DRAFT

Asset Plan

2020/21 – 2030/31

Executive Summary

The Asset Plan (AP) details the infrastructure assets Council owns and manages, the long term physical performance of assets and the funding needed to provide the current levels of service over a 10-year planning period.

The purpose of this document is to comply with regulatory requirements and detail how Council intends to invest in its assets to meet the long-term objectives set out in the Community Vision and Council Plan.

Council's current infrastructure asset portfolio consists of the asset categories listed in Table 0-1 below.

Table 0-1 – Replacement cost of assets broken down into asset category.

Asset Category	Amount	Replacement Cost
Bridges and Major Culverts	56 Road Bridges 99 Major Culverts 52 Pedestrian Bridges	$52,208,170
Buildings	197 Buildings	$128,549,810
Footpaths	515.7km footpaths	$48,653,643
Open Space	3535 Assets	$52,681,588
Roads – Sealed & Unsealed	1,138km of Sealed Roads 680km of Unsealed Roads	$421,824,514
Kerb and Channel	545km	$35,425,419
Carparks – Sealed & Unsealed	292 Carparks	$12,278,288
Stormwater	14397 Pipes 14048 Pits	$90,712,510
	Total	$842,333,941

The financial projections over the next 10 years were prepared using a combination of the forecasted budget from the Long-Term Infrastructure Plan (LTIP) and renewal modelling using condition data from Council's Asset Management Information System (AMIS) – Conquest.

Council has allocated $428 million to fund maintenance, renewal, upgrades, and extensions over the next 10 years. The renewal modelling indicates that $444 million is needed to maintain the current service levels over the next 10 years. This results in a $16 million shortfall in funding by 2031 (approximately $1.6 annually). No asset disposals were allocated to the budget as part of the LTIP.

If growth continues at the current pace, over the next 10 years Council will inherit approximately $264 million worth of assets through discretionary expenditure like upgrades, expansions and development contributions. When this is added to the existing asset portfolio of $842 million, the asset portfolio will be worth over $1.1 billion in 10 years (not adjusted for inflation).

The intention behind the first iteration of the AP is to document the current understanding of the performance of Council assets. It is important to note that these figures are largely based on the existing condition and attribute information recorded in the AMIS and they are continually reviewed, updated and improved.

These long term models have limitations that impact the accuracy of the financial projections. Some of these include:

- Services levels are not currently incorporated into the model as these are being documented ahead of Council's preparation for the Strategic Service Plan (SSP);
- The 2020/2021 LTIP figures were used as these were the most up to date and the current adopted position of Council for the budget forecast;
- The definitions of renewal, maintenance and upgrades are consistently applied across the organisation when categorising expenditure; and,
- The renewal modelling is based on an intervention level of condition four and five over the next 10 years and does not take into account assets that are in good condition but are not fit for purpose.

One of Council's key objectives as asset managers and owners is to drive a continuous improvement process. When considering these assumptions and limitations, the next steps are to propose the desired state for asset management and what actions are required to achieve this.

The actions outlined as part of the AP have been split into short, medium and long-term goals. These include:

- short term – data and systems improvements to accurately assess the long term performance of assets;
- medium term – conducting service planning for all asset categories which outline intervention levels and development of prioritisation matrices that can be used to produce long term (10-50+ year) renewal and maintenance programs; and,
- long term – with service levels defined for all asset categories, these will be used with condition data to produce robust maintenance, renewal and upgrade programs that inform the annual budget, LTIP and LTFP.

1. Introduction

Baw Baw Shire Council (Council) owns and operates an extensive range of physical assets that deliver services to the community. These assets support a range of services, and finances are allocated to maximise their lifespans in the best interests of the whole community.

Asset Management is the tool that empowers Council as stewards of community resources to act on their responsibility to manage these assets. This is achieved by documenting the full lifecycle of Council's assets, from the initial planning and design, acquisition, operation, maintenance, renewal and finally the disposal of assets.

The AP along with the Asset Management Policy and Asset Management Strategy are be used to document Council's current understanding of the asset lifecycle.

The AP outlines the:

- infrastructure assets under Council's control;
- services supported by these assets;
- investment required to ensure assets continue to provide these services into the future; and,
- improvement actions required to achieve the desired state of asset management within Council.

The first iteration of the AP provides a general overview that summarises the key elements of the individual Asset Management Plans that Council will develop for each of the major asset classes.

1.1. The Purpose of the Plan

The AP has been prepared to meet the requirements of section 92 of the *Local Government Act 2020* (the Act). The AP forms part of Council's key strategic documents as part of the integrated approach to planning Council's long-term goals.

The purpose of the AP is to:

- document how Council responsibly manages the assets it controls to meet service delivery needs of the community over the next 10 years;
- summarise the operating and capital expenditure requirements for these assets;
- ensure that there is integration between the Community Vision, Council Plan, LTFP and LTIP, SSP; and,
- comply with Council's legislative obligations.

The development of the AP is dependent upon Council's understanding of the performance of its assets and several key assumptions. Assumptions and forecasts will change based on Council improving asset management maturity along with evolving internal and external drivers. The AP will be actively monitored and updated, and major changes will be reflected in the second iteration.

1.2.   What is an asset?

One of the key objectives of Council is to provide services to the community, ratepayers, residents, businesses and the public. These services are supported by physical and non-physical assets. Non-physical assets includes cash, intellectual property, etc. and Physical assets includes roads, buildings, footpaths, open space assets, stormwater assets, bridges, and major culverts.

1.3.   What is asset management?

Physical infrastructure assets support multiple services and asset management provides the framework for ensuring that Council maximises their value over their lifespan. To do this Council must balance cost, service requirements and expectations, risk, opportunities, and performance.

The goal of asset management is to meet a required level of service in the most cost-effective to provide for present and future communities.

1.4.   Why is asset management important?

By using this coordinated asset management approach, Council can make informed decisions on how to invest its resources to achieve the long-term objectives set out in the Community Vision and Council Plan.

Asset management is specifically important for Council because Council manages a combined $842 million worth of infrastructure assets. This accounts for approximately 90% of Council's asset inventory. Figure 1-1 below shows the replacement cost of Council infrastructure assets by asset category.
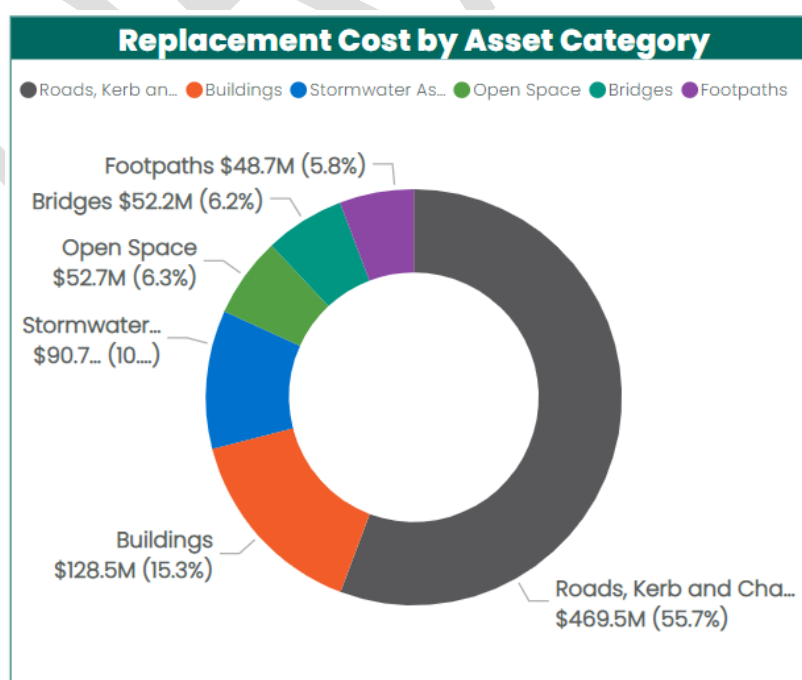

Figure 1-1 - Replacement cost of all infrastructure assets separated by asset category.

2.   Strategic Context

The delivery of services to the community is guided by the Community Vision, Council Plan, strategies, and policies. These also drive Council's approach to asset management.

Alongside the AP are the following key long-term strategic documents:

- Strategic Service Plan (SSP)
- Long Term Infrastructure Plan (LTIP)
- Long Term Financial Plan (LTFP)

These four long term strategic documents provide context for the Workforce Plan and Rates and Revenue Plan which are medium-term documents. The reporting framework is visualised in Figure 2-1 below.

Figure 2-1 - Baw Baw Planning and Reporting Framework

2.1.   Local Government Act 2020

The AP is prepared in accordance with Section 92 of the Act. The AP has also been aligned with the Asset Plan Guidance 2022 (APG) which provides an overview of the requirements under Section 92 of the Act. The APG sets expectations of the content within AP which includes:

- strategic intent on how Council manages its assets;
- compliance with the Integrated Strategic Planning and Reporting Framework (ISPRF);
- the community engagement requirement;
- alignment with the Community Vision, Council Plan and LTFP;
- the strategic planning principles within the Act.

The AP must outline the maintenance, renewal, acquisition, expansion, upgrade, disposal and decommissioning expenditure for each category of infrastructure asset under Council's control.

The mandated outlook for the Plan is 10 or more years, however, it is expected that Council has systems in place that can produce longer-term Plans (50 years plus). This is due to the long lifecycle of infrastructure assets.

2.2.   Community Vision

The Community Vision outlines the strategic goals for the municipality's future. As per Council's planning and reporting framework, the AP forms part of Council's key long-term strategic documents which outlines how Council will achieve the goals set out in the Community Vision. It informs and guides the long term planning and priorities of Council.

The AP aligns with the Community Vision by addressing the following goals within the Vision:

- Sustainable – Sustainable built environments that protect nature and meet the needs of a growing community.
- Thriving – Future ready infrastructure and transport options that help the community better access services, work and education throughout Baw Baw Shire.
- Healthy – Connected and inclusive communities, creating a strong sense of safety and belonging.

2.3.   Council Plan

The Council Plan commits to outcomes and priority initiatives across several strategic objectives. Effective asset management supports the outcomes of the Council Plan and the delivery of sustainable services.

The Council Plan sets key focus areas that assist Council in implementing the strategic goals set within the Community Vision. The alignment between the AP and the Council Plan is through a shared purpose which addresses the following key focus areas listed in the Council Plan:

- Planning for a sustainable, healthy and thriving Baw Baw Shire.
- Providing community infrastructure, services and facilities which support sustainable communities and are responsive to changing needs.
- Advocating for strategic priorities and those services and facilities needed by the community.
- Creating environments that support a diversity of sports and recreation opportunities and walkable communities across the shire.
- Responding to and readying for climate change, emergency events, disruption, and transition.
- Improving local transport networks and advocating for improvements for roads and public transport for residents across the shire.

The AP will be reviewed every four years after the adoption of the Council Plan. This is so that the AP remains current with the changing aspirations of the Council and community.

2.4.   Long-Term Financial Plan (LTFP)

The Long-Term Financial Plan (LTFP) provides a long-term view of the resources that Council expect to be available and how these are allocated and prioritised over the next 10 years.

The LTFP identifies the current and projected financial capacity to continue delivering high-quality services, facilities, and infrastructure while identifying critical new capital investment to support the community's prosperity and to respond to future challenges.

The AP is based on and intrinsically linked with the budgets and projections outlined in the LTFP. The ongoing affordability and financial sustainability is a key strategic objective of Council.

The LTFP provides the capital and operational budgets allocated over the next 10 years. These figures must balance with the expenditure forecasts in the AP. The expenditure forecasts provide a financial overview of Council's commitments towards future investment into assets based on the current budgets. These models will improve over time as Council matures in service and asset planning.

2.5.   Long-Term Infrastructure Plan (LTIP)

According to the ISPRF, the AP must align with the financial budgets allocated in the LTFP and LTIP over the next 10 years. The LTIP outlines infrastructure programs and projects which are planned for delivery over the next 10 years. It aims to balance competing priorities and ensure that the best value for money is achieved through each project.

Although the LTIP outlines what Council is investing in over the next 10 years, further work to understand if this is an appropriate level of funding is required. To understand this, multiple criteria will be required to inform the decision-making process.

2.6.   Strategic Service Plan (SSP)

Council has elected to develop a long-term plan for the future delivery of council services that identifies and proactively plans for future change impacts on service delivery. This SSP will provide a ten-year view of service delivery in Baw Baw, align to the LTIP and LTFP and provide added value to the ISPRF.

The identified drivers of change on service delivery in the SSP will link to the AP and support any projected changes in service by identifying potential impacts on asset location, type and condition.

The SSP is expected to be finalised in late 2022 and will draw on the AP for relevant information aligned to service planning and service delivery.

2.7.   Asset Management Context

Along with the key strategic documents, the AP represents the commitment made by Council towards the integrated asset management system, provided in Figure 2-2 on the following page.

The asset management system comprises of the following key documents:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans

The policy establishes goals and objectives for asset management which provides a platform for service delivery. The strategy links and integrates Council's plans and resources, indicating which services are to be delivered through which assets. The plans encompass all assets under Council's control and connect the investment of community wealth with service outcomes.
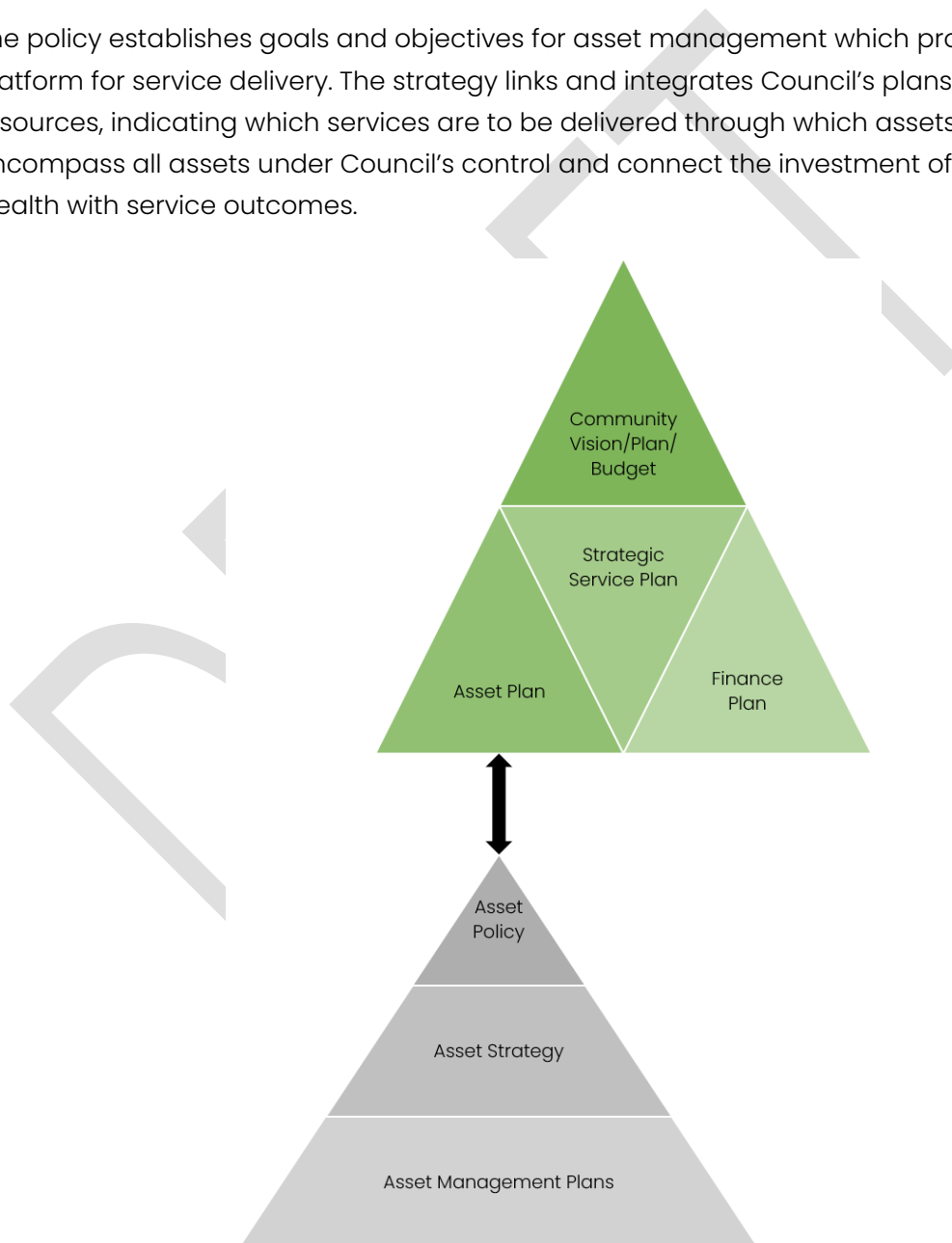

Figure 2-2 - The relationship between the key strategic documents, the AP and Council's Asset Management System.

3.   Lifecycle Planning

The goal of asset management is to meet a required level of service in the most cost-effective manner through the creation, acquisition, operation and maintenance, renewal and disposal of assets to provide for present and future communities.

This is done through lifecycle planning which has four key stages in the asset lifecycle (Figure 3-1):

- Planning and Management;
- Acquisition;
- Operation; and,
- Renewal or Disposal.

PLANNING

Asset management strategy
Planning for uncertainty
Business cases
Risk management
Cost/benefit analysis
Accounting treatment
Non-asset alternatives

ACQUISITION

Acquisition process
Risk evaluation
Procurement method

Leadership and accountability

Governance
Attestation
Performance management
Achievement of Government outcomes
Continuous improvement and flexibility

DISPOSAL

Retirement
Replacement
Renewal
Redeployment

OPERATION

Monitoring
Maintenance
Information management
Asset valuation
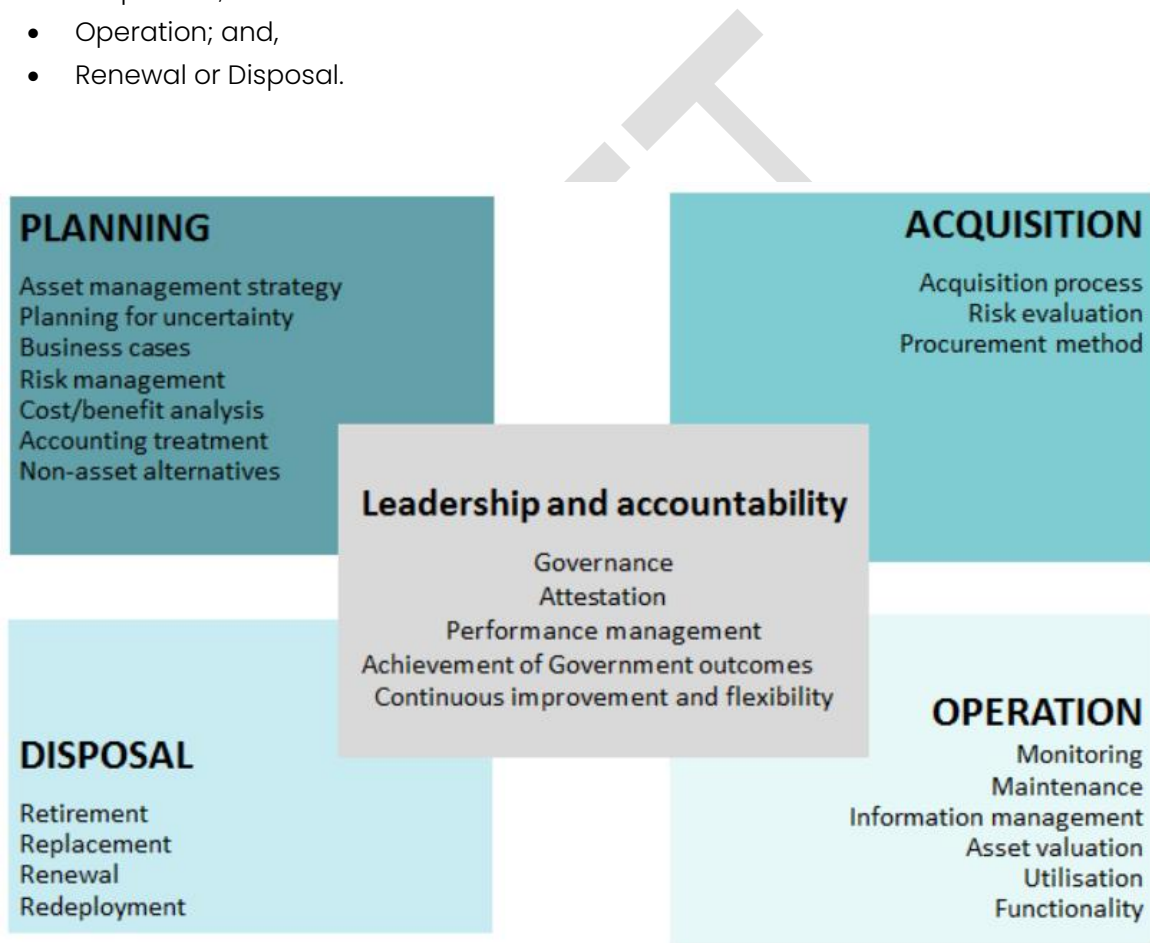Utilisation
Functionality

Figure 3-1 – Asset lifecycle planning outlined the in Asset Management Accountability Framework.

3.1. Categorisation of Expenditure

The categorisation shown in Table 3-1 below was used to define the criteria used to develop the renewal models.

Table 3-1 - Related the expenditure type used in the models

Expenditure Type	Activity	Description
Maintenance	Maintenance	Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works. Required to ensure that the asset achieves its useful life and provides the required level of service. It is an expenditure that was anticipated in determining the asset's useful life.
	Operations	Recurrent expenditure, which is continuously required to provide a service. Typically includes; power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation.
Renewal	Renewal	Expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability. Renewal or replacement of an existing asset returns the service potential or the life of the asset to that which it had originally. Examples include resheeting a gravel road, resealing roads, replacement of an internal wall in a building or replacement of an engine in a grader.
Upgrade	Upgrade	Expenditure that enhances an existing asset to provide a higher level of service or increases the life of the asset beyond its original life. Discretionary and often does not result in additional revenue unless direct user charges apply. Increases operating and maintenance expenditure in the future because it increases Council's asset base. Examples include adding a shade sail to a playground, replacing a pipe with a larger diameter pipe, widening an existing road, etc.
	Expansion	Extends or expands an existing asset at the same standard as is currently enjoyed by residents, to a new group of users.
Acquisition	Acquisition	Assets handed over to Council's possession as part of sub development and growth.

These colours correspond with the 10 year forecast figures outlined in the asset profiles.

3.2. Lifecycle costs

Using the definitions of expenditure type in Table 3-1, lifecycle costs can be categorised into four expenditure types: maintenance, renewals, upgrade and acquisitions. In Section 5 Asset Profiles, these expenditure types are summarised as 10-year forecasts for each asset category.

In defining the lifecycle models, it was determined that over the next 10 years Council will inherit almost $264 million worth of assets from upgrades and acquisitions. This will increase Council's asset portfolio from $842.3 million to $1.1 billion by 2031. These figures are based on the current value of the dollar and does not account for inflation. The financial projections will likely change into the future as Council matures in its asset management practices.

In terms of renewal expenditure, Council has budgeted $137 million over the next 10 years, the renewal modelling has determined that $153 million is needed to maintain current levels of service. This results in a shortfall of $16 million in funding, which is an average of $1.6 million per year over the next 10 years.

It is important to note that these renewal models and figures were derived using condition information from Council's AMIS. Although the condition is a useful indicator for triggering renewals and maintenance of assets, it is best practice to use a multi-criteria decision-making framework. These figures are preliminary and have highlighted opportunities for improvement in Council's data which will be reviewed and explored. These opportunities are different for each asset category and are explored further in Section 5 Asset Profiles.

4. Challenges and Changing Future Demand

Demand for new services will be determined first by community need, service design, service planning workforce planning and financial planning. Then assets that support the delivery of these services can be determined. This is also possible through a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand and demand management. Demand management practices can include non-asset solutions, insuring against risks and managing failures.

Acquiring new assets will commit Council to ongoing operations, maintenance, and renewal costs for the period that the service provided from the assets is required. These future costs will be identified and considered in developing forecasts of future operations, maintenance, and renewal costs with the next iteration of the AP.

Demand for services will be managed through a combination of upgrading and extending the asset network, service design, service reviews and innovation. This is to ensure that these assets meet the changing demand needs of the growing community into the future. Further opportunities for managing the challenges and demand will be developed in future revisions of the AP.

Council is currently facing the following challenges:

- Population Growth
- Changing Demographic
- Aging Infrastructure
- Rising Cost of Services
- Climate Change
- Managing Community Expectations
- Rate capping
- Service Planning

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented for each asset category. These challenges are further explored in Section 5 Asset Profile.

5.   Asset Profiles

The following section outlines the detail below for each Asset Category:

- what Council achieves from managing infrastructure assets;
- the services that are supported by the assets;
- how much they cost to replace;
- the types of assets within each asset category;
- the condition they are currently in;
- what the next 10 years look like in terms of expenditure and budget;
- what challenges Council are likely to face when managing these assets; and,
- the commitment Council can make to improving the asset management practices.

Summary

How much are Council's assets worth?

$52.2M
Bridges and Major Culverts

$128.5M
Buildings

$48.7M
Footpaths

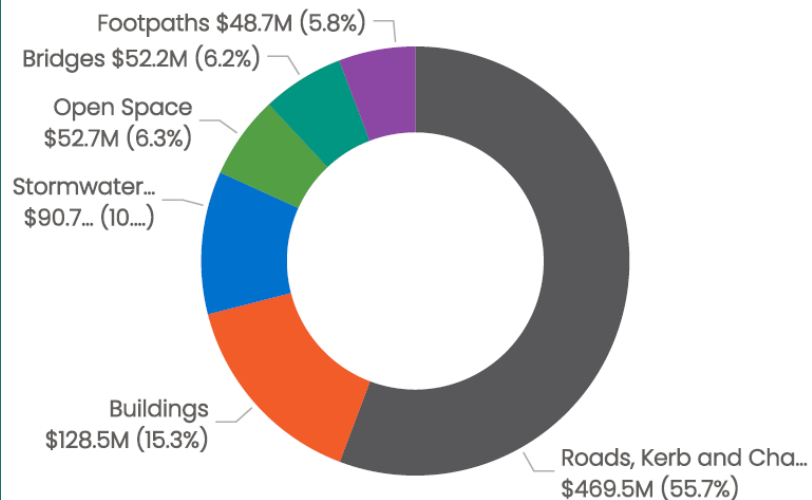**$52.7M**
Open Space

$469.5M
Roads, Kerb and Channel and Carparks

$90.7M
Stormwater

Replacement Cost by Asset Category

Legend: ● Roads, Kerb an... ● Buildings ● Stormwater As... ● Open Space ● Bridges ● Footpaths

- Footpaths $48.7M (5.8%)
- Bridges $52.2M (6.2%)
- Open Space $52.7M (6.3%)
- Stormwater... $90.7... (10....)
- Buildings $128.5M (15.3%)
- Roads, Kerb and Cha... $469.5M (55.7%)

What does the next 10 years look like?

$430.5M
Amount budgeted to be spent over the next 10 years.

$444.1M
Amount needed to maintain current levels of service.

($13.6M)
Amount underfunded over the next 10 years.

$842.3M
Current Replacement Cost of Council Assets.

$263.9M
Amount Council will inherit from Upgrades and Acquisitions.

$1.1bn
The Replacement Cost by 2031 according to current levels of growth.

5.1 Bridges and Major Culverts

207
Number of Bridges and Major Culverts

$52.2M
Replacement Cost

1.9
Average Condition

$23.9M
Accumulated Depreciation

($9.0M)
10 Year Funding Surplus (Shortfall)

Why does Council manage bridges and major culverts?

- To ensure the community can safely cross over rivers, waterways, reserves and other obstacles.
- Promote the usage of the road and footpath network for business and industry, particularly commuters, tourists and freight vehicles.

How much do they cost?

Asset Type	Amount	Replacement Cost
Bridge - Road	56	$23,163,278
Major Culvert	99	$17,720,607
Bridge - Pedestrian	52	$11,324,285
Total	207	$52,208,170

What services are supported by bridges and major culverts?

Transportation

Navigation

Safe accessibility

Freight Vehicle Usage

Tourism

What types of bridges does Council have?

Asset Type: ● Bridge - Road ● Major Culvert ● Bridge - Pedestri...

Bridge - Pedestrian $11.3M (21.7%)

Bridge - Road $23.2M (44.4%)

Major Culvert $17.7M (33.9%)

What condition are they in?

Number of Assets

- 1 – As New: 14
- 2 – Minor Deterior…: 43
- 3 – Fair Conditi…: 115
- 4 – Poor Conditi…: 29
- 5 – Replace or Renew: 6

Condition (out of 5)
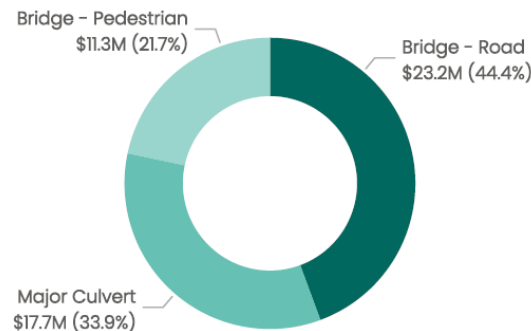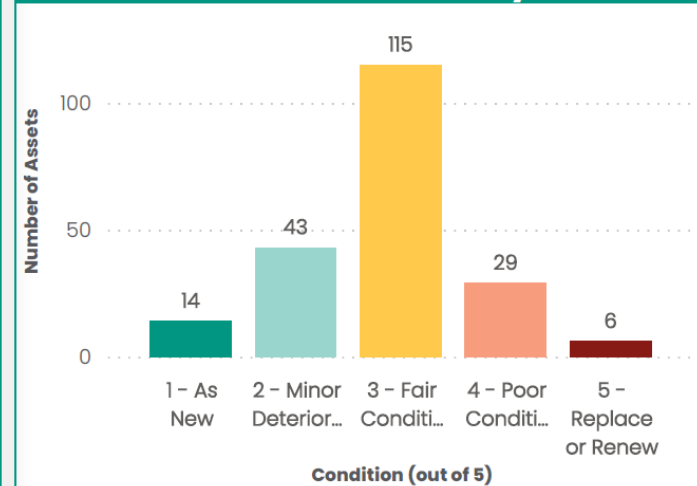
5.1 Bridges and Major Culverts

What does the next 10 years look like?

$13.8M — Amount budgeted to operate, maintain and renew Council's bridges and major culverts.

$22.7M — Amount needed over the next 10 years to provide the current level of service.

($9.0M) — Surplus (shortfall) in expenditure to achieve current levels of service.

$4.7M — Amount of new bridges and major culverts Council is inheriting as upgrades and acquisitions through subdivisions.

What challenges and opportunities will Council likely face in the future?

Rising Cost of Services
- Logistical supply chain issues caused by the pandemic and changing economic and social environment.
- Risk of not meeting the expected service level from the community.

Freight Vehicle Use
- Industry adopting PBS higher productivity freight vehicles.
- Greater permit requests for heavier vehicles driving need for bridge and road upgrades.

Climate Change
- More intense and frequent rainfall events causing damage to assets.
- Increase in maintenance and renewal demand.
- More frequent inspections are required.

Population Growth
- Population growth expected to continue at 3% per year.
- Greater usage of assets, increasing demand for upgrades (bridge widening).
- Increased subdivision developments.

How much investment is needed over the next 10 years?

Expenditure Type
- Acquisitions
- Disposal
- Maintenance
- Renewal
- Upgrade
- Budget Forecast
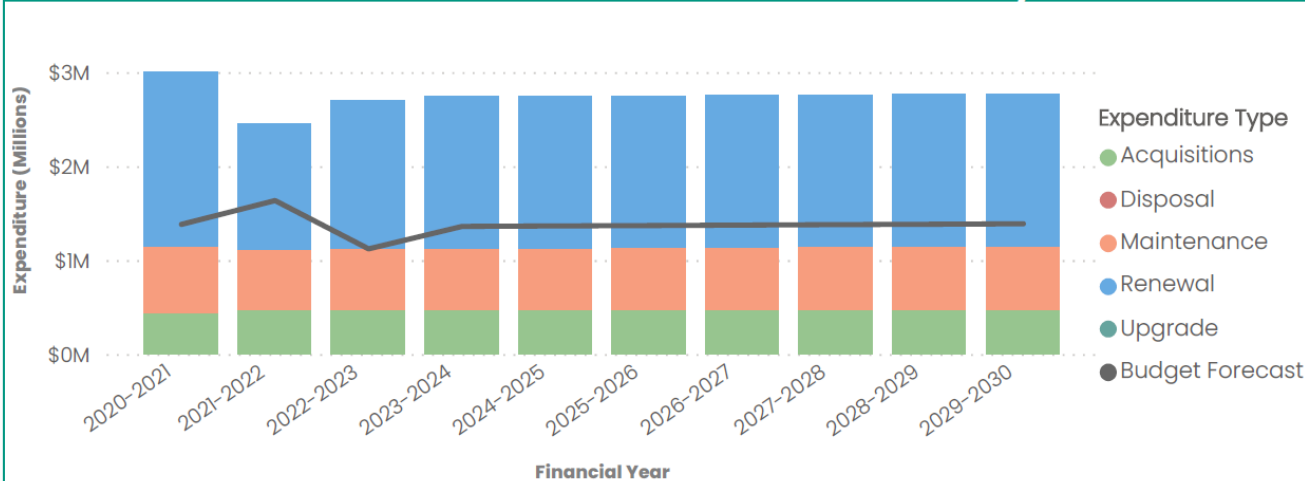
What's the improvemet plan?

Short Term
- Componentise bridges and major culverts to improve lifecycle planning of separate components rather than the whole structure.

Medium Term
- Develop levels of services for bridges and major culverts which outlines the utilisation, capacity and functionality.
- Determine when to intervene and renew or upgrade using the developed service levels.
- Develop long term plans which are consistent to inform the LTIP and LTFP using the predetermined service levels.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

5.2 Buildings

197
Number of Buildings

$128.5M
Replacement Cost

2.5
Average Condition

$61.5M
Accumulated Depreciation

$11.7M
10 Year Funding Surplus (Shortfall)

Why does Council manage buildings?

- Provide facilities which support sustainable communities and are responsive to changing needs.
- Ensure strategic priorities are actioned through the management of our facilities.
- Support community health, safety, wellbeing and mental health.
- Enable a strong local economy through support for business, innovation, local access to skills development and jobs.
- Promote community arts and events to create vibrancy and attract people to live work and play in Baw Baw.
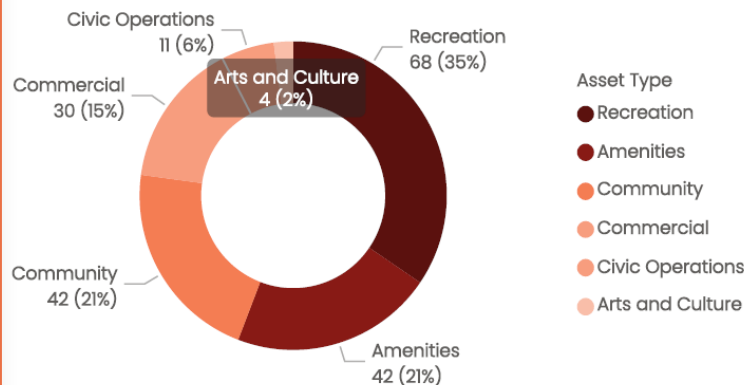
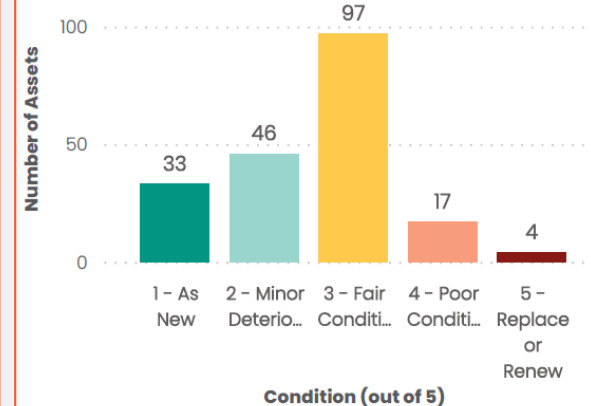## What services are supported by Council buildings?

Accessibility	Active Transport	Administration	Animal Housing and Care	Arts and Libraries	Community Access
Customer Service	Family and Children Services	Recreation and Leisure	Residential	Public Amenities	Storage	Tourism

How much do they cost?

Asset Type	Number of Buildings	Replacement Cost
Outdoor Sports Facility Building	51	$27,306,972
Indoor Leisure Centre Building	9	$25,038,059
Arts Centre	1	$17,980,000
Admin Building	3	$8,579,821
Community Hall	10	$8,215,906
Kindergarten	7	$5,337,259
Office Building	9	$5,041,010
Community Centre	15	$4,844,839
Miscellaneous	16	$3,977,459
Total	**197**	**$128,549,810**

What types of buildings are there?

Civic Operations 11 (6%)
Commercial 30 (15%)
Arts and Culture 4 (2%)
Recreation 68 (35%)
Community 42 (21%)
Amenities 42 (21%)

Asset Type
- Recreation
- Amenities
- Community
- Commercial
- Civic Operations
- Arts and Culture

What condition are they in?

Condition	Number of Assets
1 – As New	33
2 – Minor Deterio...	46
3 – Fair Conditi...	97
4 – Poor Conditi...	17
5 – Replace or Renew	4

Condition (out of 5)

5.2 Buildings

What does the next 10 years look like?

$128.1M — Amount budgeted to operate, maintain and renew Council's buildings.

$116.4M — Amount need over the next 10 years to provide the current level of service.

$11.7M — The surplus (shortfall) in expenditure to achieve current levels of service.

$85.0M — Amount of new buildings Council will be inheriting as upgrades.

What challenges and opportunities will Council likely face in the future?

Service Planning
- Limited understanding of current community expectations for services.
- Undefined levels of service and what is fit for purpose.
- Some asset types require defined service planners to make long term strategic decisions (public toilets).

Population Growth
- Population growth expected to continue at 3% per year.
- Greater usage of assets, increasing demand for upgrades and new facilities.
- Increased community expectations further driving demand for higher levels of service.

Aging Infrastructure
- Changing community expectations results in facilities that don't meet use needs and will require upgrade to provide higher levels of service.
- Long term planning is required to understand how Council will identify and (if needed) fund these higher service levels.

Accessibility
- 27% of residents are over the age of 60.
- Increased aging population driving greater need for accessible facilities.
- 44% of facilities non-compliant for DDA access.
- Increased demand for upgrades and new assets.

How much investment is needed over the next 10 years?

Expenditure Type:
- Acquisitions
- Disposal
- Maintenance
- Renewal
- Upgrade
- Budget Forecast
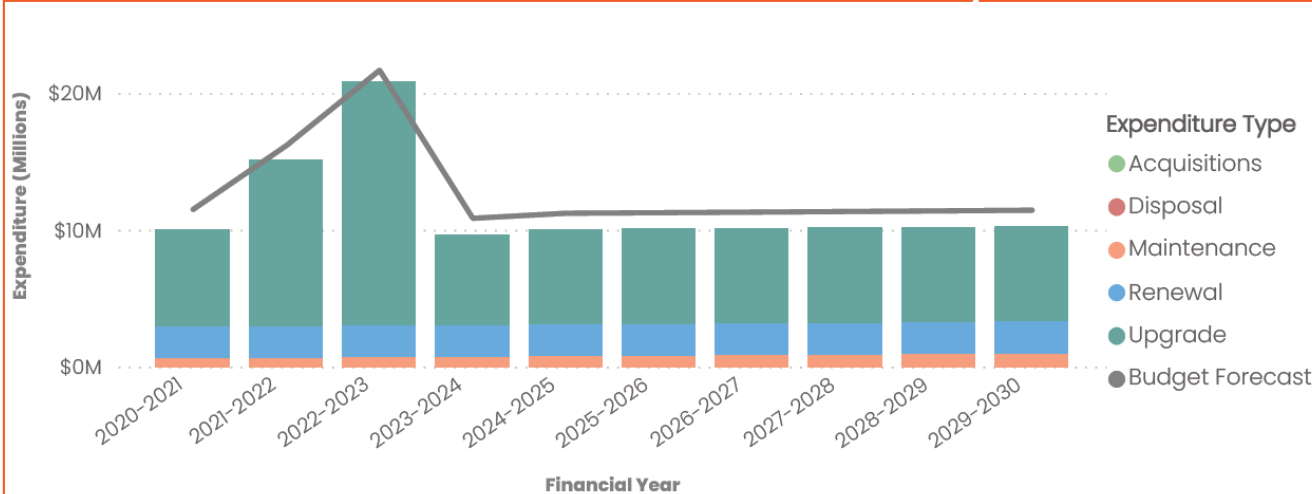
What's the improvement plan?

Short Term
- Componentise the buildings to improve lifecycle planning of separate components rather than the whole structure.

Medium Term
- Develop levels of services for buildings which outlines the utilisation, capacity and functionality.
- Determine when to intervene and renew or upgrade using the developed service levels.
- Develop long term plans which are consistent to inform the LTIP and LTFP using the predetermined service levels.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

5.3 Footpaths and Cycleways

515.7
Length of Footpaths (km)

$48.7M
Replacement Cost

1.4
Average Footpath Condition

$6.9M
Accumulated Depreciation

($7.2M)
10 Year Funding Surplus (Shortfall)

Why does Council manage footpaths?

- Promote a healthy, connected, and active community.
- Creating environments that support a diversity of sports and recreation opportunities and walkable communities across the shire.
- Connect and integrate townships through the footpath network to encourage walking as a mode of transport.

What services are supported by footpaths?

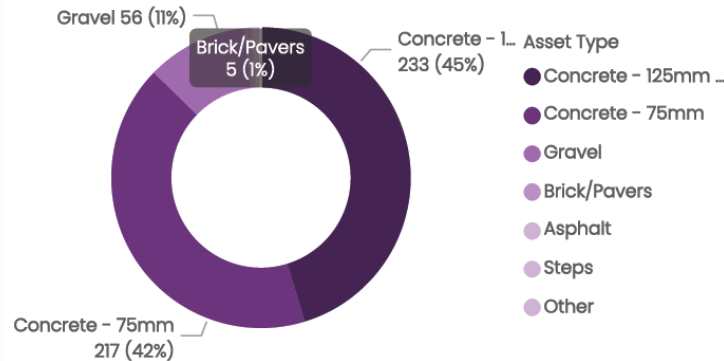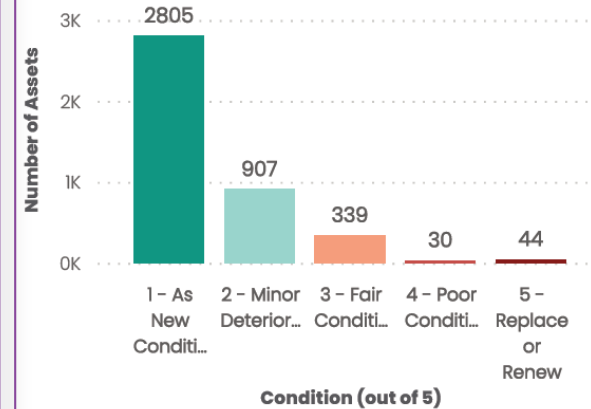Accessibility Active Transport Mobility Seating and Lighting Tourism

How much do these footpaths cost?

Asset Type	Length (metres)	Replacement Cost
Concrete – 125mm RC	233,365	$26,388,291
Concrete – 75mm	216,858	$19,576,232
Gravel	55,965	$1,290,346
Brick/Pavers	4,579	$1,063,303
Asphalt	4,500	$286,163
Steps	350	$42,187
Other	34	$7,121
Total	515,651	$48,653,643

What types of footpaths are there?

Gravel 56 (11%)
Brick/Pavers 5 (1%)
Concrete – 1... 233 (45%)
Concrete – 75mm 217 (42%)

Asset Type
- Concrete – 125mm ...
- Concrete – 75mm
- Gravel
- Brick/Pavers
- Asphalt
- Steps
- Other

What condition are they in?

Condition	Number of Assets
1 – As New Condition	2805
2 – Minor Deterioration	907
3 – Fair Condition	339
4 – Poor Condition	30
5 – Replace or Renew	44

Condition (out of 5)

5.3 Footpaths and Cycleways

What does the next 10 years look like?

$21.3M   Amount budgeted to operate, maintain and renew Council's footpaths.

$28.5M   Amount needed over the next 10 years to provide current levels of service.

($7.2M)   The surplus (shortfall) in expenditure to achieve current levels of service.

$34.1M   Amount of new footpaths Council will be inheriting as upgrades and acquisitions.

What challenges and opportunities will Council likely face in the future?

Service Planning
- Understanding current community expectations for service delivery.
- Documenting levels of service based on community expectations and future demand for services.
- The need for collecting and updating data standards to make data driven decisions.

Development Contributions
- Increased population growth is driving need for subdivision development.
- This development contributes $2.3M worth of footpaths annually of which Council will inherit future maintenance and renewal costs.
- Increased requirements for proactive inspections of our road network.

Accessibility
- Changing demographics of the population is driving demand for more accessible shared paths and trails.
- These expectations are driving the need for upgrades and extensions to the footpath network.
- These additional assets need long term maintenance and renewal planning.

How much investment is needed over the next 10 years?
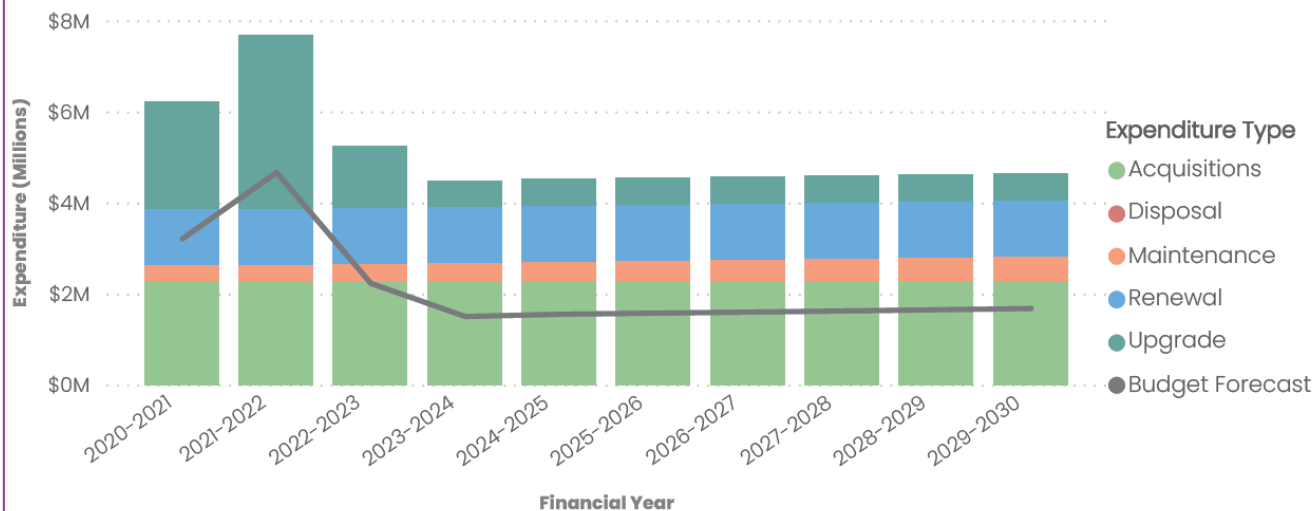
What's the improvement plan?

Short Term
- Implement data capture software to enable condition and maintenance information to be collected in the field.

Medium Term
- Develop levels of service for footpaths which outline the utilisation, capacity and functionality.
- Utilise the levels of service framework to develop long term plans which are consistent and will inform the LTIP and LTFP.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

5.4 Open Space

3535
Number of Assets

$52.7M
Open Space Replacement Cost

2.5
Average Condition

$27.5M
Accumulated Depreciation

($31.0M)
10 Year Funding Surplus (Shortfall)

Why does Council manage open spaces?

- Build sustainable environments that protect nature and meet the needs of the growing community.
- Protect, sustain and produce natural environments.
- Provide protection of natural environments, from tree coverage on streets to the natural landscapes and waterways through towns and villages.
- Preservation and conservation of state parks.
- Support community health, safety, wellbeing and mental health.
- To provide diverse and vibrant recreation and cultural places, spaces and offerings that bring the community together

What services are supported by open space assets?

Environmental Conservation

Passive Surveillance

Recreation

Seating and Lighting

Tree Management
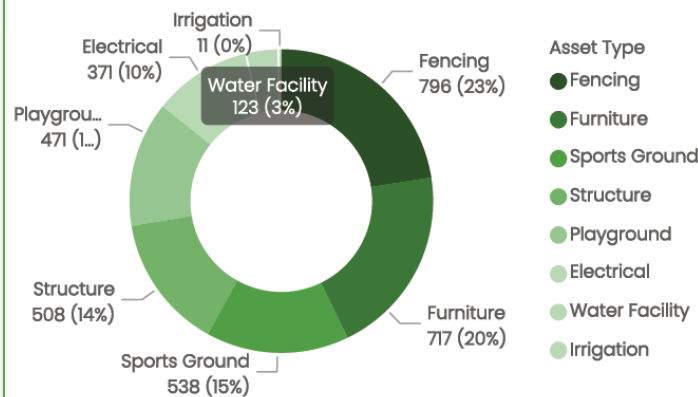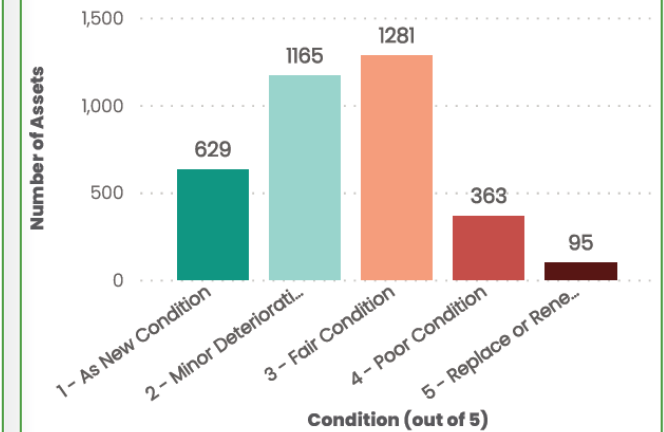
Weed Management

How much do they cost?

Asset Class	Number of Assets ▼	Replacement Cost
Sports Ground	538	$31,029,067
Playground	471	$6,531,765
Structure	508	$4,928,823
Fencing	796	$4,456,204
Electrical	371	$3,762,541
Furniture	717	$1,068,725
Water Facility	123	$493,247
Irrigation	11	$411,215
Total	3535	$52,681,588

How many open space assets are there?

Irrigation 11 (0%)
Electrical 371 (10%)
Playgrou... 471 (1...)
Structure 508 (14%)
Sports Ground 538 (15%)
Water Facility 123 (3%)
Fencing 796 (23%)
Furniture 717 (20%)

Asset Type
- Fencing
- Furniture
- Sports Ground
- Structure
- Playground
- Electrical
- Water Facility
- Irrigation

What condition are they in?

Condition (out of 5)	Number of Assets
1 – As New Condition	629
2 – Minor Deteriorati...	1165
3 – Fair Condition	1281
4 – Poor Condition	363
5 – Replace or Rene...	95

5.4 Open Space

What does the next 10 years look like?

$14.8M — Amount budgeted to operate, maintain and renew Council's open space assets.

$45.9M — Amount needed over the next 10 years provide current levels of service.

($31.0M) — The surplus (shortfall) in expenditure to achieve current levels of service.

What challenges and opportunities will Council likely face in the future?

Development Contributions
- Open space assets are currently not capitalised as part of sub-developments.
- Internal processes need to be developed to capture and capitalise these assets.
- By inheriting these assets Council will also inherit future maintenance and renewal costs.

Rising Cost of Services
- Logistical supply chain issues caused by the pandemic and changing economic and social environment.
- Risk of not meeting the expected service level from the community.
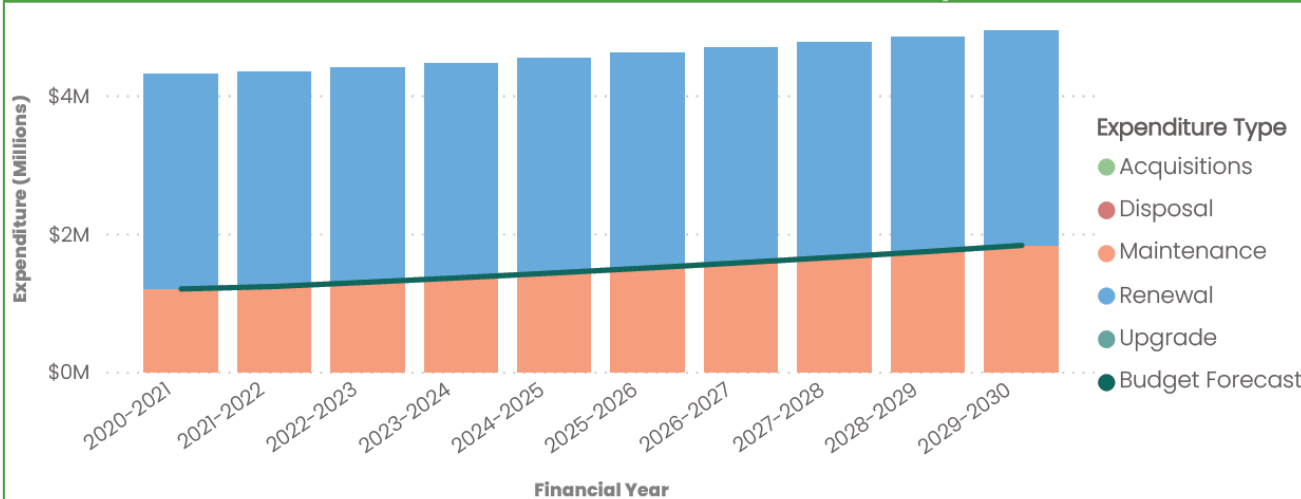
Population Growth
- Larger population leads to greater use of parks, open spaces.
- Changing demographic towards younger residents drive need for recreational services and changing expectations drives need for more access to services.

Service Planning
- Required to meet the increased need for connected communities through the activation of public open spaces.
- Need to document levels of service based on community expectations and changing future demand for services.

How much investment is needed over the next 10 years?

Expenditure Type
- ● Acquisitions
- ● Disposal
- ● Maintenance
- ● Renewal
- ● Upgrade
- ● Budget Forecast

What's the improvement plan?

Short Term
- Adopt open space asset register which can be used to provide service planners with insight into the performance of the network.
- Develop a process to capitalise and commit new open space assets as part of development contributions.

Medium Term
- Develop levels of services for open space assets which outlines the utilisation, capacity and functionality.
- Utilise the levels of service framework to develop long term plans which are consistent and will inform the LTIP and LTFP.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

25

5.5 Roads, Kerb and Channel and Carparks

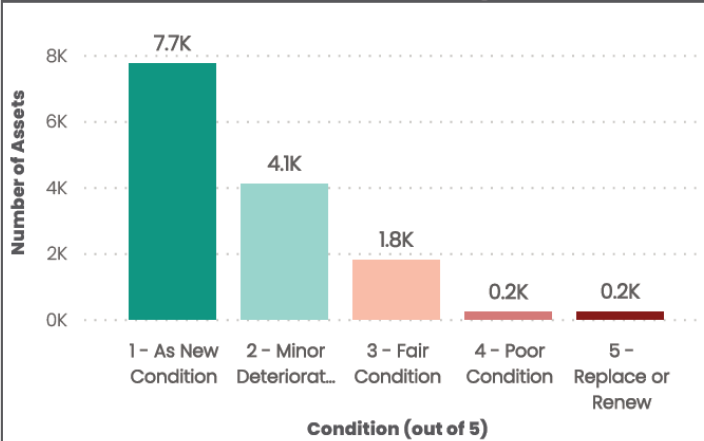|				
24.9K	**$469.5M**	**1.7**	**$89.3M**	**$24.7M**
Number of Assets	Replacement Cost	Average Condition	Accumulated Depreciation	10 Year Funding Surplus (Shortfall)

Why does Council manage roads?

- Ensure our transport options are future ready which helps our community better access services, work and education throughout the Shire.
- Support investment in emerging transport infrastructure and improved access across the Shire.
- Provide infrastructure that keeps pace with our region's growing population.
- Commit towards evolving transport options and embracing changing travel behaviour, (e.g. electric cars, bikes and autonomous vehicles).
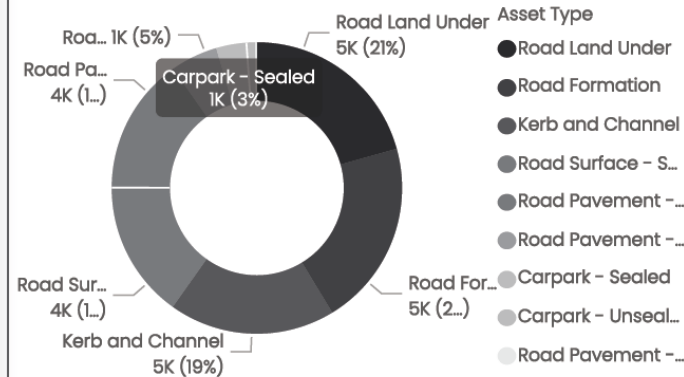
What services are supported by roads?

Emergency Management | Freight Vehicle Usage | Transportation | Navigation | Parking and Traffic Management | Stormwater Management | Tourism

What condition are they in?

Number of Assets (y-axis, 0K to 8K)

- 1 - As New Condition: 7.7K
- 2 - Minor Deteriorat...: 4.1K
- 3 - Fair Condition: 1.8K
- 4 - Poor Condition: 0.2K
- 5 - Replace or Renew: 0.2K

Condition (out of 5)

What types of roads assets are there?

Carpark - Sealed 1K (3%)
Road Land Under 5K (21%)
Roa... 1K (5%)
Road Pa... 4K (1...)
Road Sur... 4K (1...)
Kerb and Channel 5K (19%)
Road For... 5K (2...)

Asset Type
- Road Land Under
- Road Formation
- Kerb and Channel
- Road Surface – S...
- Road Pavement – ...
- Road Pavement – ...
- Carpark – Sealed
- Carpark – Unseal...
- Road Pavement – ...

How much do they cost?

Asset Class	Number of Assets	Replacement Cost
Road Pavement - Sealed	3788	$223,210,785
Road Formation	5153	$81,013,381
Road Surface - Sealed	3793	$63,423,226
Kerb and Channel	4621	$35,425,419
Road Pavement - Unsealed	1311	$34,521,509
Road Land Under	5154	$17,698,861
Carpark - Sealed	839	$10,371,750
Road Pavement - Concrete and Pavers	49	$1,956,753
Carpark - Unsealed	239	$1,906,538
Total	**24947**	**$469,528,221**

5.5 Roads, Kerb and Channel and Carparks

What does the next 10 years look like?

$228.1M — Amount budgeted to operate, maintain and renew Council's road assets.

$203.4M — Amount needed over the next 10 years to provide the current level of service.

$24.7M — The surplus (shortfall) in expenditure to achieve current levels of service.

$83.5M — Amount of new road assets Council is inheriting as upgrades and acquisitions (e.g. subdivisions).

What challenges and opportunities will Council likely face in the future?

Development Contributions
- Increased population growth is driving need for development.
- This development contributes $5.8M of road assets annually of which Council will inherit future maintenance and renewal costs.
- Increased requirements for proactive inspections of our road network.

Freight Vehicle Use
- Greater number of permit requests for heavier vehicles damages roads not designed to take heavy loading and increases the need for road upgrades.
- Increased number of complaints from residents.

Service Planning
- Limited understanding of service levels for roads when preparing long term programs.
- Currently not based on consistent criteria and programs are dependent on people rather than systems.
- Data, systems and process improvements is needed to make informed decisions.

Rising Cost of Services
- Caused by logistical supply leading to a shortage of material, labour, expertise.
- This includes recruitment for specialised roles who provide crucial assistance throughout the asset lifecycle.
- Some risks include: delayed project timeframes and increased variations for projects.

How much investment is needed over the next 10 years?

Expenditure Type:
- Acquisitions
- Disposal
- Maintenance
- Renewal
- Upgrade
- Budget Forecast
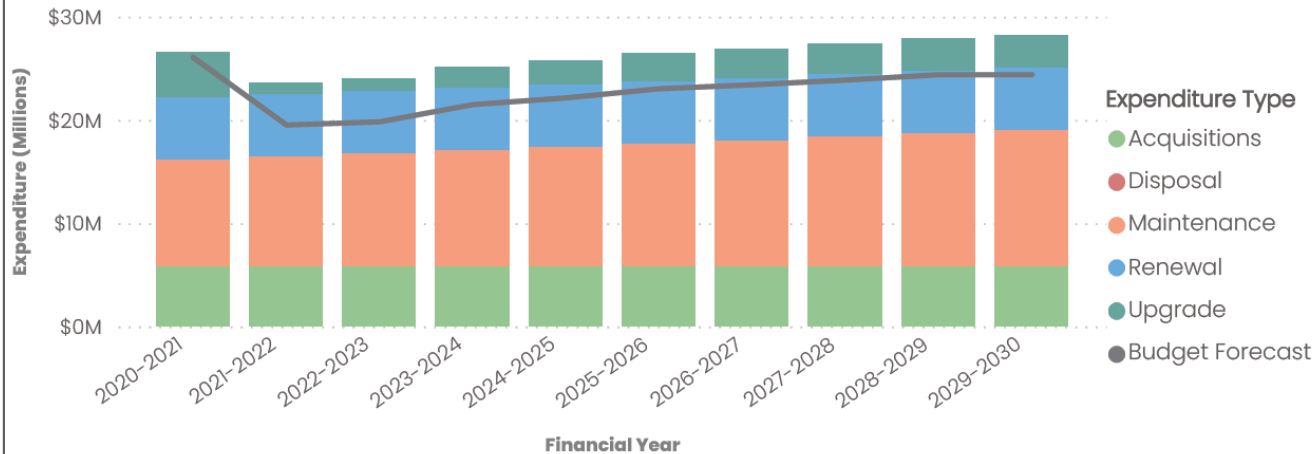
What's the improvement plan?

Short Term
- Develop a renewal prioritisation matrix which outlines a consistent set of criteria to be used to create long term capital works programs.

Medium Term
- Use the renewal prioritisation matrix to develop levels of services for all roads assets in terms of utilisation, capacity and functionality.
- Utilise the levels of service framework to develop long term plans which are consistent and will inform the LTIP and LTFP.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

5.6 Stormwater Drainage

28.4K
Number of Assets

$90.7M
Replacement cost

1.5
Average Condition

$16.6M
Accumulated Depreciation

($2.7M)
10 Year Funding Surplus (Shortfall)

Why does Council manage stormwater assets?

- To provide environmentally sustainable development for residential areas the Shire that consider livability, energy, ecology, water management, urban heat, materials and waste.
- Deliver services and solutions for communities that respect our region's urban, rural and natural landscapes.
- Ensure there is consistent and clear protection for natural and built environments including waterways through towns and villages.
- Protect rural and natural environments that support the health of our local wildlife, trees, rivers and forests; as well as places and landscapes for the community to enjoy and gain positive mental, social and physical health benefits.

What services are supported by stormwater assets?

Flood Protection
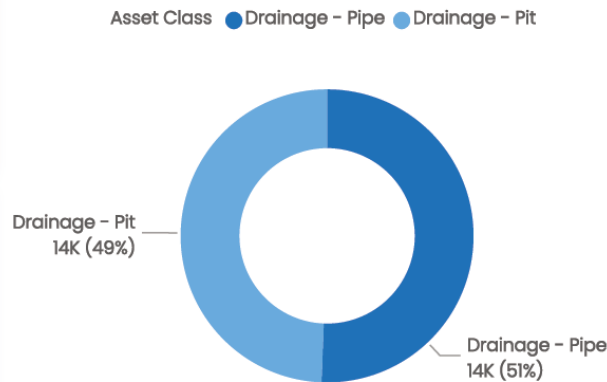
Stormwater Conveyance
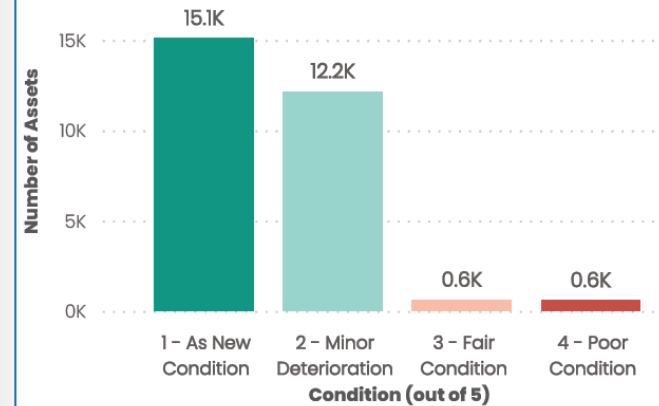
Stormwater Management

Stormwater Treatment

Waterway Conservation

How much do they cost?

Asset Class	Number of Assets	Replacement Cost
Drainage - Pipe	14397	$58,996,716
Drainage - Pit	14048	$31,715,794
Total	28445	$90,712,510

What types of stormwater assets are there?

Asset Class ● Drainage - Pipe ● Drainage - Pit

Drainage - Pit
14K (49%)

Drainage - Pipe
14K (51%)

What condition are they in?

15.1K — 1 – As New Condition
12.2K — 2 – Minor Deterioration
0.6K — 3 – Fair Condition
0.6K — 4 – Poor Condition

Number of Assets
Condition (out of 5)

28

5.6 Stormwater Drainage

What does the next 10 years look like?

$24.4M — Amount budgeted to operate, maintain and renew Council's stormwater assets.

$27.1M — Amount needed over the next 10 years to provide the current level of service.

($2.7M) — The surplus (shortfall) in expenditure to achieve current levels of service.

$56.6M — Amount of new stormwater assets Council will inherit as upgrades and acquisitions (e.g. subdivisions).

What challenges and opportunities will Council likely face in the future?

Development Contributions
- Increased population growth is driving need for development.
- This development contributes $4.2M worth of stormwater assets annually.
- These assets also have a maintenance and renewal requirement.
- The maintenance budgets must be adjusted annually to account for the additional assets.
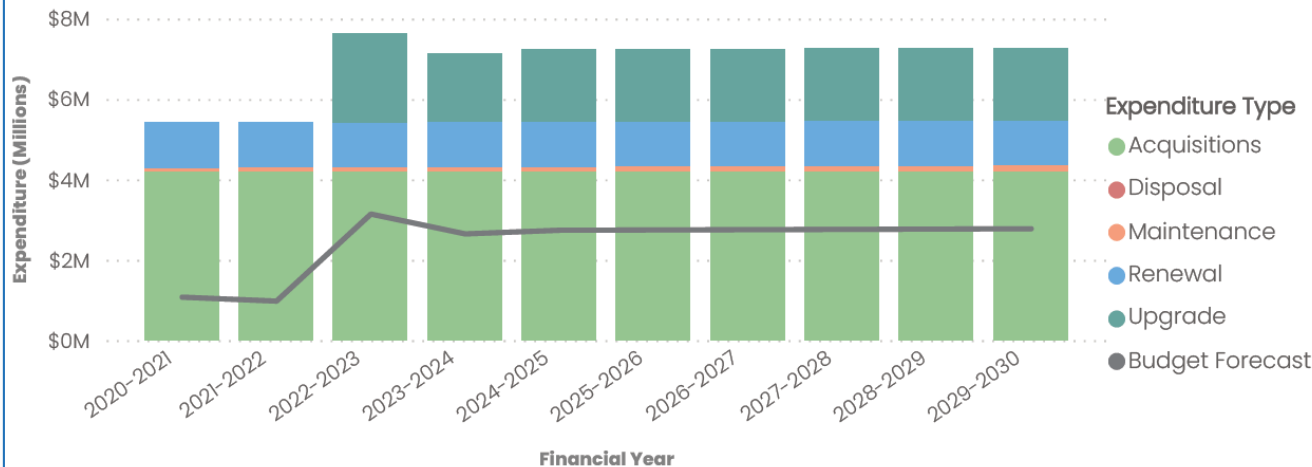
Climate Change
- Intense and frequent rainfall events have exposed problematic areas for our stormwater network.
- These event will increase into the future and cause damage to not only stormwater assets but also other surrounding assets (e.g. roads, buildings).
- The damage caused will Increase the maintenance and renewal demand.

Service Planning
- The shortfall is calculated using current condition and does not take into account levels of service.
- Current renewal and maintenance programs and renewal programs do not account for assets inherited as part of growth.
- Further service planning is required to develop levels of service.

How much investment is needed over the next 10 years?

Expenditure Type:
- Acquisitions
- Disposal
- Maintenance
- Renewal
- Upgrade
- Budget Forecast

(Y-axis: Expenditure (Millions), $0M–$8M; X-axis: Financial Year, 2020-2021 to 2029-2030)

What's the improvement plan?

Short Term
- Improve the quality of data through data collection projects gain a greater understanding of the physical performance.
- Review financial information (useful lives, replacement costs) in the asset register.

Medium Term
- Develop a Shire-wide drainage strategy which outlines levels of services in relation to the utilisation, capacity and functionality.
- These levels of service will provide a framework to develop long term plans which are consistent and will inform the LTIP and LTFP.

Long Term
- Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.

6. Plan Improvement and Monitoring

The improvement actions for each asset category have been summarised in Table 6-1 below. These actions are required to raise the competency of asset management within Council to the desired state over the short, medium and long term.

Table 6-1 - Improvement Plan with actions for each asset category

Asset Category	Short Term	Medium Term	Long Term
Bridges	Componentisation of bridges and major culverts	Develop levels of service	Create 10 year lifecycle scenarios that inform the annual budget, LTFP and LTIP.
Buildings	Componentise building assets	Develop levels of service	Create 10 year lifecycle scenarios that inform the annual budget, LTFP and LTIP.
	Assign service planners for each asset type		
Footpaths	Implement data capture software	Develop levels of service	Create 10 year lifecycle scenarios that inform the annual budget, LTFP and LTIP.
	Develop a prioritisation matrix for reviewing renewal programs		
Open Space	Implement the Open Space Register in the AMIS	Develop levels of service	Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.
	Develop processes for capitalising open space assets handed over through development contributions		
Roads Kerb and Channel and Carparks	Develop renewal prioritisation matrix	Use the prioritisation matrix to develop levels of service	Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.
Stormwater	Improve the condition data in AMIS	Develop shire wide drainage strategy.	Create 10 year lifecycle scenarios using strategic modelling to inform Annual Budget, Asset Plan, LTIP and LTFP.
	Review financial information in the AMIS	Develop levels of service	