

MITCHELL SHIRE ASSET PLAN 2022



MITCHELL SHIRE COUNCIL



Acknowledgment of Country

Mitchell Shire Council acknowledges the Taungurung and Wurundjeri Woi Wurrung people as the Traditional Owners of the lands and waterways in the area now known as Mitchell Shire.

We pay our respect to their rich cultures and to Elders, past, present, and emerging, as well as other Aboriginal and Torres Strait Islander people who live, work and play in the area.



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1. INTRODUCTION

The Asset Plan has been prepared to inform the Mitchell Shire community of the governance structure, processes and actions Council has implemented to improve the way infrastructure assets are managed through the asset life cycle; to ensure services provided by Council meet community expectations, now and into the future.

The asset lifecycle includes the planning, acquisition, operation, maintenance, renewal and eventual disposal of assets. The asset management process tracks all the transactions against each asset to ensure Council can make informed management decisions about our assets based on priority, performance, capacity, risk and cost throughout the lifecycle.

Asset management is the practice of providing an acceptable standard of service from infrastructure, in the most cost-effective manner, for current and future service users. Council's role as steward of community assets is to ensure assets appropriately support community services and meet their service potential as planned.

The infrastructure assets included in this plan are Roads (transport), Buildings, Drainage, Bridges and Parks and Open Space assets. Collectively, these assets have a replacement value of \$709 million as at 30 June 2021. All subsequent asset information is based on end of financial year figures for the 2020/21 year.



2. PURPOSE

This plan will describe Council’s asset management framework, and how this framework will be used to;

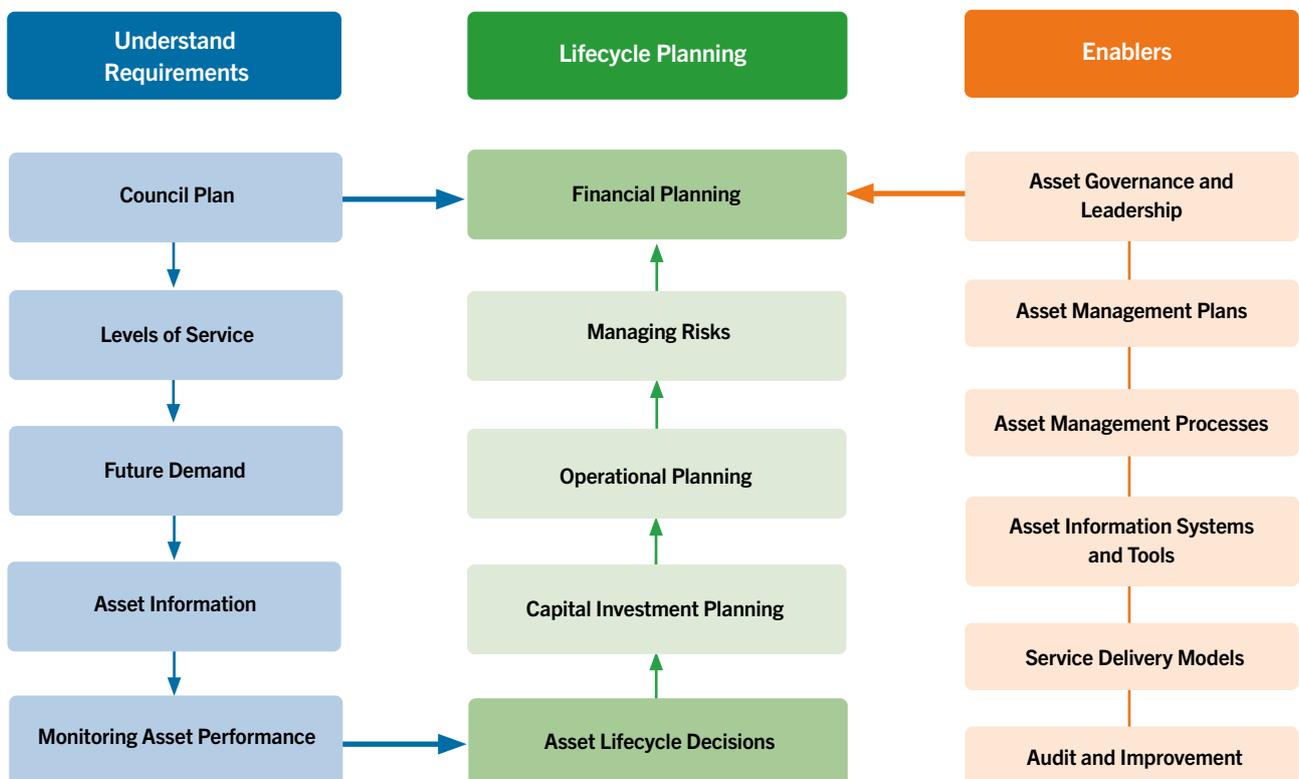
- > meet the service delivery needs of the community over the next 10 years
- > demonstrate alignment with other corporate planning documents such as the Community Vision 2050, Council Plan, Financial Plan and Asset Management Policy
- > demonstrate the link between the Asset Management Plans and Council’s Long-Term Financial Plan (LTFP)

- > outline asset management practices, systems and improvement opportunities
- > describe how Council evaluates asset management performance

Council has aligned its asset management framework to the Institute of Public Works and Engineering (IPWEA) best practice system.

The following figure 1 summarises the IPWEA framework of asset management that Council is instituting as our corporate framework. Council is still building capabilities as part of the establishment of this framework.

Figure 1: Mitchell Shire Asset Management Framework



MITCHELL SHIRE



3. BACKGROUND CONTEXT

Mitchell Shire is Victoria's fastest growing Council¹. The municipality is projected to grow by 233% over the next 19 years from a current population of 51,273 in 2022 to 170,830 by 2041².

Even the most conservative estimates of Mitchell Shire's growth identify the municipality growing 4.5% p.a. by 2036³; the highest growth rate for any municipality and substantially higher than the State's estimated rate of 2.5%.

Growth presents both opportunities and challenges. Opportunities include better and more diverse services, a larger economy, better education, and enhanced health and employment opportunities and outcomes for Mitchell Shire residents.

Challenges include planning for, and delivering services, for new communities that are not yet in place, and to fund new long-term infrastructure with current revenue streams. At the same time Council must continue to meet service expectations and maintain and renew its current portfolio of infrastructure in its established townships.

Our growth is occurring primarily in the southern townships of Beveridge, Wallan and Kilmore; the three townships closest to metropolitan Melbourne. To the north, Broadford and Seymour are also showing trends of growth with new residential development becoming more prevalent.

¹ Victoria in Future (2019) DELWP.

² forecast.id, Mitchell Shire population forecast.

³ Victoria in Future (2019) DELWP.

Mitchell Shire also services a number of well-established regional and rural townships and locales, across the 2,861 square kilometre of the municipality. While these areas are not impacted by growth directly, they are indirectly impacted as much of our current infrastructure investment goes toward new developing areas.

Council does however continue providing quality services to all Shire communities. These communities outside our immediate growth townships include, Bylands, Clonbinane, Forbes, Glenaroua, Glenhope, Glenhope East, Heathcote Junction, Heathcote South, High Camp,

Hilldene, Hughes Creek, Kilmore East, Mia Mia, Moranding, Northwood, Nulla Vale, Puckapunyal, Pyalong, Reedy Creek, Sugarloaf Creek, Sunday Creek, Tallarook, Tooborac, Trawool, Tyaak, Upper Plenty, Wandong, Waterford Park, Whiteheads Creek and Willowmavin

Our neighbouring Local Government Areas (LGA's) to the South have also been growing rapidly over the past two decades. Whittlesea and Hume residential areas continue to expand north toward our shared boundary, and we will have ongoing partnerships with these Council's to establish seamless connections between our LGA's



OUR COMMUNITY

AN OVERVIEW OF OUR DIVERSE COMMUNITY

POPULATION

48,969
2021



170,830
2041



248.86%
rate of change

Breakdown by Township / Area



	2021	2041		2021	2041
Beveridge	4632	72,040	Rural North East	2889	3022
Broadford	5333	9839	Seymour	6650	9893
Kilmore - Kilmore East	9781	21,012	Wallan	14,473	48,890
Pyalong - Rural North West	2075	2429	Wandong - Heathcote Junction	3135	3705

GENDER SPLIT AND AGE

* No data collected for other gender identifications at this stage



50.3%

Male*



47.7%

Female*



9.8%

Infants to Preschool
(0 to 5)



7.8%

Childhood
(6 to 11)



17.1%

Young People
(12 to 24)



51.9%

Adults
(25 to 64)



13.5%

Older People
(65+)

ABORIGINALITY IN MITCHELL SHIRE 2016



654

Aboriginal and
Torres Straight
Island people

1.6%

of the total population*
* Higher than the Victorian average
of 0.8% (ABS, 2016)

COUNTRY OF BIRTH

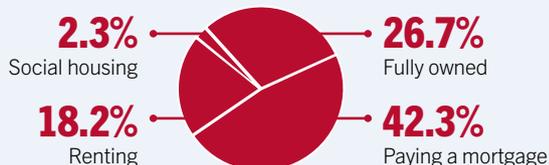


3.2% UK

1.1% NZ

0.7% India

TENURE IN MITCHELL SHIRE 2016



MOST SPOKEN LANGUAGES



HOUSEHOLDS



*2021 Forecast



35.0%

Couples
with children



26.0%

Couples
without children



12.1%

Single parent
families



21.9%

Single person
household



2.2%

Group
household



2.8%

Other
households

4. COMMUNITY ENGAGEMENT WITH ASSET PLANNING

The Community Vision 2050 is the principal document that drives Council service and infrastructure investment decisions. Our community has created this vision after considerable consultation between Community, Council and Stakeholders. The vision was developed through community discussions at over 100 community events, and through the submission of more than 1,500 survey questionnaires.

Council’s Community Engagement Policy and Community Engagement Framework ensures there is ongoing participation in key decision making about services that impact residents, now and into the future.

Council also receives feedback about the services

it delivers on an annual basis through the Local Government Satisfaction Survey coordinated by the state government Department of Jobs, Precincts, and Regions. This survey helps Council focus on the services important to residents.

The community is involved in many key decisions in the realms of community and family support, recreation, and environmental services.

Council is building toward a more integrated engagement process that will seek input on the quality, and quantity of services more generally to ensure Council’s balance in investment in assets is meeting community aspirations for the future, while meeting our existing service responsibilities.

Figure 2: Mitchell Shire Community Satisfaction Survey Results 2017 to 2021

2021 individual service area performance (index scores)		2020	2019	2018	2017
Appearance of public areas	66	66	68	63	61
Emergency and disaster management	65	63	69	67	n/a
Recreational facilities	63	63	63	62	62
Family support services	63	60	66	63	n/a
Enforcement of local laws	61	60	n/a	n/a	n/a
Waste management	58	56	61	65	65
Community and cultural	56	57	60	59	n/a
Business/community develop/tourism	55	n/a	n/a	n/a	n/a
Environmental sustainability	54	52	57	56	n/a
Lobbying	53	49	50	48	45
Informing the community	52	54	56	54	52
Planning and building permits	52	49	50	51	n/a
Community decisions	51	49	52	50	46
Consultation and engagement	50	52	53	53	47
Population growth	49	48	47	50	44
Local streets and footpaths	45	47	n/a	n/a	38
Slashing and weed control	44	44	51	49	n/a
Sealed local roads	43	46	47	43	38
Unsealed roads	39	41	43	41	n/a

5. OUR ASSETS

5.1 Asset Value

Items are recognised as assets in Council’s asset register when the value is considered material, and the benefit of the item will be realised beyond one accounting period. Council has an Accounting for Assets Policy that sets out at which point assets (purchased or constructed) will be capitalised.

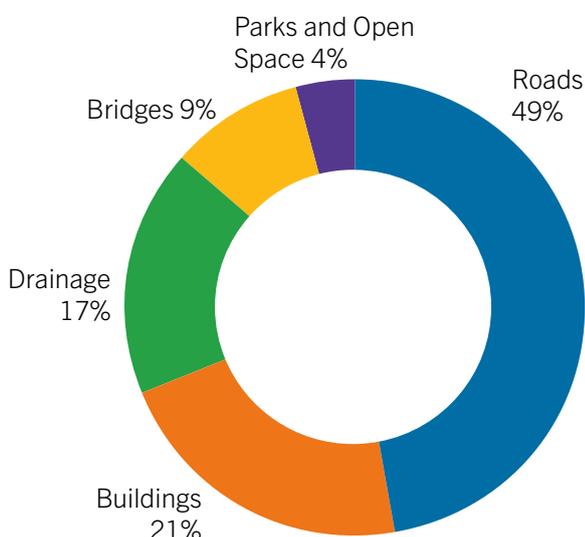
Council has an infrastructure asset portfolio of \$709 million dollars as at 30 June 2021. The valuation of infrastructure assets for financial reporting purposes in Victorian Local Government is based on “greenfield” rates. The exception is Buildings where fair value is used.

The following table details the replacement value of each of Council’s asset groups.

Table 1 – Council’s Assets

Asset Group	Replacement Value	Annual Depreciation	Accumulated Depreciation	Written Down Value
Roads	\$349,289,625	\$10,702,502	\$106,049,179	\$243,240,447
Bridges	\$60,285,950	\$580,522	\$26,777,481	\$33,508,469
Buildings	\$148,951,831	\$3,248,474	\$63,079,408	\$85,872,423
Drainage	\$120,801,435	\$2,993,772	\$25,161,623	\$95,639,812
Parks and Open Space	\$30,589,920	\$961,507	\$9,175,613	\$21,414,307
Total	\$709,918,761	\$18,486,777	\$230,243,304	\$479,675,458

Figure 3 – Assets by percentage of total replacement cost



An asset greenfield rate is based on the premise that infrastructure is developed on undisturbed ground. This is not the case when we must renew our assets and where we need to work carefully around existing infrastructure.

Therefore, when we do our capital planning to renew and upgrade our existing assets, we rely on brownfield rates instead, which can be 15% to 30% greater than a greenfield project.

5. OUR ASSETS

5.2 Asset Quantities

Council maintains a record of all its existing infrastructure assets in an asset data base. When assets are renewed, or new assets created - through our capital works program, or from sub-division developments – the asset values and measurements (and many other asset attributes) are captured in our asset management database to assist tracking, reporting and planning for future works on these assets.

Our asset quantities are provided below in table 2 below.

Table 2 – Measurement of Council’s Infrastructure Assets (as at 30 June 2021)

Asset Group	Asset Class	Measure
Roads	Sealed Roads	704km
	Unsealed Roads	713km
	Footpaths/Pathways	327km
	Kerb	509km
	Car Parks – On Street	25.3km
	Car Park – Off Street	81,403m ²
	Ancillary assets – signs, barriers, signals, lighting	Various
Buildings	Non-Specialised	96
	Specialised	17
	Sheds and Structures	318
	Heritage	10
	Mechanical Components (Hot Water, Solar, H-Vac etc.)	Various
Open Space	Playgrounds	63
	Playing Courts	45
	Playing Fields	14
	Park furniture, equipment – BBQ’s Bike racks, bins, lighting, bollards/fencing	Various
Drainage	Drainage Pipes	324km
	Drainage Pits	12,434
	Open Drains	41km
	Retention Basins	10
Bridges	Vehicle Bridges	65
	Footbridges	45
	Major Culverts	168
	Fords	14

The information in table 2 provides a high-level overview of our asset records. Council has just under 76,000 individual asset records. We also maintain a historical record of past assets that have been disposed or renewed.

Council utilises asset hierarchies to manage asset information at different reporting levels. The road network is managed by splitting lengths of road into shorter 200m “child” asset segments, and then splitting road components into like parts. The road seal is managed separate to the underlying pavement and separate from road furniture and traffic devices. This way we can report on the parent asset and all the child assets associated with a road either together or separately. It means we can make strategic decisions about each aspect of the road asset based on performance, quality or cost.

Our buildings and bridges are also broken down into various asset components as different elements of these structures have different life spans and replacement unit rates. For example,

Council applies a different useful life and replacement rate for building roof cladding to a life and rate of structural elements like walls and floors. For bridges, the decking has a different useful life and replacement rate to the bridge superstructure.

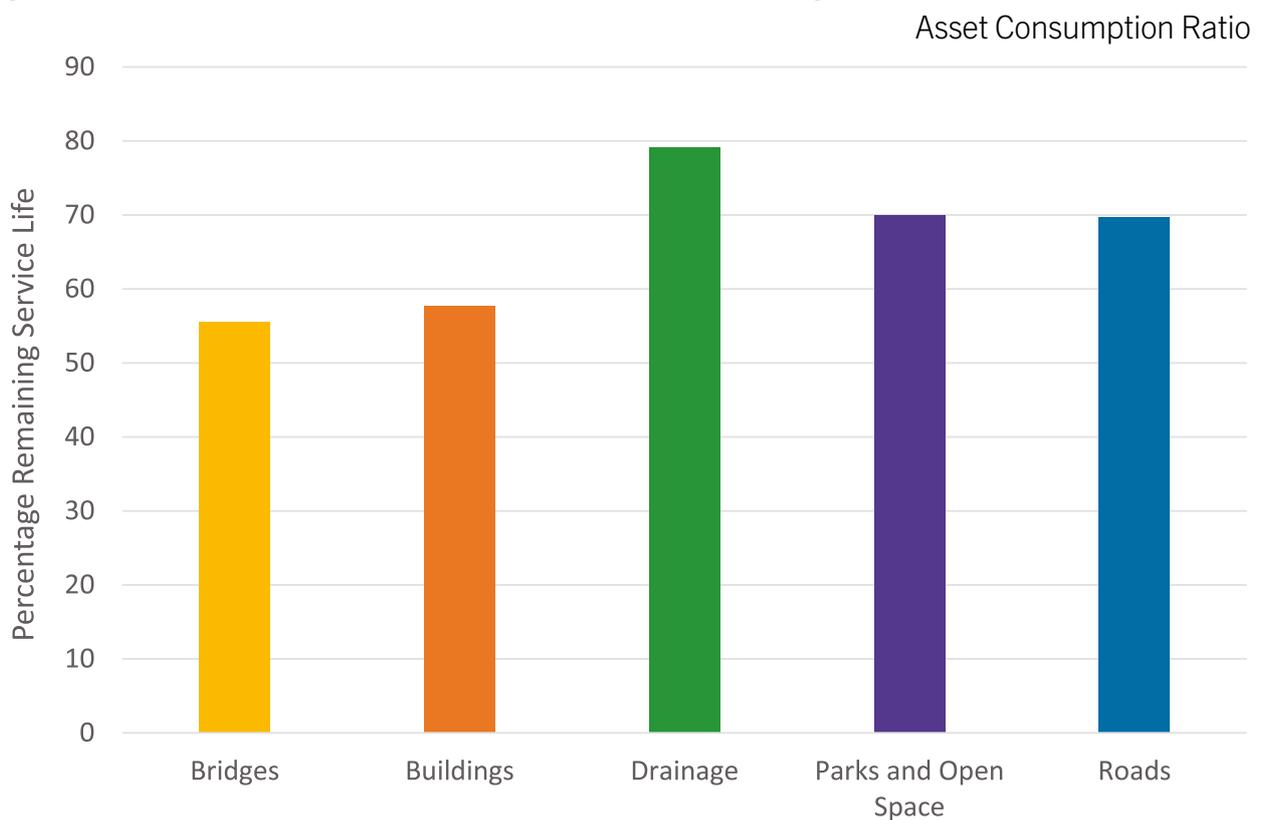
While segmenting and componentising our assets makes data management more complex, it also improves the accuracy of information and allows targeted asset decision making.

5.3 Asset Depreciation

Asset depreciation is an accounting measure of asset consumption. As we invest in our infrastructure through new or renewal spending, our asset value rises, and each subsequent year some of that value is consumed as depreciation, to represent age and wear on the asset. Council uses the straight-line accounting method for depreciation.

The following figure represents the consumption profile of Council’s infrastructure assets across the five main asset categories.

Figure 4: Council’s Asset Consumption Ratio as % of new remaining



5. OUR ASSETS

One sustainability measure is that Council will continue to invest in its existing assets (so long as they are required for services) to ensure the asset continues to provide the community an expected quality of service.

For assets essential to our services delivery, we re-invest in them through a life-cycle approach, preserving the assets quality and value through maintenance, and renewal, until such time it is necessary to replace it for an altogether new asset.

The consumption ratio table on page 11 in figure 4 is a reflection of our “renewal investment” in existing assets over many years and does show assets (as a network) are gradually depreciating over time. Council will be closely monitoring this performance measure to ensure no asset class fails to deliver an expected service standard from under-investment, or from our failing to renew in a timely manner.

5.4 Asset Audits

Another important measure Council uses to ensure our assets continue to meet service requirements is through an assessment of each asset (and asset component) condition. This involves a physical inspection undertaken on a cyclical basis to provide a measure of asset performance. Mitchell Shire uses a 0 to 10 scoring measure where by 0 equates to a brand new asset and a 10 implies the asset has completely failed and can no longer be used to deliver a service. The assessment score card is shown below and should be viewed in conjunction with the information presented at figure 5 on page 13.

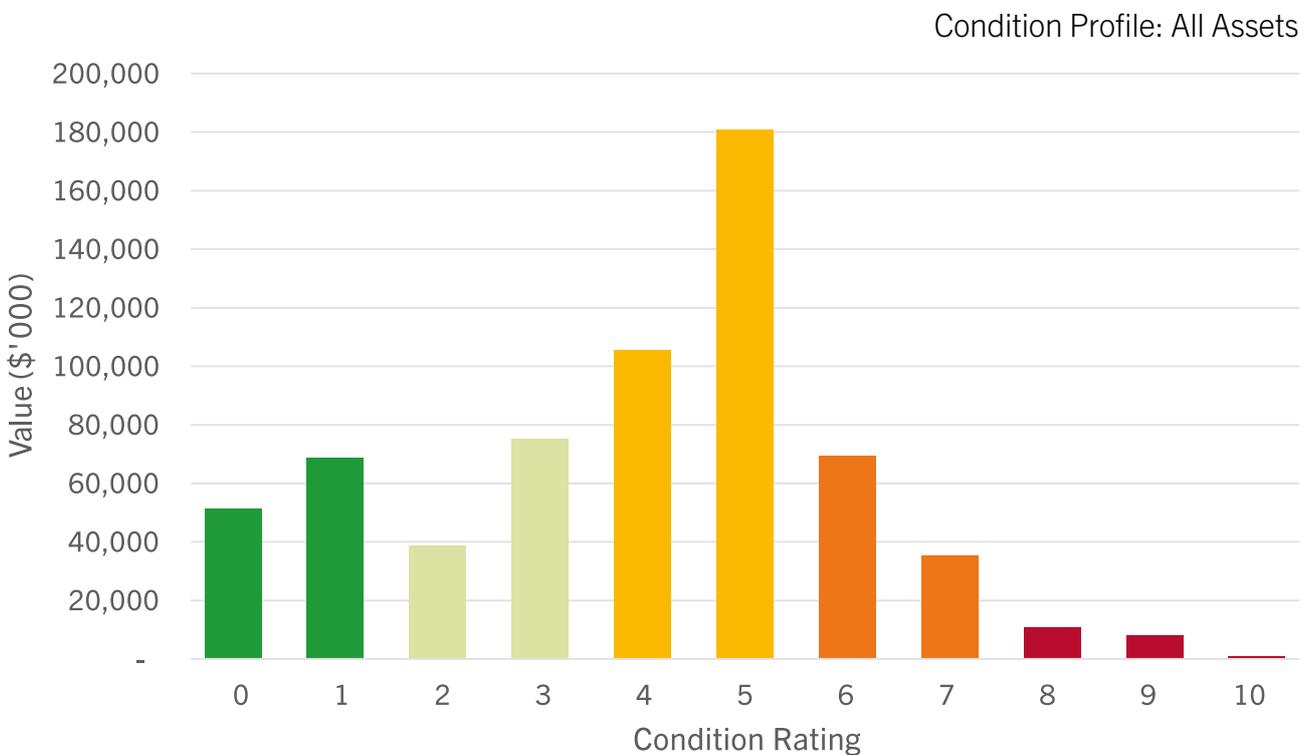
Table 3: Council’s asset condition assessment score card

Rating		Description
0	New	New or an asset recently rehabilitated back to new condition
1	Near New	No visible signs of deterioration often based upon the time since construction rather than observed condition decline
2	Excellent	Very slight condition decline obvious, no longer in new condition
3	Very Good	Early stages of deterioration minor no serviceability problems
4	Good	Some obvious deterioration evident slightly impaired serviceability
5	Fair	Obvious deterioration some serviceability loss
6	Fair to Poor	Quite obvious deterioration serviceability would be affected and rising maintenance cost
7	Poor	Severe deterioration serviceability limited high maintenance cost
8	Very Poor	Serviceability heavily impacted very high maintenance cost needed to be rehabilitated
9	Extremely Poor	Severe serviceability problems needing rehabilitation immediately. Could also be a risk to remain in service.
10	Failed	No longer serviceable and should not remain in service extreme risk

5.5 Current Asset Condition

The information presented in figure 5 demonstrates the network value of Council's assets by condition. From this chart we are able to see that Council has \$303 million of its asset portfolio that is at, or past, the half way mark of its life-cycle. This correlates to the discussion above regarding asset consumption. Council has a significant challenge of maintaining existing assets to ensure continuity and quality of services, while also having to deliver new services to the growth areas of the Shire that have very little in the way of community service assets. It is through the asset management process that these challenges are highlighted, and actions put into place, through a decision matrix involving equity, quality, affordability, risk and timing.

Figure 5 – Asset replacement value by condition status (taken from each AMP)



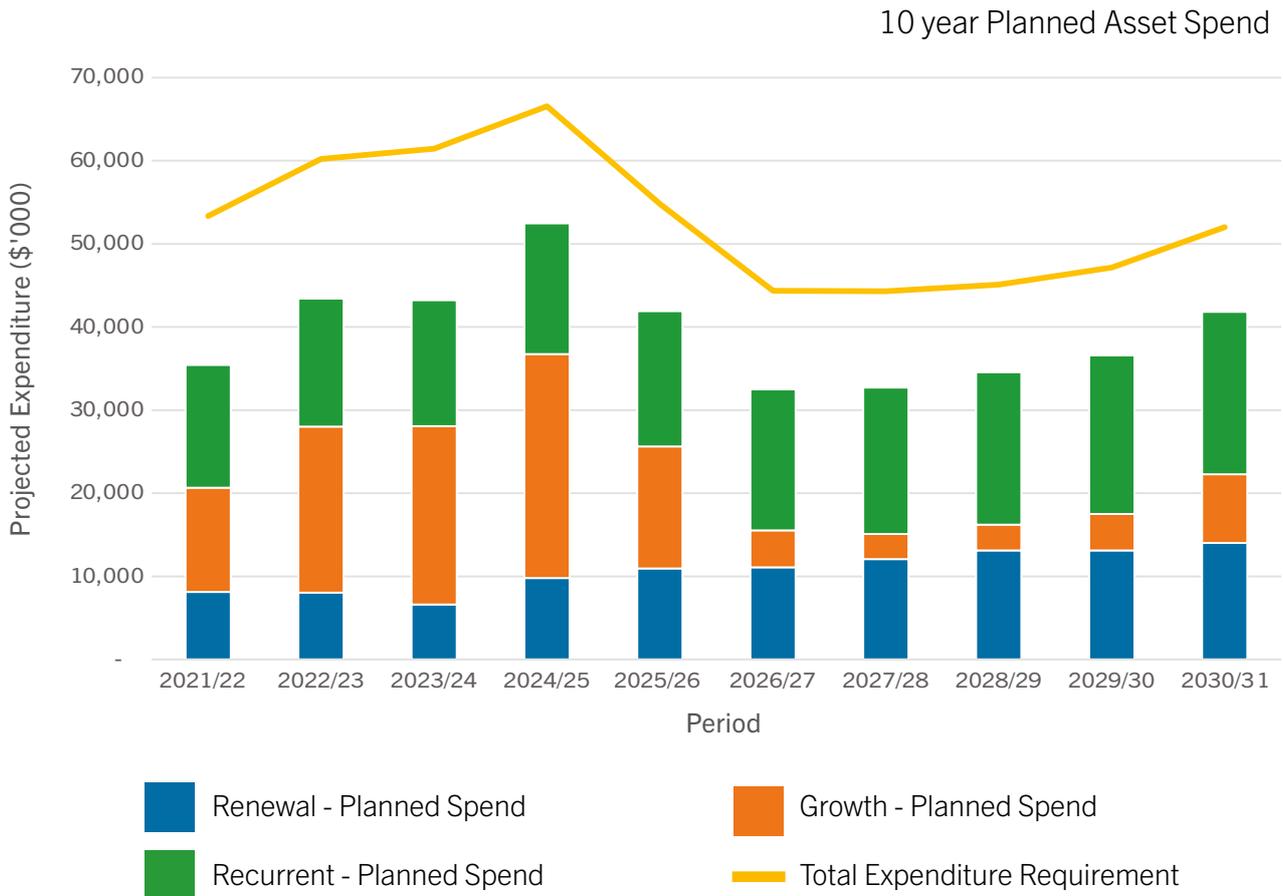
5. OUR ASSETS

5.6 Asset Requirements – next 10 Years

Council currently has capacity to spend \$394.6 million dollars over the next 10 years on the maintenance, renewal, upgrade and the establishment of new assets. Using our asset information and applying some forecast modelling, the required investment necessary to maintain existing levels of service, while also

constructing new assets over the next 10 years is \$529.3 million dollars. This estimate does not include projects that are on our long term radar but have no funding source at present. It also does not include assets gifted from Developers where we cannot pinpoint the year those assets will be gifted. When these projects are factored in this gap between funding availability and requirement will likely grow further.

Figure 6 – Council’s 10-year Actual V Required Asset Expenditure



Our next Asset Plan revision will include a forecast of all required infrastructure investment projects regardless of the availability of funding streams, as well as gifted asset where we are confident of delivery dates, as this will provide a much clearer picture of the pressures of growth on Council.

Council does have the attention of government through our acknowledged status as a growth Council. Funding opportunities will likely become apparent to assist us meet predicted financial shortfalls. Council will continue to advocate on behalf of all Mitchell Shire residents to ensure the establishment of our new communities is a shared exercise with both state and federal

governments, and that our growth, focused on our southern communities, does not unfairly burden existing communities.

There are non-asset-based actions Council can implement that can alleviate the immediate necessity of new infrastructure. These solutions can include the establishment of shared use facilities (increase utilisation), incentives for service users to access services at off-peak times (discounted fees), flexible operational hours (opening and closing hours). Council will continue to explore both asset and non-asset-based solutions that can reduce the long-term investment requirement in assets.



Resheeting Highlands Road, Kilmore.

6. DEMAND MANAGEMENT

Council recognises that there exist several social, political, environmental and economic factors that influence demand on infrastructure investment. By far the most influential factor in Mitchell Shire is population growth. Other demand drivers Council considers when

managing asset investment can be seen in table 4 below; this is not an exhaustive list. Demand drivers specific to asset categories are documented in each of our five infrastructure asset management plans with corresponding high level demand management strategies.

Table 4 – Demand Drivers in Mitchell Shire

Demand Drivers	Asset Class			
	Buildings	Parks and Open Space	Drainage	Roads and Bridges
Population Change	✓	✓	✓	✓
Demographic Change	✓	✓		✓
Changed Construction Standards	✓	✓	✓	✓
Social Trends	✓	✓	✓	✓
Land Use Changes	✓	✓	✓	✓
Climate Change	✓	✓	✓	✓
Government Policy	✓	✓	✓	✓
Gender Equity	✓	✓		
Council Financial Sustainability	✓	✓	✓	✓
Aging Infrastructure	✓	✓	✓	✓

7. COUNCIL'S ASSET MANAGEMENT

Our asset management approach is also guided and influenced by other important strategic documents which include the Council plan, Service plans (which provide guidance around service need, quality, resourcing and future infrastructure demand), and the Financial Plan and long-term financial plan.

Importantly for strategic asset management we incorporate all these documents when developing our Asset Management Plans specific to asset categories of Roads (Transport), Bridges, Drainage, Buildings and Parks and Open Space. These five asset plans provide a strategic 10-year road map for asset investment after considering the following;

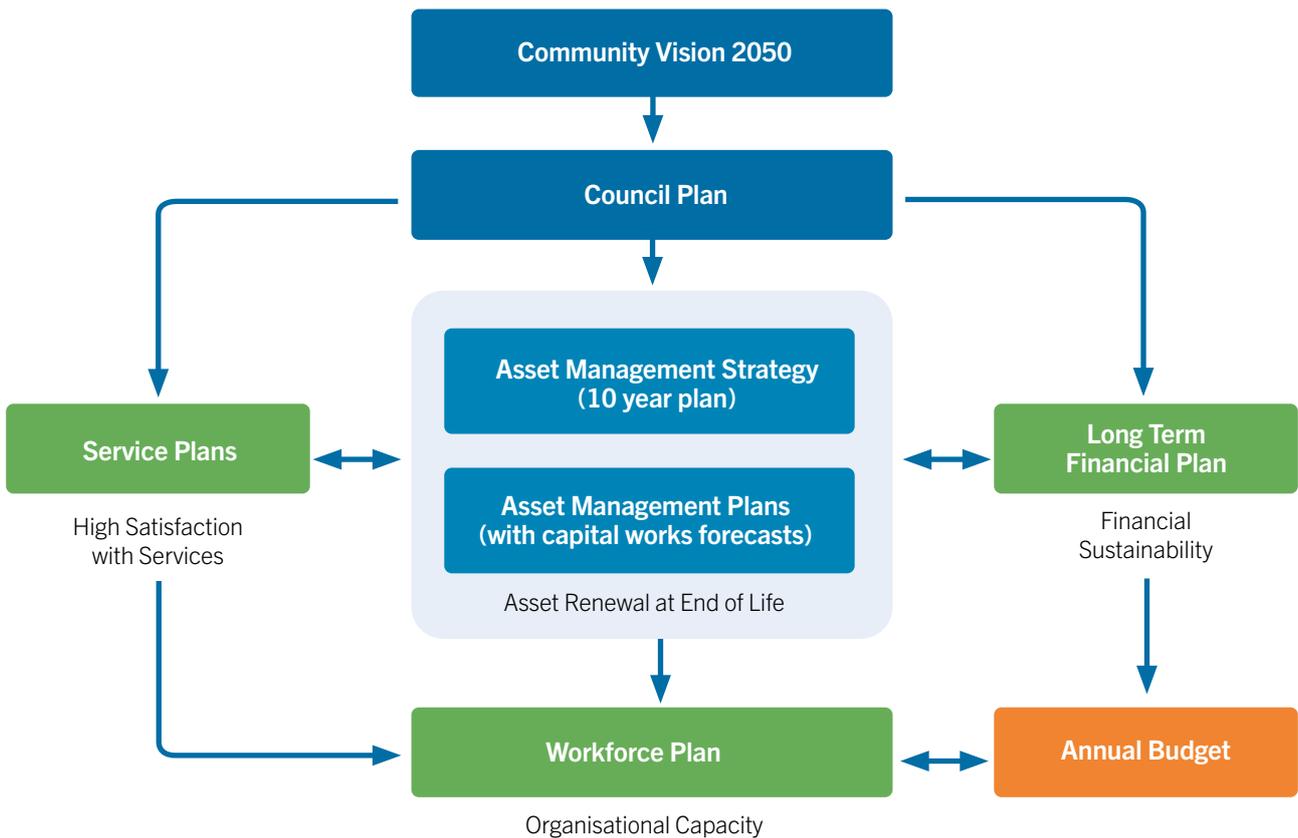
- > Who are the stakeholders critical to the use, operation and management of services supported by these assets?
- > What levels of service are we targeting based on community expectations, affordability, and risk?
- > What do we need to invest in assets over the next 10 years to meet current and future service needs, and what assets does the community no-longer require?
- > What is our life-cycle management approach for this asset class to meet service requirements?
- > How do we manage the disparate risks associated with owning, operating and managing assets supporting community services?
- > Can we afford to do what is required? Does our plan align with the availability of funds in the Long-term financial plan? Are there other non-asset solutions (as discussed in section 5.6) we can implement to ensure ongoing customer satisfaction where funds may be limited?
- > From our plan we can see our strengths and challenges and an improvement action plan is formed.

Figure 8: Council's Asset Management Plans



There are intrinsic links between our corporate documents to ensure we have integrated and consistent planning processes to deliver on our Community vision and Council plan while also having processes, budget and resources to succeed.

Figure 9: The Asset Plan position in corporate planning



7.2 Asset Management Governance

Council has established a Strategic Asset Management Working Group (SAMWG) as a critical governance body to ensure all the key elements of our integrated planning and reporting framework are being adhered to. The SAMWG has as part of its task to embed sustainability of assets and services through implementation of the asset management framework (as highlighted in figure 1 on page 3).

7.3 Asset Management Stewardship

At Mitchell Shire the Managers responsible for service delivery to the community are also the recognised stewards of the community assets they utilise in service provision. For instance, the Manager Life Stages is the asset steward for all of Council’s kindergarten facilities. The Manager Community Planning and Delivery is the steward for all community playgrounds. Under this model, Service Managers establish acceptable standards relating to asset quality through their direct relationship with service users, the broader community and through their relationship with internal and external key stakeholders.

7. COUNCIL'S ASSET MANAGEMENT

7.4 Asset Teams

Council has established a dedicated team charged with the management of Council's asset information. The asset team sits under the Organisational Performance Directorate and is part of the Strategic Assets and Property department. At a high level, the asset team is responsible for;

- > Development of the Asset Policy and Strategy
- > Reviewing and drafting Asset Plans in collaboration with Service Managers
- > Planning and delivering asset condition audits
- > Long term modelling for asset renewal and demand
- > Management of Council's asset register and the quality of the information within
- > Capitalisation of assets, both from Council projects and new sub-division developments

- > Revaluing Council's existing assets in line with Accounting Standards
- > Mapping Council's assets into the corporate mapping system
- > Championing asset management as a corporate function
- > Promoting uniform asset management practices and processes
- > Monitoring and reporting asset sustainability and programming future works

Council's asset team uses a number of corporate systems that assist Council manage and effectively control asset information and enable that information to be used across the organisation for planning decision making and reporting. These systems are highlighted in the below table 5 below.

Table 5: Council Asset Management Software Systems

System	Purpose	Owner
Asset Management Information System (Conquest)	Data-base register of council's fixed assets including information regarding construction date, materials, value, useful life, condition and more...	Assets and Property
Geographical Information System (GIS), (QGIS, ArcGIS Pro)	Spatial data enabling the physical presentation of asset data on maps and images	Assets and Property
Corporate GIS Viewer (Weave)	Corporate system enabling Council staff to analyse information contained within GIS with a suite of tools for multiple forms of data analysis	Assets and Property

System	Purpose	Owner
Corporate Aerial Imagery (NearMap)	Digital aerial images of the Shire produced every 2 to 6 months providing point in time overhead views of the Shire area	Assets and Property
Asset Maintenance Management System (RapidMap)	Desktop and field based maintenance management system which delivers workflow processes for inspecting assets, capturing defects, scheduling works, completing works and reporting, using a single data base of information	Assets and Property (system is administered by Assets and Property on behalf of key users Operations and Parks, and Building Maintenance)
Asset Modelling (Assetic-Predictor)	Provides multiple modelling scenarios for creating capital works programs as well as informing Council of asset investment requirements and budget	Assets and Property
TechnologyOne	Council's financial management system that retain all financial transactions, budgeting and expenditure processes	Finance
A-SPEC Staging Data Base	Central repository and source of truth for all sub-division asset data files	Assets and Property
FME	Streamline the transfer of spatial data between geometric and digital formats	Assets and Property
Nams.Plus3	Online subscription based asset management planning resource produced by IPWEA used to plan, model and communicate asset data	Assets and Property

The asset team maintains additional document resources that are guided by the Council plan and service plans. These documents include:

- > Asset Management Policy
- > Asset Management Strategy
- > Asset Management Plans (Roads, Bridges, Drainage, Buildings, Parks and Open Space)
- > Accounting for Asset Policy
- > Accounting for Assets Procedure
- > Asset Roles and Responsibilities Matrix
- > Audit Program/Budget/Revaluation Program
- > Council also has a risk management plan including asset risks

7. COUNCIL'S ASSET MANAGEMENT

7.5 Managing Risk

Mitchell Shire's risk management framework is used to identify, analyse and treat risks, and provides a logical process for the selection of risk treatments and management actions to protect Council and the community against unacceptable risks.

Figure 10: Abridged Risk Management Process



Council's five Asset Management Plans provide a risk assessment for the asset classes they report on. In the first instance known risks and potential risks are identified and provided a risk rating that triggers corrective action or the establishment of robust controls. The risk mitigation practice is documented in the plan. Some risks cannot be fully eliminated and therefore an assessment of the residual risk is also reported based on the actions or controls nominated.

Examples of risks considered in asset management, and the mitigating controls, are shown in table 6.

Table 6: Example of Asset Risks and Mitigating Controls

Risk Event	Risk Mitigation Practice
Lack of funding for assets results in reduced levels of service	<ul style="list-style-type: none"> > Utilise the asset register to track asset condition > Develop a lifecycle management plan for asset types > Asset information and lifecycle strategy is used to inform the long-term financial plan of when asset investment is required
Failure to maintain assets leaves them unsafe and unsustainable	<ul style="list-style-type: none"> > Undertake regular condition and performance audits > Develop both proactive programs and reactive process to maintain assets > Establish maintenance standards and use these as key performance indicators > Train staff to identify and perform quality maintenance

Risk Event	Risk Mitigation Practice
Accident and injury to community members using Council services	<ul style="list-style-type: none"> > Establish safety inspections and response procedures > Establish prioritisation criteria for maintenance and renewal activities > Currency of public liability insurance > Committee's of management insurance policies are current
Assets do not meet required service expectations	<ul style="list-style-type: none"> > Develop community and social infrastructure plans that inform Council of requirements against numerous social, demographic and regulatory indicators > Develop service strategies that analyse service requirements with a future lens > Have documented levels of service that have been developed with community input > Community engagement
Availability of land for development of new services	<ul style="list-style-type: none"> > Integrated Community and Service Infrastructure Planning > Planning Scheme > Development Contributions Plan and Infrastructure Contributions Plan > Advocate for government assistance > Service Strategies that identify future services and land requirements
Damage to assets from major storm events	<ul style="list-style-type: none"> > Climate adaptation strategy > Climate resilience considered as part of new infrastructure planning > Targeted infrastructure improvements for 'at risk' assets
Assets not meeting predicted economic life	<ul style="list-style-type: none"> > Review funding allocations made to maintenance and renewal of assets > Develop a financial strategy to address funding shortfalls > Establish best practice maintenance strategies informed by industry and peak body groups

8. STRATEGIES FOR ASSET MANAGEMENT

8.1 Asset Strategies

By developing tactical strategies Council will be better able to address the themes of the Community Vision and goals of the corporate plans. These strategies will continue to be monitored and reviewed as part of our asset management journey, with additional strategies developed in time as part of the cycle of continuous improvement.

Table 7: Asset Management Strategies

No.	Asset Management Strategy	Outcome
1	Annual review of Council Asset Management Plans	AMPs are current and continue to reflect corporate strategic direction
2	Asset management plan data is used to update the Long Term Financial Plan	Council continue to be sustainable and has identified funding streams for asset investment
3	Documented levels of service	Service requirements are the key driver for asset investment
4	Maintain the Asset Roles and Responsibilities matrix	There is clear assignment of asset responsibility and stakeholders are clearly identified
5	Undertake the annual asset maturity assessment score card with actions to address organisational capabilities and competencies	Resources focused on priority tasks for continuous improvement of asset services
6	Deliver predictive modelling capability and incorporate into Asset Plans and LTFP	Better decision making regarding asset investment and budgeting
7	Develop corporate sustainability reporting utilising service planning, LTFP, asset plans	Integrated planning and greater corporate efficiencies
8	Assessment of asset systems	Council is using fit for purpose asset management systems
9	Deliver on our annual asset audit program and review annually the audit requirements in a rolling ten year program	Asset data remains current and accurate
10	Create and assign tasks derived from each of the asset management plan improvement actions. Establish a program of works and a reporting framework to ensure tasks are being appropriately completed	Continuous improvement

8.2 Corporate Strategies

As part of the development of Council's five Asset Management Plans, all relevant strategies across the organisation and within state government, are acknowledged as they will contribute to the integrated planning approach to the development of new infrastructure in Mitchell Shire.

Table 8: Corporate Strategies

Strategy	Strategy Owner
Integrated Community Services and Infrastructure Plan	Advocacy and Communities
Kindergarten Infrastructure Service Plan	Advocacy and Communities
Life Stages Strategy	Advocacy and Communities
Aquatics Strategy	Advocacy and Communities
Township Structure Plans	Economy Growth and Infrastructure
Community Infrastructure Sequencing Report	Advocacy and Communities
Environmental Sustainability Design for Buildings Policy	Economy Growth and Infrastructure
Open Space Strategy	Advocacy and Communities
Play Space Strategy	Advocacy and Communities
Master Plans (Various sites)	Advocacy and Communities
Sports Development Plan	Advocacy and Communities
Sports Field Feasibility Study	Advocacy and Communities
Road Management Plan	Economy Growth and Infrastructure
Environment Strategy	Economy Growth and Infrastructure
Economic Development Strategy	Economy Growth and Infrastructure
Hume Regional Growth Plan	Department Environment Land Water and Planning
North Growth Corridor Plan	Victorian Planning Authority
Plan Melbourne 2017 - 2050	Department Environment Land Water and Planning

9. ASSET MANAGEMENT EVALUATION

9.1 Asset Evaluation Process

There are three critical processes Council is developing regarding the evaluation of the performance of the asset management framework.

Figure 11: Governance of Asset Management



9.1.1 Asset Plan Improvement Actions

Every asset plan (including each updated revision) will include a set of improvement actions which will address a weakness in Council's existing asset management framework or asset management processes. The improvement action register is provided as an appendix to this plan.

The improvement action register becomes a program of works that will be supervised by the Strategic Asset Management Working Group, and delivered through collaboration with key stakeholders to a set timeframe deemed appropriate by the SAMWG.

9.1.2 Current Asset Plan Performance

Asset Plans for each of the five asset categories of Roads, Bridges, Buildings, Drainage and Park and Open Space are developed with a four-year utility period but they have a 10-year planning horizon.

The Asset Management Plans provide a number of statistics and financial indicators regarding investment requirements and the predicted future state of assets. To ensure the asset plans remain an effective strategic document, then the estimates, assumptions and expected outcomes need to be regularly examined and tested for conformity to the plan earlier than the 10-year horizon. In this way we will continue to review the plan, and our performance against the plan, and assess any change requirements.

9.1.3 Asset Plan Revision

Each asset plan is a strategic document for the management of a class of related assets. There are many information sources required to generate the plan and many stakeholders who will be invested in the asset plan development. Therefore, asset planning should be regarded as a process warranting a high level of project management to ensure all the necessary inputs to the plan are ready in a timely way, to be checked against other corporate planning documents, and by key stakeholders, as part of our integrated planning process.

9.2 Evaluation – NAMS.Plus

Council will also utilise the National Asset Management Assessment Framework for performance evaluation. Council holds a subscription to the Institute of Public Works and Engineering (IPWEA) product, NAMS.Plus3 which provides planning resources for asset management. NAMS.Plus3 also includes the maturity assessment guide designed to assist Council's move from a core level of asset management competency, to advanced. Council's maturity status can be reported and measured against 11 key elements that must all be 100% addressed to classify as an advanced asset management Council.

Reporting Council's maturity score card on an annual basis to the SAMWG will be one further key performance indicator of our ability to manage the community's assets successfully.

10.SUMMARY

The Asset Plan demonstrates Council has in place an asset management framework and an assets governance structure, for the sustainable management of community infrastructure.

While Council is not without its challenges regarding future demand for more and growing services, Council has an awareness of what is ahead, and has a framework in place that will support decision making.

Council does recognise the need for continuous improvement in asset management with focus areas being community engagement, service planning, and creating a better informed long-term financial plan based on sound asset management plans.

Council will continue to improve its asset knowledge and has systems and processes in place to ensure asset information contributes to our strategic planning.

Council is aware that we have a gap in our ability to meet all our renewal demand, as well as meet all future infrastructure needs. By applying this asset plan we will continue to refine our strategies and plans over time, to improve on this position, and continue to provide sustainable infrastructure capable of meeting the needs of the community now and into the future.



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APPENDIX

Asset Improvement Plan

The following is a summary of key themes and some specific tasks that have been identified through the review of Council's asset management plans. The complete list of improvement actions can be obtained from each of the individual asset plans. For roads, bridges, buildings, drainage and parks and open space.

Task no.	Task	Responsibility	Resources Required	Timeline
1	Complete service plans for community services to inform future budget and asset requirements	Service Managers	Internal/ Consultant support	June 2024
2	Undertake level of service planning to inform capital and maintenance requirements	Service Managers	Internal/ Consultant support	June 2024
3	Continue to implement, review and improve field based asset maintenance management systems	Maintenance Service Managers	Internal/ Consultant support	Ongoing
4	Develop a formal multi-year asset renewal program in conjunction with service managers with priority, criticality and risk assessments	Service Managers/ Manager Strategic Assets	Internal	September 2023
5	Undertake a review of Conquest structure for building assets and determine if building components should be recorded as financial assets and periodically revalued	Manager Strategic Assets and Property	Internal	June 2023
6	Provide absolute clarity regarding Roles and Responsibilities of Teams with regard to the development of levels of service and capital works planning and the delivery of maintenance and operational functions for service buildings	Service Managers/ Manager Strategic Assets and property	Internal	Annual Review

Task no.	Task	Responsibility	Resources Required	Timeline
7	Implement service agreements with service managers for the maintenance and inspection of buildings used for each of the respective services. This will set out key responsibilities of occupiers/tenants, time frames for response and expectations for more significant works	Service Managers/ Manager Strategic Assets and property	Internal/ Consultant Support	June 2024
8	Develop a criticality framework for Council's assets to inform lifecycle management decisions	Service Managers/ Manager Strategic Assets and property	Internal	June 2023
9	Formalise agreements/MOU for the management of municipal boundary roads and bridges between Mitchell Shire and neighbouring Council's to clearly articulate the responsibilities of the various coordinating road authorities	Manager Engineering and Major Projects/ Manager Operations and Parks	Internal/ Consultant Support	June 2024
10	Review the structural capacity of those bridges which are presently subject to load restrictions to verify that the posted load restrictions are still current	Manager Engineering and Major Projects/ Manager Operations and Parks	Internal/ Consultant Support	June 2023
11	Develop a transport strategy to delineate a priority freight network to meet the needs of the increased freight task and to guide future investment in bridge upgrades. This should also involve determining alternative routes to avoid bridges or major culverts with limited load carrying capacity	Manager Engineering and Major Projects/ Manager Operations and Parks	Internal/ Consultant Support	June 2025
12	Work with Developers to ensure A-Spec data is provided to Council as part of certification process and asset hand over	Manager Strategic Assets and property	Internal	Ongoing

APPENDIX

Asset Improvement Plan

Task no.	Task	Responsibility	Resources Required	Timeline
13	Ensure all assets within the data set have a current replacement cost and year acquired	Manager Strategic Assets and Property	Internal	June 2023
14	Identifying Operational versus Maintenance Costs	Service Managers/ Manager Finance	Internal	June 2024
15	Council should undertake proactive CCTV inspection of underground stormwater pipes which, according to present condition data, are near the end of their useful life. Useful lives should be reviewed and updated according to the outcomes of these investigations	Manager Strategic Assets and property/ Manager Engineering and Major projects	Internal/ Consultant Support	10km of main trunk network every 3-4 years
16	Collect up to date inventory data for Council's assets suitable to inform strategic and operational analysis and decisions. Include lifecycle management considerations in future data collection activities (e.g., condition, capacity, function, sustainability)	Manager Strategic Assets and property/ Service Managers	Internal	Commencing with next Condition Audit and continuing
17	Finalise establishment of maintenance performance standards and have these organisationally endorsed	Service Managers	Internal/ Consultant Support	June 2024
18	Review and update asset useful (standard) lives to reflect their current performance and current levels of service	Manager Strategic Assets and Property	Internal	In line with revaluation program

Task no.	Task	Responsibility	Resources Required	Timeline
19	Determine additional operational and maintenance requirements as a result of new and upgraded assets and as determined through service planning	Manager Strategic Assets and Property/ Service Managers/ Manager Finance	Internal	Annual review
20	Perform an analysis on road network to understand the length of roads that do not currently meet the allocated hierarchy classification Using a strategic network model, determine if road requires upgrade, or can be reclassified, or can be treated differently throughout chainage of the road	Manager Strategic Assets and property/ Manager Engineering and Major projects	Internal	June 2024
21	Significantly increase the effort to collect traffic counts on roads to inform levels of service	Manager Strategic Assets and property/ Manager Engineering and Major projects	Internal/ Consulting Support	Ongoing
22	Closely monitor and set in place a program to address 11 pillars of asset management to assist Mitchell achieve core asset management competency	Manager Strategic Assets and Property	Internal	Annual Review and Report





www.mitchellshire.vic.gov.au



MITCHELL SHIRE COUNCIL

113 High Street, Broadford 3658

 (03) 5734 6200

 mitchell@mitchellshire.vic.gov.au

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