

CASE STUDY

A Planned Approach to Support Funding



CUMBERLAND
COUNCIL

Background

Cumberland City Council is a local government organisation in New South Wales. Phillip Sorbello, Council's Facilities Manager since 2010, 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.



Reactive policies and limited portfolio knowledge led Cumberland Council to engage SPM Assets.

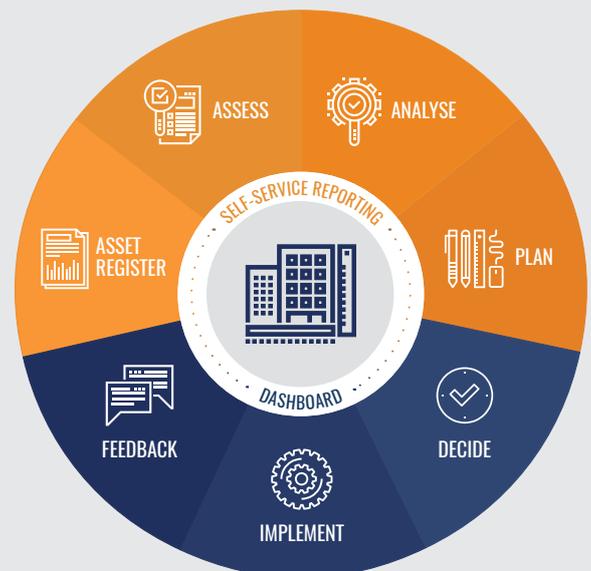
Council's Goal – Moving to a Planned Approach

- 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 in 2011/12:

- **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 (Nov 2012). 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 (May 2013). 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 (Sep 2013). 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**



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On-going Benefits

By December 2013, Council had established its asset management planning framework, created a component-level asset register, and was moving towards a planned approach. Council also achieved:

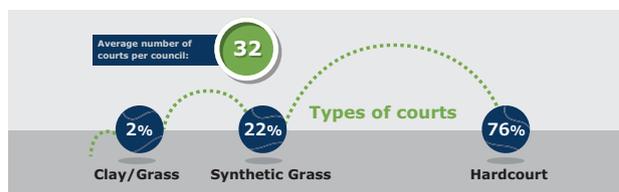
Special Schedule 7 – State Reporting.

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 (SRV-2015/16). 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 (Nov 2015). SPM Assets undertook assessments of 26 tennis courts to determine current and long-term financial expenditure requirements.



Council Amalgamation (Mar 2017). 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 in 2017

- 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!



assess
analyse
plan