



Cootamundra - Gundagai  
Regional Council

# Asset Management Strategy 2025-2030



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## **Preamble**

*It is acknowledged that this Asset Management Strategy is a working document based on the best information available at the time it was prepared. The document will be reviewed and updated annually, and completely revised every four (4) years in accordance with section 403 of the Local Government Act 1993 (NSW).*

*In addition, it will be updated when information having a major impact on the projected expenditure and/or projected long term budget such as changes in level of service, increased grant funding or demand influences*



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# Abbreviations

|      |                                         |
|------|-----------------------------------------|
| AMP  | Asset Management Plan                   |
| AMS  | Asset Management System                 |
| AO   | Audit Office of New South Wales         |
| CGRC | Cootamundra – Gundagai Regional Council |
| GIS  | Geographic Information System           |
| LCE  | Life Cycle Expenditure                  |
| LCC  | Life Cycle Cost                         |

# Executive Summary

This Asset Management Strategy is prepared to assist Council in improving the way it delivers services from infrastructure including roads, bridges, paths, stormwater drainage, parks and recreation, buildings, fleet, water and sewer.

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.
- Ensure the integration of Council's asset management with its long term strategic plan.

Adopting this asset management strategy will assist Council in providing services needed by the community in a financially sustainable manner. This Asset Management Strategy is prepared following a review of the Council's service delivery practices, asset management maturity and fits with Council's vision for the future.

This strategy outlines an Asset Management Improvement Plan detailing a program of tasks to be completed in order to bring Council to a minimum 'core' level of asset maturity and competence.

## Asset Management Strategies

1. Move from annual budgeting to Long Term Financial Planning, with Works Program based on asset condition data analysis.
2. Annually review Asset Management Plans for each major asset classes
3. Develop Long Term Financial Plan, incorporating Asset Management Plan expenditure projections, with a sustainable funding position outcome.
4. Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections (based on asset condition data) into Councils annual budgets.
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.
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.
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.
8. Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.
9. Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.

10. Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within two (2) years.

11. Report annually to Council on development and implementation of Asset Management Strategy, Asset Management Plans and Long Term Financial Plans.

### 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:-

*Table 1 -Improvement Focus Areas*

| Council Focus Aea                             | Improvement Strategy                                                                                                                                                   |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Asset Management Policy Development           | The Asset Management Policy and Strategy is reviewed and adopted by the Council every four years.                                                                      |
|                                               | To fully integrate the Asset Management Policy and this strategy into the Council's business process.                                                                  |
| Levels of Services and Performance Management | To define and analyse the needs of the different customer groups for all of the asset classes.                                                                         |
|                                               | Technical and customer levels of service are considered during all decision making and business planning.                                                              |
| Asset Register Data                           | Establish and implement an agreed asset hierarchy for all of our assets.                                                                                               |
|                                               | Gather, input and update asset data into our asset management information system.                                                                                      |
| Asset Condition                               | Develop, implement and document a systematic asset condition collection process.                                                                                       |
|                                               | Conduct asset condition inspections using a consistent and reliable method.                                                                                            |
| Decision Making                               | Develop and implement a documented systematic process that can be used to assist in decision-making associated with existing and future assets.                        |
| Operational Planning                          | Develop and implement Operation Plans for each asset category or service function.                                                                                     |
| Maintenance Planning                          | Utilise the Customer Request Management (CRM) system, the GIS, 'Authority' and any other systems to improve maintenance works and condition data management of assets. |
| Capital Works Planning                        | Develop and implement a Capital Project Plan as part of the Long Term Financial Plan and                                                                               |

|                             |                                                                                                                                                                                                                  |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             | Asset Management Plans for each asset category.                                                                                                                                                                  |
| Asset Management Teams      | Ensure that all staff in the organisation understands their role in asset management                                                                                                                             |
| Asset Management Plans      | Review Asset Management Plans for each of our asset categories, every second year.                                                                                                                               |
| Information Systems         | Ensure that our financial, asset, customer service and information management systems are integrated through standardising practices and procedures across the organisation.                                     |
| Service Delivery Mechanisms | Define the core service functions of our organisation and their relevant internal and external customers.                                                                                                        |
| Improvement Planning        | Formally report on Council's asset management capabilities through Council's normal reporting processes.                                                                                                         |
| Fit for the Future          | Establish satisfactory target levels of service that appropriately balance realistic community expectations, associated risks and financial sustainability.                                                      |
|                             | Realise better value from assets through sharing of AM systems skills and competencies across officers located in both Council offices, to enhance the Asset Management culture across the entire Council teams. |
|                             | Enhance the infrastructure asset data collection process to enable improved reporting, strategic planning, maintenance forecasting and financial management across the organisation.                             |
|                             | Enhance the maintenance management and capital works planning practices for the long-term and short-term management of the infrastructure assets.                                                                |

# 1. Introduction

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

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present particular challenges. Their condition and longevity can be difficult to determine, while they are required to operate within a changing needs environment. Financing needs can be large, requiring planning for large peaks and troughs in expenditure for renewing and replacing of these assets at the end of their lifecycle. The demand for new and improved services adds to the planning and financing complexity.

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

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

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors and:
  - bringing together Asset Management and Long Term Financial Plans
  - demonstrating how Council intends to resource the plan
  - consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives
- 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.

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.

- I. Asset Management Policy
- II. Strategy and Planning
  - a. Asset Management Strategy
  - b. Asset Management Plan
- III. Governance and management arrangements
- IV. Defining levels of service
- V. Data and systems
- VI. Skills and processes
- VII. Evaluation.

The Asset Management Strategy allows Council to show:

- How its asset portfolio will meet the service delivery needs of its community into the future
- How Council's Asset Management Policy is to be achieved
- To ensure the integration of Council's asset management with its Long Term Strategic Plan.

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.

This Asset Management Strategy determines the nature and direction of Councils asset management, providing the link between Councils' Asset Management Policy (AMP) and each individual Asset Management Plans. The strategy determines how Councils asset portfolio will support the service delivery needs of the communities of the Cootamundra Gundagai Regional Council, now and into the future.

This Asset Management Strategy is based on Council work program planning, and best practice asset life cycle management principles. Works planning and associated Asset Management Plans identify the services desired by our community, and explores options to deliver them in an equitable and sustainable manner. This approach ensures we understand the people, processes, resources and tools Council requires to maintain and enhance our services to the community.

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

## 1.1 Legislative Framework

Council is required to undertake their planning and reporting activities in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.

Following is a summary of the requirements of the Act:

Section 403 details:-

- A Council must have a long term resourcing strategy to achieve the objectives established by the Community Strategic Plan, for which the Council is responsible.
- The strategy must include provision for long-term financial planning, workforce management planning and asset management planning.

Section 406 details:-

- Council must comply with Integrated Planning and Reporting Guidelines as set by the regulations.

Section 196A of the Local Government (General) Regulation 2021 details:-

- A council must comply with the integrated planning and reporting guidelines in the document entitled *Integrated Planning and Reporting Guidelines for Local Government in NSW*, published on the website of the Department, as in force from time to time.

The Integrated Planning and Reporting framework for local governments in NSW provides guidance on how the organisation may meet the requirements under the Local Government Act. Figure 1 (NSW Office of Local Government, 2025) shows how the key Council document; Community Strategic Plan, Delivery Program, Operational Plan and the Resourcing Strategy; link together within the framework.

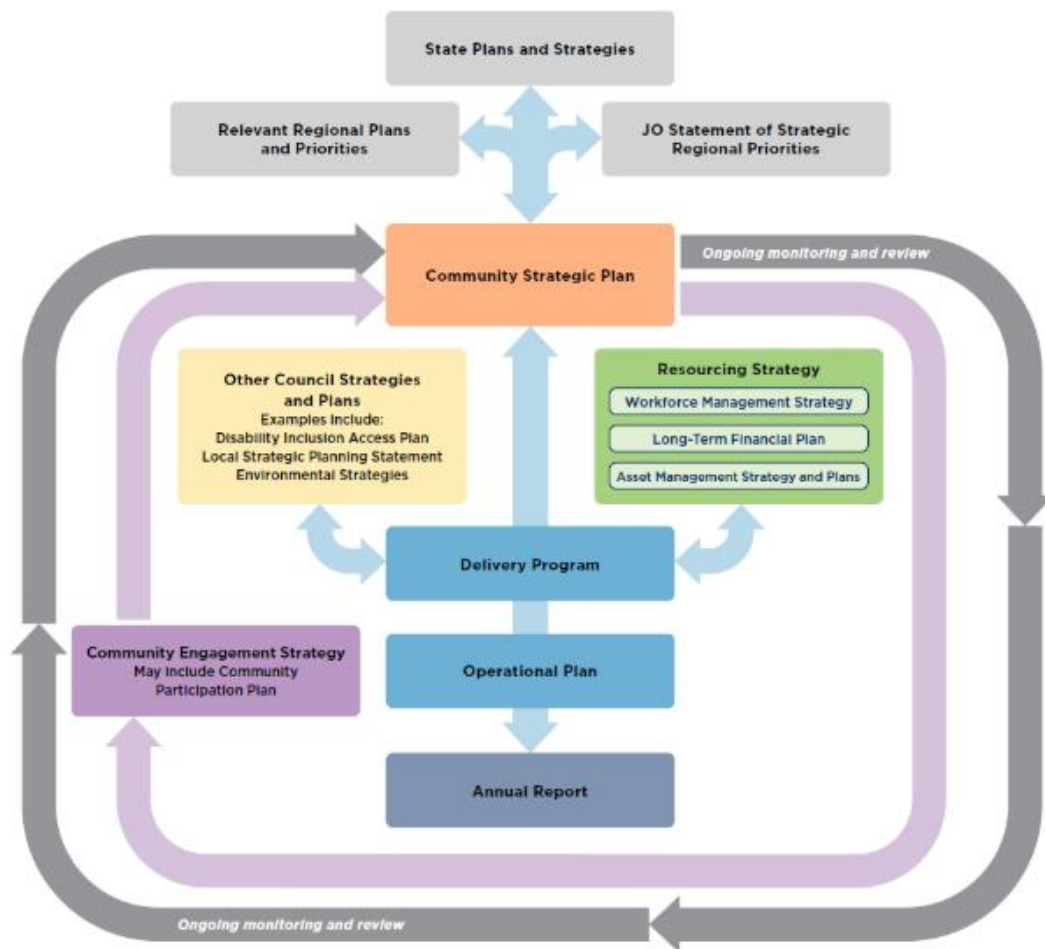


Figure 1 - Integrated Planning and Reporting framework (NSW Office of Local Government, 2025)

The figure also illustrates how the key documents could link together with other Council plans and strategies as well as external organisations such as the state government.

## 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.



Figure 2 – Asset Planning Process

## 2. Current Assets

### 2.1 Assets

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 the Table below.

Table 2 - Current Asset Classes

| Asset Class                | Description                                                                                                                                                                                        | Services Provided                                                                                                                                                                                                                                                                               |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transport                  | Bridges Culverts (under roads) Kerb and Gutter Pathways Roads                                                                                                                                      | <ul style="list-style-type: none"> <li>• Transportation of goods and services from production to market and to consumers. Movement of people around the Shire for business, education, recreation and leisure.</li> <li>• Provides for the safe passage of vehicles and pedestrians.</li> </ul> |
| Buildings, Parks and Waste | Community buildings (including libraries and Council facilities), Open Spaces (including playgrounds, structures, and park furniture), and Waste Facilities (including waste transfer facilities). | <ul style="list-style-type: none"> <li>• Community interaction and development.</li> <li>• Facilities to support economic growth throughout the Council</li> <li>• Community recreation and leisure.</li> </ul>                                                                                 |
| Water                      | Mains Reservoirs Treatment Works                                                                                                                                                                   | <ul style="list-style-type: none"> <li>• Provision of safe drinking water for people to drink. Provision of safe water supply for domestic, business, industry and recreation usage</li> </ul>                                                                                                  |
| Sewer                      | Mains Pump stations Treatment Works                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Collection of domestic, business and industry waste water, conveyance clear of private and public property, conversion to reusable quality and return to the environment.</li> </ul>                                                                   |
| Stormwater                 | Stormwater drainage                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Collection of stormwater runoff, conveyance and return to the environment to allow continuous and safe use of private and public property.</li> </ul>                                                                                                  |
| Plant and Fleet            | Internal fleet and plant                                                                                                                                                                           | <ul style="list-style-type: none"> <li>• Provision of fleet and plant to undertake council services, including construction and maintenance operations</li> </ul>                                                                                                                               |

Councils' assets support a wide and diverse range of services, including, but not limited to:

- Administrative services
- Community, arts and cultural facilities and programs
- Customer service
- Environmental management
- Urban water cycle management (including flood mitigation and protection)
- Strategy and innovation
- Libraries and learning
- Parks and recreation (including sporting facilities, aquatic services and natural areas)
- Development and compliance
- Traffic and transport
- Tourism and economic development
- Waste services

## 2.2 Critical Assets

Critical assets are defined as those that have a high consequence of failure. They are likely to result in more significant financial, reputational, environmental and social costs in terms of impact on organisation objectives. By identifying critical assets, we can reduce risk by continually improving investigative activities, maintenance and capital expenditure plans, and direct investment.

Council has a number of critical assets, principally in relation to water network and sewer supply. These critical assets include the water reservoirs (and associated water treatment plant) and sewer treatment plant (and associated treatment processes).

By identifying high-risk assets (where identified) within the individual Asset Management Plans, Council can focus on that assets condition data collection and analysis, and then refine any required further investigative activities/maintenance plans/capital expenditure plans for those individual assets. During this time, Council will also have the opportunity to reduce risk of failure, through implementing risk mitigation strategies until any planned works is completed.

## 3. Council Assets and Their Management

### 3.1 State of the Assets

#### 3.1.1 Financial Profile

The financial status of the organisation's assets are based on Council's General Purpose Financial Statements for the year ended 30 June 2024. Re-valuations are undertaken by Council to ensure financial status of Council is maintained and complies with NSW Audit requirements.

#### 3.1.2 Age Profile

There is low confidence in the data used to build the age profile of the organisation's infrastructure assets. For many assets their construction or replacement data is unknown and has only been recorded as an estimated date or not recorded at all.

As the Asset Management Information System improves, it will provide the organisation with a better understanding of the age profile.

#### 3.1.3 Condition

Data from condition assessments should be used to reassess the remaining useful lives and depreciation rates of our assets and ensure that the annual depreciation expense is the best reflection of each asset's remaining service potential. Each asset revaluation aims to improve the accuracy of the asset's value by using the most recently available information on construction materials, methods and use

To monitor asset performance and ensure service delivery, Council should undertake regular condition assessments across each asset category, our asset portfolio. The majority of these assessments ideally should be undertaken in line with asset revaluation timeframes, i.e. five-yearly.

Regular condition assessments have been undertaken by Council for:-

- Transport including roads and footpaths;
- Plant and Fleet

Regular condition assessments should be undertaken for

- Buildings
- Bridges and culverts
- Stormwater including stormwater drainage network and flood planning assets
- Open space assets such as parks, playgrounds and pools
- Waste facilities
- Sewer network
- Water network

There is high confidence in the condition of Council transport asset network, due to regular condition assessments having been completed, for the last number of years. The condition of other asset categories, has a lower confidence in the condition of the asset, due to the need for Council requiring the asset information to be collected. In particular are water and sewer assets, due to the underground nature of these assets which involves more intensive effort to initially collect the asset information data.

As the organisation's knowledge and asset management practices improve so will the condition profiles.

### 3.1.4 Lifecycle 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). Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision.

Life cycle expenditure includes operating, maintenance and capital renewal expenditure in the previous year or preferably averaged over the past 3 years. Life cycle expenditure will vary depending on the timing of asset renewals. 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.

## 3.2 Asset Management System

It is important to understand how well our current asset management system supports service delivery for our community, and to identify opportunities for ongoing improvement. Councils current asset management system includes the 'Authority' IT system and GIS data system.

These two systems are utilised for storage of asset data, and also to develop visible layers of asset location. Council uses this visualisation to manage assets as well as the people, processes and tools involved in service delivery. Key components include asset registers and management systems and asset condition assessments. Through this visualisation and aligning with Councils financial practices and asset management plans, Council is able to successfully delivery whole-of-life management of assets within their responsibilities.

At present, each of these systems utilised for asset management across Council to a varying level across each team, and also between teams based in each office. The level of data collected and the associated confidence around the accuracy of the data is varied.

An integrated approach to asset management involves aligning the councils' financial and asset management practices with their corporate objectives and planning processes. This approach emphasizes a strategic direction, through the development of Councils asset management policy, strategy and individual asset management plans.

Council should work towards the integrity of available asset data/condition data across the entire Council area, and support better asset management practices through strategic planning and operational processes. This includes documenting Councils 'place of truth' for data, and ensuring data is managed with this in mind. Council should also support training opportunities to support Council officers in the use of the systems and to allow officers the available time allocations to enhance and cleanse the asset within the system.

## 4. Asset Management Culture

### 4.1 Asset Management Maturity Assessment

Council's maturity assessment was completed as part of the development of this strategy, for a range of core competencies. The assessment of Councils AM maturity level is summarised in Figure 7.

Councils current score is detailed as the blue line, with Councils desired score as the brown line within Figure 3 (Overarching AM Aspects) and Figure 4 (Individual AM Aspects). The green line depicts the current score (plus a transition figure (+25%)) of where Council is currently progressing ('developing').

Further details regarding this assessment is available within Councils' *Asset Management Audit Report 2025*.

The maturity gap to be overcome for Council to achieve a core financial and asset management competency is shown by the red bars.

## Cootamundara Regional Council Asset Management Maturity Assessment 2025- AM Elements

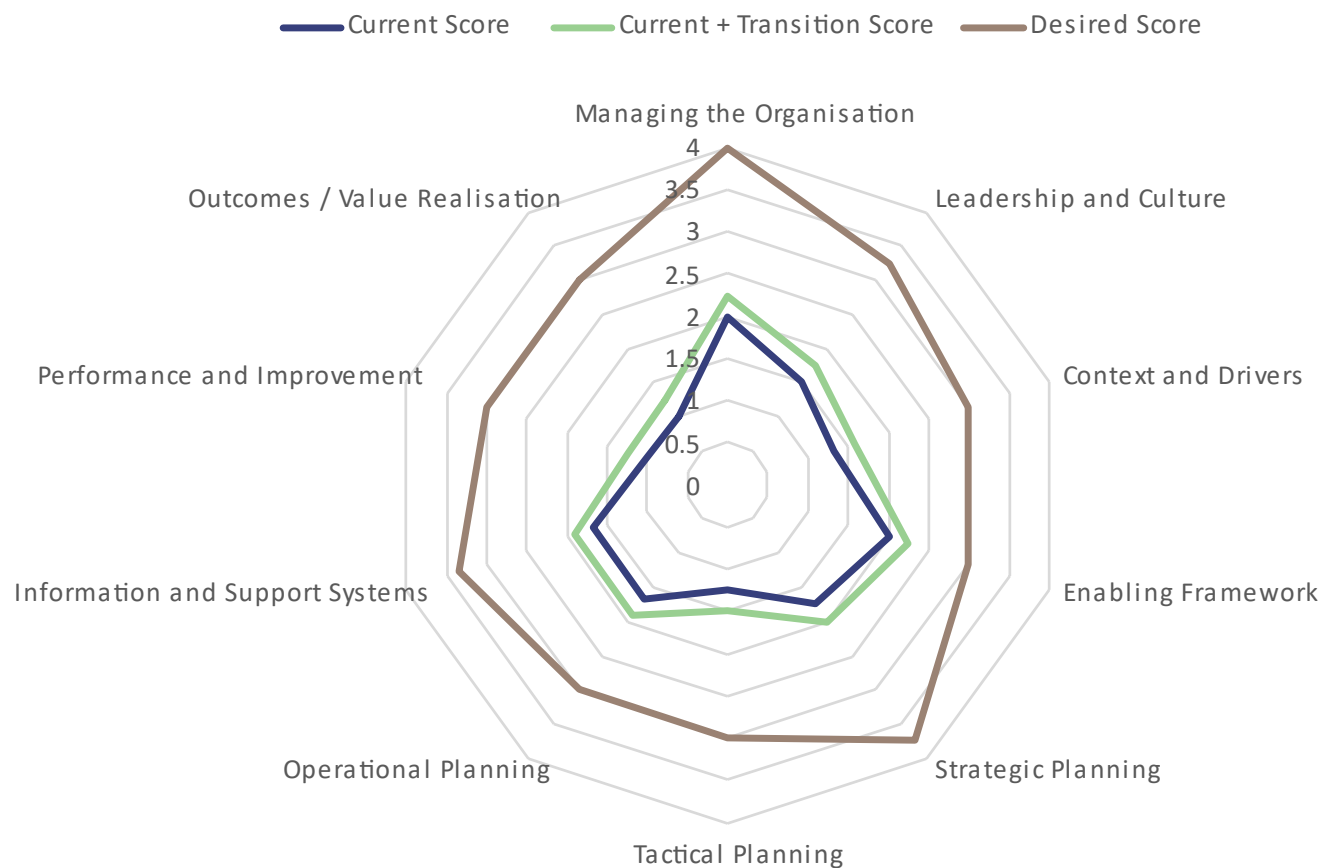


Figure 3 -Council Asset Management Maturity Assessment – Average AM Aspects

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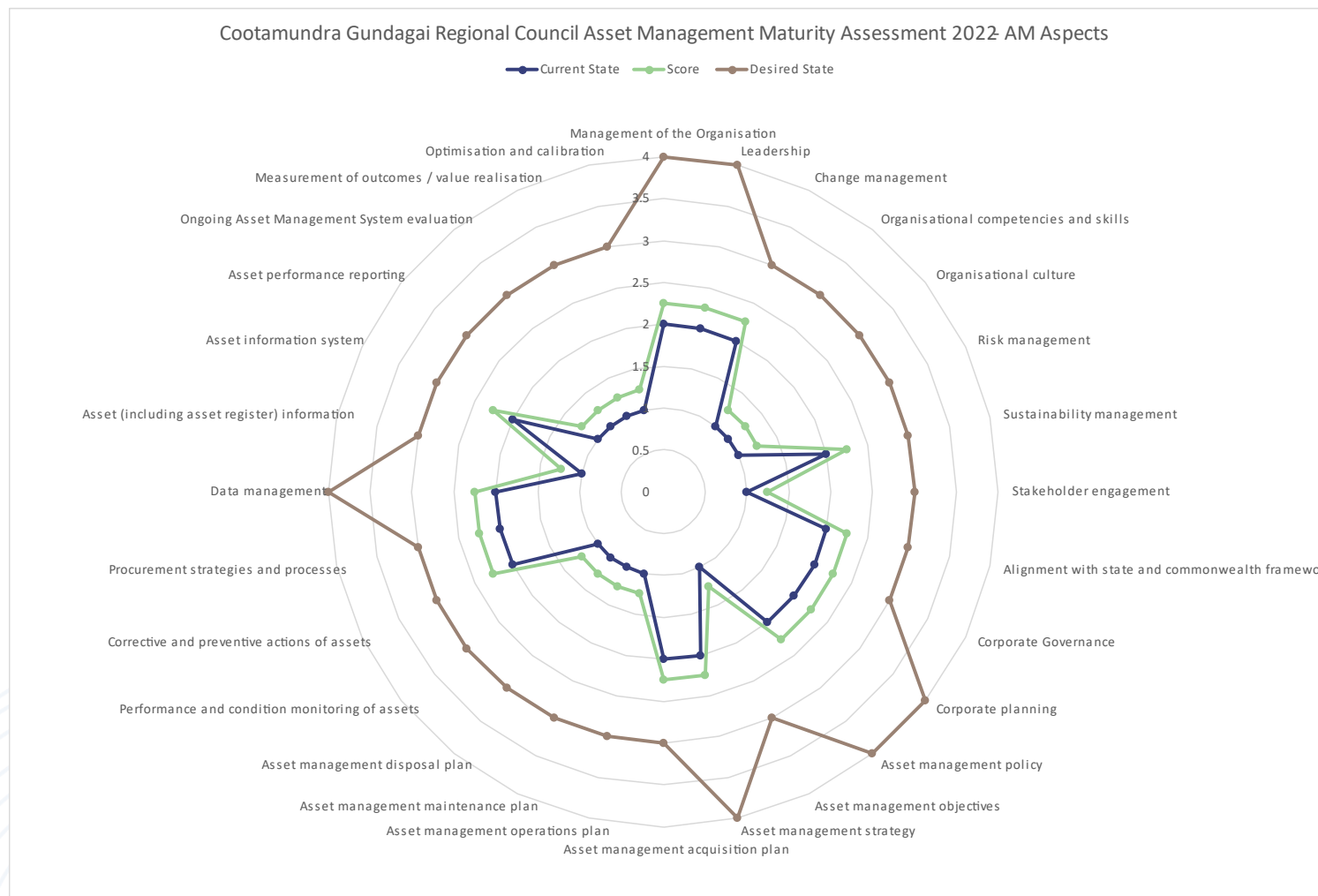


Figure 4 -Council Asset Management Maturity Assessment – Individual AM Aspects

## 4.2 Corporate Asset Management Culture Development

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

- Asset Management Plan development and implementation
- Strategy development and implementation of asset management improvement program

### Phase 2

- Collection of asset data and review of accuracy of existing data, levels of service and systems development.

### Phase 3

- Asset Management Plan operation
- Evaluation and monitoring of Asset Management Plan outputs
- Ongoing Asset Management Plans review and continuous improvement

## 5. 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 future, in the most cost-effective and fit for purpose manner.

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

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

## 6. Lifecycle Management

The Asset Management Plans, Asset Management Strategy and Asset Management Policy provide a framework for a uniform approach to asset life cycle management across Council.

A unified, whole-of-organisation approach is critical to achieve best practice alignment and maximise the value of assets across their life cycle. Through this approach, Council can improve the assets operating potential through decisions being made on accurate data throughout the assets lifecycle. As showing below, the condition of the asset (asset health) decreases during the life of the asset, with expenditure principally spent on regular maintenance.

Through the allocation of renewal expenditure (capital costs), at the correct time during the assets life, the calculated lifespan of the asset is increased. The correct time for these interventions is decided upon good asset and finance data, and decision-based forecasting by Council.

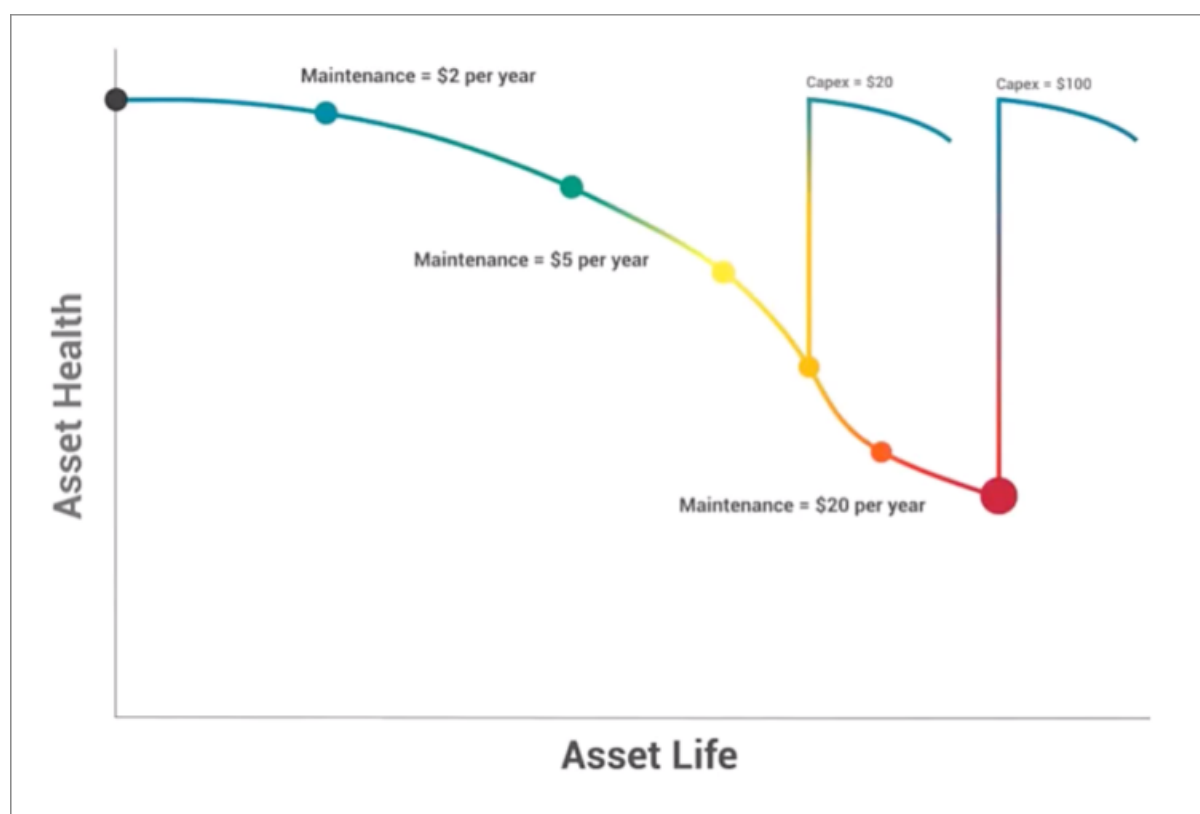


Figure 5 -Asset Lifecycle Management Curve

## 6.1 Roles and Responsibilities

Responsibility for service output delivered on assets is spread across a number of Council sections. Council uses an Asset Custodian/Asset Manager model for the delivery of services across its Council area, but has an operational configuration which has the management of assets aligned along an office alignment (Cootamundra Office and Gundagai Office).

Each Asset Custodian/Asset Manager is responsible for the stewardship of the asset within their area, and for defining the level of service required for that asset class.

## 6.2 New and Upgrade Planning

New works involve the creation or acquisition of a new service or asset. Upgrade works involve the significant enhancement of an existing service or asset. To ensure Council is well positioned to deliver new and upgraded assets for the community, it is essential to understand their collective requirements across services. Delivery of new and upgrade works for new assets is undertaken through a team/program management arrangement. But it must be noted that projected new and upgrade capital works to meet community service expectations are placing an increasing demand on Council limited resources, with many works dependent on corresponding grant funding being obtained from State or Commonwealth Governments to finance the works.

Further analysis of Councils project prioritisation methodology and associated life cycle costing is required to be matured to support the development of Capital Future Works Programs.

## 6.3 Renewal Planning

Renewal refers to the restoration, rehabilitation or replacement of an asset to its original or required service capacity. To maintain existing levels of service, asset renewal should take precedent over new and upgrade expenditure.

Renewal plans are currently developed in consultation with Asset Custodians and Managers as well as key stakeholders. When determining whether an asset needs renewing, consideration is given to the following criteria:

- Condition of existing asset: can the useful life be extended and renewal be delayed?
- Risk assessments
- Changes to service levels: does the existing asset meet or fail service level requirements?
- Fitness for purpose – capacity and functionality: does the asset meet the level of service required?
- Environmental considerations
- Current rates of utilisation.

Renewal intervention points may vary between asset classes and categories. Factors such as location and fitness for purpose may also influence intervention timing.

Condition inspections are programmed to inform the development of the renewal program. But it must again be noted that projected new and upgrade capital works to meet community service expectations are placing an increasing demand on Council limited resources, with many works

dependent on corresponding grant funding being obtained from State or Commonwealth Governments to finance the works.

## 6.4 Maintenance Planning

Maintenance refers to the regular day-to-day work required to ensure an asset achieves its useful life. Increasing maintenance spend will often reduce the capital investment required over the life of the asset. Examples include road resurfacing and painting of building assets.

To achieve the lowest whole-of-life cost for our assets, a proactive approach to maintenance scheduling is required. Council is progressively moving towards an approach that implements service level agreements and associated prioritised maintenance schedules. But this relies on the collation of asset data and corresponding condition data, to allow analysis and prioritisation of maintenance back-logs to drive the creation of future works programs.

## 6.5 Operational Planning

Operations are the regular business activities required to provide a service to the community. In asset management terms, operations can be split into two major components: the cost associated with the delivery of the service, and the cost associated with the operations of the asset that supports the delivery of the service.

Operational costs should be contained within the annual budget allocations and should be reviewed quarterly. The annual budget cycle provides opportunity to review and adjust operational budgets for service provision.

## 6.6 Asset Disposal

Disposal is the closing, decommissioning or sale of an asset or service. Asset disposal should be considered into the financial costing estimates for new/upgrading projects.

In proposing the disposal of an asset, the following needs to be considered:-

- Current policies and procedures related to disposal of assets
- Assets that have reached end of useful life or are nearing intervention point
- Service and asset reviews that may identify assets that are no longer fit for purpose or are under/over-utilised through analysis of the current level of service provided
- Alternative methods of delivering current and desired levels of service
- Opportunities to repurpose the asset within Council services.

## 7. Councils Future Direction

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

*Table 3 - Council Future Directions*

| No | Strategy                                                                                                                                                                                       | Desired Outcome                                                                                            |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| 1  | Move from annual budgeting to Long Term Financial Planning, with Works Program based on asset condition data analysis.                                                                         | The long term implications of Council services are considered in annual budget deliberations.              |
| 2  | Bi-annually review Asset Management Plans for each major asset classes                                                                                                                         | Identification of services needed by the community and required funding to optimise 'whole of life' costs. |
| 3  | Develop Long Term Financial Plans, 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 (based on asset condition data) into Councils 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 annually to Council on development and implementation of Asset Management Strategy,                                                                                                     | Oversee resource allocation and performance.                                                               |

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|  | Asset Management Plans and Long Term Financial Plans. |  |
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## 8. Asset Management Improvement Plan

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

*Table 4 - Councils Strategic Improvements*

| Council Focus Aea                                                                                | Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Responsibility | Timeframe                                                        |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------|
|                                                                                                  | Review AM Policy and Strategy every 4 years – within 6 months of a Council election.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                | Complete every 4 years, or within 6 months of a Council election |
| Asset Management Policy                                                                          | <p>To fully integrate the Asset Management Policy and this strategy into the Council's business process by:</p> <ul style="list-style-type: none"> <li>Identifying, defining and documenting the expectations of each function of Council through the development of a detailed Asset Management Strategy and Asset Management Plans which outline resources, responsibilities and timeframes.</li> <li>Ensuring the Asset Management Policy and this strategy supports the Community Strategic Plan.</li> <li>Auditing, reviewing and updating our procedures to ensure that they align to our Asset Management Policy and where necessary refers to the Policy</li> </ul> |                | On-going                                                         |
| Section Strategy<br>Responsibility<br>Timeframe<br>Levels of Services and Performance Management | <p>To define and analyse the needs of the different customer groups for all of the asset classes by:</p> <ul style="list-style-type: none"> <li>Ensuring that asset management is a key component of our community consultation process.</li> <li>Developing and implementing a consultation strategy to ensure the community is consulted on</li> </ul>                                                                                                                                                                                                                                                                                                                    |                | On-going                                                         |

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |          |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
|                      | <p>significant service levels and the options available.</p> <ul style="list-style-type: none"> <li>• If an alternate level of service is necessary then the cost to deliver this service level is also assessed to determine cost benefits and if acceptable update relevant Asset Management Plans and other documents.</li> <li>• Determining what is a satisfactory standard</li> </ul>                                                                    |           |          |
|                      | <p>Technical and customer levels of service are considered during all decision making and business planning by:</p> <ul style="list-style-type: none"> <li>• Ensuring relevant staff understand and adhere to the Asset Management Policy.</li> <li>• Referring to the Community Strategic Plan to confirm what the community requires and would like.</li> <li>• Ensuring that all major decisions are supported by a comprehensive business plan.</li> </ul> | All staff | On-going |
| Asset Register Data  | Establish and implement an agreed asset hierarchy for all of our assets that allows for easy asset identification and cross referencing.                                                                                                                                                                                                                                                                                                                       |           | On-going |
|                      | Gather, input and update asset data into our asset management information system                                                                                                                                                                                                                                                                                                                                                                               |           | On-going |
| Asset Condition      | Develop, implement and document a systematic asset condition collection process                                                                                                                                                                                                                                                                                                                                                                                |           | On-going |
|                      | Conduct asset condition inspections using a consistent and reliable method                                                                                                                                                                                                                                                                                                                                                                                     |           | On-going |
| Decision Making      | Develop and implement a documented systematic process that can be used to assist in decision-making associated with existing and future assets.                                                                                                                                                                                                                                                                                                                |           | On-going |
| Operational Planning | <p>Develop and implement Operation Plans for each asset category or service function that:</p> <ul style="list-style-type: none"> <li>• Includes an Emergency Response Plan</li> <li>• Provides provision for collection of utilisation data</li> </ul>                                                                                                                                                                                                        |           | On-going |

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|                             | <ul style="list-style-type: none"> <li>Have strategies to effectively evaluate the plan on regular bases</li> </ul>                                                                                              |  |          |
| Maintenance Planning        | Utilise the Customer Request Management (CRM) system, the GIS, 'Authority' and any other systems to improve maintenance works and condition data management of assets                                            |  | On-going |
| Capital Works Planning      | Develop and implement a Capital Project Plan as part of the Long Term Financial Plan and Asset Management Plans for each asset category.                                                                         |  | On-going |
| Asset Management Teams      | Ensure that all staff in the organisation understands their role in asset management                                                                                                                             |  | On-going |
| Asset Management Plans      | Review Asset Management Plans for each of our asset categories, each year.                                                                                                                                       |  | On-going |
| Information Systems         | Ensure that our financial, asset, customer service and information management systems are integrated through standardising practices and procedures across the organisation.                                     |  | On-going |
| Service Delivery Mechanisms | Define the core service functions of our organisation and their relevant internal and external customers.                                                                                                        |  | On-going |
| Improvement Planning        | Formally report on Council's asset management capabilities through Council's normal reporting processes.                                                                                                         |  | On-going |
| Fit for the Future          | Establish satisfactory target levels of service that appropriately balance realistic community expectations, associated risks and financial sustainability                                                       |  | On-going |
|                             | Realise better value from assets through sharing of AM systems skills and competencies across officers located in both Council offices, to enhance the Asset Management culture across the entire Council teams. |  | On-going |
|                             | Enhance the infrastructure asset data collection process to enable improved reporting, strategic planning, maintenance forecasting and financial management across the organisation.                             |  | On-going |
|                             | Enhance the maintenance management and capital works planning practices for the long-term                                                                                                                        |  | On-going |

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|  | and short-term management of the infrastructure assets |  |  |
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