Draft Asset Plan 2025-2035

Part of Council's Integrated Strategic Planning Framework

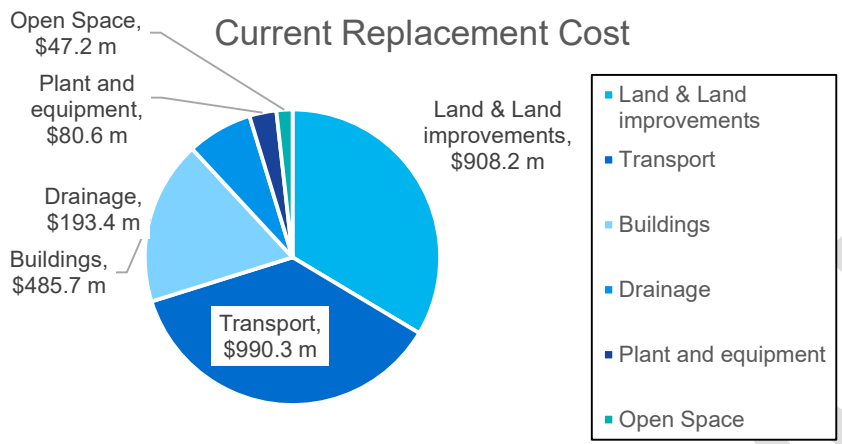
CITY OF YARRA

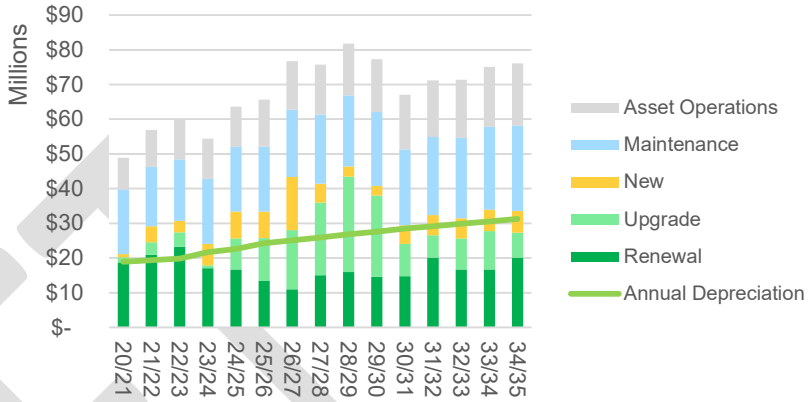
Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra. We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra. We pay our respects to Elders from all nations and to their Elders past, present and future.

Note this draft plan has been prepared using financial data available at the time of drafting.

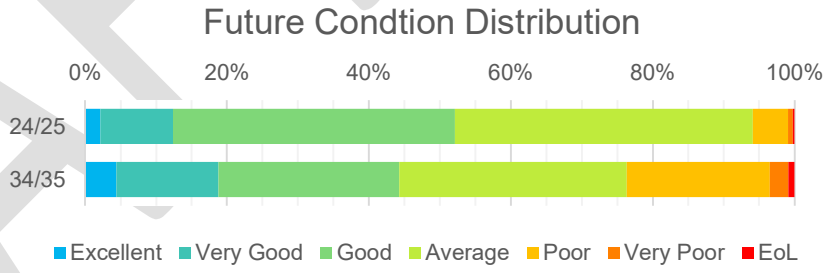
Prior to adoption this plan will be updated to reflect Council's final 24/25 financial statements.

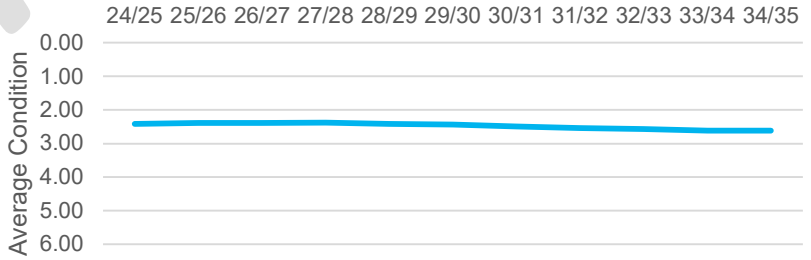
State of the assets





Key Measures	Challenges	Opportunities
• Asset Plan excludes Land, plant and equipment • $1,716m infrastrucutre assets	• Climate change impacting assets • Growing & changing population • looking after what we have before building more	• More data to make better decisions • ERP empowering decision making



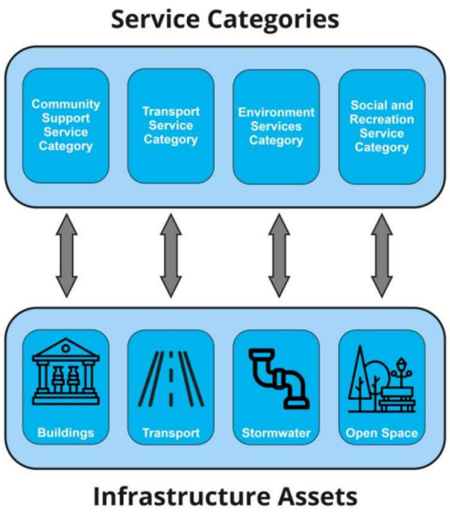


Asset Management Objective	25/26	Predicted 10-year average
Customer Satisfaction	53.2 (23/24)	
Infrastructure Assets Per Person ($)	$26,006	$24,367
Depreciation Expense Per Person	$217.63	$206.23
Renewal / Depreciation	74.2%	83.1%
Annual Maintenance / Replacement Cost	0.71%	0.79%
Capital delivery (% of budget)	81% (23/24)	

Council is investing in growing its assets to meet growth while also investing in renewing assets as they need it

What is asset management

The delivery of services to the community is guided by the *Yarra 2036 Community Vision*, *Council Plan 2025-29*, and Council's other strategic documents including strategies, plans and policies. These services to the community rely on assets and the Asset Plan describes our how we use these assets to deliver services and managing these assets throughout their lifecycle in a financially sustainable manner.



The *Local Government Act 2020* requires all Victorian councils to develop, and keep current, an Asset Plan. The plan must cover a period of at least ten financial years and applies to the infrastructure assets under the control of Council.

The *Asset Plan 2025-2035* contains information about how Council, in strategic and financial terms, will manage the portfolio of infrastructure assets under its control. The Asset Plan is linked with the budget and projections outlined in our Long Term Financial Plan to ensure the ongoing affordability and financial sustainability of the management of assets. Each year Council will review the asset plan alongside its budget to ensure spending matches needs and is based on the latest data.

Asset management includes all the activities Council does to assets to help deliver services to the community. This includes activities throughout the asset lifecycle including planning, acquisition / construction, maintenance, renewal/replacement, upgrade/expansion and disposal of assets. Asset related activities can broadly be grouped into the below categories.

	Category	Description
Operating Expenditure	Operations	The regular activities to ensure the assets support the service (cleaning, utilities etc. excludes costs of the service itself such as early years staff/librarians etc.)
	Maintenance	The activities to preserve an asset including preventative maintenance and reactive repairs
Capital Expenditure	Renewal	Replacement of all or part of existing assets to improve condition, may be with a modern equivalent asset,
	Upgrade	Increase the service provided by existing assets. These may include functionality improvements to existing assets
	New	Creating new assets to allow service that did not exist previously

Management approach

The services that the community needs in the future to achieve the *Community Vision 2036* will be different to what Council delivers today. This is due to population growth, changing demographics, climate change, demand change and many other factors. Council first focuses on looking after what we have before building more to ensure financial sustainability. Where the assets that Council needs to deliver these future services changes, this is guided by infrastructure planning strategies such as the Community Infrastructure plan, Transport Action Plan and Open Space Strategy. These changes are delivered through upgrade and new capital budgets.

Council regularly inspects its assets to determine their condition. These inspections may identify:

- Defects – minor issues to be addressed through maintenance (e.g. vertical displacements in footpaths, leaking taps)
- Functional issues – where the existing asset aren't suitable for service delivery. Addressed through upgrade budgets (e.g. buildings without equitable access)
- Overall Condition – used to identify renewal capital projects that restore all or part of an asset's condition. (e.g. resurfacing a road, refurbishing a toilet)

In addition to identifying short term renewal projects the current condition of assets is utilised to predict the future condition of assets. This allows Council to predict what renewals may be required in the future as well as predicting future maintenance demand. The condition scale used by Council and indicative maintenance demand at each condition score is outlined below.

Score	Description of condition	Maintenance demand
0 - Excellent	Brand new asset or recently refreshed to as new condition.	Nil
1 - Very Good	Asset is in very good overall condition	Proactive only
2 - Good	Minor defects may be present	Proactive & minor
3 - Average	Moderate deterioration.	Proactive & moderate
4 - Poor	High deterioration is evident.	High
5 - Very Poor	High level of deterioration, approaching unserviceability.	High, unplanned failures
6 – End of Life	Asset is no longer serviceable	NA, out of service

By taking a long term view of our asset spending Council has the ability to plan and optimise when we do projects, resulting in savings. Examples include:

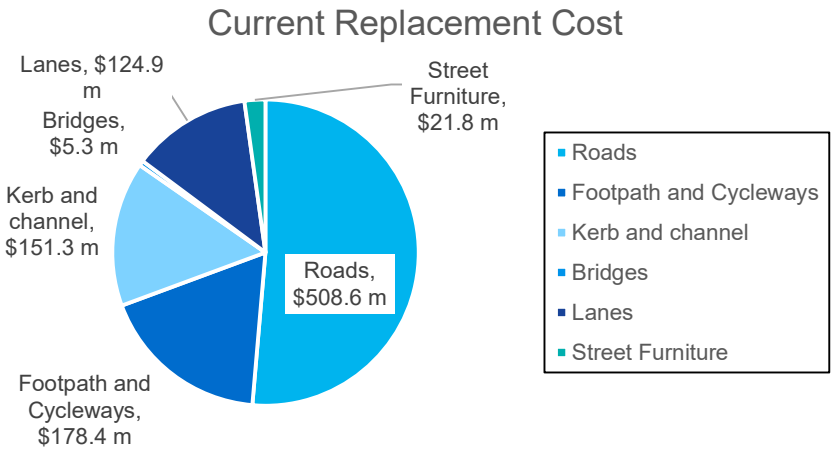
- Undertaking upgrades at the same time as major renewals resulting in economies of scale (better prices by doing more at once) and less disruption to users
- Creating packages of work that can be delivered for better prices than the individual projects
- Upgrading assets to adapt to climate change when doing renewals (e.g. increasing drainage pipe sizes, increasing AC capacity)

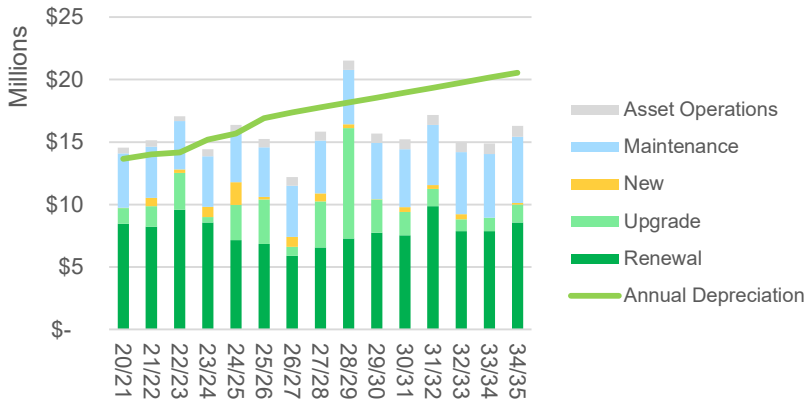
Whilst Council has allowed for operational budgets to grow over time, in some cases maintenance needs can grow more than this. The maintenance we need to deliver may grow in excess of CPI due to; Council building more assets, Council becoming responsible for additional assets (built by developers or gifted from the state), assets in poor condition, or due to increased usage causing quicker deterioration. To continue delivering our existing service levels within constrained budgets Council may need to find efficiencies in how maintenance is delivered.

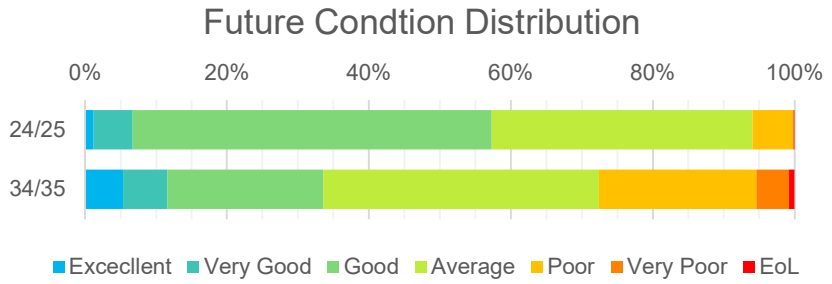
Asset management objectives help us to ensure our Assets are delivering for the community. These are aligned with Council's Running the City Strategic Objective and focus on measuring how well we are delivering to the community. These are also aligned with the Vision Themes identified below.

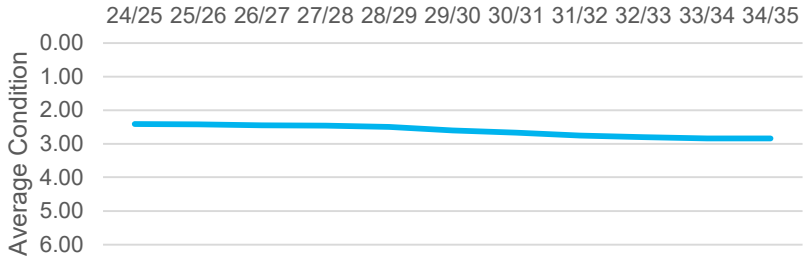


State of the assets - Transport







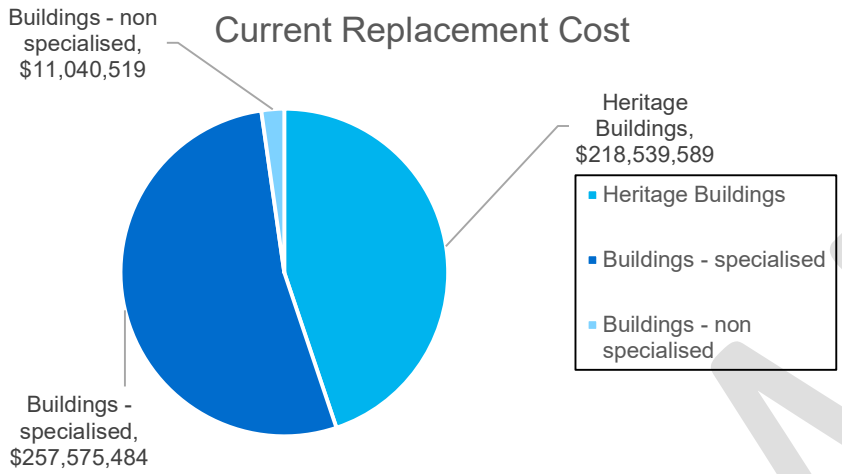


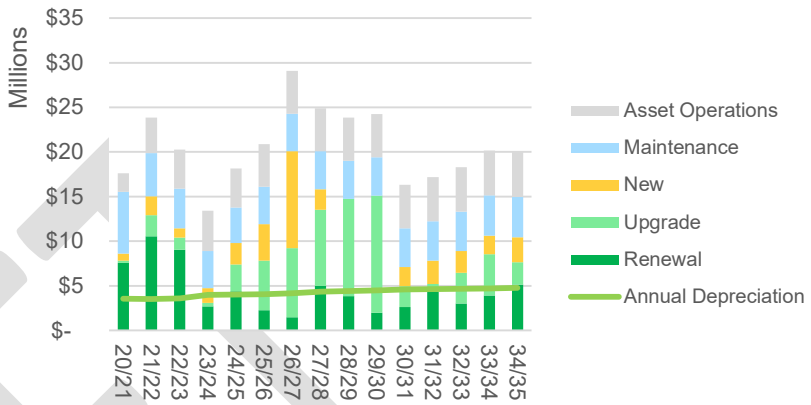
Key Measures	Challenges	Opportunities
• 223 km of roads • 95 km of lanes • 414km of footpaths • 95 km Shared & Bicycle pathways • $990m to replace	• Climate change damanging assets • Increased usage decreasing condition • Balancing different users • High cost of laneways	• Active transport reducing vehicle damage to road assets • Reviewing laneway function • 25/26 condition inspection

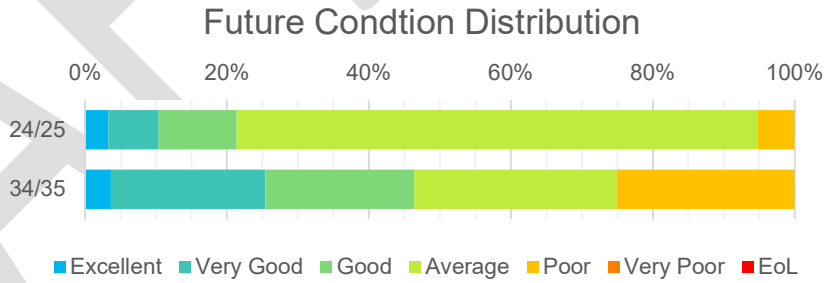
Asset Management Objective	25/26	Predicted 10-year average
Customer Satisfaction	60.6 (23/24)	
Assets Per Person ($)	$10,543	$10,717
Depreciation Expense Per Person	$166.80	$166.84
Renewal / Depreciation	44.7%	43.3%
Annual Maintenance Budget / Asset Value	0.37%	0.38%

Transport renewal budgets have been set considering the current needs of the network. Transport financial value and deprecation are a focus in 25/26 with new condition assessment planned.

State of the assets – Buildings

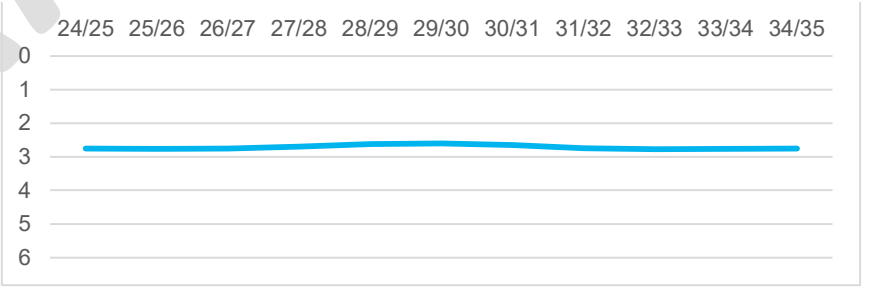






Key Measures	Challenges	Opportunities
• 143 Buildings • 48 minor structures • $487m to replace	• Heritage assets • Complex assets • Need to increase maintenance efficiency by 6% over 10 years	• Community infrastructure planning identifying future needs • Increased demand for adaptable spaces

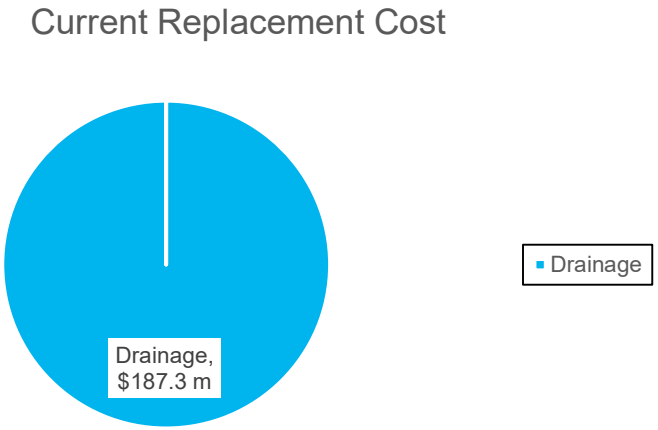
Asset Management Objective	25/26	Predicted 10-year average
Customer Satisfaction	70.1 (23/24)	NA
Assets Per Person ($)	$4,948	$5,343
Depreciation Expense Per Person	$41.22	$45.03
Renewal / Depreciation	88.8%	108.2%
Annual Maintenance Budget / Asset Value	0.86%	0.82%

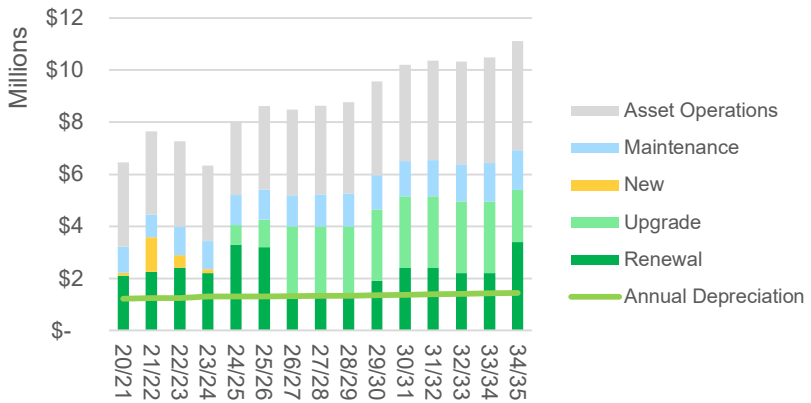


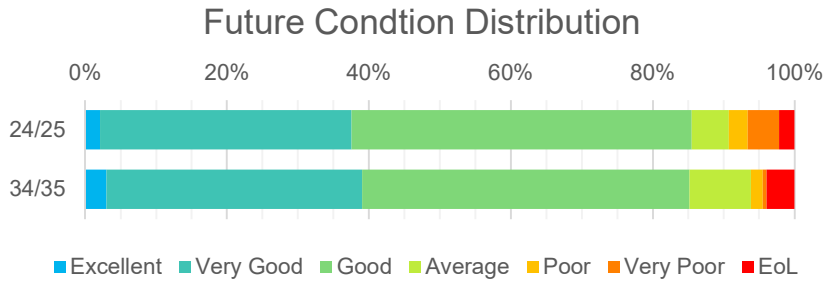
Council is growing its building portfolio and addressing functionality challenges through upgrade projects. This is balanced with our existing buildings' needs.

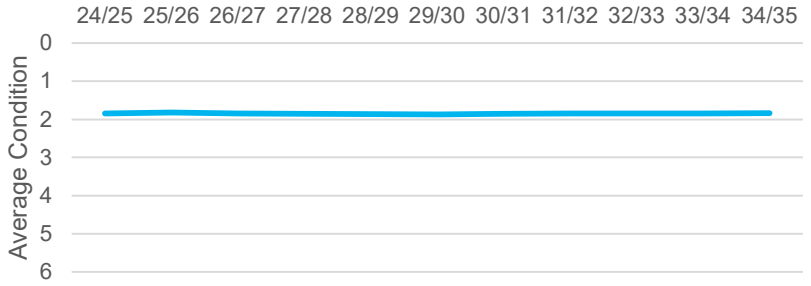
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State of the assets - Drainage







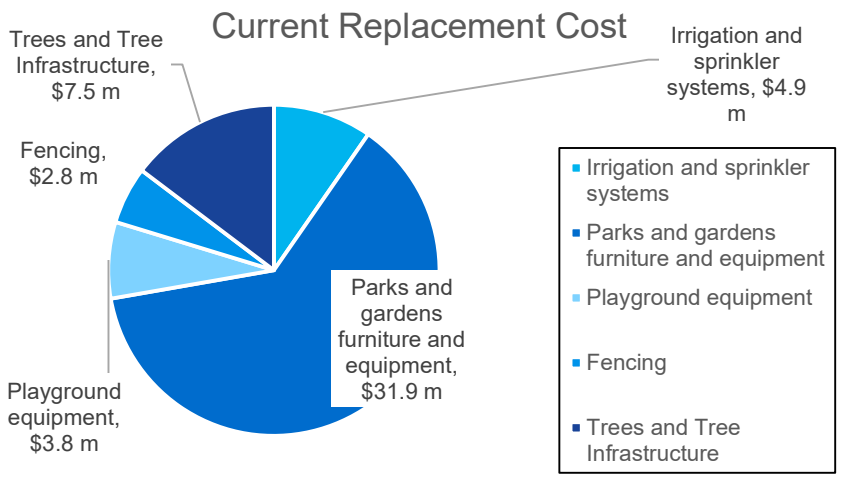


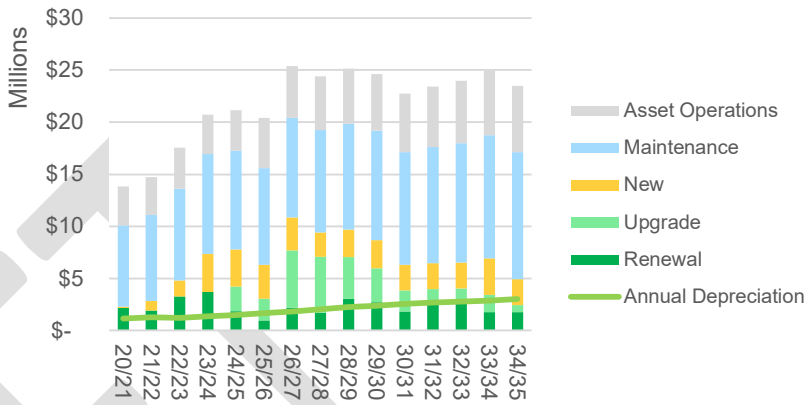
Key Measures	Challenges	Opportunities
• 193km of pipes • 11,537 Pits • 71 WSUD devices • $187,259,000 to replace	• Increased rainfall from climate change • Construction damaging pipes • Rely on Melbourne Water & DTP	• Stormwater management as part of other projects (e.g. open space)

Asset Management Objective	25/26	Predicted 10-year average
Customer Satisfaction	61.3 (23/24)	
Assets Per Person ($)	$1,855	$1,769
Depreciation Expense Per Person	$12.87	$12.19
Renewal / Depreciation	253.1%	177.2%
Annual Maintenance Budget / Asset Value	0.59%	0.66%

Council is investing in both upgrading our drainage network to address climate change and managing our assets over their 100 year life to keep them in overall good condition

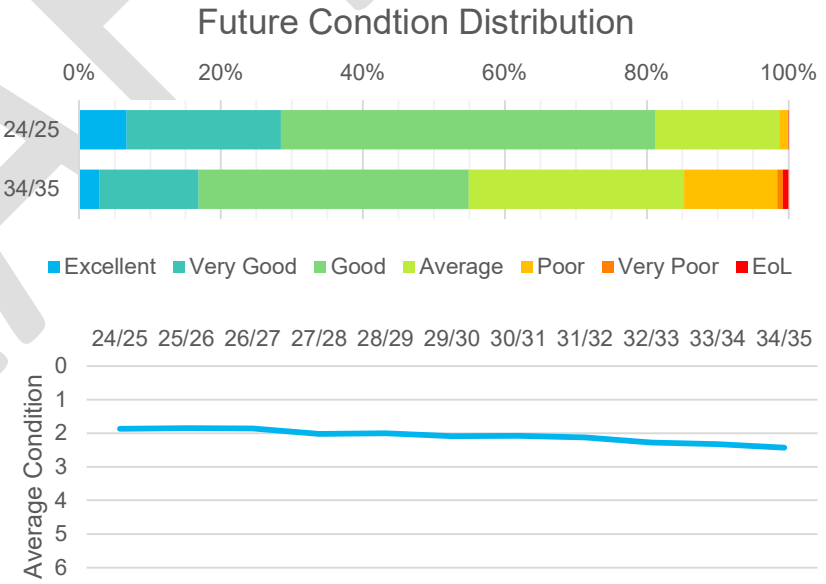
State of the Assets - Open Space





Key Measures	Challenges	Opportunities
•82 Open Spaces •2,452,000m² •$47,236,513 to replace	•Increasing assets to maintain •Increase in maintenance efficency needed	•Significant growth in assets •Integrating open space in roadsides •Acquiring additional Open Space

Asset Management Objective	25/26	Predicted 10-year average
Customer Satisfaction	68.2 (23/24)	
Assets Per Person ($)	$503	$654
Depreciation Expense Per Person	$16.49	$21.26
Renewal / Depreciation	107.0%	139.6%
Annual Maintenance Budget / Asset Value	18.19%	14.72%



Council is investing in enhancing our open spaces and managing the significant maintenance these spaces need

Asset Management Strategic Direction and Expenditure Categories

		Transport	Buildings	Drainage	Open Space
Strategic Direction	Community Vision	**Yarra is a vibrant, safe and inclusive environment. We celebrate and embrace our diversity and connection to each other and the land. Our community is empowered to work together and support one another with respect and trust.**			
	Council Plan alignment	**Building The City** 3. Ensure people can move safely across the city using all modes of transport	**Building the City** 5. Provide infrastructure that responds to the current and future needs of a growing Yarra		**Living in the City** 1. Make our streets and shopping strips safer and more beautiful **Building the City** 6. Provide green spaces and beautify the city
		Running the City 10. Ensure all decisions are financially sound, transparent and accountable to the community. 11. Ensure we deliver services that are fit for purpose and provide value to the community. 13. Manage Council's land and building assets to maximise value to the local community.			
	New & Upgrade infrastructure planning	Moving Forward: Transport Action Plan	Community Infrastructure Plan, Property Strategy	Integrated water management plan	Yarra Open Space Strategy, Community Infrastructure Plan, Property Strategy
		Development Contributions Plan			
	New & Upgrade Programs (may include renewal)	Transport action plan and Road safety program, Street furniture program, Street light program, EV Charging and Parking Technology	Getting off gas, Pavilions, Grandstands, Youth centres, Maternal & Child Health Centres, Kindergarten, and Childcare	Flood mitigation works	New Open Space Program, Sports field and playing courts, Open Space and playgrounds, Rewilding and planting project
	Ongoing Asset Renewal Programs	Roads, Laneways, Footpaths, Kerb and Channel Renewals	Whitegoods, Closed Circuit TV, Fire indicator panels, Plumbing, leisure centre works, Contaminated soil remediation, Asbestos management	Brick Drains, Drainage, Urgent drainage renewals	Open space furniture, Horticulture, Irrigation, Minor lighting, Minor turf, Pathways, Playgrounds, Signage, Sporting assets, Walls and Fences, Tree planting
	Maintenance (not limited to)	Inspections, Pavement, Kerb & Channel, Footpaths	Security, Programmed maintenance, AC maintenance	Inspections, unclogging	Weed management, streetscapes, bushlands
	Asset Operations (not limited to)	Street Lighting	Cleaning, Utilities	Street Sweeping	Cleaning, Mowing, utilities, graffiti management

Deliberative Community Engagement

We received feedback from people across Yarra as part of three stages of community engagement in late 2024 to late 2025. The engagement was structured to ensure it was as representative as possible of our diverse community, so everyone had a voice. The community engagement process was also designed to meet our obligations under the Local Government Act 2020 and Gender Equality Act 2020.

What you said

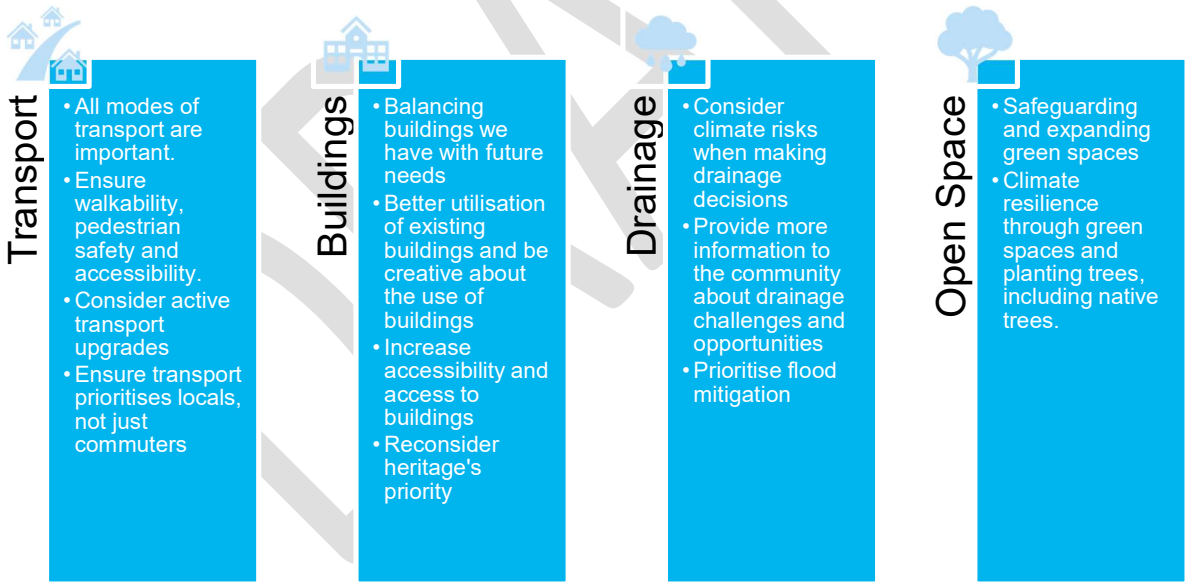
As part of the Yarra's broad community engagement for our Integrated Strategic Planning it was identified that across the almost 1800 respondents "Responsible Asset Management" ranked third in importance behind "Promoting a safe and secure community" and "preserving and protecting local natural environments"

We worked with independent consultants to recruit a representative sample of the Yarra community through expressions of interest to form a 45 person Community Working Group (CWG). The CWG told us the following key messages were priorities to be considered by Council:

- Evidence-based and transparent decision-making.
- Foster and promote community wellbeing and cohesion.
- Grow and build better.
- Operational excellence and accountability.
- Sustainability and holistic decision-making.

> "Prevention is better than a cure… being ready beforehand instead of reacting to a situation"
> *CWG member*

What we heard from the Community Working Group



What we're doing

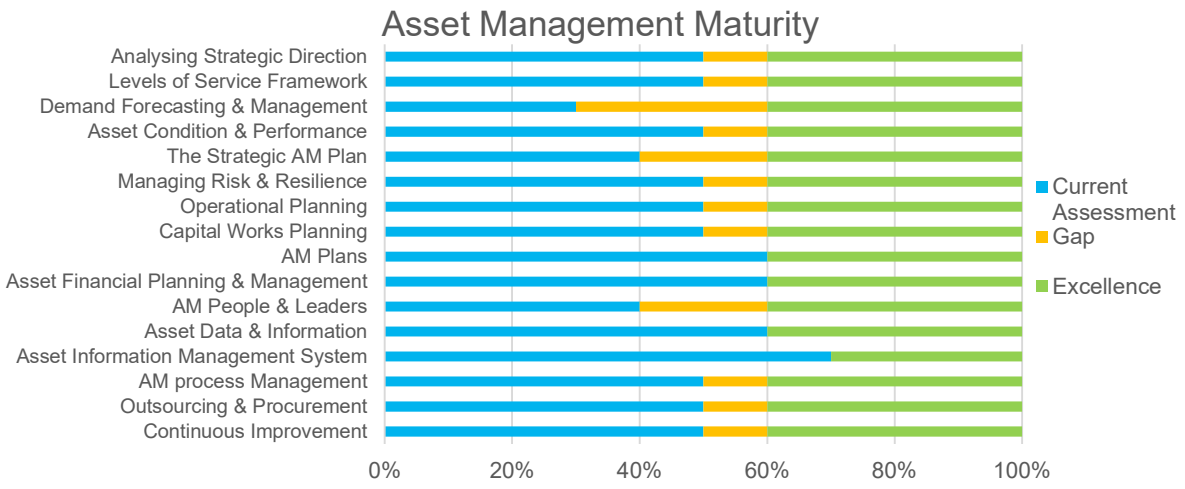
The Asset Plan provides the opportunity for Council to grow and build better through understanding the long term impacts of decisions. It supports Council in making evidence based decision about assets considering the impact on Assets and Sustainability. By understanding our depreciation, renewal, maintenance, and operation costs and how it is impacted by new and upgraded assets we take a long term picture of asset funding.

Our long term projections also help make sure we are spending enough renewing our assets. If we don't renew assets we both provide a lower level of service to the community, increase maintenance need and may create long term economic challenges for future generations.

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Asset Management Maturity

Council's most recent asset management maturity assessment is show in the below graph. This highlights that Council is achieving appropriate levels of maturity however opportunities exist particularly in managing future demand for assets through strategies such as the community infrastructure plan, implementing this Asset Plan and Asset Management Strategy (combined to form the Strategic AM plan) and improving our AM culture.



Asset Data Status

Asset Class	Asset Inventory	Asset Condition	Renewal Planning	Maintenance data	Growth and Function data
Transport	High	High	High	High	Medium
Buildings	High	High	Medium	Medium	Medium
Drainage	High	Medium	Medium	Medium	Medium
Open Space	High	High	Medium	Medium	Medium

Improvement plan

Since last asset plan

- Open space inventory and conditon
- Open space renewal planning
- Transport condtion assessement
- Road Management Plan review
- Drainage condition estimation improvement
- Drainage prioritisation framework developed
- Community Infrastructure planning

Future Improvements

- Optimising Renewal & Upgrade project timing to increse efficiency
- Gifted asset forecasting to better understand future maintenance
- 25/26 road condition survey to inform future programs
- Improved reporting of delivery
- Enterprise Resource Planning Software supporting development