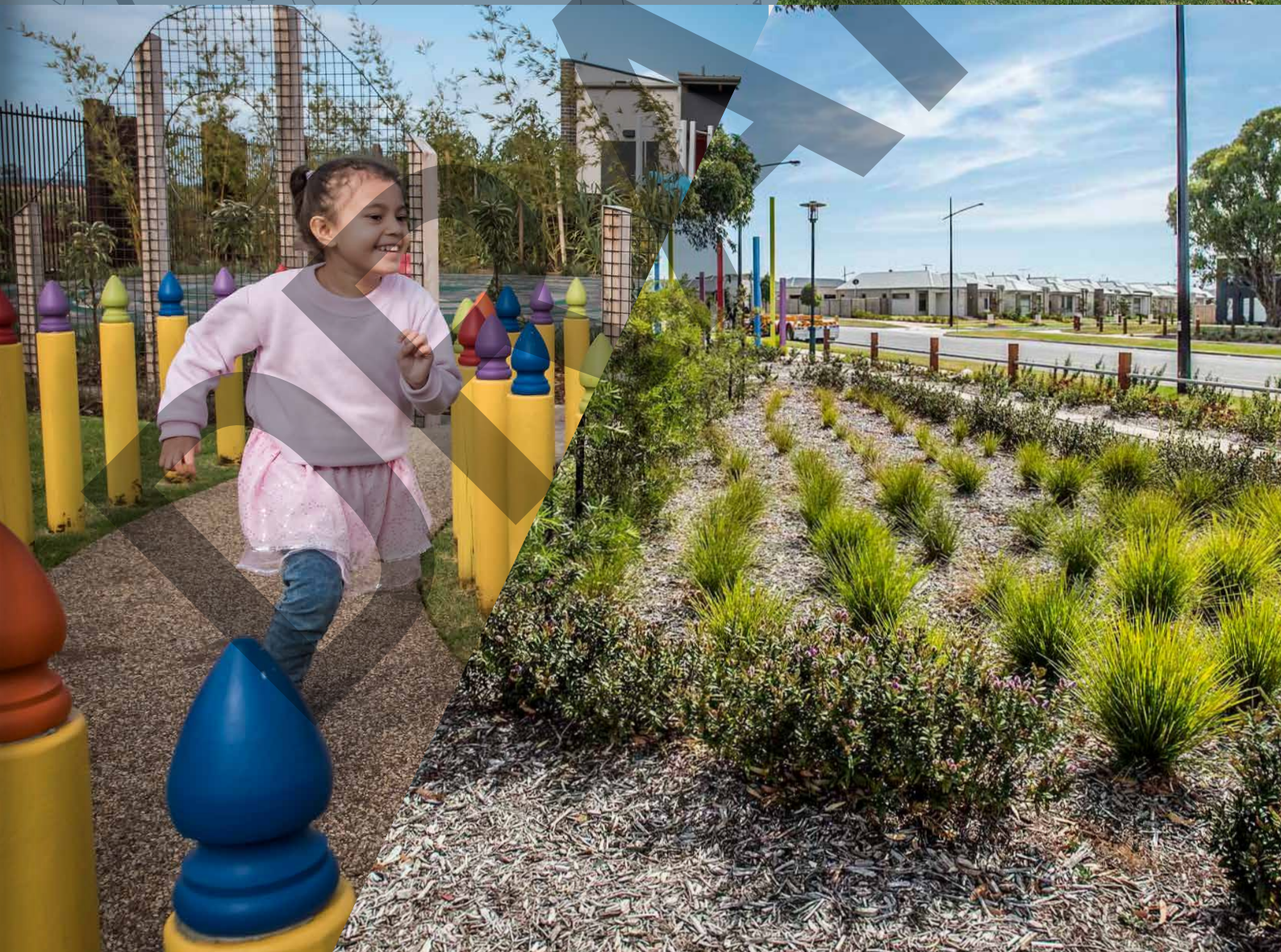




Asset Management Strategy

MELTON CITY COUNCIL





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Message from the Mayor



It is with great pleasure that I present the *Melton City Council Asset Management Strategy*, the lynchpin for an ambitious suite of plans that outline what Council will do to improve the way we deliver services and outcomes for community infrastructure including transport, buildings, stormwater and open space assets.

The City of Melton is a community that is transforming into a bustling municipality where people aspire to build a home, raise a family, establish a business and pursue a career. Much of what attracts people to our municipality stems from our state of the art facilities, exciting new estates, the beauty of our natural open spaces, and the quality of our services and infrastructure, which all contribute to making this great City a place that people want to call home.

This Strategy will ensure that Council's asset management and infrastructure services are provided in an economically optimal way, with the appropriate level of

service to residents, visitors and the environment determined by reference to Council's financial sustainability. It also confirms that our community's aspirations are at the heart of everything that we do, and by outlining our priorities, will ensure Council continues to be accountable and transparent in all our decision-making and governance.

The *Asset Plan 2021-31* is a key suite of documents that complement the *Council and Wellbeing Plan 2021-2025* and the *Financial Plan 2021-2031*. Together these documents guide the long-term sustainability of Council, while also demonstrating our willingness to work collaboratively and creatively with community groups, stakeholders, volunteers, businesses and residents, to develop solutions to the challenges we face as one of Australia's fast-growing cities.

This *Asset Management Strategy* will further strengthen Council's position as a leader in asset management within the local

government sector. Since being awarded the *Asset Management Information Management Award* at the 2021 Asset Management Council's Asset Management Excellence Awards, Council has further set a benchmark by delivering on Council's new deliberative engagement requirements under the *Local Government Act 2020*.

We continue to work with partners, and key stakeholders, to develop relationships that strengthen our capacity to plan and deliver timely infrastructure and services that continue to position us in a global context, all while respecting our cultural heritage.

As Mayor, I know this *Asset Management Strategy* will go a long way towards transforming ours into a flourishing and prosperous City, and I look forward to seeing its outcomes become a reality in the coming years.

Cr Kathy Majdlik
Mayor, City of Melton

Executive Summary

This Asset Management Strategy has been prepared to enable Melton City Council (MCC) to improve the way it delivers services relating to infrastructure assets¹ including transport, buildings, stormwater and open space assets. These infrastructure assets have an approximate replacement value of \$2.5 billion as of 30 June 2020.

Melton's infrastructure asset are in the stable phase of their life cycle. In this phase, the majority of assets are in the early to middle portion of their life, and the demand and urgency on funding i.e. capital renewal expenditure is lower relative to the later life phases. As these assets degrade further over the next few years, they move into the action phase. It is for this very reason that Melton City Council is embracing a strategy and the action plans in the strategy in order to effectively manage the risk of assets deteriorating at a high rate.

Moving forward, the challenge facing Council is continuing to

deliver expected quality services to the community from its ageing and increasingly costly infrastructure, while making the best use of its financial resources. To meet this challenge, Council has embarked on a continuous improvement journey to build on its asset management competencies and capabilities, so that it becomes a 'Better Practice' organisation, shifting from an 'Asset Centric Focus' to a 'Service Centric Focus'. Action plans presented in this strategy are aimed at achieving these competencies.

This Asset Management Strategy is intended to enable Council to show²:

- How its asset portfolio will meet the service delivery needs of its community into the future;
- How Council's asset management policies are to be achieved;
- How to enable the integration of Council's asset management with its long term strategic plans.

This Asset Management Strategy will assist Council in meeting the

requirements of the national sustainability framework, State legislative requirements and the provision of services needed by the community, in a financially sustainable manner.

The strategy is prepared following a review of Council's service delivery practices, asset management planning and it incorporates Council's vision for the future outlined in the Melton City Council Corporate Plan 2017-2021. The strategy also outlines an asset management improvement plan detailing a program of tasks to be completed, and resources required to bring Council to a minimum 'core' level of asset maturity and competence.

¹ Not including non-infrastructure assets such as information, communication and technology assets, fleet, plant and equipment.

² The current life left in our assets based on a condition based assessment approach

³ Using Asset Genetics to Unlock Hidden Capital –McKinsey Global Infrastructure Initiative

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

Strategy outlook

1. Formulating a Long Term Financial Plan (LTFP) informed by Council's Asset Management Plans (AMPs) for transport, buildings, stormwater and open space assets has been completed in conjunction with the creation of this Asset Plan 2021-31. The Asset Plan and LTFP will identify Council's ability to maintain the range of current services and respective service levels delivered by these infrastructure assets over the coming 10-year timeframe.

2. Council's ability to fund current infrastructure life cycle costs at current levels of service and available revenue will be identified within the LTFP. The projected infrastructure life cycle cost over the next 10 years has been identified within Council's Asset Management Plans.

3. Council's current asset management maturity is within the 'core' level, with on-going investment required to improve information management, lifecycle management, service management and asset

management systems. It is anticipated that the majority of this investment will be staff time and centred on the activities of the Engineering Services Manager.

Identified improvement items forming a roadmap for improvement over the next four years, in order to evolve into an organisation that is practicing service driven optimisation, on page 11.

Introduction

Background

Melton City Council is one of the fastest growing municipalities in Australia, offering urban and rural lifestyles. It is located in the outer western fringe of metropolitan Melbourne, about 46 kilometres west of the Melbourne CBD. Council embraces a series of townships and communities, the larger towns being Caroline Springs and Melton. Caroline Springs is 19 kilometres west of Melbourne's Central Business District and Melton is 35 kilometres west of Melbourne's CBD and 15 minutes west of the Western Ring Road.

⁵ City of Melton – .idCommunity

Other communities are Aintree, Bonnie Brook, Brookfield, Burnside, Burnside Heights, Cobblebank, Deanside, Diggers Rest, Exford, Eynesbury, Fieldstone, Fraser Rise, Grangefields, Harkness, Hillside, Kurunjang, Melton South, Melton West, Mount Cottrell, Parwan, Plumpton, Ravenhall, Rockbank, Strathtulloh, Taylors Hill, Thornhill Park, Toolern Vale, Truganina and Weir Views.

The City is bounded by five other municipalities: Moorabool Shire Council to the west, Macedon Ranges Shire Council to the north, Hume City Council and Brimbank

City Council to the east, and Wyndham City Council to the south.

The population of Melton City has increased significantly in the past twenty years and it is predicted that this high level of growth shall continue over the next 30 years, with an eventual predicted build out of the city by 2051 with an estimated population of 485,000 residents. The snapshot of the population forecast is provided in Figure 1⁵.

In 2017, 11 new suburb names were announced within the municipality that will be required to accommodate the anticipated population growth.

10,348 

Over 10,348 businesses registered and operating in the Melton City Council

29% 

of Melton businesses employing between 1 to 19 employees

33yrs 

One of the youngest municipalities with the median age of residents sitting at 33 years

52 

52 babies are born each week with more than 70% of the population under 49 years of age

130 

High rate of people born overseas representing more than 100 nations speaking over 130 different languages

39,887 

Of the 39,887 hectares designated in the Urban Growth Zones around Melbourne, the highest number is allocated to the City of Melton (over 10,000Ha)

Melton City Council is the custodian of an extensive range of community assets that deliver a range of Council services. In order to deliver these services over the long term in a rapid growth environment, Council must ensure that the assets supporting these services are managed in a sustainable way. This Asset Management Strategy, along with Council's Asset Management Policy and Asset Management Plans for transport, buildings, stormwater and open space assets, form the basis of developing a Strategic Asset Management (SAM) framework for sustainable service delivery.

Purpose and Objective

The purpose of this Asset Management Strategy is to define and document the necessary approaches to be undertaken to achieve the implementation of

Council's Asset Management Policy. The Strategy's objective is to establish a framework to guide the planning, construction, maintenance and operation of the infrastructure essential for providing services to the community.

Asset Management Systems and Planning Process

Asset management planning is a comprehensive process aimed at ensuring that assets are managed and maintained in a way that enables affordable services to be provided in an economically optimal way. In turn, affordable service levels can only be determined by assessing Council's financial sustainability under scenarios with varying service levels. Asset management planning is integrally linked with formulating an informed

LTFP. These links are iterative with the forecast asset expenditure costs from Asset Management Plans (AM Plans) fed into the LTFP. If the required expenditure cannot be met by available income, then service levels from AM Plans are formulated and reviewed to allow a sustainable LTFP.

Asset management commences with defining stakeholder and legislative requirements and needs, incorporating these needs into the organisation's strategic plan, developing an Asset Management Policy, Asset Management Strategy, Asset Management Plans and operational plans, and linking these to the LTFP.

The asset management planning process and its relationship to organisational Council process is shown in Figure 2.

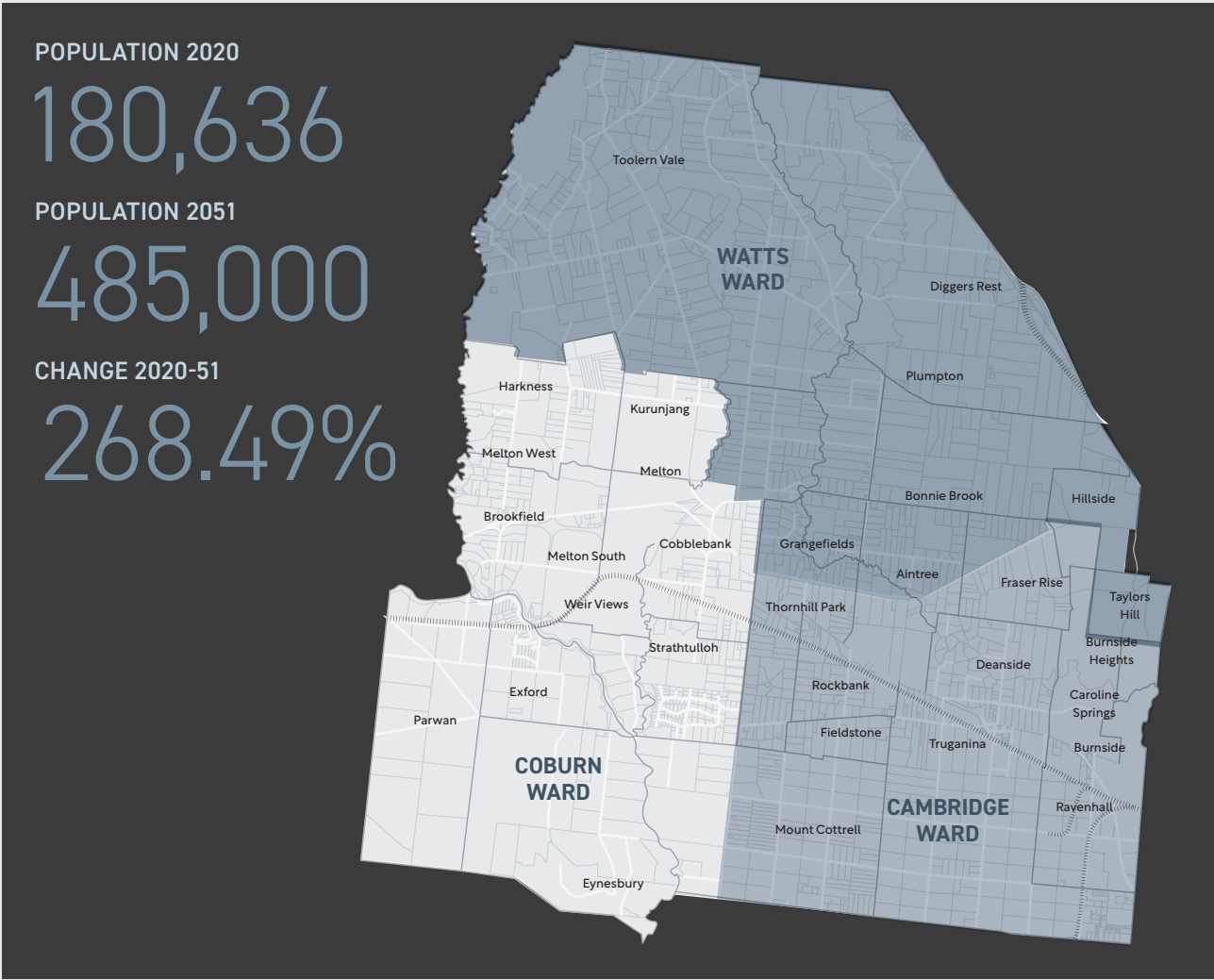


Figure 1: Population and household forecasts, 2016 to 2050

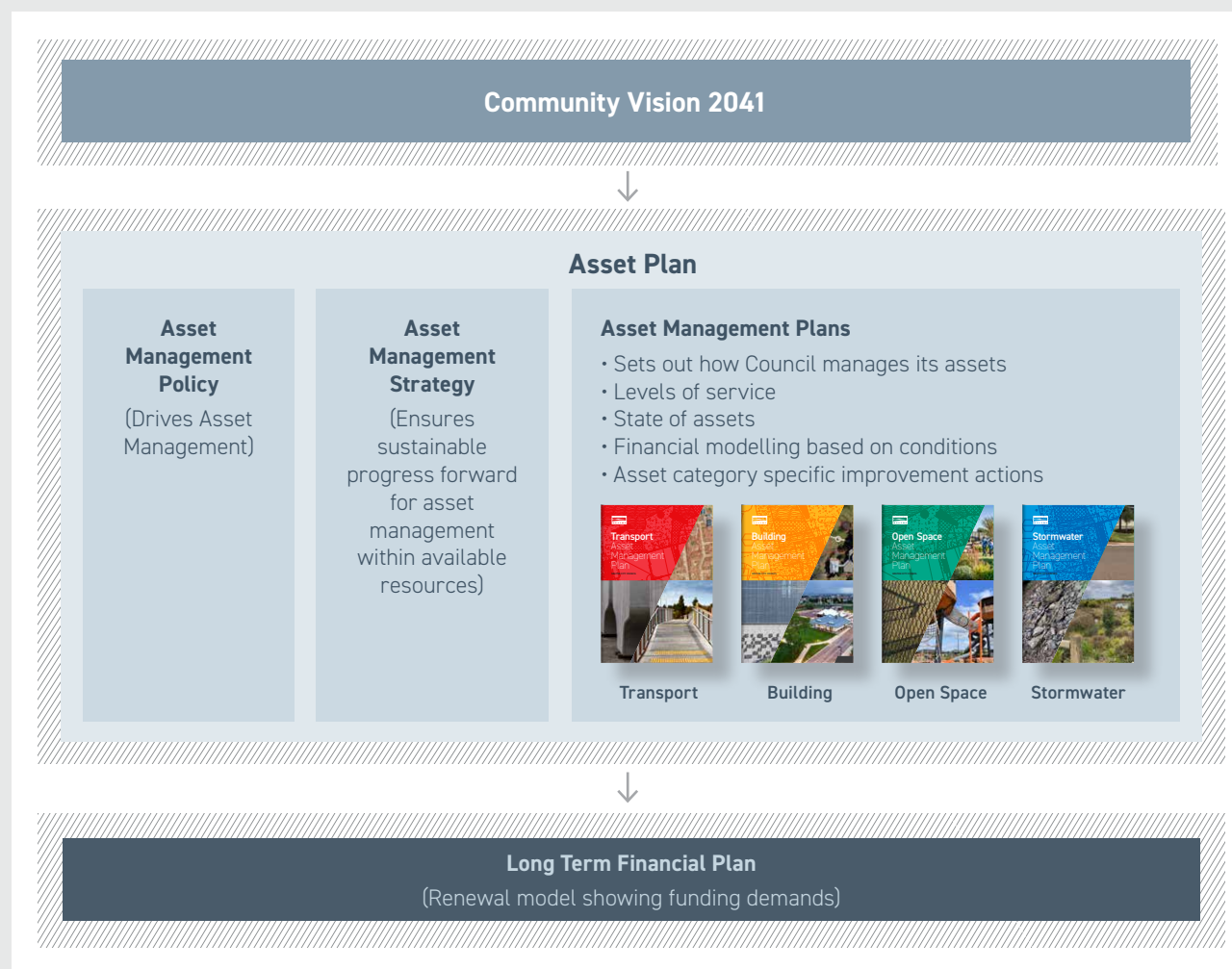


Figure 2: Asset Management Planning Process

An Asset Plan is made up of a set of interrelated and interacting elements of an organisation. It incorporates the asset management policy, asset management objectives, and the processes which enables achieving these objectives. In other words, asset management is much more than a 'management information system' software. It provides means for:

- Coordinating contributions from and interactions between functional units within an organisation;
- Consistent application of the asset management processes to achieve uniform outcomes and objectives.

The Asset Plan 2021-2031 includes:

- The Asset Management Policy;
- The Strategic Asset Management Plan (or Asset Management Strategy);
- The Asset Management Plans, which are implemented in
 - operational planning and control
 - supporting activities
 - control activities
 - other relevant processes

The Local Government and Planning Ministers' Council Framework 2 - Asset Planning and Management (May 2007), seeks to develop a nationally consistent asset management framework to support improvement in local governments' asset management performance and sustainability.

The framework aims to assist in highlighting key management issues, promote prudent, transparent and accountable management of local government assets and introduce a strategic approach to meet current and emerging challenges. As part of the framework, this Asset Management Strategy enables Council to:

- Meet the objectives set out in its Melton City Council Health and Wellbeing Plan;
- Satisfy the service delivery needs of its community into the future;
- Comply with its Infrastructure Asset Management Policy;
- Integrate asset management with its LTFP.

⁶ ISO, 2014, ISO 55000, Sec 2.5.1, p 5

⁷ ISO, 2014, ISO 55002, Sec 4.1.1, p 2.



Assets and Their Management

Infrastructure Assets

Council infrastructure assets which are outlined in Table 1 below provide a wide range of services throughout the municipality.

State of the Assets

The financial status of Council's infrastructure assets as at 30 June 2020 is shown in Table 2.

Figure 3 provides the asset group split by replacement value.

The asset consumption ratios of Council's assets (i.e. the average proportion of 'as new' condition remaining in assets in accord with financial valuations) are shown in Figure 4.

These figures show that the transport assets are by far Council's

largest asset group comprising over 66% of total asset value and that assets have been moderately consumed with an overall average of 85% remaining by value.

The condition of Council's various infrastructure assets are shown within the respective Asset Management Plans for transport, buildings, stormwater and open space assets. Field inspections and

ASSET GROUP	ASSET CATEGORY	MEASURE
Transport	Roads	1248 km (Length)
	Kerb	1759 km (Length)
	Pathways	1460 km (Length)
	Bridges & Major Culverts	227 (Count)
	Traffic Management Devices	8284 (Count)
	Car Parks	1.41 sq km (Area)
	Road Ancillary Assets (including Signals, Signs, Road Barriers and Street Lighting)	Various Counts
Building	Buildings	2019 (Count)
Open Space	Playing Courts and Fields	284 (Count)
	Play Equipment	1016 (Count)
	Open Space Structures	630 (Count)
Stormwater	Stormwater Drains	1394 km (Length)
	Stormwater Pits	47285 (Count)
	Stormwater End Structures	1894 (Count)
	Stormwater Gross Pollutant Traps (GPTs)	50 (Count)

Table 1: Assets covered by this strategy as at 30 June 2020

in-field (general) condition ratings carried out internally by Council staff or external contractors support the magnitude of relative asset consumptions shown in Figure 4.

Asset Management Structure

The organisational structure of Council places infrastructure assets in the Engineering department under the General Manager Planning and Development. Within the directorate lies the combination of Asset Management & GIS division that is unique to Melton City Council, which perform all the asset management related functions.

In 2019 Council undertook a redevelopment of Asset Management Plans and an Asset Management Strategy for all infrastructure asset groups in line with the objective in Asset Management Policy. These items were considered as foundational in ensuring Council fast growth is well planned and managed and Council's physical assets are well maintained⁸

and in turn enabling the development of an informed LTFP.

Council's Asset Management Strategy and Asset Management Plans will be adopted by Council in 2020/21.

Corporate Asset Management Team

A 'whole of organisation' approach to asset management may be best developed with a corporate asset management team. The benefits of a corporate asset management team includes:

- Demonstrating corporate support for sustainable asset management;
- Encouraging corporate buy-in and responsibility;
- Coordinating strategic planning, information technology and asset management activities;
- Promoting uniform asset management practices across the organisation;
- Pooling of corporate expertise;

- Championing of asset management process;
- Wider accountability for achieving and reviewing sustainable asset management practices.

Council nominated Asset Management Steering Committee will ensure that projects and initiatives meet Council's strategic objectives. A review of the committee members, meeting frequency and agenda is currently underway to ensure that the committee is in the best position to manage the direction of Asset Management within Council.

⁸ Melton City Council, Asset Management Policy Strategic Objective

ASSET GROUP	REPLACEMENT VALUE	ANNUAL DEPRECIATION	ACCUMULATED DEPRECIATION	WRITTEN DOWN VALUE
Transport	\$1,626,649,166	\$23,614,133	\$261,119,256	\$1,365,529,910
Building	\$297,266,589	\$6,715,953	\$98,901,016	\$198,365,573
Open Space	\$68,280,948	\$3,034,235	\$14,345,686	\$53,935,262
Stormwater	\$475,311,569	\$4,623,808	\$52,158,220	\$423,153,349
Total	\$2,467,508,272	\$37,988,129	\$426,524,178	\$2,040,984,094

Table 2: Financial status of assets as at 30 June 2020

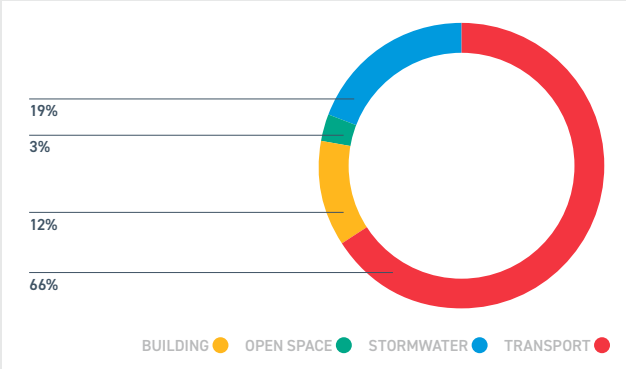


Figure 3: Asset Replacement Values as % of Total Value

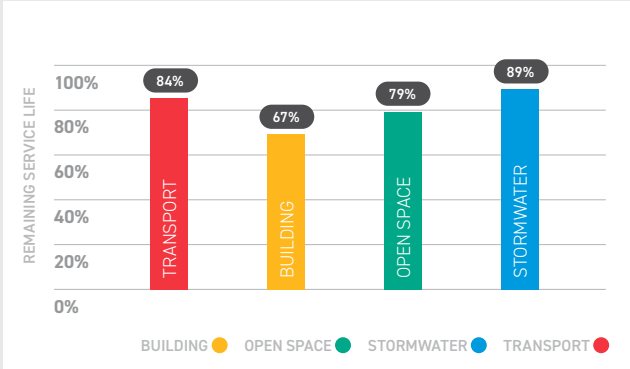


Figure 4 – Asset Consumption Ratio - % 'As New' Remaining

Financial and Asset Management Core Competencies

The National Frameworks on Asset Planning and Management, and on Financial Planning and Reporting, define ten elements for asset management. Eleven core competencies have been developed from these ten elements⁹ to assess 'core' competency under the National Assessment Framework. The core competencies and corresponding core questions are:

Financial Planning and Reporting:

- 1. Strategic Longer Term Plan - Does Council have an adopted strategic longer term plan?
- 2. Annual Budget - Does Council prepare an annual budget?
- 3. Annual Report - Does Council publish an annual report?

Asset Planning and Management:

- 4. Asset Management Policy - Does Council have an adopted Asset Management Policy?
- 5. Asset Management Strategy - Does Council have an adopted Asset Management Strategy?
- 6. Asset Management Plan - Does Council have adopted Asset Management Plans?
- 7. Governance & Management - Does Council have good management practices linking asset management to service delivery?
- 8. Levels of Service - Does Council have a defined process for determining current and target levels of service and costs?
- 9. Data and Systems - Does Council have the data and systems to perform asset management activities?
- 10. Skills and Processes - Does Council have the data &

systems knowledge to perform asset data management activities?

- 11. Evaluation - Does Council have a process to evaluate progress and use of resources on the implementation of the National Frameworks?

As part of the NAMS.PLUS 3 system the Institute of Public Works Engineering Australia (IPWEA) has developed maturity assessment models to assist Councils to assess their asset management maturity and capability. The maturity assessments are based on the Australian National Asset Management Assessment Framework (NAMAF) and the international asset management Standard, ISO 55001 Asset Management - Management Systems - Requirements.

To determine where Council is on its strategic asset management journey, a reference to the NAMAF scorecard is made. The NAMAF scorecard is illustrated in Figure 5. Each category is scored against a set list of criteria that seek to audit Council AM knowledge and functions.


Collectively, these criteria assess an organisation's advanced asset management competency. Each criterion is assessed with multiple questions aimed at identifying where Council is on its journey to better practice asset management. While a score of 100% indicates that better practice has been achieved in a particular assessment criteria, a score of 80% indicates that good practice asset management standard has been achieved. It is generally accepted that the organisational target should be to achieve a good practice asset management standard across all categories before aiming higher.

Overall, Council is well placed on its Strategic Asset Management journey. The areas requiring the greatest level of improvement are those involving the capacity and functionality assessment of

Council's infrastructure assets which are characteristics of advanced asset management maturity and a service oriented framework to manage assets.

If these particular areas of assessment are set aside, the assessment actually shows that Council is operating with most of the criteria at "better practice" and some at "good practice" for Core Asset Management Competency.

Specific actions to allow Council to obtain a full "better practice" with core targets are documented in Table 5. These actions are listed as improvement items as an output of this strategy and will be driven through Council's Asset Management Steering Group.



Council is operating with most assessment criteria at "Better Practice" and some at "Good Practice" based on the NAMAF score card.

⁹ Asset Planning and Management Element 2 Asset Management Strategy and Plans divided into Asset Management Strategy and Asset Management Plans competencies.

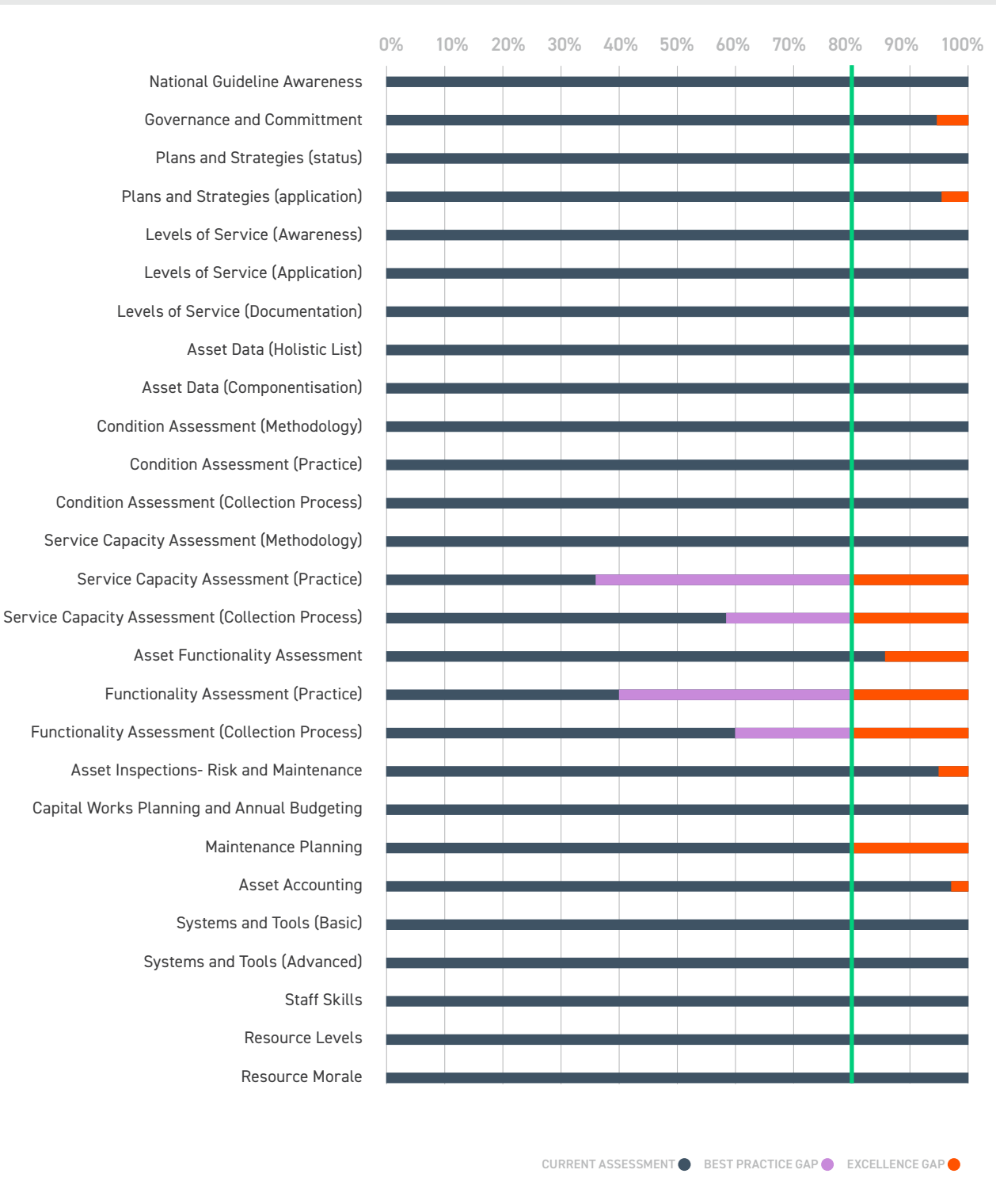


Figure 5: Asset Management Maturity based on NAMAF core competencies

Where Do We Want to Be?

Council's Vision, Mission, Goals and Objectives

This Asset Management Strategy is prepared in accord with Council's vision, mission and strategic objectives:

Council's vision is:

"A Thriving Community Where Everyone Belongs"

Council's mission is:

"Support The Growth, Wellbeing and Aspirations of Our Community Through Leadership, Excellence and Inclusion."

Relevant Council goals and objectives and how these are addressed in this Asset Management Strategy are detailed in Table 3 below:

Asset Management Policy

Council's Asset Management Policy was adopted in September 2016 with the next review date to occur in June 2021. The Asset Management Policy defines Council's vision and service delivery objectives for asset management in accordance with the Corporate Plan and applicable legislation.

STRATEGIC OBJECTIVE	OUTCOME	OBJECTIVE
A proud, inclusive and safe community	A City of people leading happy and healthy lives	Continued investment in infrastructure assets. Identify and address gaps in community infrastructure. Provision of leisure and aquatic centres, sports infrastructure, reserves, youth support services and youth programs.
A thriving and resilient natural environment	A City that preserves and Enhances its natural environment for future generations	Maintenance of our parks, open spaces, trees, property, drainage and roads.
A well planned and built City	A City with a clear vision to manage growth in a sustainable and accessible way	Provision of and access to services, and amenities. Promote active transport options in the road and open space network Ensure infrastructure are adequate, safe and contribute to the wellbeing of the community Support creation of a connected and active community through the design and delivery of walking and cycling networks Ensure facilities are designed and built to accommodate growth, diverse needs and future flexibility. Provision of spaces and places for the community to meet, reflect and 'just be'. Undertake integrated open space planning to ensure new neighbourhoods have timely access to reserves, parks, gardens, heritage places and natural assets.

Table 3: Council's Strategic Objectives

The Asset Management Strategy is developed to support the Asset Management Policy and to enable Council to show:

- How its assets will meet the affordable service delivery needs of the community into the future;
- Enable Council's Asset Management Policy to be achieved;
- Ensure the integration of Council's asset management with its long term strategic plans, including the LTFP.

The Asset Management Strategy is to guide the Asset Management Plans and the Long Term Financial Plans. These in turn need to be informed by sound data, and be supported by a well integrated asset management system, conducive for improved performance.

Asset Management Vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of

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

"To ensure that infrastructure assets support services that are appropriate, accessible, responsive, timely and sustainable to the community, in accordance with responsible asset management that will preserve the life of the asset and ensure that the community is receiving the best value for money from Asset Management Programs¹⁰."

In line with this vision, the objectives of the Asset Management Strategy are to:

- Ensure that Council's infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment determined by reference to Council's financial sustainability;
- Safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies and providing

appropriate financial resources for those assets;

- Adopt the LTFP as the basis for all service and budget funding decisions;
- Meet legislative requirements for all Council's operations;
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated;
- Ensure high level oversight of financial and asset management responsibilities are reported to Council with regards to the development and implementation of the Asset Management Strategy, Asset Management Plans and Long Term Financial Plan.

Strategies to achieve this position are outlined in the How Will We Get There? section starting on p16.

¹⁰ Melton City Council – Asset Management Policy, 4.2 Vision



How we engaged with our community

In February 2021, Council engaged a community panel to provide input into the development of four strategic documents:

- Community Vision 2041
- Financial Plan 2021-2031
- Asset Plan 2021-2031
- Council and Wellbeing Plan 2021-2025.

The community panel brought together 40 residents, who were representative of the community as a whole, and reflected the diversity of locations, ages and backgrounds of the City of Melton.

The community panel was asked to deliberate on the question of 'what are our aspirations for the growing City of Melton in 2041 and how should we prioritise and resource in order to get there?' In response, the community panel:

- created the vision statement and title for the refreshed 20 year Community Vision
- developed principles to guide the development of the Financial Plan 2021-2031 and Asset Plan 2021-2031
- prioritised the strategies to be implemented within the Council and Wellbeing Plan 2021-2025.

The community panel was key to ensuring the community's voice was at the heart of Council's strategic planning. It was an exciting new approach to engaging the community and forms part of Council's deliberative engagement requirements under the *Local Government Act 2020*.

Council's Integrated Planning and Reporting Framework (Figure 6) outlines the relationship between these documents and highlights the importance of the Community Vision as the pinnacle of Council's strategic planning framework.



MELTON CITY COUNCIL INTEGRATED PLANNING AND REPORTING FRAMEWORK

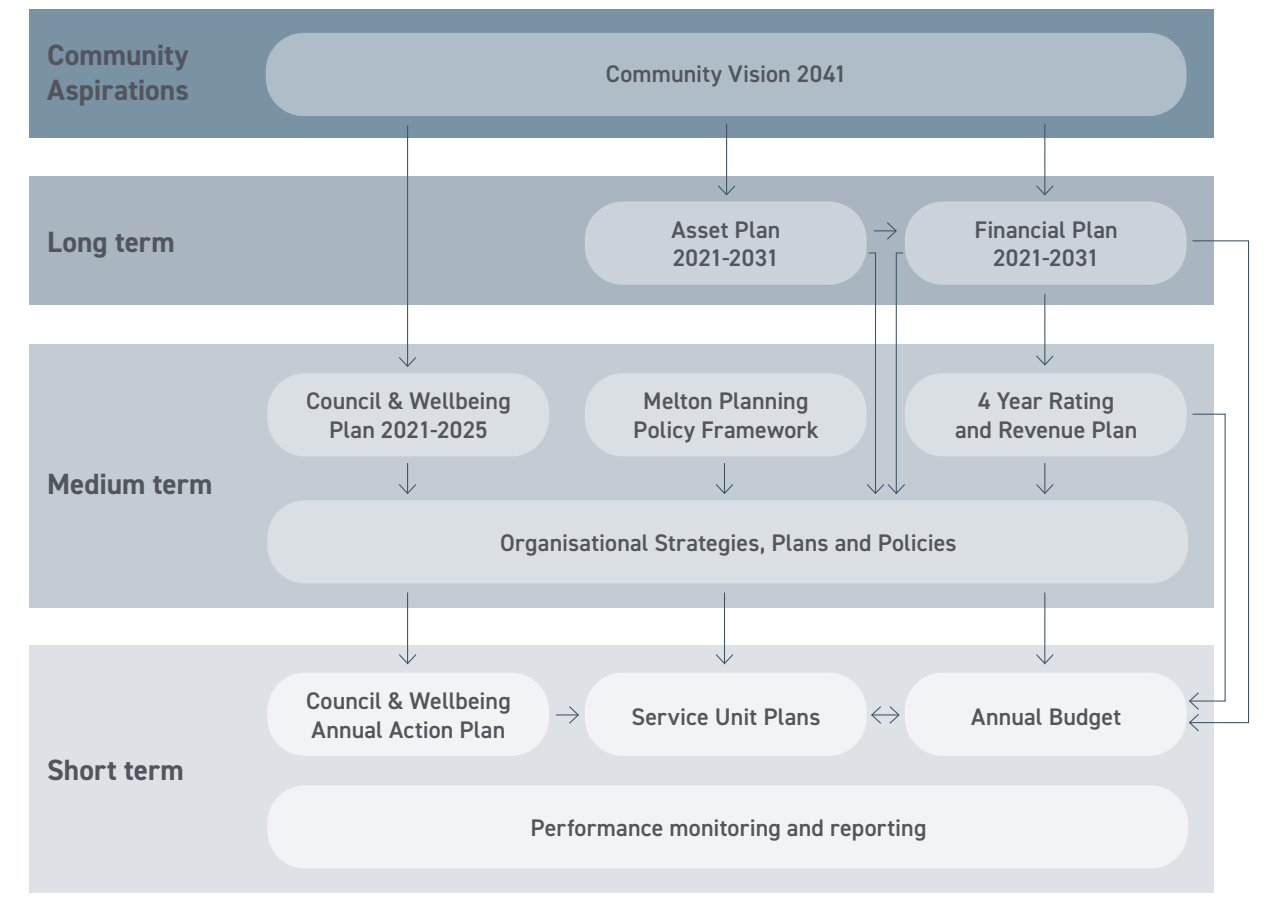


Figure 6: Melton City Council Integrated Planning and Reporting Framework

Guiding principles

As part of the community panel's role, they contributed to the development of these nine principles which will guide Council's asset management decisions.

1. Community-focused

Council will respond to the diverse and changing needs of the community and make decisions based on these needs.

2. Equity and inclusion

Council will deliver services and infrastructure that are equitable, accessible, and encouraging of community participation.

3. Quality

Council will deliver services and infrastructure that are safe, sustainable and fit for purpose, and seek to continuously improve them based on community needs and feedback.

4. Leadership

Council will identify and address changing circumstances, make informed decisions about how to best allocate resources for current and future needs, and seek to provide stability in the financial impact on the community.

5. Community voices

Council will listen to the perspectives of the community to inform decisions, encourage an open and transparent dialogue, and work to achieve the community's vision as outlined in Melton City 2041 – The City We Create.

6. Health and wellbeing

Council will make decisions that promote community health and wellbeing.

7. Innovation

Council will strive to deliver best-practice and evidence-informed services and infrastructure, invest in technology, and attract new business and services to the City.

8. Sustainability

Council will undertake responsible spending and investment to manage financial, social and environmental sustainability.

9. Integration

Council will take an integrated, long-term and transparent approach to planning, and coordinate with and advocate to local, state and federal government.

How Will We Get There?

Asset Management Strategies

The Asset Management Strategy proposes strategies to enable the objectives of the Corporate Plan, Asset Management Policy and Asset Management Vision to be achieved. These strategies are outlined in Table 4 below.

NO	ASSET MANAGEMENT STRATEGIES	DESIRED OUTCOME
1	Annually review and update Asset Management Plans (AMPs).	To ensure that the AMPs remain relevant and current in relation to identifying services needed by the community and funding required to optimise 'whole of life' costs.
2	Long term LTFP incorporating asset management plan expenditure projections with sustainable funding position outcomes.	Sustainable funding model to provide Council services.
3	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance, costs and 'whole of life' costs.	Improved decision making and greater value for money.
4	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
5	Implement an Improvement Plan to realise 'core' maturity for the asset management competencies within 4 years.	Improved asset management capacity within Council.
6	Incorporate Year 1 of LTFP expenditure projections into annual budgets.	LTFP drives budget deliberations.
7	Move from annual budgeting to LTFP across all asset categories.	The long term implications of Council services are considered in annual budget deliberations.

8	Report half-yearly to Council by AM Steering Committee on development and implementation of Asset Management Strategy, AM Plans and LTFP.	Oversight of resource allocation and performance.
9	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Service delivery is matched to available resources and operational capabilities.
10	Review and update Asset Management Plans and LTFP after the adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
11	Monitor opportunites for enhancing data collection methods by embracing advancement in new technologies and systems.	Improved data collection methods that reduces the human error factor and saves time and effort.

Table 4: Asset Management Strategies

Asset Management Improvement Plan

As noted in Section 3.5, Council is well placed on its strategic asset management journey having achieved numerous improvement actions identified in the last Asset Management Strategy adopted in 2015. The actions range from the development of Council's Asset Management Plans, Strategy and Policy to drive improvements in asset data, condition assessment and management.

However the journey is far from finished as the asset management fraternity continuously matures and more rigours from the audit office are introduced. One of the more recent improvement practices introduced by the audit office is Council will need to regularly update asset registers, reconcile asset registers with asset management systems and have suitable controls to ensure the integrity of Council data.

The roadmap for improvement over the next four years, to evolve Council into an organisation that is practising service driven optimisation is set out in this strategy as an Improvement Plan. This comprehensive plan is summarised in Table 5 below.

It is noted that improvement actions that are specific to a certain asset group are detailed in the individual Asset Management Plan.



NO	IMPROVEMENT TYPE	ASSET MANAGEMENT IMPROVEMENT PLAN	RESPONSIBLE SERVICE UNIT	TIMELINE
1	Business Process	Review of the Asset Management Steering Committee and the Asset Management Working Group, to define membership, purpose and objectives, ensuring alignment with key strategic asset management objectives.	Engineering Services	Jun-21
2	Business Process	Develop Business Process Manuals (BPM) for each Asset Group: Buildings, Open Space, Stormwater and Transport, ensuring alignment to Council policies.	Engineering Services	Jun-21
3	Business Process	Review Condition Audit Manuals for all asset categories, in order to systematically standardise condition rating to IPWEA guidelines. This is in order to specify attributes to be collected, as well as stating rules on the provision of imagery/videos, with mapping conventions for each asset category.	Engineering Services	Annually, based on 4 yearly Condition Audit Schedule
4	Business Process	Standardise and map the workflow process from the provision of condition audit data, through to proactive maintenance/renewal program creation.	Engineering Services	Annually, based on 4 yearly Condition Audit Schedule
5	Business Process	Continually investigate innovative ways to deliver strategic asset management through engaging with the industry at all government levels, and through improved processes and new technologies.	Engineering Services	Ongoing
6	Data Management	Identify critical assets and the potential risks of their failure, incorporating data from condition audit reports, to establish a Risk Register in Council's AMS.	Engineering Services Operations	Ongoing
7	Data Management	Review current revaluation process and document agreed process.	Engineering Services	Jun-21
8	Data Management	Undertake a comprehensive gap analysis to assess asset data completeness, taking into account service capacity and functionality, currency and accuracy (confidence level) for each asset category.	Engineering Services Operations Community Planning	Jul-23
9	Data Management	Undertake condition audits of assets as per Council's policy. Establish a pre-determined schedule of condition audits, for each Asset Category to go in the relevant Business Process Manual.	Engineering Services	Annually based on 4 yearly Condition Audit Schedule
10	Data Management	Undertake revaluation of assets as per Council's Asset Valuation and Revaluation policy.	Engineering Services	Annually based on 4 yearly Condition Audit Schedule

NO	IMPROVEMENT TYPE	ASSET MANAGEMENT IMPROVEMENT PLAN	RESPONSIBLE SERVICE UNIT	TIMELINE
11	Plans & Policies	Use predictive modelling to systematically establish and update 10-year asset renewal plan to inform the Financial Plan, on all asset categories.	Engineering Services	Ongoing
12	Plans & Policies	Review and update Council's Asset Management Policy and ensure alignment with other Council policies.	Engineering Services	Jul-21
13	Professional Development	Develop a training delivery schedule, on skills relevant to Asset Management, where needed across the organisation.	Engineering Services	Jul -23
14	Systems	Continual improvement in communicating assets information and the biannual state of the asset reports, using available technologies like Power BI and the Assetic dashboards.	Engineering Services	Dec-20
15	Systems	Investigate the use of ASPEC data standards for the delivery of internal capital works programs, to inform and improve the handover process.	Engineering Services	Jul-22
16	Systems	Investigate the opportunity to implement an integrated asset management and asset maintenance system.	Engineering Services Operations Information Services	Jun-23
17	Systems	Improve integrations between Council's Asset Management, Enterprise Content Management and GIS, to facilitate information sharing and improved decision making.	Engineering Services	Jun-23

Table 5 – Asset Management Practice Improvement Actions

Monitoring Progress

This Asset Management Strategy will be reviewed and updated with subsequent versions on a maximum 3 yearly basis. The Improvement Plan is to be reviewed and updated by the corporate asset management team on an annual basis (minimum), with subsequent status reporting to Council.



A monitoring plan is essential for ensuring that Council is able to achieve desired service outcomes.

Summary

The Asset Management Strategy enables Council to meet national asset management frameworks, State legislative requirements and the provision of community services in an equitable and financially sustainable manner. It presents the current state of Council's assets and Asset Management System¹², highlighting the improvements

necessary to meet service delivery requirements as described in the Corporate Plan and Asset Management Policy.

The Asset Management Strategy establishes the framework to support and guide planning and prioritisation of infrastructure investment and activities with holistic data and analysis regarding

capital works, maintenance and operation of infrastructure essential for Council to provide services to the community. It answers two key questions:

¹² Asset management — Management systems
— Guidelines for the application of ISO 55001

How well is our infrastructure performing and how well will it perform into the future?

Overall, the asset portfolio is in relatively good condition with the majority of assets in the early to middle portion of their life, and the demand and urgency on funding is lower relative to the later life phases.

As these assets degrade further over the next few years they move into the action phase. It is for this very reason that Council is embracing a strategy and the action plans in the strategy to reduce and remove the future risks of assets deteriorating to an action phase.

How well equipped is Council to manage its infrastructure now and into the future?

Council has made significant progress in preparing and enabling itself to better manage its asset portfolio. Measurement against national standards shows good growth in maturity but highlights a need for a continued, focused effort to achieve its 'core' maturity target.

An improvement and performance measurement program is in place to continue to guide Council towards its asset management objectives.





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