

ASSET MANAGEMENT STRATEGY 2024



Version 4.0 Feb 2024

Asset Management Strategy



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| Document No.: | <i>WT-HRM-16.01</i> | Approved By: | <i>Council</i> |
| Issue No.: | <i>4.00</i> | Approved On: | <i>19 March 2024</i> |
| Responsibility: | <i>Infrastructure</i> | Review Date: | <i>March 2028</i> |

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|-------------------------|-------------|---|---------------|-----------------|-----------------|
| Document Control | | NAMS.PLUS Asset Management for Small, Rural or Remote Communities www.ipwea.org.au/AM4SRRC file location Y:\Asset\Asset_audits\WTC_AMStrategy2013(1)Edit(3).docx | | | |
| | | Document ID: hrm16.01 asset management strategy june 2014.docx | | | |
| Rev No | Date | Revision Details | Author | Reviewer | Approver |
| 1.1 | 12/11/2013 | Draft for review | AMC | AMT | |
| 1.01 | 12/12/2013 | Final Draft after revisions from Senior Accountant | AMC | AMT | |
| 1.02 | 1/06/2014 | Final Document | AMC | AMT | |
| 2.0 | 8/11/2018 | 2018 revision - Asset values and maturity table updated. | AMC | AMT | |
| 3.0 | 1/11/2019 | 2019 revision | AMC | AMT | |
| 4.0 | 12/02/2024 | 2024 Revision | AMC | AMT | Council |

AMT – Asset Management Team, includes all of the list below

DI -- Director Infrastructure

AMC – Asset Management Co-ordinator

CFO –Chief Financial Officer

E – Council Engineer

DC – Director Corporate

A -- Accountant

Asset Management for Small, Rural or Remote Communities Guidelines

The Institute of Public Works Engineering Australia.

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Executive Summary

This asset management strategy was prepared to assist council to improving the way it delivers services from its major infrastructure including Transport (roads), bridges, footpaths, stormwater drainage, and buildings with a total replacement value of \$407M.

The asset management strategy is to enable Council to show:

- how its asset portfolio will meet the service delivery needs of its community into the future,
- enable Council's asset management policies to be achieved, and
- ensure the integration of Council's asset management with its long term strategic plan.¹

Adopting this asset management strategy will assist council in meeting the requirements of national sustainability frameworks, *Local Government Act 1993* and providing services needed by the community in a financially sustainable manner.

The asset management strategy is prepared following a review of the council's service delivery practices, financial sustainability indicators, asset management maturity and fit with council's vision for the future outlined in the West Tamar Council's Strategic Plan. The strategy outlines an asset management improvement plan detailing a program of tasks to be completed and resources required to bring council to a minimum 'core' level of asset maturity and competence.

Strategy outlook

1. Council is able to maintain current service levels over the next ten years at current funding levels. Assets have on average 63% of their service life left and will not require renewal spending at depreciation levels for some time. Existing expenditures on maintenance and renewal appear to be sufficient as public level of satisfaction with the infrastructure remain high.
2. Council is able to fund current infrastructure life cycle cost at current levels of service from revenue forecasts within long term financial planning.
3. Council's current asset management maturity is near 'full maturity' (this is a self-assessment scoring process using IPWEA guidelines). System and work processes in the documentation in service delivery reviews, optimum decision making framework considering multivariable criteria linked to service performances standards and contingency plans in place to ensure continuation of activities when staff turnover occurs all require additional documentation.

Asset management strategies

Table 1: Asset Management Strategies

| No | Strategy | Desired Outcome |
|----|---|---|
| 1 | Annual Budgeting process in line with the 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 | Maintain Long Term Financial Plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome | Sustainable funding model to provide Council services |
| 4 | Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets | Long term financial planning drives budget deliberations |
| 5 | 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 |
| 6 | 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 |
| 7 | Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs | Improved decision making and greater value for money |
| 8 | 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 |
| 9 | Ensure responsibilities for asset management are identified and incorporated into staff position descriptions | Responsibility for asset management is defined |
| 10 | Report annually to Council by the CEO on development and implementation of Asset Management Strategy, AM Plans and Long Term Financial Plans | Oversight of resource allocation and performance |
| | | |

Asset management improvement plan

The program of tasks and resources have achieve a high asset management maturity level during the **asset management maturity assessment** process. See the results in Appendix A.

Table 2: Asset Management Improvement Plan

| Ref | Task | Responsibility | Target Date | Budget |
|-----|---|---|-------------|--|
| 1 | Review and manage the effectiveness and objectives of the AMP's and evaluate results | Asset Management Working Group | Annually | Internal resources |
| 2 | Update the valuations rates from experience gained from annual capital works programs, recognised publications and other relevant sources. | Asset Management Coordinator | Annually | Internal resources |
| 3 | Undertake condition asset modelling to determine renewal projections. | Asset Management | Ongoing | Internal resources |
| 4 | Ensure whole of life costing from proposed capital upgrades/expansions are included into long term financial strategy. | Infrastructure & Corporate | Ongoing | Internal resources |
| 5 | Utilise relevant local government reform training programs and IPWEA professional development programs to further develop and broaden internal capacity | Asset Management Coordinator | Ongoing | Internal resources and training budget |
| 6 | Geographical location/map all relevant assets | Asset Management Coordinator | Ongoing | Internal resources |
| 7 | Update asset register as new assets are added or inherited. | Asset Management Coordinator | Ongoing | Internal resources |
| 8 | Monitor and report on Asset condition as part of the annual review of works programme. | Asset Management, Asset Risk and Parks & Reserves staff | Annually | External & Internal resources |
| 9 | Include the state of the asset report in the Annual Plan, which will indicate current service levels trends and priorities improvement program | Asset Management Working Group | Annually | Internal resources |
| 10 | Review and document methodology for determining useful lives for all asset classes | Asset Management Working Group | Annually | Internal resources |
| 11 | Continue to review business processes and documents to ensure audit trail for financial transactions, asset register updates and annual reporting. Explore a data management improvement programme. | Asset Management Working Group | Ongoing | Internal resources and external auditors |
| 12 | Document the actions associated with the addressing the risk and how they might change over time | Asset coordinator | Annually | Internal resources |



1 Introduction

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

Infrastructure assets such as roads, drains, bridges and public buildings present particular challenges. Their condition and longevity can be difficult to determine. Financing needs can be large, requiring planning for large peaks and troughs in expenditure for renewing and replacing such assets. The demand for new and improved services adds to the planning and financing complexity.

The creation of new assets also presents challenges in funding the ongoing operating and replacement costs necessary to provide the needed service over the assets' full life cycle.

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

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors and:
 - bringing together asset management and long term financial plans,
 - demonstrating how council intends to resource the plan, and
 - consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
 - explanation to the community on variations between the budget and actual results ,

- any impact of such variances on the strategic longer-term plan,
- report of operations with review on the performance of the council against strategic objectives²

Framework two Asset Planning and Management has seven elements to assist in highlighting key management issues, promote prudent, transparent and accountable management of local government assets and introduce a strategic approach to meet current and emerging challenges.

- Asset management policy,
- Strategy and planning,
 - asset management strategy,
 - asset management plan,
- Governance and management arrangements,
- Defining levels of service,
- Data and systems,
- Skills and processes, and
- Evaluation³



The asset management strategy is to enable Council to show:

- how its asset portfolio will meet the service delivery needs of its community into the future,
- to enable Council's asset management policies to be achieved, and
- to ensure the integration of Council's asset management with its long term strategic plan.⁴

The goal of asset management is to ensure that services are provided in the most cost effective manner, through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets, for present and future consumers.

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

1.1 Legislative reform

The key legislative documents applicable to asset management are:

- **The Local Government Act 1993** – stipulates that all councils must “formulate, implement and monitor policies, plans and programmes for the provision of appropriate services and facilities to meet the present and future needs of the community”.

² LGPMC, 2009, Framework 3 *Financial Planning and Reporting*, pp 4-5.

³ LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.

⁴ LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.

The Tasmanian Parliament has passed the *Local Government (Miscellaneous Amendments) Act 2013* which mandate councils develop and implement several documents that underpin the councils financial and asset management framework. The documents now required under the Act are:

- A long-term financial management plan;
- Strategic Asset Management Plans (10 years), for each of the council's major asset classes;
- Long Term Strategic AMP
- A financial Management Strategy
- An Asset Management Strategy
- An Asset Management Policy
- Annual Plan
- Annual Report

The Act also requires councils to review the above documents at least every four years. In addition the amendments to the Local Government Act now also require councils to report sustainability indicators in their financial statements.

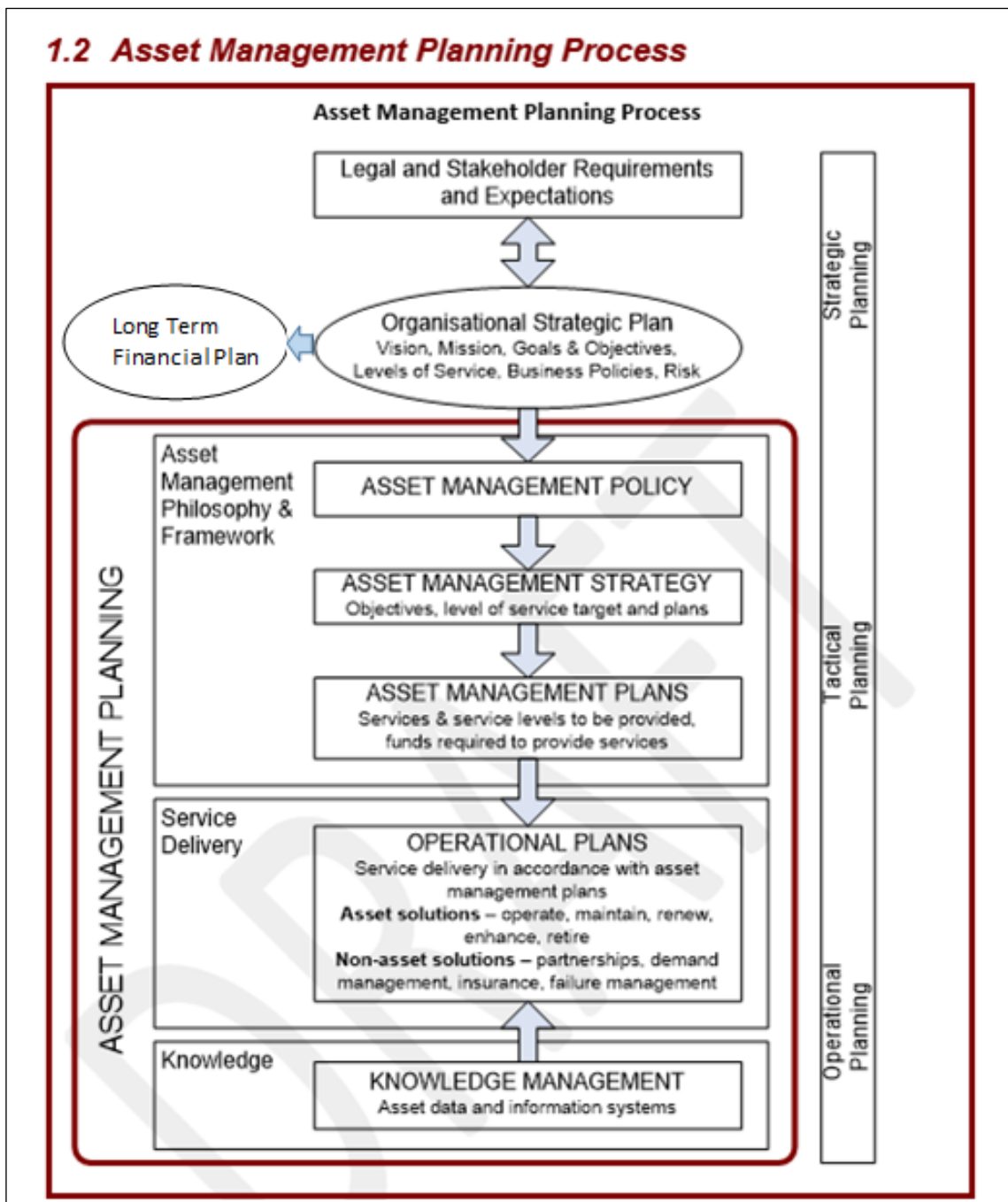
A key aspect with respect to all the amendments is that they provide a power to the Minister for Local Government to make Ministerial Orders outlining the detail and minimum requirements of the financial and asset management reforms detailed above.

Until legislative changes to the Local Government Act 1993 there has been no legislative or regulatory framework in Tasmania that required Council to develop Asset Management Plans or a long term Financial Management Plan.

However, Local Government, as a body, has recognised the importance of such planning and implemented the Local Government Financial and Asset Reform Project to assist member councils to progress to a core position in respect to asset management.

As detailed in the Asset Management Maturity Assessment (Appendix A), West Tamar Council is well progressed upon the asset management path and has in place an asset management policy and asset management plans for major asset classes and a ten year long term financial plan (reviewed annually) incorporating long-term financial strategies.

1.2 Asset Management Planning Process



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

Asset management planning commences with defining stakeholder and legal requirements and needs, incorporating these needs into the organisation's strategic plan,

developing an asset management policy, strategy, asset management plan and operational plans, linked to a long-term financial plan with a funding plan.⁵

2 What Assets do we have?

Council uses infrastructure assets to provide services to the community. The range of infrastructure assets and the services provided from the assets is shown in Table 3.

Table-3: Infrastructure Assets used for providing Services

| Asset Class | Description | Services Provided |
|---------------------|--|---|
| Transport | Road pavements and surfaces, Kerb and channel, Bridges, Footpaths, Guard Rails, Culverts, Street lights and Poles and Retaining Walls. | Safe and efficient mobility for all users. |
| Buildings | Community centres, Halls, Club rooms, Amenities, Recreation, Administration and Operational buildings. | Public amenity and council administration facilities. |
| Stormwater Drainage | Open drains, pits, underground pipe networks manholes and detention basins. | Dispose of stormwater efficiently and reduce localised flooding with an effective environmental drainage network. |

The asset classes below 5% of the total base value and not covered by an asset management plan are:

- Parks and recreation (3.1%)
- Heritage (0.12%)
- Plant and Equipment (1.2%)
- Furniture and fittings (0.3%)

⁵ IPWEA, 2009, AIFMG, Quick Guide, Sec 4, p 5.

3 Council's Assets and their management

3.1 State of the Assets

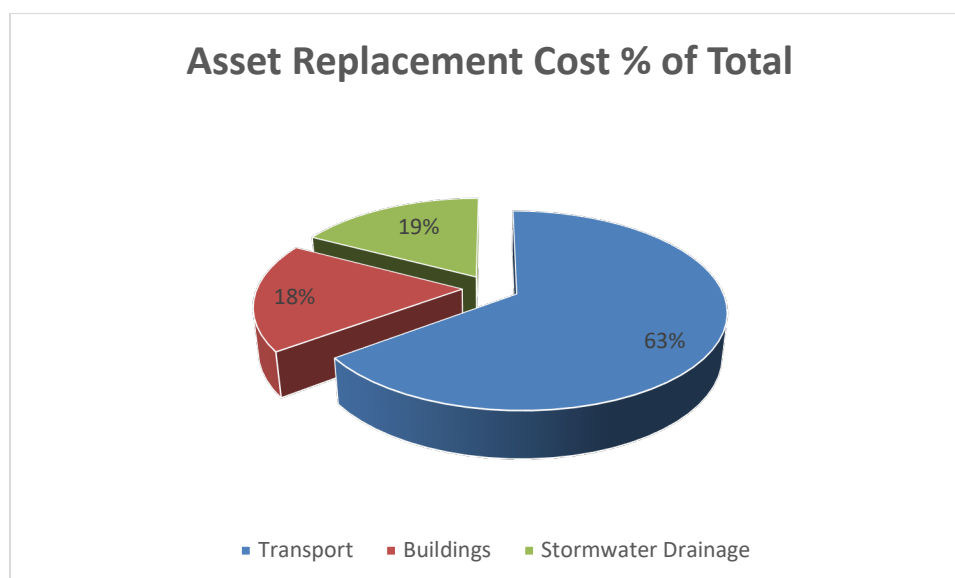
The financial status of Council's assets is shown in Table 4.

Table 4: Financial Status of Major Infrastructure Assets

| Asset Class | Replacement Cost (\$M) | Depreciated Replacement Cost (\$M) | Depreciation Expense for 2022-23 (\$M) |
|---------------------|------------------------|------------------------------------|--|
| Transport | \$258 | \$169 | \$2.9 |
| Buildings | \$71 | \$42 | \$1 |
| Stormwater Drainage | \$78 | \$55 | \$0.8 |
| Total | \$407 | \$266 | \$4.7 |

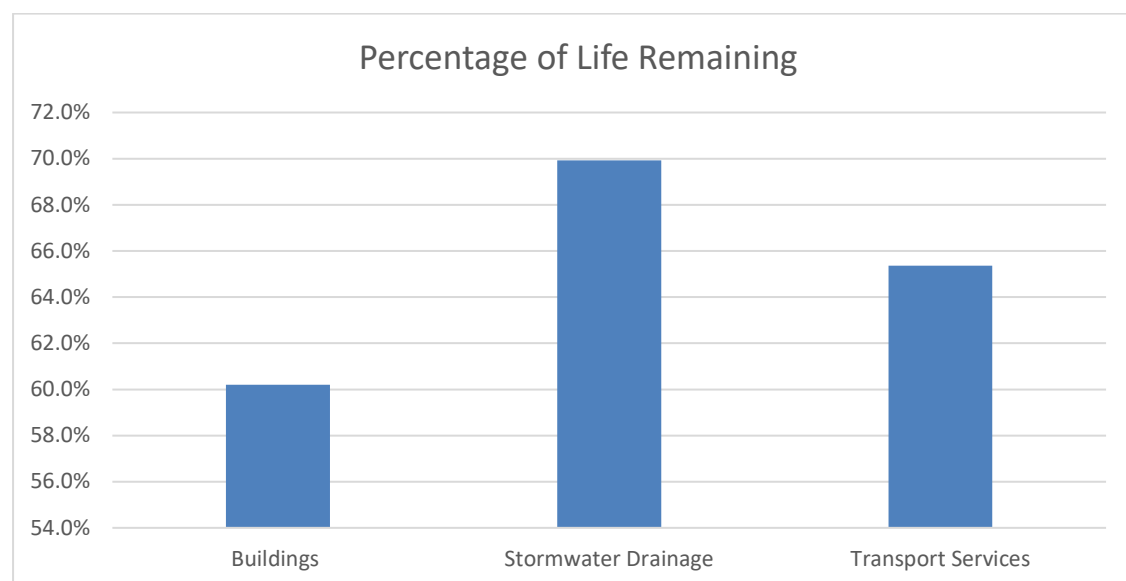
Figure 1: Asset Replacement Values

replacement category percentage of the total of Council's assets.



The asset consumption ratios of Council's assets (average proportion of 'as new' condition left in assets, 100% = new asset) are shown in Figure 2.

Figure 2: Asset Consumption Ratio

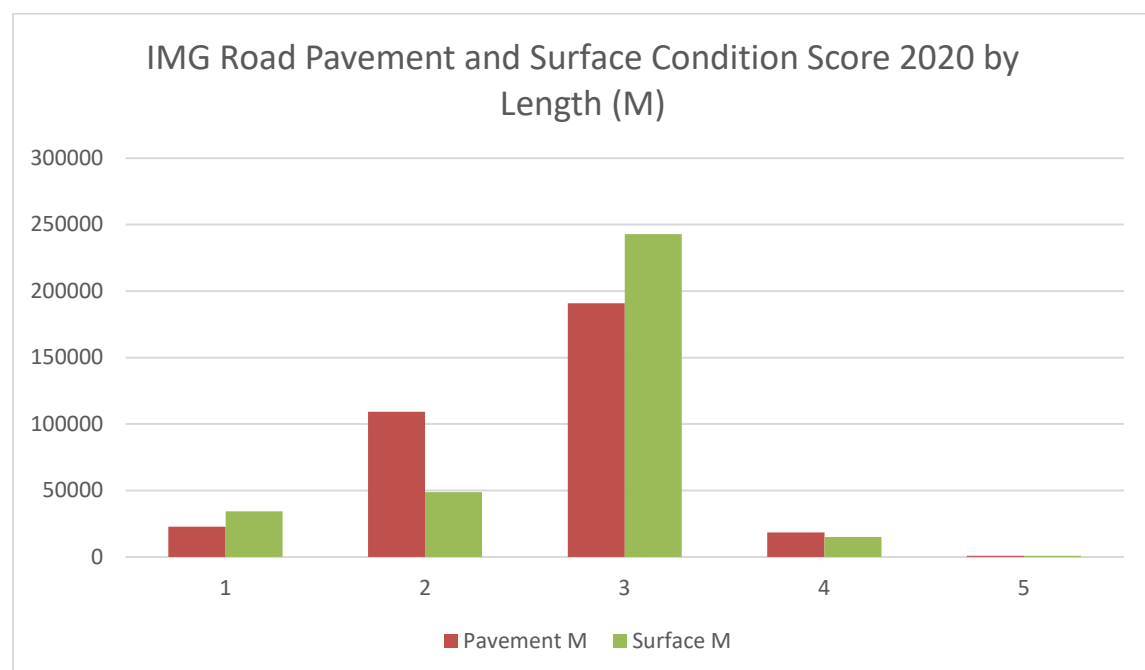


Council's Assets have an average of 63% of their useful life yet to be consumed. This indicates the assets are not yet half way through their useful life and therefore it is expected that the asset consumption ratio's will continue to decline over the next 10 years.

A more detailed report on the state of the assets are listed below in Figure 3.

3.1.1 Transport

Figure 3: Transport Asset Condition 2020



The Condition of the Transport asset will regulate the works required to maintain the asset to the agreed service level. From this graph, it appears that over 6% of the asset requires some form of intervention to bring up to agreed service levels. Failed Pavements in terms of ride quality and safety will be addressed in on going future budgets.



The short lived assets such as the road surfaces require ongoing replacements at current levels to maintain agreed service levels. This appears to be quite manageable at this point as the assets are performing above expectation in terms of useful lives. The reseals will need to be monitored and addressed in future budgets in order to reduce the anticipated peaks. The recent survey of the asset found that the average condition rating was 3. To maintain this level of service the annual re-sheeting program will need to renew approximately 11 Km of the sealed surface per year. Pavement roughness which regulates the ride quality of many of the sealed roads was measured using laser technology in the recent IMG condition assessment and highlighted the roads which needed urgent treatment. At the time of writing most of these roads have been reconstructed.

The Bridge assets are relatively new asset. All bridges apart from one steel bridge are concrete structures with an estimated life of 80 years, two bridges are listed for replacement within the next 10 years. Many of the bridges require upgrade to the traffic barrier approaches to meet the revised Australian Standards. Capital funding stream has been established to systematically replace the traffic barriers identified as high risk. Some Bridges on high mass routes have been upgraded to allow a for the latest standard in axle loads which has been funded by the Federal Government.

3.1.2 Stormwater Drainage

Some work has occurred to obtain a condition assessment of the storm water assets, mainly through the use of CCTV, an inspection sample of 12% has been reached to date. The average score of the pipes sampled was 1.7 for Structural condition and 1.8 for serviceability (score of 2 being good condition requiring no maintenance). Many of the pipes inspected were over 50 years old, the oldest being 68 years. Considering the pipes age the CCTV visual inspection reported little or no damage or wear to the internal structure of the pipe.

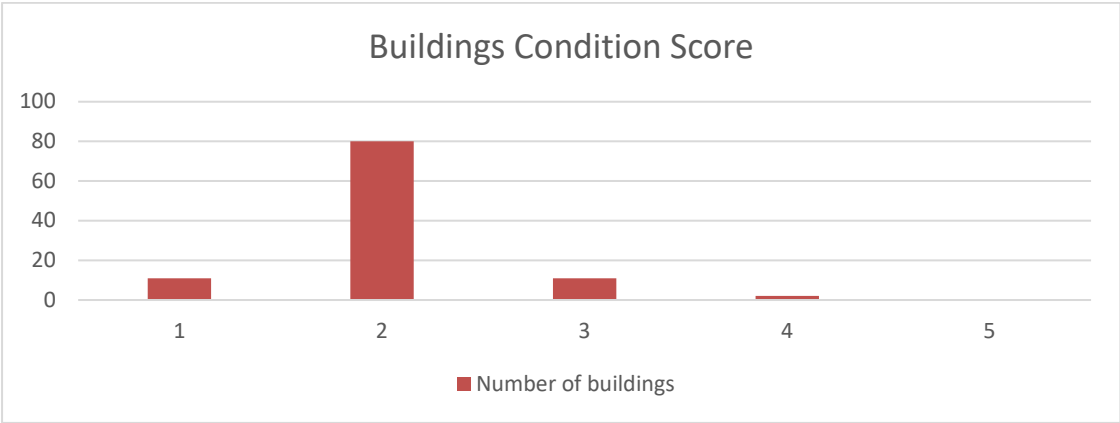


The majority of the urban stormwater network has undergone a capacity and performance check via a modelling program to comply with the Urban Drainage Act 2013. Generally, the networks performs well under low intensity rain fall events (1 in 5 years) and observations from field and technical staff would suggest that the current condition and associated assets is fair to good, with limited current issues to address. Higher than average rainfall events and developments do present a problem in some areas of the network and is driving the

need for upgrades. Works have already begun to upgrade the Stormwater network with deficient capacity. Additional spending in Stormwater asset upgrades over the next 10 years has been accounted for in the long-term financial plan.

3.1.3 Buildings

Figure 4: Building Condition rating by valuation group.



See Table 3 for scoring methodology

The table above shows that 86% of building assets have a score of 2 or less. This is due to the large investments made creating new assets in the last 10 years. Older buildings have also undergone extensive refurbishment to lift the service levels particularly in the kitchen areas to comply with health regulations. Roofs have also been replaced or maintained to improve watertight integrity, thus increasing the expected life of the asset and reduces maintenance costs.

3.1.4 General

The remaining life of Council's major infrastructure assets is shown in Figure 5. The graph shows the Total Replacement cost against the Written Down Value this indicates the assets have 63% on average life remaining

Figure 5: Replacement Cost by Written Down Value

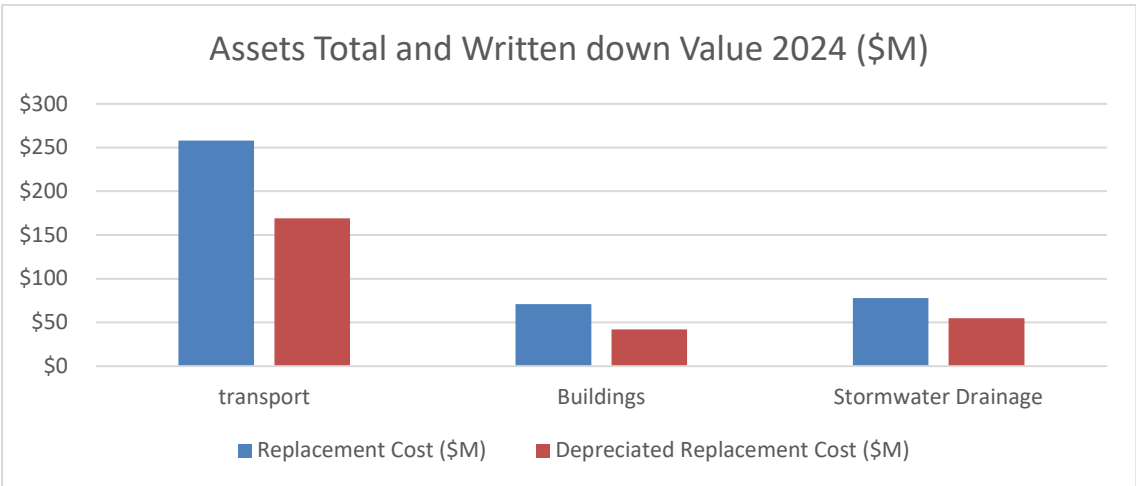


Table 5: Asset Condition Profile

| Condition Grading | Percentage of Life consumed |
|-------------------|-----------------------------|
| 1 | 20% of life consumed |
| 2 | 20 - 40% of life consumed |
| 3 | 40 - 60% of life consumed |
| 4 | 60 - 80% of life consumed |
| 5 | 80 - 100% of life consumed |

3.2 Life Cycle Cost

Life cycle costs (whole of life costs) are the average costs that are required to create and sustain the service levels over the life of the asset. Life cycle costs include operating and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is shown in Table 6.

Table 6: Life Cycle Cost for Council Services

| Asset Class | Planned Operations Maintenance Expenditure (\$M/yr) (1) | Planned Capital Renewal Expenditure (\$M/yr) (2) | Life Cycle Expenditure total (\$M/Yr)(1+2) | Long term Whole of Life Cycle Cost (\$M/yr) | Lifecycle Asset Sustainability |
|---------------------|---|--|--|---|--------------------------------|
| Transport Services | \$4.20 | \$5.40 | \$9.60 | \$7.85 | 122% |
| Buildings | \$1.90 | \$0.30 | \$2.20 | \$2.97 | 74% |
| Stormwater Drainage | \$0.28 | \$0.36 | \$0.64 | \$1.10 | 58% |
| Total | \$6.38 | \$6.06 | \$12.44 | \$11.92 | 104% |

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes operating, maintenance and in the previous year and budgeted renewal expenditure in the current year.

Note that while depreciation costs are a constant, replacement expenditure can vary significantly from year to year based on the size of the replacement works.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than the life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations to provide services to their communities in a financially sustainable manner. This is the purpose of the AM Plans and Long Term Financial Plan.

A shortfall between life cycle cost and life cycle expenditure gives an indication of the life cycle gap to be addressed in the asset management and long term financial plan.

The life cycle gap and sustainability indicator for services covered by this asset management plan is summarised in Table 6.

The sustainable index ideally should average 100% in the long term but because the long lived assets can extend out to 80 years or more and have varying installation peaks and lows, looking at a small 10 year window cannot reveal average spending at depreciation levels. Renewal demand will fluctuate above and below the depreciation provision through the life cycle of a particular asset. Council's assets at this time are relatively young and have more than 63% of their useful life remaining therefore spending at depreciation levels for all asset types are not necessary at this point. Council being in constant growth also impacts the proportion of the younger assets.

From figure 6 below it appears that expenditure at depreciation levels will not occur until 2035. This was calculated using the estimated useful life remaining and the current replacement costs.

Transport : Funding is available to replace 100% of the renewals. Year 2022-23 there will be a 122% expenditure on the road asset due to some large pavement upgrades. The condition assessment conducted in December 2020 found



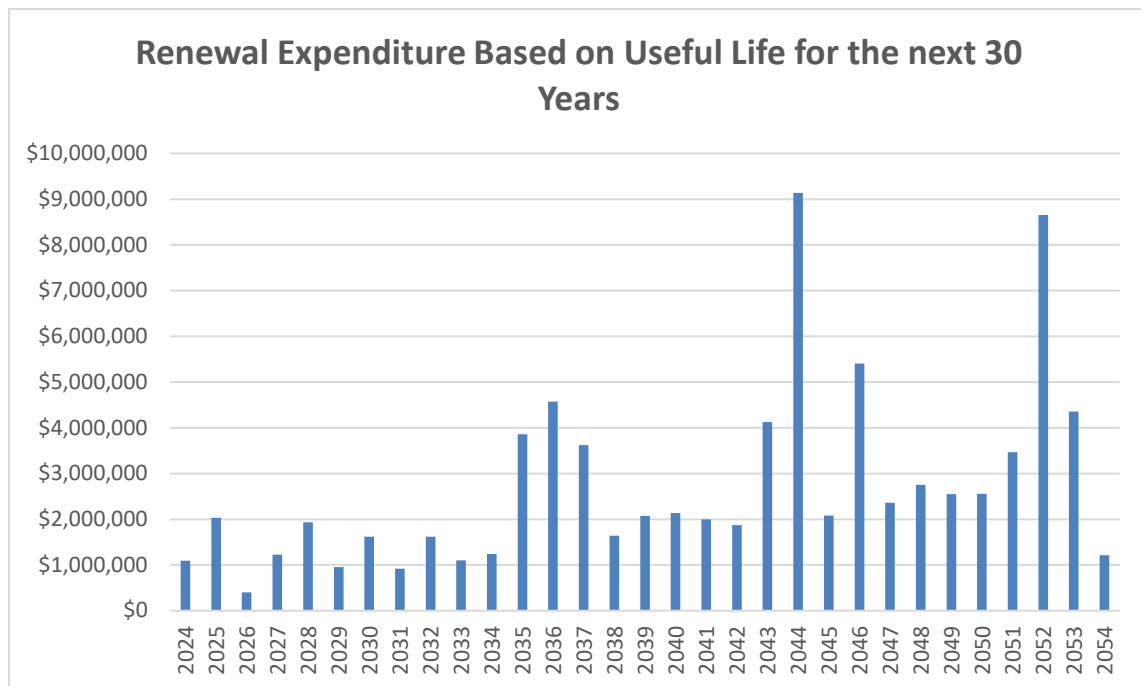
that the assets were on average in good condition (Condition rating 3 average). The assets in most cases are providing a good level of service to the community

Buildings : Funding building sustainability is 74% for 2022-23 year. This difference is due to the overall new / good condition of the Building Assets and with above depreciation level spending in the previous terms. Therefore spending at depreciation levels is not necessary to reach agreed service levels at this stage of the lifecycle.



Stormwater and Drainage indicates a funding sustainability level of 58% in the long term but in the short term From Figure 6 shows renewal expenditure at depreciation levels will not be necessary until 2035 based on age profile projections.

Figure 6: Renewal Expenditure for all assets based on useful life for the next 30 years



The annual long term depreciation expense is \$4.7M. The large peaks shown on the graph above mainly relate to the pavement assets which are part of the largest transport category. The peaks will be avoided by the necessity of replacing some assets sooner than their expected life and others after their expected life but are still providing the required level of service. Road pavements with good drainage and site conditions will almost certainly out last the current expected life while others in landslip prone areas will require replacement much sooner for example parts of Deviot road and Rosevears Drive.

Figure 7: Life Cycle Expenditure forecast for the next 20 years

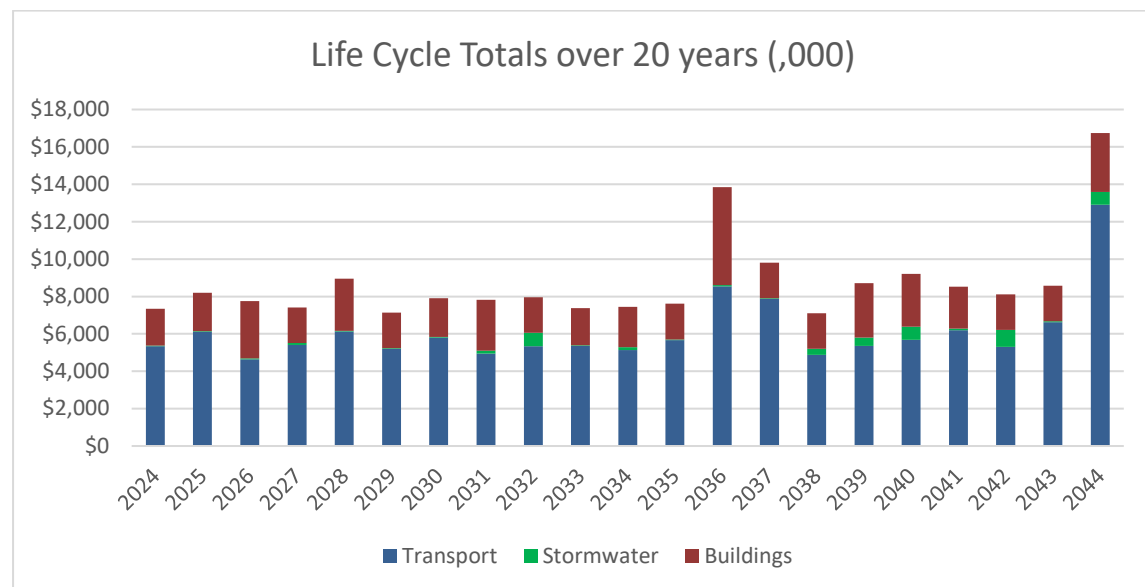


Figure 7 graph includes the Renewals, Maintenance and Operational expenditure. The graph does not account for new and additional assets gifted to council and upgrade expenditure. The current year expenditure is \$12.44M which is above the 20 year average being \$11.9M. The 20 year average is derived by using the useful life of the asset and current replacement rates.

3.3 Asset Management Structure

The Assets are owned and managed within the Infrastructure Services directorship. The Asset Management Coordinator has the responsibility to facilitate the continual updates and improvements of Council's asset Policies and Strategies with the Corporate Asset Team and periodically updates the Asset Management Plans for adopted by Council.

3.4 Corporate Asset Management Team

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

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

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

Phase 1

- strategy development and implementation of asset management improvement program,

Phase 2

- asset management plan development and implementation,
- review data accuracy, levels of service and systems plan development,

Phase 3

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

The current position on Council's Asset Management Working Group is:

- Director Infrastructure
- Asset Management Coordinator
- Council Engineer
- Graduate Engineer
- Facilities Management Officer
- Chief Financial Officer
- Director Corporate & Community
- Chief Technology Officer
- Accountant

3.5 Financial & Asset Management Core Competencies

The National Frameworks on Asset Planning and Management and Financial Planning and Reporting define 10 elements. 11 core competencies have been developed from these elements⁶ to assess 'core' competency under the National Frameworks. The core competencies are:

Financial Planning and Reporting

- Strategic Longer Term Plan
- Annual Budget
- Annual report

Asset Planning and Management

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



⁶ Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans competencies.

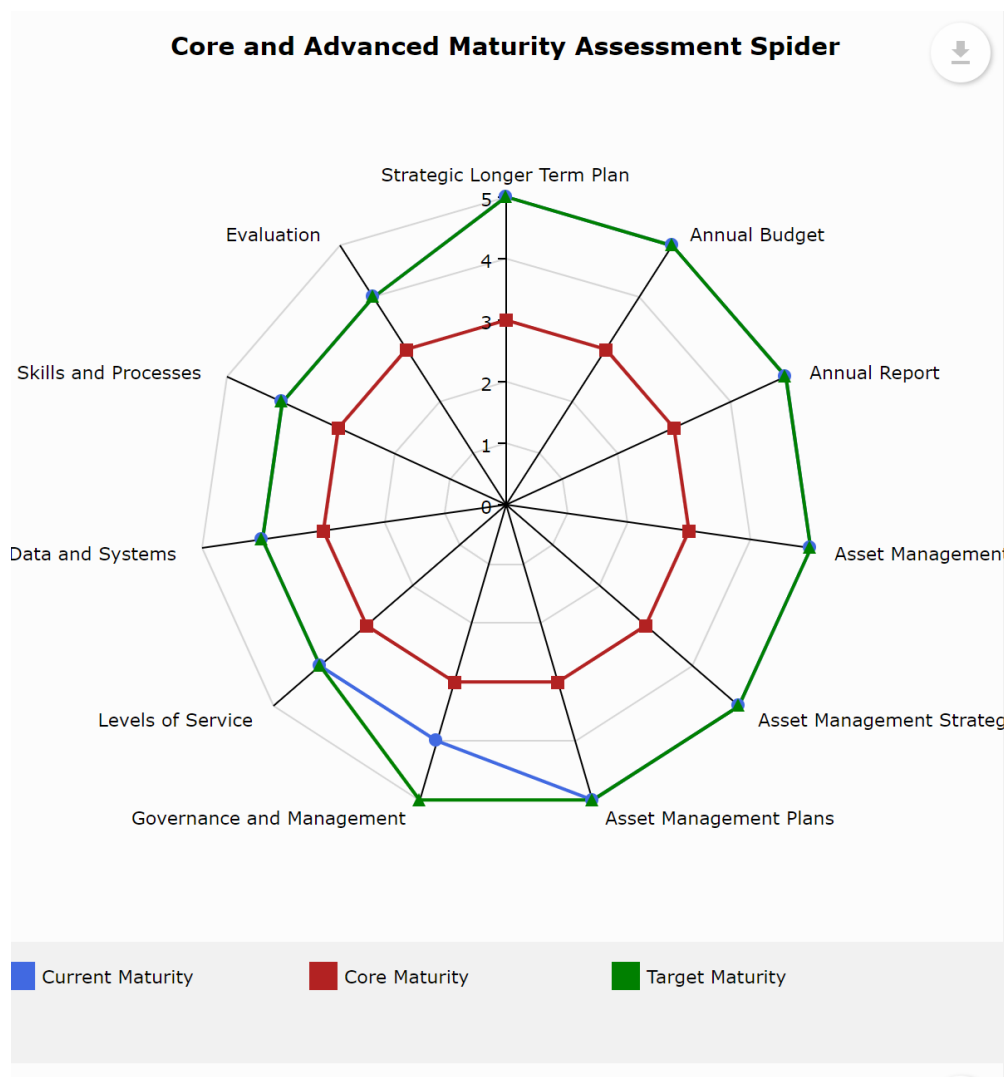
- Evaluation

Council's maturity assessment for the core competencies is summarised in Figure 8. The current maturity level is shown by the blue bars. The maturity gap to be overcome for Council to achieve a core financial and asset management competency is shown by the red bars.

This table below was self-assessed, conducted by Asset Coordinator in 2018. The recent addition of the strategic plan and the completion of all the Asset Management Plans for council's major assets returns a health maturity level but more works needs to be done in all areas to obtain full maturity.

Figure 8: Core Asset Management Maturity

The maturity assessment spider graph (blue line) indicates that council has reached advanced maturity for many of the elements. This information was obtained using NAM's maturity in-house assessment status questionnaire.



3.6 Strategy Outlook

1. Council is able to maintain Current service levels over the next ten years at current funding levels. Assets have on average 63% of their service life left and will not require renewal spending at depreciation levels for some time. Existing expenditures on maintenance and renewal appear to be sufficient as public level of satisfaction with the infrastructure remain high.
2. Council is able to fund current infrastructure life cycle cost at current levels of service from revenue forecasts within long term financial planning however renewals will increase beyond 2030.
3. Council's current asset management maturity is above 'core' level, however there are some issues with regard to process that will need to be addressed.

4 Where do we want to be?

4.1 Council's Vision, Mission, Goals and Objectives

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

To create an inclusive community where people want to live, work and invest.

Council's purpose or reason for existence is set out in the adopted mission statement,

As part of the Strategic Plan, council has agreed to the following goals:

Community

An engaged community where partnerships are established, needs identified and council assists in achieving sustainable outcomes

Economic & Regional Development

Encourage the sustainable growth and prosperity of the region

Environment

To care for the natural environment

Infrastructure

Ensure the provision and maintenance of an efficient and effective infrastructure network

Organisation *Represent the community in a responsive, professional and innovative manner*

Council's Statement of Values

The Statement of Values is the group of underlying principles upon which the Council has based the development of the Strategic Plan. These principles reflect the approach Council will adopt in dealing with issues.

Leadership

Providing governance for our community and leading with responsibility and purpose.

Community

Encouraging engagement through participation, consultation and partnerships.

Responsibility

Economically, socially and environmentally accountable.

Customer Service

Committed to quality through friendly, respectful and proactive customer service.

Communication

Listening to our community and communicating openly with honesty and integrity.

Teamwork

Demonstrating a culture of shared vision, mutual respect and support for each other.

Advocacy

Representing our community through lobbying in support of our community and to achieve our vision.

The Strategic Plan sets goals and objectives to be achieved in the planning period. The goals set out where Council wants to be. The objectives are the steps needed to get there. Goals and objectives relating to the delivery of services from infrastructure are shown in Table 7.

Table 9: Goals and Objectives for Infrastructure Services

| Goals | Objectives |
|---|--|
| Infrastructure fit for purpose. | Maintain and manage infrastructure in a sustainable manner that is fit for purpose and at agreed service levels. |
| Implement a periodic review of infrastructure plans, policies and procedures. | Review asset management plans on a 2 year cycle. |
| Identify future capital works upon finalisation of local area plan. | Identify community needs and expectations arising from approved council plans and reports. |
| Work with community partners to develop solutions. | Consult with community on priorities and levels of service. |

Council's Asset Management Policy defines the council's vision and service delivery objectives for asset management in accordance with legislative requirements, community needs and affordability.

4.2 Asset Management Policy

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

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

- Show how its asset portfolio will meet the affordable service delivery needs of the community into the future,
- enable Council's asset management policies to be achieved, and
- ensure the integration of Council's asset management with its long term strategic plans.

4.3 Asset Management Vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. This is demonstrated in the Financial Management Strategy & Long Term Financial Plan outlining how council's will provide the financial resources to obtain its objectives.



Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council aspires to:

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

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

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

Strategies to achieve this position are outlined in Section 5.

5 How will we get there?

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

The Asset Management Strategies can be seen on table 1.

6 Asset Management Improvement Plan

The tasks required to achieving a 'core' financial and asset management maturities are shown on Table 2 Asset management Improvement Plan.

Appendix A

7 ISO 55001 Maturity Summary for assessment id ISO242

