Wattle Range Council

ASSET MANAGEMENT STRATEGY

Version 2.0

Document Control

		Document Control			
Rev No	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
1.1	March 2023	Document content revision and align with latest NAMS+ template	LB	Asset Management Steering Committee	Executive Leadership Team & Audit Committee
2.0	May 2023	Formatting and numbering	LB	Asset Management Steering Committee	Wattle Range Council

Table of Contents

Tables

Figures

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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 roads, footpaths, kerbs, stormwater, buildings, structures, Community Wastewater Management Systems (CWMS) and plant and equipment. These infrastructure assets have a replacement cost of $332 million as at 30 June 2022.

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 Councils' asset management policies to be achieved, and
- Ensure the integration of Councils' asset management practices with its Long-Term Strategic Plan.[1]

Adopting this Asset Management Strategy will assist Council in meeting the requirements of national sustainability frameworks, South Australia Local Government Act 1999 by demonstrating what level of service can be delivered 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 Wattle Range Council Strategic Plan. 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.

Strategy Outlook

1. The organisation aims to fund current infrastructure life cycle costs at current levels of service, noting:

    a. Projects where Council budget is not sufficient to cover the full project cost and therefore external funding is required for the project to proceed; if external funding is not approved, the projects are not undertaken but deferred until a time where suitable funds are available.

    b. Large capital new/upgrade projects identified in an AMP, which are discretionary in nature, will be considered individually each financial year.

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

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

Asset Management Strategies

The asset management strategies identified as part of this document address:

- Alignment of Council's Long Term Financial Plan, Annual Budgets and Asset Management Plans to ensure a sustainable funding position

- Communication of funding decisions on service levels and service risks with timely and accurate reporting

- Rationalisation of assets to ensure a sustainable future

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. In addition to the tasks captured here; the improvement program tasks identified for each asset management plan further assist in working towards a minimum 'core' asset management maturity.

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.

Infrastructure assets such as roads, drains, bridges, water and sewerage, and public buildings present unique challenges. Their performance 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 also adds to the planning and financing challenges.[2]

The acquisition of new assets also presents challenges in funding the ongoing operating costs necessary to provide the needed service over the assets' full life cycle.[3]

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:
    - o   bringing together asset management and long-term financial plans,
    - o   demonstrating how Council intends to resource the plan, and
    - o   consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
    - o   explanation to the community on variations between the budget and actual results,
    - o   any impact of such variances on the strategic longer-term plan,
    - o   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 the key management practices that promote prudent, transparent, and accountable management of local government assets that introduce a strategic approach to meet current and emerging challenges.

- Asset Management Policy,
- Strategy and planning,
    - o   Asset Management Strategy,
    - o   Asset Management Plan,
- Governance and management arrangements,
- Defining levels of service,
- Data and systems,

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[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.

- Skills and processes, and
- Evaluation.[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 practices 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 acquisition, maintenance, operation, renewal, and disposal of assets,
- For present and future consumers.

1.1 Objective

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.

1.2 Scope

The Asset Management Strategy documents the strategies for all infrastructure captured and managed through Council's asset management system and that are spatially represented in Council's Geographic Information System (GIS).

This document does not contain strategies related to assets captured and managed through Council's financial management system including Land, Furniture and Fittings, and Office Equipment.

1.3 Legislative requirements

Wattle Range Council complies with the South Australian legislation wherever practical. This includes:

- *Aboriginal Heritage Act 1988*
- *Development Act 1993*
- *Disability Inclusion Act 2018*
- *Environment Protection Act 1993*
- *Essential Services Commission Act 2002* and *Regulations 2019*
- *Heavy Vehicle National Law (South Australia) Act 2013* and associated regulations
- *Highways Act 1926*
- *Landscape South Australia Act 2019* and associated regulations

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

- *Local Government Act 1999* and associated regulations
- *Motor Vehicles Act 1959*
- *Natural Resources Management Act 2004*
- *Public Health Act 2011* and *Regulations (Wastewater) 2013*
- *Road Traffic Act 1961*
- *South Eastern Water Conservation and Drainage Act 1992*
- *Water Industry Act 2012* and *Regulations 2012*
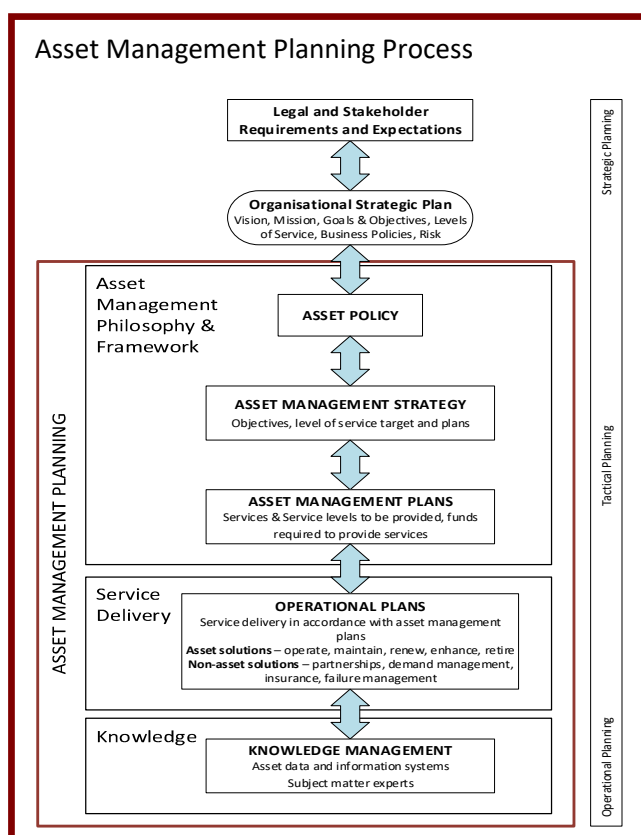- *Work Health and Safety Act 2012* and *Regulations 2012*

There are a wide range of codes, standards, policies and guidelines relating to the management of Council infrastructure. Where practical, Council seeks to operate within these guidelines. These include but are not limited to:

- Australian Accounting Standards
- Australian Standards
- Building Code of Australia 2019
- Local Government Association of South Australia publications
- Institute of Public Works Engineering Australasia publications
- South Australia*, Environment Protection (Water Quality) Policy 2003*

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 strategy and funding plan.

Asset Management Planning Process

Legal and Stakeholder Requirements and Expectations

Organisational Strategic Plan
Vision, Mission, Goals & Objectives, Levels of Service, Business Policies, Risk

Asset Management Philosophy & Framework

ASSET POLICY

ASSET MANAGEMENT STRATEGY
Objectives, level of service target and plans

ASSET MANAGEMENT PLANS
Services & Service levels to be provided, funds required to provide services

Service Delivery

OPERATIONAL PLANS
Service delivery in accordance with asset management plans
Asset solutions – operate, maintain, renew, enhance, retire
Non-asset solutions – partnerships, demand management, insurance, failure management

Knowledge

KNOWLEDGE MANAGEMENT
Asset data and information systems
Subject matter experts

ASSET MANAGEMENT PLANNING

Strategic Planning

Tactical Planning

Operational Planning

1.1.1 Asset Management Strategic Framework

Council's Asset Management Strategic Framework (Figure 1) illustrates the relationship of this asset management strategy with relevant Council documentation and Council's objective of sustainable service delivery.
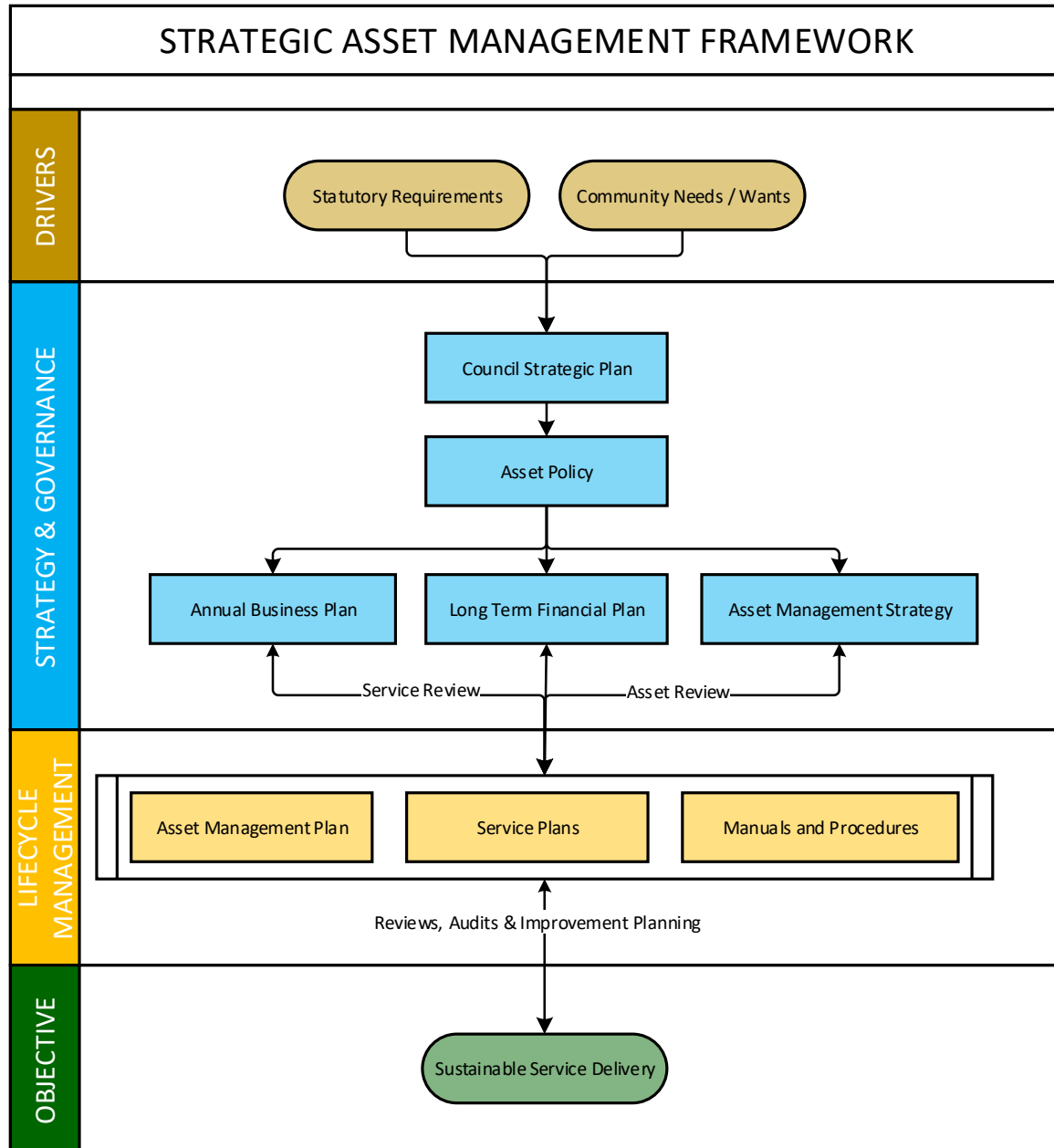

Figure 1 Strategic Asset Management Framework

2.   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 Financial Class	Description	Services Provided
Buildings	All buildings under the ownership, management or control of Council, including buildings on Crown land. Examples: • libraries, • Council offices, • public halls, • enclosed sheds (four walls) with roof This excludes buildings that form part of the CWMS as these are included under the CWMS Financial Class.	Community Amenities, Community Facilities, Tourism Information, Public & Private Accommodation, Staff Workplaces, Storage Areas, Community Wellbeing
CWMS	All infrastructure that is related to the operation of the CWMS. This includes: • Underground pipes both rising and gravity • Network infrastructure including property connections, maintenance shafts and valves • Pump stations and all related infrastructure including buildings and structures, pumps, switchboards, flowmeters and pipework • Treatment facilities and all related infrastructure including buildings and structures, tanks, pumps, bores, switchboards, pipework, lagoons and chemical dosing systems Irrigation system and all related infrastructure including pipework, pumps and sprinklers	Public Sanitation, Health & Safety
Footpaths	Formed and constructed footpaths, shared use paths, walking tracks and cycleways.	Exercise, Community Network Links, Access
Kerbs	All constructed kerb and channel including earth formation, timber, bluestone, block and concrete construction.	Flood Prevention, Health & Safety

Asset Financial Class	Description	Services Provided
Plant & Equipment	All items of Council Plant, Machinery and Equipment	Transport, Construction, Maintenance, Operations, Service Delivery, Asset Management
Roads	Gazetted roads owned or under the control of Council and internal roads located within Council managed and controlled sites such as cemeteries, caravan parks, reserves, and parks. Infrastructure associated with roads including: • Car parks • Signage (street/road name signage, traffic management signage) • Traffic management devices such as traffic islands	Facilitate Safe Transportation of People/Goods, Provide on-road/off-road car parking, Access, Economic Vibrancy
Stormwater	All stormwater drainage structures constructed by or under the responsibility of Council. Infrastructure includes: • Underground pipes • Culverts • Open drains • Pumps • Gross Pollutant Traps • End structures • Pits and sumps • Discharge bores	Flood Prevention, Health & Safety

Asset Financial Class	Description	Services Provided
Structures	All structures under the ownership, management or control of Council, including structures on Crown land. Examples: • Roofed structures such as rotundas, barbeque shelters and non-enclosed sheds (three walls or less) • Shade sails • Lighting servicing streets, parks and sports fields / courts • Fencing • Pool shells • Playground infrastructure including soft fall, play equipment, edging or kerbing • Skate parks • BMX tracks • Sporting facilities such as tennis / netball courts • Street or park furniture including benches, picnic tables / settings and barbeques • Fountains and ponds including all related assets such as pipework and pumps • Viewing platforms and boardwalks • Pedestrian bridges • Irrigation • Landscaping or streetscaping structures such as retaining walls • Signage (information and town entrance signage) • Artwork, on public display in parks or in road reserve such as sculptures and memorials • Airport runway, aprons and lighting • Saleyards • Cemetery infrastructure • Waste transfer station and resource recovery centre infrastructure • Caravan park infrastructure • RV Dump points This excludes structures that form part of the CWMS as these are included under the CWMS classification.	Public Waste Disposal Facilities, Storage Areas, Exercise Equipment, Playground Equipment, Community Wellbeing

3. Our Infrastructure Assets and their Management

3.1 State of the Assets

The financial status of the organisation's assets at 30 June 2022 is shown in Table 2.

Table 2: Financial Status of the Assets

Asset Financial Class	Replacement Cost ($000)	Depreciated Replacement Cost ($000)	Accumulated Depreciation ($000)	Depreciation Expense ($000)
Buildings	46,693	31,740	14,953	1,033
CWMS	41,361	30,265	11,096	730
Footpaths	10,284	5,959	4,325	333
Kerbs	23,130	13,396	9,735	328
Plant & Equipment	11,850	5,942	5,908	760
Roads	165,638	108,409	57,229	2,559
Stormwater	13,089	8,798	4,292	112
Structures	19,686	13,224	6,461	556
Total	**331,731**	**217,733**	**113,999**	**6,411**

Figure 2 shows the replacement costs of Council's assets.
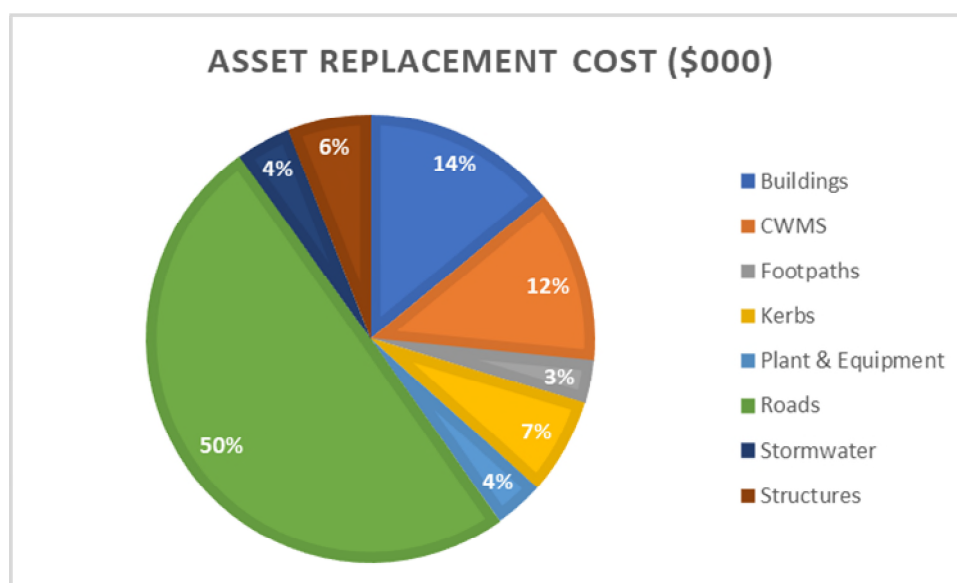

Figure 2: Asset Replacement Costs as at 30 June 2022

The state of the assets in relation to good, fair, and poor condition, function and capacity is detailed and documented within Council's Asset Management Plans.

3.2   Lifecycle Costs

Lifecycle costs (or whole of life costs) are the average annual costs that are required to sustain the service levels over the longest asset life. Lifecycle costs include operations, maintenance, renewal, and acquisition costs. The lifecycle cost for the services is covered in Council's Asset Management Plans.

Lifecycle costs can be compared to the lifecycle funding allocated in the financial plan to give an indicator of sustainability in service provision. The lifecycle planned budget includes operations, maintenance, capital renewal and acquisition expenditure annualised over the planning period. The lifecycle planned budget can vary depending on the timing of asset renewals. The annualised life cycle planned budget is captured in Council's Asset Management Plans and Council's Long-Term Financial Plan.

The lifecycle costs and planned budget comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the lifecycle budget is less than the lifecycle cost, it is most likely that outlays will need to be increased in the budget 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 unavailable will assist Council in providing services to their communities in a financially sustainable manner. This is the purpose of integrating the Asset Management Plans with the Long-Term Financial Plan.

A shortfall between lifecycle costs and planned budgets gives an indication of the lifecycle gap to be addressed in the Asset Management and Long-Term Financial Plans.

Council targets an asset sustainability ratio of greater than 90% but less than 110%.

3.3   Asset Management Structure

Figure 3 illustrates the organisational structure within Council that has the responsibility for the service delivery from the infrastructure. The adopted team structure, outlined in Figure 3, reflects the roles of Council and senior management, including designated staff from a variety of service areas.
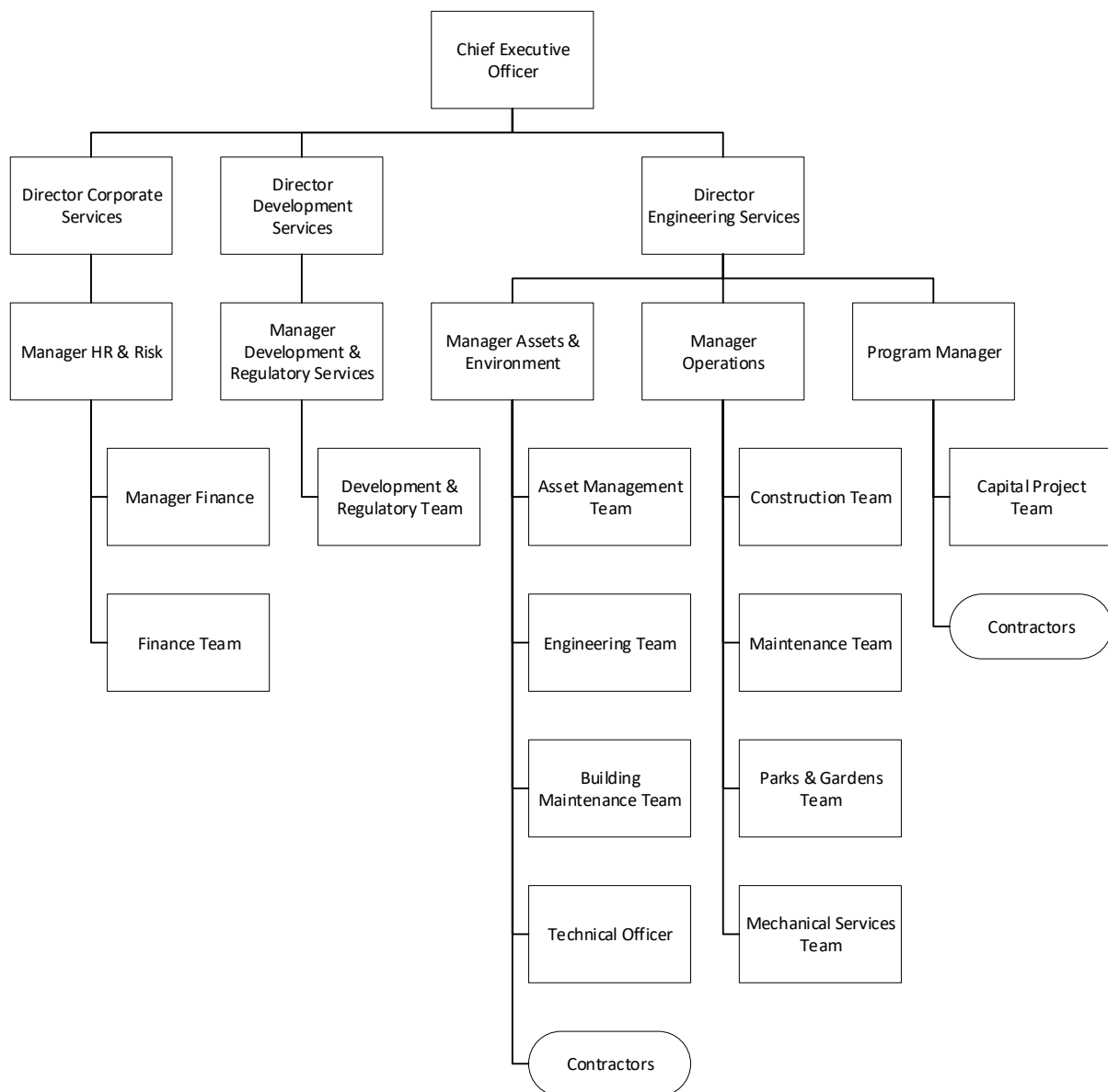
Figure 3 Organisational Structure for Asset Management at Council

3.4   Asset Management Team

A 'whole of organisation' approach to asset management is desirable. The benefits of an asset management team include:

- Demonstrate support for sustainable asset management,
- Encourage 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 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 time in 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.

3.5   Financial & Asset Management Maturity

The National Frameworks on Asset Planning and Management and Financial Planning and Reporting define 10 elements. 11 practice areas have been developed from these elements[7] to assess maturity 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 is still developing, documenting and collating it's asset management documentation and data whilst establishing process and procedures around its asset management practices; therefore a maturity assessment for the core competencies has not been undertaken at the time this strategy was developed. Council will be working towards undertaking a maturity assessment for the next revision of this document.

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[7] Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans practice areas.

3.6   Strategy Outlook

1. The organisation aims to fund current infrastructure life cycle costs at current levels of service, noting:

    a. Projects where Council budget is not sufficient to cover the full project cost and therefore external funding is required for the project to proceed; if external funding is not approved, the projects are not undertaken but deferred until a time where suitable funds are available.

    b. Large capital new/upgrade projects identified in an AMP, which are discretionary in nature, will be considered individually each financial year.

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

4. Where do we want to be?

4.1 Council's Vision, Mission, Objectives and Strategies

Council has adopted a Vision for the future in the Council Strategic Plan.

'Wattle Range – a great place to live and work'

Council's purpose or reason for existence is set out in the adopted mission statement,

'Strength and Vision from Coast to Border'

along with the Council core values of,

'Trust, Teamwork and Fun'

convey Council's desire to do what we say we are going to do whilst being honest and transparent building trusted relationships and demonstrate Council's desire to be a high performing organisation with innovation, better decision making, high productivity and higher resilience through performing as one team and enjoying our work through celebration of successes and encouraging the right behaviours.

The Strategic Plan sets objectives[8] and strategies[9] to be achieved in the planning period through the use of themes that describe the area of focus for the organisation. The objectives set out where the organisation wants to be. The strategies are the steps needed to get there. Objectives and strategies relating to the delivery of services from infrastructure are shown in Table 6.

Table 3: Objectives and Strategies for Infrastructure Services

Theme	Objectives	Strategies
1. Community Vibrancy and Presentation	Generate and support community vibrancy through advocacy and maintenance of community services and enhanced public facilities.	1.1 Maintain and enhance public space areas including parks, public places, car parking, street lighting and streetscapes to provide vibrant, attractive areas.
		1.2 Through appropriate planning, develop vibrant, presentable townships throughout the Wattle Range area.
		1.3 Continue to provide sustainable, vibrant community facilities

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[8] IPWEA template uses the terminology of 'goals' where Council's Strategic Plan utilizes 'objectives' for the same purpose

[9] IPWEA template uses the terminology of 'objectives' where Council's Strategic Plan utilizes 'strategies' for the same purpose

Theme	Objectives	Strategies
		1.7 Support and advocate for improved infrastructure that enhances and creates economic and opportunities.
2. Environmentally Sustainable	Protect the natural assets and infrastructure of the region by leveraging additional environmental programs that will protect the environment for future generations.	2.1 Protect Council's natural assets, through proactive planning in climate adaptation and structured infrastructure replacement and enhancements.
		2.2 Maintain strong and positive relationships with Federal and State Government Departments, advocating for increased investment in Coastal and Environmental protection within the Council area.
		2.3 Minimise the financial impact of Waste Management on the Community and provide a service that meets the current and future needs of the Community.
3. Infrastructure and Asset Sustainability	Provide functional, safe, fit for purpose assets that meet the changing needs of the community.	3.1 Plan and provide for a sustainable and fit-for-purpose stock of assets, with appropriate long term asset planning and optimal use.
		3.2 Plan to operate and maintain infrastructure assets to meet the future and current needs of our Community.
		3.3 Advocate for safe and trafficable network of State Roads
		3.4 Plan for and optimise Councils stock of building assets whilst meeting the future and current needs of Community.
		3.5 Plan and provide for the expansion and renewal of Council's Infrastructure Assets to meet the future and current needs of our Community.
3. Organisational Excellence	A great place to work where innovation and efficiency is expected and customers are our	4.1 Streamline operational decision making processes through technology based improvements

Theme	Objectives	Strategies
	focus.	4.2 Govern in a responsible and responsive way.
		4.3 Increase Community input into Council decision making, through adoption of quality Community Engagement principles and practices
		4.4 Council operation of businesses and assets, to ensure value for money is returned to the Community.

Council's Asset Management Plans define the Council's vision and service delivery objectives for asset management in accordance with legislative requirements, community needs and affordability for each asset financial class.

4.2   Asset Policy

Council's Asset Policy defines the Council's financial management of assets in accordance with the Strategic Plan and applicable legislation and standards.

The Asset Management Strategy is developed to support the asset 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 Councils' Asset Management Policies to be achieved, and
- Ensure the integration of Councils' asset management practices with its Long-Term Strategic Plan.

A copy of Councils' Asset Policy can be found on Council's website (link provided here).

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 the ability to fund 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 is to:

- Ensure that the Councils' 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/CEO reporting to council on development and implementation of Asset Management Strategy, Asset Management Plans and Long-Term Financial Plan.

The program proposed to achieve this position are outlined in Section 5.

5. How will we get there?

5.1 Asset Management Plans

Council's Asset Management Plans' updates have lapsed, therefore, there is a program in place to catch up with the currency of the documents (Table 4). The aim moving forward is to revise an Asset Management Plan within 2 years of the last asset condition audit.

Table 4 Asset Revaluation, Condition Audit and Asset Management Plan Current Program

Financial Class	Last Revaluation	Next Revaluation	Next Asset Condition Audit	Asset Management Plan Revision	
	Past	As per Asset Policy every 4 to 5 years[10]	Prior to revaluation to inform revaluation	Aiming for revision within 2 years from last Asset Condition Audit and/or Appointment of new Council	
				Currently scheduled to catch up	Future Schedule
Footpaths	1/7/2020	1/7/2023	FY23/24	July 2023	By 1/7/2025
Kerbs	1/7/2020	1/7/2023	FY23/24	July 2023	By 1/7/2025
Roads	1/7/2019	1/7/2023	FY23/24	July 2023	By 1/7/2025
Buildings	1/7/2020	1/7/2024	FY24/25	October 2023	By 1/7/2026
Structures	1/7/2020	1/7/2024	FY24/25	October 2023	By 1/7/2026
Stormwater	1/7/2020	1/7/2025	FY25/26	March 2023	By 1/7/2027
CWMS	1/7/2020	1/7/2025	FY25/26	September 2022	By 1/7/2027
Plant & Equipment	No revaluation undertaken.			February 2023	By 1/7/2027

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[10] AASB116, Paragraph 34 – "Instead, it may be necessary to revalue the item only every three or five years."

In addition to the program documented in Table 4 the other changes noted for the revision of the asset management plans include:

- A single combined asset management plan will be developed for roads, footpaths and kerbs.

- Buildings and structures will still be captured in a single combined asset management plan.

- Stormwater, CWMS and Plant & Equipment asset management plans will remain as standalone plans.

5.2   Asset Management Strategy Perpetual Actions

Table 5 captures asset management actions that perpetuate with the implementation of an asset management framework within an organisation. These have been captured along with the lead and support roles identified in Council for the actions.

Table 5: Asset Management Strategies

No	Strategy	Desired Outcome	Lead Role	Support Role
1	Develop Long Term Financial Plan covering at least 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.	Director Corporate Services Manager Finance	Director Engineering Services Manager Assets & Environment Services
2	Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.	Director Corporate Services Manager Finance	Director Engineering Services Manager Assets & Environment Services
3	Review and update Long Term Financial Plan 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.	Director Corporate Services Manager Finance	Director Engineering Services Manager Assets & Environment Services
4	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.	Director Corporate Services Manager Finance	Director Engineering Services Manager Assets & Environment Services

No	Strategy	Desired Outcome	Lead Role	Support Role
5	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.	Director Engineering Services Manager Assets & Environment Services	Director Corporate Services Manager Finance
6	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.	Director Engineering Services Manager Assets & Environment Services	Director Corporate Services Manager Finance
7	Report six monthly to Council by Audit Committee/CEO on development and implementation of Asset Management Strategy, AM Plans and Long Term Financial Plans.	Oversight of resource allocation and performance.	Director Engineering Services Director Corporate Services	Manager Assets & Environment Services Manager Finance
8	Review assets to identify those that are not providing present or future community benefit and work towards the disposal of the assets	Sustainable asset management	Manager Assets & Environment Services	Director Engineering Services Director Corporate Services
9	Maintain and update asset register	Accurate and current information in asset register	Manager Assets & Environment Services	Director Engineering Services Manager Finance

6. Asset Management Improvement Plan

The tasks required to achieve a 'core' financial and asset management maturity are shown in priority order in Table 6.

Table 6: Asset Management Improvement Plan

Ref	Task	Responsibility	Target Completion Date
1	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies.	Asset Management Team	2025
2	Undertake a review of the existing AM Systems and establish a 3 year plan outlining the future strategy for AM systems and data collection regime. Ensure GIS and Finance system interface are also considered.	Asset Management Team	2024
3	Document the agreed common corporate data framework used across all asset groups. Ensure the data framework is relevant to all users including Finance, Engineers, Operational staff and contractors collecting asset data on Council's behalf.	Asset Management Team	2024
4	Establish and document repeatable methodologies to carry out consistent asset condition surveys and defect identification assessments.	Asset Management Team	2023
5	Document a process to collect and record asset data into an Asset Management system upon the commissioning of new (and/or modified) assets, including built and contributed assets.	Asset Management Team	2023
6	Document a process for the handover of assets to asset custodians/owners.	Asset Management Team	2023
7	Conduct a service review of community buildings and facilities and promote their more effective use through consolidation of user groups and building uses	Director Development Services	2025

Ref	Task	Responsibility	Target Completion Date
8	Develop and implement the pedestrian network construction and maintenance plan focussing on infrastructure for safer movement in high use areas and ensuring compliance with the provisions of the *Disability Inclusion Act 2018*	Manager Assets & Environment Services	2025
9	Progress the implementation of the GIS system so that all assets spatial information is accurately captured. This is to be undertaken through a staged approach with spatial data for roads, kerbs and footpaths planned to be captured through the next condition assessment scheduled for FY23/24, wastewater and stormwater underground infrastructure will be captured through the CCTV program implementation and sites such as playgrounds, resource recovery centres and buildings to be captured through in-house resources.	Manager Assets & Environment Services	2025
10	Asset useful life review and reflect actual useful life in valuation of the asset	Manager Assets & Environment Services	2024
11	Development and documentation of asset management processes and business rules	Manager Assets & Environment Services	2025

7. References

Australian Accounting Standards Board (AASB), Australian Accounting Standards

Australian Building Codes Board, Building Code of Australia or National Construction Code, 2019

Local Government and Planning Ministries Council (Australia), Framework 2 *Asset Planning and Management*, 2009

South Australia, *Aboriginal Heritage Act 1988*

South Australia, *Development Act 1993*

South Australia, *Disability Inclusion Act 2018*

South Australia, *Environment Protection (Water Quality) Policy 2003*

South Australia, *Environment Protection Act 1993*

South Australia, *Essential Services Commission Act 2002*

South Australia, *Essential Services Commission Regulations 2019*

South Australia, *Heavy Vehicle National Law (South Australia) Act 2013*

South Australia, *Highways Act 1926*

South Australia, *Landscape South Australia Act 2019*

South Australia, *Local Government Act 1999, V. 30.6.2022*

South Australia, *Motor Vehicles Act 1959*

South Australia, *Natural Resources Management Act 2004*

South Australia, *Public Health Act 2011*

South Australia, *Public Health Regulations (Wastewater) 2013*

South Australia, *Road Traffic Act 1961*

South Australia, *South Eastern Water Conservation and Drainage Act 1992*

South Australia, *Water Industry Act 2012*

South Australia, *Water Industry Regulations 2012*

South Australia, *Work Health and Safety Act 2012*

South Australia, *Work Health and Safety Regulations 2012*

Wattle Range Council, Policy 95 – Asset, V. 4, 21/12/2021

Wattle Range Council, Strategic Plan

Appendix A: Glossary of Terms and Definitions

Term	Definition
AASB	Australian Accounting Standards Board
Acquisition	Provides a program of works to create new assets or substantially upgrade existing assets. This is primarily driven by community, growth, social and/or environmental needs/desires.
AM	Asset Management
Asset	A physical item that is owned or controlled by Council, and provides or contributes to the provision of services to the community. A resource controlled by Council as a result of past events and from which future economic benefits are expected to flow to Council.
Asset Condition Assessment	The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.
Asset Management	The process applied to manage assets over each stage of their service life including asset needs analysis, creation, operation, maintenance, renewal and disposal. The objective of asset management is to ensure the assets deliver the required level of service in the most effective and efficient manner now and into the future.
Asset Management Framework	Based on the International Infrastructure Management Manual (IIMM) it covers all legislative and statuary requirements. This framework incorporates all aspects of asset management as outlined in this strategy
Asset Management Strategy	A strategy to provide timeframes and actions for achieving the objectives of the Council's Asset Management Policy.
Council	Wattle Range Council
CWMS	Community Wastewater Management Systems
Depreciation	Depreciation is a measure of the average annual consumption of service potential over the life of the asset. Depreciation is not a measure of required expenditure in any given year.
GIS	Geographic Information System
IIMM	Infrastructure Management Manual
Level of service	The defined service quality for a particular service / activity against which service performance may be measured.
LGPMC	Local Government and Planning Ministries Council (Australia)
Lifecycle Cost	Total expenditure required throughout the life of an asset in order to fund the creation, design, construction, operation, maintenance, renewal and disposal so that the asset can deliver the desired service level over its life.
Operational	Activities undertaken to ensure efficient operation and serviceability of the assets. This will ensure that the assets retain their service potential over the course of their useful life. Includes cleaning and minor repairs, such as stormwater GPT cleaning, street sweeping, and pothole repairs. Includes overheads, such as wages and utility costs incurred during operation activities.
Renewal	Provides a program of progressive renewal of individual assets. Deteriorating asset condition primarily drives renewal needs, with increasing maintenance costs also considered.
SA	South Australia

Term	Definition
Sustainability	Shown as a percent this is the difference between the depreciation of an asset and the renewal budget for the asset