Edward River COUNCIL

Asset Management Strategy
## 2023/2024 - 2032/2033

1. EXECUTIVE SUMMARY

Edward River Council (Council) is the custodian of assets with a replacement cost of over $600 million funded by revenue generated from a rateable population of over 8,400. Given a limited revenue base, the asset management approach by the Council is essential to continue to maintain the services and infrastructure that provide the liveability that our community enjoys and values.

The purpose of the Asset Management Strategy (this document) is to provide a considered strategic response to the asset related challenges and opportunities confronting Council and provide a management plan to implement changes within the organisation to improve the management and the long-term sustainability of assets. This document does not replace the requirement for asset management plans for each of the asset portfolios – rather it highlights how essential asset management plans are, particularly in providing the technical and operational direction to meet the objectives and vision established by the Asset Management Strategy.

Council's Asset Management Steering Committee completed a self-assessed asset management maturity assessment to assist with understanding the current state of asset management within Council. With an understanding of the current state, the vision, and strategic outcomes to be achieved were defined, and an improvement plan was developed to enable Council to bridge the gap between the current state and the desired future state.

The strategy addresses three components of an effective asset management approach: leadership and governance, the asset management system, and asset portfolio management, as detailed in the figure below. All three components are interrelated, and each must be successfully delivered for the others to succeed.

Figure ES.1 Asset Management Components
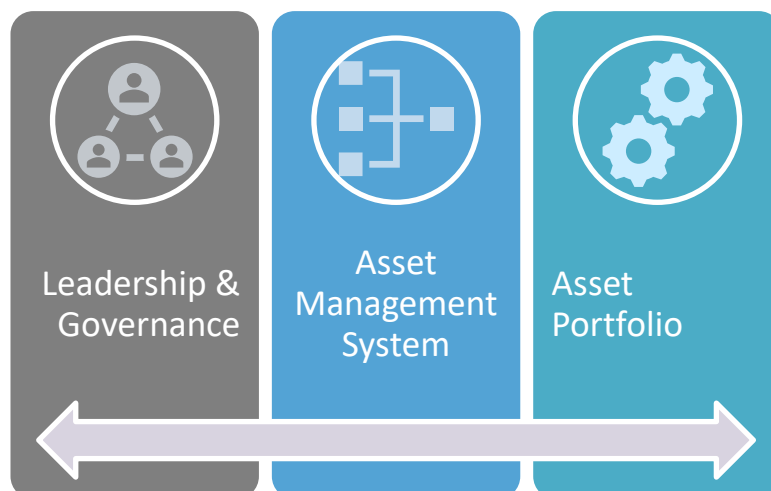
Effective asset management leadership and governance involves setting a clear vision, prioritising investment decisions, mitigating risks, driving innovation, and increasing asset resilience, to enable an effective culture that embodies the importance of asset management.

The asset management system comprises of asset management information systems, reporting tools, centralised processes, tools, and training and development, and can provide benefits such as cost savings, improved decision-making, compliance and risk management, and enhanced service delivery.

Effective asset portfolio strategies are essential for ensuring safety, optimising asset utilisation, and extending the life of assets. The strategy outcomes are targeted at understanding the assets, conducting regular inspections, planning for future needs, acquiring, and operating assets efficiently, maintaining assets adequately, renewing/replacing assets based on planned useful life, and disposing of assets where necessary. The implementation of these strategies will help Council to achieve its asset management objectives and improve asset reliability and performance.

Council is currently reporting assets to be generally in good condition, with a relatively small backlog of asset renewals and the targeted expenditure on maintenance being achieved. This assessment is based on a current low level of asset management maturity, with a lack of quantitative evidence to support the assessment. Council has set an objective to improve the asset management (as outlined in this document) which will provide a higher level of confidence and reliability in the reporting of the asset condition and measurement of the backlog and maintenance expenditure required.

Council's transport assets comprise of roads, bridges, footpaths, traffic facilities, and signage. Sealed roads require less maintenance, but the unsealed roads demand more frequent maintenance due to weather conditions and heavy traffic. Council is looking to address key strategic issues such as road upgrade programs, intersection upgrades, bridge approaches and load limits, and kerb and gutter reconstruction. The stormwater and flood mitigation assets include conduits, culverts, open drains, pits, levees, lagoons, and gross pollutant traps (GTPs). The recent flooding identified poor asset performance, with a lack of information for the network.

The water assets include a water treatment plant, bores, pump stations, reservoirs, and networks for both urban and rural areas. Council has identified critical assets and built in backups to secure the town's water supply. The condition of the assets is satisfactory with the water treatment plant being aged and anecdotally difficult to maintain and repair, as many parts are obsolete and/or not available. Council plans to complete an evaluation of the plant to identify upgrade requirements and inform a plan for asset replacement outside of the current 10-year horizon. The water supply infrastructure has the capacity to meet up to 50% growth. Council does not have a current hydraulic model for Deniliquin's water supply network, which would provide greater understanding of system performance, areas for improvement, and support land development approval, development planning processes, and infrastructure planning.

The sewer assets include a sewer treatment plant, pump stations, sewer lines and points, valves, manholes, ponds, lagoons, and dams. Council is maintaining and upgrading the existing infrastructure with a strategic focus to transition from reactive to planned maintenance. The sewer treatment plant is well-maintained, but there are capacity and water quality concerns during wet weather events. Council plans to complete an options analysis, detailed design, and upgrade of the plant, within the current 10-year plan. Recycled water is a valuable resource, and there may be opportunities to realise additional value from it in an often-dry environment.

The waste assets consist of rural and town landfills, and waste disposal depots. Council provides a

range of waste services including kerbside waste collection, community recycling centers, drop off points for recycling, and illegal dumping management. The Deniliquin landfill is reaching critical capacity, and there is potential to extend the landfill to the North-East. Plans include installation of an access track and perimeter drainage, interim capping, and leachate intervention system, in addition to completing the design for the future landfill extension.

The open space and building assets include various facilities such as parks, playgrounds, recreational and sporting facilities, council buildings, and community halls, among others. While most of these assets are in good condition, some smaller parks and playgrounds require upgrades. The swimming pool complex also needs renewal due to the poor condition of several assets, with the need for a long-term strategy for the complex. Council has identified several key strategic opportunities to enable long-term sustainability, such as standardising the level of service for parks and sporting facilities, completing a park site rationalisation, and understanding the long-term requirements for the saleyards.

Council manages a fleet of light and heavy vehicles and plant, that require regular inspection and maintenance. The graders and street sweeper are in poor condition, which are critical assets for avoiding breakdowns and downtime of work crews.

Council also manages information management assets, such as computers, software, and security systems. Council is transitioning to SAAS (Software as a Service) and will address the storage of data, as part of this. There is also a need to establish a robust cybersecurity strategy to protect sensitive data.

The Asset Management Strategy has been prepared to be integrated with the Long-Term Financial Plan and the Workforce Management Strategy – collectively providing the Resourcing Strategies to deliver the adopted Delivery Program and Strategic Community Plan.

Consistent with the Long-Term Financial Plan (LTFP) and the Workforce Management Strategy, the following asset management strategies have been developed to inform three scenarios:

- Base Case – management of assets within the constraints of the current revenue generated through rates, charges, and other revenue streams, including the provision of grants to address asset management requirements. This case is not sustainable over the long term due to insufficient investment in asset maintenance and renewal.

- Alternative Case 1 – Enhanced Asset Investment Model includes increased investment in the renewal and replacement of assets to a level of investment that is expected to maintain assets at an acceptable level of service into the future. There is an increased investment in resealing of roads, in gravel re-sheeting for unsealed roads, improved stormwater drainage, increased replacement of kerb and gutter and the replacement of the sewerage treatment plant in Deniliquin.

The Enhanced Asset Investment Model is presumed to be funded through the introduction of a special variation in the rates, increasing the general rate by 7% for six consecutive years (a permanent increase) and then returning to the projected rate peg approved by IPART. To fund the sewerage treatment plant, the sewerage charges need to increase by 6% for consecutive years and then increase by the projected annual CPI.

- Alternative Case 2 – Enhanced Asset Investment and Growth Model includes increased investment in the renewal and replacement of assets as per Scenario Two, with additional investment made from Councils existing cash reserves and expected grant funding to expand the level of service of Council assets to encourage and accommodate population growth within the region.

The following tables describe the desired future state in terms of outcomes for each of the different scenarios. The Alternative Cases have been prepared based on additional revenue being earned enabling a higher level of investment within the asset portfolios as well as higher investment in the asset management systems to support the leadership and governance and the management of the asset portfolios.

Table ES1.1 Summary of the Leadership and Governance Strategy Outcomes – by LTFP Scenario

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Integrated Planning Framework	The Council and Executive Leadership Team continuously review and maintain an integrated Resourcing Strategy to deliver the Strategic Community Plan and the Delivery Program. Each of the plans that make up the Resourcing Strategy (the Long-Term Financial Plan, Workforce Management Plan and Asset Management Strategy) are developed through a combination of top-down and bottom-up approaches to ensure effective alignment of organisational and service objectives with resource allocation.		
Asset Management Policy and Strategy	Council's decisions on policy and strategy are clearly documented and communicated effectively throughout the organisation. The Policy and Strategy clearly outline the asset management objectives implemented by the leadership and governance arrangements, reinforced by an effective culture that embodies the importance of asset management. Responsibilities and accountability are clear and understood across the organisation, established to improve the asset management system and the management of asset portfolios. Our policy and strategy documents are not just shelf wear, but rather a living embodiment of our commitment to achieving our organisational goals, regularly reviewed, and updated to ensure relevance and effectiveness.		
Service Planning	Service planning is a core component of the integrated planning framework. Council's decision on the services offered and the levels of service are informed by asset management impacts and whole of life costing for acquisition and upgrading assets.		
	Decisions will likely need to be made on a reduction in the range of services offered and/or levels of service to be sustainable over the medium and long term. Rationalisation of assets will need to be considered.	Sufficient funding is available to maintain current levels of service. No funding is available to enhance levels of service.	Aligned with Council's Community Strategic Plan, and our vision of *Investing in our future*, Council will expand the service offering to improve the liveability of our communities with the aim to achieve an increase in the population.
Asset Management Steering Committee	Building upon the achievements of our Asset Management Steering Committee, we will continue to enhance our coordination, accountability, collaboration, and strategic thinking towards the implementation and benefit realisation of our Asset Management Strategy. The Committee will remain a key driver in ensuring that our asset management performance aligns with our strategic objectives and will continue to provide regular reports to the Council to facilitate informed decision-making and ongoing improvements in our asset management practices.		
Decision Making	The decisions made by the Council and management are consistent with the Asset Management Policy, Asset Management Strategy and the adopted scenario outlined in the Long-Term Financial Plan. Decisions are well informed by advice from management and the Asset Management Steering Committee, and business cases are		

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
	used to justify the need for new or upgraded assets with a whole of life approach.		
Asset Management Culture	Our Workforce Management Strategy, with a strong emphasis on the actions and values demonstrated by the Council and management, plays a critical role in creating a workplace culture that embodies best practices in asset management. Our focus is on fostering a culture where asset management is not just a responsibility but an integral part of our operations, driven by collaboration and shared accountability across the organisation. We ensure that roles and responsibilities are clearly defined and understood, with a clear line of accountability throughout the asset lifecycle, to further strengthen our asset management practices.		
Resource Allocation	Resources are constrained and allocated to address priorities based on asset criticality and risk.	Sufficient funding is available to maintain current levels of service. No funding is available to enhance levels of service.	Resources are sufficient to support a growing community, but economies of scale will be required to enable long-term sustainability.
Performance Framework	To effectively manage risk, we are committed to providing regular reporting on performance against established objectives and performance targets to both Council and management. This reporting will be developed and reviewed for the strategic, tactical, and operational elements of our asset management practices. By ensuring that we have a comprehensive approach to performance reporting, we can facilitate informed decision-making and timely intervention where necessary, mitigating risk and optimising asset performance. Our commitment to comprehensive performance reporting reflects our dedication to continuously improving our asset management practices and achieving our organisational objectives.		

Table ES.2 Summary of the Asset Management System Strategy Outcomes – by LTFP Scenario

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Asset Management Information System (AMIS)	Through liaison with the system provider, Council has an optimal configuration of the asset management information system, including appropriately componentised asset register, asset valuations, works programming, works scheduling/ticketing and reporting.		
GIS Mapping	Limited enhancements to the GIS capacity to improve the mapping recognition of assets.	Additional Assets/GIS Officer enhances the capacity of the organisation to benefit further from improved maintenance of asset data and the spatial recognition of assets, including reconciling the GIS and AMIS on a regular basis. Enhances Council's capacity to plan, report and communicate with the community using reliable and accurate asset data and the use of mapping.	

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Asset Management Team	Enhanced leadership, support and provision of training and development to develop expertise within the asset management team, enabling the current resources to provide better advice, reporting and support to decision making and the management of the asset portfolios.	Our goal is to ensure that the Council has a dedicated and skilled Strategic Asset Management (SAM) resource, supported by a systems expert, with GIS and AMIS skills, who can provide in-field training and support. This will enable effective and efficient management of our assets, including infrastructure, facilities, and equipment, and support the achievement of organisational goals and objectives	
Asset Management Plans	To ensure effective management of each asset portfolio, we will regularly review and update the Asset Management Plan. Our goal is to enhance the plan by improving planning and scheduling of inspections, operations, maintenance, and renewal/replacement activities, while remaining within funding constraints		
Data Driven Asset Planning	To move towards a proactive asset planning approach, Council will invest in improving data management, resource allocation and expertise, to enable informed decision-making for the entire asset lifecycle. This approach will enable Council to achieve long-term financial sustainability and meet community service expectations while ensuring assets are maintained at appropriate levels.		
Processes & Procedures	Council has quality processes and procedures that are efficient and consistent, enabling improved data.		
Asset Valuations	Recognition and measurement of asset valuations are consistent with the enhanced asset management planning, including the measurement of fair value and depreciation expense based on enhanced understanding of useful lives and deterioration of assets.		
	Asset valuations are planned with the aim to address asset data deficiencies. Asset condition assessments are undertaken by adequately skilled and trained inspector to provide reliable condition assessments. The asset condition assessments are used to update the asset register and GIS mapping in a timely manner.		
	Financial reporting of assets in the Annual Financial Reports, including the Schedules, more accurately reflects the actual condition, as well as estimates for the required maintenance expenditure and cost to restore assets to acceptable service level.		
Training and Development	Through comprehensive Asset Management training and development opportunities as set out in the Workforce Management Strategy, we can ensure that Councillors, management, and officers are equipped with the necessary knowledge, skills, and tools to effectively carry out their roles and responsibilities and drive the successful realisation of the outcomes outlined in this Strategy, thereby addressing capability and capacity needs.		

Table ES.3 Summary of the Asset Portfolio Strategy Outcomes – by LTFP Scenario

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Understanding the Assets	Councillors, management, and officers have a good understanding of the current assets, including access to the following accurate information about assets – condition, capacity, functionality, hierarchy, criticality, common asset failure causes, asset risk, future demand, lifecycle deterioration.		
Asset Inspections	Condition and maintenance inspections are planned and scheduled to ensure the AMIS maintains an accurate record of asset condition, capacity, and functionality. Reactive inspections are undertaken as required to respond in a timely manner to damage or defects.		
Planning	Asset managers maintain current Asset Management Plans that plan to deliver on the asset management objectives outlined in this Strategy. Planning is based upon better understanding of the assets and access to improved information held within the AMIS and GIS.		
	Enhanced scheduling of maintenance aims to transition from a high reliance upon reactive works to a target balance of 70% scheduled & 30% reactive works. Council acknowledges that some assets are run to fail and therefore the response will always be reactive, as well as reactive maintenance being a requirement of a weather event or disaster management situation.		
Acquisition	Acquisition of assets (including construction) is based upon enhanced planning and understanding of service needs. Adequate lead time is provided for the acquisition of assets (new, renewal/replacement or upgrades) through the integrated planning, including adequate funding identified in the LTFP. Decision gateways within the Project Management Framework ensure the acquisition of assets (including construction) does not progress unless funding and other considerations are acceptable to proceed.		
Operations	Due to lack of funding, a higher emphasis will need to be placed upon risk mitigation and higher frequency of inspections for early detection of asset failure (especially critical assets). Operations on deteriorating assets likely to result in higher operating costs and breaks in services due to asset failures.	Enhanced operations due to less emphasis upon inspection and mitigation of risks associated with deteriorating assets.	Strategic and efficient processes will be required to operate increased assets due to growth, with a planned approach.
Maintenance	Maintenance is significantly constrained, resulting in further deterioration of assets requiring earlier intervention to renew or replace assets.	Maintenance is adequate to maintain assets at an acceptable level of service.	Maintenance requirements should be limited on new assets acquired or constructed to support growth.

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Renewal/Replacement	Renewals and replacement of assets are constrained.	Assets will be renewed or replaced according to the planned useful life of assets.	New assets will have been acquired or constructed to accommodate growth.
Disposal	Asset rationalisation will need to be considered to reduce the funding burden on asset maintenance and renewals and to mitigate the risk of assets that will deteriorate to an unacceptable condition.	No asset disposal is required.	No asset disposal is required.

2. TABLE OF CONTENTS

3.   DOCUMENT CONTROL

Please note, this is an uncontrolled document when printed. Please refer to the published document on Council's website for the controlled document.

Version	Date Published	Reason for Amendments	Resolution	Author/Document Owner
1.0	20 June 2023	Issued for adoption by Council.	2023/0620/12.2	Director Infrastructure

1. INTRODUCTION

Edward River Council (Council) is the custodian of assets with a replacement cost of over $600 million funded by a revenue generated from the rateable population of over 8,400. Given a limited revenue base, the asset management approach by the Council is essential to continue to maintain the services and infrastructure that provide the liveability that our community enjoys and values.

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 networks and public buildings present challenges, particularly given the age, as a large portion of the infrastructure is nearing end of life and requiring a higher level of investment than historically provided. While age is a strong basis of an assets condition, the actual useful life can vary significantly based on exposure to the local environment and the intensity of the use of the assets. Assessing the condition of assets, estimating the remaining useful life of the asset and planning in advance for the renewal or replacement is a core requirement of modern Councils. Financing the planned renewals and replacements can be a significant challenge, requiring planning for cash availability to address large peaks and the discipline to accumulate reserves during troughs.

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, maintenance and replacement costs necessary to provide the needed service over the assets' full life cycle.

The provision of a large amount of infrastructure assets from a small rate base presents a range of challenges to the sustainability of the assets and the services that the assets enable.

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, bringing together asset management and long-term financial plans, demonstrating how Council intends to resource the plan, and consulting with communities on the plan.

  - Annual budget showing the connection to the strategic objectives, and
  - Annual report with:

o   an 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 of the performance of the Council against strategic objectives.

The purpose of the Asset Management Strategy (this document) is to provide a considered strategic response to the asset related challenges confronting Council and provide a management plan to implement changes within the organisation to improve the management and sustainability of assets that enable the liveability of residents and visitors to the region.

The Asset Management Strategy addresses three components of asset management:

  - Asset Management Governance and Leadership - provision of organisational leadership and governance arrangements to establish the decision-making frameworks and objectives that establish clear roles, responsibilities and expectations for the asset management system and

management of asset portfolios. It also includes the development of an effective asset management culture across the organisation.

- Asset Management System - provision of the asset management system to plan, support and enable the managers of the asset portfolios with sufficient access to the necessary data, systems, processes, and support to achieve optimal management of the assets.

- Asset Portfolio Management - direct management of the assets within each portfolio to achieve maximum community value from investments made in assets, including operating and maintaining assets at the lowest whole of life cost while meeting the service level requirements and managing risk of asset failure.

Figure 1.1 - Asset Management Components
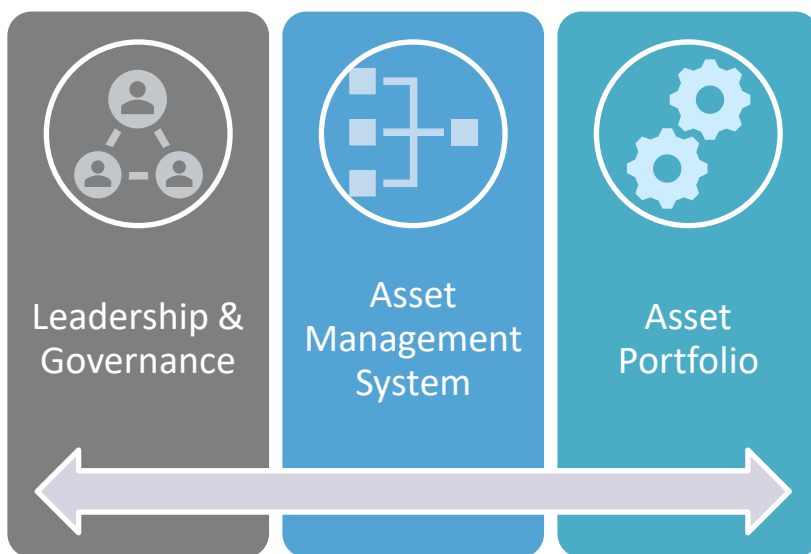
2. STRATEGIC ALIGNMENT

2.1 Vision for the Community

Council's Community Strategic Plan communicates the shared vision of: **Investing in our future.**

This vision is underpinned by five strategic outcomes as follows:

- Shaping the future - Protect and enhance both our natural and built environment as we grow.
- An open and connected community - Build capacity and access to freight, transport, information, and cultural links within and beyond our region.
- Encouraging growth through partnerships - Invest in, promote, and celebrate living, working and visiting the Edward River experience.
- Delivering community assets and services - Develop and maintain public infrastructure that supports local businesses to grow and attract new investment.
- Accountable leadership and responsive administration – Councillors are leaders in the community who are informed and responsive to the community's expectations.

Edward River Council is actively engaged in shaping the future of the region, with a focus on preserving the balance between the natural and built environment, fostering connectivity through transportation and technology, and promoting cultural harmony that respects the region's indigenous and rural heritage. To achieve these goals, Council is working closely with the community, industry, and other levels of government to forge strong partnerships that facilitate growth and deliver quality services, leveraging its assets to benefit the community. Throughout this process, Council remains committed to accountable leadership and responsive administration.

The Edward River area is home to both dryland and irrigated agriculture, which play a crucial role in supporting the local economy. Additionally, tourism is on the rise, thanks to popular destinations like the Murray Valley Regional Park and Hay Plains, which offer visitors and locals alike the opportunity to enjoy the area's abundant natural beauty.

2.2 Community Strategic Plan Objectives

The Community Strategic Plan sets the objectives to be achieved in the planning period.

Shaping the future - Protect and enhance both our natural and built environment as we grow

An open and connected community - Build capacity and access to freight, transport, information, and cultural links within and beyond our region

Encouraging growth through partnerships - Invest in, promote, and celebrate living, working and visiting the Edward River experience

Delivering community assets and services - Develop and maintain public infrastructure that supports local businesses to grow and attract new investment

Accountable leadership and responsive administration - Councillors are leaders in the

community who are informed and responsive to the community's expectations.

2.3   Asset Management Policy

Council's Asset Management Policy defines the Council's direction for asset management in accordance with the Community Strategic Plan and applicable legislation.

The asset management objective set by the Policy is:

The Asset Management Policy provides Edward River Council with the framework to manage assets and to enable it to deliver services to the community in an affordable sustainable manner.

The asset management policy statements outlined in the Policy are:

- Service delivery drives asset management practices and decisions
- Asset planning and management has a direct link with Council's Community Strategic Plan, Delivery Plan and Operational Plan. As well as Council's Resourcing Strategy, made up of Workforce Management Strategy, Long-Term Financial Plan, and Asset Management Strategy (this Asset Management Strategy document), and Plans.
- Financial sustainability will be achieved by making decisions that lead to a cost-effective asset base, by focusing on asset renewal before new assets, rationalising under-utilised assets and limiting asset expansion unless justified.
- Asset management decisions shall be based on service delivery needs and the benefits and risks of assets, with an evaluation of alternative options that consider lifecycle costs.
- Asset management requires a whole of organisation approach which involves the participation of, and is the responsibility of, the Council, Executive and Council Staff.
- Planned approach to capital works. If a project is not identified through an asset plan or adopted strategy, these works will not be considered.

2.4   Integration with other Resource Strategy Plans

The Asset Management Strategy has been prepared through integration with the Long-Term Financial Plan and the Workforce Management Strategy – collectively providing the Resourcing Strategies to deliver the adopted Delivery Program and Strategic Community Plan, as per the Integrated Planning and Reporting Framework.

2.5   Other Related Strategies & Plans

In addition to Community Strategic Plan, and Resourcing Strategy, there are several other related strategies and plans that support the goals and objectives of Council. It is important that the strategies and plans are closely aligned to the Resourcing Strategy, as it clearly identifies what elements of the Community Strategic Plan council will take responsibility for, as other levels of government, business, non-government organisations, community groups and individuals will also have a role in achieving the outcomes of the Community Strategic Plan.

2.6   Stakeholders

The global standard for Asset Management (ISO 55001), places great emphasis on ensuring that an asset management system meets the needs and expectations of its stakeholders. Council's asset management stakeholders are both internal and external, and are identified below. As Council matures in asset and service planning, Council will need to engage more with the external stakeholders to ensure the infrastructure and assets provided by Council meet the desired benefits of the external stakeholders.

Council's internal stakeholders include: Councillors, Executive Management, Asset Management Steering Committee (AMSC), service and asset planners, service delivery managers and asset operators and maintainers

Council's external stakeholders include: Community members, Federal & State governments, developers, industry/businesses, utilities, other agencies, visitors / tourists and goods and service providers to Council.

Figure 2.1 - Integrated Planning and Reporting Framework
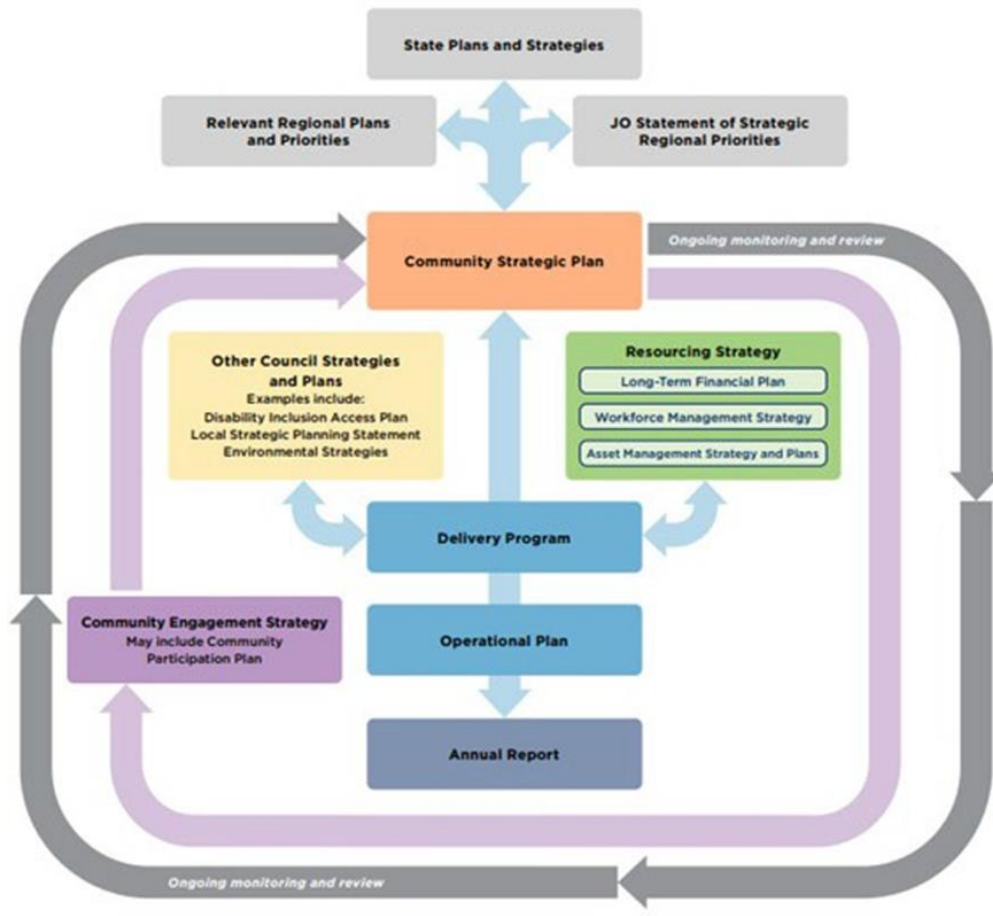
Figure 2.2 – Other Related Strategies and Plans

Other Council Strategies and Plans

Strategies	Plans
Advocacy Strategy	Deniliquin Aerodrome Masterplan
Rural Residential Strategy	Agribusiness Masterplan
Edward River Open Space Strategy	Deniliquin Airport Project
Deniliquin Public Space Strategy	Deniliquin Masterplan
Recreational Strategy	Peppin Heritage Centre Masterplan
Edward River Council Waste Strategy	Memorial Park Masterplan
Economic Development Strategy	Disability Inclusion Action Plan

Resourcing Strategy

	Asset Management Plans
Asset Management Strategy (AMS)	Open Space
	Buildings
	Transport
Long-Term Financial Plan (LTFP)	Stormwater and Flood Mitigation
	Water
	Sewer
Workforce Management Plan	Note: Information Technology & Fleet assets have been incorporated in the AMS

3.   DESCRIPTION OF SCENARIOS

Across the Resourcing Strategy documents, Council has outlined three scenarios that have been considered as options for forward resource planning. Each scenario is described below, including a summary of the increase is rating and service charges, programmed capital works and the projected cash balances of Council.

3.1   Scenario One – Base Model

The Base Model (Scenario One) is a planned approach to the continued delivery of services and provision of infrastructure based on a revenue base that does not increase the rate above the projected rate peg (as set by IPART) and current service charges only increasing each year by the projected annual CPI.

The capital works program, being constrained by the cash generated from operations (including rates, grants, and charges) and borrowings, is below what is considered to be necessary to maintain the current levels of service provided by the infrastructure. Assets such as roads, buildings and the sewer network are expected to deteriorate over time, requiring future Councils to make decisions on rationalisation of assets when assets begin to fail. This approach is not considered to be a sustainable approach over the long term.

3.2   Scenario Two – Enhanced Asset Investment Model

The Enhanced Asset Investment Model includes increased investment in the renewal and replacement of assets to a level of investment that is expected to maintain assets at an acceptable level of service into the future. There is an increased investment in resealing of roads, in gravel re-sheeting for unsealed roads, improved stormwater drainage, increased replacement of kerb and gutter and the replacement of the sewerage treatment plant in Deniliquin.

The Enhanced Asset Investment Model is presumed to be funded through the introduction of a special variation in the rates increasing the general rate by 7% for six consecutive years (a permanent increase) and then returning to the projected rate peg approved by IPART. To fund the sewerage treatment plant, the sewerage charges need to increase by 6% for consecutive years and then increasing by the projected annual CPI.

3.3   Scenario Three – Enhanced Asset Investment and Growth Model

The Enhanced Asset Investment and Growth Model includes increased investment in the renewal and replacement of assets as per Scenario Two, with additional investment made from Councils existing cash reserves and expected grant funding to improve the level of service of Council assets and grow the assets to encourage population growth within the region. Investment in parks, open spaces, the swimming pool, and other assets is expected to increase the livability of the region and encourage more people to live in our region.

The Enhanced Asset Investment Model is funded through the introduction of a special variation in the rates increasing the general rate by 7% for six consecutive years (a permanent increase) and then returning to the projected rate peg approved by IPART. To fund the sewerage treatment plant, the sewerage charges need to increase by 6% for consecutive years and then increasing by the projected annual CPI.

Investment in the enhancement of assets and extension of infrastructure necessary for growth is funded through drawing down on the Council's available cash reserves, as well as some reliance on grant funding (particularly for a new swimming pool).

4.   ALIGNMENT OF SERVICES AND ASSETS

Council uses infrastructure assets to provide services to the community. The range of services provided, enabled by infrastructure assets is shown in the following table.

Table 4.1 - Services enabled by Council's assets

Services Provided	Description	Asset Class
Parks, reserves, sporting facilities & swimming pools, provide a mix of active and passive environments for the enjoyment of residents and visitors	Over 148 parks, gardens, recreation areas and playgrounds (BBQs, park furniture, playgrounds, gardens, irrigation). Sporting facilities, and swimming pool with 3 outdoor pools, a hydrotherapy pool and a splash park area.	Open Space
Final resting place within manicured grounds and researching family history.	Deniliquin and Wanganella cemeteries.	Open Space
Library services - free access to recreational and educational materials and activities.	Library buildings & resources.	Buildings
Town buildings and halls, for council administration (to enable the delivery of services and infrastructure), community occasions and events.	Land & various buildings (specialised and non-specialised, as well as other structures) (including halls & art centre), furnishing, fittings & equipment.	Buildings
Airport - Airport runway, terminal building with facilities and an aircraft parking area with facilities to tie aircraft down.	Runway, buildings & aircraft parking.	Transport & Buildings
The transport network supports transportation (both vehicular and active) and economic activities of the region.	Roads, bridges, footpath, kerb & gutter, traffic facilities (islands & roundabouts), carparks, signs, and boat ramps.	Transport
Drainage & Stormwater Flood preparedness and mitigation management services, including flood modelling, drainage investigations, and planning for infrastructure.	Culvert, open drains, kerb & gutter, conduits, pipework, pipes, pumps, gross pollutant traps (GPTs), lagoons and detention basins	Stormwater & Flood Mitigation
Potable (drinking) water to the community and assists firefighting activities.	Water treatment plant, storage reservoirs, distribution network (trunk mains, reticulation mains) & pump stations.	Water
Sewerage services	Sewer treatment plant, sewer network (gravity mains, rising mains, sewer manholes), pump stations.	Sewer
Kerbside collection service for residents of Deniliquin, Landfills and	Landfill cells, waste disposal facilities, trucks,	Waste

Waste Disposal Depots, including Community Recycling Centres (CRC) (2 Sites), and drop off points for comingled and paper and cardboard recycling, and waste oil (6 sites)	bins.	
Independent seniors living	Dwellings, community centre and landscaping.	Buildings & Open Space
Enablement of the delivery of services and infrastructure.	Mobile and fixed plant and equipment.	Fleet (Plant & Equipment)
Website, email, online forms, systems etc for community and Council communication and administration	Hardware, Software.	Information Technology

5.   STATE OF THE ASSETS

The replacement cost of assets controlled by Council totals $602.9 million, the net carrying amount (the remaining value of the assets) being $428.2 million. Each year services provided by Council consume approximately $9.9 million in value of the controlled assets (as indicated by the depreciation expense).

As at 30 June 2022, Council estimated that $8.2 million is required to be spent on renewing and replacing assets to bring the assets to a satisfactory standard – often referred to as the value of the infrastructure backlog. The water supply network is estimated to have a backlog of assets of $0.8m, with $0.7m in the sewerage network and $4.1m in roads.

The required expenditure on maintenance of assets was estimated to be $6.1m compared to actual expenditure in 2021/22 of $5.9m. Expenditure for the water supply network and buildings is below the required maintenance.

The financial status of Council's assets is shown in the Report on Infrastructure Assets, a special schedule attached to the Annual Financial Statements, and provided in the table below.

There is a requirement for Council to have a more quantitative methodology for assessing the condition, informed through a regular and consistent approach to asset condition assessments, identifying the optimal time for renewal, enabling robust programming of renewals driven by asset data. Developing a more systematic approach needs to consider the data and location of the data, to provide a single point of truth and enable data driven decision making.

Figure 5.1 – Extract from Special Schedules for the Year Ended 30 June 2022

Edward River Council

Report on infrastructure assets as at 30 June 2022

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard $ '000	Estimated cost to bring to the agreed level of service set by Council $ '000	2021/22 Required maintenance [a] $ '000	2021/22 Actual maintenance $ '000	Net carrying amount $ '000	Gross replacement cost (GRC) $ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings – non-specialised	264	264	144	131	12,623	16,964	13.0%	50.0%	30.0%	7.0%	0.0%
	Buildings – specialised	801	801	514	467	37,883	60,478	18.0%	41.0%	27.0%	13.0%	1.0%
	Sub-total	1,065	1,065	658	598	50,506	77,442	16.9%	43.0%	27.7%	11.7%	0.8%
Other structures	Other structures	107	107	35	37	17,901	19,723	24.0%	51.0%	17.0%	8.0%	0.0%
	Sub-total	107	107	35	37	17,901	19,723	24.0%	51.0%	17.0%	8.0%	0.0%
Roads	Sealed roads	3,923	3,923	1,234	1,092	184,184	247,599	12.0%	26.0%	55.0%	6.0%	1.0%
	Unsealed roads	523	523	1,173	1,051	–	–	23.0%	28.0%	27.0%	22.0%	0.0%
	Bridges	69	69	69	69	7,284	10,748	14.0%	54.0%	32.0%	0.0%	0.0%
	Footpaths and kerb and gutter	397	397	73	78	19,743	28,596	6.0%	27.0%	61.0%	5.0%	1.0%
	Other road assets	–	–	–	–	3,892	4,848	33.0%	30.0%	37.0%	0.0%	0.0%
	Bulk earthworks	–	–	–	–	33,842	33,276	24.0%	1.0%	75.0%	0.0%	0.0%
	Other road assets (incl. bulk earth works)	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	4,912	4,912	2,549	2,290	248,945	325,067	13.1%	24.5%	56.5%	5.0%	0.8%
Water supply network	Water supply network	773	773	959	941	37,530	64,787	6.0%	27.0%	47.0%	16.0%	4.0%
	Sub-total	773	773	959	941	37,530	64,787	6.0%	27.0%	47.0%	16.0%	4.0%
Sewerage network	Sewerage network	649	649	761	720	32,325	59,793	23.0%	28.0%	13.0%	18.0%	18.0%
	Sub-total	649	649	761	720	32,325	59,793	23.0%	28.0%	13.0%	18.0%	18.0%
Stormwater drainage	Stormwater drainage	363	363	69	93	26,671	38,539	32.0%	32.0%	26.0%	8.0%	2.0%
	Sub-total	363	363	69	93	26,671	38,539	32.0%	32.0%	26.0%	8.0%	2.0%
Open space / recreational assets	Swimming pools	66	66	312	319	4,535	5,488	21.0%	57.0%	19.0%	3.0%	0.0%
	Other open space/ recreational	277	277	770	870	9,747	12,030	45.0%	25.0%	14.0%	15.0%	1.0%
	Sub-total	343	343	1,082	1,189	14,282	17,518	37.5%	35.0%	15.6%	11.2%	0.7%
	Total – all assets	8,212	8,212	6,113	5,868	428,160	602,869	16.1%	29.1%	43.1%	8.8%	2.9%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

6.   ASSET MANAGEMENT MATURITY

The starting point on an asset management improvement journey is to obtain a clear understanding of the level of maturity and performance that currently exists. Asset management maturity assessments are also valuable in tracking progress towards your desired goal, ensuring alignment with best practice.

There are several Maturity Assessment frameworks available and Council's AMSC (Asset Management Steering Committee) endorsed the National Asset Management Assessment Framework (NAMAF) as the adopted tool to assess and report on Council's asset management maturity, with the following asset management maturity index.

Table 6.1 Asset Management Maturity Improvement Index

Index	Description
1	Aware
2	Basic
3	Core
4	Intermediate
5	Advanced

This tool identifies the current maturity of a council's asset and financial planning, management, and reporting practices. It consists of 11 key elements against which Edward River Council has completed a self-assessment of their current state in 2019 and a recent assessment in the development of this document. Council is committed to continuing to use the maturity tool to assess the progress in implementing better practices in asset and financial management.

The 11 elements of the NAMAF include:

- 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

The results of Council's self-assessment are presented in the following spider graph, which identifies that Council's main objective is to focus on achieving and maintaining 'Core' level asset management and financial planning maturity. Once this is achieved the AMSC will look to review the targets to identify were it might be appropriate to set a higher target of maturity beyond a 'Core' level of maturity.

Figure 6.1 NAMAF Asset Management Maturity Assessment of Edward River Council

The maturity assessment was a key factor in the development of this Asset Management Strategy, and a review of the results identified three components of an effective asset management approach:

- Leadership & Governance,
- Asset Management System, and
- Asset Portfolios.

Following is the current context identified through the assessment, for each of these components.

6.1 Leadership & Governance

The asset management practice, as determined from the maturity assessment, shows that there are opportunities for improvement. Accordingly, the current level of practice is considered operational, whereas the aspiration of Council is to optimise the asset management practice by ensuring alignment with best practice, being an organisationally integrated Asset Management System, with a strategic focus.

Leadership & Governance is required across all elements of the maturity assessment and is central to enabling Council to achieve the 'Core' level of maturity. Governance is required to provide the framework for decision-making, accountability, and transparency.

6.1.1 Asset Management Policy

The maturity assessment identifies that the Asset Management Policy is solid but has opportunities for improvement as it requires the following elements:

- Reference to a process for assessing and delivering training in financial and asset management practices across the organisation.

- Definition of asset management roles and responsibilities, however this is documented elsewhere.

- Audit and review procedures for the policy to ensure alignment with any changes to Council's vision of service delivery objectives.

- Identification of the necessary balance between economic, social, cultural, and environmental consequences, which may affect asset management practices over the long term.

Communication and training, in addition to adherence to the policy should be considered, to ensure that the policy is implemented into the way we work.

6.1.2 Asset Management Steering Committee (AMSC)

Council has an AMSC, which has a broad representation across the organisation, however the current ToR (Terms of Reference) should be reviewed ensuring membership is adequate, and that there are processes in place to regarding the meeting structure and frequency, to ensure the committee are leading strategically while addressing the 11 elements of the maturity assessment, and successfully implementing this Asset Management Strategy.

6.1.3 Roles & Responsibilities

Council has documented the Asset Management roles and responsibilities; however, these are not currently identified within the Asset Management Policy or a supporting framework. The current documentation lacks identification of roles responsible for determining levels of service and managing the assets to meet service delivery needs.

Gaps in roles and responsibilities, as well as capacity have not been formally assessed.

6.1.4 Allocation of resources & decision making

Current practice is predominantly reactive as opposed to planned and is often based on historical data as opposed to forward projections. An enhanced systemic approach to resource planning, which is aligned with forward projections, is needed to shift the current practice.

6.1.5 Performance reporting

Currently there is no Asset Management performance reporting developed.

6.2   Asset Management System

An Asset Management System (AMS) is a structured and organised approach to managing and optimising an organisation's assets throughout their entire lifecycle. It involves processes, procedures, and tools to acquire, operate, maintain, upgrade, and dispose of assets in a cost-effective and efficient manner, while ensuring that they deliver on Council's strategic goals and objectives.

The AMS enables an organisation to track and monitor its assets, assess their condition and performance, and make data-driven decisions on their utilisation and replacement.

6.2.1 Asset Management Information Systems

Council has recently transitioned to a new Asset Management Information System (AMIS), enabling a mobile workforce, where work orders are aligned to our assets. The initial roll out focused on Council's Water & Sewer assets, which is currently being expanded to incorporate other asset classes.

Council is currently using work orders and linking operations and maintenance activities to the assets which is a significant enhancement, but further enhancement is required to ensure consistency in process and data collection, in addition to the development of planned maintenance within the system.

Condition assessments are completed, but the data is not input into the asset register.

Further investment is required to ensure efficient and consistent processes and procedures are implemented, with data quality controls, ensuring available functionality is utilised for the benefit of the organisation and the community.

Council also uses geospatial information to efficiently identify assets spatially, however there are further opportunities with regards to spatial data that should be explored.

6.2.2 Asset Data

Accurate data and a robust planning process is required to ensure that assets are managed and accounted for in an efficient and sustainable way on behalf of the community and with a service delivery focus.

6.2.3 Asset Planning

Council's current asset planning approach is based on historical performance, and capital works is predominantly based on depreciation (although the reseal program utilises some information from

an external contractor to inspect and plan the reseals). Planning is reactive due to insufficient data, resources, and expertise, to enable asset lifecycle planning.

6.2.4 Process & Practices

Council currently has operational processes and practices that are aimed at achieving their objectives. However, to improve asset management and minimise the potential risk of losing valuable knowledge that is stored in the minds of key personnel, Council should consider evaluating, documenting, and adopting enhanced processes and practices. This will also have the benefit of ensuring efficiency and consistency.

6.2.5 Asset Management Capability & Capacity

Although Council's current context is focused on on-the-ground experience and safety-related training, there are opportunities for growth and development in asset management.

Council is currently taking steps to develop and update its Asset Management Plans through training programs such as IPWEA NAMs+. This investment in training demonstrates the Council's commitment to improving its capabilities in asset management and will ultimately benefit both the organisation and the community it serves.

The issue of capacity is a significant concern for Council, as they have personnel responsible for various roles. With limited resources and personnel, it can be challenging to maintain a dedicated focus on asset management, which is a critical function. Instead, current personnel are often tasked with managing multiple responsibilities, which can lead to gaps in knowledge and expertise, and ultimately impact the effectiveness of asset management practices.

6.3 Asset Portfolio

Asset managers across Council are responsible for managing assets throughout the asset lifecycle, including the acquisition, operations, maintenance, renewal/replacement, and disposal at end of life. While leadership and governance provide high level objectives, and the asset management system provides tools and support, managing the asset portfolio requires expertise in understanding and managing at the asset class level.

In cases where metrics are not readily available to inform the investment required to renew or replace assets, Council has relied on an asset condition based on the financial consumption of the asset. This involved calculating the consumption rate (asset depreciated value, divided by the asset replacement cost), and converting this to a condition rating to inform the remaining useful life, and projecting the cost and timing of renewal or replacement.

7. Overview of Asset Portfolios

7.1 Overview of Transport Assets

The Transport assets at Edward River Council are identified as:

- Roads
- Other road assets (includes carparks, access tracks, airport runway & taxiway)
- Bulk earthworks
- Bridges
- Traffic facilities and signage
- Kerb & gutter
- Footpaths

Various classifications of rural roads exist within Edward River Council Local Government Area (LGA), including:

- State Roads - Cobb Highway and Riverina Highway are maintained and controlled by the Roads & Traffic Authority.
- Regional Roads - Owned and maintained by Edward River Council with funding by a block Grant and repair program from Transport for NSW.
- Local Roads - Dedicated roads owned and maintained by Edward River Council. These are split between sealed (762.5kms) and unsealed (843 kms) roads. The level of maintenance performed on roads is determined by a Road Hierarchy System which has been developed by Council.
- Crown Roads - Roads owned by NSW State Government are administered by Crown Lands under the Roads Act 1993 No 33.

Council undertakes planned bituminous patching and periodic bitumen resealing to rejuvenate existing road seals.

Unsealed roads need more frequent maintenance than sealed roads. They are heavily impacted by weather conditions, increased traffic volumes, and the geography of the land where they're located. Therefore, Council has a grading program, which aims to complete 1,100kms per year, at a cost of $1,000/km. Based on the road hierarchy and utilisation, roads can be graded 2 – 3 times a year for heavily used roads.

7.1.1 Condition and Performance

Condition of the sealed road network has been impacted by recent weather events. While the Annual Financial Statements indicate as of 30 June 2022 only 7% of the sealed road and 22% of unsealed network as being in condition 4 and 5, the condition of the assets held within the asset register is highly unlikely to reflect the actual roads due to recent damage from weather events.

Therefore, the Bitumen Seal Condition Assessment Report has been referred to for the renewal modelling of sealed roads, but it is essential that this data is also input into Council's systems for the Asset Management Plan and the Asset Register, improving the lifecycle management for the sealed surface assets to maximise the asset lives and service provision, and to provide for accurate representations of renewal costs in the financial framework.

The unsealed road network has been identified to be in a poorer condition, however, is maintained well, except during severe weather events. It should also be noted that the underground transport assets (road formation, sub-base, and base coarse components) have an estimated condition rating based on age and surface condition.

Road inspections are currently completed using a calibrated roughometer to determine the roughness of the road, and a visual inspection is undertaken to identify any defects/hazards. This information is used to determine if the road has met the intervention level for maintenance grading and/or if isolated gravel patching is required. Detailed condition assessments are completed as required. A bridge condition assessment is currently being completed.

Footpaths are inspected and a grinding program is completed periodically completing an estimated 10 meters / year, to reduce tripping hazards, often resulting due to movement, which can be caused by tree roots. Maintenance is also reactive, resulting from customer complaints, which are prioritised.

A future improvement is for all inspections and condition assessments to be recorded in Council's AMIS in the future.

The asset performance of Council's Transport assets includes the following factors:

- Road shoulders are negatively affected by heavy vehicles and wet weather.

- Sealed roads can have issues with drainage, resulting in pavement deterioration.

- Intersection upgrades are necessary. Currently, intersection assessment programs are reactive, and Council would benefit from a strategic approach.

- Kerb & gutter was introduced to the road network later, and the outside lane is weaker than the main road, in addition to damage caused by heavy vehicles. Reconstruction is to be considered for some roads, in addition to the kerb and guttering replacement.

- Bridges and their approaches are to be reviewed for upgrade requirements, as some bridges are undersized and have load limits, or have had to have their load reduced due to issues with the bridge and / or the approach.

7.1.2 Critical Assets

Asset criticality is determined by considering the probability of failure by the consequence or risk of the failure, in particular danger to life and injury from damaged roads. While Council doesn't have a framework for identifying and recording asset criticality, the operational approach to asset management has identified the following Transport assets as critical:

- Bridges and their approach, due to the danger to life or injury, in addition to economic consequences to the region if accidents occur or heavy vehicles are delayed through re-routing. Council is responsible for bridges in their LGA, in addition to working with Murray Irrigation Limited (MIL), who are responsible for inspecting and upgrading 416 public bridges along the Murray Irrigation channel, including those within the Edward River Local Government Area, to be completed by 2026, almost half of which were built before 1945.

- Maude Road is a connector road that intersects the Sturt Highway. Traffic has been diverted from the Sturt Highway in the past, resulting in an additional 1,000 vehicles per day, with 50% of them being heavy vehicles.

- Airport runway and taxiway is identified as critical due to the probability of failure, as it requires immediate attention.

7.1.3 Key Strategic Issues and Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Transport asset class:

- Council looks to review the unsealed road network to develop an upgrade program (road sealing), completing a cost benefit analysis (cost of maintenance, including grading / year, versus cost of sealing with 15-year life). With consideration to increase the weight limit required on the road, based on traffic usage, and town roads (predominantly servicing rural residential properties).

- Council looks to complete a review of road links, aligned with planned State works for oversize vehicle impediment roads, to ensure transport network and corridor strategies are developed to better manage transport infrastructure and maximise benefits for all.

- Council's approach to include road stabilisation in the rehabilitation program (to prevent water penetration) has increased costs, and a review of the performance of the assets to which the cement stabilisation process has been applied in the past is required to determine if this treatment extended the road life, in addition to how the road performed under heavy vehicles.

- Performance of drainage is a concern as poor performing drainage can result in early deterioration of the pavement.

Program (Asset type)	Details	Estimated Cost
Road re-seal program (local and regional)	Historically the combined (local and regional) roads reseal program was completed with an annual spend of approximately $1.4million, however this was reduced (by $0.2million in local roads) to $1.2million for the past few years, and while this is ok in the short term, an increase in investment is required to ensure long term sustainability. The Bitumen Seal Condition Assessment Report, identifies that approximately $2million should be spent annually over the next 10 years, while Council has developed a sustainable renewal program based on metrics, with the LGA having 762.5kms of sealed road, with an approximate road width of 6metres, completing 1 reseal every 20 years at a cost of $6.50/m2, equates to an investment of just under $1.5 million annually. To ensure any unsafe issues can be addressed in a timely manner, Council, has used the same metric, but assumed 1 reseal every 15 years for 2023/24 only.	$1,982,500 for 2023/24, then $1,486,875 per year.
Heavy road patching program	Based on the following metric calculation, 762.5kms of sealed road, with an approximate road width of 6metres, heavy patching to 1.5% of roads, where 5% of the road requires patching, at a cost of $60.00/m2, equates to an investment of approximately $0.2million annually.	$206,000
Road reconstruction	Based on an assumed requirement for rehabilitation of 2kms per year for 5 years and then 1km each year thereafter, based on a rate of	$1,500,000 for five

program	$750,000 per km. The condition assessment report identifies a list of roads for rehabilitation (but no costings).	years $750,000 per year thereafter
Re-sheeting program (Gravel is replaced, including reshaping of the table drains and resetting of the road profile)	Based on the following metric calculation, 843kms of unsealed road, with an approximate road width of 6metres, completing 1 re-sheet every 20 years at a cost of $35,000/km, equates to an investment of just under $1.5 million annually. Re-sheeting is generally undertaken where it will provide the greatest reduction in maintenance.	$1,475,250 per year
Bridge renewals	Minor renewals to bridge network	$100,000 per year
Kerb & Guttering program	Based on the calculation of completing 1km per year, at a cost of $350/m.	$325,000 per year
Other roads assets program	Based on consumption condition forecast, annualised.	$47,000 per year
Footpaths renewal program	Based on consumption condition forecast, annualised to be equally phased at $155k. The footpath hierarchy is determined by the level of foot traffic and proximity to significant facilities, all of which are accessible for the elderly, as Council have completed their Pedestrian Access Mobility Plan, and currently there are no broken links in the network.	$154,620 per year
Airport runway upgrade	Project is to be completed in financial years 2022/23 and 2023/24, at a cost of $6million, with $4million of this funded through grants.	$4,000,000 (within the current 10-year projection).
Edward River Village Civil works	Civil works are planned at $2.6million.	$2,600,000

7.2   Overview of Stormwater Assets

The Stormwater & Flood Mitigation assets at Edward River Council are identified as:

- Conduits
- Culverts (inlets & Outlets)
- Open drains
- Pits
- Levees
- Lagoons
- GTPs (Gross Pollutant Traps)

7.2.1 Condition and Performance

Council's performance of stormwater drainage systems was proven to be poor in the recent weather

event.

- A culvert condition assessment is currently being conducted and will be used to inform future investment required for renewal, upgrade, and maintenance.

- Gates are known to leak in weather events, (during the recent flooding, when gates were closed 90% leaked, which ties up resources in a weather event).

- While nearly all current assets are providing an acceptable level of service these are assets where the condition can change rapidly as deterioration is generally not visible and the condition assessment does not include invasive testing of the concrete structures.

7.2.2 Critical Assets

- Stormwater pipes under roads with large diameters.

- Stormwater pipes under levee & gates

7.2.3 Key Issues and Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Stormwater asset class:

- There is a lack of information on the entire network.

- Condition inspections are not programmed and almost entirely reactive to a failure or a reported issue with an asset.

- Maintenance is reactive.

- There is little integration between the operational management of the stormwater network and the asset register.

Program (Asset type)	Details	Estimated Cost
Stormwater Drainage renewal program	Based on the consumption condition forecast, annualised to be equally phased would result in a renewal program of $106k annually, however, due the concerns raised regarding the condition of the assets, this has been increased to $150k annually until the risk can be assessed and more accurate projections developed.	$150,000 per year
Stormwater Drainage upgrade program	Flood mitigation upgrades to the stormwater drainage network. As there is limited information on the entire network it is difficult to develop an upgrade program, however due to recent flooding and issues identified, Council plan to complete three upgrade projects over the 10 years, with a budget of $1 million for each project, initially delivering works at the airport.	$3,000,000 over 10 years
North Deniliquin Levee Upgrade	Planned to be completed in 2024/25 at a cost of $2million, with $1.6million assumed to be funded through grants.	$2,000,000

7.3   Overview of Water assets

The Water assets at Edward River Council are identified as:

- Water Treatment Plant (WTP)
- Bores
- Pump stations
- Reservoirs
- Water network, including nodes, valves, trunk mains, reticulation mains.

Council operates an urban water network for Deniliquin, in addition to 3 rural water networks, Wanganella, (approximately 30 years old), Conargo (approximately 20years old), and Booroorban (approximately 15 years, and only has 5 connections).

Council is focusing on a transition from reactive maintenance to planned maintenance, and have developed the following planned maintenance programs within their current budgets aligned with the Long-Term Financial Plan:

- WTP instrument calibrations
- WTP pump servicing
- WTP annual servicing and inspection of compressors, chlorine and fluoride rooms
- WTP general cleaning around facility
- Water pumping stations
- Mains flushing
- Valve and hydrant maintenance

7.3.1 Condition and Performance

The condition and performance of Council's water assets is predominately in a satisfactory condition (maintenance work required), and generally reflects the age of the network and the history of renewals.

- The WTP infrastructure is aging and is anecdotally difficult to maintain and repair, as many parts are obsolete and/or not available. Council plans to undertake an evaluation/ process audit for Deniliquin WTP to identify upgrade requirements and inform an upgrade plan, a requirement outside the current 10-year horizon.

- As identified in our Operational Plan, Council is planning to complete an inspection to assess the condition of water reservoirs (internally and externally) and prepare condition reports and remediation actions (where required).

- As per the recommendations within the Integrated Water Cycle Management plan, Council will look to complete annual internal audits of the Drinking Water Management System (DWMS), to evaluate annual performance, and report any Critical Control Point (CCP) exceedances at Deniliquin.

- An air scouring program is to be introduced, which is a cleaning technique using a mix of compressed air and water forced into the water main, removing sediment from the pipes. This

is required due to the recent floods, and magnesium issues. Estimating the cost to be $70-80K to complete the whole network, which will also become a cyclic program moving forward.

- Telemetry equipment is operational, however, upgrades to switchboards are required to enable improved functionality.

7.3.2 Critical Assets

Water assets and the water network are critical assets, however Council have built in backups for power, by acquiring generators overnight, back up dosing systems and securing the town for water supply with the following contingencies:

- Raw water sources

- Water Treatment Plant (WTP)

- Reservoir

- Trunk network

7.3.3 Key Issues and Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Water asset class:

- The water supply infrastructure has capacity to meet growth of up to 50%, however higher demand does correlate strongly to higher temperatures. As such it could be argued that climate change is a strong driver for demand security.

- The Water Treatment Plant is ageing and will require investment to upgrade to today's operating standards, and in the event, there is a need to accommodate growth of greater than 50%.

- Council has an existing hydraulic model for Deniliquin's water supply network; however, this needs to be updated to enable a greater understanding of system performance and areas for improvement (e.g., locations of low pressure), and support land development approval, development planning processes and infrastructure planning (i.e., are additional water storages required to provide appropriate service levels within the township).

- There is a public health risk in Deniliquin's raw water network, which includes river intakes at Memorial Park and North Deniliquin, due to legacy raw water system assets, however Council have put mitigation plans in place to reduce this risk so that the possibility of the risk becoming an issue is unlikely.

- Council is looking to undertake sampling of the backup bore water quality against the full Australian Drinking Water Guideline (ADWG) parameters to inform future uses of this water and treatment requirements.

- Water quality at the offtake of the Mulwala Canal is to be sampled and tested.

- Council is investigating the implementation of a Leak Detection Program, requiring an initial investment of $100k (with additional funds for the associated pipe repairs). In this assessment it is assumed that a 50% reduction in non-revenue water loss is achievable. Current loss is estimated at $320K (and projected to increase by 0.5% per year over the 30-year period). (Source: Alluvium Options Review Paper for Edward River Council Integrated Water Catchment Management Strategy, November 2022.)

Program (Asset type)	Details	Estimated Cost
Water pipe replacement program	Current program is $400k annually, based on consumption condition forecast, this may need to be increased in the future, however additional condition data is required to support this.	$400,000 per year
Dosing system	Dosing system is currently identified as backlog, based on the age of the assets. The equipment is not today's standard, or best practice. Assumed replacement of system will be over 2 years (2025-26 & 2026-27), at a total cost of $1.06million.	$530,000 per year for 2 years
Water Treatment Plant renewals	Based on the consumption condition forecast, program is $180k annually, however based on the asset age and asset data available, planning for upgrades needs to commence within the 10-year period.	$180,000 per year
Water pump station renewals	Based on the current spend and requirements of the assets.	$50,000 per year
Water Hydrant renewals	Water Hydrants are currently replaced on an ad hoc basis, there is no program. $1M of assets are identified in backlog, and due to the criticality of the assets, a program has been developed, $100k annually to eliminate the backlog. It is planned to review this in the future once more information is available.	$100,000 per year
Switchboard renewal program	Based on consumption condition forecast & phasing, at a cost of $700k over the 10 years.	$700,000 per year
SCADA system renewal program	Based on consumption condition forecast & phasing, at a cost of $100k over 2years (2030-31 & 2031-32), while the upgrade to the system is $40k annually, based on the current program.	$40,000 per year, plus $100,000 over two years.

7.4 Overview of Sewer Assets

The Sewer assets at Edward River Council are identified as:

- Sewer Treatment Plant (STP)
- Pump stations
- Sewer lines & points
- Valves
- Manholes
- Ponds, lagoons & dams

The town of Deniliquin is on the mains sewer network, which is made up of over 108kms of sewer mains and reticulation and more than 1,300 other forms of sewer assets (including treatment plant, pump stations, valves and manholes).

Council maintains the existing sewer infrastructure by cleaning and repairing our pipes, pump stations and manholes, but also by upgrading (relining) or replacing them as necessary.

Wastewater enters the gravity sewer system and flows to the nearest pumping station. The pumping station then pumps the wastewater to the Sewage Treatment Facility in Calimo Street.

Council is focusing on a transition from reactive maintenance to planned maintenance, and have developed the following planned maintenance programs within their current budgets aligned with the Long-Term Financial Plan:

- STP instrument calibrations
- STP yearly pump service and inspections
- STP general cleaning around facility
- SPS pump out and clean weekly
- Backflow device calibration yearly

7.4.1 Condition & Performance

The Sewer Treatment Plant (STP) is a conventional treatment facility using grit settling, clarification, filtration, and oxidation. Treated sewage water is recycled through a commercial operation and used in a way that is beneficial to the environment. The current plant is aged, but well maintained. There are capacity issues in wet weather events, in addition to concerns regarding water quality and non-compliance.

Council's SCADA system is used to coordinate pump usage and spread the peak time rush (based on the hierarchy of pumps), pump station switchboards upgrades are required at each site, to connect to SCADA, with 1-2 switchboard upgrades annually.

Council presently has a contract with a nearby farmer who makes use of recycled water (effluent, resulting from treated wastewater).

7.4.2 Critical Assets

- Sewer Treatment Plant (STP)
- 27 Pump stations
- Telemetry
- Trunk network

7.4.3 Key Strategic Issues & Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Sewer asset class:

Program (Asset type)	Details	Estimated Cost
Sewer Relining program	Based on the age of sewerage assets, and lack of asset condition data, assumed that 600 meters per year relined, at a cost of $750/m is required for next 10 years.	$450,000 per year
Pump Station renewal program	Asset renewals based on consumption condition forecast, annualised to be equally phased	$100,000 per year
SCADA system &	Asset renewals based on consumption condition forecast, annualised to	$40,000 per year

Switchboard renewal	be equally phased	
Pipe Replacement program	Asset renewals based on consumption condition forecast, annualised to be equally phased, with a reduction based on the investment in the relining program	$50,000 per year
Manhole Replacement program	Recent failure of manholes and current quantum of manholes that will be fully depreciated within the 10-year forecast, have resulted in an assumption to replace 2 manholes a year, at a cost of $150,000 per manhole.	$300,000 per year
Project to upgrade STP for capacity	$200K Operational budget has been incorporated into the LTFP for 2023/24 financial year to fund an options analysis, with $2.5million capital spend over 2 years (2024/25 to 2025-26) for detailed design. Scenario 2 & 3 both include $25M for construction of the STP in 2027/28, however this may need to be reviewed following the options analysis.	$2,500,000 over two years (detailed design) $25,000,000 in 2027/28

7.5   Overview of Waste Assets

The Waste assets at Edward River Council are identified as:

- Rural landfills
- Town landfill
- Waste disposal depots
- Other assets including buildings, services, drainage, bins etc
- Council delivers a range of waste services that includes;
- Kerbside waste collection.
- Community Recycling Centres (CRC) (2 Sites)
- Drop off points for comingled and paper and cardboard recycling, and waste oil (6 sites)
- Street sweeping and public place cleansing.
- Illegal dumping management and compliance.

7.5.1 Condition & Performance

The Deniliquin landfill is reaching critical capacity whilst serving as the main licensed waste disposal site for the LGA. The extension of Deniliquin landfill to the South-West and North-West is prohibited due to the proximity to residents. There is immediate potential to extend the landfill to the North-East and gain additional disposal capacity, approximately 10 years that could be increased through landfill diversion activities.

7.5.2 Critical Assets

- Landfill
- Garbage trucks (fleet assets)

7.5.3 Key Strategic Issues & Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Waste asset class:

- Council is currently out to tender for Kerbside collection & processing, including bins, for Food Organics Garden Organics (FOGO) waste, as well as recyclables. There are no additional asset requirements for these services as these will be contracted out.

- In the longer term, it is likely that dropping off rubbish into skips will be re-introduced to obviate the need for the public to access the active tipping areas. This is currently not planned for in the 10-year horizon.

- Consolidation of landfill assets by converting existing landfills (except for Deniliquin) into transfer stations. Transfer station operational & and maintenance expenditure is notably lower as less attendants are required onsite and there are less environmental risks associated. A business case should be developed to fully appreciate the costs of landfill decommissioning, aftercare, and upgrade works compared to the potential savings.

Program (Asset type)	Details	Estimated Costs
Access track and perimeter drainage, interim cap and leachate intervention system project.	Based on ERC Future cost estimates report Deniliquin Landfill July 2021. Report costs were indexed, with an additional 5% added for 3 years (2021-2024). Initial work will be completed over 3 years (2023-24 to 2025-26), at a cost of $985k, with additional work required in Yr 10, at a cost of $400k, followed by further work outside of the 10-year horizon.	$1,387,790 over 10 years
Landfill extension project	Investigation and design of future landfill extension. Initial work will be completed over 3 years (2023-24 to 2025-26), at a cost of $700k	$700,000 over 3 years

7.6   Overview of Open Space & Buildings Assets

The Open Space and Buildings assets at Edward River Council are identified as:

- Park embellishments
- Playgrounds
- Recreational and sporting facilities
- Streetscape
- Public amenities
- Shelters
- Irrigation systems
- Council Buildings
- Community Halls
- Specialised buildings

- Swimming pools
- Cemeteries
- Saleyards

Edward River is home to over 148 beautiful parks, gardens, recreation areas and playgrounds. The region boasts several excellent sports and recreational facilities, including the Deniliquin Swim Centre. The area has a Town Hall, Community Halls, Multi Arts Centre, and a Heritage Centre, which incorporates a gallery space.

Open space and building assets add significantly to the liveability that the residents of the region enjoy and value.

7.6.1 Condition & Performance

- A park hierarchy is used to identify performance required across categories 1, 2, & 3, this enables embellishments to be planned, however further clarification regarding level of service is required.

- Open space assets are generally in good condition, because of major upgrades since the Council merger, however some smaller parks and playground embellishments do not meet standards.

- Irrigation systems are in good condition.

- The swimming pool complex has some assets that require renewal, due to the following condition concerns:

    o The construction joints through the gutter systems in both the main and learner pools are in very poor condition, due to cracking.

    o The concrete balance tank servicing the main and toddler pools capacity is good, there is evidence of a trial attempt to seal a small wall patch but correct concrete treatment would greatly extend its service life.

    o Main/Learner/Toddler Concrete Soiled Water Return Gutter System is in poor condition.

    o Main/Toddler Filter Vessels incorporating Filtration Plumbing are in poor condition.

    o Need for pre-strained soiled water collection in the Learner Pool Filtration/Water Treatment System

7.6.2 Critical Assets

- Cemetery

7.6.3 Key Strategic Issues & Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Open Space & Buildings asset class:

- The level of service for Council's parks and sporting facilities is inconsistent across the Local Government Area.

- Memorandum of Understanding (MOU) with sporting clubs and other organisations are varied. An opportunity exists to standardise these and develop an inspection program to ensure that the clubs and other organisations are completing what is required of them.

- Oval bookings are completed using Council's booking system, which should be reviewed in relation to utilisation.

- There is an opportunity to complete a park site rationalisation, in particular the vacant plots identified as parks.

- Deniliquin Swim Centre master plan is required, and should consider community rehabilitation services, as well as linkages with the Edward River Village for health and well-being.

- Future investment in the saleyards, aligned to the future service offerings need to be considered.

Program (Asset type)	Details	Estimated Cost
Buildings (specialised) renewal program	Based on consumption condition forecast, phased based on the asset data, $6.5m over 10 years.	$6,500,000 over 10 years
Buildings (non-specialised) renewal program	Based on consumption condition forecast, phased based on the asset data, $750k over 10 years.	$750,000 over 10 years
Furniture & Fittings renewal program	Based on consumption condition forecast, annualised to be equally phased, in addition to $25k of new assets in 2023/24, based on Council's previous forecast.	$24,000 per year and $25,000 in 2023/24
Office Equipment renewal program	Based on consumption condition forecast, annualised to be equally phased, in addition to $15k of new assets in 2023/24, based on Council's previous forecast.	$73,410 per year and $15,000 in 2023/24
Edward River Village	Construction of dwellings over 3 stages, including Community Centre and future refurbishments. ($14.5m predominantly in the first 5 years of the 10-year plan).	$14,500,000 over five years
Library resources	Based on historical investment.	$40,000 per year
Swimming pool renewals program	Based on consumption condition forecast, annualised to be equally phased, with an additional $400K in Year 1 to address the current condition concerns.	$22,000 per year $400,000 additional in year 1
Sport & Recreational renewal program	Based on consumption condition forecast, annualised to be equally phased	$143,000 per year
Cemeteries	New assets for additional burial plots, sites.	$15,000 per year
Land Improvements - depreciable	Based on consumption condition forecast, annualised to be equally phased.	$7,000 per year
Numerous Council buildings	Carbon footprint renewable energy initiatives – solar panels. Cost projections are aligned with Council's 100% renewables strategy and are planned to be completed in the first 8 years of the 10-year period.	$1,149,460 over 8 years

Stock Marketing Centre	Council's Saleyards require numerous upgrades, in addition to understanding the long-term requirements for the centre.	$200,00 annually for the first 4 years
Skypark facilities at airport -	Council has planned for Skypark facilities at the airport, $3 million in 2026/27, however only plan to proceed with this if grant funding can be obtained.	$3,000,000 in 2026/27
New community services structures	Based on Council's previous forecast $170k in both 2024/25 and 2025/26	$340,000 over 2 years

7.7   Overview of Fleet Assets

The Fleet assets at Edward River Council are identified as:

- Light vehicles

- Heavy vehicles, including Bulldozer, Backhoes, Excavator, Water Trucks, Mowers, Tractors (rollers, slashers and mulchers), Jet, Prime Mover with low loader trailer, Spray rigs, waste trucks, street sweeper, various trucks and dog trailer combinations.

Edward River Council manages a fleet of vehicles and other plant. This includes over 500 recorded assets that require regular inspection and maintenance. Programmed maintenance activities ensure these assets remain in a condition where they are safe, functional, and fit for community purposes, until such time when they are renewed/replaced, upgraded, or decommissioned.

7.7.1 Condition & Performance

- There is concern with regards to the condition of Council's graders, due to onsite breakdowns and the replacement program at 10,000 hours (increased from the previous replacement program which was at 7 years or 8,000 hours.) The full extent of the risk has not been reflected due to the current workforce vacancies.

- Street Sweeper condition is poor, and constant maintenance is required.

7.7.2 Critical Assets

- Reliability of graders is critical to avoid breakdown and downtime of work crews – high breakdown cost when graders are inoperable.

- Rubbish trucks, utilisation for the large truck is 4 days per week, and 5 days per week for the small truck.

- Rubbish waste compactor due to the current hours on the machine, however the current waste tender outcomes need to be reviewed in line with any replacement.

7.7.3 Key Strategic Issues & Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Fleet & Plant asset class:

- A fleet and plant optimisation review should be completed, incorporating outsourcing were this is beneficial to Council. This should investigate the length of time and hours fleet and plant are held to ensure replacement is at the most optimal time. Plant and fleet that are underutilised may create any opportunity to reduce the overall volume owned by Council.

- Backlog currently includes a prime mover, tip truck, and grader (GPS equipped) at an estimated cost of $950k.

- Council's street sweeper has been experiencing frequent breakdowns, however as part of the replacement consideration of the level of service provided, and a planned program should be completed.

Program (Asset type)	Details	Estimated Cost
Plant and vehicle replacement program	Based on the average useful life of 10 Years, the asset base will be fully replaced within the 10 years, phased equally $15.4m.	$1,536,320 per year (gross cost prior to trade-in)
New plant and vehicle program	Based on Council's previous forecast $534k over the 10 years.	$534,000 over 10 years

7.8   Overview of Information Management Assets

The Information Management assets at Edward River Council are identified as:

- Computers, laptops & mobile devices

- Hardware - Network and servers

- Wireless routers and microwave links

- Printers, photocopiers, scanners

- Communication Equipment

- Smart boards

- Security systems

- Software

7.8.1 Condition & Performance

- Mobile Service black spots, which affect field access to systems, however reception boosters have been installed in vehicles.

- GIS is currently managed in operations, and performance and capability may be improved with a coordinated approach, with Information Management involved.

- Council is currently transitioning to SAAS (Software as a Service) through cloud based products, which may result in a future performance risk (due to being reliant on vendors).

7.8.2 Critical Assets

- Backup and disaster recovery systems

- Cybersecurity systems (anti-virus, firewalls, intrusion detection and prevention)

- Data centers, including Network infrastructure (routers, switches, firewalls) and Servers (physical or virtual)

- Cloud infrastructure

- Databases

- Payment processing systems.

7.8.3 Key Strategic Issues & Opportunities

Following are the key strategic issues, opportunities, and capital works program requirements for Council to be sustainable over the long term (as per scenario 2) for the Information Technology asset class:

- Embracing digital transformation presents an opportunity for Council to leverage digital technologies to improve business models and processes, creating a data and process-driven approach to asset management that can enhance efficiency and reduce costs.

- Council can take advantage of the opportunity to establish a robust cybersecurity strategy to protect sensitive data and maintain customer trust, ensuring the safety and integrity of Council's assets.

- IoT (Internet of Things), presents a valuable opportunity for Council to connect devices and data in new and innovative ways, enabling more efficient and effective Asset Management practices that can drive cost savings and increase asset reliability.

- Investing in effective data management and analytics strategies, Council can gain valuable insights and make informed decisions that improve the performance of assets and drive continuous improvement in Asset Management practices.

Program (Asset type)	Details	Estimated Cost
IT equipment replacement	Asset renewals based on 10-year forecast provided by IT, phasing may need to be reviewed, to align to existing equipment.	$1,065,800 over 10 years

8. Embracing the Future: Navigating Opportunities & Challenges Ahead

Edward River Council is constantly reviewing and analysing the changing environment of today's world and continues to align Council's strategies to succeed and address the areas of greatest opportunity and challenge. To achieve this, we must have assets and infrastructure that are recognised as functional, versatile, and innovative to support our service delivery.

8.1 Population Growth

Council's vision seeks to encourage growth through partnerships - Invest in, promote, and celebrate living, working, and visiting the Edward River experience.

Council is currently developing a Growth Strategy that aims to achieve a population increase of 20,000 by 2050. To ensure Council can provide the services required for an increased population, we need to consider what assets are required for the community, and to support industry and tourism.

8.2 Demographics

Edward River LGA has a median age of 45. With the average household size consisting of 2.3 people, and 47% of people being married. Edward River LGA has an aging demographic, with 11% of the population being between the age of 75 to 100years and over.

As populations continue to age, there is an increasing need to ensure that infrastructure and facilities are designed to support older adults. This includes ensuring that buildings, parks, walkways, and other public spaces are accessible to people of all abilities. Accessibility features such as ramps, handrails, and elevators can make a significant difference for older adults with mobility issues or disabilities. Additionally, ensuring that public spaces are well-maintained and free of obstacles can help prevent falls and other accidents. Providing seating areas and restrooms can also be important for older adults who may need to take breaks or use the facilities. By designing infrastructure and facilities with the needs of older adults in mind, Council can help ensure that people of all ages and abilities can participate fully in public life.

8.3 Industry Growth

The Edward River LGA provided 4,200 jobs in 2020-21 (increasing from 3,800 in 2010-11). The top 3 industry employers in the year are detailed below:

- Healthcare and social assistance (17.2%)
- Agriculture, forestry and fishing (13.3%)
- Retail trade (9.4%)

The largest areas of industry growth over the past 10 years are:

- Education and training (41.3%)
- Construction (40.6%)
- Healthcare and social assistance (31.4%)

Tourism is recognised by Council as a key economic driver for Edward River LGA with various promotional activities occurring in the region. Edward River attracted 110,500 visitors in 2021-22.

To support industry growth and tourism, Council needs to consider investing in a range of assets that can attract businesses and visitors. One key asset is transportation infrastructure, such as highways, airports, and public transit systems. Reliable and efficient transportation options are essential for businesses to move goods and for tourists to access attractions and accommodations. Additionally, investment in Council's water and sewer networks to support the growth of businesses and the tourism industry.

Maintaining and improving public spaces such as parks, public art, and recreational facilities can also enhance the appeal of a community for both residents and visitors.

Investments in technology and digital infrastructure can support businesses and tourism, by providing reliable internet connectivity and access to digital tools and resources. By investing in these assets, communities can create an attractive environment for industry growth and tourism, helping to drive economic development and support local jobs.

8.4 Climate Change

Climate change is and will impact on the way we live and work in the Edward River LGA. Scientific evidence suggests we can expect our future climate to be hotter and drier with more frequent and severe droughts. We will experience more intense rainfall events, associated flooding and increased intensity of storms and winds.

There is an understanding of the potential impact of climate change on our assets and how some assets, such as our stormwater drainage, are likely to be more vulnerable than others. For example, an increased frequency in extreme rainfall events would affect the capacity and maintenance of the stormwater drains.

In partnership with the NSW Department of Planning & Environment and 100% Renewables, Council have developed a (draft) Energy Strategy, which aims to position Council as a leader of the community's climate change response, by reducing energy demand through cost-effective renewable energy and energy efficiency solutions. The required investment has been considered in Council's capital works with the aim of achieving self-sufficiency of electrical supply to Council buildings.

Council will also look to investigate hybrid and electric fleet and install EV charging infrastructure.

Council's broader climate response encompasses landfill and other waste emissions. Emissions of greenhouse gases from landfill waste make up most of Council's emissions and form a significant part of the community's emissions. Achieving the NSW State Government's waste targets, including 10% total waste reduction, 80% waste diversion from landfill and 50% reduction in organic waste by 2030, will make a significant contribution to the achievement of both the corporate and community targets.

Council is taking steps to minimise the impact of landfill gas emissions, by looking to implement a separate food organics and garden organics (FOGO) collection service, turning waste such as grass clippings, prunings, leaves, fruits and vegetables, and meat and dairy leftovers into compost. This nutrient-rich compost can then be used in our open spaces.

8.5   Technological Progress

Technological advances are rapid, with digital technologies shaping and reshaping the way we operate. These changes are affecting the way we think about and deliver services and, by extension, our assets. They are also fundamentally changing the way the community engages with us. These changes pose a significant challenge to Council in terms of keeping pace with new technology but also represent a phenomenal opportunity for our strategic asset management system.

Data is increasingly the link between the built form, the community and Council. Data analysis also informs many of our asset decisions such as strategic planning and 10-year capital works programs. The increase in technology availability, such as cloud-based services, smart phones and smart meters, networks of sensors (such as Council's SCADA system), and Radio Frequency Identification Devices (RFIDs), open innovate methods of exchanging information, collaborating, and collectively solving problems.

Advanced data systems, processes and analysis capability will enable Council to better understand the current performance of its assets and complete predictive modelling of what will be required in the future. This data will also provide Council with a tool to improve community understanding of asset prioritisation and decision-making.

8.6   Community Expectations & Service Levels

A key focus of Asset Management is the level of service the assets we invest in deliver to the community. Community expectations are constantly evolving, and Council must adapt their asset base to meet these changing needs.

For example, as our community becomes more environmentally conscious, Council may need to invest in infrastructure that supports sustainability, such as renewable energy projects or demonstrate our use of recycled materials in construction. Additionally, if the community becomes more diverse, Council may need to invest in infrastructure that supports cultural and recreational activities that appeal to a wider range of residents. As the population ages, Council may need to invest in infrastructure that supports the needs of older adults, such as accessible public spaces and transportation options.

By being responsive to changing community expectations, Council can ensure that their asset base remains relevant and effective in meeting the needs of the community. This can help to maintain community satisfaction and support, as well as attract new residents and businesses to the area.

8.7   Legislative & Policy Reforms

The New South Wales (NSW) government has implemented a range of legislative and policy reforms that have significant implications for local governments and their assets.

The recent reform to the procurement system, which encourages councils to consider social and environmental outcomes when awarding contracts, and the reforms to the waste and resource recovery system, including the development of a circular economy policy, may have implications for Council and our assets, now and into the future. Council will need to ensure that they are complying with new requirements and adapting their asset base to support the implementation of these reforms.

9.   Council's Asset Management Vision

Our vision for Asset Management in Council is to establish a strategic, systematic, and sustainable approach, guided by effective leadership and governance. Our Asset Management System is underpinned by quality people, processes, and systems. We are committed to delivering efficient and effective asset management to support the delivery of quality services to our community, while optimising the value of our assets through continuous improvement and innovation.

The following three components of an effective asset management approach will be used to identify the strategies to achieve Council's Asset Management vision through our journey of continuous improvement:
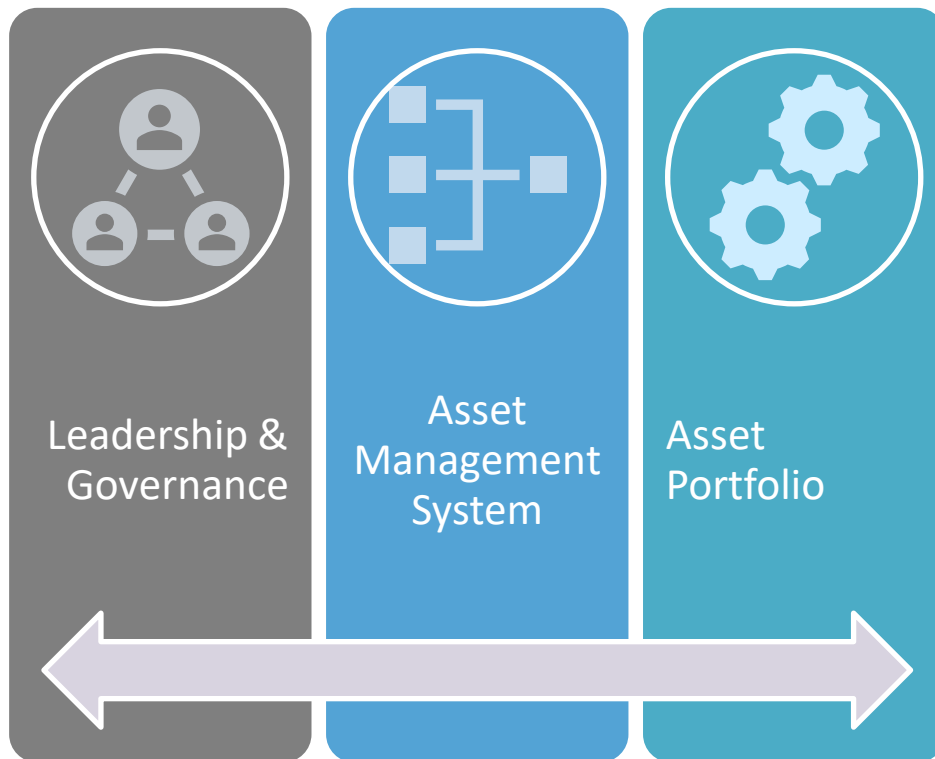
9.1   Leadership & Governance Strategies

We believe that effective leadership and governance are essential to achieving our vision. Our leaders are committed to creating a culture of accountability, transparency, and excellence, and to fostering a collaborative and inclusive work environment that enables our team to thrive. We believe that by empowering our people and enabling them to achieve their full potential, we can deliver quality services to our community.

The International Standard for Asset Management (ISO55000) identifies that leadership and commitment from all managerial levels is essential for successfully establishing, operating, and improving asset management within an organisation. A key point is that the standard requires leadership, rather than management, and that requires more than a dedicated team or function that focuses on the asset-management system and management of asset portfolios.

Effective leadership of asset management at Council is characterised by a range of key behaviors and actions, including a strong commitment to asset management as a strategic priority. Leaders must ensure that adequate resources are available and effectively deployed to support asset management activities to achieve organisational objectives. Effective leaders understand the importance of communicating the value of asset management across the organisation, promoting cross-functional collaboration, and providing guidance and support to enable team members to contribute effectively to asset management activities. Our leaders will embrace a culture of continual improvement, promoting ongoing learning and development to ensure that asset management practices remain aligned with evolving organisational needs and industry best practices.

Asset management leadership and culture are essential for the following reasons:

- Enhancing Asset Performance: Effective asset management leadership sets a clear vision for Council and ensures that the assets are being utilised in the most efficient way possible. Leaders who understand the importance of asset management can allocate resources effectively, prioritise investment decisions, and identify opportunities to optimise performance.

- Mitigating Risks: Asset management leaders are responsible for identifying and mitigating risks associated with asset management, including safety, financial, and reputational risks. A strong asset management culture instils a risk-aware mindset in employees and ensures that everyone in Council is committed to managing risks effectively.

- Driving Innovation: Asset management leadership can drive innovation by encouraging a culture of continuous improvement. Leaders who foster innovation in asset management can identify new technologies, processes, and practices to improve asset performance, reduce costs, and increase efficiency.

- Increasing Asset Resilience: Strong asset management leadership and culture can enhance asset resilience by ensuring that Council is prepared to respond to unexpected events. Leaders who prioritise asset resilience can develop contingency plans, implement monitoring and response strategies, and ensure that employees are trained to respond effectively to emergencies.

The strategic outcomes, targeted through the implementation of this strategy, are outlined in the following table, with the functions of:

- Integrated Planning Framework

- Asset Management Policy and Strategy

- Service Planning

- Asset Management Steering Committee

- Decision Making

- Asset Management Culture

- Resource Allocation

- Performance Framework

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Integrated Planning Framework	The Council and Executive Leadership Team continuously review and maintain an integrated Resourcing Strategy to deliver the Strategic Community Plan and the Delivery Program. Each of the plans that make up the Resourcing Strategy (the Long-Term Financial Plan, Workforce Management Plan and Asset Management Strategy) are developed through a combination of top-down and bottom-up approaches to ensure effective alignment of organisational and service objectives with resource allocation.		
Asset Management Policy and Strategy	Council's decisions on policy and strategy are clearly documented and communicated effectively throughout the organisation. The Policy and Strategy clearly outline the asset management objectives implemented by the leadership and governance arrangements, reinforced by an effective culture that embodies the importance of asset management. Responsibilities and accountability are clear and understood across the organisation, established to improve the asset management system and the management of asset portfolios. Our policy and strategy documents are not just shelf wear, but rather a living embodiment of our commitment to achieving our organisational goals, regularly reviewed, and updated to ensure relevance and effectiveness.		
Service Planning	Service planning is a core component of the integrated planning framework. Council's decision on the services offered and the levels of service are informed by asset management impacts and whole of life costing for acquisition and upgrading assets.		
	Decisions will likely need to be made on a reduction in the range of services offered and/or levels of service to be sustainable over the medium and long term. Rationalisation of assets will need to be considered.	Sufficient funding is available to maintain current levels of service. No funding is available to enhance levels of service.	Aligned with Council's Community Strategic Plan, and our vision of Investing in our future, Council will expand the service offering to improve the liveability of our communities with the aim to achieve an increase in the population.
Asset Management Steering Committee	Building upon the achievements of our Asset Management Steering Committee, we will continue to enhance our coordination, accountability, collaboration, and strategic thinking towards the implementation and benefit realisation of our Asset Management Strategy. The Committee will remain a key driver in ensuring that our asset management performance aligns with our strategic objectives and will continue to provide regular reports to the Council to facilitate informed decision-making and ongoing improvements in our asset management practices.		
Decision Making	The decisions made by the Council and management are consistent with the Asset Management Policy, Asset Management Strategy and the adopted scenario outlined in the Long-Term Financial Plan. Decisions are well informed by advice from management and the Asset Management Steering Committee, and business cases are		

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
	used to justify the need for new or upgraded assets with a whole of life approach.		
Asset Management Culture	Our Workforce Management Strategy, with a strong emphasis on the actions and values demonstrated by the Council and management, plays a critical role in creating a workplace culture that embodies best practices in asset management. Our focus is on fostering a culture where asset management is not just a responsibility but an integral part of our operations, driven by collaboration and shared accountability across the organisation. We ensure that roles and responsibilities are clearly defined and understood, with a clear line of accountability throughout the asset lifecycle, to further strengthen our asset management practices.		
Resource Allocation	Resources are constrained and allocated to address priorities based on asset criticality and risk.	Sufficient funding is available to maintain current levels of service. No funding is available to enhance levels of service.	Resources are sufficient to support a growing community, but economies of scale will be required to enable long-term sustainability.
Performance Framework	To effectively manage risk, we are committed to providing regular reporting on performance against established objectives and performance targets to both Council and management. This reporting will be developed and reviewed for the strategic, tactical, and operational elements of our asset management practices. By ensuring that we have a comprehensive approach to performance reporting, we can facilitate informed decision-making and timely intervention where necessary, mitigating risk and optimising asset performance. Our commitment to comprehensive performance reporting reflects our dedication to continuously improving our asset management practices and achieving our organisational objectives.		

9.2   Asset Management System (AMS) Strategies

Our systematic approach is built around rigorous processes and systems that enable us to deliver consistent, high-quality service to our customers and community. We are committed to continuous improvement and are constantly seeking to refine and enhance our processes and systems to ensure that we are delivering the best possible service.

The International Standard for Asset Management (ISO55000) sets out the requirements for establishing, maintaining, and improving an Asset Management System. The Standard is designed to enable an organisation to align and integrate its asset management systems with the strategic objectives and to support and enable management of the assets.

The Asset Management System (AMS) comprises the following components:

- Asset management information systems.

- Tools and reporting for management and decision support.

- Centralised processes and practices overseen by the corporate asset management team.

- Tools and systems provided to asset managers to facilitate completion of asset management tasks.

- Training and development to enhance the capability and capacity of asset management roles and responsibilities.

Efficient and effective Asset Management Systems (AMS) are essential: for the following reasons:

- Cost savings: Efficient and effective AMS can help to identify cost savings opportunities by minimising unplanned downtime, reducing maintenance costs, and extending the life of assets. This can result in significant cost savings over time, which can be reinvested into other areas of the organisation.

- Improved decision-making: AMS provide valuable data and insights into asset performance, maintenance requirements, and lifecycle costs. This information can help to inform decision-making and prioritise asset management activities to achieve optimal performance and minimise risk.

- Compliance and risk management: AMS can help organisations to comply with regulatory requirements and manage risk associated with asset failure or environmental impacts. By maintaining accurate asset data and implementing preventative maintenance strategies, organisations can reduce the risk of costly compliance issues or damage to the environment.

- Enhanced service delivery: Effective AMS can improve service delivery by ensuring that assets are available when needed and operating at optimal performance levels. This can help to enhance the overall customer experience and improve organisational reputation within the community.

The strategic outcomes, targeted through the implementation of this strategy, are outlined in the following table, with the functions of:

- Asset Management Information System (AMIS)
- GIS Mapping
- Asset Management Team
- Asset Management Plans
- Data Driven Asset Planning
- Processes & procedures
- Asset Valuations
- Training and Development

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Asset Management Information System (AMIS)	Through liaison with the system provider, Council has an optimal configuration of the asset management information system, including appropriately componentised asset register, asset valuations, works programming, works scheduling/ticketing and reporting.		
GIS Mapping	Limited enhancements to the GIS capacity to improve the mapping recognition of assets.	Limited enhancements to the GIS capacity to improve the mapping recognition of assets.	
Asset Management Team	Enhanced leadership, support and provision of training and development to develop expertise within the asset management team, enabling the current resources to provide better advice, reporting and support to decision making and the management of the asset portfolios.	Enhanced leadership, support and provision of training and development to develop expertise within the asset management team, enabling the current resources to provide better advice, reporting and support to decision making and the management of the asset portfolios.	
Asset Management Plans	To ensure effective management of each asset portfolio, we will regularly review and update the Asset Management Plan. Our goal is to enhance the plan by improving planning and scheduling of inspections, operations, maintenance, and renewal/replacement activities, while remaining within funding constraints		
Data Driven Asset Planning	To move towards a proactive asset planning approach, Council will invest in improving data management, resource allocation and expertise, to enable informed decision-making for the entire asset lifecycle. This approach will enable Council to achieve long-term financial sustainability and meet community service expectations while ensuring assets are maintained at appropriate levels.		
Processes & Procedures	Council has quality processes and procedures that are efficient and consistent, enabling improved data.		
Asset Valuations	Recognition and measurement of asset valuations are consistent with the enhanced asset management planning, including the measurement of fair value and depreciation expense based on enhanced understanding of useful lives and deterioration of assets.		
	Asset valuations are planned with the aim to address asset data deficiencies. Asset condition assessments are		

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
	undertaken by adequately skilled and trained inspector to provide reliable condition assessments. The asset condition assessments are used to update the asset register and GIS mapping in a timely manner.		
Training and Development	Financial reporting of assets in the Annual Financial Reports, including the Schedules, more accurately reflects the actual condition, as well as estimates for the required maintenance expenditure and cost to restore assets to acceptable service level.		

9.3   Asset Portfolio Strategies

Effective asset management is critical to managing assets throughout their lifecycle, from acquisition to disposal. While high-level objectives are set by leadership and governance, and the asset management system provides tools and support, managing the asset portfolio requires expertise in understanding and managing the assets.

At Council, we recognise that adopting an asset lifecycle management approach is a key strategy to improving asset management and controlling lifecycle costs. This approach involves taking a whole-of-life view, rather than making decisions based on the current lifecycle phase or responding reactively to asset failures. By balancing operating versus capital expenditure and maintenance versus renewal/replacement decisions, asset managers can improve asset performance and reliability while minimising cost.

Improving asset reliability and performance is a key outcome that Council seeks to achieve through asset lifecycle management. The asset management approach, particularly initial procurement or construction and ongoing maintenance, has a direct impact on asset reliability and performance. By adopting a lifecycle approach, we can ensure that assets are maintained and replaced at the right time, maximising their performance and reliability.

Efficient and effective Asset Portfolio Strategies are essential for the following reasons:

- Asset inspections are critical to identifying and addressing potential safety hazards, such as structural defects, electrical or mechanical malfunctions, and environmental risks. An effective asset portfolio strategy ensures that inspections are conducted regularly, and any issues are promptly addressed to prevent accidents or downtime.

- Planning is an essential part of effective asset portfolio management as it helps Council to anticipate future needs, allocate resources, and optimise asset investments. By understanding the assets, Council can develop robust asset management plans aligned with their goals and efficient use of resources.

- Effective acquisition, operations, maintenance, and renewal/replacement of assets are essential for maximising asset value and ensuring long-term sustainability. By aligning asset portfolio strategies with these areas, Council can optimise asset utilisation, minimise downtime and operational costs, and extend the life of assets.

The strategic outcomes, targeted through the implementation of this strategy, are outlined in the following table, with the functions of:

- Understanding the Assets
- Asset Inspections
- Planning
- Acquisition
- Operations
- Maintenance
- Renewal/Replacement

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
Understanding the Assets	Councillors, management, and officers have a good understanding of the current assets, including access to the following accurate information about assets – condition, capacity, functionality, hierarchy, criticality, common asset failure causes, asset risk, future demand, lifecycle deterioration.		
Asset Inspections	Condition and maintenance inspections are planned and scheduled to ensure the AMIS maintains an accurate record of asset condition, capacity, and functionality. Reactive inspections are undertaken as required to respond in a timely manner to damage or defects.		
Planning	Asset managers maintain current Asset Management Plans that plan to deliver on the asset management objectives outlined in this Strategy. Planning is based upon better understanding of the assets and access to improved information held within the AMIS and GIS.		
	Enhanced scheduling of maintenance aims to transition from a high reliance upon reactive works to a target balance of 70% scheduled & 30% reactive works. Council acknowledges that some assets are run to fail and therefore the response will always be reactive, as well as reactive maintenance being a requirement of a weather event or disaster management situation.		
Acquisition	Acquisition of assets (including construction) is based upon enhanced planning and understanding of service needs. Adequate lead time is provided for the acquisition of assets (new, renewal/replacement or upgrades) through the integrated planning, including adequate funding identified in the LTFP. Decision gateways within the Project Management Framework ensure the acquisition of assets (including construction) does not progress unless funding and other considerations are acceptable to proceed.		
Operations	Due to lack of funding, a higher emphasis will need to be placed upon risk mitigation and higher frequency of inspections for early detection of asset failure (especially critical assets). Operations on deteriorating assets likely to result in higher operating costs and breaks in services due to asset failures.	Due to lack of funding, a higher emphasis will need to be placed upon risk mitigation and higher frequency of inspections for early detection of asset failure (especially critical assets). Operations on deteriorating assets likely to result in higher operating costs and breaks in services due to asset failures.	Due to lack of funding, a higher emphasis will need to be placed upon risk mitigation and higher frequency of inspections for early detection of asset failure (especially critical assets). Operations on deteriorating assets likely to result in higher operating costs and breaks in services due to asset failures.
Maintenance	Maintenance is significantly constrained, resulting in further deterioration of assets	Maintenance is significantly constrained, resulting in further	Maintenance is significantly constrained, resulting in further

Asset Management Functions	Scenario One Strategy Outcomes	Scenario Two Strategy Outcomes	Scenario Three Strategy Outcomes
	requiring earlier intervention to renew or replace assets.	deterioration of assets requiring earlier intervention to renew or replace assets.	deterioration of assets requiring earlier intervention to renew or replace assets.
Renewal/Replacement	Renewals and replacement of assets are constrained.	Renewals and replacement of assets are constrained.	Renewals and replacement of assets are constrained.
Disposal	Asset rationalisation will need to be considered to reduce the funding burden on asset maintenance and renewals and to mitigate the risk of assets that will deteriorate to an unacceptable condition.	Asset rationalisation will need to be considered to reduce the funding burden on asset maintenance and renewals and to mitigate the risk of assets that will deteriorate to an unacceptable condition.	Asset rationalisation will need to be considered to reduce the funding burden on asset maintenance and renewals and to mitigate the risk of assets that will deteriorate to an unacceptable condition.

10. Improvement Plan

The tasks required to improve financial and asset management maturity are shown in the following table.

Ref	Action	Responsibility	Target date	Resources
1	Review and maintain integrated Resource Strategies, including integration between the Asset Management Strategy, Asset Management Plans & Long-term Financial Plan.	AMSC	Ongoing	N/A
2	Effectively communicate the Council's decisions on policy and strategy throughout the organisation.	Chief Executive Officer	Ongoing	N/A
3	Establish service planning as central to the integrated planning framework, including community engagement on satisfaction and importance of range and levels of service.	Executive Team	Ongoing	N/A
4	Enhance the Asset Management Steering Committee (review Terms of Reference, Members, and meeting structure)	AMSC Chair	ASAP	Internal staff time
5	Establish an asset performance management framework	AMSC with assistance from Senior Governance Advisor	2023	Internal staff time
6	Review configuration of the asset management information system, including appropriately componentised asset register, works programming, works scheduling/ticketing and reporting.	AMSC, led by Collaborative approach with Infrastructure and IT Managers	2023	Internal staff time
7	Establish a training and development program aimed at improving the leadership and management of assets.	Manager People & Customer Service	2023	Internal staff time
8	Review the componentisation and useful life assumptions for the valuation of assets and calculation of depreciation.	Chief Finance Officer	2023	Internal staff time
9	Enhance the maturity of the Asset Management Plans, in particular the understanding of assets, inspections and the lifecycle management approach.	Asset Managers	2023	Internal staff time

Ref	Action	Responsibility	Target date	Resources
10	Review and improve accuracy and currency of asset registers, annually in preparation for asset valuations.	Asset and finance teams	Ongoing	Internal staff time
11	Recording of operating and maintenance costs aligned to assets (across all asset classes)	Information Technology & Operations	2024	Internal staff time
12	Develop a process to improve linking of customer requests to asset records	Manager Information Management	2024	Internal staff time
13	Identify critical assets in each category and develop plans to manage the associated risk	Operational and Risk Management staff	2024	Internal staff time
14	Develop a process to improve the quality of asset condition data, and ensure it is built into Council's AMIS	Infrastructure staff	Ongoing	Internal staff time
15	Progress the maturity of asset management planning to achieve the current target of "Core"	Asset team	2025	Internal staff time

11. Performance Measurement & Review

Council will develop a periodical monitoring and review process, to ensure the development of performance measures support Council's Strategic Asset Management journey. Given the current state of maturity, Council is not in a position to establish quantitative measures (such as schedule maintenance completed or percentage of maintenance expenditure on reactive maintenance). The Asset Management Steering Committee will implement quantitative and qualitative performance measures as the maturity of the asset management system improves.

The Asset Management Steering Committee will review and discuss the achievement of the strategies outlined in this document. A standing agenda item of not less than quarterly agenda items will be established.

The Council will also be provided with regular updates from the Asset Management Steering Committee (not less than six monthly).

An annual review of the Asset Management Strategy will be undertaken by the Council, through the Asset Management Steering Committee, aligned with the review of other Integrated Planning and Reporting documents.

A major review of the Asset Management Strategy will be undertaken as part of the 4-yearly review of the Community Strategic Plan, Delivery Program and Resourcing Strategy.

Appendix A – Capital Works Plan (by Scenario)

Comparison of Three Scenarios

Service	Scenario One	Scenario Two	Scenario Three
Planned Capital Works			
Bridges	1,000,000	1,000,000	1,000,000
Buildings	0	4,949,460	4,949,460
Buildings Non-specialised	746,173	746,173	746,173
Buildings Specialised	20,786,380	20,786,380	20,786,380
Footpath	773,100	1,546,200	1,546,200
Furniture & Fittings	237,200	294,217	294,217
Information Technology	1,065,800	1,065,800	1,065,800
Landfill	2,084,396	2,084,396	2,084,396
Land Improvements - depreciable	286,896	286,896	286,896
Levees	2,000,000	2,000,000	2,000,000
Library Books	400,000	400,000	400,000
Office Equipment	734,100	749,100	749,100
Open Space	0	0	800,000
Other Assets	649,989	649,989	649,989
Other Open Space & Recreation	1,579,200	1,579,200	2,479,200
Other Road Assets	466,250	466,250	466,250
Other Structures	0	340,000	340,000
Plant & Equipment (incl Fleet)	15,896,750	15,896,750	15,896,750
Roads	40,930,750	52,600,625	54,970,625
Sewerage Network	11,900,000	36,900,000	36,900,000
Stormwater Drainage	1,500,000	4,500,000	4,950,000
Swimming Pools	216,900	616,900	15,616,900
Water Supply Network	9,556,645	9,556,645	9,556,645
Water Treatment Plant	0	0	16,500,000
TOTAL	**112,810,529**	**159,014,981**	**195,034,981**
Type of Investment			
New	19,586,562	24,148,039	27,918,039
Upgrade	4,984,396	33,784,396	66,034,396
Renewal	88,239,571	100,682,546	100,682,546
Funding			
General Fund - General Revenue	50,680,626	68,303,478	80,460,478
General Fund - Grant Funding	3,600,000	6,600,000	14,100,000
General Fund - Borrowings	2,000,000	2,000,000	2,000,000
General Fund - Reserves	15,896,750	16,478,350	16,341,350
Water Fund - Reserves	9,561,645	9,561,645	17,811,645
Water Fund - Grant Funding	0	0	8,250,000
Sewer Fund - Borrowings		15,599,932	15,599,932
Sewer Fund - Reserves	11,904,100	21,304,168	21,304,168
Waste Fund - Reserves	2,084,396	2,084,396	2,084,396
Village Fund - Borrowings	4,542,574	4,542,574	4,542,574
Village Fund - Reserves	11,540,437	11,540,437	11,540,437
Village Fund - Grant Funding	1,000,000	1,000,000	1,000,000
TOTAL	**112,810,529**	**159,014,981**	**195,034,981**

Scenario One – Base Model

Service	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	Total
Scenario One - Capital Works Plan - 2023/24 - 2032/33 ($)												
Planned Capital Works												
Bridges	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Buildings	600,000											
Buildings Non-specialised	250,000	209,654	143,426	0	0	33,670	0	43,459	25,139	54,650	236,175	746,173
Buildings Specialised	250,000	2,851,409	2,637,104	3,390,401	2,850,835	5,000,806	884,338	115,430	575,711	689,313	1,791,033	20,786,380
Footpath	150,000	77,310	77,310	77,310	77,310	77,310	77,310	77,310	77,310	77,310	77,310	773,100
Furniture & Fittings	0	23,720	23,720	23,720	23,720	23,720	23,720	23,720	23,720	23,720	23,720	237,200
Information Technology	0	75,000	63,000	225,000	94,900	0	225,000	63,000	0	319,900	0	1,065,800
Landfill		585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Land Improvements - depreciable		116,690	116,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	286,896
Levees	0	0	2,000,000	0	0	0	0	0	0	0	0	2,000,000
Library Books	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	400,000
Office Equipment	40,000	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	734,100
Other Assets	100,000	649,989	0	0	0	0	0	0	0	0	0	649,989
Other Open Space & Recreation	1,245,000	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	1,579,200
Other Road Assets	300,000	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	466,250
Other Structures	200,000	0	0	0	0	0	0	0	0	0	0	0
Plant & Equipment (incl Fleet)	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,536,320	1,536,320	1,536,320	1,536,320	1,636,670	1,536,320	15,896,750
Roads	6,363,000	8,325,575	3,500,575	4,600,575	3,500,575	3,500,575	3,500,575	3,500,575	3,500,575	3,500,575	3,500,575	40,930,750
Sewerage Network	750,000	940,000	2,190,000	2,190,000	940,000	940,000	940,000	940,000	940,000	940,000	940,000	11,900,000
Stormwater Drainage	350,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,500,000
Swimming Pools	0	21,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	216,900
Water Supply Network	1,810,000	770,000	780,485	1,824,251	1,307,939	770,000	792,379	770,000	825,326	946,265	770,000	9,556,645
TOTAL	**14,236,000**	**16,829,239**	**14,454,589**	**15,118,626**	**10,927,934**	**12,478,736**	**8,575,976**	**7,666,149**	**8,100,435**	**8,784,737**	**9,874,109**	**112,810,529**
Type of Investment												
New	300,000	4,428,006	4,763,601	4,612,001	2,405,401	3,202,202	15,000	15,000	15,000	115,350	15,000	19,586,562
Upgrade	0	625,527	1,838,114	1,838,114	40,000	40,000	40,000	40,000	40,000	40,000	442,642	4,984,396
Renewal	13,936,000	11,775,706	7,852,874	8,668,510	8,482,533	9,236,534	8,520,976	7,611,149	8,045,435	8,629,387	9,416,467	88,239,571
Funding												
General Fund - General Revenue	7,988,000	4,583,476	5,050,159	4,422,030	4,752,363	6,044,304	5,306,367	4,418,919	4,737,879	5,200,893	6,164,237	50,680,626
General Fund - Grant Funding	2,000,000	2,000,000	1,600,000	0	0	0	0	0	0	0	0	3,600,000
General Fund - Borrowings	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
General Fund - Reserves	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,536,320	1,536,320	1,536,320	1,536,320	1,636,670	1,536,320	15,896,750
General Fund - Uncompleted work	0	0	0	0	0	0	0	0	0	0	0	0
Water Fund - General Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Water Fund - Reserves	1,810,000	770,500	780,985	1,824,751	1,308,439	770,500	792,879	770,500	825,826	946,765	770,500	9,561,645
Water Fund - Grant Funding	0	0	0	0	0	0	0	0	0	0	0	0
Sewer Fund - General Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Sewer Fund - Reserves	750,000	940,410	2,190,410	2,190,410	940,410	940,410	940,410	940,410	940,410	940,410	940,410	11,904,100
Sewer Fund - Grant Funding	0	0	0	0	0	0	0	0	0	0	0	0
Waste Fund - Reserves		585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Village Fund - Borrowings	0	1,152,173	0	3,390,401	0	0	0	0	0	0	0	4,542,574
Village Fund - Reserves	0	2,182,433	2,500,401	1,100,000	2,390,401	3,187,202	0	0	60,000	60,000	60,000	11,540,437
Village Fund - Grant Funding	0	1,000,000	0	0	0	0	0	0	0	0	0	1,000,000
TOTAL	**14,236,000**	**16,829,239**	**14,454,589**	**15,118,626**	**10,927,934**	**12,478,736**	**8,575,976**	**7,666,149**	**8,100,435**	**8,784,737**	**9,874,109**	**112,810,529**

Scenario Two – Enhanced Asset Investment Model

Service	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	Total
Scenario Two - Capital Works Plan - 2023/24 - 2032/33 ($)												
Planned Capital Works												
Bridges	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Buildings	600,000	320,140	321,800	292,200	3,289,800	137,000	143,920	243,900	200,700	0	0	4,949,460
Buildings Non-specialised	250,000	209,654	143,426	0	0	33,670	0	43,459	25,139	54,650	236,175	746,173
Buildings Specialised	250,000	2,851,409	2,637,104	3,390,401	2,850,835	5,000,806	884,338	115,430	575,711	689,313	1,791,033	20,786,380
Footpath	150000	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	1,546,200
Furniture & Fittings	0	48,720	23,720	23,720	23,720	23,720	23,720	23,720	23,720	55,737	23,720	294,217
Information Technology	0	75,000	63,000	225,000	94,900	0	225,000	63,000	0	319,900	0	1,065,800
Landfill	0	585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Land Improvements - depreciable	0	116,690	116,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	286,896
Levees	0	0	2,000,000	0	0	0	0	0	0	0	0	2,000,000
Library Books	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	400,000
Office Equipment	40,000	88,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	749,100
Other Assets	100,000	649,989	0	0	0	0	0	0	0	0	0	649,989
Other Open Space & Recreation	1,245,000	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	157,920	1,579,200
Other Road Assets	300,000	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	466,250
Other Structures	200,000	0	170,000	170,000	0	0	0	0	0	0	0	340,000
Plant & Equipment (incl Fleet)	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,536,320	1,536,320	1,536,320	1,536,320	1,636,670	1,536,320	15,896,750
Roads	6,363,000	10,313,625	4,993,000	6,093,000	4,993,000	4,993,000	4,243,000	4,243,000	4,243,000	4,243,000	4,243,000	52,600,625
Sewerage Network	750,000	940,000	2,190,000	2,190,000	940,000	25,940,000	940,000	940,000	940,000	940,000	940,000	36,900,000
Stormwater Drainage	350,000	150000	1150000	150000	150000	1150000	150000	150000	1150000	150000	150000	4,500,000
Swimming Pools	0	421,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	21,690	616,900
Water Supply Network	1,810,000	770,000	780,485	1,824,251	1,307,939	770,000	792,379	770,000	825,326	946,265	770,000	9,556,645
TOTAL	**14,236,000**	**19,654,739**	**17,516,124**	**17,150,561**	**15,787,469**	**40,185,471**	**9,539,631**	**8,729,784**	**10,120,870**	**9,636,489**	**10,693,844**	**159,014,981**
Type of Investment												
New	300,000	4,588,146	5,055,401	4,874,201	5,495,201	3,339,202	158,920	258,900	215,700	147,367	15,000	24,148,039
Upgrade	200,000	825,527	3,038,114	2,038,114	240,000	26,040,000	40,000	40,000	1,040,000	40,000	442,642	33,784,396
Renewal	13,736,000	13,841,066	9,422,609	10,238,245	10,052,268	10,806,269	9,340,711	8,430,884	8,865,170	9,449,122	10,236,202	100,682,546
Funding												
General Fund - General Revenue	7,988,000	7,408,976	8,111,694	6,453,965	6,611,898	8,614,039	6,270,022	5,238,654	6,557,614	6,052,645	6,983,972	68,303,478
General Fund - Grant Funding	2,000,000	2,000,000	1,600,000	0	3,000,000	0	0	0	0	0	0	6,600,000
General Fund - Borrowings	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
General Fund - Reserves	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,673,320	1,536,320	1,780,220	1,737,020	1,636,670	1,536,320	16,478,350
Water Fund - Reserves	1,810,000	770,500	780,985	1,824,751	1,308,439	770,500	792,879	770,500	825,826	946,765	770,500	9,561,645
Sewer Fund - Reserves	750,000	940,410	2,190,410	2,190,410	940,410	10,340,478	940,410	940,410	940,410	940,410	940,410	21,304,168
Sewer Fund - Borrowings	0	0	0	0	0	15,599,932	0	0	0	0	0	15,599,932
Waste Fund - Reserves	0	585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Village Fund - Borrowings	0	1,152,173	0	3,390,401	0	0	0	0	0	0	0	4,542,574
Village Fund - Reserves	0	2,182,433	2,500,401	1,100,000	2,390,401	3,187,202	0	0	60,000	60,000	60,000	11,540,437
Village Fund - Grant Funding	0	1,000,000	0	0	0	0	0	0	0	0	0	1,000,000
TOTAL	**14,236,000**	**19,654,739**	**17,516,124**	**17,150,561**	**15,787,469**	**40,185,471**	**9,539,631**	**8,729,784**	**10,120,870**	**9,636,489**	**10,693,844**	**159,014,981**

Scenario Three – Enhanced Asset Investment and Growth Model

Scenario Three - Capital Works Plan - 2023/24 - 2032/33 ($)											
Service	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	Total
Planned Capital Works												
Bridges	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Buildings	600,000	320,140	321,800	292,200	3,289,800	137,000	143,920	243,900	200,700	0	0	4,949,460
Buildings Non-specialised	250,000	209,654	143,426	0	0	33,670	0	43,459	25,139	54,650	236,175	746,173
Buildings Specialised	250,000	2,851,409	2,637,104	3,390,401	2,850,835	5,000,806	884,338	115,430	575,711	689,313	1,791,033	20,786,380
Footpath	150,000	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	154,620	1,546,200
Furniture & Fittings	0	48,720	23,720	23,720	23,720	23,720	23,720	23,720	23,720	55,737	23,720	294,217
Information Technology	0	75,000	63,000	225,000	94,900	0	225,000	63,000	0	319,900	0	1,065,800
Landfill	0	585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Land Improvements - depreciable	0	116,690	116,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	6,690	286,896
Levees	0	0	2,000,000	0	0	0	0	0	0	0	0	2,000,000
Library Books	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	400,000
Office Equipment	40,000	88,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	73,410	749,100
Open Space	0	0	0	0	0	0	400,000	0	0	400,000	0	800,000
Other Assets	100,000	649,989										649,989
Other Open Space & Recreation	1,245,000	157,920	257,920	257,920	257,920	257,920	257,920	257,920	257,920	257,920	257,920	2,479,200
Other Road Assets	300,000	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	46,625	466,250
Other Structures	200,000	0	170,000	170,000	0	0	0	0	0	0	0	340,000
Plant & Equipment (incl Fleet)	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,536,320	1,536,320	1,536,320	1,536,320	1,636,670	1,536,320	15,896,750
Roads	6,363,000	10,313,625	5,783,000	6,093,000	4,993,000	5,783,000	4,243,000	4,243,000	5,033,000	4,243,000	4,243,000	54,970,625
Sewerage Network	750,000	940,000	2,190,000	2,190,000	940,000	25,940,000	940,000	940,000	940,000	940,000	940,000	36,900,000
Stormwater Drainage	350,000	150,000	1,300,000	150,000	150,000	1,300,000	150,000	150,000	1,300,000	150,000	150,000	4,950,000
Swimming Pools	0	421,690	21,690	21,690	21,690	15,021,690	21,690	21,690	21,690	21,690	21,690	15,616,900
Water Supply Network	1,810,000	770,000	780,485	1,824,251	1,307,939	770,000	792,379	770,000	825,326	946,265	770,000	9,556,645
Water Treatment Plant	0	0	0	0	0	0	0	0	0	1,500,000	15,000,000	16,500,000
TOTAL	**14,236,000**	**19,654,739**	**18,556,124**	**17,250,561**	**15,887,469**	**56,225,471**	**10,039,631**	**8,829,784**	**11,160,870**	**11,636,489**	**25,793,844**	**195,034,981**
Type of Investment												
New	300,000	4,588,146	5,845,401	4,974,201	5,595,201	4,129,202	658,920	358,900	1,005,700	647,367	115,000	27,918,039
Upgrade	200,000	825,527	3,288,114	2,038,114	240,000	41,290,000	40,000	40,000	1,290,000	1,540,000	15,442,642	66,034,396
Renewal	13,736,000	13,841,066	9,422,609	10,238,245	10,052,268	10,806,269	9,340,711	8,430,884	8,865,170	9,449,122	10,236,202	100,682,546
Funding												
General Fund - General Revenue	7,988,000	7,408,976	9,151,694	6,553,965	6,711,898	17,291,039	6,770,022	5,338,654	7,597,614	6,552,645	7,083,972	80,460,478
General Fund - Grant Funding	2,000,000	2,000,000	1,600,000	0	3,000,000	7,500,000	0	0	0	0	0	14,100,000
General Fund - Borrowings	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
General Fund - Reserves	1,688,000	1,614,720	1,784,520	1,642,920	1,536,320	1,536,320	1,536,320	1,780,220	1,737,020	1,636,670	1,536,320	16,341,350
Water Fund - Reserves	1,810,000	770,500	780,985	1,824,751	1,308,439	770,500	792,879	770,500	825,826	1,696,765	8,270,500	17,811,645
Water Fund - Grant Funding	0	0	0	0	0	0	0	0	0	750,000	7,500,000	8,250,000
Sewer Fund - Borrowings	0	0	0	0	0	15,599,932	0	0	0	0	0	15,599,932
Sewer Fund - Reserves	750,000	940,410	2,190,410	2,190,410	940,410	10,340,478	940,410	940,410	940,410	940,410	940,410	21,304,168
Waste Fund - Reserves	0	585,527	548,114	548,114	0	0	0	0	0	0	402,642	2,084,396
Village Fund - Borrowings	0	1,152,173	0	3,390,401	0	0	0	0	0	0	0	4,542,574
Village Fund - Reserves	0	2,182,433	2,500,401	1,100,000	2,390,401	3,187,202	0	0	60,000	60,000	60,000	11,540,437
Village Fund - Grant Funding	0	1,000,000	0	0	0	0	0	0	0	0	0	1,000,000
TOTAL	**14,236,000**	**19,654,739**	**18,556,124**	**17,250,561**	**15,887,469**	**56,225,471**	**10,039,631**	**8,829,784**	**11,160,870**	**11,636,489**	**25,793,844**	**195,034,981**

Appendix B – Asset Management Policy

POLICY OBJECTIVE

The Asset Management Policy provides Edward River Council with the framework to manage assets and to enable it to deliver services to the community in an affordable sustainable manner.

The objectives of this policy are outlined below and have been developed in accordance with the NSW Division of Local Government guidelines:

- Establish the goals and objectives of Asset Management
- Integrate Asset Management with Council's overall objectives and strategic direction
- Maximise value for money by adoption of asset lifecycle costing, combined with performance measurement
- Promote financial, social and environmental sustainability
- Comply with all relevant legislation and regulations

SCOPE

This policy applies to all Council assets, including but not limited to:

- Infrastructure
  - Road network, including kerb and channel, carparks, pathways and bridges
  - Community facilities and buildings
  - Parks and recreational facilities
  - Urban drainage
  - Water Services
  - Sewer
  - Waste
- Associated asset groups (not strictly infrastructure assets) include the following
  - Plant and equipment
  - Monuments and arts
  - Library books

LEGISLATIVE REQUIREMENTS

- NSW Local Government Act 1993
- Local Government (General) Regulation 2005
- National Asset Management Assessment Framework (NAMAF)
- National Asset Management Strategy (NAMS)
- Plus3 templates for Asset Management (IPWEA)

COUNCIL STRATEGY

This policy sets the foundations for Asset Management Plans, which will complement the Community Strategic Plan and allow for the implementation of a more formalised approach to Asset Management. It is essential that the Asset Management Policy and Plans are consistent with the overarching goals of the Council so that a strategic direction can be achieved.

POLICY STATEMENT

Council will use the following core principles in the implementation of the Asset Management Framework:

- Service delivery drives Asset Management practices and decisions

- Asset Planning and management has a direct link with The Community Strategic Plan, Councils Delivery Plan and Operational Plan. As well as Councils Resources Plan and Long Term Financial Plan

- Financial sustainability will be achieved by making decisions that lead to a cost-effective asset base, by focusing on asset renewal before new assets, rationalising under-utilised assets and limiting asset expansion unless justified.

- Asset Management decisions shall be based on service delivery needs and the benefits and risks of assets, with an evaluation of alternative options that take into account lifecycle costs.

- Asset Management requires a whole of organisation approach which involves the participation of, and is the responsibility of, the Council, Executive and Council Staff.

- Planned approach to capital works. If a project is not identified through an asset plan or strategy these works will not be considered.

Commitment

Council commits itself to the following actions to deliver the objectives of this policy:

- The preparation of an Asset Management Strategy that will provide a road map for the delivery of the objectives under this policy.

- The preparation of Asset Management Plans for all infrastructure categories, informed by community input, and local government financial reporting frameworks.

- Using Asset Management Plans as a core input into the development of maintenance programs, operational plans, capital works programs, annual budget and the Long Term Financial Plan.

- To the formation and maintenance of a cross functional Asset Management Steering Committee (AMSC) to maintain, coordinate, advise and facilitate the implementation of the adopted Asset Management Strategy.

- To engaging with all stakeholders, especially the community, to determine levels of service and asset performance. Customer satisfaction will be monitored to ensure service levels are appropriate.

- To build internal capacity to undertake asset management and financial functions. Training to be provided for staff and Councillors.

- Identifying funding to support and maintain our infrastructure

- Ensuring accounts and related business processes will be structured to recognise lifecycle costs.

- Levels of service shall be defined with due regard to available resources, community standards as determined in the Community Strategic Plan and risks associated with those levels of service.

- Asset management principles shall be integrated within Council's existing planning, operational and reporting processes.

- An inspection regime shall be implemented as part of the asset management process to ensure defined levels of service are maintained and to identify asset renewal priorities.
- The asset management system shall be fully integrated with Council's information management systems.

Asset Accounting and Costing

- Council's valuations will be recorded at the depreciated replacement cost (i.e. written-down value) using the fair value approach.
- Council's infrastructure assets will be re-valued, according to the principles and guidelines of Australian Accounting Standard 116.
- Assets will be valued using fair value, not on a cost basis. The valuations to be undertaken comply with the requirements of the NSW Division of Local Government's Local Government Code of Accounting Practice and Financial Reporting and International Financial Reporting Standards (IFRS).
- The "Replacement Cost" method will be used as this is the most common method for non-commercial infrastructure assets such as Council assets. It requires detailed asset component information.
- Council will securely store the Corporate Asset Register to ensure its integrity.

Asset Management Plan

- This policy will assist in the development of Council's Community Strategic Plan by providing a clear direction for Asset Management.
- The broad strategic outcomes identified by this policy and the Council's Community Strategic Plan, will guide the development of Asset Management Plans.

ASSET MANAGEMENT FRAMEWORK
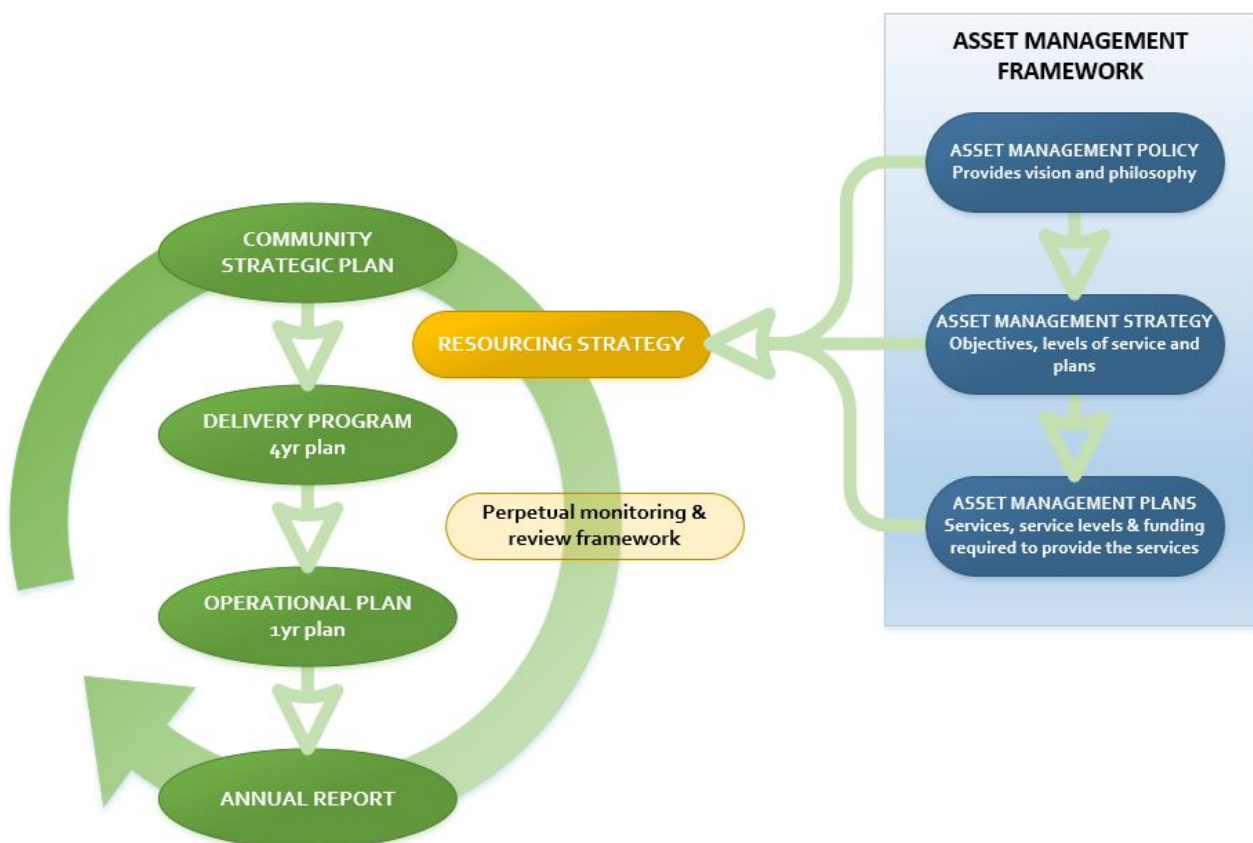
ASSOCIATED POLICIES AND PROCEDURES

- 10-year Community Strategic Plan
- Asset Management Strategy
- Asset Management Plan
- 4-year Delivery Program
- 1-year Operations Plan

DEFINITIONS

The following definitions are provided based on the *International Infrastructure Management Manual (20015)* [1].

Asset: A physical component of a facility which has value, enables services to be provided, and has an economic life of greater than 12 months. Dynamic assets have some moving parts, while passive assets have none.

Asset Management: The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

Capital Works: Capital works falls into three categories;

1. Renewal – Major work which does not increase an asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original capacity.
2. Upgrade – Major work which replaces or renews an existing asset to a higher standard that enables the provision of increased capacity.
3. New/Expansion – New assets that provide a service to an area where this service did not previously exist.

Depreciated Replacement Cost: The replacement cost of an existing asset less an allowance for wear and tear or consumption having regard for the remaining economic life of the existing asset.

Fair Value: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Required to be reported annually as part of NSW Division of Local Government requirements.

Infrastructure Network: Stationary systems forming a network and serving whole communities, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components. The network may include ordinary assets as components.

Level of Service: The defined service quality for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

Replacement Cost: The complete replacement cost of an asset that has reached the end of its life, so as to provide a similar, or agreed alternative, level of service.

Risk Management: The application of a formal process to identify risks and the key factors associated with that risk, to determine the resultant range of outcomes and their probability of occurrence.

POLICY VERSION CONTROL

Title	Asset Management Policy			
ECM Doc Set ID	52305			
Date Adopted	21 June 2018			
Council Minute No.	2018/123			
Responsible Officer	Oliver McNulty			
Version Number	**Modified By**	**Modifications Made**	**Date modified and Approved by Council**	**Council Minute Number**

Appendix C – Asset Management Steering Committee Terms of Reference

Representation on ¬the Asset Management Steering Committee

The Asset Management Steering Committee (AMSC) shall comprise of the following members:

- EMT Members
- Engineering and Assets Manager
- Asset Coordinator
- Financial Accountant
- Operations Manager
- Service Managers (by request)

Role of the Asset Management Steering Committee

The role of the (AMSC) is to guide the delivery of asset management services including:

1. Asset Management Policy
2. Asset Management Strategy
3. Service & Asset Management Plans
4. Asset Management Policies and Procedures
5. Asset Management Systems Development
6. Asset Management Benchmarking & Reporting
7. Risk management reporting

8. Other matters relating to Council's assets
9. Organisational Communication - Asset Management Commitment.
10. Developing, implementing and monitoring key performance indicators that link the resourcing strategy to the Community Strategic Plan (CSP)

Meeting Quorum

Meetings require a minimum of 5 of the core committee members to attend.

Outcomes

The intended outcomes of the AMSC are to:

1. Improve organisational support and awareness of asset management.
2. Coordinate a holistic approach to asset management (financial, strategic, regulatory, whole-of-life, environmental/sustainability, IT).
3. Define and implement list of agreed priorities and specific actions to be achieved.
4. Information sharing and encourage consistency to approach.
5. Lift accountability for achieving Asset Management objectives.
6. Demonstrate organisational commitment to Asset Management.

Purpose of the Asset Management Steering Committee

The primary function of the AMSC is to take responsibility for determining the program, governance, and the achievement of outcomes of the Asset Management Development Project (AMDP). The AMSC will monitor and review the project status, as well as provide oversight of the project deliverable rollout.

The AMSC provides a policy level overview so organisational governance requirements, concepts and directions are established and maintained whilst allowing innovation and continuous improvement in value for money service delivery. The AMSC provides insight on long-term strategies in support of legislative mandates.

Members of the AMSC ensure business objectives are being adequately resourced and addressed, and the project remains under control.

Role of an Asset Management Steering Committee Member

It is intended that the AMSC leverage the experiences, expertise and insight of key individuals committed to professional project management. AMSC members are not necessarily directly responsible for managing project activities, but provide support and guidance for those who do.

Meeting Schedule and Progress

The AMSC team will meet bi-monthly or as required to keep track of issues and the progress of the project's implementation and ongoing support to its stakeholders. The project manager chairs the AMSC and facilitates the AMSC Meeting

Guidelines / Standards

1. The AMSC will reference relevant industry guidelines and practices.

2. The following guidelines and standards have also been used and referenced throughout the corporate project:

- International Infrastructure Management Manual – International edition 2011.

- Australian Infrastructure Financial Management Guidelines - Edition 1.0 – 2009

- Optimised Decision Making Guidelines - New Zealand edition 1 2004.

- Creating Customer Value from Community assets - New Zealand edition 1 2002

- Australian Standards

- AS 5037:2005 Knowledge Management

- AS/NZS 4581:1999 Management System Integration – Guidelines to

- Business, Government and Community Organisations

- AS/NZS ISO 9000:2000 Quality Management Systems

- AS/NZS ISO 9004:2000 Quality Management Systems – Guidelines for

- performance improvements

- AS 3806:1998 Compliance Programs

- AS/NZS ISO 31000:2009 Risk Management

- HB 143:1999 Guidelines for managing risk in the Australian and New Zealand public sector.

- Local Government Financial Sustainability Framework - Local Government and Planning Ministers' Council.

- Various Federal and State Government Asset Management reports and studies.