

# RESPONSE TO DRAFT ASSET MANAGEMENT POLICY 2022/26 AND DRAFT ASSET PLAN 2022/32



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## Foreword

Streets Alive Yarra is a non-profit, volunteer, resident and ratepayer action group with a vision for more trees, wider footpaths and vibrant businesses in thriving neighbourhoods. We see our streets being used by people from all ages, irrespective of whether they walk, roll on a wheelchair, cycle, use public transport or drive. Residents and shoppers should be able to move safely, comfortably, and conveniently around Yarra; and park near shops.



*Image credit: OCULUS Landscape Architecture and Urban Design*

Streets Alive Yarra was founded in 2017 and now has over 2,800 followers on Facebook. A network of local champions develops concepts and proposals for how to improve their local street or precinct. Streets Alive Yarra is also a member of the Victoria Walks Walkability Action Group network.

Further information is available at: [streets-alive-yarra.org/about](https://streets-alive-yarra.org/about).

## Coherence

The draft Asset Management Policy 2022-2026 and the draft Asset Plan 2022-2032 lack coherence. For example, it's not clear whether the Asset Management Policy 2022-2026 is intended to be a policy (as per its title) or a strategy (refer to Table 1):

Planning Level	Documents	Purpose and Contents
Strategic	Asset Management Policy	Outlines the guiding principles for Asset Management and the high-level responsibilities and accountabilities for Asset Management within the organisation
Tactical	Strategic Asset Management Plan	Links the organisational objectives to the asset management objectives and details the actions and practices required to meet those objectives
Operational	Asset Management Plans	Identifies how we intend to manage our assets within the allocated funding envelope to meet the needs of the community while managing risk.

*Table 1 from draft Asset Plan 2022-2032*

Similarly, it's not clear whether the draft Asset Plan 2022-2032 is intended be strategic (quote '*a key strategic planning document*') or tactical (refer to Table 1 above). It may be better to have three separate documents:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plan (as required by the Local Government Act)

## Asset Management Policy

We support the purpose, scope, and principles. We support the principle that '*asset planning will have a planning horizon of at least ten years and longer where needed*'. Specifically, we suggest the policy should clearly state that council will maintain a publicly viewable Asset List within the Asset Management Plan, covering the next 50 years, including a detailed list of each asset with data on:

- the identify of each asset, i.e. each building, street or park is a separately listed asset
- the estimated lifetime of that asset, i.e. typical number of years between renewals; e.g. buildings need a new roof every XX years, high-traffic streets need re-sheeting every YY years, low-traffic streets need re-sheeting every ZZ years
- date the asset was last renewed, e.g. when was the roof last replaced, or the oval re-turfed
- dates for planned renewals, e.g. for buildings: roof, cladding, paint, HVAC, kitchen

We acknowledge that such a list may contain hundreds of items.

## Asset Management Plan

The draft Asset Plan 2022-2032 claims to:

- describe how council will *manage assets throughout their lifecycle*,
- provide information on *asset performance* and the *costs of managing assets*
- contribute to *financial management*

Again, the Asset Management Plan should include an Asset List with 50 columns to show the planned expenditure on that asset each year for the next 50 years, showing that:

- council is cognisant of the ‘big picture’
- council is able to make minor adjustments to planned renewal dates to smooth out ‘lumps’ in the required capital works budget for each year
- residents and ratepayers can easily look up when their street is planned to be re-sheeted

In addition to maintaining a publicly viewable list, each row in the list should include data on:

- how council intends to derive income to pay for renewals of that asset, e.g. from rates or from user fees; and
- the target recovery rate for that asset, e.g. ranging from 0% for public green open space to perhaps 100% for a council golf course.

## Value of assets

The draft Asset Plan 2022-2032 claims that *Asset Management is the systematic activity of an organisation to realise value from assets*.

Yet, the document fails to include how council realises value from its approximately 47,000 on-street car parking spaces, located on public land. Approximately 3/4 of these parking bays are offered to users at no charge, which is the opposite of realising value.

The Asset Plan should include a detailed assessment of the value of parking assets, including a summary of the costs of managing the assets (surface maintenance, drainage, line markings, signs, and meters) and the potential revenue if the assets were priced at market rates. Clearly, council can determine to offer access to parking services at prices that are lower than market rates; the key point is that stakeholders should be aware of the revenue foregone by that decision.

## Condition of assets

We agree that *it is important for us to understand the current condition of our assets*. We don't believe that all our footpath pavements are in 'very good' or 'good' condition. Many footpaths are too narrow, too bumpy, or too sloping (owing to vehicle crossovers) to be considered as either 'very good' or 'good', i.e. useable by a person in a wheelchair.

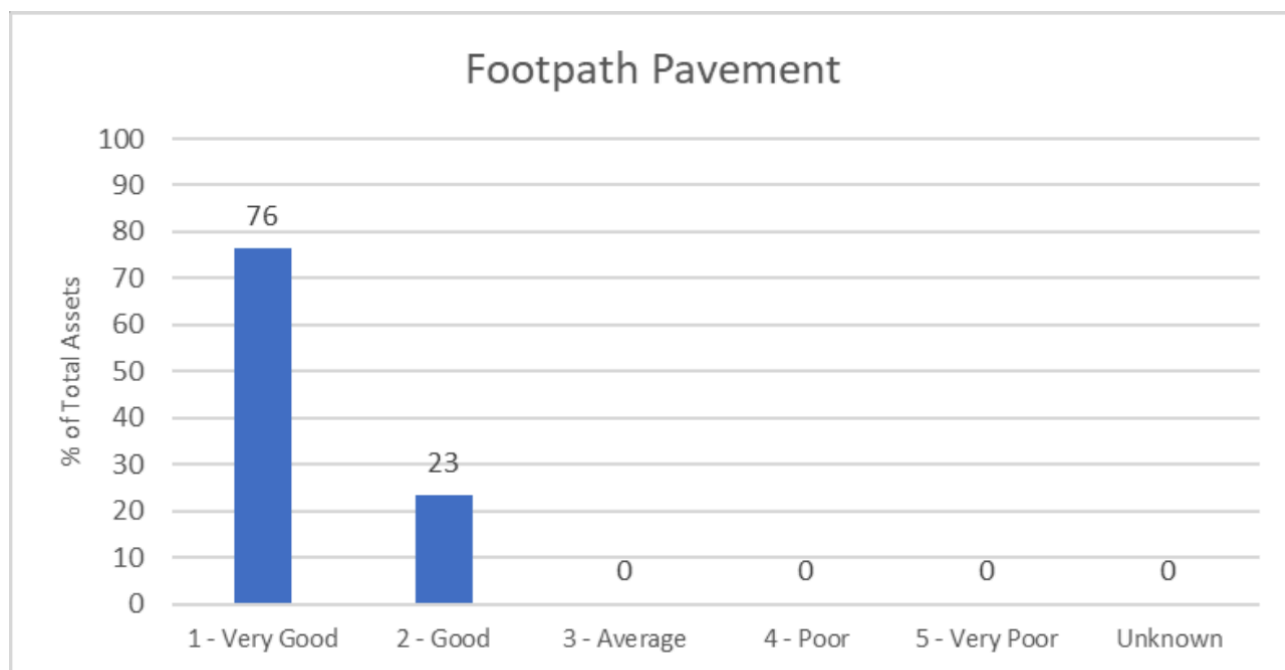


Figure 9 – Transport: Footpath pavement condition summary

## Cost of managing assets

Re-sheeting roads costs a significant portion of the council budget. Roads that are subject to high traffic volumes or speeds degrade faster than those subject to low traffic volumes or speeds. The Asset Plan should clearly state that asset management costs can be decreased by reducing the volume and speed of traffic on council-controlled streets. This can be achieved by investing in Low Traffic Neighbourhoods, i.e. treatments such as modal filters that act to keep through traffic on declared arterials that are maintained by the state government.

## Concluding remarks

Streets Alive Yarra would be delighted to provide further detail or explanation of the themes raised in this document.

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