





ASSET MANAGEMENT STRATEGY

2020 – 2030

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NAMS.PLUS Asset Management

The Institute of Public Works Engineering Australasia.

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Executive Summary

This asset management strategy is prepared to assist council in improving the way it delivers services from infrastructure including bridges, buildings, open space, plant, roads, footpaths, and stormwater. These infrastructure assets have a replacement value of approximately \$145 million.

The asset management strategy is to enable Council to show:

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

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

The asset management strategy is prepared following a review of the council's service delivery practices, financial sustainability indicators, asset management maturity and fit with council's vision for the future outlined in the West Coast Council Community Plan 2025 (As revised). The strategy outlines an asset management improvement plan detailing a program of tasks to be completed and resources required to bring council to a minimum 'core' level of asset maturity and competence.

Strategic Outlook

1. Service level expectations are increasing in many areas requiring additional investment and infrastructure over the medium- to long-term. Examples of this are the intention to move from open to piped stormwater, increasingly sealed roads, increases in requirements for footpath quality and increases in desired sport and recreation infrastructure.
2. There are increasing statutory requirements, primarily relating to building, safety, and environmental standards that will necessitate increases in infrastructure in some asset classes (for example in waste areas and building compliance improvements).
3. The funding for new and improved infrastructure will come from a mixture of Council allocations and external grant funding.
4. In accordance with the Long-term Financial Plan Council intends to not raise rates at levels significantly above relevant indexes and therefore cannot absorb the cost of increased infrastructure.
5. Assets and services in some areas will need to be reduced to offset the increases identified above while aligning with Council's Long-term Financial plan of not increasing rates at levels significantly above relevant indexes.

¹ LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.

6. The organisation's current asset management maturity is below 'core' level and investment is required to improve information management, lifecycle management, service management and accountability and direction.

Asset Management Strategies

No	Strategy	Desired Outcome
1	Move from Annual Budgeting to Long Term Financial Planning	The long-term implications of Council services are considered in annual budget deliberations.
2	Develop and annually review Asset Management Plans covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
3	Develop Long Term Financial Plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.
4	Incorporate Year 1 of Long-Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
5	Review and update asset management plans and long-term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
6	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability, and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
7	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
8	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Services delivery is matched to available resources and operational capabilities.
9	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
10	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within 2 years.	Improved financial and asset management capacity within Council.
11	Report six monthly to Council by GM on development and implementation of Asset Management Strategy, AM Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

Asset Management Improvement Plan

The program of tasks and resources required to achieve a minimum 'core' asset management maturity was developed in the asset management strategy. The tasks and program are shown below.

Ref	Task	Target Date
1	Complete Stormwater data collection to enable valuation	Dec 2020
2	Publish online public map of Stormwater network as per the Urban Drains Act 2013	Dec 2020
3	Asset Management Strategy for Footpaths ready for adoption	Dec 2020
4	Complete Stormwater Asset Valuation	Feb 2020
5	Adopt Asset Management Plan for Stormwater	Mar 2020
6	Conduct Building Asset condition assessment	Apr 2020
7	Update Asset Management Plan for Buildings	May 2020
8	Conduct Road Asset Condition Assessment	2021/22
9	Complete Road Asset Valuation	2021/22
10	Update Road / Transport Asset Management Plan	2021/22

1.0 INTRODUCTION

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

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present challenges. Their condition and longevity can be difficult to determine. Financing needs can be large, requiring planning for large peaks and troughs in expenditure for renewing and replacing such assets. The demand for new and improved services adds to the planning and financing complexity.²

The creation of new assets also presents challenges in funding the ongoing operating and replacement costs necessary to provide the needed service over the assets' full life cycle.³ This is particularly of concern on the West Coast where there are significant new assets being created (for example MTB trails, gyms, and sealed roads).

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

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors and:
 - bringing together asset management and long-term financial plans,
 - demonstrating how council intends to resource the plan, and
 - consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
 - explanation to the community on variations between the budget and actual results,
 - any impact of such variances on the strategic longer-term plan,
 - report of operations with review on the performance of the council against strategic objectives.⁴

Framework 2 Asset Planning and Management has seven elements to assist in highlighting key management issues, promote prudent, transparent, and accountable management of local government assets and introduce a strategic approach to meet current and emerging challenges.

- Asset management policy,
- Strategy and planning,
 - asset management strategy,
 - asset management plan,
- Governance and management arrangements,
- Defining levels of service,
- Data and systems,
- Skills and processes, and
- Evaluation.⁵

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

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

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

The asset management strategy is to enable Council to show:

- how its asset portfolio will meet the service delivery needs of its community into the future,
- to enable Council's asset management policies to be achieved, and
- to ensure the integration of Council's asset management with its long-term strategic plan.⁶

The goal of asset management is to ensure that services are provided:

- in the most cost-effective manner,
- through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets,
- for present and future consumers.

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

1.1. Legal Context

The *Local Government Act 1993* – Section 70D states that:

1. A council is to prepare an asset management strategy for the municipal area.
2. An asset management strategy for a municipal area is to –
 - a. be consistent with the strategic plan for the municipal area; and
 - b. contain at least the matters that are specified in an order made under section 70F (of the *Local Government Act 1999*) as required to be included in an asset management strategy.

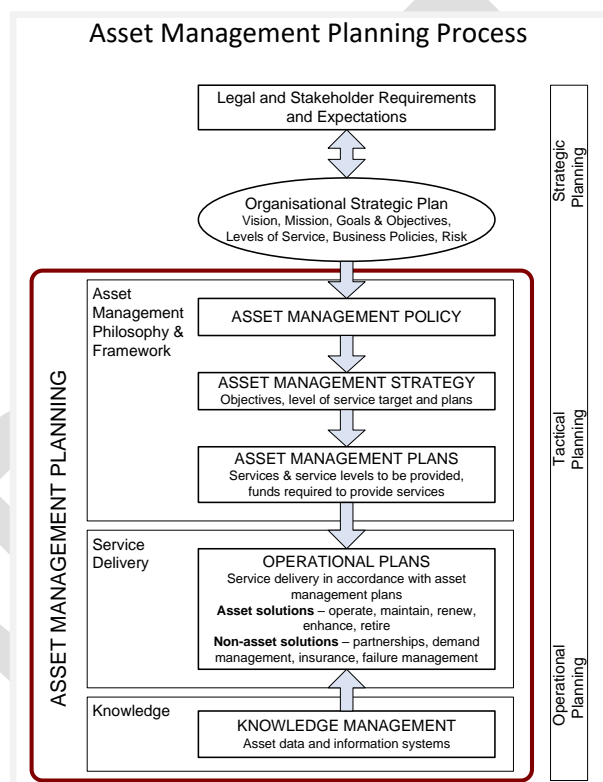
⁵ LGPMC, 2009, *Framework 2 Asset Planning and Management*, p 4.

⁶ LGPMC, 2009, *Framework 2 Asset Planning and Management*, p 4.

1.2 Asset Management Planning Process

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

Asset management planning commences with defining stakeholder and legal requirements and needs, incorporating these needs into the organisation's strategic plan, developing an asset management policy, strategy, asset management plan and operational plans, linked to a long-term financial plan with a funding plan.⁷



For some assets Council will manage assets using a specific strategy. These include:

- The West Coast Sport & Recreation Plan (2018) - https://www.westcoast.tas.gov.au/_data/assets/pdf_file/0023/719222/West-Coast-Sport-and-Recreation-Plan-Report.pdf and associated implementation guidance https://www.westcoast.tas.gov.au/_data/assets/pdf_file/0025/742426/Sport-and-Recreation-Plan-Implementation-Report-Copy-final.pdf
- The West Coast Aquatics Strategy and Business Plan (2017) - https://www.westcoast.tas.gov.au/_data/assets/pdf_file/0035/733679/@leisure-West-Coast-Aquatics-Strategy-and-Business-Plan-120917.pdf

⁷ IPWEA, 2009, AIFMG, Quick Guide, Sec 4, p 5.

- The Waste Strategy: transfer station infrastructure (2018) - https://www.westcoast.tas.gov.au/_data/assets/pdf_file/0028/719227/WWC-Waste-strategy-transfer-station-infrastructure-2018-2018-2.pdf
- The West Coast MTB Strategy (2019) - https://www.westcoast.tas.gov.au/_data/assets/pdf_file/0028/718165/Mountain-Bike-Trail-Strategy-West-Coast-2019-FINAL-public.pdf.

2.0 WHAT ASSETS DO WE HAVE?

Council uses infrastructure assets to provide services to the community. The range of infrastructure assets and the services provided from the assets is shown in Table 1.

Table 1: Assets used for providing Services.

Asset Class	Description	Services Provided
Roads	All road assets including road pavements, road surfaces, road formations, kerb and channel, footpaths, cycle ways, retaining walls, stormwater assets and street furniture	Transportation of goods and services from production to market and to consumers. Movement of people around the Council area for business, education, recreation and leisure.
Bridges	Bridges (pedestrian and vehicular), jetties, boardwalks, viewing platforms and major culverts (as per Grants Commission definition).	Provides for the safe passage of vehicles and pedestrians. Designed to permit the safe passage of storm and flood flows
Buildings	Public buildings, operational installations, cultural, recreational facilities and leased buildings, pools.	Supports the delivery of a range of services and infrastructure to the community. Facilitates a large range of culture and community activities.
Furniture and Fittings	Generally movable internal furnishings which are carried at cost on Council's balance sheet	
Land	Council owned Land	Land for Council Buildings, Facilities, Open Space and Roads
Other Structures	Infrastructure assets which do not readily fit into another asset category	
Plant and Equipment	Plant and equipment used to support the operational activities of Council.	Support the provision of a range of services to the community.

3.0 THE ORGANISATION’S ASSETS AND THEIR MANAGEMENT

3.1 State of the Assets

The financial status of the organisation’s assets is shown in Table 2.

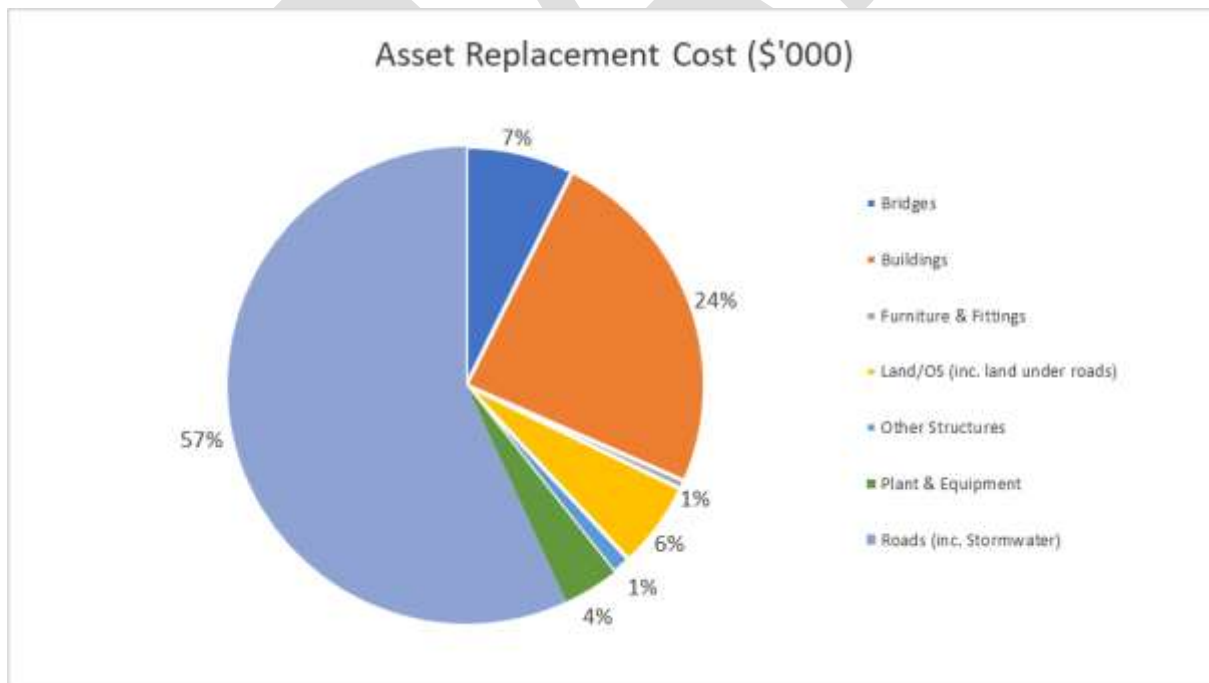
Table 2: Financial Status of the Assets

Asset Class	Replacement Cost (\$000)	Depreciable Amount (\$000)	Depreciated Replacement Cost (\$000)	Depreciation Expense (\$000)
Bridges	10,679	10,679	5,619	140
Buildings	35,251	35,251	18,272	437
Furniture & Fittings	856	856	348	83
Land (inc. land under roads)	8,572	0	8,572	0
Other Structures	1,831	1,831	1,688	31
Plant & Equipment	5,522	5,522	2,946	471
Roads (inc. stormwater assets)	82,666	82,666	44,945	1,260
Total	145,377	136,805	82,390	2,422

* Figures do not include WIP or leased assets

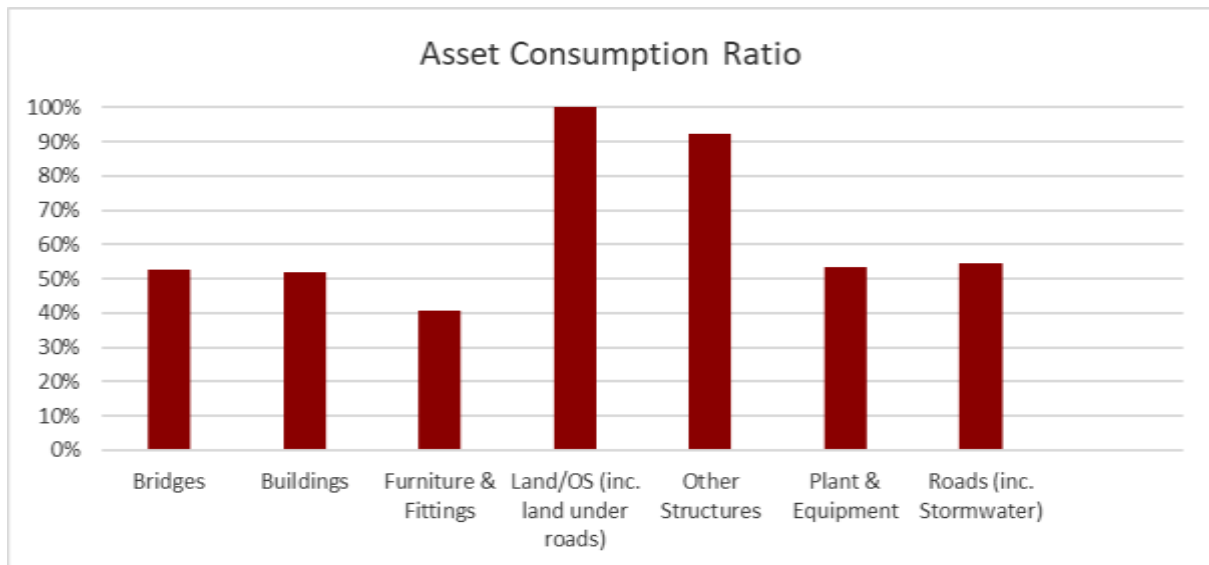
Figure 1 shows the replacement values of Council’s assets.

Figure 1: Asset Replacement Values



The asset consumption ratios of Council’s assets (average proportion of ‘as new’ condition left in assets) are shown in Figure 2.

Figure 2: Asset Consumption Ratio



According to figure 2 all asset classes have not been consumed past 45% this is a good indication that West Coast Council assets have a significant amount of useful life remaining.

The condition of Council’s assets is shown in Figure 3.

Figure 3: Asset Condition Profile

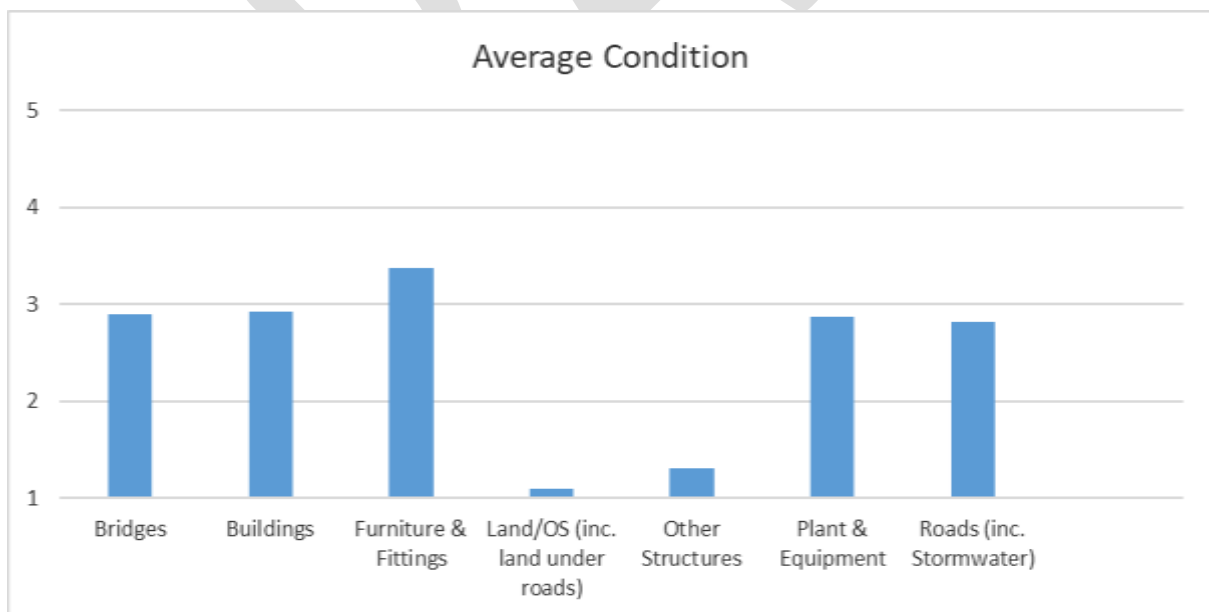


Figure 3 shows average asset condition for each class of asset.

Bridge assets were conditionally assessed by AusSpan - Bridge Asset Management specialists in 2020. AusSpan conduct condition and safety assessments of Council bridges on an annual basis. Building assets were conditionally assessed by Brighton Council’s Technical Officer in 2018. Council

aims to assess the capital condition of its buildings every 3 – 5 years in accordance with Tasmanian Audit Office Standards. Council’s Road Assets were conditionally assessed in 2017 by the Australian Road Research Board (ARRB) which indicates that Council’s road network is due for condition assessment in 2021/22. Other asset classes are not currently conditionally assessed on cyclical basis.

3.2 Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include operating and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is shown in Table 3.

Table 3: Life Cycle Cost for Council Services

Service	Operations	Maintenance	Depreciation p/a	Life Cycle Cost (\$/yr)
Bridges	7,576	8,806	140,000	156,381
Buildings	1,860,265	17,016	437,000	2,314,281
Furniture & Fittings	0	0	83,000	83,000
Land (inc. land under roads)	0	0	0	0
Other Structures	47,579	47,579	31,000	126,158
Plant & Equipment	0	0	471,000	471,000
Roads (inc. Stormwater)	1,195,613	614,154	1,260,000	3,069,767
Total	3,111,032	687,555	2,422,000	6,220,587

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. It is expected that estimates of life cycle costs will improve over time as Asset Management reaches core maturity and asset management principles are incorporated into financial management. Life cycle expenditure includes operating, maintenance, and capital renewal expenditure in the previous year. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure at the start of the plan is shown in Table 4.

Table 4: Life Cycle Expenditure for Council Services

Service	Previous Year Expenditure		Cap Renewal Exp	Life Cycle Exp
	Operations	Maintenance	(\$/yr)	(\$/yr)
Bridges	7,576	8,806	480,000	496,381
Buildings	1,860,265	17,016	910,805	2,788,086
Furniture & Fittings	0	0	50,000	50,000
Land (inc. land under roads)	0	0	0	0
Other Structures	47,579	47,579	490,000	585,158
Plant & Equipment	0	0	150,000	150,000
Roads (inc. Stormwater)	1,195,613	614,154	2,401,800	4,211,567
Total	3,111,032	687,555	4,482,605	8,281,192

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term, If the life cycle expenditure

is less than the life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing service to their communities in a financially sustainable manner. This is the purpose of the Asset Management Plans and long-term financial plan.

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

The life cycle gap and life cycle indicator for services covered by this asset management plan is summarised in Table 5.

Table 5: Life Cycle Indicators

Service	Life Cycle Cost (\$/yr)	Life Cycle Expenditure (\$/yr)	Life Cycle Gap * (\$/yr)	Life Cycle Indicator
Bridges	156,381	496,381	340,000	317%
Buildings	2,314,281	2,788,086	473,805	120%
Furniture & Fittings	83,000	50,000	-33,000	60%
Land/OS (inc. land under roads)	0	0	0	0%
Other Structures	126,158	585,158	459,000	464%
Plant & Equipment	471,000	150,000	-321,000	32%
Roads (inc. Stormwater)	3,069,767	4,211,567	1,141,800	137%
All Services	6,220,587	8,281,192	2,060,605	133%

Note: * A life cycle gap is reported as a negative value.

Table 5 indicates that a life cycle investment gap does not exist in relation to West Coast Council assets. This indicates in many cases Council is increasing the level of infrastructure as indicated by expenditure above cost. This is in part due to success in grant funding, but also the need to significantly invest in assets that have had minimal investment in the past. A gap will emerge however, as Councils own financial resources lessen and the operational costs of new infrastructure increase. It is expected that without cost saving the costs of current infrastructure plus new infrastructure will exceed expectation in long-term financial plan. The table does indicate that there is a current life cycle gap relating to the 'Plant & Equipment' asset class, this is due to the fact that Council is investing less than usual in relation to Plant this financial year, and not a cause for concern. The same can also be said for the 'Furniture & Fittings' asset class which reflects a focus on community infrastructure rather than organisation infrastructure compared to previous investment levels. On average Council is more than adequately funding asset renewals.

3.3 Asset Management Structure

Position	Role
Councillors	To ensure Council's asset management policy and principles are applied to relevant decision making. Provide appropriate

	resources to maintain and infrastructure assets.
General Manager	To ensure that Council infrastructure is maintained and operated in accordance with Council's adopted policies and procedures and in accordance with the relevant legislation
Corporate Accountant (Consultant)	Responsible for the development, implementation and review of the Financial Management Strategy and Financial Services input into the Asset Management process.
Asset Management Specialist (Consultant)	Guidance and input relating to management of asset systems and data (including collection), coordination of condition assessments, development of Asset Management processes and the design and programming of Capital and Operational Works program.
Manager of Operations and Infrastructure.	Responsible for coordinating Council's Works program and ensuring construction/work standards comply with Asset Management policy, plans and strategy.
Coordinators (Asset Management)	The Manager of Operations and Infrastructure is assisted by Coordinators – one Coordinator will have specific responsibility for the Asset Management system, others will be the Asset Management leads for particular asset classes.

3.4 Corporate Asset Management Team

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

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

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

Phase 1

- strategy development and implementation of asset management improvement program,

Phase 2

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

Phase 3

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

The General Manager is supported by a Management Team that oversees the operation of Council including the implementation of Council policy and Strategies. Specific responsibility for overseeing implementation of the Asset Management Strategy is with the Manger of Operations and Infrastructure who is supported by Coordinators with responsibility for managing specific assets and the asset management system.

3.5 Financial & Asset Management Core Competencies

The National Frameworks on Asset Planning and Management and Financial Planning and Reporting define 10 elements. 11 core competencies have been developed from these elements⁸ to assess 'core' competency under the National Frameworks. The core competencies are:

Financial Planning and Reporting

- Strategic Longer-Term Plan
- Annual Budget
- Annual report

Asset Planning and Management

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

Council will reach 'core' level asset management maturity by completing the steps outlined in 'table 8' of this document.

3.6 Strategy Outlook

1. Service level expectations are increasing in many areas requiring additional investment and infrastructure over the medium to long-term. Examples of this are the intention to move from open to piped stormwater, increasingly sealed roads, increases in requirements for footpath quality and increases in desired sport and recreation infrastructure.

⁸ Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans competencies.

2. There are increasing statutory requirements, primarily relating to building, safety, and environmental standards that will necessitate increases in infrastructure in some asset classes (for example in waste areas and building compliance improvements).
3. The funding for new and improved infrastructure will come from a mixture of Council allocations and external grant funding.
4. The Council intends to raise rates at a similar rate to CPI and therefore cannot absorb the cost of increased infrastructure.
5. Assets and services in some areas will need to be reduced to offset the increases identified above while aligning with Council's long-term financial plan of not increasing rates at levels significantly above CPI.

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4. WHERE DO WE WANT TO BE?

4.1 Council's Vision, Mission, Goals and Objectives

Council has adopted a Vision for the future in the Council Strategic Plan – the West Coast Community Plan 2025, this plan was recently revised in 2020 where Council recommitted to its focus and further defined its objectives. Council also has a 10-year corporate plan, the West Coast Council Corporate Plan 2020-2030 which focuses on organisation and capability improvement.

Council's vision is:

We are a proud community. One that is connected, enjoys our lifestyle surrounded by our unique natural heritage and works together for the benefit of the residents, business owners and visitors to our stunning Region.

Council's purpose is set out in the adopted mission statement.

We will work together in partnership to provide and continually improve the facilities, services and infrastructure that will serve the needs of our communities.

The Strategic Plan sets goals and objectives to be achieved in the planning period. The goals set out where the organisation wants to be. The objectives are the steps needed to get there.

The West Coast Community Plan 2025 (as revised) stated:

Our Infrastructure

What we said

The provision of infrastructure such as public transport, roads, walking and bike paths, communications and digital networks that enables access for all in our community is highly regarded by our community. As the West Coast is geographically isolated, access to and around the Region is vitally important. The declining population is seen as a real threat to the ongoing sustainability of the Region and the provision of community infrastructure is critical to attracting new residents and businesses to the Region.

Our Vision

To have a sustainable asset and infrastructure base to meet the lifestyle and business needs for residents, visitors, and industry.

Key Outcomes

- 13 *The West Coast has well-planned and resourced, assets and infrastructure.*
- 14 *The West Coast has a safe and reliable transport system to and around the region.*
- 15 *Infrastructure on the West Coast is sustainable both environmentally and financially.*

The West Coast Council's Corporate Plan 2020-2030 stated:

Vision

We have a sustainable asset and infrastructure base to meet the lifestyle and business needs of residents, visitors, and industry.

Key Outcomes

A Council that ensures its infrastructure is fit for purpose, safe and sustainable to maintain, and provides high public benefit.

A Council that demonstrates excellence in asset management, infrastructure planning and project delivery.

A Council whose community facilities are accessible, modern, built to last and sustainable to maintenance.

Additionally, the Council’s Corporate Plan 2020-2030 identified the Priorities and Indicators relating to the delivery of services from infrastructure are shown in Table 6.

Strategic Priorities		Indicators
Critical	<p>5.1 Plan to develop infrastructure that supports the community’s changing priorities over time.</p> <p>5.2 Deliver infrastructure upgrades that enhance our towns and attract visitors and industry.</p> <p>5.3 Improve Council’s ability to effectively deliver projects.</p>	<ul style="list-style-type: none"> • Capital expenditure as a % of depreciation (Benchmark 100%; Council data) • Asset classes with asset management plans in place (Benchmark 5/5; Council data) • \$ value of non-WCC investment in West Coast Infrastructure (Benchmark: annual value vs 5-year average value; Council data)
Significant	<p>1.1 Develop and implement long-term infrastructure plans that support sustainability for economic growth and the community.</p> <p>1.2 Increase Council’s ability to effectively manage assets in a way that both complies with legislated responsibilities and improves asset life expectancy.</p>	
Beneficial	<p>5.6 Work with other infrastructure managers (such as TasWater, TasNetworks, Dept State Growth) to effectively coordinate infrastructure improvements and maintenance.</p>	

Table 6: Strategies and Indicators for Infrastructure Services from the West Coast Council Corporate Plan 2020-2030

4.2 Asset Management Policy

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

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

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

4.3 Asset Management Vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council aspires to:

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

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

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

Strategies to achieve this position are outlined in Section 5.

5. HOW WILL WE GET THERE?

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

Table 7: Asset Management Strategies

No	Strategy	Desired Outcome
1	Move from Annual Budgeting to Long Term Financial Planning	The long-term implications of Council services are considered in annual budget deliberations.
2	Develop and annually review Asset Management Plans covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
3	Develop Long Term Financial Plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.
4	Incorporate Year 1 of Long-Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
5	Review and update asset management plans and long-term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
6	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability, and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
7	Ensure Council's decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.
8	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Services delivery is matched to available resources and operational capabilities.
9	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
10	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within 2 years.	Improved financial and asset management capacity within Council.
11	Report six monthly to Council by GM on development and implementation of Asset Management Strategy, AM Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

6. ASSET MANAGEMENT IMPROVEMENT PLAN

The tasks required to achieve a 'core' financial and asset management maturity are shown in priority order in Table 8.

Items that have been completed in recent months to allow for tasks shown in Table 8 to commence are listed below:

- 2020 Update to Council's Asset Management Policy
- Building Asset Revaluation

- Adoption of Stormwater System Management Plan (as per Urban Drains Act 2013)
- Adoption of Bridges Asset Management Plan

Table 8: Asset Management Improvement Plan

Task	Target Date
Complete Stormwater data collection to enable valuation	Nov 2020
Publish online public map of Stormwater network as per the Urban Drains Act 2013	Dec 2020
Adopt Asset Management Strategy for Footpaths	Dec 2020
Complete Stormwater Asset Valuation	Feb 2020
Adopt Asset Management Plan for Stormwater	Mar 2020
Conduct Building Asset condition assessment	Apr 2020
Update Asset Management Plan for Buildings	May 2020
Conduct Road Asset Condition Assessment	2021/22
Complete Road Asset Valuation	2021/22
Update Road / Transport Asset Management Plan	2021/22