

ASSET PLAN 2022-2032 AND ASSET MANAGEMENT POLICY 2022

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Responsible Officer: Mark Varmalis
Ward(s) affected: All Wards

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

The Asset Plan 2022-2032 and Asset Management Policy 2022 have been revised following a four-week period of community engagement, Councillor comment and internal staff feedback. Council asked the community what is missing and what they would like to see more of in the documents. Key feedback included adding more about the role of community groups in asset management and the importance of climate change and natural assets.

Adoption of an Asset Plan is required by 30 June 2022 under the *Local Government Act 2022*.

RECOMMENDATION

That Council adopt the Asset Plan 2022-2032 and the Asset Management Policy 2022.

RELATED COUNCIL DECISIONS

At the Council meeting on 26 April, Council endorsed public exhibition of the Draft Asset Management Policy 2022 and the Draft Asset Plan 2022-2032 for a period of 28 days, which ended on 25 May 2022.

General updates have been provided at Council Forum on the implementation of the Local Government Act 2020 and the range of policies and plans that are required to be developed post the election of each Council, of which the Asset Plan is included.

The Community Engagement Policy was adopted by Council at the 27 April 2021 meeting.

The Strategic Asset Management Plan was adopted by Council at the 22 October 2019 meeting.

DISCUSSION

Purpose and Background

This report presents Council's response to submissions and feedback received from Councillors, the community, the Asset Plan Community Panel and Council staff on the draft Asset Plan and Policy. The revised documents are attached for consideration by Council for adoption.

Feedback has been sought from the community on the Draft Asset Plan 2022-2032 and Draft Asset Management Policy 2022, following Council endorsement, for a four-week exhibition period on 26 April 2022. The feedback period closed Wednesday 25 May 2022. Feedback from Councillors, the community, the community asset panel, and from internal staff is outlined below along with proposed revisions to the drafts. Feedback received is documented in the Asset Plan Response to Submission Report 2022.

Community Panel

A two-hour feedback session with participants from the Asset Plan panel was facilitated by Max Hardy Consultants on Thursday 12 May 2022 at 6:30 pm to gain feedback on the draft documents and on the engagement process itself. Feedback presented relates only to the plan and policy. Feedback on the process was generally positive and will be addressed in detail in an engagement evaluation report as part of a review of the asset plan project.

Six panellists had accepted an invitation to attend, however only four attended on the night. The panellists had been provided copies of the draft documents prior to the feedback session and feedback relevant to the draft plan and policy is noted as follows:

- Panellists were keen to see the direct impact of the new policy and asset plan in the short term. The long-term nature and high level of the plan and policy was not clearly understood by attendees present;
- A panellist requested that timeframes and details be provided for the actions proposed in the Draft Asset Panel Summary Report, and that updates be provided to the panel on these actions over time. They felt this would provide evidence that Council listened to the feedback received and demonstrate that the feedback had led to improvements in asset management. This was also considered important in demonstrating Council is engaging in line with the Community Engagement Policy, which requires transparency in how involvement from the community has influenced outcomes. These actions will be further developed and implemented with oversight by Council's internal Asset Management Steering Committee in accordance with the Asset Management Policy. It was also discussed with panel members that the Asset Plan and Asset Management Policy were guiding documents, and that individual asset plans for

each of the asset categories would contain more detail and be part of further community engagement activities; and

- An email was received from a panellist with feedback relevant to the draft policy and asset plan. It highlighted the lack of discussion around the value of the natural environment as an asset within the panel sessions. This feedback is consistent with comments received from the broader community that the value of natural assets was missing from the documents. To address this feedback, discussion of the natural environment as an asset has been added to in the policy and plan, along with how it is managed by Council (not directly within Council's Asset Management System, clarifying the position on trees and wildlife, as noted also in Community Feedback below).

Community

Council asked the community to let us know if anything was missing from the draft policy or plan. Up until 5pm on 25 May 2022, a total of 60 posts had been made from 36 contributors on the Shaping Yarra Ranges Asset Plan page, with a total of 147 'likes' on these posts. Of the comments received to the page, only five comments were directly relevant to the asset plan or policy. The remaining comments were mainly footpath requests, parking requests, and comments on traffic or road issues (including on Department of Transport Roads), road sealing requests, and comments about playspaces and toilets. Two compliments were also submitted, one for Council's libraries, and one for tree planting.

Three emails were received from the public. Of those, only one related to the plan or policy, while the others were related to bushfire plans and storm response.

The feedback on what was missing included:

- The need to acknowledge natural assets including trees and biodiversity (this was consistent with the feedback received from the panel as noted above);
- Climate change needs more discussion considering Council's declaration of a Climate Emergency; and
- How Council will manage environmental sustainability into the future (note: the asset team consider this is out of scope for the Asset Plan and Policy but can strengthen the discussion of climate change impacts).

Internal Staff

Asset managers in the organisation were also asked to provide feedback on the draft documents, and specifically on the policy roles and responsibilities and the principles for decision making. They were also asked to consider how they would support the delivery of best value outcomes for the community. In response to feedback received on the policy, additional details have been added on the role of financial officers, and the section regarding the principles of sustainability has been separated into financial, environmental, social and cultural aspects.

Strategic Asset Management Plan

Feedback received during the panel engagement sessions that was beyond the direct scope of the asset plan or policy has been captured in the draft Asset Panel Summary Report as proposed actions. These actions will be used to help shape the update of the Strategic Asset Management Plan, to be undertaken later in 2022. An update on this work will be provided at a future Council Forum.

Revisions to Drafts

Revisions made to the draft documents include:

- Adding community groups and their roles to the policy and the plan (completed prior to issue of draft to the community);
- A discussion on natural environment as an asset, and how its management is addressed through relevant Council strategies, policies and plans;
- Additional discussion on how climate change impacts are to be considered in asset management;
- Separation of the principles of sustainability into separate items for environment, social, cultural and financial to further highlight the significance of each of these principles; and
- Noting which principles are a direct requirement by law (such as evidence-based decision making, consideration of climate change impacts).

Options considered

An Asset Plan is required to be adopted by Council by 30 June 2022 to meet the requirements of the *Local Government Act 2020*.

Recommended option and justification

Council to consider adopting the Asset Plan and Asset Management Policy to meet the requirements of the *Local Government Act 2020*.

FINANCIAL ANALYSIS

Funding for the Asset Plan deliberative community engagement process was covered by existing operational budgets.

Council continues to operate in a challenging fiscal environment. While community expectations and demand for services continue to increase, revenue does not.

Community input into the development of the Asset Plan has assisted in determining community priorities and guiding Council decisions around asset maintenance, renewal, upgrading and decommissioning, and the development of new assets, while enabling Council to respond to current, emerging and future community needs. This

is essential to ensure funding is allocated accordingly as part of Council's annual review of its ten-year Capital Expenditure Program.

APPLICABLE PLANS AND POLICIES

This report contributes to the following strategic objective(s) in the Council Plan to the extent that quality assets support our services to the community:

- Quality infrastructure and liveable places;
- High performing organisation;
- Connected healthy communities;
- Protected and enhanced natural environment; and
- Vibrant economy, agriculture and tourism.

Relevant plans and policies:

- Council Plan 2021-25;
- Community Vision 2036;
- Financial Plan 2021-22 to 2030-31;
- Strategic Asset Management Plan 2019/20 – 2023/24;
- Asset Management Policy 2017; and
- Community Engagement Policy 2021.

RELEVANT LAW

An Asset Plan is required to be adopted by Council by 30 June 2022 to meet the requirements of the *Local Government Act 2020*.

SUSTAINABILITY IMPLICATIONS

The Asset Management Policy notes environmental, social, cultural and financial sustainability as key principles in asset management decision making. The Asset Plan addresses sustainability considerations required in asset management and planning into the future.

COMMUNITY ENGAGEMENT

Community engagement during the development of these documents has been undertaken in line with Council's Engagement Policy, and included the following activities:

- Deliberative engagement through the Asset Plan Panel, with six sessions held in February and March 2022. Further details of the panel recruitment and deliberative process were presented to Forum on 19 April 2022;
- An additional panel feedback session was held on 12 May 2022; and
- The draft Asset Plan and Asset Management Policy were made available to the community for feedback for a period of four weeks in April and May 2022 with promotion of the draft documents and panel experience video on social media, through Council's Community Update newsletter and via Community Development Officers to community groups.

The engagement process for the final drafts was communicated through a number of channels including:

- A media release and news story on Council's website, linking people to the Shaping Yarra Ranges page. There was a total of 858 visits to this page;
- A social media post that included a link back to the Shaping Yarra Ranges page; this post reached 5,120 people;
- A video published on Facebook that featured participants from the asset panel sharing their experience in the process. This video attracted 1,100 views;
- A story in the Disability Inclusion Newsletter and Yarra Ranges Business e-newsletter;
- A story in the April YR Local e-newsletter; and
- Emails from Community Development Officers to their township networks.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

The Asset Planning team worked with asset managers across the organisation to identify key challenges facing the management of assets over the next 10 to 15 years for input from the community panel. The outcomes of the panel sessions have been captured as actions in the Panel Engagement Summary Report. These actions will be addressed in the revision of the Strategic Asset Management Plan in 2022 and will be monitored by Council's internal Asset Management Steering Committee.

The community panel has requested ongoing updates on these actions. A communications plan will be developed and implemented with oversight by the Asset Management Steering Committee to assist with this, and to continue the conversation with the broader community regarding asset management.

RISK ASSESSMENT

There is an opportunity for Asset Management to play a stronger role in the Council Budget process to support evidence-based decision making, incorporate data around community priorities, and strengthen community outcomes. It is proposed to

develop an evaluation plan for the policy and asset plan, along with a communications plan, to be overseen by Council's internal Asset Management Steering Committee.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Asset Plan 2022-2032
2. Asset Management Policy 2022
3. Asset Panel Summary Report
4. Asset Plan Response to Submissions Report 2022