

2026 Strategic Asset Management Plan



Acknowledgement of Country

We acknowledge all the aboriginal nations and their Elders whose lands lie within the Mount Barker district and respect their spiritual relationship with their Country, and also acknowledge and thank them for their custodianship of the lands and waters of the region.



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GMB Water



Introduction

GMB Water's Strategic Asset Management Plan (SAMP) sets the direction for how we create, operate, maintain, renew and decommission our assets to deliver safe, reliable, affordable and sustainable essential services for the community. It translates our organisational objectives into a coordinated, risk-based asset strategy and a prioritised investment approach to deliver organisational outcomes.

This SAMP is the top-level document in our Asset Management System (AMS) and aligns with ISO 55001 principles. ISO 55001 is an international standard that provides the requirements for establishing, implementing, maintaining and improving an AMS. It provides a line of sight from community expectations and regulatory obligations through to asset strategies, planning and the annual program of works. The SAMP ensures decisions are evidence-based, whole-of-life and optimised for value by balancing cost, risk and performance.

WHAT THIS PLAN DOES

- Sets asset management objectives that directly support GMB Water's corporate objectives and customer priorities.
- Describes the decision-making framework GMB Water uses for prudent investment decision making.
- Establishes an integrated planning approach to guide our planning activities.
- Defines how asset information, analytics and assurance underpin our choices and how GMB Water will improve its data confidence over time.
- Provides the bridge between strategy and delivery, informing GMB Water's Asset Management Plan, Long-Term Financial Plan and Annual Business Plan.

The SAMP is a central document within GMB Water's strategic document hierarchy as shown in Figure 1.

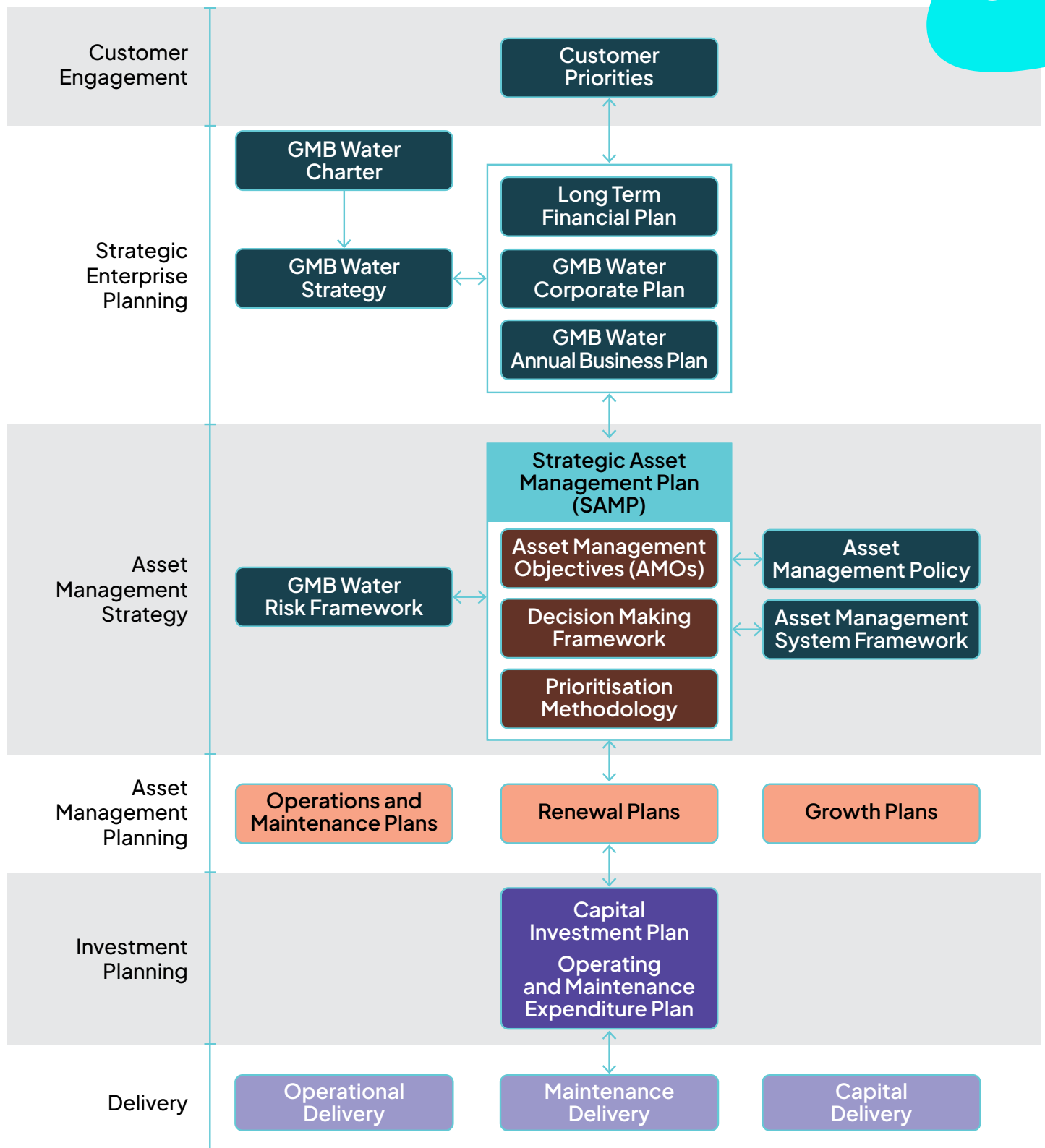


Figure 1: GMB Water's Document Hierarchy

Context



Organisational Context

GMB Water, a subsidiary of Mount Barker District Council, owns and operates the largest local government-run wastewater and recycled water service in South Australia. Services are provided through four schemes across the townships of Mount Barker, Littlehampton, Nairne, Brukunga, Echunga, Meadows and Macclesfield.

GMB Water's purpose is to provide safe, reliable, affordable and sustainable services that keep pace with growth, protect public health and the environment, and deliver value to customers and the broader community. Governance is provided by the GMB Water Board with oversight from the Mount Barker District Council and external regulators.



GMB Water Strategy

GMB Water's strategy is informed by GMB Water's Charter. GMB Water's vision is to deliver sustainable wastewater services that benefit the economy, community, and environment as shown in Figure 2.

To deliver on this vision, GMB Water has identified four key strategic outcomes:

1. **Proactive Environmental Leadership**
2. **Driving Customer and Community Outcomes**
3. **Successful and Socially Responsible Business**
4. **High-Performing Culture**

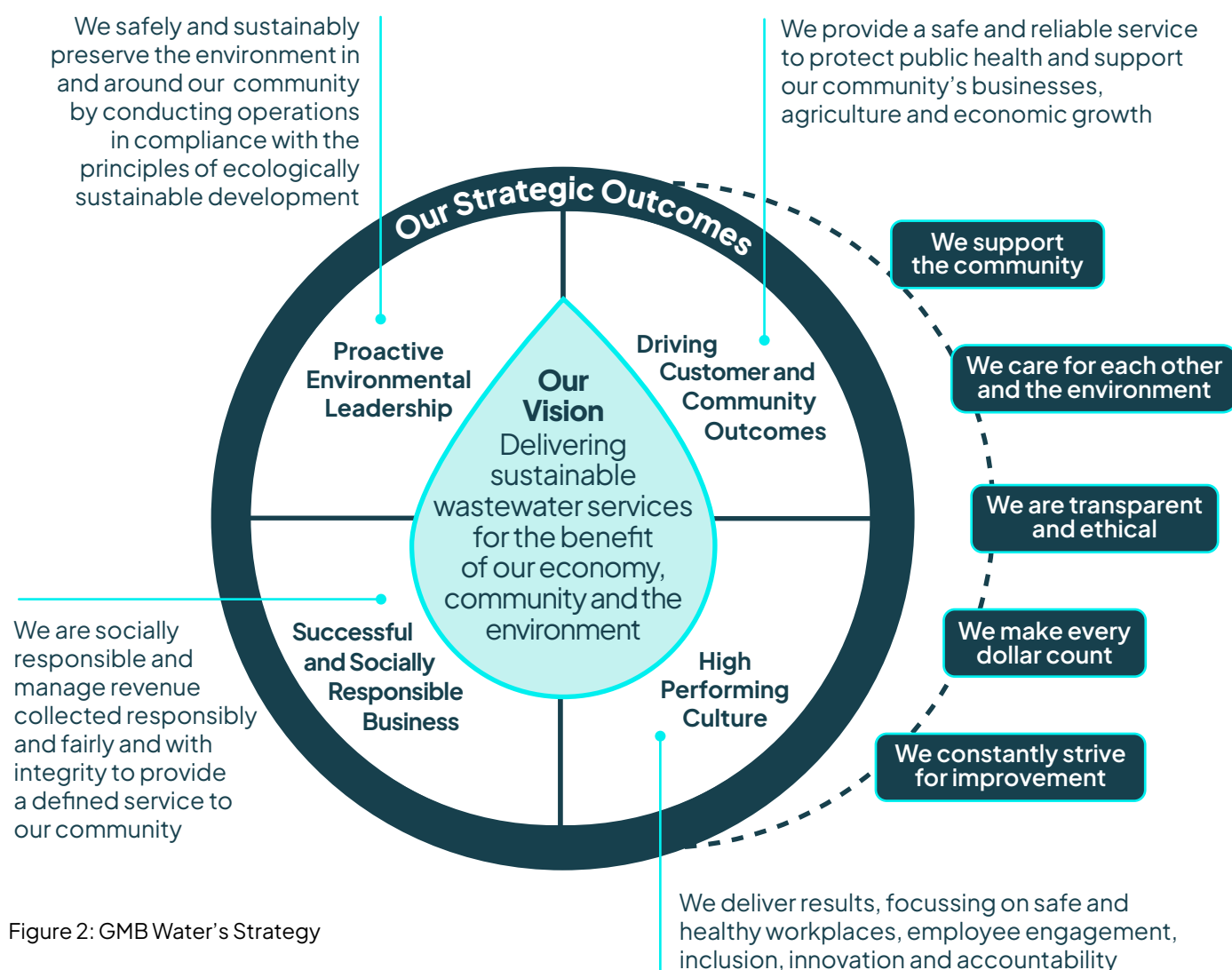


Figure 2: GMB Water's Strategy

GMB Water's success is determined by our performance against these four strategic outcomes. The measures for each strategic outcome is shown in Figure 3 and explained further in Table 1 below.

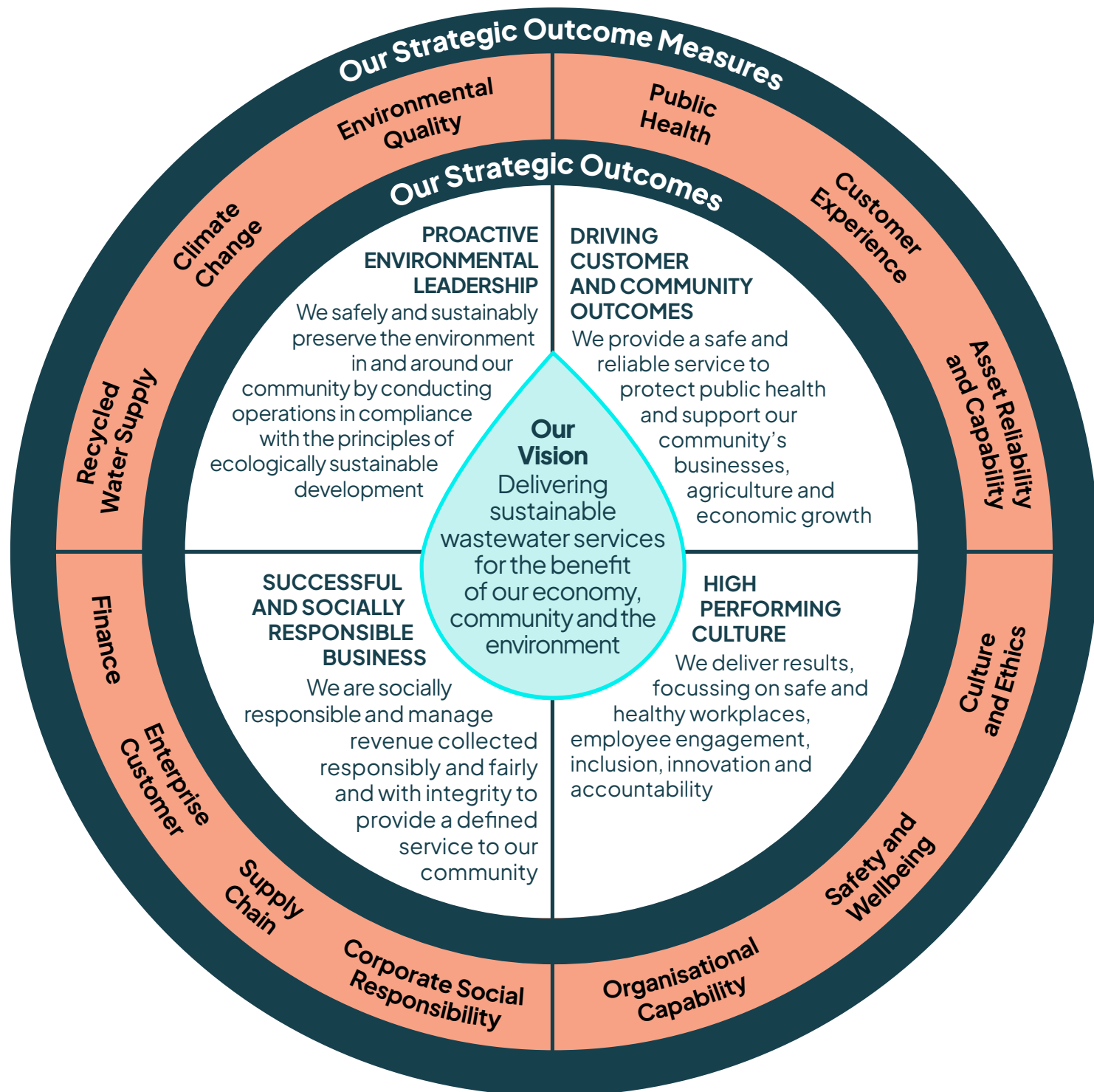


Figure 3: GMB Water's Organisational Strategic Outcomes and Measures

Objective	Desired Outcomes
We provide a safe and reliable service to protect public health and support our community's businesses, agriculture, and economic growth.	Public Health Proactively manage events that could lead to serious impact to public health and ensure regulatory compliance.
	Customer Experience Prioritise the delivery of outcomes to our customers and community value.
	Asset Reliability and Capability Sustain critical operations and manage reasonably foreseeable business interruptions; plan and deliver critical infrastructure and achieve product and service objectives efficiently.
We safely and sustainably preserve the environment in and around our community by conducting operations in compliance with the principles of ecologically sustainable development.	Environmental Quality Protect, restore and enhance the quality of our environment to the satisfaction of our regulators, customers, community and stakeholders.
	Climate Change Provide wastewater and recycled water services that consider, adapt and respond to climate change.
	Recycled Water Supply Maximise the volume of wastewater harvesting and reuse for economic, environmental and community benefit.
We are socially responsible and manage revenue collected responsibly and fairly and with integrity to provide a defined service to our community.	Finance Manage our financial performance including credit, debt, liquidity and third-party exposures.
	Enterprise Security Manage and protect the exploitation of vulnerability in our digital, physical, personnel and supply chain spaces.
	Supply Chain Manage access to supplies and equipment for our producers and services to reduce costs, provide value for money, increase customer service and ensure supply chain resilience.
	Corporate Social Responsibility Maintain our social license to operate.
We deliver results focusing on safe and healthy workplaces, employee engagement, inclusion, innovation and accountability.	Organisational Capability Build capabilities (i.e. people, systems and processes) required to deliver core business and strategic initiatives.
	Safety and Wellbeing Prevent or effectively manage serious, multiple or repeated injuries to, or deaths of, workers and members of the public.
	Culture and Ethics Establish a culture that promotes ethical practices and an engaged, diverse, and inclusive workforce.

Table 1: GMB Water's Organisational Strategy Desired Outcomes

STAKEHOLDER REQUIREMENTS

As a wholly owned subsidiary of Mount Barker District Council and a regulated water industry entity, GMB Water's service requirements are set primarily by five stakeholder groups: the community, customers, Council, regulators and other stakeholders. These groups define our obligations and performance targets, levels of service, licence conditions, safety standards, pricing and governance. While other external groups and parties, such as developers, other councils, utilities and industry bodies (e.g. WSAA and AWA) do not set GMB Water's core obligations, GMB Water considers their expectations and requirements for our operations.

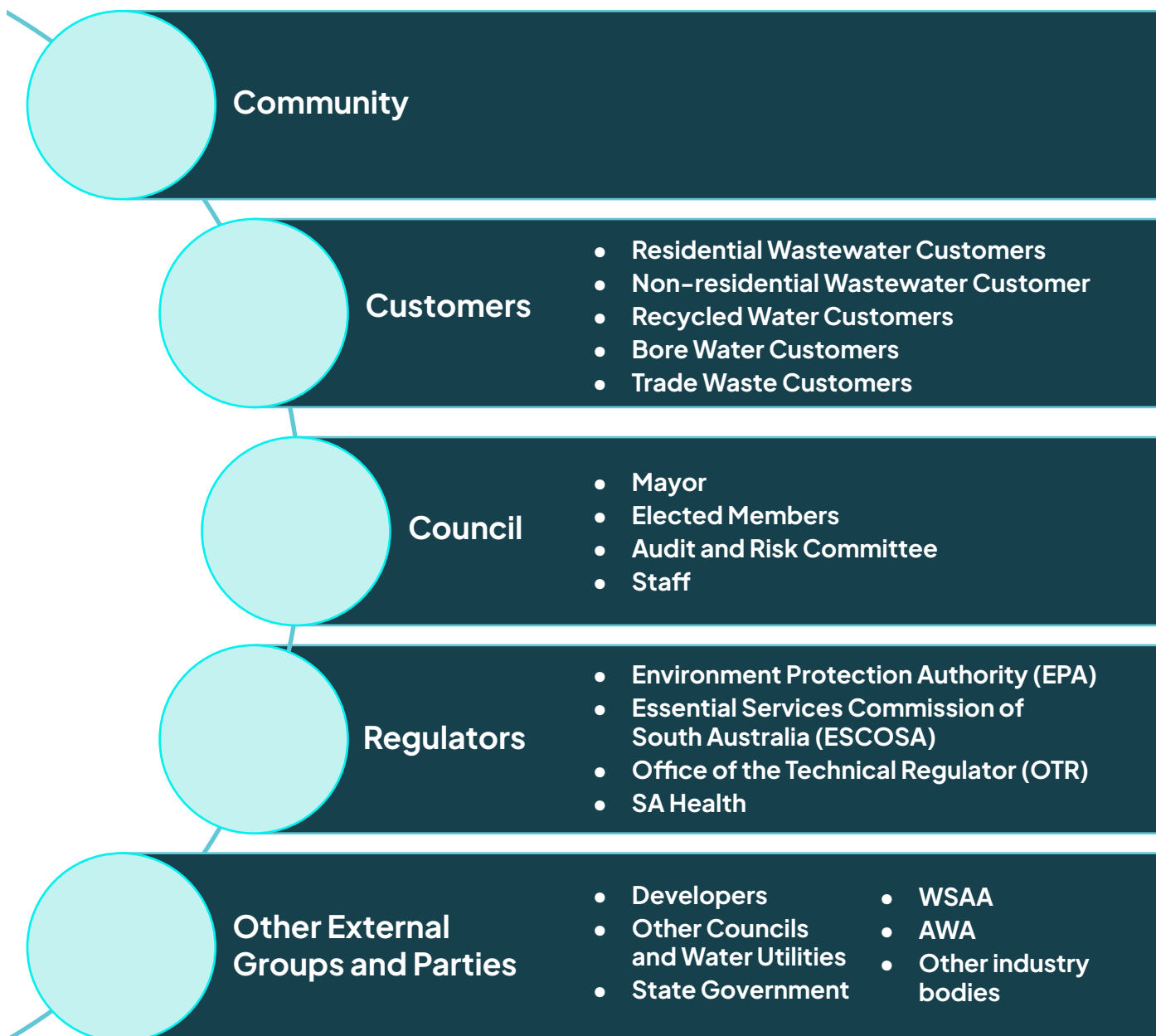


Figure 4: GMB Water's Stakeholders

High Level Strategic Challenges

GMB Water faces the following key strategic challenges:

1. Growth

GMB Water faces ongoing growth and resulting capacity challenges following the 16 December 2010 gazettal of the Mount Barker Urban Growth Development Plan Amendment (MDPA) which rezoned 1,310 ha of rural land for urban development.

Infill growth and strategic initiatives, such as Mount Barker District Council's plans for activating Mount Barker's city centre, can also concurrently create additional capacity constraints in the network. Enabling growth requires robust demand forecasting, capacity assessment, investment plans that consider capital and operational interventions, and close collaboration with Council and developers.

2. Climate Change

Climate change poses a significant risk to GMB Water's operations. As witnessed in high intensity rainfall events, the increasing intensity of wet weather events raises the likelihood of sewer overflows, impacting the environment. Additionally, the prolonged dry period forecasted due to climate change will increase odour risks. Furthermore, tightening regulatory expectations on resilience, emissions and resource recovery add further cost and delivery pressures.

3. Data Gaps and Decision Confidence

Enterprise level data gaps spanning asset data accuracy, condition, performance and failure history, cost and demand limits accurate and informed decision making. Notable gaps is limited condition assessment data; particularly for wastewater gravity and pressure mains which make up the majority of GMB Water assets. Lack of condition assessment data can lead to renewal timing errors, increasing the likelihood of unexpected failures (e.g. overflows) and associated customer, environmental and financial consequences.

Asset Management Planning Approach

The asset management planning approach focuses on the following three key aspects to respond to the high-level strategic challenges discussed in the previous section:

1. Growth and Capacity Planning:

Hydraulic models are considered best practice for understanding system performance and growth planning. GMB Water has developed a hydraulic model of our largest system and is in the process of developing hydraulic models for the remaining three systems. These models will be used to undertake master planning, considering future growth scenarios. The master planning work will provide GMB Water with an optimised investment plan to address growth and capacity issues over a 30-year horizon.

2. Increasing Data Maturity

GMB Water has developed an Asset Information Strategy and Hierarchy which informs how asset data is captured, maintained and edited. The continuous implementation of the strategy ensures GMB Water uplifts its asset data maturity resulting in more confident and effective decision making.

Furthermore, while continuing with opportunistic condition assessments, GMB Water is increasing investment in condition assessment work; particularly for linear assets. The additional condition assessment data will enable GMB Water to better understand asset conditions which will inform long-term renewal investment and planning.

3. Climate Change Planning:

GMB Water recognises the importance of climate change preparedness and ensuring our assets continue to provide reliable services and protect the environment during climate events. Using the available data, GMB Water is undertaking climate change planning, which will identify vulnerable assets and the investment required, to prepare for the future.

Asset Management Strategic Challenges and Opportunities

The high-level strategic challenges outlined in the previous section translate into the following challenges and opportunities for asset management:

1. Asset Management Maturity

Following an asset management maturity assessment conducted in late 2022, GMB Water is at the early stage of asset management maturity. This has provided an opportunity for GMB Water to develop and implement a fit for purpose Asset Management System, including processes and procedures, by utilising lessons learned from other organisations and utilities.

As GMB Water's asset management maturity evolves, the management of our assets will move from reactive towards being more proactive with investment decisions increasingly made by balancing risk, cost and performance.

2. Balancing Competing Priorities

Asset management defines an optimised investment approach that maintains current service levels, prepares for future scenarios (i.e. growth, climate change and changing customer expectations) and advances strategic objectives such as strengthening regional drought resilience by expanding the recycled water network. These considerations create competing priorities that must be managed to deliver the best value to the community.

Strategic Asset Management Approach



Strategic Asset Management Approach

The strategic asset management approach outlined in this SAMP is consistent with GMB Water's organisational strategy and the Asset Management Policy. The SAMP guides decision-makers in selecting the optimal approach to address strategic challenges and opportunities.

ASSET MANAGEMENT POLICY

The Asset Management Policy and the public-facing Asset Management Lead Policy outline GMB Water's Asset Management Principles as well as our roles and responsibilities.

The principles outlined in the policy govern GMB Water's asset management practices so GMB Water achieves its strategy.

Asset Management Principles	Description
Provide the necessary resources and training to successfully implement and meet the requirements of this Asset Management Policy.	It is a requirement of the ISO 55000 suite of standards that GMB Water provides adequate financial, human, physical and technical resources to achieve the necessary competencies and foster a culture that ensures effective management of asset lifecycle activities aligned with this policy.
Establish and maintain an Asset Management system aligned with ISO 550001.	GMB Water is committed to increasing its asset management maturity by continuously improving its Asset Management System by incorporating effective processes and procedures that contribute to prudent investment decision making.
Engage with customers, regulators and other stakeholders to develop short- and long-term performance targets.	GMB Water is committed to actively engaging with customers, regulators and other stakeholders, and considering their input in setting organisational and asset management objectives, strategic direction and level of service targets.
Monitor and review our performance against our asset management objectives and level of service targets.	GMB Water is committed to continuously measuring the effectiveness of its Asset Management System by continuously measuring organisational performance against asset management objectives and level of service targets.

Asset Management Principles	Description
Manage asset information in accordance with the Asset Information Strategy to manage risk and support asset management decision making.	GMB Water values its data and is committed to maintaining asset information as per its Asset Information Strategy enabling accurate capture and maintenance of asset data to support prudent and data driven decision making.
Proactively identify, assess, manage and monitor asset-related risks.	GMB Water is committed to managing asset risk as per GMB Water's risk framework and appetite. GMB Water will manage risks effectively by regularly reviewing asset risk; especially those associated with critical assets, and ensuring current controls are effective and acceptable.
Proactively seek new technologies to increase efficiency.	GMB Water recognises the importance of innovation in delivering sustainable services and is committed to proactively seeking and adopting new technologies with due diligence, ensuring they have the potential to deliver efficiencies and improve our asset management practices.
Actively manage the security and resilience of assets against risks such as climate change and cyber attack.	GMB Water recognises the critical threats posed by climate change and cyber attacks to the security and resilience of our assets. We are committed to proactively implementing robust controls and measures to safeguard our assets, ensuring they remain secure and resilient in the face of these evolving risks.
Consider asset whole-of-life cost, performance and risk in investment decisions.	GMB Water is committed to making investment decisions that account for the entire lifecycle costs, performance and associated risks of assets. This approach ensures sustainable and prudent management, aligning with our commitment to delivering long-term value and resilience.
Integrate sustainability and environmental considerations into asset management practices to support environmental goals.	GMB Water is committed to implementing asset management strategies that minimise environmental impact and promote sustainable practices.

Table 2: GMB Water's Asset Management Principles

Asset Management Objectives

GMB Water's Asset Management Objectives (AMO's) are derived from GMB Water's vision and strategic outcomes outlined in Figure 5. This SAMP describes how GMB Water measures performance against AMOs in the following sections:

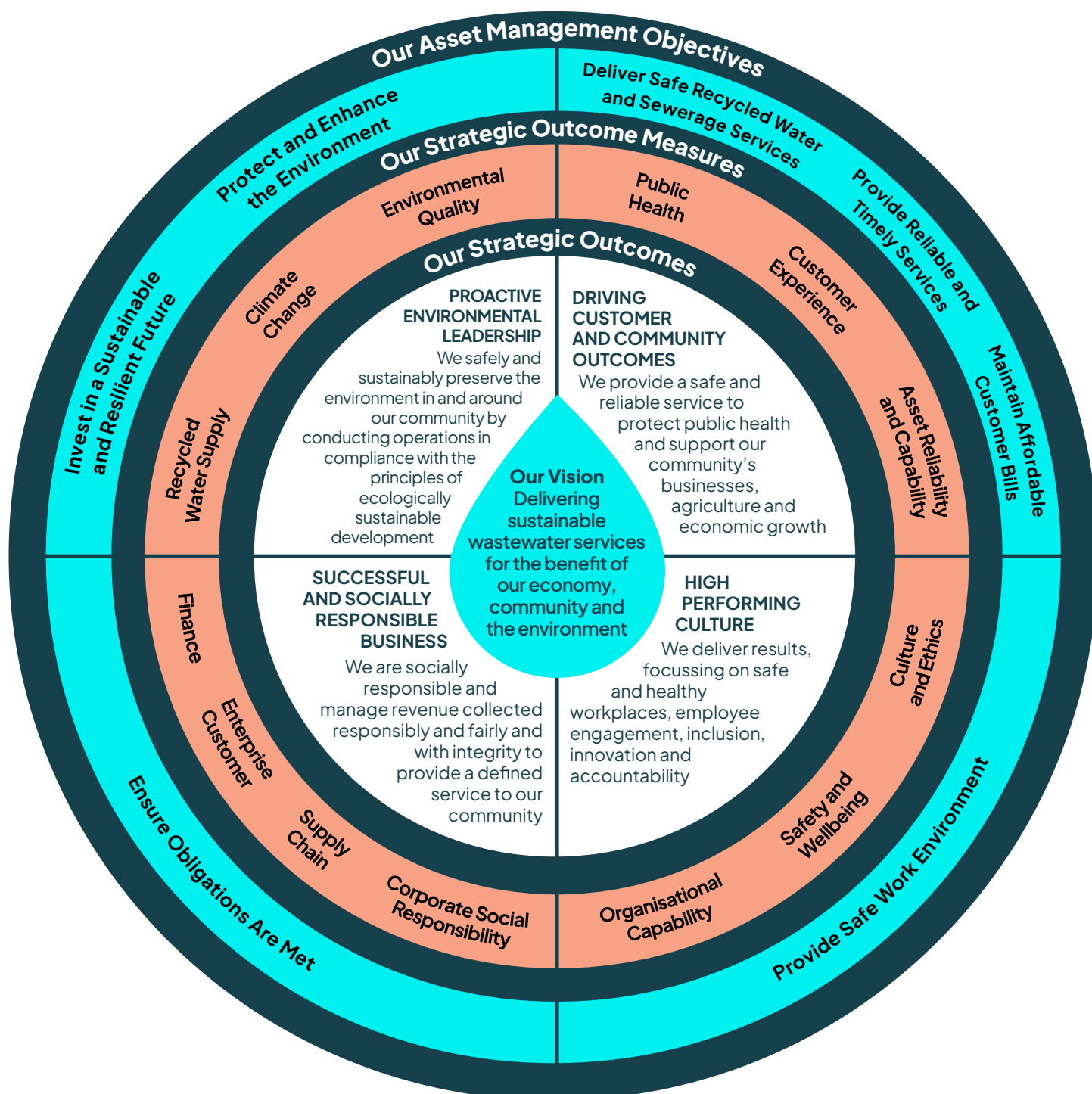


Figure 5: GMB Water's Asset Management Objectives

The seven AMOs are:

- 1. Deliver Safe Recycled Water and Sewerage Services:** GMB Water will supply safe and fit for purpose recycled water, bore water and sewerage services.
- 2. Provide a Reliable and Timely Service:** GMB Water will provide continuous sewerage, bore water and recycled water services and minimise repeat issues experienced by customers. GMB Water will respond in a timely manner when interruptions do occur and restore the services as promptly as possible. GMB Water will provide new customers with services at the time they need them.
- 3. Protect and Enhance the Environment:** GMB Water will protect the environment by reducing greenhouse gas emissions and improving the quality of discharges to creeks and other receiving water bodies.
- 4. Maintain Affordable Customer Bills:** GMB Water will retain the current service levels while maintaining average customer bills at an affordable level. GMB Water will make prudent investment decisions and deliver efficiently to minimise the financial impact on customers.
- 5. Ensure Obligations Are Met:** GMB Water will meet all legislative and regulatory obligations.
- 6. Provide a Safe Work Environment:** GMB Water will create a safe workplace to ensure assets are safe to operate and maintain, and do not cause harm to customers, employees or anyone in the community.
- 7. Invest in a Sustainable / Resilient Future:** GMB Water will be efficient, relevant and effective in delivering core services now and into the future by seeking ways to be sustainable and resilient to factors such as climate change, population growth, and add social value.

Levels of Service

GMB Water adopted new levels of service in March 2025 covering customer performance measures and technical performance measures to connect planning activities, organisational objectives and customer outcomes. These new levels of service place customer experience at the centre of GMB Water's asset management activities ensuring customers receive acceptable wastewater, recycled water and bore water services. Figure 6 shows how GMB Water's organisational objectives translate into levels of service ensuring alignment and, ultimately, the delivery of organisational outcomes.

Levels of service encompass the commitments GMB Water makes to its customers. At the strategic level, this is captured in our strategic vision to deliver sustainable wastewater services for the benefit of customers, the community and the environment.

- **Customer Levels of Service (CLoS):** These performance measures, or levels of service, measure how a customer receives or experiences the service provided. For example, if a customer, or the regulator representing the customer, has concerns about the frequency of an incident occurring and its direct impact, the CLoS measures how quickly the incident was attended to, the speed with which service was restored and the quality of service provided to the customer.
- **Technical Levels of Service (TLoS):** These performance measures, or levels of service, underpin our investment planning and support the CLoS. They aim to minimise reductions in service reliability, quality and environmental impact.
- **Operational and Maintenance Performance Measures:** These are performance measures relate to how we operate and maintain our assets, and support the TLoS.



Figure 6: GMB Water's Organisational Objectives to Levels of Service Line of Sight

¹Operational and maintenance performance measures will be reviewed and aligned with LoS in FY2026 – 27

²Investment plans aligned to LoS to be developed over the next few years as reporting against the new levels of service matures

The image shows an industrial setting with two large yellow vertical machines, possibly pumps or aerators, mounted on a metal grate platform. Each machine is connected to a blue electric motor. The background shows some greenery and a clear sky. A dark blue diagonal overlay covers the top left portion of the image, containing the text 'Asset Management System'.

Asset Management System

Overview

As per ISO 55001 definition, an Asset Management System (AMS) is a set of interrelated or interacting elements to establish the Asset Management Policy, Asset Management Objectives, and the processes to achieve those objectives.

GMB Water's AMS links stakeholders' needs, leadership and corporate strategic outcomes to asset management objectives, ensuring organisational objectives are achieved. GMB Water's AMS combines our Asset Management Policy and AMOs. The AMS also includes the interrelated processes and activities we undertake to achieve the AMO's and GMB Water's broader strategic objectives.

The Asset Management Framework illustrates a structured approach for functioning asset management and outlines how GMB Water will meet the requirements set in ISO55001. As shown in Figure 7, the framework provides a strategic line of sight between our Asset Management Strategy, the Asset Management Plan and GMB Water's corporate outcomes. GMB Water's Asset Management Framework is made up of eight asset management functions each with associated asset management controls which are also shown in Figure 7.



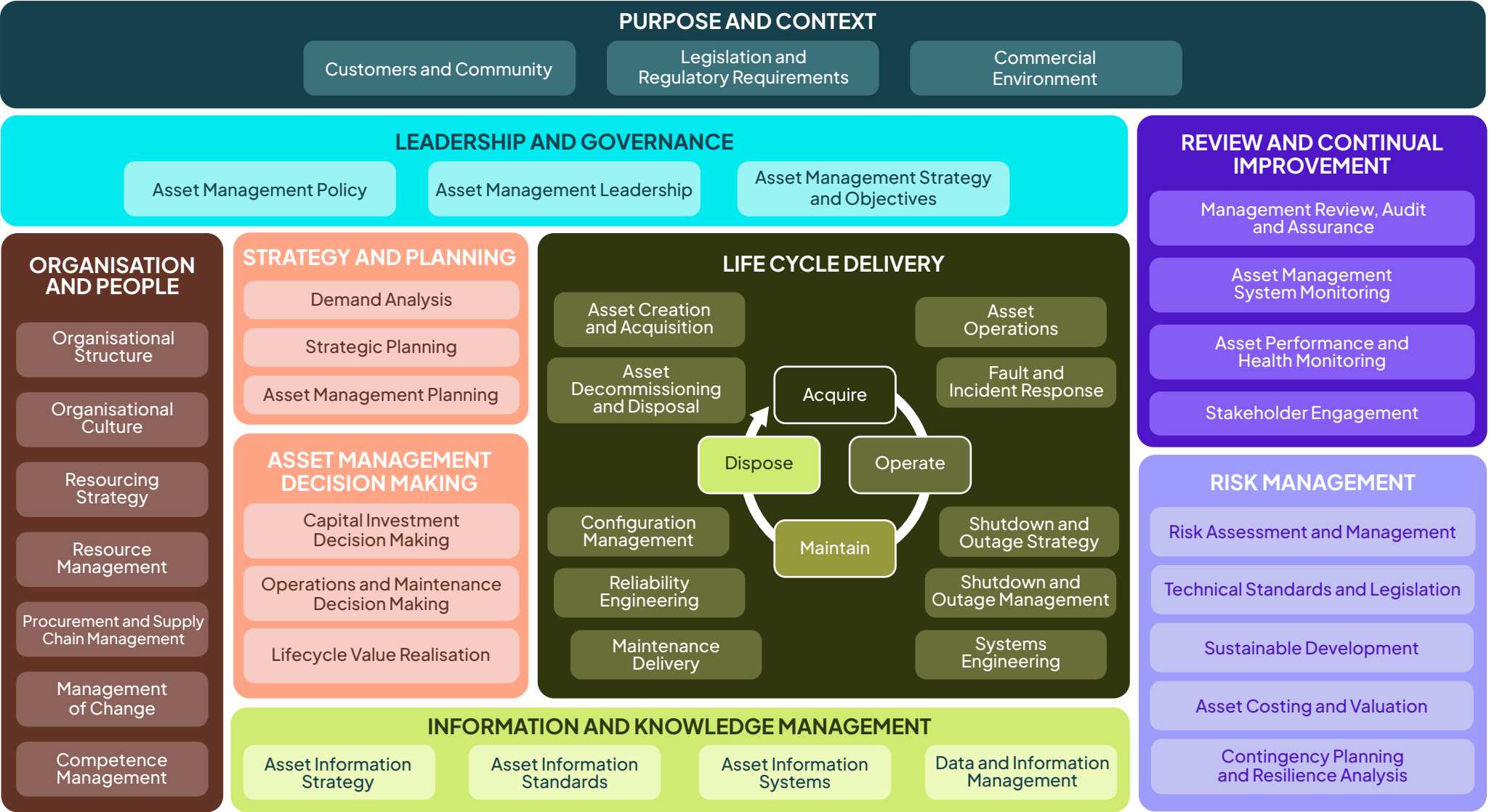


Figure 7: GMB Water's Asset Management Framework

Asset Management Roles and Responsibilities

GMB WATER ORGANISATIONAL STRUCTURE

GMB Water's organisational structure is aligned to support the asset lifecycle and delivery of services to customers. In addition to the roles shown in the organisational chart below, Service Level Agreements (SLAs) are being implemented with Mount Barker District Council departments for activities including but not limited to:

1. Finance support including asset accounting
1. Procurement
2. Rates/Service charge raising and collection
2. Records management and asset information management
3. IT services
4. People and culture activities including HR and WHS

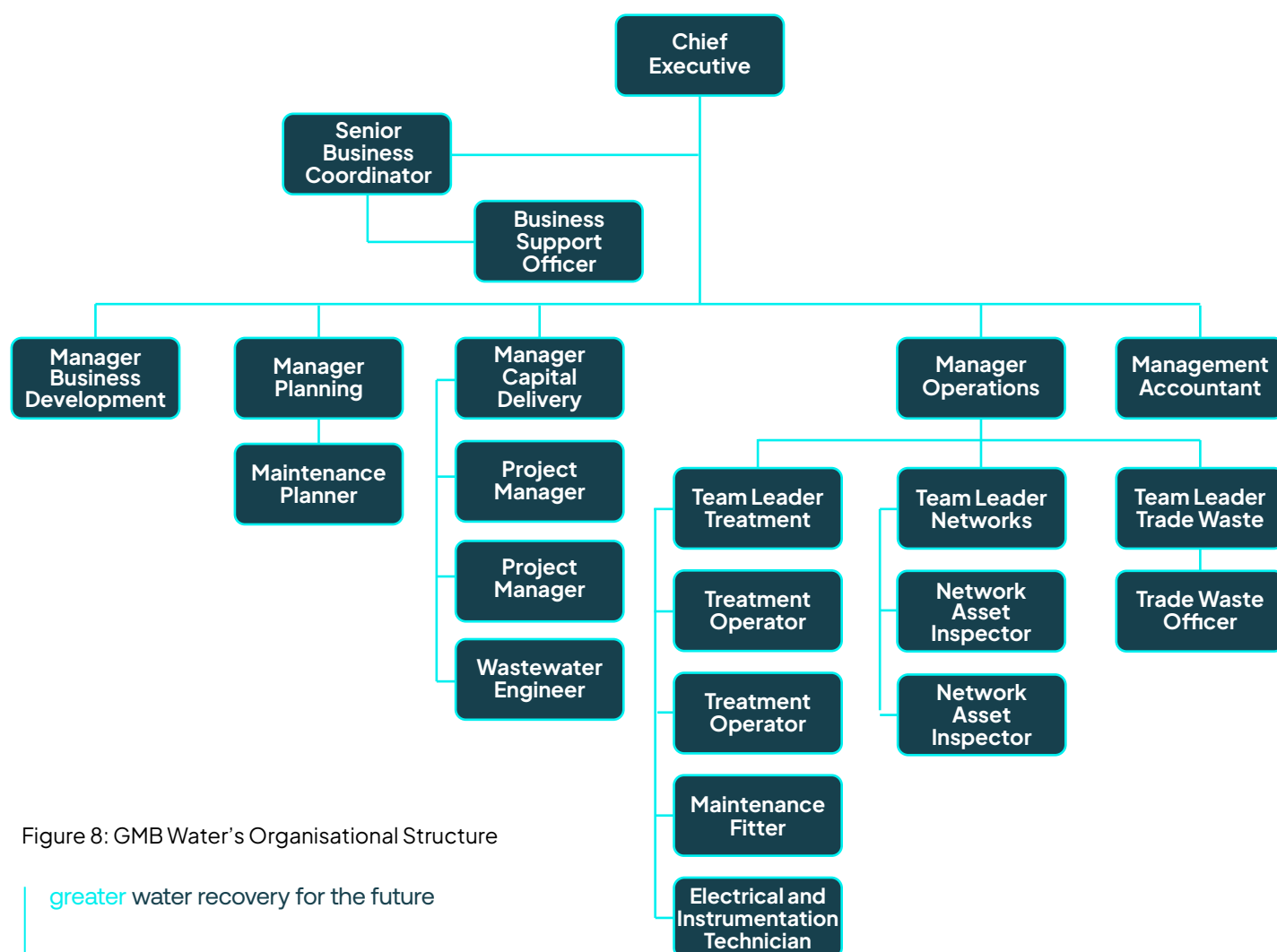


Figure 8: GMB Water's Organisational Structure

ASSET MANAGEMENT ROLES AND RESPONSIBILITIES

A Responsibility | Accountability | Consult | Inform (RACI) matrix has been created to clearly articulate asset management roles and responsibilities across eight functions of GMB Water's Asset Management Framework. The matrix is shown below in Figure 9.

Element	External				GMB Water							Mount Barker District Council				
	Community	Customers	Council/ Elected Members	Regulators	Board	ARMC	CEO/MD	Business Development	Planning	Capital Delivery	Operations	Finance and Procurement	ICT and Records	People and Culture	Governance	Communications
Purpose and Context	C Consult	C Consult	C Consult	C Consult	R Responsible	I Inform	A Accountable	C Consult	C Consult	I Inform	I Inform					
Leadership and Governance	I Inform	I Inform	I Inform		C Consult	I Inform	R Responsible A Accountable	C Consult	C Consult	C Consult	C Consult					
Strategy and Planning	C Consult	C Consult	C Consult	C Consult		I Inform	R Responsible	C Consult	A Accountable	I Inform	C Consult	I Inform				
Asset Management Decision Making	C Consult	C Consult	I Inform A Accountable	I Inform	A Accountable	I Inform	A Accountable	C Consult	R Responsible	R Responsible	R Responsible	I Inform				
Life Cycle Delivery			I Inform		I Inform	I Inform	R Responsible	I Inform	C Consult	A Accountable	A Accountable	I Inform				
Organisation and People					I Inform	I Inform	R Responsible	C Consult	C Consult	C Consult	C Consult	C Consult		C Consult		
Information and Knowledge Management						I Inform	R Responsible A Accountable	A Accountable	A Accountable	A Accountable	A Accountable		A Accountable			
Review and Continual Improvement					I Inform	C Consult	R Responsible A Accountable	A Accountable	A Accountable	A Accountable	A Accountable	C Consult			C Consult	C Consult
Risk Management			I Inform	C Consult	C Consult	C Consult	R Responsible A Accountable	A Accountable	A Accountable	A Accountable	A Accountable	I Inform			I Inform	

Figure 9: GMB Water's Asset Management RACI Matrix

Asset Management System Scope

GMB Water's AMS has been developed to align with ISO 55001 requirements. The AMS scope is outlined in Table 3 below.

AMS Scope Item	Description
Area of Operation	GMB Water's operations extend across Mount Barker district in the seven townships of Mount Barker, Littlehampton, Nairne, Brukunga, Meadows, Echunga and Macclesfield.
Assets	The assets within the AMS are related to the delivery of the products and services to customers. They are: • Primary Assets – Wastewater, recycled water and bore water infrastructure assets. • Secondary Assets – System Instrumentation, Control and Telemetry (ICT) assets. This includes hardware and software supporting the operation and maintenance of wastewater, recycled water and bore water infrastructure such as SCADA, communications, telemetry, technology for facility maintenance and condition monitoring. Software supporting asset data management, works management systems, customer service systems, asset management as well as project and program management are also included within this category.
Functions	The eight asset management functions and their associated asset management controls are all within the scope of the AMS.
External Service Providers	GMB Water engages external service providers under contractual and outsourcing arrangements to undertake activities which may influence asset management outcomes. The management of the suppliers and service providers is within the scope of AMS, ensuring the outcomes provided meet GMB Water's asset management objectives.

Table 3: GMB Water's Asset Management Scope

Integrated Management Systems

AMS interacts with other GMB Water's management systems such as the Environmental Management System and Risk Management System. Figure 10 below shows the other management systems that the AMS interacts with.



Figure 10: GMB Water's Asset Management System Interaction with Other Management Systems

Asset Management Maturity

The GMB Water Asset Management System was assessed in October 2022 to measure capabilities and maturity against the requirements of ISO 55000, ISO 55001 and ISO 55002. Using the Institute of Asset Management's maturity rating scale presented in Table 4 below, the assessment ranked GMB Water's current asset management maturity as **Level 1: Aware**. This assessment was based on discussions with GMB Water representatives and a review of existing documentation.

Maturity Assessment Rating Levels	Description
Level 0: Innocent	The organisation is not aware of this requirement.
Level 1: Aware	The organisation has identified a need for this requirement.
Level 2: Developing	The organisation has identified the means of systematically and consistently achieving the requirements.
Level 3: Competent	The organisation has clear established systems and processes to achieve the requirements.
Beyond ISO	The organisation's process(es) surpasses the standard required to comply with ISO55000 requirements.

Table 4: Asset Management Maturity Rating

GMB Water's aspirational goal is to reach **Level 3: Competent** within a timeframe of two to five years from the date of the assessment. The 2022 assessment is plotted in black and GMB Water's aspiration goal is plotted in blue in Figure 11 below. An Asset Management Maturity Improvement Initiative is underway to achieve the Level 3 goal.

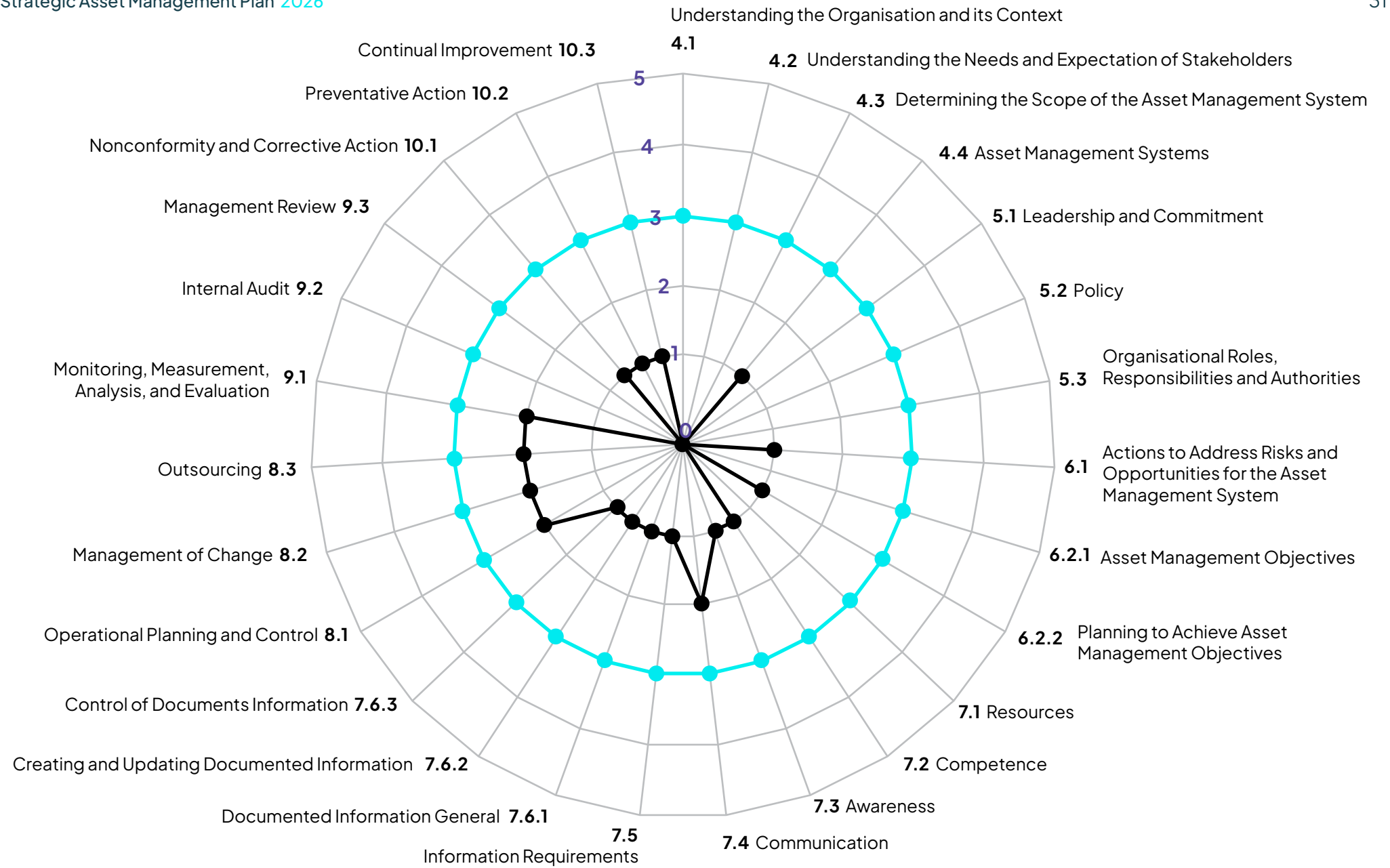


Figure 11: GMB Water's Asset Maturity Rating

Asset Management Maturity Road Map

To achieve its aspirational goal of reaching Level 3 of asset management maturity, GMB Water has developed an Asset Management Maturity Roadmap outlined in Figure 12. The road map includes tasks planned against GMB Water's AMOs.

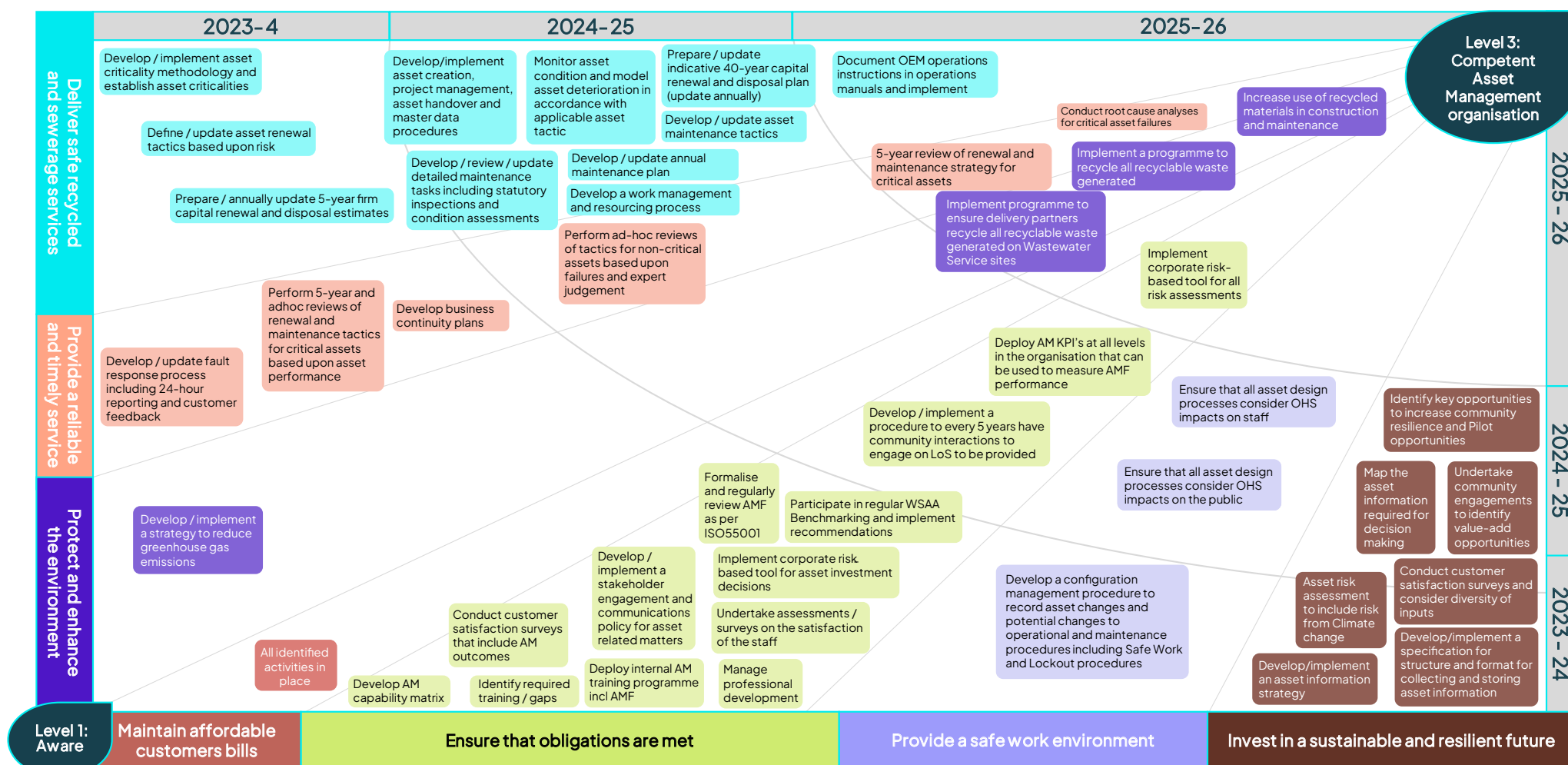


Figure 12: GMB Water's Asset Maturity Rating

Asset Portfolio



Overview

GMB Water owns and operates the largest local government wastewater and recycled water service in South Australia. Services are provided through four schemes across the townships of Mount Barker, Littlehampton, Nairne, Brukunga, Echunga, Meadows and Macclesfield. The assets used to provide services to 14,532 household and business customers include:

- 415 km of wastewater network pipes
- 20 wastewater pump stations
- a 52 km recycled water network
- a four km non-potable (ground water) network
- five recycled water pump stations
- three ground water pump stations
- Laratinga Wetlands
- four main wastewater treatment facilities in Mount Barker, Meadows, Echunga and Macclesfield
- Little Dublin Road recycled water treatment facility
- A sludge storage facility in Nairne.

Figure 13 below provides an overview of GMB Water's wastewater and recycled water asset portfolio.

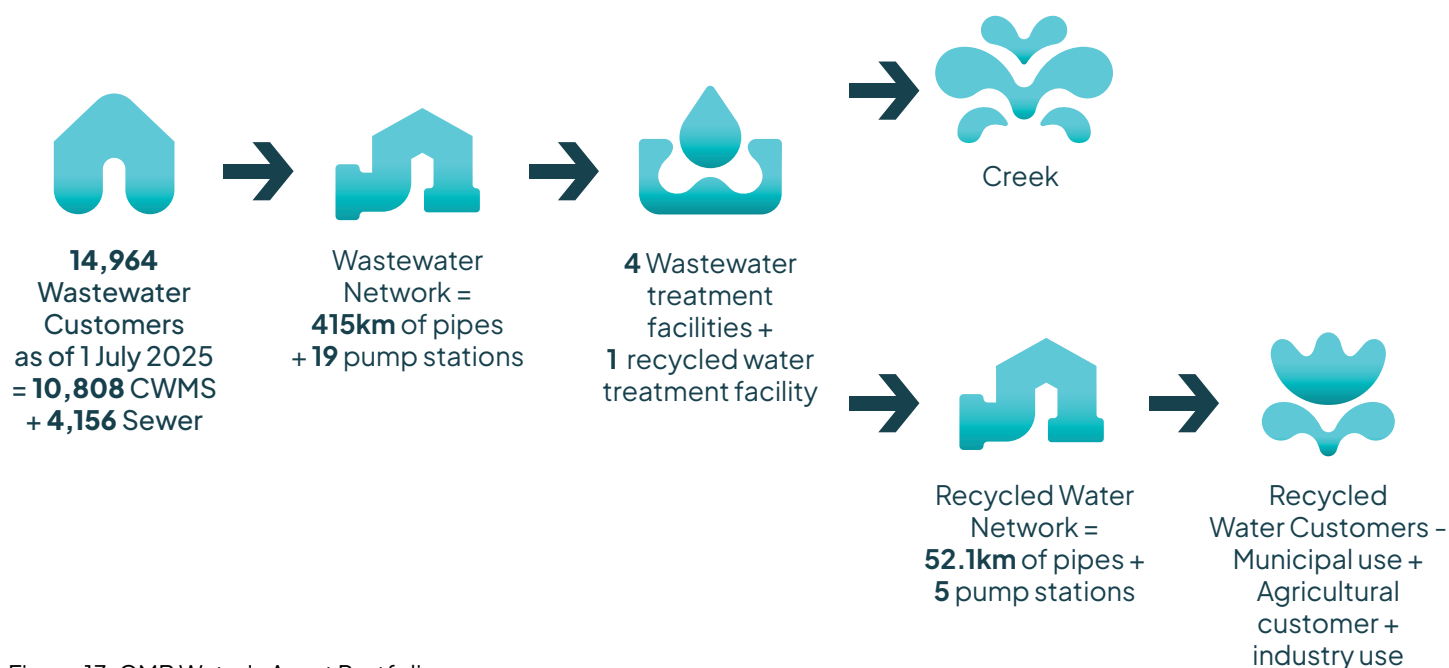


Figure 13: GMB Water's Asset Portfolio

Figure 14 below provides further details on the four schemes operated by GMB Water.

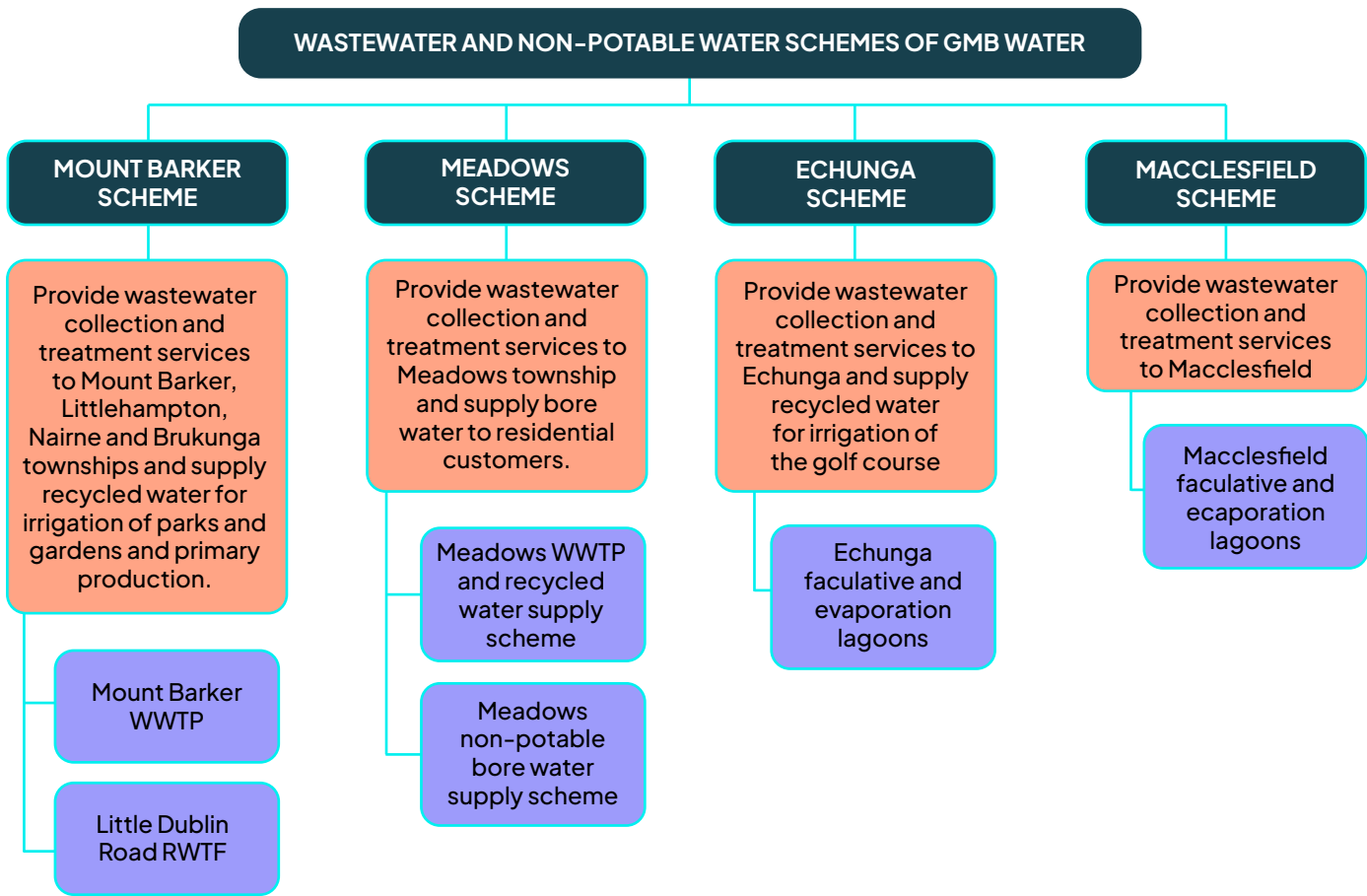


Figure 14: GMB Water’s Schemes

Asset Condition

GMB Water employs two primary condition assessment methodologies: visual inspections and CCTV inspections. Other forms of condition inspections, such as sampling, will be used when and if required.

VISUAL INSPECTIONS

All above-ground assets including the Mount Barker WWTP, Meadows and Little Dublin Treatment Facilities, pump stations, Meadows bores, recycled water tanks and lagoons undergo regular visual inspections. These inspections can be planned or undertaken on an ad-hoc basis to help identify any immediate operational or structural concerns and guide ongoing maintenance and renewal efforts. Planned inspections are developed considering the asset's criticality as per GMB Waters Asset Criticality Procedure and the asset's age and remaining life.

CCTV INSPECTIONS

CCTV inspections are used to assess the condition of wastewater gravity mains which make up the majority of GMB Water's asset portfolio. The inspection programs are developed considering asset criticalities and failure histories. GMB Water plans to condition assess 2% of the wastewater gravity network per year over the next five years and 1% from thereon after.

Condition assessments are undertaken in accordance with the IPWEA's Guidelines for Condition and Performance Assessment for Water and Sewerage (Practice Note 7). The scale ranges from 1 (very good – typically new assets) through to 5 (very poor – typically assets that have reached the end of their operating life or assets that are no longer delivering the desired level of service). Where an asset has been decommissioned or abandoned, or cannot be condition assessed, it is given a condition grade of 0. The condition grading system is summarised in Table 5 below.

Condition	Grade	Percentage of Remaining Useful Life	Description of Condition
0	Not Rated	-	Properly decommissioned, or no longer exists or has been abandoned. Not yet been rated or is unable to be rated due to serviceability issues.
1	Very Good	100% to 80%	Excellent physical condition; operates as new; no evidence of damage or deterioration
2	Good	80% to 50%	Meets all service requirements; some deterioration or minor defects; no impact on operational efficiency.
3	Fair or Moderate	50% to 20%	Moderate deterioration, minor components needing maintenance/repair, but without impact on structural integrity of the asset. Minor loss of function.
4	Poor	20% to 5%	Serious degradation and defects; starting to impact structural integrity. Urgent repair is required; significant loss of function
5	Very Poor	Less than 5%	Failed or failure is imminent. Immediate need for major work or replacement. Total or near total loss of function.

Table 5: Condition Grading Criteria

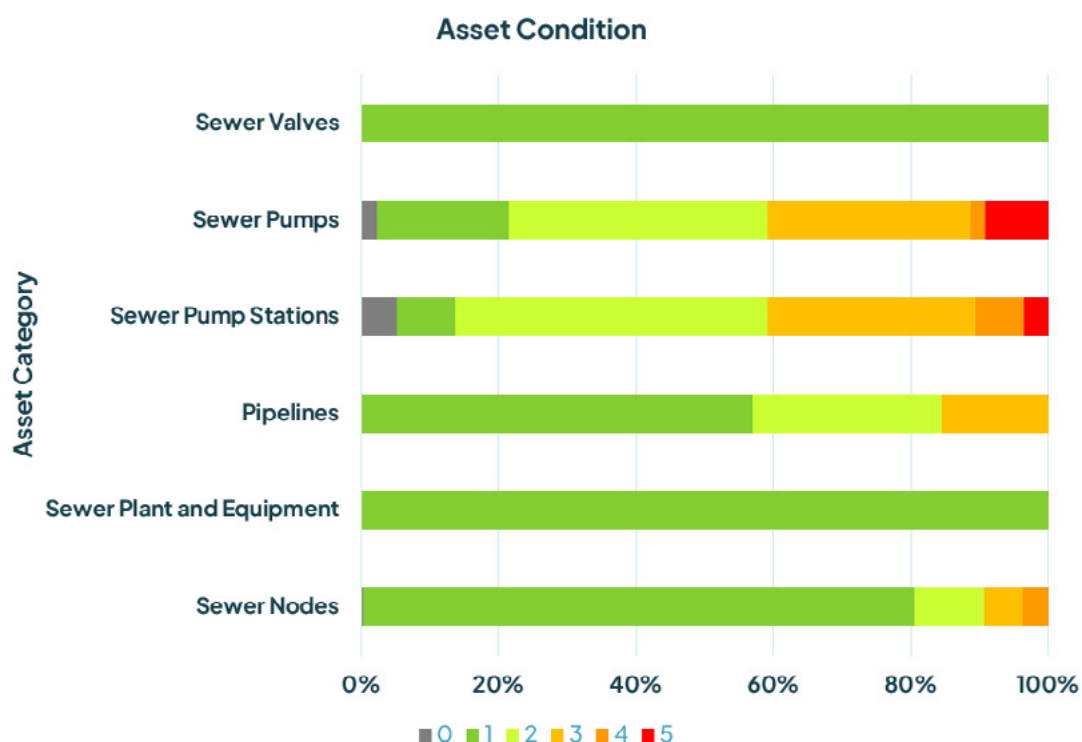


Figure 15: GMB Water's Asset Condition

Asset Lifecycle Decision Making



Decision-Making Process

GMB Water's lifecycle decision-making process is shown in Figure 16 below. The figure illustrates how GMB Water identifies investment needs. Investment is driven by organisational and asset management objectives, via different planning activities. Figure 16 also outlines the process and stages which govern how investment is prioritised. GMB Water's planning activities are explained in detail later in this document.



Figure 16: GMB Water's Asset Management Decision Making Framework

Prioritisation

As stated in ISO 55000, the purpose of asset management activities is to realise value from the assets by balancing cost, risk and performance. Striking this balance is a complex task. It requires input from different stakeholders and a level of maturity in an organisation's asset management activities. Figure 17 below shows how GMB Water aims to achieve this balance by considering performance, risk and cost, and their sub-elements, in our decision-making and investment prioritisation processes.

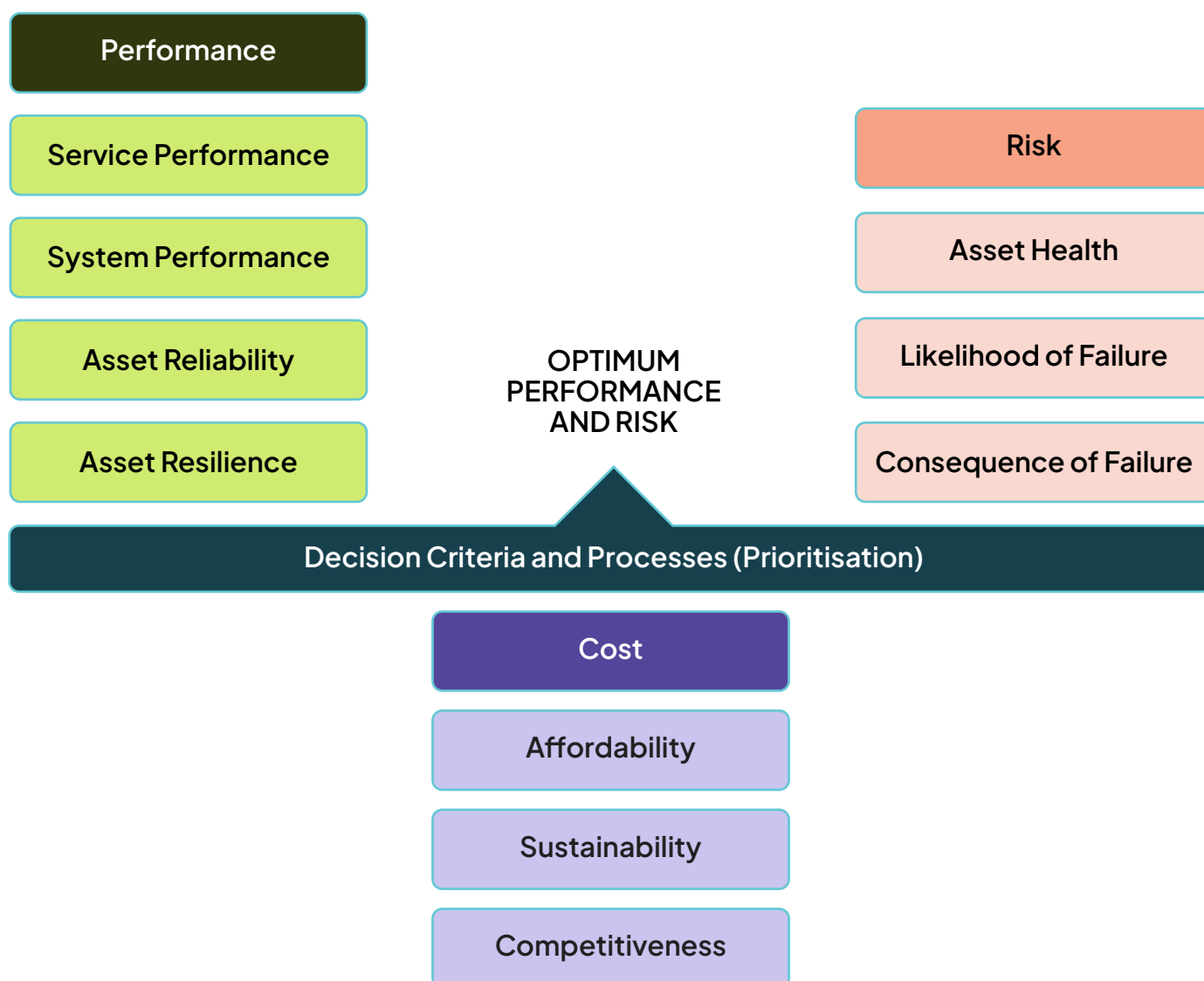


Figure 17: GMB Water's Prioritisation Criteria

Sub-element	Description
Service Performance	A measure of objectives GMB Water is required to deliver to customer and stakeholders.
System Performance	A measure of a system of assets meeting their specification.
Asset Performance	A measure of how an asset is performing against its intended function.
Asset Resilience	A measure of infrastructure system readiness for operating under conditions outside of normal condition.
Asset Health	A measure of where an asset is along its useful life from commissioning through to the end of its life.
Likelihood of Failure	A measure by which the likelihood of failure of an asset or system is measured.
Consequence of Failure	A measure by which the consequence of failure of an asset or system is measured.
Affordability	A measure of the impact on customer service charges.
Sustainability	A measure of GMB Water's ability to provide services in a way that meets current, ecological, social and economic needs without compromising the ability to meet those needs in the future.
Competitiveness	A measure of the impact on developer charges and competitiveness of GMB Water in the region.

Table 6: GMB Water's Prioritisation Sub-Element Descriptions

Asset Risk Management Approach



Overview

The GMB Water's Risk Management Framework and approved Risk Management Policy are used to guide risk-based decision-making. The framework defines the risk and opportunity heatmaps which enables the identification and rating of risks and opportunities as well as the assignment of appropriate actions and resources in accordance with GMB Water's risk appetite. Table 7 below illustrates GMB Water's risk and opportunity matrix.

IMPACT			LIKELIHOOD				
			Rare (A)	Unlikely (B)	Possible (C)	Likely (D)	Almost Certain (E)
Opportunity (+ve)	Catastrophic	5	Medium	High	Very High	Very High	Very High
	Major	4	Medium	Medium	High	Very High	Very High
	Moderate	3	Low	Low	Medium	High	High
	Minor	2	Low	Low	Low	Medium	Medium
	Insignificant	1	Low	Low	Low	Low	Medium
Not applicable		0	Not applicable				
Risk (-ve)	Insignificant	1	Low	Low	Low	Low	Medium
	Minor	2	Low	Low	Low	Medium	Medium
	Moderate	3	Low	Low	Medium	High	High
	Major	4	Medium	Medium	High	Very High	Very High
	Catastrophic	5	Medium	High	Very High	Very High	Very High

Table 7: GMB Water's Risk Management Heatmap



Likelihood

The likelihood of a risk occurring is determined by the criteria outlined in Table 8 below. It rates risk from rare to almost certain.

Likelihood	Frequency	Probability
A. Rare	Not expected to occur for years	The event may occur only in exceptional circumstances
B. Unlikely	Expected to occur at least annually	Could occur at some time
C. Possible	Expected to occur at least monthly	Might occur at some time
D. Likely	Expected to occur at least weekly	The event will probably occur in most circumstances
E. Almost Certain	Expected to occur at least daily	Is expected to occur in most circumstances

Table 8: GMB Water's Likelihood Ratings

Consequence

The impact of asset risks is scored across seven different categories shown in the Figure 18 below. More than one category may be relevant for each risk. The criteria for scoring risks across these seven categories are outlined in Appendix 2.



Figure 18: GMB Water's Risk Consequence Categories

Asset Risk Treatment and Reporting

The reporting and treatment requirements of asset-related risks and opportunities depend on their rating. Table 9 below shows the treatment and reporting requirements for different asset risk ratings. As shown in the table, reporting and treatment requirements for asset risk progressively increase with higher risk ratings.

	Treatment	Reporting Requirements
Low Risk	Managed through normal control measures	Annual reporting to top management
Low Opportunity		
Medium Risk	Treat as soon as practicable but within 1 year	Biannual reporting to top management
Medium Opportunity		
High Risk	Treatment Plans to be developed, implemented as soon as possible or within 3 months and monitored	Quarterly reporting to top management, Audit and Risk Management Committee and the GMB Water Board
High Opportunity		
Very High Risk	Immediate action required. Treatment Plans to be developed, implemented within 1 month and monitored	Quarterly reporting to top management, Audit and Risk Management Committee and the GMB Water Board
Very High Opportunity		

Table 9: GMB Water's Risk Rating Treatment and Requirements



Financial Decision-Making Approach

Financial Decision-Making Approach

Sound financial decision-making will ensure GMB Water meets our service, risk and compliance objectives while remaining affordable for customers and sustainable over the long-term. This section explains how GMB Water chooses between maintaining, renewing, upgrading or building new assets, how we align projects to funding sources and the economic tools GMB Water use.

Financial Decision-Making Principles

Sound financial decision-making will ensure GMB Water meets our service, risk and compliance objectives while remaining affordable for customers and sustainable over the long-term. This section explains how GMB Water chooses between maintaining, renewing, upgrading or building new assets, how we align projects to funding sources and the economic tools GMB Water use.

Principle	Description
Whole of Life Cost	Decisions consider capital, operating, maintenance and disposal costs
Risk, Cost and Performance Balance	Spending is justified by balancing risk, cost and performance
Affordability and Equity	Balancing present and future customer impact
Prudence and Efficiency	Least total cost solution that meet objectives

Table 10: GMB Water’s Principles

Decision Types and Preferred Analysis

To meet our objectives, GMB Water asset related decision types are classed as follows: maintain, renew and upgrade an asset or build a new asset.

Table 11 below outlines these decision types, their triggers, the key trade-offs and the preferred financial analysis method used.

Decision Type	Typical Trigger	Key Trade-Off	Preferred Financial Analysis
Maintain	Risk remains within appetite	Maintain vs renew	Economic Value Added
Renew (i.e. like-for-like)	Asset reaches end of life Asset condition deterioration Asset failure history	Maintain vs renew	Economic Value Added
Upgrade	Asset performance due to growth Meeting compliance Asset resilience (e.g. climate change)	Options analysis to achieve the same objective	Net Present Value
New Asset	Growth in the region Strategic projects	Options analysis to achieve the same objective	Net Present Value

Table 11: GMB Water's Financial Decision-Making Process

Net Present Value (NPV) analysis is a suitable tool for comparing options that have similar life spans and decision time frames. For example, if there are multiple options for building a pump station to accommodate growth, a NPV analysis will enable GMB Water to understand which option is most suitable financially.

However, for decisions such as maintaining versus renewing an asset, and where the decision has different timeframes, an Economic Value Added (EVA) analysis will be used. This allows GMB Water to revisit the decision when required. For example, a decision to maintain a gravity main can be revisited the following year provided, risk and performance are satisfactory. However, if a decision was made to renew the main, it cannot be revisited for many years. EVA analysis allows for informed financial decision-making by comparing the associated costs for options over a one-year period.

Integrated Planning



Integrated Planning

There are three integrated levels of planning to support efficient service delivery and achieve GMB Water's strategic objectives.

ASSET PLANNING:

Activities that maintain the reliability of GMB Water's services by ensuring assets perform as originally intended.

SYSTEMS PLANNING

Planning at the system level across GMB Water's four systems.

STRATEGIC PLANNING

Initiatives driven by GMB Water's long-term strategy and policy objectives.

As shown in Figure 19 below, each planning pathway interacts with other planning pathways to ensure GMB Water manages performance holistically while achieving its strategic objectives.

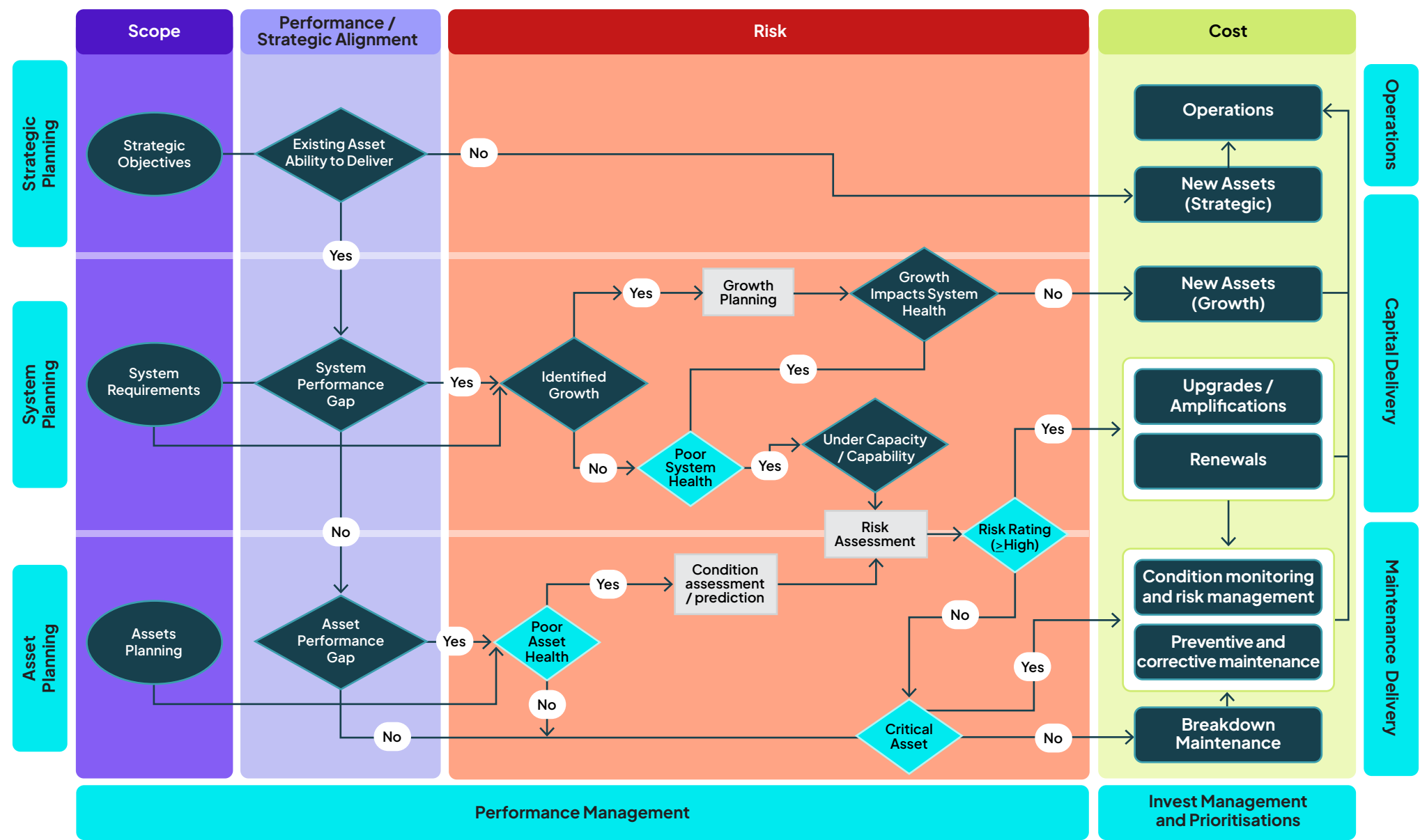


Figure 19: GMB Water's Integrated Planning Approach

Asset Planning

The core objective of asset planning is to determine the optimal management approach for maintaining cost-effective service delivery on existing infrastructure.

This includes:

- Considering system level planning outcomes and ensuring alignment with long-term stakeholder requirements.
- Monitoring and analysis of asset failure.
- Optimising renewals, maintenance, operations and asset resilience to maintain service delivery.
- Asset resilience planning to ensure services can be maintained under abnormal conditions (e.g. climate change-related events).
- Planning condition assessments as well utilisation of technology for informed decision making.
- Providing inputs to the capital delivery process to ensure the right assets are built at the right time.
- Monitoring performance to ensure regulatory compliance.

System Planning

System planning are system level activities undertaken across GMB Water's four schemes. The core objective of system planning is to ensure GMB Water is prepared to meet the evolving needs of stakeholders and growth-driven changes in operating conditions.

It includes:

- Master planning across all schemes to prepare for future growth and identifying the additional infrastructure and staging needs.
- Engaging with stakeholders and customers to understand and meet their evolving requirements by planning financially sustainable investments which consider social and cultural outcomes.
- Providing input to financial planning to ensure the long-term financial sustainability of the organisation.
- Integrate with asset planning activities to identify opportunities for efficiencies.

One of the main inputs into system planning is future regional population projection.

POPULATION PROJECTION

Mount Barker district is experiencing an increased rate of growth following the state government's rezoning of 1,300 hectares of land for urban development. The estimated resident population reached 46,227 on 30 June 2025. Forward forecasts indicate this momentum will continue. The district is projected to increase by 40% to 64,810 by 2046 with expansion concentrated largely in the Mount Barker township growth area¹. Figure 20 below shows the population increase forecasted for the district between 2021 and 2046.

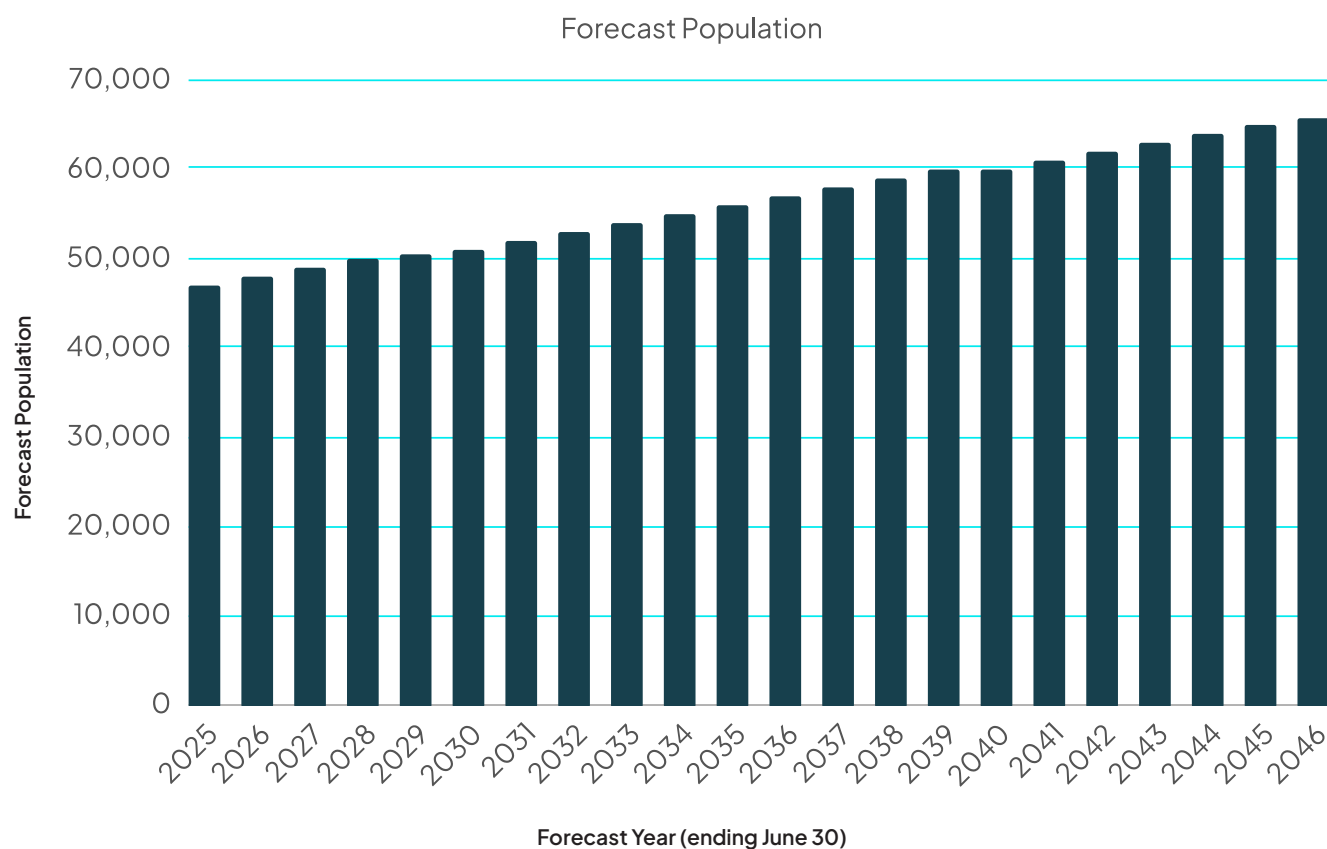


Figure 20: Mount Barker District Council Population Forecast

The population increase forecasted for Mount Barker district will result in an increase in the number of GMB Water customers; mainly in the number of wastewater connections to our wastewater networks. Table 12 below shows the wastewater connection forecast for the next 10 years.

FY Year	2026 /27	2027 /28	2028 /29	2029 /30	2030 /31	2031 /32	2032 /33	2033 /34	2034 /35	2035 /36
Total Connections (,000)	16,187	16,802	17,413	18,019	18,625	19,231	19,837	20,449	21,062	21,675
Growth (%)	4.02	3.80	3.64	3.48	3.36	3.25	3.15	3.09	3.00	2.91

Table 12: GMB Water's Number of Connections Forecast

Strategic Planning

Strategic planning encompasses activities that identify prudent, long-term investment pathways to advance GMB Water's organisational goals and community outcomes beyond immediate operational needs. It translates aspirations into identifying where and when we expand, partner, and invest (e.g. recycled water network expansion to new precincts and customers and staged conversion of the Mount Barker city centre from CWMS to sewer).

GMB Water's strategic planning approach also includes:

- Scanning for strategic opportunities and gaps to deliver broader community value (e.g. circular economy outcomes through recycled water use).
- Building business cases considering cost, risk, performance and benefits realisation, and funding strategies including grants and third-party contributions.
- Coordinating with Mount Barker District Council, developers and other utilities.
- Providing direction to system and asset planning to ensure master plans, levels of service and capital programs align with strategic intent.

Long Term Financial Plan

GMB Water's Long-Term Financial Plan (LTFP) provides a 10-year financial outlook that translates planning intent into an affordable, staged program of work. It aligns with the GMB Water Strategy and targets delivery under rapid district growth, ensuring we deliver customer and environmental outcomes while remaining financially sustainable. The LTFP sets targets for future Annual Business Plans and budgets and is reviewed every year to reflect changing opportunities and constraints.

The LTFP is the financial expression of this SAMP. It informs annual budgets while remaining adaptive through annual reviews and gate approvals. Projects emerging from asset planning, system planning and strategic planning enter GMB Water's prioritisation process. Using cost, risk and performance criteria for prioritisation, projects are sequenced by triggers balanced across categories and schemes, and profiled for CAPEX, OPEX and funding mix before they're included in the 10-year portfolio. The LTFP therefore provides the consolidated forecast of income, expenses, capital investment and debt to sustain services and customer outcomes over the coming decade.

Asset Information Management



Asset Information Management

Asset information management plays a crucial role in GMB Water delivering efficient and reliable customer outcomes. Our asset data confidence grade is currently rated as **Uncertain** based on the classifications outlined in Table 13 below.

Confidence Grade		Description
A	Highly Reliable	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$.
B	Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings. For example, some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$.
C	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$.
D	Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$.
E	Unknown	None or very little data held.

Table 13: GMB Water's Data Confidence Grading System

GMB Water aims to increase its data confidence grade to **Reliable**. To achieve this, GMB Water has developed an Asset Information Strategy (AIS) that sets data standards, hierarchy, information management, monitoring and governance needed to capture, maintain and use asset data across the lifecycle for wastewater, recycled water and bore water services.

The AIS defines what data GMB Water collects, the level of detail required and how information supports operations, planning and finance so decisions are consistent, defensible and efficient across the enterprise.

The implementation of the AIS supports this SAMP by increasing the maturity of GMB Water's asset data practices and building confidence in outputs from asset, system and strategic planning activities.

Appendices



Appendix 1: Acronyms

Acronym	Expansion	Notes / Context
SAMP	Strategic Asset Management Plan	Top-level asset strategy document aligned to ISO 55001
AMS	Asset Management System	Policies, objectives and processes to achieve AM objectives
ISO 55000 /55001 /55002	International Organisation for Standardisation – Asset Management Standards	Referenced for alignment and maturity assessment
AMO(s)	Asset Management Objective(s)	Seven AMOs that cascade from strategy
LTFP	Long-Term Financial Plan	10-year financial outlook translating planning into portfolios
ABP	Annual Business Plan	Receives yearly targets/profile from the LTFP
LoS	Level(s) of Service	Customer, technical and O&M performance measures
O&M	Operations and Maintenance	Activities to ensure continuity of service
WWTP	Wastewater Treatment Plant	e.g. Mount Barker WWTP
LDRRWTF	Little Dublin Road Recycled Water Treatment Facility	Includes a 120 ML dam; part of RW network
SCADA	Supervisory Control and Data Acquisition	Part of ICT/telemetry within AMS scope
ICT	Information and Communications Technology	Includes systems supporting operations and asset data
RACI	Responsible–Accountable–Consulted–Informed	Matrix for asset management roles and responsibilities
IPWEA	Institute of Public Works Engineering Australasia	Condition assessment guideline (Practice Note 7)
IAM	Institute of Asset Management	Maturity rating scale referenced in the assessment

Acronym	Expansion	Notes / Context
CWMS	Community Wastewater Management System	Mentioned in strategic planning (city centre conversion)
WSAA	Water Services Association of Australia	Stakeholder/industry body considered in planning
AWA	Australian Water Association	Stakeholder/industry body considered in planning
NPV	Net Present Value	Preferred analysis for option sets with similar horizons
EVA	Economic Value Added	Preferred analysis for maintain vs renew decisions
CAPEX	Capital Expenditure	Used in portfolio/prioritisation and LTFP profiling
OPEX	Operating Expenditure	Used in portfolio/prioritisation and LTFP profiling
KPI(s)	Key Performance Indicator(s)	Referenced for tracking progress (levels of service context)
BAU	Business As Usual	Risk treatment baseline (no extra action beyond BAU)
SLA(s)	Service Level Agreement(s)	With Mount Barker District Council departments (e.g. finance, ICT, WHS)
WHS	Work Health and Safety	Within SLAs/organisational support functions
HR	Human Resources	Within SLAs/organisational support functions
IT	Information Technology	Within SLAs/organisational support functions
EP	Equivalent Population	Capacity descriptor (e.g. 1,500 EP)
FY	Financial Year	Used in forecasts (e.g., FY2025–26)
MBDC	Mount Barker District Council	Parent council; appears in risk consequence appendix

Appendix 2 – Risk Consequences and Descriptions

	Insignificant	Minor	Moderate	Major	Catastrophic
People	No injuries No LTI No impact on morale Minor local workforce disruption	First aid treatment or one-off counselling 1–7 days LTI Minor temporary impact on wellbeing Temporary loss of some workers	Minor injuries with no long-term impact. Medical Treatment, short-term disability, psychological intervention LTI 1–13 weeks Wellbeing impact on team, possible morale problems; temporary loss some critical workers or increased worker turnover (>5% turnover)	Significant injury requiring medical attention LTI 4–12 months Wellbeing impact on multiple GMB Water worksites Entrenched morale problems, inability to recruit necessary skills or high worker turnover (>10% turnover)	Death/Severe irreversible disability/Extensive injuries, long-term psychological injury LTI > 1 year Long term wellbeing impact on whole of GMB Water Entrenched severe morale problems, inability to recruit with necessary skills or high worker turnover (>15% turnover)
Financial	Opex budget impacted by up to \$75k Capital budget impacted by up to \$300k	Opex budget impacted by \$75k – \$250k Capital budget impacted by \$300k – \$1M	Opex budget impacted by \$250k – \$750k Capital budget impacted by \$1M – \$3M	Opex budget impacted by \$750k – \$2.5M Capital budget impacted by \$3M – \$10M	Financial impact (expenditure or revenue) > \$5M
Legal	Dispute that may be resolved without legal remedy or internal consultation only	Fines or penalties of a minor nature being imposed on GMB Water; or involvement of legal firms.	GMB Water directed to undertake specific activities to remedy breaches. Formal investigations by 3rd parties	Deliberate breach or gross negligence.	Major breach of legislation resulting in major penalties, fines; or imprisonment of staff; or Class Action.
Environment	Minor adverse event that can be remedied immediately On-site release immediately contained	Isolate instances of environmental damage requiring effort to fix in the short term and reversible. Issues affect more than one site but still localised.	Adverse events cause widespread damage; reversible in short – medium term. On-site release immediately contained with outside assistance	Significant adverse event causing widespread damage which may be reversed through remedial action in the medium term. Off-site release with no detrimental effects	Major adverse environmental event requiring continuing long term remedial attention. Toxic release off-site with detrimental effect

	Insignificant	Minor	Moderate	Major	Catastrophic
Reputation	No adverse effect on public image.	Minor adverse effect on public image and established community relationships and links. Non-headline exposure.	Moderate adverse effect on public image. Negative article in local newspaper. Repeated non-headline exposure, slow resolution, Council enquiry/briefing.	Major adverse effect on public image. Negative front page in media. National coverage, repeated exposure. Significant level of community concern or opposition or breakdown of established community relationships. Unresolved complexities.	Huge effect on public image. Widespread community outrage. Maximum high level headline exposure, international coverage, loss of credibility. Political activity that results in irreparable damage. Ministerial involvement.
Service Delivery	No material impact to service. Customer LoS within acceptable limits. Extended asset outage may reduce efficiency or increase risk but is operationally manageable.	Minor degradation in service. Customer LoS within acceptable limits. Medium timeframe (weeks/months) available for intervention before Customer LoS begins to fail.	Loss of service to customer for a short duration. Customer LoS at risk of failing targets. Short timeframe (days/weeks) available for intervention before Customer LoS begins to fail.	Prolonged loss of service. Key service(s) affected. Customer LoS expected to fail targets. Intervention required to restore service.	Prolonged loss of service. Key service(s) affected. Widespread impact or affecting key stakeholders. Customer LoS expected to fail targets. Intervention required to restore service.
Social / Cultural	Resident (household) experiences minor wellbeing impact, disempowered, inconvenience or temporary disadvantage.	A group of residents within a suburb or identified cultural or community group experiences ongoing minor wellbeing impact or are disempowered, inconvenienced or disadvantaged.	A number of neighbourhoods (up to 25% of residents) or cultural groups experience wellbeing impact, are disempowered, inconvenienced or disadvantaged.	Up to 50% of residents are disadvantaged, inconvenienced, disempowered or may experience wellbeing harm. Cultural group or community offended, unable to practice recognised traditions.	Majority of MBDC residents are disadvantaged, inconvenienced, disempowered or may experience wellbeing harm.

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