

CASE STUDY

# A planned approach to support funding



## Background

Cumberland City Council is a local government organisation in New South Wales. Phillip Sorbello, Council’s Facilities Manager, recognised the opportunity to move to a planned approach for maintaining their buildings.

Council was supportive and over the past number of years, Phil has lead the change from reactive to planned – with many benefits along the way.



## Council’s goal – moving to a planned approach

- Move towards a proactive long-term asset planning approach (90% reactive in 2012) for better management of their building assets.
- Better understand each assets’ condition and on-going requirements.
- Provide evidence to support additional funding so that Council’s portfolio can be managed to its service standards.

## Challenges – old-fashioned approaches

Council identified the following problematic areas:

- **Reactive policies.** Although all buildings were safe with statutory servicing and maintenance, most of the other work was reactive.
- **Limited knowledge** of the condition of individual buildings and the portfolio as a whole.
- **Incomplete data** meant Council was unable to identify which buildings were below standard, thus could only continue with reactive and compliance works.
- **Paper-based data collection** only identified short-term works rather than classifying assets at a component level, as required by the NSW Government.



## Our solution - systematically aligned with PN3

### Initial pilot project

Council undertook a pilot survey on several buildings to ensure the Practice Note #3 (PN3) approach and SPM Assets software provided for its business needs.

### Building assessments

Council tendered the assessment of 176 buildings based on outcomes from the Pilot Study. SPM Assets was selected and assessed the buildings with the following outcomes:

- **Detailed information** on the condition and performance/functionality of each building was established for the component-level asset register.
- **20-year lifecycle renewal forecasts**, produced at a component-level, provided insights to the level of future investment.
- **Buildings below standard** were identified.
- **5-year works programmes** were produced to address the backlog situation.
- **Other deliverables**; Fair Valuation, scheduled maintenance plans, and the Buildings Asset Management Plan (AMP).

### SPM Assets software licenced

Following the success of the assessments, Council licenced the software to continuously improve data, conduct analysis, and produce on-going building reports.

*"Council has been extremely happy with services SPM Assets has provided over the years. Their expertise has allowed Council to understand its assets better, resulting in a successful submission for the appropriate funds to manage our assets. We are now in control of our portfolio's budgeting, and starting to make a real difference to the communities we serve."*

Phillip Sorbello

## On-going benefits

Council established its asset management planning framework, created a component-level asset register, and was moving towards a planned approach. Council also achieved:

### Special schedule 7 – state reporting.

SPM Assets created a report to directly inform Special Schedule #7 (SS7) requirements that determines, "how much funding is needed to bring infrastructure to a satisfactory standard and maintain that standard".

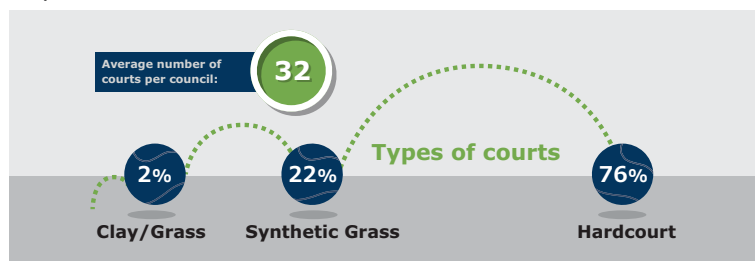


### Special Rate Variations

As evidence-based works programmes were produced through a recognised asset management planning framework, Council was successful in gaining SRVs to help fund the works-programmes.

### Tennis court assessments

SPM Assets undertook assessments of 26 tennis courts to determine current and long-term financial expenditure requirements.



### Council amalgamation

161 additional buildings were added to the portfolio after a Council amalgamation. SPM Assets completed condition and performance assessments for Council to ensure consistent data.

### Situation now:

- Council has a central data repository with a component-level asset register for all buildings.
- Council follows an industry-recognised asset management planning framework and generates reliable works-programmes.
- Forward forecasts and funding are based on a scientific approach that considers both condition and performance of buildings. This has moved Council away from spreadsheets and reduced administration time.
- SPM Assets software is a recognised corporate system that provides a 'best of breed' solution.
- The difference between reactive and planned maintenance – now 50/50!



### Contact us for assistance or further details

New Zealand and Global:  
Phone: +64 9 921 4075  
Email: support@spmassets.com

Australia:  
Phone: +61 2 9880 2955  
Email: support@spmassets.com.au

or visit [www.spmassets.com](http://www.spmassets.com)