



Latrobe City
Asset Management
Strategy
2023–2032

Adopted 5 June 2023

*Latrobe City Council
acknowledges that it
operates on the traditional
land of the Brayakaulung
people of the Gunaikurnai
nation and pays respect to
their Elders past and present.*



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Introduction

Latrobe City is located approximately 150 kilometres east of Melbourne and is one of Victoria's four major regional cities with a population of over 75,000 residents. Latrobe City is made up of four central townships: Churchill, Moe-Newborough, Morwell, and Traralgon. The smaller townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon-South, Yallourn North, and Yinnar are situated within the surrounding rural areas within the municipality.

The City is bounded by three other municipalities: Baw Baw Shire Council to the north and west, Wellington Shire Council to the north, east, and south and South Gippsland Shire Council to the south.

Council is the custodian of a large portfolio of infrastructure assets which represents a vast investment built up over many decades. These assets underpin community access to Council provided services and enhance the wellbeing of the Latrobe community.

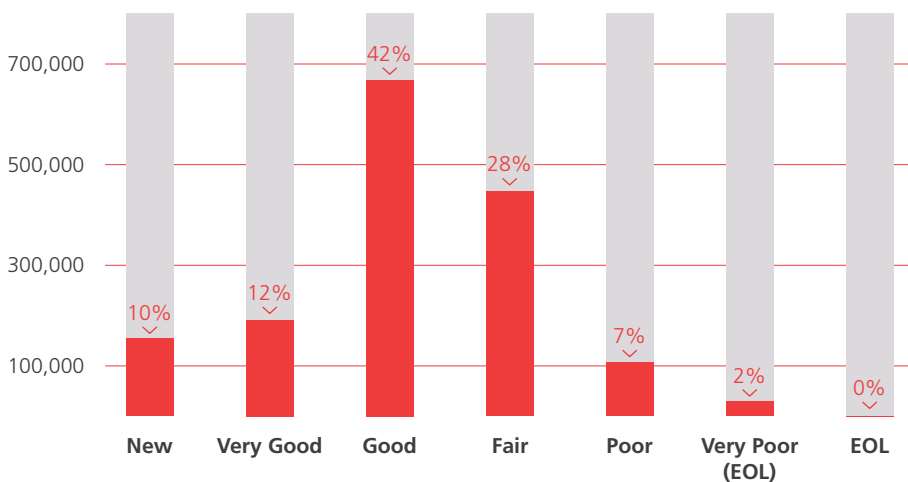
The value of Latrobe City infrastructure assets measured in terms of replacement value is outlined in the *Latrobe City Asset Plan* adopted in 2022, as \$1.6 billion dollars.

Infrastructure assets

Total Asset Portfolio Value

\$1,596,925,922

Asset portfolio condition distribution (\$000's and %)



Average Portfolio Condition

2.2

Good to Fair

1.84%

\$29,350,413

Assets near/at End Of Life (EOL)

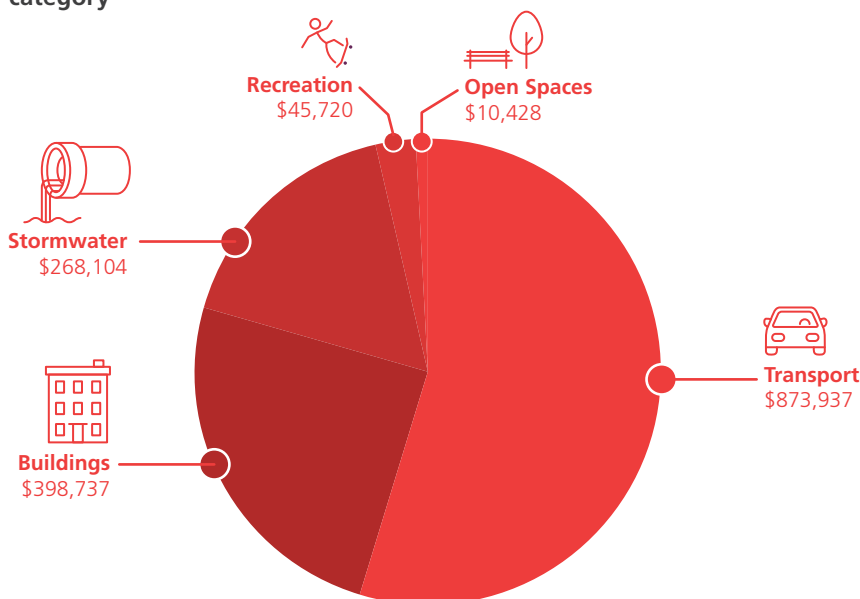
0.73

10-year Average Renewal Ratio

-\$7,960,090

10-year Average Annual Renewal Gap

Asset portfolio value distribution by category



Efficient and effective management of these assets is vital in maintaining community access to safe, reliable, and well managed services. Managing Latrobe City's \$1.6 billion dollars worth of infrastructure assets requires a combination of financial, economic, engineering and asset management practices.

The environment in which local government operates is constantly changing and is limited in terms of financial resources.

As assets continue to age, Council will need to demonstrate an appropriate level of skill, expertise, and stewardship in relation to management practices and the maintenance of these assets.

State and Federal Government have raised concerns about the gap between the combined current maintenance and renewal spending on local government infrastructure and the level of expenditure required to ensure ongoing sustainability.

The development of existing and new assets without adequate planning and funding for maintenance and renewal will result in asset portfolios that will not meet community needs as these assets age. A focus of this strategy will be putting processes in place to manage the gap between available renewal funding and that is required to renew assets as they reach the end of their useful lives.

Council Plan 2021-2025

The Council Plan identifies a range of objectives and strategies that will shape the direction and priorities for our community over the four year term of this plan.

VISION

In 2031 Latrobe City will be known for being smart, creative, healthy, sustainable, and connected. It will be the most liveable regional city and at the forefront of innovation.

Working together we are a diverse, connected, and resilient community, supporting the equitable diversification of our economic base and transition towards a low emissions future.

We are known as a community that is equitable, liveable, and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

STRATEGIC DIRECTIONS

The Strategic Directions outlined in the Council Plan are:

- Smart
- Creative
- Healthy
- Sustainable
- Connected

The provision of affordable services that are supported by sustainable asset portfolios is consistent with the Council Plan objectives. These objectives will be achieved through the development and implementation of the asset management system.

Purpose and objective

The purpose of the Asset Management Strategy is to define and document the necessary approaches that need to be undertaken to achieve the implementation the requirements of the *Local Government Act 2020* and the adopted *Latrobe City Asset Management Policy 2021-2025*.

The core principles that the Asset Management Strategy is formulated against include:

SERVICE PERFORMANCE PRINCIPLES

Council services are designed for purpose, targeted to community needs and value for money. They are dependent on assets that support them.

- Services are provided in an equitable manner and are responsive to the diverse needs of the community
- The Council Plan is designed to identify the key services
- Services are accessible to relevant users within the community
- Council provides quality services that provide value for money to the community
- The Local Government Performance Framework (LGPRF) is designed to communicate Council's performance regarding the provision of quality and efficient services
- Council is developing a performance monitoring framework to continuously improve its service delivery standards
- Council is developing a service delivery framework at considers and responds to community feedback and complaints regarding service provision.

ASSET MANAGEMENT PRINCIPLES

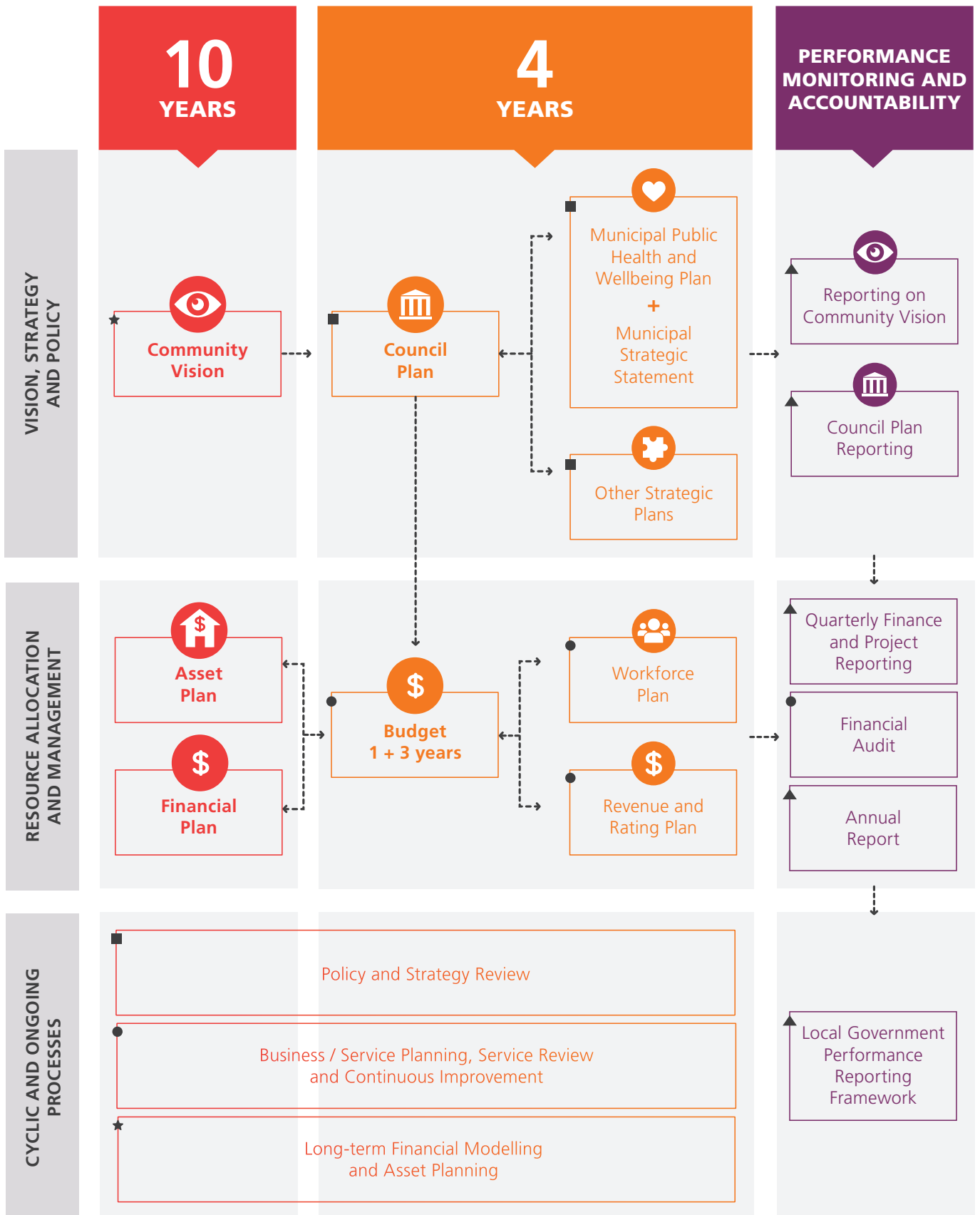
Council assets are designed for purpose, targeted to Council services that are dependent on assets to support them.

- Assets are utilised by Council to provide services to the community
- Assets should be fit for purpose
- Council is to maintain financial viability
- Council's asset management practices to remain current and complete as possible
- Council's decision-making practices to remain open, transparent, and adhere to the requirements of the *Local Government Act 2020*.

ASSET MANAGEMENT FRAMEWORK

Asset management is a key component of Council’s Integrated Planning and Reporting Framework, as detailed below:

Legislated elements of an integrated strategic planning and reporting framework and outcomes

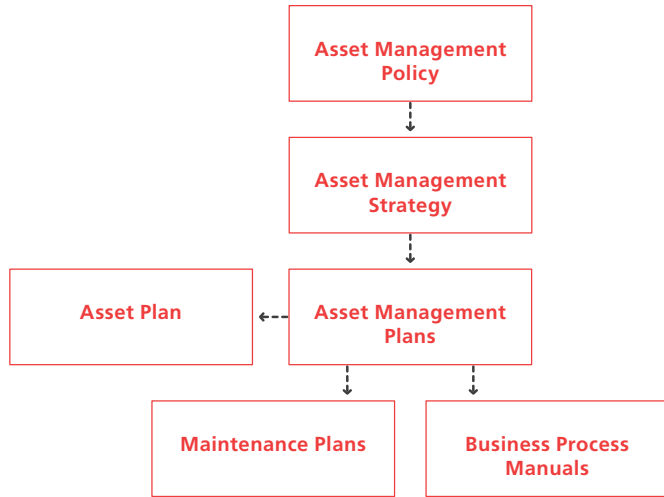


*Shapes represent what elements inform or are informed by each other.

The asset management system to support Council's Integrated Planning and Reporting Framework is shown below:

ASSET MANAGEMENT SYSTEM

The asset management system supports the decision making of the Integrated Planning and Reporting Framework and includes processes outlined in key documents.



BUSINESS PROCESS MANUAL

Business Process Manuals are a more recent inclusion to the asset management system that outline what information is required for each asset class, and how that information is used within the asset management system. These manuals draw together key information on levels of service which are usually presented in the Asset Management Plan and maintenance activities. These manuals bring together processes and procedures relevant to groups of asset classes (asset categories) that have a similar approach to their management.

These asset categories include:

- Buildings and Facilities
- Roads and Traffic Facilities
- Parks and Recreation
- Stormwater Assets; and
- Civil Assets.

At this stage the ideal distribution of content between Asset Management Plans and the Business Process Manuals is not finalised and needs consideration to ensure efficient documentation of required content.

ASSET MANAGEMENT POLICY

The Asset Management Policy provides overall guidance including an overview of the system and relevant roles and responsibilities. It is reviewed every four years.

ASSET MANAGEMENT STRATEGY

The Strategy is reviewed every four years following the development of the Council Plan and sets out recommendations to improve asset management practices at Latrobe City. It also sets out the actions planned to achieve the goals and principles outlined in the Council Plan and the Asset Management Policy.

ASSET PLAN

The Asset Plan is a requirement of the *Local Government Act 2020*. It is a summary of the current and forecast status of infrastructure assets. Its intent is to ensure that the actions nominated within the Council Plan are reflected in the provision of assets, as well as to provide asset financial information for inclusion in the Financial Plan (previously referred to as the Long-Term Financial Plan). The Asset Plan should be updated and adopted by Council at a similar time as the Council Plan.

ASSET MANAGEMENT PLAN

Asset Management Plans outline the levels of service, financial information, risk assessment, maintenance programs and management responsibilities for individual infrastructure asset classes. The level of detail included in these plans will vary dependent upon the complexity of managing the asset class and the degree of risk that failure of those assets presents.

What is our current situation?

Council's assets encompass roads, bridges, buildings, playgrounds, paths, active and passive outdoor spaces, and other infrastructure with a current replacement value of approximately \$1.6 billion dollars.

The Latrobe City asset portfolios have origins prior to the 1950s. Our earliest assets are of an age such that they are approaching end of useful life. The Asset Plan highlighted a renewal ratio of 0.73. Therefore, the projected renewal expenditure is 73 per cent of the funding required to renew assets. The development of the Asset Plan assumed that all assets will be renewed at end of useful life, and the renewal gap equated to a funding shortfall of \$7.96 million dollars annually over the next 10 years.

Not all assets will be renewed at end of life, some assets will be redundant, not have an ongoing use, or will be not fit for purpose for future use. Current planning processes do not analyse the future use of individual assets to a level to determine which assets should be retired at end of life.

Council constructed and developer gifted assets will continue to grow the Latrobe City asset base through time. The increase in the number of assets and the aging of assets will continue to pressure Council's ability to fund asset renewal.

CURRENT ASSET MANAGEMENT COMPETENCY

The National Asset Management Framework (NAMF) assesses 11 core competencies relating to asset management and financial planning and reporting. The Framework draws upon ISO 55001, the International Infrastructure Management Manual and general best practice in its formulation.

The core competencies and the status of Latrobe City Councils' competency are:

NAMF Criteria	Latrobe City Council
Financial Planning and Reporting	
1. Strategic Longer-Term Plan <i>Does Council have an adopted Strategic Longer-Term Plan?</i>	Competent Regular review
2. Annual Budget <i>Does Council prepare an Annual Budget?</i>	Competent Regular review
3. Annual Report <i>Does Council publish an Annual Report?</i>	Competent Regular review
Asset Planning and Management	
4. Asset Management Policy. <i>Does Council have an adopted Asset Management Policy?</i>	Competent Regular review
5. Asset Management Strategy <i>Does Council have an adopted Asset Management Strategy?</i>	Well Advanced Regular review
6. Asset Management Plans <i>Does Council have adopted Asset Management Plans?</i>	Well Advanced Regular review
7. Governance and Management <i>Does Council have good management practices linking asset management to service delivery?</i>	Moderately Advanced Implementation Plan Actions
8. Levels of Service <i>Does Council have a defined process for determining current target levels of service and cost?</i>	Moderately Advanced Implementation Plan Actions
9. Data and Systems <i>Does Council have data and systems to perform asset management activities?</i>	Well Advanced Implementation Plan Actions
10. Skills and Processes <i>Does Council have asset management skills and knowledge held across multiple levels of management and elected officials?</i>	Developmental Implementation Plan Actions
11. Evaluation and Review <i>Does Council have a process to evaluate progress and use of resources on implementation of the National Asset Management Frameworks?</i>	Developmental Implementation Plan Actions

As part of the NAMS Framework system the Institute of Public Works Engineering Australia (IPWEA) has developed maturity assessment models to assist Councils to assess their asset management maturity based on the NAMF Framework and Standard ISO55001 requirements.

Latrobe City has used IPWEA maturity assessment to guide the formation of the Asset Management Strategy and where actions are required to either maintain or improve our asset management maturity such actions have been included in the implementation plan attached to this strategy.

What is our asset management vision?

Our asset management vision is:

“To advance asset management at Latrobe City in the pursuit of a balanced outcome between affordability and effective industry best practice.”

Advancement with respect to this strategy is to:

- Ensure there is a clear link between service delivery and asset management
- Ensure that service delivery planning informs asset management decision making
- Ensure transparent responsibilities, processes, and decision making
- Equip those responsible with the required knowledge and skills.

The aim is to embed asset management as a core Latrobe City Council practice that:

- Elevates service planning as a precursor that informs effective asset management
- Ensures the sustainability of Council operations
- Reduces the renewal gap over the next five years
- Facilitates Council to meet the service performance and asset management principles.

How will we advance asset management competency?

To elevate our core asset management competency Latrobe City will:

- Consolidate core asset management practices
- Integrate asset management and financial management
- Invest in asset management skills and systems; and
- Implement elements of advanced asset management

CORE ASSET MANAGEMENT PRACTICES

Asset maintenance

Asset maintenance is critical to holding and operating assets that can deliver an agreed level of service over their useful life. Maintenance activities do not increase the level of service or extend the useful life of an asset.

Best practice asset management prescribes that maintenance activities are documented, planned, undertaken, recorded, and measured. The maintenance module of Council's asset management information system referred to as the maintenance management system (MMS), is designed to assist in the management of the maintenance of assets. This system is currently being implemented, commencing in 2023 under the guidance of the City Presentation and Business Transformation Projects Teams.

Asset renewal

The renewal of assets in a timely and cost-effective manner is a key cornerstone of asset management. As part of the implementation of the AMIS, improved renewal forecasting tools are available.

Asset life cycle management and costing

Life cycle management outlines a plan for the physical actions and financial resources needed for assets over their life cycle. The Asset Management Policy promotes planning and monitoring assets from initial planning through design, construction, maintenance, renewal until final decommissioning and disposal of the asset. Life cycle costing and management is a key element of sound asset management. Latrobe City Council will implement life cycle costing which is key to inform the Asset Plan and Financial Plan as specified in the *Local Government Act 2020*.

Service planning

Service planning is undertaken to develop a clear understanding and agreement on the purpose, scope, and desired outcomes of Council's services.

A service plan shall identify service provision demands, trends and changes to ensure services continue to meet Council, community, and organisational needs, and understand the implications these have on both current and future service delivery.

Service plans will assist in understanding the true cost, resources, and benefits in delivering a service.

Service plans will support Council decision making with regards to:

- The range, intent and scope of services Council provides
- Resourcing services to achieve the community's long-term vision and aspirations
- Inform sustainable financial planning of Council's budget and capital works program to supporting Council's service provision
- Service plans will inform asset management and planning.

As a precursor to detailed service plan development, a simple analysis will be undertaken (asset demand planning) to inform asset management decisions

Asset demand planning

Asset demand plans are to be used by service owners to outline the nature of the Council service that they are responsible for and to identify the assets that are utilised in the delivery of the service.

While service owners are primarily responsible for the development of the asset demand plan for their service, the Asset Planning Team will assist in asset inventory and life cycle costings that inform these plans.

The asset demand plan will identify the capital and operational costs of:

- Developing new assets
- Upgrading existing assets
- Renewal existing assets
- Maintaining assets.

Service owners need to assess which assets are critical to the delivery of the service (strategic assets), which assets are not critical to the service (non-strategic assets), and whether current assets are fit for purpose to inform the actions required:

These actions may include:

- Renewal of the asset like for like
- Replacement of the asset with a new asset
- Upgrade the asset to meet current needs and standards
- Decommission the asset; or
- Dispose of and/or demolish the asset.

Asset demand plans will be a joint effort between service owners and the Asset Planning Team.

Asset rationalisation and disposal

Best practice asset management encourages the assessment of assets in terms of:

- **fit for purpose:** does the asset meet the needs of the service?
- **fit for use:** is the asset in an acceptable condition and of an acceptable standard?
- **fit for the future:** will the asset meet future needs of the service?

Utilisation of assets must be measured and considered. As asset demand plans are developed and life cycle management implemented, rationalisation and disposal recommendations will be made.

Planning for financial sustainability

There are a range of strategic approaches that may be used to make services more financially sustainable:

- Change to the scope and standard of service delivery (level of service)
- Change the nature of the assets used to deliver the service
- Reduce the number of assets used to deliver the service; and
- Increase revenue streams.

These decisions should be viewed through the lens of the service owner and the community users of the service.

Assessing asset condition

Asset condition assessment is a determination of where an asset is on its life cycle journey, that being from new through to end of useful life. This is often determined through assessment of the extent and severity of physical distress (defects).

For consistency and ease of understanding, the formal scoring ranges from 0 to 6 which is often truncated to a range of 1 – 5 to simplify the assessment process:

- 1 equates to the very good condition; and
- 5 to the very poor condition.

This approach follows best practice as set out in the International Infrastructure Management Manual.

The generic definitions for scores 0 – 6 are set out in the table below.

Condition Grading	Considered to be	Description of Condition
0	New Asset	No maintenance planned (Used for new assets when first registered in the asset management system)
1	Very Good	Only planned maintenance required
2	Good	Minor maintenance required plus planned maintenance
3	Fair	Significant maintenance required
4	Poor	Significant renewal/rehabilitation required
5	Very Poor	Physically unsound and/or beyond rehabilitation (standard renewal intervention)
6	End of Life	Deteriorated such that the asset not fit for use and withdrawn from service

Latrobe City Council will undertake condition assessment of its core infrastructure assets every four years.

ASSET MANAGEMENT AND FINANCIAL MANAGEMENT INTEGRATION

Integration of Asset Management Plans and the Financial Plan

Council's asset prediction software (Assetic Predictor) analyses asset life cycle costs and generates funding requirements that are included in the Financial Plan. Recommendations on the funding requirements needed for sustainability in each asset category are outlined in the Asset Plan as well as each Asset Management Plan. The required funding requirement will be updated annually to inform the Financial Plan and budget development.

Planning for asset maintenance

In the design phase of an asset's life cycle consideration should be given to maintenance costs over the asset's useful life. Identifying these costs is a critical part of the decisions Council makes about the affordability of new, gifted and upgraded assets. Ignoring this step leads to an ever-expanding funding requirement for asset maintenance. A balance needs to be achieved between emergency, reactive and programmed maintenance expenditure so that risk, safety, and the level of service can be achieved without over-maintaining assets.

Under investment in maintenance results in assets not being useable for their expected useful life thus resulting in premature renewal expenditure.

Each asset life cycle model (Predictor Model) will include an evaluation of required maintenance funding.

Asset accounting

Financial and asset reporting relies upon accurate data and data structures so that information can be provided to Council and all departments within Council. The Financial Plan presents maintenance, renewal, upgrade, and new expenditure across all of Council's assets. These costs need to be tracked for all assets so that actual expenditure can be compared to forecasts.

Implementation of the maintenance management system will improve the financial tracking.

ASSET MANAGEMENT SKILLS AND SYSTEMS

Asset planning team and systems

A level of expenditure is required to implement effective asset management practices and to provide internal and external performance reporting.

These asset management costs other than the cost of new software tools are accommodated in the operational, business as usual (BAU) budget.

A team of 4.8 officers make up the Asset Planning Team directly involved with asset management functions.

Asset management tools currently being implemented include:

- Asset Management Information System
 - Assetic Cloud (Brightly Software Inc)
 - Assetic Predictor Platform (Brightly Software Inc)
 - Assetic Cloud Maintenance Module (Brightly Software Inc)
- Asset Management Managed Services
 - Valuation Bureau Service (Brightly Software Inc)
- Geographical Information Systems
 - MapInfo (Precisely)
 - QGIS (Open Source)

Asset management systems to be implemented and requiring additional funding:

- Assetic Work Planner Module (Brightly Software Inc)

Work Planner

Work Planner utilises the outputs from Predictor as well as the inputs from the GIS system, and enables fine tuning of the Capital Works schedules enabling works to be rearranged over multiple years to bring about maximum efficiency.

Subject to budget approval Latrobe City will implement Work Planner during 2024.

Valuation Bureau Service (VBS)

The VBS managed service is provided by Brightly Software Inc. This service provides the resources to undertake the required annual valuation of assets and provides independent entity sign-off on valuation inputs and processes. This service provides secure business continuity for this mandatory reporting.

Latrobe City will continue to engage Brightly to provide this service.

Skills development

Latrobe City Council will continue to develop the skills of key asset planning and service planning officers.

ELEMENTS OF ADVANCED ASSET MANAGEMENT

Assessment of asset management maturity

The MAV STEP Program for Asset Management has lapsed and as such there is no longer a formalised annual process for audited self-evaluation against a standard scoring system to assess Council's asset management maturity.

As outlined above, the National Asset Management Framework maturity assessment is available for use by Councils.

It is planned for future assessment of asset management maturity to use the assessment tool.

Asset risk management

The community is the focus of Council's services and there is an implied understanding that Council will ensure that Council's assets will not pose a risk to personal safety, and the impact service continuity resulting from asset failure.

Latrobe City will consider the implications of asset failure in the review of Asset Management Plans and risk registers will be updated with relevant findings.

Evaluation and review

ANNUAL ASSET MANAGEMENT REPORTING

Asset management performance had previously been measured by participation in external programs and internal business plan reporting. This strategy proposes to report annually on progress in implementing asset management achievements to the Latrobe City Council executive.

This Asset Management Strategy has a review date of 2031-2032. If during the life of the strategy significant change occurs with Legislation, Council Plan, or the Asset Management Policy an earlier revision will be undertaken to ensure alignment with relevant changes.

Implementation plan

STRATEGIC THEME: 1. SYSTEM CURRENCY

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
1.1 Ensure asset management system documentation is current.	Ensure that Asset Management System Policy, Asset Plan, Asset Management Strategy, asset management plans, business process manuals are current and represent the up to date knowledge that Latrobe City Council has with respect to the state of assets and the associated asset costs.	1.1.1 Revise the Asset Plan in accordance with the <i>Local Government Act 2020</i> to inform the development of the <i>Council Plan (2025-2029)</i> .	2024	Asset Planning Team	1. Strategic Longer Term Planning
		1.1.2 Revise Asset Plan in accordance with the <i>Draft Council Plan (2025-2029)</i> and present to Council for adoption.	2025	Asset Planning Team	1. Strategic Longer Term Planning
		1.1.3 Determine the funding required for asset renewal to inform the development of the Annual Report.	Annually	Asset Planning Team, Finance Team	3. Annual Report
		1.1.4 <i>Review Asset Management Policy 2021-2025</i> and present to Council for adoption.	2025	Asset Planning Team	4. Asset Management Policy
		1.1.5 <i>Review Asset Management Strategy 2023-2032</i> and present to Council for adoption.	2031 – 2032	Asset Planning Team	5. Asset Management Strategy
		1.1.6 Develop a consolidated a strategic asset management plan (SAMP) for infrastructure assets using known information that can be built upon in future iterations.	2023 - 2027	Asset Planning Team	6. Asset Management Plans
		1.1.7 Investigate the use of a digital platform for the SAMP and the Asset Plan to facilitate efficient review and updating.	2024 - 2025	Asset Planning Team	6. Asset Management Plans

STRATEGIC THEME: 2. CONTINUOUS IMPROVEMENT

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
2.1 Continually improve Council's asset management system processes.	That the efficiency and effectiveness of interpretation and analysis of asset management data is continuously improved to ensure asset management outcomes are sustainable and deliver best practice outcomes.	2.1.1 Develop business process manuals to ensure asset management system with the maintenance system processed are documented.	2023	Asset Planning Team, Business Transformation Team	9. Data and Systems
		2.1.2 Purchase and implement the capital Work Planner module of the Brightly Predictor Platform (cost additional BAU budget). First year implementation cost of \$35K with ongoing annual licence fee of \$30K p.a.	2024 - 2025	Asset Planning Team, Executive Team, Business Transformation Team	9. Data and Systems
2.2 Continue utilising resources and technology to increase efficiency within Latrobe City.	That the resources are allocated for effective asset management processes at Latrobe City. The systems are in place to ensure the required level of practice. Current implementation of the Brightly suite of software is completed to ensure effective integration with business processes.	2.2.1 Continue annual funding of asset management staff, software, equipment and data capture.	2023 – 2032	Executive Team	7. Governance and Management
		2.2.2 Complete the implementation of the asset management information system and maintenance management software.	2023 – 2027	Business Transformation Team, City Presentation Department, Asset Planning Team	7. Governance and Management
		2.2.3 Continue to keep business process manuals up to date through continuous review and updating as process improvements are implemented.	2023 – 2032	Asset Planning Team	10. Skills and Processes

STRATEGIC THEME: 3. FINANCIAL MANAGEMENT

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
3.1 Integrate asset management and financial management.	The cost associated with infrastructure assets are fully reflected in financial management at Latrobe City.	3.1.1 Determine the funding required for asset renewal to inform the development of annual budgets and the financial plan.	Annually	Asset Planning Team, Finance Team	1 Strategic Longer Term Planning
		3.1.2 Develop and make widely available guidance documentation that defines key asset management terms and concepts and in particular the definition of renewal, upgrade, expansion, and new.	2023 - 2024	Asset Planning Team	10 Skills and Processes
3.2 Ensure that asset management practices align with Asset Accounting Policy.	Asset management and asset accounting is seamless in its alignment to ensure efficient and accurate reporting.	3.2.1 Review the Asset Accounting Policy to reflect the newly implemented asset management information system and maintenance management system.	2023	Finance Team, Asset Planning Team	2 Annual Budget
		3.2.2 Maintain a current asset classification structure that links to asset management classification to that of the Asset Accounting Policy.	2023 - 2032	Asset Planning Team	2 Annual Budget
3.3 Adequately identify and plan for the future maintenance costs of infrastructure assets.	That maintenance costs are understood and budgeted for.	3.3.1 Incorporate maintenance expenditure into predictor models for strategic infrastructure assets classes.	2023 – 2024	Asset Planning Team, City Presentation Team, City Assets Department	6 Asset Management Plans
3.4 Ensure that the asset base is not increased without consideration of Council's ability to fund future maintenance, operation, and renew costs.	The Council's asset base is not increased beyond Council's ability to fund the ongoing cost of assets.	3.4.1 Develop renewal funding scenarios by asset classes and present Latrobe City Council executive for consideration and feedback.	2024 – 2026	Asset Planning Team, Service Owners, Finance, Asset Management Working Group	1 Strategic Longer Term Planning
		3.4.2 Develop guidelines for decision process for whether Council will or will not take accept gifted and/or found assets.	2023-2024	City Assets Department, Asset Planning Team, Asset Management Working Group	6 Asset Management Plans
3.5 Rationalise under-utilised assets that have no long term strategic benefit for service delivery.	That assets that are not required for the delivery of Council services no longer incur cost to Council.	3.5.1 Develop asset demand plans for all asset dependent services.	2024 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		3.5.2 Make recommendations on rationalisation of assets.	2024 – 2032	Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service

STRATEGIC THEME: 4. GOVERNANCE AND MANAGEMENT

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
4.1 Continue to provide asset management oversight.	That asset management decisions, processes are supported and coordinated across all Latrobe City business units.	4.1.1 Review the terms of reference and functionality of the Asset Management working Group.	2023	Executive Team	7 Governance and Management

STRATEGIC THEME: 5. SERVICE PLANNING

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
5.1 Create a clear linkage between Council services and the assets used in the delivery of the services.	That there is a clear association between assets and the service that they support in order to fully cost services and to determine if assets are or are not strategic for the delivery of Council services.	5.1.1 Allocate a primary asset dependent service to each asset and each Latrobe City site.	2023 – 2027	Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service
5.2 Integrate and align service planning, service reviews, and asset management practices.	That efficient service planning can be undertaken that reflects the cost of assets that underpin the service.	5.2.1 Document service owner and asset management roles and responsibilities.	2023	Innovation and Performance Team, Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service
		5.2.2 Develop a process for assessing assets based on a 'fit for purpose, fit for use and fit for the future' concept.	2023 – 2024	Innovation and Performance Team, Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service
		5.2.3 Establish measures to determine utilisation of assets.	2023 – 2024	Innovation and Performance Team, Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service
5.3 Support service planning processes at Latrobe City Council.	Asset demand plans are undertaken to inform service planning and asset management planning.	5.3.1 Document asset demand plans and technical levels of service for the following asset dependent services:	2023 – 2027	Service Owners, Asset Planning Team, Asset Management Working Group	8 Levels of Service
		Property Access	2023 – 2027	Service Owners, Asset Planning Team	8 Levels of Service
		Wayfinding	2023 – 2027	Service Owners, Asset Planning Team	8 Levels of Service
		Safe Travel	2023 – 2027	Service Owners, Asset Planning Team	8 Levels of Service
		Stormwater Management	2023 – 2027	Service Owners, Asset Planning Team	8 Levels of Service
		Council Service and Administration	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Animal Management	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Events and Tourism	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Creative Arts	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Learning and Community Enhancement	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Aged and Disability Support	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Early Learning and Care	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Family Health and Development	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
Community Meeting Spaces	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service		

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
5.3 <i>Continued:</i> Support service planning processes at Latrobe City Council.	Asset demand plans are undertaken to inform service planning and asset management planning.	Community Group Activity Spaces	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Latrobe Regional Airport	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Active Outdoor Spaces	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Active and Liveable Communities (Leisure)	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Property and Commercial	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Passive Open Spaces	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Amenity of Place (Streetscapes and Community Spaces)	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Nature Conservation	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Landfill	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Waste Services	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Sustainability	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
		Emergency Management	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service
Council Internal Services	2023 – 2032	Service Owners, Asset Planning Team	8 Levels of Service		
5.4 Support the development of asset demand plans.	That officers that have to undertake asset demand plans have the resource material available to guide them in the process.	5.4.1 Develop guidance material that supports service owners in the development of asset demand plans.	2023	Asset Planning Team	8 Levels of Service
5.5 Document technical levels of service for all infrastructure asset classes.	That technical levels of service are documented or each service such that performance in service delivery can be measured.	5.5.1 Develop and implement a process for monitoring and reporting on adherence to technical levels of service.	2026 – 2032	Service Owners, City Presentation Department, City Assets Department, Asset Management Working Group	8 Levels of Service
5.6 Consider risk of asset failure and its impact on service delivery.	That risk posed by asset failure is considered in asset management decision making.	5.6.1 Consider the risk of asset failure and the impact failure may have on service delivery.	2023 - 2032	Service Owners, Asset Planning Team	6 Asset Management Plans

STRATEGIC THEME: 6. ASSET MANAGEMENT

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
6.1 Ensure capital investment decisions consider the whole of life costs for assets	Council is able to understand and plan for the costs of new assets over the entire expected life of the asset.	6.1.1 Develop an asset life cycle costing process and incorporate into the capital works planning process.	2023 - 2024	City Assets Department, Asset Planning Team, Asset Management Working Group	6 Asset Management Plans

STRATEGIC THEME: 7. ASSET MAINTENANCE

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
7.1 Plan asset maintenance to ensure assets are fit for use for their expected useful life.	Assets are maintained to ensure they remain fit for use.	7.1.1 Document asset maintenance practices.	2023 - 2024	City Presentation Team, City Assets Department	6 Asset Management Plans
		7.1.2 Measure and analyse trends in reactive versus programmed maintenance costs.	2024 – 2032	City presentation Department, City Assets Department, Asset Planning Team	6 Asset Management Plans
		7.1.3 Incorporate a requirement for the development of asset/facility maintenance schedules for complex asset/facilities types that are new to Council.	2024 – 2026	City Assets Department	6 Asset Management Plans

STRATEGIC THEME: 8. SKILLS AND KNOWLEDGE

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
8.1 Identify information needs of Councillors and key decision makers and broaden the knowledge of asset management.	Councillors are informed about the types of assets, the quantities of assets, the condition of assets and the required funding needed to hold Council's infrastructure assets.	8.1.1 Ensure Councillors have the appropriate information and awareness of asset management.	2023 – 2032	Executive Team	10 Skills and Processes
8.2 Ensure staff that have service planning and asset management responsibilities are resourced to build skills and to maintain capacity.	That officers that have service planning and asset planning responsibilities have the knowledge and skills required to competently undertake those functions.	8.2.1 Establish a training matrix based on staff roles and responsibilities and include training needs as part of annual staff performance reviews.	2023 - 2032	People and Culture, Asset Planning Team	10 Skills and Processes

STRATEGIC THEME: 9. EVALUATION AND REVIEW

Strategic Objective	Desired Outcomes	Recommendations	Timing	Responsibility	Refer NAMF Criteria
9.1 Participate in asset management best practice and benchmarking.	That Council is aware of developments in asset management and are able to assess Council's asset management maturity.	9.1.1 Investigate and determine an alternative benchmarking process to replace the lapsed MAV Step Program for Asset Management.	2023 – 2032	Asset Planning Team	11 Evaluation and Review
9.2 Evaluate asset management improvements, milestones and report progress to Latrobe City Executive.	That progress in the delivery of the improvement plan is understood monitored and reported.	9.2.1 Evaluate Asset Management Strategy implementation progress, continuous improvements, and milestones and report annually.	2024 – 2032	Asset Planning Team, Asset Management Working Group	11 Evaluation and Review



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Service Centres and Libraries

Morwell

Corporate Headquarters
141 Commercial Road, Morwell

Morwell Library
63-65 Elgin Street, Morwell

Moe

Moe Service Centre and Library
1-29 George Street, Moe

Traralgon

Traralgon Service Centre and Library
34-38 Kay Street, Traralgon

Churchill

Churchill Community Hub
9-11 Philip Parade, Churchill

To obtain this information in languages other than English, or in other formats, please contact Latrobe City Council on 1300 367 700.