Vincent Street
CESSNOCK

3 December 2025

ORDINARY MEETING OF COUNCIL

WEDNESDAY, 10 DECEMBER 2025

ENCLOSURES

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CORPORATE AND COMMUNITY

CC84/2025 Authorisation for sale of surplus Council land - Part Lot 378 DP 1002112

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Mills Crescent
Wallace Place
Nelson Street
Dixon Street
Grieve Street
Adjoining Owner's Property
CCC to Transfer
CCC to Retain Ownership
100 m

Model Code of Conduct Complaints Statistics 2024-25
Cessnock City Council

Number of Complaints

1		The total number of complaints **received** in the reporting period about councillors and the General Manager (GM) under the code of conduct from the following sources:	
	i	Community	1
	ii	Other Councillors	0
	iii	General Manager	0
	iv	Other Council Staff	2
2		The total number of complaints **finalised** about councillors and the GM under the code of conduct in the following periods:	
	i	3 Months	3
	ii	6 Months	0
	iii	9 Months	0
	iv	12 Months	0
	v	Over 12 months	0

Overview of Complaints and Cost

3	a	The number of complaints **finalised at the outset** by alternative means by the GM or Mayor	3
	b	The number of complaints **referred to the Office of Local Government (OLG)** under a special complaints management arrangement	0
	c	The number of code of conduct complaints **referred to a conduct reviewer**	0
	d	The number of code of conduct complaints **finalised at preliminary assessment** by conduct reviewer	0
	e	The number of code of conduct complaints **referred back to GM or Mayor** for resolution after preliminary assessment by conduct reviewer	0
	f	The number of finalised code of conduct complaints **investigated by a conduct reviewer**	0
	g	Cost of dealing with code of conduct complaints via preliminary assesment	1,456
	h	Progressed to **full investigation by a conduct reviewer**	0
	i	The number of finalised complaints investigated where there was found to be **no breach**	0
	j	The number of finalised complaints investigated where there was found to be **a breach**	0
	k	The number of complaints referred by the GM or Mayor **to another agency** or body such as the ICAC, the NSW Ombudsman, OLG or the Police	

i	ICAC	0
ii	NSW Ombudsman	0
iii	OLG	0
iv	Police	0
v	Other Agency (please specify)	0
l	The number of complaints being investigated that are **not yet finalised**	0
m	The **total cost** of dealing with code of conduct complaints within the period made about councillors and the GM including staff costs	1,456

Preliminary Assessment Statistics

4 The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:

a	To take no action (clause 6.13(a) of the 2020 Procedures)	0
b	To resolve the complaint by alternative and appropriate strategies (clause 6.13(b) of the 2020 Procedures)	0
c	To refer the matter back to the GM or the Mayor, for resolution by alternative and appropriate strategies (clause 6.13(c) of the 2020 Procedures)	0
d	To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, OLG or the Police (clause 6.13(d) of the 2020 Procedures)	0
e	To investigate the matter (clause 6.13(e) of the 2020 Procedures)	0
f	Other action (please specify)	0

Investigation Statistics

5 The number of investigated complaints resulting in a determination that there was **no breach**, in which the following recommendations were made:

a	That the council revise its policies or procedures	0
b	That a person or persons undertake training or other education (clause 7.40 of the 2020 Procedures)	0

6 The number of investigated complaints resulting in a determination that there **was a breach** in which the following recommendations were made:

a	That the council revise any of its policies or procedures (clause 7.39 of the 2020 Procedures)	0
b	In the case of a breach by the GM, that action be taken under the GM's contract for the breach (clause 7.37(a) of the 2020 Procedures)	0
c	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 (clause 7.37(b) of the 2020 Procedures)	0
d	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 and that the matter be referred to OLG for further action (clause 7.37(c) of the 2020 Procedures)	0
7	Matter referred or resolved after commencement of an investigation (clause 7.20 of the 2020 Procedures)	0

Categories of misconduct

8 The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:

a	General conduct (Part 3)	0
b	Non-pecuniary conflict of interest (Part 5)	0
c	Personal benefit (Part 6)	0
d	Relationship between council officials (Part 7)	0
e	Access to information and resources (Part 8)	0

Outcome of determinations

9 The number of investigated complaints resulting in a determination that there was a breach in which the council:

a	Adopted the independent conduct reviewers recommendation	0
b	Failed to adopt the independent conduct reviewers recommendation	0

10 The number of investigated complaints resulting in a determination where:

a	The external conduct reviewers decision was overturned by OLG	0
b	Council's response to the external conduct reviewers reccomendation was overturned by OLG	0

11	Date Code of Conduct data was presented to council	10-Dec-25

Division:
Committee: Ordinary Council
Officer:

Date From:
Date To:

Action Sheets Report

Printed: **Monday, 1 December 2025 11:41:09 AM**

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
CC78/2025	Ordinary Council 19/11/2025	Walters, Lorna	Corporate and Community	Quarterly Budget Review Statement - Quarter 1, 30 September 2025	17/12/2025	
298		Maginnity, Robert				

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor Pascoe
298
RESOLVED

1. That Council receives the September 2025 Quarterly Budget Review Statement in accordance with Clause 203 of the Local Government (General) Regulation 2021.

2. That Council approves proposed changes to the 2025-26 operating and capital budgets as presented in the Quarterly Business Report September 2025.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN13/2025	Ordinary Council 15/10/2025	Childs, Jonathan	Business With Notice	Implementation of an Email Notification System for Residents	28/02/2026	
263		Maginnity, Robert				

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor Harrington
263
RESOLVED

That Council, investigate an opt-in notification system for residents based on their location. This system would provide timely information regarding:

1. Development Applications, Residents would receive updates on DAs in their area, ensuring they are informed about proposed developments that may affect their community, while helping with the cost of notifications, we could reach a bigger area, while keeping it cheaper.

2. Upcoming Events: Notifications about local events, community gatherings, and Council initiatives would be shared to encourage participation and engagement.

3. Promote the new system through existing Council communication channels to maximise participation.

17 Oct 2025 4:25pm Maginnity, Robert - Reallocation
Action reassigned to Childs, Jonathan by Maginnity, Robert - Jon, please coordinate this investigation, noting request to track staff hours involved. May need input from CIO & Manager Customer Service
07 Nov 2025 9:40am Childs, Jonathan - Target Date Revision
Target date changed by Childs, Jonathan from 12 November 2025 to 28 February 2026 - To allow time for council officers to investigate options

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed:** **Monday, 1 December 2025 11:41:09 AM**

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
CC80/2025	Ordinary Council 19/11/2025	Varghese, Arun	Corporate and Community	Financial Hardship Policy	17/12/2025	
299		Maginnity, Robert				

MOTION ***Moved:*** Councillor Lea ***Seconded:*** Councillor Palmowski

299

RESOLVED

That Council adopts the updated Financial Hardship Policy.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
MM14/2025	Ordinary Council 19/11/2025	Plumridge, Matthew	Mayoral Minutes	House of Representatives Standing Committee - Regional Development, Infrastructure and Transport - Invitation to make submission to inquiry into local government funding	3/02/2026	
287		Maginnity, Robert				

MOTION ***Moved:*** Councillor Watton

287

RESOLVED

1. That Council provides a submission to the House of Representatives Standing Committee Regional Development, Infrastructure and Transport in regards to the Committees new inquiry into local government funding and financial sustainability as it affects Cessnock City Council by 3 February 2026.

2. That Council provides a copy of the submission to the Federal Member for Hunter, Dan Repacholi MP and the Federal Member for Paterson, Meryl Swanson MP

21 Nov 2025 9:06am Cocking, Tracey
Reassign to CFO to complete submission and notify relevant parties.

21 Nov 2025 9:09am Cocking, Tracey - Reallocation
Action reassigned to Plumridge, Matthew by Cocking, Tracey - Reassign to CFO to complete submission and notify relevant parties.

25 Nov 2025 9:44am Plumridge, Matthew - Target Date Revision
Target date changed by Plumridge, Matthew from 17 December 2025 to 03 February 2026 - Due date for submission to the committee

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed:** **Monday, 1 December 2025 11:41:09 AM**

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
CC71/2025	Ordinary Council 19/11/2025	Elliott, Jessica	Corporate and Community	Community, Sporting and Environment Grant 2025-26	17/12/2025	

291 Maginnity, Robert

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor Lea

291

RESOLVED

1. That Council provides funds through the Community Facilities Grant Scheme to:
- **Branxton Community Hall Section 355 Committee in the amount of $9,975**
- **Marthaville Section 355 Committee in the amount of $1,654**
- **North Cessnock Community Hall section 355 committee in the amount of $6,212**
- **North Rothbury Tidy Town Committee in the amount of $2,086**
- **Prelude Australia Kurri Kurri (comprising of four projects) in the amount of $18,527**
- **Weston Civic Centre Section 355 Committee in the amount of $614**

2. That Council transfers $9,068 of unspent funds from the Sporting Facilities Grant Scheme to allow Council to fund all recommended Community Facilities Grant Scheme applications.

3. That Council provides funds through the Sporting Facilities Grant Scheme to:
- **Branxton District Netball Club in the amount of $3,575**
- **Coalfields Cross Country Running Club in the amount of $1,654**
- **Greta Branxton Football Club in the amount of $5,991**
- **Kearsley Community Sporting Association in the amount of $1,814**
- **Kurri Kurri Tennis Club in the amount of $2,600**
- **Wollombi Valley Tennis and Sports Association in the amount of $1,428**

4. That Council provides funds through the Community and Cultural Development Grant Scheme to:
- **ArtsNational Hunter in the amount of $2,821**
- **Barkuma Neighbourhood Centre in the amount of $3,000**
- **Branxton Community Hall in the amount of $1,500**
- **Carries Place in the amount of $2,500**
- **Cessnock District Rescue Squad Inc. in the amount of $3,000**
- **Cessnock Family Support Service Inc in the amount of $1,056**
- **Cessnock Senior Citizens Association Incorporated in the amount of $1,500**
- **Kiray Putjung Aboriginal Corporation in the amount of $3,000**
- **Sculpture in the Vineyards Inc in the amount of $3,000**
- **Sunnyfield Disability Services in the amount of $1,774**
- **The Rotary Club of Cessnock in the amount of $1,019**
- **Westpac Rescue Helicopter Service in the amount of $830**

5. That Council provides funds through the Sustainable Communities - Tidy Towns Environment Grant Scheme to:
- **Native Animal Trust Fund (Hunter Wildlife Rescue) in the amount of $3,672**
- **Cessnock Community Garden Association Inc. in the amount of $1,000**

6. That the General Manager writes to all applicants advising them of the outcome of their application and thanking them for their ongoing support and commitment to the enhancement of Council facilities, community and cultural development and the environment of the local government area.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed:** **Monday, 1 December 2025 11:41:09 AM**

27 Nov 2025 3:14pm Elliott, Jessica
Resolution noted all applicants will be notified of the outcome prior to 17 December.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
CC74/2025	Ordinary Council 19/11/2025	Neveldsen, Keri	Corporate and Community	Adoption of revised Code of Meeting Practice	17/12/2025	
294		Maginnity, Robert				

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor Pascoe
294
RESOLVED

1. That Council resolves to fix the general order of business in accordance with section 8.1 of the Code of Meeting Practice.

2. That Council authorises the person presiding at a meeting to exercise a power of expulsion, in accordance with section 5.34 of the Code of Meeting Practice.

3. That Council notes that no submissions were received during the public exhibition period of the Code of Meeting Practice.

4. That Council rescinds the Code of Meeting Practice 2024 and adopts the Code of Meeting Practice 2025, with effect from 31 December 2025.

5. That Council note our dissatisfaction with the timing of these new Code of Meeting practice standards and the effect this may have on sitting elected members during this term of Council.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
WI2/2021	Ordinary Council 17/02/2021	Waghorn, Peter	Works and Infrastructure	Sale of Land to Bellbird Bowling Club	19/12/2025	
1571		Maginnity, Robert				

MOTION ***Moved:*** Councillor Dunn ***Seconded:*** Councillor Fitzgibbon
1571
RESOLVED

1. That Council authorises the General Manager to undertake the process to reclassify the seven metre strip of land along the southern boundary of the Bellbird Park Bowling Club from Community to Operational.

2. That Council agrees to sell the subject parcel of land once reclassified to Bellbird Park Bowling Club at the nominal cost of one dollar ($1.00) provided the Bellbird Park Bowling Club fund associated costs for the land transfer.

3. That Council authorises the General Manager to execute documents related to the reclassification and transfer of land between Cessnock City Council and the Bellbird Park Bowling Club.

04 Mar 2021 11:58am Benson, Nicole - Reallocation
Action reassigned to Rathborne, Michael by Benson, Nicole - Michael please commence the actions as per the resolution. Liaise with my team if required. Thanks
24 Mar 2021 4:49pm Keegan, Robyn - Target Date Revision
Target date changed by Keegan, Robyn from 17 March 2021 to 30 June 2021 - Information sent to surveyor for the club to prepare and lodge forms,

	Division:	**Date From:**
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29 Mar 2021 4:04pm Rathborne, Michael - Target Date Revision
Target date changed by Rathborne, Michael from 30 June 2021 to 30 August 2021 - Surveyor preparing documents for registration.

28 Apr 2021 10:33am Rathborne, Michael - Target Date Revision
Target date changed by Rathborne, Michael from 30 June 2021 to 30 September 2021 - Pending survey and documentation being prepared by surveyor.

25 Jun 2021 12:30pm Keegan, Robyn - Target Date Revision
Target date changed by Keegan, Robyn from 30 September 2021 to 31 December 2021 - Bellbird Park Bowling Club has taken responsibility for survey registration. Further work by Council Property Services to effect the transfer of land is deferred pending Strategic Property obtaining Council approval for a site-specific planning proposal to reclassify the land.

02 Sep 2021 3:11pm Keegan, Robyn - Target Date Revision
Target date changed by Keegan, Robyn from 31 December 2021 to 31 December 2021 - Peter Waghorn advised that there is no further update.

26 Oct 2021 2:19pm Keegan, Robyn - Target Date Revision
Target date changed by Keegan, Robyn from 31 December 2021 to 21 January 2022 - Advised by Chief Financial & Administration Officer no update was available but will investigate.

25 Jan 2022 10:12am Waghorn, Peter
In accordance with the resolution, Bellbird Park Bowling Club management are responsible for organising and registering the survey of land to be acquired but are yet to do so. A registered plan and reclassification of the land are required before the land transfer can be transacted.

29 Mar 2022 7:55am Boughton-Ingham, Petra
28 Mar 2022 Peter Waghorn, [Confidential]: BPBC's Secretary Manager was contacted with an offer of assistance and advised that the club had not sought quotes for land survey work to date due to their financial situation. As the cost of a partial survey is not anticipated to be high, Council Officers contacted a local surveyor on the club's behalf and was told that the previous Board had engaged Marshall Scott Surveyors to prepare a plan and the draft was sent to the club last year. MSS is following up directly with club management.

12 Apr 2022 10:21am Keegan, Robyn - Target Date Revision
Target date changed by Keegan, Robyn from 21 January 2022 to 15 June 2022 - The Bellbird Park Bowling Club Secretary Manager was contacted with an offer of assistance and advised that the club had not sought quotes for land survey work due to a recent change of voluntary board membership. Council Officers contacted a local surveyor on the club's behalf and were advised that the previous Board had engaged Marshall Scott Surveyors to prepare a plan and the draft was sent to the club last year. Principal of Marshall Scott Surveyors is following up with the new club management directly.

28 Apr 2022 3:32pm Waghorn, Peter
Mark Scott of Marshall Scott Surveyors is still following up with the new club Secretary Manager regarding a survey plan previously prepared and sent to the Club in draft for their review.

26 May 2022 9:22am Waghorn, Peter
Bellbird Park Bowling Club officials have confirmed that Marshall Scott Surveyors were engaged by the previous Board to prepare a plan of acquisition. Once the draft plan is provided to Council for review and verification, the process to reclassify the identified portion of Bellbird Park can be commenced. Transfer of the land to the Club can only be effected on gazettal of the reclassification.

26 May 2022 9:50am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 15 June 2022 to 30 December 2022 - The planning proposal to amend the LEP and reclassify a portion of Bellbird Park is a lengthy process and yet be commenced. Transferring ownership to the Club is deferred pending gazettal of the land reclassification for Community to Operational land.

30 Jun 2022 3:12pm Waghorn, Peter
An LEP amendment request to reclassify the portion of Bellbird Park the Club requires has been scheduled with Strategic Planning.

28 Jul 2022 2:49pm Waghorn, Peter
A survey plan prepared by Marshall Scott Surveyors on behalf of Bellbird Park Bowling Club has been provided to Strategic Planning. A planning proposal requesting amendment of the Cessnock LEP land classification of the nominated portion of Bellbird Park is in progress.

31 Aug 2022 4:46pm Keegan, Robyn
Further updates are subject to progression of a planning proposal to amend the Cessnock LEP and change the community land classification of the nominated portion of Bellbird Park.

25 Nov 2022 3:47pm Waghorn, Peter
Internal Property staff followed up with Marshall Scott Surveyors 24/11/2022 and were advised that the survey plan detailing the area to be acquired by the club and prepared by their firm on behalf of Bellbird Park Bowling Club is yet to be lodged with Land Registry Services for assessment. Council staff actions are deferred pending plan registration and gazettal of the proposed land reclassification.

16 Jan 2023 12:12pm Waghorn, Peter
Property staff visited BPBC on 4/1/2023 to enquire with management as to the status of survey plan approval and were advised that they will follow up with Marshall Scott Surveyors. As at 16/1/2023, Mark Scott of MSS has not been contacted by BPBC.

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	Officer:		
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16 Jan 2023 12:21pm Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 30 December 2022 to 31 March 2023 - Delayed pending Bellbird Park Bowling Club approval of draft survey plan of acquisition and the outcome of a Council request to reclassify the relevant of portion of Carmichael Park to be acquired

03 Apr 2023 10:44am Waghorn, Peter
The Strategic Planning unit has scheduled a report seeking approval to submit the LEP amendment required to reclassify the portion of Bellbird Park the Club requires. Reclassification to operational land is required to facilitate any transfer of council community land. The report will be considered at the April 2023 Ordinary Council Meeting.

03 Apr 2023 11:11am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 31 March 2023 to 30 June 2023 - The report seeking approval to submit an LEP amendment to reclassify the required portion of Bellbird Park is scheduled for the April 2023 OCM. Reclassifications necessarily involve state planning departments and completion of that process cannot be accurately determined at this time.

26 May 2023 3:16pm Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 30 June 2023 to 31 March 2024 - A planning proposal to amend the Cessnock LEP community land classification of a portion of Carmichael Oval adjoining Bellbird Park Bowling Club was approved for submission to Dept. of Planning & Environment (DPE) on 19 April 2023. Subject to obtaining a DPE Gateway determination to reclassify the land from community to operational use, consultation will be undertaken with public authorities and the community. Unresolved objections must be submitted to Council for consideration before DPE is requested to make the Plan and publish LEP changes in the Government Gazette. This process is anticipated to take six to nine months. On completion, Property staff will prepare contract documentation to transfer the required land.

25 Sep 2023 3:37pm Waghorn, Peter - Email
On 15 September, Officers arranged for surveyors to attend and mark the site, allowing a partially installed fence to be completed along the new boundary with a lockable pedestrian access. Illegal private vehicular use of CCC community land is understood to have been occurring and neighbouring residents will be notified prior to erection of the final stage of fencing. Formal transfer of the land portion to BPBC is subject to land reclassification and the revised target date is still projected as March 2024.

24 Nov 2023 9:41am Waghorn, Peter
No further updates from Property Services pending completion of land reclassification process and subsequent land transfer

28 Mar 2024 11:17am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 31 March 2024 to 30 May 2024 - Council's Strategic Planning unit advise the planning proposal seeking to amend the LEP land classification is currently being reviewed by the relevant state government planning department

25 Jun 2024 10:52am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 30 May 2024 to 29 November 2024 - On 29/5/2024 Council's Strategic Planner advised Planning proposal PP-2023-1296 to amend Cessnock Local Environmental Plan 2011 (LEP) has received Gateway determination. The advice refers to issues remaining to be addressed and requires the amending LEP to be finalised on or before 6 months of the Gateway determination date.

27 Nov 2024 4:33pm Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 29 November 2024 to 31 January 2025 - Department Planning Housing and Infrastructure has endorsed the Planning Proposal to rezone and reclassify the strip of land at Bellbird Park Bowling Club for finalization. Once the public reserve status is removed from title, the portion required by the club can be excised from Carmichael Park and transferred to the Club in accordance with the resolution.

26 Mar 2025 2:27pm Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 31 January 2025 to 31 March 2025 - Planning Proposal PP-2023-1296 was sent to DPHI for gazettal on 27 November 2024. The Department recently advised to expect further delays associated with the PP dealing with reclassification of land owned by a council.

06 May 2025 3:05pm Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 31 March 2025 to 30 June 2025 - Planning Proposal PP-2023-1296 to amend Cessnock Local Environmental Plan 2011 (LEP) is still with Department of Planning, Housing and Infrastructure

01 Aug 2025 9:15am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 30 June 2025 to 31 October 2025 - It was previously advised the reclassification proposal was sent to the Department of Planning Housing, Planning and Infrastructure (DPHI) for finalisation in November last year. Recent advice from DPHI regarding the extended delay: The proposal is with the Executive Council and must be referred to the NSW Governor for approval prior to finalisation.

	Division:	**Date From:**
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	Officer:	
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21 Oct 2025 10:35am Waghorn, Peter - Target Date Revision
Target date changed by Waghorn, Peter from 31 October 2025 to 19 December 2025 - Strategic Planning received formal advice on 13/10/2025 that the land reclassification proposal sent to the Department of Planning, Housing and Infrastructure (DPHI) for finalisation in November last year has been approved. The planning proposal sought reclassification of Part of Lot 3 DP 624793 at Carmichael Park, from Community to Operational Land and amendment of land use zone from RE1 Public Recreation to RE2 Private Recreation and Amendment No. 45 to Cessnock Local Environment Plan was Gazetted 10 October 2025.The transfer of land required by the Bellbird Bowling Club can now be processed in accordance with the resolution.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
PE12/2025	Ordinary Council 21/05/2025	Brown, Keren	Planning and Environment	Planning Proposal 18/2024/6/1 - Reclassification of Council Land - Post Exhibition	31/12/2025	
152		Page, Sue				

MOTION ***Moved:*** Councillor King ***Seconded:*** Councillor Harrington
152
RESOLVED

1. That Council notes the outcome of the community consultation for Planning Proposal 18/2024/6/1 - Reclassification of part Lot 312 DP 566724 (Old Maitland Road, Cessnock) from Community Land to Operational Land.

2. That Council forwards the Planning Proposal 18/2024/6/1 for Reclassification of Council Land to the Minister for Planning and Public Spaces with a recommendation that the plan be made pursuant to Section 3.36 of the Environmental Planning and Assessment Act 1979.

3. That Council notifies submission makers of the Minister's decision.

05 Aug 2025 7:34am Larsen, Robyn - Reallocation
Action reassigned to Brown, Keren by Larsen, Robyn - .
03 Oct 2025 11:35am Blake, Yvonne
As per Council resolution, awaiting decision from Minister in order to advise people who made submissions of the outcome.
28 Oct 2025 11:46am Brown, Keren - Target Date Revision
Target date changed by Brown, Keren from 30 October 2025 to 31 December 2025 - The Planning Proposal is with DPHI for finalisations.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
PE32/2025	Ordinary Council 19/11/2025	Rush, Iain	Planning and Environment	Land Dedication, Planning Agreement and Works in Kind Policies	17/12/2025	
290		Page, Sue				

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor Hill
290
RESOLVED

1. That Council place the Draft Land Dedication Policy, Draft Works in Kind Policy, revised Draft Planning Agreement Policy, and associated guidelines on public exhibition for a period of 28 days.

2. That Council resolve to remove the requirement for tendering under section 55(1) of the Local Government Act 1993 (NSW) for all Works in Kind and Planning Agreements.

3. That Council adopt the Draft Land Dedication Policy, Draft Works in Kind Agreement Policy and revised Draft Planning Agreement Policy the day after the public exhibition period concludes, if no unresolved submissions are received.

4. That Council receive a further report after the public exhibition period, if there are unresolved submissions.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed: Monday, 1 December 2025 11:41:09 AM**

25 Nov 2025 10:36am Larsen, Robyn - Reallocation
Action reassigned to Rush, Iain by Larsen, Robyn - To be updated
25 Nov 2025 10:58am Rush, Iain
The draft policies and exhibition material is currently being prepared. Due to the Christmas holiday period, the public exhibition period will be extended in accordance with Council's Community Participation Policy.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN11/2025	Ordinary Council 20/08/2025	Page, Sue	Business With Notice	Proposal to Remove the Shared Zone and Install Temporary Foot Crossings on Charlton Street, Cessnock	30/09/2026	

226 Page, Sue

MOTION ***Moved:*** Councillor Jurd ***Seconded:*** Councillor King
226
RESOLVED

a. **That the General Manager investigate options to remove the shared zone at the Cooper and Charlton Streets intersection and reinstate marked foot crossings to enhance pedestrian safety in the area.**

b. **That Councillors be provided a briefing on the draft CBD Public Domain Plan and how it proposes to address the pedestrian safety concerns before going on public exhibition.**

28 Aug 2025 3:35pm Meyers, Kristy
Resolution a. being actioned by W&I via a Councillor memo., Resolution b. Councillor Briefing being actioned by P&E.
28 Aug 2025 3:37pm Meyers, Kristy - Reallocation
Action reassigned to Page, Sue by Meyers, Kristy - For P&E to action Councillor Briefing.
04 Sep 2025 10:22am Blake, Yvonne - Target Date Revision
Target date changed by Blake, Yvonne from 17 September 2025 to 30 September 2026 - The current CBD Public Domain Plan is currently under review subject to the following two key reports/studies being completed., 1. Traffic Assessment report (received by Council in August 2025 and is currently being reviewed by Strategic Planning)., 2. Flood study to be completed by mid 2026 (this study is broader than just the CBD so will take approximately twelve months to complete)., Once both reports have been received and reviewed allowing the draft plan to progress, a Councillor briefing will be organised.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed: Monday, 1 December 2025 11:41:09 AM**

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN12/2025	Ordinary Council 17/09/2025	Booth, Caroline	Business With Notice	Management and use of the land known as Branxton RV Camp	30/06/2026	
249		Page, Sue				

MOTION ***Moved:*** Councillor Lea ***Seconded:*** Councillor King

249

RESOLVED

1. That Council engage in open communication with the Campervan and Motorhome Club of Australia (CMCA) (and other parties as required including but not limited to neighbouring residents) to explore potential management and land use opportunities for the area known as the Branxton RV Park.

2. That the General Manager present a report to Councillors at a future meeting outlining the outcomes of these discussions and recommended next step.

19 Sep 2025 9:27am Lorenzen, Cherie - Reallocation
Action reassigned to Booth, Caroline by Lorenzen, Cherie - Reassigning to manager to action.
26 Sep 2025 11:26am Booth, Caroline - Target Date Revision
Target date changed by Booth, Caroline from 15 October 2025 to 30 June 2026 - Following endorsement of the recommendations, ED will continue conversations with CMCA about alternative sites for RV camping.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
PE16/2025	Ordinary Council 18/06/2025	Brown, Keren	Planning and Environment	Draft Amendments to Cessnock Development Control Plan Chapter - D8, Events	18/02/2026	
170		Page, Sue				

MOTION ***Moved:*** Councillor Lea ***Seconded:*** Councillor Pascoe

170

RESOLVED

1. That Council places the draft "D8 – Events" on public exhibition for a period of 28 days, as required by Council's Community Participation Plan.

2. That Council receive a further report following public exhibition of the draft Development Control Plan chapter if unresolved submissions are received or significant amendments are proposed post-exhibition. Where there are no unresolved objections, the draft Development Control Plan chapter be adopted by Council pursuant to the Environmental Planning and Assessment Regulation 2021.

3. That Council repeal the current Cessnock Development Control Plan Chapter D8 - Temporary Events, in the event that the amended Draft chapter D8 – Events is adopted.

05 Aug 2025 7:35am Larsen, Robyn - Reallocation
Action reassigned to Brown, Keren by Larsen, Robyn - .
24 Oct 2025 8:49am Brown, Keren - Target Date Revision
Target date changed by Brown, Keren from 27 November 2025 to 18 February 2026 - Draft Chapter D8 Temporary Events of the Cessnock Development Control Plan 2010 was exhibited between 30 July 2025 and 24 September 2025. A significant number of submissions have been received and are being reviewed by Council. Subject to the issues raised in the submission's amendments may be made to the draft chapter. Once all submissions have been reviewed the matter will be reported to Council for determination on how to proceed with the draft Chapter.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed: Monday, 1 December 2025 11:41:09 AM**

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN17/2025	Ordinary Council 19/11/2025	McLachlan, Paul	Business With Notice	Transfer of Regional Roads to State Government Ownership	17/12/2025	

305 McLachlan, Paul

MOTION ***Moved:*** Councillor Lea ***Seconded:*** Councillor Palmowski

305

RESOLVED

1. That Council notes that Buchanan Road is currently classified as a Regional Road managed by Cessnock City Council/Maitland City Council, which now carries significantly increased volumes of traffic most notably of heavy and emergency vehicles, as it forms a critical connector between the Hunter Expressway and Maitland Hospital, as well as surrounding industrial and residential growth areas.

2. That Council notes that the continuous route of Hart Road, Gingers Lane, Frame Drive and Orange Street is currently classified as a Regional Road managed by Cessnock City Council, which now carries significantly increased volumes of commuter and freight traffic, as it provides a key connection between the Hunter Expressway and Cessnock via Cessnock Road at Abermain.

3. That Council notes that the former NSW Liberal–National Government made a commitment in 2019 to transfer up to 15,000 kilometres of regional roads, including Buchanan Road, to state ownership, but failed to deliver on this commitment, with zero kilometres transferred by the change of government in 2023.

4. That Council recognises that the management of these roads by Council imposes unsustainable financial, maintenance and safety burden on Cessnock City Council and local ratepayers.

5. That Council writes to the NSW Minister for Roads and Minister for Regional Transport and the Minister for Local Government seeking:
- **a. The immediate re-assessment of these roads for reclassification to State Road status under the Transport for NSW Road Recategorisation Framework announced in August 2025; and**
- **b. A commitment that the NSW Government assume ongoing maintenance and renewal responsibility for these critical connector routes.**

6. That Council provides a copy of this resolution to the Member for Cessnock and the Member for Maitland to seek their support.

24 Nov 2025 2:36pm Meyers, Kristy - Reallocation
Action reassigned to McLachlan, Paul by Meyers, Kristy - for action

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
WI11/2025	Ordinary Council 15/10/2025	Worthing, Alex	Works and Infrastructure	Update of Council's Cemetery Policy	4/12/2025	

262 McLachlan, Paul

MOTION ***Moved:*** Councillor Dixon ***Seconded:*** Councillor Jurd

262

RESOLVED

1. That Council places the draft Cemetery Policy 2025 on public exhibition for a period of 28 days.

2. That, if no relevant submissions are received during the public exhibition period, the draft Cemetery Policy 2025 be considered final and adopted.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed:** **Monday, 1 December 2025 11:41:09 AM**

21 Nov 2025 1:21pm Worthing, Alex - Target Date Revision
The draft is out on public exhibition until 24 November. If no submissions are received the draft will replace the existing policy and be published on Council website.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN6/2025	Ordinary Council 19/03/2025	McNally, Kate	Business With Notice	Investigation for Opportunities to Reduce Vandalism in Public Spaces	27/03/2026	
123		McLachlan, Paul				
MOTION 123	***Moved:***	Councillor King	***Seconded:***	Councillor Jurd		
RESOLVED						

That Council reconvene to further consider options available to help address impacts of crime within the Cessnock LGA after further consultation is undertaken between Cessnock Councillors and NSW Police.

05 May 2025 3:53pm Meyers, Kristy
A Councillor Briefing to be organised for Crime Prevention Through Environmental Design (CPTED).
05 May 2025 3:55pm Meyers, Kristy - Target Date Revision
Target date changed by Meyers, Kristy from 30 June 2025 to 30 June 2025 - To organise Councillor Briefing.
30 Jun 2025 9:59am McNally, Kate
A Councillor Briefing to be organised for Crime Prevention Through Environmental Design (CPTED).
30 Jun 2025 10:01am McNally, Kate - Target Date Revision
Target date changed by McNally, Kate from 30 June 2025 to 29 August 2025 - Competing priorities have resulted in this briefing being delayed.
29 Aug 2025 9:33am McNally, Kate - Target Date Revision
Target date changed by McNally, Kate from 29 August 2025 to 28 November 2025 - Competing priorities have resulted in this briefing being delayed.
21 Nov 2025 8:05am McNally, Kate
A Councillor Briefing to be organised for Crime Prevention Through Environmental Design (CPTED) by March 2026.
21 Nov 2025 8:07am McNally, Kate - Target Date Revision
Target date changed by McNally, Kate from 28 November 2025 to 27 March 2026 - A briefing has been scheduled for February 2026

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN14/2025	Ordinary Council 15/10/2025	McNally, Kate	Business With Notice	Investigation of collaboration with Cessnock Jail for cost saving initiatives	27/03/2026	
264		McLachlan, Paul				
MOTION 264	***Moved:***	Councillor Jurd	***Seconded:***	Councillor King		
RESOLVED						

1. That the General Manager investigate and provide a report to Council on logistics, resource implications, potential benefits and/or limitations of a collaboration with Cessnock Correctional Centre for the provision of selected maintenance services and procurement opportunities for goods able to be produced at the Centre.

2. The Correctional Services be invited to a future public forum on services they provide.

	Division:	**Date From:**
	Committee: Ordinary Council	**Date To:**
	Officer:	
Action Sheets Report		**Printed:** **Monday, 1 December 2025 11:41:09 AM**

21 Nov 2025 8:08am McNally, Kate
A council report will be prepared for the March 2026 Council meeting.
21 Nov 2025 8:09am McNally, Kate - Target Date Revision
Target date changed by McNally, Kate from 12 November 2025 to 27 March 2026 - A report is to be prepared for the March 2026 Council meeting

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN16/2025	Ordinary Council 15/10/2025	Clark, Cameron	Business With Notice	Charlton Street - New Parking Rule	28/02/2026	
		McLachlan, Paul				

MOTION ***Moved:*** Councillor King ***Seconded:*** Councillor Jurd
266
RESOLVED

1. That Council revoke the new front to kerb parking rule recently changed on Charlton Street Cessnock.

2. That Council seek alternative solutions to meet the intended purpose of the change.

27 Nov 2025 2:48pm Meyers, Kristy
Report to be provided back in the New Year.

Type	Meeting	Officer/Director	Section	Subject	Est. Compl.	Completed
BN15/2025	Ordinary Council 15/10/2025	McNally, Kate	Business With Notice	Advertising, Sponsorship and Naming Rights Program	31/03/2026	
265		McLachlan, Paul				

MOTION ***Moved:*** Councillor King ***Seconded:*** Councillor Jurd
265
RESOLVED

That the General Manager investigate and report to Council on implications, resource requirements, projected returns on investment and any logistical impacts for existing users of relevant Council facilities for an advertising, sponsorship and potential naming rights program for Council facilities.

21 Nov 2025 8:09am McNally, Kate
A report will be prepared for the February 2026 Council meeting

Division:
Committee: Ordinary Council
Officer:
Date From:
Date To:

Action Sheets Report

Printed: Monday, 1 December 2025 11:46:15 AM

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Drage, Natalie	Cessnock City Library Strategy and Summary 2025-35	17/12/2025	20/11/2025	21/11/2025
CC72/2025 292		Maginnity, Robert				

21 Nov 2025 8:40am Drage, Natalie - Completion
Completed by Drage, Natalie (action officer) on 21 November 2025 at 8:40:06 AM - The adopted Strategy and Summary documents are available for viewing on the Cessnock City Council website and Cessnock City Library website.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 15/10/2025	Gibson, Samantha	Drainage Easement Request - George Jeffery Park Kearsley	25/11/2025	17/10/2025	25/11/2025
CC65/2025 258		Maginnity, Robert				

23 Oct 2025 7:51am Gibson, Samantha - Target Date Revision
Target date changed by Gibson, Samantha from 19 December 2025 to 09 January 2026 - Approval is now required from the OLG for the easement over community land at George Jeffrey Park and I have been advised it can take up to 10 weeks. Once approval obtained I will arrange for the invoice of payment to be sent to the applicant and advise of the approval completion.

25 Nov 2025 3:16pm Gibson, Samantha - Target Date Revision
Target date changed by Gibson, Samantha from 09 January 2026 to 25 November 2025 - Conditions have been met and payment has been receipted for the easement. The applicant has lodged their SC and no further action is required.

25 Nov 2025 3:17pm Gibson, Samantha - Completion
Completed by Gibson, Samantha (action officer) on 25 November 2025 at 3:17:31 PM - Conditions have been met and the easement has been paid for by the applicant. No further action is required.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Plumridge, Matthew	Placement of the Long Term Financial Plan (2026-2036) on Public Exhibition	17/12/2025	20/11/2025	25/11/2025
CC83/2025 302		Maginnity, Robert				

25 Nov 2025 9:44am Plumridge, Matthew - Completion
Completed by Plumridge, Matthew (action officer) on 25 November 2025 at 9:44:50 AM - On exhibition at the Together Cessnock page.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Morris, Belinda	September 2025 Review of the 2025-29 Delivery Program	17/12/2025	20/11/2025	24/11/2025
CC77/2025 297		Maginnity, Robert				

24 Nov 2025 7:38am Morris, Belinda - Completion
Completed by Morris, Belinda (action officer) on 24 November 2025 at 7:38:38 AM - Email forwarded to OLG with link to Annual Report

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Neveldsen, Keri	Schedule of Ordinary Meetings of Council for 2026	17/12/2025	20/11/2025	24/11/2025
CC75/2025 295		Maginnity, Robert				

24 Nov 2025 8:55am Larsen, Robyn - Completion
Completed by Larsen, Robyn on behalf of Neveldsen, Keri (action officer) on 24 November 2025 at 8:55:13 AM - All actions in regard to the 2026 Council meeting dates have been finalised.

Division:
Committee: Ordinary Council
Officer:
Date From:
Date To:

Action Sheets Report

Printed: Monday, 1 December 2025 11:46:15 AM

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Higgins, Matthew	Classification of Land _ Lot 6 & 7 DP1308673 1 Chapell Street & 1 Bendeich Drive North Rothbury	17/12/2025	20/11/2025	20/11/2025
CC73/2025 293		Maginnity, Robert				

20 Nov 2025 3:03pm Higgins, Matthew
Updated our mapping system to identify the land as operational

20 Nov 2025 3:04pm Higgins, Matthew - Completion
Completed by Higgins, Matthew (action officer) on 20 November 2025 at 3:04:46 PM - Complete

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Ollerton, Lisa	Internal Audit Charter	17/12/2025	20/11/2025	21/11/2025
GMU5/2025 289		Chrystal, Peter				

21 Nov 2025 9:14am Ollerton, Lisa
Noted

21 Nov 2025 9:14am Ollerton, Lisa - Completion
Completed by Ollerton, Lisa (action officer) on 21 November 2025 at 9:14:57 AM - Noted

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Cocking, Tracey	Multi Government Forum on Homelessness, Mental Health, and Related Social Issues	17/12/2025	20/11/2025	25/11/2025
MM13/2025 286		Chrystal, Peter				

25 Nov 2025 8:41am Cocking, Tracey
Letters have been issued to Member for Cessnock, Member for Maitland, Member for Paterson, Member for Upper Hunter and Member for Paterson requesting the establishment of a Cessnock Regional Services Forum.

25 Nov 2025 8:49am Cocking, Tracey - Completion
Completed by Cocking, Tracey (action officer) on 25 November 2025 at 8:49:56 AM - All letters issued.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 20/11/2024	Lewis-Curnoe, Olivia	Planning Proposal 18 2022 6 1 - Reclassification and Rezoning of Council Land - Post exhibition	1/03/2026	22/11/2024	25/11/2025
PE24/2024 50		Page, Sue				

26 Nov 2024 9:43am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 18 December 2024 to 15 January 2025 - Liaising with PC for finalisation.

24 Jan 2025 1:42pm Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 15 January 2025 to 31 March 2025 - Liaising with DPHI to finalise the Planning Proposal.

01 Apr 2025 9:03am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 31 March 2025 to 10 May 2025 - DPHI is the plan making authority. The Planning Proposal is with DPHI for finalisation.

30 Apr 2025 9:11am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 10 May 2025 to 31 May 2025 - Planning Proposal still with the Department for Finalisation.

	Division:		**Date From:**
	Committee:	Ordinary Council	**Date To:**
	Officer:		
Action Sheets Report			**Printed: Monday, 1 December 2025 11:46:15 AM**

27 May 2025 10:09am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 31 May 2025 to 01 August 2025 - Currently with Parliamentary Council for Finalisation.
24 Jul 2025 11:19am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 01 August 2025 to 01 October 2025 - DPHI (the Plan Making Authority for this Planning Proposal) have advised it is still with Parliamentary Counsel for finalisation.
26 Sep 2025 9:14am Lewis-Curnoe, Olivia - Target Date Revision
Target date changed by Lewis-Curnoe, Olivia from 01 October 2025 to 01 March 2026 - DPHI is the plan making authority. The Planning Proposal is still with DPHI/PC for finalisation.
25 Nov 2025 10:22am Lewis-Curnoe, Olivia - Completion
Completed by Lewis-Curnoe, Olivia (action officer) on 25 November 2025 at 10:22:11 AM - Amendment No. 45 to Cessnock LEP was gazetted 10/10/2025.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Hope, Marc	DA 8/2025/536/1 Proposed Telecommunications Facility (Mobile Telephone Infrastructure)	17/12/2025	20/11/2025	24/11/2025
PE31/2025 284		Page, Sue				

24 Nov 2025 2:01pm Hyatt, Sarah - Completion
Completed by Hyatt, Sarah on behalf of Hope, Marc (action officer) on 24 November 2025 at 2:01:51 PM - DA rescinded

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Martin, Cam	Minutes of the Floodplain Risk Management Advisory Committee Meeting held 11 September 2025	17/12/2025	20/11/2025	21/11/2025
WI13/2025 304		McLachlan, Paul				

21 Nov 2025 1:13pm Meyers, Kristy - Completion
Completed by Meyers, Kristy on behalf of Martin, Cam (action officer) on 21 November 2025 at 1:13:22 PM - Noted.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/11/2025	Donnelly, Patricia	Adoption of Draft Waste Management Policy	17/12/2025	20/11/2025	20/11/2025
WI12/2025 303		McLachlan, Paul				

20 Nov 2025 4:24pm Donnelly, Patricia - Completion
Completed by Donnelly, Patricia (action officer) on 20 November 2025 at 4:24:46 PM - Adopted Policy finalised and uploaded to website

	Division:		**Date From:**
	Committee:	Ordinary Council	**Date To:**
	Officer:		
Action Sheets Report			**Printed:** **Monday, 1 December 2025 11:46:15 AM**

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 19/03/2025	Martin, Cam	Report on Unsealed Roads and Costs	31/10/2025	24/03/2025	24/11/2025
BN7/2025		McLachlan, Paul				

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09 Apr 2025 10:10am Meyers, Kristy
Investigating data set.

05 May 2025 2:49pm Meyers, Kristy
Report expected June/July 2025.

29 Jul 2025 2:17pm Meyers, Kristy - Target Date Revision
Target date changed by Meyers, Kristy from 30 July 2025 to 30 September 2025 - Ongoing and expected September Council meeting.

26 Aug 2025 12:04pm Meyers, Kristy
Moved to November 2025 Council meeting.

24 Nov 2025 2:11pm Meyers, Kristy - Completion
Completed by Meyers, Kristy on behalf of Martin, Cam (action officer) on 24 November 2025 at 2:11:23 PM - Report listed for December 2025 Ordinary Council Meeting.

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 17/09/2025	Worthing, Alex	Naming of new Netball Facility at Booth Park, Kurri Kurri	20/12/2025	19/09/2025	24/11/2025
WI10/2025		McLachlan, Paul				

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22 Sep 2025 11:21am Worthing, Alex - Target Date Revision
Target date changed by Worthing, Alex from 15 October 2025 to 20 December 2025 - Estimated date of completion for the new courts is late 2025. Name will be applied on completion.

22 Sep 2025 11:21am Worthing, Alex
Project Manager has been informed of the approved name for the netball facility and that the name and signage for Booth Park is to remain in place.

24 Nov 2025 8:53am Worthing, Alex
Resolution items: 1) See previous notes. 2) The process of notifying the Geographical Names Board of Council's decision has commenced.

24 Nov 2025 8:56am Worthing, Alex - Completion
Completed by Worthing, Alex (action officer) on 24 November 2025 at 8:56:48 AM - See previous Action notes

Type	Meeting	Officer/Director	Subject	Est. Compl.	Emailed	Completed
	Ordinary Council 14/12/2022	McNally, Kate	Cessnock LGA Hall Booking/Management	31/12/2025	20/12/2022	21/11/2025
WI75/2022		McLachlan, Paul				

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16 Jan 2023 4:28pm Eveleigh, Nathan - Target Date Revision
Target date changed by Eveleigh, Nathan from 11 January 2023 to 30 June 2023 - Test webpage and platform completed for Bellbird Hall. Officers liaising with BookEasy on some minor amendments required for regular bookings., Additional halls will come online after testing is completed with Bellbird Community Hall as per the Council report.

02 Mar 2023 9:41am Eveleigh, Nathan
BookEasy set-up in final testing phase for Bellbird Community Hall before going live.

27 Mar 2023 11:56am Eveleigh, Nathan
Bellbird Community Hall Bookeasy portal went live on 20/3/2023. Will roll out 3 additional facilities following initial trials and feedback.

28 Jun 2023 11:36am Eveleigh, Nathan
Hunter Valley VIC staff have commenced work on Ellalong & Millfield Community Halls following successful roll-out of the BookEasy online bookings at Bellbird Community Hall for 3 months.

	Division:		**Date From:**
	Committee:	Ordinary Council	**Date To:**
	Officer:		
Action Sheets Report			**Printed:** **Monday, 1 December 2025 11:46:15 AM**

28 Jun 2023 11:40am Eveleigh, Nathan - Target Date Revision
Target date changed by Eveleigh, Nathan from 30 June 2023 to 30 September 2023 - 2 additional halls being set-up. A 4th hall will be added once these two halls are online in the coming months.

25 Aug 2023 8:36am Eveleigh, Nathan - Target Date Revision
Target date changed by Eveleigh, Nathan from 30 September 2023 to 20 December 2023 - VIC staff working on 2nd & 3rd hall in consultation with open Space staff and s355 committee's.

01 Mar 2024 11:29am McNally, Kate
1. Noted, 2. The Bookeasy system is in place for Bellbird Hall. Ellalong and Millfield Hall are ready to go live following training and engagement with the s355 committees., 3. To be completed after item 2.

01 Mar 2024 11:31am McNally, Kate - Target Date Revision
Target date changed by Harris, Kate from 30 April 2024 to 28 June 2024 - Training must be undertaken with S355 Committee members prior to online bookings progressing.

24 Jun 2024 1:26pm McNally, Kate
1. Noted, 2. The Bookeasy system is in place for Bellbird Hall with Millfield Hall coming on line by the end of July 2024. Ellalong Hall will be the next facility to provide online bookings., 3. To be completed after item 2.

24 Jun 2024 1:29pm McNally, Kate - Target Date Revision
Target date changed by Harris, Kate from 28 June 2024 to 30 August 2024 - Council Officers are in the process of transitioning community halls to the online booking system. Millfield Hall will be complete by the end of July and then moving to Ellalong Hall.

30 Oct 2024 1:00pm Dennis, Johanna
Council staff undertook system training with Millfield Hall s355 committee volunteers in August and the booking system has been set up and will go live in November.

30 Oct 2024 1:05pm Dennis, Johanna - Target Date Revision
Target date changed by Dennis, Johanna from 30 August 2024 to 31 December 2024 - AGM being held for Ellalong s355 Committee 18 November. New committee will be trained on booking system before implementation.

02 Dec 2024 12:24pm Dennis, Johanna
Booking system for Millfield Hall has gone live and is being utilised.

03 Feb 2025 1:36pm Dennis, Johanna
Booking system for Ellalong Hall is now live. Fourth community hall for online booking system currently being determined in consultation with s355 committees.

03 Feb 2025 1:40pm Dennis, Johanna - Target Date Revision
Target date changed by Dennis, Johanna from 31 December 2024 to 30 June 2025 - Fourth site for trial will be determined in consultation with s355 committees and training undertaken.

30 Apr 2025 9:15am Dennis, Johanna
Council Officers are liaising with s355 committees investigating the fourth trial site for online booking system.

27 May 2025 9:23am Dennis, Johanna
Council staff will be meeting with Branxton Community Hall s355 committee on 4 June to discuss this facility being the fourth trial site for the online booking system.

27 May 2025 9:29am Dennis, Johanna - Target Date Revision
Target date changed by Dennis, Johanna from 30 June 2025 to 31 July 2025 - Once a fourth facility is determined, volunteers will need to be trained in the booking system.

30 Jun 2025 9:58am Dennis, Johanna
Branxton Community Hall s355 committee have met with staff about being the fourth trial site for the online booking system. Volunteers will undertake system training before implementation.

24 Jul 2025 1:23pm Dennis, Johanna
Hunter Valley VIC staff have been liaising with Branxton Community Hall s355 committee to build the online booking profile for this site.

24 Jul 2025 1:27pm Dennis, Johanna - Target Date Revision
Target date changed by Dennis, Johanna from 31 July 2025 to 31 October 2025 - Volunteers will still require training once system is developed for Branxton Community Hall.

28 Aug 2025 9:35am Dennis, Johanna
Hunter Valley VIC staff have confirmed that the intend to train Branxton Community Hall s355 committee in September on the online booking system.

22 Sep 2025 4:22pm Dennis, Johanna
Hunter Valley VIC staff have been liaising with Branxton Community Hall s355 committee, however competing priorities have delayed the building of the online profile and committee training.

22 Sep 2025 4:25pm Dennis, Johanna - Target Date Revision
Target date changed by Dennis, Johanna from 31 October 2025 to 31 December 2025 - Competing priorities have delayed the building of the online profile and s355 committee training.

	Division:		**Date From:**
	Committee:	Ordinary Council	**Date To:**
	Officer:		
Action Sheets Report			**Printed:** **Monday, 1 December 2025 11:46:15 AM**

21 Nov 2025 8:01am McNally, Kate
1. Noted, 2. The Bookeasy system is in place for Bellbird Hall, Millfield Hall and Ellalong Hall., 3. Due to the limitations of the Bookeasy system, a fourth community hall is not proposed to be brought online. Council staff are investigating a corporate wide online booking system that is more compatible for community facilities. Bellbird, Millfield and Ellalong will remain with Bookeasy until an alternate system is available.

21 Nov 2025 8:04am McNally, Kate - Completion
Completed by McNally, Kate (action officer) on 21 November 2025 at 8:04:55 AM - A trial period has been completed with 3 community halls utilising Bookeasy. Due to the limitations of Bookeasy for community halls, no further halls are proposed to be transitioned to this online system.

CESSNOCK CITY COUNCIL
- 1 SEP 2025
RECEIVED

Urgent need for accessible Public Toilets at Crawfordville Park, Millfield.

Att: Cessnock City Council Mayor - Jay Suvaal. Ward A Councillors - Paul Dunn, James Hawkins, Jessica Jurd. MP Clayton Barr. MP Dan Repacholi.

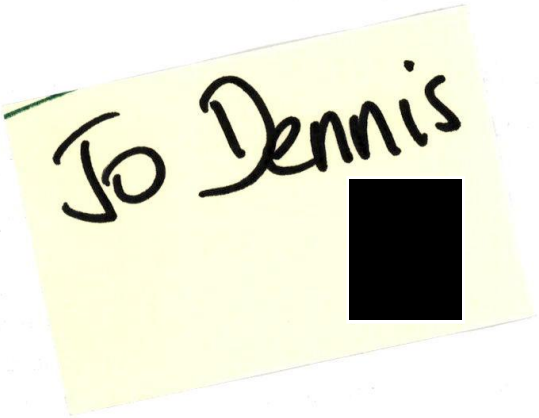
Firstly I would like to thank Cessnock City Council for upgrading our local park. Providing entertainment for young & old by way of a Skate park, Basketball Hoop, goal posts on the Oval & a shared pathway. Coinciding with the picnic benches, BBQ & Childrens playground, the park is the most used I've seen in my 16 years here. Given the growth of our once little Village over the past 5-8yrs, it was much needed!

However the one thing that appears to have been overlooked, is the urgent need for accessible Public Toilets. Whilst there are toilets in the Hall. They are constantly locked & only available to those that hire the Hall. I estimate 15-20 people now utilise this lovely green park on a daily basis. Even more on the weekends & school holidays (30-50 a day). With families coming for several hours. Whilst this is lovely to witness, I also have to bare witness to them urinating & also defacating all over the Park. Most not even bothering to walk over into the Bush but doing it where others are expected to prepare food, eat or simply sit & relax. Finding tissues & toilet paper throughout the bush on regular walks. Whilst this is not acceptable, it's also not their fault. When you've got to go, you've got to go!! Although I do wish they'd take themselves for a little walk, it's still not an ideal solution. Just think of the health & enviromental implications...we urgently need toilets!!

Whilst there has been 'talk' for the past year of Accessible Public toilets being provided, it's taking way too long. So I'm urging Council to act by at the very least providing Portaloos until these amenities can be provided. Further that the work on these amenities is given absolute priority!! It cannot wait any longer!!

Link to digital Petition on Change Petition site, if preferred : https://www.change.org/CrawfordvillePark

1


To Dennis
[redacted]

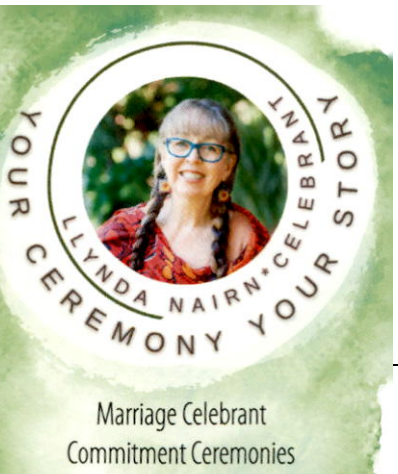
Need for Public Toilets in Millfield

Date	Name	Address	Signature
21.6.24	Damien James	[redacted]	
23 6 24	Garry Tenny		
4-7-24	[illegible]		
5-7-24	Pippa. O'Neile		
7-7-24	R messenger		
7-7-24	Chad saint		
9-7-24	chelsea Hasking		
9/7/24	Pat strong		
14/7/24	Ron Johnson		
14/7/24	Penny Galea		
28/08/25	Maddison Lloyd		
28/08/25	[illegible]iam Spencer		
29/8/25	Linda Nai		

Need for Public Toilets @ Millfield

Date	Name	Address	Signature
	Adam B.	[redacted]	
	Julie D		
	David Dunn		
	Tom Scire		
	Debbie McKinney		
	Ron J		
	M. Hayes		
	Renalde		
	Mel Bingul		
	Diana		
	Ahsaw Ghafar		
	Linda Verlin		
	Sofia Bingul		
	Mitch D.		
	Nicole Parry		
	Lauren Parry		
	Matt Smith		
	Nazzen Smith		
	Dianne Melville		
	camilla sellass		
	Leon O'Neile		
	Chiara O'Neile		
	Sinem Arslan		
	Jay lion		
	Bobbie	[redacted]	
	Meredith		
	Val Smith		
	Dondo Zdunek		
	L. Franklin		
	P. GALEA		
	[illegible]		
	S. Brown		
	S. Jane Leonard		
	Tammy Mulvay		
	Ella Santose		
	John Martin		

3


YOUR CEREMONY YOUR STORY
LLYNDA NAIRN • CELEBRANT
Marriage Celebrant
Commitment Ceremonies

Q2026-08 DOYLE STREET BRIDGE REPLACEMENT

Tender Evaluation Methodology

Evaluation of Tenders

1. **Tender Evaluation Team:**
   In accordance with *CCC Procurement Guidelines*, a Tender Evaluation Team (TET) was formed with the following members:
   1. Shiva Reddy – Project manager
   2. Josh Murphy – Project Management Coordinator
   3. Leann Doherty – Safety & Risk Coordinator

2. **Evaluation Process:**

   The evaluation was conducted according to the following process:

   1. Assessment of receipt
   2. Assessment of conformance
   3. Price
   4. Due diligence checks on preferred tenderers (PWA Preferred Supplier list)
   5. Determine evaluation result
   6. Independent review of the tender selection process

   The evaluation criteria and their weightings were documented in the agreement with Public Works Advisory reviewed by the Principal Stormwater Engineer prior to tenders being invited.

3. **Assessment of Receipt**

   Tenders were received and assessed against the following criteria:

Threshold Criteria	
Criterion 1	Submission on time

The following tenders were received and are listed in alphabetical order.

Tender	Tenderer	Business Address	Criterion 1
1	Coffs Harbour City Council t/a Coastal Works	27 Gordon Street Coffs Harbour, NSW 2450	On time

4. Assessment of Conformance

The tenders were then assessed for conformance with the remaining threshold criteria:

Threshold Criteria	
Criterion 2	Acceptable legal entity
Criterion 3	Conformance with the RFT
Criterion 4	Satisfactory financial capacity
Criterion 5	Contract program
Criterion 6	Safety management performance
Criterion 7	Environmental management performance and
Criterion 8	Quality management performance.

Only one tenders had submissions that were consistent and could be progressed to tender assessment.

5. Shortlisting

With One competitive tenders received, shortlisting was not considered necessary. All tenders were progressed to the next stage of evaluation.

6. Weighted Evaluation

Tenders were evaluated using the following weighted evaluation criteria:

- Construction methodology / Program
- Relevant industry experience and capability
- WHS, quality and environmental management information
- Nominated Project Team
- Modern Slavery

The Assessment Matrix is provided as confidential **Enclosure 2**.

7. Due Diligence

The tenderers were all known within the industry and no detailed due diligence was required on any of the tenders in order to assess the relative submissions

8. Evaluation Result

Coffs Harbour City Council t/a Coastal Works was identified as the preferred tenderer via the Tender Evaluation Matrix.

9. Independent Review

The evaluation process and recommendations were reviewed by the TAP and determined to be in accordance with relevant documents and legislation:

- *Cessnock City Council Procurement Policy,*
- *Cessnock City Council Procurement Guidelines,*
- *Local Government Act 1993, and*
- *Local Government (General) Regulation 2021.*
- *Procurement Act 1912.*

10. TIME FRAME

Start Date – Feb 2026

Time for Completion: June 2026

11. LOCAL CONTENT

N/A

CESSNOCK CITY COUNCIL

CESSNOCK LGA 2025

ASSET MANAGEMENT STRATEGY

CESSNOCK CITY COUNCIL

Document Control	NAMS+ Asset Management www.ipwea.org/namsplus

Document ID: DOC2016/062923 Asset Management Strategy

Rev No	Date	Revision Details	Author	Reviewer	Approver
3.0	24/08/2022	Updated to new template with most recent asset data, for third adoption	MW	KH	CC
3.1	18/01/2024	To be reviewed under new Asset Planning Unit as part of the 2020 Audit Actions. To be adopted as part of the 26-29 Delivery Program.	MW	CM	PM
3.2	04/11/2025	SRV Supporting Document	MW	CM	PM

The Institute of Public Works Engineering Australasia.

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EXECUTIVE SUMMARY

This asset management strategy is prepared to assist council in improving the way it delivers services from infrastructure including roads and road infrastructure, bridges, footpaths, stormwater drainage, parks and recreation and buildings. These infrastructure assets have a replacement cost of **$1,755,751,828** as at 30 June 2025.

The asset management strategy enables Council to:

- show how its asset portfolio will meet the service delivery needs of its community into the future,
- achieve the objectives of Councils' asset management policy, and
- ensure the integration of Councils' asset management practices with its long-term strategic plan.[1]

Adopting this asset management strategy will assist council in meeting the requirements of national sustainability frameworks and NSW Office of Local Government (OLG) by demonstrating what level of service can be delivered in a financially sustainable manner.

The asset management strategy is prepared following a review of the council's service delivery practices, financial sustainability indicators, asset management maturity and fit with council's vision for the future, outlined in the Cessnock Community Strategic Plan 2036. This strategy outlines an asset management improvement plan detailing a program of tasks to be completed and resources required to sustain council at a 'core' level of asset maturity and competence[2].

Strategy Outlook:

1. The organisation is unable to sustain the current service level on the existing budget over the 10-year planning period.
2. The organisation is not able to fund current infrastructure lifecycle costs at current levels of service, with available funds.
3. The organisation's current asset management maturity is at 'core' level and investment is needed to improve information management, lifecycle management, service management and accountability and direction.

Asset Management Strategies:

No	Strategy	Desired Outcome
1	Incorporate Year 1 of Long-Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
2	Review and update asset management plans and long-term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
3[3]	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability, and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
4	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.

[1] LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.
[2] Asset maturity as define within the International Infrastructure Management Manual 2020 as "core" "intermediate" or "advanced"
[3] This task is predominately undertaken, with improvement needed around updating advice to Council and community on any change in financial sustainability and meeting performance objectives after a comprehensive revaluation.

5	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Services delivery is matched to available resources and operational capabilities.
6	Report six monthly to Council by Audit Committee/CEO on development and implementation of Asset Management Strategy, AM Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

Asset Management Improvement Plan:

The program of tasks and resources required to maintain 'core', and work towards 'intermediate' asset management maturity have been developed within this asset management strategy. The tasks and program are shown in Section 5.

1. INTRODUCTION

Assets deliver important services to communities. A key issue facing local governments throughout Australia is the management of ageing assets in need of renewal and replacement.

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present unique challenges. Their performance and longevity can be difficult to determine. Financing needs can be large, requiring planning for large peaks and troughs in expenditure for renewing and replacing such assets. The demand for new and improved services also adds to the planning and financing challenges.[4]

The acquisition of new assets also presents challenges in funding the ongoing operating costs necessary to provide the needed service over the assets' full life cycle.[5]

The national frameworks on asset planning and management, and financial planning and reporting, endorsed by the Local Government and Planning Ministers' Council (LGPMC), require councils to adopt a longer-term approach to service delivery and funding. This comprises:

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors, and:
  - bringing together asset management and long-term financial plans,
  - demonstrating how council intends to resource the plan, and
  - consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
  - explanation to the community on variations between the budget and actual results,
  - any impact of such variances on the strategic longer-term plan,
  - report of operations with review on the performance of the council against strategic objectives.[6]

LGPMC *Framework 2; Asset Planning and Management* has seven elements to assist in highlighting the key management practices that promote prudent, transparent, and accountable management of local government assets, that introduce a strategic approach to meet current and emerging challenges. These include:

- Asset management policy,
- Strategy and planning,
  - asset management strategy,
  - asset management plan,
- Governance and management arrangements,
- Defining levels of service,
- Data and systems,
- Skills and processes, and
- Evaluation.[7]

The asset management strategy is to enable Council to:

- show how its asset portfolio will meet the service delivery needs of its community into the future,
- achieve the objectives of Councils' asset management policy, and
- to ensure the integration of Council's asset management practices with its long-term strategic plan.

The goal of asset management is to ensure that services are provided:

- in the most cost-effective manner,
- through the acquisition, maintenance, operation, renewal, and disposal of assets,
- for present and future consumers.

[4] LGPMC, 2009, Framework 2 Asset Planning and Management, p 2.
[5] LGPMC, 2009, Framework 3 Financial Planning and Reporting, pp 2-3.
[6] LGPMC, 2009, Framework 3 Financial Planning and Reporting, pp 4-5.
[7] LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.

The objective of the Asset Management Strategy is to establish a framework to guide the planning, construction, maintenance, and operation of the infrastructure essential for council to provide services to the community.

1.1 Legislative Requirements[8]

Legislation	Requirement
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery. The purposes of this Act are as follows: (a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales, (b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales, (c) to encourage and assist the effective participation of local communities in the affairs of local government, (d) to give councils: • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public; • the responsibility for administering some regulatory systems under this Act; • a role in the management, improvement and development of the resources of their areas. (e) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.
Local Government Act Annual Report Section 428(2)(d)	(d) A report of the condition of the public works (including public buildings, public road and water sewerage and drainage works) under the control of council as at the end of that year; together with (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard; and (ii) An estimate (at current values) of the annual expense of maintain the works at that standard; and (iii) The Council's programme for maintenance for that year in respect of the works.
Civil Liabilities Act	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Public Works Act	Sets out the role of Council in the planning and construction of new assets.
Environmental Planning and Assessment Act	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Work Health and Safety Regulations	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply

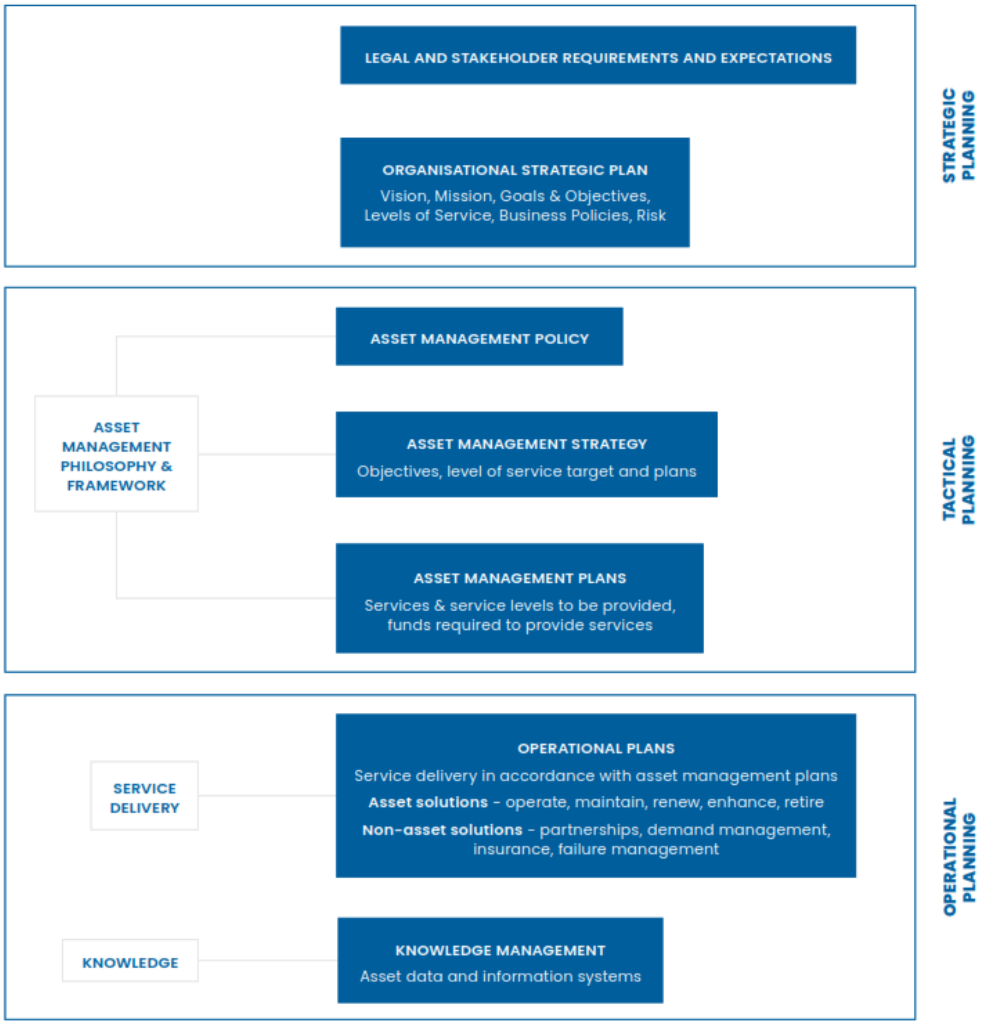
[8] Summarised to reflect those that cover all assets. See individual asset management plans for asset class specific legislation

Legislation	Requirement
	equipment to ensure safety.
Threatened Species Conservation Act	An Act to conserve threatened species, populations and ecological communities of animals and plants.
Protection of the Environment Operations Act	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
Roads Act	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RMS and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RMS and other roads authorities. Finally, it provides for distribution of functions conferred by this Act between the RMS and other roads authorities, and regulates the carrying out of various activities on public roads.
Disability Discrimination Act	The Federal Disability Discrimination Act (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.
Native Vegetation Act	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the Act. The Act outlines what landowners can and cannot do in clearing native vegetation.

1.2 Asset Management Planning Process

Asset management planning is a comprehensive process to ensure that assets are managed and maintained in a way that enables affordable services from infrastructure to be provided in an economically optimal way. In turn, affordable service levels can only be determined by assessing Council's financially sustainability under scenarios with different proposed service levels.

Asset management planning begins with defining stakeholder, and legal requirements, and needs. These needs are then incorporating into the organisation's strategic plan, asset management policy, strategy, and plans, and the operational plan, whilst being linked to a long-term financial strategy and funding plan.



2. WHAT ASSETS DO WE HAVE?

Council uses infrastructure assets to provide services to the community. The range of infrastructure assets and the services provided from the assets is shown in Table 1.

Table 1: Assets used for providing Services

Asset Class	Description	Services Provided
Road and Road Infrastructure	Including all roads maintained by Council (sealed and unsealed), kerb and gutter, footpaths and cycleways, bus shelters, traffic facilities, carparks and runway and taxiways.	Assets that provide a road network in partnership with other Roads authorities such as Transport for NSW (TfNSW) and neighbouring Councils to allow for safe and efficient pedestrian, cycle, motor vehicle and air craft transportation.
Buildings	Including community facilities, cultural hubs, sporting amenities, public amenities, libraries and commercial centres.	A place for the community to undertake various community, cultural or sporting activities.
Open Space Assets	Including assets such as picnic shelters, playgrounds, pools, tennis courts, bubblers, fencing, seats and benches, goal posts and hoops, and sports field lighting.	Infrastructure assets that are provided for recreational and open space use, including assets within sports fields, playgrounds, passive open space and swimming pools.
Stormwater	Including pipes, pits and minor culverts.	Stormwater drainage and flood prevention.
Bridges	Bridges and major culverts.	Safe and efficient pedestrian, cycle and motor vehicle transportation over waterways and difficult topography.

3. OUR INFRASTRUCTURE ASSETS AND THEIR MANAGEMENT?

3.1 State of the Assets

The financial status of the organisation's assets is shown in Table 2.

Table 2: Financial Status of the Assets[9]

Asset Class	Replacement Cost	Accumulated Depreciation	Depreciated Replacement Cost	Depreciation Expense
Road and Road Infrastructure	$1,128,490,282	$267,965,676	$860,524,606	$15,927,962
Buildings	$168,581,499	$82,308,768	$86,272,731	$3,236,190
Open Space Assets	$69,980,861	$23,048,235	$46,932,626	$1,787,593
Stormwater	$240,466,431	$29,286,597	$211,179,834	$1,914,655
Bridges	$148,232,754	$11,396,050	$136,836,704	$1,053,668
Total	**$1,755,751,827**	**$414,005,326**	**$1,341,746,501**	**$23,920,068**

Figure 1 shows the percentage make up of assets when considering their replacement value.

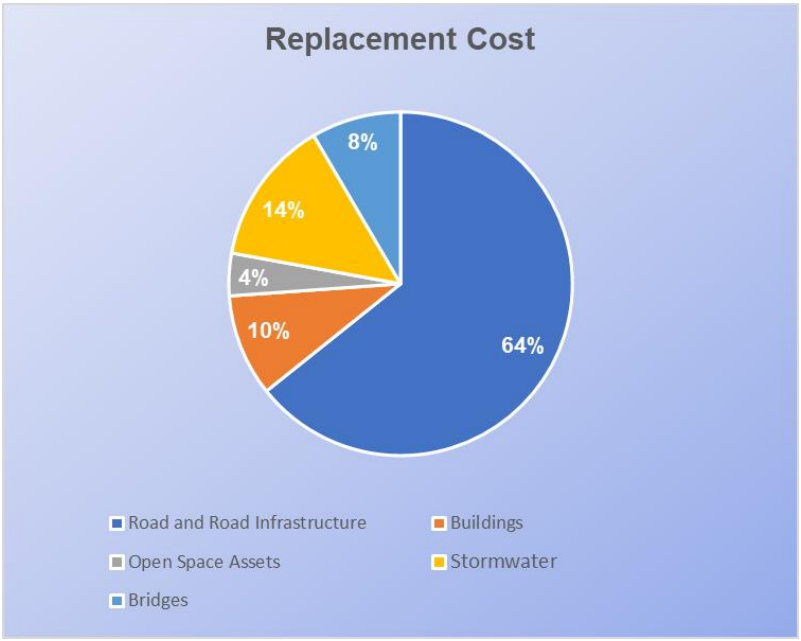
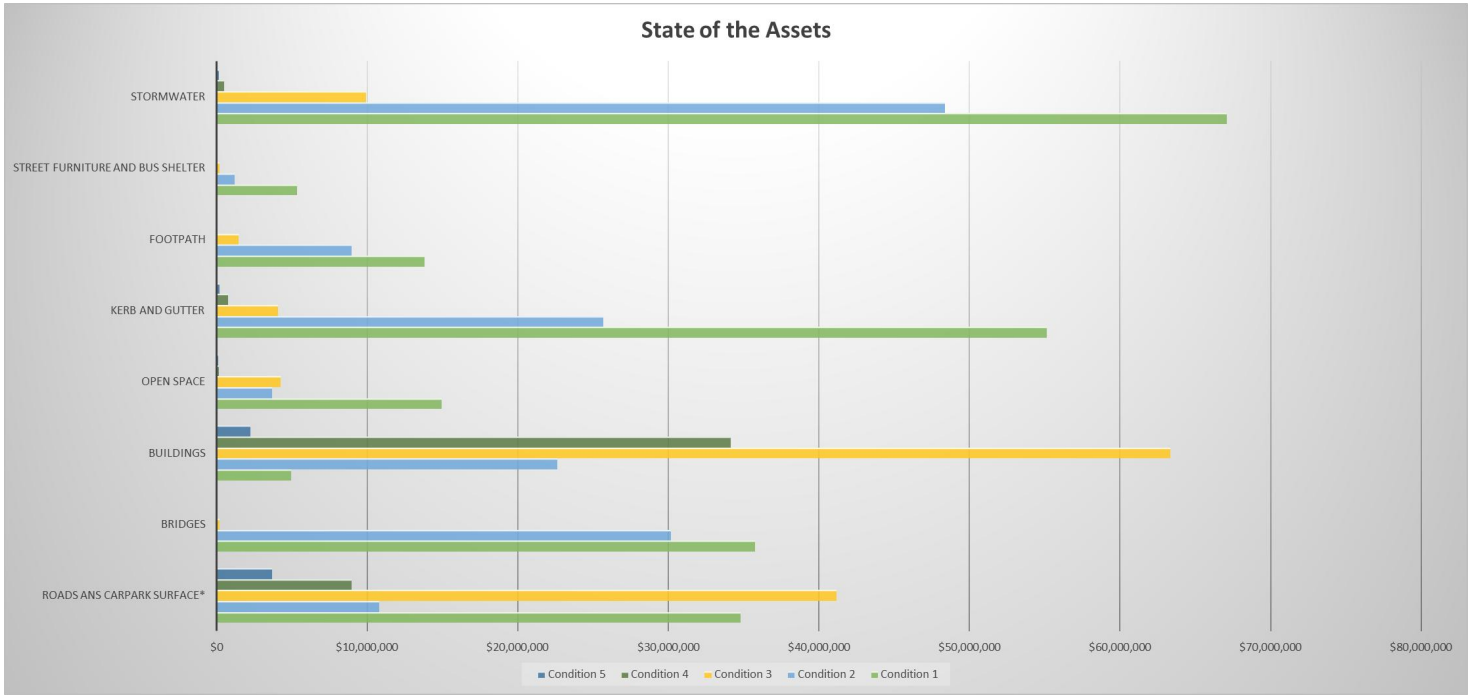


Figure 1: Assets as a Percentage of the Total Replacement Value

[9] As at 30/06/2025

The proportion of assets in new, good, fair, poor and very poor condition is shown in Figure 2, where is 1 is “as new” and 5 is “very poor”.

Figure 2: State of the Assets



****** Each asset class slightly varies from the standard 1-5 condition rating, please refer to each Asset Management Plan for details. Condition to be used as summary.

3.2 Lifecycle Costs

Lifecycle costs (or whole of life costs) are the average annual costs of the 10-year life of a planning cycle, required to sustain service levels. Lifecycle costs include operations, maintenance, renewal, and acquisition costs. The lifecycle costs for the services covered in the asset management plans are shown in Table 3.

Table 3: Lifecycle Costs for Council Services

Service	Average annual forecast lifecycle costs				Lifecycle Cost ($/yr)
	Operations	Maintenance	Renewal	Acquisition	
Road and Road Infrastructure	$1,868,132	$18,638,143	$26,216,551	$11,345,876	$58,068,701
Buildings	$1,645,284	$2,390,901	$2,049,675	$997,014	$7,082,874
Open Space Assets	$2,714,946	$5,817,670	$2,426,620	$1,066,655	$12,025,891
Stormwater	$688,847	$1,723,522	$1,739,760	$1,739,760	$5,891,888
Bridges	$226,002	$863,838	$783,000	$2,093,000	$3,965,840
TOTAL	**$7,143,211**	**$29,434,074**	**$33,215,605**	**$17,242,305**	**$87,035,194**

Lifecycle costs can be compared to the lifecycle funding allocated in the financial plan to give an indicator of sustainability in service provision. The lifecycle planned budget includes operations, maintenance, capital renewal and acquisition expenditure, annualised over the 10-year planning period. The lifecycle planned budget can vary depending on the timing of asset renewals. The annualised life cycle planned budget at the start of the plan is shown in Table 4.

Table 4: Lifecycle planned budget for Council Services

Service	Average annual planned budget				Lifecycle Budget ($/yr)
	Operations	Maintenance	Renewal	Acquisition	
Road and Road Infrastructure	$1,652,512	$13,314,137	$8,972,425	$0[10]	$23,939,074
Buildings	$1,596,744	$1,912,145	$599,500	$0	$4,108,388
Open Space Assets	$2,616,942	$4,638,346	$526,000	$0	$7,781,287
Stormwater	$238,285	$566,936	$884,211	$884,211	$2,573,643
Bridges	$121,331	$476,542	$0	$0	$597,873
TOTAL	**$6,225,814**	**$20,908,106**	**$10,982,136**	**$884,211**	**$39,000,265**

The lifecycle costs and planned budget comparison highlights any difference between present outlays and the average cost of providing the service over the 10 years.

If the lifecycle budget is less than the lifecycle cost, it is most likely that outlays will need to be increased in the budget or cuts in services made in the future.

[10] Acquisition amount in Road AMP reflective of current grant funding

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is unavailable will assist council in providing services to their communities in a financially sustainable manner. This is the purpose of integrating the AM Plans with the long-term financial plan.

A shortfall between lifecycle costs and planned budgets gives an indication of the lifecycle gap to be addressed in the asset management and long-term financial plan.

The lifecycle gap and lifecycle indicator for services covered by the asset management plan(s) is summarised in Table 5.

Table 5: Lifecycle Indicators

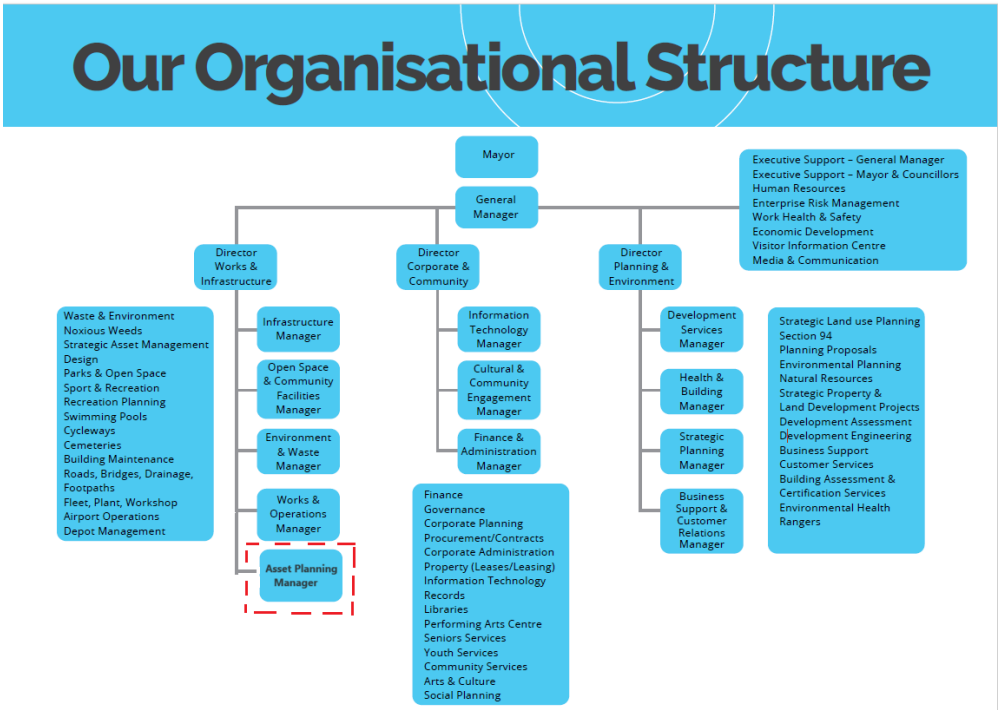
Service	Lifecycle Cost ($/yr)	Lifecycle Budget ($/yr)	Life Cycle Gap * ($/yr)	Lifecycle Indicator (%)
Road and Road Infrastructure	$58,068,701	$23,939,074	$34,129,627	41.23%
Buildings	$7,082,874	$4,108,388	$2,974,486	58%
Open Space Assets	$12,025,891	$7,781,287	$4,244,604	64.70%
Stormwater	$5,891,888	$2,573,643	$3,318,245	43.68
Bridges	$3,965,840	$597,873	$3,367,967	15.08
All Services[11]	**$87,035,194**	**$39,000,265**	$48,034,929	44.8%

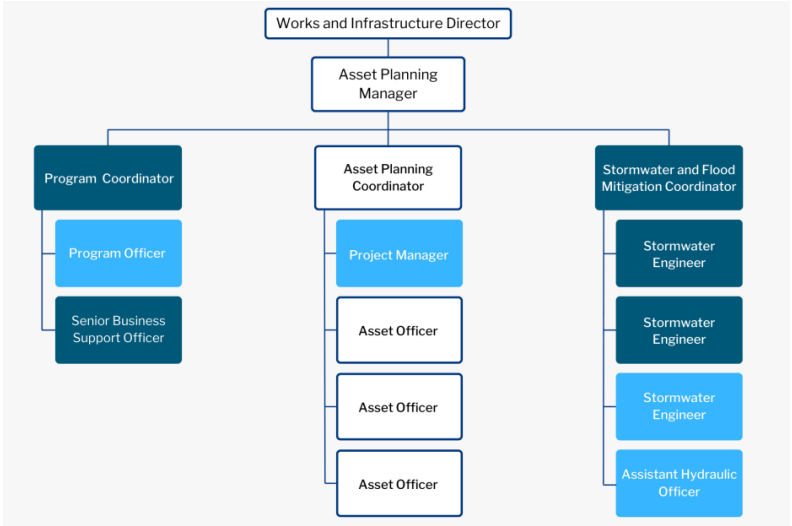
Note: The lifecycle gap is calculation is the LCC less the LCB.
The lifecycle Indicator is calculated by dividing the LCB by the LCC expressed as a percentage.

Based on the above Council is currently only funding 44.8% of the lifecycle costs required to meet adopted levels of service. Therefore, a lifecycle[12] funding gap of **$48,034,929** (total average over a 10-year period) exists annually when considering shortfalls across all infrastructure[13] asset classes.

[11] The lifecycle
[12] Including Operations, Maintenance, Renewal, Upgrade and Acquisition costs.
[13] Excludes the landfill cell, plant and equipment, other non-fixed assets

3.3 Asset Management Structure





3.4 Corporate Asset Management Team

A 'whole of organisation' approach to asset management can be developed with a corporate asset management team. The benefits of a corporate asset management team include:

- demonstrate corporate support for sustainable asset management,
- encourage corporate buy-in and responsibility,
- coordinate strategic planning, information technology and asset management activities,
- promote uniform asset management practices across the organisation,
- information sharing across IT hardware and software,
- pooling of corporate expertise
- championing of asset management process,
- wider accountability for achieving and reviewing sustainable asset management practices.

The role of the asset management team will evolve as the organisation maturity increases over time in several phases.

Phase 1
- strategy development and implementation of asset management improvement program,

Phase 2
- asset management plan development and implementation,
- reviews of data accuracy, levels of service and systems plan development,

Phase 3
- asset management plan operation
- evaluation and monitoring of asset management plan outputs
- ongoing asset management plans review and continuous improvement.

The current position of Council's asset management team is implementing Phase 3.

3.5 Financial & Asset Management Maturity

The National Frameworks on Asset Planning and Management, and Financial Planning and Reporting provides nationally consistent elements for local government to manage its community infrastructure more sustainably through effective asset management and financial planning. The frameworks are covered by 10 key elements. To accurately assess an entities maturity against the 10 elements, 11 areas of competency are to be reviewed[14]. These are:

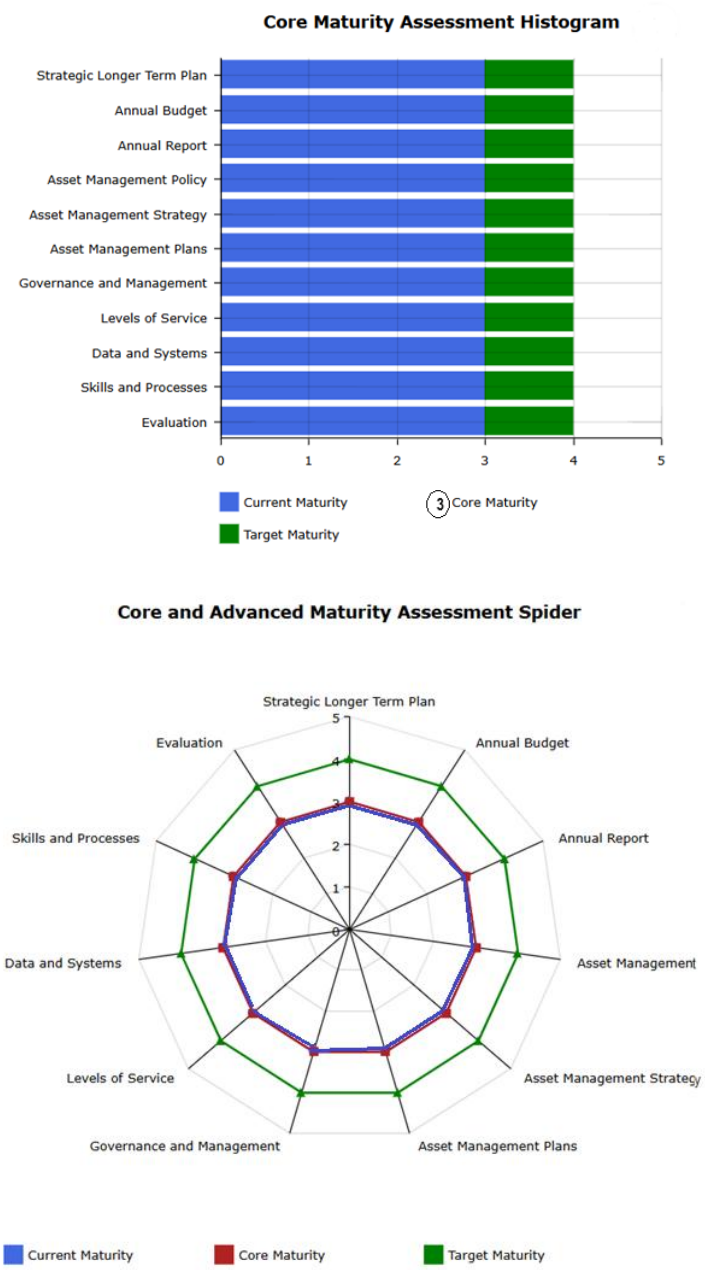
Financial Planning and Reporting
- Strategic Longer-Term Plan
- Annual Budget
- Annual report

Asset Planning and Management
- Asset Management Policy
- Asset Management Strategy
- Asset Management Plan
- Governance & Management
- Levels of Service
- Data & Systems
- Skills & processes
- Evaluation

[14] Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans practice areas.

Council's maturity assessment for the core competencies is detailed in Appendix A and summarised in Figure 3. The current maturity level is shown by the blue bars. The maturity gap to be overcome for Council to achieve a core financial and asset management competency is shown below:

Figure 3: Financial and Asset Management Maturity



Cessnock City Council is currently at “core” level asset maturity.

3.6 Strategy Outlook

1. The organisation is unable to sustain the current service level on the existing budget over the 10-year planning period.
2. The organisation is not able to fund current infrastructure life cycle cost at current levels of service and available funds.
3. The organisation’s current asset management maturity is at ‘core’ level and investment is needed to improve information management, lifecycle management, service management and accountability and direction.

4. WHERE DO WE WANT TO BE?

4.1 Council's Vision, Mission, Goals and Objectives

Council has adopted a Vision for the future in the Council Strategic Plan.

Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

Councils' Delivery Program has five desired outcomes as identified in the Community Strategic Plan. They are:

1. **Live**
2. **Thrive**
3. **Protect**
4. **Move, and**
5. **Lead**

The Strategic Plan sets goals and objectives to be achieved in the planning period. The goals set out where the organisation wants to be. The objectives are the steps needed to get there. Goals and objectives relating to the delivery of services from infrastructure are shown in Table 6.

Table 6: Goals and Objectives for Infrastructure Services

Goals	Objectives
Objective 1.2 Strengthening community culture	1.2.3 Provide a variety of interment options to the community
Objective 1.3 develop an active and creative community	1.3.3 Provide recreation and open space facilities that are connected and well utilised
2.3 increase tourism and visitation opportunities	2.3.3 Explore opportunity for the Richmond Vale Rail Trail construction
3.3 effectively utilise our open spaces for both passive and active recreation options	3.3.1 Provide options for people of all abilities to support active and healthy lifestyle habits
Objective 4.1 Progress our transport links	4.1.2 Provide and maintain a range of shared pathways that connect our community 4.1.4 Provide adequate road networks in new urban release areas Infrastructure
Objective 4.2 Improve our road network	4.2.1 Ensure our existing road network remains contemporary and meets our community's needs 4.2.2 Consider implications of upgrading Old Maitland Road at Sawyers Gully 4.2.3 Investigate options for a Cessnock CBD Bypass

4.2 Asset Management Policy

Council's Asset Management Policy defines the council's vision and service delivery objectives for asset management in accordance with the Strategic Plan and applicable legislation.

The asset management strategy is developed to support the asset management policy and is to enable council to:

- show how its asset portfolio will meet the affordable service delivery needs of the community into the future,
- achieve the objectives of Councils' asset management policy, and
- ensure the integration of Councils' asset management practices with its long-term strategic plan.

A copy of Councils' Asset Management Policy can be found DOC2014/002468 in Council's corporate document storage system or on their website at: https://www.cessnock.nsw.gov.au/Council/Forms-and-documents/Policies/Asset-Management-Policy

4.3 Asset Management Vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council aspires to:

Develop and maintain asset management governance, skills, process, systems and data in order to provide the level of service the community need at present and in the future, in the most cost-effective and fit for purpose manner.

In line with this vision, the objectives of the asset management strategy are to:

- ensure that the Councils' infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment determined by reference to Council's financial sustainability,
- safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets,
- adopt the long-term financial plan as the basis for all service and budget funding decisions,
- meet legislative requirements for all Council's operations,
- ensure resources and operational capabilities are identified and responsibility for asset management is allocated,
- provide high level oversight of financial and asset management responsibilities through Audit Committee/CEO reporting to council on development and implementation of Asset Management Strategy, Asset Management Plan and Long-Term Financial Plan.

Strategies to achieve this position are outlined in Section 5.

5. HOW WILL WE GET THERE?

The Asset Management Strategy proposes strategies to enable the objectives of the Strategic Plan, Asset Management Policy and Asset Management Vision to be achieved.

Table 7: Asset Management Strategies

No	Strategy	Desired Outcome
1	Incorporate Year 1 of Long-Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
2	Review and update asset management plans and long-term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
3[15]	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability, and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
4	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
5	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Services delivery is matched to available resources and operational capabilities.
6	Report six monthly to Council by Audit Committee/CEO on development and implementation of Asset Management Strategy, AM Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

[15] This task is predominately undertaken, with improvement needed around updating advice to Council and community on any change in financial sustainability and meeting performance objectives after a comprehensive revaluation.

6. IMPROVEMENT PLAN

The tasks required to continue to improve on Council's 'core' financial and asset management maturity are shown in priority order in Table 8. It is important to undertake a review of the progress of each task to ensure that target dates are still achievable during the course of the life of this strategy.

Table 8: Asset Management Improvement Plan

Ref	Task	Responsibility	Target Date	Budget
1	Adopt capital investment policy	Asset Planning/Finance	30/6/2026	NA
2	Undertake further community Consultation to refine service levels and determine any service level trade-offs between classes.	Asset Planning/Community Engagement Officer	When resourcing permits	NA
3	Ensure demand management strategies are implemented. Particular focus is on budgeting for dedicated assets lifecycle costs within the LTFP.	Asset Planning/Finance	31/3/2025 and then ongoing[16]	Refer Table 5.

[16] As above

Appendix A: Asset Management Maturity Assessment

NAMS+

Maturity Status Report

Element	Score	Question	Status
Annual Budget	1	Annual budget is available to those who ask	Complete
Annual Budget	2	Budget is adopted after public advertising and consideration of comments received	Complete
Annual Budget	2	Budget includes an explanation of the asset custodian's financial position and performance	Complete
Annual Budget	2	Budget contains estimates of revenue and expenditure for year	Complete
Annual Budget	2	Budget is publically available and readily accessible to all interested readers	Complete
Annual Budget	3	The asset custodian's Annual Budget includes resources to implement the Strategic Longer Term Plan objectives.	Complete
Annual Budget	3	The Annual Budget aligns with Year 1 of the Long Term Financial Plan, and was adopted following community consultation.	Complete
Annual Budget	3	The Annual Budget reflects the asset custodian's strategic objectives and contains a statement of how the asset custodian will meet the goals and objectives of its Strategic Longer Term Plan.	Well Progressed
Annual Budget	3	The Annual Budget contains estimates of revenue and expenditure with an explanation of the assumptions and methodologies underpinning the estimates, an explanation of the financial performance and position of the asset custodian and has been prepared based on the resource requirements and strategic objectives detailed in the asset custodian's Strategic Longer Term Plan, Asset Management Plans and Long Term Financial Plan.	Well Progressed
Annual Report	1	Annual report is published each year	Complete
Annual Report	2	Annual report contains explanation on variations between budget and actual results	Complete
Annual Report	2	Annual report reports on the asset custodian's operations for the year in terms of goals and objectives for preceding year	Complete
Annual Report	2	Annual report is widely available to the general public	Complete
Annual Report	2	Annual report contains audited financial statements	Complete
Annual Report	3	In relation to the financial reporting framework in the Annual Report, the Annual Report addresses the following issues in accordance with relevant statutory policies, Accounting Standards and	Complete

Element	Score	Question	Status
		other best practice guidelines: a. Asset valuations and revaluations, b. Asset acquisitions including capitalisation policy, c. Asset disposals	
Annual Report	3	The Annual Report includes details of any major changes in functions of the asset custodian, organisation structure and/or policy initiatives and how these changes might impact on the asset custodian's Strategic Longer Term Plan.	Complete
Annual Report	3	The Annual Report reviews the performance of the asset custodian against its strategic objectives and explains variations between the budget and actual results and how these variations impact on the Strategic Longer Term Plan.	Well Progressed
Annual Report	3	The Annual Report includes independently audited financial statements that are prepared on an accrual basis in accordance with applicable statutory financial reporting requirements.	Complete
Annual Report	3	The Annual Report complies with all statutory requirements including publication by the due date and is made widely available to the public.	Complete
Asset Management Plans	1	Stated intention to develop AM Plan(s)	Complete
Asset Management Plans	2	AMPs Include an improvement plan	Complete
Asset Management Plans	2	AMPs include all assets on asset register	Complete
Asset Management Plans	2	AMP's in place but not regularly reviewed or adopted	Complete
Asset Management Plans	2	Separate AMP's for each asset group - high level overall framework but not consistent	Complete
Asset Management Plans	3	AMPs have all been prepared in association with customer/community consultation.	Complete
Asset Management Plans	3	AMPs link to the asset custodian's AM Policy, AM Strategy, Strategic Longer Term Plan, Long Term Financial Plan and other relevant policy objectives.	Complete
Asset Management Plans	3	o. Identify changes in service potential of assets through projections of asset replacement costs, depreciated replacement cost and depreciation expense.	Complete
Asset Management Plans	3	n. Include consideration of non-asset service delivery solutions (leasing private/public partnerships)	Partially Complete
Asset Management Plans	3	m. Include an asset management improvement plan.	Complete
Asset Management Plans	3	l. Include an asset consolidation and disposal program; and	Well Progressed
Asset Management	3	k. Address asset performance and use	Complete

Element	Score	Question	Status
Plans		measures and associated targets as linked to levels of service;	
Asset Management Plans	3	iv. Operational expenditure (including depreciation expense);	Complete
Asset Management Plans	3	iii. Maintenance expenditure;	Complete
Asset Management Plans	3	ii. New Assets and Upgrades of existing assets;	Complete
Asset Management Plans	3	i. Asset Renewals;	Complete
Asset Management Plans	3	j. Include forward programs identifying cash flow forecasts projected for:	Complete
Asset Management Plans	3	i. Address life cycle costs of assets;	Complete
Asset Management Plans	3	h. Include demand management forecasts;	Complete
Asset Management Plans	3	g. Provide information about assets, including particular actions and costs to provide a defined (current and/or target) level of service in the most cost effective manner	Complete
Asset Management Plans	3	f. Include risk assessment and criticality profiles;	Well Progressed
Asset Management Plans	3	e. Document the adopted useful lives of assets;	Complete
Asset Management Plans	3	d. Document the current condition function capacity and use of assets;	Complete
Asset Management Plans	3	c. Document the asset hierarchy within each asset group;	Complete
Asset Management Plans	3	b. Include all assets and document asset inventory information for the asset group/category as recorded in the asset register;	Complete
Asset Management Plans	3	a. Refer to the asset custodian's Asset Management Policy and Asset Management Strategy;	Complete
Asset Management Plans	3	AMPS cover at least 10 years and	Complete
Asset Management Plans	3	AMPs define which asset groups are covered by each Plan in accordance with a clearly documented Infrastructure asset hierarchy.	Complete
Asset Management Plans	3	AMPS adopted by the asset custodian for all significant asset groups in a consistent format in accordance with industry best practice (E.g. International Infrastructure Management Manual (IIMM)) and are available to all relevant staff across the organisation.	Complete
Asset Management Plans	3	Include consideration of possible effects of climate change on asset useful lives and maintenance costs	Well Progressed
Asset Management	1	AM Policy has been drafted but not adopted by	Complete

Element	Score	Question	Status
Policy		the asset custodian OR some awareness by the asset custodian of asset management policy elements and asset management principles.	
Asset Management Policy	2	AM Policy adopted by the asset custodian's executive.	Complete
Asset Management Policy	3	AM Policy identifies a process for meeting training needs in financial and asset management practices for the asset custodian's executive and operational staff.	Well Progressed
Asset Management Policy	3	AM Policy defines asset management roles, responsibilities and reporting framework.	Complete
Asset Management Policy	3	AM Policy requires the adoption of Asset Management Plans informed by community consultation and applicable financial reporting frameworks.	Complete
Asset Management Policy	3	AM Policy has a direct linkage with the asset custodian's Strategic Longer Term Plan and Long Term Financial Plan.	Complete
Asset Management Policy	3	The asset custodian has an adopted Asset Management Policy which defines the asset custodian's vision and service delivery objectives for asset management.	Partially Complete
Asset Management Strategy	1	Draft AM Strategy Prepared but not adopted.	Complete
Asset Management Strategy	2	Strategy implements the service level and risk goals set out the asset custodian's strategic plans aligned with ISO 55000.	Complete
Asset Management Strategy	2	Strategy shows what assets the asset custodian has under its control.	Complete
Asset Management Strategy	3	The asset custodian's Asset Management Strategy documents the current status of asset management practices (processes, asset data and information systems) and what actions must be taken to implement the Asset Management Policy, including resource requirements, timeframes and accountabilities.	Complete
Asset Management Strategy	3	The asset custodian's Asset Management Strategy is linked to the Asset Management Policy and integrated into the Strategic Longer Term planning and annual budgeting processes.	Complete
Asset Management Strategy	3	The asset custodian has an Asset Management Strategy which shows how the asset portfolio can meet the service delivery needs of customers and defines the future vision of asset management practices.	Complete
Data and Systems	1	The asset custodian has a basic inventory of fixed assets (e.g. location, size, type) for all its major asset classes listed in an asset register.	Complete
Data and Systems	2	Data attributes are documented and prioritised for the Asset Management Information System	Complete
Data and Systems	2	The asset owner has a corporate asset register	Well Progressed

Element	Score	Question	Status
		supported by technical asset registers with regular validation of data.	
Data and Systems	3	The asset custodian has a defined process for operations, maintenance, renewal and acquisition (upgrade, new and expansion) planning for its existing assets.	Well Progressed
Data and Systems	3	The asset custodian has defined and documented procedures for determining asset replacement costs and a table of unit rates, which are stored in the Asset Management Information System.	Well Progressed
Data and Systems	3	The Asset Management Information System has the ability to generate maintenance and renewal expenditure forecasts.	Complete
Data and Systems	3	The asset custodian's systems, procedures and processes allow it to benchmark its asset management performance against similar organizations over time.	Complete
Data and Systems	3	The asset custodian's asset financial reporting functionality is comprehensive and includes audit trails, depreciation calculations, reporting thresholds and records of acquisition and disposal of assets	Complete
Data and Systems	3	The asset custodian has documented repeatable methodologies to carry out consistent asset condition surveys and defect identification assessments, as documented in a Condition Rating Assessment Manual for applicable asset classes.	Complete
Data and Systems	3	There is a common corporate data framework used across all asset groups, which is defined by the asset custodian's Infrastructure Asset Hierarchy.	Complete
Data and Systems	3	The asset custodian has a consolidated, integrated, accurate, up to date asset register with appropriate components and the required functionality to ensure security and data integrity, which includes all information about each asset sorted by asset group.	Complete
Evaluation	1	No formal evaluation process	Complete
Evaluation	2	Improvement tasks are included in staff performance plans and reviews	Complete
Evaluation	3	Community levels of service are monitored and performance reported.	Complete
Evaluation	3	Technical levels of service are monitored and performance reported.	Well Progressed
Evaluation	3	The asset custodian has a documented evaluation process by which asset management improvements are identified, timeframes established, resources allocated, actioned, monitored and reported to the Executive Management Team and/or CEO/GM.	Partially Complete

Element	Score	Question	Status
Governance & Management	1	AM activities are dependent on individual initiatives and poorly co-ordinated	Not Started
Governance & Management	2	Multi-disciplinary AM Steering Committee in operation with regular meetings	Not Started
Governance & Management	2	AM improvement plan in operation	Well Progressed
Governance & Management	3	There are internal processes to promote Asset Management across the asset custodian	Complete
Governance & Management	3	The asset custodian has an Asset Management Steering Committee, with cross functional representation and clearly defined and documented terms of reference, focussed on coordinating the linkages between service delivery and asset management implementation.	Partially Complete
Governance & Management	3	The asset custodian involves all its departments in Asset Management.	Complete
Governance & Management	3	The asset custodian has a documented process for making capital investment decisions, which is driven by the Strategic Longer Term Plan, Long Term Financial Plan and the Service Plan and explicitly details the impacts on the future operations and maintenance budgets, “Whole of Life” costs and risk management assessments.	Well Progressed
Governance & Management	3	The staff structure and position descriptions clearly define asset management functions, responsibilities and skill requirements for managing all asset classes.	Complete
Governance & Management	3	Roles and responsibilities are clearly defined in a matrix or policy, identifying positions responsible for determining levels of service and positions responsible for managing the assets to meet service delivery needs.	Complete
Governance & Management	3	The asset custodian has mechanisms in place to provide high level oversight by the CEO/GM and Executive Management Team, for development and implementation of the Asset Management Strategy and Asset Management Plans.	Well Progressed
Levels of Service	1	Service levels are consequences of annual budget allocation and poorly defined.	Complete
Levels of Service	2	Customer Groups defined and requirements informally understood.	Complete
Levels of Service	3	Technical levels of service are incorporated into service agreements and/or maintenance, operational and capital renewal procedures.	Well Progressed
Levels of Service	3	Current and target levels of service (for both community levels of service and associated technical levels of service) are clearly defined in each Asset Management Plan.	Complete
Levels of Service	3	The asset custodian has undertaken the process of defining, quantifying and	Well Progressed

Element	Score	Question	Status
		documenting current community levels of service and technical levels of service, and costs of providing the current levels of service.	
Levels of Service	3	The asset custodian has Service Objectives for each of its services which have been developed in consultation with the community.	Well Progressed
Skills & Processes	1	Leadership is supportive of delivering the essential asset management activities	Complete
Skills & Processes	2	Skills & knowledge requirements determined	Complete
Skills & Processes	2	Audit completed to determine current skill & knowledge levels	Well Progressed
Skills & Processes	2	Position descriptions incorporate an asset management knowledge requirement	Complete
Skills & Processes	3	The asset custodian provides ongoing training programs for executive leaders and elected members on key asset management topics.	Well Progressed
Skills & Processes	3	The asset custodian has a process to communicate the financial implications of the Asset Management Plans to internal and external stakeholders.	Complete
Skills & Processes	3	The asset custodian has formal processes for the handover of assets to asset custodians/owners.	Well Progressed
Skills & Processes	3	The asset custodian has a process to collect and record asset data into an Asset Management system upon the commissioning of new (and/or modified) assets, including built and contributed assets.	Well Progressed
Skills & Processes	3	The asset custodian has a defined methodology for assessing the Remaining and Useful Life, Residual Value and Depreciation Method of assets.	Complete
Skills & Processes	3	The asset custodian has assessed the skills and knowledge required to perform asset data management activities, conduct financial reporting valuations and develop Asset Management Plans. The asset custodian has a current asset management skills matrix. Staff training needs have been identified and training scheduled.	Complete
Skills & Processes	3	The asset custodian has a process to annually review and update the financial forecasts for all asset classes and update the Long Term Financial Plan.	Well Progressed
Skills & Processes	3	The asset custodian has a process to identify operational risks, assign responsibilities and monitor risk treatment actions all recorded within a risk register.	Partially Complete
Skills & Processes	3	The asset custodian has a process to review and update Asset Management Plans for all asset groups on a maximum of a 3 to 4 year	Complete

Element	Score	Question	Status
		cycle consistent with the asset custodian election cycle. Asset Management Plans are formally adopted by The asset custodian .	
Skills & Processes	3	The asset custodian has a process to review and update the Asset Management Strategy on a maximum of a 5 year cycle. The Asset Management Strategy is to be formally adopted by the executive.	Complete
Strategic Longer Term Plan	1	Plan covers a minimum three year period.	Complete
Strategic Longer Term Plan	2	Plan details what the asset custodian intends to do in the period of plan	Complete
Strategic Longer Term Plan	2	Plan includes vision and strategic objectives	Complete
Strategic Longer Term Plan	2	Plan reflects needs of the community for the foreseeable future	Complete
Strategic Longer Term Plan	2	The draft strategic plan has been advertised for public comment	Complete
Strategic Longer Term Plan	2	The Strategic Plan covers a minimum 10-year timeframe	Complete
Strategic Longer Term Plan	3	The Long Term Financial Plan has been prepared based on the resource requirements and strategic objectives detailed in the asset custodian's Long Term Strategic Plan and Asset Management Plans.	Complete
Strategic Longer Term Plan	3	The asset custodian has a sustainable Long Term Financial Plan covering the period of the Strategic Longer Term Plan (at least 10-years)	Complete
Strategic Longer Term Plan	3	The Strategic Longer Term Plan incorporates priorities and performance measures and indicates how they will be monitored and measured.	Complete
Strategic Longer Term Plan	3	The development of the Strategic Longer Term Plan included community consultation and reflects community needs.	Complete
Strategic Longer Term Plan	3	The asset custodian has a Strategic Longer Term Plan (planning horizon of at least 10-years) that incorporates a vision, strategic outcomes, mission, values and service outcomes that the asset custodian wants to achieve.	Complete

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au

CESSNOCK CITY COUNCIL

PLANNING FOR OUR PEOPLE.
OUR PLACE. OUR FUTURE.

ROAD AND ROAD INFRASTRUCTURE NETWORK

ASSET MANAGEMENT PLAN

CESSNOCK CITY COUNCIL

Document Control	Asset Management Plan				
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V4.1	Nov 2024	For ELT adoption from deferred above.	MW	CM	PM
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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

The Road Asset Management Plan (AMP) details information about road infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The AMP links to a Long-Term Financial Plan which considers a 10-year planning period.

1.2 Asset Description

This plan covers the infrastructure assets that provides a road network in partnership with other Roads authorities such as Transport for NSW (TfNSW) and neighbouring Councils to allow for safe and efficient pedestrian, cycle and motor vehicle transportation.

Based on available asset information Cessnock Council's Road network comprises of:

- 314 km of Unsealed Roads
- 797 km of Sealed Roads
- 4 km of Runway and Taxiway
- 535 km Kerb & Gutter
- 183 km Footpaths
- 126 Carparks
- 88 Bus Shelters
- 188 Pedestrian Refuges
- 37 Roundabouts
- Various other traffic medians and guardrails.

The above infrastructure assets have replacement value estimated at **$1,128,490,282** as at 30th June 2025.

1.3 Levels of Service

The allocation in the planned budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Reduction in rural road maintenance cycles
- Decrease in LoS for road surface

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population changes
- Changes in demographics
- Climate change
- Vehicle ownership rates
- Consumer preferences and expectations
- Technological changes
- Economic factors

- Environmental awareness

These demands will be approached using a combination of managing existing assets, upgrading 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.

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for the road and road infrastructure assets is estimated as $580,686,976 or $58,068,700 on average per year.

1.6 Financial Summary

1.6.1 What we will do

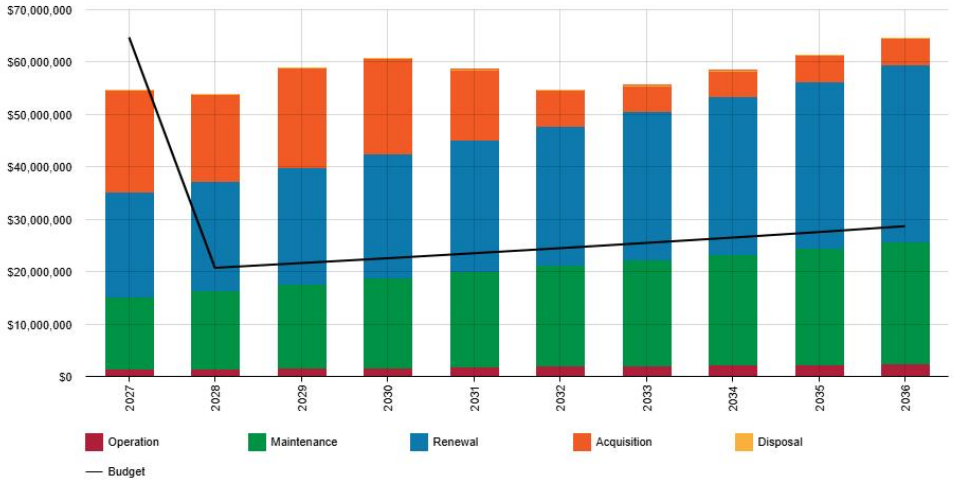
Estimated available funding for the 10 year period is $285,920,736 or $28,592,074 on average per year as per the Long-Term Financial plan or Planned Budget. This is 49.245% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for road and road infrastructure assets leaves a shortfall of $29,476,628[1] on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long-Term Financial Plan. This is shown in the figure below.

[1] Includes maintenance, operational, renewal and upgrade costs not accounted for in current budgets

Forecast Lifecycle Costs and Planned Budgets



* Upgrade to Wollombi Road Project skew first years budget as primarily grant funded

We plan to provide services for the following:

- Operation, maintenance, renewal and acquisition of road and road infrastructure assets to meet service levels set by Cessnock City Council in annual budgets.

1.6.2 What we cannot do

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

Sustaining the road and road infrastructure assets at the community desired condition “3” or better.

1.6.3 Managing the Risks

Our present budget levels are sufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Major road pavement failure leading to more expensive rehabilitation costs
- Increased risk of motor vehicle accidents due to road failure
- Negative public perception as a result of major pavement failure

We will endeavour to manage these risks within available funding by:

- Increasing asset inspections.
- Increasing response levels to temporarily repair critical pavement and surface failures.
- Increasing road renewal / reseal programs as an early intervention strategy to reduce the need for more expensive rehabilitation.
- Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Use of existing inventory and condition data as at 30 June 2024/2025.
- Use of 2023/24 & 2024/2025 Asset Revaluation Manual.
- Planned expenditure values obtained from current budgets and Council's four-year delivery program, and Council's LTFP.

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal,
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable[2] level of confidence information.

1.7 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Review and further develop a critical asset management plan and further define critical assets
- Undertake further community consultation to allow a full review of service levels.
- Finalise desired levels of service by establishing current performance and setting performance targets. Have these Levels of Service adopted by Council
- Ensure forecasts within the AMP are the driver of LTFP budgets and CW amounts. Allowance to be made for dedicated assets and ongoing lifecycle costs.
- Proactively implementing a sealing of unsealed roads program
- Improve response to climate change impacts
- A full review of useful lives

[2] confidence level; highly reliable, reliable , uncertain, very uncertain to unknown

2.0 Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with the Cessnock City Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, where developed, along with other key planning documents:

- Cessnock Community Strategic Plan
- Cessnock City Council Operational and Delivery Plan
- Cessnock City Council LTFP
- Cessnock City Council Annual Reports
- 2023-2024/2024-2025 Infrastructure Asset Revaluation Manual
- NSW OLG Integrated Planning Guidelines
- NSW OLG Integrated Planning Handbook
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results
- Cessnock City Council 2017 Asset Management Research

Cessnock City Council Asset Management maturity is considered to be 'core'.

The infrastructure assets covered by this AM Plan include road and road infrastructure assets providing transportation services for the community. For a detailed summary of the assets covered in this AM Plan refer to Table in Section 5.

The infrastructure assets included in this plan have a total replacement value of **$1,128,490,282**[3] as at 30th June 2025.

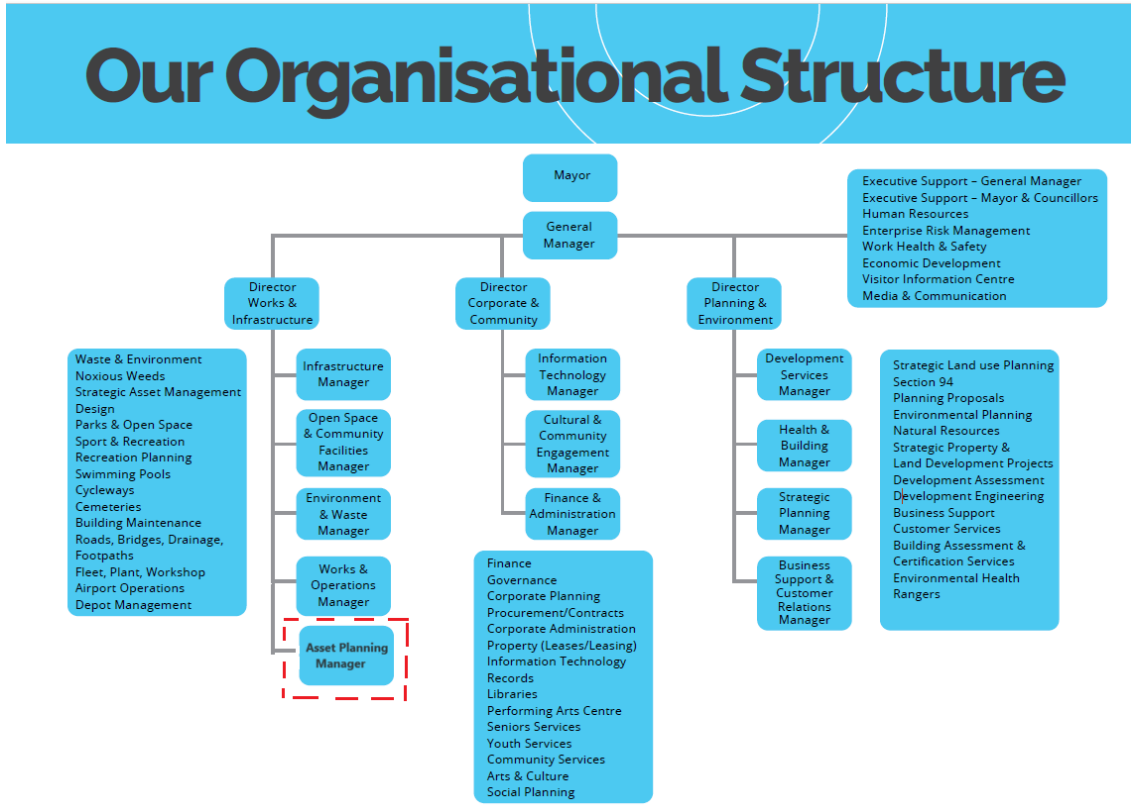
[3] Includes indexation

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	• Represent needs of the community, • Allocate resources to meet the organisation's objectives in providing services while managing risks, • Ensure the organisation is financially sustainable. • Provide stewardship by ensuring the protection of assets for current and future generations.
General Manager	• Ensure the development and implementation of Council's Asset Management Policy, Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act. • Report on the status and effectiveness of Asset Management within Council.
Council Staff	• Development and implementation of Council's Asset Management Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act. • Ensure integration and compliance of the Asset Management Policy and Strategy with other policies and business processes of Council. • Ensure compliance with legal obligations. • Ensure sound business principles are reflected in the Asset Management strategies and plans that are developed. • Implementation of activities in the Plans. • Engage up to date technologies, methodologies and continuous improvement processes. • Facilitate "Best Appropriate Practice in Asset Management".
Community	• Provides input into the services required and the cost the community is prepared to pay • Set expectation levels

Our Organisational Structure for service delivery from infrastructure assets is detailed below:



2.2 Goals and Objectives of Asset Ownership

Our goal for 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 forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

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

- International Infrastructure Management Manual 2020
- ISO 550004

A road map for preparing an AM Plan is shown below.

[4] ISO 55000 Overview, principles and terminology

Road Map for preparing an Asset Management Plan
Source: IPWEA, 2020, IIMM, Fig 3.6.2.1

3.0 LEVELS OF SERVICE

3.1 Customer Research and Expectations

Cessnock Council engaged Micromex Research in 2023 to undertake community research. In the telephone and online survey conducted, residents were contacted to discuss their satisfaction and expectations in the delivery of existing road infrastructure. A clear theme established from the survey is that out of all the priority issues within the Cessnock Local Government area, roads and road safety are the highest identified priority (67%). The following other key findings were:

Table 3.1: Customer Satisfaction Survey Levels 2023

Service/Facility	Importance (mean ratings)		Satisfaction (mean ratings)	
	Phone	Online	Phone	Onlin
Maintaining sealed roads	4.84	4.30	1.68	1.40
Maintaining unsealed roads	4.45	4.02	2.00	1.59
Converting unsealed roads to sealed roads	4.07	3.76	1.96	1.52
Regulating traffic flow	4.42	4.04	2.52	1.84
Stormwater drainage	4.29	4.09	2.72	2.11
Roadside drainage	4.34	4.04	2.61	2.02
The provision of footpaths and cycleways	4.01	3.88	2.74	1.98
Maintenance of footpaths and cycleways	4.07	3.91	2.80	2.08
Parking in town centres	4.44	4.00	2.77	2.32

Table 3.1.1: Historical Customer Satisfaction Survey Results

Performance Measure	Importance	Satisfaction	Performance Gap 2021	Performance Gap 2019
Maintaining sealed roads	4.80	1.84	2.95	2.71
Maintaining unsealed roads	4.39	2.02	2.37	2.21
Converting unsealed roads to sealed roads	4.01	2.02	1.99	NA
Regulating traffic flow	4.38	2.67	1.71	1.29
The provision of footpaths and cycleways	4.16	2.61	1.55	1.70
Maintenance of footpaths and cycleways	4.30	2.81	1.49	1.56
Parking in town centres	4.46	2.81	1.65	1.72

In addition, the 2036 Community Strategic Plan indicated the community satisfaction for roads has varied over the past 10 years, see table 3.1.1:

Table 3.1.2: Customer Satisfaction 10 Year

Measure	2012	2014	2016	2021	Target
The road network is effective and in good repair	1.45	1.91	1.87	1.84	Improve

Council also engaged Micromex Research in March of 2015 to undertake further Community Consultation. This was to determine what the community finds as an acceptable condition state of the assets. The concluding evidence from this survey found: *"The majority of residents indicated that 'Condition 3 or better' was the acceptable condition for all assets*". The online component of the 2023 survey suggested the community would prefer (66%) that the Council concentrate on maintaining existing assets in condition 4 & 5.

3.2 Strategic and Corporate Goals

This AM Plan is prepared under the direction of Cessnock City Councils' vision, mission, goals and objectives.

Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

Councils' Delivery Program has five desired outcomes as identified in the Community Strategic Plan. They are:

1. **Live**
2. **Thrive**
3. **Protect**
4. **Move; and**
5. **Lead.**

Relevant community desired outcomes and strategic directions, and how these are addressed in this asset management plan are:

Table 3.2: Goals and how these are addressed in this Plan

Goal	Objective	How Goal and Objectives are addressed in the AM Plan
Accessible infrastructure, services and facilities	**Objective 4.1 Progress our transport links**	• Continue to apply to State Government for Bus Stop upgrades to comply with accessibility standards • Continue to implement the actions of the Cycleway Strategy
	Objective 4.2 Improve our road network	• Advocate for road funding to better manage traffic impacts on the local road network. • Utilise budget scenarios within the AMP to develop LTFP • Delivery of prioritised capital works programs in line with the AMP

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the roads and road infrastructure assets are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery. The purposes of this Act are as follows: (a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales, (b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales, (c) to encourage and assist the effective participation of local communities in the affairs of local government, (d) to give councils: • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public; • the responsibility for administering some regulatory systems under this Act; • a role in the management, improvement and development of the resources of their areas. (e) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.
Local Government Act Annual Report Section 428(2)(d)	(d) A report of the condition of the public works (including public buildings, public road and water sewerage and drainage works) under the control of council as at the end of that year; together with (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard; and (ii) An estimate (at current values) of the annual expense of maintain the works at that standard; and (iii) The Council's programme for maintenance for that year in respect of the works.
Civil Liabilities Act	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Public Works Act	Sets out the role of Council in the planning and construction of new assets.
Environmental Planning and Assessment Act	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Work Health and Safety Regulations	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury

Legislation	Requirement
	management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.
Threatened Species Conservation Act	An Act to conserve threatened species, populations and ecological communities of animals and plants.
Protection of the Environment Operations Act	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
Road Transport (Safety and Traffic Management) Act	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Road Transport (General) Act	Provides for the administration and enforcement of road transport legislation. It provides for the review of decisions made under road transport legislation. It makes provision for the use of vehicles on roads and road related areas and also with respect to written off and wrecked vehicles.
Roads Act 1993	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RMS and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RMS and other roads authorities. Finally, it provides for distribution of functions conferred by this Act between the RMS and other roads authorities, and regulates the carrying out of various activities on public roads.
Disability Discrimination Act and Disability Discrimination Regulations	The Federal Disability Discrimination Act 1992 (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.
Native Vegetation Act	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the Act. The Act outlines what landowners can and cannot do in clearing native vegetation.
AS 1742	Australian Standard 1742 which refers to a variety of road and traffic issues.
NSW Road Rules	A provision of road rules that are based on the Australian Road Rules so as to ensure that the road rules applicable in this State are substantially uniform with road rules applicable elsewhere in Australia.

3.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer Values indicate:

- what aspects of the service is important to the customer,
- whether they see value in what is currently provided and
- the likely trend over time based on the current budget provision

Table 3.4: Customer Values

Service Objective: Quality			
Customer Values	**Customer Satisfaction Measure**	**Current Feedback**	**Expected Trend Based on Planned Budget**
Well maintained sealed roads	Community Satisfaction Survey	1.54[5]	Improve
Well maintained unsealed roads	Community Satisfaction Survey	1.8	Maintain
Provision of footpaths and cycleways	Community Satisfaction Survey	2.36	Improve
Maintenance of footpaths and cycleways	Community Satisfaction Survey	2.44	Maintain

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition 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?

In Table 3.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

[5] Where 1 is not satisfied and 5 is very satisfied

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Provide assets which meet community expectation[6]	Maintain assets at condition 3 "Fair" or better	Sealed Road Segments 79% in condition ≤3[7] Unsealed Roads 86% in condition 1,2,3 Carparks 93% in condition 1,2,3 Runway and Taxiways 0% in condition greater than 3 Kerb and Gutter 99% in condition 1,2,3 Footpaths 97% in condition 1,2,3 Bus Shelters 99% in condition 1,2,3 Pedestrian Refuges 98% in condition 1,2,3 Round-a-abouts 86% in condition 1,2,3	100% in condition 4 "poor" or better
	Confidence levels[8]		High	Medium

[6] Condition of roads, taxiways, runways and carparks is predominately viewed as the assets "surface" although a road is made up of surface, pavement base, pavement subbase and formation. The later two rarely have treatments. A Pavement Condition Index can be created to combine all components – see chapter 5.
[7] When Considering the surface of the road
[8] High (Professional Judgement supported by extensive data), Medium (Professional judgement supported by data sampling, Low (Professional Judgement with no data evidence)

Function				
	Parking in town centres	Customer Survey	2.55	Maintain
	Confidence levels		High	Medium
	Regulating traffic flow	Customer Survey	2.18	Maintain
	Confidence levels		High	Medium
Capacity				
	Converting[9] unsealed roads to sealed roads	Customer Survey	1.74	Maintain
	Confidence levels		High	Medium
	The provision of footpaths and cycleways	Community Satisfaction Survey	2.36	Improve
	Confidence levels		High	Confidence levels

3.6 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

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

- **Acquisition** – 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).
- **Operation** – 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 provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service planners and asset managers plan, implement and control technical service levels to influence the service outcomes.[10]

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

[9] Council has a current policy that does not allow for sealing unsealed roads unless fully external funded.
[10] IPWEA, 2020, IIMM, Chap. 2.2.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance**	Recommended Performance ***
TECHNICAL LEVELS OF SERVICE				
Acquisition/ New	Deliver annual road upgrade program	% completion of annual upgrade programs	60% of upgrade programs in 2024/25.	90% of upgrade programs
		Budget	$45,000,000[11]	Grant Funding and general fund injections
Operation	Infrastructure meets user's needs.	Defects inspections	Road and Road Infrastructure are inspected regularly on a reoccurring routine cycle.	All assets are inspected regularly on a reoccurring routine cycle.
	Collected data for all assets is kept up to date and accurate in the asset database (MyData) and GIS.	Reconcile asset data in MyData and GIS	Reconciliation completed at revaluation intervals	Reconciliation completed annually
		Budget	$1,361,987	$1,479,690[12]
Maintenance	Provide on-going maintenance of Council's road network to ensure fit for purpose	Customer service requests relating to road maintenance Customer service requests relating to footpaths Customer service requests relating to kerb and gutter		
		Budget	$10,973,000	$13,833,310

[11] Grant injection to Wollombi Road Project
[12] With recommended increases from pressure of dedications

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance**	Recommended Performance ***
Renewal	Deliver annual renewal programs	% completion of annual renewal programs		100% of renewal programs
		Budget	$7,395,000	$26,000,000
Disposal	Delivery of disposal works	% Complete when items identified within a program	NA	100%
		Budget	*nil*	*nil*

Note: * to drop to $0 year 2
** Current activities related to Planned Budget.
*** Expected performance related to forecast lifecycle costs.
Both current and recommended performance as based of year 1 of the program.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4.0 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 have been identified and documented.

4.3 Demand Impact and Demand Management Plan

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

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 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	70,765 as at 30/06/2023[13]	The projected population for 2041 is 107,375. As part of State Governmen t policy higher density developmen ts will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue	Population growth will increase traffic volumes, and increase demand on transport infrastructure, such as bus & transport facilities, footpaths & Cycleways, improved road network, etc.	Engage with the community to identify justifiable community needs from other expectations and consider only community needs consistent with Council's charter. Study road condition rating from this plan and prioritise a list of roads to be included in the annual reseal / rehabilitation program. Investigate alternative treatments to lower life cycle costs i.e. seal types, rejuvenation.
Demographic s	Approximately 3% of the residents are from non-English speaking backgrounds	An increase of migrants settling in Cessnock LGA from non-English speaking background s, are expected to increase.	Better Traffic Management Devices are Required, and Clearer Signage	New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets to meet growing service delivery demand

[13] Source: Home | Cessnock City Council | Community profile based on most current Census data

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Demographics	Over 39% of the population have a long term health condition, of which over 7.8% would need assistance in their day-to-day lives.	Expect to see an increase in demand for services due to the ageing population	Increase in demand for DDA compliant Infrastructure, Services and Equitable Access	Engage with the community to identify justifiable community needs from other expectations and consider only community needs consistent with Council's charter. New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets to meet growing service delivery demand
Climate Change	Scientific evidence supporting the notion of climate change.	Increase severity of weather events, temperature rise, rise in sea level.	Cessnock Road Infrastructure Assets will need to adapt to new climate risks to ensure appropriate infrastructure investment decisions are made to reduce long-term costs.	Investigate alternative treatments to lower life cycle costs, and combat climate impacts i.e. seal types, rejuvenation. Deliver the actions from the Sustainability and Climate Change Strategy. Implement the recommendations for cycleway and shared pathways from the Pedestrian Access and Mobility Plan.

Residential Development	Increase in demand for residential land and infrastructure.	Increase in population (see above)	Increase in demand for maintenance of roads, footpaths and associated infrastructure assets.	Implement enhanced quality control measures for donated assets. New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets to meet growing service delivery demand
Demand driver	**Current position**	**Projection**	**Impact on services**	**Demand Management Plan**
Changes in Land use	Changes in land use will result from rezoning and higher density developments.	As part of State Governmen t policy higher density developmen ts will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue.	Increased loading on existing infrastructure from development works (construction works can cause significant damage to existing infrastructure)	Revise planning controls to increase population density and decrease the extent of new road network. Encourage industry to be near State controlled roads.

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit the Cessnock City Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.[14]

Council currently has an adopted Climate Change Resilience Plan, which can be found on their website. This document sets out the climate change impacts on Council and the Councils' response to climate change.

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Increase flood events	More frequent severe weather events	Assets damaged and temporarily out of service. May require community detours, or create temporary isolation.	Staff attend and put detours in place or close roads where necessary. Insurance in place for recovery works. Communities likely to become isolated (Wollombi/Laguna) have had emergency generators and solar power installed at Councils' community halls.
Increase fire events	Long periods of draught, increasing bush fire risk	Assets damaged and temporarily out of service. May require community detours, or create temporary isolation.	Staff attend and put detours in place or close roads where necessary. Insurance in place for recovery works.

Further review of management measures to be undertaken as an improvement item to this AMP.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

[14] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
Reconstructed Roads	Increase rain events, or prolong periods of draught impacting underlying soils causes higher maintenance costs – i.e. pothole repair.	Investigate alternate pavement types; - Council has undertaken trials on recycled plastic component pavement, and recycled "crumbed" rubber component pavement.
New traffic facilities	Increase bush fire threat raises the risk of damaging traffic facilities.	All bus shelters are insured.
New footpaths	Increase rain events, or prolong periods of draught impacting underlying soils causes higher maintenance costs – i.e. lifting sections of pathway	Investigation into flexible pavement options in areas prone to roots or reactive soils.
Reconstructed runway/taxiways	Increase rain events, or prolong periods of draught impacting underlying soils causes higher maintenance costs – i.e. pothole repair.	Investigate alternate pavement types[15]

The impact of climate change on assets is a complex discussion and further opportunities will be developed in future revisions of this AM Plan.

[15] While still needing to conform to CASA construction standards

5.0 LIFECYCLE MANAGEMENT PLAN

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

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan include, and their value is shown in table 5.1.1:

- 314 km of Unsealed Roads
- 797 km of Sealed Roads
- 4 km of Runway and Taxiway
- 535 km Kerb & Gutter
- 183 km Footpaths
- 126 Carparks
- 88 Bus Shelters
- 188 Pedestrian Refuges
- 37 Roundabouts
- Various other traffic medians and guardrails.

Table 5.1.1: Assets covered by this Plan

Asset Category	Replacement Value
Roads, Kerb and Gutter, Bus Shelters and Traffic Facilities	$1,021,961,016
Runways and Taxiways	$15,941,476
Footpaths	$90,587,789

An age profile across the road and road infrastructure asset classes is difficult to portray as the historic date built of assets with long useful lives (80, 120 years etc.) is hard to determine. There is potential in future AMP iterations to possibly produce trends in age profiles of much shorter-lived assets replaced within the last 15-20 years (i.e. road surfaces current 24-34 lifespan). Each asset revaluation period undertakes a detailed review of the possible age of assets, including their expected useful life.

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. 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
Sealed Roads – Network wide	Based on the data captured in 2024 it shows that approximately 21% of the network has a surface condition rating in poor/very poor condition (condition 5)
Kerb & Gutter – Network wide	Based on the data captured in 2024 it shows that approximately 1% of the network has a condition rating in poor/very poor condition (condition 5)

Unsealed Roads	Based on the data captured in 2024 it shows that approximately 14% of the network has a condition rating in poor/very poor condition (condition 5)

The above service deficiencies were identified from the 2024 road and road infrastructure condition data capture.

5.1.3 Asset condition

Condition is currently monitored as part of the 5 yearly revaluation period, with Asset staff undertaking spot checks annually/when developing capital works programs.

Condition is measured using a 1 – 5 grading system[16] as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM plan results are translated to a 1 – 5 grading scale for ease of communication.

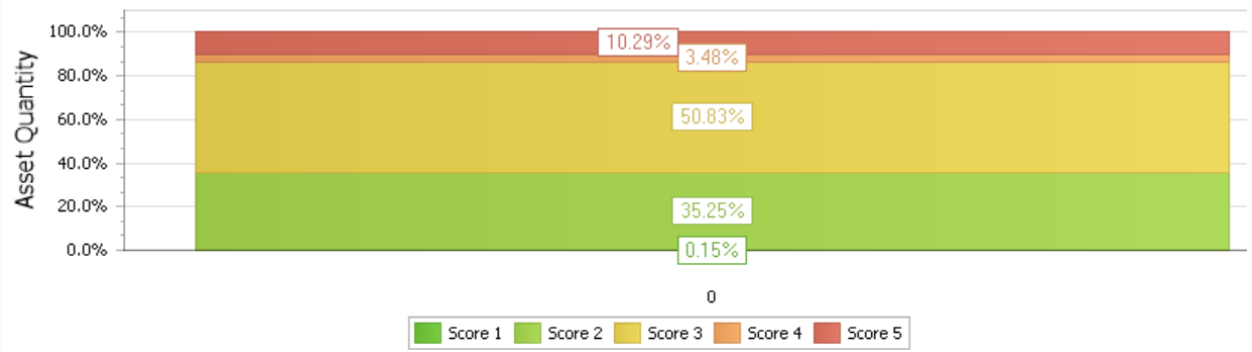
Table 5.1.3: Condition Grading System

Condition Grading	Description of Condition
1	**Very Good**: free of defects, only planned and/or routine maintenance required
2	**Good**: minor defects, increasing maintenance required plus planned maintenance
3	**Fair**: defects requiring regular and/or significant maintenance to reinstate service
4	**Poor**: significant defects, higher order cost intervention likely
5	**Very Poor**: physically unsound and/or beyond rehabilitation, immediate action required

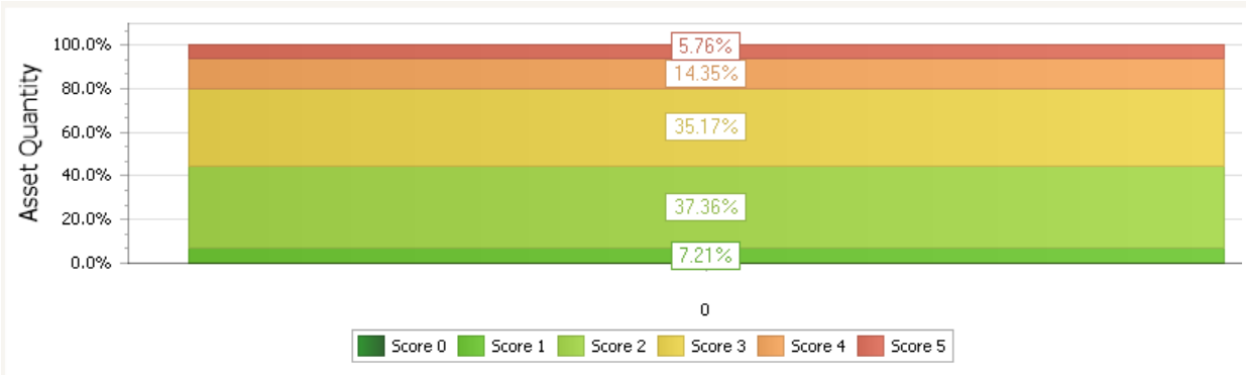
The condition profile of our assets is shown in Figure 5.1.3.

[16] IPWEA, 2020, IIMM, Sec 2.4.5.1

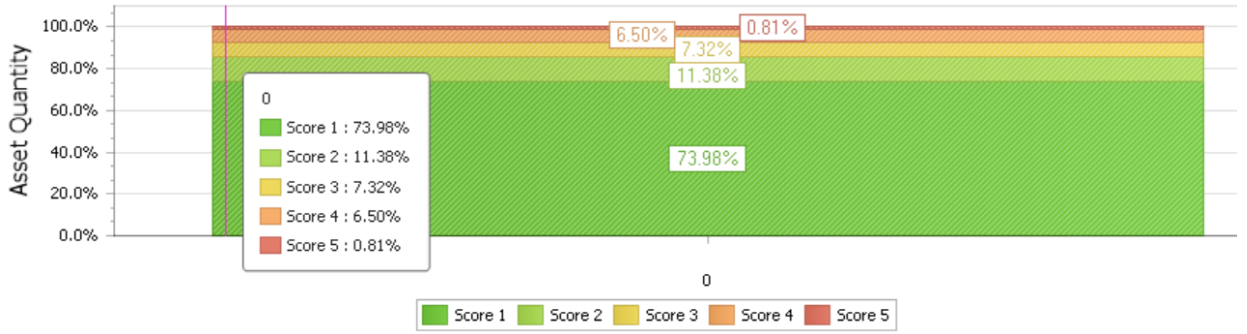
Figure 5.1.3: Asset Condition Profile



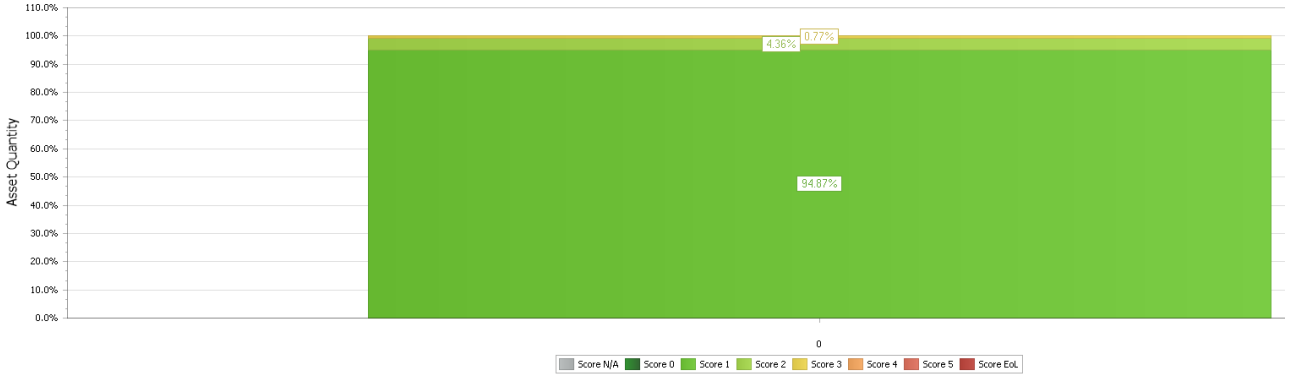
Unsealed Roads Surface



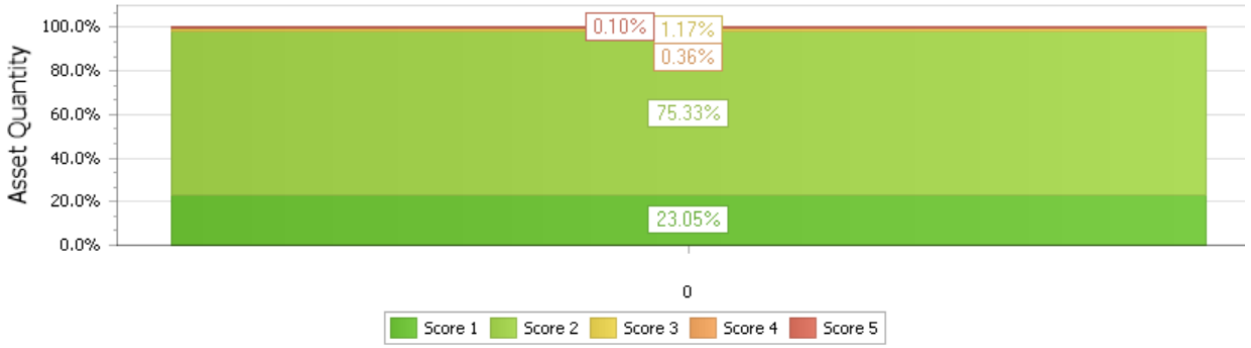
Sealed Roads Surface



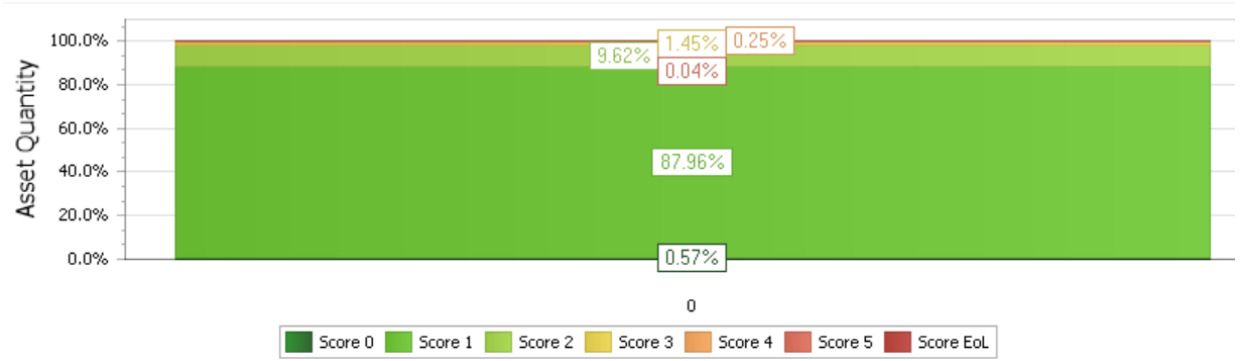
Carpark Surface



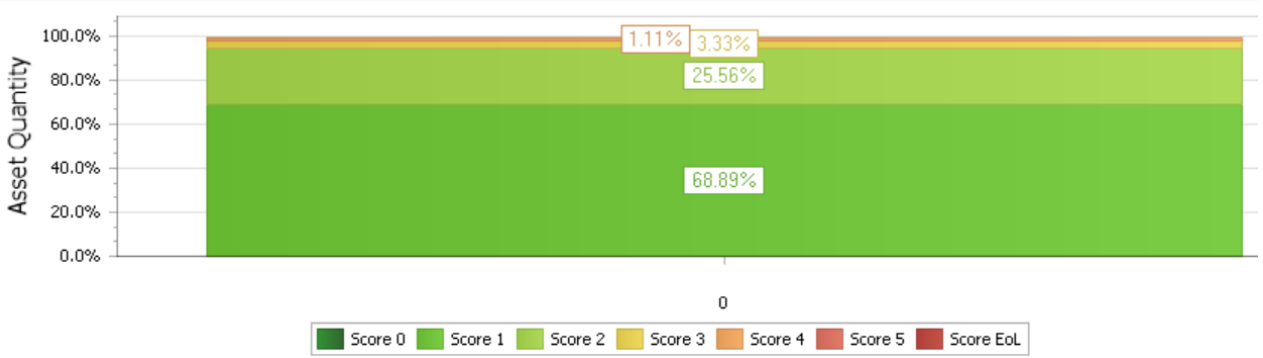
Traffic Facilities



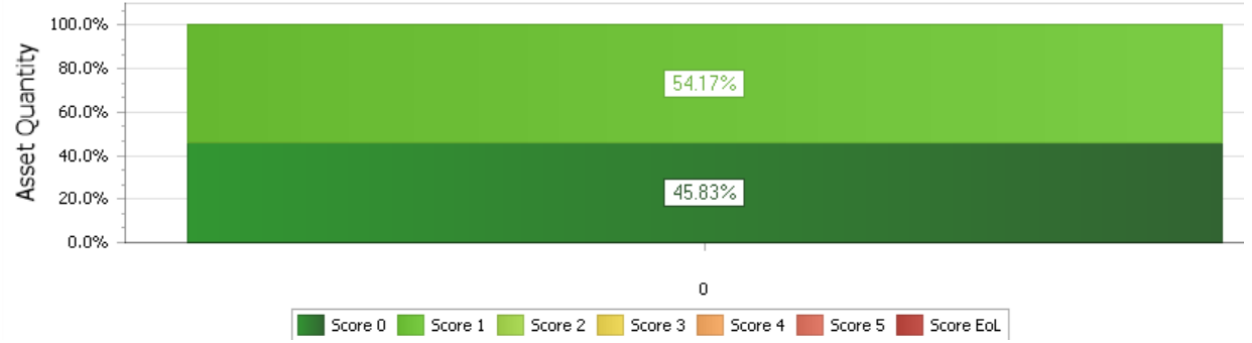
Footpaths



Kerb and Gutter



Bus Shelters



Runways and Taxiways

5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets are shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget $
2021/2022	$9,022,000
2023/2024	$12,134,021
2024/2025	$10,521,000

Maintenance budget levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement. CCC maintenance response levels of service are detailed in Appendix G, however this document needs to be reviewed.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The service hierarchy is shown is Table 5.2.2.

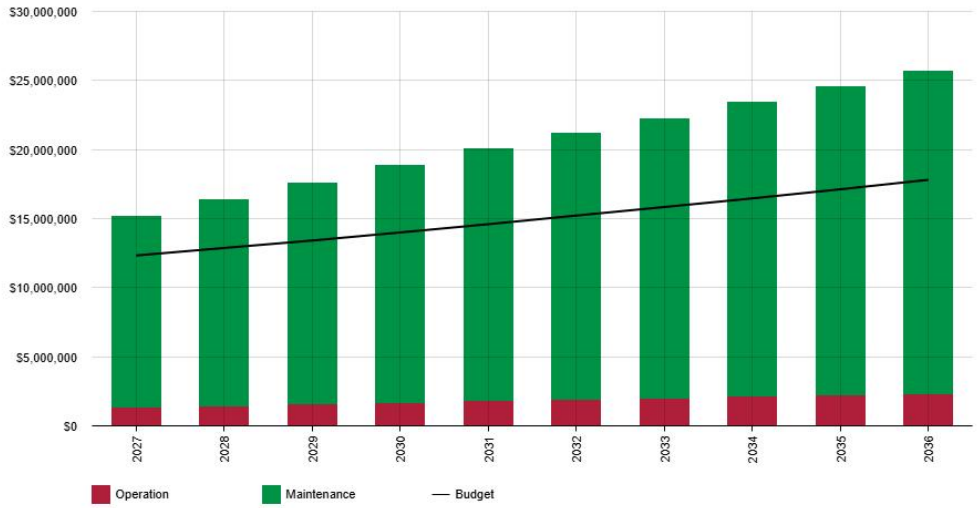
Table 5.2.2: Asset Service Hierarchy

Service Hierarchy	Definition
Urban / Rural Sub Arterial (Regional Roads)	Regional Roads perform an intermediate function between the main arterial network of TFNSW controlled State Roads and the network of local roads controlled by Council.
Urban / Rural Collector	Connects regional roads to the local road system.
Urban / Rural Local	Local access roads providing through traffic access to residential properties and some commercial premises.
Laneways	Roads that provide rear access to various land uses.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

Figure 5.2: Operations and Maintenance Summary



The budgeted maintenance and operational programs do not have capacity to accommodate the ever-increasing dedication of assets from development.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 acquisition/upgrade resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed on 30th June 2020.

Table 5.3: Useful Lives of Assets

Asset (Sub)Category	Useful life
Roads, Carpark, Runways and Taxiways	
Road Surface – Concrete (CC)	100
Road Surface – Asphalt Concrete (AC)	25
Road Surface – Spray Seal (SS)	20
Road Surface – Gravel (US)	10
Base	65
Sub Base	200
Formation	Indefinite*
Bus Shelter	30
Pedestrian Refuge (Concrete)	100
Round-A-Bout	50
Footpath	
Concrete (CC)	100
Asphalt Concrete (AC)	25
Brick Pavers (BP)	34
Gravel (US)	10
Kerb & Gutter	100

* It is considered that the original excavation, import of initial depth of gravel, and prepared to receive road subgrade, will not be undertaken more than once over the life of the road construction

The estimates for renewals in this AM Plan were based on the alternate method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. Road base treatments for roads indicated to have higher volume and weighted vehicles, or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a roads surface).[17]

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.[18]

[17] IPWEA, 2020, IIMM, Sec 3.4.2
[18] IPWEA, 2020, IIMM, Sec 3.5.3

The ranking criteria used to determine priority for Cessnock City Councils' identified renewal proposals is detailed in the following Tables.

Table 5.3.1a: Sealed Roads Priority Ranking Criteria – All Programs

Criteria	Weighting
Road type/hierarchy	20%
Overall Condition Index	20%
Customer Request/Demand/growth	20%
Alternate Funding Source	10%
Available Traffic Data	15%
Site Inspection Data	15%
Total	**100%**

Table 5.3.1b: Unsealed Roads Priority Ranking Criteria – Resheeting

Criteria	Weighting
Road type/hierarchy	50%
Resheet frequency/CRM's	30%
Overall Condition Index	10%
Traffic Data (where available)	10%
Total	100%

Table 5.3.1c: Runway and Taxiway Priority Ranking Criteria

Criteria	Weighting
CASA Compliance	60%
Airport hierarchy	20%
Overall Condition Index	20%
Total	100%

Table 5.3.1d: Renewal Priority Ranking Criteria – Pathways[19]

Criteria	Weighting
Proximity to Commercial Development	11%
Proximity to Aged Citizens	11%
Proximity to Schools	11%
Pedestrian Hourly Volume	10%
Link to Public Transport	6%
Provides Missing Link Between Existing Footpaths	6%

[19] The Pedestrian Access and Mobility Plan (PAMP) has utilised the above ranking criteria to set a prioritised list of works to be undertaken, which is the current program.

Criteria	Weighting
Provides Tourism &/or Recreational Culture Benefit	6%
Residential Development Density	6%
Identified Access for Disabled	11%
Council Resolution	11%
Identified as Part of a Link to a Development Project	11%
Total	**100%**

Table 5.3.1e: Priority Ranking Criteria – Bus Shelters – all programs

Criteria	Weighting
Request from Bus Service Provider	20%
Road Hierarchy	10%
Proximity to School Bus Route Pick-Up Stops	20%
Amenability for DDA compliance	15%
Community Requests	5%
Provides at Least one Shelter in Each LGA Locality	10%
Council Resolution	10%
Condition of Development Consent	10%
Total	**100%**

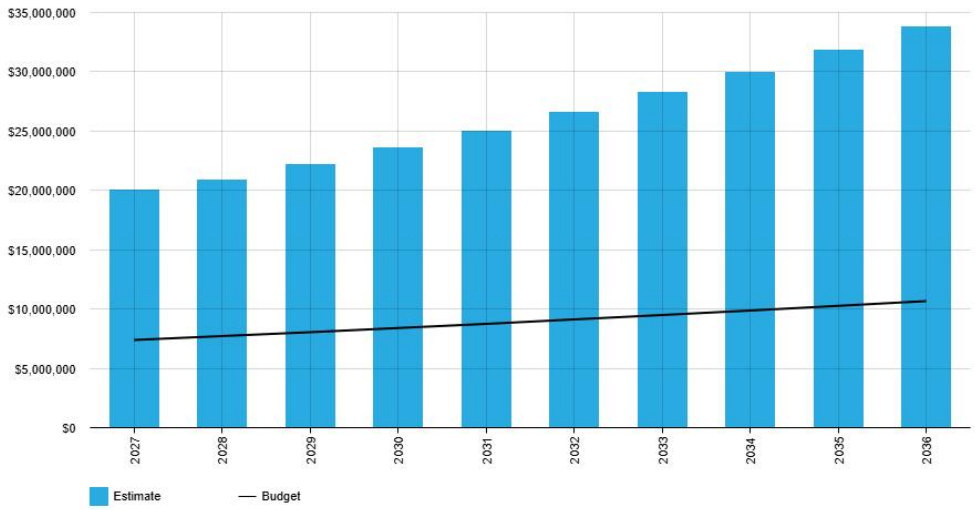
Table 5.3.1f: Renewal Priority Ranking Criteria – Traffic Facilities

Criteria	Weighting
Hierarchy / Trip Generators	30%
Customer Requests	15%
Overall Condition Index	20%
Traffic Data (where available)	25%
Council Resolution	10%
Total	**100%**

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

Figure 5.4.1: Forecast Renewal Costs



The budgeted amount for renewal does not meet what is forecasted to meet community expectations.

5.5 Acquisition Plan

Acquisition reflects new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to the Cessnock City Council.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to verify that they are essential to the Councils' needs. Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria's are detailed in the following tables: it must be noted that a large proportion of upgrade works can only be undertaken should external funding become available.

Table 5.5.1a: Sealed Roads Priority Ranking Criteria – All Programs

Criteria	Weighting
Road type/hierarchy	20%
Overall Condition Index	20%
Customer Request/Demand/growth	20%
Alternate Funding Source	10%
Available Traffic Data	15%
Site Inspection Data	15%
Total	**100%**

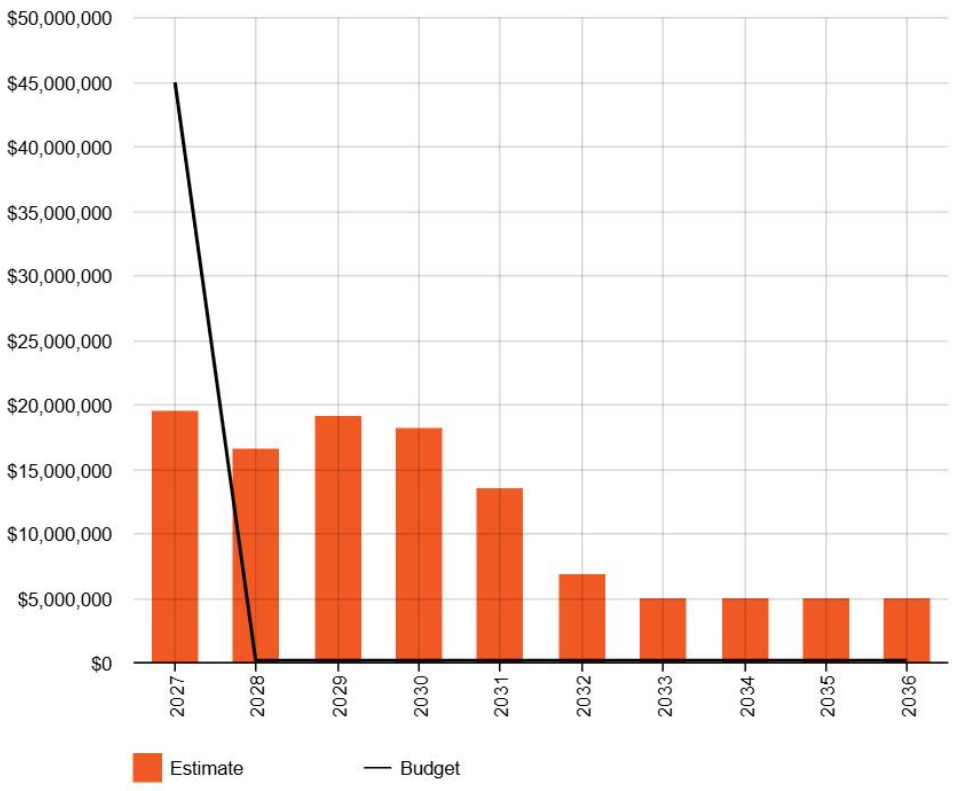
Table 5.5.1c: Acquired Assets Priority Ranking Criteria – Pathways, Kerb, Traffic Facilities

Criteria	Weighting
Alternate Funding Source	90%
As indicated in a masterplan, strategic plan, plan of management	10%
Total	**100%**

Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised / summarized in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

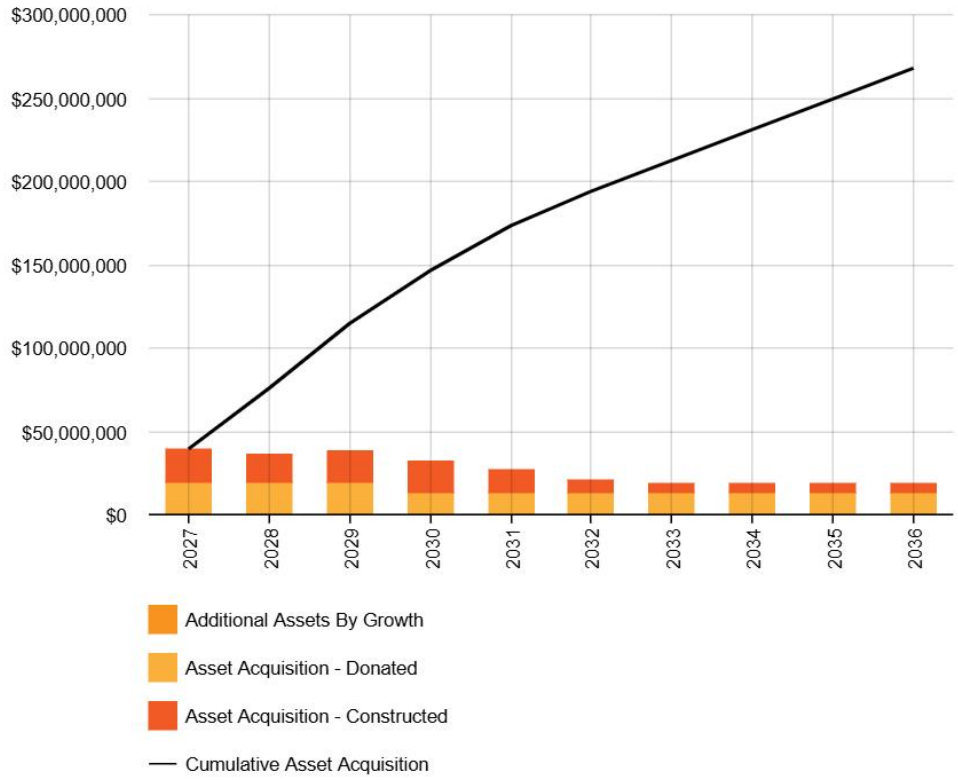
Figure 5.5.1: Acquisition (Constructed) Summary



* Wollombi Road project skew year 1 as predominately grant funds

When an Entity commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Entity. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.5.2.

Figure 5.5.2: Acquisition Summary



Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

It is evident through the condition of the current asset stock, and rate in which Cessnock City Council are acquiring new assets through development contribution, that the proposed budget compared to acquisition forecasts is inadequate. It is important that Council recognise the impact of new assets e.g. acquiring these new assets will commit the funding of ongoing operations, maintenance and renewal costs for the period that the service is provided from the assets.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Currently, there are no road or road infrastructure

assets considered for disposal. Assets within this class, by nature, are somewhat difficult to decommission or provide an alternate service solution for.

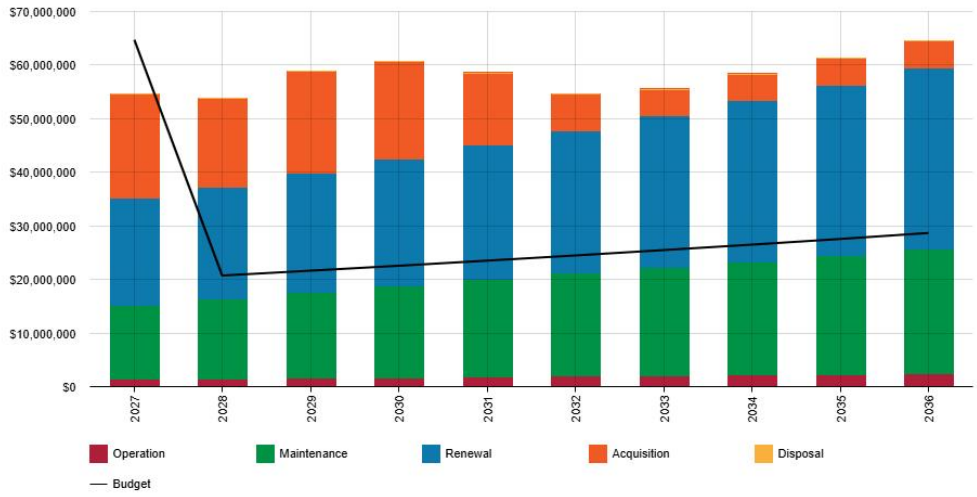
Should future assets be identified within the disposal plan within this AMP, they are to be reported on to the Asset Management Steering Group. Where deadlines for commitments cannot be met; it is to be reported on and updated to the group accordingly.

5.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.7.1: Lifecycle Summary



It is evident from the lifecycle summary that current budgets do not keep up with community service requirements. It is also clear that assets contributed through development will place ongoing pressure on all lifecycle costs Council incurs, that is, that current budgets do not meet forecasted requirements.

6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'[20].

An assessment of risks[21] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 6.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact	Operations & Maintenance Activities
Sealed Roads	Deformation due to increase in heavy vehicles and traffic volumes. Structural failure due to pavement deformation.	Low risk to vehicles or injury. High political/reputation risk.	Regular inspections and repair and/or replacement programs.
Unsealed Roads	Potholing, Rutting, corrugations & scouring.	Low risk to vehicles or injury. High political/reputation risk.	Regular inspections and on-going rural road maintenance programs.
Road Infrastructure	Damage through climate events	Traffic disruption or confusion. Low-medium political/reputation risk.	Regular inspections and repair and/or replacement programs.
Kerb & Gutter	Deformation and uplift due to tree roots and/or vehicle damage	Low risk injury. Low-medium political/reputation risk.	Regular inspections and repair and/or replacement programs.

[20] ISO 31000:2018
[21] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used 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 International Standard ISO 31000:2018.

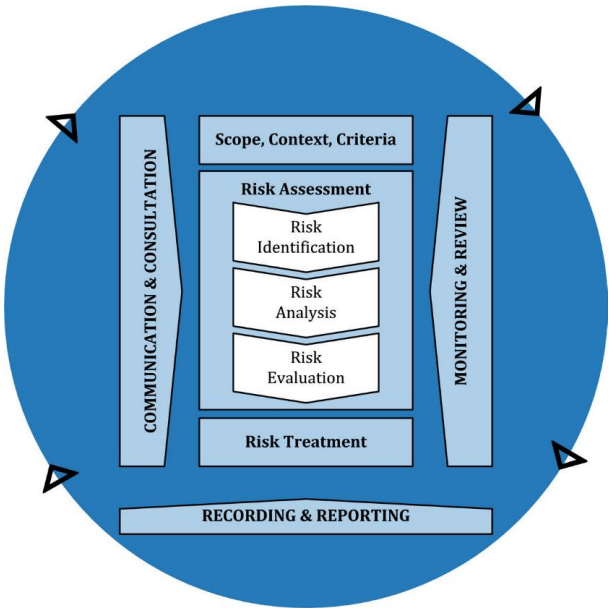


Fig 6.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management and Cessnock City Council.

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
All road and road infrastructure assets	Inadequate resources/funding to maintain infrastructure to an appropriate standard, resulting in asset failure, injury, reputational damage, legal action.	VH	Regular inspections, asset management plan, & undertake community consultation to establish affordable service levels.	M	TBC
Roads and Carparks	Failure of the surface of the road.	VH	Regular inspections, Community Feedback, Customer Service Requests, Maintenance and renewal programs.	M-L	TBC
Roads	Accidents due to road failure, polished surface or edge break, resulting in injury, reputational damage, or legal action.	VH	Maintain annual works program, and inspect complaints from public regarding dangerous conditions on road. Routine maintenance and Asset Inspections.	M	TBC
Roads	Shortened designed life expectancy, premature road failure due to historic pavement design practices.	M	Geotechnical investigation and/or formal pavement design for all projects. Maintenance and renewal programs.	M-L	TBC

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Roads Pavement	Failure of road pavement or pavement overloads due to more heavy vehicles usage, resulting in water penetration, geotechnical issues, reduced carrying capacity.	H	Regular inspections, maintenance and renewal programs. Work with strategic planners to identify critical heavy vehicle freight routes and future demand in these areas. Impose load limits where necessary.	M	TBC
Roads	Road works not undertaken in accordance with correct Design Standards, Regulations and Legislation.	M	Community feedback on unauthorised works, correct planning, adherence to guidelines and procedures.	L	TBC
Round-a-bouts, Pedestrian Refuges,	Structural failure or damage to asset due to age, vandalism, inadequate design.	M	Planned inspections, maintenance and renewal programs.	L	TBC
Bus Shelters	Structural failure or damage to asset due to age, vandalism, inadequate design.	L	Planned inspections, maintenance and renewal programs.	L	TBC

Footpaths	Structural failure, deterioration leading to safety risks.	H	Planned inspections, maintenance and renewal programs. Correct footpath design procedures.	M	TBC
Kerb & Gutter	Structural failure, deterioration due to age, drain blockage from inadequate maintenance.	M	Planned inspections, maintenance and renewal programs, community feedback.	M	TBC

Note * The residual risk is the risk remaining after the selected risk treatment plan is implemented.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 6.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Floods	Roadside drainage review	Low
Fire	Clearing of debris	Low
Drought	Review use of grey water reuse for dust suppression, street cleaning	Low

6.4 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.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- The optimised annual road rehabilitation and renewal forecast program

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Reduction in rural road maintenance cycles.
- Decrease in LoS for road surface.

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. These risk consequences include:

- Road pavement failure leading to more expensive rehabilitation costs
- Increased risk of motor vehicle accidents due to road failure
- Negative public perception as a result of major pavement failure

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan.

7.0 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio[22] 34.22%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 34.22% of the funds required for the optimal renewal of assets.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is $46,722,824 on average per year.

The proposed (budget) operations, maintenance and renewal funding is $23,939,074 on average per year giving a 10-year funding shortfall of $22,783,752 per year. This indicates that 51.24% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets. Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 51.24% for the first years of the AM Plan.

7.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

[22] AIFMM, 2020, Sec 2.4.2

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Forecast costs are shown in current dollars.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2027	19,425,000	1,361,987	13,833,310	20,000,000	$0
2028	16,490,400	1,479,690	14,920,952	20,900,000	$0
2029	19,055,600	1,595,509	15,997,490	22,195,800	$0
2030	18,187,760	1,717,803	17,132,772	23,571,940	$0
2031	13,500,000	1,831,785	18,203,780	25,033,400	$0
2032	6,800,000	1,939,980	19,245,212	26,585,472	$0
2033	5,000,000	2,039,289	20,233,164	28,233,770	$0
2034	5,000,000	2,136,973	21,230,184	29,984,264	$0
2035	5,000,000	2,237,455	22,260,134	31,843,288	$0
2036	5,000,000	2,340,845	23,324,428	33,817,572	$0

7.2 Funding Strategy

The proposed funding for assets is outlined in the Entity's budget and Long-Term financial plan.

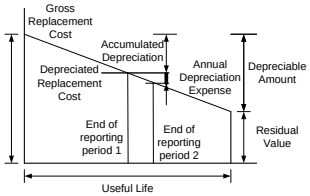
The financial strategy of the entity determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued at fair value at cost to replace service capacity as at the 30th June 2022.

Replacement Cost (Current/Gross)	$1,128,490,282
Depreciable Amount	$890,486,410
Depreciated Replacement Cost[23]	$860,524,606
Depreciation	$15,927,962



7.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are added in service.

[23] Also reported as Written Down Value, Carrying or Net Book Value.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Key Assumptions	Risks of Change to Assumptions
Use of existing inventory and condition data as at 30 June 2024.	Condition data was last compiled during the revaluation exercise undertaken in 2023/24.
Use of 2023/24 2024/2025 Asset Revaluation Manual.	This Asset Management Plan is based on asset revaluation undertaken in 2024/25.
Maintenance and Ops forecast budget utilising historic shortfalls for “required” amount.	Very low risk of any dramatic change in overruns in budgets. Change to annual review of plans will mitigate any dramatic increases or decreases.
Contribution/acquisition budgets and percentages have been based on current budgets as a percentage of the replacement cost of the asset class, and also considering previous years contribution values as a percentage of the current total replacement value of the asset class.	There is medium risk that value of contributions will change in the short – medium term. The implementation of annual review of the plan will mitigate the implication this has on utilising forecast budgets for forward planning.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[24] in accordance with Table 7.5.1.

[24] IPWEA, 2020, Sec 4.2.7

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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. High	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%
C. Medium	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%
D. Low	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%
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Growth projections	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Acquisition forecast	B	Based on known capital allocations from State Government Grand funding and historic trend of dedications.
Operation forecast	B	Council financial records.
Maintenance forecast	B	Council financial records.
Renewal forecast - Asset values	A	Assets revalued in 2023/24
- Asset useful lives	A	Useful lives based on industry standards, reviewed 23/24
- Condition modelling	A	Condition assessment based on 2023/24 revaluation exercise.
Disposal forecast	A	Nil assets identified for disposal.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be medium to high.

8.0 PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices[25]

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is from Council's Corporate Accounting System, Civica Authority. Data also sourced from the adopted 4-year program and LTFP.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is from Council's Corporate Asset Register Brightly (formerly Assetic) MyData.

8.2 Improvement Plan

It is important that an entity recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Undertake further community consultation to allow a full review of service levels.	Asset Planning	In-house, external	When resourcing permits
2	Finalise desired levels of service by establishing current performance and setting performance targets. Have these Levels of Service adopted by Council	Works & Infrastructure/Assets /Finance & Admin Services Manager / Service Delivery Managers	In-house	When resourcing permits
3	Review of customer importance and current trend of not sealing unsealed roads.	Works & Infrastructure/Assets / Finance / Works and Operations Managers	In-house	When resourcing permits
4	Improve response to climate change impacts	Assets/Works and Operations	In-house	Next Adoption
5	Undertake stakeholder review of identified critical assets	Works & Infrastructure/Assets	In-house	Next Adoption
6	Undertake stakeholder review of identified resilience strategies	Works & Infrastructure/Assets	In-house	Next Adoption

[25] ISO 55000 Refers to this as the Asset Management System

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually at desktop level to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

The AM Plan has a maximum adoption life of 4 years and is due for complete revision and update 12 months from a Council Election and/or as part of a new Operational Plan cycle.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,
- The Asset Renewal Funding Ratio achieving the Organisational target (this target is often 90 – 100%).

9.0 REFERENCES

- IPWEA, 2020, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
- IPWEA, 2020 'International Infrastructure Financial Management Manual', Institute of Public Works Engineering Australasia, Sydney
- IPWEA, 2018, Practice Note 12.1, 'Climate Change Impacts on the Useful Life of Assets', Institute of Public Works Engineering Australasia, Sydney
- IPWEA, 2012, Practice Note 6 Long-Term Financial Planning, Institute of Public Works Engineering Australasia, Sydney, https://www.ipwea.org/publications/ipweabookshop/practicenotes/pn6
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- ISO 55000, Overview, principles and terminology
- ISO 31000, Risk management – Guidelines
- Cessnock 2036 – Cessnock Community Strategic Plan
- Cessnock City Council Delivery and Operational Plan
- Cessnock City Council Annual Reports
- 2023-2024 & 2024-2025 Infrastructure Asset Revaluation Manual
- NSW OLG Integrated Planning Guidelines and manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2016 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results

10.0 APPENDICES

Appendix A - Acquisition Forecast

A.1 – Acquisition Forecast Summary
Donated assets are assumed based on historic rate of dedications and proposed upcoming subdivisions.

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2027	19425000	20000000	$0
2028	16490400	20000000	$0
2029	19055600	20000000	$0
2030	18187760	13500000	$0
2031	13500000	13500000	$0
2032	6800000	13500000	$0
2033	5000000	13500000	$0
2034	5000000	13500000	$0
2035	5000000	13500000	$0
2036	5000000	13500000	$0

Appendix B - Operation Forecast

B.1 – Operation Forecast Summary

The operational budget will not meet the service level requirements by year 10 of the planning period. Predominately due to acquired assets.

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2027	1361987	59138	1361987
2028	1420552	54736	1479690
2029	1481636	58583	1595509
2030	1545347	47532	1717803
2031	1611796	40500	1831785
2032	1679492	30450	1939980
2033	1748351	27750	2039289
2034	1818285	27750	2136973
2035	1891017	27750	2237455
2036	1966657	27750	2340845

Appendix C - Maintenance Forecast

C.1 – Maintenance Forecast Summary

The maintenance budget will not meet the service level requirements by year 10 of the planning period. Predominately due to acquired assets.

.

Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2027	10973403	492813	13833310
2028	11445259	456130	14920952
2029	11937405	488195	15997490
2030	12450714	396097	17132772
2031	12986095	337500	18203780
2032	13531511	253750	19245212
2033	14086303	231250	20233164
2034	14649755	231250	21230184
2035	15235745	231250	22260134
2036	15845175	231250	23324428

Appendix D - Renewal Forecast Summary

D.3 – Renewal Forecast Summary

The current renewal budget is not meeting the requirements of community desired service levels.

Table D3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2027	20,000,000	7395000
2028	20,900,000	7712985
2029	22,195,800	8044644
2030	23,571,940	8390563
2031	25,033,400	8751357
2032	26,585,472	9118914
2033	28,233,770	9492790
2034	29,984,264	9872501
2035	31,843,288	10267401
2036	33,817,572	10678097

Appendix E - Budget Summary by Lifecycle Activity

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2027	45000000	1361987	10973403	7395000	0	64730392
2028	170000	1420552	11445259	7712985	0	20748796
2029	170000	1481636	11937405	8044644	0	21633684
2030	170000	1545347	12450714	8390563	0	22556624
2031	170000	1611796	12986095	8751357	0	23519248
2032	170000	1679492	13531511	9118914	0	24499916
2033	170000	1748351	14086303	9492790	0	25497444
2034	170000	1818285	14649755	9872501	0	26510540
2035	170000	1891017	15235745	10267401	0	27564162
2036	170000	1966657	15845175	10678097	0	28659930

Appendix F Service Standards

CRM Category Service Standards

Major Cat	Minor Cat	Level 3 Cat	CRM Description	Default Workflow	Resp Officer	Days
COMMUNSERV	MAINTENANC		Works & Infrast Enquiry	CSEQ	Mr J P Latter	90
PLANT	WORKSHOP		Plant Fleet Workshop Enquir	PLNT	Mr J P Latter	10
AIRPORT	AIRENQUIRY		Airport Enquiries	AIRP	Mr J P Latter	10
MAINTENANC	MAINBRIDGE		Maintenance - Bridges	MBRI	Mr J P Latter	90
MAINTENANC	MAINCOFOOT		Maintenance - Footpaths	MCON	Mr J P Latter	45
MAINTENANC	MAINKERBGT		Maintenance - Kerb & Gutter	MKER	Mr J P Latter	90
MAINTENANC	MAINMOWING		Maintenance - Mowing	MMOW	Mr J P Latter	45
MAINTENANC	MAINSIGNS		Maintenance - Signs	MSIG	Mr J P Latter	45
MAINTENANC	MAINSTORM		Maintenance - Stormwater Dr	MSTO	Mr J P Latter	90
MAINTENANC	MAINTREES		Maintenance - Trees	MTRE	Mr J P Latter	45
MAINTENANC	REMOVEDEAD		Removal of Dead Animal	MVDA	Mr J P Latter	5

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au

CESSNOCK CITY COUNCIL

PLANNING FOR OUR PEOPLE.
OUR PLACE. OUR FUTURE.

BRIDGE AND MAJOR CULVERT

ASSET MANAGEMENT PLAN

CESSNOCK CITY COUNCIL

Document Control	Asset Management Plan				
Document ID :					
Rev No	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
1.0	01/11/14	Converted to NAMS	CN	SL	JFB
2.0	15/04/16	Adopted	CN	SL	JFB
3.0	06/09/17	Adopted	CN	SL	JFB
4.0	Sep 2022	Updated to new template for third adoption	MW	CM	PM
4.1	Dec 2024	Deferred from above for ELT endorsement	MW	CM	PM
4.2	Nov 2025	SRV Supporting Document	MW	CM	PM

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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10-year planning period. The AM Plan will link to a Long-Term Financial Plan (LTFP) which typically considers a 10-year planning period.

1.2 Asset Description

This plan covers the infrastructure assets that provide transport services by way of bridges and major culverts.

The Bridge and Major Culverts network comprises:

- Timber Bridges,
- Concrete Bridges and Culverts, and
- Steel or composite Bridges and Culverts.

1.3 Cessnock City Council Bridge Definition

Council has developed an assessment of determination to define an asset as a bridge or major culvert. Bridges and major culverts are in contrast to those considered as other stormwater infrastructure, which require less regulated asset management practices. Each state and territory throughout Australia apply varying principles to define bridge and major culvert structures. Transport for NSW define such assets as; *"bridges and culverts which carry State Roads over depressions and obstructions such as waterways, roadways, or railways. They must have an opening of six metres or more when measured along the road centre line, or spring lines of arches, or extreme ends of openings for multiple cells".* Cessnock City Council have utilised this definition as a baseline, with further refinement to capture those assets that have other high-risk factors, of which such examples include; high traffic volumes, no alternate detour, historic significance, material type.

In the instance of distinguishing between major and minor culverts utilising the 6m opening guide, Council utilise the following method; based on the widest end/structure/headwall it is the distance between the inner face of the outside wall of box or pipe + 100mm allowance for wall thickness either side + another 200mm each side to account for imported material. Utilising the above formula to determine the 6m rule incorporates the risk of a potential "wash-out" area in the event of an asset failure. In addition, if the placement of two individual culvert assets side-by-side result in what Council considers as a risk closer associated with a major culvert, and combined would meet the 6m opening rule, the two assets will be rated and considered as the one asset.

Further guidance can be found in Councils' condition assessment manual.

The above infrastructure assets have replacement value estimated at **$148,232,754** as at 30 June 2025.

1.4 Levels of Service

The allocation in the planned budget is sufficient to continue providing existing services at current levels for the planning period.

1.5 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population changes,
- Changes in demographics,
- Climate change,
- Vehicle ownership rates,
- Consumer expectations,
- Technological changes,
- Economic factors, and
- Environmental awareness.

These demands will be approached using a combination of managing existing assets, upgrading 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.

1.6 Lifecycle Management Plan

1.6.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for the Bridge and Major Culverts assets is estimated as $39,658,400 or $3,965,840 on average per year.

1.7 Financial Summary

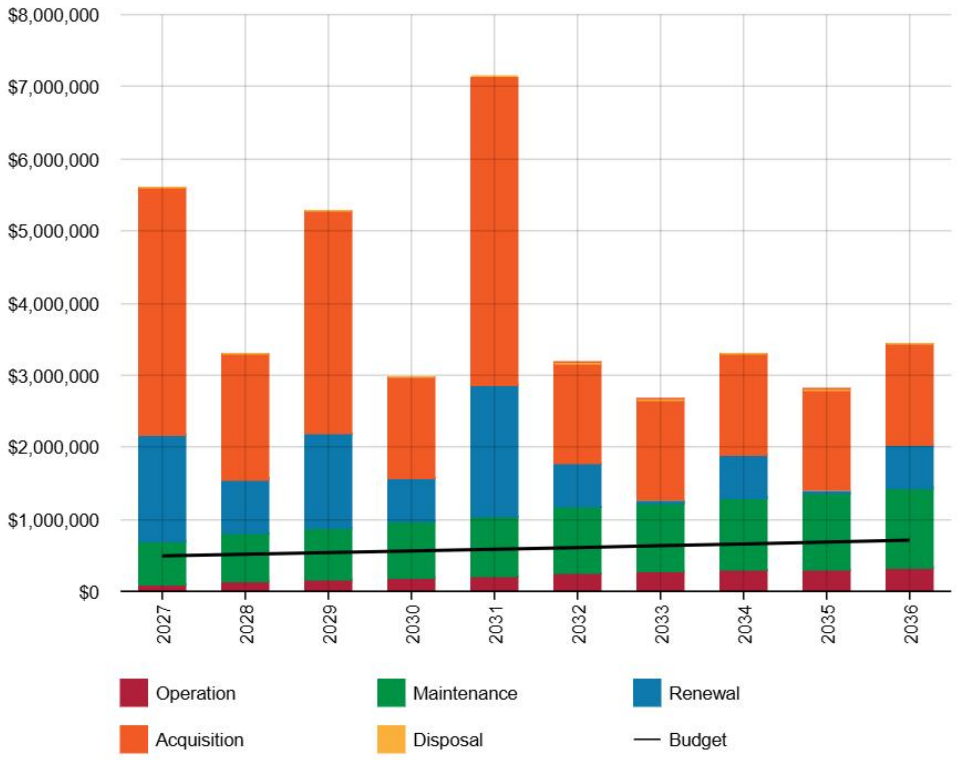
1.7.1 What we will do

Estimated available funding for the 10-year period is $5,978,735 or $597,873 on average per year as per the Long-Term Financial plan or Planned Budget. This is 15.08% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the Long-Term Financial plan can be provided. The informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service level and risks provided.

The anticipated LTFP Planned Budget for bridges covers all required forecast lifecycle costs to provide services in the 10-year period of this AM Plan. This is shown in the figure below:

Forecast Lifecycle Costs and Planned Budgets:



We plan to provide Bridge and Major Culvert services for the following:

- Operation, maintenance, renewal and upgrade of Bridge and Major Culvert assets to meet service levels set by Cessnock City Council in annual budgets.

1.7.2 What we cannot do

We currently do **not** allocate enough budget to improve the current level of service or to provide ongoing lifecycle costs for possible future dedications currently not identified.

1.7.3 Managing the Risks

Our current budget levels are sufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Load limits applied
- Assets out of service, and
- Endeavouring to manage these risks within available funding by:
  - Ongoing inspections and maintenance regime.

1.8 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Asset data is accurate within the register as at 30 June 2025 – current under revaluation
- Relying on revaluation data from 2024/2025 (currently under review), and
- No changes are made to the adopted operation and capital works program during the life of the plan.

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal, and
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable/medium level of confidence information.

1.9 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices include:

- Reviewing and further develop the critical asset management plan within this AMP and further define critical assets,
- Undertake further community consultation to allow a full review of service levels,
- Finalise desired levels of service by establishing current performance and setting performance targets. Service levels are adopted by Council,
- Improve response to climate change impacts, and
- Develop asset Hierarchies.

2.0 INTRODUCTION

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with the Cessnock City Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, where developed, along with other key planning documents:

- Cessnock 2036 – Cessnock Community Strategic Plan,
- Cessnock City Council Operational and Delivery Plan,
- Cessnock City Council LTFP,
- Cessnock City Council Annual Reports,
- 2024-2025 Infrastructure Asset Revaluation Manual,
- NSW OLG Integrated Planning Guidelines and manual,
- Cessnock City Council 2023 Resident Satisfaction Survey Results,
- Cessnock City Council 2021 Resident Satisfaction Survey Results,
- Cessnock City Council 2016 Resident Satisfaction Survey Results, and
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results.

Cessnock City Council Asset Management maturity is considered to be ‘core’.

The Infrastructure assets covered by this AM Plan include bridges and major culverts. For a detailed summary of the assets covered in this AM Plan refer to the Table in Section 5.

These assets are used to provide safe and efficient transportation across waterways and significant topography changes throughout the Local Government Area.

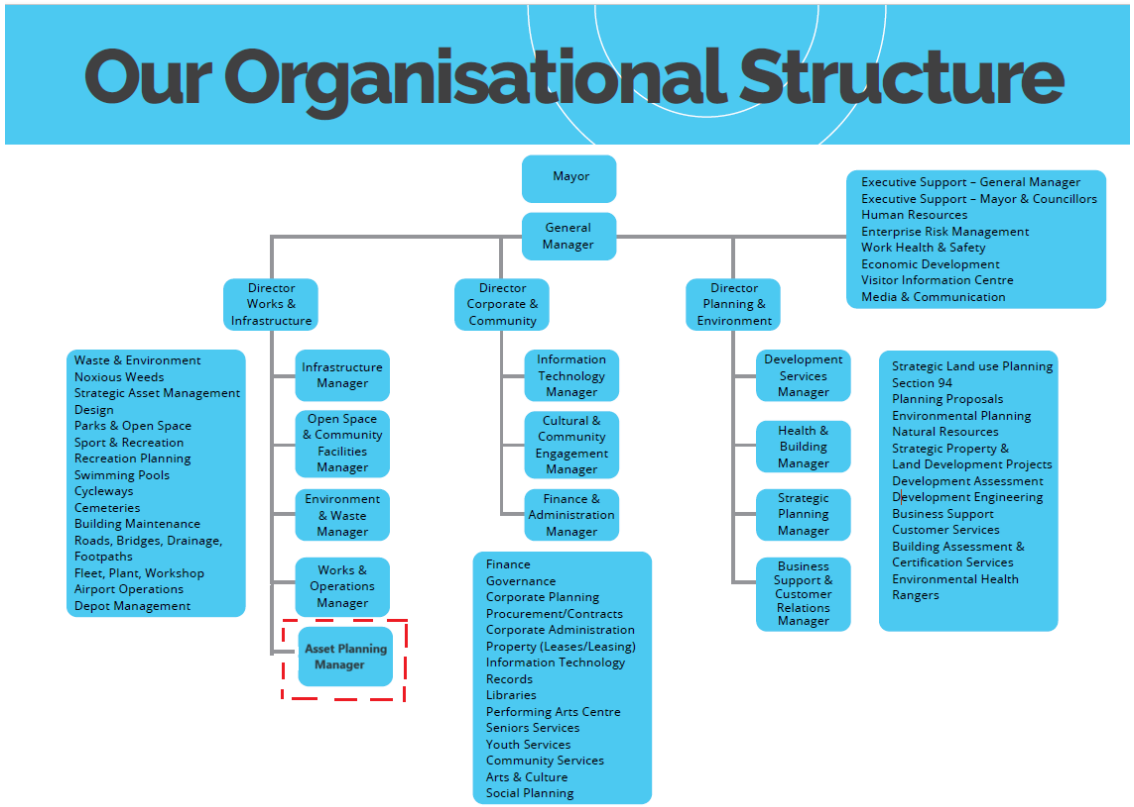
The Infrastructure assets included in this plan have a total replacement value of $148,232,754.

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	• Represent needs of the community, • Allocate resources to meet the organisation's objectives in providing services whilst managing risks, • Ensuring the organisation is financially sustainable, and • To provide stewardship by ensuring the protection of assets for current and future generations.
General Manager	• Ensure the development and implementation of Council's Asset Management Policy, Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, and • Reporting on the status and effectiveness of Asset Management within Council.
Council Staff	• Development and implementation of Council's Asset Management Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, • Ensure integration and compliance of the Asset Management Policy and Strategy with other policies and business processes of Council, • Ensure compliance with legal obligations, • Ensure sound business principles are reflected in the Asset Management strategies and plans that are developed, • Implementation of activities in the Plans, • Engage up to date technologies, methodologies and continuous improvement processes, and • Facilitate "Best Appropriate Practice in Asset Management".
Community	• By providing input into the services required and the cost the community is prepared to pay, and • Set expectation levels.

Our Organisational Structure for service delivery from infrastructure assets is detailed below:



2.2 Goals and Objectives of Asset Ownership

Our goal for managing infrastructure assets is to meet the defined level of service 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 forecast costs and how it will be allocated.

Key elements of the planning framework are:

- Levels of Service – specifies the services and levels of service to be provided,
- Risk Management,
- Future Demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle Management – how to manage its existing and future assets to provide defined levels of service,
- Financial Summary – what funds are required to provide the defined services,
- Asset Management Practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset Management Improvement Plan – how we increase asset management maturity.

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

- International Infrastructure Management Manual 2020, and
- ISO 55000[1]

[1] ISO 55000 Overview, principles and terminology

A road map for preparing an AM Plan is shown below:

Road Map for preparing an Asset Management Plan
Source: IPWEA, 2020, IIMM, Fig 3.6.2.1

3.0 LEVELS OF SERVICE

3.1 Customer Research and Expectations

Cessnock Council engaged Micromex Research in 2023[2] to undertake community research. In the survey conducted residents were contacted to discuss their expectations in the delivery of existing infrastructure assets. Table 3.1 summarises the results from our Customer Satisfaction Survey. Specifics around satisfaction in bridge and culvert assets is somewhat difficult to ascertain and is therefore assumed to be interpreted by the community as included in roads and drainage measures.

Table 3.1: Customer Satisfaction Survey Levels 2023

Service/Facility	Importance (mean ratings)		Satisfaction (mean ratings)	
	Phone	Online	Phone	Onlin
Maintaining sealed roads	4.84	4.30	1.68	1.40
Maintaining unsealed roads	4.45	4.02	2.00	1.59
Converting unsealed roads to sealed roads	4.07	3.76	1.96	1.52
Regulating traffic flow	4.42	4.04	2.52	1.84
Stormwater drainage	4.29	4.09	2.72	2.11
Roadside drainage	4.34	4.04	2.61	2.02

Table 3.1.1: Historical Customer Satisfaction Survey Results

Performance Measure	Importance	Satisfaction	Performance Gap 2021	Performance Gap 2019
Maintaining sealed roads	4.80	1.84	2.95	2.71
Maintaining unsealed roads	4.39	2.02	2.37	2.21
Stormwater drainage	4.24	4.40	1.15	1.56
Roadside drainage	4.25	4.07	1.46	1.71
Regulating traffic flow	4.38	2.67	1.71	1.29

In addition, the 2036 Community Strategic Plan indicated the community satisfaction for roads has varied over the past 10 years, see table 3.1.1:

Table 3.1.1: Customer Satisfaction 10 Year

Measure	2012	2014	2016	2021	Target
The road network is effective and in good repair	1.45	1.91	1.87	1.84	Improve

Council also engaged Micromex Research in March of 2015 to undertake further Community Consultation. This was to determine what the community finds as an acceptable condition state of the assets. The concluding evidence from this survey found: "*The majority of residents indicated that 'Condition 3 or better' was the acceptable condition for all assets*". The online

[2] where 1 is not satisfied and 5 is very satisfied.

component of the 2023 survey suggested the community would prefer (66%) that the Council concentrate on maintaining existing assets in condition 4 & 5.

The 2021 community survey indicated that **90%** of respondents would like to see **more** investment in roads, bridges and transport, with a strong focus on spending funds **to maintain existing assets** (44%) rather than providing new.

3.2 Strategic and Corporate Goals

This AM Plan is prepared under the direction of Cessnock City Councils' vision, mission, goals and objectives.

Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

The 2026-29 Delivery Program has five desired outcomes as identified in the Community Strategic Plan. They are:

1. **Live**
2. **Thrive**
3. **Protect**
4. **Move; and**
5. **Lead.**

Relevant community desired outcomes and strategic directions, and how these are addressed in this asset management plan are:

Table 3.2: Goals and how these are addressed in this Plan

Goal	Objective	How Goal and Objectives are addressed in the AM Plan
Improve our Road Network	Objective 4.1.2 Ensure our existing road network remains contemporary and meets the community's needs	• Conversion of single lane bridges
	Objective 4.2 Improve our road network	• Advocate for state funding to better manage traffic impacts on the bridge and culvert network. • Upgrade timber bridges with load limits

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the bridges and major culverts are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a Long-term Financial plan supported by asset management plans for sustainable service delivery. The purposes of this Act are as follows: a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales, b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales, c) to encourage and assist the effective participation of local communities in the affairs of local government, To give councils: • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public; • the responsibility for administering some regulatory systems under this Act; and • a role in the management, improvement and development of the resources of their areas. d) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.
Local Government Act Annual Report Section 428(2)(d)	e) A report of the condition of the public works (including public buildings, public road and water sewerage and drainage works) under the control of council as at the end of that year; together with: (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard, (ii) An estimate (at current values) of the annual expense of maintain the works at that standard, and (iii) The Council's programme for maintenance for that year in respect of the works.
Civil Liabilities Act	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Public Works Act	Sets out the role of Council in the planning and construction of new assets.
Environmental Planning and Assessment Act	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.

Legislation	Requirement
Work Health and Safety Act	The main object of this Act is to provide for a balanced and nationally consistent framework to secure the health and safety of workers and workplaces.
Work Health and Safety Regulations	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.
AS5100	Bridge design, Part 1: Scope and general principles. Bridges in Australia and New Zealand are designed in accordance with AS 5100 (Bridge Design), and the NZ Transport Agency Bridge Manual. The Guide provides supporting information to the Standards, enabling users to apply and interpret them to achieve the best design, assessment, management and maintenance outcomes.
Threatened Species Conservation Act	An Act to conserve threatened species, populations and ecological communities of animals and plants.
Protection of the Environment Operations Act	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
Road Transport (Safety and Traffic Management) Act	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Road Transport (General) Act	Provides for the administration and enforcement of road transport legislation. It provides for the review of decisions made under road transport legislation. It makes provision for the use of vehicles on roads and road related areas and also with respect to written off and wrecked vehicles.
Roads Act	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RMS and other public authorities as roads authorities for both classified and unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RMS and other roads authorities. Finally, it provides for distribution of functions conferred by this Act between the RMS and other roads authorities, and regulates the carrying out of various activities on public roads.
Disability Discrimination Act	The Federal Disability Discrimination Act 1992 (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.
Native Vegetation Act	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the

Legislation	Requirement
	Act. The Act outlines what landowners can and cannot do in clearing native vegetation.
AS 1742	Australian Standard 1742 which refers to a variety of road and traffic issues.
NSW Road Rules	A provision of road rules that are based on the Australian Road Rules so as to ensure that the road rules applicable in this State are substantially uniform with road rules applicable elsewhere in Australia.
NSW Government Flood Prone Land Policy – Floodplain Development Manual	Council's obligations in relation to the management of flood liable land in accordance with Section 733 of the Local Government Act, 1993.
TNSW Bridge Inventory, Inspection and Condition rating Policy 158	This policy describes the bridge inventory collection, inspection and condition assessment regime: https://roads-waterways.transport.nsw.gov.au/about/access-to-information/policy-documents.html#Traffic,Roads,BridgesandFerries
VICroads Part 3 Condition	Condition assessment guide.

3.4 Service Levels

- Service levels are defined in three ways, customer values, customer levels of service and technical levels of service. These include:

3.4.1 Customer Values

- What aspects of the service is important to the customer,
- Whether they see value in what is currently provided and
- The likely trend over time based on the current budget provision

Table 3.4: Customer Values

Service Objective: Quality			
Customer Values	**Customer Satisfaction Measure**	**Current Feedback**	**Expected Trend Based on Planned Budget**
Well maintained road network that are fit for purpose	Community Satisfaction Survey	1.54	Improve
Well maintained unsealed roads	Community Satisfaction Survey	1.8	Maintain

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition 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?

In Table 3.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Well maintained bridge structures that are fit for purpose	Bridge Condition Number BCN[3] (Overall Condition Index OCI)	55.74[4]	Improve
	Confidence levels		Medium	Medium
Function	Assets all in service	No detours in place	All bridges and culverts currently in service	Maintain
	Confidence levels		High	Medium
Capacity[5]	Single lane bridges and those with load limits	Quantity of single lane bridges, and quantity of bridges with load limits	16 single lane bridges 16 bridges with Load Limits	Improve
	Confidence levels		High	Medium

*** High - (Professional Judgement supported by extensive data), Medium (Professional judgement supported by data sampling, Low (Professional Judgement with no data evidence)**

3.6 Technical Levels of Service

To deliver the customers values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

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

[3] Where 1 is failed and 100 is new
[4] Varying age of data depending on most recent level 2 assessment
[5] Excluding pedestrian/footbridges

- **Acquisition** – 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).
- **Operation** – 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 provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.[6]

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	Bridge and Culvert infrastructure is meeting traffic capacity, and load requirements	Customer service requests Load Limits	Of the 45 customer requests in 2024, all were complete within the 90-day timeframe. 16 Bridges with load limits	Maintain
		Budget	$0	$1,750,000
Operation	To undertake routine inspections to record condition changes and meet legislative requirements.	All timber bridges have a level 2 assessment undertaken annually. All other bridges have an inspection undertaken biennial.	All timber bridges inspections and concrete bridges being met within timeframes.	To maintain current performance, but also improve performance including major culverts and footbridges in inspection regime.
		Budget	$100,000	$136,000
Maintenance	Bridge and culverts remain in service	Customer service requests	CRM responded to within agreed timeframe, current	Maintain current performance

[6] IPWEA, 2020, IIMM, p 2|28.

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
		Asset out of service Findings from level 1 & 2 inspections	performance 100%. Remediating maintenance issues from level 1 ad 2 where resourcing permits in a timely manner.	
		Budget	$392,763	$668,055
Renewal	Bridge and culverts remain in service	Customer service requests Asset out of service Findings from level 2/3 inspections	Renewal request or assets that require a renewal to be reinstated in service are programmed in 10 year works program. Renewal tasks identified from level 2 inspections schedule in 10 year works program.	Maintain current performance – achieved.
		Budget	$0	$1,470,000
Disposal	NA	NA	NA	NA

Note: * Current activities related to Planned Budget.
** Expected performance related to forecast lifecycle costs.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4.0 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 have been identified and documented.

4.3 Demand Impact and Demand Management Plan

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

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

Opportunities identified to date for demand management are shown in Table 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	70,765 as at 30/06/2023[7]	The projected population for 2041 is 107,375.	Population growth will increase traffic volumes, and increase demand on transport infrastructure, such as bus & transport facilities, footpaths & Cycleways, improved road network, etc.	Engage with the community to identify justifiable community needs from other expectations and consider only community needs consistent with Council's charter. Study road condition rating from this plan and prioritise a list of roads to be included in the annual reseal / rehabilitation program. Investigate alternative treatments to lower life cycle costs i.e. seal types, rejuvenation.
Demographics	Approximately 3% of the residents are from non-English speaking backgrounds	An increase of migrants settling in Cessnock LGA from non-English speaking backgrounds, are expected to increase.	Better Traffic Management Devices are Required, and Clearer Signage	New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets to meet growing service delivery demand

[7] Source: Home | Cessnock City Council | Community profile based on most current Census data

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Demographics	Over 39% of the population have a long term health condition, of which over 7.8% would need assistance in their day-to-day lives.	Expect to see an increase in demand for services due to the ageing population	Increase in demand for DDA compliant Infrastructure, Services and Equitable Access	Engage with the community to identify justifiable community needs from other expectations and consider only community needs consistent with Council's charter. New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets to meet growing service delivery demand
Climate Change	Scientific evidence supporting the notion of climate change.	Increase severity of weather events temperature rise in sea level.	Cessnock Road Infrastructure Assets will need to adapt to new climate risks to ensure appropriate infrastructure investment decisions are made to reduce long-term costs.	Investigate alternative treatments to lower life cycle costs, and combat climate impacts i.e. seal types, rejuvenation.

Table4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Residential Development	Increase in demand for residential land and infrastructure.	Increase in population (see above)	Increase in demand for maintenance of bridges and major culverts.	Implement enhanced quality control measures for donated assets, including longer defects liability periods. Bridges or culverts required to be upgraded to meet growth will need to be assessed with a balance between competing demands for compliance and regulation.
Changes in Land use	Changes in land use will result from rezoning and higher density developments.	As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue.	Increased loading on existing infrastructure from development works (construction works can cause significant damage to existing infrastructure)	Revise planning controls to increase population density and decrease the extent of new road network. Encourage industry to be near State controlled roads.

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Cessnock City Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.[8]

Council currently has an adopted Climate Change Resilience Plan, which can be found on their website. This document sets out the climate change impacts on Council and the Councils' response to climate change.

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Increase flood events	More frequent severe weather events	Assets damaged and temporarily out of service. May require community detours, or create temporary isolation.	Predominately managed through insurance. Communities likely to become isolated (Wollombi/Laguna) have had emergency generators and solar power installed at Councils' community halls.
Increase fire events	Long periods of draught, increasing bush fire risk	Assets damaged and temporarily out of service. May require community detours, or create temporary isolation.	Predominately managed through insurance. Construction material and its fire resistance to be considered.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

[8] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

- Assets will withstand the impacts of climate change,
- Services can be sustained, and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint.

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
Upgrade/new bridges	Increase bushfire and flooding threat raises the risk of damaging assets.	Replace timber structures with concrete. Consider fire resistance in design/location.
New culverts	Increase flooding threat raises the risk of damaging assets.	Detailed flood report and hydraulic engineering for new assets created in flood-prone areas.

The impact of climate change on assets is a complex discussion and further opportunities will be developed in future revisions of this AM Plan.

5.0 LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the Cessnock City Council plans to manage and operate the assets at the agreed levels of service (Refer back to Section 3) while managing life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 5.1.1.

Table 5.1.1: Assets covered by this Plan[9]

Asset Category	Quantity
Concrete Bridges	53
Culverts	68
Timber Bridges	44
Steel Bridges	17
Composite Bridges	6
TOTAL:	**188**

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

Table 5.1.2: Known Service Performance Deficiencies

Asset ID	Asset Name	Segment/Group Name	Route Use	Service Deficiency
113	Mulbring	Vermont	No Detour	44T
13	Cedar Creek	Cedar Creek	No Detour	25T
19	Laguna	Watagan Creek 4	No Detour	44T
20	Laguna	Dairy Arm	No Detour	44T
23	Laguna	Murrays Run 2	No Detour	44T
31	Cessnock	Ferguson Street	Detour	15T
32	Cessnock	Henderson Avenue	Detour	14T
33	Cessnock	Doyle Street	Detour	10t
5	*Wollombi*	*Cunneens*	*Detour*	*Asset is isolated from any use/access – alternate access route has been provided.*
50	Abermain	Bathurst Street	Detour	3.5, 5.5, 6T
53	Greta	Hunter Street	Detour	6t
8	Laguna	Thompsons Bridge[10]	Detour	*Asset is isolated from any use/access – alternate access route has been provided.*

[9] Under review
[10] Historic Structure – no access to pedestrian or vehicle.

Asset ID	Asset Name	Segment/Group Name	Route Use	Service Deficiency
121	Cessnock	Quarrybylong Street	Detour	2.5 T
126	Kurri Kurri	Culvert Boundary St	Detour	3t
136	Quorrobolong	Culvert #4 Sandy Creek Rd	Detour	15T
140	Aberdare	Culvert Duffie Drive	Detour	25t

The above service deficiencies were identified from level 3 assessments.

5.1.3 Asset condition

Council has rated their bridge assets in-line with the VICroads Condition Rating of Structure Components, part 3 of the Road Structures Inspection Manual. This system utilises a 1 – 4 grading system.

Cessnock City Council undertakes proactive inspections to determine the bridge asset conditions in-line with TNSW Bridge Inspection Procedure Manual:

- Level 1 Inspections: are carried out by qualified Council staff to identify obvious safety issues and defects on all bridges and major culverts. The information collected through these inspections forms the basis of the bridge maintenance program, which is carried out by Council's Bridge Maintenance Crew on an ongoing basis. Level 1 inspections occur approximately every 6-8 weeks for Timber Bridges.
- Level 2 inspections: are also carried out by qualified Council staff and are condition rating inspections carried out with reference to the RTA Bridge Inspection Procedure. Level 2 inspections occur every 12 months for timber bridges and every 24 months for Concrete, Steel and Composite Bridges. The information gained from the level 2 inspections is used in Council's asset management system to calculate a Bridge Condition Number (BCN). The BCN is a weighted calculation which includes an average condition score for all components (sub structure (weighted by 8.75), super structure (weighted by 8.75), rails (weighted by 3.75), and surface (weighted by 3.75) of the bridge to give an overall condition number. The lower the number the worse condition of the bridge. In cases where the Level 2 inspection indicates that there are a number of defects and/or more serious issues with the bridge structure a Level 3 inspection is requested.
- Level 3 inspections: are provided by external specialist bridge consulting engineers engaged, as required, to provide a more detailed assessment of the structural components of the bridge and to identify the need or otherwise for load limits to be imposed. The Level 3 assessments inform the bridge maintenance program (heavy maintenance) and the identification and prioritisation process for Council's Bridge Construction Program.

CCC assesses bridge condition as a numerical value formed by a mathematical combination of a number of element condition states on a scale from 0 to 75. This scale is the Bridge Condition Number (BCN), and is used to develop the prioritisation of the renewal works program, and show trends over time of the health of the bridge network. The BCN is calculated using a formula derived from an average element condition of each component and weighted according to the critical nature of each component.

BCN = 100 – ((Sub-Structure x 8.75) + (Super-Structure x 8.75) + (Rails x 3.75) + (Surface x 3.75)).

With a systematic inspection regime in place, monitoring condition over time is a means of tracking the performance of an element and ultimately of the bridge. A worsening change in condition is a clear indicator of element deterioration. In addition, change in condition may be used to test and demonstrate the effectiveness of adopted maintenance repair strategies. Bridge element condition is a most useful input for identifying maintenance repair needs, particularly at the local level.

The four condition states used to determine elemental condition is defined in general terms in the table below. The condition of an element is not necessarily confined to one condition state. Bridge element condition is recorded as the quantity, or the percentage of the elements total quantity, in each of the four condition states, at the time of inspection.

Table 5.1.3: Condition Grading Model using Bridge Condition Number (BCN) Interpretation

Condition	BCN Range	Description
0	100-99	Newly Constructed, less than 12 months old.
1	62.51 - 98	The element is in good condition with little or no deterioration. Superficial cracks and discoloration may be present, but without effect on strength and/or serviceability
2	37.51 - 62.50	Minor decay, insect infestation, scouring, splitting, cracking, checking or crushing may exist but none is sufficiently advanced to affect serviceability.
3	12.51 - 37.50	Medium decay, insect infestation, scouring, splitting, cracking, or crushing has produced loss of strength of the element but not of a sufficient magnitude to affect the serviceability of the bridge. Advancing deterioration and loss of protection to the support material.
4	0.1 - 12.50	Advanced deterioration. Heavy decay, insect infestation, scouring, splits, cracks or crushing has produced loss of strength that affects the serviceability of the bridge.
EOL		End of Life (EOL) asset has failed/no longer in use

The condition profile of our assets is shown in Figure 5.1.3.

Figure 5.1.3a: Asset Condition Profile – BCN[11]

[11] Level 2 inspections occur on an individual cycle and may range from 2019-2024. Culverts and footbridges are just being added to the schedule and may not be current data

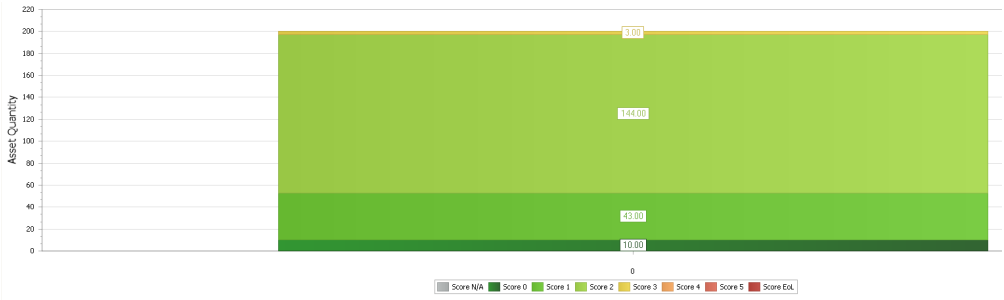


Figure 5.1.3b: Asset Condition Profile – Bridge Rails

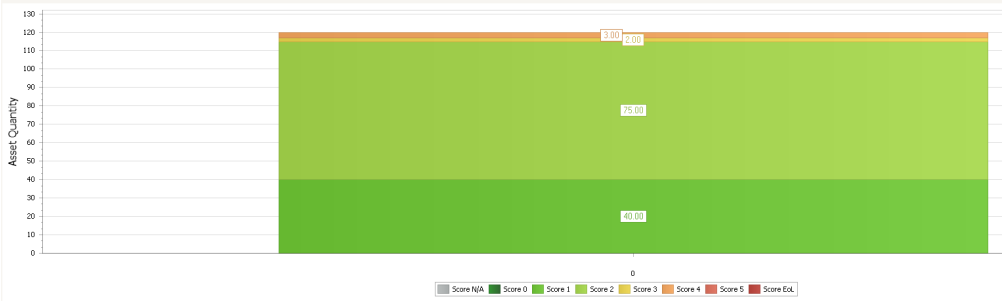


Figure 5.1.3c: Asset Condition Profile – Bridge Substructure

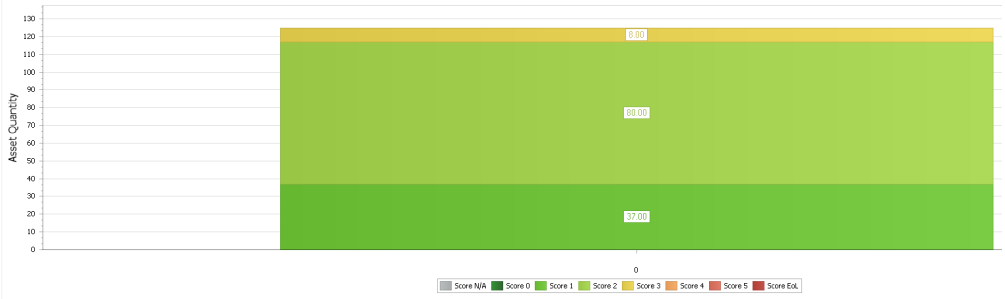
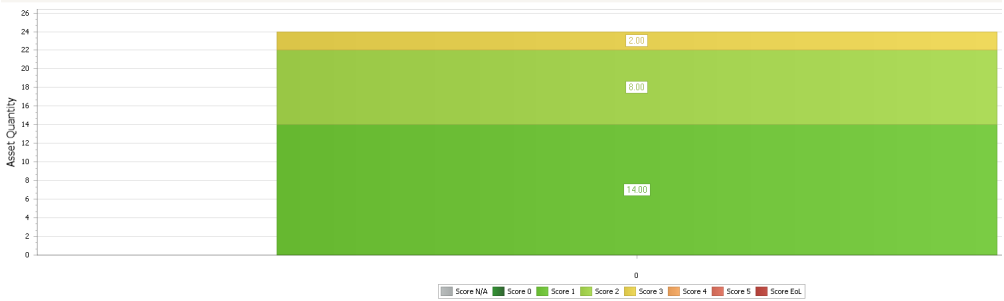


Figure 5.1.3d: Asset Condition Profile – Bridge Surface



5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets are shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget in Dollar Amount
2022	$157,000
2023	$359,131
2024	$300,282
2025	$258,000

Maintenance budget levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Reactive maintenance is carried out in accordance with response levels of service detailed in Appendix G.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The service hierarchy is shown is Table 5.2.2.

Table 5.2.2: Asset Service Hierarchy

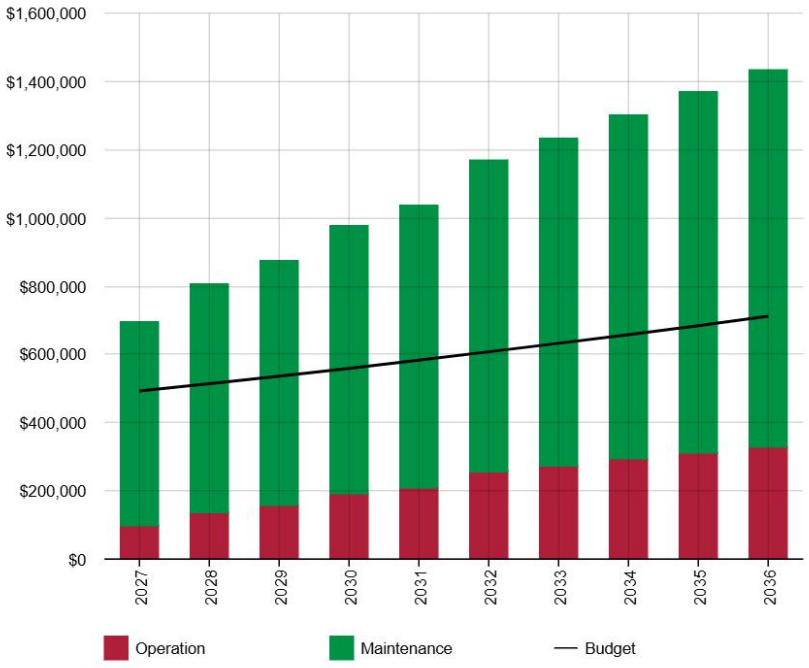
Service Hierarchy	Service Level Objective
Bridge on Regional Roads (Urban & Rural)	High level of management required due to the high importance of the structure. Regional Roads are a category of Council controlled road, agreed with Roads and Maritime Services (RMS) for road administration purposes. Regional Roads perform an intermediate function between the main arterial network of RMS controlled State Roads and the network of local access and circulation roads controlled by Council.

Bridge on Local Urban Road	Reasonable level of management required due to the medium importance of the structure. For movement of cars and trucks in urban areas, from higher hierarchies for access to residences or businesses within the LGA.
Bridge on Local Rural Road	Standard level of management required due to the lower importance of the structure. For movement of cars and trucks in rural areas, from higher hierarchies for access to residences or businesses within the LGA.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

Figure 5.2: Operations and Maintenance Summary



5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed on 30th June 2025.

Table 5.3: Useful Lives of Assets

Asset (Sub)Category	Useful Life (Yrs)
Concrete Bridge or Major Culvert Structure	100
Steel Bridge Structure	80
Timber Bridge Structure	80
Culvert	100
Bridge Rail	38
Bridge Surface	25

The estimates for renewals in this AM Plan were based on the alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5 t load limit), or

To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. load capacity of the bridge).[12]

It is possible to prioritise renewals by identifying assets or asset groups that:

Have a high consequence of failure,

Have high use and subsequent impact on users would be significant,

Have higher than expected operational or maintenance costs, and

Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.[13]

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

Table 5.3.1: Renewal Priority Ranking Criteria

Criteria	Weighting
Importance to road network, industry and community for structure to provide continued service	30%

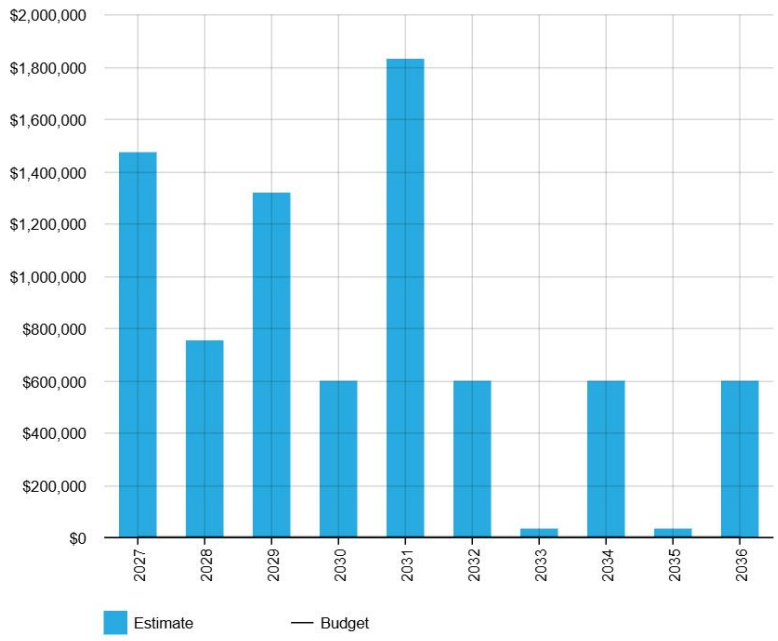
[12] IPWEA, 2020, IIMM, Sec 3.4.2
[13] IPWEA, 2020, IIMM, Sec 3.5.3

Current Super Structure Condition (Girders, deck)	25%
Current Sub Structure Condition (Capwale, headwalls, piles, abutments, brace)	15%
Grant Funding Approved	15%
Load limit currently imposed	10%
Financial Impact	5%
Total	**100%**

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

Figure 5.4.1: Forecast Renewal Costs



The is currently no available planned renewal budget for bridges within existing programs.

5.5 Acquisition Plan

Acquisition reflects new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Cessnock City Council.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. The adopted Asset Management Policy states that new work should only be considered if external funding is available. Additionally, ppotential upgrade and new works should be reviewed to verify that they are essential to the Entities needs.

Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria for upgrade assets is detailed in Table 5.5.1. New/dedicated assets should be provided through 100% external funding.

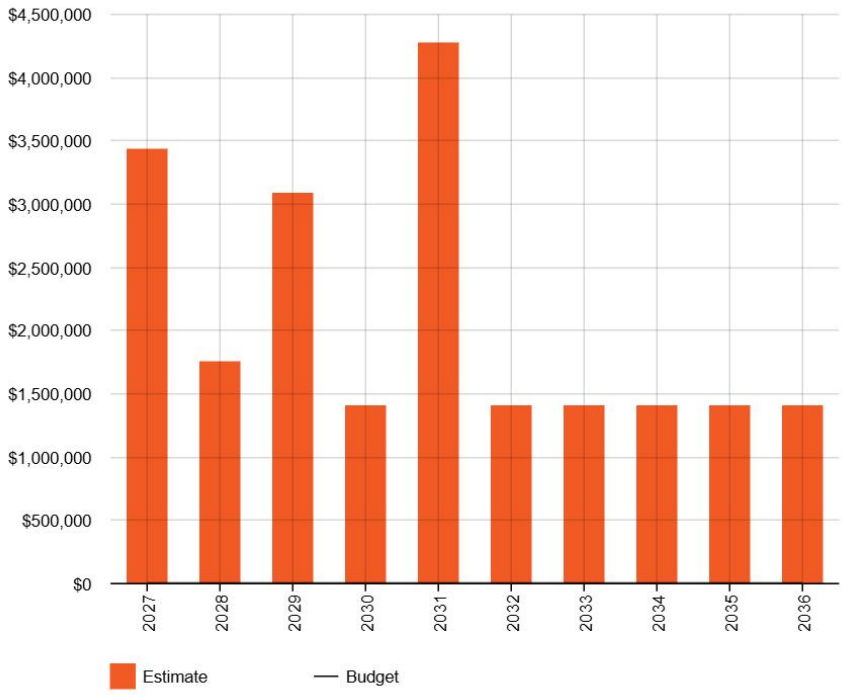
Table 5.5.1: Acquired (Upgrade) Assets Priority Ranking Criteria

Criteria	Weighting
Importance to road network, industry and community for structure to provide continued service	30%
Current Super Structure Condition (Girders, deck)	25%
Current Sub Structure Condition (Capwale, headwalls, piles, abutments, brace)	15%
Grant Funding Approved	15%
Load limit currently imposed	10%
Financial Impact	5%
Total	**100%**

Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised / summarized in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

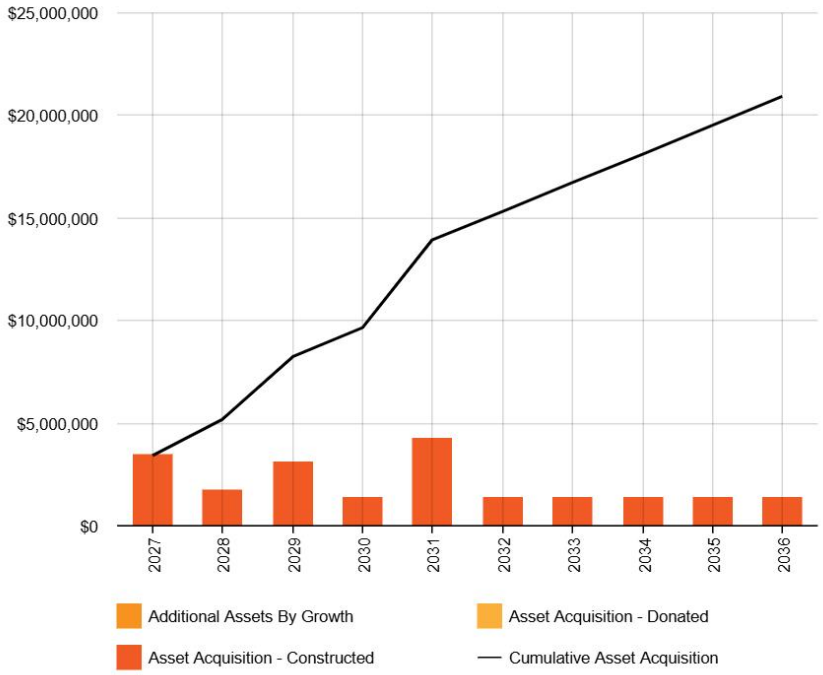
Figure 5.5.1: Acquisition (Constructed) Summary



There is currently no planned new/upgrade budgets in current works programs.

When an Entity commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Entity. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.5.2.

Figure 5.5.2: Acquisition Summary



Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

There are no known new bridge or major culvert assets to be constructed or dedicated in the short to medium term.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Note the following does not include instances where the asset is to be replaced by another. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

Table 5.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Asset disposals will occur where program replaces and asset				NIL – as a replacement of an existing asset

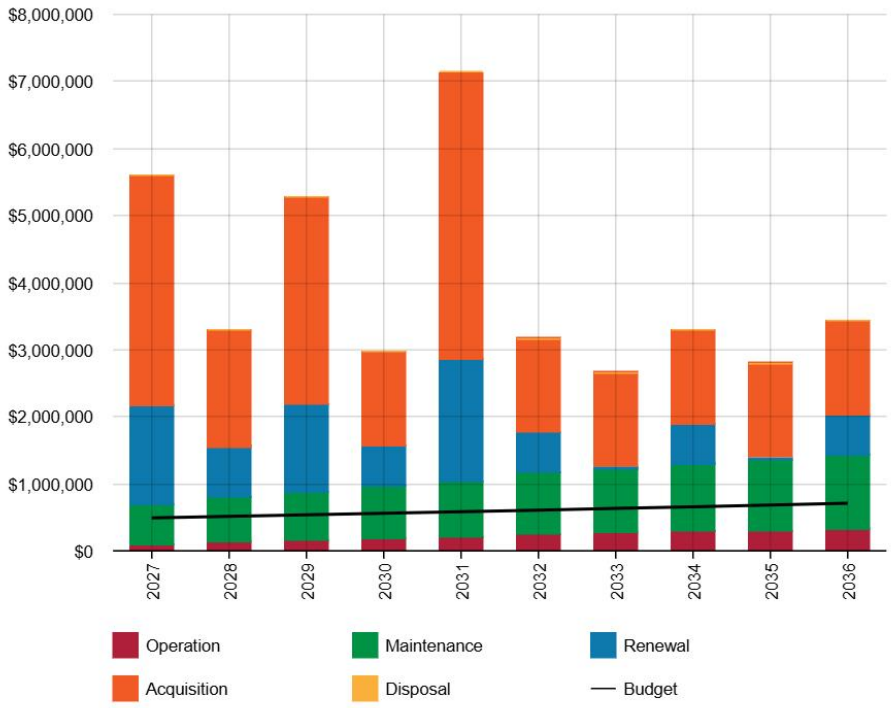
The progress of the disposal plan within this AMP is to be reported to the Asset Management Steering Group, and where deadlines for commitments cannot be met; reported on and updated accordingly.

5.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.7.1: Lifecycle Summary



6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'[14].

An assessment of risks[15] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 6.1 Critical Assets

Asset Id	Critical Assets	Critical Failure Mode	Operations & Maintenance Activities
		No other Alternate Route	
185	Culvert DeBeyers Road	Structural failure or deteriorated condition of asset affecting the use/ availability/capacity/function of the asset	Regular inspections and early intervention/identification of major renewal items.
13	Cedar Creek		
14	Stockyard Creek		
15	Yango Creek**		
16	Milsons Arm		
17	Watagan Creek 1		
90	Watagan Creek 2		
18	Watagan Creek 3		
19	Watagan Creek 4		
228	Watagan Creek Culvert		
20	Dairy Arm		
194	Hunter Lodge		
23	Murrays Run 2		

[14] ISO 31000:2009, p 2
[15] Infrastructure Risk Management Plan DOC2015/012452

Asset Id	Critical Assets	Critical Failure Mode	Operations & Maintenance Activities
189	Culvert Murrays Run 1		
43	Thursby's Bridge Congewai		
45	Burgesses Bridge		
64	Dog Hole Rd Bridge		
124	Dill Street Culvert		
113	Vermont - Mulbring		
143	Culvert Tunnel Road		
149	Culvert Congewai Road		
192	Crawfords Bridge		
190	Culvert Lowes Bridge		
172	Culvert Kent Street		
173	Culvert York Street		
		Major Transport Link HV	
95	Mitchell Avenue	Structural failure or deteriorated condition of asset affecting the use/ availability/capacity/function of the asset	Regular inspections and early intervention/identification of major renewal items.
82	Homestead Bridge		

** Although Yango Creek Road does have two points of access, a risk/likihood of potential flooding or fire event stopping residents between the event and a point of escape should a bridge be down, is seen as still fitting “no other alternate route”.

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used 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 International Standard ISO 31000:2018.

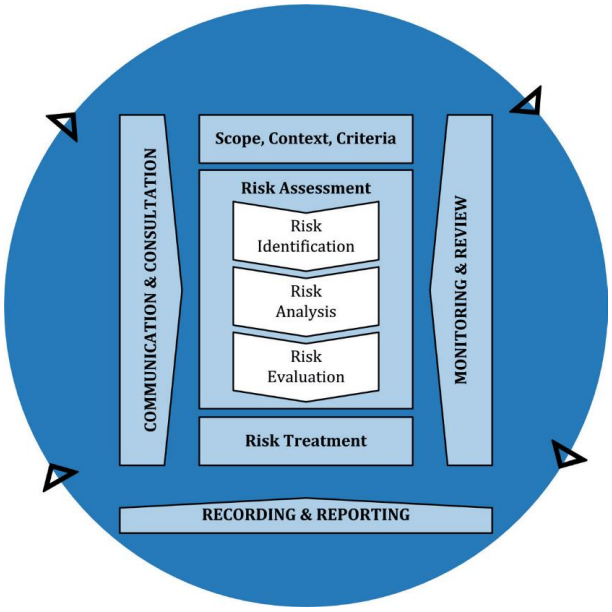


Fig 6.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks[16] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management and the Council.

[16] REPLACE with Reference to the Corporate or Infrastructure Risk Management Plan as the footnote

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH & H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Bridge/Culvert	Deterioration of a structural member from poor quality, age or inadequate maintenance could result in bridge being non-trafficable, closed or collapsing and a disruption to the traffic flow	H	Regular inspections & maintenance as identified from level 2 & 3 inspections. Level 3 inspection, including load capacity rating, implementation of load ratings where required. New construction is assessed by competent engineer. Upgrade of bridges consistent with community demand and available funding.	H	TBA
Bridge/Culvert	Vandalism resulting in the use of unbudgeted maintenance money to be spent to rectify the issue	L	Regular Maintenance	L	TBA
Bridge/Culvert	Structural damage from oversize/overmass vehicles due to non-compliance of existing controls	H	Regular inspections, installation of dimension restriction structure	H	TBA
Bridge/Culvert	Subsidence on approaches resulting in sharp bump on approach to bridge	L	Regular inspections, and customer requests	L	TBA
Bridge/Culvert	Narrow traffic lanes or inadequate safety rails on bridge could cause collision with cars or pedestrians	M	Regular inspections, and maintenance	M	TBA

Service or Asset at Risk	What can Happen	Risk Rating (VH & H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Bridge/Culvert	Blocked drainage on surface can result in ponding of water on the bridge	M	Regular inspections, and maintenance	M	TBA
Bridge/Culvert	Flood damage from trees blocking the waterway	L	Regular inspections, and maintenance	L	TBA
Bridge/Culvert	Guardrail missing or damaged resulting in a safety hazard due to no clear path of travel	M	Regular inspections, and maintenance	M	TBA
Bridge/Culvert	Inadequate design could result in an accident on the bridge	M	Regular inspections, new construction is assessed by a competent engineer.	M	TBA

Note - The residual risk is the risk remaining after the selected risk treatment plan is implemented.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 6.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Assets out of service	Ongoing level 2 assessments	High
Load limited bridges or load limits increased	Level 2 & 3 assessments	High

6.4 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.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Increase level of service.

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Assets out of service (are no longer safe or do not meet their intended function, or capacity)
- Decrease in LOS – i.e., possible load limits

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. These risk consequences include:

- Bridges that remain with load limits and/or required detours for heavy vehicles,
- Bridges that remain single lane

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan.

7.0 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio[17] 0%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 0% of the funds required to sustain the current level of service, based on asset renewal. It should be noted that a lot of Councils' bridge replacements are considered "acquisitions/construction" as they are typically an upgrade to capacity, whether through material, lanes/width/length and the like.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10 year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is $1,872,840 average per year.

The proposed (budget) operations, maintenance and renewal funding is $597,874 on average per year giving a 10 year funding shortfall of $1,274,966 per year. This indicates that 31.92% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 31.92% for the first years of the AM Plan.

7.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

[17] AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

Forecast costs are shown in current dollar values.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2027	3,430,000	100,000	599,400	1,470,000	0
2028	1,750,000	136,885	668,055	750,000	0
2029	3,080,000	157,995	716,810	1,320,000	0
2030	1,400,000	191,933	783,350	600,000	0
2031	4,270,000	210,112	829,410	1,830,000	0
2032	1,400,000	255,647	911,845	600,000	0
2033	1,400,000	274,003	958,855	30,000	0
2034	1,400,000	292,437	1,007,045	600,000	0
2035	1,400,000	311,077	1,056,455	30,000	0
2036	1,400,000	329,931	1,107,155	600,000	0

7.2 Funding Strategy

The proposed funding for assets is outlined in the Entity's budget and Long-Term financial plan.

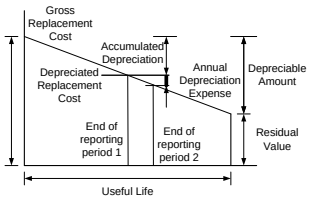
The financial strategy of the entity determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued at fair value at cost to replace service capacity:

Replacement Cost (Current/Gross)	$148,232,754
Accumulated Depreciation	$11,396,049
Depreciated Replacement Cost[18]	$136,836,704
Depreciation	$1,053,668



7.3.2 Valuation forecast

Asset values are forecast to increase as assets are upgraded.

[18] Also reported as Written Down Value, Carrying or Net Book Value.

Where future assets are dedicated, these will add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Key Assumptions	Risks of Change to Assumptions
Use of existing inventory and condition data as at 30 June 2025.	Condition data was last compiled during the revaluation exercise undertaken in 2024/25.
Use of 2024/25 Asset Revaluation Manual – revaluation currently in progress for June 2025.	This Asset Management Plan is based on asset revaluation undertaken in 2024/25 that is subject to change by the end of June 2025 revaluation.
Planned expenditure values obtained from current budgets and Council's four year delivery program, and Council's updated LTFP.	The four year Delivery Program and LTFP may change in the future. Any changes in funding, planned capital and maintenance will be reflected in future asset management plans.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[19] in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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. High	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%
C. Medium	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

[19] IPWEA, 2020, Sec 4.2.7

Confidence Grade	Description
	complete but up to 50% is extrapolated data and accuracy estimated ± 25%
D. Low	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%
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Growth projections	A	Based on demographic analysis undertaken in 2023 and State Government projections.
Acquisition forecast	B	Based on known capital allocations from State Government Grand funding.
Operation forecast	B	Council financial records.
Maintenance forecast	B	Council financial records.
Renewal forecast - Asset values	B	Assets revalued in 2024/25 – currently under review
- Asset useful lives	A	Useful lives based on industry standards, reviewed 23/24.
- Condition modelling	B	Condition assessment currently underway
Disposal forecast	B	Nil assets identified for disposal.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be medium.

8.0 PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices[20]

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is through Council's accounting database Civica Authority and Asset Register Brightly MyData.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is Council's asset register Brightly MyData.

8.2 Improvement Plan

It is important that an entity recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Undertake further community consultation to allow a full review of service levels.	Assets, Infrastructure and Open Space and Community Facilities	In-house, external	When resourcing permits
2	Finalise desired levels of service by establishing current performance and setting performance targets. Have these Levels of Service adopted by Council	Works & Infrastructure/Assets /Finance & Admin Services Manager / Service Delivery Managers	In-house	When resourcing permits
3	Stakeholder review of critical assets	Assets	In-house	Next adoption
4	Stakeholder review of asset resilience	Assets	In-house	Next adoption

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually at desktop level to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

[20] ISO 55000 Refers to this as the Asset Management System

The AM Plan has a maximum adoption life of 4 years and is due for complete revision and update 12 months from a Council Election and/or as part of a new Operational Plan cycle.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,

The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,

The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,

The Asset Renewal Funding Ratio achieving the Organisational target (this target is often 90 – 100%).

9.0 REFERENCES

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- Cessnock City Council Annual Reports
- 2024-2025 Infrastructure Asset Revaluation Manual – under review
- NSW OLG Integrated Planning Guidelines and manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2016 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results

10.0 APPENDICES

Appendix A Acquisition Forecast

A.1 – Acquisition Project Summary
It is expected that in the next ten years no bridges or major culverts will be dedicated, and Council do not intend to build any new such assets.

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2027	3430000	0	0
2028	1750000	0	0
2029	3080000	0	0
2030	1400000	0	0
2031	4270000	0	0
2032	1400000	0	0
2033	1400000	0	0
2034	1400000	0	0
2035	1400000	0	0
2036	1400000	0	0

Appendix B Operation Forecast

B.1 – Operation Forecast Summary

Operational budget in LTFP is expected to meet the current service level requirements in the 10 year planning period.

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2027	100000	32585	100000
2028	104300	16625	136885
2029	108785	29260	157995
2030	113463	13300	191933
2031	118342	40565	210112
2032	123312	13300	255647
2033	128368	13300	274003
2034	133502	13300	292437
2035	138842	13300	311077
2036	144396	13300	329931

Appendix C Maintenance Forecast

C.1 – Maintenance Forecast Summary

Maintenance budget in LTFP is expected to meet the current service level requirements in the 10 year planning period.

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Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2027	392763	42875	599400
2028	409651	21875	668055
2029	427266	38500	716810
2030	445639	17500	783350
2031	464801	53375	829410
2032	484323	17500	911845
2033	504180	17500	958855
2034	524347	17500	1007045
2035	545321	17500	1056455
2036	567134	17500	1107155

Appendix D Renewal Forecast Summary

D.1 – Renewal Forecast Summary

Renewal budget in LTFP is expected to meet the current service level requirements in the 10 year planning period.

Table D3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2027	1470000	
2028	750000	
2029	1320000	
2030	600000	
2031	1830000	
2032	600000	
2033	30000	
2034	600000	
2035	30000	
2036	600000	

Appendix E Disposal Summary

E.1 – Disposal Forecast Summary

Bridge asset no.5 Cunneens Bridge, Wollombi is considered for demolition as an alternate bridge was built in 2010. There will be negligible savings made from its demolition.

Table E3 – Disposal Activity Summary

Year	Disposal Forecast	Disposal Budget
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0
2032	0	0
2033	0	0
2034	0	0
2035	0	0
2036	0	0

Appendix F Budget Summary by Lifecycle Activity

Budgets in LTFP are expected to meet the current service level requirements in the 10 year planning period.

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2027	0	100000	392763	0	0	492763
2028	0	104300	409651	0	0	513951
2029	0	108785	427266	0	0	536051
2030	0	113463	445639	0	0	559101
2031	0	118342	464801	0	0	583143
2032	0	123312	484323	0	0	607635
2033	0	128368	504180	0	0	632548
2034	0	133502	524347	0	0	657850
2035	0	138842	545321	0	0	684164
2036	0	144396	567134	0	0	711530

Appendix G – Maintenance Response Levels of Service

CRM Category Service Standards

Major Cat	Minor Cat	Level 3 Cat	CRM Description	Default Workflow	Resp Officer	Days
COMMUNSERV	MAINTENANC		Works & Infrast Enquiry	CSEQ	Mr J P Latter	90
PLANT	WORKSHOP		Plant Fleet Workshop Enquiry	PLNT	Mr J P Latter	10
AIRPORT	AIRENQUIRY		Airport Enquiries	AIRP	Mr J P Latter	10
MAINTENANC	MAINBRIDGE		Maintenance - Bridges	MBRI	Mr J P Latter	90
MAINTENANC	MAINCOFOOT		Maintenance - Footpaths	MCON	Mr J P Latter	45
MAINTENANC	MAINKERBGT		Maintenance - Kerb & Gutter	MKER	Mr J P Latter	90
MAINTENANC	MAINMOWING		Maintenance - Mowing	MMOW	Mr J P Latter	45
MAINTENANC	MAINSIGNS		Maintenance - Signs	MSIG	Mr J P Latter	45
MAINTENANC	MAINSTORM		Maintenance - Stormwater Dr	MSTO	Mr J P Latter	90
MAINTENANC	MAINTREES		Maintenance - Trees	MTRE	Mr J P Latter	45
MAINTENANC	REMOVEDEAD		Removal of Dead Animal	MVDA	Mr J P Latter	5
BUILDING	GRAFFITI		Building Maintenance Graffiti	GFTI	Ms K M McNally	17
ASSETMGT			Drainage Infrastructure Enq	DINF	Mr C L Martin	25
ASSETMGT	ASSETFLDM		Drainage Infrastructure Enq	DINF	Mr C L Martin	25

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au

CESSNOCK CITY COUNCIL

PLANNING FOR OUR PEOPLE.
OUR PLACE. OUR FUTURE.

STORMWATER NETWORK

ASSET MANAGEMENT PLAN

CESSNOCK CITY COUNCIL

Document Control	Asset Management Plan				
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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The AM Plan will link to a Long-Term Financial Plan which typically considers a 10-year planning period.

1.2 Asset Description

This plan covers the infrastructure assets that provide stormwater and drainage.

The Stormwater network comprises:

- 55 Culverts
- 191km pipe
- 8256 Pits/headwalls

The above infrastructure assets have replacement value estimated at **$240,466,431**

1.3 Levels of Service

The allocation in the planned budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- A decrease in level of service
- Assets not meeting capacity

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population changes
- Changes in demographics
- Climate change
- Vehicle ownership rates
- Consumer expectations
- Technological changes
- Economic factors
- Environmental awareness

These demands will be approached using a combination of managing existing assets, upgrading 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.

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for stormwater assets is estimated as $59,061,156 or $5,906,115 on average per year.

1.6 Financial Summary

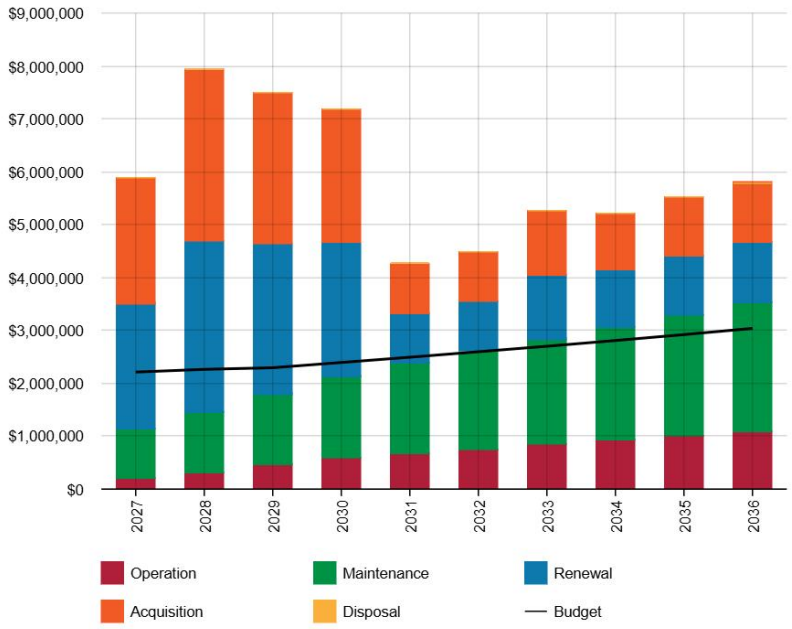
1.6.1 What we will do

Estimated available funding for the 10 year period is $25,736,426 or $2,573,642 on average per year as per the Long-Term Financial plan or Planned Budget. This is 43.58% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for stormwater and drainage leaves a shortfall of $3,332,473[1] on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long-Term Financial Plan. This is shown in the figure below. This is shown in the figure below.

Forecast Lifecycle Costs and Planned Budgets



[1] Includes maintenance, operational, renewal and upgrade costs not accounted for in current budgets

We plan to provide the following:

- Operation, maintenance, renewal and acquisition of stormwater and drainage assets to meet service levels set by Cessnock City Council in annual budgets.

1.6.2 What we cannot do

We currently do **not** allocate enough budget to improve the current level of service or to provide ongoing lifecycle costs for future dedications.

1.6.3 Managing the Risks

Our present budget levels are insufficient to continue to manage risks in the medium term. Short term risk management includes actions such as proactive inspections.

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Asset data is accurate within the register as at 30/6/2025.
- Relying on revaluation data from 24/25 - the current asset class is currently under assessment for revaluation and is likely to have adjusted figures after the endorsement of this plan.
- No changes are made to the adopted operation and capital works program during the life of the plan.

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal; and
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The Alternate Method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Review and further develop the critical asset management plan within this AMP and further define critical assets
- Undertake further community consultation to allow a full review of service levels.
- Finalise desired levels of service by establishing current performance and setting performance targets. Have these Levels of Service adopted by Council
- Ensure forecasts within the AMP are the driver of LTFP budgets and CW amounts. Allowance to be made for dedicated assets and ongoing lifecycle costs.
- Improve response to climate change impacts
- A full review of useful lives
- Develop asset Hierarchies

2.0 Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with the Cessnock City Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, where developed, along with other key planning documents:

- Cessnock City Council Stormwater Waterways and Floodplain Strategy
- Cessnock 2036 – Cessnock Community Strategic Plan
- Cessnock City Council Operational and Delivery Plan
- Cessnock City Council LTFP
- Cessnock City Council Annual Reports
- 2024-2025 Infrastructure Asset Revaluation Manual – currently under review
- NSW OLG Integrated Planning Guidelines and manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2016 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results

Cessnock City Council Asset Management maturity is considered to be 'core'.

The infrastructure assets covered by this AM Plan include stormwater pits, pipes and culverts. For a detailed summary of the assets covered in this AM Plan refer to Table in Section 5.

These assets are used to provide stormwater drainage services and flooding prevention.

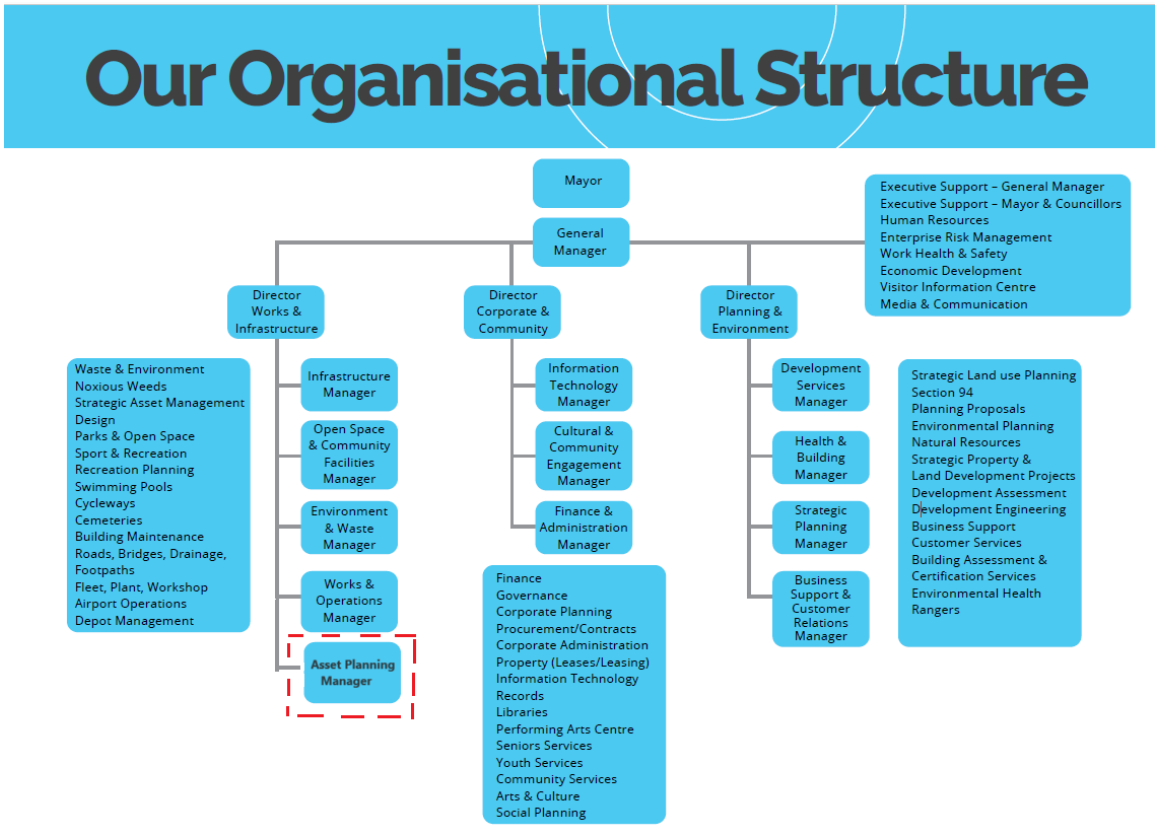
The infrastructure assets included in this plan have a total replacement value of **$240,466,431.**

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	• Represent needs of the community, • Allocate resources to meet the organisation's objectives in providing services while managing risks, • Ensure the organisation is financially sustainable. • Provide stewardship by ensuring the protection of assets for current and future generations.
General Manager	• Ensure the development and implementation of Council's Asset Management Policy, Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act. Report on the status and effectiveness of Asset Management within Council.
Council Staff	• Development and implementation of Council's Asset Management Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act. • Ensure integration and compliance of the Asset Management Policy and Strategy with other policies and business processes of Council. • Ensure compliance with legal obligations. • Ensure sound business principles are reflected in the Asset Management strategies and plans that are developed. • Implementation of activities in the Plans. • Engage up to date technologies, methodologies and continuous improvement processes. Facilitate "Best Appropriate Practice in Asset Management".
Community	• Provides input into the services required and the cost the community is prepared to pay • Set expectation levels

Our organisational structure for service delivery from infrastructure assets is detailed below:


Our Organisational Structure
Mayor
General Manager
Executive Support – General Manager
Executive Support – Mayor & Councillors
Human Resources
Enterprise Risk Management
Work Health & Safety
Economic Development
Visitor Information Centre
Media & Communication
Director Works & Infrastructure
Director Corporate & Community
Director Planning & Environment
Waste & Environment
Noxious Weeds
Strategic Asset Management
Design
Parks & Open Space
Sport & Recreation
Recreation Planning
Swimming Pools
Cycleways
Cemeteries
Building Maintenance
Roads, Bridges, Drainage, Footpaths
Fleet, Plant, Workshop
Airport Operations
Depot Management
Infrastructure Manager
Open Space & Community Facilities Manager
Environment & Waste Manager
Works & Operations Manager
Asset Planning Manager
Information Technology Manager
Cultural & Community Engagement Manager
Finance & Administration Manager
Finance
Governance
Corporate Planning
Procurement/Contracts
Corporate Administration
Property (Leases/Leasing)
Information Technology
Records
Libraries
Performing Arts Centre
Seniors Services
Youth Services
Community Services
Arts & Culture
Social Planning
Development Services Manager
Health & Building Manager
Strategic Planning Manager
Business Support & Customer Relations Manager
Strategic Land use Planning
Section 94
Planning Proposals
Environmental Planning
Natural Resources
Strategic Property & Land Development Projects
Development Assessment
Development Engineering
Business Support
Customer Services
Building Assessment & Certification Services
Environmental Health
Rangers

2.2 Goals and Objectives of Asset Ownership

Our goal for 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 forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

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

- International Infrastructure Management Manual
- ISO 55000[2]

A road map for preparing an AM Plan is shown below.

[2] ISO 55000 Overview, principles and terminology

Road Map for preparing an Asset Management Plan
Source: IPWEA, 2020, IIMM, Fig 3.6.2.1

3.0 LEVELS OF SERVICE

3.1 Customer Research and Expectations

Cessnock Council engaged Micromex Research in 2023[3] to undertake community research. In the telephone survey conducted residents were contacted to discuss their expectations in the delivery of existing infrastructure assets. Table 3.1 summarises the results from our Customer Satisfaction Survey.

Table 3.1: 2023 Customer Satisfaction Survey Levels

Service/Facility	Importance (mean ratings)		Satisfaction (mean ratings)	
	Phone	Online	Phone	Onlin
Stormwater drainage	4.29	4.09	2.72	2.11
Roadside drainage	4.34	4.04	2.61	2.02

Table 3.1.1: Historical Customer Satisfaction Survey Results

Performance Measure	Importance	Satisfaction	Performance Gap 2021	Performance Gap 2019
Stormwater drainage	4.24	3.09	1.15	1.56
Roadside drainage	4.25	2.79	1.46	1.71

The most recent survey has shown a performance gap for stormwater infrastructure of approximately 1.74 (averaged), which indicates within the past two years the community have continued to see the importance of such infrastructure, however a decrease in satisfaction in its provision.

Council also engaged Micromex Research in 2015 to determine what the community finds as an acceptable condition state of the assets. The concluding evidence from this survey found: *"The majority of residents indicated that 'Condition 3 or better' was the acceptable condition for all assets*". The online component of the 2023 survey suggested the community would prefer (66%) that the Council concentrate on maintaining existing assets in condition 4 & 5.

3.2 Strategic and Corporate Goals

This AM Plan is prepared under the direction of Cessnock City Councils' vision, mission, goals and objectives.

Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

The Delivery Program has five desired outcomes as identified in the Community Strategic Plan. They are:

1. **Live**
2. **Thrive**
3. **Protect**
4. **Move; and**
5. **Lead.**

[3] Survey to contribute to the Community Strategic Plan. Scale where 1 is not satisfied and 5 is very satisfied.

Relevant community desired outcomes and strategic directions, and how these are addressed in this asset management plan are:

Table 3.2: Goals and how these are addressed in this Plan

Goal	Objective	How Goal and Objectives are addressed in the AM Plan
4.3 Ensure our transport and freight networks limit impacts on our environment	4.3.1 Ensure our transport planning is integrated with land use planning	Compliance with Councils' current Engineering Standards for all Subdivision Releases. Programs have been developed to undertake investigation and implementation of flood mitigation measures in the coming four-year program.

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the stormwater assets are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery. The purposes of this Act are as follows: (a) to provide the legal framework for an effective, efficient, environmentally responsible and open system of local government in New South Wales, (b) to regulate the relationships between the people and bodies comprising the system of local government in New South Wales, (c) to encourage and assist the effective participation of local communities in the affairs of local government, (d) to give councils: • the ability to provide goods, services and facilities, and to carry out activities, appropriate to the current and future needs of local communities and of the wider public; • the responsibility for administering some regulatory systems under this Act; • a role in the management, improvement and development of the resources of their areas (e) to require councils, councillors and council employees to have regard to the principles of ecologically sustainable development in carrying out their responsibilities.

Legislation	Requirement
Local Government Act Annual Report Section 428(2)(d)	(d) A report of the condition of the public works (including public buildings, public road and water sewerage and drainage works) under the control of council as at the end of that year; together with (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard; and (ii) An estimate (at current values) of the annual expense of maintain the works at that standard; and (iii) The Council's programme for maintenance for that year in respect of the works.
Civil Liabilities Act	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Public Works Act	Sets out the role of Council in the planning and construction of new assets.
Environmental Planning and Assessment Act	An Act to institute a system of environmental planning and assessment for the State of New South Wales. Among other requirements the Act outlines the requirement for the preparation of Local Environmental Plans (LEP), Development Control Plans (DCP), Environmental Impact Assessments (EIA) and Environmental Impact Statements.
Work Health and Safety Regulations	Sets out roles and responsibilities to secure the health, safety and welfare of persons at work and covering injury management, emphasising rehabilitation of workers particularly for return to work. Council is to provide a safe working environment and supply equipment to ensure safety.
Threatened Species Conservation Act	An Act to conserve threatened species, populations and ecological communities of animals and plants.
Protection of the Environment Operations Act	Council is required to exercise due diligence to avoid environmental impact and among others are required to develop operations emergency plans and due diligence plans to ensure that procedures are in place to prevent or minimise pollution.
Road Transport (Safety and Traffic Management) Act	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Road Transport (General) Act	Provides for the administration and enforcement of road transport legislation. It provides for the review of decisions made under road transport legislation. It makes provision for the use of vehicles on roads and road related areas and also with respect to written off and wrecked vehicles.
Roads Act	Sets out rights of members of the public to pass along public roads, establishes procedures for opening and closing a public road, and provides for the classification of roads. It also provides for declaration of the RMS and other public authorities as roads authorities for both classified and

Legislation	Requirement
	unclassified roads, and confers certain functions (in particular, the function of carrying out roadwork) on the RMS and other roads authorities. Finally, it provides for distribution of functions conferred by this Act between the RMS and other roads authorities, and regulates the carrying out of various activities on public roads.
Disability Discrimination Act	The Federal Disability Discrimination Act (D.D.A.) provides protection for everyone in Australia against discrimination based on disability. It encourages everyone to be involved in implementing the Act and to share in the overall benefits to the community and the economy that flow from participation by the widest range of people.
Native Vegetation Act	This Act regulates the clearing of native vegetation on all land in NSW, except for excluded land listed in Schedule 1 of the Act. The Act outlines what landowners can and cannot do in clearing native vegetation.
AS 1742	Australian Standard 1742 which refers to a variety of road and traffic issues.
NSW Road Rules	A provision of road rules that are based on the Australian Road Rules so as to ensure that the road rules applicable in this State are substantially uniform with road rules applicable elsewhere in Australia.
NSW Government Flood Prone Land Policy – Floodplain Development Manual	Council's obligations in relation to the management of flood liable land in accordance with Section 733 of the Local Government Act, 1993.

3.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer Values indicate:

- what aspects of the service is important to the customer,
- whether they see value in what is currently provided, and
- the likely trend over time based on the current budget provision

Table 3.4: Customer Values

Service Objective: 3.1 Protecting and enhancing the natural environment and rural character of the area

Customer Values	Customer Satisfaction Measure	Current Feedback	Expected Trend Based on Planned Budget
3.1.5 Our waterways and catchments are maintained and enhanced	Community Satisfaction Survey	3.09[4]	Maintain

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition 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?

In Table 3.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

[4] Where 5 is completely satisfied and 0 is completely unsatisfied

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Assets are in "fair/3" condition or better	Asset data surveyed 4 yearly	30 Pipes 104 pits and 97 lintels	Improve
	Confidence levels		Medium	Medium
Function	Flooding of private property is minimised.	Flooding of residences	14,356 properties are subject to flood related development controls based on existing flood studies.	Maintain
	Confidence levels		Medium	Medium
Capacity	Stormwater system is able to convey all flows in a minor storm event	Customer service requests relating to inadequate capacity	16 flood management requests received Jan-Dec 2024. 3 overdue.	Improve
	Confidence levels		High	Medium

*High - (Professional Judgement supported by extensive data), Medium - (Professional judgement supported by data sampling), Low (Professional Judgement with no data evidence)

3.6 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

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

- **Acquisition** – 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).
- **Operation** – 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 provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.[5]

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition	New or upgraded stormwater infrastructure	All new or upgraded drainage assets are built to meet current engineering and capacity requirements.	Meeting	Meeting
		Budget	$775,000	$2,383,055
Operation	Keeping stormwater assets operational	Customer requests for blocked drainage responded in allocated timeframes	16 flood management requests received Jan-Dec 2024. 3 overdue (81%).	Improve (90% target meeting timeframes)
		Budget	$196,393	$322,477[6]
Maintenance	Maintaining stormwater assets to achieve their level of service and function	Customer requests for pits not meeting capacity or functionality responded in allocated timeframes	1 Customer Request received in 2024 of which all met the service timeframe.	Maintain 100% response rate.
		Budget	$467,264	$1,132,008
Renewal	Renewing stormwater infrastructure that has declined in service level/capacity /functionality	80% of the capital works program delivered in its applicable year (where project isn't projected to run over multiple years) [7]	not measured	Meet measure**
		Budget	$775,000	$3,243,000
Disposal	Removing assets from	Nothing identified	NA	NA

[5] IPWEA, 2020, IIMM, Chap. 2.2.
[6] Operation and maintenance forecast increases are included to cater for development contributions.
[7] Tracking percentage complete needs improvement**

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
	service that no longer provide a service or have reach the end of the service period			

Note: *Current activities are related to Planned Budget.
****Expected performance related to forecast lifecycle costs.**
It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4.0 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 have been identified and documented.

4.3 Demand Impact and Demand Management Plan

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

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 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	70,765 as at 30/06/2023[8]	The projected population for 2041 is 107,375. As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue	Population growth and consequential development will increase stormwater runoff.	Review Engineering Guidelines to ensure high quality infrastructure is dedicated through development. The review should also highlight capacity issues that need addressing.
Demographics	Approximately 3% of the residents are from non-English speaking backgrounds	An increase of migrants settling in Cessnock LGA from non-English speaking backgrounds, are expected to increase.	Better Traffic Management Devices are Required, and Clearer Signage	Review Engineering Guidelines to ensure interpretive signage is a requirement.

[8] Source: Home | Cessnock City Council | Community profile based on most current Census data

Demographics	Over 39% of the population have a long term health condition, of which over 7.8% would need assistance in their day-to-day lives.	Expect to see an increase in demand for services due to the ageing population	Increase in demand for DDA compliant Infrastructure, Services and Equitable Access	Engage with the community to identify justifiable community needs from other expectations and consider only community needs consistent with Council's charter. New projects will need to be assessed with a balance between competing demands for compliance and regulation, renewing existing infrastructure, as well as providing expenditure for new infrastructure assets.
Demand driver	**Current position**	**Projection**	**Impact on services**	**Demand Management Plan**
Climate Change	Scientific evidence supporting the notion of climate change.	Increase severity of weather events.	Stormwater Infrastructure will need to adapt to new climate risks to ensure appropriate infrastructure investment decisions are made to reduce long-term costs.	Investigate alternative treatments to lower life cycle costs, and combat climate impacts i.e. design capacity exceeding flood level requirements

Residential Development	Increase in demand for residential land and infrastructure.	Increase in population (see above)	Increase in demand for maintenance of stormwater assets.	Implement enhanced quality control measures for donated assets. Leadership to consider the recommendations of funding to meeting ongoing ops and maintenance requirements.
Changes in Land use	Changes in land use will result from rezoning and higher density developments.	As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue.	Higher density development will increase stormwater runoff.	Review Engineering Guidelines to ensure high quality infrastructure is dedicated through development. The review should also highlight capacity issues that need addressing

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit the Cessnock City Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.[9]

Council currently has an adopted Climate Change Resilience Plan, which can be found on their website. This document sets out the climate change impacts on Council and the Councils' response and resilience to climate change.

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
More frequent flood events	Existing assets not meeting capacity	Could result in assets out of service. Flooding threat to private property	Continue undertaking flood studies and flood mitigation measures
Increase in bush fires	Threat of damage to existing infrastructure	Could result in assets out of service	Should see focus towards the drainage infrastructure in these areas and material resilience in such events

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

[9] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
New/upgraded stormwater assets	Increase in flooding events raises capacity requirements in certain locations	Continue flood mitigation programs, “overdesign” in flood prone areas
Fire Resistant Infrastructure	Increase in bush fire damage	Should see focus towards the drainage infrastructure in these areas and material resilience in such events.

The impact of climate change on assets is a complex discussion and further opportunities will be developed in future revisions of this AM Plan.

5.0 LIFECYCLE MANAGEMENT PLAN

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

5.1 Background Data

5.1.1 Physical parameters

The stormwater assets covered by this AM Plan are shown in Table 5.1.1.

Table 5.1.1: Assets covered by this Plan

Asset Category	Dimension/Quantity
Stormwater Pipes	217 km
Stormwater Pits	8859
Minor Culverts	252

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. 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
Open Swales	Earth swales in old subdivisions are now under-capacity and no longer meet the functional requirement of the stormwater network required in these areas
Connection of network	Areas identified where links of stormwater pipework have not been completed, causing overflow into private property
Capacity	Pit, pipe, culvert under capacity for the required runoff/overflow
GPT	Location and identification of size/type of GTP's is unknown and requires urgent review.

The above service deficiencies were identified from inspections.

5.1.3 Asset condition

Condition is currently monitored four yearly. Council has recently invested in surveillance equipment to aid in the condition audit of the infrastructure.

Condition is measured using a 1 – 5 grading system[10] as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM plan results are translated to a 1 – 5 grading scale for ease of communication.

[10] IPWEA, 2020, IIMM, Sec 2.5.4, p 2|80.

Table 5.1.3: Condition Grading System

Condition Grading	Description of Condition
1	**Very Good**: free of defects, only planned and/or routine maintenance required
2	**Good**: minor defects, increasing maintenance required plus planned maintenance
3	**Fair**: defects requiring regular and/or significant maintenance to reinstate service
4	**Poor**: significant defects, higher order cost intervention likely
5	**Very Poor**: physically unsound and/or beyond rehabilitation, immediate action required

The condition profile of our assets is shown in Figure 5.1.3.

Figure 5.1.3a: Asset Condition Profile – Stormwater Pits

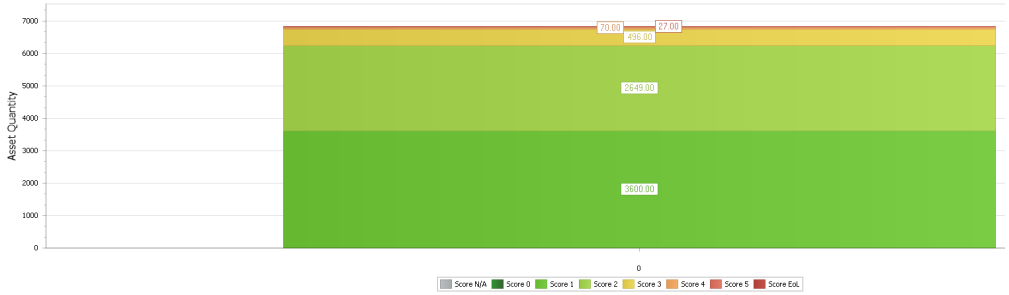


Figure 5.1.3b: Asset Condition Profile – Stormwater Pipes

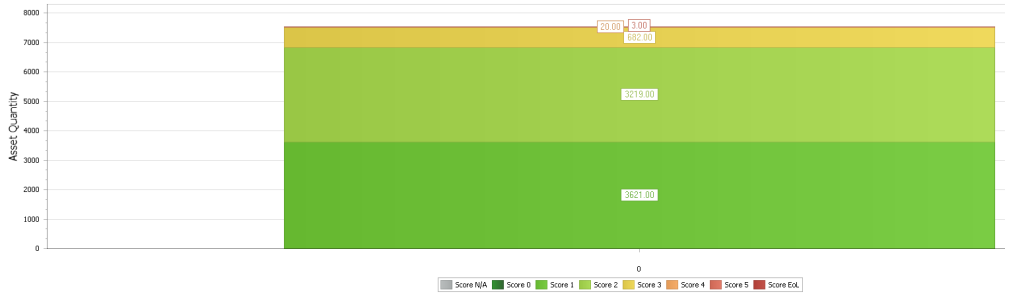
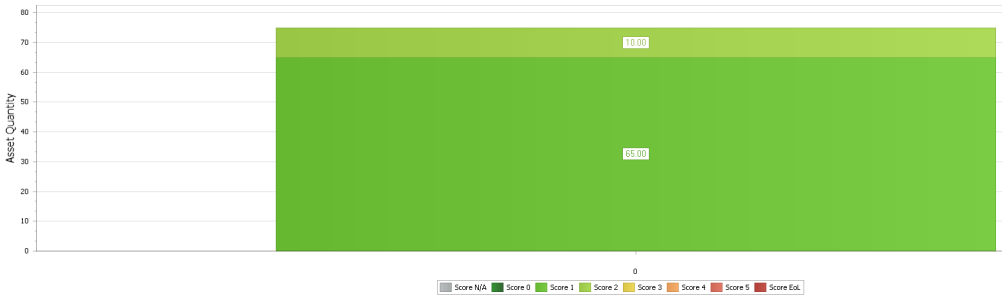


Figure 5.1.3c: Asset Condition Profile – Minor Culverts



5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets are shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget $
2022	$363,000
2023	$330,010
2024	$493,846
2025	$448,000

Maintenance budget levels are sustaining current service levels, however will require future injection to improve such standards. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and priority of reactive maintenance is based on current adopted service standards currently under review.

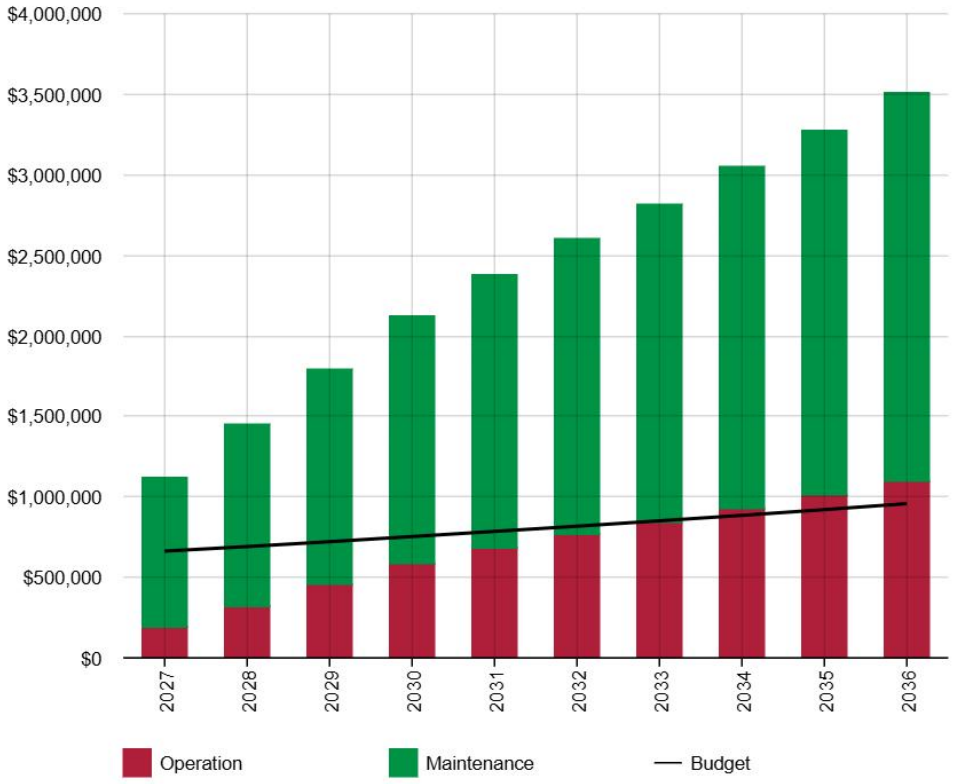
Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery. Council is still in the process of developing hierarchies for its stormwater network and these will be incorporated into the improvement plan.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

Figure 5.2: Operations and Maintenance Summary



Forecast operations and maintenance costs are estimated to need increases to accommodate for asset dedications.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives are currently under review.

Table 5.3: Useful Lives of Assets

Asset (Sub)Category	Useful life
All concrete pipes, pits, headwalls, lintels and culverts	100 years*

*Currently under review

The estimates for renewals in this AM Plan were based on the alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. increasing pipe diameter in pipe replacement to increase drainage volumes), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g., spalling within a concrete pipe).[11]

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.[12]

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1. The detail around the scoring in this can be found in Stormwater Waterway and Floodplain Strategy on Councils website. Refer to appendix G for more detail on this.

[11] IPWEA, 2020, IIMM, Sec 3.4.2
[12] IPWEA, 2020, IIMM, Sec 3.5.3

Table 5.3.1: Renewal and Replacement Priority Ranking Criteria

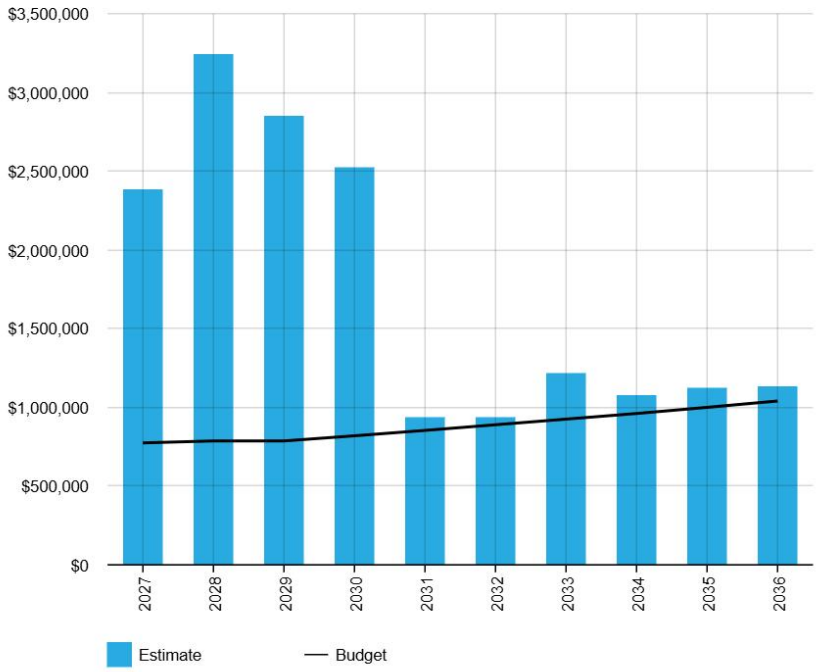
Criteria	Weight	Score	Weighted Score
Risk to life	3		
Risk to property	2		
Risk to infrastructure	2		
Risk to environment	1		
Known priority area flooding problem	2		
Pipe / structure condition	1		
Known priority erosion hazard	2		
Maintenance hotspot	1		
Customer Request	1		
Priority Score			

* Page 19 of Stormwater Waterway and Floodplain Management Strategy

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time as the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

Figure 5.4.1: Forecast Renewal Costs



The budget for renewal works is sufficient to sustain the assets in the agree service standards for the life of this plan.

5.5 Acquisition Plan

Acquisition reflects new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to Cessnock City Council.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to verify that they are essential to the Entities needs.

Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. Most new assets are dedicated through development or where required as part of a road upgrade/reconstruction. Where stormwater assets are identified for upgrade, the following priority ranking criteria is utilised from Table 5.5.1.

Table 5.5.1: Upgrade Assets Priority Ranking Criteria

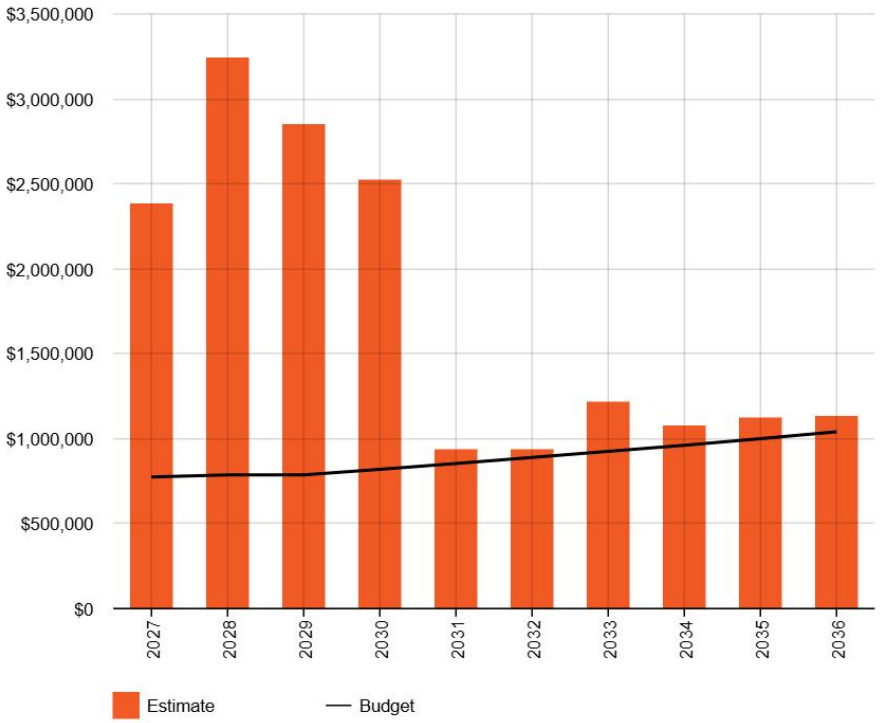
Criteria	Weight	Score	Weighted Score
Risk to life	3		
Risk to property	2		
Risk to infrastructure	2		
Risk to environment	1		
Known priority area flooding problem	2		
Pipe / structure condition	1		
Known priority erosion hazard	2		
Maintenance hotspot	1		
Customer Request	1		
Priority Score			

** Page 19 of Stormwater Waterway and Floodplain Management Strategy*

Summary of future asset acquisition costs

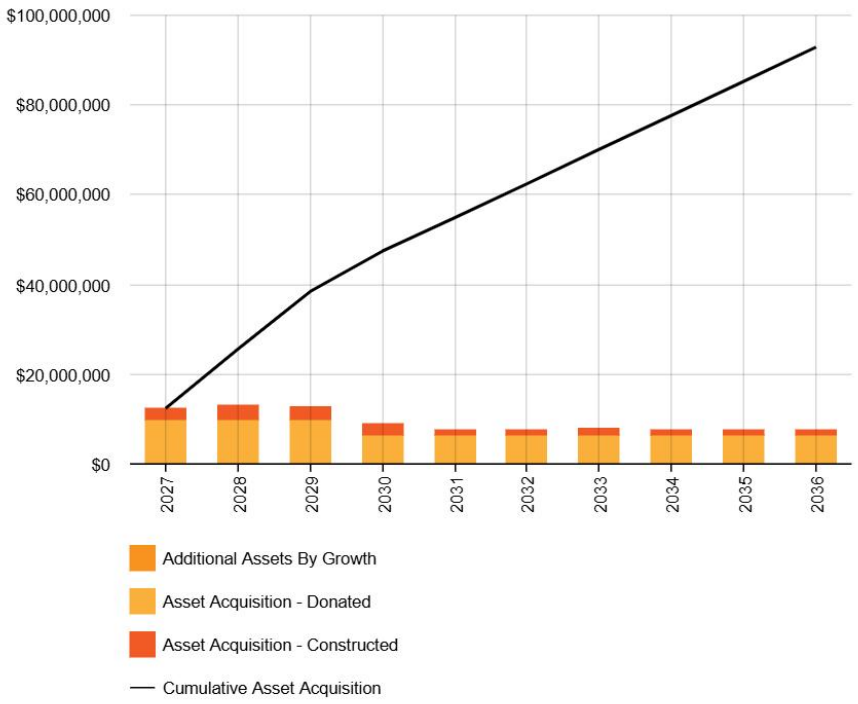
Forecast acquisition asset costs are summarised / summarized in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

Figure 5.5.1: Acquisition (Constructed) Summary



When an Entity commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Entity. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.5.2.

Figure 5.5.2: Acquisition Summary



Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

The current budget does not allow for the impact that dedicated assets has on lifecycle cost increases and this is reflected by the forecasts.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

Table 5.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Various	As part of reconstruction works	Over the planning period		$0 – replaced with others

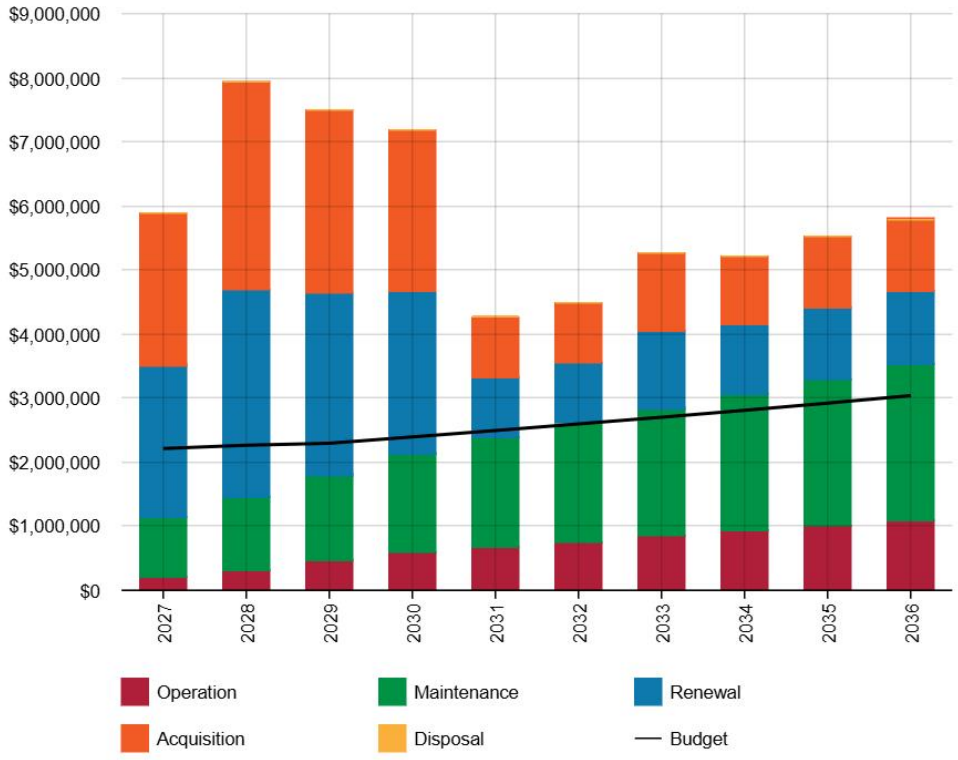
The progress of the disposal plan within this AMP is to be reported to the Asset Management Steering Group, and where deadlines for commitments cannot be met; reported on and updated accordingly.

5.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.7.1: Lifecycle Summary



The current budget does not allow for the impact that dedicated assets have on lifecycle cost increases and this is reflected by the estimated forecasts.

6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'[13].

An assessment of risks[14] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 6.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact
Stormwater Pipes, culverts, pits	Structural Failure	Risk to property or life.
Pipes and Culverts	Washout	Risk to property or life.
Detention Basins[15]	Dam Collapse failure	Flooding to surrounding properties.

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used 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 International Standard ISO 31000:2018.

[13] ISO 31000:2009, p 2
[14] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson
[15] Detention basins currently have insufficient data recorded for them and work is to be undertaken here to improve

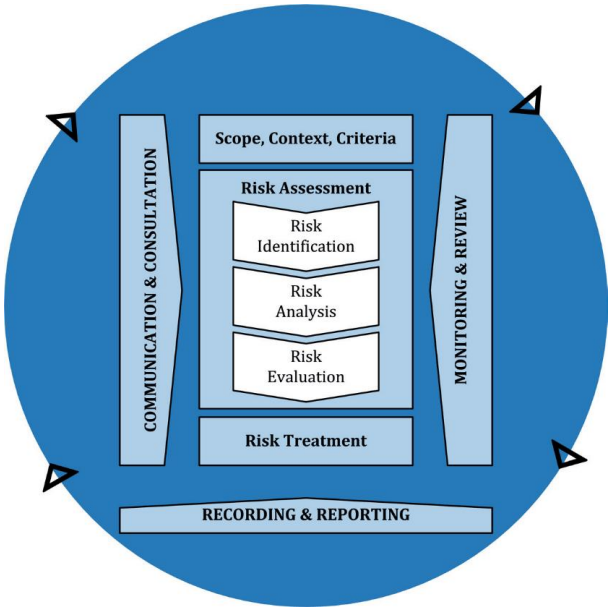


Fig 6.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks[16] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management and Council.

[16] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Stormwater Pipes, culverts, pits	Damage, collapse or compromised capacity of assets due to poor quality, age, unknown condition, tree root intrusion and/or inadequate funding for renewal or maintenance of assets.	Medium	Regular inspections & maintenance. Continual improvement of condition inventory in asset register, and locating through GPS.	Medium	Mitigated in current budgets.
Stormwater Pipes, culverts, pits	Blockage from debris in stormwater network, flooding, inadequate controls on development.	Medium	Regular inspections & maintenance. Clear blockages through reactive maintenance.	Medium	Mitigated in current budgets.
Stormwater Pipes, culverts, pits	Insufficient capacity resulting in flooding due to climate change, development, aged infrastructure.	Medium	Undertake flood management studies	Medium	Mitigated in current budgets.

*Note *The residual risk is the risk remaining after the selected risk treatment plan is implemented.*

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 6.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Insufficient capacity resulting in flooding	Regular inspections & maintenance. Undertake flood management studies	Medium
Damage, collapse or compromised capacity of assets.	Regular inspections & maintenance. Continual improvement of condition inventory in asset register, and locating through GPS.	Medium

6.4 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.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Increase current levels of service
- Meet ongoing lifecycle costs for dedicated assets

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- A decrease in levels of service across all Council area to cater for dedications.

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. At this stage there are no works identified that cannot be undertaken.

The above actions and expenditures are considered and included in the forecast costs, and the Risk Management Plan.

7.0 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio[17] 50.82%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 50.82% of the funds required to maintain the current level of service for drainage assets.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10-year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is $4,152,128 average per year.

The proposed (budget) operations, maintenance and renewal funding is $1,689,432 on average per year giving a 10 year funding shortfall of $2,462,696 per year. This indicates that 40.69% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 40.69% the first years of the AM Plan.

7.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

[17] AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Forecast costs are shown in current dollar values.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2027	$2,383,055	$196,393	$933,370	$2,383,055	$0
2028	$3,243,000	$322,477	$1,128,293	$3,243,000	$0
2029	$2,848,788	$457,093	$1,335,692	$2,848,788	$0
2030	$2,518,564	$588,343	$1,539,962	$2,518,564	$0
2031	$936,774	$683,602	$1,697,173	$936,774	$0
2032	$937,691	$764,012	$1,835,377	$937,691	$0
2033	$1,213,633	$844,600	$1,974,298	$1,213,633	$0
2034	$1,070,000	$927,963	$2,118,506	$1,070,000	$0
2035	$1,115,535	$1,010,366	$2,262,831	$1,115,535	$0
2036	$1,130,556	$1,093,621	$2,409,713	$1,130,556	$0

7.2 Funding Strategy

The proposed funding for assets is outlined in the Entity's budget and Long-Term financial plan.

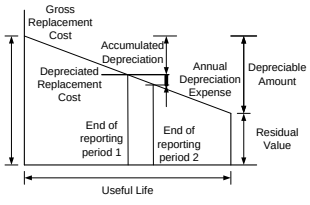
The financial strategy of the entity determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued at fair value at cost to replacement.

Replacement Cost (Current/Gross)	$240,466,431
Accumulated Depreciation	$29,286,597
Depreciated Replacement Cost[18]	$211,179,834
Depreciation	$1,914,655



[18] Also reported as Written Down Value, Carrying or Net Book Value.

7.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are added in service.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Key Assumptions	Risks of Change to Assumptions
Use of existing inventory and condition data as at 30 June 2025	Condition data was last compiled during the revaluation exercise undertaken 24/25 FY.
Use of 2024/25 Asset Revaluation Manual.	This Asset Management Plan is based on asset revaluation undertaken in 2024/25.
Planned expenditure values obtained from current budgets and Council's four-year delivery program and Council's updated LTFP.	The four-year Delivery Program and LTFP may change in the future. Any changes in funding, planned capital and maintenance will be reflected in future asset management plans.
Maintenance and Ops forecast budget utilising historic shortfalls for "required" amount.	Very low risk of any dramatic change in overruns in budgets. Change to annual review of plans will mitigate any dramatic increases or decreases.
Contribution/acquisition budgets and percentages have been based on current budgets as a percentage of the replacement cost of the asset class, and also considering previous years contribution values as a percentage of the current total replacement value of the asset class.	There is medium risk that value of contributions will change in the short – medium term. The implementation of annual review of the plan will mitigate the implication this has on utilising forecast budgets for forward planning.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[19] in accordance with Table 7.5.1.

[19] IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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. High	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%
C. Medium	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%
D. Low	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%
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	A	ABS data
Growth projections	A	ABS data
Acquisition forecast	B	Dedications estimated base on historic pattern.
Operation forecast	B	Historic budgets reviewed and dedication impact estimated.
Maintenance forecast	B	Historic budgets reviewed and dedication impact estimated.
Renewal forecast - Asset values	B	Historic data utilised against condition modelling to establish any shortfalls.
- Asset useful lives	B	Under review
- Condition modelling	B	Asset data accuracy audit is required.
Disposal forecast	B	Typically not known until removed through reconstruction programs. However, are generally reinstated

The estimated confidence level for and reliability of data used in this AM Plan is considered to be medium to high.

8.0 PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices[20]

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is from Councils' corporate finance register Civica Authority and asset register Brightly MyData.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is from Councils' corporate asset register Brightly MyData.

8.2 Improvement Plan

It is important that an entity recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Item no.	Task	Responsibility	Resources Required	Timeline
1.	Undertake further community consultation to allow a full review of service levels.	Infrastructure, Assets	In-house, external	When resourcing permits
2	Stakeholder review of critical assets	Assets	In-house	Next Adoption
3	Develop asset hierarchies	Assets	In-house	Next Adoption
4.	Finalise desired levels of service by establishing current performance and setting performance targets. Have these Levels of Service adopted by Council	Works & Infrastructure/Assets /Finance	In-house	When resourcing permits
5.	Improvement of data around open channels, detention/retention basins and GPT's.	Works & Infrastructure/Assets	In-house	Ongoing

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually at desktop level to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are

[20] ISO 55000 Refers to this as the Asset Management System

incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

The AM Plan has a maximum adoption life of 4 years and is due for complete revision and update 12 months from a Council Election and/or as part of a new Operational Plan cycle.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,
- The degree to which the 1-5-year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,
- The Asset Renewal Funding Ratio achieving the Organisational target (this target is often 90 – 100%).

9.0 REFERENCES

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- Cessnock 2036 – Cessnock Community Strategic Plan
- Cessnock City Council Operational and Delivery Plan
- Cessnock City Council LTFP
- Cessnock City Council Annual Reports
- Infrastructure Asset Revaluation Manual 2024/25
- NSW OLG Integrated Planning Guidelines and manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2016 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results

10.0 APPENDICES

Appendix A - Acquisition Forecast

A.1 – Acquisition Forecast Assumptions and Source
Future dedications are from historic amounts.

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2027	2383055	10000000	0
2028	3243000	10000000	0
2029	2848788	10000000	0
2030	2518564	6500000	0
2031	936774	6500000	0
2032	937691	6500000	0
2033	1213633	6500000	0
2034	1070000	6500000	0
2035	1115535	6500000	0
2036	1130556	6500000	0

Appendix B - Operation Forecast

B.1 – Operation Forecast Assumptions and Source
Operation forecasts including provision for dedications, and shortfall determined from historic overspend.

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2027	196393	117639	196393
2028	204838	125809	322477
2029	213646	122063	457093
2030	222832	85676	588343
2031	232414	70649	683602
2032	242176	70658	764012
2033	252105	73280	844600
2034	262189	71915	927963
2035	272677	72348	1010366
2036	283584	72348	1093621

Appendix C - Maintenance Forecast

C.1 – Maintenance Forecast Assumptions and Source
Maintenance forecasts including provision for dedications, and shortfall determined from historic overspend.

Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2027	467264	154788	933370
2028	487356	165538	1128293
2029	508313	160610	1335692
2030	530170	112732	1539962
2031	552967	92960	1697173
2032	576192	92971	1835377
2033	599816	96420	1974298
2034	623809	94625	2118506
2035	648761	95194	2262831
2036	674711	95194	2409713

Appendix D - Renewal Forecast Summary

D.3 – Renewal Forecast Summary
The current renewal budget is seen to be meeting the ongoing level of service requirement for the asset class.

Table D3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2027	2383055	775000
2028	3243000	787500
2029	2848788	787500
2030	2518564	820000
2031	936774	854440
2032	937691	889472
2033	1213633	925051
2034	1070000	962053
2035	1115535	1000535
2036	1130556	1040557

Appendix E - Disposal Summary

E.1 – Disposal Forecast Summary
NIL forecasted.

Table E3 – Disposal Activity Summary

Year	Disposal Forecast	Disposal Budget
2025	0	0
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0
2032	0	0
2033	0	0
2034	0	0

Appendix F - Budget Summary by Lifecycle Activity

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2027	775000	196393	467264	775000	0	2213657
2028	787500	204838	487356	787500	0	2267194
2029	787500	213646	508313	787500	0	2296958
2030	820000	222832	530170	820000	0	2393003
2031	854440	232414	552967	854440	0	2494262
2032	889472	242176	576192	889472	0	2597312
2033	925051	252105	599816	925051	0	2702023
2034	962053	262189	623809	962053	0	2810104
2035	1000535	272677	648761	1000535	0	2922508
2036	1040557	283584	674711	1040557	0	3039408

Appendix G - Project Selection Criteria Further Scoring

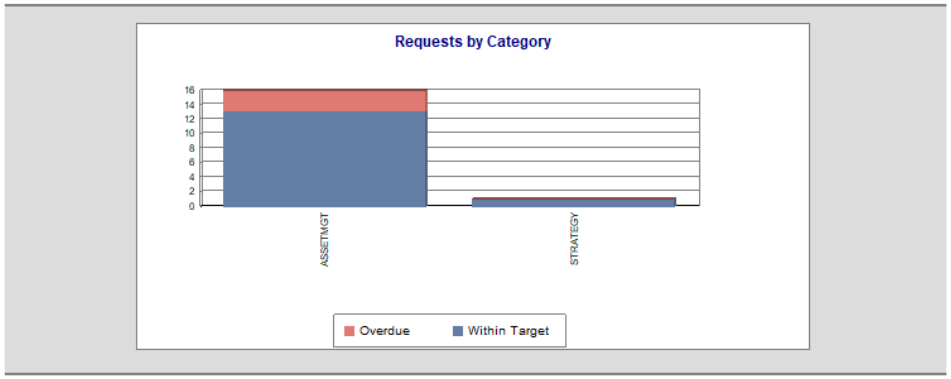
Table 2: Criteria Significance Score

Criteria Significance	Significance	Score
Risk Significance		
Significant impact	Immediate attention required	4
Possible Impact	Amelioration and monitoring required	2
Acceptable Impact	Handled through standard operating procedures	1
No impact	No immediate risk	0
Known Flooding Problem		
Yes	Has previous history of flooding	2
May be	Potential flooding problem	1
No	No previous history of flooding	0
Asset Condition Rating		
Excellent	Only planned maintenance required	1
Good	Minor maintenance required plus planned maintenance	2
Average	Significant maintenance required	3
Below Average	Significant renewal/upgrade required	4
Poor	Unserviceable	5
Known Priority Erosion Hazard Risk		
Yes	Is a known erosion hazard	2
May be	Potential erosion hazard	1
No	No previous history of erosion	0
Maintenance Hotspot		
Yes	Is a known maintenance hotspot	2
May be	Potential on-going maintenance requirements	1
No	No previous history maintenance	0
Customer Requests		
Frequent	High incidence of requests, long-term issue, media, Councillor involvement	2
Infrequent	Occasional or one off customer request	1
No	No previous customer request	0

Risk Significance - Further Explanatory Example	
Significant Impact	The likelihood of the event is expected to occur in most circumstances and the consequence is significant and irreparable impact and loss.
Possible Impact	The likelihood of the event is that it may occur at some time and the consequence is medium environmental or life/property/infrastructure impact, loss of some habitat, some potential criticism of organisation.
Acceptable Impact	The likelihood of the event is that it could occur at some time but is not anticipated and the consequence is minimal or small environmental or life/property/infrastructure impact, loss of un-listed vegetation, impact easily remedied.

**Page 20 of the Stormwater Waterway and Floodplain Strategy*

Appendix H – Customer Request Response Times



Closed Request Statistics
by Category
All Document Types
1/01/2024 to 17/12/2024

Double click onto the Minor Category to access Request detail

LIVE 7.1

17/12/2024 8:31:08AM
Action Officer: **All Officers**
Department: **Works & Infrastructure - Asset Plannin**
Category Code **All Categories**
Workflow: **Drainage Infrastructure Enq**

Major / Minor Category	*New*	*Closed*	*C/F Open*	*Within Tgt*	*%*	*Overdue*	*%*
Asset Management	**16**	**16**	**0**	**13**	**81%**	**3**	**19%**
Asset Management - Flood Management/Drainage	16	16	0	13	81%	3	19%
Strategic Asset Planning	**1**	**1**	**0**	**1**	**100%**	**0**	**0%**
(OLD) Drainage Infrastructure / Flood Enquiries (no	1	1	0	1	100%	0	0%
GRAND TOTAL	17	17	0	14	82%	3	18%

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au

CESSNOCK CITY COUNCIL

PLANNING FOR OUR PEOPLE.
OUR PLACE. OUR FUTURE.

BUILDINGS

ASSET MANAGEMENT PLAN

CESSNOCK CITY COUNCIL

Document Control	Asset Management Plan				
Document ID : DOC2013/005371					
Rev No	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
2.0	15/6/16	First Adoption	MW	SL	JFB
3.0	5/5/17	For Second Adoption	MW	SL	JFB
3.0	6/09/17	Adopted	MW	SL	JFB
4.0	2/10/18	For Third Adoption	MW	NB	JFB
5.0	January 2022	Update to New Template and New Data. For Fourth Adoption	MW	KH	DM
5.1	April 2024	Deferred from above. For ELT adoption	MW	CM	PM
5.2	Nov 2025	SRV Supporting Document	MW	CM	PM

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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The AM Plan will link to a Long-Term Financial Plan which typically considers a 10-year planning period.

1.2 Asset Description

This plan covers the infrastructure assets that provide Community and Cultural Building Assets.

The Building Asset network comprise of[1]:

Asset Type	Quantity
Administration Buildings	5
Airport Buildings	4
Amenities/Toilet Blocks	63
Childcare Buildings[2]	22
Club Houses	21
Commercial Buildings	2
Community Facilities	25
Emergency Service Buildings	19
Grandstands	5
Libraries	2
Plant/Workshops	24
Residential Buildings	3
Sheds/Shelters/Carports	59
Sports Centres	7

The above infrastructure assets have replacement value estimated at $168,581,499.

1.3 Levels of Service

The allocation in the planned budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Assets out of service (are no longer safe or do not meet their intended function, or capacity)
- Decrease in LOS from Building Assets

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population change

[1] Accurate as at the 22/23 revaluation.
[2] Childcare facilities are leased from Council and have all maintenance undertaken by the lessee as part of their lease agreement. Childcare facilities are still owned by Council and are reported on in Councils' Financial Statements.

- Changes in demographics
- Seasonal factors
- Vehicle ownership rates
- Consumer preferences and expectations
- Technological changes
- Economic factors
- Agricultural practices
- Environmental awareness

These demands will be approached using a combination of managing existing assets, upgrading 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.

- A drop in LOS for assets determined to no longer be a priority
- Development plans/contributions targeted to multiuse/colocation of building asset services

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10 year total outlays, which for Building Assets is estimated as $70,828,736 or $7,082,873.50 on average per year.

1.6 Financial Summary

1.6.1 What we will do

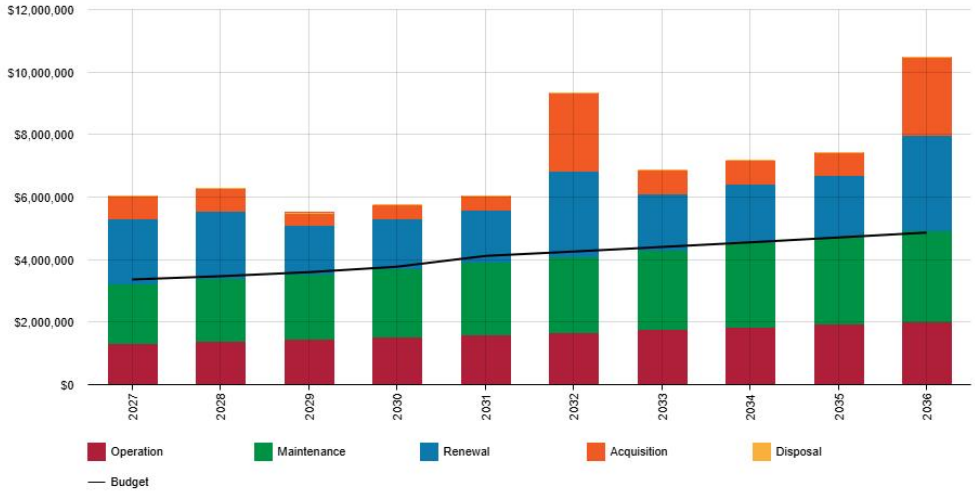
Estimated available funding for the 10 year period is $41,083,880 or $4,108,388 on average per year as per the Long-Term Financial plan or Planned Budget. This is 58% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for Building Assets leaves a shortfall of $2,974,485.25[3] on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long-Term Financial Plan. This is shown in the figure below.

[3] Includes maintenance, operational, renewal and upgrade costs not accounted for in current budgets, does not include Councils' required portion towards the contribution plans.

Forecast Lifecycle Costs and Planned Budgets



We plan to provide building asset services for the following:

- Operation, maintenance, renewal and acquisition to meet service levels set by Cessnock City Council in annual budgets[4].

1.6.2 What we cannot do

We do **not** have enough funding to provide all services at the desired service levels as outlined by demand forecasting. Works and services that cannot be provided under present funding levels are:

- Annual building maintenance and renewal items to sustain the asset stock in condition 3.

1.6.3 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:

- Building Safety – Asbestos
- Building Heritage Compliance
- Air Conditioning – Legionella outbreak
- Building Electrics – Electrical overload and burnout / electrocution
- Building Structural – Building failures / deterioration
- Fire Service Failure
- Fall prevention device failure

We will endeavour to manage these risks within available funding by:

- Ongoing/proactive inspections,

[4] Does not include an allowance to add on additional service level pressures, including new assets outlined in contribution plans, however includes some allowance of the impact of dedications and handed over from developers.

- Inspections to identify asbestos. Continual maintenance of the asbestos register
- Program to install circuit breakers and RCD's. Document/maintain register of building protection / electrical compliance. (Test and Tag)
- Engage external expertise for termite/pest inspections
- Program upgrades consistent with community demand and costs
- Programmed Fire safety inspections
- Programmed inspections of fall protection devices

Where funding is not available at the time or cannot be sources other considerations such as:

- Assets out of service (are no longer safe or do not meet their intended function, or capacity)
- Decrease in LOS from Building Assets

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Planned budgets based on historic spend/previous years
- Contributed assets staging

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal,
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The alternate method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Undertake further community consultation to allow a full review of service levels.
- Review service level response times
- Review Councils' infrastructure resilience and climate change strategies.

2.0 Introduction

2.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with the Cessnock City Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, along with other key planning documents:

- Cessnock 2036 – Cessnock Community Strategic Plan
- Cessnock City Council Delivery Plan
- Cessnock City Council Operational Plan
- Cessnock City Council Annual Reports
- 2022-2023 Infrastructure Asset Revaluation Manual
- Cessnock City Council Recreation and Open Space Strategic Plan
- Cessnock City Council: 2031: A Vision for the Future, Community Infrastructure Plan
- NSW OLG Integrated Planning Guidelines
- NSW OLG Integrated Planning Handbook
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results
- Cessnock City Council 2017 Asset Management Research

Cessnock City Council Asset Management maturity is considered to be ‘core’.

The infrastructure assets covered by this AM Plan include community halls, indoor sports centres, recreational facilities, cultural centres and libraries. For a detailed summary of the assets covered in this AM Plan refer to Table in Section 5.

These assets are used to provide community, recreational and cultural services.

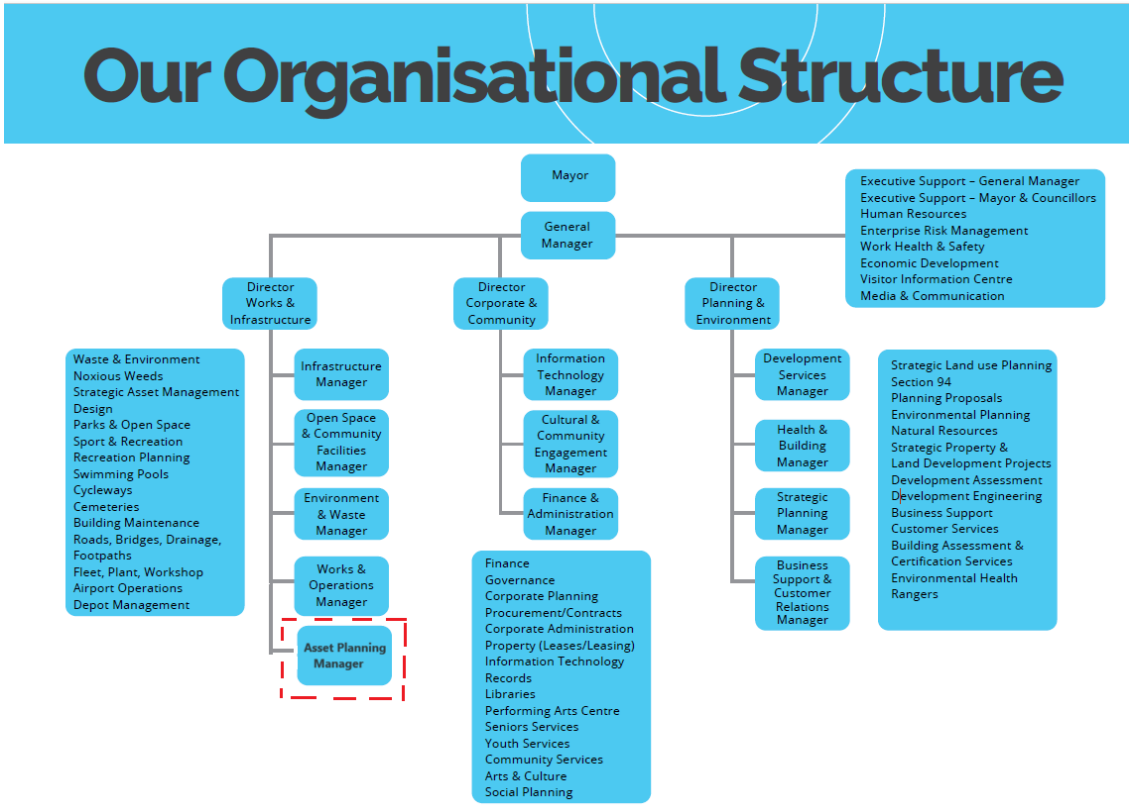
The infrastructure assets included in this plan have a total replacement value of $168,581,499.

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 2.1.

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	• Represent needs of community, • Allocate resources to meet the Council's objectives in providing services while managing risks, • Ensure Council is financially sustainable, • Provide stewardship by ensuring the protection of assets for current and future generations.
General Manager	• Ensure the development and implementation of Council's Asset Management Policy, Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, • Report on the status and effectiveness of Asset Management within Council.
Council Staff	• Development and implementation of Council's Asset Management Plans and Processes, and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, • Ensure integration and compliance of the Asset Management Policy and Strategy with other policies and business processes of Council, • Ensure compliance with legal obligations, • Ensure sound business principles are reflected in the Asset Management strategies and plans that are developed, • Implementation of activities in the plans, • Engage up-to-date technologies, methodologies and continuous improvement processes, • Facilitate "Best Appropriate Practice in Asset Management".
Community	• Provides input into the services required and the cost the community is prepared to pay.

Our organisational structure for service delivery from infrastructure assets is detailed below:



2.2 Goals and Objectives of Asset Ownership

Our goal for 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 forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

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

- International Infrastructure Management Manual
- ISO 55000[5]

A road map for preparing an AM Plan is shown below.

[5] ISO 55000 Overview, principles and terminology

Figure 1: Road Map for preparing an Asset Management Plan

Source: IPWEA, IIMM, Fig 3.6.2.1

3.0 LEVELS OF SERVICE

3.1 Customer Research and Expectations

Cessnock Council engaged Micromex Research in 2023 to undertake community research. In the telephone and online survey conducted, residents were contacted to discuss their expectations in the delivery of existing community infrastructure and Building Services, identifying the following satisfaction levels:

Table 3.1: Community Satisfaction Survey Levels 2023

Phone vs Online – Mean Ratings

Service/Facility	Importance (mean ratings)		Satisfaction (mean ratings)	
	Phone	Online	Phone	Online
Public toilets	4.27	3.82	2.73	2.21
Performing Arts Centre	3.68	3.14	3.86	3.76
Facilities and services for the disabled	4.40	3.86	2.98	2.35
Community buildings and facilities	4.10	3.66	3.17	2.48

Table 3.1.1 Historic Comparison Satisfaction Surveys

Performance Measure	Importance	Satisfaction	Performance Gap 2019	Performance Gap 2021	Performance Gap 2023*
Community buildings and facilities	4.12	3.34	0.94	0.78	1.06
Public Toilets	4.28	2.76[6]	1.79	1.52	1.58

* Average between phone and online responses

Council also engaged Micromex Research in March of 2015 to undertake further Community Consultation. This was to determine what the community finds as an acceptable condition state of the assets. The concluding evidence from this survey found: *"The majority of residents indicated that 'Condition 3 or better' was the acceptable condition for all assets*".

Both the 2021 and 2023 survey seen contention over whether recreation facilities should be consolidated into larger, fewer centralised facilities, over scattered, basic facilities. The results also indicated the community is predominately happy with the current expenditure on buildings and facilities.

3.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the Council's vision, mission, goals and objectives. Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

[6] The COVID 19 pandemic seen the temporary closer of some facilities

Councils' Delivery Program has five desired outcomes as identified in the Community Strategic Plan. They are:

1. **Live**
2. **Thrive**
3. **Protect**
4. **Move, and**
5. **Lead.**

Relevant community desired outcomes and strategic directions, and how these are addressed in this asset management plan are:

Table 3.2: Council Goals and how these are addressed in this Plan

Desired Outcome	Strategic Direction	How Goal and Objectives are addressed in Building Asset Management Plan
Live	**Objective 1.2 Strengthening community culture**	1.2.3 Provide a variety of interment options to the community
	Objective 1.3 develop an active and creative community	1.3.3 Provide recreation and open space facilities that are connected and well utilised
	1.4 Promoting Safe Communities	Support Community and Cultural Facilities – i.e., the Performing Arts Centre, & Libraries.
Protect	**3.3 effectively utilise our open spaces for both passive and active recreation options**	3.3.1 Provide options for people of all abilities to support active and healthy lifestyle habits

The Council will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this AMP. Management of infrastructure risks are covered in Section 5.2

3.3 Legislative Requirements

We have to meet many legislative requirements including Australian and State legislation and State regulations. These include:

Table 3.3: Legislative Requirements

Legislation	Requirement
NSW Local Government Act 1993	Sets out role, purpose, responsibilities and powers of Council including preparing a long-term financial plan supported by asset management plans. Council's core functions and how it must conduct its functions are detailed in the Act. Section 8 of the LG Act includes principles which summarise these functions and guide all activities. DLG Integrated Planning NSW Key requirement is to integrate community plans with operational and delivery plans.
Civil Liabilities Act	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Work Health and Safety Regulations	These implement the Work Health & Safety Regulations and form part of a system of nationally harmonised occupational health and safety laws. The Regulations apply to the Commonwealth, public authorities and, for a transitional period, non-Commonwealth licensees[7]. Some of the chapters covered include: Chapter 2, representation and participation, including persons responsible for workplace health and safety. Chapter 3, general risks and workplace management. Chapter 4, hazardous work; including job specific tasks. Chapter 5, plant and structures. Chapter 6 Construction work.
Work Health & Safety Act	This act provides a balanced and consistent framework to secure the health and safety of workers and workplaces[8].
Disability Discrimination Act and Disability Discrimination Regulations	This act seeks to eliminate discrimination against persons on the ground of disability and to ensure that persons with disabilities have the same rights to equality as the rest of the community; and to promote recognition and acceptance within the community of the principle that persons with disabilities have the same rights as the rest of the community.
Building Code of Australia	The Building Code of Australia (BCA) is a uniform set of technical provisions for the design and construction of buildings and other structures throughout Australia.
National Asset Management Framework	Focuses on long term financial sustainability and provides a mandate to have long term strategy, financial statements and annual reporting mechanisms. AM plans are likely to be audited.

[7] http://www.comlaw.gov.au/Details/F2011L02664/Html/Text
[8] http://www.comlaw.gov.au/Details/C2011A00137/Html/Text#_Toc309986326

In addition to the above, it is important to ensure that community facilities are inclusive of all people. Council in being responsive to the community, must continually assess and seek improvements that overcome access barriers to its facilities.

Council's Asset Management Plan in terms of access and inclusion has synergies with its Disability Inclusion Action Plan. Within that Plan, there is the goal to 'Create Liveable Communities' and it lists a number of actions that seek to continually improve access to Council facilities. It also identifies the importance of ensuring works are undertaken in accordance with the Australian Standard for Access and Mobility (AS 1428).

3.4 Service Levels

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service. These include:

3.4.1 Customer Values

- What aspects of the service is important to the customer,
- Whether they see value in what is currently provided and
- The likely trend over time based on the current budget provision

Phone vs Online – Mean Ratings

Service/Facility	Importance (mean ratings)		Satisfaction (mean ratings)	
	Phone	Online	Phone	Online
Public toilets	4.27	3.82	2.73	2.21
Performing Arts Centre	3.68	3.14	3.86	3.76
Facilities and services for the disabled	4.40	3.86	2.98	2.35
Community buildings and facilities	4.10	3.66	3.17	2.48

Table 3.4.1: Customer Values

Service Objective: Quality			
Customer Values	**Customer Satisfaction Measure**	**Current Feedback**	**Expected Trend Based on Planned Budget**
Well maintained and suitable Buildings	Community Satisfaction Survey	Average Satisfaction Mean Scores (of 5) • Community Buildings – 2.83 • Public Toilets – 2.47 • Facilities & Services for disabled – 2.67 • Performing Arts Centre – 3.81	Average Satisfaction Mean Scores (of 5)[9] • Community Buildings – 2.80 • Public Toilets – 2.45 • Facilities & Services for disabled – 2.65 • Performing Arts Centre – 3.80
Functionality Utilisation	Availability of Council Buildings	Buildings to be available to users during normal operating hours of the service.	100%[10] when Monday-Friday. Public toilets are open during sunlight hours Monday-Sunday excluding some public holidays.

3.4.2 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition 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?

In Table 3.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

[9] Forecast has been based on a comparison of the median change from 2019 survey, 2021 and 2023.
[10] Some assets have license agreements in place and require prior written notice to gain access

Table 3.4.2: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Buildings maintained to an acceptable	< 10 of Buildings with Overall Condition >=3 "average" *Current total assets 260	209 (2022[11])	240 (2033)
	Confidence levels		Medium	Medium
Function	Functionality of Council Buildings	All Buildings designed & fitted out to minimum needs to provide the service. < 10 functionality complaints per year	10 (2022)	< 10 functionality complaints per year
	Confidence levels		Medium	Medium
Capacity	Capacity of Council Buildings	All buildings have capacity to meet demand for the service it is intended to support < 10 capacity complaints per year	1 (2022)	< 10 capacity complaints per year
	Confidence levels		Medium	Medium
Quality	Response time to customer requests	Time taken to close customer requests	94% (2024)[12]	>= 95% of all requests adequately responded to within target
	Confidence levels		High	High

*High/Medium/Low

High (Professional Judgement supported by extensive data)
Medium (Professional judgement supported by data sampling)
Low (Professional Judgement with no data evidence)

3.4.3 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These

[11] As at the 22/23 revaluation
[12] See appendix G

technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

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

- **Acquisition/Upgrade** – the activities to provide a higher level of service (e.g. additional room to a building, additional courts to a tennis court) or a new service that did not exist previously (e.g. a new library).
- **Operations** – the regular activities to provide services such as opening hours, cleaning frequency, etc.
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition (e.g. Tap/Washer Replacement, Minor Painting, Light Fitting/Globe Replacement),
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally (e.g. building component replacement, i.e. roof, doors, windows),
- **Upgrade** – the activities to provide a higher level of service (e.g. Addition of a room/veranda) or a new service that did not exist previously (e.g. a new library).

Both the works delivery and asset management team aim to; implement and control technical service levels to influence the customer service levels.[13]

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation and the Forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
TECHNICAL LEVELS OF SERVICE				
Operations	To ensure all components are operational	Defect inspections Customer Requests Cleaning contract service performance.	Monitoring of defects through Authority. Team leaders and coordinators assessment of contractors. 95% of buildings cleaned in accordance with scheduled plan	90-day response to non-urgent customer requests. Desired service standards to be reviewed after further community consultation.
		Budget	$1,373,818	$1,310,430

[13] IPWEA, 2020, IIMM, Chap. 2.2

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
TECHNICAL LEVELS OF SERVICE				
Maintenance	To ensure all components achieve their expected useful life	Defect inspections Customer Requests	Monitoring of defects through Authority. 95% of defects carried out in accordance with scheduled plan	90 day response to non-urgent customer requests. Desired service standards to be reviewed after further community consultation.
	Heritage Preservation	Each building listed on the State Heritage Register is preserved & maintained in accord with its Conservation Management Plan when funding permits	100%	Funding Required – seek grant opportunities
		Budget	$2,011,484	$1,578,469
Renewal	To ensure assets are renewed at the agreed intervention point	Community consultation results find the community desire condition 3 “average” or better.	All building assets/components in <= condition 3	Total building assets in worse than condition 3 = 49.43%
		Budget	$1,540,000	$455,000
Upgrade	Upgrade is addressed where a need is assessed through needs studies or master plans.	Recreational needs analysis, aquatic needs analysis, master plans and strategic plans.	Implementing where funding allows.	Lack of previous lifecycle budgeting, has promoted the need to restrict upgrades/new work under current budgets.
	BCA Compliance	All new buildings comply. All new buildings are assessed by Councils’ Building Surveyor for compliance.	100%	100% achievement
		Budget	$741,000	$0

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
TECHNICAL LEVELS OF SERVICE				
Disposal	Review of assets that are determined to be surplus to needs	Determined through the ongoing strategic property review	All recommended assets identified in the strategic property review. Assets identified as no longer required through user consultation.	A gradual disposal of identified surplus assets - budget dependant.
		Budget	$0	$20,000

Note: *****Current activities related to Planned Budget.
******Expected performance related to forecast lifecycle costs.

Performance budgets are based on first year of the program, with the exclusion of disposals.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4.0 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 have been identified and documented.

4.3 Demand Impact and Demand Management Plan

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

Demand for new or upgraded 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 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand drivers	Present position	Projection	Impact on services	Demand Management Plan
Population	70,765 as at 30/06/2024[14]	The projected population for 2041 is 107,375. As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue	Population growth will increase traffic volumes, and increase demand/pressure on footpaths & cycleways, and will increase demand for multiuse buildings.	A policy is already incorporated that single use community facilities are no longer constructed/accepted through development.
Demographics	Approximately 3% of the residents are from non-English speaking backgrounds	An increase of migrants settling in Cessnock LGA from non-English speaking backgrounds are expected to increase.	Signage to buildings and parks should incorporate universal diagrams or translations.	Consider standardised signage with international language and symbols.
Demand Demographics	Over 39% of the population have a long term health condition, of which over 7.8% would need assistance in their day-to-day lives.	Expect to see an increase in demand for services due to the ageing population and increase in health concerns.	A greater need to improve DDA compliance of the existing facilities.	DDA review of public toilets underway. Outcome to be incorporated into future programs.
Residential Development	Increase in demand for residential land and infrastructure.	Increase in population (see above)	Required maintenance will increase with the addition of new assets that become the property of Council.	Budgeting for this increase is necessary to keep assets at their required LOS. Implement the recommendations from the strategic property review.

[14] Source: Home | Cessnock City Council | Community profile based on most current Census data

Demand drivers	Present position	Projection	Impact on services	Demand Management Plan
Changes in Land use	Changes in land use will result from rezoning and higher density developments.	As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue.	Overburden facilities, higher use resulting in increased maintenance trends.	Upgrade current facilities, enforce construction of multipurpose facilities.
Climate Change	Scientific evidence of climate change	Impacts of climate change putting pressure on asset life expectancy.	Increase in energy costs and water restrictions.	Implement objectives as defined in Councils Sustainability and Climate Change Strategy. Continue the solar panel roll-out on Council owned buildings through the revolving energy funds.

Section 7.11 Plans	Cessnock City Wide Infrastructure Contributions Plan 2020
	
	Such Examples include;
	• New Kurri Kurri Multipurpose Centre $5,840,686
	• Bellbird North Contributions:
	  ○ Multipurpose Centre $5,840,686 + Land
		Some examples of new assets/contributions towards new assets resulting from s.711 Plan include:
		• Huntlee
		  ○ Community Hub $17,916,446
			The new assets are required to meet future population demands.
			
			These new assets will have longer term impact on projected operating and capital expenditure in the future (see figure 7A).
			
			They will also impact on the projected depreciation expense (see figure 10A).
				Incorporate assets into the asset stock, begin creating forward plans and projects for contributed assets.

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Cessnock City Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. Adding additional new assets to an aging asset stock creates a further burden on Councils' level of service, and for the development of the plan a review of Contribution promises is to be included in the improvement plan. Costs associated with predicted developer dedications have been identified and considered in developing forecasts of future operations, and maintenance costs for inclusion in the long-term financial plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process, climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.[15]

Council currently has an adopted Climate Change Resilience Plan, which can be found on their website. This document sets out the climate change impacts on Council and the Councils' response to climate change.

Risk and opportunities identified to date are shown in Table 4.5.1

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Greater Periods of Drought	Restrictions on water usage	Closure of showering facilities. Cleaning using water/pressure cleaning to stop.	Install more roof rainwater collection tanks.
Increase in energy costs	Operational costs of buildings increasing	Reduce in other areas of service to counter operational charges	Continue to implement solar panels on Council buildings.
Increase in bushfires	Threat to buildings	Assets damaged and out of service, increase in insurance premiums.	Installation of fire control measures (i.e. roof sprinklers, gutter guard) on buildings in fire prone zones.

[15] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Increase in flood Events	Unprecedented events creating a threat to assets	Assets damaged and out of service, increase in insurance premiums.	Voluntary Planning Agreements and future development should not permit dedication of flood prone land as public reserve/sports ground. Where there is limited alternate land, stormwater management for the site should be designed for 1:100 even when the site does not fall within such zone.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure, may potentially lower the lifecycle cost, and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
Amenities and Toilet Blocks	Reduced service when water shortages	New buildings to have water tanks as part of the construction
All Buildings	Bushfire zones to have fire systems incorporated	New buildings to have fire systems installed on construction.

The impact of climate change on assets is a complex discussion and further opportunities will be developed in future revisions of this AM Plan.

5.0 LIFECYCLE MANAGEMENT PLAN

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

5.1 Background Data

5.1.1 Physical parameters

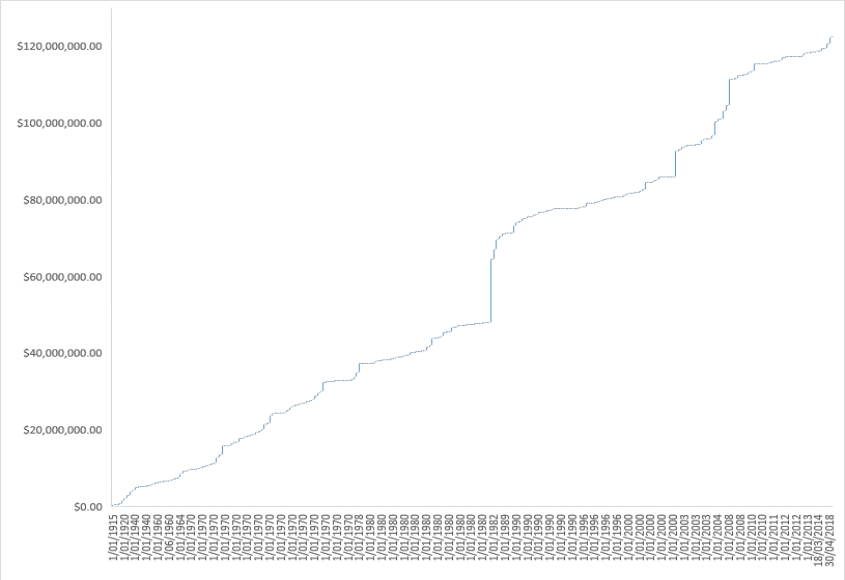
The assets covered by this asset management plan are shown in Table 5.1. Cessnock City Council is responsible for maintaining 259 Buildings which predominantly are; sporting amenities (22.00%), sheds/shelters (24%) and community facilities (10.00%). The age profile of the assets included in this AM Plan are shown in Figure 5.1.1.

Table 5.1: Assets covered by this Plan[16]

No	Asset Type
5	Administration Buildings
4	Airport Buildings
60	Amenities/Toilet Blocks
25	Childcare Buildings[17]
20	Club Houses
2	Commercial Buildings
27	Community Facilities
20	Emergency Service Buildings
10	Grandstands
2	Libraries
23	Plant/Workshops
5	Residential Buildings
52	Sheds/Shelters/Carports
2	Sports Centres

[16] Accurate as at the 17/18 revaluation.
[17] Childcare facilities are leased from Council and have all maintenance undertaken by the lessee as part of their lease agreement. Childcare facilities are still owned by Council and are reported on in Councils' Financial Statements.

Figure 5.1.1: Building Asset Age Profile



It can be seen where peaks of investment, whether subdivision release or significant grants were available, have resulted in increased asset quantities/values. As expected, this will have groups of assets all requiring renewal intervention at the same time.

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. 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
Disability Discrimination Act compliance/Accessibility	Meeting the requirements of AS 1428.1-2009 (amended 2010), AS 1428.2 – 1992, AS 1428.3 – 1992, AS/NZS 1428.4.1 – 2009, AS 1428.5 – 2010, Design for access and mobility. New buildings are assessed for their compliance. The review of Council's existing facilities for compliance is programmed in future years.
BCA Compliance	Buildings meeting current BCA standards
Fit for Purpose	Buildings that have become unfit for purpose as a result of change of use, change of demand drivers etc. Although some preliminary reports have been undertaken, including the Community Infrastructure Plan, to identify sites which are underutilised, and no longer suitable for the community, a full review of Council's building assets for fit for purpose is required to be undertaken. This is a task for future years when resourcing becomes available.

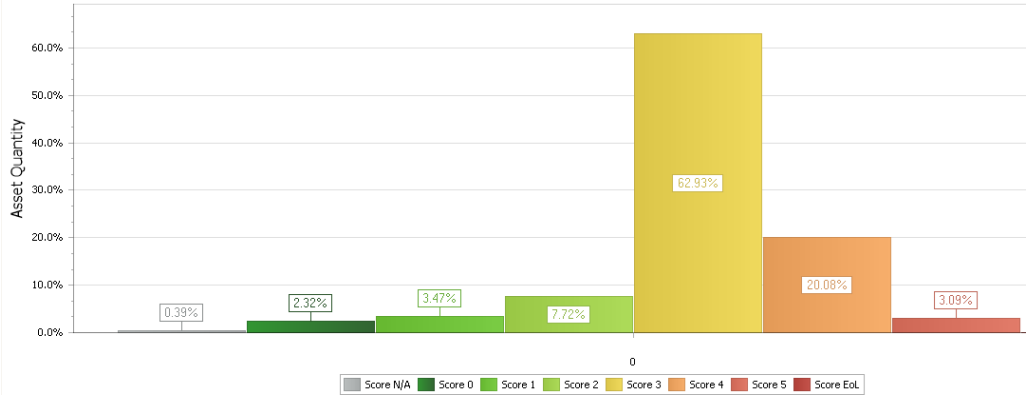
The above service deficiencies were identified from internal staff knowledge, and in some instances inspections on site.

5.1.3 Asset condition

Council has a documented condition assessment manual to condition rate buildings. This manual assists staff and contractors to assess the condition of Council's buildings and allows for consistent assessment of a building. This enables Council to determine the overall condition of its buildings network as well as identify those building assets that require repair or renewal in future years.

The current building condition assessments were done as part of assigning valuations in 2022/23. The condition profile of our assets is shown in Figure 5.1.3.

Fig 5.1.3: 2025 Asset Condition Profile of CCC Building Network



Condition is measured using a 1 – 5 grading system[18] with the addition of condition state 0 to represent newly constructed assets, and end of life (EOL) for assets out of service/closed to the public, see table 5.1.3 below.

Table 5.1.3: Buildings Condition Grading Model

Element Condition		Description
0	**Constructed**	Newly Constructed
1	**As New**	No visible signs of deterioration or very slight condition decline, OR rehabilitated back to "as new"
2	**Good**	Early stages of deterioration, functionality, performance, and serviceability are slightly impaired if at all.
3	**Fair**	Obvious deterioration. Functionality & serviceability affected & maintenance costs rising.
4	**Poor**	Deterioration severe and starting to limit serviceability. Maintenance costs high and pointing towards rehabilitation. Risk associated with deterioration would also be increasing.
5	**Very Poor**	Deterioration severe with severe serviceability problems requiring rehabilitation immediately, OR no longer serviceable and provides extreme risk in leaving asset in service.
6	**End Of Life**	Condemned Buildings/assets out of service.

[18] IPWEA, 2020, IIMM, Sec 2.4.5

5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include tap washer replacement, light bulb replacement, door handle replacement.

The trend in maintenance budgets are shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Budget	2022	2023	2024	2025
Operations	$1,252,800	$1,233,860	$1,200,000	$1,250,000
Maintenance	$1,357,200	$2,395,140	$1,649,215	$1,451,000

The current maintenance budgets are based on historic trends and do not meet the needs of an increasing asset stock. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The service hierarchy is shown is Table 5.2.2.

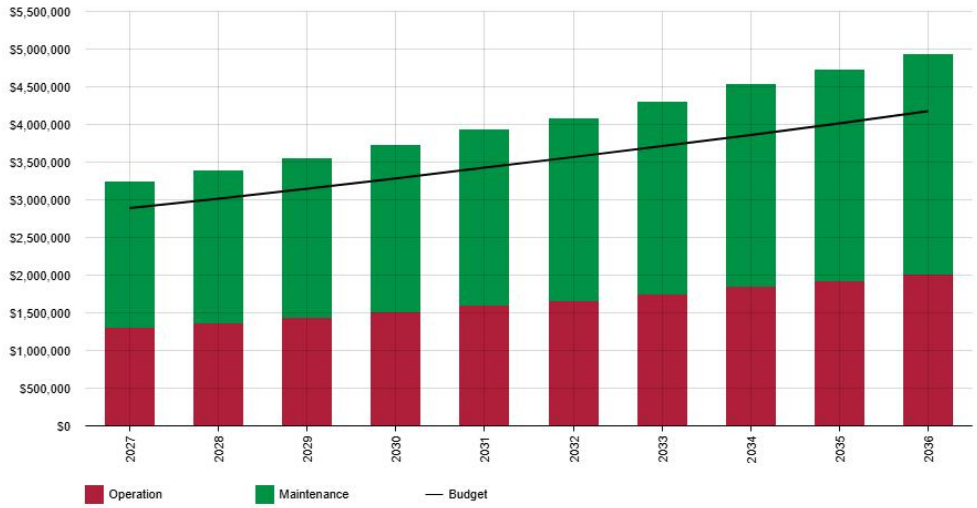
Table 5.2.2: Asset Service Hierarchy

Service Hierarchy	Number Building Assets	Service Level Objective
Regional	80	Regional facilities provide a high level of management and service as they are required to cater for broad cross-section of the Council's population and visitors to the LGA.
District	113	District facilities provide a reasonable level of management and service as they are required to service several suburbs or whole communities depending on the surrounding population density.
Local	67	Local facilities provide a standard level of management and service as they are likely to attract users from a small catchment area and generally cater for short visits by very small groups.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

Figure 5.2: Operations and Maintenance Summary



Deferred maintenance (i.e. works that are identified for maintenance activities but unable to be completed due to available resources) are to be included in the infrastructure risk management plan.

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed on 30/6/2023[19].

[19] DOC2021/161331_Asset Management _ CCC Useful Life Evidence Buildings 2022-23 _ Oct 2021

Table 5.3: Useful Lives of Assets

Asset (Sub)Category	2023 Adopted UL
Concrete Substructure	110
Brick and timber substructure	105
concrete and timber substructure	90
Concrete perimeter footing only	115
Shipping Containers Sub, Super, roof	30
Timber Superstructure	120
Brick Superstructure	100
Metal Superstructure	55
Metal Frame only Superstructure	40
Polycarbonate Superstructure	20
Concrete Superstructure and roof	95
Mixed superstructure (brick, poly, metal)	110
Mixed superstructure (brick, Metal)	78
Compressed Sheet Superstructure	100
Roof Frame	Age Based on Council's oldest building asset (130+ years) adjusted for life expectancy (150 years)
Metal Roof	55
Slate Roof	120
Tile Roof	40
Polycarbonate Roof	20
Metal/Polycarb	35
Fitout and Fittings	40
Fitout and Fittings (floor Covers) Epoxy/varnish	20
Fitout and Fittings (floor Covers) Tile	60
Fitout and Fittings (floor Covers) Carpet	30
Fitout and Fittings (floor Covers) vinyl	35
Fitout and Fittings (floor Covers) car/vinyl mix	33
Fitout and Fittings (floor Covers) car/tile mix	45
Fitout and Fittings (floor Covers) Epoxy/tile mix	40
Fitout and Fittings (floor Covers) Vinyl/tile mix	48
Services (Electrical)	45
Services (Mechanical)	20
Services (Hydraulic)	105
Services (Transportation)	45
Services (Fire)	35
Services (Security)	30
Site Services - ave Hydr & Elec	75

Market Value Assets	
Weatherboard/fibro, timber frame, brick piers, tin roof	111
concrete slab, Double Brick, tin roof	104
Hardwood boards, timber frame, brick piers, tin roof	108
Metal clad, metal frame	75
metal frame, metal roof	48
no substructure, hardwood clad, tin roof	108
concrete slab, Blockwork, timber frame, tin roof	106

The estimates for renewals in this AM Plan were based on alternate Method.

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing fan based mechanical system with air conditioning), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of kitchen cabinetry/fit-out).[20]

It is possible to prioritise renewals by identifying assets or asset groups that:

- Hierarchy of Buildings
- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.[21]

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

Table 5.3. Renewal and Replacement Priority Ranking Criteria

Criteria	Weighting
Potential for High Risk as determined in Risk Matrix	30%
Condition	20%
Needs to the Community/Strategic Direction of Council	15%
Hierarchy/Level of use	15%
Functionality	10%
Alternate Funding Source	10%
Total:	**100%**

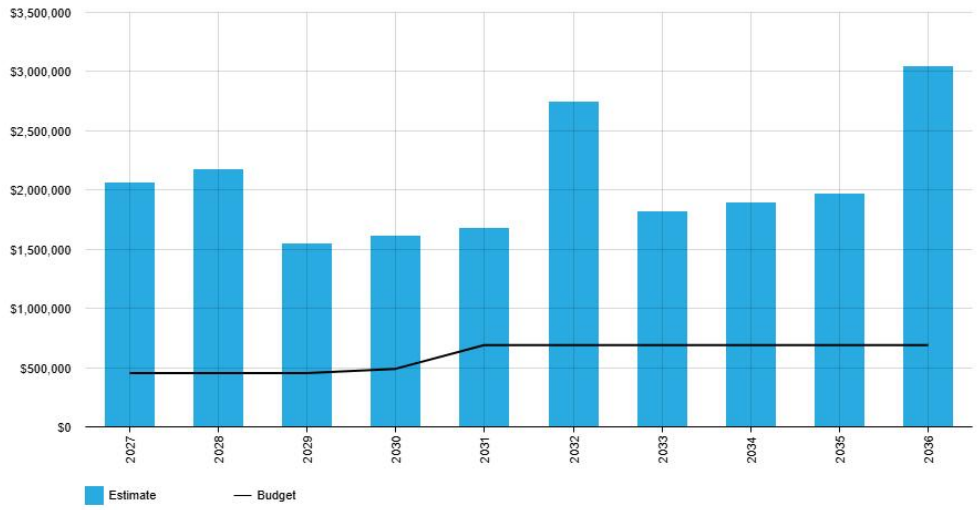
Note: Should something of a higher priority be estimated with a project value more than the available funding left within its year of program, it will be programmed in the first year that has the available funding. Consequently, in this instance, something with a lower priority but lesser project value may take its place.

[20] IPWEA, 2020, IIMM, Sec 3.4.2.
[21] Based on IPWEA, 2020, IIMM, Sec 3.5.3.

5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

Figure 5.4.1: Forecast Renewal Costs



The forecasted renewal budget is an estimate required to keep all our building assets above poor in condition. It has been recognised in previous versions of this AMP that the community desired condition of "fair" (3) or better is financially not sustainable. Community consultation around asset condition has yet to include the financial implications of each level of service criteria. It is part of the improvement plan for all Councils' AMP's that community consultation with financial implications and potential "trade-off" be undertaken, and results be included in revisions.

5.5 Acquisition Plan

Acquisition reflects are new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to the Cessnock City Council.

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to verify that they are essential to the Councils' needs. Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The Asset Management Policy has highlighted the need to only construct new assets should they be funded through external funding sources or dedicated through development. The following shows the priority ranking criteria Table 5.5.1:

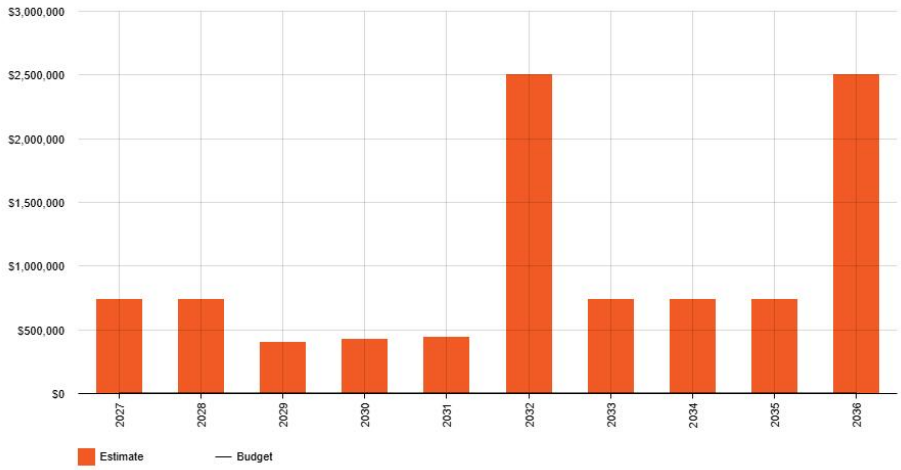
Table 5.5.1: Acquired/New Assets Priority Ranking Criteria

Criteria	Weighting
Alternate Funding Source	40%
Potential for High Risk as determined in Risk Matrix	20%
Functionality/Capacity	20%
Needs to the Community/Strategic Direction of Council	10%
Condition	10%
Total:	100%

Summary of future asset acquisition costs

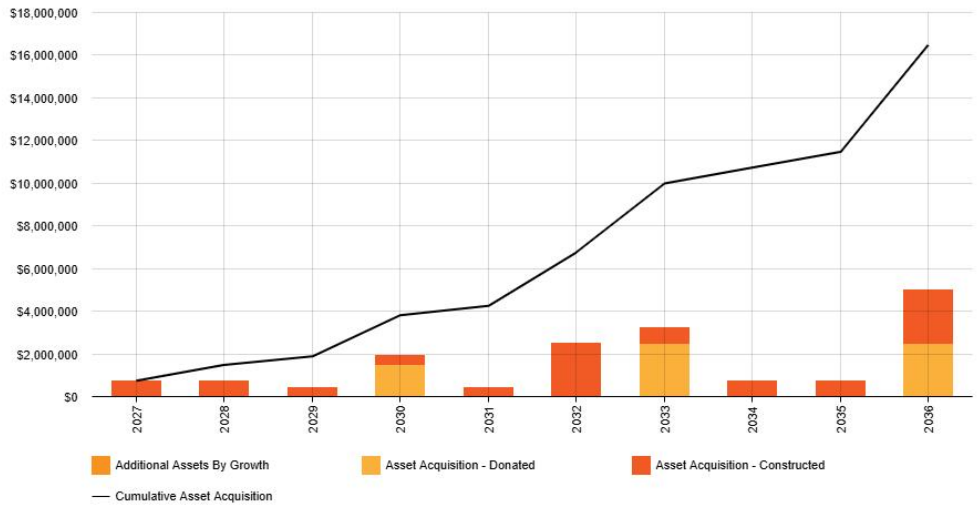
Forecast acquisition asset costs are summarised / summarized in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

Figure 5.5.1: Acquisition (Constructed) Summary



When an Entity commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the acquired assets being taken on by the Entity. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.5.2.

Figure 5.5.2: Acquisition Summary



Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

Council currently do not fund (with the exception of fully grant funded new assets) the construction of new building assets as there is recognition of the financial shortfall in maintaining and renewing the current asset stock. Commonly, consideration for the ongoing funding of operations, maintenance and renewal costs for acquired assets has also not been accounted for.

Acquisition from development is somewhat hard to predict when it is likely to be dedicated. As such, the figures above although expected at some point in the next 10 years, are only an estimate in time. The plan does not forecast for Council contribution amount required for contribution plans at this time. The ongoing cost to Council and the level of service impact needs to be reviewed before committing to new/additional assets. Where grant opportunities provide to cater for Councils' contribution, consideration will be given to upgrades rather than the creation of new.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

Table 5.6: Assets Identified for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
IGA Toilet Block	Closed to the public for 10+ years	Within next four years	$20,000 (approx.)	Minimal

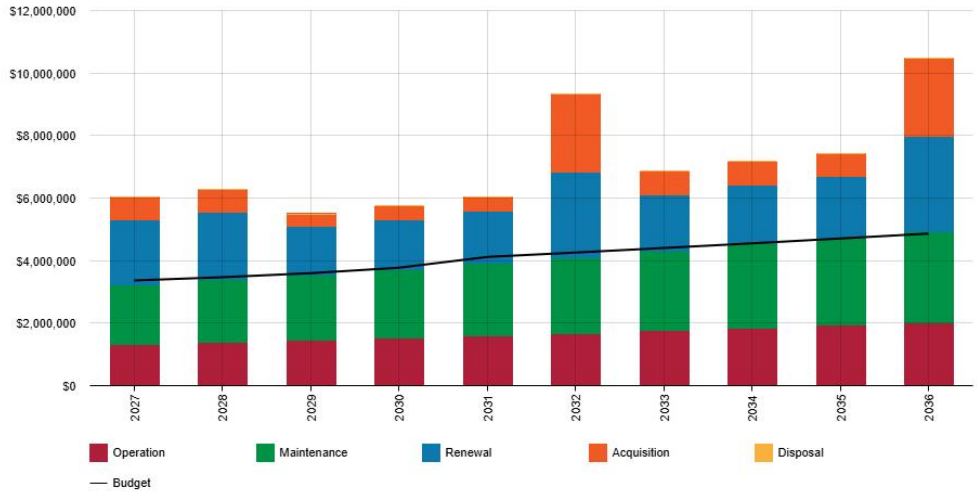
The progress of the disposal plan within this AMP is to be reported to the Asset Management Steering Group, and where deadlines for commitments cannot be met; reported on and updated accordingly.

5.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.7.1: Lifecycle Summary



Forecast budgets highlight what is required to reach the useful life of building assets if funding were to permit.

6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'[22].

An assessment of risks[23] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 6.1 Critical Assets

Asset	What can happen?	Annual Operations Activity	Planned Maintenance Activity
Baddeley Park Grandstand	Electrical failure during event	6 monthly RCD testing	
	Security or access failure		
Kurri Kurri Community Centre and Library	Electrical failure	6 monthly RCD testing	
	Air Conditioning Failure	condition audits	Monthly Service
	Emergency and Exit Light Failure	6 monthly tests	
	Hydraulic Failure		
	Lift Failure		Serviced Quarterly
	Fire system failure	Monthly testing	
	Hydrants	Annual Testing	
	Security or access failure		
CCC Administration Building	Air Conditioning Failure		Monthly Service

[22] ISO 31000:2018
[23] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson

Asset	What can happen?	Annual Operations Activity	Planned Maintenance Activity
	Emergency and Exit Light Failure	6 monthly tests	
	Electrical failure	6 monthly RCD testing	
	Hydraulic Failure		
	Lift Failure		Serviced Quarterly
	Fire system failure	Monthly testing	
	Hydrants	Annual Testing	
	Security or access failure		
CCC Works Depot[24]	Air Conditioning Failure	condition audits	Monthly Service
	Emergency and Exit Light Failure	6 monthly tests	
CCC Works Depot	Electrical failure	6 monthly RCD testing	
	Hydraulic Failure		
	Fire system failure	Monthly testing	
	Hydrants	Annual Testing	
	Security or access failure		
CCC Waste Depot	Air Conditioning Failure	condition audits	Monthly Service
	Emergency and Exit Light Failure	6 monthly tests	
	Electrical failure	6 monthly RCD testing	
	Hydraulic Failure		
	Fire system failure	Monthly testing	
	Security or access failure		
Performing Arts Centre	Air Conditioning Failure	condition audits	Monthly Service
	Emergency and Exit Light Failure	6 monthly tests	
	Hydraulic Failure		
	Fire system failure	Monthly testing	
	Security or access failure		
Kurri Kurri Aquatic Centre (indoor pool)	Air Conditioning Failure	condition audits	Monthly Service
	Emergency and Exit Light Failure	6 monthly tests	

[24] Council Works Depot Building Assets include Asset No; 193, 202, 201, 194, 196, 229, 197, 198, 203, 206, 195, 204, 199, 207

Asset	What can happen?	Annual Operations Activity	Planned Maintenance Activity
	Hydraulic Failure		
	Fire system failure	Monthly testing	
	Security or access failure		

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used 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 International Standard ISO 31000:2018.

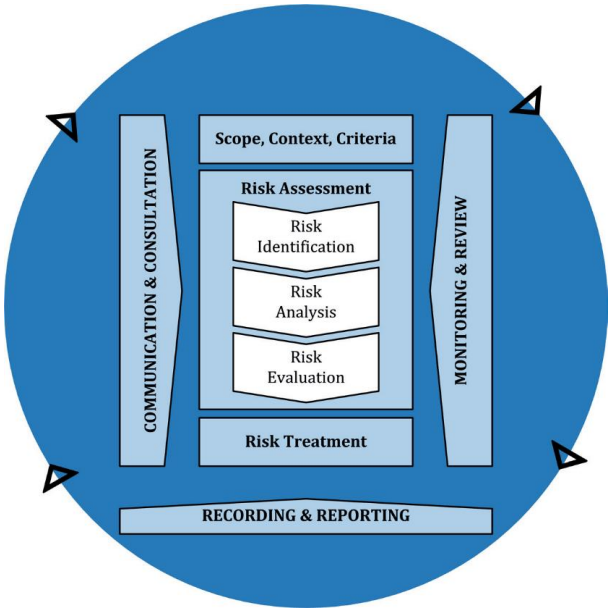


Fig 6.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management.

Table 6.2: Risks and Treatment Plans

Risk Category	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment Cost
Building Safety	Asbestosis	High	Update Asbestos Register and management plan.	High	In budget
	Asbestosis	High	Undertake asbestos remediation/removal where identified through asbestos management plans.	High	To be identified on a case-by-case scenario.
Building Heritage	Deteriorate below minimal acceptable standards of maintenance	High	An inspection regime is required to ensure State Heritage Facilities are maintained to the "Minimal Standards of Maintenance and Repair" as per the NSW State Heritage Act 1977 and guidelines as set out at http://www.environment.nsw.gov.au/resources/heritagebranch/heritage/infominimumstandards.pdf	High	Est. only $85,000 to develop schedule
Air – conditioning	Legionella outbreak	High	Regular inspection & chemical treatment in line with statutory requirements	Low	In Budget
Building Electrics	Electrical overload and burnout / electrocution	High	Maintenance and testing in line with Australian Standards occurs twice annually.	Medium	In Budget
Building Structure	Termite Infestation	High	Ongoing inspections in line with proactive inspection program.	Low	In Budget
	Buildings failures / deterioration	High	Ongoing Inspections in line with Proactive Inspection Program. Where hazards identified, a suitably qualified person is to review the risk and proposed treatment method.	High	In Budget
Building Fire Systems	Failure of fire prevention and detection systems	High	Maintenance and testing in line with Australian Standards occurs annually.	Medium	In Budget

Note: *The residual risk is the risk remaining after the selected risk treatment plan is implemented.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand

a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 6.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Floods	Drainage review	Low
Fire	Gutter guard, roof top sprinkler systems, clearing of debris	Low
Drought	Water preserving measures	Low
Increase Energy Costs	Review of energy provider rates, solar panels	High

Future iterations of the AM Plan will include improvement in measuring resilience in service delivery.

6.4 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.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. This includes:

- Annual building maintenance and renewal items to sustain the asset stock in condition 3.

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Assets out of service (are no longer safe or do not meet their intended function, or capacity)
- Decrease in LOS from Building Assets

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. These risk consequences include:

- Building structural failures or safety concerns (asbestos etc.) – assets out of service
- Building assets no longer meeting functionality or capacity requirements (not fit for purpose)

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan.

7.0 FINANCIAL

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio[25] 29.25%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 36.86% of the funds required for the optimal renewal of assets.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10 year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is $5,094,984 average per year.

The proposed (budget) operations, maintenance and renewal funding is $4,108,388 on average per year giving a 10 year funding shortfall of $1,977,471 per year. This indicates that 67.51% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 67.51% for the first years of the AM Plan.

7.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

[25] AIFMM, 2020, Sec 2.4.2

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2027	740,948	1,310,430	1,920,000	2,059,052	20,000
2028	740,948	1,373,818	2,011,484	2,166,552	0
2029	400,400	1,442,361	2,106,968	1,540,000	0
2030	425,000	1,510,438	2,202,093	1,608,035	0
2031	440,000	1,595,890	2,318,733	1,675,573	0
2032	2,500,000	1,665,579	2,417,366	2,744,271	0
2033	740,948	1,755,963	2,543,365	1,814,042	0
2034	740,948	1,854,427	2,682,850	1,886,604	0
2035	740,948	1,931,847	2,795,334	1,962,068	0
2036	2,500,000	2,012,083	2,910,818	3,040,551	0

7.2 Funding Strategy

The proposed funding for assets is outlined in Councils' Operational Plan and Long-Term financial plan.

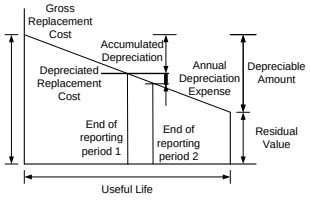
The financial strategy of the Council determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued as fair value at cost:

Replacement Cost (Current/Gross)	$168,581,499
Accumulated Depreciation	$82,308,767
Depreciated Replacement Cost[26]	$86,272,731
Depreciation	$3,236,190



7.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are dedicated to Council.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

[26] Also reported as Written Down Value, Carrying or Net Book Value.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Key Assumptions	Risks of Change to Assumptions
Planned expenditure values obtained from current budgets and Council's four-year delivery program, and Council's updated LTFP.	The four-year Delivery Program and LTFP may change in the future. Any changes in funding after publishing this AM Plan will be reflected in future iterations.
Contributed assets based on Developer Contributions.	Potential for modification prior to commencement of development. Date of contribution to Council is an estimate only.
Increase to maintenance and operation forecast budgets is based on historic overspend.	Increasing the frequency in which the plans are reviewed minimises risk that a significant change in overspend will go unnoticed.

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[27] in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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. High	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%
C. Medium	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%
D. Low	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%
E. Very Low	None or very little data held.

[27] IPWEA, 2020, Sec 4.2.7

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Growth projections	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Operations expenditures	B	Council financial records, operations and maintenance need better definition and application.
Maintenance expenditures	B	Council financial records, operations and maintenance need better definition and application.
Projected Renewal exp. - Asset values	A	Assets revalued in 2022/23
- Asset residual values	A	No residual values
- Asset useful lives	A	Useful lives based on industry standards.
- Condition modelling	A	Condition assessment based on 2022/23 revaluation exercise.
- Network renewals	A	Based on Renewal and Replacement Priority Ranking Criteria Table 5.4.2
- Defect repairs	B	Developed from customer requests and officer inspections.
Upgrade/New expenditures	A	Based on hierarchy, customer requests, capacity/functionality performance, condition & where identified in strategic/master plans. To be based on selection ranking criteria by next version.
Disposal expenditures	A	Where identified in Services Property Review.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be high.

8.0 PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices[28]

8.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of the data is from Council's corporate financial registry (Civica Authority), Asset Registry (Assetic MyData), and current delivery, operational ad long term financial plan.

8.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is from Council's corporate financial registry (Civica Authority), Asset Registry (Assetic MyData).

8.2 Improvement Plan

It is important that Council recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Undertake further community consultation to allow a full review of service levels.	Infrastructure and Open Space and Community Facilities	In-house, external	When resourcing permits
2	Review service level response times	Open Space and Community Facilities	In-house	Next Adoption
3	Undertake stakeholder review of identified critical assets	Open Space/Assets	In-house	Next Adoption
4	Undertake stakeholder review of identified resilience strategies	Open Space/Assets	In-house	Next Adoption

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually at desktop level to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

[28] ISO 55000 Refers to this as the Asset Management System

The AM Plan has a maximum adoption life of 4 years and is due for complete revision and update 12 months from a Council Election and/or as part of a new Operational Plan cycle.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,
- The Asset Renewal Funding Ratio achieving the Organisational target.

9.0 REFERENCES

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- NAMS.Plus Maturity Assessment Report Cessnock City Council
- Cessnock City Council 2017 Asset Management Research
- Cessnock City Council: 2031: A Vision for the Future, Community Infrastructure Plan
- NSW OLG Integrated Planning Guidelines and Manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results

10.0 APPENDICES

Appendix A - Acquisition Forecast

A.1 – Acquisition Forecast Assumptions and Source
Prediction of acquisition figures is based on review of current developments underway and their contribution plans.

A.2 – Acquisition Project Summary
The project titles included in the lifecycle forecast are below:

- 2030, 2033, 2036 estimated timing of dedications from Huntlee and Bellbird North Precincts.

A.3 – Acquisition Forecast Summary

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2027	740948	0	0
2028	740948	0	0
2029	400400	0	0
2030	425000	1500000	0
2031	440000	0	0
2032	2500000	0	0
2033	740948	2500000	0
2034	740948	0	0
2035	740948	0	0
2036	2500000	2500000	0

Appendix B - Operation Forecast

B.1 – Operation Forecast Assumptions and Source

Operational forecasts include an indexation factor to allow for increase material and labour charges, as well as some consideration of acquisition.

B.2 – Operation Forecast Summary

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2027	1310430	7039	1310430
2028	1366779	7039	1373818
2029	1428283	3804	1442361
2030	1492556	18288	1510438
2031	1559721	4180	1595890
2032	1625229	23750	1665579
2033	1691864	30789	1755963
2034	1759538	7039	1854427
2035	1829920	7039	1931847
2036	1903117	7039	2012083

Appendix C Maintenance Forecast

C.1 – Maintenance Forecast Assumptions and Source

Maintenance forecasts include an indexation factor to allow for increase material and labour charges, as well as some consideration of acquisition.

C.2 – Maintenance Forecast Summary

Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2027	1578469	9484	1920000
2028	1646343	9484	2011484
2029	1717136	5125	2106968
2030	1790973	24640	2202093
2031	1866194	5632	2318733
2032	1942708	32000	2417366
2033	2020416	41484	2543365
2034	2101232	9484	2682850
2035	2185282	9484	2795334
2036	2272693	9484	2910818

Appendix D Renewal Forecast Summary

D.1 – Renewal Forecast Assumptions and Source

Renewal forecasts include additional funding to keep assets in condition poor or better.

D.2 – Renewal Forecast Summary

Table D2 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2027	2059052	455000
2028	2166552	455000
2029	1540000	455000
2030	1608035	490000
2031	1675573	690000
2032	2744271	690000
2033	1814042	690000
2034	1886604	690000
2035	1962068	690000
2036	3040551	690000

Appendix E - Disposal Summary

E.1 – Disposal Forecast Assumptions and Source
Disposal forecasts are those that have already had executive approval for decommissioning.

E.2 – Disposal Project Summary
The project titles included in the lifecycle forecast are included here:

- IGA toilet block

E.3 – Disposal Forecast Summary

Table E3 – Disposal Activity Summary

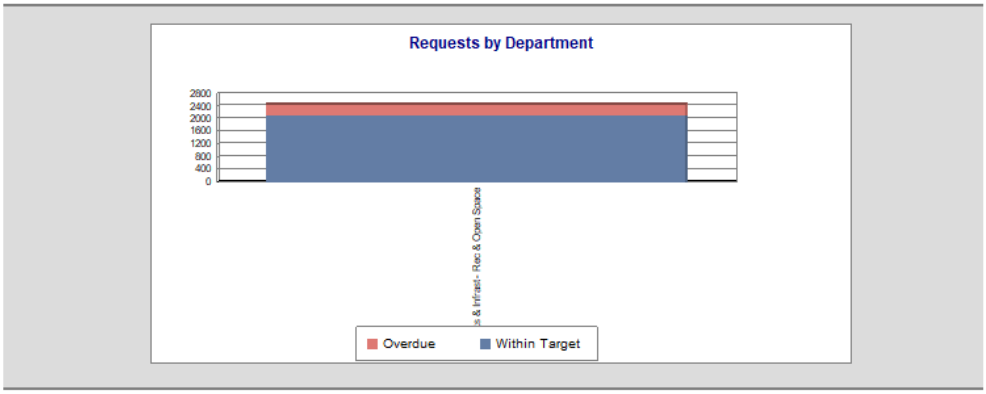
Year	Disposal Forecast	Disposal Budget
2024	20,000	20,000
2025	0	0
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0
2032	0	0
2033	0	0

Appendix F Budget Summary by Lifecycle Activity

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2027	0	1310430	1578469	455000	20000	3363899
2028	0	1366779	1646343	455000	0	3468122
2029	0	1428283	1717136	455000	0	3600419
2030	0	1492556	1790973	490000	0	3773529
2031	0	1559721	1866194	690000	0	4115915
2032	0	1625229	1942708	690000	0	4257937
2033	0	1691864	2020416	690000	0	4402280
2034	0	1759538	2101232	690000	0	4550771
2035	0	1829920	2185282	690000	0	4705202
2036	0	1903117	2272693	690000	0	4865810

Appendix G Customer Request Response Times



Closed Request Statistics
by Department

All Document Types
1/01/2024 to 7/11/2024

Double click onto the Category to access Minor Category and Request detail LIVE 7.1

7/11/2024 12:34:22PM

Department: **Works & Infrast - Rec & Open Space**

Department / Category	*New*	*Closed*	*C/F Open*	*Within Tgt*	*%*	*Overdue*	*%*
Works & Infrast - Rec & Open Space	**2,358**	**2,479**	**-121**	**2,116**	**85%**	**363**	**15%**
Building Services	1,148	1,203	-55	1,132	94%	71	6%
Cemeteries	379	383	-4	354	92%	29	8%
Corporate Administration	1	1	0	1	100%	0	0%
Customer Service	4	4	0	0	0%	4	100%
KMS	1	1	0	1	100%	0	0%
Works & Operations - Maintenance Requests	1	2	-1	2	100%	0	0%
Open Space & Community Facilities	68	70	-2	54	77%	16	23%
Parks and Tree Maintenance	755	814	-59	571	70%	243	30%
Environment and Waste Services	1	1	0	1	100%	0	0%
Total:	2,358	2,479	-121	2,116	85%	363	15%

Appendix G Customer Request Response Times Cont.

Major Cat	Minor Cat	Level 3 Cat	CRM Description	Default Workflow	Resp Officer	Days
CEMETERY	ENQUIRY		Cemeteries Enquiry	CENQ	Ms K M Harris	7
CEMETERY	ASHCOLL		Cemeteries Ashes Collection	ASHC	Ms K M Harris	3
CEMETERY	ASHPLACE		Cemeteries Placement Ashes	ASHP	Ms K M Harris	13
CEMETERY	MAINTENANC		Cemeteries Maintenance	CEMA	Ms K M Harris	12
POOLS	POOLALLOC		Pool Allocation	POOL	Ms K M Harris	10
POOLS	POOLPASS		Pool Allocation	POOL	Ms K M Harris	10
PARKTREEMA	TREEMOVE		Vegetation Removal/Relocati	WTRE	Ms K M Harris	12
PARKTREEMA	PAVERS		Paved Footpaths Maintenanc	PAVE	Ms K M Harris	7
PARKTREEMA	TREEPRESPE		Vegetation Removal Permit	WTPP	Ms K M Harris	12
OPENSPACE	ENQUIRY	BANNERINST	Banner Pole Installation	BPI	Ms K M Harris	10
OPENSPACE	ENQUIRY	BANNERMAIN	Banner Pole Maintenance	BPM	Ms K M Harris	10
PARKTREEMA	TREEGIVE		Tree Giveaway	TRGI	Ms K M Harris	30
PARKTREEMA	TREEQUOTE		Vegetation Remove/Relocate	WTQU	Ms K M Harris	10
PARKTREEMA	PARKS		Parks Maintenance	PARK	Ms K M Harris	25
PARKTREEMA	TREEPRESER		Vegetation Removal Assessr	WTPO	Ms K M Harris	12
PARKTREEMA	STREET		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
OPENSPACE	OPENINFRA		Open Space Strategic Planni	OSSP	Ms K M Harris	70
PARKTREEMA	FLOODLIGHT		Open Space Floodlight	OPFL	Ms K M Harris	180
PARKTREEMA	STREETTREE		Open Space Street Tree Plar	OPST	Ms K M Harris	180
OPENSPACE	COMMALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	ENQUIRY		Recreation Services Enquiry	RSEQ	Ms K M Harris	15
OPENSPACE	FIELDALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	PARKALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	PUBLICBIN		Recreation Services Open Sp	RSOP	Ms K M Harris	5
PARKTREEMA	PLAYGROUNC		Playground Maintenance	PLAY	Ms K M Harris	65
BUILDING	GRAFFITI		Building Maintenance Graffiti	GFTI	Ms K M Harris	10
BUILDING	KEYS		Building Maintenance Keys	KEYS	Ms K M Harris	35
BUILDING	NEWWORKS		Building Projects New Work	NWKS	Ms K M Harris	70
BUILDING	NONURGENT		Building Maintenance Non U	NONU	Ms K M Harris	60
BUILDING	URGENT		Building Maintenance Urgent	BMUR	Ms K M Harris	35
BUILDING	VANDALISM		Building Maintenance Vanda	VDLM	Ms K M Harris	65
PARKTREEMA			Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
PARKTREEMA	TREES		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
PARKTREEMA	MOWING		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
BUILDING	ALARMS		Building Services - Alarms	ALRM	Ms K M Harris	20
BUILDING	CLEANING		Cleaning	CLNG	Ms K M Harris	3
BUILDING	FACILITIES		Building Maint Open / Clean	BMOP	Ms K M Harris	60

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au

CESSNOCK CITY COUNCIL

PLANNING FOR OUR PEOPLE.
OUR PLACE. OUR FUTURE.

OPEN SPACE AND OTHER STRUCTURES

ASSET MANAGEMENT PLAN

CESSNOCK CITY COUNCIL

Document Control	Asset Management Plan				
Document ID : DOC2013/005329					
Rev No	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
1.0	15/6/16	First Adoption	MW	SL	JFB
2.0	6/09/17	Adopted	MW	SL	JFB
3.0	2/10/18	Revision for third adoption	MW	NB	JFB
4.0	January 2022	Update to New Template and New Data. For Fourth Adoption	MW	KH	DM
4.1	November 2024	Deferred from above, for ELT adoption. SRV Review	MW	CM	PM
4.2	November 2025	SRV Review	MW	CM	PM

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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The AM Plan will link to a Long-Term Financial Plan which typically considers a 10-year planning period.

2.0 Asset Description

This plan covers the infrastructure assets that are provided for recreational and open space use, including assets within sports fields, playgrounds, passive open space and swimming pools.

The Open Space network comprises[1]:

Assets Categories	Area Hectare
Local Parks	29.45
District Parks	56.15
Regional Parks	67.95
Passive Parks	50.36
Assets Categories	**Quantity (No or length)**
Fencing	72.5 Km
Automated Irrigation	32 Each
Shelters	156 Each
BBQ's	26 Each
Picnic Tables	244 Each
Seats/bench	673 Each
Bins Enclosures	67 Each
Signs	558 Each
Cricket Wickets	18 Each
Hockey Surface	1 Each
Goal Posts/hoops	152 Each
Pools	7 Each
Lighting (Inc. Poles, Bollard)	444 Each
Skate parks	4 Each
Tennis Courts	39 Each
Netball Courts	25 Each
Basketball/multi-sports Courts	11 Each
Playgrounds inc. bike circuits and splash pads	44 Each

The above infrastructure assets have a replacement value estimated at **$64,452,942** as at the 30th June 2025.

[1] Grass playing surfaces are currently not recorded as asset in our register. A full review is required of "natural" assets, including trees and how they may be managed going forward. Current as at 30/6/24.

2.1 Levels of Service

The allocation in the planned budget is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Assets out of service
- Decrease in LOS for open space and other structure assets.

2.2 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Population change
- Changes in demographics
- Seasonal factors,
- Vehicle ownership rates,
- Consumer preferences and expectations,
- Technological changes,
- Economic factors,
- Agricultural practices,
- Environmental awareness, etc.

These demands will be approached using a combination of managing existing assets, upgrading 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.

- A drop in LOS for assets determined to no longer be a priority
- Development plans/contributions targeted to multiuse/colocation of building asset services

2.3 Lifecycle Management Plan

2.3.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10-year total outlays, which for the Open Space Assets is estimated as $117,908,424 or $11,790,843 on average per year.

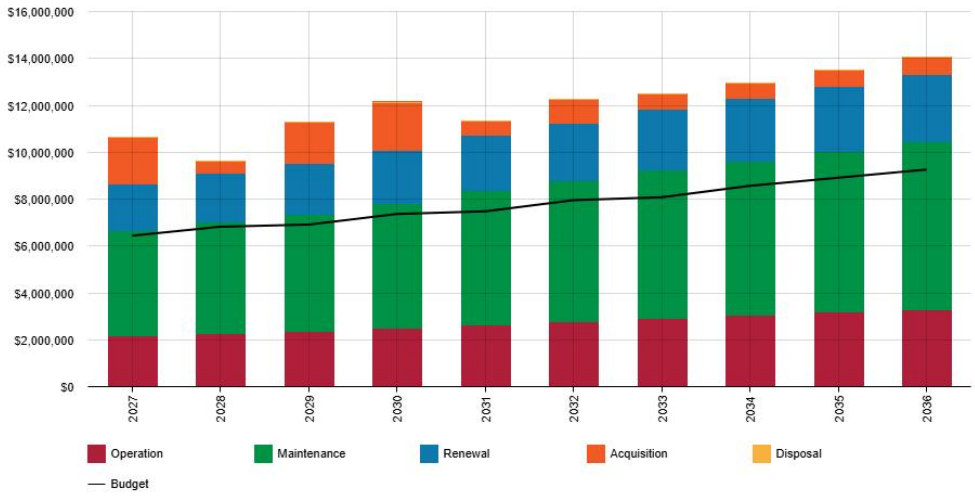
2.4 Financial Summary

2.4.1 What we will do

Estimated available funding for the 10 year period is $120,258,904 or $12,025,890 on average per year as per the Long-Term Financial plan or Planned Budget. This is 64.70% of the cost to sustain the current level of service at the lowest lifecycle cost.
The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for Open Space Assets leaves a shortfall of $4,244,603[2] on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long-Term Financial Plan. This is shown in the figure below.

Forecast Lifecycle Costs and Planned Budgets



We plan to provide open space services for the following:

- Operation, maintenance, renewal and acquisition of open space furniture, playgrounds and pool structures to meet service levels set by Cessnock City Councils annual budgets.

2.4.2 What we cannot do

We currently do **not** have sufficient budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Annual open space maintenance and renewal items to sustain the asset stock in condition 3.

2.4.3 Managing the Risks

Our present budget levels are to continue to manage risks in the medium term.
The main risk consequences are:

- Playgrounds becoming out of service and/or unsafe
- Deterioration of sports field and park furniture, posing potential safety risk to the public – structurally unsound lighting, skate parks, broken seating, fencing etc.
- Swimming pool failure, resulting in injury or shut-down times

We will endeavour to manage these risks within available funding by:

[2] Includes maintenance, operational, renewal and upgrade costs not accounted for in current budgets, does not include Councils' required portion towards the contribution plans.

- Increasing asset inspections
- Increasing response levels to temporarily repair broken assets
- Increasing renewal programs as an early intervention strategy to reduce the need for more expensive replacement programs.
- Place assets out of service if pose danger to the community

2.5 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Planned budgets based on historic spend/previous years
- Contributed assets staging

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal,
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The alternate method was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

2.6 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Undertake further community consultation to allow a full review of service levels.
- Review service level response times
- Review Councils' infrastructure resilience and climate change strategies.

3.0 INTRODUCTION

3.1 Background

This AM Plan communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

The AM Plan is to be read with the Cessnock City Council planning documents. This should include the Asset Management Policy and Asset Management Strategy, where developed, along with other key planning documents:

- Cessnock 2036 – Cessnock Community Strategic Plan
- Cessnock City Council Delivery and Operational Plan
- Cessnock City Council Annual Reports
- 2020-2021 Infrastructure Asset Revaluation Manual
- Cessnock City Council, Recreation and Open Space Strategic Plan
- Cessnock City Council: 2031: A Vision for the Future, Community Infrastructure Plan
- NSW OLG Integrated Planning Guidelines and manual
- Cessnock City Council 2023 Resident Satisfaction Survey Results
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results
- Cessnock City Council 2017 Asset Management Research

Cessnock City Council Asset Management maturity is consider to be ‘core’.

The infrastructure assets covered by this AM Plan include park furniture, open space furniture, playgrounds and pool structures. For a detailed summary of the assets covered in this AM Plan refer to Table in Section 5.

These assets are used to provide community and recreational services.

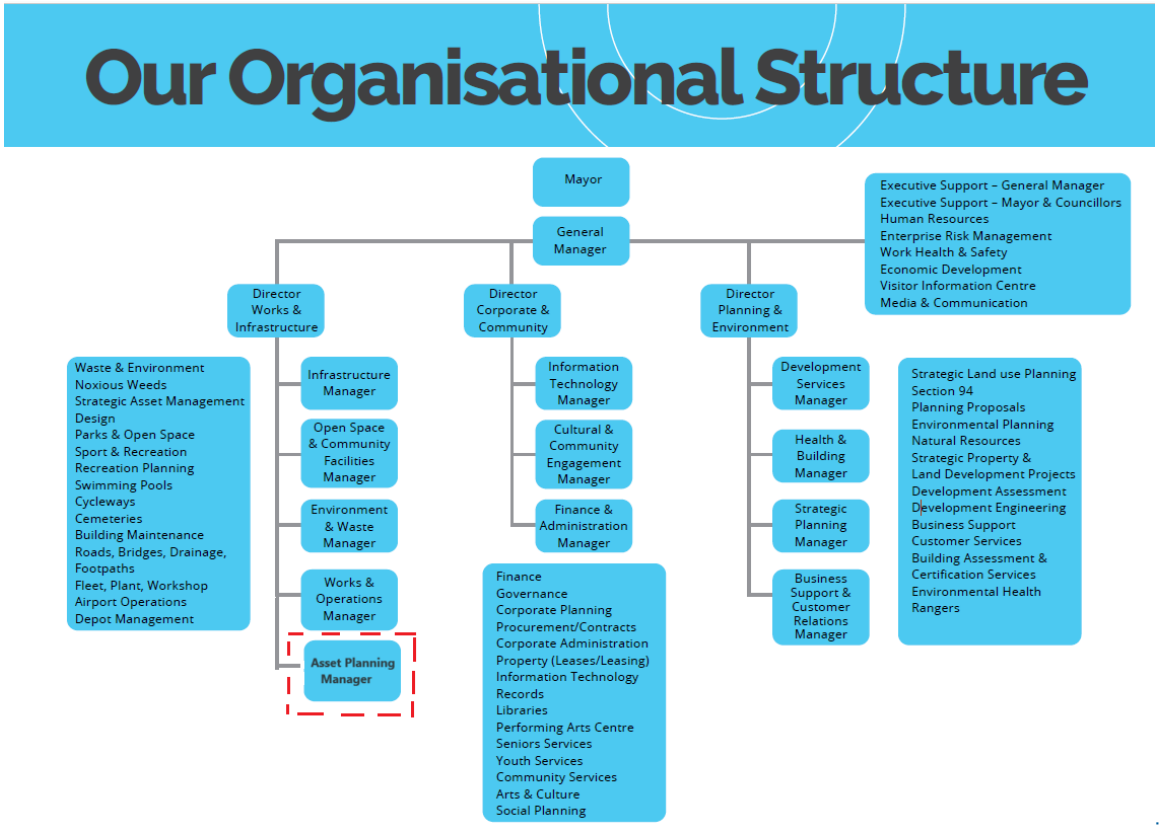
The infrastructure assets included in this plan have a total replacement value of $64,452,942.

Key stakeholders in the preparation and implementation of this AM Plan are shown in Table 3.1.

Table 3.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	• Represent needs of community, • Allocate resources to meet the Council's objectives in providing services while managing risks, • Ensure Council is financially sustainable, • Provide stewardship by ensuring the protection of assets for current and future generations.
General Manager	• Ensure the development and implementation of Council's Asset Management Policy, Plans and Processes and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, • Report on the status and effectiveness of Asset Management within Council.
Council Staff	• Development and implementation of Council's Asset Management Plans and Processes, and for their integration with Council's Integrated Planning and Reporting Framework under the Local Government Act, • Ensure integration and compliance of the Asset Management Policy and Strategy with other policies and business processes of Council, • Ensure compliance with legal obligations, • Ensure sound business principles are reflected in the Asset Management strategies and plans that are developed, • Implementation of activities in the plans, • Engage up-to-date technologies, methodologies and continuous improvement processes, • Facilitate "Best Appropriate Practice in Asset Management".
Community	• Provides input into the services required and the cost the community is prepared to pay.

Our Organisational Structure for service delivery from infrastructure assets is detailed below:



3.2 Goals and Objectives of Asset Ownership

Our goal for 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 forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

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

- International Infrastructure Management Manual
- ISO 55000[3]

A road map for preparing an AM Plan is shown below.

3 ISO 55000 Asset Management Overview, principles and terminology

Figure 1: Road Map for preparing an Asset Management Plan

Source: IPWEA, IIMM, Fig 3.6.2.1

4.0 LEVELS OF SERVICE

4.1 Customer Research and Expectations

Cessnock Council engaged Micromex Research in 2023 to undertake community research. In the survey conducted, residents were contacted to discuss their expectations in the delivery of existing community infrastructure and open space assets. The following was identified:

Table 4.1: Community Satisfaction Survey Levels 2023

Performance Measure	Importance (Phone survey)	Importance (online survey)	Satisfaction (Phone survey)	Satisfaction (online survey)
Parks and recreation areas	88%	72%	83%	62%
Sports Fields	77%	53%	85%	73%
Swimming Pools	77%	61%	81%	64%
Maintaining Open Space and Bushland	83%	75%	69%	46%

Previous surveys conduct as a contribution into Council Community Strategic Plan can also be compared below:

Table 4.1.1 Historic Comparison Satisfaction Surveys

Performance Measure*	2012	2014	2016	2021	Target
There are enough good quality open spaces	3.21	3.34	3.35	3.01	Maintain
There is a wide range of recreation and leisure opportunities	3.10	2.98	3.07	3.63	Maintain

* Where 5 is completely satisfied and 0 is unsatisfied

Council also engaged Micromex Research in March of 2015 to undertake Community Consultation. This was to determine what the community finds as an acceptable condition state of the assets. The concluding evidence from this survey found: *"The majority of residents indicated that 'Condition 3 or better' was the acceptable condition for all assets*".

The 2021 community survey indicated that **42%** of respondents would like to see **more** investment in parks and playgrounds, and **34%** for **more** in sport and recreational facilities. There was some contention over whether recreation facilities should be consolidated into larger, fewer centralised facilities, over scattered, basic facilities.

4.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the Council's vision, mission, goals and objectives. Our vision is:

"Cessnock - Creating a Resilient, Sustainable and Diverse Community".

Councils' Delivery Program states "Desired Outcomes" as objectives within the Community Strategic Plan. How these are addressed in this asset management plan is as follows:

Table 4.2: Council Desired Outcomes and how these are addressed in this Plan

Desired Outcome	Strategic Direction	How Desired Outcomes and Strategic Directions are addressed in the Open Space Asset Management Plan
Live	**Objective 1.2 Strengthening community culture**	1.2.3 Provide a variety of interment options to the community
	Objective 1.3 develop an active and creative community	1.3.3 Provide recreation and open space facilities that are connected and well utilised
Thrive	**2.3 increase tourism and visitation opportunities**	2.3.3 Explore opportunity for the Richmond Vale Rail Trail construction
Protect	**3.3 effectively utilise our open spaces for both passive and active recreation options**	**3.3.1 Provide options for people of all abilities to support active and healthy lifestyle habits**

The Council will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this AM Plan. Management of infrastructure risks is covered in Section 6.2.

4.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the Open Space Assets are outlined in Table 4.3.

Table 4.3: Legislative Requirements

Legislation	Requirement
NSW Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by infrastructure asset management plans for sustainable service delivery. Council's core functions and the manner in which it must conduct its functions are detailed in the LG Act. Section 8 includes principles which summarise all of these functions and guide Council activities. Examples of these functions include the provision, management or operation of: • community services and facilities • sporting, recreational and entertainment services and facilities • environment conservation, protection, and improvement services and facilities • waste removal, treatment, and disposal services and facilities • stormwater drainage and flood prevention, protection and mitigation services and facilities • fire prevention, protection and mitigation services and facilities DLG Integrated Planning NSW – As part of the LG Act 1993 • Key requirement is integrated community plans with operational and delivery plans.
Civil Liabilities Act 2002	*Part 5 - liability of public and other authorities*; covers Councils' obligation to provide a duty of care to its residents within their available funding and/or resources.
Work Health and Safety Regulations 2011	Implement the model Work Health & Safety Regulations & form part of a system of nationally harmonised occupational health & safety laws. They apply to the Commonwealth, public authorities and, for a period, non-Commonwealth licensees[4]. Some of the chapters covered include: Chapter 2 representation & participation. Chapter 3 general risks & workplace management. Chapter 4 hazardous work; including specific tasks such as manual handling, confined spaces, demolition, electrical work and diving. Chapter 5 plant and structures and Chapter 6 Construction work.
Work Health and Safety Act 2011	The main object of this Act is to provide for a balanced and nationally consistent framework to secure the health and safety of workers and workplaces[5].
Disability Discrimination Act 1992, No. 135 and Disability Discrimination Regulations 1996, No.27	The objects of this Act are: (a) to eliminate discrimination against persons on the ground of disability in the areas of: (i) work, accommodation, education, access to premises, clubs and sport; (ii) the provision of goods, facilities, services and land; (iii) existing laws; and (iv) the administration of Commonwealth laws and programs; and (b) ensure persons with disabilities have the same rights before the law as all of the community; and (c) Promote recognition and acceptance within the community of the principle that persons with disabilities have the same fundamental rights as the rest of the community.

[4] http://www.comlaw.gov.au/Details/F2011L02664/Html/Text
[5] http://www.comlaw.gov.au/Details/C2011A00137/Html/Text#_Toc309986326

Legislation	Requirement
National Parks And Wildlife Act 1974	The objects of this Act are: (a) the conservation of nature, including, but not limited to, the conservation of: (i) habitat, ecosystems and ecosystem processes, and (ii) biological diversity at the community, species and genetic levels, and (iii) landforms of significance, including geological features and processes, and (iv) landscapes and natural features of significance including wilderness and wild rivers, (b) The conservation of objects, places or features of cultural value within the landscape.
National Parks & Wildlife Amendment Order 2009	The object of this Order is to substitute Schedule 13 to the National Parks and Wildlife Act 1974 (the Act) (the Schedule that classifies certain plants as protected native plants).
Environmentally Hazardous Chemicals Act 1985 & Regulations	An Act which provides a mechanism for regulating chemicals of environmental concern throughout their entire life cycle.
Community Land Development Act 1989 No 201	The object of this Act is to facilitate the subdivision of land into parcels for separate development or disposition, including Community Land.

In addition, where appropriate Council complies with the following specifications and Australian Standards:

Table 4.3.1: Specifications and Australian Standards

Standards / Specifications	Purpose
AS 2560.1-2002	Sports lighting – General Principles
AS 2560.2.1-2002	Sports lighting – specific applications – lighting for outdoor tennis
AS 2560.2.3-2002	Sports lighting – specific applications – lighting for football (all codes)
AS 3541.1-1988	Synthetic sporting surfaces – general principles
Sports Dimensions for Playing Areas	Sets minimum standards on sports playing areas for outdoor/indoor sports fields, courts and playing areas. Applicable to government and non-government bodies
AS 2555-1982	Supervised adventure playgrounds - Guide to establishment and administration
AS/NZS 4486.1:1997	Playgrounds and playground equipment - development, installation, inspection, maintenance and operation
AS 4422-1996/Amdt 1-1999	Playground surfacing specifications, requirements and test method
AS/NZS 4422:1996	Playground surfacing specifications, requirements and test method

Standards / Specifications	Purpose
AS/NZS 4486.1:1997	Playgrounds and playground equipment - development, installation, inspection, maintenance and operation
AS 4685.6-2004	Playground equipment - particular safety requirements and test methods for rocking equipment
Australian Standard 4360	Risk Management
AS/NZS 1158.3.1:1999	Road lighting - Pedestrian area lighting - performance & installation design requirements. Sets requirements for electric lighting for roads and other outdoor public areas.
HB 227-2003	Standard for portable soccer goal posts, manufacture, use and storage
AS 1418.10 - 1987	Elevated Work Platforms
AS 4685.1-2004	Playground equipment - general safety requirements and test methods
AS 4685.2-2004	Playground equipment - particular safety requirements and test methods for swings
AS 4685.3-2004	Playground equipment - particular safety requirements and test methods for slides
AS 4685.4-2004	Playground equipment - particular safety requirements and test methods for runways (flying foxes)
AS 4685.5-2004	Playground equipment - particular safety requirements and test methods for carousels

4.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer Values indicate:

- what aspects of the service is important to the customer,
- whether they see value in what is currently provided and
- the likely trend over time based on the current budget provision

Table 4.4: Customer Values

Service Objective: Quality			
Customer Values	**Customer Satisfaction Measure**	**Current Feedback**	**Expected Trend Based on Planned Budget**
Overall provision and perspective of parks and recreation areas	Customer Survey	Satisfaction of 72.5% (average) out of 100% (2023)	Maintain
Overall provision and perspective of swimming pools	Customer Survey	Satisfaction of 72.5% (average) out of 100% (2023)	Decline satisfaction
Well maintained Open Spaces	Customer Survey	Satisfaction of 57.5% (average) out of 100% (2023)	Maintain-decline – pressure from urban releases to add to Councils Maintenance costs.

4.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition 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?

In Table 4.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

Table 4.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Function	Do Council's open spaces meet the community needs?	Recreational needs analysis 2017 supporting survey	"58 per cent of respondents believe there is not an adequate supply of sporting facilities in the Cessnock LGA". "70 per cent of people believe there is not an adequate supply of parks in the Cessnock LGA".	60% are happy with current provision.
	Confidence * levels		Medium	Low[6]
Capacity	Percentage of Council's open space network under utilised	Recreational needs analysis 2017 supporting survey	The following was felt required to increase participation: - New/upgraded parks for recreation use (47 per cent) - New/upgraded swimming pools (46 per cent) - New/upgraded playgrounds (41 per cent)	Less than 35% of asset stock underutilised.
	Confidence levels		Medium	Low
Quality	Response time to customer requests	Time taken to close customer requests	78% (2021) 77% (2023) 70% (2024)[7]	>= 75% of all requests adequately responded to within target
	Confidence levels		High	High
Quality	Cemeteries are well maintained & have a suitable layout	Customer Survey	3.32 (2016)[8]	Score >= 3
	Confidence levels		Low	Medium

*High/Medium/Low

[6] More specific community consultation is identified as an improvement action within this AMP
[7] See appendix G

High - (Professional Judgement supported by extensive data)
Medium - (Professional judgement supported by data sampling
Low - (Professional Judgement with no data evidence)

4.6 Technical Levels of Service

Technical Levels of Service – To deliver the customers values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

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

- **Acquisition** – 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).
- **Operation** – 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 provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.[9]

Table 4.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

[8] 2021 & 2023 survey omitted cemeteries data and further community consultations is required for future iterations
[9] IPWEA, 2020, IIMM, Chap. 2.2.

Table 4.6: Technical Levels of Service

(Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				
Acquisition[10]	To ensure all dedicated assets are of good condition/quality on dedication	All contributed assets assessed prior to PC and dedication.	100% is assessed before PC.	Better documentation of what standard is required from developers. Assessment undertaken at both PC and dedication.
	New works only when life cycle costing can be afforded. Upgrades on existing assets only where current long term budgets exist and/or ongoing costs will be reduced.	As part of the acquisition/new ranking criteria.	Currently only external funding for construction is a consideration in the ranking criteria.	Suggest implementing a criteria around consequence of ongoing funding.
		Budget	$0	$2,000,000
Operation	To ensure all components are operational	Inspections Customer Requests	Monitoring of defects through Authority. Team leaders and coordinators assessment of contractors.	90-day response to customer requests. Desired service standards to be reviewed after further community consultation.
		Budget	$2,154,669[11]	$2,266,320
Maintenance	To ensure all components achieve their expected useful life	Inspections Customer Requests	Monitoring of defects through Authority.	90-day response to customer requests. Proactive inspections (assets other than playgrounds, Skateparks and

[10] Development in the LGA has had little consideration to life cycle costs when enacting contribution plans. Further education around this is required. The models within this plan do not account for any of the significant Council portion of the contribution plan outstanding.
[11] Including operations of parks, cemeteries, pools, CBD and trees.

(Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
			Playgrounds have monthly/yearly schedule inspections	outdoor Gyms) – frequency Currently 4 yearly Desired service standards to be reviewed after further community consultation.
		Budget	$3,819,000	$4,768,000
Renewal	To ensure assets are renewed at the agreed intervention point	Community consultation results find the community desire condition 3 “average” or better.	Total open space assets in worse than condition 3 = 744 or 17.62%	Open Space Assets condition intervention to be reviewed with further community consultation. Financial constraints and level of service trade off to be included/considered. Recommend intervention level “4” poor (178 or 0.04% of current assets)
		Budget	$470,000	$2,086,000
Disposal	Rationalisation of assets/property to reduce lifecycle costs and support upgrades elsewhere.	Recreation and Open Space Strategic Plan (ROSP)	Disposals as outlined in the ROSSP are currently reviewed by Council on intention to sell.	There are currently no individual open space assets identified as surplus. A report is presented to Council on various surplus assets for determination on way forward.
		Budget	$0	$0

Note: * Current activities related to Planned Budget. Noting these can include grant funded works.
** Expected performance related to forecast lifecycle costs.
Performance budgets are based on the first year of the program.
It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

5.0 FUTURE DEMAND

5.1 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.

5.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

5.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 5.3.

Demand for new or upgraded 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 5.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 5.3: Demand Management Plan

Demand drivers	Present position	Projection	Impact on services	Demand Management Plan
Population	70,765 as at 30/06/2023[13]	The projected population for 2041 is 107,375. As part of State Government policy higher density developments will be encouraged in the Hunter Valley Area. The current levels of growth are anticipated to continue	Increased loading on existing infrastructure from development	Upgrades require to increase capacity limits. Renewal budget reviewed to reflect increase of increase usage on assets.
Demographics	Approximately 3% of the residents are from non-English speaking backgrounds	More migrants from non-English speaking Backgrounds are expected to settle in the Cessnock LGA	Misinterpretation of guideposts and signs including user terms, amenity details.	Bilingual and inclusive signage to be installed.
Demographics	Over 39% of the population have a long term health condition, of which over 7.8% would need assistance in their day-to-day lives.	Expect to see an increase in demand for services due to the ageing population and health considerations.	Increase in demand for DDA compliant Infrastructure, Services and Equitable Access	Current assessment of Councils public toilets and their accessibility is underway
Changes in Land use	Changes in land use from rezoning – i.e. higher density developments	7500 – Huntlee 150+ - Millfield Rise Government Road – 450 dwellings Nulkaba – 146 dwellings Loxford (former Hydro site) – 1,485 dwellings Bellbird North – 1,592 dwellings	Increase small lot residential development requires greater consideration to the provision of public open space.	Greater involvement by OSCF in the contribution planning process.

Climate Change	Scientific evidence of climate change	Climate change impacts affecting the lifespan of assets	Assets out of service and/or replaced at earlier intervals then predicted	Implement the objectives of Councils' Sustainability and Climate Change Strategy.

Demand drivers	Present position	Projection/ contribution	Impact on services	Demand Management Plan

Section 7.11[12] Plans	• Bellbird North
	  ○ 5 local parks $7,690,000 + land
	  ○ 4 new courts Cessnock Netball $700,000
	  ○ Upgrade Carmichael Park $1,165,000
	  ○ Turner Park upgrades $550,000
	  ○ Drain Oval upgrades $3,110,000
	• Renew Kurri Kurri
	  ○ 4 x Local Parks $6,152,000 + Land
	  ○ District Sports ground/park $25,126,000 + Land
	• Government Road
	  ○ Local park $3,538,000 + Land
	• Mount View Road Millfield
	  ○ Local park $1,538,000 + land
	• Huntlee Stage 2
	  ○ 2 x local parks $3,067,000 + land
	  ○ District Park 3 $5,694,000 (balance – in progress)
			Increase on ongoing maintenance and renewal expenditure.	Budgets need to be increase annually with contributed asset implications. Need corporate support for permanent implementation of lifecycle costs for development.

	○ District Sportsground 2 $19,432,000			
Voluntary Planning Agreement's (VPA)	• Huntlee Stage 1 ○ District Sportsground 1 (balance in progress) $19,432,000		As above	As above

5.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 6.4.

Acquiring new assets will commit Cessnock City Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. Adding additional new assets to an aging asset stock creates a further burden on Councils' level of service, and for the development of the plan a review of Contribution promises is to be included in the improvement plan. Costs associated with predicted developer dedications have been identified and considered in developing forecasts of future operations, and maintenance costs for inclusion in the long-term financial plan (Refer to Section 6).

5.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts[13].

Council currently has an adopted Climate Change Resilience Plan, which can be found on their website. This document sets out the climate change impacts on Council and the Councils' response and resilience to climate change.

Risk and opportunities identified to date are shown in Table 5.5.1

[12] The timing of developer contributed assets are somewhat difficult to predict, as such acquisition forecasts are best guess only, including original estimates that do not include inflation.
[13] IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Table 5.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Greater Periods of Drought	Restrictions on water usage	Cleaning using water/pressure cleaning to stop. Tap/hose/Manual irrigation to stop for sports field surfaces.	Install more roof rainwater collection tanks. Automated irrigation systems mandated and compliance with Hunter Water regulations implemented. Irrigation of surfaces to be reduced, timed, scheduled for cooler periods of the day
Increase in bushfires	Increase threat to assets during warmer months	Assets damaged and out of service, increase in insurance premiums.	Investigate potential to have sprinklers on shelters in fire prone areas.
Increase in flood Events	Unprecedented events creating a threat to assets	Assets damaged and out of service, increase in insurance premiums.	Voluntary Planning Agreements and future development should not permit dedication of flood prone land as public reserve/sports ground. Where there is limited alternate land stormwater management for the site should be designed for 1:100 even when the site does not fall within such zone.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 5.5.2 summarises some asset climate change resilience opportunities.

Table 5.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
Sports Field[14]	Water Shortages – unfit playing surfaces	Advance automated irrigation systems, additional water storage tanks.
Sports Field	Flooding/water standing long periods on playing surfaces (unfit for play)	Improve sports field site drainage

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AM Plan.

6.0 LIFECYCLE MANAGEMENT PLAN

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

6.1 Background Data

6.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 6.1.1.

Table 6.1.1: Assets covered by this Plan

Assets Categories	Area Hectare
Local Parks	29.45
District Parks	56.15
Regional Parks	67.95
Passive Parks	50.36
Assets Categories	**Quantity (No or length)**
Fencing	72.5 Km
Automated Irrigation	32 Each
Shelters	156 Each
BBQ's	26 Each
Picnic Tables	244 Each
Seats/bench	673 Each
Bins Enclosures	67 Each
Signs	558 Each
Cricket Wickets	18 Each
Hockey Surface	1 Each
Goal Posts/hoops	152 Each
Pools	7 Each
Lighting (Inc. Poles, Bollard)	444 Each
Skate parks	4 Each
Tennis Courts	39 Each
Netball Courts	25 Each
Basketball/multi-sports Courts	11 Each
Playgrounds inc. bike circuits and splash pads	44 Each

[14] Grass playing surfaces are currently not recorded as asset in our register. A future review of "natural" assets, including trees and how they may be managed going forward

If known, an element of importance can be placed on age profiling the asset stock to give some indication of past and expected peaks in investment. Any old age assets that have been built longer than 20-30 years ago have less reliability when estimating these dates. Infrastructure Assets, including some Open Space Assets, have long life expectancies, therefore Cessnock Council utilise a combination of assumed age and physical deterioration to do a high-level assessment of renewal forecasting/works programming. Utilising the two methods (where age can be approximated) gives a more confident approach to adjusting useful life estimates.

6.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 6.1.2.

Table 6.1.2: Known Service Performance Deficiencies

Location	Service Deficiency
Playgrounds, City Wide	There are a few outstanding playgrounds that are still required to be upgraded for compliance, and as they have reached their EOL/capacity.
Park Furniture, City Wide	Dilapidated, unfit for purpose furniture. An extensive list has been developed from the 2020/21 inventory collection.
Irrigation, City Wide	Shortage of irrigation systems, resulting in unfit sports surface. .
Sports fields	Condition of grounds due to overuse, adverse weather, lack of drainage, lack of turf renewal[15].
Sports Field Lighting	Some facilities do not meet required lux levels, and have not been converted to LED.

The above service deficiencies were identified from audits and/or inspections.

6.1.3 Asset condition

Condition is currently monitored on a 4 yearly cycle in line with the revaluation period. A full in field inspection is undertaken during this period.

Condition is measured using a 1 – 5 grading system[16] with the addition of condition state 0 to represent newly constructed assets, and end of life (EOL) for assets out of service/closed to the public, see table 6.1.3 below.

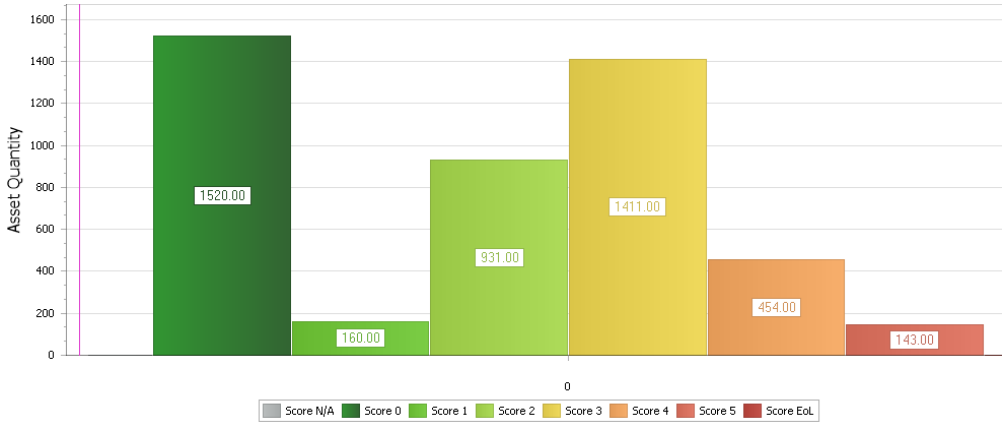
15 “Natural” assets such as turf and trees are yet to be recorded as assets in the register. Further research is required around this before consider in register and financial statements.
16 IPWEA, 2020, IIMM, Sec 2.4.5.1

Table 6.1.3: Condition Grading System

Element Condition		Description	Average % of useful life rem	SS7 Condition State
New		Newly Built/dedicated	100%	Rounded to 1
1	**As New**	Components are in very good condition with limited signs of wear. Components do not require any special attention. Asset is fully serviceable.	93.25	1-1.49
2	**Good**	Components are in reasonably good condition with superficial deterioration.	75%	1.50-2.49
3	**Fair**	Obvious evidence of deterioration. Asset is operational but may no longer meet the required level of service. Significant maintenance and/or minor renewal is required.	50%	2.50-3.49
4	**Poor**	Evidence of extensive deterioration, with many defects. Asset is still operational, but no longer meets the required service level, capacity, and/or functionality. Renewal or upgrade is required.	25%	3.50-4.49
5	**Very Poor**	Component is about to fail, has major/structural defects. The asset is no longer providing an economic benefit, and renewal/upgrade is required immediately or within 12 months.	6.25%	4.50-5.00
End Of Life		Asset unserviceable/out of service.	0%	Rounded to 5

The condition profile of our assets is shown in Figure 5.1.3.

Figure 6.1.3: Asset Condition Profile



A recent increase in successful grant funding has seen a spike in newly constructed assets.

6.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets are shown in Table 6.2.1.

Table 6.2.1: Maintenance Budget Trends

Year	Maintenance Budget $
2022	$3,771,204
2023	$2,991,318
2024	$2,947,429
2025	$4,316,000

Maintenance budget levels are not considered adequate to meet projected service levels as dictated by current and future dedications. Where maintenance budget allocations are such that they will result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The service hierarchy is shown in Table 6.2.2a & b.

Table 6.2.2a: Asset Service Hierarchy Open Space and Parks[17]

Hierarchy Level	Description
Regional	High profile areas that contain; formalised car park, large picnic shelters and BBQ facilities, drinking fountains, Rubbish bins, public toilets, lighting, footpaths, shade, and access to public transport & major roads. Regional Open Space/Parks can be mix use or specialised and can serve more than one LGA.
District	Medium profile parks that usually contain; a car park, picnic shelters and a BBQ, drinking fountains, Rubbish bins, public toilets which have male, female and accessible cubicles, lighting, footpaths, shade. District Open Space/Parks can be mix use or occasionally specialised, they may attract visitors from surrounding suburbs and require medium quality facilities and maintenance standards.
Local	Low profile parks that generally cater for short visits by local community members, and usually contain; a picnic shelter or seating, a drinking fountain, a Rubbish bin, minimal footpaths, small amount of shade. Local Open Space/Parks are generally within 10 minutes walking distance from local residence and cannot cater for very large groups. They are maintained on a less frequent schedule.

[17] The Hierarchy system for Open Space is under review as part of the Recreational and Open Space Strategic Plan review.

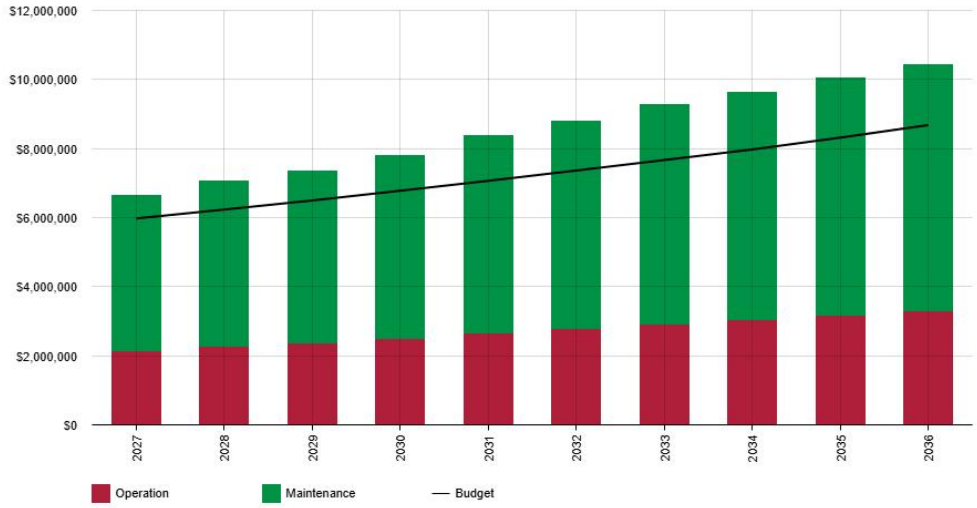
Table 6.2.2.b: Asset Hierarchy for Cemeteries

Hierarchy Level	Description
District	High profile cemeteries, which include a combination of standard plaques placed at the head of the plot & the rest of the plot covered in lawn, Ash Interments in Garden – ashes interred in a garden setting, Columbarium Walls – ashes installed in a columbarium wall which has a standard plaque & bud vase, Monumental Burial – traditional covering of burial plot with monumental work (headstones & kerbing). District Cemeteries have internal roads, quality fencing, high quality signs, rubbish bins and water taps. They require high quality landscaping & maintenance standards.
Local	Low profile cemeteries, which include Columbarium Walls - ashes are installed in a columbarium wall which has a standard plaque & bud vase, or Monumental Burial – traditional covering of burial plot with monumental work (headstones & kerbing). Local Cemeteries have fencing, some signage, & a water tap. They have some landscaping & minimal maintenance standards. In some circumstance the community "Tidy Towns" committee will attend to garden beds/trees if installed.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 6.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance planned budget.

Figure 6.2: Operations and Maintenance Summary



Forecast maintenance expenditure illustrates the consideration that should be made to increase in asset stock through dedication, and previous underestimate of the impact of acquisitions.

6.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, 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 acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 6.3. Asset useful lives were last reviewed on 30/06/2021.[18]

DOC2020/012447 Asset Management _ CCC Useful Life Evidence Open Space 2020-21 _ final _ Michelle Watson

Table 6.3: Useful Lives of Assets

Asset Type	Expected Useful Life (yrs)
Metal Picnic Table Setting	32
Timber/Metal Picnic Table Setting	32
Metal Park Seat	40
Timber Park Seat	40
Metal Park Bench	40
Timber Park Bench	40
Picnic Shelter Small	50
Picnic Shelter Large	50
Metal Bin Enclosure	38
Double Metal Bin Enclosure	38
BBQ's (all replaced with double electric)	65-74
Synthetic Surface	23
Asphalt Netball/Basketball/Tennis Court	11
Basketball Hoop	40
Netball Hoop	40
Goal Posts	43
Scoreboard	11
Table Tennis	23
Metal Park Name Signs	34
Metal Park Information Signs	34
Bronze Plaques	34
Bronze Lettering	34
Metal Fencing	38
Timber Fencing	34
Enclosure Cage	38
Stainless Balustrading	38
Metal Gates	38
Metal Bollards	38
Plastic Bollards	28
Cemetery Entrance/Memorial Gates	59
Columbarium	97
Concrete Plinths, Long Jump Boarder	120
Sport Field/Flood Lighting	29
Other Open Space/Flood Lighting	29
Street/Security Style Lighting	29
Bollard Lighting - carpark style	28
Bollard Lighting - airport style	28
Solar Lighting	29
Shade Structures	40
RV Dump Points	25
War memorials/monuments	97
Concrete grandstand	120
Grandstand steel	30

Asset Type	Expected Useful Life (yrs)
Long Jump Track Wetpour Rubber	15
Irrigation System/sprinkler	15
Skate Park (concrete)	120
Swimming Pool (50m)	94
Swimming Pool (25m)	94
Swimming Pool Lesiure freeform	94
District Playgrounds	26
Regional Playgrounds	26
Local Playgrounds	26
Synthetic Tennis Courts	23
Brick Retaining Walls/Garden Edging	50
Timber Retaining Walls/Garden Edging	50
Stone Retaining Walls/Garden Edging	50
Concrete Retaining Walls/Garden Edging	50
Retaining Walls/Garden Edging/Seating	50
Flagpole	67
Water Tank	16
Concrete Slabs and Pads	120
Brick Walls/Entrances	59
Brick Walls/Entrances W render	59
Concrete Columns	116
Brick Columns	59
Timber Pergolas	50
Cover Walkways/Shelters	50
Outdoor Gym	20
Jetty	60
Drinking Fountain	19
Bike Tunnel	40
Bike Track Rock Surface	50
Concrete Dish Drain	120
Bike Track Obstacle - Flexible Posts	26
Custom Sandstone Feature - Scramble Rocks	50
Water Play Feature - Sandstone	50
Sun Lounge	40
Precinct Sign	116
Turnstile	40
Recreational Footbridge	60
Drainage PVC	15
Drainage Pit	120
Information Bay	116
Information Bay Sign	34
Obelisk	96
Pod Bench	40

The estimates for renewals in this AM Plan were based on the alternate Method.

6.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing playground components to comply with changing legislation), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. renewing flood lighting with LED lamps).[19]

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.[20]

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 6.3.1.

Table 6.3.1: Renewal Priority Ranking Criteria

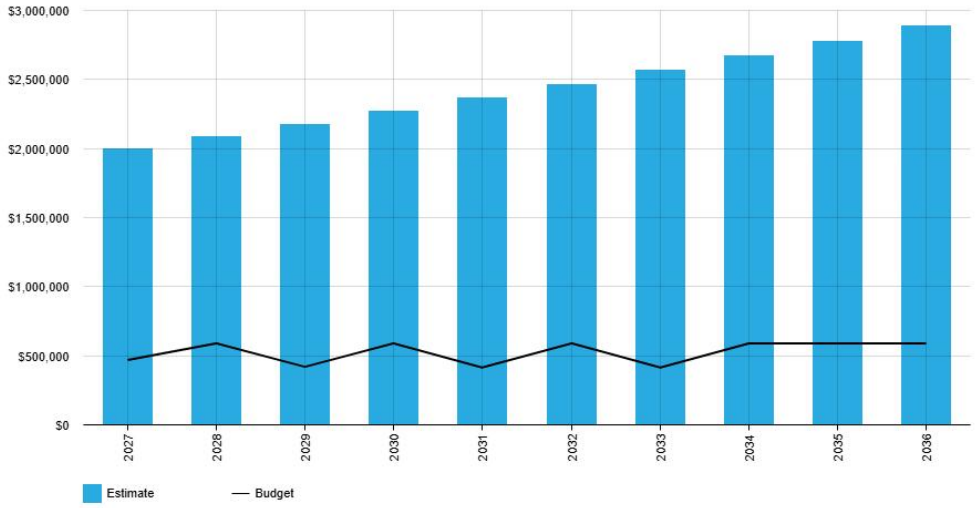
Criteria	Weighting
Potential for High Risk as determined in Risk Matrix	30%
Condition	20%
Needs to the Community/Strategic Direction of Council	15%
Hierarchy/Level of use	15%
Functionality	10%
Alternate Funding Source	10%
Total:	**100%**

6.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 6.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

[19] IPWEA, 2020, IIMM, Sec 3.4.2.
[20] IPWEA, 2020, IIMM, Sec 3.5.3

Figure 5.4.1: Forecast Renewal Costs



Forecast costs have been entered to keep all assets above a condition 4 “poor”. It is to be noted the community desired intervention of condition 3 “fair” is considered uneconomical and unsustainable. Further consultation is required to inform the community of the financial implications of different service level intervention points, and possible asset “trade-offs” that could allow for such levels of service for specific asset classes.

6.5 Acquisition Plan

Acquisition reflects are new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to the Cessnock City Council.

6.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to verify that they are essential to the Entities needs. Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the services are sustainable over the longer term (i.e. lifecycle costs). Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The recently adopted Asset Management Policy has highlighted the need to only undertaken new works should the project be 100% externally funded. The priority ranking criteria for both new and upgrade works are detailed in Table 6.5.1a & b.

Table 6.5.1a: New/Acquired Assets Priority Ranking Criteria

Criteria	Weighting
External Funding	100%
Total:	**100%**

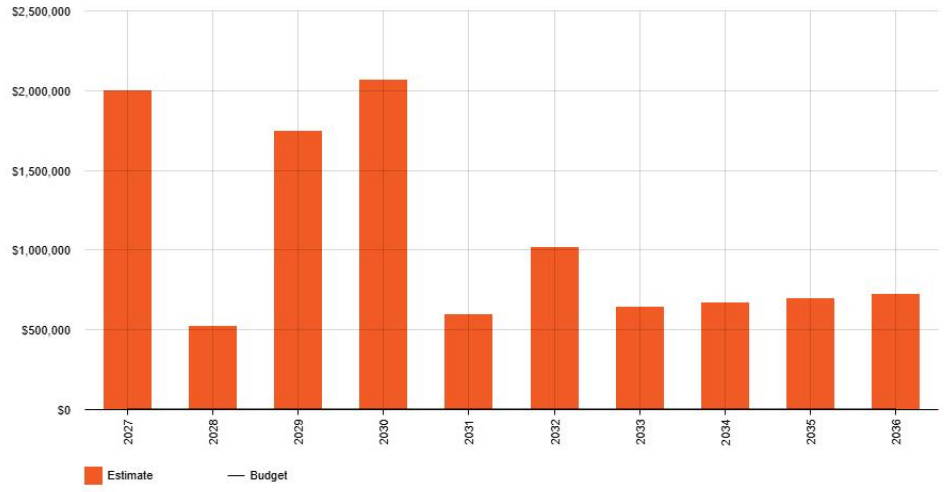
Table 6.5.1b: Upgrade/Replaced Assets Priority Ranking Criteria[21]

Criteria	Weighting
Alternate Funding Source	40%
Potential for High Risk as determined in Risk Matrix	20%
Functionality/Capacity	20%
Needs to the Community/Strategic Direction of Council	10%
Condition	10%
Total:	**100%**

6.5.2 Summary of future asset acquisition costs

The acquisition budget is summarised in Figure 6.5.2. Cessnock City Council has identified that a historic shortfall of both maintenance and renewal budgets exist. Therefore, any forecast to acquisition (new/upgrade) will need to be reviewed in line with any additional financial burden this may have. As such, a more detail review of ongoing lifecycle costs and their implications will be implemented in the next iteration of this AM Plan. The forecast acquisition capital works program is shown in Appendix A.

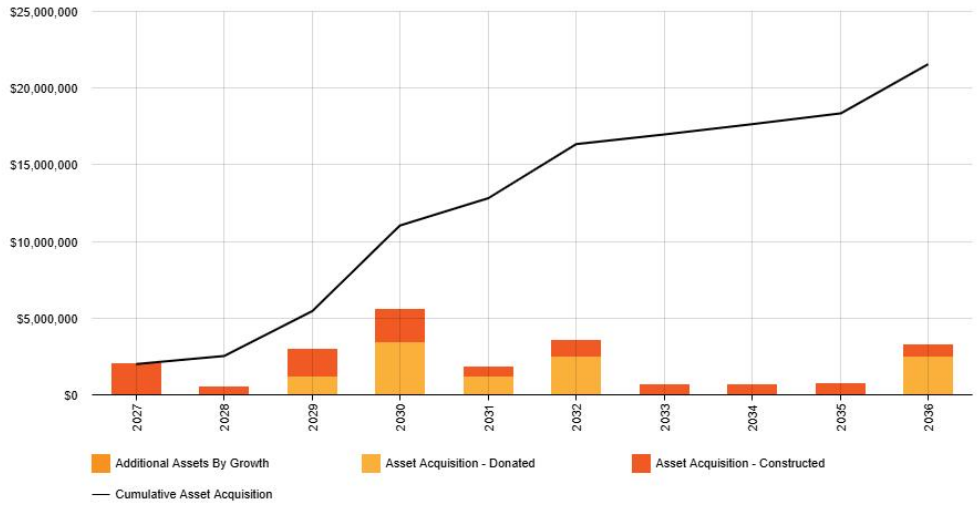
Figure 5.5.2: Acquisition (Constructed) Summary



[21] When replacing an existing service

When Council commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs (lifecycle costs). They must also account for future depreciation when reviewing long term sustainability. Figure 6.5.2b illustrates the cumulative value of the acquired assets over time. This can provide Council with an overview of the long-term impact of asset acquisition.

Figure 6.5.2b: Acquisition Summary



Acquisition from development is somewhat hard to predict when it is likely to be dedicated. As such, the figures above although expected at some point in the next 10-20 years, are only an estimate in time. The plan does not forecast for Council contribution amount required for contribution plans at this time. The ongoing cost to Council and the level of service impact needs to be reviewed before committing to new/additional assets. Where grant opportunities provide to cater for Councils contribution, consideration will be given to upgrades rather than the creation of new.

6.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Currently, there are no open space assets identified for disposal. Council continuously undertakes various needs assessments and studies on open space assets and the ongoing “need” for certain assets. It is expected that in certain locations the asset profile will continually change.

Table 6.6: Assets Identified for Disposal

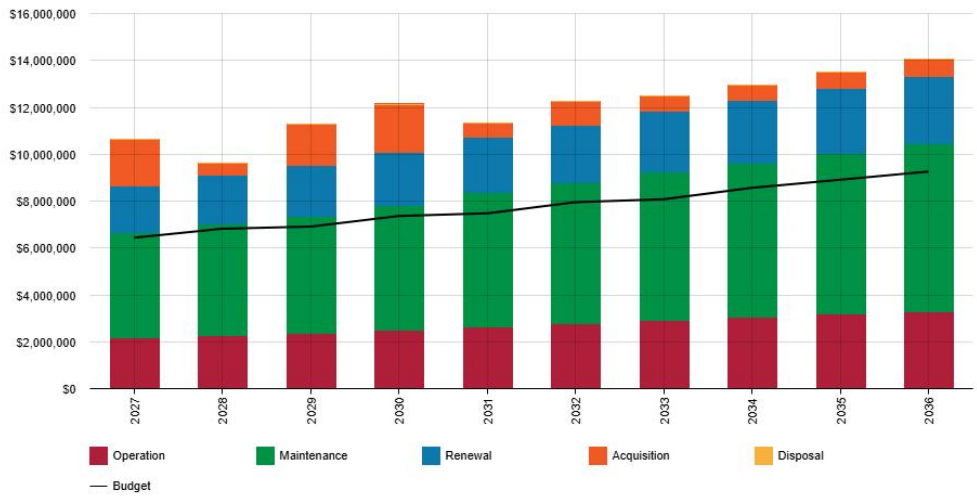
Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Asset disposed through renewal or upgrade works typically replaced through the project				Nil as asset is a replacement

6.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 6.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graph represent the forecast costs needed to sustain the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 6.7.1: Lifecycle Summary



Forecast budgets allow to keep all assets above a condition 4 “poor” and improve Council’s ability to meet the required life cycle costs (when compared to the current budgeted amounts).

7.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: 'coordinated activities to direct and control with regard to risk'[22].

An assessment of risks[23] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

7.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 7.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 7.1 Critical Assets

Critical Assets	Critical Failure Mode	Impact	Maintenance Activity
All playgrounds	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Part closure or full closer of the playground until rectified.	Annual playground audits and rectification works where identified.
Bridges Hill Park	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to community use of parts/whole of the site.	Weekly maintenance inspections, weekly playground inspection
Peace Park/Chinaman Hollow Playground	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to community use of parts/whole of the site.	Mowed Fortnightly, weekly playground inspection.

[22] ISO 31000:2018
[23] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson

Critical Assets	Critical Failure Mode	Impact	Maintenance Activity
Kitchener Poppet Head Park	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to community use of parts/whole of the site.	Mowed Monthly, weekly playground inspection.
Baddeley Park – including Cessnock Sports Ground	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to regional level sporting or community events.	
Weston Bears Sports Ground	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to regional level sporting or community events.	
Kurri Kurri Central Sports Ground	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to regional level sporting or community events.	
Miller Park	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to regional level sporting or community events.	Mowed weekly
Kurri Kurri Aquatic Facility	Failure of any component affecting the safety/use/standard/capacity/function of the facility	Disruption to community use of the pool[24].	Dedicated annual maintenance funding. All major works planned in short intervals of closure/part closure. Periodic review of plant life expectancy. Daily cleaning and filtration check. Strict procedures around contamination and backwash requirements.

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets. A full review of critical assets and service levels is needed to be undertaken as an improvement item.

[24] Aquatic facility building in buildings AMP.

7.2 Risk Assessment

The risk management process used is shown in Figure 7.2 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 International Standard ISO 31000:2018.

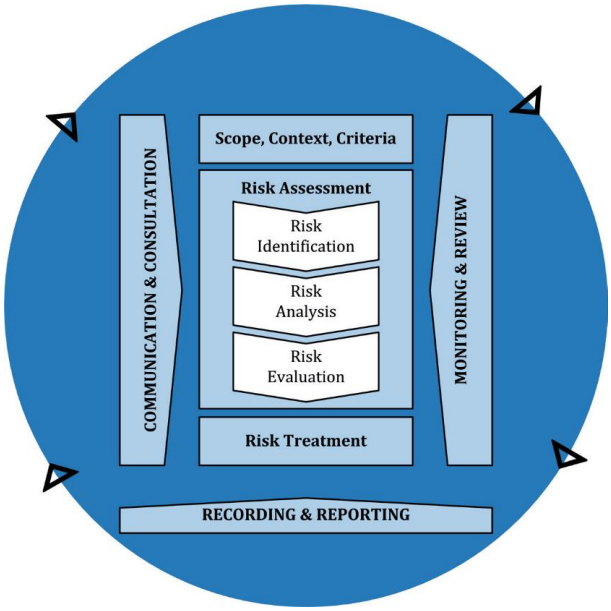


Fig 7.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks[25] associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a 'financial shock', reputational impacts, or other consequences.

Critical risks are those assessed with 'Very High' (requiring immediate corrective action) and 'High' (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 7.2. It is essential that these critical risks and costs are reported to management.

[25] DOC2015/012452 Asset Management _ CCC NAMS PLUS Advanced Infrastructure Risk Management Plan _ 20-3-2015 _ Michelle Watson

Table 7.2: Risks and Treatment Plans

Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment Cost
Open Space Lighting	Structural Failure resulting in injury	High	Structural assessment required on deteriorated assets	Medium	Ongoing in budgets
Play Field Surfaces	Injury resulting from uneven/broken surface. Unfit for purpose.	Medium	Feedback from maintenance staff and user groups	Medium	Already in Budget
Playground	Risk of future economic burden or closure of playgrounds	High	Renewal budget required or closure of playgrounds.	High	Ongoing, 3-4 remaining (in budgets), then to reassess.
Playground	Soft-fall and/or equipment not complying with Australian Standard, potentially causing injury	High	Routine inspections and maintenance work.	Medium	Risk mitigated in current budgets.
Playground	Structural Failure resulting in injury	Medium	Regular Inspections in line with Australian Standards	Medium	Risk mitigated in current budgets
Swimming Pool Structural Failure	Structural elements of pool failing i.e. wall breaking up, water seepage	Medium	Regular Maintenance and Renewal Program	Medium	Risk mitigated in current budgets.

Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment Cost
Skate Park	Structural elements failing resulting in injury	High	Reactive maintenance only	Medium	Greta and Cessnock Left to remediate in future budgets. Kurri Kurri undertaken 21/22.
BMX track	Ruts, uneven surfaces which would result in injury	Medium	Reactive maintenance only	Medium	Risk mitigated in current budgets. Recommend an inspection program.
Fencing/barricades	Fence collapse resulting in injury. Barricades failed allowed vehicle assess where not permitted	Medium	Ongoing maintenance	Medium	Risk mitigated in current budgets. Recommend an inspection program.
Goal post	Goal structural failure resulting in injury	Medium	Ongoing maintenance	Medium	Risk mitigated in current budgets. Inspected 4 yearly, more frequent regime to be considered.
Irrigation	Irrigation failure, resulting in water wastage OR deterioration of playing surface or garden beds	Medium	Ongoing maintenance	Medium	Risk mitigated in current budgets. Inspected 4 yearly, more frequent regime to be considered.
Columbarium Walls	Structural Failure resulting in injury	Medium	Reactive maintenance only	Medium	Risk mitigated in current budgets.

Asset at Risk	What can Happen	Risk Rating	Risk Treatment Plan	Residual Risk	Treatment Cost
Water Tanks	Structural Failure resulting in injury, flooding or property damage	Medium	Reactive maintenance only	Medium	Risk mitigated in current budgets. Inspected 4 yearly, more frequent regime to be considered.
Park furniture - seats, benches, tables	Structural failure resulting in injury	High	Maintenance and renewal programs	Medium	Risk mitigated in current budgets.
Picnic Shelters	Structural failure resulting in injury	Medium	Maintenance and renewal program.	Medium	Risk mitigated in current budgets.
BBQs	Structural failure resulting in injury or power source failure	Medium	Maintenance and renewal program.	Medium	Risk mitigated in current budgets.

Note * The residual risk is the risk remaining after the selected risk treatment plan is implemented.

7.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to 'withstand a given level of stress or demand', and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 7.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 7.3: Resilience Assessment

Threat / Hazard	Assessment Method	Current Resilience Approach
Floods	Drainage review	Low
Fire	roof top sprinkler systems, clearing of debris	Low
Drought	Water preserving measures, automated irrigation	Medium
Increase Energy Costs	Review of energy provider rates, solar lights	Medium

Future iterations of the AM Plan will include improvement in measuring resilience in service delivery.

7.4 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.

7.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Maintaining current level of service on growing assets through dedication
- Renewal works to maintain an asset stock in condition 3 or better.

7.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Decrease in LOS across all open space assets
- Assets out of service (are no longer safe or do not meet their intended function, or capacity)

7.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. These risk consequences include:

- Playgrounds becoming out of service and/or unsafe
- Deterioration of sports field and park furniture, posing potential safety risk to the public – structurally unsound lighting, skate parks, broken seating, fencing etc.
- Swimming pool failure, resulting in injury or shut-down times

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan

8.0 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

8.1 Financial Sustainability and Projections

8.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- Asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- Medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio[26] 21.68%

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 21.68% of the funds required for the optimal renewal of assets.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10 year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is $10,959,235 average per year.

The proposed (budget) operations, maintenance and renewal funding is $7,781,287 on average per year giving a 10-year funding shortfall of $3,177,949 per year. This indicates that 71% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 71% for the first years of the AM Plan.

8.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

[26] AIFMM, 2020, Sec 2.4.2

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

Forecast costs are shown in current dollar values.

Table 8.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2027	2,000,000	2,154,669	4,504,000	2,000,000	$0
2028	521,500	2,266,320	4,768,000	2,086,000	$0
2029	1,743,925	2,367,909	4,988,253	2,175,698	$0
2030	2,067,313	2,496,666	5,302,290	2,269,253	$0
2031	591,708	2,654,680	5,711,146	2,366,831	$0
2032	1,016,559	2,778,795	5,992,856	2,466,238	$0
2033	641,838	2,921,138	6,337,935	2,567,354	$0
2034	667,512	3,037,872	6,590,400	2,670,048	$0
2035	694,212	3,167,904	6,853,762	2,776,850	$0
2036	721,981	3,303,509	7,128,060	2,887,924	$0

8.2 Funding Strategy

The proposed funding for assets is outlined in the Councils budget and Long-Term financial plan. The development and presentation to Council of an Asset Funding Strategy.

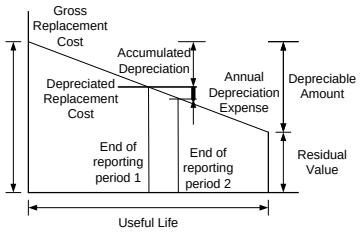
The financial strategy of the Council determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

8.3 Valuation Forecasts

8.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued at their fair value, at cost to replace:

Replacement Cost (Current/Gross)	$64,452,942
Accumulated Depreciation	$23,048,235
Depreciated Replacement Cost[27]	$46,932,626
Depreciation	$1,862,785



[27] Also reported as Written Down Value, Carrying or Net Book Value.

8.3.2 Valuation forecast

Asset values are forecast to increase as additional assets are added in service.

Additional assets will add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

8.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

Key Assumptions	Risks of Change to Assumptions
Planned expenditure values obtained from current budgets and Council's four year delivery program, and Council's updated LTFP.	The four year Delivery Program and LTFP may change in the future. Any changes in funding after publishing this AM Plan will be reflected in future iterations.
Contributed assets based on S711 and VPA's.	Potential for modification prior to commencement of development. Date of contribution to Council is an estimate only.
Increase to maintenance and operation forecast budgets is based on historic overspend.	Increasing the frequency in which the plans are reviewed minimises risk that a significant change in overspend will go unnoticed.

8.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale[28] in accordance with Table 8.5.1.

Table 8.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	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. High	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%
C. Medium	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

[28] IPWEA, 2020, Sec 4.2.7

Confidence Grade	Description
	complete but up to 50% is extrapolated data and accuracy estimated ± 25%
D. Low	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%
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 8.5.2.

Table 8.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Growth projections	B	Based on demographic analysis undertaken in 2023 and State Government projections.
Operations expenditures	B	Council financial records, some inaccuracies identified to be reviewed.
Maintenance expenditures	B	Council financial records, some inaccuracies identified to be reviewed.
Projected Renewal exps. - Asset values	A	Assets revalued in 2020/2021.
- Asset residual values	A	Assets do not have residual values
- Asset useful lives	A	Useful lives based on industry standards at the time of 2020/2021 revaluation.
- Condition modelling	A	Condition assessment based on 2020/2021 revaluation exercise.
- Network renewals	B	To be based on Renewal and Replacement Priority Ranking Criteria
- Defect repairs	B	Developed from customer requests and officer inspections.
Upgrade/New expenditures	B	To be based on selection ranking criteria table
Disposal expenditures	A	No disposals currently identified.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be medium-high.

9.0 PLAN IMPROVEMENT AND MONITORING

9.1 Status of Asset Management Practices29

9.1.1 Accounting and financial data sources

This AM Plan utilises accounting and financial data. The source of data is developed from Councils' financial accounting system Authority.

9.1.2 Asset management data sources

This AM Plan also utilises asset management data. The source of the data is derived from MyData, Councils' Strategic Asset Management System.

9.2 Improvement Plan

It is important that an entity recognise areas of their AM Plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this AM Plan is shown in Table 9.2.

Table 9.2: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Undertake further community consultation to undertake a full review of Agreed Level of Service for all Open Space and Other Structure Assets.	Open Spaces, Works and Infrastructure/Assets	In-house	When resourcing permits
2	Review service levels and response times	Open Space	In-house	Next Adoption

9.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually at desktop level to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

The AM Plan has a maximum adoption life of 4 years and is due for complete revision and update 12 months from a Council Election and/or as part of a new Operational Plan cycle.

9.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

[29] ISO 55000 Refers to this as the Asset Management System

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,
- The Asset Renewal Funding Ratio achieving the Organisational target (this target is often 90 – 100%).

10.0 REFERENCES

- IPWEA, 2020 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
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- IPWEA, 2018, Practice Note 12.1, 'Climate Change Impacts on the Useful Life of Assets', Institute of Public Works Engineering Australasia, Sydney
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- ISO, 2014, ISO 55000:2014, Overview, principles and terminology
- ISO, 2018, ISO 31000:2018, Risk management – Guidelines
- Cessnock City Council, Asset Management Policy,
- Cessnock City Council, Asset Management Strategy,
- Cessnock City Council, Recreation and Open Space Strategic Plan
- Cessnock Community Strategic Plan (Cessnock 2036)
- Cessnock City Council Community Research Report 2016
- Cessnock City Council 2015 Asset Management Research Satisfaction Survey Results
- Cessnock City Council Delivery Plan
- Cessnock City Council Operational Plan
- NAMS.Plus Maturity Assessment Report Cessnock City Council
- Cessnock City Council 2017 Asset Management Research
- Cessnock City Council: 2031: A Vision for the Future, Community Infrastructure Plan
- NSW OLG Integrated Planning Guidelines and Manual
- Cessnock City Council 2021 Resident Satisfaction Survey Results
- Cessnock City Council 2023 Resident Satisfaction Survey Results

11.0 APPENDICES

Appendix A - Acquisition Forecast

A.1 – Acquisition Forecast Assumptions and Source
Developed from original VPA plans etc. without review of any amendments submitted or requested.

A.2 – Acquisition Project Summary
Acquisitions include assets from Huntlee, Avery's Lane, Cliftleigh and Bellbird North. =

A.3 – Acquisition Forecast Summary
Table A3 has the estimated year of dedication of acquired assets.

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2027	2000000	0	0
2028	521500	0	0
2029	1743925	1200000	0
2030	2067313	3500000	0
2031	591708	1200000	0
2032	1016559	2500000	0
2033	641838	0	0
2034	667512	0	0
2035	694212	0	0
2036	721981	2500000	0

Appendix B Operation Forecast

B.1 – Operation Forecast Assumptions and Source
Based on historic expenditure with allowance for construction industry inflation and increase for new/acquired assets.

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2027	2154669	19000	2154669
2028	2247320	4954	2266320
2029	2343955	27967	2367909
2030	2444745	52889	2496666
2031	2549869	17021	2654680
2032	2656963	33407	2778795
2033	2765899	6097	2921138
2034	2876535	6341	3037872
2035	3000226	6595	3167904
2036	3129235	6595	3303509

Appendix C Maintenance Forecast

C.1 – Maintenance Forecast Assumptions and Source
Based on historic expenditure with allowance for construction industry inflation and increase for new/acquired assets.

Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2027	3819000	70000	4504000
2028	3983217	18253	4768000
2029	4154495	103037	4988253
2030	4333139	194856	5302290
2031	4519464	62710	5711146
2032	4709281	123080	5992856
2033	4902362	22464	6337935
2034	5098456	23363	6590400
2035	5317690	24297	6853762
2036	5546351	24297	7128060

Appendix D Renewal Forecast Summary

D.1 – Renewal Forecast Assumptions and Source

Forecast modelling has been undertaken in MyPredictor SAMP software. The findings from this modelling illustrated a minimum increase of $1.5m a year to sustain the asset stock in condition 4 or ”poor” or better.

D.2 – Renewal Forecast Summary

Below table shows budget amount versus required forecast. Refer to Councils' Operational Plan on the website for details on project specifics.

Table D3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2027	2000000	470000
2028	2086000	590000
2029	2175698	420000
2030	2269253	590000
2031	2366831	415000
2032	2466238	590000
2033	2567354	415000
2034	2670048	590000
2035	2776850	590000
2036	2887924	590000

Appendix E Disposal Summary

No assets currently identified for disposal.

Table E3 – Disposal Activity Summary

Year	Disposal Forecast	Disposal Budget
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0
2032	0	0
2033	0	0
2034	0	0
2035	0	0
2036	0	0

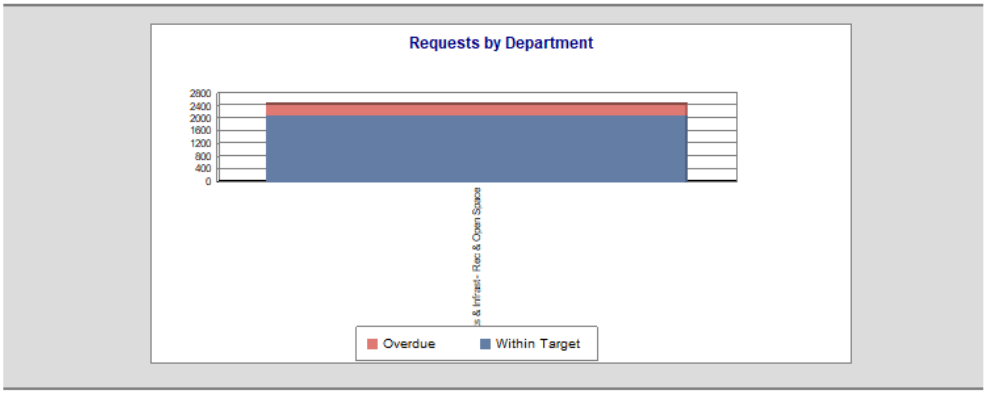
Appendix F Budget Summary by Lifecycle Activity

Historic expenditure with allowance for construction industry inflation

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2027	0	2154669	3819000	470000	0	6443669
2028	0	2247320	3983217	590000	0	6820537
2029	0	2343955	4154495	420000	0	6918450
2030	0	2444745	4333139	590000	0	7367883
2031	0	2549869	4519464	415000	0	7484332
2032	0	2656963	4709281	590000	0	7956244
2033	0	2765899	4902362	415000	0	8083260
2034	0	2876535	5098456	590000	0	8564990
2035	0	3000226	5317690	590000	0	8907915
2036	0	3129235	5546351	590000	0	9265586

Appendix G Customer Request Response Times



Closed Request Statistics
by Department

All Document Types
1/01/2024 to 7/11/2024

Double click onto the Category to access Minor Category and Request detail LIVE 7.1

7/11/2024 12:34:22PM

Department: **Works & Infrast - Rec & Open Space**

Department / Category	*New*	*Closed*	*C/F Open*	*Within Tgt*	*%*	*Overdue*	*%*
Works & Infrast - Rec & Open Space	**2,358**	**2,479**	**-121**	**2,116**	**85%**	**363**	**15%**
Building Services	1,148	1,203	-55	1,132	94%	71	6%
Cemeteries	379	383	-4	354	92%	29	8%
Corporate Administration	1	1	0	1	100%	0	0%
Customer Service	4	4	0	0	0%	4	100%
KMS	1	1	0	1	100%	0	0%
Works & Operations - Maintenance Requests	1	2	-1	2	100%	0	0%
Open Space & Community Facilities	68	70	-2	54	77%	16	23%
Parks and Tree Maintenance	755	814	-59	571	70%	243	30%
Environment and Waste Services	1	1	0	1	100%	0	0%
Total:	2,358	2,479	-121	2,116	85%	363	15%

Appendix G Customer Request Response Times Cont..

Major Cat	Minor Cat	Level 3 Cat	CRM Description	Default Workflow	Resp Officer	Days
CEMETERY	ENQUIRY		Cemeteries Enquiry	CENQ	Ms K M Harris	7
CEMETERY	ASHCOLL		Cemeteries Ashes Collection	ASHC	Ms K M Harris	3
CEMETERY	ASHPLACE		Cemeteries Placement Ashes	ASHP	Ms K M Harris	13
CEMETERY	MAINTENANC		Cemeteries Maintenance	CEMA	Ms K M Harris	12
POOLS	POOLALLOC		Pool Allocation	POOL	Ms K M Harris	10
POOLS	POOLPASS		Pool Allocation	POOL	Ms K M Harris	10
PARKTREEMA	TREEMOVE		Vegetation Removal/Relocati	WTRE	Ms K M Harris	12
PARKTREEMA	PAVERS		Paved Footpaths Maintenanc	PAVE	Ms K M Harris	7
PARKTREEMA	TREEPRESPE		Vegetation Removal Permit	WTPP	Ms K M Harris	12
OPENSPACE	ENQUIRY	BANNERINST	Banner Pole Installation	BPI	Ms K M Harris	10
OPENSPACE	ENQUIRY	BANNERMAIN	Banner Pole Maintenance	BPM	Ms K M Harris	10
PARKTREEMA	TREEGIVE		Tree Giveaway	TRGI	Ms K M Harris	30
PARKTREEMA	TREEQUOTE		Vegetation Remove/Relocate	WTQU	Ms K M Harris	10
PARKTREEMA	PARKS		Parks Maintenance	PARK	Ms K M Harris	25
PARKTREEMA	TREEPRESER		Vegetation Removal Assessr	WTPO	Ms K M Harris	12
PARKTREEMA	STREET		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
OPENSPACE	OPENINFRA		Open Space Strategic Planni	OSSP	Ms K M Harris	70
PARKTREEMA	FLOODLIGHT		Open Space Floodlight	OPFL	Ms K M Harris	180
PARKTREEMA	STREETTREE		Open Space Street Tree Plar	OPST	Ms K M Harris	180
OPENSPACE	COMMALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	ENQUIRY		Recreation Services Enquiry	RSEQ	Ms K M Harris	15
OPENSPACE	FIELDALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	PARKALLOC		Recreation Services Admin	RSAD	Ms K M Harris	14
OPENSPACE	PUBLICBIN		Recreation Services Open Sp	RSOP	Ms K M Harris	5
PARKTREEMA	PLAYGROUNC		Playground Maintenance	PLAY	Ms K M Harris	65
BUILDING	GRAFFITI		Building Maintenance Graffiti	GFTI	Ms K M Harris	10
BUILDING	KEYS		Building Maintenance Keys	KEYS	Ms K M Harris	35
BUILDING	NEWWORKS		Building Projects New Work	NWKS	Ms K M Harris	70
BUILDING	NONURGENT		Building Maintenance Non U	NONU	Ms K M Harris	60
BUILDING	URGENT		Building Maintenance Urgent	BMUR	Ms K M Harris	35
BUILDING	VANDALISM		Building Maintenance Vanda	VDLM	Ms K M Harris	65
PARKTREEMA			Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
PARKTREEMA	TREES		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
PARKTREEMA	MOWING		Mowing & Tree Maintenance	CSTR	Ms K M Harris	15
BUILDING	ALARMS		Building Services - Alarms	ALRM	Ms K M Harris	20
BUILDING	CLEANING		Cleaning	CLNG	Ms K M Harris	3
BUILDING	FACILITIES		Building Maint Open / Clean	BMOP	Ms K M Harris	60

CESSNOCK
CITY COUNCIL

62-78 Vincent Street, Cessnock NSW 2325 | PO Box 152 Cessnock NSW 2325
02 4993 4100 | council@cessnock.nsw.gov.au | www.cessnock.nsw.gov.au