is to establish and verify asset requirements based on evaluation of the existing assets and their potential to meet the desired levels of service. Factors that need to be monitored to ensure that an asset can meet the desired Levels of Service include:

- Changes in asset condition
- Population growth and increased tourist numbers increasing demand
- Technological and regulatory changes
- Changes in community demographics
- Changed community expectations
- Customer complaint trends
- Increased maintenance expenditure
- Detecting changes in key operating parameters
- Climate change.

With regard to population growth, the Cook Shire Council Planning Scheme 2017 Schedule 3 contains tables of existing and projected population for the Council area, together with projected demand horizons for new core infrastructure.

The Planning Scheme also includes a Local Government Infrastructure Plan (LGIP) which identifies the trunk infrastructure requirements and a Schedule of Works for the following assets:

- Water supply network (Table SC3.2.1)
- Sewerage network (Table SC3.2.2)
- Transport network (Table SC3.2.3)
- Parks and land for community facilities (Table SC3.2.4).



Asset Acquisition and Renewal

Acquiring or constructing new assets should be deferred as long as possible by maintaining existing assets to achieve the maximum life possible. Non-asset solutions to reduce or defer the need for additional or upgraded assets should also be employed. Examples include activities such as water demand management strategies which reduce the impact on Water Network assets but also reduces inflows to sewerage treatment plants thereby potentially extending the life of Sewerage Network assets.

Once the need for a new asset or asset renewal is identified, capital works submissions are prepared for evaluation and consideration in the development of Council's capital works program. The capital works program is considered on an annual basis at budget consideration time and adopted by Council generally in June/July each year.

Many of Council's transport and drainage assets can be damaged during the significant rainfall events that occur in most years. Repairing and/or replacing these assets is generally funded through Disaster Recovery Funding Arrangements (DRFA) administered by the Queensland Reconstruction Authority (QRA). The specific eligibility, application, delivery, reporting and acquittal requirements for asset repair or replacement under the DRFA scheme are relatively detailed and prescriptive. Council is well versed in meeting these requirements.



Operations and Maintenance

Once assets have been brought into service they need to be operated and maintained to ensure optimal asset performance. Council needs to ensure that budget allocations are provided in the long-term to allow assets to be operated and maintained so desired Levels of Service can be met.

The core asset AMPs contain operations and maintenance strategies tailored to the particular assets. The strategies contain information on the following:

Asset inspection frequency

Preventative maintenance schedules

Reactive maintenance processes.

The frequency of asset inspections is determined by the type, criticality, age and known condition of an asset. Inspections can be either undertaken physically or, in the case of mechanical/electrical assets, these may be remotely monitored via telemetry.

Asset maintenance includes proactive and reactive maintenance activities which support an asset in reaching its full life potential. Proactive maintenance requirements are included in the core AMP maintenance schedules and completed according to priority and as resources allow.

Reactive maintenance is unplanned work generally driven by service requests, customer complaints, defects or breakdowns. Reactive work requests should be prioritised based on risk, entered into work schedules, and attended to in accordance with set response times. Any defects that are considered high risk should be dealt with as soon as practical.

Asset Disposal

Assets reaching their useful life will be identified from asset registers and/or through condition assessment and maintenance inspections. Assets may need to be disposed of as they reach the end of their useful life, or if Council has determined that a particular service provided by an asset is no longer to be provided.

Assets may simply be retired from service, re-deployed for another purpose, or sold to external parties. The process for disposal of assets is governed by the Local Government Act and Regulations. As Council manages the assets on behalf of the community, consultation with stakeholders may be needed when opportunities to retire or sell assets are identified.

Financial Forecasts

The following financial information has been summarised from the 2022/23 adopted budget and projections from the AMPs for future budget requirements.

Forecast Operations and Maintenance Expenditure

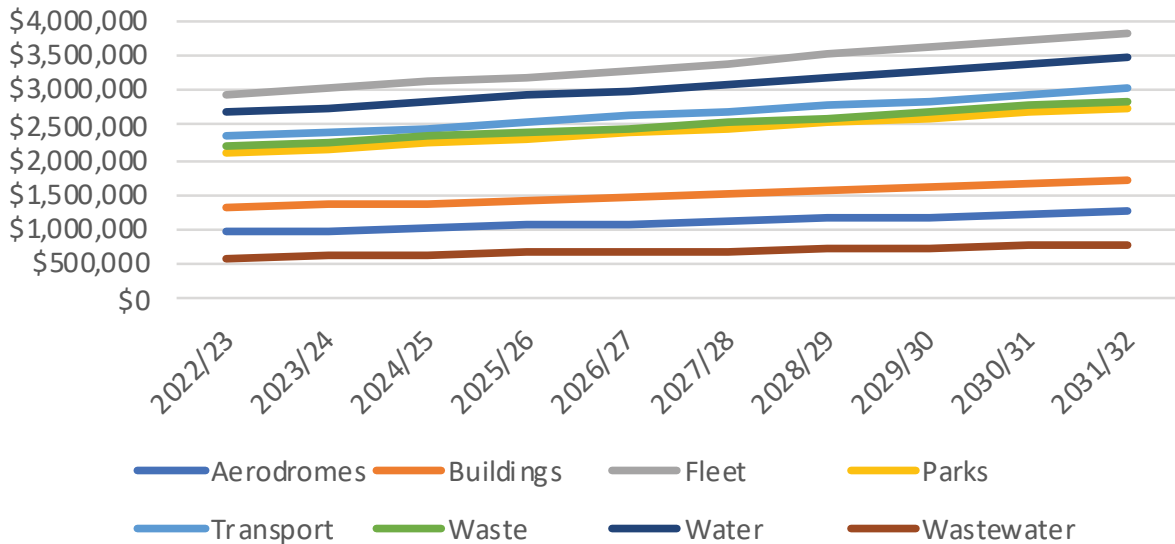
The combined estimated annual operations and maintenance expenditure for the eight asset classes is shown in the table below and the breakdown by asset class is provided in the graph to the right. The budget requirements assume that the current level of service is maintained and is based on the 2022/23 budget adopted by Council and indexed at 3% per annum. The figures exclude revenue from external sources and depreciation expenses.

The total operations and maintenance budget requirements range from \$15.107 million in 2022/23 to \$19.711 million in 2032/32 with a total across the ten years of \$173.189 million.

Operations and Maintenance Budget Requirements

Year	Total
2022/23	\$15,107,443
2023/24	\$15,560,666
2024/25	\$16,027,486
2025/26	\$16,508,311
2026/27	\$17,003,560
2027/28	\$17,513,667
2028/29	\$18,039,077
2029/30	\$18,580,249
2030/31	\$19,137,657
2031/32	\$19,711,787
Total	\$173,189,903

10-year Operations and Maintenance Budget Requirements by Asset Class



The estimated budget requirements in 2022/23 range from approximately \$600,000 for the Wastewater assets to \$2.927 million for the Fleet assets. These amounts increase by 2031/32 to \$787,000 for the Wastewater assets to \$3.819 million for the Fleet assets.

The adequacy of the estimated budget requirements will need to be reviewed over time particularly to take account of new or upgraded assets and new technologies to ensure that Council understands and is able to plan for the future budget requirements.

Forecast Capital Expenditure

Council currently adopts an annual capital work program each year. A summary of the 2022/23 program is provided in the table below.

Summary of 2022-23 Capital Work Program

Category	Total budget 2022-23
New funded projects	\$5,749,480
Carryover projects from previous years	\$17,353,900
Projects awaiting grant submission outcomes	\$2,507,500
Unfunded projects	\$10,822,300

The 2019 adopted Asset Management Strategy included data on 10-year forecast budget requirements for the renewal of Sewerage, Water, Transport and Building assets. The source of this information is currently unknown and requires substantial review and refinement based on current condition assessments. The 10-year capital works program is therefore under review as an asset improvement action for each of the eight asset classes by asset managers.



Asset Management Improvement Plan

Asset management is a continual journey as new assets are created, existing assets age, new technology becomes available and customer expectations continually change. Asset management practices need to continually evolve to keep pace with these changes. Each of the AMPs created for core asset classes includes an asset Management Improvement Plan which outlines the key improvement activities that will be undertaken at the asset class level. Progress against these actions is monitored by the Asset Management Steering Group.

The asset management improvement actions listed in the table below provide a summary of the detailed improvement plans in the AMPs.

Asset management improvement actions

No.	Task	Description	Responsibility	Timeframe
1	Single source of asset data	Council to research and agree on a preferred way forward with regard to operating a single asset register that is used and updated by the entire organisation	Asset Coordinator Asset Management Steering Group	Dec 23
2	Review the accuracy of fixed asset register	Review the register to identify assets that have been disposed of and include new assets that are not listed	Asset Coordinator Asset Managers	Dec 23
3	Asset inspection schedule	Develop an inspection schedule for all assets covered by the AMP based on the technical levels of service	Asset Managers	Dec 23
4	Asset inspections	Complete asset inspections in accordance with the inspection schedule	Asset Managers	Dec 23
5	Maintenance schedules	Develop maintenance schedules based on the technical levels of service	Asset Managers	Dec 23
6	Maintenance activities	Implement maintenance activities as per the maintenance schedule as resources allow	Asset Managers	Dec 23
7	10-year capital works program	Generate a 10-year capital works program for the assets covered by the AMP based on condition rating	Asset Coordinator Asset Managers	Dec 23
8	Data management systems	Develop data management systems to ensure asset data is kept up to date in the fixed asset register	Asset Coordinator Asset Managers	Dec 23
9	Data and information storage	Ensure all asset related information and data is kept in the corporate records system	Asset Coordinator Asset Managers	Dec 23

References

- Cardno Valuation Report spreadsheets 2022
- Cook Shire Council 2019, Asset Management Strategy
- Cook Shire Council 2022, Corporate Plan 2022 - 27
- Cook Shire Council 2019, Sewerage Asset Management Plan
- Cook Shire Council 2019, Water Asset Management Plan
- Local Government Regulation 2012.





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