



GLEN EIRA
CITY COUNCIL

BENTLEIGH
BENTLEIGH EAST
BRIGHTON EAST
CARNEGIE
CAULFIELD
ELSTERNWICK
GARDENVALE
GLEN HUNTLY
MCKINNON
MURRUMBEENA
ORMOND
ST KILDA EAST

GLEN EIRA ASSET PLAN 2022–2032



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Acknowledgment of Country

Glen Eira City Council acknowledges the Boonwurrung/Bunurong and Wurrundjeri Woi Wurrung peoples of the Eastern Kulin Nation as Traditional Owners and Custodians, and pays respect to their Elders past, present and emerging.

We acknowledge and uphold Traditional Owner's continuing relationship to the land and waterways. Council extends its respect to all Aboriginal and Torres Strait Islander peoples.

Definitions

Terminology	Description
Infrastructure Assets	Are tangible assets which facilitate the delivery of services to the community, e.g., roads, facilities, footpaths, drains, parks.
Capital Expenditure	Expenditure for new infrastructure and for the renewal or upgrade of existing assets that enhances the service potential of the assets.
Maintenance	Expenditure that is incurred to ensure that the asset continues to provide its pre-determined service capacity and quality and achieves its expected useful life. Maintenance expenditure is of a regular and ongoing nature.
Long Term Financial Plan	A Financial Plan based on a Service Level Target that produces a year-by-year forecast of the investment needed in capital renewals, capital upgrades, new infrastructure and ongoing maintenance.
Financial Ratios	Reporting ratios in Financial Statements - Renewal funding ratio, Life Cycle Indicator and Consumption Ratio.
Renewal Funding Ratio	Planned renewal budget for the next 10 years / Desired renewal costs for the next 10 years (as per the desired service level). Recommended target = 85-115%.
Lifecycle Ratio	Planned 10-year LTFP / Desired 10-year LTFP costs (maintenance, renewal, upgrade and new expenditure for desired service level). Recommended target = 85-115%.
Consumption Ratio	Written down Value of an asset / Gross Replacement costs measured using the remaining life of an asset or its component. Recommended target = 65-80%.
Asset Back-log	The proportion of assets in state 5 and 6 based on the National Framework of 0-6 where 0 = best state and 6= worst state. Recommended target is to keep the backlog below 5%.
Service Centric Approach	An approach where the characteristics, locations, condition and functional fitness of future assets are defined by the services that Council intends to provide and the levels at which these services are targeted.
Intervention Level	A physical state of an asset defined by its condition, capacity or functionality at which Council will determine a treatment action.
Level of Service	A target state of the asset defined by its condition, capacity, functionality, availability and reliability to deliver a service it is intended to deliver. Assets with high criticality to the community would generally be deemed to deliver a higher level of service.

Asset Criticality	Assets operating in an environment that could result in significant impacts on the business if the asset fails.
Service Planning	Planning methodology for infrastructure that uses a service defined approach based on primary and secondary services that Council provides. Service Planning ensures that Council's focus is on delivering an outcome and assets simply become a means to an end.

Executive Summary

Glen Eira City Council (GECC) are custodians of approximately **\$1.00 Billion** of Infrastructure assets, which are managed on behalf of the community. These assets exist in order to facilitate the services provided by Council, for the benefit of current and future generations.

As custodians of these assets, we have a responsibility to manage these assets in the most cost-effective manner by considering the lifecycle of the asset from creation and acquisition to maintenance and operation, through to rehabilitation, renewal and disposal.

The Asset Plan (the Plan) represents a key component of the Local Government Integrated Strategic Planning Reporting Framework (ISPRF) and sits alongside the Financial Plan. The Plan aims to communicate the importance and magnitude of the infrastructure assets that we manage by detailing the types of assets Council controls and how we will manage these assets over the next ten years to meet the current levels of service.

The infrastructure assets for the purpose of this Plan, are categorised into roads and transport, buildings and facilities, stormwater drainage and open space. The Plan provides details on the state of these assets, their respective conditions and the associated long-term funding required to ensure that they meet service levels.

The Plan details the challenges and opportunities anticipated over the next ten years and identifies the associated impacts on asset management and service delivery. The challenges and opportunities were identified through the initial phase of community consultation, which guided the development of this Plan through the identification of key feedback themes. These themes included the importance of the sustainability and resilience of our assets with respect to climate change and the provision and accessibility of open space.

In recognition of the feedback, the Plan references and aligns with our Climate Emergency Response Strategy, with direct reference to Goal 1 – “embed climate change action in everything that we do” and Goal 3 – “Council owned buildings and infrastructure are resilient and safe to our staff and community”. The Plan also supports and aligns with the goals and objectives of the Open Space Strategy, through asset life cycling planning.

Furthermore, as an outcome of the deliberative engagement process, the citizens panel identified four recommendations, which have been incorporated into the Plan, as improvement initiatives. These initiatives include Climate Resilience and Environmental Sustainability, Governance and Culture, Information Management and Reporting and Lifecycle and Long-Term Planning. These improvement initiatives will guide the review and refresh of Council’s Asset Management Framework documents which includes the Asset Management Policy, Asset Management Strategy, and Asset Management Plans (service led).

The identified improvement initiatives will inform the development of the Asset Management Strategy in the form of strategic objectives. These strategic objectives will be achieved through the identification of actions to support each respective objective.

The Plan aligns and integrates with the Community Vision, Council Plan and Financial Plan as per the requirements of the *Local Government Act 2020* (the Act). As part of Council's Integrated Reporting and Planning Framework (IPRF), the Plan also aligns and references the objectives of Council's tier one strategies, which include the Urban Forest Strategy, City Plan and Community Wellbeing Plan.

Our Assets		
	Roads and Transport Roads - 465km Right of Ways – 33km Footpaths – 866km Local Area Traffic Management Devices – 1370 Kerb and Channel – 832km Carparks – 168,500 sqm	Replacement Value: \$398.2 M Annual Depreciation: \$7.1 M
	Buildings and Facilities 511 buildings and community facilities	Replacement Value: \$298.6M Annual Depreciation: \$5.5 M
	Stormwater Drainage Pipes – 600 km Pits – 25,200	Replacement Value: \$197.0 M Annual Depreciation: \$ 2.0 M
	Open Space Open space reserves – 72 Playgrounds - 47 Parks, reserves, sporting grounds – 186 hectares	Replacement Value: \$113.1 M Annual Depreciation: \$5.4 M

1. Introduction

The Plan forms part of the suite of strategic documents which provides direction and details how Council will strategically manage its assets effectively and efficiently to meet its current service levels. These documents are referred to as Council's Asset Management Framework (AMF) and include the Asset Management Policy, Asset Management Strategy and Asset Management Plans. The relationship between the Asset Plan and the AMF is presented diagrammatically below.

This first iteration of the Plan aims to provide a general overview that summarises the key elements of the Asset Management Plans and the broader Asset Management Framework (AMF). The Plan is the catalyst for Council's continuous improvement journey towards service led Strategic Asset Management. Recognising this, a holistic review and refresh of Council's AMF will follow the adoption of the Plan.

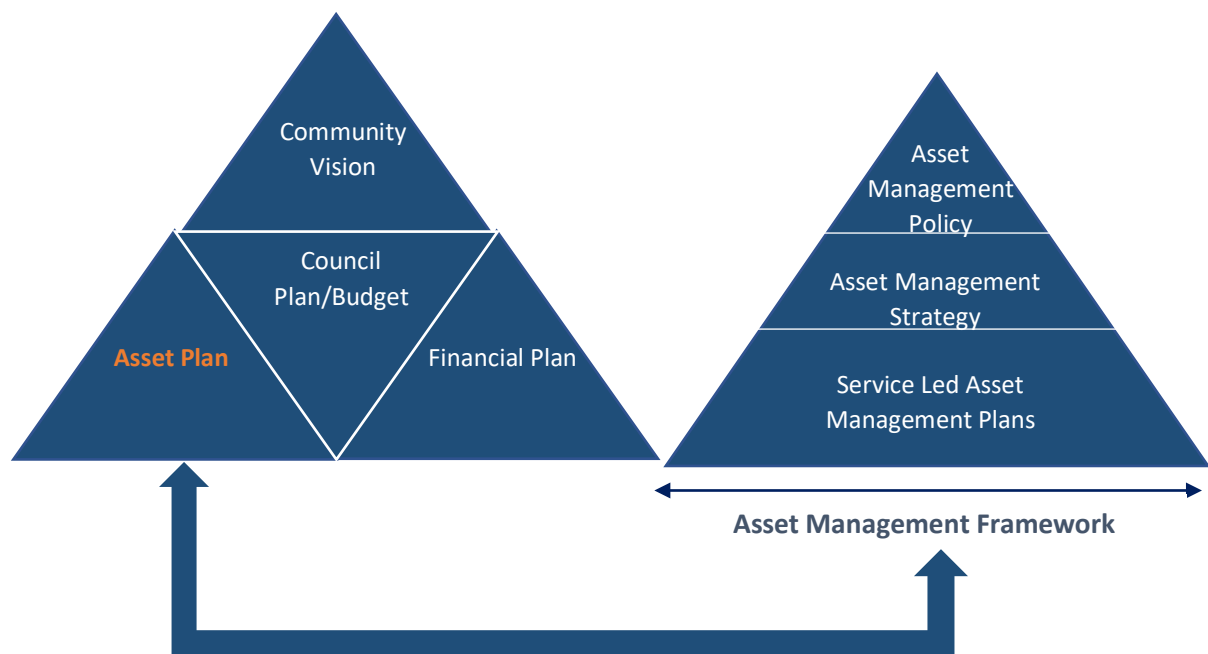


Figure 1: How the Asset Management Framework relates to the Asset Plan and Council's key strategic plans

Document	Function	Scope
Asset Plan	Provides a high-level overview of Council's infrastructure assets and the projected costs considering acquisition, maintenance, renewal, upgrade and disposal over a ten-year horizon.	Summarises key information from the AMF, particularly the Asset Management Plans, whilst integrating with the Financial Plan.
Asset Management Policy	Guides Council's commitment to sustainable lifecycle management of its assets to support ongoing service delivery.	Outlines aspirations and commitments in the Council Vision and Plan.
Asset Management Strategy	Details how Council will achieve its asset management policy objectives.	Documents the implementation of actions aimed at improving Asset Management practices, plans, processes and procedures within Council.
Asset Management Plans	Outlines the activities and programs necessary to achieve the defined levels of service in the most cost-effective manner.	Documents Council's long-term plans for each major class of Asset. The Plans outlines activities and programs necessary to achieve the defined Levels of Service in the most cost-effective manner.

1.1 The Purpose of the Asset Plan

The Plan has been developed to meet the requirements of section 92 of the Act. The Plan forms part of Council's key strategic documents as part of the integrated approach to planning Council's long-term goals, alongside the Community Vision and Council Plan.

More specifically the purpose of the Plan is to:

- Ensure we comply with our legislative obligations
- Ensure there is integration between the Community Vision, Council Plan and the Financial Plan
- Demonstrate that Council will responsibly manage our assets to meet the service delivery needs of our community over the next ten years.
- Summarise the operating and capital expenditure requirements for these assets

The Plan has been developed on the premise of Council's understanding of the performance of its assets and informed assumptions. We anticipate that the assumptions and predicted financial forecasts will be revised as part of Council's continuous improvement journey and improved maturity in strategic asset management. Recognising this, the Plan is anticipated to be a dynamic document which will be monitored and updated, with any major changes to be reflected in the second iteration of the document, following community consultation.

What is An Asset?

Assets facilitate the delivery of services.

A key objective of Council is the provision of services to the community. These services are supported by physical and non-physical assets.

What is Asset Management?

Asset management is the framework of a coordinated series of activities and processes that monitor and maintain Council's infrastructure assets in the most cost-effective manner, to maximise the life of these assets.

Council aims to achieve this by balancing cost, service requirements, risks, opportunities,

Why is Asset Management Important?

Council manages an infrastructure asset portfolio of approximately \$1.02 Billion. As these assets allow Council to provide services to the community, the responsible management of these assets through Council's asset management framework will help ensure that Council will continue to deliver these services to the standards required by the community.

Moreover, by utilising the coordinated approach set by this Plan and the AMF, Council is able to make informed decisions on how to invest its resources to achieve the long-term objectives set out in the Community Vision and Council Plan.

1.2 The Scope of the Asset Plan

The focus of this Plan will be the management of physical infrastructure assets that are categorised into roads and transport, buildings and facilities, stormwater drainage and open space.

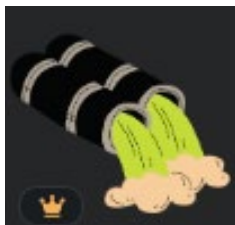
Roads and Transport



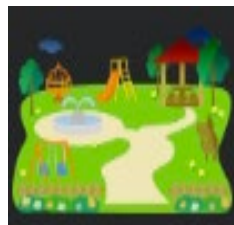
Buildings and Facilities



Stormwater Drainage



Open Space



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. Figure 2 contextually highlights the relationship via Council's Integrated Planning and Reporting Framework (IPRF).

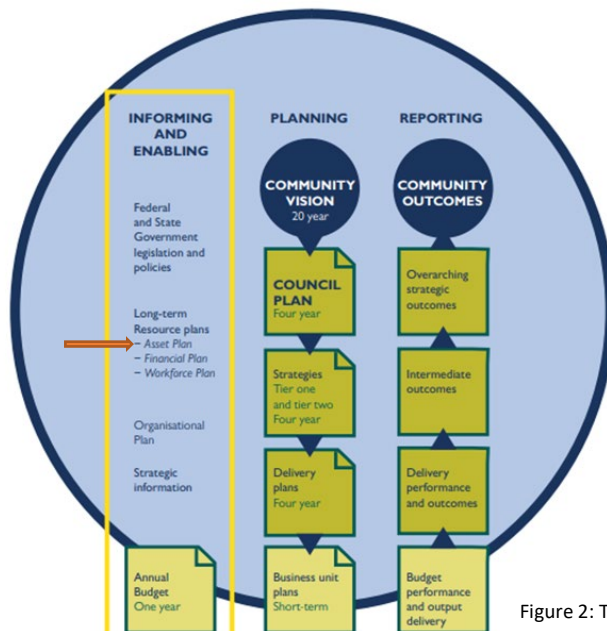


Figure 2: The Integrated Planning and Reporting Framework

The IPRF is Council's commitment to building a strategic planning and reporting system that acknowledges the interdependencies of our various streams of work and activity. It recognises that the community outcomes we achieve are usually the result of the contributions of many internal departments, stakeholders and partnerships, and that we are stronger when we ensure our efforts are aligned and connected. It enables integration between our asset, financial and resource planning in the short and longer term.

2.1 Local Government Act 2020

The Plan is prepared in accordance with Section 92 of the Act. The Act explicitly stated under Clause 3 that the Plan must include "Information about maintenance, renewal, acquisition, expansion, upgrade, disposal and decommissioning in relation to each class of infrastructure asset under the control of Council".

The Plan also aims to align with the "Asset Plan Guidance 2022" document developed by Local Government Victoria. The document suggests the content of Plan could include:

- Strategic intent on how Council manages its assets
- Compliance with the Integrated Strategic Planning and Reporting Framework.
- The community engagement requirement
- Alignment with the Community Vision, Council Plan and Financial Plan.

2.2 Community Vision

The Community Vision outlines the strategic goals for municipality's future. As per the IPRF, the Plan forms part of Council's key long-term documents, which aims to outline how Council will achieve the goals set out in the Community Vision.

“Our Glen Eira: A thriving and empowered community working together for an inclusive and sustainable future”.

The Community Vision is informed by six guiding principles that the Plan aligns with.

Principle 1 - we work together

Principle 2 – Planning for community resilience

Principle 3 – Inclusive and healthy community

Principle 4 – Maximise and diversify our green and natural spaces

Principle 5 – We are proactive in meeting challenges and innovate using evidence-based methods

Principle 6 – Promote and develop our creative potential, celebrate our diverse identities through art and other cultural expression

2.3 Council Plan

The Council Plan commits to strategic directions which are achieved through strategic outcomes and priorities. The Plan supports and aligns with the strategic outcomes and priorities of the Council Plan by supporting the delivery of services through effective asset management of the assets which enable and facilitate these services.



Figure 3: Strategic Direction themes of Council Plan

Strategic Direction	What we will do
01 – Well Informed and transparent decisions and highly valued services	We build trust through engaging with our community, delivering quality services and making evidence-based decisions.
02 – Access to well designed and maintained open spaces and places	Our public open spaces and places support a healthy and connected community and contribute to a more sustainable and vibrant City. We will focus on proactively acquiring, developing and unlocking public open spaces and places for our residents to support this.
03 – A liveable and well planned City	Our planning aims to balance population growth with enhancing the unique character and heritage of our City. We will actively progress our planning priorities to manage growth and maintain the character and heritage of our City and advocate for a transport network that provides safe, accessible and sustainable transport options for our community; and enhancing our activity centres to be thriving and vibrant hubs.
04 – A green and sustainable community	We will partner with the community, other agencies and all levels of government to prioritise environmental initiatives to become a city that mitigates and adapts to climate change.
05 – A healthy, inclusive and resilient community	We will support accessible pathways, activities and leisure activities for people of all ages and abilities, particularly those most in need; and deliver services, events and programs that recognise and celebrate our broad interests and differences and promote participation for all.

The Plan will be formally reviewed every four years following the adoption of the Council Plan. This will ensure that the Plan remains current with the changing needs and aspirations of the Council and community.

2.3 Financial Plan

The Financial Plan provides a long-term view of the resources that Council expects to be available and how these will be allocated and prioritised over the next 10 years.

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

The Asset Plan is intrinsically integrated with the budgets and projections outlined in our Financial Plan. The Financial Plan in conjunction with the Asset Plan supports Council in achieving ongoing aim of affordability and financial sustainability.

2.4 Relevant Strategic Documents

The Plan is supported by a number of other strategic documents which include but are not limited to:

- Open Space Strategy
- Active Recreation Action Plan
- Asset Management Plans
- Urban Forest Strategy
- Park master plans
- Glen Eira City Plan
- Integrated Transport Strategy
- Tennis Strategy
- Pavilion Redevelopment Strategy
- Climate Emergency Response Strategy
- Urban Forest Strategy
- Sustainable Building and Infrastructure Policy
- Community Wellbeing Plan 2021-2025
- Community Safety Action Plan
- Gender Equality Action Plan
- Property Strategy



3. Our Assets

Council manages a portfolio of approximately **\$1.00 Billion** worth of infrastructure assets. This Plan provides guidance on Council infrastructure assets that are categorised into roads and transport, buildings and facilities, stormwater drainage and open space.

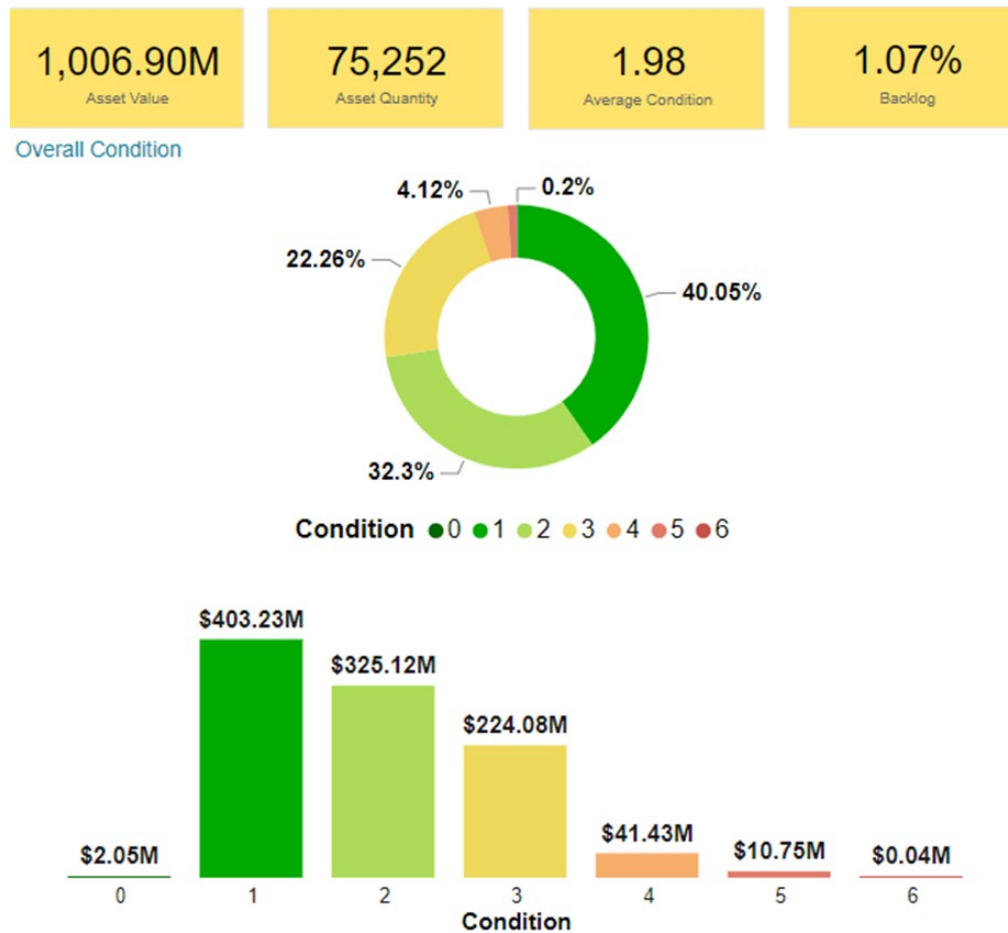


Figure 4: our asset portfolio
Image courtesy of City of Unley

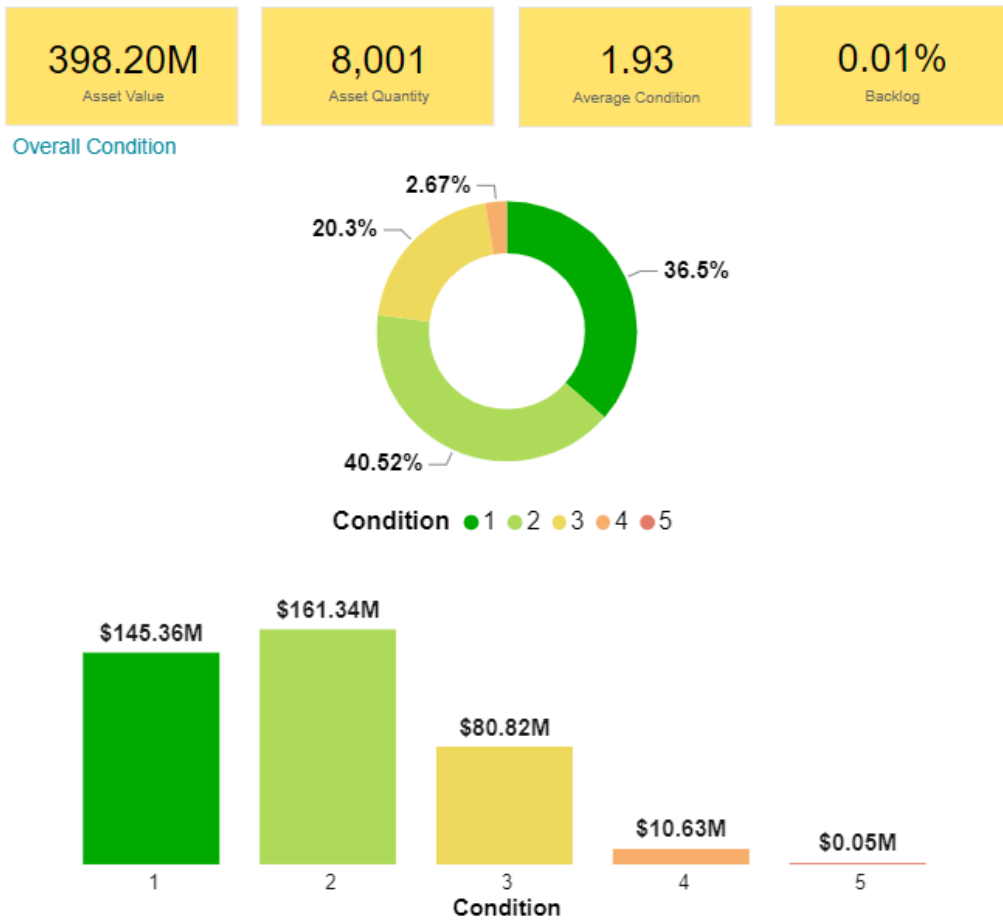
3.1 The State of Our Assets

Our community determine the demand and value of the services our assets provide. The performance of our infrastructure assets is measured on agreed service levels through ongoing condition assessments of our infrastructure.

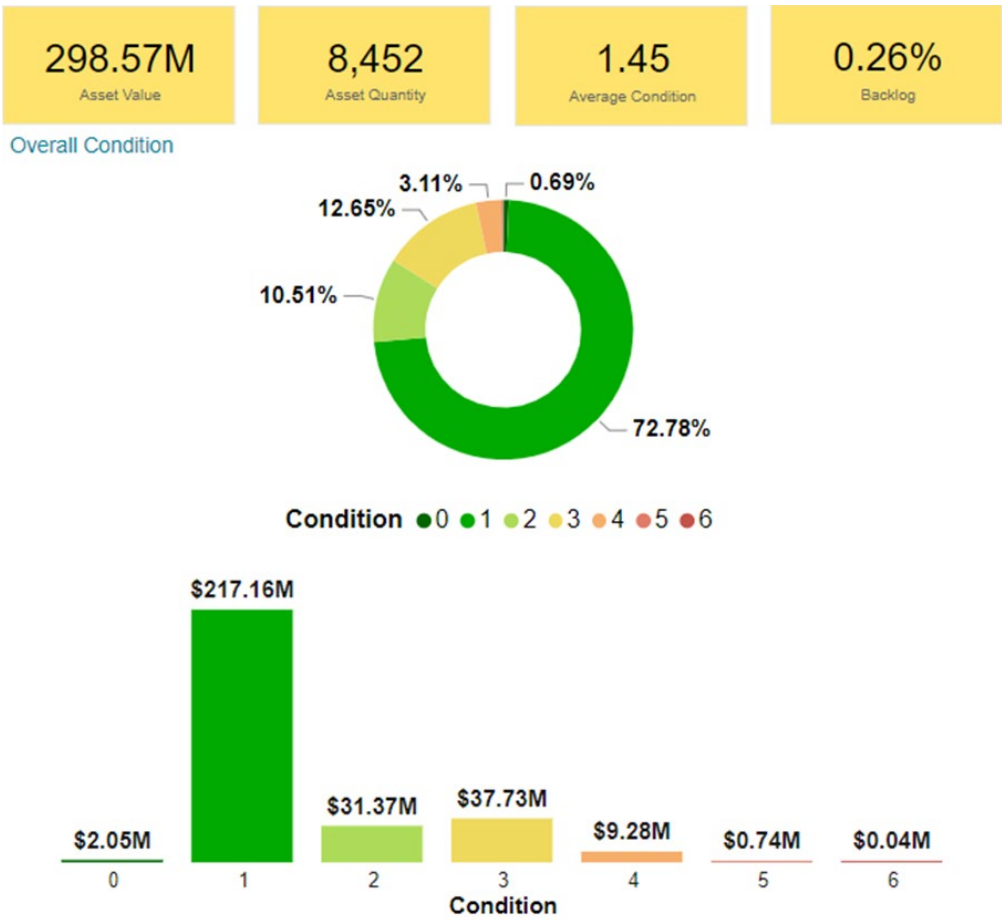
Overall Condition



Roads and Transport



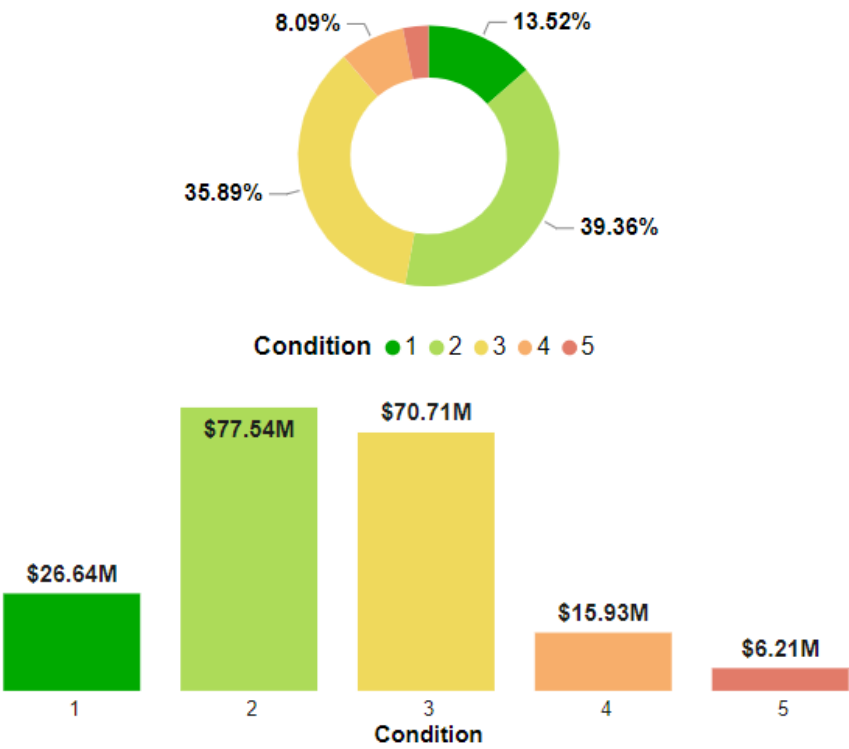
Buildings and Facilities



Stormwater Drainage



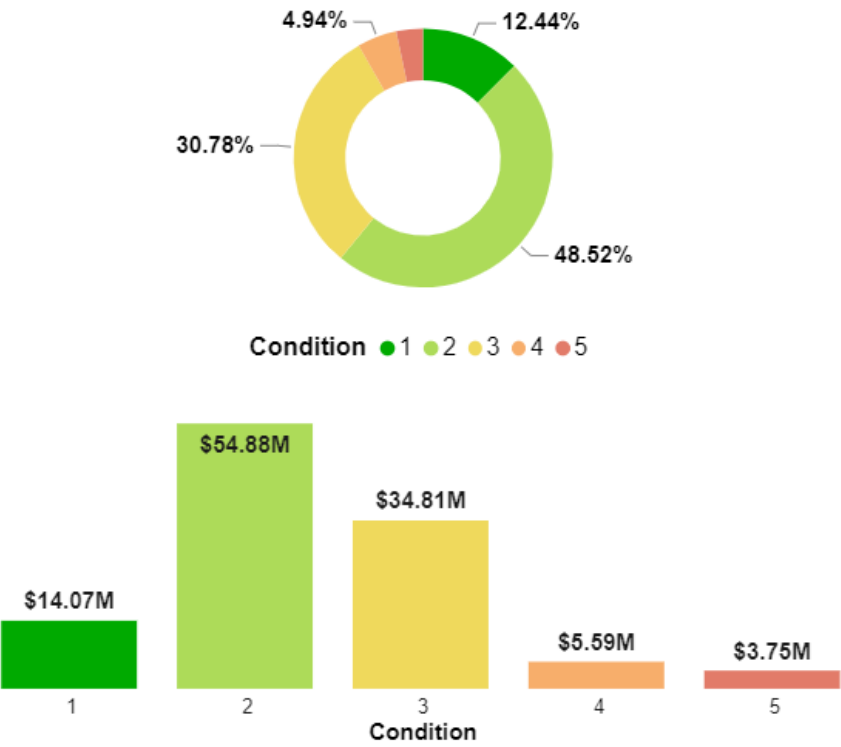
Overall Condition



Open Space



Overall Condition



3.2 Lifecycle Planning

The goal of asset management is to meet a required level of service in the most cost-effective manner through the planning, creation and acquisition, operation and maintenance and renewal, replacement or disposal.

The key elements of effective asset management include:

- Adopting a life-cycle approach
- Developing cost-effective management strategies for the long term
- Providing defined and agreed levels of service
- Monitoring performance
- Understanding and meeting the impact of changing service needs
- Managing risk associated with asset failures
- Continuous improvement

Council's approach to asset management is centered on the lifecycle approach of asset management as detailed in Figure 5 below.



Figure 5: Asset Lifecycle

3.3 Our Lifecycle Management Strategies

Lifecycle Phase	Lifecycle Approach
Planning	<ul style="list-style-type: none"> Asset requirements are identified to meet service needs over the long term. Asset planning considers affordability, equity, maintainability the environment and climate change impacts and resilience. Evidence based decision-making that considers the whole-of-life implications of acquiring, operating, maintaining, and disposing of an asset.
Creation/Acquisition	<ul style="list-style-type: none"> Assets are constructed according to planning and design documentation guided by our Project Management Framework. Utilise effective procurement strategies for the effective and efficient delivery of assets. Delivery of assets according to Council's Project Management Framework Newly acquired assets are handed over, assessed for quality and accepted before they are put into service, with particular reference to gifted assets.
Operations and Maintenance	<ul style="list-style-type: none"> Consistent monitoring and evaluation of existing assets' operations over their useful life Systems and processes record information about assets Cyclic assessment of the condition of our assets over their life Regular inspections, servicing, and maintenance of our assets so that they are safe, compliant, and are continuously available for use. Maintenance is planned to minimise the risk of asset failure Optimisation of works and intervention to minimise ongoing costs
Renewal, Replacement or Disposal	<ul style="list-style-type: none"> Optimisation of the timing of the renewal or replacement of each asset where consideration is also given to alignment and delivery of renewals for different asset classes. Maximise the use of our assets through reuse or co-location of services

3.4 How we Categorise Asset Expenditure

The table below details the criteria utilised to develop the expenditure projections for the Plan over its ten-year horizon.

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 resealing roads, replacement of an internal wall in a building.
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.

4. Our Challenges and Opportunities

ISSUE	WHAT DOES THIS MEAN FOR ASSET MANAGEMENT AND SERVICE DELIVERY?
Environmental	
<p><u>Climate Change Adaption</u></p> <p>We are already experiencing the impacts of climate change. In the future, we can expect; increased flooding of public facilities; storm damage to infrastructure; decreased water quality and security of water supply; reduced summer outdoor activities; and hotter urban spaces.</p>	<p>Council declared a climate emergency May 2020, where we committed to addressing the local impacts of climate change, through an action plan.</p> <p>Changing weather may lead to increased need for reactive maintenance for storm and flood damage repair. Assets will need to be built and renewed to a standard that can withstand at least 1.5 degrees of warming. This may require different materials, methods of construction and other innovative approaches.</p> <p>There may also be increased expectation for leadership from Council to make use of sustainable energy sources and to provide assets that are environmentally efficient.</p> <p>In the longer-term, there may be greater community demand for weather protection, for sports and leisure activities that have traditionally occurred outdoors.</p>
<p><u>Open Space</u></p> <p>We have one of the least amount open space amongst Council's in Victoria, with only 4.4 per cent of the municipality covered by open Space. There is substantial peer reviewed evidence on the benefits of open space for the community. With the growing population and increasing urbanization, so does the pressures on the requirement of open space.</p>	<p>The Council Plan has identified the appropriate provision of open space for the community as a focus area through a directly correlated strategic direction (2).</p> <p>The Asset Plan supports the provision of Open Space guided by the Open Space Strategy, which guides the future planning, provision, design and management of public open space</p>

Political

Legislative and Policy Influences

We operate in a complex legislative and policy environment that directly influences the way we do business:

- There is an expectation that Council will continue to deliver services, even when State and Federal government funding is withdrawn
- The cap on rate increases means our ability to control revenue is constrained
- Compliance and reporting requirements are increasing.

We need to meet our statutory obligations while being conscious of maintaining affordability and financial sustainability.

This requires good decisions to be made to manage competing funding demands across a broad range of projects, programs, and services.

Economic Demand

Diminishing Own Source Income

We are experiencing a significant reduction of our own source revenue. This had previously contributed to the consolidated revenue of Council and was able to be utilised for other services.

Loss of own source income due to commercial competition and changed patterns of use will materially affect Council's financial sustainability. This will impact the way we invest in our assets and services in the future.

Increasing Cost of Providing Services

Cost increases to items such as electricity, petrol, and raw materials impact on the Council. For the Council, this occurs within an expectation of doing more with less or improving our efficiency to ensure more can be achieved with less money.

We will need to aim to continually balance the affordable provision of services against the needs of our community.

Delivering on community expectations while keeping it affordable

There is ongoing pressure from the community for higher quality assets and services to be provided for most Council activities. Smoother roads, modern technology and convenience are some examples. The expectation is for a higher level of service for the same amount of money – in other words doing more with less.

Community expectations can be influenced by numerous drivers such as generational change, legislation, environmental standards, facilities experienced elsewhere and new technology.

Our assets must cater for the expectations of the community by remaining accessible, well maintained, and fit for purpose. All of this costs money, and must be balanced and prioritised against building our City's future and the ability of the community to pay.

Social Demand	
<p><u>Population Trends</u></p> <p>Our present population is 160,852 people and is expected to grow to more than 180,626 people by 2036.</p>	<p>We will need to expand our services and assets to cater for our growing community.</p> <p>Council will need to make a financial investment in infrastructure so that our assets are of a suitable capacity to cater for growth and urban renewal.</p>
<p><u>Demographic Change</u></p> <p>Between 2016 and 2026, the age structure forecasts for the City of Glen Eira indicate a 4.1% increase in population under working age, a 20.0% increase in population of retirement age, and a 12.6% increase in population of working age.</p>	<p>Change in the age structure of the population will mean it is critical for us to plan age-based facilities and services.</p> <p>A changing demographic will mean that we will need to maintain a focus on providing that promote access and equity.</p>
<p><u>Changing Community Needs</u></p> <p>The community expects Council to be able to quickly respond to emerging needs, without knowing how long the demand might last.</p>	<p>We will need to plan assets that are responsive and adaptable to meet shifting stakeholder needs.</p>

Built Environment	
<p><u>Ageing Infrastructure</u></p> <p>One of the biggest financial challenges facing us is the cost of renewing our ageing infrastructure.</p> <p>Council's assets have been built and developed in the past. Many years on, this period of development has created a large peak in the need to invest in asset maintenance and renewal.</p>	<p>There is a critical need to introduce systems and processes to ensure that our spending on our existing assets is optimised. This will drive Council's continuous improvement journey towards service led strategic asset management.</p> <p>As our assets continue to age, more investment in maintenance and renewal expenditure will be required to ensure that the current levels of service enjoyed by the community continue to be delivered.</p>
<p><u>Technological Change</u></p> <p>The world is becoming more connected. People, businesses and governments are increasingly moving online to connect, deliver and access services, obtain information and to perform day to day activities. These changes will affect how we deliver services and how we manage our assets.</p>	<p>We will also have the capability to share our data on our assets to others enabling them to interact with our services digitally.</p> <p>We will also be able to enable a more mobile workforce. For example mobile condition assessments.</p> <p>Council may also be expected to be able to make more use of available and</p>

emerging technology to make data more accessible to all.

5. Asset Class Values

(\$'000)

Asset Class	Gross Replacement Cost	Written Down Value	Annual Depreciation	Accumulated Depreciation
Roads and Transport	\$398,204	\$180,726	\$7,147	\$233,768
Buildings and Facilities	\$298,566	\$187,766	\$5,489	\$110,800
Open Space	\$113,106	\$58,309	\$5,436	\$54,797
Stormwater Drainage	\$197,027	\$89,300	\$2,072	\$107,727
Total	\$1,006,903	\$516,101	\$20,144	\$507,092

6. Financial Ratios

The asset plan takes into account the financial cost of maintaining our assets as safe and fit for purpose for our community. We use accounting ratios to help us keep track of how our investment is tracking and support Council determine whether, ultimately we investing enough to maintain our assets for our community to use.

Asset Class	Renewal Ratio	Consumption Ratio	Life Cycle Ratio
Roads and Transport	100%	44%	100%
Buildings and Facilities	100%	63%	100%
Open Space	100%	52%	100%
Stormwater Drainage	100%	45%	100%

Renewal Ratio:

Highlights whether Council is investing enough compared to the depreciation of the asset.

Planned renewal budget for the next 10 years / Desired renewal costs for the next

Consumption Ratio:

Compares how much assets are worth today to the cost of replacing the asset at the end of its life.

Written down Value of an asset / Gross Replacement costs measured using the

Life Cycle Ratio:

Represents the total cost of the asset from when we construct it through to its end of life.

Planned 10-year LTFP / Desired 10-year LTFP costs (maintenance, renewal,

7. Long-Term Funding Requirements

The projected expenditure requirements for Council infrastructure assets over the next 10 years is as shown in the table below. These outlays have been determined based on the affordability assessments made in Council's Financial Plan and represent the investment that is required to maintain and renew Council's existing infrastructure assets. The maintenance budget is based on the adopted 2021-22 budget with a projection of a 2% increase per year for the next 10 years. The figures for renewal, new and upgrade works were extracted from Council's 2021-22 Capital Works Budget.

7.1 New

(\$'000)

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Roads and Transport	\$548	\$559	\$466	\$475	\$485	\$494	\$504	\$514	\$525	\$525	\$5,095
Buildings and Facilities	\$343	\$296	\$303	\$310	\$317	\$324	\$331	\$339	\$346	\$346	\$3,255
Open Space	\$1,215	\$1,173	\$846	\$793	\$1,172	\$734	\$981	\$1,035	\$887	\$887	\$9,723
Stormwater Drainage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,106	\$2,028	\$1,615	\$1,578	\$1,974	\$1,552	\$1,816	\$1,888	\$1,758	\$1,758	\$18,073

7.2 Upgrade

(\$'000)

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Roads and Transport	\$2,838	\$2,121	\$2,103	\$2,117	\$2,341	\$2,375	\$2,399	\$2,435	\$2,450	\$2,450	\$23,629
Buildings and Facilities	\$33,076	\$1,185	\$734	\$2,307	\$2,499	\$5,619	\$23,488	\$24,841	\$3,371	\$3,371	\$100,490
Open Space	\$3,051	\$2,638	\$3,269	\$2,848	\$1,790	\$2,399	\$2,187	\$2,066	\$1,968	\$1,968	\$24,184
Stormwater Drainage	\$1,893	\$1,931	\$1,969	\$2,009	\$2,049	\$2,090	\$2,132	\$2,174	\$2,218	\$2,218	\$20,683
Total	\$40,858	\$7,875	\$8,075	\$9,281	\$8,679	\$12,483	\$30,206	\$31,516	\$10,007	\$10,007	\$168,986

7.3 Renewals

(\$'000)

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Roads and Transport	\$7,016	\$7,163	\$7,316	\$7,470	\$8,029	\$8,189	\$8,353	\$8,520	\$8,690	\$8,690	\$79,436
Buildings and Facilities	\$3,357	\$3,383	\$1,851	\$2,369	\$2,068	\$2,710	\$2,346	\$2,482	\$2,542	\$2,542	\$25,650
Open Space	\$1,498	\$1,664	\$2,004	\$1,576	\$1,784	\$3,300	\$2,316	\$1,288	\$2,229	\$2,229	\$19,888
Stormwater Drainage	\$1,549	\$1,580	\$1,611	\$1,643	\$1,676	\$1,710	\$1,744	\$1,779	\$1,815	\$1,815	\$16,922
Total	\$13,420	\$13,789	\$12,783	\$13,058	\$13,557	\$15,909	\$14,759	\$14,069	\$15,276	\$15,276	\$141,896

7.4 Maintenance

(\$'000)

Asset Class	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
Roads and Transport	\$1,363	\$1,390	\$1,418	\$1,446	\$1,475	\$1,505	\$1,535	\$1,566	\$1,597	\$1,629	\$14,925
Buildings and Facilities	\$3,352	\$3,419	\$3,488	\$3,558	\$3,629	\$3,701	\$3,775	\$3,851	\$3,928	\$4,006	\$36,707
Open Space	\$13,243	\$13,508	\$13,778	\$14,054	\$14,335	\$14,621	\$14,914	\$15,212	\$15,516	\$15,827	\$145,009
Stormwater Drainage	\$991	\$1,011	\$1,031	\$1,052	\$1,073	\$1,094	\$1,116	\$1,139	\$1,161	\$1,185	\$10,854
Total	\$18,950	\$19,329	\$19,715	\$20,110	\$20,512	\$20,922	\$21,341	\$21,767	\$22,203	\$22,647	\$207,495

8. Community Engagement

The development of the Asset Plan was informed by three phases of community consultation, which took place from February 2022 to June 2022.

Phase 1

This phase included broad community consultation on infrastructure assets and the expected challenges. This included community voice surveys, “have your say” surveys which targeted key stakeholder groups and the broader population.

This initial phase provided guidance on the challenges and opportunities anticipated over the next ten years and identified impacts on asset management and service delivery. Phase one guided the development of the Plan through the identification of key feedback themes. A key theme identified was the importance of the sustainability and resilience of our assets with respect to climate change and the provision and accessibility of open space.

In recognition of the feedback, the Plan references and aligns with our Climate Emergency Response Strategy, with direct reference to Goal 1 – “embed climate change action in everything that we do” and Goal 3 – “Council owned buildings and infrastructure are resilient and safe to our staff and community”. The Plan also supports and aligns with the goals and objectives of the Open Space Strategy, through asset life cycling planning.

Phase 2

This phase involved deliberative engagement via a citizens panel. This phase included three sessions which took place during May 2022. The sessions were centred on the Panel’s remit of “has council got the balance right between the cost and quality of their assets with the changing needs of the community?”.

Through the deliberative engagement process, the panel identified four recommendations, which included “Climate resilience and environmental sustainability, innovative and adaptive to change, prioritising inclusivity and accessibility to promote wellness for all community members, and accountability and access to information”.

Phase 3

This phase included broad community consultation on the Draft Asset Plan from May to June 2022. As experienced over the previous two phases of consultation, the key feedback theme focused on the importance and opportunity around the climate resilience of our infrastructure assets.

Acknowledging the feedback themes identified through the three phases of consultation, the Plan has developed improvement initiatives in the form of, Climate Resilience and Environmental Sustainability, Governance and Culture, Information Management and Reporting and Lifecycle and Long-Term Planning.

These improvement initiatives will guide the review and refresh of Council’s Asset Management Framework (AMF) documents which includes the Asset Management Policy, Asset Management Strategy, and Asset Management Plans (service led). The review and refresh of AMF documents will follow the adoption of the Asset Plan.

9. Improvement Initiatives

The identified improvement initiatives through the community engagement, will inform the development of the AMF, most notably the Asset Management Strategy, in the form of strategic objectives. These strategic objectives will be achieved through the identification of actions which support Council in achieving the strategic objectives. The improvement initiatives are presented below.

Climate Resilience and Environmental Sustainability

The climate emergency and resilience of our infrastructure assets featured strongly during the community engagement and development of the Plan. Council declared a climate emergency on 5 May 2020. Through this declaration, stronger climate change and sustainability targets have been committed through the Climate Emergency Response Strategy (CERS).

The CERS, commits to six specific goals, which details our response to the climate emergency. More specifically, Goal 1 – “embed climate change action in everything that we do” and Goal 3 – “Council owned buildings and infrastructure are resilient and safe to our staff and community” will guide the Plan and AMF. More specifically the key actions which will be supported directly by the Plan and AMF include:

- Assisting in implementing a Sustainable Building and Infrastructure Policy. Measure and report on improvements and operational savings
- Identify critical Council buildings and infrastructure and conduct a climate change risk assessment on each asset category.
- Drawing on climate change risk assessment findings to assist prioritising and implementing upgrades through Council's Asset Management Plans.
- Assisting the Implementation of the Urban Forest Strategy to maximise greening on public land, to help cool the City, increase biodiversity, enhance carbon drawdown potential and ensure locals reap the health and wellbeing benefits of nature.

This improvement initiative will support the goals of the CERS by developing further actions through the Asset Management Strategy and AMF to help ensure new and existing buildings, and infrastructure are resilient to climate change impacts. The initiative will also play a supportive role to the Open Space Strategy in helping to increase and diversify public green space across the municipality, ensuring equal access for all. Figure 6 below highlights a few key climate initiatives and achievements of Council to date.

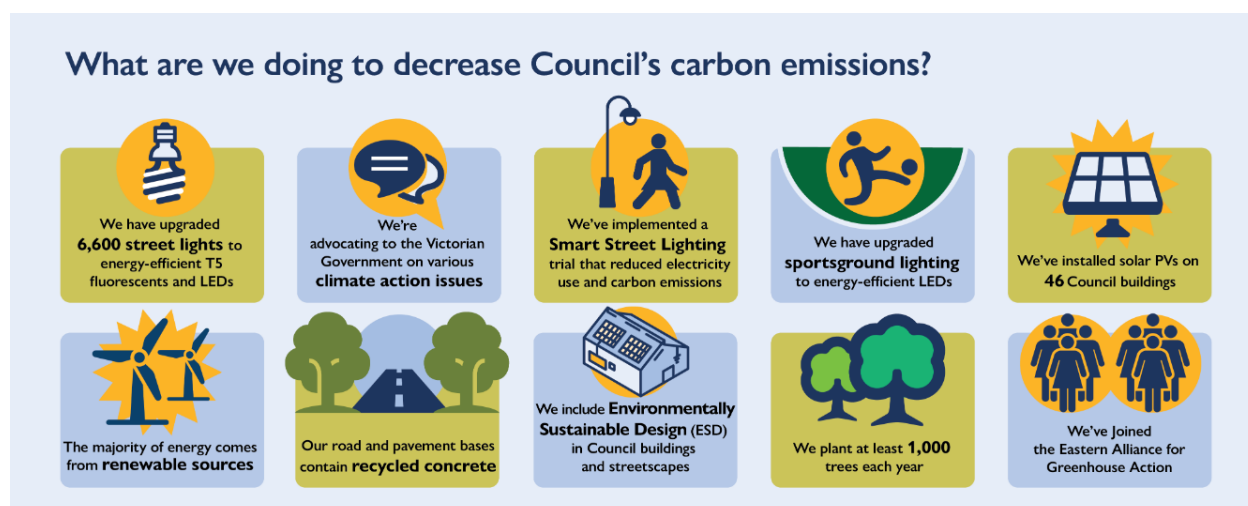


Figure 6: Current Climate Initiatives and Achievements

Governance and Culture

This improvement initiative through the Asset Management Policy and AMF, will seek to establish a clear and consistent framework for Council's Asset Management practice, by centralising and embedding consistent processes and procedures. This initiative will be focused on developing the knowledge, transparency and accountability of the AMF, and how this will be disseminated and embedded across the organisation. Figure 7 below highlights the current governance hierarchy for Asset Management within Council.

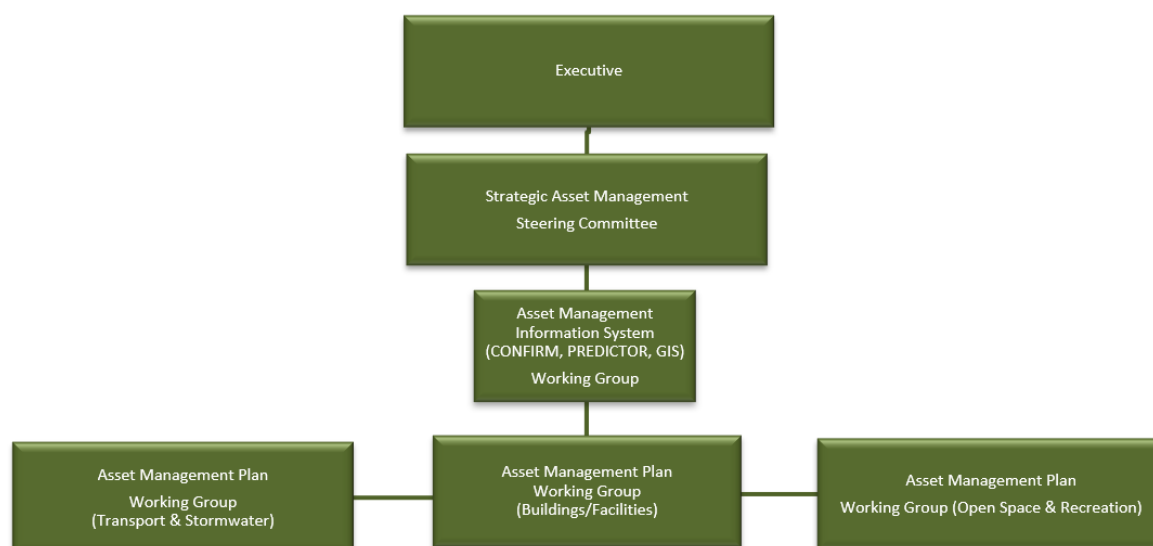


Figure 7: Asset Management Governance Structure

Information Management and Reporting

This improvement initiative will focus on developing actions through the AMF which target improved systems, processes, and information management, that is accessible to all. The improvement initiative will also consider the development of consistent asset inspection manuals and whilst leveraging the use of smart and innovative technologies to perform data capture which in turn improves the management of information and the transparent reporting of it, to the public.

Lifecycle and Long-Term Planning

This initiative is supported by strategic, and service led asset management. It will recognise Council's journey of continuous improvement towards strategic asset management where data and engagement with our community assists Council in quantifying the community's wants and needs along with the condition, functionality, and capacity of our current asset portfolio.

This initiative will ultimately lead to a service centric model of asset management which involves reviewing the levels of service for Council's asset portfolio, therefore providing the community with the necessary information to inform trade off decisions between asset categories. This will ultimately assist informing the next iteration of the Asset Plan, and subsequent reviews of the AMF.



Figure 5: Asset Lifecycle