FACT SHEET

Draft Asset Management Plan Summary

City of Prospect is a rapidly evolving city and has a diverse asset portfolio. Our assets include buildings, footpaths, open spaces (parks and reserves), roads and stormwater infrastructure.

To meet community demands and ensure that our assets are financially sustainable, we are currently reviewing our suite of asset management plans and have developed a draft Asset Management Plan Summary for feedback.

Your feedback will help finalise our draft asset management plans.

This fact sheet explains how and why Council needs asset management plans and the key features of our draft Asset Management Plan Summary.

What is an asset?
City of Prospect defines an asset as a physical resource owned or under the care, control and management of Council that contributes to the community's needs for access to major economic and social facilities (eg. buildings, roads, etc.).

What is an asset management plan?
An asset management plan is a comprehensive document that outlines how Council will operate, maintain, renew and dispose of its existing assets together with providing for new assets to ensure that:

- Services delivered by assets are sustainably provided to the community
- Risks associated with service provision are minimised
- Lifecycle costs are contained.

Why do asset management plans need to be reviewed?
Asset management plans are a requirement of the Local Government Act, they:

- Identify the funding to maintain and upgrade assets into the future to an agreed level of service and considering changing demands.
- Outline principles by which decisions will be made to provide or manage assets in a way that balances community expectations, risk, and financial means.

Asset management plans are for a 10-year period and are linked to a Long-Term Financial Plan to ensure the management of assets is financially sustainable.

Beyond the legislative requirement, in our growing city there is a clear need for a planned, systematic approach towards key infrastructure asset maintenance, upgrade and associated service delivery to ensure that we allocate limited resources to areas of greatest need. The aim is to consider community needs, in line with the available budget and Council’s long-term strategic priorities.

How does an asset management plan consider future needs?
Council carefully plans how to provide and manage assets into the future considering how it's area and the demands on it may change over time. Our draft asset management plans consider factors such as:

- Growing population
- Increasing urbanisation (eg. higher density development)
- Legislative requirements (eg. stormwater and accessibility compliance)
- Climate change (eg. flood mitigation, urban cooling, lowering emissions, low footprint materials)
- Change in community needs and aspirations.

How are asset management plans funded?
All Councils have limited finances. As such asset management plans will manage existing assets and carefully consider when upgrades or new assets need to be created to meet new demands.

What are the key assets covered within the Draft Asset Management Plan Summary?
The key infrastructure assets include:

- Stormwater
- Footpaths
- Roads (seal, pavement and kerbs)
- Buildings
- Open Space (parks and reserves).

What assets does Council own and what are they worth?

Stormwater
40.9km pipes
1052 pits
$48.4M

Footpaths
249km $48.1M

Roads (89km)

- Seal = $12.9M
- Pavement = $52.8M
- Kerbs (195km) = $48.5M

Total = $114.7M

Buildings
67 No. = $26.3M

Open Space (parks and reserves)
Playgrounds, structures, sports courts and park furniture = $ 9.1M

TOTAL REPLACEMENT VALUE = $246.6M

What is the total forecast of investment needed to maintain, renew or upgrade key assets over a 10-year period within the Council?

$69.88M = Total forecast investment over 10 years
(what the asset management plan says we need)

$63.8M = Allocated budget over 10 years
(what the Long Term Financial Plan says we have)

$0.59M = Average annual shortfall
(= 91% of required funds available)

Reasons for shortfall include:

- Funding identified for discretionary capital projects
- Timing of renewals peaking in 2023 and 2026
- Growth in maintenance and operations costs associated with donated assets, Council funded new assets (open space)
- Timing between development of this asset management plan and revision of the current Long-Term Financial Plan.

This series of Asset Management Plans identifies a significant shortfall in annual spending on asset renewal. What is Council doing about this?

A shortfall of more than $600,000 per year in provisioning for renewal of roads, kerbs, footpaths, open spaces and buildings has been identified by these plans, which were modelled in mid-2021.

Since then, Council has fully provisioned this identified asset management shortfall through its Long-Term Financial Plan. A further shortfall in stormwater renewal has also been identified, which is a challenge shared with many other Councils across Australia.

Council recently received a generous grant from the Federal Government to support a significant increase in stormwater outflow capacity in the area around the Churchill Road and Regency Road intersection, but significant further expenditure will be required to meet this challenge and it is expected that further grant funding will be required from both the State and Federal Governments to support future works in this area, which have been estimated at around $25m-$30m in quantum.

What is this consultation about?

This consultation is about ensuring the community can provide feedback to help finalise our draft asset management plans.

We understand the only way we can effectively manage our assets is by partnering with the ultimate users of our infrastructure and services – our community.

We are committed to remaining attuned to community views, aiming to understand and act on local sentiment and deliver better, more sustainable outcomes, for generations to come.

How do I provide my feedback?

There are several ways in which you can provide feedback:

- Feedback form (attached to this once)
- Online via Engagement Hub: cityofprospect.engagementhub.com.au/asset-management-plan-summary
- Email submissions via administration@prospect.sa.gov.au
- Written submissions via:
    - Post (PO Box 171 Prospect SA 5082)
    - In-person (Payinthi, City of Prospect Administration, 128 Prospect Road Prospect).

What happens next?
All feedback will be collated and analysed by the project team, which will help finalise the documents.

The final asset management plans will be submitted to Council in May 2023 for consideration. Once the plans have been endorsed, they will be published on our website.

As a part of the finalisation of the documents, an extensive improvement program has been developed that will see resources focused between now and the next review of plans. This includes:

- Undertake a review of service levels for buildings together with a DDA audit
- Re-audit the road, kerb and footpath network with a view to develop detailed project level costs over a 5-year period based on Councils service levels
- Develop a land acquisition and disposal strategy
- Incorporate traffic control devices into this plan
- Update the asset management plans.

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Survey

Q.1 Do you support the adoption of the Asset Management Plan Summary draft?

- Strongly support
- Support
- Unsure
- Do not support
- Strongly do not support

Q.2 How do you think each of the following Asset Classes are performing?

	Above acceptable level of service	Acceptable level of service	Unsure	Below acceptable level of service	Well below acceptable level of service
Roads	O	O	O	O	O
Footpaths	O	O	O	O	O
Stormwater	O	O	O	O	O
Buildings	O	O	O	O	O
Open Space (parks and reserves)	O	O	O	O	O

Q.3 What asset do you think is the most important for the City of Prospect?

- Roads
- Footpaths
- Stormwater
- Buildings
- Open Space (parks and reserves)

Q.4 Is there any other feedback you would like to provide on the Draft Asset Management Plan Summary?