

COUNCIL DOCUMENT

# Asset Plan

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2022 - 2032

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2022	1.0	Original Alpine Shire Council Asset Plan.

# 1. INTRODUCTION AND BACKGROUND

## 1.1 ALPINE SHIRE

Alpine Shire is situated in Victoria's north-east approximately 300km north of Melbourne and is located with the regional centres of Wodonga 50km to the north and Wangaratta 40km to the north-west. The Shire covers an area of approximately 4,800 sq km with a population of nearly 13,000 (2019) and is readily accessible via key transport routes including the Kiewa Valley Highway and the Great Alpine Road.



The Shire includes significant natural assets, most notably Alpine National Park and Mount Buffalo National Park, which drives visitation and contributes to the natural amenity that makes Alpine Shire popular for residential lifestyle attraction.

There are several key towns and population nodes within the region that drive residential, employment and economic growth, including Bright (administrative centre), Mount Beauty, Myrtleford, and Dinner Plain (service centres). These towns represent distinct regional areas, each of which has unique strengths, specific community needs, and economic priorities.

Population is projected to increase slowly to 13,521 by 2036 and has an age profile older than the State average. However, it is recognised that Regional Victoria has experienced considerable population growth in the past twenty-four months, which is at odds with the Victorian Futures data. The region is subject to extreme bushfire and flooding events with event frequency expected to increase with the effects of climate change.

## 1.2 INFRASTRUCTURE WE MANAGE

Council is responsible for **\$293.7 million** worth of infrastructure assets on behalf of its community. These community assets range from significant structures such as roads and buildings through to park furniture and play equipment. These assets are fundamental in supporting the delivery of our services.

To deliver these services over the long term in a challenging environment, we must ensure that the supporting assets are managed in a sustainable way.

The *Asset Plan* represents one of the keystones in the way we manage our community's assets. It provides a strategic and financial view of how we will manage the assets that we own and control over the next ten (10) years and beyond. It defines our high-level strategic asset management priorities and addresses all aspects of the lifecycle management of our assets.

## 1.3 THE PURPOSE OF THIS ASSET PLAN

This *Asset Plan* has been prepared to meet the requirements of Section 92 of the *Local Government Act 2020*.



It is a general overview document that summarises the key elements of the individual Asset Management Plans that we have developed for each of our major asset classes.

The purpose of this *Asset Plan* is to:

- Show how we will responsibly manage our assets to meet the service delivery needs of our community into the future in a cost-effective way.
- Define the services to be provided, the service standards that Council aims to achieve, and the measures we will use to monitor performance.
- Summarise the operating and capital expenditure requirements for our assets.
- Ensure that there is integration between our asset management planning outcomes and our strategic objectives, Financial Plan, and Budget.
- Maximise alignment with Council, Regional and Government strategies, policies and plans that affect the management of our assets.
- Make sure that we comply with our legislative obligations.

The development of this *Asset Plan* is dependent on our understanding of the performance of our assets and a number of key assumptions. Assumptions and forecasts will change based on enhancement of our asset knowledge along with ever evolving internal and external drivers. This *Asset Plan* will be actively monitored and updated to reflect any major changes.

Ongoing development and review of this *Asset Plan* will promote the viability and long-term use of assets in line with the aspirations of the community and our strategic objectives.

## 1.4 SCOPE OF THE ASSET PLAN

While we manage an extensive portfolio of assets, this *Asset Plan* only covers infrastructure that is under the control and is recognised as an asset of the Alpine Shire Council. Our infrastructure assets include:

- Roads and car parks.
- Buildings.
- Open space assets (e.g., playgrounds, sporting fields, parks, and reserves).
- Pathways and shared trails.
- Stormwater drainage.
- Bridges and major drainage structures.

## 2. STRATEGIC CONTEXT

The delivery of services to the community is guided by the Community Vision and Council Plan, strategies, and policies. These also drive our approach to asset management. Figure 1 illustrates our integrated planning framework.

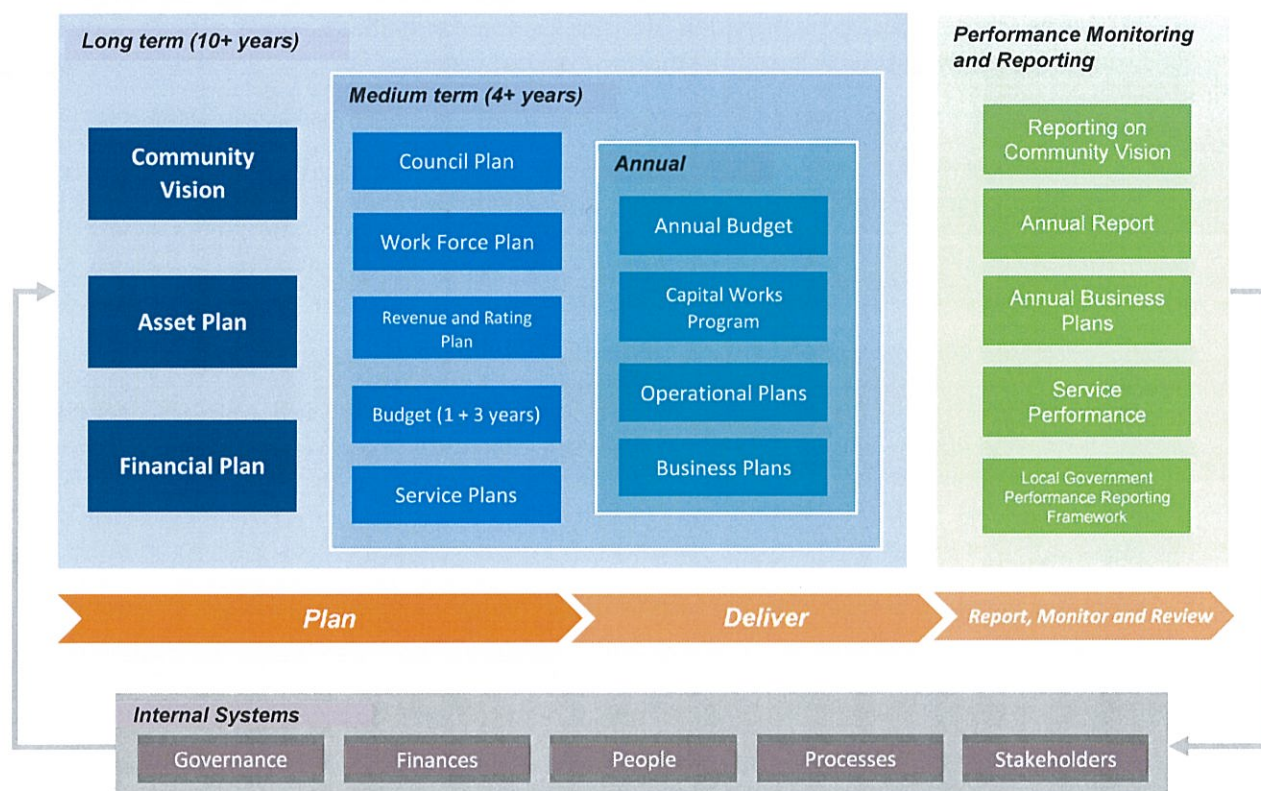


Figure 1 - Integrated Planning Framework

### 2.1 THE COMMUNITY VISION

Our Community Vision is a statement of our community's goals and aspirations for the future. It considers where we are, where we want to be, and how will we get there.

#### *Community Vision 2040*

Our people, places, and environment enrich our area's resilience, prosperity, and sustainability.

The *Alpine Shire 2040 Community Vision* was developed in conjunction with our *Council Plan*.

The Community Vision aligns the activities, decisions, plans and strategies that will shape our long-term direction. It is a broad statement of what we will be working towards to achieve our community's priorities.

This *Asset Plan* is integrated with both the Community Vision and our Financial Plan. These guide our Council Plan which sets out our strategic objectives over the next four (4) years to achieve our long-term goals.



## 2.2 THE FINANCIAL PLAN

The Financial Plan provides a long-term view of the resources that we expect to be available to us and how these will be allocated and prioritised over the next 10 years.

Our Financial Plan identifies our current and projected financial capacity to continue delivering high quality services, facilities, and infrastructure while identifying critical new capital investment to support our community's prosperity and to respond to our future challenges.

This *Asset Plan* is based on and intrinsically linked with the budgets and projections outlined in our *Financial Plan*.

Ongoing affordability and financial sustainability are our key objectives. The *Financial Plan* in combination with the *Asset Plan* supports us in achieving this aim.

## 2.3 THE COUNCIL PLAN

Our aim is to listen, understand and respond to our community. We not only deliver traditional council services, but act as champion, influencer, advocate, and enabler to be a leader in the ways we bring benefit to the community.

We work to continually develop, improve, and innovate to achieve our shared community vision which is that our people, places, and environment enrich our area's resilience, prosperity, and sustainability.

Our *Council Plan* makes a commitment to outcomes and priority initiatives across a number of strategic objectives, compelling action towards a thriving future.

Our assets play a key role in the delivery of quality services and effective asset management supports the outcomes of the *Council Plan*.

## 2.4 THE REGULATORY FRAMEWORK

We operate in a complex legislative and policy driven environment that directly influences the way we do business.

The principal legislation in Victoria governing the establishment and operation of councils is the *Local Government Act 2020* ('the Act'). This defines the purposes and functions of local government as well as providing the legal framework for establishing and administering councils.

The Act requires all councils to develop an integrated, longer-term, and transparent approach to planning organised around a long-term community vision. This *Asset Plan* is an important part of our integrated planning framework.

As well as the general powers and responsibilities given under the Act, we are responsible for a wide range of services and functions under various other Acts of Parliament. In fact, we have responsibilities under more than 120 different Victorian pieces of legislation.

### 3. OUR ASSETS

#### 3.1 ASSET VALUE

All our infrastructure assets, with a collective replacement cost of close to **\$293.7 million**, belong to our ratepayers and are cared for by us on their behalf. Ensuring our assets are appropriate for the community's needs enables us to deliver the services that make our Shire a great place to live, work, and visit.

This *Asset Plan* provides guidance on all our infrastructure assets, which are grouped into the following key asset classes:

Asset Class	Quantity	Replacement Value (\$ '000)
<b>Roads &amp; Car Parks</b>	349 km of sealed roads, 235 km of gravel roads, 182 km of kerb and channel	148,468
<b>Buildings</b>	392 buildings including, public halls, libraries, swimming pools, public toilets, minor structures, etc	74,880
<b>Open Space</b>	Sporting infrastructure including tennis and netball courts, sporting ovals, playgrounds, park furniture, etc	7,322
<b>Drainage</b>	93km of underground stormwater pipes and 3,170 drainage pits	23,877
<b>Pathways</b>	132 km of sealed and gravel pathways and trails	11,117
<b>Bridges</b>	194 bridges and major drainage structures	28,011
<b>Total</b>		<b>293,675</b>

**Table 1 - Asset Summary**



### 3.2 STATE OF OUR ASSETS

We measure the performance of our infrastructure through ongoing condition assessments. The information below gives an overview of the current state of these assets according to the average condition of each asset class. Our aim is to maintain the current performance of our infrastructure over the period of this *Asset Plan*.



## 4. ASSET MANAGEMENT PLANNING

### 4.1 WHAT IS ASSET MANAGEMENT?

#### *Asset management in short*

The right assets, in the right place, at the right time, managed by the right people.

Asset management refers to the coordinated series of activities that monitor and maintain things of value—in this case, physical assets. This involves balancing risk, cost, opportunities, and performance to realise the value of an asset fully and effectively over its entire lifespan.

Ultimately, asset management is a way to align strategic planning with infrastructure and service delivery in the real world. What assets do people need? How can these assets be made to last the longest and perform the best?

### 4.2 WHY IS ASSET MANAGEMENT IMPORTANT?

Infrastructure is at the heart of everything that we do. As infrastructure assets can provide services over extended periods of time, the choices we make today can impact the quality of life of future generations.

Asset Management provides us with the ability to understand the immediate, medium, and long-term impacts of decisions and provide solutions on how to mitigate the risks.

The benefits of good Asset Management include:

- Improved cost efficiency by looking at the costs of assets over their entire lifecycle.
- Being able to target critical assets to ensure performance is maintained and risks are managed.
- Better understanding of what levels of service can be achieved for different costs.
- Ensuring infrastructure networks are appropriately funded for the long term.
- Improving customer satisfaction by matching the services and assets we provide to the community's expectations and willingness to pay.



### 4.3 ASSET PLANNING FRAMEWORK

The objective in managing assets is to meet the agreed level of service in the most cost-effective manner for the benefit of the community, both present and future.

Asset management planning commences with defining stakeholder and legal requirements and needs. These needs inform our corporate planning priorities which helps us to develop our asset management policies, strategies, and plans.

The outcomes of this planning process inform our *Financial Plan* and Budget.

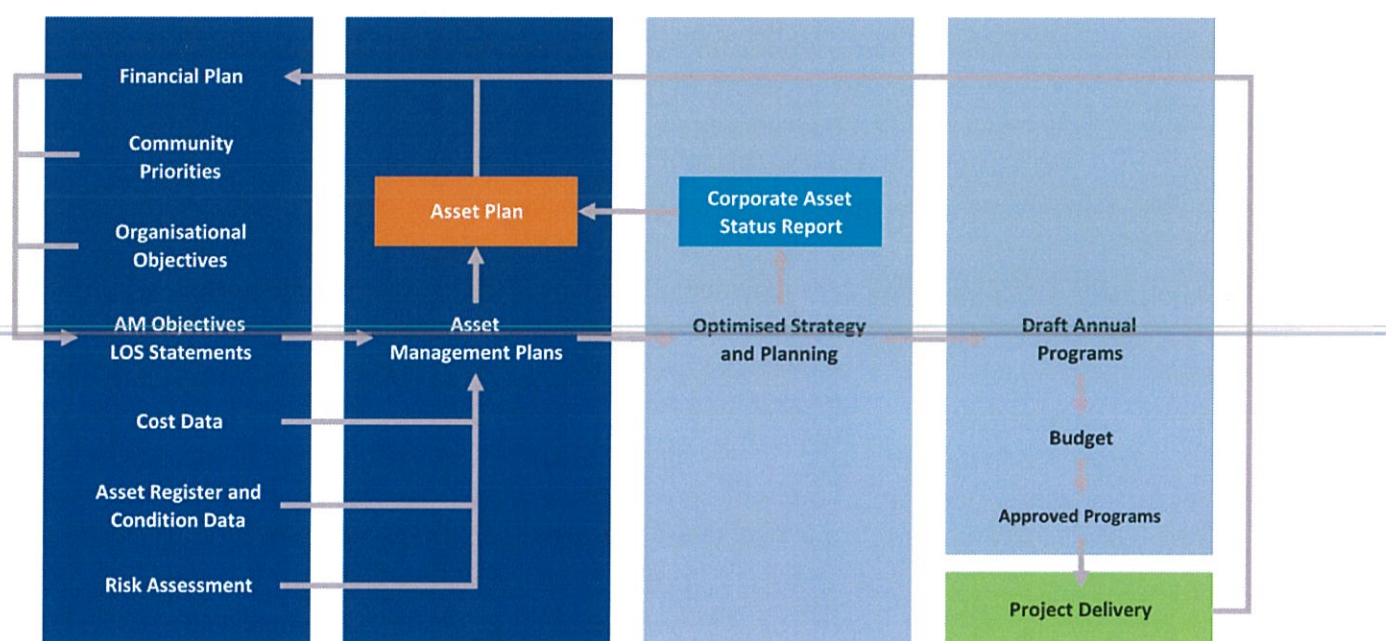


Figure 2 - Asset Planning Framework

### 4.4 ASSET MANAGEMENT PLANS

Most of our asset management activities are managed at an asset class level. We have prepared individual *Asset Management Plans* that each cover a 10 year planning horizon to assist in the management of our assets over their lifecycle. They summarise the operating and capital expenditure requirements for our infrastructure assets.

The *Asset Management Plans* outline processes and principles used to plan improvements, renewal, and maintenance works for key assets and prioritise capital works for each asset class.

The key planning and financial outputs from our *Asset Management Plans* inform this *Asset Plan*. The result is a long-term planning framework, including expenditure forecasts that will assist in making informed decisions on future maintenance programs and renewal and capital projects. This information impacts our *Financial Plan*, Annual Budget, and annual plans.

## 5. OUR SERVICES

Everything that we do is focused on achieving community outcomes. All activities outlined in this *Asset Plan* aim to deliver the results required to achieve these outcomes, contribute to strategies, and meet our legislative requirements. Likewise, all Council capital and operating expenditure is directed towards a level of service that moves the community closer to these outcomes now or at some future point.

### 5.1 SERVICES SUPPORTED BY ASSETS

Our assets exist to enable the provision of a broad range of services for community benefit. Our ability to effectively manage our assets has a direct impact on the quality of services enjoyed by the community.

We are continuously looking to improve the ways that we plan our services. This is to make sure that our services are aligned with our goals, have clear and measurable outcomes, and respond to community expectations and affordability.

### 5.2 LEVELS OF SERVICE

#### *Levels of Service*

*Levels of Service* are used to define the quality of assets and services against which performance can be measured.

Asset planning enables the relationship between service standards and the cost of the service to be determined (i.e., quality vs. cost relationship). This relationship can then be evaluated in consultation with the community to determine the minimum levels of service that people are prepared to pay for.

Levels of service provide the basis for planning our life cycle management strategies and work programmes. Clear levels of service give us the ability to monitor and report on our performance.

Our aim is to continue to advance our municipality without diminishing our net level of service over the long term.

#### 5.2.1 Level of Service Relationship to Asset Management Planning

One of the cornerstones of sound asset management planning is to provide levels of service that current and future communities want and are prepared to pay for.

Before developing detailed asset management strategies, agreed levels of service need to be established between us and our community with consideration given to the following:

- Our strategic mission and objectives.
- Legislative requirements.
- Technical constraints.
- Financial and practical constraints.



A key objective of our asset management planning is to match the levels of service provided by assets with the expectation of customers, our corporate goals, and legislative requirements. This requires a clear understanding of customer needs and preferences.

We recognise the importance that levels of service play in optimising the lifecycle management of our assets and we continue to work towards achieving the required service levels in practice. The development and monitoring of actual service levels will be one of the foundations of future improvement to our asset management planning processes.

## 6. OUR COMMUNITY AND STAKEHOLDERS

Many people directly use and rely on our assets in their daily activities. In addition, our stakeholders include a wide range of people and groups who, although not using our assets directly, have shared or competing interests in how we manage these assets.

### 6.1 COMMUNITY ENGAGEMENT

It is important that we understand the expectations of our stakeholders so we can manage our assets effectively.

Our *Community Engagement Policy* outlines our commitment to community engagement. It details the principles that guide us to deliver sustainable outcomes for our Shire - through shared problem-solving, open dialogue and meaningful participation. The policy seeks to foster a deeper culture of public participation, provide a common language, and strengthens our engagement.

We are committed to transparent and informed decision making in relation to the management of our assets and services through engagement with the community.

We use a variety of engagement tools and platforms for the community to provide feedback on projects and allow them to have their say in developing policies, programs, and capital works. In addition.

Our *Community Vision* and *Council Plan* were both developed with input from our community via a process of deliberative engagement. Future versions of this *Asset Plan* will also be prepared following the same deliberative engagement process.

### 6.2 OUR APPROACH TO MEETING COMMUNITY NEEDS

We have many strategies that guide our delivery of services and assets, including the *Council Plan*, which informs the organisation's work during its four-year term.

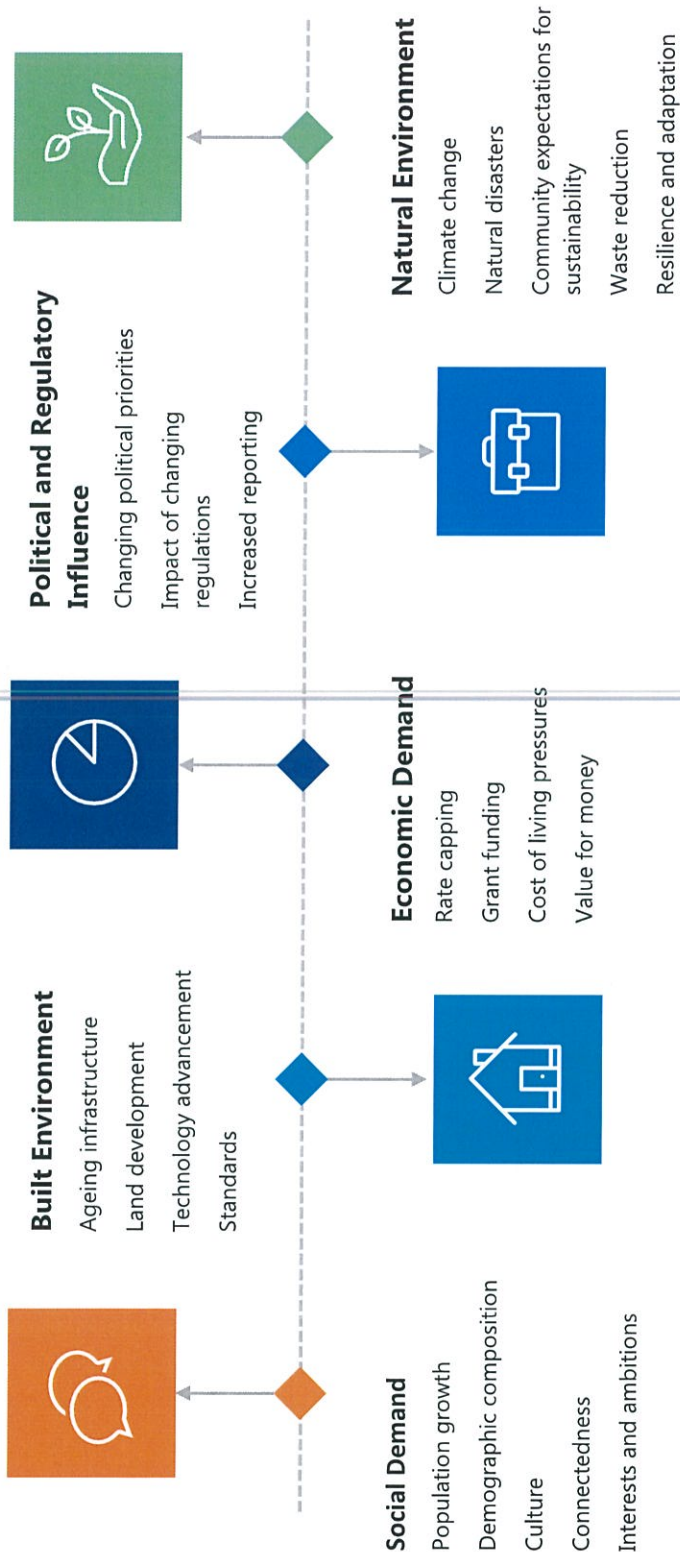
Through these plans, our service managers, planners, and designers build on the things our Shire does well while responding to opportunities for improvement. These documents explain how we will improve services and assets to meet changing community needs.



## 7. OUR CHANGING SHIRE

### 7.1 CHALLENGES AND OPPORTUNITIES

Local, national, and global trends all have the potential to impact the future outlook of our shire. We need to understand these trends, harness their benefits, and adaptively respond to preserve the health, vibrancy, resiliency of our community.



We have identified a number of key areas with the potential to significantly impact our ability to meet the community's needs. These challenges also provide opportunities which we can leverage to our advantage and include:

Issue	What does this mean for asset management and service delivery?
<b>Social Demand</b>	
<p><b>Population Trends</b></p> <p>In 2019, the Estimated Resident Population of Alpine Shire was 12,814, with the population concentrated in the Ovens Valley areas of Myrtleford (26%), Harrietville-Porepunkah and District (20%) and Bright (19%).</p> <p>Future population growth is projected to be low, increasing to 13,521 by 2036, representing growth of +707 residents (0.3% p.a.). However, it is recognised that Regional Victoria has experienced considerable population growth in the past twenty-four months, which is at odds with the Victorian Futures data.</p>	<p>We will face challenges in maintaining revenue raising capacity in the future in order to fund the care, renewal, and improvement of our infrastructure.</p> <p>The variable rate of growth across the Shire will impact the rate of demand for services and infrastructure across different districts.</p>
<p><b>Demographic Change</b></p> <p>The Alpine Shire has a considerably older age profile, with a median age of 49 (compared to Victorian average of 37). However, there is evidence that the age profile is shifting to a younger demographic, evidenced by the high growth in school enrolments.</p>	<p>We will need to maintain a focus on planning our facilities and services to ensure that they are suitable for a changing demographic.</p>
<p><b>Changing Community Needs</b></p> <p>The community expects Council to be able to quickly respond to emerging needs, without knowing how long the demand might last.</p>	<p>We will need to plan assets that are responsive and adaptable to meet shifting stakeholder needs.</p> <p>We will seek to form strategic alliances with service delivery partners to enhance non-asset-based service delivery solutions in turn optimising the use of Council's asset portfolio.</p>



Issue	What does this mean for asset management and service delivery?
<b>Built Environment</b>	
<p><b>Ageing Infrastructure</b></p> <p>One of the biggest financial challenges facing us is the cost of renewing our ageing infrastructure. Council's assets have been built and developed in the past. Many years on, this period of development has created a large peak in the need to invest in asset maintenance and renewal.</p>	<p>There is a critical need to introduce systems and processes to ensure that our spending on our existing assets is optimised.</p> <p>As our assets continue to age, more investment in maintenance and renewal expenditure will be required to ensure that the current levels of service enjoyed by the community continue to be delivered.</p>
<p><b>Rapid Technological Change</b></p> <p>The world is becoming more connected. People, businesses, and governments are increasingly moving online to connect, deliver and access services, obtain information and to perform day to day activities.</p> <p>These changes will affect how we deliver services and how we manage our assets.</p>	<p>Technological advancement is rapid, with digital technologies shaping and reshaping the way we operate. There will be fundamental changes in the way stakeholders will engage with us in the future.</p> <p>These changes will affect how services are delivered and, by extension, the facilities and assets that are needed.</p>
<b>Economic Demand</b>	
<p><b>Diminishing Own Source Income</b></p> <p>The overall lower rate environment due to rate capping and potential freezing or reduction in Financial Assistance Grants may lead to a reduction in income available to Council</p>	<p>Loss of, or reduction in, own source income due to rate capping, changed patterns of use, and hardship responses due to significant events such as the COVID-19 pandemic will materially affect Council's financial sustainability. This will impact the way we invest in our assets and services in the future.</p>



Issue	What does this mean for asset management and service delivery?
<p><b>Increasing cost of providing services</b></p> <p>Cost increases to items such as electricity, petrol, and raw materials impact on the Council. For the Council, this occurs within an expectation of doing more with less or improving our efficiency to ensure more can be achieved with less money.</p>	<p>We will need to aim to continually balance the affordable provision of services against the needs of our community.</p>
<p><b>Delivering on community expectations while keeping it affordable</b></p> <p>There is ongoing pressure from the community for higher quality assets and services to be provided for most Council activities. Smoother roads, modern technology and convenience are some examples. The expectation is for a higher level of service for the same amount of money – in other words doing more with less.</p>	<p>Community expectations can be influenced by numerous drivers such as generational change, legislation, environmental standards, facilities experienced elsewhere and new technology.</p> <p>Our assets must cater for the expectations of the community by remaining accessible, well maintained, and fit for purpose. This must be balanced and prioritised against maintaining Council's financial sustainability and the ability of the community to pay.</p>
<p><b>Political and Regulatory Influence</b></p> <p><b>Legislative and Policy Influence</b></p> <p>We operate in a complex legislative and policy environment that directly influences the way we do business:</p> <ul style="list-style-type: none"> <li>There is an expectation that Council will continue to deliver services, even when State and Federal government funding changes</li> <li>The cap on rate increases means our ability to control revenue is constrained</li> <li>Compliance and reporting requirements are increasing</li> </ul>	<p>We need to meet our statutory obligations while being conscious of maintaining affordability and financial sustainability. This requires good decisions to be made to manage competing funding demands across a broad range of projects, programs, and services.</p> <p>Any cost shifting by the Victorian and Federal Governments to the Victorian local government sector will place greater reliance on rates and charges to fund existing and new services and programs.</p>



Issue	What does this mean for asset management and service delivery?
<b>Natural Environment</b>	
<b>Climate Change</b>  We are already experiencing the impacts of climate change. In the future, we can expect; increased vulnerability to bushfire; storm damage to infrastructure; decreased water quality and security of water supply; reduced summer outdoor activities due to higher temperatures.	<p>Assets will need to be built and renewed to a standard that can withstand the impacts of climate change. This may require different materials, methods of construction and other innovative approaches.</p> <p>There may also be increased expectation for leadership from Council to make use of sustainable energy sources and to provide assets that are environmentally efficient.</p> <p>We will need to recognise the upstream impacts of the materials and services we use in the design and construction of our infrastructure. The sourcing of more local, recycled content will minimise the use of virgin materials and reduce the amount of waste entering landfill.</p>
<b>Natural Hazards/Local Natural Disasters</b>  The Alpine Shire is at risk from natural hazards such as flooding, landslips, storms, and bushfire. These events can be unexpected and can potentially cause significant unbudgeted costs, beyond the capacity of the Council to cope.	<p>We will need to recognise climate change risks and examine the vulnerability of our asset network. If and when disasters occur, we will need to focus our energy and resources on supporting the recovery of our community.</p> <p>Our assets will need to be rebuilt to a higher standard in the expectation that risks will only increase in the future.</p>

Table 2 - Summary of Key Challenges and Opportunities

## 7.2 RESILIENCE IN CHALLENGING TIMES

Our community infrastructure assets are essential to the delivery of basic public services and even more so in changing urban landscapes.

Our services face a multitude of risks, whether it is from poor planning, climate change, or public health crises such as the current COVID-19 pandemic.

Good asset management lends itself to sound fiscal management by supporting long term financial sustainability and ultimately ensuring that our investment into our assets will adequately serve present and future generations.

Recent bushfires and the COVID-19 pandemic have called for us to be agile and flexible in the support of our community where most needed. We have adapted to innovate new ways of keeping safe and connected while maintaining our high standard of service delivery.

The systems, tools, and lifecycle processes which we have established, has us well positioned to act in the face of the pandemic and the ongoing socio-economic challenges that this presents.

We will continue to provide effective leadership and transparent governance to allow us to set big-picture direction and then actively work towards making our processes and systems as fair and transparent, and as easy to access and understandable as possible. Better communication around our existing services, programs and initiatives is considered as a key way to achieve our community vision.

Effective community engagement is central to the success of delivering a healthy shire. We will continue to promote wider participation in community engagement activities and more user-friendly tools to make the bigger picture simple in coming years.

As our asset management proficiency continues to improve based on the actions we propose through our various improvement plans, the resilience of our assets and services to future threats and hazards will be improved.



## 8. FUNDING FOR LONG-TERM SUSTAINABILITY

The main theme underpinning our *Asset Plan* and broader asset management planning principles is ensuring responsible stewardship of our assets to meet the needs of tomorrow's community.

This acknowledges the many and varied factors that influence the delivery of our community's infrastructure. Some of these challenges are legacy issues (e.g. decisions of past Councils or how things were built over 40 years ago). Others are simply the demands of a progressive society that is constantly seeking to improve. Either way, we are responsible for ensuring built infrastructure enhances community wellbeing and is fit for purpose, of good quality, safe, future-proofed, cost effective, and appropriately funded.

### 8.1 ASSET INVESTMENT STRATEGY

Looking ahead to the next 10 years, our approach is to be prudent in our investment decisions using a holistic lifecycle approach to asset management. This means that we will aim to plan our assets so that they will continue to support quality living, economic development, and the environmental integrity of our Shire in the long-term.

In planning and providing infrastructure requirements in the next 10 years, we will aim to:

<b>Optimise asset life through timely and effective maintenance</b>	There is no one-size-fits-all care programme for all our assets. We will continue to use a mix of approaches, including preventive maintenance, reactive maintenance, run-to-failure (breakdown maintenance), predictive maintenance, and risk-based maintenance for critical assets.
<b>Continue to replace ageing infrastructure</b>	Through a robust asset renewal programme, we will progressively replace assets as they reach the end of their useful life. The rate of asset renewal is intended to maintain the overall condition of the asset system at a standard that reflects its criticality and age profile and ensures that the community's investment in infrastructure is sustained.
<b>Maintain current levels of service</b>	Using a holistic lifecycle approach to asset management, our decisions will be data driven to maximise the performance and life of our assets without diminishing our net level of service over the long term.
<b>Manage the impacts of growth and land use change</b>	Our strategic plans will provide guidance on future asset needs by identifying location and scale of growth.
<b>Comply with legislative requirements</b>	We acknowledge and will action legislated standards in infrastructure planning and development.
<b>Provide long-term affordable services</b>	Our financial strategy will continue to reflect the balancing of ratepayer affordability against community needs and aspirations.

### 8.1.1 Spending Categories

For the purposes of this *Asset Plan*, spending on our infrastructure is categorised as follows:

Expenditure Category	Activity	Description
Recurrent	Maintenance	Ongoing work required to keep an asset performing at the required level of service.
	Operations	Recurrent expenditure that is continuously required to provide a service.
Renewal	Renewal	Returns the service potential or the life of the asset up to that which it had originally.
Acquisition	Upgrade	Enhancements to an existing asset to provide a higher level of service.
	Expansion	Extends or expands an existing asset at the same standard as is currently enjoyed by residents, to a new group of users.
	New	Creates a new asset that provides a service that does not currently exist.

**Table 3 - Expenditure Categories**

Classifying our expenditure in this way helps us to plan our budgets and track how we spend our money on our assets and services.

### 8.1.2 Investment Evaluation

We follow an investment philosophy that:

- Ensures that capital investment for infrastructure assets aids in the achievement of our strategic objectives.
- Aids the development of a service needs directed long-term capital works program, to better inform our *Financial Plan*.
- Ensures capital investment delivers best value.
- Ensures that capital investment is financially sustainable, and in accordance with asset management principles for the whole life cycle costs of our infrastructure.
- Builds a robust capital infrastructure asset investment system, that is impartial and priority-based for allocating our resources.
- Enhances transparency and public confidence in our capital investment decision-making process.

Our approach provides a means of evaluating and appraising proposed infrastructure investments, as well as setting priorities within the context of our long-term asset and service needs.



It is important that investment decisions on our infrastructure are based on the ability to fund the upfront capital costs and also include allowances for the ongoing operational, maintenance and future replacement costs.

### *Project Pipeline*

*When an idea or suggestion to improve our facilities or infrastructure is put forward it is included in our Project Pipeline.*

*Our Project Pipeline can be found here -*

*<https://www.alpineshire.vic.gov.au/council/major-projects/project-pipeline>*

*It helps us to formulate our priorities and give visibility to our community on the broad delivery timeframes for our various projects over the long term.*

*Projects in the pipeline are not locked in – every project is subject to Council support and available funding.*

## 8.2 FINANCIAL PROJECTIONS

This section outlines the projected expenditure requirements for our infrastructure over the next 10 years.

These outlays have been determined based on the affordability assessments made in our *Financial Plan* and represent the investment that is required to maintain our existing levels of service.

Actual funding will be guided by the *Financial Plan* and determined in our *Annual Budget*. Our *Asset Plan* outlines a picture of the future demand on our assets so that we can make informed decisions around prioritisation of our finite funding resources.

8.2.1 Roads and Car Parks

The projected capital and recurrent expenditure associated with our roads and car parks over the next 10 years is shown here.



Increased expenditure shown in 2023 relate to the investment we are making in improving the Dargo High Plains Road and the Dinner Plains Activation.

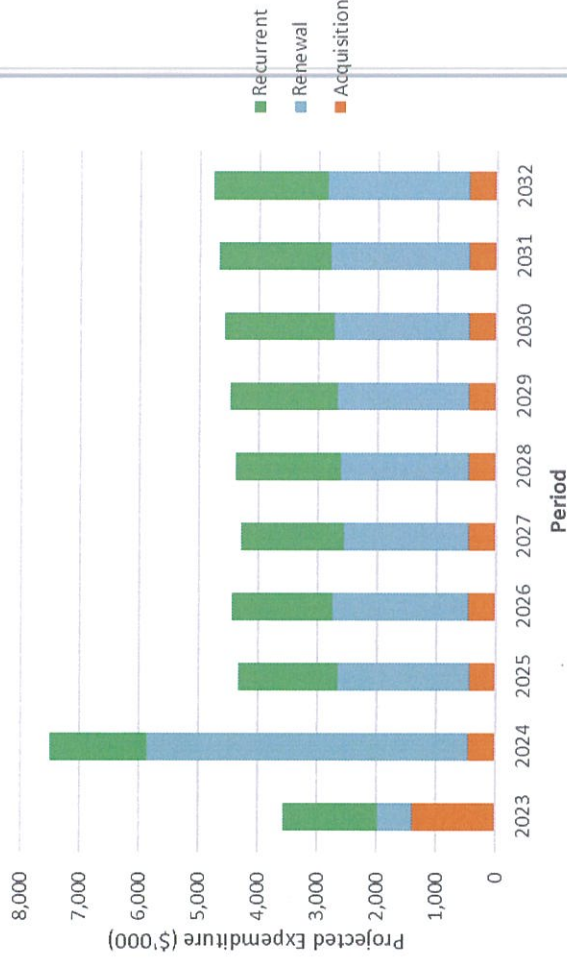
Costs										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Recurrent	750	765	780	796	812	828	845	861	879	896
Renewal	1,733	98	2,101	2,180	2,350	2,423	2,498	2,577	2,655	2,744
Acquisition	3,940	2,841	882	910	910	910	910	910	910	910
Total	6,423	3,704	3,764	3,886	4,071	4,161	4,253	4,348	4,444	4,550
										43,603



## 8.2.2 Buildings

The projected capital and recurrent expenditure associated with our buildings and facilities over the next 10 years is shown here.

### Financial Projections



### Goals for Investment

To ensure our buildings and facilities are safe, suitable, and accessible to the broad range of people who use them.

### Projects and Initiatives

- > Tawonga Memorial Hall renewal
- > Ablett Pavilion Upgrade
- > Mount Beauty Stadium Renewable Energy Upgrade
- > Bright Office Electrical Vehicle Charging Stations
- > Mount Beauty Pool Renewal
- > Myrtleford Savoy Soccer Club Upgrade

Planned expenditure in 2023 includes important renewable energy projects in our buildings, including the Mount Beauty Stadium. Funding has also been set aside for upgrade of the Ablett Pavilion Stadium and renewal works to the Tawonga Memorial Hall.

### Costs

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Recurrent</b>	1,604	1,636	1,668	1,702	1,736	1,771	1,806	1,842	1,879	1,917
<b>Renewal</b>	570	5,410	2,219	2,288	2,100	2,156	2,213	2,271	2,330	2,396
<b>Acquisition</b>	1,411	459	445	459	459	459	459	459	459	459
<b>Total</b>	<b>3,585</b>	<b>7,505</b>	<b>4,332</b>	<b>4,449</b>	<b>4,295</b>	<b>4,385</b>	<b>4,478</b>	<b>4,572</b>	<b>4,668</b>	<b>4,772</b>
										<b>17,560</b>
										<b>23,952</b>
										<b>5,528</b>
										<b>47,040</b>

8.2.3 Pathways

The projected capital and recurrent expenditure associated with our pathways over the next 10 years is shown here.



Replacement of ageing and poor condition footpaths will be a focus over the long term.

Costs											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Recurrent	88	89	91	93	95	97	99	101	103	105	958
Renewal	150	283	291	301	340	349	358	367	377	387	3,203
Acquisition	10	68	66	68	68	68	68	68	68	68	621
Total	248	440	448	462	503	513	525	536	547	560	4,782





## 8.2.5 Drainage

The projected capital and recurrent expenditure associated with our stormwater drainage network over the next 10 years is shown here.





## 8.2.6 Bridges

The projected capital and recurrent expenditure associated with our bridges and major drainage structures over the next 10 years is shown here.



### Goals for Investment

To ensure that our bridges and major drainage structures, are sound, safe, and functional.

### Projects and Initiatives

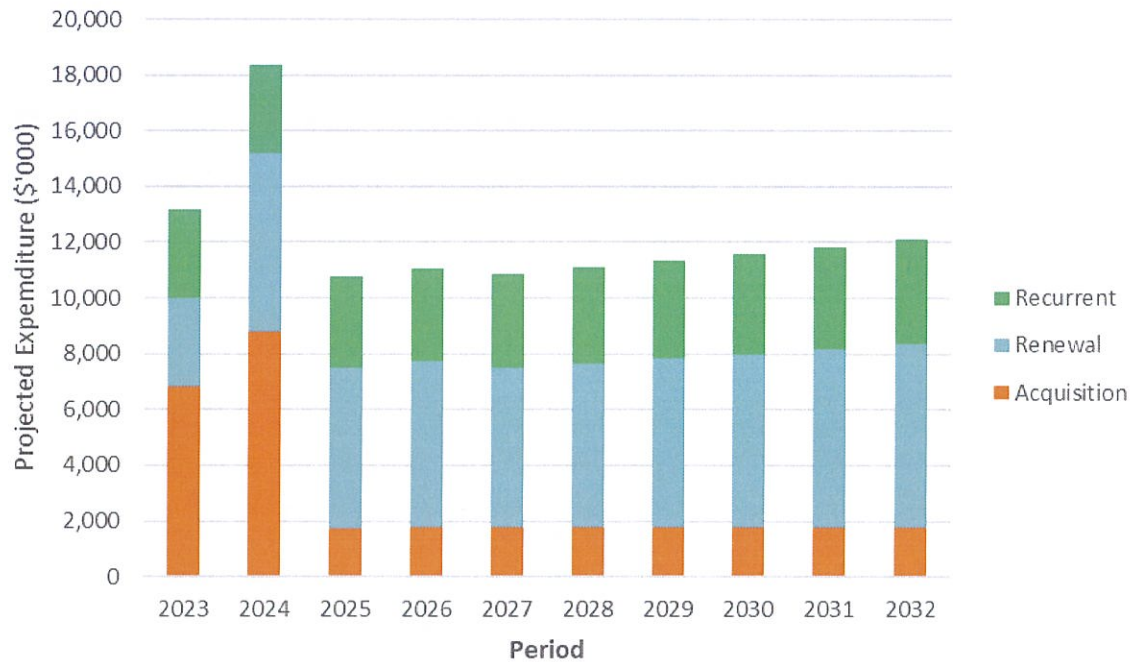
- > Annual bridge maintenance and major repairs programs
- > Construction of the Nimmo Pedestrian Bridge

Acquisition expenditure indicated in 2023 is for the Construction of the Nimmo Pedestrian Bridge

Costs		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Recurrent	31	31	32	32	33	34	34	35	36	36	36
Renewal	-	288	300	312	327	339	352	363	375	389	389
Acquisition	487	172	166	172	172	172	172	172	172	172	172
Total	518	491	498	516	532	544	558	570	583	597	597

### 8.3 FINANCIAL SUMMARY

Figure 3 shows our planned expenditure across the infrastructure assets included in this *Asset Plan* over the next 10 years.



**Figure 3 - Forecast Total Asset Expenditure**

This is further summarised in Table 4 which shows the total planned expenditure related to renewal, growth, and recurrent activities over the next ten (10) years for each asset class.

Asset Class	Renewal (\$'000)	Acquisition (\$'000)	Recurrent (\$'000)	Total (\$'000)
Road & Car Parks	21,359	14,033	8,211	43,603
Buildings	23,952	5,528	17,560	47,040
Open Space	3,766	6,426	5,793	15,985
Pathways	3,203	621	958	4,782
Drainage	2,718	1,313	1,448	5,479
Bridges	3,046	2,027	334	5,407
<b>Total</b>	<b>58,044</b>	<b>29,947</b>	<b>34,305</b>	<b>122,296</b>

**Table 4 - Forecast Expenditure by Asset Class**



We plan to spend an estimated total of **\$122.3 million** on our assets over the next ten (10) years. Of this:

- Around 47% (\$58 million) is renewal expenditure for replacement of assets that are reaching the end of their lives.
- Around 25% (\$30 million) relates to expenditure to meet growth or additional future demand.
- Around 28% (\$34.3 million) relates to caring for our assets through ongoing maintenance and other activities to make sure that they are safe and functional.

The outlays made in this *Asset Plan* have been determined based on the affordability assessments made in our *Financial Plan* and represent the investment that is required to maintain our existing levels of service.

Based on what we know now about our assets and levels of service, we are projected to adequately fund their lifecycle costs through our *Financial Plan* over the next 10 years.

Our forecast spending is based on the best available information we have about our assets and the planning we have done to formulate our *Annual Budget* and *Financial Plan*.

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The first 4 years of our financial projections are based on what we know we need to spend on our assets based on the project planning we have done to inform our capital works program. The expenditure estimates after the first 4 years are what we think we need to spend according to our long term asset management and financial planning.

As our data and processes improve, the financial forecasts to renew, improve, and maintain our assets will be refined and will be used to inform future versions of this *Asset Plan* and the *Financial Plan*.

## 9. MONITORING AND REVIEW

This *Asset Plan* will be reviewed following Council elections in accordance with the *Local Government Act 2020*.

Intermediary reviews of the *Asset Plan* may be undertaken from time to time as improvements are implemented or major financial decisions are made. This is to make sure that it retains consistency with our strategic goals and objectives. having regard to:

- Our available financial resources.
- Long term works programs that are reviewed annually.
- The consideration of any external factors that are likely to influence the Asset Plan.

### 9.1 REPORTING

Our Asset Management Plans are continuously monitored and are formally reviewed and updated every four (4) years.

Reporting on service levels and other performance measures will be undertaken as part of our *Annual Report*.

### 9.2 IMPROVING OUR EVIDENCE BASE

This *Asset Plan* has been developed based on existing processes, practices, data, and standards.

We are committed to striving towards best asset management practices and are always working to improve what we know about our assets and enhance the tools we use to manage them.

As our data and systems improve, so too will the analysis and information on which this *Asset Plan* is based. It is intended that our *Asset Plan* should always reflect as closely as possible the actual practices we use in managing our assets. Only in this way will we be best able to ascertain the long-term needs for our infrastructure.


The approach to the implementation of our capability improvements is discussed in our respective *Asset Management Plans*.

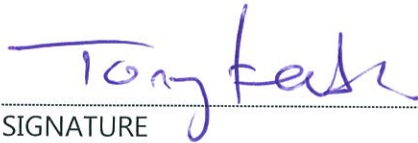



## 10. APPROVAL


- THE COMMON SEAL OF THE ALPINE SHIRE COUNCIL WAS HEREUNTO AFFIXED THIS 7TH DAY OF JUNE 2022 IN THE PRESENCE OF:



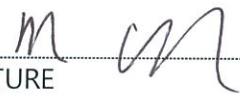
  
COUNCILLOR

  
SIGNATURE

  
COUNCILLOR

  
SIGNATURE

  
ACTING CHIEF EXECUTIVE  
OFFICER

  
SIGNATURE

