Our Ku-ring-gai:
Working together

Asset Management Strategy 2025-2035

June 2025

Ku·ring·gai Council

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Simplified Chinese

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Traditional Chinese

需要幫助嗎？

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Korean

도움이 필요하십니까?

이 문서에는 중요한 정보가 담겨 있습니다. 여러분이 이해할 수 없다면, TIS (번역 및 통역 서비스)의 131 450번으로 전화하십시오. 9424 0000번으로 여러분을 대신하여 전화해서 쿠링가이 카운슬을 연락해 달라고 요청하십시오. 영업 시간: 월요일–금요일, 오전 8시30분–오후 5시.

Persian

آیا به کمک نیاز دارید؟

این مدرک حاوی اطلاعات مهمی است. اگر آنها را نمی فهمید، خواهش می کنیم به خدمات ترجمه نوشتاری و گفتاری (Translating and Interpreting Service) به شماره ۱۳۱ ۴۵۰ تلفن کنید و از آن سرویس بخواهید از جانب شما با شهرداری کورینگای (Ku-ring-gai Council) در ساعات کاری، دوشنبه تا جمعه از ساعت ۸:۳۰ صبح تا ساعت ۵:۰۰ بعد از ظهر با شماره تلفن ۰۲ ۹۴۲۴ ۰۰۰۰ تماس بگیرند.

Japanese

ご質問がありますか？

当文書には重要な情報が記載されています。もし何か不明な点があれば、月曜から金曜の午前8:30から午後5:00までの受付時間内に、まず131 450の通訳翻訳サービスにお電話いただき、通訳を介してKu-ring-gai Councilのサービス担当（電話:02 9424 0000）までお問合せください

Hindi

सहायता चाहिए?

इस दस्तावेज़ में महत्वपूर्ण जानकारी है। यदि यह आपको समझ नहीं आती, तो कृपया अनुवाद और दुभाषिया सेवा को 131 450 पर कॉल करें, और इस सेवा को आपकी ओर से फ़ोन: 02 9424 0000 पर व्यावसायिक घंटों के दौरान, सोमवार से शुक्रवार, सुबह 8.30 से शाम 5.00 बजे तक कू-रिंग-गई काउन्सिल से संपर्क करने के लिए अनुरोध करें।

These languages were chosen as they are the most widely spoken by Ku-ring-gai residents indicated by ABS Census data.

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Call 02 9424 0000 Monday to Friday 8.30 am - 5.00 pm if you need further assistance.

KU-RING-GAI COUNCIL

818 Pacific Highway, Gordon NSW 2072

P: 02 9424 0000 | **E:** krg@krg.nsw.gov.au

W: krg.nsw.gov.au

Acknowledgment of traditional owners

Ku-ring-gai Council recognises the traditional custodians of the lands and waters, and pays respect to Elders past, present and emerging

Contents

Summary

This Asset Management Strategy has been developed based on community engagement outcomes, a review of the Council's service delivery practices, financial sustainability indicators, asset management maturity, and the objectives outlined in the Community Strategic Plan.

This Asset Management Strategy has been developed in accordance with the Integrated Planning and Reporting Framework Guidelines. The Strategy demonstrates:

- how Council's asset portfolio will meet the service delivery needs of its community over the next 10 years
- how Council's Asset Management Policy will be achieved
- the integration of Council's asset management with the Community Strategic Plan.

Introduction

Council delivers a variety of services to the community and, in doing so, must ensure that the assets supporting these services are managed with a whole-of-life asset management approach. The life cycle management approach optimises asset acquisition, maximises use of assets, and manages service and operational costs.

Council demonstrates its commitment to asset management through its Asset Management Policy, Asset Management Strategy, and a suite of Asset Management Plans, which apply to infrastructure assets owned by Council.

Community and organisational goals and objectives have guided the development of this Strategy to ensure the management of Council's assets reflects the broader community's long-term objectives contained in the Community Strategic Plan.

The Community Strategic Plan provides strategic direction, addressing the community's issues to achieve the long-term objectives under the following outcomes:

- Our unique natural environment is protected and enhanced
- Sustainable urban growth and change
- Infrastructure and assets support community needs
- An inclusive, connected and safe community
- Leadership and service excellence

The Asset Management Strategy can be viewed as a first-tier plan, supported by more detailed asset management plans. It provides direction to guide asset management actions into the future and ensures Council continually improves the management of its infrastructure.

It is vital that Council develops and maintains rigorous asset management processes, as asset management is a key driver of the 10-Year Long Term Financial Plan (LTFP).

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 and economically sustainable service delivery. In turn, affordable service levels can only be determined by assessing Council's long-term financial sustainability under scenarios with different proposed service levels.

Best-practice asset management planning commences with defining stakeholder and legal requirements and needs, and then incorporating these needs into the organisation's strategic plan, developing an asset management policy, strategy, asset management plans, and operational plans, linked to a Long-Term Financial Plan.

Asset management planning process

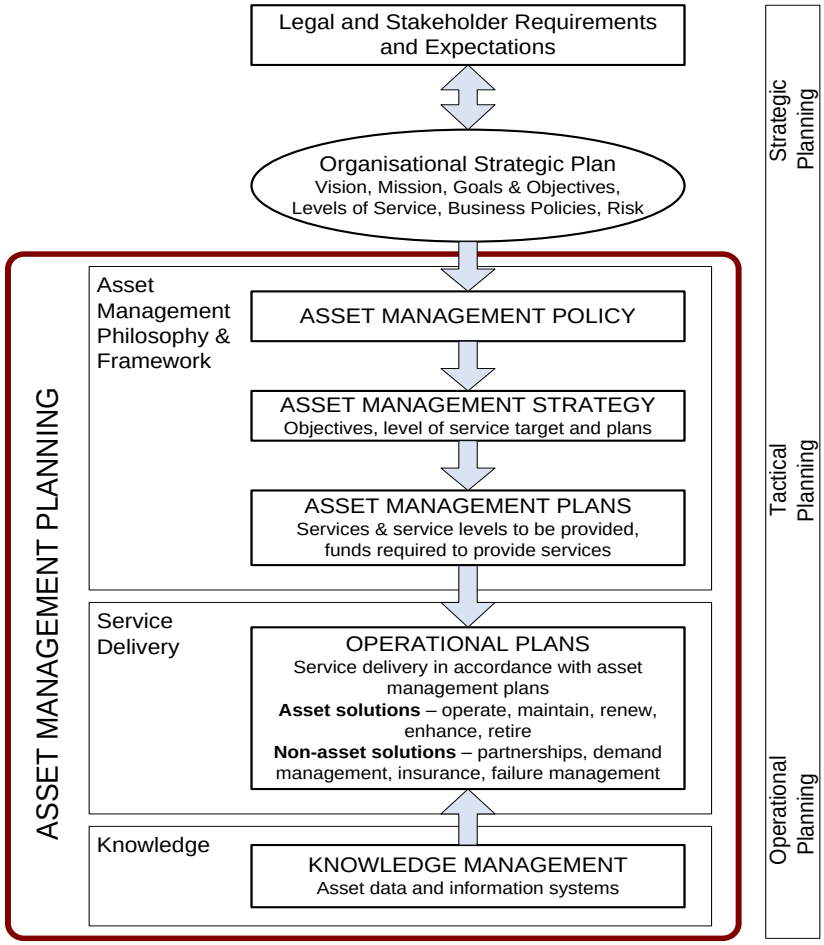

Diagram 1: Asset management planning process

Asset management policy and objectives

Purpose

The purpose of Council's Asset Management Policy is to guide the strategic management of Council's assets. The Policy defines Council's vision and service delivery objectives for asset management in accordance with legislative requirements, community needs and affordability. The Asset Management Strategy (AMS) has been developed to support the Asset Management Policy.

Objectives

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 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 develops and maintains asset management governance, skills, processes, data, and systems to provide services to our present and future community in the most cost-effective and sustainable manner.

The objectives of the Asset Management Strategy are to:

- Ensure that Council's infrastructure services are provided in an economically optimal manner, with the appropriate level of service to residents, visitors and the environment. This is determined by reference both to:
    - Measured community satisfaction with Council's services and facilities, and
    - Council's long term financial sustainability.
- Improve the condition of Council's assets over a ten-year period by implementing optimised maintenance and renewal programs based on the holistically applied lifecycle principles, remaining useful life as per asset condition, and available funding.
- Manage assets in a poor condition with appropriate risk management and/or disposal strategies.
- Ensure that any future projects to create or upgrade assets are done with a full understanding of the whole of life costing for the asset and have an assured source of funding for both capital and ongoing costs.
- Meet legislative requirements for all Council's operations.
- Ensure resources and operational capabilities are identified and responsibility for asset management is clearly allocated.
- Provide high-level oversight of financial and asset management responsibilities by reporting to Council on the development, revision and implementation of the Asset Management Strategy, Asset Management Plans and Resourcing Strategy.

To maximise the potential to meet the above objectives, Council will:

- Continually review its Asset Management Strategy and plans to ensure that:
    - They provide a clear connection between community priorities and available funding.
    - They are aligned with Council's Integrated Planning and Reporting documents.

- Continually improve the quality and scope of existing asset data by ensuring that all assets are assessed, and appropriate useful lives and conditions are assigned to each component.

Where are we now?

Current situation

Council's core infrastructure assets consist of roads, footpaths, recreational facilities buildings, and stormwater drainage. The anticipated estimated cost to fully renew all infrastructure currently in an unsatisfactory condition for 2025/26 is $234 million ($227 million as of 30 June 2024). This increase is due to a combination of factors, including the increase in value of the asset portfolio and detailed review of some key asset classes which was recommended by The Financial Sustainability Review 2023 (FSR).

The FSR 2023 was an independent, high-level review of Council's Resourcing Strategy and made several recommendations including that further work and investigation be undertaken to confirm asset condition, useful lives and asset backlog for roads, buildings and drainage. Council has proactively acted on these recommendations and has concluded detailed assessment of two key asset classes - Drainage and Buildings (Operational and Community).

Asset cost, condition and value

The cost, condition and value of assets are reported each year in financial statements as part of the Annual Report. In 2023/24, the value and replacement cost of infrastructure assets were reported as follows[1]:

Infrastructure asset values 2023/24	Net carrying amount (WDV) $'000	Gross replacement cost $'000
Buildings	118,497	207,364
Other structures	47,279	56,753
Road and transport assets	557,988	835,650
Drainage	276,666	511,921
Open space recreational assets	101,793	164,876
Total	**1,102,223**	**1,776,564**

Table 1: Value and replacement cost of infrastructure assets 2023/24

In terms of the total cost to replace the infrastructure assets, road and transport assets and drainage constitute the vast majority of Council's infrastructure (see diagram 2). Road and transport assets include roads, footpaths, bridges, kerb and gutters, road furniture, road structures and bulk earth works.

Based on community surveys and feedback, roads, local parks and gardens, transport assets, and drainage are higher priority asset classes for our community. This Asset Management Strategy has therefore been developed to give priority to those asset classes and to guide funding decisions for all other essential works and priority assets.

[1] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on infrastructure assets as at 30 June 2024.

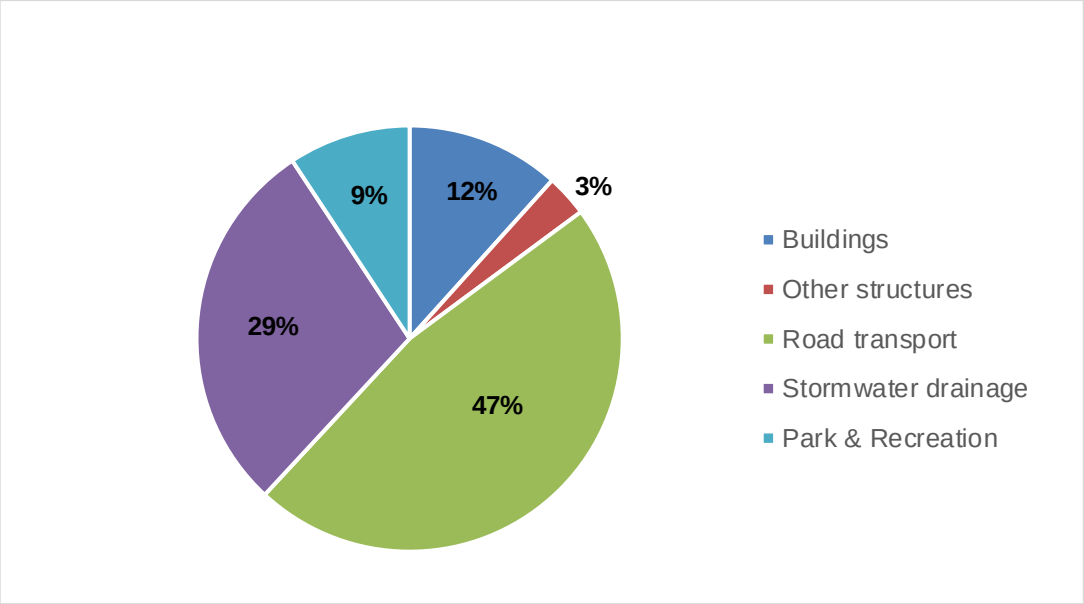

Diagram 2: Percentage of total gross replacement cost – Ku-ring-gai Council – All asset classes

Council budget

Following a functional assessment of Councils assets, it has been determined that the existing budget, which is known as Base Case (rate peg), is insufficient to meet the long-term renewal needs of footpaths, drainage, recreational facilities, and buildings.

Without additional funding, asset deterioration will continue to outpace renewal efforts, leading to higher maintenance costs, declining service levels, an increasing infrastructure backlog, and increased exposure to risk. This will place greater financial strain on Council, limiting its ability to deliver essential services and maintain safe and functional assets for the community.

To address this, Council's Long Term Financial Plan reflects a Base Case and three Special Rate Variation (SRV) scenarios. For the purpose of the AMS, one SRV scenario, known as Renew Infrastructure, is considered and analysed.

This scenario will commence in 2026/27 subject to Council consideration and approval, providing an additional $16.5 million a year over the next 10 years for infrastructure renewal. This investment will enable proactive asset management, reducing reliance on costly reactive maintenance and preventing assets from falling below acceptable conditions. Without this funding, more assets will deteriorate, increasing long-term financial liabilities and service disruptions.

If current expenditure levels continue under the Base Case, the infrastructure backlog will grow, forcing Council to delay upgrades and essential works. This reactive approach leads to higher operational costs and reduced infrastructure reliability. In contrast, the SRV will ensure a structured and sustainable renewal program, minimising long-term costs and supporting the continued delivery of quality infrastructure.

Diagram 3 illustrates the projected asset renewal ratio under both scenarios, demonstrating that securing additional funding is essential to maintaining asset sustainability and ensuring Council can continue delivering safe and reliable services to the community.

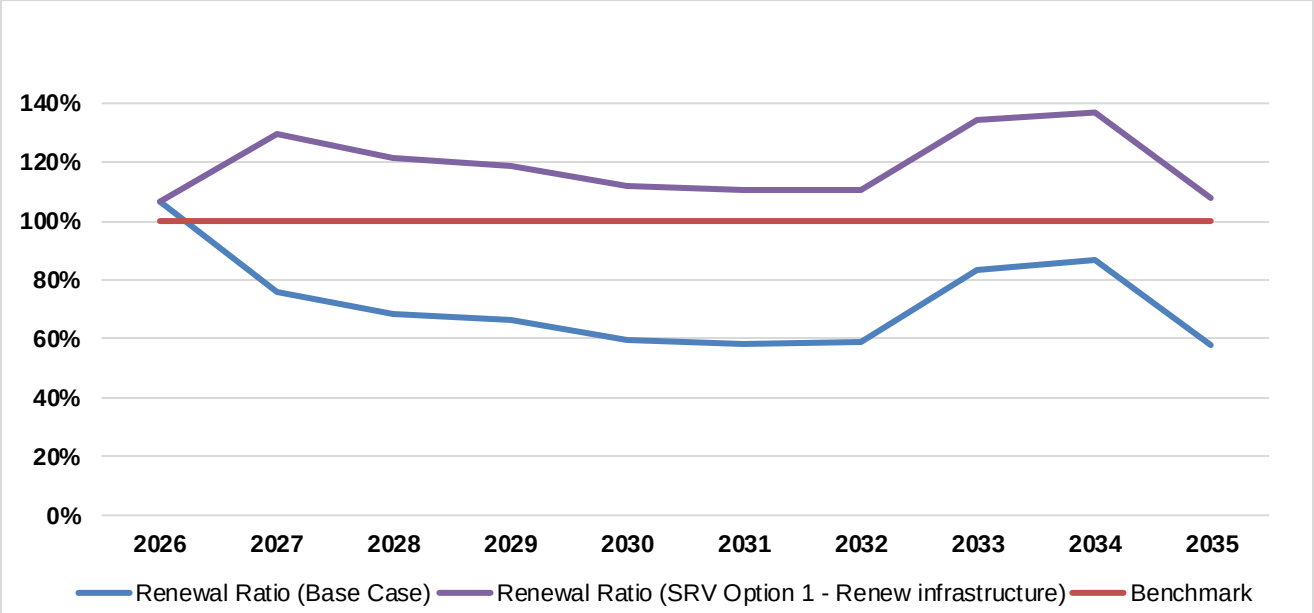

Diagram 3: Building and infrastructure asset renewal ratio

Maintenance expenditure

Maintenance is the activities required or undertaken by Council to preserve the service capacity or durability of the assets as they age. The required maintenance, which is reported in the Special Schedule Report on Infrastructure Assets is the amount that Council should be spending on assets and is based on a percentage of the replacement cost. Actual maintenance includes the budgeted amount that Council will spend on preventative, corrective and reactive maintenance annually.

Council's maintenance ratio was below the benchmark ratio of >100% in 2023/24 mainly as a result of an increasing asset portfolio value. Table 2 compares the required maintenance to the projected maintenance budget. The asset maintenance ratio (diagram 4) compares the figures and demonstrates how Council will require additional funding sources to meet the asset maintenance ratio to exceed the benchmark of 100% in each year of the Long-Term Financial Plan.

Asset maintenance - required by asset class $'000	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	5,016	5,249	5,397	5,549	5,705	5,864	6,028	6,197	6,370	6,548
Road transport	5,715	5,985	6,287	6,604	6,859	7,161	7,470	7,800	8,156	8,472
Stormwater	1,572	1,614	1,659	1,704	1,749	1,796	1,844	1,893	1,943	1,996
Parks and recreation	7,311	7,635	7,884	8,141	8,357	8,593	8,873	9,231	9,627	10,431
Total REQUIRED	**19,615**	**20,483**	**21,227**	**21,998**	**22,670**	**23,415**	**24,215**	**25,121**	**26,096**	**27,447**
Actual maintenance	18,457	19,103	19,772	20,464	21,180	21,921	22,689	23,483	24,305	25,155
Variance (actual less required)	**-1,157**	**-1,380**	**-1,455**	**-1,534**	**-1,490**	**-1,493**	**-1,526**	**-1,638**	**-1,791**	**-2,292**

Table 2: Required asset maintenance by class

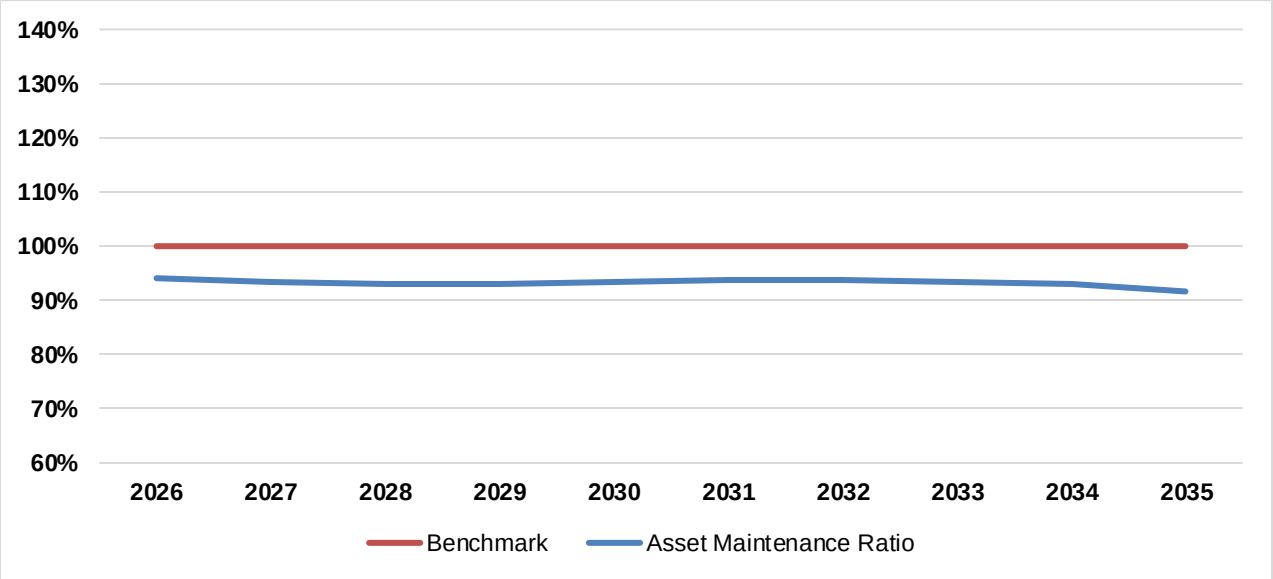

Diagram 4: Asset maintenance ratio

Renewal expenditure

Renewal is the activities to refurbish or replace assets with assets of equivalent or sometimes greater service capacity. Usually this involves restoring assets to a Condition 1 rating. Renewal works are included in Council's Capital Works Program. Tables 3 and 4 display the asset renewal expenditure projected for the next decade in the Long-Term Financial Plan.

Renewal Expenditure $'000 (Base case – rate peg)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Buildings	3,406	2,438	1,135	1,163	1,117	1,145	1,174	1,203	1,233	1,264
Road & Transport	16,805	13,441	14,110	15,276	14,377	14,787	15,123	23,927	25,469	16,301
Stormwater	1,981	1,122	1,190	1,219	1,081	1,108	1,136	1,164	1,205	1,376
Parks & Recreation	6,246	4,033	3,225	2,122	1,712	1,599	2,125	2,356	2,728	2,378
Total renewal	**28,438**	**21,033**	**19,659**	**19,781**	**18,288**	**18,639**	**19,557**	**28,650**	**30,634**	**21,320**

Table 3: Projected asset renewal expenditure Base Case (rate peg)

Renewal Expenditure $'000 (Renew Infrastructure - SRV)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Buildings	3,406	9,138	8,002	8,202	8,332	8,541	8,754	8,973	9,197	9,427
Road & Transport	16,805	14,381	15,073	16,264	15,390	15,825	16,186	25,017	26,586	17,447
Stormwater	1,981	7,022	7,237	7,418	7,435	7,621	7,811	8,006	8,218	8,565
Parks & Recreation	6,246	5,533	4,763	3,698	3,328	3,255	3,822	4,095	4,511	4,206
Total renewal	**28,438**	**36,073**	**35,075**	**35,582**	**34,484**	**35,241**	**36,573**	**46,091**	**48,512**	**39,645**

Table 4: Projected asset renewal expenditure Renew Infrastructure (SRV)

The asset renewal ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. As of 30 June 2024, Council's Buildings and Infrastructure Renewal Ratio was 86.91%. This is lower than the previous year and below the 100% benchmark set by the Office of Local Government (OLG).

Diagram 5 illustrates Council's strategic commitment to meeting or exceeding the asset renewal benchmark of >100% over the next decade, ensuring that critical infrastructure is maintained at a sustainable level.

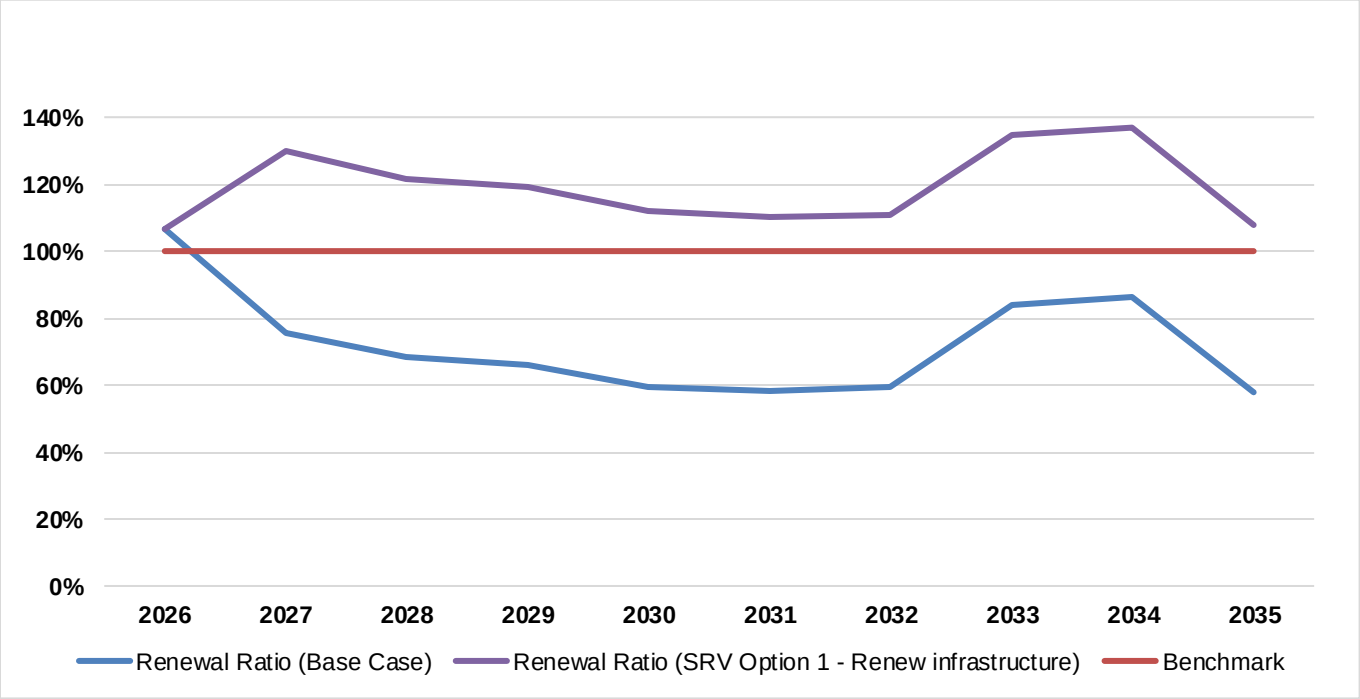

Diagram 5: Building and infrastructure asset renewal ratio

Council has recently undertaken a comprehensive review of its stormwater network and conducted a functional assessment of its building assets. These assessments have identified significant renewal needs, prompting additional funding allocations to address infrastructure deficiencies and prolong asset life.

However, as further assessments are being carried out across other asset classes such as roads, footpaths, bridges, and open spaces, new renewal requirements may emerge. This could impact the overall renewal ratio and place increasing pressure on Council's financial capacity to fund essential upgrades and ongoing maintenance. A further assessment of other asset classes will inevitably impact future renewal ratios and Council's ability to fund it.

If these renewal needs are not addressed, asset deterioration will accelerate, leading to increased maintenance costs, reduced service levels, and potential safety risks for the community. Over time, failing to invest in timely renewals could result in higher long-term financial liabilities and diminished infrastructure reliability, ultimately affecting residents' quality of life and Council's ability to deliver essential services effectively.

Managing these renewal demands within available resources will require careful planning and prioritisation to ensure infrastructure remains sustainable and fit for purpose.

Infrastructure backlog

Cost to satisfactory (CTS)

The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset that is currently not at the condition determined to be satisfactory by Council and community, this is commonly referred to as the backlog. This indicator should not include any planned enhancements. However, it is noted that in practical terms, the asset will be renewed at the time of work.

In 2023/2024, Council reported a total cost of $104.9 million to bring all infrastructure assets to a satisfactory standard being Condition 3 (CTS).

Cost to agreed level of service (CTA)

In January 2017, the Office of Local Government (OLG) introduced an additional measure for reporting on the condition of Council's infrastructure assets being the estimated cost to bring assets to an agreed level of service set by Council.

The cost to bring to the agreed level of service is an estimate of the cost to renew or rehabilitate existing assets that have reached the condition-based intervention level adopted by Council. In other words, the cost to bring all assets that are in an unsatisfactory condition up to Condition 1. This amount is a snapshot at a point in time, being the end of the financial year. To provide flexibility to adequately manage external changes in condition (such as the impacts of varying climatic conditions) and allow good project planning, it is anticipated that Council will have works outstanding to bring to this level of service as a normal part of managing infrastructure assets on behalf of the community.

Table 5 shows the estimates of backlog infrastructure renewal reported for the last seven years based on the costs to satisfactory. The backlog estimate increased in 2022/23 following the reassessment of the useful life and asset condition of drainage assets.

Table 5 shows the backlog infrastructure renewal reported since 2017/2018 in Council's annual reports[2]:

CTS infrastructure asset reported backlog cost $'000	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Total	20,017	17,379	24,716	24,127	28,089	98,079	104,888

Table 5: Reported backlog infrastructure renewal

The Financial Sustainability Review undertaken in 2022/23 (FSR) outlined the asset expenditure required to address the asset management funding gap. The review outlined recommendations for Council in the short to long term to address the infrastructure gaps and recommended Council considers a Special Rate Variation (SRV) for infrastructure to fund the significant funding gap and continue to remain financially sustainable over the long term (with asset sales no longer an option).

The current projections assumed in the LTFP are based on the recommendations from the FSR and the recent external review of drainage and building assets (funding of a backlog of $38 million for drainage and $62 million (CTA) for buildings).

The proposed SRV is planned to commence in 2026/27 and fund asset renewal expenditure. Diagrams 6 and 7 show the projected infrastructure backlog ratios for the CTS and CTA based on two scenarios. The Base Case (rate peg) scenario is a projection of current expenditure with no additional SRV funding and the

[2] Ku-ring-gai Council Annual Reports 2017/2018 to 2023/2024, Special Schedule Report on Infrastructure Assets.

Renew Infrastructure (SRV) scenario which is an addition of $16.5 million over the 10-year starting year of 2026/27 of infrastructure asset renewal.

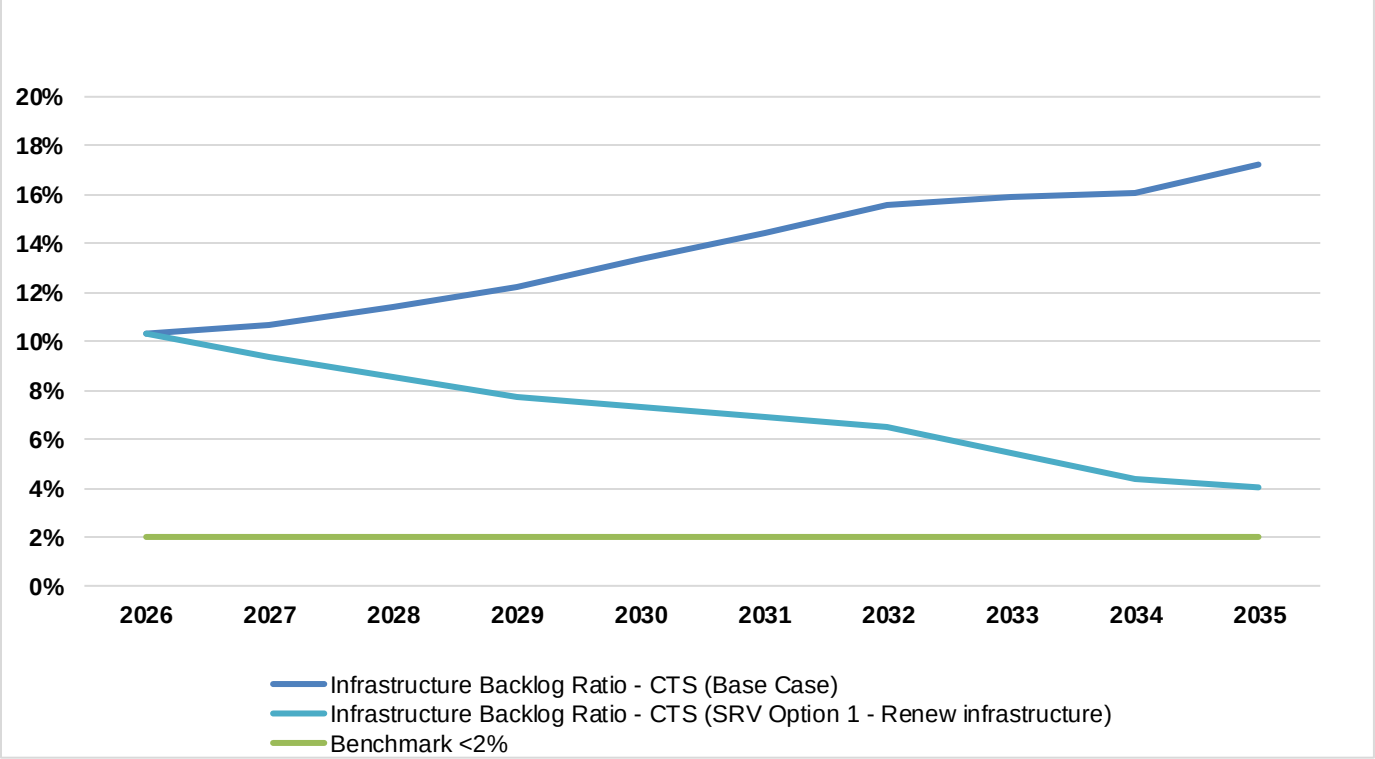

Diagram 6: Infrastructure backlog ratio – cost to satisfactory (CTS)

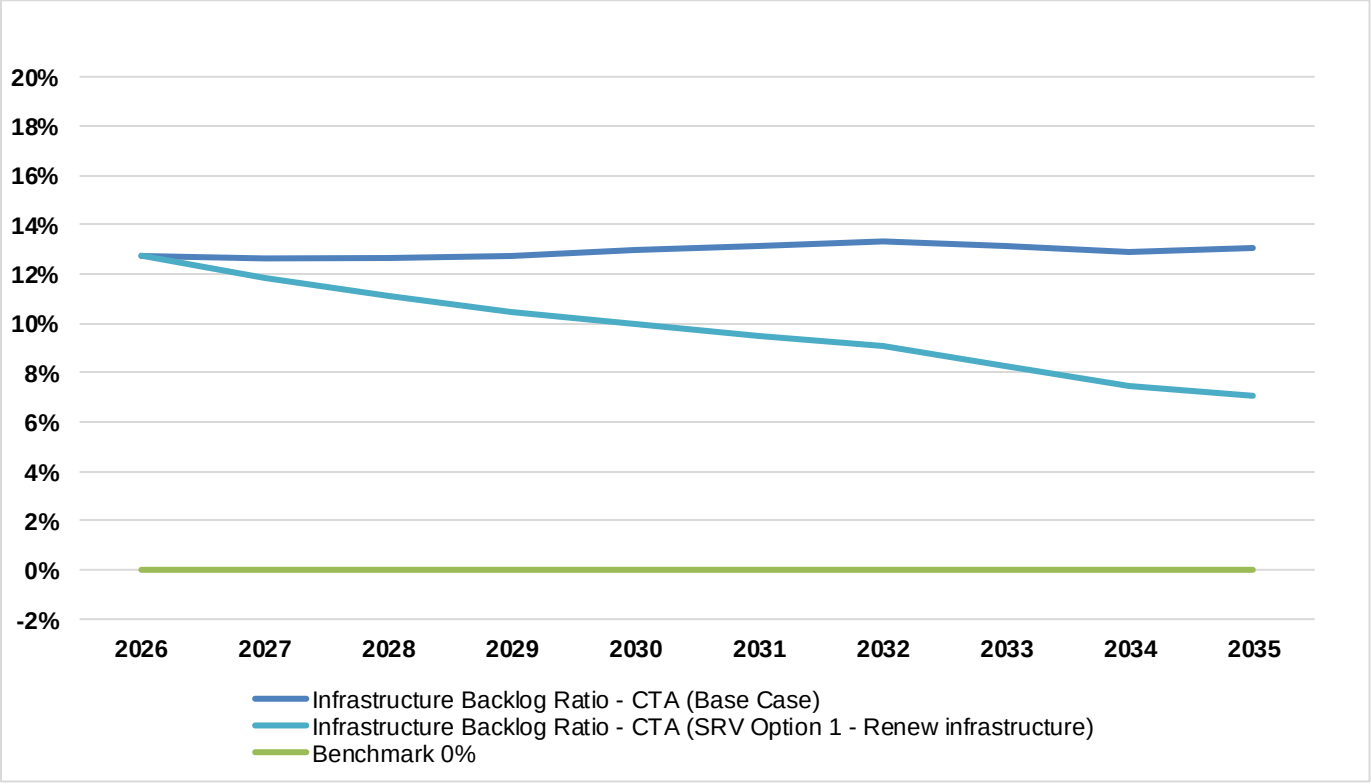

Diagram 7: Infrastructure backlog ratio – cost to agreed level of service (CTA)

Tables 6 to 9 show the estimated cost of the infrastructure backlog for each asset class over a ten-year period for both CTS and CTA. The projections each year are based on the previous year's backlog, adding depreciating and deducting renewal expenditure.

The renewal expenditure is adopted in the Long-Term Financial Plan and will be revised each year to ensure that we reallocate renewal to asset groups with a higher backlog figure.

INFRASTRUCTURE BACKLOG - COST TO BRING TO SATISFACTORY (BASE CASE – RATE PEG)										
	2025/26	**2026/27**	**2027/28**	***2028/29***	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	35,301	37,315	40,757	44,300	48,021	51,849	55,788	59,840	64,009	68,299
Road & Transport	31,162	31,356	31,648	31,429	32,622	34,080	35,878	29,516	22,286	24,838
Stormwater	44,099	47,953	51,875	55,909	60,220	64,650	69,198	73,868	78,652	83,428
Parks & Recreation	0	0	1,255	4,046	7,378	10,965	14,195	17,411	20,493	24,410
Total	**110,562**	**116,623**	**125,535**	**135,685**	**148,241**	**161,544**	**175,059**	**180,635**	**185,440**	**200,975**

Table 6: Infrastructure backlog - cost to bring to satisfactory Base Case (rate peg)

INFRASTRUCTURE BACKLOG - COST TO BRING TO AGREED LEVEL OF SERVICE (BASE CASE– RATE PEG)										
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	64,300	66,314	69,756	73,299	77,020	80,848	84,787	88,839	93,008	97,298
Roads & Transport	124,242	124,561	124,853	124,634	125,827	127,285	129,083	122,721	115,491	118,043
Stormwater	44,099	47,953	51,875	55,909	60,220	64,650	69,198	73,868	78,652	83,428
Parks & Recreation	1,047	1,622	3,155	5,946	9,278	12,865	16,095	19,311	22,393	26,310
Total	**233,688**	**240,450**	**249,639**	**259,789**	**272,345**	**285,648**	**299,163**	**304,739**	**309,544**	**325,079**

Table 7: Infrastructure backlog - cost to bring to agreed level of service Base Case (rate peg)

INFRASTRUCTURE BACKLOG - COST TO BRING TO SATISFACTORY (RENEW INFRASTRUCTURE - SRV)										
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	35,301	30,614	27,189	23,693	20,199	16,631	12,990	9,272	5,477	1,603
Road & Transport	31,162	30,416	29,744	28,538	28,719	29,312	30,045	23,044	15,741	17,222
Stormwater	44,099	42,053	39,928	37,763	35,720	33,637	31,510	29,338	27,109	24,696
Parks & Recreation	0	0	0	0	1,149	3,081	4,614	6,090	7,389	9,479
Total	**110,562**	**103,083**	**96,861**	**89,994**	**85,787**	**82,661**	**79,158**	**67,743**	**55,716**	**53,000**

Table 8: Infrastructure backlog - cost to bring to satisfactory Renew Infrastructure (SRV)

INFRASTRUCTURE BACKLOG - COST TO BRING TO AGREED LEVEL OF SERVICE (RENEW INFRASTRUCTURE - SRV)										
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	64,300	59,613	56,188	52,692	49,198	45,630	41,989	38,271	34,476	30,602
Roads & Transport	124,242	123,621	122,949	121,743	121,924	122,344	123,078	115,626	107,279	108,686
Stormwater	44,099	42,053	39,928	37,763	35,720	33,637	31,510	29,338	27,109	24,696
Parks & Recreation	1,047	122	118	1,333	3,049	4,981	6,514	7,990	9,289	11,379
Total	**233,688**	**225,409**	**219,183**	**213,531**	**209,891**	**206,592**	**203,091**	**191,225**	**178,153**	**175,362**

Table 9: Infrastructure backlog - cost to bring to agreed level of service Renew Infrastructure (SRV)

New/upgrade expenditure

'Capital new' expenditure creates assets which will deliver a service to the community that didn't exist beforehand whilst 'capital upgrade' expenditure enhances an existing asset to provide a higher level of service to the community. New and upgrade works are included in Council's Capital Works Program and are mostly funded by Section 7.11.

Table 10 shows the ten-year capital new and upgrade expenditure forecasts identified in Council's Long Term Financial Plan.

NEW AND UPGRADE										
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Buildings	3,731	4,792	757	776	742	760	779	799	819	839
Roads & Transport	10,496	14,449	16,270	16,111	8,145	16,336	14,642	11,992	13,574	8,677
Stormwater	954	1,013	1,422	1,457	818	1,205	860	881	1,018	1,562
Parks & Recreation	18,357	3,927	1,645	1,664	363	746	1,815	3,823	4,597	15,762
Total	**33,538**	**24,180**	**20,093**	**20,008**	**10,068**	**19,048**	**18,096**	**17,494**	**20,008**	**26,840**

Table 10: Capital new and upgrade expenditure

Risk management

Council's established Enterprise Risk Management Framework required the identification of significant risks and appropriate actions to reduce the level of risk presented to Council and the community. Asset management was one area that was identified as presenting a significant risk to Council, particularly due to the risks posed by the age of assets, their condition, and the availability of resources for maintenance and renewal.

Over the past year, Council has further advanced its risk management capabilities. The comprehensive Enterprise Risk Management (ERM) Framework has now been implemented, encompassing the ERM Policy, ERM Strategy, Risk Appetite Statement and Risk Register. These elements align with AS ISO 31000:2018 and the OLG Guidelines for Risk Management & Internal Audit in Local Government and establish the overarching direction for Council's risk-taking boundaries and governance approach.

Council's ERM Framework has now entered the Deliver phase, as per the IDDDS (*Identify, Diagnose, Design, Deliver and Sustain*) Advisory Model, and continues to be embedded across the organisation. Valuable input and feedback from internal stakeholders—including the General Manager and Directors, Audit Risk and Improvement Committee (ARIC), and external subject matter experts such as InConsult and Statewide Mutual—have informed the development and continuous refinement of the framework.

Actions to support this have included:

- a comprehensive review of Council's risk methodology, leading to consolidation and refinement of defined risks
- a biannual risk review process, using a bottom-up approach to ensure risks at the business unit level are appropriately reviewed and escalated
- targeted training programs, including Risk Management Training for Leaders and Risk Management Essentials for Staff to enhance organisational risk awareness and capability

- continued improvements to organisational risk culture, supported by tailored tools such as the Risk Implication Statement, now being embedded into corporate reporting templates to strengthen risk-based decision-making, and

- ongoing collaboration with Statewide Mutual to plan for an independent ERM maturity assessment in 2025, ensuring Council remains on track toward its target maturity level.

Council also continues to maintain and enhance its reporting capabilities across ERM, Public Liability, Workers Compensation, and Work Health and Safety. Each risk portfolio is monitored and charted in accordance with the IDDDS model, using a combination of performance and non-performance metrics to track operational resilience.

Essentially, Council's asset management practices integrate risk management principles throughout both strategic and operational processes. However, it is important that the risk management practices are consistent and documented across all of these processes.

Those significant or critical risks outside of risk appetite are monitored with a risk treatment plan to assist in bringing the risk to an acceptable level. Council's organisational risk profile remains positively skewed, with the majority of risks assessed as being within appetite. These insights are reported quarterly to ARIC and the General Manager and Directors, providing visibility of any notable changes and informing future planning.

Business continuity management (BCM)

Council adopted a Business Continuity Management (BCM) Policy and Framework in February 2024. The Policy and Framework outlines Council's commitment to, and objectives around, managing disruption-related risks that may impact its ability to deliver services and achieve objectives.

It outlines a structured approach to managing business interruptions and ensures Council can continue to deliver services to stakeholders, while seeking to minimise adverse impacts and losses. Key recent developments in 2024–2025 include:

- in the fourth quarter of 2024, In Consult began working with Business Unit Managers from critical service areas—Corporate Communications, Library Services, Information Management, and People & Culture—to support the development and review of Business Continuity Sub Plans tailored to each function, and

- a face-to-face Business Continuity Planning Exercise was held in February 2025, targeting business unit alternates and extended workgroups. This exercise was designed to test business continuity procedures and enhance Council's overall readiness. An outcomes report will inform future refinement of plans and procedures.

These activities are strengthening Council's capacity to respond effectively to major disruptions, with plans being finalised in consultation with the relevant units and improvement recommendations further embedded into strategic and operational BCM planning processes.

Critical assets

Critical assets are those assets where the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. The following buildings are essential for Council's operations and outcomes and are considered critical assets:

- Council's administration buildings located at 818 Pacific Highway Gordon and 31 Bridge Street Pymble, and

- Council works depot located at 5 Suakin Street Pymble.

The risks associated with these assets include public health and safety, business continuity and emergencies. As part of the ongoing revision of Council's Asset Management Plans, further investigation into critical assets and the development of tailored maintenance strategies is underway. These will help ensure continuity of service delivery and safeguard operational resilience.

As part of Council's commitment to ensuring readiness in the event of a major disruption, annual Business Continuity Planning (BCP) training and exercises are conducted. During these sessions, the Crisis Management Team (CMT), Incident Management Team (IMT), and their subordinate staff are regularly trained and exercised on realistic crisis scenarios, including asset-related emergencies. These exercises are designed to test Council's response capability, validate existing procedures, and strengthen communication and decision-making under pressure.

Community levels of service

Council commissioned Micromex Research to conduct a community survey in 2024 to identify perceived strengths and weaknesses of Ku-ring-gai Council service delivery, communication, and assess the community's priorities.

Micromex Research asked the community to respond on the importance and satisfaction over a range of asset classes. The consultation identified that in addition to roads, the assets most important to our community are parks and gardens and drainage. Sporting fields and recreational facilities, footpaths and playgrounds were also reported as important.

Identified community service level priority assets[3] Independent community research		
Top priority	**Secondary priority**	**Lower priority**
Condition of local roads (95%) Provision and maintenance of local parks and gardens (93%) Provision of adequate drainage (90%)	Provision and maintenance of sporting ovals, grounds and leisure facilities (87%) Provision and condition of footpaths (87%) Provision and maintenance of playgrounds (80%)	Availability of community facilities (78%) Availability of commuter parking (77%) Provision and operation of libraries (76%) Access to cycleways, footpaths and walking tracks (72%) Availability and cleanliness of public toilets (70%) Condition of community buildings (65%)

Table 11: Identified community service level priority assets

Note: Refers to the aggregate percentage (%) score of the top two scores for importance. (i.e. important and very important)

[3] Ku-ring-gai Community Research Report – Micromex Research – October, 2024

Performance against community satisfaction benchmarks

Council regularly commissions independent community research which examines the community's satisfaction with a range of Council services and facilities.

Research undertaken in 2014, 2017, 2019, 2021 and 2024 indicates that the community is generally satisfied with the provision and condition of infrastructure. However, there has been a statistically significant decline in satisfaction with the provision and cleanliness of public toilets and condition of local roads. Community satisfaction research results are included in Table 12 for key asset categories. Full reports and results are available at www.krg.nsw.gov.au

Resident satisfaction **Very satisfied, satisfied and somewhat satisfied**	**Condition of community buildings** **92%** (2024) 92% 2021 90% 2019 94% 2017 No data 2014	**Provision and operation of libraries** **94%** (2024) 96% 2021 92% 2019 95% 2017 98% 2014
	Provision and maintenance of sporting ovals, grounds and leisure facilities **88%** (2024) 91% 2021 92% 2019 90% 2017 90% 2014	**Provision and maintenance of playgrounds** **92%** (2024) 94% 2021 89% 2019 92% 2017 93% 2014
	Provision and maintenance of local parks and gardens **93%** (2024) 94% 2021 90% 2019 91% 2017 92% 2014	**Provision and cleanliness of public toilets** **78%** (2024) 85% 2021 80% 2019 84% 2017 98% 2014
	Condition of existing built footpaths in Ku-ring-gai* **72%** (2024) 74% 2021 62% 2019 63% 2017 55% 2014	**Provision of footpaths in Ku-ring-gai*** **67%** (2024) 71% 2021 62% 2019 63% 2017 55% 2014
	Condition of local roads **66%** (2024) 74% 2021 76% 2019 68% 2017 54% 2014	**Providing adequate drainage** **80%** (2024) 83% 2021 78% 2019 80% 2017 75% 2014
	Protection of natural areas and bushland **94%** (2024) 95% 2021 92% 2019 94% 2017 89% 2014	

Table 12: Resident satisfaction with the provision and condition of infrastructure

* In 2021, the question was changed from 'Quality of footpaths. Statistics for 2014, 2017 and 2019 are provided for the original question.

Council's vision and outcomes

This Asset Management Strategy is prepared to provide a road map to sustainable asset management and to ensure assets are capable of delivering the community's desired service levels in priority areas in the most cost-efficient manner. This is considered necessary if we are to achieve the vision, aspirations and long-term objectives of our community as identified in our Community Strategic Plan.

Table 13 shows the link between the Community Strategic Plan and the Asset Management Strategy.

Community Strategic Plan 2035		**Asset Management Strategy**
Outcome	**Objective**	**Integration with asset classes**
Outcome 1: Our unique natural environment is protected and enhanced	Ku-ring-gai's bushland, waterways and biodiversity is being protected and a healthy tree canopy enhances our suburban landscape. Ku-ring-gai is a leader in sustainable resource management and environmental stewardship and is on track to achieve net-zero emissions.	Stormwater Drainage Recreational Facilities
Outcome 2: Sustainable urban growth and change	Ku-ring-gai is a thriving community of safe and well-planned neighbourhoods. We are continuing to deliver diverse housing options, while balancing suburban growth with the preservation of our unique character, open spaces and heritage. We have a strong local economy with thriving businesses, and revitalised centres providing convenient access to shops, services and community facilities.	All asset classes
Outcome 3: Infrastructure and assets support community needs	All residents have access to modern and accessible sport, recreational and community facilities that support active lifestyles. The area is connected by a high-quality road and footpath network that supports active transport alternatives. Public transport connects our neighbourhoods and access to Greater Sydney.	All asset classes
Outcome 4: An inclusive, connected and safe community	Ku-ring-gai will be a safe, inclusive and connected community where diversity is valued. We cherish our rich history while welcoming new residents to the area. Strong community networks combat social isolation and support services are available for people who need them.	Buildings Recreational Facilities Footpaths
Outcome 5: Leadership and service excellence	Ku-ring-gai Council is a high-performing organisation and a strong civic leader. Council builds strategic partnerships with other councils, government agencies, not-for-profit and community groups. Council has a focus on innovation and customer service to deliver continuously improving services to the community.	All asset classes

Table 13: Link between the Community Strategic Plan and the Asset Management Strategy

Life cycle management

Competent and cost-efficient life cycle management for infrastructure assets commences with developing an accurate understanding of the actual condition of each asset. This requires a regular cycle of assessment of the physical condition of assets, for which funds are required for staff and training. However, this regular process results in more accurate and often lower estimates of real asset renewal costs.

In 2015, Council undertook a major review of its infrastructure backlog and asset data with Morrison Low Consultants. This has helped to improve and standardise reporting on the actual condition of assets, which is assisting staff to plan far more cost-effective programs for asset renewal and maintenance.

Continuous improvement in the integrity of asset data, particularly asset condition data, is vital to controlling costs for both backlog and future renewal programs. In this regard, Council has undertaken a range of projects to improve the quality and accuracy of asset data and standardise records of asset condition.

Specific actions completed in 2016/2017 included:

- a review of procedures for new, renewal and upgraded assets
- benchmarking of road and transport assets, and
- implementation of a new capital works system and targeted organisational training.

In 2019/2020, Council staff further interrogated its financial and technical asset management data, processes and systems as follows:

- reviewed useful lives to establish uniform and accurate application for specific construction types, materials, geographical locations and utilisation
- benchmarking useful lives against other councils and industry experts
- implementation of the stormwater drainage asset class into the corporate asset management system
- reviewed roads condition data based on recent inspection program and updated condition assessment information and indices
- analysed financial impact due to changes in asset conditions, useful lives, depreciation and intervention strategies
- interrogated recurrent budgets and project budgets to confirm accurate asset classification, and
- investigated actual asset maintenance expenditure compared with required maintenance, and current asset renewal expenditure with required renewal.

In 2020/21, footpath and open space assets underwent a comprehensive inspection and revaluation to ensure data accuracy and alignment with current asset conditions. A subsequent revaluation of footpath assets is currently underway to further refine asset data, assess condition changes, and ensure valuations remain reflective of their true service potential and replacement costs. This process supports informed decision-making for asset management, maintenance planning, and long-term financial sustainability.

In 2022/23 building assets and drainage assets were revalued.

A revaluation of the drainage assets and a functional assessment of building assets was carried out in 2023/24. The drainage assets revaluation was undertaken by an external valuer and resulted in a 14% increase in Gross Replacement Cost (GRC) as unit rates. In conjunction with the revaluation, a new optimal renewal methodology was introduced that allowed the drainage assets to be "componentised" into short-life

and long-life components and resulted in a slight overall increase in depreciation due to the significant increase in GRC.

In 2023/24 a functional review of buildings assets was undertaken by external consultants during 2023/24. This project mainly addresses the renewal phase of the building lifecycle and proposed additional works to improve their utilisation of Council's building assets. Condition of assets was also inspected as part of this process.

This Asset Management Strategy is based on data acquired through physical assessments and other estimates where physical data are either not yet available or are not possible to obtain for various reasons (e.g. for drainage assets where the possibility of using CCTV for inspections is limited). All estimates are being continually refined to produce the best possible accurate assessment of asset condition and funding priorities.

Throughout this Strategy, Council is using a 5-point asset condition rating scale to steer decisions regarding priorities and funding requirements. This scale is consistent with best practice for asset condition assessment and reporting as described in Table 14.

Ku-ring-gai Council asset condition matrix		
Level	**Condition**	**Description**
1	Very Good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Fair	Maintenance work required
4	Poor	Renewal required
5	Very Poor	Urgent renewal/upgrading required

Table 14: Ku-ring-gai Council asset condition matrix

Roads and transport

Council's road and transport network is comprised of:

- roads
- bridges
- footpaths
- kerbs and gutters
- car parks
- road furniture and structures, and
- bulk earth works.

All asset information pertaining to each group is contained within Council's asset registers and further detailed information on our road and transport assets is held within Council's Pavement Management System (SMEC).

Community objectives for road and transport assets

The roads and transport asset class supports the long-term objectives of our Community Strategic Plan through the following strategies:

- A4 - Provide, upgrade and maintain Ku-ring-gai's local road and footpath network, traffic facilities and other road infrastructure.
- A5 - Work with the NSW government and partners to improve local integrated transport connections, public transport and the regional road network.

Preferred condition rating for road and transport assets

As noted, the Ku-ring-gai community has stated that roads and footpaths, are a priority area from a service delivery perspective. Based on this response, it will be a priority to maintain or improve the level of service that can be delivered from this asset class as a whole. In order to achieve that service level, it has been assumed in this strategy that it is desirable, from a community service level point of view, to ensure that 100% of road and transport assets, particularly roads and footpaths, are kept in Condition 3 or better.

Kerb and gutter infrastructure are a fundamental component of urban drainage systems, playing a crucial role in managing surface water runoff, preserving pavement integrity and enhancing road safety. By directing stormwater into the drainage network, kerb and gutter systems mitigate the risk of water pooling, erosion and structural degradation of road surfaces.

Inadequate or poorly maintained kerb and gutter assets can lead to inefficient stormwater conveyance, increasing the likelihood of localised flooding, pavement failure, and accelerated deterioration of road infrastructure. Water ingress into the pavement substructure can compromise its load-bearing capacity, resulting in premature surface distress, potholing and higher long-term maintenance costs.

From an asset management perspective, ensuring kerb and gutter assets are maintained in a functional condition is essential to optimising stormwater management, extending pavement lifespan and maximising the effectiveness of road investment. Integrating kerb and gutter renewal with road resurfacing and rehabilitation programs enhances the overall performance of transport and drainage networks while reducing lifecycle costs.

Therefore, to effectively manage long-term costs and ensure infrastructure resilience, the objective is to maintain 100% of kerb and gutter assets at Condition 3 or better.

Current performance of road and transport assets

Council reports on the condition of its road and transport assets through the Special Schedule Report on Infrastructure Assets within the Annual Financial Statements. This reporting quantifies asset condition as a percentage of gross replacement cost, providing a comprehensive overview of asset performance and lifecycle status.

The table categorises the proportion of road and transport assets within each condition rating: excellent/very good (1), good (2), satisfactory (3), poor (4), and very poor (5). For roads and transport infrastructure, assets must be maintained at Condition 3 or better to ensure the provision of a satisfactory level of service to the community and to sustain network functionality and resilience.

Condition

Accounting for asset condition in Council's Annual Financial Statements over the past five years implies a moderate reduction in the proportion of road and transport assets overall which would meet the condition rating required to deliver satisfactory service to the community (i.e., in the case of roads, Condition 3 or better). Table 15 shows the change in condition ratings since 2019/20.

Change in condition of road and transport assets 2019/20 to 2023/24					
	2019/2020	**2020/2021**	**2021/2022**	**2022/2023**	**2023/2024**
% meeting required 'satisfactory' condition rating	88.4%	88.8%	86.9%	85.9%	85.4%
% not meeting required condition rating	11.6%	11.2%	13.1%	14.1%	14.6%

Table 15: Change in condition of road and transport assets 2019/20 to 2023/24

Roads and kerb and gutter

Available data and funding

The roads and kerb and gutter data presented in Note C1-7 of Council's 2023/2024 Financial Statements is based on the annual fair value assessment completed in 2024. A comprehensive revaluation of these asset classes was undertaken in 2020 in accordance with Council's asset revaluation cycle. An updated revaluation process for roads, kerb and gutter, and carparks is currently underway and scheduled for completion by the end of June 2025. This process will ensure the asset register reflects current asset conditions and replacement values, supporting accurate financial reporting and long-term asset planning.

Infrastructure backlog and future funding allocation

Table 16 shows the projected backlog figures, capital and maintenance expenditure for roads and kerb and gutter over the next 10 years.

Roads and kerb and gutter $'000	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	29,492	28,613	27,628	25,997	24,480	23,003	21,849	17,018	11,828	10,522
Backlog - Cost to Agreed Level of Service	114,652	113,773	112,788	111,157	109,640	108,163	107,009	102,178	96,988	95,682
Renewal	11,597	10,663	11,122	12,108	12,288	12,686	12,766	16,760	17,437	13,873
New/Upgrade	1,089	6,829	6,416	5,252	2,274	9,837	7,247	1,467	1,611	804
Maintenance	1,605	1,661	1,719	1,779	1,841	1,906	1,973	2,042	2,113	2,187

Table 16: Projected backlog figures, capital and maintenance expenditure for roads, kerb and gutter over the next 10 years.

Service level expectations

Community consultation identified our roads as a high priority and residents support reducing any funding gaps to improve the condition of our footpaths. The community's high expectation of our roads influences our investment in renewal funding which is strengthened by a Special Rate Variation (SRV) for local roads.

Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

The condition of the roads will continue to be assessed and updated on a regular basis.

Footpaths

Available data and funding

The footpath data reported in Note C1-7 of Council's Financial Statements 2023/2024 is based on the annual fair value assessment completed in 2024.

A comprehensive revaluation of Council's footpath assets was performed in 2020 in line with Council's revaluation cycle. The data has been reviewed by a consultant who determined that the asset register was well established and recommended that condition assessments continue on an ongoing basis.

Infrastructure backlog and future funding allocation

Tables 17 and 18 show the projected capital and maintenance expenditure and the backlog figures for footpaths over the next ten years for both scenarios. The baseline data for the projected backlog figures have been formulated using the reported Cost to Satisfactory (CTS).

The reported CTS is based on the Net Carrying Amount of the asset class and the percentage of those assets in various conditions[4].

[4] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on Infrastructure Assets as at 30 June 2024.

Footpaths $'000 (Base Case – Rate peg)	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	2034/ 35
Backlog - Cost to Satisfactory	1,670	2,408	2,928	3,495	4,080	4,768	5,833	6,472	6,545	7,615
Backlog - Cost to Agreed Level of Service	6,329	7,067	7,587	8,154	8,739	9,427	10,492	11,131	11,204	12,274
Renewal	1,316	801	1,105	1,147	1,220	1,204	902	1,438	2,145	1,252
New/upgrade	2,423	1,742	3,224	3,406	3,268	2,938	1,942	4,183	6,106	3,461
Maintenance	974	1,008	1,043	1,080	1,117	1,157	1,197	1,239	1,282	1,327

Table 17: Projected capital and maintenance expenditure and backlog for footpaths over the next ten years – Base Case (rate peg)

Footpaths $'000 (Renew Infrastructure – SRV)	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	2034/ 35
Backlog - Cost to Satisfactory	1,670	1,468	1,024	604	176	0	0	0	0	0
Backlog - Cost to Agreed Level of Service	6,329	6,127	5,683	5,263	4,835	4,486	4,487	4,037	2,992	2,917
Renewal	1,316	1,741	2,069	2,135	2,232	2,241	1,966	2,528	3,262	2,397
New/upgrade	2,423	1,742	3,224	3,406	3,268	2,938	1,942	4,183	6,106	3,461
Maintenance	974	1,008	1,043	1,080	1,117	1,157	1,197	1,239	1,282	1,327

Table 18: Projected capital and maintenance expenditure and backlog for footpaths over the next ten years – Renew Infrastructure (SRV)

Service level expectations

The community consultation identified our footpaths as a high priority and residents support reducing any funding gaps to improve the condition of our footpaths. The community's high expectation of our footpaths influences our investment in renewal funding.

Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

The introduction of the SRV is critical to ensure Council can begin to address the growing challenges within the footpath network. Without increased funding, the backlog will continue to escalate, placing additional pressure on already limited resources. With the SRV, Council will be in a more stable position to not only manage the current backlog but also to respond to the broader and ongoing deterioration of footpath assets across the network. This will support the delivery of safer and more reliable infrastructure in line with community expectations.

Car parks, road structures and bridges

Available data

The data for car parks, road structures and bridges reported in Council's Financial Statements 2023/2024, is based on the annual fair value assessment completed in 2024.

A comprehensive revaluation of Council's car park, road structures and bridges assets were performed in 2020 in line with Council's revaluation cycle. The register was imported into the corporate asset system by 30 June 2020 in line with revaluation requirements.

Infrastructure backlog and future funding allocation

Table 19 shows the projected capital and maintenance expenditure and the backlog figures for car parks, road structures and bridges. Where there is no projected backlog for these assets adequate levels of capital and maintenance investment is proposed over the next ten years. The baseline data for the projected backlog figures have been formulated using the reported Cost to Satisfactory (CTS). The reported CTS is based on the Net Carrying Amount of the asset class and the percentage of those assets in various conditions[5].

Car parks, road structures and bridges $'000	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	-	334	1,092	1,938	4,062	6,309	8,196	6,026	3,913	6,700
Backlog - Cost to Agreed Level of Service	3,261	3,720	4,478	5,324	7,448	9,695	11,582	9,412	7,299	10,086
Renewal	3,893	1,978	1,883	2,021	869	898	1,454	5,729	5,887	1,177
New/upgrade	6,984	5,878	6,630	7,454	2,603	3,562	5,453	6,342	5,857	4,411
Maintenance	1,265	1,309	1,355	1,403	1,452	1,503	1,555	1,610	1,666	1,724

Table 19: Projected capital and maintenance expenditure and backlog for car parks, road structures and bridges for the next ten years

Service level expectations

Community consultation identified that carparks are of high importance through questions about availability of commuter parking and short stay parking at local retail centres. The level of importance has stayed consistently high from the 2021 community survey which demonstrates the importance of the carpark asset class.

To date there has been no community consultation for road structures and bridges. However, the condition of local roads is constantly one of the highest priorities for the community (95% 2024, 92% 2021) and we can safely infer the importance of these asset classes from those results.

Community satisfaction measured in 2024 regarding the conditions of local roads has fallen to 66% down from 74% in 2021. The importance of this asset class to the community will influence the allocation of renewal funding in the future.

Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations.

[5] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on Infrastructure Assets as at 30 June 2024.

A condition assessment program will be developed for these asset groups and the asset register is updated on a regular basis. Table 19 shows the projected capital and maintenance expenditure and the backlog figures for these assets.

Buildings

Council's building asset class is separated into operational, commercial, residential, community, and open space asset groups. Operational buildings include Council offices and depot while commercial assets consist of Council owned and leased office space and retail services. Community buildings comprise of public toilet amenities, libraries, childcare centres, halls, community centres, clubhouses and shelters. Open space buildings are sport fields structures that house operational equipment and act as storage. All asset information is contained within Council's fair valuation register.

Community objective

The building asset class supports the long-term objectives of our Community Strategic Plan through the following strategies:

- U3 - Facilitate the transformation of local centres as vibrant residential, business and community hubs through partnerships and appropriate mixed-use development.
- U4 - Protect Ku-ring-gai's heritage and character through appropriate planning controls.
- U5 - Work with partners to support local businesses and strengthen Ku-ring-gai's local economic base.
- A1 - Strategically plan, manage and fund public infrastructure and assets to meet the needs of the community, defined levels of service and intergenerational equity.
- C1 - Work with partners to promote a diverse and inclusive community that cares and provides for all residents.
- C4 – Cultivate lifelong learning, foster local arts and creativity and celebrate our cultural diversity.
- L2 - Support the long-term financial sustainability of Council through sound financial and asset management.

Available data

The buildings data reported in Note C1-7 of Council's Financial Statements 2023/2024, is based on the annual fair value assessment completed in 2024.

A comprehensive revaluation of Council's building assets was performed by a registered valuer in 2023 in line with Council's revaluation cycle.

Infrastructure backlog and future funding allocation

Tables 20 and 21 show the projected capital and maintenance expenditure and the backlog figures for buildings for both scenarios. Where there is no projected backlog for these assets adequate levels of capital and maintenance investment is proposed over the next ten years. The baseline data for the projected backlog figures have been formulated using the reported Cost to Satisfactory (CTS). The reported CTS is based on the Net Carrying Amount of the asset class and the percentage of those assets in various conditions[6].

[6] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on Infrastructure Assets as at 30 June 2024.

Buildings $'000 (Base Case – Rate peg)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	35,301	37,315	40,757	44,300	48,021	51,849	55,788	59,840	64,009	68,299
Backlog - Cost to Agreed Level of Service	64,300	66,314	69,756	73,299	77,020	80,848	84,787	88,839	93,008	97,298
Renewal	3,406	2,438	1,135	1,163	1,117	1,145	1,174	1,203	1,233	1,264
New/upgrade	3,731	4,792	757	776	742	760	779	799	819	839
Maintenance	5,020	5,195	5,377	5,565	5,760	5,962	6,171	6,387	6,610	6,841

Table 20: Projected capital and maintenance expenditure and backlog for buildings for the next ten years – Base Case (Rate peg)

Buildings $'000 (Renew Infrastructure – SRV)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	35,301	30,614	27,189	23,693	20,199	16,631	12,990	9,272	5,477	1,603
Backlog - Cost to Agreed Level of Service	64,300	59,613	56,188	52,692	49,198	45,630	41,989	38,271	34,476	30,602
Renewal	3,406	9,138	8,002	8,202	8,332	8,541	8,754	8,973	9,197	9,427
New/upgrade	3,731	4,792	757	776	742	760	779	799	819	839
Maintenance	5,020	5,195	5,377	5,565	5,760	5,962	6,171	6,387	6,610	6,841

Table 21: Projected capital and maintenance expenditure and backlog for buildings for the next ten years – Renew Infrastructure (SRV)

Service level expectations

Community consultation identified our buildings as a moderate priority and support reducing any funding gaps to improve the condition of the buildings. The community's high expectation of our buildings influences the investment in renewal funding for this asset class.

Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

A functional review of buildings assets was undertaken by external consultants during 2023/24. The inspection of Council buildings proposed that additional work was required to improve their utilisation. This review will impact on the current reported backlog (cost to bring to satisfactory condition) which will result in an increase from the current backlog of $1 million (1%) to $33 million (16% of gross replacement value for

buildings) as at the end of the 2023/24. Many buildings are currently not “fit for purpose” and will have large renewal and maintenance gaps. In more recent times, increased attention has been placed on improving existing assets and providing new facilities to cater for increasing population, changing requirements and expectations. This introduces a financial burden for current and future generations for asset management that was not adequately addressed in the past.

Stormwater drainage

Council's stormwater drainage network includes underground assets such as pits and pipes and surface drainage assets including detention basins and open channels. Council levies a stormwater management levy, and this funding source is used to improve the drainage system, and the maintenance of Council's drainage systems maintained by Council's Infrastructure Services.

Community objective

The Stormwater Drainage asset class supports the long-term objectives of our Community Strategic Plan through the following strategies:

- E1 - Maintain and improve our bushland, waterways and biodiversity, and the health and function of local ecosystems.
- E3 - Improve community resilience to the impacts of climate change and extreme weather events.
- A1 - Strategically plan, manage and fund public infrastructure and assets to meet the needs of the community, defined levels of service and intergenerational equity.

Available data

Council's stormwater drainage data reported in Note C1-7 of Council's Financial Statements 2023/2024, is based on a comprehensive revaluation of Council's drainage assets. The revaluation included a review of useful lives and unit rates.

Council conducted CCTV inspections on a small percentage of the drainage network as a representative sample to determine the overall condition of our stormwater drainage infrastructure. In 2019/2020, Council commenced a proactive CCTV inspection program of its drainage network in addition to undertaking inspections on a reactive basis or through customer requests.

During 2023/2024, Council further increased its CCTV inspection coverage of the drainage network to enhance the confidence level in condition assessment during the revaluation and optimisation project. This in turn assisted with the development of a relining program.

The vast majority of Council's stormwater network consists of very old pipes which have never been renewed. In 2022/23 Council conducted a comprehensive revaluation of the stormwater assets, uncovering a more deteriorated state than initially assumed, prompting an external review of drainage assets in 2023/24. This involved collecting additional CCTV data and an independent assessment of the conditions, useful lives and performing a revaluation of stormwater assets. This process introduced a new optimal renewal methodology, enabling the componentisation of drainage assets into short-life and long-life components. The optimal renewal approach enables a relining program aimed at restoring functionality by inserting a new inner layer within the existing pipes or drainage systems, eliminating the need for full replacement.

Infrastructure backlog and future funding allocation

Tables 22 and 23 show the projected capital and maintenance expenditure and the backlog figures for this asset class for the two scenarios. The baseline data for the projected backlog figures have been formulated using the reported Cost to Satisfactory (CTS). The reported CTS is based on the Net Carrying Amount of the asset class and the percentage of those assets in various conditions[7].

[7] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on Infrastructure Assets as at 30 June 2024.

When using the revised valuation methodology of componentisation, the agreed level of service is assumed to be the same as the satisfactory level of service, i.e. CTA = CTS. Once a pipe is relined, its condition is improved from Condition 4 or 5 to Condition 1, not Condition 3.

Stormwater $'000 (Base Case - Rate peg)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	44,099	47,953	51,875	55,909	60,220	64,650	69,198	73,868	78,652	83,428
Backlog - Cost to Agreed Level of Service	44,099	47,953	51,875	55,909	60,220	64,650	69,198	73,868	78,652	83,428
Renewal	1,981	1,122	1,190	1,219	1,081	1,108	1,136	1,164	1,205	1,376
New/upgrade	954	1,013	1,422	1,457	818	1,205	860	881	1,018	1,562
Maintenance	1,054	1,091	1,129	1,169	1,210	1,252	1,296	1,341	1,388	1,437

Table 22: Projected capital and maintenance expenditure and backlog for stormwater for the next ten years – Base Case (Rate peg)

Stormwater $'000 (Renew Infrastructure – SRV)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	44,099	42,053	39,928	37,763	35,720	33,637	31,510	29,338	27,109	24,696
Backlog - Cost to Agreed Level of Service	44,099	42,053	39,928	37,763	35,720	33,637	31,510	29,338	27,109	24,696
Renewal	1,981	7,022	7,237	7,418	7,435	7,621	7,811	8,006	8,218	8,565
New/upgrade	954	1,013	1,422	1,457	818	1,205	860	881	1,018	1,562
Maintenance	1,054	1,091	1,129	1,169	1,210	1,252	1,296	1,341	1,388	1,437

Table 23: Projected capital and maintenance expenditure and backlog for stormwater for the next ten years – Renew Infrastructure (SRV)

Service level expectations

Community consultation identified our stormwater drainage assets as a priority and supported reducing funding gaps to improve the condition of these assets. The community's high expectation of our stormwater drainage influences the investment in capital and operational funding.

Future directions

Council will continue to review operational and capital expenditure for drainage infrastructure, and where appropriate, reallocate funding to ensure assets are maintained to community standards and to reduce the growing infrastructure backlog. Asset assessment indicates that approximately 42% of the drainage network is currently in an unsatisfactory condition, presenting a significant risk to network performance and service delivery.

The introduction of the SRV is essential to enable a sustained increase in renewal funding, allowing Council to address critical deficiencies across the network. Without additional investment, the condition of the drainage system is expected to deteriorate further, leading to higher long-term costs and increased service disruptions. Council will also continue to monitor asset condition using cost-effective, fit-for-purpose assessment methodologies to inform renewal planning and support a proactive, risk-based asset management approach.

Recreational facilities

The recreational facilities asset class comprises of all assets within our sports fields, parks and bushland locations. Asset groups within these areas include ovals, golf courses, playgrounds, playing courts, walking tracks, fire trails, and the Ku-ring-gai Sports and Aquatic Centre. The recreational facilities asset register is contained within a corporate assets system and technical and financial asset information is integrated in this system.

Community objective

The recreational facilities asset class supports the long-term objectives of our Community Strategic Plan through the following strategies:

- U3 - Facilitate the transformation of local centres as vibrant residential, business and community hubs through partnerships and appropriate mixed-use development.
- A1 - Strategically plan, manage and fund public infrastructure and assets to meet the needs of the community, defined levels of service and intergenerational equity.
- A2 - Provide, upgrade and maintain open space, recreation and sporting facilities to meet the needs of current and future user groups and a growing population.
- C1 - Work with partners to promote a diverse and inclusive community that cares and provides for all residents.

Available data

The recreational facilities asset data reported in Note C1-7 of Council's Financial Statements 2023/2024, is based on the annual fair value assessment completed in 2024.

A comprehensive revaluation of Council's recreational facilities assets was performed in 2021 in line with Council's revaluation cycle.

Future infrastructure backlog and future funding allocations

Tables 24 and 25 show the projected capital and maintenance expenditure and the backlog figures for this asset class for the two scenarios. The baseline data for the projected backlog figures have been formulated using the reported Cost to Satisfactory (CTS). The reported CTS is based on the Net Carrying Amount of the asset class and the percentage of those assets in various conditions[8].

Recreational facilities $'000 (Base Case – Rate peg)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	0	0	1,255	4,046	7,378	10,965	14,195	17,411	20,493	24,410
Backlog - Cost to Agreed Level of Service	1,047	1,622	3,155	5,946	9,278	12,865	16,095	19,311	22,393	26,310
Renewal	6,246	4,033	3,225	2,122	1,712	1,599	2,125	2,356	2,728	2,378
New/upgrade	18,357	3,927	1,645	1,664	363	746	1,815	3,823	4,597	15,762
Maintenance	8,540	8,839	9,148	9,468	9,800	10,143	10,498	10,865	11,245	11,639

Table 24: Projected capital and maintenance expenditure and backlog for recreational facilities for the next ten years – Base Case (rate peg)

Recreational facilities $'000 (Renew Infrastructure – SRV)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - Cost to Satisfactory	0	0	0	0	1,149	3,081	4,614	6,090	7,389	9,479
Backlog - Cost to Agreed Level of Service	1,047	122	118	1,333	3,049	4,981	6,514	7,990	9,289	11,379
Renewal	6,246	5,533	4,763	3,698	3,328	3,255	3,822	4,095	4,511	4,206
New/upgrade	18,357	3,927	1,645	1,664	363	746	1,815	3,823	4,597	15,762
Maintenance	8,540	8,839	9,148	9,468	9,800	10,143	10,498	10,865	11,245	11,639

Table 25: Projected capital and maintenance expenditure and backlog for recreational facilities for the next ten years – Renew Infrastructure (SRV)

Service level expectations

Community consultation consistently identifies recreational facilities and assets as one of the highest priority areas. In particular parks and sportsgrounds have the highest percentage of ratepayers at least somewhat supportive of paying increased rates to improve services at 73%.

Future directions

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

[8] Ku-ring-gai Council Annual Report 2023/2024 – Financial Statements Special Schedule Report on Infrastructure Assets as at 30 June 2024.

The Renew Infrastructure (SRV) scenario allows Council additional resources for renewal of recreational facilities. As a result, more assets will be returned to CTA or Condition 1 than the Base Case (rate peg) scenario and this is more in line with the community's high expectation of this asset class.

Council will continue to undertake condition assessments and review asset data to ensure that the asset register is updated on a regular basis.

How will we get there?

The Asset Management Strategy proposes the following strategies to enable the objectives of the Community Strategic Plan to be achieved.

	Strategy	Desired outcome
1	Long Term Financial Planning.	The long-term implications of Council services are considered in annual budget deliberations.
2	Develop and annually review Asset Management Plans covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
3	Update Long Term Financial Plan to incorporate Asset Management Strategy expenditure projections.	Funding model to provide Council services.
4	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 service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
5	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.
6	Ensure Council decisions on asset service level performance and cost and "whole of life" cost are made from accurate and current information in the asset register.	Improved decision making and greater value for money.
7	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Service delivery is matched to available resources and operational capabilities.
8	Ensure responsibilities for asset management are identified.	Responsibility for asset management is defined.
9	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within 2 years.	Improved financial and asset management capacity within Council.
10	Report to Council on development and implementation of Asset Management Strategy, Asset Management Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

Reporting and assessment - measuring our performance

The approach to assessing performance in relation to asset planning and measurement will be both quantitative and qualitative.

Council's Integrated Planning and Reporting processes form the core of our continuous improvement programs and are embedded within the organisation.

The development of term achievements, actions and performance measures relating to the delivery of infrastructure asset programs are contained in the Delivery Program and annual Operational Plan, and subsequent reporting is conducted bi-annually and annually to ensure progress and/or achievements are measured and reported.

Reporting on these indicators is the responsibility of all asset managers who are custodians and have control of specific asset classes.

Regular periodic surveys with the community, gauging perceptions between satisfaction of built asset classes and services being provided are conducted. The ongoing use of community surveys will be tailored to include specific asset management issues to ensure relevance of the programs at the required levels of service continue.

Conclusion

While significant progress has been made in delivering consistent asset management planning, continued diligence is required to facilitate ongoing improvements across all infrastructure assets under Council's control and management.

This Strategy, supported by the commitment of asset managers, staff, and the community, will enable continued progress toward service excellence. By applying management practices that consider financial, risk, environmental and social drivers, Council can further enhance asset performance and foster greater community understanding of infrastructure operations and investment needs.

To support the long-term delivery of this Strategy, Council is proposing a Special Rate Variation (SRV). This additional funding mechanism is intended to address the widening infrastructure renewal gap, reduce the growing asset backlog, and ensure critical infrastructure is maintained at a sustainable level. Without the SRV, Council's ability to meet service level expectations will be increasingly constrained, placing added pressure on maintenance budgets and reducing the reliability of key assets.

Although adopted as a 10-year Asset Management Strategy, annual revisions will be undertaken to ensure ongoing relevance in response to changes in government policy, financial capacity, and community priorities. Each review will align with the development of the Community Strategic Plan, Delivery Program, and Resourcing Strategy, to ensure infrastructure investment continues to reflect the community's long-term aspirations.

The successful implementation of this Strategy, supported by appropriate funding mechanisms such as the SRV, will strengthen Council's ability to manage infrastructure responsibly, ensuring assets remain safe, functional, and aligned with the current and future needs of the Ku-ring-gai community.

Appendix: Asset Management Policy

Ku-ring-gai Council

Asset Management Policy

Version Number 4

Adopted:

Effective:

Asset Management Policy

Table of Contents

Controlled Document Information

Authorisation Details

This is a Controlled Document. Before using this document check it is the latest version by referring to Council's Controlled Document Register. Unless otherwise indicated, printed or downloaded versions of this document are uncontrolled.			
Controlled Document Number:	77	**TRIM Record No:**	2023/381599
Controlled Document Type:	Policy		
Controlled Document Name:	Asset Management Policy		
Version Number:	4		
Department:	Strategy & Environment		
Distribution:	Internal and External		
Review Period: **Max < 4 years**	4 years	**Next Review Date:**	01/01/2029
Document Status:	Draft for exhibition		
Approval Type:	Requires Council adoption		
Version Start Date:	July 2025	**Version End Date:**	

Related Document Information, Standards & References

Related Legislation	NSW Local Government Act 1993	Provides the legal framework for an effective, efficient, environmentally responsible and open system of local government in NSW. To regulate the relationships between the people and bodies comprising the system, and to encourage and assist the effective participation of local communities in the affairs of local government. Includes the preparation of strategic plans and a long term financial plan supported by Asset Management Plans for sustainable service delivery.
	NSW Environmental Planning and Assessment Act 1979	Sets out to encourage the proper management, development and conservation of natural and artificial resources for the purpose of promoting the social and economic welfare of the community and a better environment and the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats.
	NSW Heritage Act 1977	To promote understanding of heritage issues and conservation of items of heritage significance.
	Work Health and Safety Act 2011	Sets out the responsibilities of Council to secure and promote the health, safety, and welfare of people at work.
	Disability Discrimination legislation including - Commonwealth Disability Discrimination Act 1992 (DDA) - NSW Anti-Discrimination Act 1997	Sets out the responsibilities of Council and staff in dealing with access and use of public infrastructure.
Related Documents	Community Strategic Plan Resourcing Strategy	The policy integrates with Council's Integrated Planning and Reporting documents.

	Delivery Program and Operational Plan Asset Management Strategy Asset Management Plans Procedures for new, upgraded, renewed and disposed assets	The Asset Management Policy guides the asset management strategy, plans and procedures.
Other References	Integrated Planning and Reporting Guidelines for Local Government in NSW September 2021 Integrated Planning and Reporting Manual for Local Government in NSW September 2021 Local Government Code of Accounting Practice and Financial Reporting Australian Accounting Standards IPWEA International Infrastructure Management Manual (IIMM) 2015 Australian Infrastructure Audit Report May 2015	The policy was developed in accordance with the Integrated, Planning and Reporting Guidelines and Handbook for Local Government in NSW (September 2021). The accounting standards and code define how our assets are accounted for. The development of the Policy considered the IPWEA IIMM manual and Infrastructure Australia Strategic Policies & Plans.

Version History

Version Number	Version Start Date	Version End Date	Author	Details and Comments
1	04/02/2009	26/08/2014	Deborah Silva	Original
2	26/08/2014	26/06/2018	Vanessa Young	First review
3	27/06/2018	30/06/2025	Parissa Ghanem	Policy revised in line with Integrated Planning & Reporting processes.
4	July 2025		G. Grewal/ P.Lichaa	Policy revised in line with Asset Management Strategy and Integrated Planning Guidelines.

Policy

Background

Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve our strategic service delivery objectives.

Sustainable service delivery ensures that services are delivered in a socially, economically and environmentally responsible manner that does not compromise the ability of future generations to make their own choices.

Purpose and Objectives

The purpose of this policy is to demonstrate Ku-ring-gai Council's commitment to the responsible management of its assets. The policy sets out principles, requirements and responsibilities for implementing consistent asset management processes throughout Council. It also ensures that Council as the custodian of public infrastructure, has mechanisms in place to deliver infrastructure services in the most effective manner.

Objective

To ensure that adequate provision is made for the long-term management of Council's assets by:

- ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- safeguarding infrastructure assets, physical assets and employees by implementing appropriate asset management strategies and financial resources for those assets.
- implementing appropriate asset management strategies, plans and financial resources for the preservation of assets.
- creating an environment where all employees play an integral part in the overall management of infrastructure assets by creating and sustaining a culture of asset management awareness through training and development.
- meeting legislative requirements for asset management.
- ensuring resources and operational capabilities are identified and allocated for asset management.
- demonstrating transparent and responsible asset management processes that align with best practice.

Scope

This policy applies to all asset classes owned by Council. Council's asset classes identified in the asset hierarchy are:

- Roads and Transport (Includes Footpaths, Kerb & Gutter, Car Parks and Bridges)
- Drainage (Includes Stormwater Pits and Pipes)
- Recreational Facilities (Includes Parks, Sports Fields and Open Space)
- Buildings (Includes Land, Community and Commercial Buildings)
- Fleet and Plant (Includes Passenger Vehicles and Operational Plants)
- Information Technology (Includes Hardware, Software and Digital Equipment)

Responsibilities

The following key roles and responsibilities are identified in the management of this policy:

Mayor and Councillors

Are responsible for adopting the completed policy objectives and ensuring sufficient resources are applied to manage the assets.

Council

Council is responsible for:

- Providing stewardship
- Adopting a corporate asset management policy and strategy
- Considering the impact of financial and service level decisions on Council's assets
- Ensuring that organisational resources are allocated to safeguard sustainable service delivery.

Asset Management Steering Group

The Asset Management Steering Group is made up of representatives from Finance and Technical Services and is responsible for:

- Reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents
- Monitoring the implementation of Asset Management Policy, Strategy and Plans
- Developing and reviewing processes and practices to ensure assets are managed effectively
- Ensuring that asset information is captured and updated into asset registers
- Operating within an agreed 'Terms of Reference'.

Directors/Managers

Directors and Managers are responsible for:

- Allocating resources to the implementation of the Asset Management Strategy and Asset Management Plans
- Ensuring that actions identified in the Asset Management Strategy are completed within timeframes
- Integrating asset management principles and practices into the organisation's business processes
- Developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents
- Delivering Levels of Service to agreed risk and cost standards
- Managing infrastructure assets in consideration of long term sustainability
- Presenting information to Council on lifecycle risks and costs
- Ensuring that individual asset management responsibilities are identified in relevant staff position descriptions.

Asset Management Framework

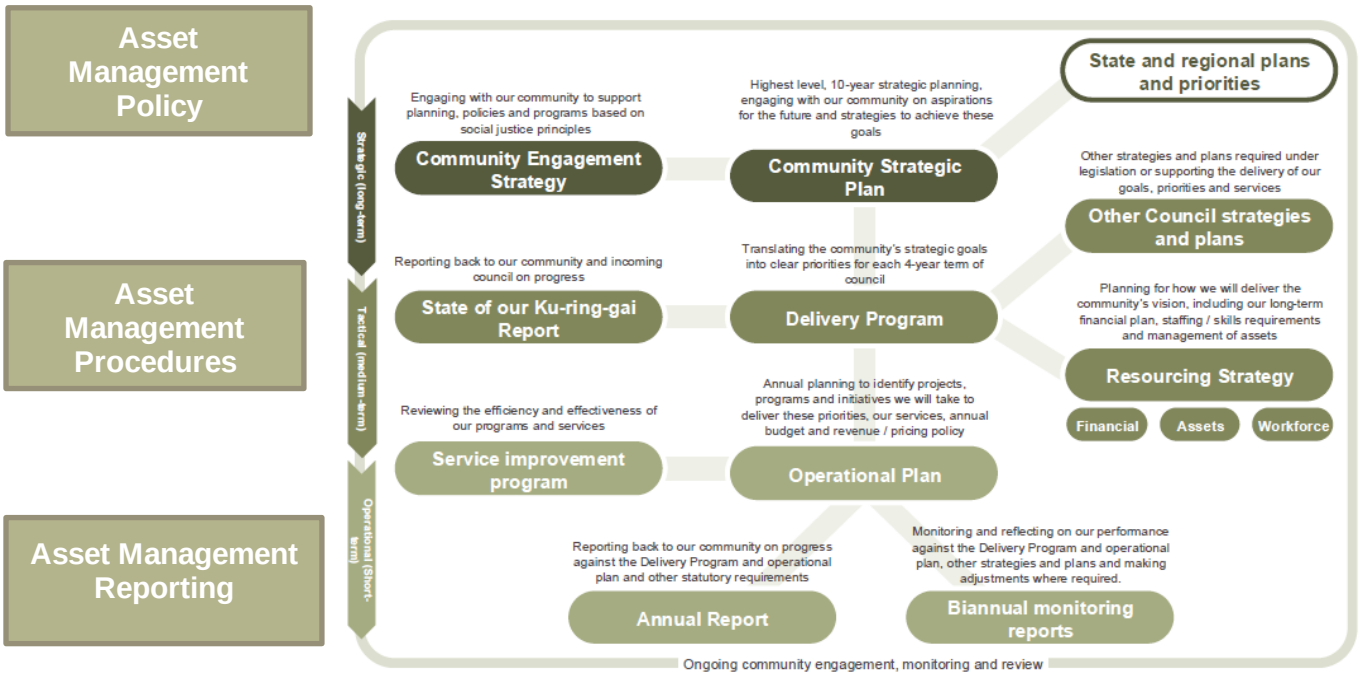

Figure 1: Ku-ring-gai Council's integrated and planning reporting framework

Policy Statement

Asset Management Principles

The organisation's sustainable service delivery requirements will be met by adequately providing for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of assets. This is accomplished by ensuring that:

- All relevant legislative requirements together with social, political and economic environments are taken into account in asset management
- The Asset Management Strategy outlines the implementation of systematic asset management and appropriate best practice throughout Council
- The Asset Management Plans are revised to align with the Resourcing Strategy. The Plans are informed by community consultation, technical and financial planning and reporting
- Service levels are developed and defined in each asset management plan. The Service Levels will form the basis of annual budget estimates
- Inspection programs are developed for each asset class and regular inspections are carried out to maintain the agreed service levels and to identify asset renewal priorities
- Assets are managed, valued, and accounted for in accordance with appropriate best practice
- Future service levels are determined in consultation with the community
- Renewal plans are developed based on service levels, conditions and risk
- Future life cycle costs are reported and considered in all decisions relating to new services and assets and upgrading existing services and assets
- An organisational culture is promoted whereby all employees with asset management responsibilities are provided the necessary training and professional development
- The require operation capabilities and resources are provided and asset management responsibilities are effectively allocated.

Policy implementation

Council's assets will be managed in the most cost-effective manner, driven by defined service levels and performance standards. This will require ongoing assessment of the following key issues:

- Customer and community expectations
- Strategic and corporate goals
- Long term financial model
- Legislative requirements.

This should be achieved through strategic planning, service level review, output review, and development/ implementation of the asset management framework.

The Asset Management Steering Group will oversee the implementation of the asset management reporting framework as identified in Figure 2.

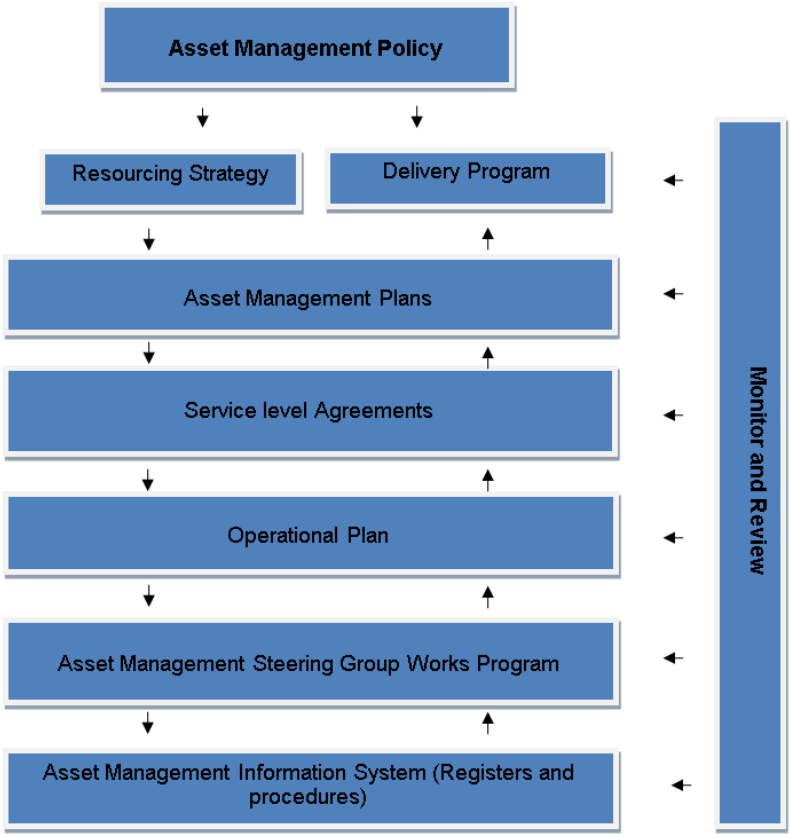

Figure 2: Asset management reporting framework

Definitions

Term	Definition
Asset	A physical item owned by council that has economic value and enables services to be provided.
Asset life cycle	The life of an asset; from its acquisition to disposal.
Asset Management Information System	An asset management information system is a combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment.
Asset management	Asset management (AM) is a systematic process to guide the planning, acquisition, creation, operation and maintenance, renewal and disposal of assets.
Asset Management Plan	A plan developed for the management of an asset class that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset, in the most cost effective manner to provide a specified level of service.
Asset Management Strategy	The Asset Management Strategy is a component of the Resourcing Strategy. It demonstrates how our assets support service delivery in consultation with the community and within available funding.
Asset register	A record of asset information including inventory, historical, financial, condition, construction, technical, and financial details.
Infrastructure asset	Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components
Level of service	The defined service quality for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Life cycle cost	The total cost of an asset throughout its useful life.
Operational Plan	The Operational plan comprises detailed implementation plans and information with a 1-year outlook (short-term). The plans typically cover operational control to ensure delivery of asset management policy, strategies and plans. The plans also detail structure, authority, responsibilities, defined levels of service and emergency responses.
Useful life of an asset	The period over which a depreciable asset is expected to be used

Contact us

For assistance or information regarding any of Council's services or facilities please contact us. Business hours are Monday to Friday, 8.30 am – 5.00 pm.

In person:
818 Pacific Highway, Gordon NSW 2072

Phone:
02 9424 0000

Email:
krg@krg.nsw.gov.au

Website and online chat:
krg.nsw.gov.au

Post:
Locked Bag 1006, Gordon NSW 2072

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