

OUR PLACE, OUR FUTURE

Strategic Asset Management
Plan 2022-2032



Our Vision

The Lithgow Local Government Area will be a centre of regional excellence that:

- Encourages community growth and development
- Contributes to the efficient and effective management of the environment, community and economy for present and future generations.

This Strategic Asset Management Plan has been prepared Lithgow City Council to support the delivery of its long-term strategic direction. It forms part of the Integrated Planning and Reporting suite of documents **and should be read in conjunction with Council's** Community Strategic Plan, Resourcing Strategy, Delivery Program, Operational Plan, Long-Term Financial Plan and Workforce Plan. For more information on this document contact:

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Summary

The Strategic Asset Management Plan has been prepared following engagement with the **community on Council's service delivery practices**, financial sustainability indicators, asset management maturity and the objectives identified in the Community Strategic Plan. The Strategic Asset Management Plan also includes an Asset Management Improvement Plan, which details a program of tasks and nominated resources required as part of **Council's** commitment to the continuous improvement of the organisation, and the endeavour to provide services needed by the community in a financially sustainable manner.

This Strategic Asset Management Plan for Lithgow City Council has been developed in accordance with the Integrated Planning and Reporting Framework Guidelines.

This Strategic Asset Management Plan will assist Council in improving the way it delivers services from infrastructure including buildings, other structures, roads, bridges, footpaths, water, sewerage, stormwater drainage, and recreational facilities.

The Strategic Asset Management Plan enables Council to:

- Show how its asset portfolio will meet the service delivery needs of its community into the future;
- **enable Council's Asset Management Policy** to be achieved; and
- **ensure the integration of Council's asset management with its long-term financial plan.**

Introduction

Council delivers a variety of valuable services to the community and in doing so, must ensure that the assets supporting these services are managed with a whole of life asset management approach. A key issue facing Local Governments throughout Australia is the management of ageing assets in need of renewal and replacement. The life cycle management approach optimises asset acquisition, maximises use of assets and manages service and operational costs.

The Integrated Planning and Reporting Framework recognises that communities do not exist in isolation – they are part of a larger natural, social, economic and political environment that influences, and to a large extent shapes, their future direction. The Framework acknowledges that Council and the community work hand in hand to shape the direction of the Local Government Area through the development of plans and strategies based on visions and ideals for a sustainable future.

Lithgow City Council's infrastructure assets represent a vast investment over many generations that support modern living in the community. Millions of dollars are spent annually managing Council's infrastructure and it is imperative that Council employs the best asset management skills and practices to ensure that related services are delivered economically and sustainably.

Community and organisational goals and objectives have guided the development of this Strategic Asset Management Plan to ensure the management of Council's assets reflect the broader community long-term objectives contained in the 'Our Place: Our Future' 2035 Community Strategic Plan.

The 'Our Place: Our Future' 2035 Community Strategic Plan provides strategic direction, addressing the community's issues to achieve the long-term objectives under the following themes:

- Caring for Our Community
- Strengthening Our Economy
- Developing Our Built Environment
- Enhancing Our Natural Environment
- Responsible Governance and Civic Leadership

Council demonstrates its commitment to asset management through the Asset Management Policy, Strategic Asset Management Plan and a suite of Asset Management Plans, which apply to all infrastructure assets owned by Council. The Strategic Asset Management Plan can be viewed as a first-tier plan being supported by more detailed Asset Management Plans. It provides direction to guide asset management actions into the future and ensures Council continually improves the management of its infrastructure.

It is vital that Council develops and maintains rigorous asset management processes, as asset management is a key driver of the ten-year (10) Year Long-Term Financial Plan through its renewal and capital works program.

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

- A strategic longer-term plan covering, as a minimum, the term of office of the Councillors and:
 - bringing together asset management and long-term financial plans;
 - demonstrating how Council intends to resource the plan; and
 - consultation with communities on the plan.
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
 - explanation to the community on variations between the budget and actual results;
 - any impact of such variances on the strategic longer-term plan; and
 - report of operations with review on the performance of the Council against strategic objectives.¹

¹ LGPMC, May 2009, Framework 3 Financial Planning and Reporting.

Framework 2 Asset Planning and Management has seven (7) elements to assist in highlighting key management issues, promote prudent, transparent and accountable management of Local Government assets and introduce a strategic approach to meet current and emerging challenges. These elements include:

1. Asset Management Policy
2. Strategy and planning, comprising of
 - a. Strategic Asset Management Plan and
 - b. Individual Asset Management Plans
3. Governance and management arrangements
4. Defining levels of service
5. Data and systems
6. Skills and processes and
7. Evaluation²

The Strategic Asset Management Plan enables Council to show:

- how **Council's** asset portfolio will meet the service delivery needs of the community into the future;
- how **Council's asset management policies** are achieved, and
- the **integration of Council's asset management with its** long-term strategic plan.³

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

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

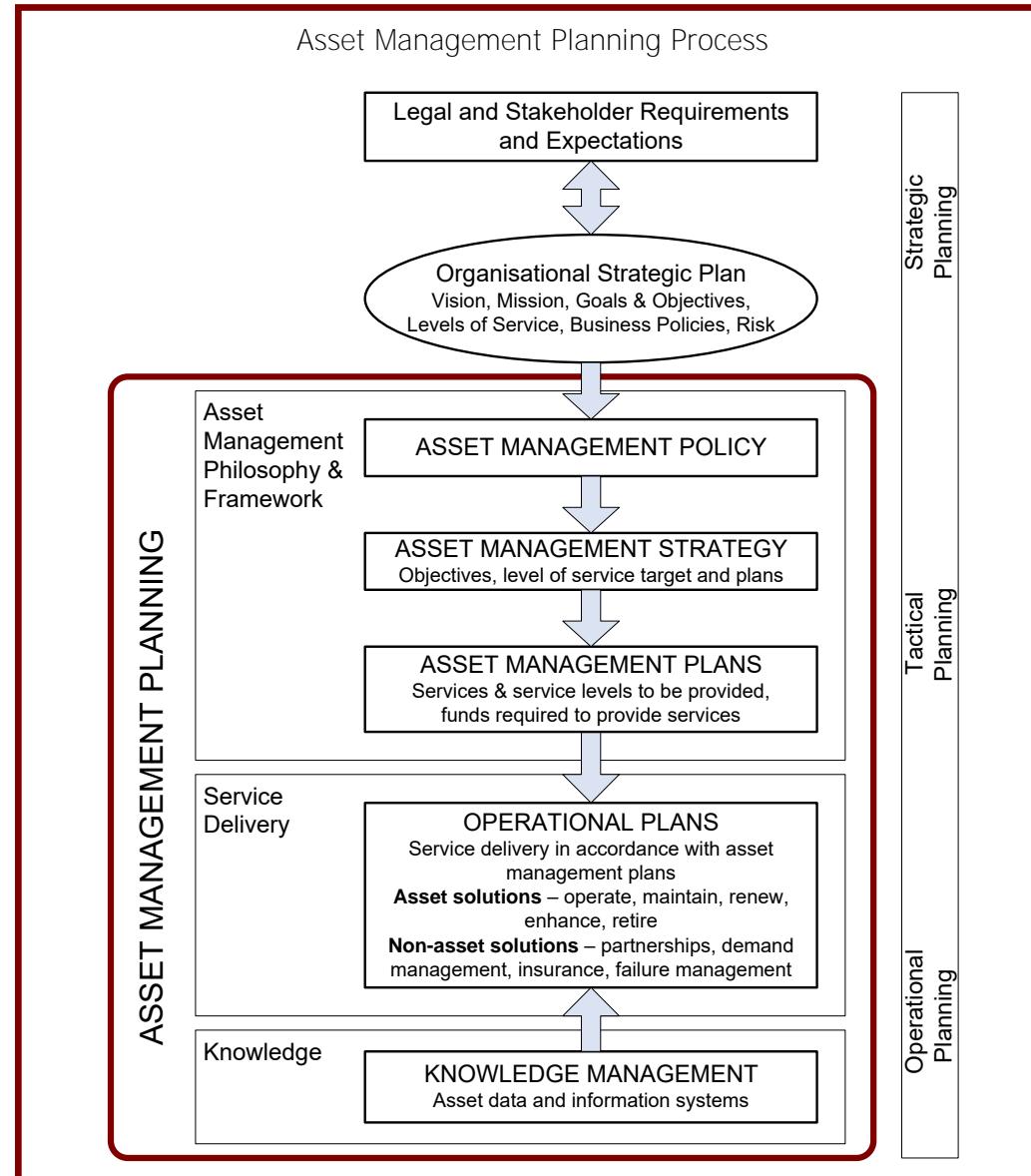
² LGPMC, May 2009, Framework 2 Asset Planning and Management, p 3.

³ LGPMC, May 2009, Framework 2 Asset Planning and Management, p 4.

Asset Management Planning Process

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

Asset management planning commences with defining stakeholder and legal requirements and needs, incorporating these needs into the **organisation's strategic plan**, developing an asset management policy, Strategic Asset Management Plan, asset management plans and operational plans, linked to a long-term financial plan with a funding plan.⁴



Asset Management Policy and Objectives

Purpose of the Asset Policy

The purpose of Council's Asset Management Policy is to guide the strategic management of Council's assets. The Asset Management Policy defines the Council's vision and service delivery objectives for asset management in accordance with legislative requirements, community needs and affordability. The Strategic Asset Management Plan has been developed to support the Asset Management Policy.

The original Policy was adopted by Council on the 23 April 2012, and the revision of this Policy (v4) was adopted by Council on 27 September 2021. A copy of the current Policy is attached at Appendix A. The Policy outlines how and why asset management will be undertaken across Council as a whole, and is designed to set the broad framework for undertaking asset management in a structured way.

For comparison, the Strategic Asset Management Plan is a working document that determines benchmarks and milestones that are aimed at improving Council's asset management processes and procedures, and is continually reviewed in conjunction with other Council plans, including the Community Strategic Plan, Resource Strategy, Delivery Program, Operational Plan, Long-Term Financial Plan and Workforce Plan.

The Asset Management Policy also details the role and responsibilities of Council's Executive Leadership Team (ELT), which enables cross functional representation of Council's departments. This enables a streamlined approach ensuring that successful asset management is achieved. ELT also addresses asset management requirements for Council to comply with the requirements of Integrated Planning and Reporting Framework, and to undertake the actions detailed in Council's Asset Management Improvement Plan.

Objectives of the Strategic Asset Management Plan

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council develops and maintains asset management governance, skills, processes, data and systems to provide services to our present and future community in the most cost-effective and sustainable manner.

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

The objectives of the Strategic Asset Management Plan are to:

- Ensure **that the Council's infrastructure services are provided in an economically optimal way, with the appropriate level of service** to residents, visitors and the environment determined by reference to Council's financial sustainability;
- Improve the condition of our assets over a ten-year (10) period by implementing optimised maintenance and renewal programs based on the remaining useful life, condition and allocated funding;
- Manage assets in a worn and poor condition with appropriate risk management strategies;
- Improve our existing data by ensuring that all assets are assessed (or reassessed) and appropriate useful lives and conditions assigned to each component;
- Plan any future projects that aim to create or upgrade assets with a full understanding of the whole of life costing for the asset;
- Develop Asset Management Plans into advanced plans that provide detailed service levels, funding and future maintenance and capital works for each asset group;
- Review the Strategic Asset Management Plan and Asset Management **Plans to ensure alignment with Council's Integrated Planning & Reporting documents**;
- **Safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets**;
- Adopt the long-term financial plan as the basis for all service and budget funding decisions;
- Meet legislative requirements **for all Council's operations**;
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated; and
- Provide high-level oversight of financial and asset management responsibilities by **Council's Executive Leadership Team (ELT)** on the development, revision and implementation of the Strategic Asset Management Plan and Asset Management Plans.

Where are we now?

Current Situation

In developing the Strategic Asset Management Plan, Council needed to understand the current situation of Council's assets and their management. This included consideration of the following:

- What assets do we have and where are they?
- What is the current condition of assets?
- Do they meet Council's and the community's current and forecast needs?
- Is the funding base for operation, maintenance and renewal appropriate and affordable?
- What is the state of Council's asset management practices, procedures and training?

In 2013 the NSW Government released the Local Government Infrastructure Audit Report which reviewed all NSW **Council's** infrastructure management and infrastructure financial planning. The independent report determined **Lithgow City Council's** infrastructure management as **Moderate**.

Council has previously engaged the services of a Consultant **to undertake a review of Council's asset maturity, with this review highlighting Council's current strengths and opportunities for improvement in relation to asset management.** Council worked with the Consultant to prepare an Asset Management Improvement Plan, and identified actions and suitable timeframes for completion of the recommendations resulting from the report. Council is working towards completing the actions identified in the Asset Management Improvement Plan, and expects most actions to be completed prior to the next review of the Strategic Asset Management Plan (excluding items that involve continuous monitoring, review and improvement).

Asset Cost, Condition and Value

The cost, condition and value of assets are reported each year in financial statements within the Annual Report. Report C1-6 '**Infrastructure, property, plant and equipment**' provides the appropriate information relating to infrastructure assets.

The table below is an extract of information included in **Council's 2020 / 2021 Annual Report**:

	\$'000 as at 30 June 2021		
	At Fair Value	Accum Dep'n	Carrying Value
Buildings	76,682	28,932	47,750
Other Structures	27,548	9,145	18,403
Roads	345,389	88,051	257,338
Bridges	27,044	4,839	22,205
Footpaths	17,754	4,231	13,523
Bulk earthworks	27,410	-	27,410
Stormwater	41,464	15,205	26,259
Water supply	100,593	63,169	37,424
Sewerage	124,755	47,831	76,924
Recreational Facilities (Swimming Pools)	2,445	102	2,343
Total	791,084	261,505	529,579

Currently Council's financial and technical asset registers are stored in Council's Enterprise Asset Management System (EAM). The information in both registers is currently being linked to enable easy integration between the two (2) registers to occur immediately upon asset information being updated in either register. Council's standard practice is for quarterly check on system reconciliation to occur.

Infrastructure Backlog

Council's infrastructure backlog represents the cost to bring assets in a worn and poor condition up to an acceptable standard, and assesses the rate at which the assets are being renewed relative to the rate at which they are depreciating.

Council has recently reviewed the asset registers and the backlog figures, which was previously reported in the 2020 / 2021 Annual Report as **51.75%**. Council's performance has decreased due to implementing a strategy to reduce capital works to facilitate an increase in cash flows.

The infrastructure backlog ratio compares the backlog figure to the written down value of our assets (WDV). The ratio determines if the asset backlog is manageable.

Figure 1 shows the infrastructure backlog over a ten-year (10) period. The projections each **year are based on the previous year's backlog**, adding depreciating and deducting renewal expenditure. The renewal expenditure is adopted in the Long-Term Financial Plan and will be revised each year to ensure that Council reallocates renewal to asset groups with a higher backlog figure.

Infrastructure Backlog Ratio (%)	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Buildings and Infrastructure	2.1%	2.1%	2.0%	2.0%	1.9%	1.9%	1.8%	1.8%	1.7%	1.7%

Table 1 - Infrastructure Backlog Ratios (identified in Scenario 3 – Maintain Service Levels in the LTFP)

Asset Renewal Expenditure

Renewal is activities undertaken to refurbish or replace assets with assets of equivalent capacity or performance capacity. Renewal works are included in Council's Capital Works Program.

Figure 2 displays the asset renewal ratio **forecasts identified in Council's ten (10) year Long-Term Financial Plan**. The asset renewal ratio compares renewal expenditure to the depreciation of assets. The ratio indicates if the asset renewal expenditure is sufficient to maintain the assets in the long-term. The 2015 / 2016 actual ratio was 55.87%, well below the sustainable target of 100%. The 2022 Long-Term Financial Plan demonstrates that Council plans to exceed the OLG (Office of Local Government) (Office of Local Government) benchmark of 100% by 2023/24, and increases for future years.

Asset Renewal Ratio (%)	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Buildings and Infrastructure	91.64%	103.62%	104.65%	105.69%	106.74%	107.35%	108.37%	108.97%	107.71%	108.77%

Table 2 - Asset Renewal Ratio (identified in Scenario 3 – Maintain Service Levels in the LTFP)

Asset Maintenance Expenditure

Maintenance is the activities required or undertaken by Council to preserve the original condition of the assets. The required maintenance, which is reported in 2020 / 2021 Annual Report, is the amount that Council should be spending on its assets and is based on the percentage of the replacement cost. Actual maintenance includes the budgeted amount that Council will spend on preventative, corrective and reactive maintenance annually. The reported figure compares actual versus required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Council has recently reviewed the asset registers and the backlog figures, which was previously reported in the as 121.66%. Council has met this key performance indicator due to the implementation of the Asset Management module in Technology1 and implementing Asset Management Plans

Figure 3 displays the asset maintenance ratio forecasts identified in Council's ten (10) year Long-Term Financial Plan. The asset maintenance ratio compares the figures and demonstrates how Council meets the OLG benchmark of 100% by 2028/29 of the Long-Term Financial Plan. Maintenance expenditure will be revised each year to ensure that Council continues meet the 100% benchmark.

Asset Maintenance Ratio (%)	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Buildings and Infrastructure	90.2%	92.3%	94.4%	96.6%	98.9%	101.2%	103.5%	105.9%	108.4%	110.9%

Table 3 - Asset Maintenance Ratio (identified in Scenario 3 – Maintain Service Levels in the LTFP)

New / Upgrade Expenditure

Capital new expenditure creates assets which will deliver a service to community that did not exist beforehand, whilst capital upgrade enhances an existing asset to provide a higher level of service to the community. New and upgrade works are included in Council's Capital Works Program and are funded through a combination of rate funding, Developer Contributions, successful grant applications and loan funding.

Figure 4 shows the ten-year (10) capital new and upgrade expenditure forecasts identified in Council's Long-Term Financial Plan.

New & Upgrade Asset Expenditure (\$)	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Building and Infrastructure										
- Asset Renewals	2,049	11,049	11,278	11,511	13,752	11,993	12,241	12,495	12,754	13,018
- New Assets	12,416	0	0	0	0	0	0	0	0	0
Water Fund										
- Asset Renewals	504	950	974	998	1,023	1,049	11,075	11,102	1,129	1,157
- New Assets	331	0	0	0	0	0	0	0	0	0
Sewer Fund										
- Asset Renewals	911	1,400	1,460	1,522	1,586	1,654	1,724	1,797	1,874	1,953
- New Assets	6,462	0	0	0	0	0	0	0	0	0

Table 4 – Asset Renewals and New Assets (identified in Scenario 3 – Maintain Service Levels in the LTFP)

Risk Management

Council has developed and implemented a Risk Management Framework meeting the requirements of the International Risk Management Standard ISO31000. This framework establishes how Council views its exposure to risk as well as the administrative, human and financial resources necessary to enable those exposures to be managed effectively whilst meeting Council objectives.

Key to this process was the identification of significant risks, which required action to reduce the level of risk presented to Council and the Community. Asset Management was one area that was identified as presenting a significant risk to Council – the risk presented by the age of assets, condition and available resources for asset maintenance and renewal.

The Risk Management Procedure sets out the principles and processes the organisation uses to identify assess and manage risks in a broad context. **Essentially, Council's asset management practices integrate risk management principles throughout both strategic and operational processes.** However, it is important that the risk management practices are consistent and documented across all these processes. To ensure this consistency with minimal duplication, the Asset Management Risk Guide (shown in flow chart on page 21) defines how the risk management processes are integrated both strategically and operationally.

Each group of asset custodians are responsible for maintaining a risk register to assist in the identification of significant risks for their asset class. These detailed Risk Registers feed relevant risk information and risk treatment actions into both the Strategic Asset Management Plan and individual Asset Management Plans.

This Strategic Asset Management Plan defines high level significant risks, which impact across asset management in general. Each asset overview has a summary of the key significant risks and risk controls for the asset class / group / type.

The Strategic Asset Management Plan for each asset class have a detailed evaluation of the significant risks, risk treatments and risk monitoring activities that are carried out by asset custodians. **Council's WHS (Work Health and Safety) & Risk Coordinators provide ongoing assistance to the asset custodians, including training and technical assistance throughout the risk management process.**

The demonstration of senior management support for Council Risk Management Framework can be summarised in four words: vision, direction, leadership and communication.

By being more involved in the review of risks, senior managers can be assured that the outputs of the Council Risk Management Framework will have the desired result of reducing uncertainty and increasing the probability that outcomes at all levels will be achieved.

Integration into Strategic and Business Planning

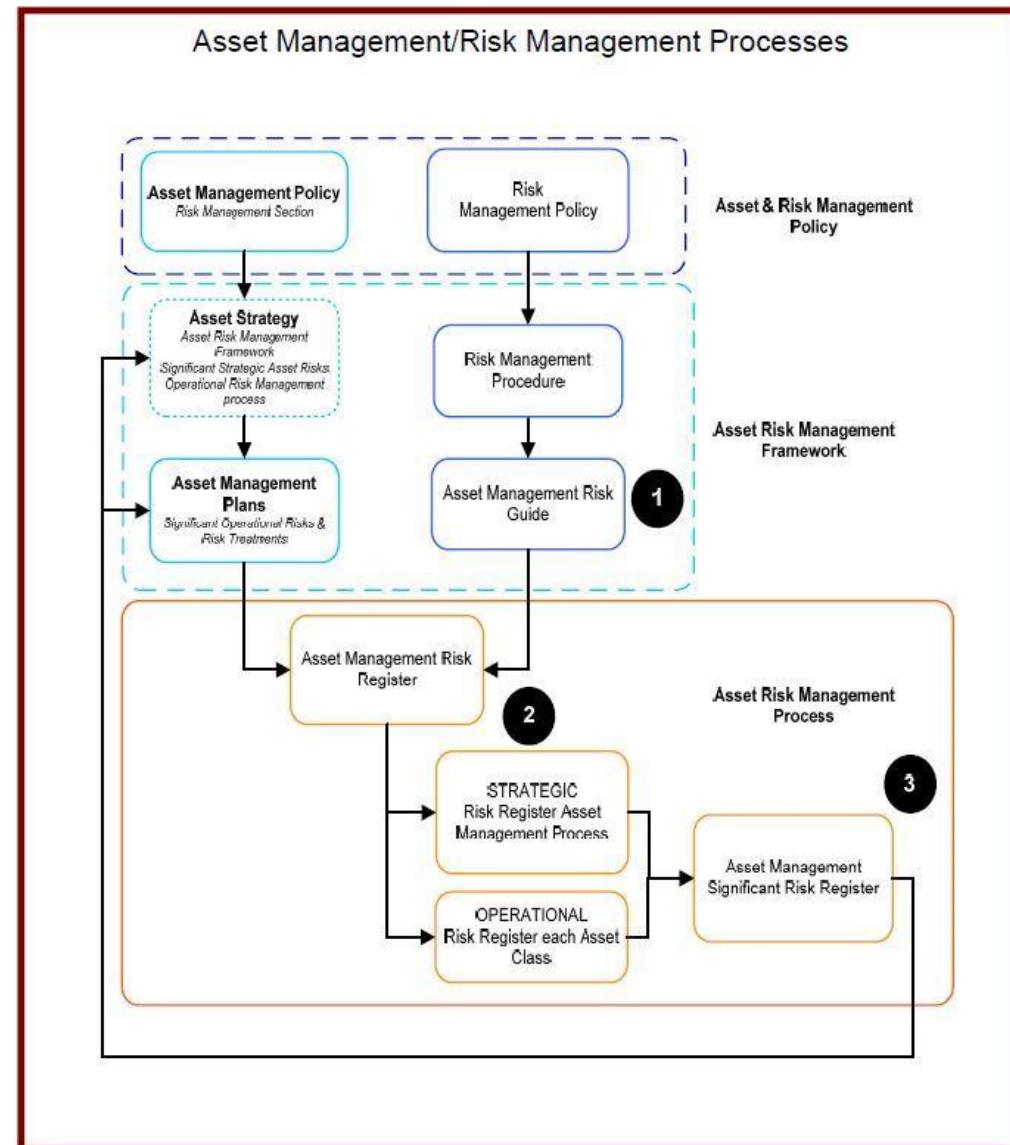
A key requirement in all strategic and business planning is the integration of the risk management discipline with the planning process. When conducting strategic planning, the organisations attuned to their environment will ensure that once strategies are developed the risks of achieving those strategies will be identified, reviewed and where possible, appropriate measures will be adopted to minimise the likelihood of the events occurring and / or severity of consequences if these events were to occur.

Critical Assets

Critical assets are those assets where the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. The following facilities **are essential for Council's operations** and are considered critical assets;

- Council's Administration Building;
- Council works depots located at Lithgow and Wallerawang;
- Oakey Park Water Treatment Plant;
- Sewerage Treatment Plants located Lithgow, Wallerawang and Portland;
- Civic Ballroom;
- Lithgow Library;
- Farmers Creek Number 1 and Number 2 Dams;
- Water Reservoirs and Pumping Stations located at Lithgow, Marrangaroo, Wallerawang, Lidsdale, Tarana and Portland;
- Sewerage Pumping Stations located at Lithgow, Marrangaroo, Wallerawang, Lidsdale and Portland.

The risks associated with these assets include public health and safety, business continuity and emergencies. With the revision of the current suite of Asset Management Plans further investigation of critical assets and the required maintenance strategies will be developed.



Community Levels of Service

Council regularly conducts customer satisfaction surveys to determine community attitudes towards the services and facilities provided, and the quality and appropriateness of each of its services.

Throughout late 2021 and early 2022, Council consulted with the community via telephone and online surveying to examine community attitudes and perceptions towards current and future services and facilities provided by Council. Key objectives of this research included:

- Understanding and identifying the community's **priorities for the Lithgow Local Government Area**;
- **Identifying the community's perceived quality of life**
- **Identifying the community's level of agreement with statements regarding the Lithgow City Council area**;
- Gauging the level of support towards a range of future Council; projects and initiatives; and
- Understanding **the community's level of resilience in relation to significant events**.

The survey asked the community to respond on the importance and satisfaction over a range of facilities and services Council provides. The main priorities issues for the next ten (10) Years centred on increasing economic development and tourism to attract more business and people / job opportunities, upgrading / maintaining roads, providing services and facilities for youth / children and shifting to energy efficiency / alternative energy.

Respondents also indicated a preference for changes to be made, including upgrading / maintaining roads, increasing economic development and tourism to attract more business and people / job opportunities, and more / better shopping options.

The community consultation assisted with determining priorities and understanding the community's desired service levels. This information has been incorporated into the Strategic Asset Management Plan and assists with funding decisions identified in the Long-Term Financial Plan to deliver the community's outcomes. Council also needs to measure its performance to know whether it is achieving or making progress towards achieving these outcomes, and to make choices about the services it delivers and what service level is required. There may even be new services required and Council needs to look at the full program of services to ensure they are affordable and sustainable.

Until recently the 'Level of Service' provided by Council's assets was primarily governed by the condition of these assets. Currently, there are no formally adopted service levels. Council is continuing to further develop and revise service levels with the revision and advancement of its Asset Management Plans for each asset group, and will be linking these service levels with community priorities. To do this, Council plans to undertake regular surveys with the community to ensure the services provided are important to them, and that they are satisfied with the performance, availability and affordability of those services.

Council's Vision, Goals and Objectives – Our Future

This Strategic Asset Management Plan is prepared to achieve the vision, aspiration and long-term objectives of the community and identified in the Community Strategic Plan. The table below shows the link between the Community Strategic Plan and this Strategic Asset Management Plan, with all asset classes having integration with one or more theme:

Theme	Community Aspiration	Long Term Objective
Caring for Our Community	Planning and providing quality community and recreational facilities and services for a healthy, vibrant and harmonious community	Working together to support, celebrate and expand the social and cultural diversity of our community whilst promoting healthy, active lifestyles in a safe environment
Strengthening Our Community	Providing for sustainable and planned growth that supports a range of lifestyle choices and employment opportunities	Exploring and discovering the richness in our society through the pursuit of educational, creative and cultural opportunities to diversify our economy, skills base and employment opportunities
Developing Our Built Environment	Planning for suitable infrastructure development to promote sustainable and planned growth, while enhancing the existing identity of the towns villages and rural areas of the local government area	Ensuring sustainable and planned growth through the provision of effective public and private transport options and suitable entertainment and recreational facilities to enhance the lifestyle choices of the community
Enhancing Our Natural Environment	Planning to conserve and preserve the natural environment whilst balancing the impact of development to ensure a sustainable and healthy community	Working together to enhance, manage and maintain the Lithgow region's distinct and exception natural environment for the enjoyment of current and future generations
Responsible Governance and Civic Leadership	Ensuring integrated corporate plans that set the long-term direction for the local government area and Council	A Council that focuses on strong civic leadership, organisational development and effective governance with an engaged community actively participating in decision making processes affecting their future

Life Cycle Management

Buildings

Council's Building asset class is separated into operational buildings (Council offices, bush fire sheds, storage sheds, workshops, and depots), commercial buildings (Council owned and leased residential properties and retail services), and community buildings (public toilet amenities, libraries, halls, clubhouses and shelters). These assets are maintained by the Building Program within Council's Infrastructure Services Department. All asset information pertaining to Building assets is contained within Council's asset registers and further detailed information on Council's Buildings is held within Council's Enterprise Asset Management System (Technology1).

Current Information - Buildings and Other Structures		
Assets:	Two hundred and thirty-nine (239) buildings and other structures are owned / controlled by Council, including community halls, Council offices, Council depots, commercial premises, residential properties, public amenities, pavilions, bus shelters, barbecue structures, sporting clubhouses, machinery sheds, picnic shelters, sporting centres, boat ramps etc.	
General Assessment of Condition:	Condition Rating	% of Asset Value
	1 – Excellent	8
	2 – Good	32
	3 – Satisfactory	26
	4 – Worn	24
	5 - Poor	10

Community Objective

The Buildings asset class supports the long-term objectives of Council's Community Strategic Plan through the following themes;

- *Caring for Our Community* - An equitable and inclusive community that cares and provides for its members
- *Strengthening Our Community* – Our city, towns and villages have adequate community buildings to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* – Multipurpose community buildings and facilities are available to meet the community's diverse and changing needs
- *Enhancing Our Natural Environment* – Buildings that are constructed sustainably, whilst protecting and enhancing the environment in our city, towns and villages
- *Responsible Governance and Civic Leadership* – Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires

Available data and funding

Council's Building asset data, reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed by a registered valuer in 2020. Buildings have been valued at a component level, including structural elements, internal fittings, electrical elements, mechanical elements, fire / safety elements, transport elements and roof elements.

This assessment has recently been completed by a registered valuer, resulting in a significant improvement of building asset condition and an increase in useful lives that has **decreased Council's depreciation**.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects building conditions **on a reactive basis or through customer requests. This will be completed as part of Council's Asset Management Improvement Plan**, and the data will be imported into the corporate asset management systems by 30 June 2023.

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Buildings Capital Program	1,961	1,244	1,269	1,295	1,322	1,349	1,376	1,405	1,433	1,463

Table 5 - Buildings Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately. Council will develop data collection procedures and programs for all assets.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Building category.

Council will develop advanced Asset Management Plans based on the data review undertaken as part of the Fair Valuation revaluations scheduled for 2023 / 2024.

The corporate asset management system will be updated to reflect the revised Buildings data, and will be updated on a regular basis, including **mapping of assets in Council's GIS system**.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Building assets.

Council will continue to review operational and capital expenditure and where necessary reallocate funding to ensure these assets are maintained to community expectations and the infrastructure backlog is reduced.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable **within Council's resources**.

Maintenance and renewal methodologies will be documented and used to review the operational and capital expenditure against community expectations.

Other Structures

Council's Other Structures class includes assets such as fencing, carparks, security lighting, close circuit television equipment, park benches, flag poles, cemetery **columbarium's**, paths, park equipment, barbecue equipment and boardwalks. These assets are maintained by various Departments within Council. All asset information pertaining to each group is contained within Council's asset registers and further detailed information on Council's Other Structures is held within Council's Enterprise Asset Management System (Technology1).

Community Objective

The Other Structures class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Caring for Our Community* - An equitable and inclusive community that cares and provides for its members
- *Strengthening Our Community* – Our city, towns and villages have adequate structures to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* – **Community structures are available to meet the community's diverse and changing needs**
- *Enhancing Our Natural Environment* – Community structures that are constructed sustainably, whilst protecting and enhancing the environment in our city, towns and villages
- *Responsible Governance and Civic Leadership* – Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires

Available data and funding

Council's Other Structures data, reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed by a registered Valuer in 2020. A recent reassessment has been undertaken by an independent Consultant, resulting in the review of the useful lives, condition and valuation of the assets.

A review of the data by Council (as part of the Fit For the Future review) has identified that Council needs to complete a revision of the categories of these components for inclusion in separate Asset Management Plans.

This assessment has recently been conducted by a registered valuer, in line with the required Fair Valuation review, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects **Other Structure conditions on a reactive basis or through customer requests. This will be completed as part of Council's Asset Management Improvement Plan**, and the data will be imported into the corporate asset management system by 30 June 2023.

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Other Structures Capital Program	218	805	822	839	856	973	891	909	928	947

Table 6 - Other Structures Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will review the categories included in the Other Asset registers, to determine the value of incorporating these categories into other existing Asset Management Plans for streamlining of monitoring and reporting.

Roads

Council's road network comprises of roads (bulk earthworks, pavements, and surfaces), footpaths, and kerb and gutter. These assets are maintained by the Transport Department within **Council's** Infrastructure Services Division. All asset information pertaining to each group is contained within Council's asset registers and further detailed information on **Council's** Roads assets is held **within Council's** Enterprise Asset Management System (Technology1).

Current Information - Roads					
Assets:	A total of 975.7kilometres of roads, including Other (TfNSW), Regional, Urban and Rural				
	Category	Sealed	Unsealed	Unformed	Unmaintained
	Other	11	0	0	0
	Regional	23.5	0	0	0
	Urban	189.5	14	5.8	0.2
	Rural	380.2	310.9	38.1	2.5
TOTAL		604.2	324.9	43.9	2.7
General Assessment of Condition:	Condition Rating		% of Road Asset Network		
			Sealed	Unsealed	
	1 – Excellent		13	6	
	2 – Good		38	14	
	3 – Satisfactory		31	61	
	4 – Worn		18	19	
5 - Poor		0	0		

Community Objective

The Roads asset class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Caring for Our Community* - An improved standard of infrastructure that meets the community's service level standards and Council's obligations as the custodian of our community assets
- *Strengthening Our Community* – Our city, towns and villages have adequate road services to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* – An accessible public transport and regional road network that meets the diverse and changing needs of the community and the road network is efficiently managed to achieve a safe and effective network
- *Enhancing Our Natural Environment* – infrastructure that is built sustainably, whilst protecting and enhancing the environment in our city, towns and villages

- *Responsible Governance and Civic Leadership* – Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council’s financial resources and the communities desires

Available data and funding

The Roads data reported in Council’s Financial Statements 2020 / 2021 is based on the previous revaluation completed in 2020.

A review of the data by Council and Consultants (as part of the Fit For the Future review) identified that Council needed to complete a revision of the useful lives, conditions and unit rates of the road components.

This assessment has recently been conducted by a registered Valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects road conditions on a reactive basis or through customer requests. **This is being completed as part of Council’s Asset Management Improvement Plan**, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023.

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Roads, Bridges & Footpaths Capital Program	9,454	7,635	7,794	7,956	8,123	8,290	8,463	8,639	8,819	9,022

Table 7 - Roads, Bridges & Footpaths Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to more accurately determine any required future funding. Council will develop data collection procedures and programs for all assets.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Road category.

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management system will be updated to reflect the revised Roads data, and will be updated on a regular basis, including mapping of assets in Council's GIS system.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Road assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable within Council's resources.

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Footpaths

Current Information - Footpaths		
Assets:		* A total of 130 kilometres of footpath in the LGA (Local Government Area), including
		* 82 kilometres of concrete path / cycleway
		* 21 kilometres of grass footpaths
		* 27 kilometres of gravel / unformed paths
General Assessment of Condition:		Condition Rating
		% of Asset Value
1 – Excellent		8
2 – Good		86
3 – Satisfactory		6
4 – Worn		0
5 - Poor		0

Available data and funding

The Footpath data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2020. A review of the data by Council and Consultants (as part of the Fit For the Future review) identified that Council's asset register was well established and recommended that condition assessments continue, on an ongoing basis. The review also suggested a need to complete a revision of the useful lives, conditions and unit rates of the footpath assets.

This assessment has recently been conducted by a registered valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects footpath conditions on a reactive basis or through customer requests. **This is being completed as part of Council's Asset Management Improvement Plan**, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023.

Future Directions

Council will be improving processes to formally document the existing asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Footpath category (revaluation planned for 2023 / 2024).

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Footpath data, and will be updated on a regular basis, **including mapping of assets in Council's GIS system**.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes and be able to confidently undertake a review of the performance of Footpath assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable **within Council's resources**.

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Kerb and Gutter

Current Information - Kerb and Gutter			
Assets:		Total of 279.773km of kerb and gutter, classified as Regional, Rural and Urban	
		Category	
		Regional	
		Rural	
		Urban	
General Assessment of Condition:		% of Kerb & Gutter Network	
		Condition Rating	
		Regional	
		Rural	
		Urban	
1 – Excellent		0	
2 – Good		3	
3 – Satisfactory		1	
4 – Worn		0	
5 - Poor		0	

Available data and funding

The Kerb and Gutter data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2020. A review of the data by Council and Consultants (as part of the Fit For the Future review) identified that Council needs to complete a comprehensive condition reassessment of the kerb and gutter assets, and there was no regular inspection program in place. In addition to this reassessment, Council needs to complete a revision of the useful lives, conditions and unit rates of the kerb and gutter components.

The major issue with the kerb and gutter data is that all assets were listed as standard kerb and gutter, and this attribute needs to be more specifically identified to enable a consistent and appropriate valuation based on type to be applied.

This assessment has recently been conducted by a registered valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects kerb and gutter conditions on a reactive basis or through customer requests. **This is being completed as part of Council's Asset Management Improvement Plan**, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023.

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Kerb and Gutter category (revaluation planned for 2023 / 2024).

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Kerb and Gutter data, and will be updated on a regular basis, **including mapping of assets in Council's GIS system.**

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Kerb and Gutter assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable **within Council's resources.**

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Bridges

Council's Bridge asset comprises of bridges (timber and concrete) and culverts, and include both Rural and Urban classes, as well as categories of vehicle and pedestrian. **These assets are maintained by the Transport Department within Council's Infrastructure Services Division.** All asset information pertaining to each group is contained within **Council's asset registers** and further detailed information on Council's Bridge assets is held **within Council's** Enterprise Asset Management System (Technology1).

Current Information - Bridges					
Assets:	Forty-eight(48) bridges (concrete, timber and steel structures catering for vehicle and pedestrian traffic) totalling 1,28.61 square metres				
	Category	Number	Class	Type	Total Area (sq m)
	Vehicle	3	Regional	Concrete	47.58
		19	Rural	Concrete	520.79
		6		Timber	86.84
		9	Urban	Concrete	210.7
	Pedestrian	1	Rural	Timber	8.2
		2	Urban	Concrete	33
		2		Timber	39.5
		5		Steel	54.4
	Other (Rail)	1	Urban	Concrete	27.6
General Assessment of Condition	Condition Rating			% of Asset Network	
	1 – Excellent			30	
	2 – Good			45	
	3 – Satisfactory			16	
	4 – Worn			9	
	5 - Poor			0	

Available data and funding

The Bridge data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2021. A review of the data by Council and Consultants (as part of the Fit For the Future review) determined that the asset register was well established and recommended that inspections and valuations by a suitably qualified and experienced Bridge Contractor continue, on an ongoing basis.

The review further identified the need for a reassessment of the condition, useful lives and unit rates of the Bridge components. This review has revealed a number of minor discrepancies in data have occurred over time, and it is recommended that a full audit of rural culverts be **undertaken, and the information added to Council's asset register.**

This assessment has recently been conducted by a registered valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review also highlighted that Council needs to implement and maintain a formal regular inspection program, as at present Council inspects Bridge and Culvert conditions on a reactive basis or through customer requests. **This is being completed as part of Council's Asset Management Improvement Plan**, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023.

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Bridge category (revaluation planned for 2024 / 2025). A full audit of rural culverts will be undertaken by Council.

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Bridge and Culvert data, and will be updated on a regular basis, including mapping of assets in Council's GIS system.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Bridge assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable within Council's resources.

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Water Supply

The Water Supply asset class comprises of all assets including dams, water treatment plant, reservoirs, water chlorination equipment, pumping stations, reticulated mains, trunk mains, property services and ancillary services. These assets are maintained by the Water and Wastewater Division. All asset information pertaining to each group is contained within **Council's asset registers and further detailed information on Council's Water Supply assets is held within Council's Enterprise Asset Management System (Technology1)**.

Current Information - Water Supply		
Assets:	* Oakey Park Water Treatment Plant	
	* 1 kilometre of trunk reticulation main	
	* 459 kilometres of rising main and gravity reticulation mains	
	* 12 potable water reservoirs and 1 non-potable reservoir	
	* Clarence Transfer system	
	* 2 water supply dams at Clarence (Farmers Creek Dams), with one dam permanently empty to cater for emergency storage	
General Assessment of Condition:	Condition Rating	% of Asset value
	1 – Excellent	14
	2 – Good	11
	3 – Satisfactory	47
	4 – Worn	47
	5 - Poor	3

Community Objective

The Water Supply asset class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Caring for Our Community* – An improved standard of infrastructure that meets the community's service level standards and Council's obligations as the custodian of our community assets
- *Strengthening Our Community* - Our city, towns and villages have adequate water supplies to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* – Sustainable and beneficial water supplies are available to meet the community's diverse and changing needs and the water supply assets are efficiently managed to achieve a safe and effective network

- *Enhancing Our Natural Environment* - infrastructure that is built sustainably, whilst protecting and enhancing the environment in our city, towns and villages
- *Responsible Governance and Civic Leadership* - Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires

Available data and funding

The Water Supply **data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2020.** In accordance with required legislative requirement, a revaluation of assets has occurred for Fair Valuation purposes, and will be reported in the **2020 / 2021 financial reports. This revaluation was in conjunction with a review of Council's assets** (as part of the Fit For the Future review), and identified **that Council's** needs to complete a revision of the useful lives and unit rates of the water supply components.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects Water asset conditions on a reactive basis or through customer requests. **This is being completed as part of Council's Asset Management Improvement Plan**, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Water Fund Capital Program	835	950	974	998	1,023	1,049	11,075	11,102	1,129	1,157

Table 8 - Water Fund Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Water Supply category.

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Water Supply data, and will be updated on a regular basis, **including mapping of assets in Council's GIS system.**

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Water Supply assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable **within Council's resources.**

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Sewerage Network

The Sewerage Network asset class comprises of all assets including and ancillary services. These assets are maintained by the Water and Wastewater Division. All asset information pertaining to each group is contained within Council's asset registers and further detailed information on Council's Sewerage Network assets is held within Council's Enterprise Asset Management System (Technology1).

Current Information - Sewerage Network		
Assets:	* 3 x Sewerage treatment Plants (Lithgow, Wallerawang and Portland)	
	* 11 kilometres of rising main	
	* 353 kilometres of gravity reticulation mains	
	* 29 sewage pumping stations	
General Assessment of Condition:	Condition Rating	% of Asset value
	1 – Excellent	32
	2 – Good	8
	3 – Satisfactory	48
	4 – Worn	2
	5 - Poor	10

Community Objective

The Sewerage Network asset class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Caring for Our Community* – An improved standard of infrastructure that meets the community's service level standards and Council's obligations as the custodian of our community assets
- *Strengthening Our Community* - Our city, towns and villages have adequate sewerage networks to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* – Neutral or beneficial effects on the environment are achieved while meeting the community's diverse and changing needs and the sewerage network assets are efficiently and safely managed
- *Enhancing Our Natural Environment* - infrastructure that is built sustainably, whilst protecting and enhancing the environment in our city, towns and villages
- *Responsible Governance and Civic Leadership* - Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires

Available data and funding

The Sewerage Network data reported in Council's Financial Statements 2020 /2021, is based on the previous revaluation completed in 2020. In accordance with required legislative requirement, a revaluation of assets has occurred for Fair Valuation purposes, and will be reported in the 2020 / 2021 financial reports. This revaluation was in conjunction with a review of Council's assets (as part of the Fit For the Future review) and identified that Council's needs to complete a revision of the useful lives and unit rates of the sewerage network components.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects sewerage network asset conditions on a reactive basis or through **customer requests**. This will be completed as part of Council's Asset Management Improvement Plan, and the data will be imported into the corporate asset management systems by 30 June 2023.

This is being completed as part of Council's Asset Management Improvement Plan, and the maintenance inspection schedules will be activated in the corporate asset management system by 30 June 2023.

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Sewer Fund Capital Program	7,373	1,400	1,460	1,522	1,586	1,654	1,724	1,797	1,874	1,953

Table 9 - Sewer Fund Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Sewerage Network category.

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Sewerage Network data, and will be updated on a regular basis, including mapping of assets in Council's GIS system.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Sewerage Network assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable **within Council's resources.**

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Stormwater Drainage

Council's Stormwater Drainage network includes underground assets such as pits and pipes and surface drainage assets including detention basins and open channels. These assets are maintained by the Transport Department within Council's Infrastructure Services Division. All asset information pertaining to each group is contained within Council's asset registers and further detailed information on Council's Stormwater Drainage assets is held **within Council's** Enterprise Asset Management System (Technology1).

Council imposes a stormwater levy on rateable properties, and this funding source is used to undertake maintenance and improvements of **Council's stormwater** drainage systems.

Current Information - Stormwater Drainage		
Assets:	* 60.8 km of pipe of varying material (concrete, clay, PVC, brick channel, and concrete channel)	
	* 1,699 junction pits	
General Assessment of Condition:	Condition Rating	% of Asset Network
	1 – Excellent	3
	2 – Good	21
	3 – Satisfactory	76
	4 – Worn	3
	5 - Poor	0

Community Objective

The Stormwater Drainage asset class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Developing Our Built Environment* – An improved standard of infrastructure that meets the community's service level standards and **Council's obligations as the custodian** of our community assets
- *Enhancing Our Natural Environment* – Our natural waterways and riparian areas are enhanced and protected
- *Responsible Governance and Civic Leadership* – Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires

Available data and funding

Council's Stormwater Drainage data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2020. A review of the data by Council and Consultants (as part of the Fit For the Future review) identified that Council needs to complete a comprehensive revision of the current condition ratings, the useful lives and unit rates of the stormwater drainage components.

The major issue with the stormwater drainage data is that all components were previously given the same condition rating of 3. This assessment has recently been conducted by a registered valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified a need for Council to implement and maintain a formal regular inspection program, as at present Council inspects **stormwater drainage assets on a reactive basis or through customer requests. This will be completed as part of Council's Asset Management Improvement Plan**, and the data will be imported into the corporate asset management systems by 30 June 2023

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Stormwater Capital Program	79	453	462	471	481	491	501	511	522	532

Table 10 - Stormwater Capital Works Program - identified in Scenario 3 – Maintain Service Levels in the LTFP

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Stormwater Drainage category (revaluation planned for 2023 / 2024).

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Stormwater Drainage data, and will be updated on a regular basis, including mapping of assets in Council's GIS system.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Stormwater Drainage assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable within Council's resources.

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

Recreational Facilities

The Recreational Facilities asset class comprises of all assets within our sports fields, parks and recreation locations, as well as cemetery operations. Asset groups within these areas include ovals, golf courses, playgrounds, playing courts, walking tracks, passive parks and cemeteries. These assets are maintained by the Building and Recreation Department within Council's Infrastructure Services Division.

All asset information pertaining to each group is contained within Council's asset registers (Other Structures and Land Assets) and further detailed information on Council's Recreation Facilities is held within Council's Enterprise Asset Management System (Technology1).

Current Information - Cemeteries		
Assets:	Fourteen cemeteries including Capertee, Cullen Bullen, Dark Corner, Glen Alice, Hartley, Lithgow (three (3) cemeteries), Lowther, Meadow Flat, Palmers Oakey, Portland, Rydal, and Wallerawang	
General Assessment of Condition:	Condition Rating	% of Asset Value
	1 – Excellent	0
	2 – Good	52
	3 – Satisfactory	29
	4 – Worn	19
	5 - Poor	0

Current Information - Recreation													
Assets:	<ul style="list-style-type: none"> * Ten (10) playing fields including Conran Oval, Glanmire Oval, Kremer Park, Marjorie Jackson Oval, Saville Park, Tony Luchetti Sportsground, Wallerawang Oval, Watsford Oval, Zig Zag Oval, Jim Monaghan Athletics Oval and Lake Wallace. * Lithgow War Memorial Olympic Swimming Centre, including an 8 lane 50 metre outdoor heated pool, 25 metre learners pool and 15 metre round wading pool, kiosk, plant room, male and female amenities and change rooms, manager office, and first aid room. * Lithgow Golf Club, including 18 holes, practice putting green, and Clubhouse / Professional Golf Shop * Lake Lyell foreshore facilities * a total of 77 Open space recreational areas * Formal gardens (including amenities, paths and plants) 												
	<table border="1"> <thead> <tr> <th>Condition Rating</th><th>% of Asset Network</th></tr> </thead> <tbody> <tr> <td>1 – Excellent</td><td>8</td></tr> <tr> <td>2 – Good</td><td>39</td></tr> <tr> <td>3 – Satisfactory</td><td>46</td></tr> <tr> <td>4 – Worn</td><td>7</td></tr> <tr> <td>5 - Poor</td><td>0</td></tr> </tbody> </table>		Condition Rating	% of Asset Network	1 – Excellent	8	2 – Good	39	3 – Satisfactory	46	4 – Worn	7	5 - Poor
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Community Objective

The Recreational Facilities asset class supports the long-term objectives of our Community Strategic Plan through the following themes;

- *Caring for Our Community* – A community that embraces healthier lifestyle choices and practices
- *Strengthening Our Community* - Our city, towns and villages have adequate recreational facilities to contain lively urban and rural village spaces including places where people can learn, live, work, shop, meet and spend leisure time
- *Developing Our Built Environment* - **Recreation, sporting and leisure facilities are available to meet the community's diverse and changing needs**
- *Enhancing Our Natural Environment* - A community addressing and responding to the impacts of climate change and extreme weather events
- *Responsible Governance and Civic Leadership* - Council rigorously manages its financial resources and assets to maximise delivery of services
- *Fit For the Future* – **Adoption of satisfactory service levels that reflect an acceptable balance between Council's financial resources and the communities desires**

Available data and funding

The Recreational Facilities data reported in Council's Financial Statements 2020 / 2021, is based on the previous revaluation completed in 2020, and is for Swimming Pools only.

Recreational Facilities assets are reported under the Other Structures and Land Asset Registers. A review of the data by Council (as part of the **Fit For the Future review**) identified that Council's asset inspection program was well established and recommended that condition assessments continue, on an ongoing basis.

A review of the data by Council (as part of the Fit For the Future review) has identified that Council needs to complete a revision of the Other Structures asset, and to determine the possibility of these components being included in separate Asset Management Plans (including Recreational Facilities), and a review of the condition and valuation of the assets need to be completed.

This assessment of the condition and valuation of the Other Structures and Land assets has recently been conducted by a registered valuer, and the revised asset data has been included in the 2022 Long-Term Financial Plan.

The review further identified that Council has an implemented formal regular inspection program for active recreation facilities (playgrounds), but at present Council only inspects passive Recreational Facilities asset conditions on a reactive basis or through customer requests. A regular inspection of passive areas will be completed as part of **Council's Asset Management Improvement Plan, and the inspection schedules will be imported into the corporate asset management systems by 30 June 2023.**

Council will be undertaking a comprehensive review of the asset register during 2022 / 2023, including a revision of the useful lives, conditions, and unit rates of the Recreational Facilities assets.

Capital spend for recreational facilities assets currently sits under other structures, as per current asset categories and classes (see page 26 for Other Structures capital program).

	Budget 22/23	Projected 23/24	Projected 24/25	Projected 26/27	Projected 27/28	Projected 28/29	Projected 29/30	Projected 30/31	Projected 31/32	Projected 32/33
Recreation Facilities Capital Program	-	45	46	47	48	49	50	51	52	53

Table 11 - Recreation Facilities Capital Program

Future Directions

Council will be improving processes to formally implement an asset inspection and condition assessment program, and documenting of costings and risk procedures to determine any required future funding more accurately.

Council will review the asset register and update details including useful lives, conditions and unit rates, and determine if any assets from the Other Structures category can be incorporated into the Recreational Facilities category (revaluation planned for 2023 / 2024).

Council will develop and adopt Asset Management Plans based on the revised data as part of the Fit For the Future review.

The corporate asset management systems will be updated to reflect the revised Recreation Facilities data, and will be updated on a regular basis, including mapping of assets in Council's GIS system.

Council's staff will be provided with training to ensure understanding of current adopted asset management processes, and be able to confidently undertake a review of the performance of Recreational Facilities assets.

Council will be continuing to engage with the community to develop levels of service that are acceptable to the community and achievable within Council's resources.

Maintenance and renewal methodologies will be documented, and used to review the operational and capital expenditure against community expectations.

How will we get there?

The Strategic Asset Management Plan proposes the following strategies to enable the objectives of the Community Strategic Plan to be achieved.

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

Asset Management Improvement Plan

To ensure the Strategic Asset Management Plan is implemented effectively and efficiently, an Asset Management Improvement Plan has been prepared.

The actions required to undertake improvement of Council's asset management capabilities are impacted by both internal and external influences and require resources or enablers. These enablers can be in the areas of people, processes, technology and information and data.

The Asset Management Improvement Plan, which will be reviewed annually, prioritises specific capability areas which were identified through a **gap analysis process, and where action is required to raise Council's asset management capacity to the desired level of maturity.** Implementation of these improvements requires resourcing and monitoring. The actions have been integrated into Council's Delivery Program to ensure ongoing resourcing, implementation and performance monitoring.

Buildings					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program 2. Formally implement regular condition assessment program 3. Costing and Risk procedures documented 4. Continue to develop data collection procedure and program for all assets	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Financial Services Manager WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures) 2. Review asset register for useful lives, conditions and unit rates	Produce an asset register that captures all building components	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Building Works Co-Ordinator
Asset Management Plans	1. Develop advanced Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1) 2. Update Mapping of Council assets	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Financial Services Manager IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Building asset management 2. Review asset performance	Understanding of Building Asset Management	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Asset Inspections Officer Building Works Co-Ordinator
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Building asset management activities	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology 2. Undertake lifecycle cost analysis 3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Financial Services Manager Corporate Planning & Communications Officer

Other Structures					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Data and Knowledge	1. Complete database of assets (distribute from AMP categories)	Produce asset registers and Asset Management plans that capture all building components	2023 / 2024	Director Infrastructure Services	Building & Recreation Manager Assets & Infrastructure Planning Manager Transport Manager Financial Services Manager

Roads					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Formally implement regular condition assessment program				Works Co-Ordinator Urban
	3. Costing and Risk procedures documented				Works Co-Ordinator Rural
	4. Continue to develop data collection procedure and program for all assets				Assets & Infrastructure Planning Manager Financial Services Manager WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Review asset register for useful lives, conditions and unit rates				Works Co-Ordinator Urban Works Co-Ordinator Rural Assets & Infrastructure Planning Manager Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1)	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Financial Services Manager
	2. Update Mapping of Council assets				IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Road asset management	Understanding of Road Asset Management	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager
	2. Review asset performance				Works Co-Ordinator Urban Works Co-Ordinator Rural
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Roads asset management activities	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Transport Manager Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Undertake lifecycle cost analysis				Assets & Infrastructure Planning Manager
	3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)				Financial Services Manager Corporate Planning & Communications Officer

Footpaths					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Formally implement regular condition assessment program				Works Co-Ordinator Urban / Rural
	3. Costing and Risk procedures documented				Assets & Infrastructure Planning Manager
	4. Continue to develop data collection procedure and program for all assets				Financial Services Manager WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Review asset register for useful lives, conditions and unit rates				Works Co-Ordinator Urban / Rural Assets & Infrastructure Planning Manager Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1)	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Financial Services Manager
	2. Update Mapping of Council assets				IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Footpath asset management	Understanding of Road Asset Management	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Assets Inspection Officers
	2. Review asset performance				Works Co-Ordinator Urban / Rural
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Footpath asset management activities	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Transport Manager Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Undertake lifecycle cost analysis				Assets & Infrastructure Planning Manager Financial Services Manager
	3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)				Corporate Planning & Communications Officer

Kerb & Gutter					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Formally implement regular condition assessment program				Works Co-Ordinator Urban / Rural
	3. Costing and Risk procedures documented				Assets & Infrastructure Planning Manager
	4. Continue to develop data collection procedure and program for all assets				Financial Services Manager WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Review asset register for useful lives, conditions and unit rates				Works Co-Ordinator Urban / Rural Assets & Infrastructure Planning Manager Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1)	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Financial Services Manager
	2. Update Mapping of Council assets				IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Kerb & Gutter asset management	Understanding of Road Asset Management	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Assets Inspection Officers
	2. Review asset performance				Works Co-Ordinator Urban / Rural
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Kerb & Gutter asset management activities	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Transport Manager Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Undertake lifecycle cost analysis				Assets & Infrastructure Planning Manager Financial Services Manager
	3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)				Corporate Planning & Communications Officer

Bridges					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Formally implement regular condition assessment program				Works Co-Ordinator Urban / Rural
	3. Costing and Risk procedures documented				Assets & Infrastructure Planning Manager
	4. Continue to develop data collection procedure and program for all assets				Financial Services Manager WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager Works Co-Ordinator Urban / Rural
	2. Review asset register for useful lives, conditions and unit rates				Assets & Infrastructure Planning Manager Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1)	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Financial Services Manager
	2. Update Mapping of Council assets				IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Bridge asset management	Understanding of Road Asset Management	2022 / 2023	Director Infrastructure Services	Transport Manager Assets & Infrastructure Planning Manager Assets Inspection Officers
	2. Review asset performance				Works Co-Ordinator Urban / Rural
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Bridges asset management activities	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Transport Manager Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Undertake lifecycle cost analysis				Assets & Infrastructure Planning Manager
	3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)				Financial Services Manager Corporate Planning & Communications Officer

Water					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program 2. Formally implement regular condition assessment program 3. Costing and Risk procedures documented 4. Continue to develop data collection procedure and program for all assets	Review of processes and practices	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager Supervisor Plants & Pumping Stations / Reticulation Supervisor WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures) 2. Review asset register for useful lives, conditions and unit rates	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Supervisor Plants & Pumping Stations / Reticulation Supervisor Assets & Maintenance Co-Ordinator Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1) 2. Update Mapping of Council assets	Confidence and streamlined Annual Reporting	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Water asset management 2. Review asset performance	Understanding of Road Asset Management	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Supervisor Plants & Pumping Stations / Reticulation Supervisor
Implementation Tactics	1. Conduct comprehensive review of Levels of Service 2. Outline of required Water asset management activities	Review of core and non-core activities	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology 2. Undertake lifecycle cost analysis 3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager Corporate Planning & Communications Officer

Sewer					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	<ul style="list-style-type: none"> 1. Formally implement an asset inspection program 2. Formally implement regular condition assessment program 3. Costing and Risk procedures documented 4. Continue to develop data collection procedure and program for all assets 	Review of processes and practices	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager Supervisor Plants & Pumping Stations / Reticulation Supervisor WHS & Risk Co-Ordinator
Data and Knowledge	<ul style="list-style-type: none"> 1. Complete database of assets (from Other Structures) 2. Review asset register for useful lives, conditions and unit rates 	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Supervisor Plants & Pumping Stations / Reticulation Supervisor Assets & Maintenance Co-Ordinator Financial Services Manager
Asset Management Plans	<ul style="list-style-type: none"> 1. Develop and adopt Asset Management Plan 	Updated Asset Management Plan	2023 / 2024	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Corporate Planning & Communications Officer Financial Services Manager
Asset Information Systems	<ul style="list-style-type: none"> 1. Update asset register in Enterprise Asset Management System (Technology1) 2. Update Mapping of Council assets 	Confidence and streamlined Annual Reporting	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager IT Manager
People and Organisational Issues	<ul style="list-style-type: none"> 1. Provide staff training for all facets of Sewer asset management 2. Review asset performance 	Understanding of Road Asset Management	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Supervisor Plants & Pumping Stations / Reticulation Supervisor
Implementation Tactics	<ul style="list-style-type: none"> 1. Conduct comprehensive review of Levels of Service 2. Outline of required Sewer asset management activities 	Review of core and non-core activities	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Corporate Planning & Communications Officer
Strategy and planning	<ul style="list-style-type: none"> 1. Formally document maintenance and renewal methodology 2. Undertake lifecycle cost analysis 3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog) 	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Water & Wastewater	Executive Manager Water & Wastewater Assets & Maintenance Co-Ordinator Financial Services Manager Corporate Planning & Communications Officer

Stormwater					
Quality Elements	Action Item	Objectives	Timeframe	Responsible Officer	Input Officers
Processes and Practices	1. Formally implement an asset inspection program	Review of processes and practices	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Formally implement regular condition assessment program				Works Co-Ordinator Urban / Rural
	3. Costing and Risk procedures documented				Assets & Infrastructure Planning Manager
	4. Continue to develop data collection procedure and program for all assets				Financial Services Manager
					WHS & Risk Co-Ordinator
Data and Knowledge	1. Complete database of assets (from Other Structures)	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Review asset register for useful lives, conditions and unit rates				Works Co-Ordinator Urban / Rural
					Assets & Infrastructure Planning Manager
					Financial Services Manager
Asset Management Plans	1. Develop and adopt Asset Management Plan	Updated Asset Management Plan	2023 / 2024	Director Infrastructure Services	Transport Manager
					Assets & Infrastructure Planning Manager
					Corporate Planning & Communications Officer
					Financial Services Manager
Asset Information Systems	1. Update asset register in Enterprise Asset Management System (Technology1)	Confidence and streamlined Annual Reporting	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Update Mapping of Council assets				Assets & Infrastructure Planning Manager
					Financial Services Manager
					IT Manager
People and Organisational Issues	1. Provide staff training for all facets of Stormwater asset management	Understanding of Road Asset Management	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Review asset performance				Assets & Infrastructure Planning Manager
					Assets Inspection Officers
					Works Co-Ordinator Urban / Rural
Implementation Tactics	1. Conduct comprehensive review of Levels of Service	Review of core and non-core activities	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Outline of required Stormwater asset management activities				Corporate Planning & Communications Officer
Strategy and planning	1. Formally document maintenance and renewal methodology	Improve data knowledge and develop advanced asset plans for better decision making	2022 / 2023	Director Infrastructure Services	Transport Manager
	2. Undertake lifecycle cost analysis				Assets & Infrastructure Planning Manager
	3. Review operational and capital expenditure against community expectations (reduce infrastructure backlog)				Financial Services Manager
					Corporate Planning & Communications Officer

Reporting and Assessment - Measuring Our Performance

The approach to assessing performance in relation to asset planning and measurement will be both quantitative and qualitative.

Council's Integrated Planning and Reporting processes form the core of our continuous improvement programs and are embedded within the organisation.

The development of critical actions, tasks and key performance measures relating to the delivery of infrastructure asset programs are contained in the Delivery Program and annual Operational Plan, and subsequent reporting is conducted quarterly, bi-annually and annually to ensure progress and/or achievements are measured and reported.

Reporting on these indicators is the responsibility of all Department Managers who have control of specific asset classes. Regular periodic surveys with the community, gauging perceptions between satisfaction of built asset classes and services being provided is required. The ongoing conduct of community surveys will be tailored to include specific asset management issues to ensure relevance of the programs at the required levels of service continue.

Conclusion

Whilst significant work has been undertaken in providing more consistent asset management planning, continued diligence is required to allow ongoing improvements for all infrastructure assets under **the Council's control and management**.

This Strategic Asset Management Plan, together with asset managers, custodians, staff and the community will allow a continued progression toward service excellence. Management techniques drawing on the financial, risk, environmental and social drivers will assist in providing an improved asset management performance by enabling Council to work with the community to ensure operations are better understood.

Although adopted as a ten-year (10) Strategic Asset Management Plan, annual revisions of the Strategic Asset Management Plan will be carried out to ensure relevance in responding to government and the community. Specifically, with the review of the Community Strategic Plan, the development of each new Delivery Program and Resourcing Strategy every four (4) years Council need to ensure what they provide aligns with community objectives and priorities, and that the community understands the implications of these directions.

Appendix A: Asset Management Policy

Council's current adopted Asset Management Policy (Policy 1.5)



1. ACQUISITION AND DISPOSAL OF ASSETS

Policy 1.5

ASSET MANAGEMENT

Version 4

1. ACQUISITION AND DISPOSAL OF ASSETS

1.5 ASSET MANAGEMENT

OBJECTIVE:

This Policy has been created to set guidelines for implementing consistent asset management processes across all activities undertaken by Lithgow City Council.

This Policy relates to Council's infrastructure assets, and excludes management of Council's land assets.

This Policy will ensure adequate provision is made for the long-term replacement of major infrastructure assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with appropriate levels of service to residents, visitors and the environment;
- Safeguarding Council's assets including physical assets and employees by implementing appropriate asset management strategies and allocating appropriate financial resources to those assets;
- Creating an environment where all Council employees are an integral part and play a proactive role in overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development;
- Meet all legislative requirements of asset management;
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated;
- Demonstrate transparent and responsible asset management processes that align with appropriate best practice; and
- Implementing procedures that will ensure that:
 - The right assets are built, rebuilt or disposed of;
 - The assets are managed well; and
 - There is a balance between Council operations, new assets and existing assets.

INTERACTION WITH OTHER POLICIES

- Asset Acquisition Policy 1.2
- Asset Disposal Policy 1.3

BACKGROUND:

- Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.
- Council owns and maintains a range of non-current assets to support its core business of delivery of service to the community.
- Asset management practices impact directly on the core business of the organisation and appropriate asset management is required to achieve Council's strategic service delivery objectives.
- Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.
- A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets. This will provide positive impact on:
 - Members of the public and staff;
 - Council's financial position;
 - The ability of Council to deliver the expected level of service and infrastructure;
 - The political environment in which Council operates; and
 - The legal liabilities of Council.

PRINCIPLES

- A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.
- This Policy covers all elected members of the Lithgow City Council, all personnel employed by Lithgow City Council, any person or organisation contracted to or acting on behalf of the Lithgow City Council, any person or organisation employed to work on Lithgow City Council premises or facilities and all activities of the Lithgow City Council. This policy does not confer any delegated authority upon any person.
- Council, as custodian of Lithgow City Council assets, will:
 - Ensure the Council's legal obligations are met;
 - Represent the community who pay for and use the assets ; and
 - Ensure the asset / service is maintained for use by present and future generations on a sustainable basis.
- As part of Council's consideration of infrastructure asset management, Lithgow City Council will:
 - Manage its infrastructure and assets in a systematic and sustainable manner;
 - Engage with the community, stakeholders and service providers when determining service standards / level of service every four (4) years (as part of the Community Strategic Plan review), within the first year of each newly elected Council;

- Set levels of service, risk and cost standards after balancing competing demands and considering integrated planning matters;
 - Allocate appropriate resources to ensure the timely maintenance and renewal of built and natural assets, so that “life cycle” costs are optimised (existing and new assets);
 - Meet legislative requirements for asset management;
 - Update asset management plans annually to reflect the position in the Operational Plan for the upcoming financial year;
 - Audit progress in Asset Management Plans and strategies on an internal basis every two (2) years;
- All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- Asset management principles will be integrated within existing planning and operational processes.
- Asset Management Plans will be developed for major service / asset categories. The Plans will be informed by community consultation and financial planning and reporting.
- An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- Asset renewals required to meet agreed service levels and identified in adopted asset management plans and long term financial plans which align with the priority objectives of the Community Strategic Plan will be given high priority for funding in the annual budget estimates, with the service and risk consequences of variations in defined asset renewals and budget resources documented in budget documentation.
- Service levels defined in adopted asset management plans will form the basis of annual budget estimates, with the service and risk consequences of variations in defined services levels and budget resources documented in budget documentation.
- Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- Systematic and cyclic reviews will be applied to all asset classes and will ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- Future life cycle costs will be reported and the ability to fund those costs considered in all decisions relating to new services and assets, and upgrading of existing services and assets. Those lifecycle costs will include the eventual disposal / decommissioning costs.
- Future service levels will be determined in consultation with the community.
- Training in asset and financial management will be provided for Councillors and relevant staff.

RESPONSIBILITIES

To achieve this policy, the following key roles and responsibilities and commitments are identified:

- **Council**

Councillors are responsible for adopting the policy, allocation of resources, providing high level oversight of the delivery of the organisation's asset management strategy and plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilised to address the organisation's strategic plans and priorities.

- **General Manager**

The General Manager has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

The General Manager shall also ensure that Lithgow City Council's organisational structure identifies responsibility and accountability for implementation of Council's role for custodian of the community's infrastructure assets and meet the associated stewardship requirements.

- **Executive Leadership Team (ELT)**

The Executive Leadership (ELT) has the responsibility of:

- Ensuring a review of the risks and opportunities involved in the Strategic Asset Management Plan is undertaken;
- Ensuring resources and funding for Asset Management activities are made available to integrate Asset Management into the corporate governance framework;
- Reviewing Asset Management Plans annually; and
- Ensuring that timely, accurate and reliable asset information is presented to Council to allow informed decision-making.

- **Asset Managers**

The Asset Managers have the responsibility of:

- Assisting ELT to develop and implement the Asset Management Policy and procedures;
- Maintaining momentum and co-ordination of the implementation of this Policy and Lithgow City Council's Strategic Asset Management Plan; and
- Encouraging continuous improvement, innovation and cost effective methods to improve asset management practices.

Maintained by Department:	Operations	Approved by:	Council	Exhibition Date:	24 June 2012
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