



# **Walgett Shire Asset Management Strategy and Plans**

---

2025-2029

## Table of Contents

<b>1. Asset Management Framework .....</b>	<b>3</b>
1.1. Introduction and Overview .....	3
<b>2. Asset Management Framework .....</b>	<b>4</b>
<b>3. Asset Management Policy .....</b>	<b>5</b>
3.1. Introduction .....	5
3.2. Application .....	5
3.3. Objectives .....	5
3.4. Principles .....	6
3.5. Roles and responsibilities .....	7
3.6. Monitoring and review .....	7
3.7. Related Legislation/Policy/Directive .....	8
<b>4. Asset Management Strategy .....</b>	<b>9</b>
4.1. Purpose of the strategy .....	9
4.2. Strategy objectives .....	9
4.3. Integrated strategic alignment .....	9
4.4. Integrated Planning and Reporting Framework .....	10
4.5. Our asset portfolio .....	11
4.6. Asset class and description .....	11
4.7. Value per asset class .....	12
4.8. Risk assessment .....	13
4.9. Asset Risk Management .....	13
4.10. Current asset state .....	14
4.11. Asset performance .....	14
4.11.1. Building and infrastructure renewal ratio .....	15
4.11.2. Building and infrastructure renewal ratio .....	15
4.11.3. Infrastructure backlog ratio .....	15
4.11.4. Asset maintenance ratio .....	16
4.11.5. Asset maintenance ratio .....	16
4.11.6. Cost to bring assets to agreed service levels (BTS) .....	16
4.11.7. Cost to bring assets to agreed service levels .....	16
<b>5. Asset condition and valuation .....</b>	<b>17</b>
5.1. Value .....	17
5.2. Proportion of asset replacement cost .....	17
5.3. Condition .....	18
5.4. Asset condition assessment criteria .....	18
5.5. Asset condition per class .....	19
5.6. Asset condition per class .....	19
5.7. Sustainability .....	20
5.8. Financial summary .....	20
5.9. 10-year projected expenditure .....	21
<b>6. Gap analysis .....</b>	<b>21</b>
<b>7. Achieving our vision .....</b>	<b>21</b>
7.1. Pillar 1: Governance .....	22
7.2. Pillar 2: Levels of service .....	22
7.3. Pillar 3: Systems .....	22
7.4. Pillar 4: Training and capability .....	23
7.5. Pillar 5: Operations and maintenance .....	23
7.6. Pillar 6: Renewal and replacement strategies .....	23
<b>8. Roles and responsibilities .....</b>	<b>24</b>
<b>9. Asset management action plan .....</b>	<b>24</b>
<b>10. Asset management actions .....</b>	<b>25</b>
<b>11. Asset Management Plans .....</b>	<b>27</b>

## 1. Asset Management Framework

### 1.1. Introduction and Overview

A primary role of all councils is to provide services to meet the needs of their community. These services can include:

- Open spaces, such as parks and recreation areas.
- Buildings including cultural, residential and commercial facilities.
- Water supply and sewerage networks that provide us with drinking water and manage our waste.
- Roads, bridges and footpaths, that allow us to move safely around our community.
- Other structures like swimming pools, libraries and village public halls.

The delivery of each of these services is only made possible by the effective and efficient management of council assets and infrastructure through the implementation of our Asset Management Framework.

Our Asset Management Framework consists of the Asset Management Policy, Asset Management Strategy and Asset Management Plans. This Framework provides the roadmap on how Council will meet the resourcing requirements of our Delivery Program and Operational Plan.

Our assets represent an investment built up over many years, and the effective management of these assets, and ongoing investment to support asset renewal and upgrade, will ensure community needs are met now and in the future.

Whilst our asset management maturity is developing, Council is committed to working towards identified benchmarks and sustainability measures by implementing incremental planned improvements.

Walgett Shire has clear aspirations for the future that are articulated in our Community Strategic Plan and the demand for new and improved services adds to the planning and resourcing complexity.

The aim for Walgett Shire over the next 10 years is that after energetically tackling its challenges and maximising its opportunities, Walgett Shire is home to resilient, resourceful, friendly people with a strong educational base. That the people of Walgett Shire live within diverse cultures and respect each other and their unique outback environment. The community is socially satisfied, with minimal conflict and it provides opportunities for people of all backgrounds. The community is also welcoming visitors and those passing through.

This Strategy provides guidance on how the asset portfolio will meet the needs of the community into the future, in alignment with legislative and regulatory compliances.

## 2. Asset Management Framework

Our Asset Management Framework provides guidance for the management of council assets and ensures both regulatory and legislative compliance. Our Asset Management Framework consists of:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans

The Asset Management Policy provides direction on the effective and efficient management of council assets and defines accountabilities.

This Asset Management Strategy documents and demonstrates the integration between council strategic priorities and commitments and coordination of asset management across various asset groups.

This Strategy provides guidance on the performance measures used to deliver better practice asset management and identifies actions to improve the capability and sustainability of council's asset management.

Asset Management Plans provide the detail of how each asset class will be managed. They include service standards and include long-term projections of maintenance, rehabilitation and replacement of assets. Council's asset management planning is in the early stages, with further development of these plans required.

### 3. Asset Management Policy

Document Owner:	Council
Responsible Department:	Assets and Infrastructure
Responsible Section:	Assets
Responsible Officer:	Director Assets and Infrastructure
Effective Date:	

---

#### Policy Statement

Walgett Shire Council is committed to the sustainable, cost-effective, and strategic management of its assets to support the delivery of services to the community. Council's asset base, with a replacement value of approximately \$426.5 million, represents a significant investment and responsibility that underpins its core service delivery functions.

The Asset Management Policy (the Policy) establishes the principles and expectations for asset management throughout the organisation. It provides a clear framework to guide consistent, transparent, and accountable decision-making aligned with the Community Strategic Plan and long-term financial sustainability objectives. By embedding asset management into its strategic and operational practices, Council ensures the effective stewardship of public assets in the interest of current and future generations.

---

#### 3.1. Introduction

- 3.1.1. Walgett Shire Council owns and manages a substantial portfolio of assets essential to delivering community services.
- 3.1.2. Sound asset management practices are critical to achieving the Council's strategic, operational, and financial objectives.
- 3.1.3. The council recognises that all assets have a lifecycle and must be planned, maintained, and renewed systematically.
- 3.1.4. Adopting this policy supports the implementation of best practice asset management and compliance with legislative and accounting obligations.

#### 3.2. Application

- 3.2.1. The Policy applies to all Walgett Shire Council employees, Councillors, contractors, and consultants.
- 3.2.2. The Policy governs all assets controlled or owned by the Council across their full lifecycle (planning, acquisition, operation, maintenance, renewal, and disposal).
- 3.2.3. The Policy supports all service delivery areas that rely on physical assets to achieve their outcomes.

#### 3.3. Objectives

- 3.3.1. The objective of this policy is to affirm council's commitment to the responsible management of the council's assets.
- 3.3.2. Council is committed to ensuring adequate provision is made for the sustainable management of council's assets by:

- i. ensuring council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors, and the environment
- ii. safeguarding council assets including physical assets and employees by implementing appropriate asset management strategies and financial resources for those assets
- iii. creating an environment where all council employees play an integral part in the overall management of council assets by creating and sustaining asset management awareness through effective training and development
- iv. meeting legislative requirements for asset management
- v. ensuring resources and operational capabilities are identified and responsibility for asset management is clearly identified
- vi. demonstrating transparent and responsible asset management processes that align with best practice.

### 3.4. Principles

- 3.4.1. An Asset Management Strategy will exist to implement systematic asset management and appropriate asset management best practice throughout all council departments.
- 3.4.2. All relevant legislative requirements together with political, social, and economic environments will be considered in asset management.
- 3.4.3. The management of assets aligns with the Community Strategic Plan, Delivery Program, and Operational Plan; and supports the Council's vision, policies, strategies and plans.
- 3.4.4. Asset management principles will be integrated within existing planning and operational processes.
- 3.4.5. There is clear accountability for the management of council owned or controlled assets.
- 3.4.6. Asset Management Plans will be developed for the major asset categories. The plans will be informed by community consultation and financial planning and reporting.
- 3.4.7. An inspection regime will be used as part of asset management practices, to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 3.4.8. Service levels defined in Asset Management Plans will inform the annual budget process including the risk consequences of variations in defined services levels.
- 3.4.9. Asset renewal and maintenance will be considered when investigating the creation of new assets.
- 3.4.10. 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.
- 3.4.11. Cyclic reviews will be undertaken for all asset classes to ensure that assets are managed, valued and depreciated in accordance with best practice financial management and applicable Australian Standards.

- 3.4.12. Future life cycle costs will be reported and considered in all decisions relating to the provision of new services and assets and upgrading of existing services and assets.
- 3.4.13. Assets under the council's control are identified and recorded in a register with the appropriate level of detail and accuracy.
- 3.4.14. Future services levels will be determined in consultation with the community.
- 3.4.15. Training in asset and financial management will be provided for councillors and relevant staff.

### **3.5. Roles and responsibilities**

- 3.5.1 Council (Governing Body)
  - i. Act as stewards and advocates for the needs of the community in asset management activities and practices.
  - ii. Consider the impact of council's asset management on the financial position of the organisation.
  - iii. Adopt and review the Asset Management Policy, Strategy and Management Plans.
  - iv. Establish levels of service based on the community's needs and council's ability to fund.
  - v. Ensure appropriate resources are made available to achieve agreed asset management outcomes.
- 3.5.2 General Manager
  - i. Ensure business practices are in place to support the implementation of the Asset Management Framework.
  - ii. Ensure that resources are allocated to develop, review and implement Asset Management Plans.
  - iii. Monitor and review performance and achievements of the asset management activities.
  - iv. Ensure that accurate, timely and reliable asset management information is presented to Council.
  - v. Champion and foster good asset management practices across the organisation
  - vi. Ensure the currency and accuracy of data included in Asset Management Plans and registers
  - vii. To deliver asset-based services to agreed levels of service, risk and cost
  - viii. Annually review service levels and prepare recommendations to Council on required funding levels
  - ix. Implement the assigned components of the Asset Management Strategy with agreed resources and review the performance of those strategy elements
  - x. Ensure that relevant staff maintain a sound knowledge of legislation and Accounting Standards in relation to asset management.

### **3.6. Monitoring and review**

This policy will be reviewed in conjunction with the elements of the Community Strategic Plan and Resourcing Strategy.

### 3.7. Related Legislation/Policy/Directive

- Local Government Act 1993
- Local Government Code of Accounting Practices and Financial Reporting
- Integrated Planning and Reporting (IP&R) Handbook
- Integrated Planning and Reporting (IP&R) Guidelines
- International Infrastructure Management Manual (IMM)
- International Standards Organisation (ISO) 55,000 suite
- National Assessment Frameworks for Local Government Asset
- Asset Management Strategy
- Asset Management Plans
- Sustainable Procurement, Contracts and Disposal Policy
- Community Strategic Plan
- Delivery Program
- Long Term Financial Plan

---

#### History

Minute Number	Meeting Date	Description of Change

## 4. Asset Management Strategy

### 4.1. Purpose of the strategy

Asset management is the systematic and coordinated actions and practices of an organisation, to efficiently and sustainably deliver on its objectives, through the cost-effective lifecycle management of assets.

Council is committed to ongoing improvement and maturity of our asset management practices to support the delivery of the many services and facilities that council provides for our community.

This Asset Management Strategy:

1. Provides a summary of the current asset state
2. Identifies assets that are critical to our operations and service delivery
3. Provides a risk management plan for these critical assets
4. Includes an improvement plan to achieve the objects of this strategy

Demonstrates the integrated approach to planning and coordination of asset management within council.

### 4.2. Strategy objectives

The strategy outlines how our policy directions are integrated and supported by our asset portfolio, our practices and how we intend to continue to deliver better practice asset management.

The objectives of the strategy are to:

1. Ensure services are provided in an economically optimal manner with the appropriate level of service to residents, visitors, and the environment, consistent with Council's financial sustainability.
2. Safeguard assets and employees by implementing appropriate asset management strategies and financial resources for those assets.
3. Adopt the Long-Term Financial Plan as the basis for all service and budget funding decisions.
4. Meet legislative and regulatory requirements.
5. Ensure resources and operational capabilities are identified and the responsibility for asset management is assigned throughout the organisation.
6. Provide high level oversight of financial and asset management responsibilities through the General Manager reporting to Council on the development and implementation of the Asset Management Strategy, Asset Management Plans and Long-Term Financial Plan.

### 4.3. Integrated strategic alignment

The aspirations and needs of our community are identified and described in our Community Strategic Plan, and it is clear the critical relationship that our infrastructure and assets play in meeting our community's needs now

and into the future.

The Community Strategic Plan (CSP) identifies 4 key themes reflecting the ambitions and expectations of the Walgett community.

The 4 themes are:

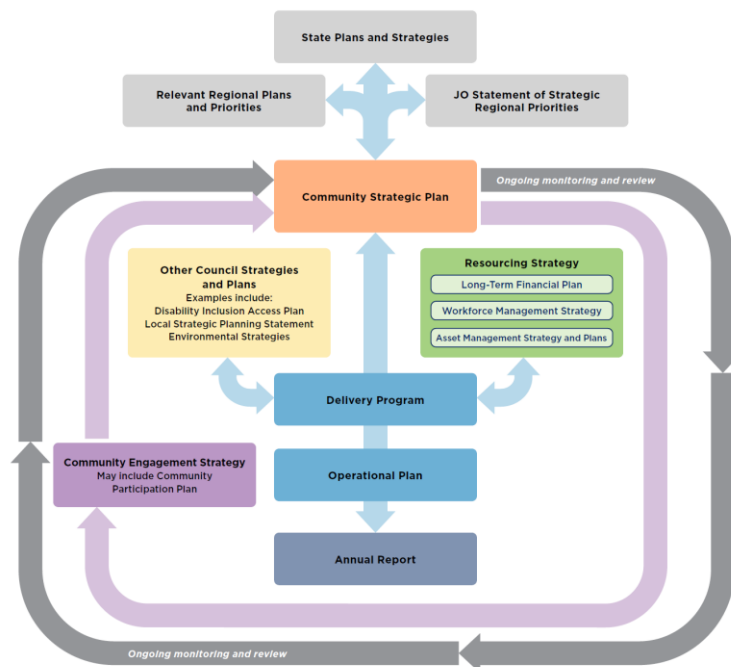
1. Community – looking after the community
2. Economic development – building a strong and local economy
3. Governance and civic leadership – accountable and transparent
4. Sustainable living – caring for the environment

There are 12 objectives, 26 strategies and 311 associated actions allocated to these 4 themes that provide a consistent expectation and direction across the Asset Management Strategy, the Delivery Program and Operational Plan and are also reflected in our Long-Term Financial Plan.

The relationship between strategy, planning and delivery at a local and state level is outlined below in the representation of the Integrated Planning and Reporting framework.

#### 4.4. Integrated Planning and Reporting Framework

The diagram below represents how the Integrated Planning and Reporting Framework elements work together to meet the community's needs.



Commented [AB1]: @Joanne Dodds can you please update this in line with the correct themes and numbers.

Commented [JD2R1]: @Andrew Brown done

#### 4.5. Our asset portfolio

Our assets deliver important services to our communities and include roads, bridges, water and sewerage and public buildings. Whilst these assets play a critical role in the functioning of our community now and into the future, our biggest challenge is the ageing of our assets and infrastructure and the need for renewal and replacement.

At present, infrastructure funding is a combination of annual budgeting and reactive grant-based funding/borrowing for new assets.

Council has 6 asset classes / categories, valued at \$399,523,000 as of 30 June 2024.

#### 4.6. Asset class and description

Asset class / category	Description
Roads	The road network supports transportation and is important for community and economic activities. This includes local and regional roads, culverts, signage, roadside furniture, bridges, kerb and gutter, footpaths.
Buildings	Specialised and non-specialised buildings including administration offices, community, recreation, cultural, commercial, and residential facilities.
Stormwater drainage	Control flooding and damage to infrastructure and property. Control quality of stormwater discharged into natural environment.
Water supply network	Trunk supply mains, pumping stations, service reservoirs, reticulation network, water services.
Sewerage network	Treatment plants, pumping stations, service reservoirs, reticulation network
Open space / recreational assets	Parks and recreation services supporting community recreational needs. Swimming pools, playground equipment, BBQs and outdoor fitness facilities
Other infrastructure	Jetties, boat ramps, retaining walls
Other structures	Statues, fences, monuments, clock towers etc.

#### 4.7. Value per asset class

The table below outlines the impact, description and management approaches for each asset class. Figure 1 demonstrate the distribution value.

Critical asset	Impact	Description	Management approach
Roads and bridges	<ul style="list-style-type: none"> <li>Endanger human life and property</li> <li>Disruption to transport and freight</li> <li>Impact to provision of essential services such as emergency vehicles and waste collection</li> </ul>	<ul style="list-style-type: none"> <li>Asset failures and/or other issues such as fallen trees, washed out bridges, flooded roads</li> </ul>	<ul style="list-style-type: none"> <li>Inspection systems in place</li> <li>Reactive inspections where necessary following potentially harmful events</li> </ul>
Buildings	<ul style="list-style-type: none"> <li>Endanger human life and property</li> <li>Disruption to services</li> </ul>	<ul style="list-style-type: none"> <li>Physical issue with the building, preventing safe use</li> </ul>	<ul style="list-style-type: none"> <li>Business continuity plans</li> <li>Appropriate assessment and maintenance schedule</li> </ul>
Water supply network	<ul style="list-style-type: none"> <li>Endanger human life and animals</li> <li>Disruption to essential services including emergency services</li> </ul>	<ul style="list-style-type: none"> <li>Failure of critical infrastructure or loss of power</li> <li>Low or no supply</li> <li>Poor water quality</li> </ul>	<ul style="list-style-type: none"> <li>Criticality analysis and condition assessments on all assets to identify opportunities to improve redundancy and resilience (e.g. backup pumps, storage in reservoirs)</li> </ul>
Sewer network	<ul style="list-style-type: none"> <li>Endanger human life and property</li> <li>Contamination</li> </ul>	<ul style="list-style-type: none"> <li>Release of untreated sewage or effluent to the environment due to failure of critical infrastructure or loss of power</li> </ul>	<ul style="list-style-type: none"> <li>Criticality analysis and condition assessments on all assets to identify opportunities to improve redundancy and resilience</li> <li>Put pollution incident response plans in place</li> </ul>
Other structures and infrastructure	<ul style="list-style-type: none"> <li>Public safety</li> </ul>	<ul style="list-style-type: none"> <li>Asset failure, damage or defect</li> </ul>	<ul style="list-style-type: none"> <li>Put inspection system in place to identify and respond to defects</li> <li>Carry out appropriate maintenance</li> <li>Restrict access as required</li> </ul>

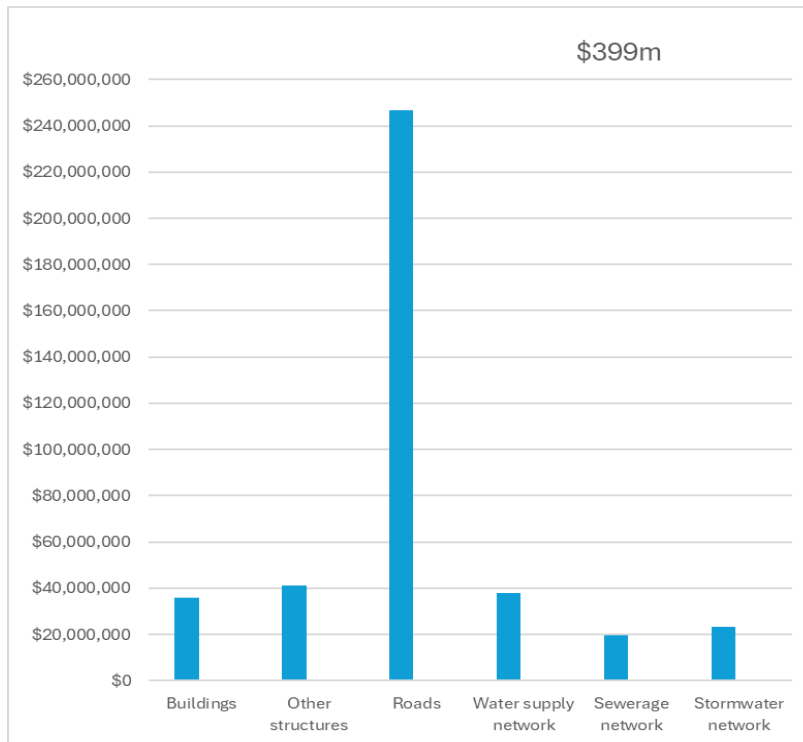


Figure 1 Value per asset class

#### 4.8. Risk assessment

A number of asset classes within our portfolio have been assessed as critical to the provision of our agreed levels of service to our community. These critical assets are those where the consequences of failure are sufficiently severe to warrant proactive management.

These assets are:

- Roads – including bridges and associated infrastructure
- Water supply network
- Sewer network
- Buildings
- Other structures

#### 4.9. Asset Risk Management

Council will use the established governance processes for managing risk, including policy, planning, management and reporting processes. Council will monitor assets to the extent possible with its limited resources and competing priorities.

Risk treatment for critical assets may include increased inspection and assessment frequency, more planned and scheduled maintenance, as well as higher budget allocations. The appropriate risk mitigation or management strategy will be identified as part of council's established risk management processes and included in the relevant Risk Management Plans.

#### **4.10. Current asset state**

The current state of Walgett Shire Council's assets and asset management practices are measured across the following 3 areas:

1. Asset performance.
2. Asset value and condition.
3. Asset management practices.

These measures together with council's policies and practices, and commitment to further improvement, ensures council's assets and infrastructure can meet the community needs now and into the future.

#### **4.11. Asset performance**

In measuring asset performance, Walgett Shire Council adheres to the key indicators as prescribed by the NSW Office of Local Government. These performance indicators determine whether council is maximising its return on resources and delivering agreed services and infrastructure as identified through the Community Strategic Plan.

The asset performance indicators are:

- Building and infrastructure renewal ratio.
- Infrastructure backlog ratio.
- Asset maintenance ratio.
- Cost to bring assets to agreed service level.

These ratios are measured and reported annually, subject to external audit and are based on extracts from the 2024 Financial Statements.

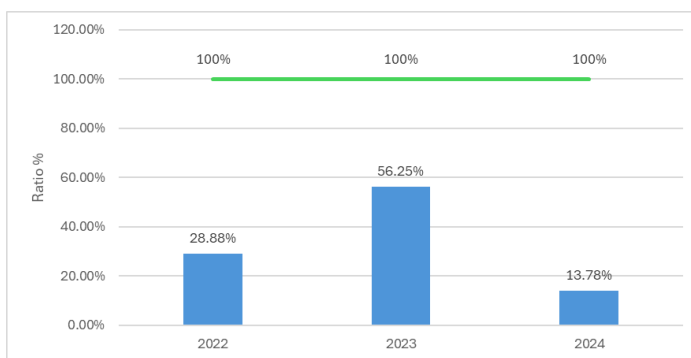
#### 4.11.1. Building and infrastructure renewal ratio

This indicator assesses the rate at which assets are being renewed against the rate at which they are depreciating. The benchmark is greater than 100%.

Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

#### 4.11.2. Building and infrastructure renewal ratio

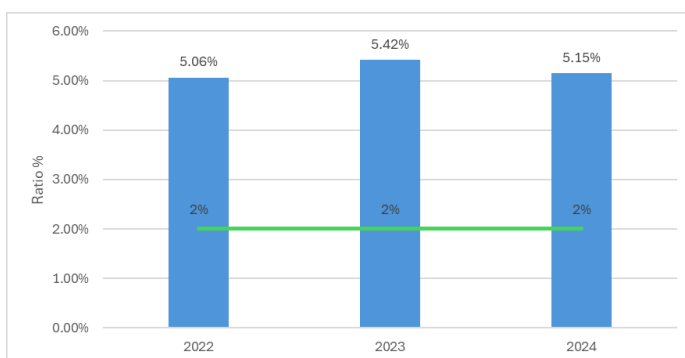
Council has not met the renewal ratio benchmark for the past 3 years due to the significant amount of funding required.



#### 4.11.3. Infrastructure backlog ratio

This ratio shows what proportion the infrastructure backlog is against the total value of a council's infrastructure. The benchmark is less than 2%.

Whilst councils' backlog ratio is relatively consistent, it does not meet the identified benchmark.

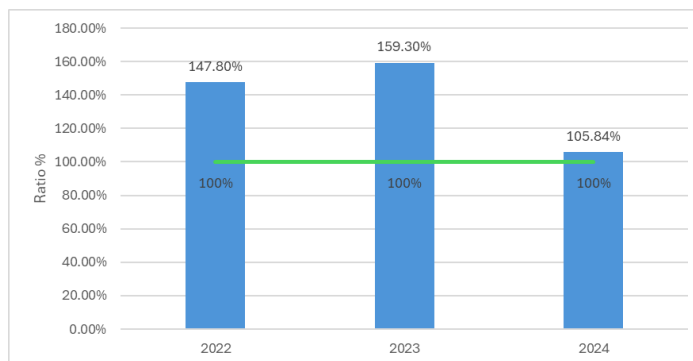


#### 4.11.4. Asset maintenance ratio

This ratio compares actual versus required annual asset maintenance. A ratio above 100% indicates that the council is investing enough funds that year to halt the infrastructure backlog from growing. The benchmark is greater than 100%.

#### 4.11.5. Asset maintenance ratio

Council has consistently achieved this benchmark, with high levels of maintenance expenditure.



#### 4.11.6. Cost to bring assets to agreed service levels (BTS)

The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset that is currently not at the condition determined to be satisfactory by the council and community.

#### 4.11.7. Cost to bring assets to agreed service levels

Unless the council has undertaken consultation with its community and has agreed to a condition level for council's assets, the BTS should be measured against the condition 2 rating of 'Good' as stated in the Integrated Planning and Reporting Manual for local government in NSW.

The estimated cost to bring to council's assets to the agreed level of service as of 30 June 2024 is \$18,350,000.

Figure 2 demonstrates the distribution of costs.

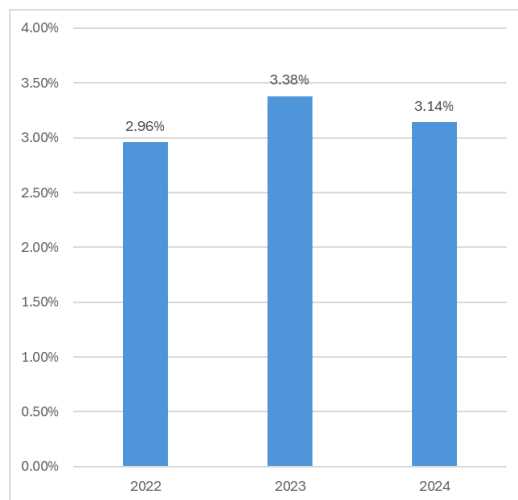


Figure 2 Cost to bring assets to agreed service levels

## 5. Asset condition and valuation

### 5.1. Value

Comprehensive valuations are performed at least every 5 years and detailed information of the valuation techniques adopted are available in the 2023-2024 Financial Statements.

With a current asset replacement value of \$585,276,000, we note:

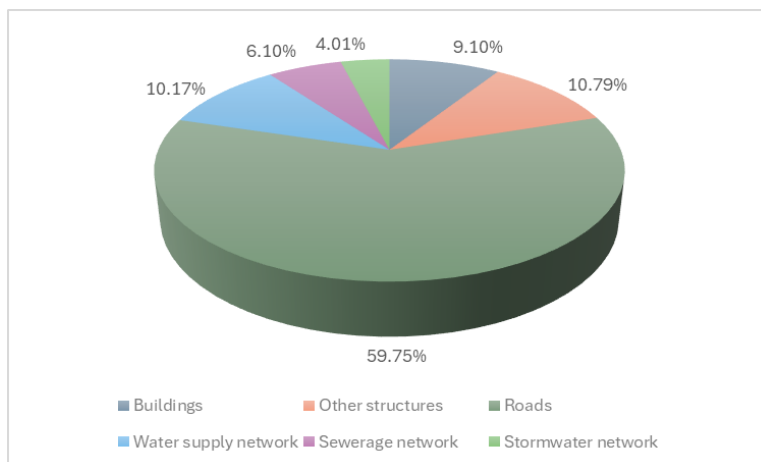
1. Roads account for over 50% of our assets stock.
2. We have an asset net carrying amount of \$399m indicating a service potential of about 68% of total asset stock.

Table 1 below shows the distribution of asset value and replacement cost as of 30 June 2024.

Asset class	Gross replacement cost \$'000	Net carrying amount \$'000
Buildings	\$53,755,000	\$35,887
Other structures	\$63,142,000	\$40,973
Roads	\$349,692,000	\$246,755
Water supply network	\$59,528,000	\$37,840
Sewerage network	\$35,682,000	\$19,748
Stormwater drainage	\$23,477,000	\$18,320
<b>Total</b>	<b>585,276,000</b>	<b>\$399,523,000</b>

Table 1 Asset value per class

### 5.2. Proportion of asset replacement cost



### 5.3. Condition

Walgett Councils' assets will be subject to a process of continuous or periodic inspection / assessment, to determine the need for preventative or remedial action. Council has adopted a rating scale of 1 (very good) to 5 (very poor) as outlined in Table 4 below. The level awarded for each asset is based on the accumulated asset consumption expressed as a percentage of the gross replacement value.

### 5.4. Asset condition assessment criteria

The condition of assets naturally deteriorates with age and is impacted through maintenance and renewal activities. Poor maintenance of assets and delay in renewal can adversely impact the life of the asset.

In the absence of a comprehensive physical assessment of condition across each asset category, the average condition of each asset was used to award a condition level.

Level	Condition	Description
1	Excellent / very good	New or as new condition. Only planned cyclic inspection and routine maintenance required.
2	Good	Good condition with minor defects. Minor routine maintenance along with planned cyclic inspection and maintenance.
3	Satisfactory / average	Average/fair condition with some significant defects requiring regular maintenance on top of planned cyclic inspections and maintenance.
4	Poor	Poor condition with asset requiring significant renewal/ rehabilitation, or higher levels of inspection and substantial maintenance to keep the asset serviceable.

5	Very poor	Very poor condition. Asset physically unsound and/or beyond rehabilitation. Renewal required.
---	-----------	---

#### 5.5. Asset condition per class

Asset class	Proportion of asset class (based on GRC)	Asset in condition (based on % of GRC)				
		1	2	3	4	5
Buildings	9.1%	32%	24.4%	19.6%	19.0%	5.0%
Other structures	10.79%	30.0%	22.0%	20.0%	10.0%	18.0%
Roads	59.75%	65.0%	12.0%	14.0%	5.0%	4.0%
Water supply network	10.17%	16.0%	20.0%	25.0%	30.0%	9.0%
Sewerage network	6.10%	2.0%	30.0%	47.0%	18.0%	3.0%
Stormwater drainage	4.01%	0.0%	5.0%	1.0%	90.0%	4.0%
Total	100%	46.8%	15.8%	17.8%	13.6%	6.0%

(Note: Parks and Open Spaces not included)

#### 5.6. Asset condition per class

Figure 3 demonstrates the assumed condition of each asset class.

In reviewing the current asset condition data, we note:

1. Around 63% of council's assets are condition level 1 (excellent) or condition level 2 (good) and require only planned maintenance and inspection.
2. Around 6% of our assets require immediate renewal.

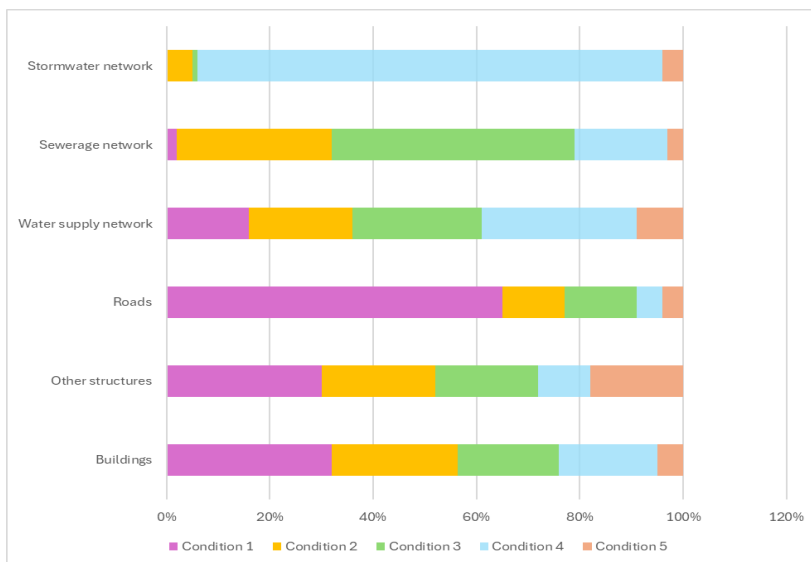


Figure 3 Asset condition per class

### 5.7. Sustainability

Sustainability of assets is intrinsically linked to community expectations and service levels, associated costs, risks and priorities.

Engagement with the community and stakeholders is critical to identify the community's expectation of service levels and what is affordable and able to be delivered.

Seeking community feedback on the quality and appropriateness of each of its services will strengthen council's community asset management practices.

The activities to maintain financial sustainability are detailed in Council's Long Term Financial Plan.

### 5.8. Financial summary

Walgett Shire Council's assets have been accumulated or constructed over many years and a significant number of these are now approaching end of their useful life.

Council's projected expenditure for asset renewal and upgrade is detailed in the 10 year Long Term Financial Plan.

## 5.9. 10-year projected expenditure

Asset class		FY/24	FY/25	FY/26	FY/27	FY/28	FY/29	FY/30	FY/31	FY/32	FY/33
Buildings	New	-	-	-	-	-	-	-	-	-	-
	Renewal	3,926,337	330,157	720,050	470,000	60,000	60,000	350,000	550,000	28,000	-
Other structures	New	663,000	48,000	70,000	-	-	-	-	-	-	-
	Renewal	4,620,697	123,230	400,000	467,529	266,843	518,133	543,277	320,849	242,278	43,759
Roads	New	11,000,000	1,360,000	-	50,000	-	-	-	-	-	-
	Renewal	13,821,080	3,076,532	2,555,752	3,141,233	3,485,276	2,945,584	2,649,579	2,464,414	2,750,118	2,086,722
Water supply	New	-	-	-	-	-	-	-	-	-	-
	Renewal	1,000,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Sewerage network	New	-	-	-	-	-	-	-	-	-	-
	Renewal	400,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Stormwater network	New	-	-	-	-	-	-	-	-	-	-
	Renewal	442,219	350,000	550,000	494,800	400,000	657,000	414,245	421,744	618,505	237,538
Total		34,473,333	5,287,919	4,295,802	4,623,562	4,212,119	1,180,717	3,957,101	3,757,007	3,638,901	2,368,019

## 6. Gap analysis

Internal assessment of Council's status with respect to asset management revealed gaps and challenges in current systems, resourcing, and practices:

- The systems and processes that enable comprehensive asset management planning are in their infancy
- Asset data handling and collation does not provide easy visibility of asset data
- Knowledge of asset systems, policy and practice is limited
- Awareness of asset management hierarchy of responsibility is unclear.

## 7. Achieving our vision

To guide the successful implementation of the Asset Management Strategy, an Asset Management Action Plan has been developed as part of this Strategy.

These actions will facilitate progressive increase in council's asset management capabilities and maturity.

The primary purpose of our infrastructure assets is to provide services to our community. In managing these assets, we aim to deliver our services in the most cost effective and sustainable way, now and into the future.

Council has identified 6 pillars to achieve sound asset management (refer Figure 4).

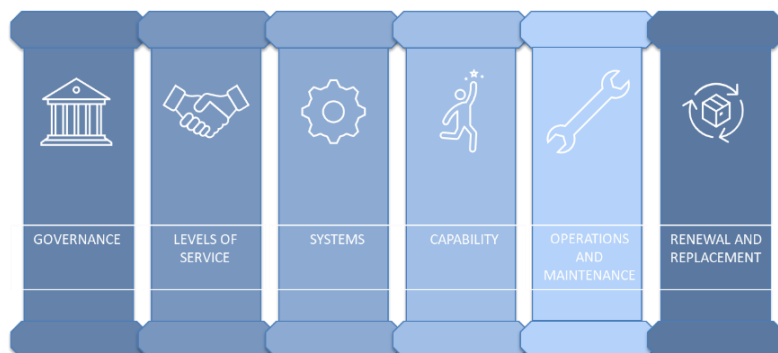


Figure 4. 6 Pillars of asset management

### 7.1. Pillar 1: Governance

As a core function of council, effective asset management requires clear accountabilities and ownership across the executive and department teams.

It is recommended as part of this Strategy, that an executive asset management group be formed to lead the governance processes for monitoring and reporting on asset management.

### 7.2. Pillar 2: Levels of service

The level of service provided to our community through Council's assets is directly aligned with the vision and outcomes of the Community Strategic Plan and Delivery Program. The ability to project service delivery needs and the capacity to meet these needs now and into the future is the core component of asset management planning.

Levels of Service are determined to match community expectations with the service levels that can be afforded through council's Operational Plan.

The Asset Management Plans, in conjunction with the Long-Term Financial Plan and the Community Strategic Plan, are the tools which Council will use to assess the long-term sustainability of physical assets and identify the appropriate level of resourcing to maintain agreed service levels.

Council will use Asset Management Planning to provide a way in which the community can become engaged in the setting of priorities and the allocation of resources.

The Asset Management Plans help to categorise some of the risks associated to Council assets and enable identification and implementation of work programs linked to achieving corporate objectives and service level targets.

### 7.3. Pillar 3: Systems

Council systems and process will facilitate the collection and collation of relevant data to support the delivery of the Asset Management Plans. Council will utilise the Confirm Asset Management System to support the delivery of the asset management functions and Asset Management Plans.

As an organisation we have commenced our journey to asset management maturity and are committed to ongoing development. Accurate, up-to-date, and easily accessible records are important factors in enabling Council to meet its statutory governance requirements.

#### **7.4. Pillar 4: Training and capability**

As part of Council's existing governance processes, a review of the current and required skills base will be completed and workforce training and development to meet required operations and maintenance needs provided.

#### **7.5. Pillar 5: Operations and maintenance**

Council will operate and maintain assets to provide the defined level of service within approved budgets, in the most cost-efficient manner. Maintenance is the activities required or undertaken by Council to preserve the service capacity or durability of the assets as they age.

The required maintenance for each asset class will be included in the Asset Management Plans and should ensure the asset reached its predicted useful life.

Operational activities are regular activities required to continuously provide Council services including inspections, electricity costs, fuel and overheads.

#### **7.6. Pillar 6: Renewal and replacement strategies**

To guide the allocation of funding for asset renewal and replacement, Council is required to assess community service needs. Assessment of known and projected service requirements enables Council to strive for a balance between organisational needs and benefit to the community.

Efficient delivery of service levels will be achieved by:

- Undertaking project scoping for all capital renewal and replacement projects to identify:
  - service deficiency, present risk, and optimum time for renewal/replacement.
  - project scope and objectives to rectify the deficiency.
  - the estimated capital and life cycle costs for each option to address service deficiencies.
  - An evaluation of the options against set criteria.
  - The best option for inclusion in capital renewal programs.

- Using low-cost methods where technically applicable.
- Fully funding depreciation to allow for a budget to be available as assets reach the end of their useful life.
- Reviewing management of capital renewal/ replacement activities to ensure Council is obtaining best value for resources consumed.

## **8. Roles and responsibilities**

Roles and responsibilities associated with the Asset Management framework are detailed in the Asset Management Policy (refer Section 2).

## **9. Asset management action plan**

Council is committed and recognises that the implementation of the asset management strategy will take a number of years. Actions have been aligned to the 6 pillars council has adopted for sound asset management.

## 10. Asset management actions

Action	2025/2026	2026/2027	2027/2028	2028/2029	Deliverables	Responsible Officer	Likelihood of and risks to success
Establish Asset Management Executive Group / working group	✓				<ul style="list-style-type: none"> <li>Executive group established and roles assigned</li> </ul>	<ul style="list-style-type: none"> <li>Director Assets and Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>High</li> <li>Requires commitment and role clarity</li> </ul>
Undertake a skills gap analyse and determine knowledge and training requirements for all staff involved in asset management	✓				<ul style="list-style-type: none"> <li>Skills gap analysis completed and personal development plan developed for all relevant staff.</li> </ul>	<ul style="list-style-type: none"> <li>Director Assets and Infrastructure</li> <li>Chief People and Culture Officer</li> </ul>	<ul style="list-style-type: none"> <li>High</li> <li>Workload of staff</li> </ul>
Develop Asset Management Plans for all asset classes	Roads & Stormwater	Water & Sewer	Buildings	Other Structures	<ul style="list-style-type: none"> <li>Fully developed risk management plan for all critical assets</li> </ul>	<ul style="list-style-type: none"> <li>Director Assets and Infrastructure</li> <li>Manager Assets</li> <li>Asset Class Owners</li> </ul>	<ul style="list-style-type: none"> <li>Low – Funding and availability of resources</li> </ul>
Develop asset register and update as required	Develop	Update	Update	Update	<ul style="list-style-type: none"> <li>Complete asset register developed</li> </ul>	<ul style="list-style-type: none"> <li>General Manager</li> <li>Chief Financial Officer</li> <li>Director Assets and Infrastructure</li> <li>Manager Assets</li> </ul>	<ul style="list-style-type: none"> <li>Moderate</li> <li>Recruitment and availability of funding. Lack of corporate knowledge on assets</li> </ul>
Document procedures for management of critical assets	Commence	Continue	Continue	Complete	<ul style="list-style-type: none"> <li>Standardised procedures documented</li> </ul>	<ul style="list-style-type: none"> <li>Manager Assets</li> </ul>	<ul style="list-style-type: none"> <li>High</li> <li>Recruitment and availability of funding</li> </ul>

Action	2025/2026	2026/2027	2027/2028	2028/2029	Deliverables	Responsible Officer	Likelihood of and risks to success
Undertake community consultation to determine community-based service levels	✓				<ul style="list-style-type: none"> <li>Community engagement activities undertaken</li> </ul>	<ul style="list-style-type: none"> <li>Manager Assets</li> <li>Manager Corporate Reporting and Communications</li> </ul>	<ul style="list-style-type: none"> <li>High</li> <li>Recruitment and availability of funding</li> </ul>
Roll out of enterprise-wide asset management software including training of staff		✓				<ul style="list-style-type: none"> <li>Manager Assets</li> </ul>	<ul style="list-style-type: none"> <li>Moderate</li> <li>Availability of funding and expertise</li> </ul>
Increase asset monitoring and reporting program			✓	✓	<ul style="list-style-type: none"> <li>Produce half yearly asset reports to Council</li> </ul>		<ul style="list-style-type: none"> <li>High</li> <li>Recruitment and availability of funding</li> </ul>

## 11. Asset Management Plans

At present, Walgett Shire Council has not yet developed formal Asset Management Plans for its key asset classes. In recognition of the critical role that asset planning plays in ensuring responsible stewardship of infrastructure and in supporting long-term financial sustainability, Council has committed to the staged development of Asset Management Plans over the course of the current Council term.

This phased approach allows adequate time and resourcing to be allocated to each asset class, ensuring plans are robust, evidence-based, and aligned with the Integrated Planning and Reporting (IP&R) framework. The following timetable has been adopted for the development of Asset Management Plans:

- 2025/2026 – Roads and Stormwater
- 2026/2027 – Water and Sewer
- 2027/2028 – Buildings
- 2028/2029 – Other Structures (including parks infrastructure, aerodromes, recreational facilities, and other ancillary assets).

Each Asset Management Plan will be developed in accordance with the principles set out in the International Infrastructure Management Manual (IIMM) and the ISO 55000 suite of standards, ensuring that Council's planning practices are consistent with national and international best practice. The plans will provide detailed assessments of asset condition, performance, remaining useful life, and associated levels of service. They will include forecast renewal and maintenance requirements and establish lifecycle cost profiles to inform Council's Long-Term Financial Plan.

In preparing these plans, Council will engage appropriately qualified external consultants and subject matter experts to lead and support the development process. External support will ensure a high standard of technical analysis, data validation, and alignment with contemporary asset management methodologies. Council's internal staff will work collaboratively with these consultants, particularly in providing access to existing records, operational data, and knowledge of local service priorities and community needs.

Each planning process will involve:

- A comprehensive review of the existing asset register and validation of asset data
- Assessment of current service levels and performance gaps
- Identification of critical assets and risk-based prioritisation
- Engagement with operational staff and asset custodians to understand service dependencies and operational challenges
- Integration of relevant legislative, safety, and environmental compliance requirements
- Consultation with the community, where appropriate, to test service expectations and needs

- Development of asset lifecycle strategies, including renewal, maintenance, and disposal profiles
- Financial modelling and funding scenario analysis to guide long-term investment planning

The Asset Management Plans will be developed as key resourcing strategy documents under the IP&R framework and will directly inform the Delivery Program, Operational Plan, and annual budget. Where appropriate, plans will include performance targets and measurable indicators to support monitoring and reporting.

Oversight of the development of each Asset Management Plan will rest with the Director Assets and Infrastructure, who will be responsible for endorsing draft documents prior to submission to Council for formal adoption. Progress will be reported through Council's quarterly reporting process.

This systematic and staged approach ensures that Council builds its asset management maturity over time, addresses current planning gaps, and establishes a strong foundation for evidence-based decision-making across all service areas.