



WARRNAMBOOL
CITY COUNCIL

Asset Plan

2025 - 2035



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Asset Plan 2025-2035

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Document Control:

Rev No	Date	Revision Details	Author
Draft V1.0	May 2022	Draft for EMT review	Warrnambool City Council
Final	June 2022	Adopted by Council	Warrnambool City Council
Review	August 2025	Revised Plan reviewed by Manager Assets and Project Planning	Warrnambool City Council



1.

Introduction

In accordance with section 92 of the Local Government Act 2020, Councils are required to develop and make available the Asset Plan for their municipality which provides the community with information on how their local Council intends to manage and maintain Council's assets over the life of the Asset Plan.

The Warrnambool City Council's Asset Plan 2026-2035 has been developed with consideration of community feedback

through survey data and through engagement for and the development of the Council Plan 2025-2029; the Financial Plan which outlines Council's long-term financial planning over the next 10 years; as well as Asset Management Plans and asset data detailing the current condition of Council's assets across asset classes including roads, bridges, pathways, stormwater drainage, buildings and open space assets.

Why An Asset Plan?

2.0 Background

The municipality of Warrnambool covers 120sqkm in Victoria's South West. It includes the city of Warrnambool and townships of Allansford, Bushfield and Woodford. It has a population of 35,500 and an annual population growth of approximately one per cent, the most populous city in the South West.

Warrnambool's economy generates output of some \$5.9 billion accounting for about 23.9 per cent of the Great South Coast region's economic output from less than one per cent of the land area. There are 18,518 jobs in Warrnambool and the following five sectors account for over two-thirds of employees whose place of work is located within Warrnambool:

- healthcare and social assistance
- retail trade
- education and training
- construction and manufacturing; and,
- accommodation and food services.

The construction industry makes the greatest contribution to economic output in the region, which at \$909.5 million accounts for 15.41 per cent of total output. Warrnambool is a popular and expanding tourism destination and the sector supports 1,468 jobs.

Property and business services, government administration and construction are also key growth sectors.

Warrnambool City Council is the custodian of an extensive range of community assets that deliver a wide range of vital services to the community. In order to deliver these services over the long term in a challenging environment, the Council must ensure that the assets supporting these services are managed in a sustainable way. This Asset Plan sits alongside Council's Financial Plan as the guiding ten-year resource and allocation tools within the Local Government Integrated Strategic Planning and Reporting Framework (ISPRF), and together these documents guide and inform Council's decisions in a long-term context.

2.1 Purpose of the Plan

This Asset Plan is intended as a strategic community facing document that informs the community on how Council controlled infrastructure and other assets are to be managed to achieve the Council Plan objectives and Community Vision statement.

The purpose of the Asset plan is to:

- improve the transparency around asset value and performance

- better inform the community on the type of assets under council management and their financial impost
- embed responsible asset management practices into the ISPRF
- contribute to council's long-term objectives, strategic intent, and financial sustainability
- outline the alignment of decisions around assets to community needs, service levels and standards
- articulate and communicate the challenges on service levels, costs, risks, and the considerations for the decisions made.

2.2 Strategic Context

2.2.1 Compliance with the Local Government Act 2020

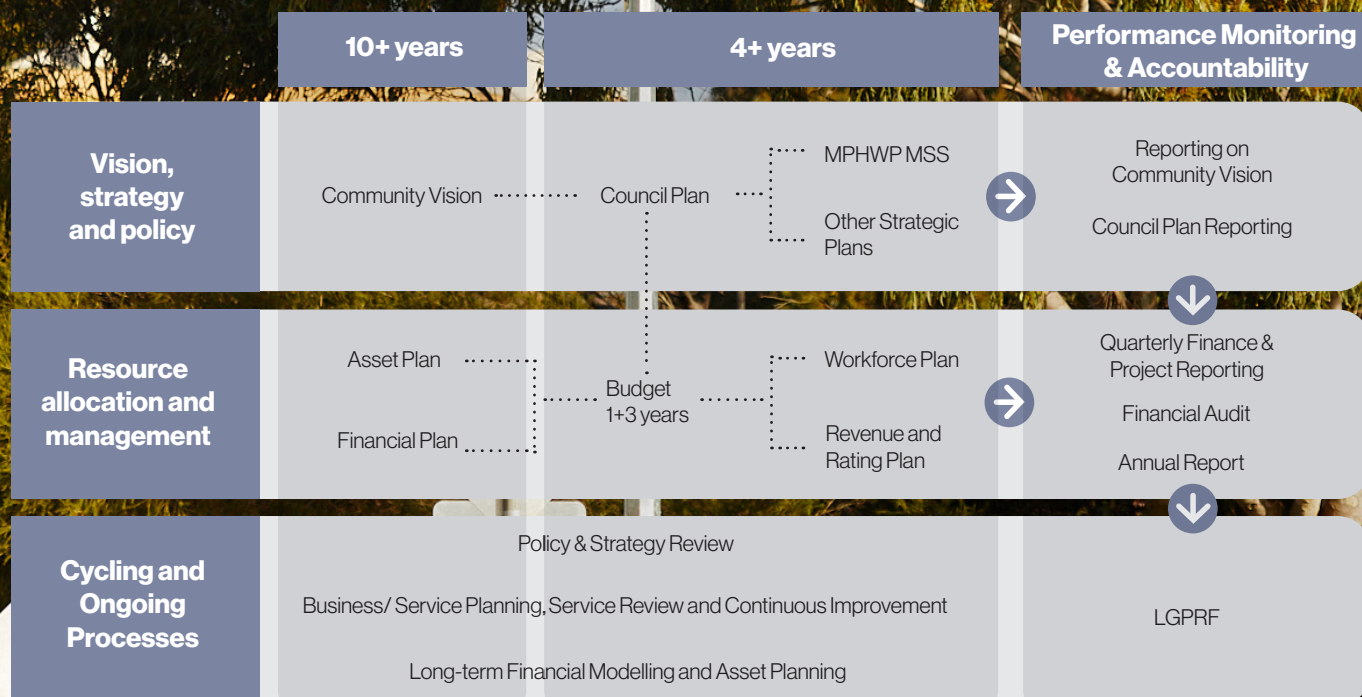
Section 92 of the Local Government 2020 (the Act) outlines the requirement that councils must adopt an Asset Plan by 31 October in the year following each local government general election in Victoria.

The Local Government Act 2020 (Planning and Reporting) Regulations requires councils to record their compliance with section 92 of the Act by completing the Governance and Management Checklist annually; and to ensure that the Asset Plan aligns with the Council Plan, Council Budget, Annual Report, Community Vision and Financial Plan

These factors are in keeping with the ISPRF and are aimed at reassuring the community that their assets are being responsibly managed.

2.2.2 Integrated Strategic Planning and Reporting Framework

This Asset Plan is a vital component of the ISPRF and as such aligns with and complements other council planning and reporting documents, including the Council Plan, Council Budget, Annual Report, Financial Plan, and the 2040 Community Vision. An overview of Council's ISPRF showing elements and planning timeframes is shown in Figure 1.



Strategic intent

3.1 How does it fit together

The Warrnambool City Council's community has high expectations on how Council maintains assets and what assets are provided to allow for a thriving and liveable City.

This aspiration, as set out in strategic documents such as the Warrnambool 2040 Plan, must be balanced with achieving financial sustainability, as is set out in the Financial Plan.

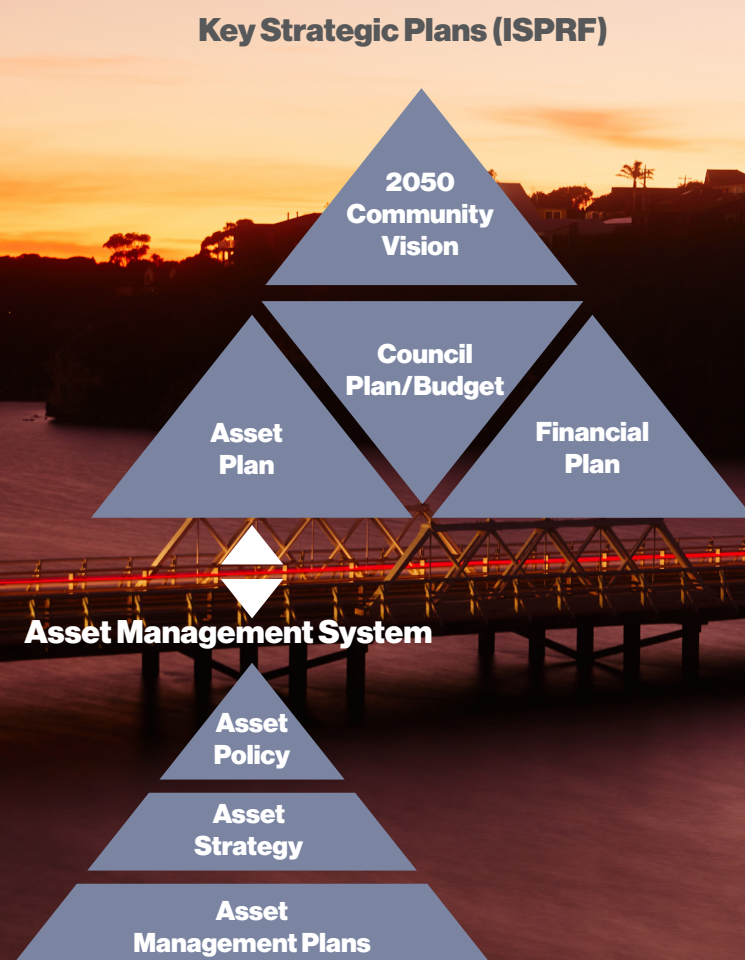
The Asset Plan is the meeting place between the aspirations and the reality of available funding to deliver for our growing community.

With cost escalations through inflation and access to materials, maintaining, renewing, upgrading and delivering new assets has become more challenging with budget allocations to complete these activities not increasing at the same rate.

To help manage this growing gap, consideration of asset consolidation and potential disposal of assets is high on the agenda in order to seek to continue to maintain assets to current levels. The Council Plan also recognizes the need for upgrades to some key facilities to ensure longer lives for those assets, to improve and achieve sustainability targets by reducing emissions, and to deliver key facilities to meet the needs of our growing community. These have been factored into the Asset Plan to ensure the appropriate planning, and an understanding of the asset management needs are accounted for over the life of this plan.

Warrnambool City Council's key strategic documents work together to strive for a liveable and inclusive city, whilst trying to achieve this in a financially sustainable way. They also work together to provide the community with an understanding of current and future goals and actuality of delivering these key documents.

Figure 2: How the Asset Management System links to the Asset Plan and Key Strategic Plans





3.2 Asset management and strategic planning

It is important to note that many of the activities related to management of Council's assets are largely a legislated part of Local Government business, for instance Warrnambool City Council is responsible for managing local transport infrastructure including local Roads, Bridges, Stormwater and Pathways under the Road Management Act (2004).

These transport services are vital and are delivered by assets comprising approx. 54% of Council's total asset value. Similarly, Council Buildings facilitate services such as arts and libraries, recreation and leisure, family and community services, administration, and public amenities which are valuable to the community's amenity and liveability.

Meeting legislative obligations to maintain essential assets is becoming increasingly challenging due to and growing gap between rising construction costs and the impacts of rate capping, which is resulting in less available funding for the growing demands of asset maintenance and renewal across Council's portfolio.

Balancing maintaining existing assets with the expansion and development of new assets to meet the needs of our growing City will continue to become more challenging over the life of the Asset Plan, however, through community feedback, and identification of key objectives in strategic documents such as Warrnambool 2040 and the Council Plan 2025-2029, the Financial Plan and Asset Plan reflect how Council aims to achieve this balance with financial sustainability in mind.

3.3 Community Engagement

A survey was conducted to understand how the community use Council Assets in their everyday lives. The survey was conducted over three (3) weeks via Your Say in August 2025. 103 respondents outlined the facilities they used regularly and what assets were important to them and the liveability of the City.

Some of the key results from the survey include: When asked what Assets were most important to people, the top five responses were (in order):

- Beach Access Points
- Aquazone
- Sealed Roads
- Bridges and culverts
- Footpaths and kerbs

Coming in very close behind these were bike lanes, open space, gardens and parks, and car parks. When asked what assets people rely on for recreation, leisure and learning, the top 5 responses were:

- Open spaces, gardens and parks
- Beach access points
- Footpath and kerbs
- Sealed roads
- Aquazone

Also ranking highly were Public Toilets, the library and playgrounds.

These results align with the survey conducted as part of the review of the Active Warrnambool Strategy where the top 10 recreational activities undertaken by members of the Warrnambool Community predominately used the top 5 assets selected. The preferred recreation activity results from the Active Warrnambool Survey included:

- Walking
- Fitness / Gym
- Running
- Swimming
- Cycling
- Yoga / Pilates
- Surfing
- Fishing
- Dancing
- Skate / Scooter

The survey results indicated that people's satisfaction level with asset condition, seemingly correlated with the current overall condition rating of asset classes, with a general satisfaction aligning to a fair and good asset condition.

There was an overwhelming support from the community for Council to prioritise multi-purpose facilities over single purpose or specialised buildings, with just over 80% of respondents preferring multi-purpose buildings.



58% of responses also preference higher quality assets further from their home, than smaller and standard assets closer to where they lived.

When asked whether, with Council's limited funding for asset management, whether respondents would prefer Council to:

1. Maintain more existing assets as a priority
2. Maintain fewer existing assets at current standards and invest in newer assets
3. A combination of both; or
4. Other

28% of respondents chose to maintain more existing assets as a priority, and 55% opted for a combination of both, with just under 10% selecting to maintain fewer existing assets at current standards and invest in new assets, and just under 7% picked other.

This survey information has been shared with Councillors and will be referred to when developing future renewal programs and inform prioritisation of funding allocations.

3.4 Linkage to Warrnambool 2040, Council Plan and Financial Plan.

This Asset Plan has been prepared based on the Community Vision, Warrnambool 2040, and Council Plan 2025-29 which in turn have been informed by the participatory and deliberative engagement processes outlined above.

Warrnambool 2040

A thriving city at the heart of coast and country.

Warrnambool is the bright beacon at the western edge of the Great Ocean Road.

Within the Warrnambool municipality are beautiful beaches, parks, buildings and pathways. The city of Warrnambool is the South West's professional, commercial, retail, education, sporting and health capital and our attractive townships of Allansford, Bushfield and Woodford enhance our liveability.

VISION 2: Warrnambool will be Australia's most liveable regional city.

Warrnambool has accessible, high-quality public spaces and facilities

Warrnambool has well-designed commercial, residential, cultural and recreational precincts that are attractive, activated, accessible, sustainable, multiuse, safe and well maintained. Public spaces, infrastructure and facilities are always designed to be accessible for everyone and encourage social connection by providing activities to suit all ages and abilities. Warrnambool is memorable for its unique places, public art and sense of identity.

VISION 3: Warrnambool will be Australia's most resilient and thriving regional economy

Warrnambool invests in its liveability to grow the economy
Warrnambool is nationally recognised as a highly desirable place to live, work and visit. The city's renowned liveability encourages population and workforce attraction, which in turns supports the economy

VISION 4: Warrnambool will be Australia's most resilient regional city.

ZERO WARRNAMBOOL – demonstrate innovative solutions to achieve zero net emissions for a renewable future.

Using contemporary ideas and technologies, we will be innovative and bold, working collaboratively on smart solutions. We will build our city and its transport systems for a sustainable future. By 2040 we will have zero net greenhouse gas emissions, and our energy needs will be met from renewable sources.

ADAPTABLE WARRNAMBOOL – we adapt to the impacts of climate change

Working together, we will be prepared, adept and resilient in the face of climate change challenges. Our institutions, agencies, universities, industries, businesses and community leaders will partner to develop the world's best responses. Our infrastructure and open space will be designed effectively, and our community will have the knowledge to mitigate climate change impacts and thrive in a changing climate.



Council Plan 2025-2029

The Council Plan 2025-29 lists key activities and initiatives Council will undertake between 2025-2029 to deliver on the Plan's Vision – *We are a thriving regional leader, rich in opportunities and committed to fostering a sustainable and inclusive lifestyle.*

2025-29 Council Plan Objectives and Strategies	How Objectives are addressed in this Asset Plan
<h3>City Futures</h3> <p>Activating a vibrant, livable and safe city through enhancing outcomes for all.</p>	
Our City plans for sustainable growth while accommodating a changing climate	This Asset Plan outlines the management and funding required for a sustainable well-planned portfolio of assets over the medium term within the context of the Financial Plan; and baseline new/ upgrade funding to provide for a better-connected community and stronger neighbourhoods with consideration given to impacts of Climate Change.
<h3>City Infrastructure</h3> <p>Renewal and maintenance of Council's infrastructure while balancing the needs of our growing city through sound asset management.</p>	
<ul style="list-style-type: none"> Our City will prioritise maintaining and renewing existing infrastructure Our City will have appropriate open space infrastructure to meet the needs of our growing community Our City will plan for and improve the municipal drainage network to cope with a changing environment Our City neighbourhoods will have a well-connected network of footpaths Our City's road network will be maintained to a safe and high-quality standard Our City will pursue efficiencies in maintaining and renewing Council buildings by improving heating and cooling systems and through energy efficient lighting. Our City values and implements sound Strategic Asset Management with consideration to assets and the retirement and consolidation of assets. Our City will continue to improve pedestrian, cycling and vehicle movement. Our City will focus on play spaces as a key feature of local neighbourhoods. Our City's public spaces will be maintained to a high standard. 	<p>The Asset Plan seeks to maintain a basis of a relevant Capital Works Program to meet annual infrastructure renewal gaps where funding allows.</p> <p>This Asset Plan provides for baseline renewal and new/ upgrade works within Financial Plan parameters to:</p> <ul style="list-style-type: none"> Meet the needs of a growing City Maintain current service levels for asset management across the existing asset portfolio Deliver the assets the community needs to achieve the Council Plan's Vision.

City Sustainability

Caring for our natural environment by promoting energy efficiency, best practice circular economy and embracing new technology.

- Our City is committed to reducing its carbon footprint
- Our City will take measures to limit the impact of climate change

This Asset Plan provides for:
Minimising the effects of climate change with resilient and efficient infrastructure where appropriate
Maintenance of road and drainage (stormwater) assets

City Wellbeing

Working to enable everyone at every stage of life to participate in welcoming and inclusive environments which foster learning, connection, health and wellbeing.

-Our livable City promotes access to housing, places and activity for all.
Our active City provides recreational opportunities for people of all ages and abilities.

The Asset Plan seeks to promote and prioritise the maintenance and renewal of existing assets including recreation and open space assets within the framework set out in the Financial Plan.

City Leadership

We will advocate for our community and region, operate efficiently, maintain sound governance, care for our team, and embrace a rapidly changing technological landscape.

Our City manages financial resources sustainably.
Our City will advocate for important needs including an updated aquatic centre, a community hub at Brierly Recreation Reserve, a new art gallery and affordable housing.

This Asset Plan outlines the management, risk mitigation, and funding required for a sustainable portfolio of assets over the medium term within the context of the Financial Plan; seeking to achieve financial sustainability through the effective and efficient use of Council's resources and assets.

Financial Plan 2026-2035

The Financial Plan provides a 10-year financial projection regarding how the actions of the Council Plan and Council operations, and Capital Works may be funded. Along with the Asset Plan, the Financial Plan is developed in the context of the Strategic Planning Principles set out in section 89 of the Local Government Act 2020.

Figures from the draft Financial Plan 2026-2035 have been used to inform the proposed expenditure committed to individual asset classes in the State of the Assets section of the Plan below.

3.5 Financial Integration

This plan financially integrated with Council's Long-Term Financial Plan 2025-35 as part of the Integrated Strategic Planning and Reporting process. It represents what the community and Council are in agreement on, that is, it outlines expenditure in line with maintaining current service levels from its asset base, with expenditure in ways that supports Warrnambool 2040 and the Council Plan.

The Financial Plan outlines the funding to be allocated to renewing, maintaining, upgrading and delivering new assets over the next 10 years. These figures are determined via a process when developing the Financial Plan that includes taking information from Council's Asset Management Plans, valuation information and other asset data and collating this

against other operating, recurrent and other project costs anticipated over the coming 10-year period.

The aim of the financial plan is to achieve a financially sustainable position. This sometimes means that a balance is sometimes required between asset management and other costs associated with Council activities and services.

Once the Financial Plan is established the figures allocated to asset management are then measured against Council's asset management funding requirements to maintain and renew the existing asset portfolio across the key six asset classes which includes:

- Roads
- Bridges
- Pathways
- Drainage
- Buildings
- Open Space Assets.

Where there is an underfunding of an asset class over the term of the Financial Plan, this results in a renewal gap. This gap means that the shortfall in funding may result in increased risks due to the condition of assets deteriorating, expected services levels not being able to be met, including Council's legislative requirements associated with Council assets.

The outcome of this financial integration is detailed below in the State of the Assets section.



4.

State of the Assets

4.1 State of the Assets Introduction

The asset Profiles below across the six major asset classes detail the Council's 'State of the Assets'. The long-life asset categories of Buildings, Roads, Bridges, Pathways, Drainage, and Open Space and Recreation, as well as land, comprise approximately 95% of Warrnambool City's asset replacement value for depreciating assets.

The information provided for each of the six major asset classes is a snapshot in time representative of our known asset data as at 30 June 2025. This information is aimed at answering the following questions:

- What assets do we own?
- What is the replacement value of our assets?
- What condition are our assets in?
- What amount of investment (\$) is needed.

4.2 What assets do we own and what is their replacement value?

The below table provides information on the quantum of assets we have across major asset classes and details the current replacement value of these assets.

Replacement value is defined as an assessment of the asset's worth based on replacing an asset with a new asset of similar standard and function in present day value. The replacement asset may be a modern equivalent due to new regulations, changes in materials or use of modern technologies. This amount includes the capital costs, such as construction, materials, labour, engineering, permits and approvals. The value does not include the cost of day-to-day operations, staffing, design, and overhead costs.

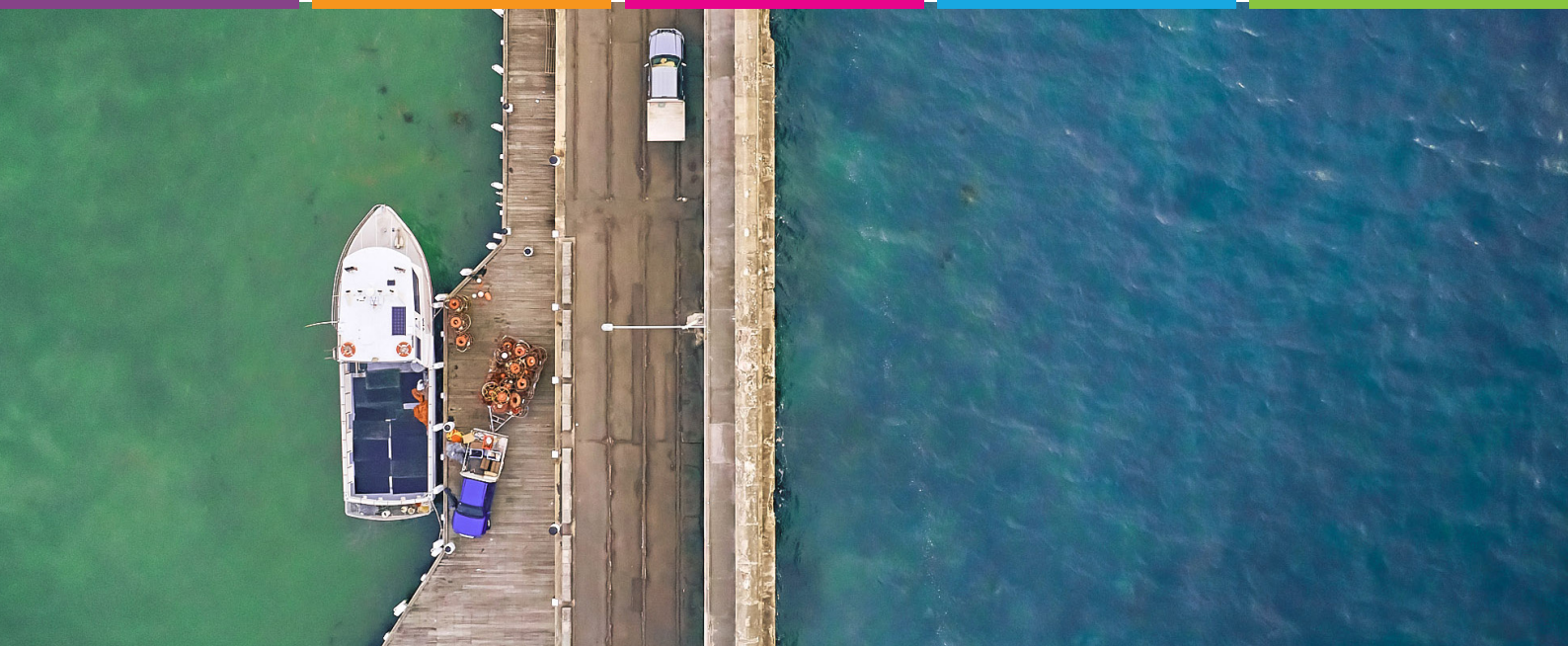
Asset replacement values are determined through a variety of data sources, including historical records, professional assessments and industry costs seen in acquisitions and contracts. Most values are typically based on unit costing for a specific asset category or individual costs for unique assets. The replacement value calculated is a benchmark utilised to understand the scale and magnitude of the assets worth

The current total replacement value of the six major asset classes is \$1.068b*.

*This does not include Plant and Equipment.

Table - Assets covered by this Plan (2024-25 Valuation Report)

Asset Category	Indicative Quantity/ Description	Current Replacement Value (\$,000)	Written Down Value (\$,000)
Land and Land Improvements	Largely urban land associated with buildings, but includes Council freehold land, Crown land Council are CoM for, and land under roads.	\$121,435	\$121,435
Buildings and Building Improvements	340 specialised building structures 9 non-specialised building structures	\$233,485	\$153,473
Road Surfaces	931,835sqm Asphalt 1,910,361sqm spray seals 7822sqm other	\$53,404	\$36,084
Roads Pavements	2,944,473m2 Sealed and 160,409m2 Unsealed roads.	\$278,944	\$176,817
Kerb and Channel	Crossing channels, spoon drains, splitter islands and roundabouts	\$50,359	\$28,148
Off Street Carparks	290km of carparks 8kms of kerb and channel 16 ticket machines	\$20,189	\$11,434
Bridges	57 bridges and major culverts	\$50,746	\$42,502
Pathways	563km concrete and sealed paths, 61km gravel and natural paths, 25km of other paths	\$68,703	\$43,793
Drainage Pipes (Stormwater)	300kms pipe network	\$69,558	\$48,035
Drainage Pits (Stormwater)	Includes 12,202 side entry pits, junction pits and other pits	\$38,451	\$25,988
Drainage – Other (Stormwater)	Tunnels, raingardens, tanks, GPTs and litter traps, pumps and wells, floodwalls, and basins	\$32,436	\$21,251
Parks, Open Space & Street-scapes	Playgrounds, playing surfaces, bollards and fencing, minor structures, irrigation, facility lighting, street furniture, beach access, jettys and boat ramps	\$23,786	\$16,751
Land Improvements	BMX track, property improvements, kindergarten playgrounds, council fences	\$1,051	\$587
Aerodromes	Runways and taxiways, hangar and shed, access road and carpark, fencing	\$10,477	\$8,877
Artwork	Gallery collections, fixed and fine art, painting and sculptures, Flagstaff Hill Icon, and significant Public Art	\$15,906	-
TOTAL		\$1,068,930	\$735,175



4.3 What Condition are our Assets in and What Funding is Needed?

Below is a summary of each of the major asset classes. These summaries provide a snapshot of the overall average condition of each asset class; information on funding needed per Council's Asset Management Plans, asset condition information and asset valuation information; and outlines at a high level, shortcomings, risks and challenges facing each asset class.

Buildings

Current condition?	Buildings are in an overall Fair condition.
Is Planned Expenditure adequate?	No. The planned expenditure on renewal over the life of the Finance Plan is \$13.6m. The Buildings Asset Management Plan, which is based on current condition data, predicts renewal demand over this period to total \$35.3m. This creates a shortfall of \$21.7m, or an average of \$2.17m per annum over the next 10 years. The Financial Plan includes \$15.85m of building upgrade projects which may include a component of renewal as part of delivery but still leaves a shortfall of over \$5.8m Overall building condition rating has dropped for Good in the 2022 Asset Plan to Fair based on the most recent condition audit undertaken across all Council's building assets in 2024-25.
Major Shortcomings?	Underfunding of building renewal may lead to <ul style="list-style-type: none">• Inability to be meeting compliance with current building codes across the entire asset class• Increasing demand on reactive maintenance• Result in a reduction in service level outcomes• Increase pressure on future years' budgets Current funding for maintenance of building assets. Per the Council Plan, efforts to consolidate, decommission, or dispose of assets must be considered.
What Risks?	Buildings unsafe for use, not accessible, or out of service. Building facilities provision is mismatched to community need.
What Challenges?	Funding of asset costs with demand/ costs increasing because of increasing population, changing demographics and population distribution, and customer expectations. Prioritising building renewal and new/ upgrade projects that best match community need, followed by planned, prioritised and successful grant funding applications.

Roads

Current condition?	Roads are in an overall Fair-to-Good condition.
Is Planned Expenditure adequate?	Yes. Over the next 10 years, the Financial Plan has an allocation of around \$32.7m for roads renewal. Total renewal demand based on most recent condition information suggests a need for \$35m With grant funding received through Safe Local Roads and Streets Program of \$1.5m in addition to renewal funding allocation in 2024-25, roads in a good position over the current outlook of this Plan. Road assets will undergo a comprehensive condition assessment in 2025-26.
Major Shortcomings?	Existing road infrastructure network does not always meet Victoria's Infrastructure Design Manual standards for functionality and capacity. Unsealed roads and lower amenity car parks can't all be upgraded. Connectivity of on-road bicycle path network. Existing safety concerns can't all be assessed and improved. Unable to address and mitigate impacts of Climate Change on roads.
What Risks?	Increased accidents and vehicle damage due to poor quality roads. Lack of connectivity and traffic delays. Not meeting community expectations on cleanliness of roads Council not meeting its Road Management Plan obligations. New and upgraded roads not meeting required standards and/ or offer poor climate change resilience.
What Challenges?	Funding of asset costs with demand/ costs increasing because of increasing population, climate change impacts, customer expectations, and the increasing use of higher mass limit vehicles. Prioritising road renewal and new/ upgrade projects that best match community need, followed by planned, prioritised and successful grant funding applications.

Bridges

Current condition?	Bridges are in an overall Good condition.
Is Planned Expenditure adequate?	<p>Not Quite.</p> <p>The Financial Plan provides for \$12.04m for bridge renewal over the next 10 years, where demand calls for \$14m.</p> <p>The Financial Plan provides funding for major renewal works to two bridges over the next 10 years. This, when included the annual allocation for renewal provides a reasonable level of funding for bridge renewal based on current data.</p> <p>The Bridge Asset Management Plan is due to completed in 2025-26 and includes condition information on all bridges obtained in 2024-25.</p>
Major Shortcomings?	<p>Culverts subject to closure due to flooding with 20% AEP events.</p> <p>Load limiting of bridges.</p> <p>Some footbridges provide inadequate access for wheelchairs and prams</p>
What Risks?	<p>Bridges becoming unsafe for use.</p> <p>Bridge not accessible or closed due to 20% AEP flooding or lower frequency event. Council does not meet its Road Management Plan obligations.</p> <p>New and upgraded bridges don't meet required standards and/ or offer poor climate change resilience.</p>
What Challenges?	<p>Funding of asset costs with demand/ costs increasing because of increasing population, climate change impacts, customer expectations, and the increasing use of higher mass limit vehicles.</p> <p>Prioritising bridge renewal and upgrade projects that best match community need, followed by planned, prioritised and successful grant funding applications.</p>

Pathways

Current condition?	Pathways are in an overall Fair condition.
Is Planned Expenditure adequate?	<p>No.</p> <p>Annual demand for pathway renewal over the next 10 years is estimated to be \$1.73m annually.</p> <p>The Financial Plan provides for \$910k annual allocation. Funding to upgrade CBD Footpaths and Carparks has been allocated in the Financial Plan at an average of \$628k p.a which improves the overall position, however, limits where footpath funding to renew footpaths can occur and still leaves a shortfall.</p>
Major Shortcomings?	<p>The Pathway network doesn't necessarily have major shortcomings, however areas for improvement include:</p> <p>Pathway lighting and signage</p> <p>Additional linkages to provide better connectivity.</p>
What Risks?	<p>Pathway network becoming unsafe for use.</p> <p>Council does not meet its Road Management Plan obligations.</p> <p>New and upgraded pathways don't meet required standards and/ or offer poor climate change resilience.</p>
What Challenges?	<p>Funding of asset costs with demand/ costs increasing because of increasing population, climate change impacts, and customer expectations.</p> <p>Identifying community priorities for Pathway improvements.</p> <p>Prioritising pathway renewal and new/ upgrade projects that best match community need, followed by planned, prioritised and successful grant funding applications, often in conjunction with larger Open Space and Recreation projects.</p>

Drainage

Current condition?	Stormwater assets are in an overall Good condition, however, there is higher than acceptable level of the stormwater drainage pipe system classified at being in Very Poor condition at around 28% of the pipe network .
Is Planned Expenditure adequate?	<p>No.</p> <p>Drainage renewal funding over the next 10 years is \$7.37m.</p> <p>The Financial Plan allocation for drainage renewal over the next 10 years is \$1.56m</p>

Major Shortcomings?	<p>There are flooding hotspots as identified in the Warrnambool Drainage Strategy with certain areas subject to flooding.</p> <p>The existing network does not always meet Infrastructure Design Manual standards for adequate piped network capacity for defined % AEPs.</p> <p>The condition of stormwater assets is based on age, further in field down-pipe camera assessments are required to verify expected stormwater renewal demand.</p>
What Risks?	Flooding of homes, properties, and access routes, with potential injury and risk to life.
What Challenges?	<p>Progressively undertaking up-pipe drainage assessments and then formulating a structured and pragmatic forward works program to address the issues found.</p> <p>Further review of the Warrnambool Drainage Strategy to review and prioritise the upgrade/ new program with formulation of a 10-20 year forward works program.</p> <p>Long term funding of stormwater drainage projects identified from the City wide 10-20 year forward works program.</p> <p>Funding costs increasing because of increasing population, climate change impacts, and customer expectations.</p>

Open Space

Current condition?	Open Space and Recreation assets are in an overall Fair condition.
Is Planned Expenditure adequate?	<p>Unknown.</p> <p>A comprehensive review of Council's Open Space Assets is planned to be undertaken in 2025-26. This is required to improve data confidence in this asset class and to have more up to date information on Council's Open Space Assets, including current condition.</p> <p>Based on past budget allocations and current open space asset data, there appears to be around a \$3.8m shortfall in funding allocated to renewal of open space assets across the term of the Financial Plan</p>
Major Shortcomings?	<p>Many of the existing open space and recreation facilities were not designed to meet modern expectations and will require major upgrade when renewed.</p> <p>Network deficiencies in terms of asset capacity and performance are detailed in relevant open space, play space and regional sport specific strategies.</p>
What Risks?	<p>Open Space and Recreation assets Unsafe for use.</p> <p>Open space asset provision is mismatched to community need.</p>
What Challenges?	<p>Prioritising open space and recreation renewal and upgrade projects that best match community need, followed by planned and prioritised renewal/ new/ upgrade works, including Masterplan implementation and Playground Renewal and Upgrades</p> <p>Funding of asset costs with demand/ costs increasing because of increasing population, and customer expectations.</p>

Asset categories where underfunding is anticipated, in particular in the case of Drainage, Buildings and Open Space assets, may result in decrease in the overall condition of these assets and likely result in an increase in maintenance costs over the life of the Asset Plan.



Challenges and Choices

5.1 The Plan

This Asset Plan is aimed at providing a document that helps everyone understand the quantum of assets that Council owns, and the challenges in maintaining an asset base that services the community into the future in support of Warrnambool 2040 and the Council Plan

The risks and cost of not having adequate resources and management practices is enormous. Assets that are poorly inspected, maintained or renewed can result in injury to life, breaching of legislative requirements, higher future costs, inter-generational inequity, loss of reputation, and assets that can't deliver on required services. There are environmental implications such as water quality management, the social implications of a built environment that is not amenable, and financial implications that may be difficult to recover from. This makes it imperative to have a Plan.

This Asset Plan rests on the processes outlined within Council's Asset Management Policy, Asset Management Strategy, and Asset Management Plans. These documents and the processes they describe form a road map for continual improvement in the way Council manages its assets and the services delivered from them. In this balancing act there are ever changing challenges, community conversations and negotiations to be had, choices to be made, and plans to be updated and revised.

5.2 The Challenges

This Asset Plan 2025-35 is consistent with the Long-Term Financial Plan 2026-35 with Asset Plan total lifecycle cost forecasts being balanced with the Financial Plan total budget forecasts. This is a good start, but...

- **What** impact does it have on our assets and the services delivered from them in the coming years?
- **What** about increasing demand on our services from population growth, demographic change, community expectations, and the impacts of climate change?
- **What** about major shortcomings in our existing assets?
- **What** do we do?

Table 5.2 outlines the challenges, the plan to meet those challenges, the inevitable trade-offs, and the importance of community input and negotiation in determining 'what we do' and 'what we don't'. Action is required both now and in an on-going way to meet the challenges ahead.

5.3 The Choices

There are several options available to Council that need to be considered to allow for appropriate funding of asset management to be achieved.

Per the Council's Asset Management Policy they include:

- Manage the performance, risk and expenditure on infrastructure assets in a sustainable manner throughout their lifecycle, including through planning, design, development, operation, maintenance and disposal.
- Manage Council's capital, operations and maintenance expenditures within current revenues to optimise agreed levels of service and manage related risks and costs over the entire life of infrastructure assets.
- Decommission and dispose of assets that are under-utilised and no longer economically, socially or sustainably viable.
- Asset Management Plans will include processes and actions which provide accountability to deliver defined levels of service.
- Infrastructure investment decisions shall be made using a structured, transparent and consistent approach with consideration to whole of life costs to ensure appropriate allocation of resources
- seek opportunities for multiple use infrastructure assets.
- pursue external funding to support and maintain infrastructure assets to minimise the financial impact to the community



Challenge	Challenge Explained	What's the Plan?	What Trade-Offs?
Delivering services from our existing assets into the future.	As Council's services and programs grow and change due to a number of reasons, including but not limited to legislative changes, community needs, and external funding requirements, so do the needs from the facility or assets they are required for the service to be delivered. With limited funding to facilitate adjustments to existing assets, this continues to be a challenge.	<ol style="list-style-type: none"> 1. Review and continuously improve asset data and modelled renewal demand in each asset category. 2. On-going integration of the Asset Plan and Financial Plan to reflect renewal requirements. 3. On-going service planning to define service levels and community priorities. 	<ul style="list-style-type: none"> • Potential decommissioning of some assets from service. • Potential 'user pays' services.
Increasing services demand in the face of limited funding for renewal, upgrade and new assets.	With a growing community there is an increasing need to address asset management challenges such as improved road safety in areas where traffic is increasing due to development, a pathway network that meets the needs of the community, and facilities to support Council services as outlined above. This all comes at costs that can't always be funding with available funding through Council's income streams.	<ol style="list-style-type: none"> 1. Continually review and update asset management planning data and modelling with integration of the Asset and Financial Plans. 2. On-going service planning to define service levels and community priorities. 3. Strategic and prioritised grant funding applications targeted at community needs. 4. Manage increases to the asset portfolio within Council's expected financial capacity. 5. Consider non-asset service solutions where applicable. 	<ul style="list-style-type: none"> • Community expectations won't necessarily be met. • On-going asset backlog. • Some service levels may need to be lowered • Potential decommissioning of some assets from service. • Potential 'user pays' services.
Existing Assets with significant service shortcomings or non-compliance with current standards.	As building codes change and improvements to meet DDA compliance occur, Council's buildings don't achieve current standards. Adjusting buildings to meet new standards can be extremely costly and although will meet compliance may provide no greater benefit from the facility itself in terms of the service it delivers to the community. Balancing ensuring we are delivering safe and inclusive facilities with costs to meet current standards is an ongoing challenge where not a new facility or a significant upgrade to both meet compliance and deliver a facility that is fit for purpose for current service delivery.	<ol style="list-style-type: none"> 1. On-going service planning to define service levels and community priorities. 2. Long term strategic planning to define quantum of shortcomings, service levels, and long-term programs to rectify. 3. Strategic and prioritised grant funding applications targeted at asset upgrade where this is a community priority. 4. Include climate change resilient asset costs, and costs of assets requiring higher design standards, within asset planning new and renewal costs. 	<ul style="list-style-type: none"> • Current service levels provided from these assets may remain unchanged over time. • Other trade-offs as for the challenges above.
Meeting community expectations with the potential reduction in service levels due to funding shortfall for asset maintenance.	Maintenance funding is being absorbed by operational costs as Council's asset portfolio grows at a rate inconsistent with funding to match. This is resulting in an inability to meet existing service levels for maintain Council assets. Future growth areas will exacerbate this challenge with gifted assets from development areas increasing the shortfall of funding for asset maintenance.	<ol style="list-style-type: none"> 1. On-going service planning to define service levels and community priorities. 2. Long term strategic planning to define quantum of shortcomings, service levels, and long-term programs to rectify 3. On-going integration of the Asset Plan and Financial Plan to reflect renewal requirements. 	<ul style="list-style-type: none"> • Some service levels may need to be lowered, or services dropped to enable adequate funding of community prioritised services.

References

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- 'Bridge Asset Management Plan', March 2017, Warrnambool City Council
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- 'Integrated Strategic Planning and Reporting Framework Guidance', State Government
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- 'International Infrastructure Management Manual', IPWEA, 2020
- 'International Infrastructure Financial Management Manual', IPWEA, 2020.