East Gippsland Shire Council

Asset Plan

FY2026-2035

Adopted at Council meeting held on 23 June 2025

EAST GIPPSLAND
SHIRE COUNCIL

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Acknowledgement of Country

East Gippsland Shire Council acknowledges the Gunaikurnai, Monero and the Bidawel people as the Traditional Custodians of this land that encompasses East Gippsland Shire, and their enduring relationship with Country. The Traditional Custodians have cared and nurtured East Gippsland for tens of thousands of years.

Council values their living culture and practices and their right to self-determination. Council pays respect to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders, past, present and future.

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Executive Summary

This Asset Plan sets out our strategic approach to managing over $1.36 billion in infrastructure and community assets that support services across our 171 unique localities. These assets which include – roads, bridges, buildings, stormwater drainage, open spaces, maritime infrastructure, waste facilities – are critical for delivering services that support the quality of life, safety and wellbeing of our communities.

This Plan is an important part of how Council plans for the future and works alongside other key documents. It supports the Community Vision 2040 which outlines the kind of future our community wants, one that is connected, resilient, inclusive and sustainable. The vision was developed with input from our community and reflects what people value most: safe and liveable towns, strong local services, vibrant local economies and caring for our environment and cultural heritage.

The Council Plan 2025-2029 turns this vision into practical goals over the next four years. This Plan plays a key role in helping deliver those goals by making sure we have the right assets, provided in the right condition and in the right places to support services our communities rely on.

The Long Term Financial Plan helps us understand how much we can afford to spend while this Plan helps us decide where that money should go to be the best value for our community and meet the outcomes in our Council Plan and Community Vision. By aligning these key documents with the Plan, we will make the most of what we have and that we look after our assets properly without spending more than we can afford.

Over the next 10 year period, we expect to invest approximately $818 million in our asset portfolio, including:

- $455 million in recurrent maintenance and operations so that assets achieve their intended useful lives.
- $259 million in asset renewal so that assets continue to provide the same level of service.
- $103 million for upgrades and new assets to meet future growth and service needs.

This investment strategy prioritises our asset renewals, ensuring that our existing infrastructure continues to deliver safe and reliable services while addressing emerging community expectations and changing service standards. Our investment strategy is based on current asset condition data, service level requirements and key risk prioritisation.

Looking ahead, we are committed to continuously improving our asset management practices by:

- enhancing the quality and currency of our asset data so that we can continue to improve our evidence-based decision-making approach and understanding of the asset renewal gap
- integrating service planning with how we manage our assets
- improving our ability to predict the best time for us to intervene so that services are not impacted and
- reviewing the service needs of our asset portfolio where assets that don't meet current and future service needs are decommissioned, transferred or repurposed appropriately.

This plan will be reviewed every four years according to Council's deliberative engagement processes along with the Community Vision, Council Plan and Long-Term Financial Plan.

1 Introduction

East Gippsland Shire Council is responsible for the stewardship of approximately $1.36 billion in community assets. These include roads, footpaths, bridges, buildings, drains, parks, recreation facilities, foreshore assets and waste facilities, as well as natural bushland and biodiversity reserves. We manage this large and diverse portfolio of assets to support the delivery of a range of services to our community.

These assets have been established and invested in progressively over many years, by multiple generations. As the custodian of community assets, we have the responsibility for managing these assets in a prudent cost-effective and sustainable manner, while also supporting community safety, amenity and wellbeing outcomes for current and future generations.

This Asset Plan communicates the way we manage our community's assets to support delivery of services such as such as sport, recreation and leisure transport, community health, stormwater management and waste management services. The plan provides a strategic and financial view of how we will manage the community assets over the next ten (10) years and beyond, and how they will integrate to delivering on our Community Vision.

1.1 Purpose of Asset Plan

This Asset Plan has been prepared to meet the requirements of section 92 of the *Local Government Act 2020* and is part of our integrated approach to planning our long-term goals.

The purpose of this Asset Plan is to:

- Better inform the community on the assets under our custodianship, our challenges on service levels, costs and financial capacity.
- Improve the effectiveness of asset management planning through a more engaged community and informed Council.
- Demonstrate our strategic and planned approach to asset acquisition, maintenance, upgrade and disposal of assets, to support achievement of our Community and Council Plan themes and objectives.
- Demonstrate we will responsibly manage our assets to meet the service delivery needs of our community into the future in a sustainable and cost-effective way.
- Ensure that we comply with our legislative obligations.

1.2 Scope of Asset Plan

While we manage an extensive portfolio of assets, this Asset Plan only covers all fixed, physical infrastructure that is under our control and is recognised as an asset of the East Gippsland Shire Council. Our infrastructure assets addressed in this plan include:

- Road infrastructure
- Buildings
- Bridges and major culverts
- Stormwater drainage assets
- Open space assets
- Waste facilities

The Asset Plan is an overview document that summarises the key elements of the more detailed asset management plans that we have developed for each of the above infrastructure asset classes. It is also supported by an Asset Management Strategy that guides Council's future management of its assets.

1.3 Our Asset Portfolio

Our assets are currently valued at approximately $1.36 billion. This includes land, infrastructure assets and non-infrastructure assets. This includes a land portfolio valued at $197 million comprising of freehold, leasehold land, land under roads and reserves, which underpin our infrastructure base. The Asset Plan provides guidance on all our assets excluding Land and Plant and Equipment. Table 1 outlines the asset classes and their quantities along with their financial values.

Asset Class		Quantity	Current Value (at 30 June 2024) ($ ‘000)
	Road Infrastructure	1,298 km Sealed roads 1,720 km Unsealed roads 317 km footpaths and shared paths 550 m kerb and channel	$705,024
	Buildings	676 Buildings	$151,133
	Bridges and Major Culverts	191 Road bridges 24 Foot bridges 130 Major culverts	$99,589
	Stormwater Drainage Assets	166 km stormwater drains 6,122 drainage pits	$66,914
	Open Space Assets	124 Parks 68 Playgrounds 50 Jetties 3 Marinas 39 Sports courts 11 Cricket pitches 10 Skate parks 7 BMX tracks 24 Fishing platforms 69 Boardwalks 74 km walking trails 93 Barbecues 23 Significant trees 2 Outdoor Pools	$48,211
	Waste Facilities	18 transfer stations 2 Landfill sites 15 Transfer trailers 1 split bin (at Gelantipy)	$7,856
	Other Infrastructure and Works in Progress	3 Aerodromes	$67,580
	Plant and Equipment	Fleet vehicles, major plant, minor plant, ferry, ICT equipment, library books, etc.	$18,634
	Land	Council owned land	$197,201
		TOTAL	**$1,362,142**

Table 1 – Our Asset Portfolio

2 Strategic Context

2.1 Regulatory Framework

We operate in a complex legislative and policy environment that directly influences the way we do business. The principal legislation in Victoria governing the establishment and operation of Councils is the *Local Government Act 2020*. This defines the purposes and functions of local government, as well as providing the legal framework for establishing and administering Councils.

This Act requires all Councils to develop an integrated, long-term and transparent approach to planning organised around a ten (10) year community vision. This Asset Plan is an important part of our integrated planning framework and drives our approach to asset management. Figure 1 illustrates our integrated planning framework and shows how our Community Vision will be delivered through the Council Plan, Long Term Financial Plan (Financial Plan), Asset Plan and other key Council strategies and plans.

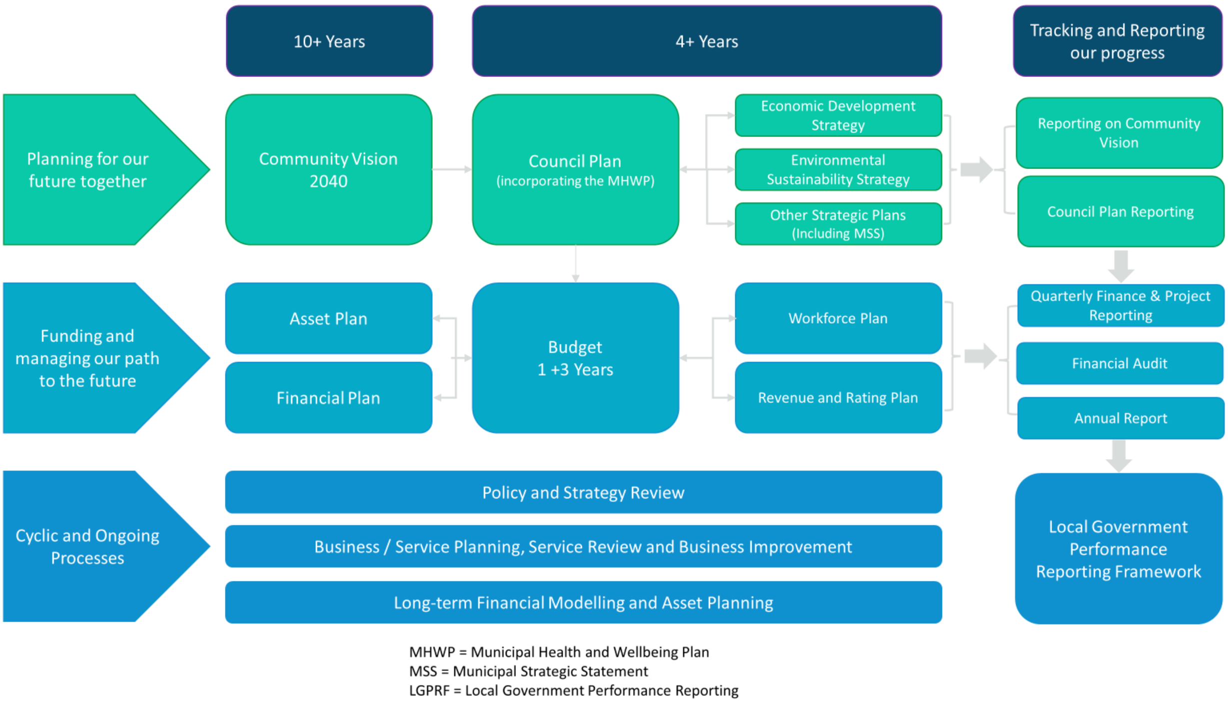


Figure 1 - Integrated Planning Framework

The Asset Plan is shaped by key documents that guide how the community's future is planned and funded:

- Community Vision 2040 – Describes the future the community wants to achieve.
- Council Plan – Outlines what the Council will do in the short to medium term to help achieve that vision.
- Financial Plan – Shows how financial resources will be allocated over time to support the vision.
- Asset Plan – Explains how Council will fund and manage assets (like buildings and roads) to support services that help achieve the community's long-term vision.

2.2 Community Vision

Our Community Vision 2040 is a long-term vision for our region. It expresses the aspirations, values, and priorities of the East Gippsland community, and will help shape what we want achieved in our community by 2040.

In 2040, our people, place, environment and economy will be inclusive, connected, sustainable and resilient for the growth and wellbeing of our unique and diverse communities.

- Our communities will include, encourage, respect and value everyone
  - Our Place will be accessible, safe, connected, and healthy
  - Our Environment will be managed and preserved for all generations
- Our Economy will be sustainable, innovative, and supportive of existing and emerging industries

Figure 2 - Our Community Vision Themes

Our Community Vision is focused on four strategic themes as shown in Figure 2. Community assets are an important enabler of this vision. We recognise our stewardship role in effectively managing the community assets and aim to fulfil our obligations to future communities to provide sustainable assets and services.

2.3 Council Plan

Our Council Plan 2025-2029 sets out our strategic direction over the next four (4) years and identifies how Council will contribute towards achieving the Community's Vision between 2025 and 2029 and how success will be measured. Table 2 outlines the alignment between the Council Plan 2025-2029 and Asset Plan FY2026-2035.

Council Plan Theme	Council Plan Outcome	Council Plan Priority	Asset Plan Alignment
Community Wellbeing and Social Responsibility	A connected and inclusive community where no one is left behind	We work with local communities to deliver a shared future	Ensure asset investments and infrastructure developments support community connectivity, accessibility, and local engagement.
	A stronger collaborative community that is actively engaged and supported	Support the social well-being of our community	Align asset planning to support community hubs, accessible public spaces, and facilities that enhance community well-being and engagement.
Prosperity	Thriving, self-sufficient communities with strong local businesses and social enterprises	Strengthen economic opportunities through local investment and employment	Prioritise asset projects that promote local business growth, provide infrastructure for new industries, and enhance regional economic resilience.
		Support the growth and development of our towns	Align asset development with strategic town plans to improve public spaces, attract investment, and support local growth.
	A well-functioning planning system that responds to our communities needs	Land use planning – we've got plans for the right things	Align infrastructure planning and asset investments with growth strategies and support sustainable development.
Making the Most of What We've Got	Natural assets are well-managed	Promote sustainable management of natural and environmental assets	Manage and maintain natural habitat assets to preserve biodiversity, promote sustainability, and adapt to environmental changes.
		Promote environmental sustainability including mitigation and planning for climate risks	Incorporate environmental considerations in asset management, supporting climate resilience and sustainable practices.
	Our Cultural heritage is managed and preserved	The management, preservation and promotion of cultural heritage of the community	Program assets to ensure that cultural heritage is preserved, maintained, and accessible to promote community identity and engagement.
	Our assets are well maintained, utilised and meet community needs	Make the most of Council assets	Review underutilised to consider disposal options or alternative uses of community facilities and end of life assets to ensure a cost-effective asset base, improve data accuracy and currency, and align current and future asset investments with community needs now and, in the future,
Managing Council Well	Council operates transparently and effectively with public trust	Council is transparent, easy to engage and do business with	Promote transparency by ensuring asset management decisions and budgets are communicated clearly and reflect community engagement.
	Decision-making is streamlined, efficient, and responsive to community needs	Council services are efficient and effective.	Ensure asset management processes are efficient, data-driven and evidence based, and focused on continuous improvement to meet service needs.

Table 2: Alignment between the Council Plan 2025-2029 and Asset Plan 2026-2035.

2.4 Financial Plan

Our Financial Plan provides a long-term view of the resources that we anticipate will be available and how these will be allocated and prioritised over the next ten (10) years. It identifies our current and projected financial capacity to continue delivering quality services, facilities and infrastructure while identifying critical new capital investment, to respond to our future challenges and support our diverse communities' prosperity, health and wellbeing.

This Asset Plan is based on and linked with the budgets and projections outlined in our Financial Plan, to ensure affordability and ongoing financial sustainability. The Financial Plan in combination with the Asset Plan supports us in achieving this.

2.5 Environmental Sustainability Strategy

Our Environmental Sustainability Strategy is aligned with our Community Vision and outlines the environmental objectives we strive to achieve, including:

- Managing and mitigating the impact of climate change
- Achieving sustainable resource management
- Facilitating living and working within the capacity of the local environment.

This will guide our asset management actions and ensure that we embed sustainability into everything we do, in designing, constructing, operating, maintaining, renewing and decommissioning our infrastructure assets over their respective life cycle.

2.6 Asset Plan

The *Local Government Act 2020* requires Council to develop an Asset Plan as a public-facing document to inform the community on how the Council-controlled infrastructure assets are to be managed to achieve the Community Vision and supporting Council Plan objectives.

This Asset Plan, with a focus of ten (10) years, sets out how Council's stewardship of the community's assets will respond to our Community Vision within the Financial Plan parameters and Environmental Sustainability objectives. It also sets out how evidence-based decision-making is informed by our asset management systems and practices.

2.7 How Our Assets Support the Delivery of Services

Assets play a critical role in the delivery of the goals and outcomes identified in our Community Vision by supporting the delivery of services such as sport, recreation, transport, community health, stormwater management and waste management services. Without fit for purpose and well managed assets, the delivery of our services can suffer or diminish. Table 3 provides an overview of our infrastructure asset classes and how they enable provision of services to our community and alignment to our Community Vision.

Community Vision Theme	Community Vision Aspirations	Asset related Council Services and Programs	Assets Classes supporting Services and Programs	Specific Asset Examples	How
COMMUNITIES	***Our communities will include, encourage, respect and value everyone***	• Aged services • All abilities services • Early Years services • Youth programs • Health and well-being services • Cultural services • Theatre services • Indigenous services • Library services • Immunisations • Customer service and call centres • Place plans and facilitation	• Buildings • Open Space Assets	• Community Centres and Halls • Arts and Cultural facilities • Forge Theatre and Arts Hub • Kindergartens and Maternal and Child Health Centres • Aquatic centres and sports and recreation pavilions • Sports fields and sporting Infrastructure • Play spaces • Outdoor Pools • Office Buildings	Community centres, halls, arts and performing venues, and other building facilities provide inclusive and accessible spaces and programs for community gathering and social connections and promote health and well-being, build resilience and reduce vulnerability and social isolation. Cultural precincts and arts and performance venues are vibrant places for the community to connect, learn and create.
PLACE	***Our Place will be accessible safe, connected and healthy***	• Sport, recreation and events • Leisure and aquatic services • Infrastructure development • Roads, bridges and footpaths maintenance • Building maintenance • Property leasing and licensing • Sportsground maintenance • Playground inspections and maintenance • Public amenities • Emergency management • School crossing supervision	• Road infrastructure • Open Space Assets • Bridges and Major Culverts	• Local roads and drainage • Footpaths and shared paths/trails • Bridges and major culverts • On and off-streetcar parks • Aquatic centres and sports and recreation pavilions • Parks and reserves • Playgrounds • Trees • Streetscapes • Public toilets • Barbecues • Drinking fountains • Outdoor seats and picnic tables • Outdoor Pools	Local roads, bridges and pathways provide safe, accessible, integrated and resilient transport and pedestrian networks to keep the community connected within and outside their townships. Parks, paths/trails, sporting facilities and aquatic and leisure centres provide inclusive and accessible opportunities for active and passive recreation and promote health and well-being. They also provide opportunities for social connection that meet the diverse needs of our community, while preserving and enhancing the natural environment, local history and heritage.
ENVIRONMENT	***Our Environment will be managed and preserved for all generations***	• Biodiversity planning and management • Natural area management and conservation • Roadside weed management • Energy reduction • Parks, gardens and reserves maintenance • Drainage maintenance • Tree maintenance • Waste collection and recycling	• Open Space Assets • Drainage assets • Waste facilities	• Parks and reserves • Bushland reserves • Street trees • Streetscapes • Drainage pipes and pits • Stormwater wetlands • Waste transfer stations • Landfill • Kerbside collection bins	Parks, bushland reserves and wetlands provide spaces for people to visit and recreate. They also provide areas for the protection and enhancement of biodiversity and habitat corridors. Trees and vegetation within the urban areas actively support our efforts to address climate change. The stormwater drainage network and stormwater quality devices support the treatment of stormwater runoff prior to entering waterways.

ECONOMY	***Our Economy will be sustainable, innovative and supportive of existing and emerging industries***	• Visitor Information Services • Caravan parks and campground services • Livestock exchange • Aerodromes and hangar facilities • Boat ramps and marinas		• Buildings • Road infrastructure • Open Space assets	• Visitor Information Centres • Caravan parks • Camping grounds • Saleyards • Aerodromes • Marinas • Boat launching ramps • Fishing platforms • Fish cleaning tables • Seawalls	Visitor information centres, caravan parks, camping grounds, foreshore assets and local roads enhance accessibility and amenity of various townships and promote tourism to facilitate thriving local and regional businesses. Aerodromes and saleyards also support businesses in the region by facilitating access for business and recreational aircraft and supporting commercial sales of livestock.

Table 3 - Our Assets Supporting Service Delivery

3 Key Challenges and Opportunities

The key challenges relating to our ability to manage our assets to deliver on our Community Vision and strategic objectives are summarised in Figure 3.

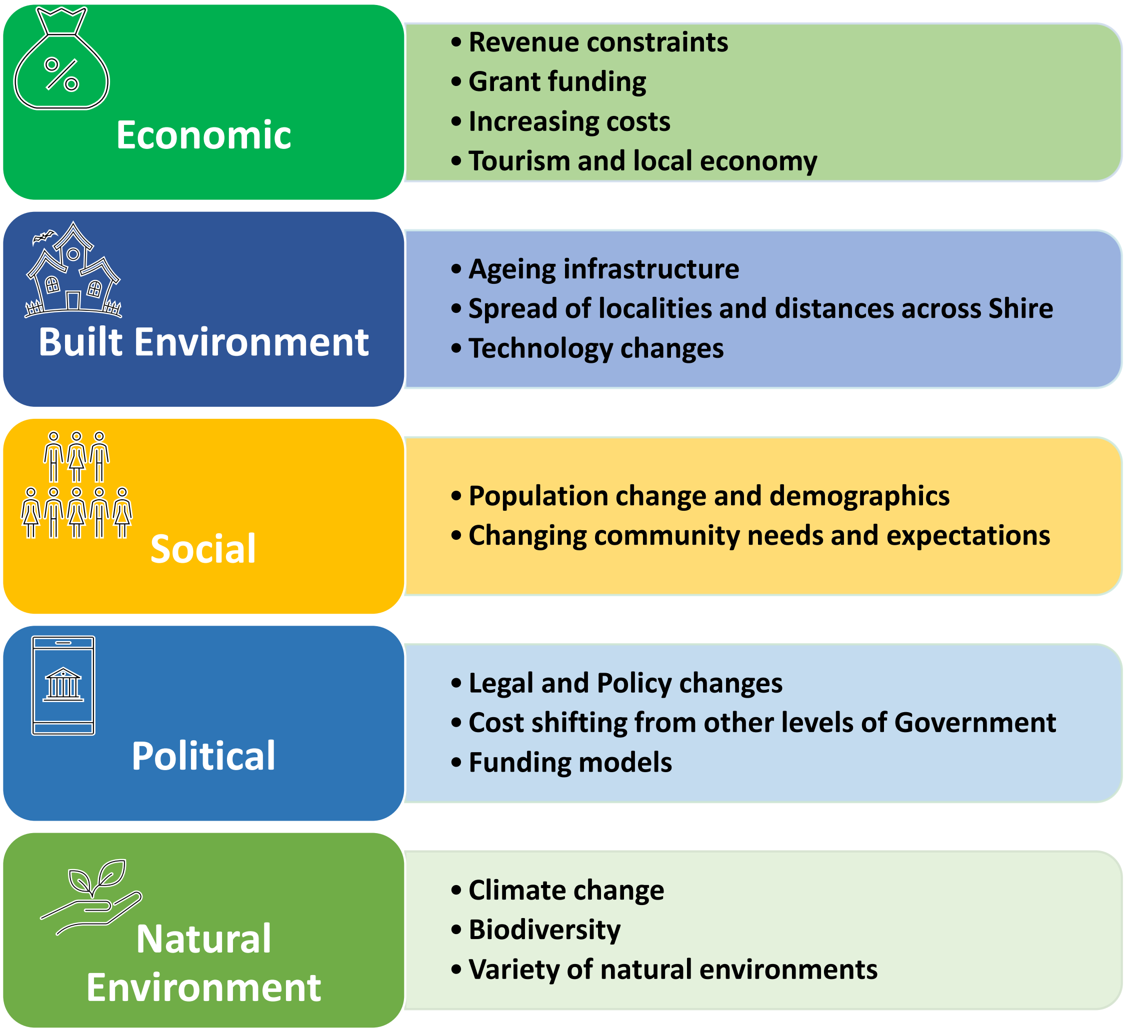


Figure 3 - Our Key Challenges

Council faces key challenges impacting asset management and service delivery across economic, environmental, social, political, and natural domains. Limited funding, renewal gap backlog, rising infrastructure costs, and reliance on external grants require innovative, cost-effective approaches to maintain services and support regional growth.

Maintaining aging infrastructure across a large area of 171 dispersed localities demands strategic and pragmatic planning and the use of emerging technologies to ensure equitable access and efficient service delivery. Socially, assets must be adaptable and inclusive to meet the needs of a growing, ageing, and diverse population, including one of Victoria's largest First Nations communities.

Political pressures, including regulatory requirements and funding constraints, require advocacy and partnerships to optimise resources. Meanwhile, climate change and natural disasters necessitate building resilience into asset design and promoting sustainable practices.

Table 4 outlines these key challenges and the strategies Council will adopt to ensure sustainable, resilient, and community-focused asset management.

Key Challenges	Description	Impacts for Asset Management and Service Delivery
Economic	• Impact of rate capping on Council's revenue and ability to fund investment in assets for continued provision of current levels of service. • Costs of infrastructure provision, especially the significant road infrastructure, needs to be borne by a small rate base that is disproportionate to the infrastructure requirements of a large shire such as East Gippsland and places increased pressure on Council's financial capacity to maintain its asset portfolio. • Potential reduction in government grants and reliance on alternate income streams for financial sustainability. • Escalation in fuel prices and cost of materials relating to construction, operations and maintenance of assets is increasing at a rate greater than the rate cap and imposes additional cost challenges to our Shire, which covers 10% of the state and extends up to the NSW border. • Increased development in growth areas also results in additional ongoing asset maintenance and upgrade costs. • Council needs to support tourism and commercial growth within the region and continue to support the bushfire recovery process.	• Council will need to continually investigate more efficient methods for maximising service delivery within its funding constraints and balance the affordable provision of services and assets against the needs of the community. • More innovative approaches to provision of services at a community level in small townships will need to be adopted to ensure ongoing viability. In addition, we will need to explore cost efficiencies in the maintenance of our assets. • We may also need to review the costs and charges relating to infrastructure servicing new developments. • Unique tourism offerings in towns across the Shire, using our natural assets and built assets, will continue to be implemented to create a connected experience.

Key Challenges	Description	Impacts for Asset Management and Service Delivery
Built Environment	• Infrastructure assets constructed during the period of development in the post-war period has created a large peak and financial liability in renewing these ageing assets, as well as those constructed prior to this era. • The number of localities (171 no.), and vast distances (e.g.: 236 km from Bairnsdale to Mallacoota) creates an enormous challenge in providing all residents equitable access to assets and significant travel time to inspect, repair and maintain assets across the shire. • There is a significant move to online and connected services throughout the world. • There are also significant emerging technologies, artificial intelligence and automation for smart cities and management of assets.	• Increased investment in maintenance and renewal of existing assets will be required to ensure that current levels of service enjoyed by the community continue to be delivered. • We need to carefully plan asset provision and maintenance to address issues of equity and acknowledge that in some localities, assets are required not because of population size, but rather because of relative isolation. • We will also continue to assess and implement new technologies and effective asset management systems and processes to inspect, maintain and monitor asset performance and utilisation and ensure that the right assets are renewed at the right time and cost. • We will enable a more mobile workforce, with real-time access to information in the field to manage our assets effectively.
Social	• The Shire population forecast for 2025 is 50,980 and is forecast to grow by approximately 18% to 60,227 by 2046. • We are one of 19 super-aged municipalities in Victoria, with almost 40% of our population being over 60 years. • Our shire also has the second-largest population of First Nations people in Victoria. • We also need to deliver services to cater to the unique needs and diversity of our 171 localities, including remote and rural settlements.	• We will need to expand our services and assets to cater for our growing community and ensure that new subdivisional growth does not impact on the services currently being delivered to our community. • For localities with shrinking populations, we need to ensure that the assets are right-sized, fit for purpose and possibly retire under-utilised assets. • We will need to plan assets that are responsive and adaptable to meet changing community needs, provide universal and equitable access, including more advanced and functional, multi-purpose buildings, infrastructure/facilities to support our ageing population

Key Challenges	Description	Impacts for Asset Management and Service Delivery
	• We need to respond to emerging community needs which can influenced by numerous drivers such as generational change and facilities experienced elsewhere and popularity trends, particularly in the sport and recreation space. • Ongoing pressure from the community for higher quality assets and responsive, convenient and accessible services to be provided by Council.	and increased female participation in sports and enhanced open space and foreshore areas. • The relationship of First Nations people with place and their intrinsic connection with the environment will continue to be considered when planning, constructing and/or maintaining our natural and built assets.
Political	• Increasingly complex asset-related regulatory compliance and reporting requirements. • Changes to government policies and cost shifting of services from other levels of government. • Any funding from both levels of government is based on competitive grant processes and are focused on new or renewed assets which brings with it additional maintenance costs, which are not part of the funding.	• We will continue to meet our regulatory and statutory obligations while being conscious of maintaining financial sustainability and managing competing funding demands across a broad range of projects and services. • We will explore service delivery partnerships with other agencies where appropriate, for non-asset service delivery or shared service solutions and in turn, optimise the use of Council's asset portfolio. • We will also continue to strongly advocate to other levels of government for support in meeting community needs and to both consider funding for asset maintenance and management, and for more non-competitive grant streams such as Roads to Recovery that allocate funds based on need.
Natural Environment	• Managing the impact of climate change on assets and their resilience to increased heat and drought conditions, bushfires, increased flooding of coastal properties and public facilities due to rising sea levels, beach erosion, storm damage and hotter urban spaces.	• We will build resilience to climate change impacts into the design and construction of infrastructure and materials used, ensuring that financial sustainability is not materially impacted. • We will implement use of sustainable energy sources and materials to provide assets that are environmentally

Key Challenges	Description	Impacts for Asset Management and Service Delivery
	• We also continue to manage the impacts of a series of natural disasters that occurred in the recent past, such as record drought and bushfire events. • Potentially greater community demand for weather protection for sports and leisure activities that have traditionally occurred outdoors. • Need to manage natural assets within geographically diverse landforms that support distinct vegetation types and biodiversity that are recognised as unique. • The variety of natural environment features presents challenges for managing assets. Coastal and river environments reduce asset lifespans, mountainous land is a challenge to construct and make accessible, and the diverse ecosystems must be worked around when developing assets in these sensitive locations. • The diverse natural environment also increases Council's risk exposure to events such as bushfires, flooding, and drought. Assets must be planned and constructed with this in mind, often increasing construction cost, and on occasions forcing replacement or repairs due to adverse events.	efficient, green the urban areas to reduce heat effects, re-use stormwater and recycled water, facilitate sustainable modes of transport by improving cycling and pedestrian infrastructure, increase usage of electric vehicles, plant and equipment, recycle waste and resource recovery, etc. to minimise impact on the environment. • We are committed to maintaining, protecting and enhancing the region's natural environment and biodiversity and will continue to strengthen our partnerships with other land care agencies and support participation of First Nations people in management processes for land and natural resources. • We have a major role in regulating land use and development and will ensure that our planning policies and overlays protect landscapes, biodiversity and other environmental values. • We will also manage our bushland reserves to protect important habitats of native flora and fauna and continue to promote biodiversity values via signs, brochures, and information. • We will consider the natural environment when developing assets and move away from standardised designs recognising that one size does not fit all. • Risk of disaster will be considered in the design, development and management of assets to ensure that risk is reduced, even if this leads to a higher initial cost and will insure assets against the risks of natural disasters and advocate for more of our asset classes to be covered by natural disaster recovery funding.

Table 4 - Summary of Key Challenges and Opportunities

4 Our Community Engagement

4.1 Approach

This Asset Plan was developed with input from our community in line with Council's Community Engagement Policy. This includes three key areas of engagement:

1. Inform:
   - A five-minute video was developed to explain Council's assets and asset management processes, with the video used on social media platforms, in induction of new staff, on Council's website and online consultation platform (Your Say).
   - A high-level summary of the draft asset management plans that had been completed for each of the six (6) asset classes was released for public review.

2. Consult:
   - A broad community survey to understand the community's satisfaction levels with existing assets and recommendations for future allocation and priorities for investing in our assets.
   - A more targeted on-line survey for community members to assign scores on what they considered to be the key priorities relating to specific services listed on the survey.
   - Conversations with more than 2,500 people as part of the Community Vision engagement process survey undertaken throughout July – August 2024 (closed 30th August)
   - Internal engagement sessions were held with Councillors and Council staff to seek broad organisational input into the draft plan from mid-2024 to March 2025

3. Collaborate:
   - An Asset Management Steering Committee has been established to ensure all areas of Council's services engage in the development of the Asset Plan and all other policies, responsibilities and improvements linked to asset use and management.
   - Deliberative engagement sessions were held with our Community Panel, consisting of 22 people from all walks of life and different demographics and with lived experience in our unique and diverse townships. Our Community Panel was established to review and refresh the East Gippsland Community Vision, and to identify priorities to inform our key strategic documents, such as the Council Plan (incorporating the Municipal Health and Wellbeing Plan), the Long Term Financial Plan and this Asset Plan.

Our key objective in relating to above community engagement was to identify the key principles by which we should prioritise and invest in our assets over the next ten (10) years. This collaborative community engagement, consistent with *Local Government Act 2020* requirements, has assisted in shaping this document.

4.2 Community Engagement Outcomes

- The following summarises (July – August 2024) the outcomes specifically relating to asset management related survey questions and discussion topics during our community engagement process:

Community Survey Outcomes (154 responses)

- 64% of the survey responses indicated that all six infrastructure asset classes were deemed to be 'essential or 'high priority'.
- However, the highest priorities were assigned to the following infrastructure asset classes:
  - Waste Facilities (85%)
  - Roads and footpaths (83%)
  - Open Space Assets (70%)
- The lowest score of 64% related to bridge infrastructure
- The satisfaction levels with the quality of the infrastructure assets meeting community needs were comparatively low.
- Highest satisfaction levels of 'very happy' and 'happy' were assigned to:
  - Bridge infrastructure (44%)
  - Open Space assets (42%)
  - Waste facilities (40%)
- Lowest satisfaction levels of 'unhappy' or 'very unhappy' were assigned to:
  - Roads and footpaths (58%)
  - Stormwater infrastructure (31%)
  - Waste facilities (30%)

Community Panel Session Outcomes

Table 5 presents the recommendations and rationale of the community panel for the Asset Plan following the deliberative engagement sessions conducted in November - December 2024:

Recommendation	Rationale	Council Response
We recommend that Council appoints a shire wide Place and Community Advisory Committee and considers current Community Place Plan committees as members for the advisory committee	• To establish continual community consultation and collaborative problem solving and enhances transparency • Committee to also review what has happened during the previous period	The establishment of a shire wide Place and Community Advisory Committee will be considered by Council. Our collaborative approach to community engagement, as outlined in our Community Engagement Policy, will guide the development of our current and future place plans. This policy emphasises the importance of creating genuine and transparent opportunities for community members to be involved in the decision-making process, ensuring that our engagement is purposeful, representative, and inclusive.
We recommend that identified under-utilised assets, after local community engagement and review to determine their usage are leased or relinquished, with proceeds to be reinvested in similar community services	• To reduce maintenance costs and generate income • Allow opportunity for multi-use of new and/or existing buildings	The Council Plan 2025-2029 addresses the recommendation to rationalise under-utilised and end-of-life assets after local community engagement and review. The plan emphasises the importance of engaging with the community to ensure that decisions about asset usage reflect community needs and values. This approach aligns with the Council's broader strategic goals of fostering community involvement and ensuring that resources are used effectively to benefit the community.
Close the gap between the capital works program and asset renewal requirements, linked to asset condition	• To close the funding gap between capital works program and asset renewal needs	Council recently completed a major project to assess the condition and revalue a significant portion of its asset register, and is now focused on improving the accuracy of asset data by validating existing information, capitalising all donated and discovered assets, and implementing renewal modelling that incorporates service levels to guide future capital works programs and address key risks arising from the renewal gap This work will support informing and closing

Recommendation	Rationale	Council Response
		the renewal gap with more accuracy over next 1-2 years to fund capital works programs and renewal needs.
We recommend that Council investigate committee of management models (i.e. DEECA) to identify best practice and potential applicability	• To allow for community driven decision-making regarding facilities within a budget • There are other models in place that we can look to follow • Takes financial liability off Council as the owner for maintenance and other costs	Council currently operates under a committee of management model with the goal to work in partnership to maintain and improve facilities in an efficient and effective manner.

Table 5 - Summary of Community Panel Engagement Outcomes

Some of the other recommendations made by the Community Panel in relating to other strategic documents and directly impacting on asset management are summarised below:

- Council to investigate using assets where possible to maximise income. Accessibility is considered, not just for design, but access to and from new asset developments. (The Community Panel felt that we are currently developing assets without the consideration of how community accesses and utilises these facilities.)

While the Community Panel expressed concern that asset development may not always reflect how the community accesses and uses facilities, it is important to clarify that Council undertakes thorough engagement with key stakeholders, community members, and user groups when renewing and improving assets. This process ensures that accessibility, both in design and in practical, everyday use, is considered closely. Council is committed to aligning future community needs with long-term planning and capital works investment, so that our facilities are accessible and utilised.

5 How Do We Manage Our Assets?

5.1 Our Role in Managing the Assets

Our community assets play an integral part in supporting the delivery of a range of services to our communities as summarised in Table 3. The quality and extent of management applied to our assets will affect the quality of service experienced by our community and delivering on our Community Vision.

Service delivery needs form the basis of all our asset management practices and decisions. Managing our long-life infrastructure assets to deliver on the required services, involves balancing risk, cost, opportunities and performance to effectively realise the value of the assets fully over their entire lifespan. We adopt a structured approach by aligning strategic planning with assets and service delivery. Our asset management approach answers the following fundamental questions:

- What assets do our communities need now and in the future?
- How can we best manage the assets to serve our communities?

Assets also require ongoing management to relevant statutory and regulatory requirements and to ensure they remain safe and serviceable for public use. These are all key considerations in Council's stewardship and management of community assets.

5.2 Our Asset Management Framework

The goal of asset management is to provide assets that are accessible, safe, sustainable, inclusive and responsive to meet the current and future needs of our diverse communities and the contemporary environment, in the most cost-effective manner.

Our Asset Management Framework shown in Figure 4 aims to ensure that a systematic approach to asset management is adopted to deliver the necessary prudent and efficient outcomes to meet both our corporate and asset management objectives.

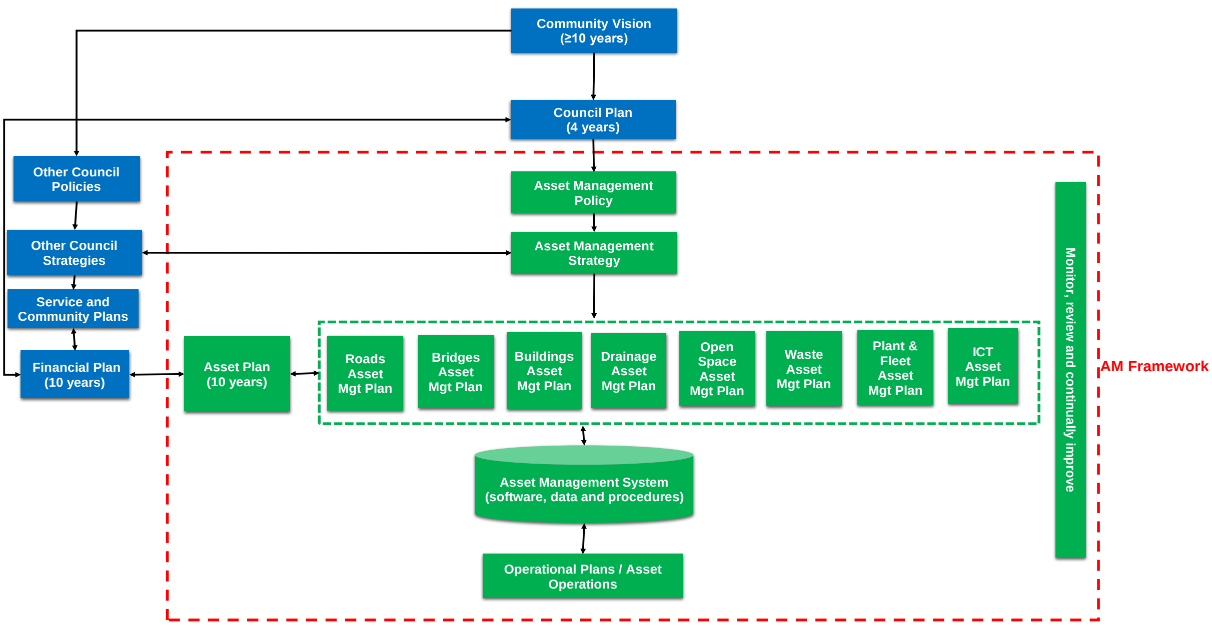


Figure 4 – Our Asset Management Framework

Table 6 provides a summary of Council's key asset management documents and their roles in supporting our service delivery.

Document	What does this mean for asset management and service delivery?
Asset Management Policy	Our Asset Management Policy summarises the objectives for asset management and outlines responsibilities for asset management across the organisation. It recognises that asset management is a collective whole of organisational responsibility, and objectives can only be achieved if all parties responsible work together.
Asset Management Strategy	Our Asset Management Strategy outlines how we will deliver our Asset Management Policy intentions. The purpose of the Strategy is to provide a framework for the ongoing enhancement of our asset management practices, to deliver sustainable and effective services, support the implementation of the Asset Management Policy and achieve organisational objectives.
Asset Plan	Our Asset Plan (this document) provides a high level 10-year view of Council's priorities around maintenance, renewal, acquisition, expansion, upgrade and disposal of infrastructure and how these are to be integrated within Council's decision-making process and financial plans. It relates outcomes from community engagement to guide Council asset decisions, needs and activities over the next ten (10) years. It should be noted that projects and financial commitments outlined are subject to change and review over the 10-year outlook to respond to tactical and operational changes under respective Officer and Council delegation.
Asset Management Plans	Our Asset Management Plans provide information on how we intend to manage each of our six (6) infrastructure asset classes to meet the demands of our community in the future. They provide the roadmap for achieving value from our assets by optimising cost, risk, and performance across the lifecycle of an asset. We currently have Asset Management Plans for Road Infrastructure, Buildings, Bridges and Major Culverts, Stormwater Drainage Assets, Open Space Assets and Waste Facilities Assets. We have also developed specific for some Asset Management Plans for non-fixed assets such as Plant, Fleet and Information Technology and Communication assets.

Table 6 – Our Asset Management Framework Documents

5.3 Asset Lifecycle Management

Underpinning our Asset Management framework is our approach to asset lifecycle management, which is achieved through effectively managing assets through their lifecycle, from planning, creation and acquisition, maintenance and operation, through to renewal or replacement and decommissioning or rationalisation. This is highlighted in Figure 5.

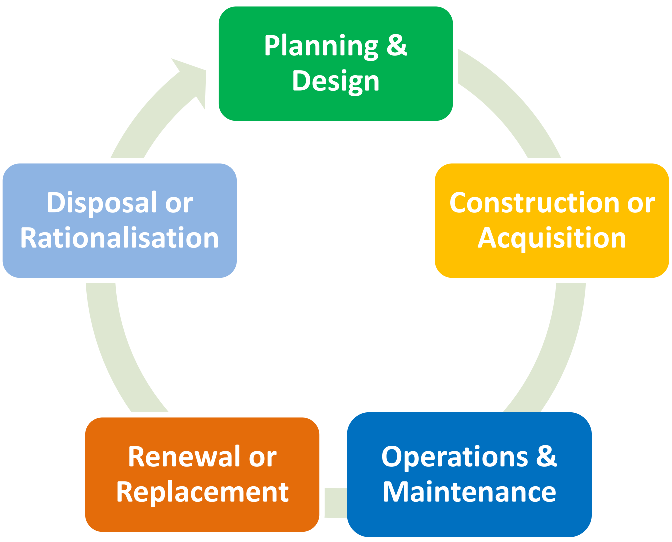


Figure 5 – Asset Lifecycle Stages

Each of the above stages of the asset lifecycle require different approaches to drive the most efficient service delivery outcome with a balance between cost, risk and performance. As summarised in Table 7.

Asset Lifecycle Stage	Lifecycle Management Approach
Planning and Design	• Impact of changing service needs are analysed, and cost-effective asset investment or demand management strategies are implemented to support service delivery needs over the long term. • Assets are designed considering aspects such as levels of service to be delivered, affordability, accessibility, equity, maintainability, environmental sustainability and resilience to climate change impacts. • Informed and transparent decision-making processes are adopted, considering whole of life implications of acquiring, operating, maintaining, renewing and finally disposing of the asset.
Construction or Acquisition	• Objectives are well-defined and appropriate procurement strategies are adopted to ensure that value for money is achieved in project delivery. • We use our project delivery framework to plan, manage and control our construction projects to ensure minimal impacts on the environment and our community. • Newly acquired assets are assessed for quality and adherence to design specifications before they are accepted and placed into service.
Operations and Maintenance	• Continuous monitoring of the performance is undertaken to ensure assets operate to their service potential over their useful life and continue to deliver on the required levels of service to meet the needs of the service. • Regular inspections, servicing and planned maintenance is undertaken to ensure that Council's assets remain safe, compliant, fit for purpose and continuously available for use. • Systems and processes are used to record information about assets and undertake proactive maintenance and intervention works as necessary, to minimise risks, critical asset failures and maintenance costs.
Renewal or Replacement	• A holistic approach is adopted to determine renewal or replacement of assets based on asset condition, utilisation levels, fit for purpose assessments and environmental sustainability aspects, rather than age alone. • Cyclical condition and performance assessment programs ensure assets continue to meet changing community needs and are right-sized and enable the prioritisation and timing of renewal or replacement as required. • We aim to optimise the timing of the renewal or replacement, so that assets remain safe, functional and resilient to climate change impacts with timely investments being made, to save money in the long term.
Disposal or Rationalisation	• If assets are not required to directly support core service delivery, they are considered for rationalisation, where practicable, to reduce overall asset lifecycle costs or disposed, if deemed surplus to the community's needs. • We aim to maximise the use of assets through adaptive re-use or co-location of services, where possible.

Table 7 – Our Asset Lifecycle Approach

There is also a focus on continuous improvement of asset management processes and practices relating to the above asset lifecycle management approach.

5.4 Asset Investment and Expenditure Categories

For the purposes of this Asset Plan, our spending on our infrastructure is categorised in Table 8.

Expenditure Category	Expenditure Type	Activity	Description
Recurrent	**Non-discretionary**	**Maintenance**	Ongoing work required to keep an asset performing at the required level of service.
	Non-discretionary	**Operations**	Recurrent expenditure that is continuously required to provide a service.
Renewal	**Non-discretionary**	**Renewal**	Returns the service potential or the life of the asset up to that which it had originally.
Growth	**Discretionary**	**Upgrade**	Enhancements to an existing asset to provide a higher level of service.
	Discretionary	**Expansion**	Extends or expands an existing asset at the same standard as is currently enjoyed by residents, to a new group of users.
	Discretionary	**New**	Creates a new asset that provides a service that does not currently exist.

Table 8 - Expenditure Categories

Classifying our investment in this way helps us to plan our budgets and track how we spend our money on our assets and services.

5.5 Asset Investment Strategy

Council is committed to prioritising the renewal funding of its existing infrastructure base before allocating funds to any discretionary projects relating to new assets or expansion or upgrade of existing assets. This is based on the logic that “we cannot afford to expand our asset portfolio if we cannot afford to look after what we already own.” As a result, the funding of renewal is deemed a non-discretionary expenditure and has been allocated the highest priority in our Capital Works Program.

Our commitment to being future-focused has highlighted the need to improve liveability, sustainability, resilience, accessibility, promote social inclusion and strive for increased economic growth. However, balancing the investment in maintenance and renewal of existing assets and investment in new or upgraded assets to meet current and future needs of the community, is an ongoing challenge within a constrained financial environment.

Retiring old and/or under-utilised assets and reducing levels of service will also need to be investigated with more focus over the next few years to ensure that our existing asset base is managed responsibly and sustainably into the future. Proceeds from sale of any retired assets may then be reinvested to deliver other improved services to the communities.

As a result, the prioritisation of capital works is driven by the following decision-making principles, which have also been influenced by the outcomes of the community engagement undertaken:

- Prioritise renewal of Council's ageing infrastructure to continue to maintain appropriate levels of service to the existing community.
- Continue to comply and meet all relevant legislative requirements.
- Ensure asset resilience to climate change impacts.
- Manage impacts of population changes and re-purpose or retire assets with low utilisation,

to make room for new assets and multi-use facilities that are critical to support growth.
- Develop and further enhance assets that promote the health and well-being of the community in an equitable and inclusive manner.
- Continue to maintain and enhance assets supporting tourism and the natural environment.

Our asset investment strategy can be summarised as shown in Figure 6.

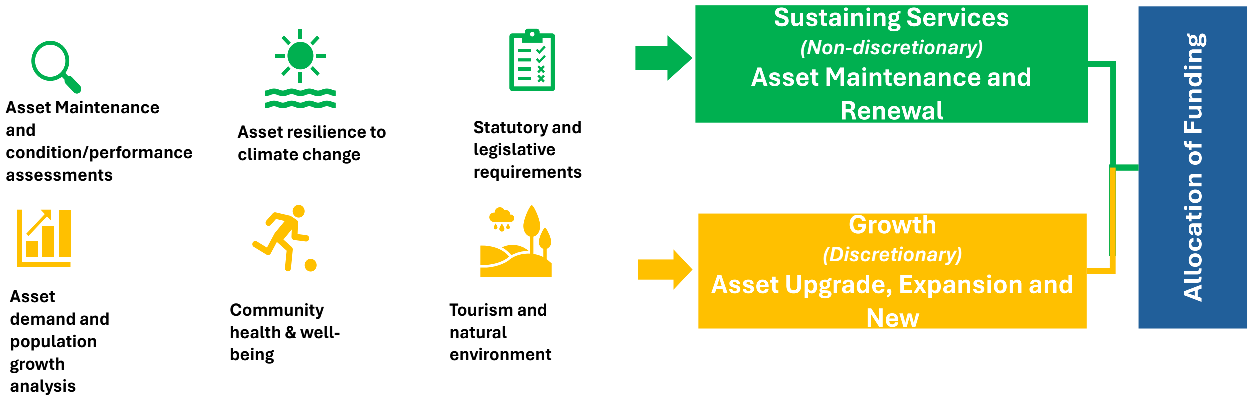


Figure 6 – Asset Investment Strategy

6 State of Our Assets

6.1 Road Infrastructure

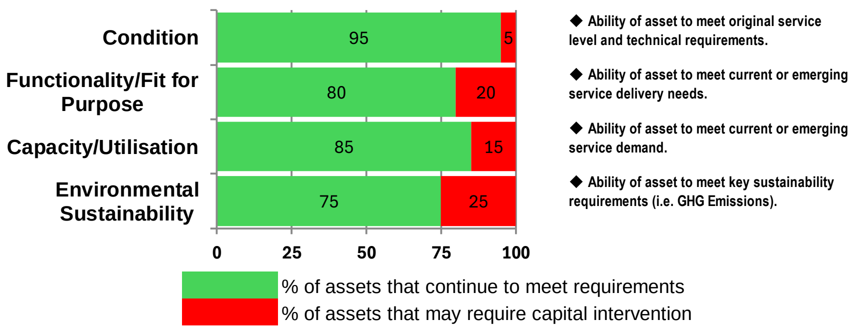
Service

The road and footpath infrastructure form the vehicular and pedestrian transportation network across the shire. It provides vital transport corridors between townships and within townships to ensure key linkages that maintain access and movement while connecting the communities across the shire. Safe and suitable off-street carpark facilities are also provided at key locations.

Future Challenges and Opportunities

Sustainable Transport	Subdivisional Development	Population Growth and Demographics
▪ Use and reuse of sustainable materials for road construction ▪ Use of improved quality of bitumen alternatives to ensure resilience to extreme weather and drought conditions. ▪ Improved on-road and off-road bicycle paths and pedestrian infrastructure to promote sustainable transport modes.	▪ Ensuring that any new road infrastructure provides interconnectivity to key destinations and supports emergency management during bush fires. ▪ Management of subdivisional development impacts on the road network, such as construction vehicle damage and utility renewals/connections affecting road pavement. ▪ Increase in freight movement and separation from residential traffic in urban areas.	▪ Population growth leading to increased traffic on local roads and connections with higher order roads. ▪ Establishing wider footpaths in urban areas to support the growing population and ageing community. ▪ Use of technology to assist pedestrians with lower levels of mobility and vision or hearing impairment.

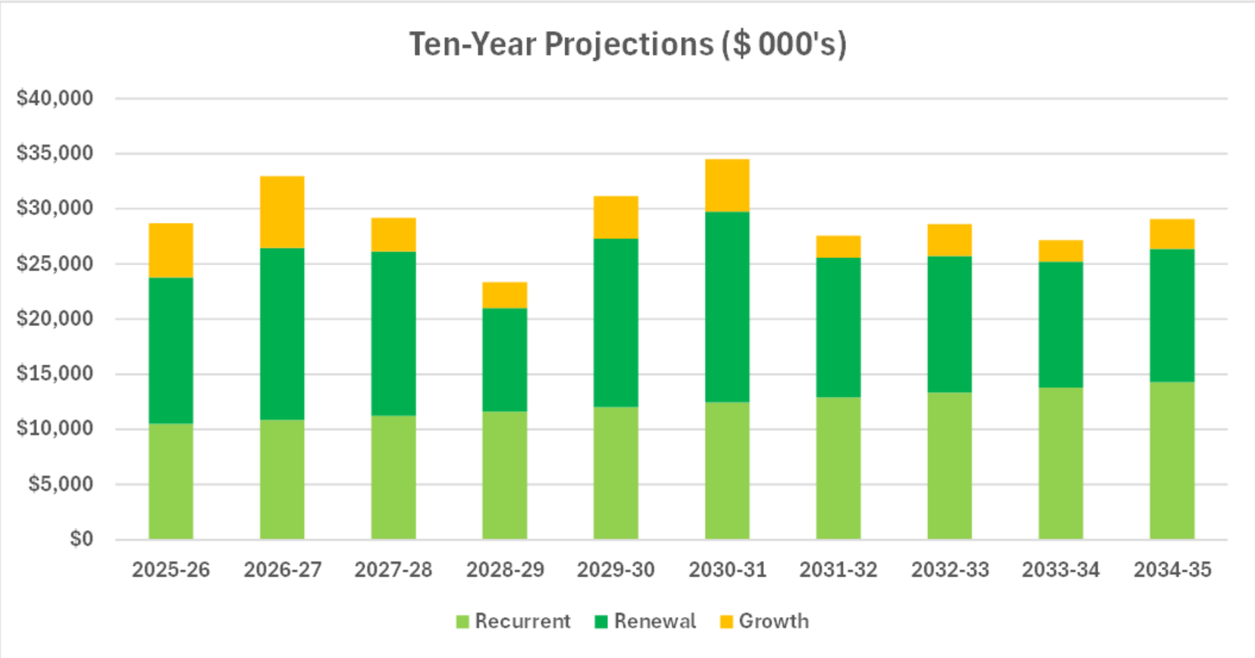
Asset Performance



Current Performance	Fit for the Future?
The current condition of the road infrastructure is considered to be in good condition with a small number of roads in poor and very poor condition There are some sub-standard urban roads that have unsealed verges and lack adequate footpaths, lighting and drainage. In addition, several rural link roads have a narrow width of 4.5 metres, instead of the standard 6 metres and do not adequately support the movement of freight and other traffic within the shire.	Significant investment continues to be allocated to maintaining and renewing assets in poor condition, along with improving safety and accessibility of the infrastructure to meet expected demand and needs of our ageing population. We will also ensure that roads constructed by developers in new subdivisions provide appropriate access, safety and interconnectivity to key destinations and services within the Shire. The known performance issues relating to the urban and rural road networks and footpath network will also be prioritised for upgrade, to ensure that appropriate levels of service are delivered.

Our Strategic Response to Funding

The foreshadowed budget is adequate to meet the anticipated renewal demands and provide some additional capacity for targeted improvement priorities based on the information available on the condition, function and capacity of the road infrastructure. Proposed expenditure over the next ten (10) years will continue to focus on and prioritise areas for the functional improvement of the urban and rural road networks and to facilitate movement of freight and tourism. The ongoing renewal of the roads, footpaths and ancillary infrastructure in poor condition will also continue, to ensure that they are rehabilitated in a timely manner to optimise ongoing maintenance costs. The projected expenditure below includes Roads to Recovery grants funding in the order of $28 million that has also been committed for the next 5 years.



Key Projects and Annual Programs (Subject to approval of Council and external funding)		
Annual Programs	**Planned projects over next two – three years**	**Projects 2027/28 onwards**
▪ Road seal/wearing course renewal ($3.3M) ▪ Rural road maintenance seal ($0.5M) ▪ Sealed road pavement renewal ($2M) ▪ Footpath renewal ($0.5M) ▪ New footpath program ($1M) ▪ Rural road improvement ($0.7M) ▪ Road safety improvement ($0.1M) ▪ Protective treatment for roads vulnerable to climate change ($0.2M) ▪ Gravel road resheeting program ($1M)	▪ Francis and Pyke Street Bairnsdale ($2M) ▪ Connleys Road Omeo upgrade stage 2 ($2.1M) ▪ Corringle Road Newmerella renewal ($1.2M) ▪ Murphy Street Bairnsdale upgrade ($3.4M) ▪ Roadknight Street Lakes Entrance upgrade ($1.6M) ▪ Boundary Road protective treatment ($8M)	▪ Payne Street upgrade ($2.3M) ▪ Palmers Road upgrade ($2.5M) ▪ Lake Tyers Beach Road upgrade stages 2 and 3 ($4M) ▪ Reconstruction of Giles and Rupert Streets ($2.3M) ▪ Calvert Street upgrade($2.7M) ▪ Power Station Road ($2.4M) ▪ Bogong High Plains Road ($3.1M) ▪ Urban road improvement ($4.5M) ▪ Rural road improvement ($5.4M)

6.2 Buildings

Service

Our 672 building structures support a range of services including recreation services, community services, children's services, aged care services, commercial services, caravan park facilities, aerodrome facilities and landfill facilities, as well as Council administrative functions and public amenities.

Future Challenges and Opportunities

Ageing Buildings

- Ageing buildings will require increased investment to ensure they are maintained in a safe condition and are fit for purpose for the future. Specifically, some of our public toilets and other high use facilities.
- Some buildings will require upgrade to meet bushfire standards and other current day requirements.
- Older buildings and/or those surplus to needs may need to be decommissioned or rationalised and the services co-located, to provide modern multi-purpose facilities whilst reducing ongoing maintenance costs.

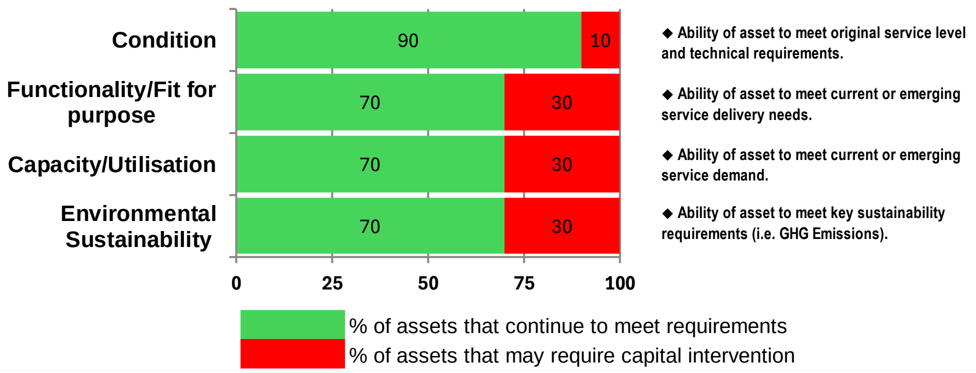
Population Growth and Changing Needs

- Population growth may lead to increased demand for services supported by universally accessible buildings with increased availability of building functional space.
- Demand for accessible building facilities to accommodate gentle recreational and group activities suited for the ageing community.
- Increased participation of females in team sporting activities requires provision of appropriate facilities in club rooms/change rooms.

Building Technology

- Multi use and functionality of buildings is increasing as they are expected to support a range of services to meet contemporary user needs.
- Smart building controls and on-site power generation with storage can provide opportunities to improve energy and operational efficiencies and reduce ongoing building lifecycle costs.
- Establishing water harvesting and grey water re-use systems can provide further opportunities for enhancing the star-rating of buildings and reduce ongoing costs.

Asset Performance



Current Performance

The current portfolio of buildings is performing to satisfactory standard overall given the age and standards to which some were constructed. However due to the size of the portfolio and changing needs of some these buildings. The plan will be focusing on updated building condition assessements from mid 2025 to

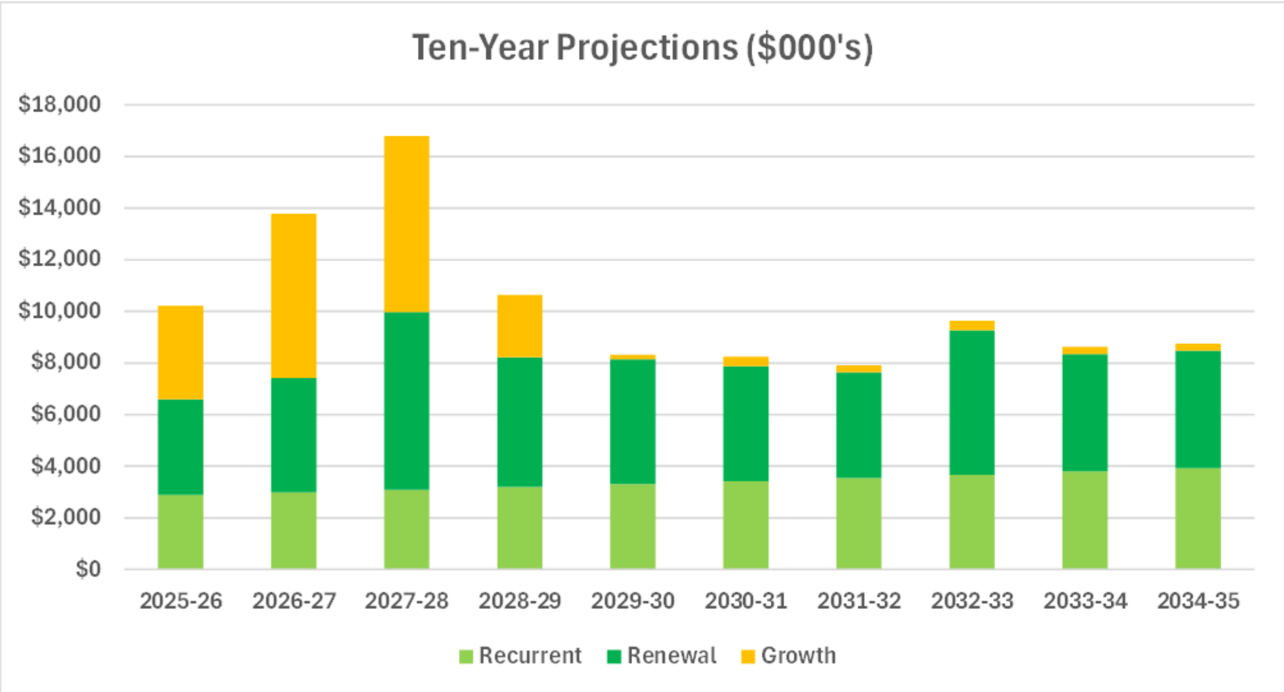
Fit for the Future?

Continued upgrade and construction of new or multi-purpose buildings is required over the next ten (10) years to ensure that our building portfolio continues to support delivery of the range of services required by the changing needs of our communities. Key building upgrades required are focussed on sports, recreation and community service areas, with continued demand

inform our renewal program with more accuracy, with a focus on public toilets as a the main proritity. Also some sub assets of our buildings like roof structures and HVAC will also need to be a focus over the next 4 years to replace or upgraded to meet the needs of the community.
Key facilities such as BARC and the WORLD are being upgraded/constructed to meet future demand. There are however, some community halls and facilities that are under-utilised or do not comply with current day standards. There are also some facilities that are not universally accessible and fit for purpose and limit utilisation and participation in sport, recreation and community events. Several public toilets throughout the shire are also in poor condition and need to be renewed, a priority renewal plan is being develped to upgrade ones in the worst condition, suhject to funding these will be programmed over the next 4 years. for netball, basketball and gymnasium facilities, as well as facilities to support tourism and the local economy. A prioritised program for timely renewal of ageing building infrastructure will also continue to be implemented.
Decommissioning or rationalising facilities that may be non-compliant or surplus to community needs will be pursued in consultation with key stakeholders in the community.

Our Strategic Response to Funding

The proposed projects are based on community priorities relating to services delivered, to ensure that funding is targeted towards building facilities that provide higher priority services and there is equitable funding across townships for service delivery and promotion of the economy. Several major projects are proposed to ensure that our building portfolio remains relevant for future community needs. These will be subject to outcomes of the recreation, sporting and aquatic strategies and site master plans that are currently in progress. They will be eligible for competitive grant programs and this income is not currently foreshadowed within the budget. Council may also need to rationalise and/or dispose of any under-utilised facilities to partly fund these investments and also reduce ongoing maintenance expenditure. These new buildings and building upgrade projects are underpinned by a steady funding requirement for non-discretionary building operations, maintenance, and renewal of building elements over the next ten (10) years.



Key Projects and Annual Programs (Subject to approval of Council and external funding)		
Annual Programs	**Planned projects over next two years**	**Projects 2027/28 onwards**
▪ Building renewals ($0.8M) ▪ Toilet block renewals ($0.3M) ▪ Sporting facilities upgrade program ($0.3M) ▪ Caravan parks infrastructure renewal ($0.1M) ▪ Aerodrome building infrastructure renewal ($0.1M) ▪ Aquatic facility plant equipment renewal ($0.2M) ▪ Energy efficiency upgrades at Council facilities ($0.05M)	▪ Gippsland Lakes Shared Community Hub ($13.2M) ▪ Lakes Entrance Indoor stadium design ($0.9M) ▪ Mallacoota Holiday Park Toilet blocks ($0.3M) ▪ Bairnsdale Airport Runway Renewal and Extension ($14.0M). ▪ Livingstone Park Omeo ($1.6M)	▪ Lakes Entrance Indoor stadium (construct) ($8.0M) ▪ Leisure and Aquatic facility renewal program ($1.9M) ▪ Raymond Island Community Hall upgrade ($0.6M) ▪ Community Halls and Centres renewal program ($2.0M)

6.3 Bridges and Major Culverts

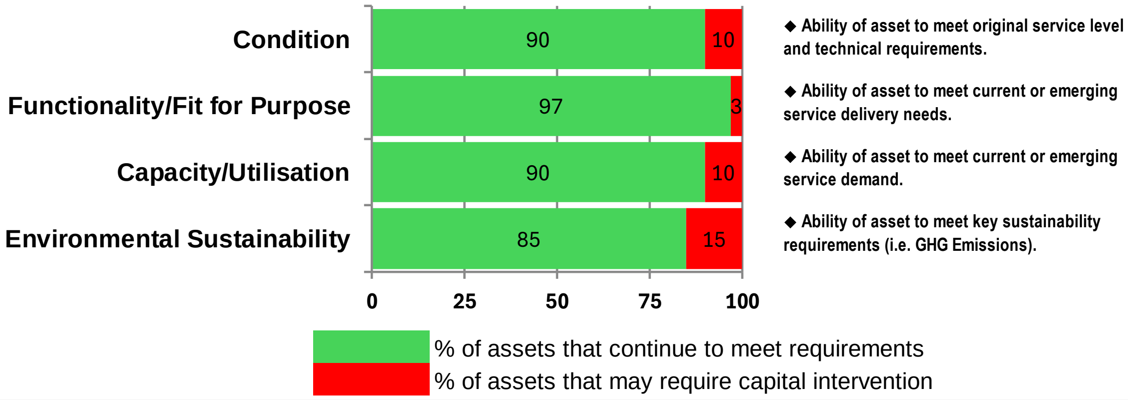
Service

Bridges and Major Culverts form an integral part of both the road and pathways network of Council. They play a critical role in maintaining vital transport corridors across natural and built obstacles such as rivers and rail lines and ensuring key linkages that maintain access and movement while connecting the communities across the shire.

Future Challenges and Opportunities

Ageing Assets	Population Growth	Climate Change
▪ Increased loading and use of older structures that require upgrade to current day standards. ▪ Ageing structures in a coastal environment are further subject to increased corrosion and deterioration.	▪ Increased loading of road bridges and major culverts can result in increased deterioration and risk. ▪ Monitoring the traffic and freight movement across bridge structures to manage the assets in a safe and reliable manner.	▪ Mitigating bushfire risks relating to timber bridges and ensuring safe and reliable access across the shire. ▪ Sea level rise and coastal inundation can cause increased corrosion of bridge structures resulting in the need to treat, maintain and renew these elements early.

Asset Performance



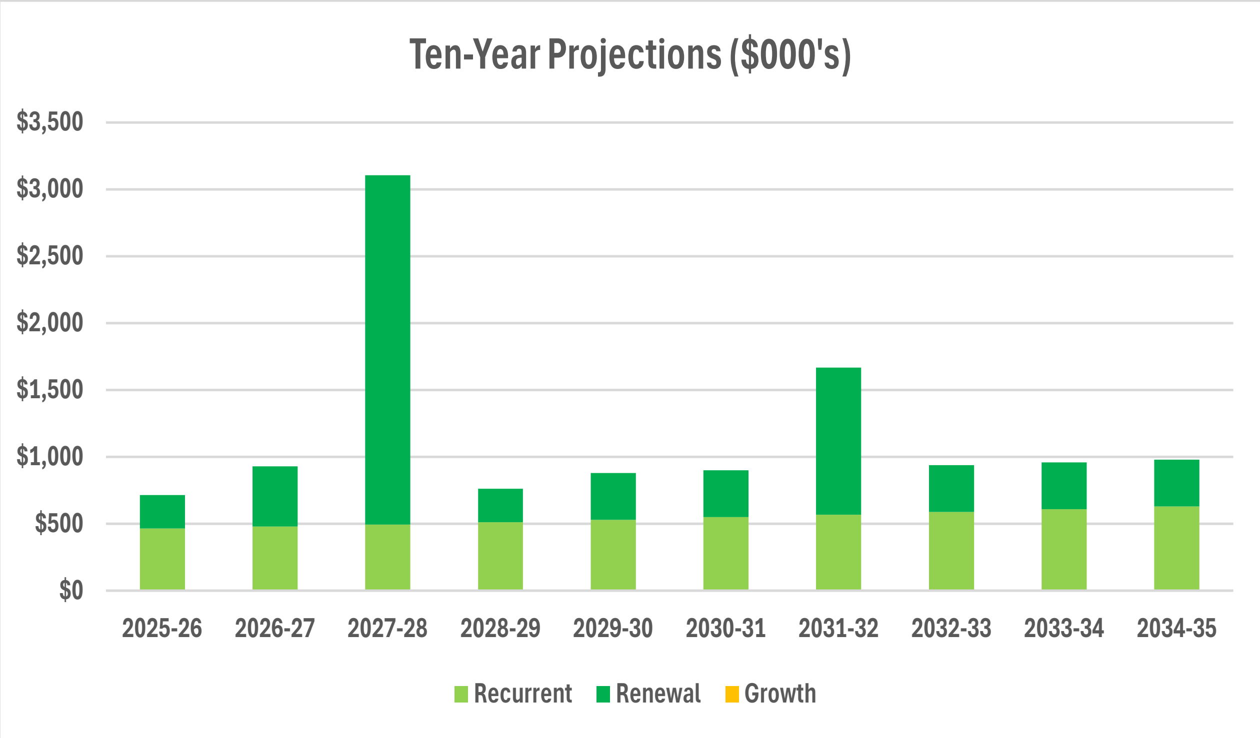
Current Performance	Fit for the Future?
The bridge and major culvert portfolio is performing reasonably well, with the current condition of the structures being considered to be good. Regular bridge inspections and condition assessments are undertaken, and bridge or structure elements identified in poor condition are treated, maintained or renewed in a timely manner. Several timber road bridges have been replaced in the last few years, in response to bushfire damage, to minimise risks and ensure access standards could be maintained. There is currently one load-limited timber bridge	We have made a commitment to replacing all our road timber bridges with modern equivalent concrete bridges to ensure resilience to bushfire events and other climate change impacts. We continue to prioritise funding for replacing structures in poor condition, along with improving the safety and accessibility of bridges and optimising lane configuration and load capacity to meet expected demands. Ongoing monitoring and detailed engineering assessments will be required to ascertain extent of deterioration due to saltwater inundation and other climate change impacts such as sea level rise. The current renewal program may have to adapt and be

that restricts movement and access, particularly for industry utilising large vehicles. This is currently being upgraded.

flexible to accommodate increased renewal and maintenance funding needs to address any structural condition issues that may be identified as a result of more indepth or ongoing assessment activities.

Our Strategic Response to Funding

There are no new bridges planned in the next ten (10) years to accommodate the population growth and resulting traffic. The forecast projects relate to non-discretionary expenditure relating to the progressive renewal of the remaining three (3) timber road bridges over the next three (3) years to always ensure safe and reliable access. An annual allocation has also been provided for regular repair and renewal works relating to major culverts deemed to be in poor condition. Some funding has also been allocated in the planning period for any unforeseen events and deterioration that may eventuate.



Key Projects and Annual Programs
(Subject to approval of Council and external funding)

Annual Programs	Planned projects over next two years	Projects 2027/28 onwards
▪ Major culvert renewal ($3.3M)	▪ Footbridge renewal ($0.2M)	▪ Healeys Road timber bridge renewal ($0.6M) ▪ Hollands and O'Briens Road timber bridge renewal ($1.0M) ▪ Lees Road, Mossiface timber bridge renewal ($0.7M) ▪ Footbridge renewal ($0.9M)

6.4 Drainage Assets

Service

Drainage infrastructure plays a critical role in maintaining safe roads for the community, mitigates flood risk to private properties during major and minor storm events and minimises risk of pollution of waterways in the Shire.

Future Challenges and Opportunities

Ageing Assets

- Some older drainage assets do not meet capacity levels of service and may require upgrade to eliminate localised flooding issues.
- Ability to fund timely renewal and upgrade of drainage assets in poor condition, consequently increasing maintenance cost.
- Damage to ageing drains from more frequent rain events.
- Cost of new technology and innovative solutions for assessing drainage asset condition and performance.

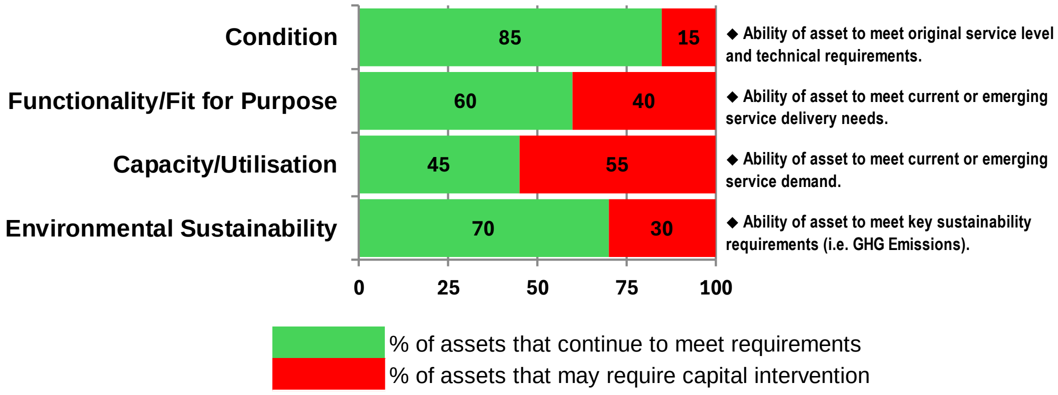
Subdivisional Development

- Subdivision growth will lead to an increased area of impervious surfaces and more stormwater run-off, creating pressure on existing drainage network and the increased need for local stormwater treatment assets.
- Increased cost of maintaining wetlands in subdivisions donated by developers and the need to upgrade existing infrastructure beyond developer contributions received.

Climate Change

- Coastal inundation and sea level rise is beginning to affect the stormwater network as higher tides reach drainage pipes near the coastal areas. This may result in increased corrosion and deterioration of affected pipes and possibly cause localised flood issues requiring network upgrade.
- More frequent and intense storm events will pose an increased risk of flooding and reduce reliability of the drainage assets.
- Increased pressure and demand to treat stormwater prior to it entering waterways, may result in further water harvesting and water sensitive urban design assets being needed.

Asset Performance



Current Performance

The existing drainage network is steadily ageing and will require increasing investment over the next ten (10) years to renew and upgrade assets identified as being in poor condition and improve levels of service. Drainage assets in a few smaller townships are also not constructed to current day standards and result in localised ponding issues and increased cost for repair

Fit for the Future?

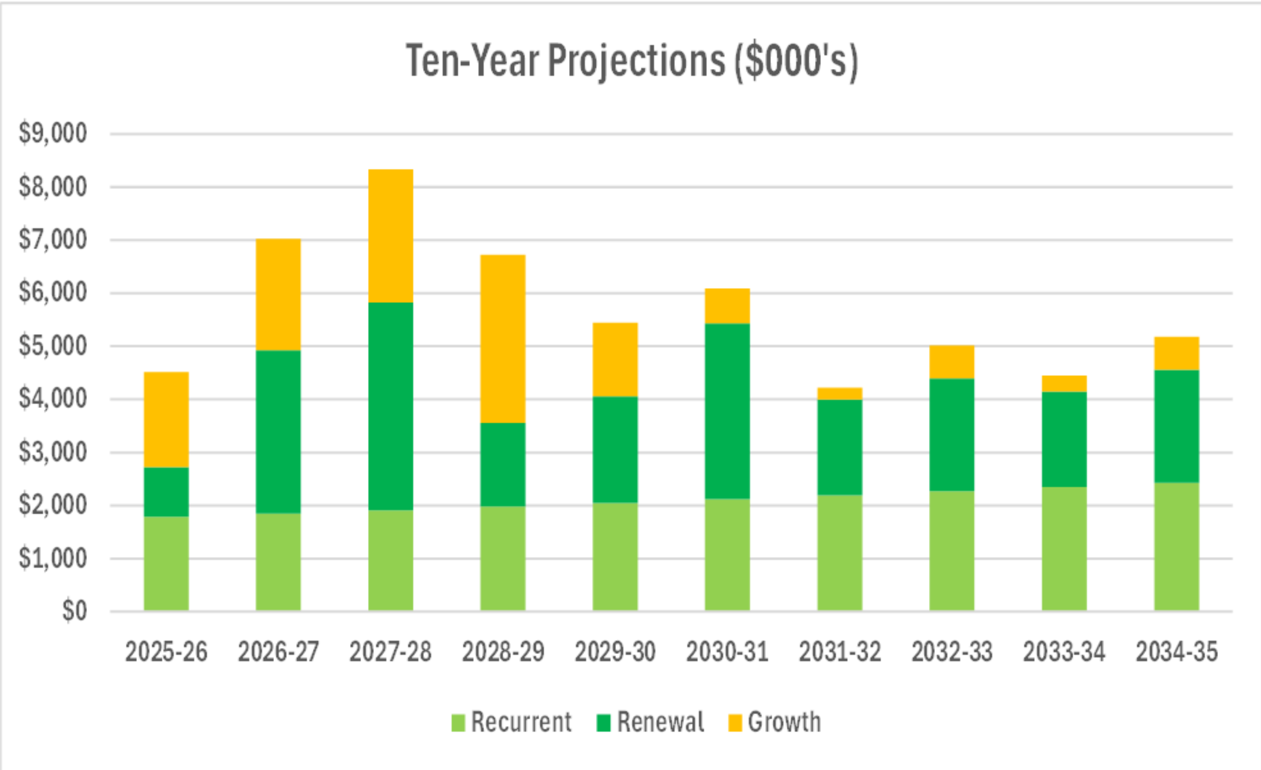
Our knowledge of the condition and capacity of the underground drainage network has now commenced to be improved via a prioritised data capture program, focusing on key growth areas and areas prone to flooding. Structure plans and options for viable drainage solutions and associated land acquisitions are being or replacement of these assets. A more integrated approach to stormwater management, incorporating but not limited to wetlands and Water Sensitive Urban Design (WSUD) is required in existing urban areas to accommodate growth and climate change impacts.

investigated to cater to forecast population in areas zoned/being rezoned as residential, commercial and industrial. A Stormwater Management Strategy and Climate Risk Assessment is also being developed (complted mid 2026) to improve integrated water management, quality, volumes in response to weather events and the drainage infrastructure's resilience to climate change impacts. This document will assist with protising upgrades or external funding advocacy and informing planning decesions for futre new subdivisions.

Our Strategic Response to Funding

The proposed non-discretionary investment in renewing drainage assets is based on asset capacity, recognising that older drainage systems may not have been designed to current day standards for catering with flood events. Priority is assigned to these older assets in key known locations where capacity limitations pose the highest risk, and the current condition of the underground drainage assets remain unverified.

The long-term budget allocations may need to be further reviewed, following completion of onsite condition and capacity assessments, finalisation of the Stormwater Management Strategy mid-2026, the climate risk assessment, and local structure plans for urban growth areas. To address the budget shortfall, external grants may be required to support the ongoing prioritised renewal and upgrade of the drainage system in areas with identified service deficiencies and forecast growth.



Key Projects and Annual Programs (Subject to approval of Council and external funding)	
Planned projects over next two years	**Projects 2027/28 onwards**
▪ Marlo town drainage upgrade ($1.4M) ▪ Eastern Beach Road drainage improvements ($1.4M) ▪ Rupert Street Bairnsdale drainage renewal ($4.3M) ▪ Robin Street, Lakes Entrance drainage renewal ($1.3M) ▪ Raymond Island township road and drainage upgrade (design) ($0.5M) ▪ Admiral Quay drainage upgrade ($0.5M)	▪ Lakes Entrance North Growth Area drainage ($4.0M) ▪ Mississippi Creek Crossing upgrade ($3.1M) ▪ Raymond Island township road and drainage upgrade (construct) ($2.9M) ▪ Stormwater Improvement program ($2.9M) ▪ Stormwater renewal program ($7.5M)

6.5 Open Space Assets

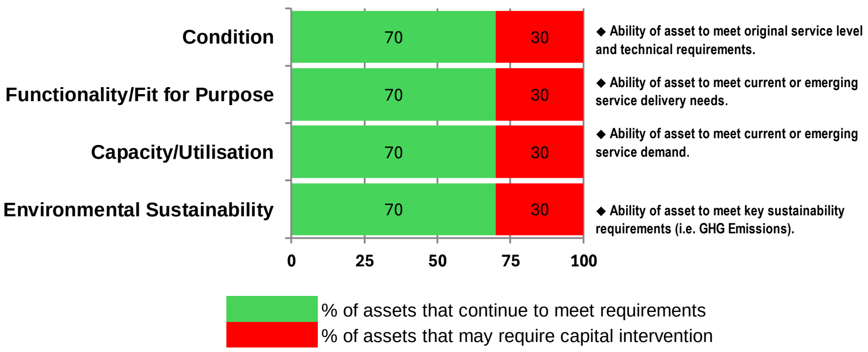
Service

Our open space assets support a range of active and passive recreation activities, leisure and tourism, in addition to providing streetscape amenity and preservation and management of foreshore areas, flora and fauna, wetlands and bushland areas.

Future Challenges and Opportunities

Population Growth and Changing Use	Tourism	Sustainability
▪ Population growth will increase demand for specific outdoor recreation activities, features and landscape. ▪ increase in popularity of informal exercise and recreational activities such as walking, jogging, cycling and other fitness related activities, require reconfiguration of open space and sporting assets. Traditional recreational facilities such as football grounds could move towards bike pump tracks, skate parks and exercise stations. ▪ Increased demand for universal access for children/carers of all ages and abilities to play spaces, incorporating landscaping features and natural shade.	▪ Growth of tourism in the region, with Lakes Entrance currently being the second most popular tourist spot in Victoria and the need to continue to maintain and preserve the natural beauty and coastal and foreshore areas of the region. ▪ More townships will become destinations for tourism, angling and sailing and we will need to continue to provide suitable open space assets and facilities to support this anticipated growth and the local economy.	▪ Climate change may require assessment of viability of providing ongoing services such as irrigation to sports fields. ▪ Demand for more sustainable sources of energy and water. ▪ Climate change impacts on natural areas such as foreshore erosion. ▪ Greater awareness of value of trees to the environment and amenity and their associated risks and liabilities. ▪ A growing interest in conservation of bushland areas, habitat enhancement, biodiversity and indigenous links.

Asset Performance

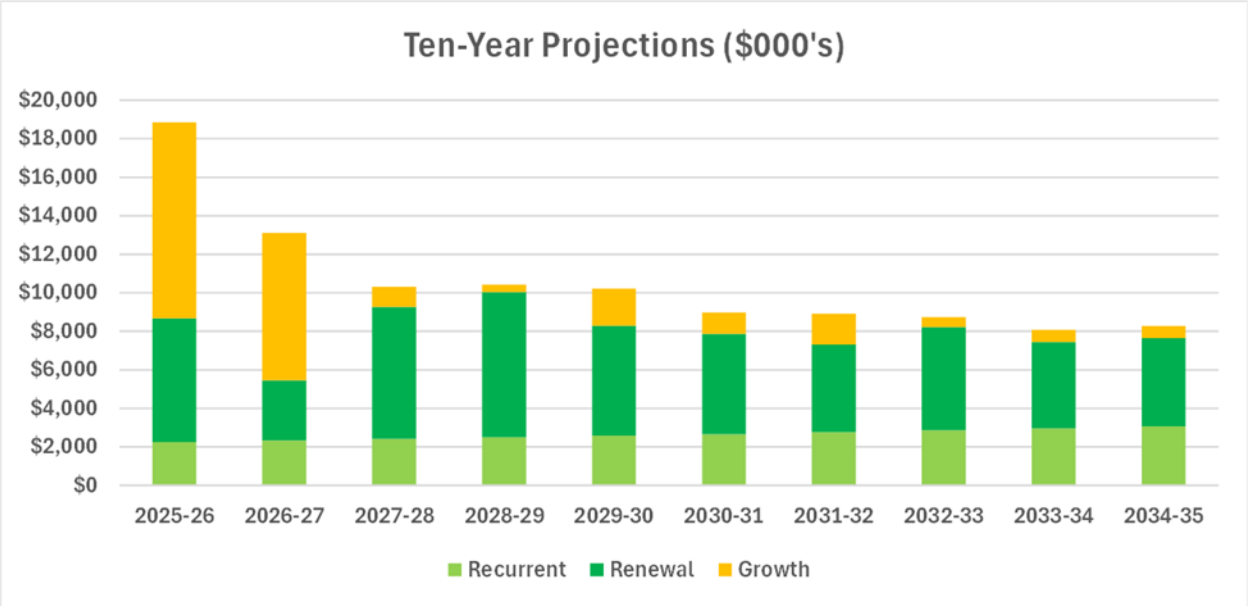


Current Performance	Fit for the Future?
Current condition of the open space assets is considered to be in good to fair condition with a small number of assets in poor condition. They have been prioritised for full or part renewal in the capital works program. Our asset portfolio is performing well, which is reflected by the tourism into the region. However, these assets will require ongoing	Further development of foreshore precincts and streetscapes and new/upgraded recreation reserves and trails are needed to meet increasing demand for passive and active spaces and promote tourism, local economy and health and wellbeing of the community. Sporting facilities

maintenance, upgrade and renewal to maintain them to the current level of service. There are also some under-utilised sporting facilities and playgrounds that will need to be rationalised/disposed to reduce ongoing costs. need to be upgraded for a diversity of activities while achieving a balance with resilience to climate change impacts, biodiversity values, cultural heritage and neighbourhood character.

Our Strategic Response to Funding

The great majority of funding is allocated to non-discretionary operations and maintenance and renewal. Several improvement programs such as trail facilities, foreshore upgrades, sports facilities upgrades, and urban revitalisation have been identified to meet current and future demand for enhanced open space areas within the shire. Materials that are proven to withstand prolonged high temperatures and dry conditions will be used for these asset upgrades, ensuring that financial sustainability is not materially impacted.
A few major discretionary projects, supported by external grant funding, have been proposed for implementation in the first two years. Other discretionary projects will be subject to the outcomes of the Open Space Strategy and service plans and site master plans that are currently planned or in progress. They will proceed subject to Council obtaining appropriate levels of competitive grant funding for them.



Key Projects and Annual Programs
(Subject to approval of Council and external funding)

Annual Programs	Planned projects over next two years	Projects 2027/28 onwards
▪ Seawall renewals ($0.5M) ▪ Boating infrastructure program ($0.3M) ▪ Playground renewals ($0.5M) ▪ Sports courts and fields program ($0.3M) ▪ Open space renewal program ($0.3M) ▪ Street furniture renewal ($0.2M) ▪ Street trees replacement ($0.05M)	▪ WORLD Sporting precinct- Soccer Stage ($4.4M) ▪ Krautungalung Walk Stage 2 - section 4 ($3.7M) ▪ Metung Boardwalk revitalisation ($2.1M) ▪ Slip Road Maritime Precinct – Carpark Stage ($5.7M) ▪ Lindenow Recreation Reserve improvements ($1.8M) ▪ Eagle Point foreshore trail ($1.1M) ▪ West Bairnsdale Recreation Reserve Redevelopment (design) ($0.5M) ▪ Orbost Forest Park upgrade stage 2 ($0.8M) ▪ Port of Bairnsdale ($1.0M)	▪ West Bairnsdale Recreation Reserve Redevelopment ($5.6M) ▪ Shaving Point Park, Metung ($2.2M) ▪ Recreation Reserve master plan implementation ($3.8M) ▪ Foreshore management plan implementation ($4.2M) ▪ Sports lighting program ($0.5M) ▪ Skate Park and BMX facility renewal ($0.8M) ▪ Boardwalk renewal ($0.3M) ▪ Streetscape program ($5M) ▪ Trail renewal ($0.8M)

6.6 Waste Facilities

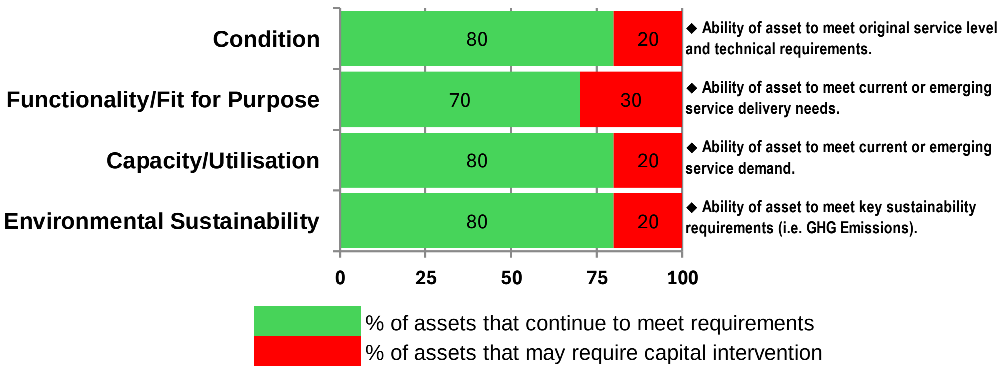
Service

These assets support the provision of equitable, safe and sustainable waste services to the community, including kerbside collection, green waste processing, recycling options and disposal to landfill. They need to be managed in a way that supports a reduction in waste going to landfill and minimises environmental impacts.

Future Challenges and Opportunities

Regulatory Environment and Sustainability	Cost Recovery	Population Growth
▪ Compliance with all regulatory requirements with respect to design, construction and ongoing operations of waste facilities. ▪ Ongoing management of open and closed landfill sites with stringent controls and monitoring, to manage potential environmental, health and safety risks, with groundwater pollution and methane gas emissions. ▪ Current EPA regulations that limit the capacity of landfills may need to be reviewed to increase holding capacity of landfills, to manage rapid inflows of large volumes of waste following a disaster event.	▪ Significant increases in landfill levies and the higher standards expected by the EPA for risk assessment, monitoring and site remediation for legacy landfills have further increased the annual cost of waste management. ▪ Increased costs and regulatory requirements resulting in potential for increased subsidisation of waste disposal costs and the inequitable situation with respect to fee recovery. ▪ Achieving a more equitable situation with cost recovery for managing environmental risks at unstaffed landfill sites and waste transfer stations.	▪ Population growth will increase consumption resulting in increased waste and landfill sites. ▪ More waste and recyclable materials will need to be collected.

Asset Performance



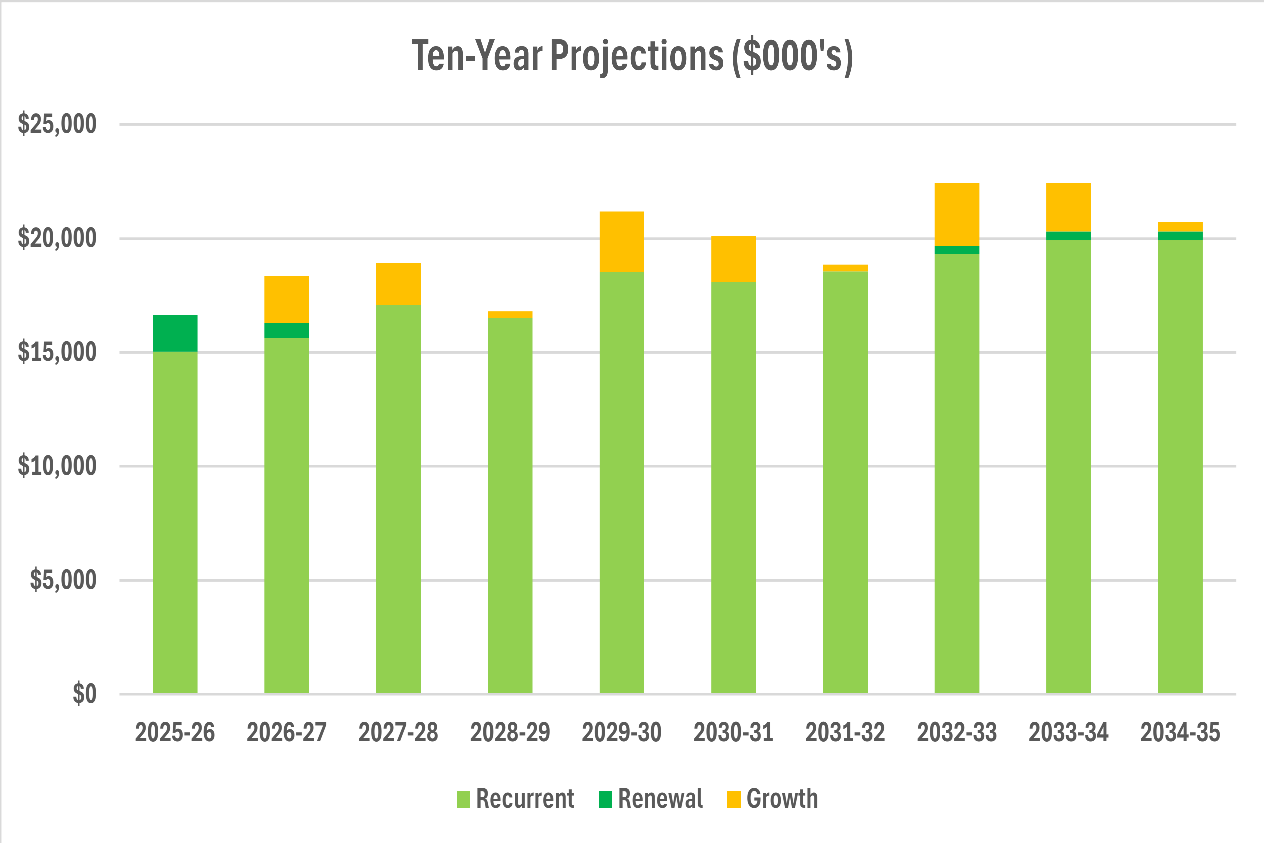
Current Performance	Fit for the Future?
The waste facilities are performing reasonably well, with a majority of the transfer stations considered to be in good condition. Few transfer stations require to be upgraded to eliminate environmental and regulatory risks and/or cater	Council is focused on providing the most suitable and safe waste service model for the region. All capital works to ensure that facilities remain operational at best-practice environmental management standards,

to increased demand. Utilisation of some transfer stations also need to be monitored to determine the need to re-design, upgrade or expand facilities. Asbestos disposal iis currently only accepted at Bairnsdale and is particularly an issue for remote townships.

are planned to be completed in the next five (5) years. Bairnsdale landfill site will continue to be expanded with four additional cells to cater to growth in population and increased demand. State Government is also producing a State Asbestos Management Plan to address the asbestos disposal issue.

Our Strategic Response to Funding

A combination of major maintenance and capital expenditure is proposed to ensure that waste facilities remain fit for purpose, safe and comply with the stringent regulatory requirements. Capital investments are planned to ensure that all transfer stations and remaining landfill site are upgraded to adequately service the community in a safe, cost-effective and environmentally sustainable manner. Major maintenance expenditure is also foreshadowed over the next 10 years to ensure adherence to more stringent landfill capping standards at the Bairnsdale site. We will endeavour to manage the risks within available funding and ensuring that funding is targeted towards facilities that provide higher priority services and there is equitable funding across townships for service delivery.



Key Projects and Annual Programs
(Subject to approval of Council and external funding)

Annual Programs	Planned projects over next two years	Projects 2027/28 onwards
▪ Aftercare of landfill sites ($0.2M)	▪ Bairnsdale site staff amenities building ($0.3M) ▪ Bairnsdale site recycling storage ($1.8M) ▪ Bairnsdale composting facility ($2.7M) ▪ Bairnsdale cell 4a ($1M) ▪ Cann River transfer station upgrade ($1.6M) ▪ Metung transfer station upgrade ($0.5M) ▪ Buchan transfer station upgrade ($0.5M)	▪ Bairnsdale cells 5, 6, 7 and 8 ($10.2M) ▪ Waste facility renewal ($1.5M)

6.7 Raymond Island Ferry

The Raymond Island Ferry is not included in the scope of this Asset Plan due to its specialised nature and separate funding arrangements. Commissioned in 1997, the Ferry was originally expected to have a 20-year useful life; however, with ongoing preventative maintenance and compliance with regulatory standards including those set by the Australian Maritime Safety Authority (AMSA) its life has been extended to an estimated 40 years, with replacement anticipated around 2037. Council manages the Ferry through a structured maintenance program that includes in-water and out-of-water surveys, ensuring reliability and minimising lifecycle costs. A dedicated reserve fund has been established to support future replacement, with $300,000 contributed annually. By the end of 2024/25, this fund is expected to hold approximately $3.6 million.

7 Funding the Asset Plan

7.1 Capital Expenditure Projections

This section outlines the projected capital expenditure requirements for our infrastructure over the next ten (10) years. These funding requirements have been determined based on the affordability assessments made in our Financial Plan and represent the investment that is required to maintain appropriate levels of service. They are also based on our determination of the most likely scenarios for management of our infrastructure and the resulting expenditure required to manage the impact on our assets.

The Figure 7 summarises the expenditure categories of our currently foreshadowed infrastructure capital program projects totalling in the order of **$512 million** over the next ten (10) years. It indicates that 50% of the investments relate to non-discretionary asset renewal and 50% relate to discretionary expenditure to support growth in the shire. This allocation balances the need to renew existing assets for continuous service delivery and the need to upgrade or construct new assets to cater to the population growth and changing needs of our community. It also aligns with our principle of prioritising asset renewal when making capital investment decisions, thereby ensuring our existing assets are properly managed to provide acceptable levels of service.

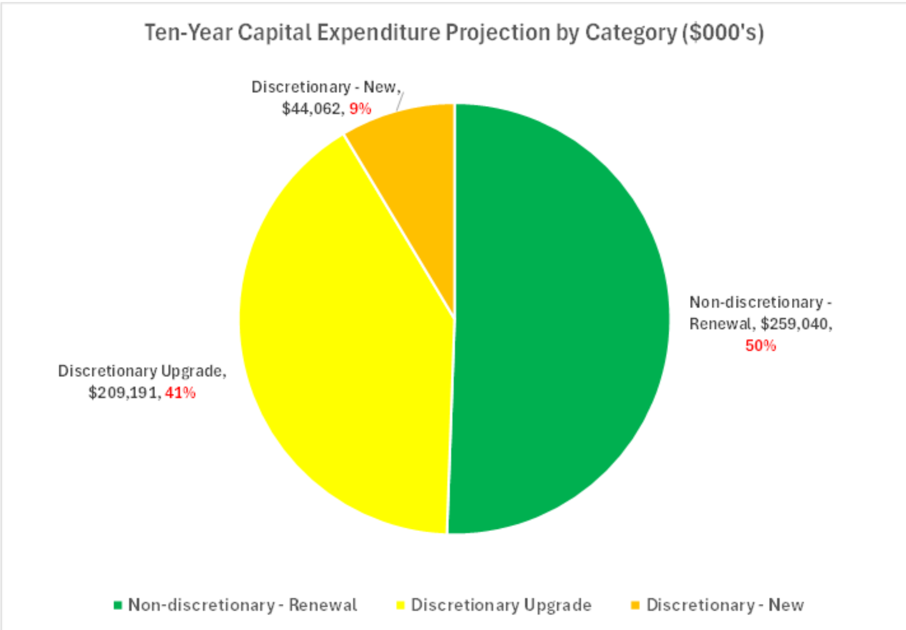


Figure 7 – Ten-Year Capital Expenditure by Category

Grant funding is generally sought for investing in discretionary projects to upgrade or construct new assets, however external grant funding usually requires a co-contribution from Council. Current funding commitments from external grants total approximately $76 million, for delivery of capital projects over the next 5 years. This includes approximately $28 million from the Roads to Recovery Grant.

Based on the current knowledge of the condition of our assets, the renewal funding requirements for a few asset classes, such as open space assets, buildings and drainage have not been fully allocated in the Financial Plan, with the current level of funding being focused on renewing the existing road infrastructure. The adequacy of Council's renewal funding depends on many variables, including how long individual assets last and the intervention levels assumed for replacement of these assets. Through ongoing investigation and monitoring outlined in this plan, including periodic condition surveys, we will continue to gain a better understanding of how much is required for timely renewal of these infrastructure assets to maintain the required levels of service.

Increased signs of deterioration are beginning to show in certain asset classes (i.e. public toilets, marine assets, and some buildings). This will require ongoing monitoring and further analysis as new asset information becomes available through our periodic condition surveys. The ability of current assets to service our community also requires further consideration, with some assets potentially able to be retired, repurposed and/or replaced with more contemporary multi-use facilities and climate change resilient assets.

Funding requirements may also potentially change in the future, to continue with the same level of service that is currently provided to the communities and adjustments may be required to both this Asset Plan and the Financial Plan.

7.2 Total Expenditure Projections

The Figure 8 summarises the total capital, maintenance and operational expenditure projections across the infrastructure assets included in this Asset Plan over the next ten (10) years:

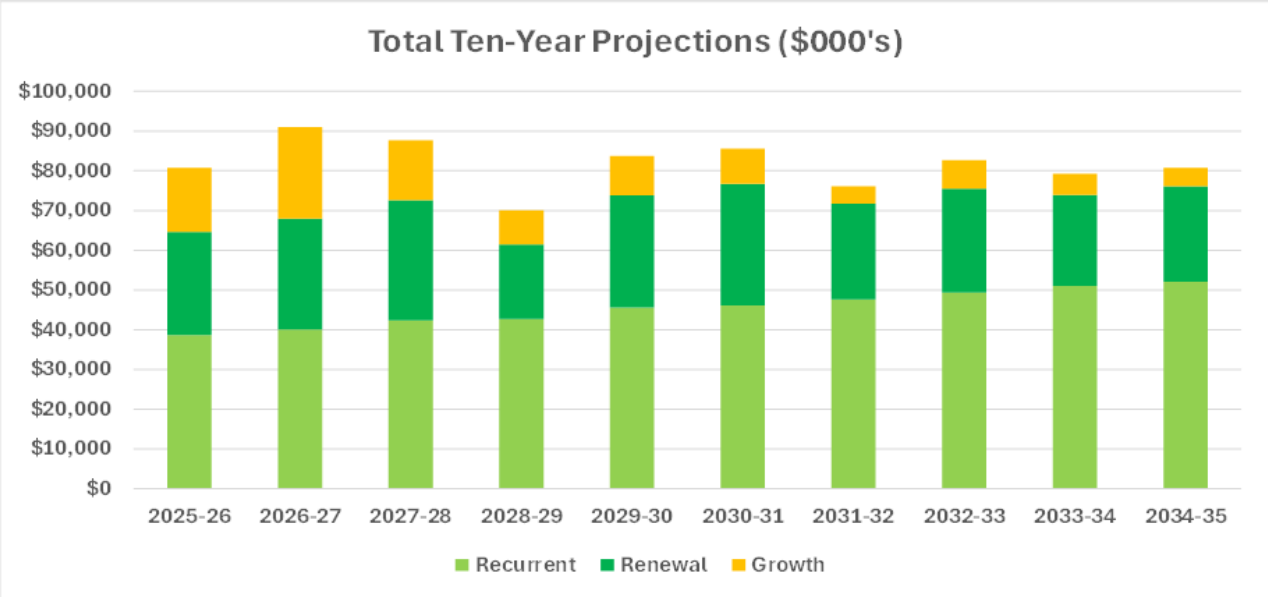


Figure 8 – Total Ten-Year Expenditure Projections

Table 9 summarises projected total expenditure for each of the six (6) major asset classes over the next ten (10) years:

Asset Class	Recurrent ($'000)	Renewal ($'000)	Growth ($'000)	Total ($'000)
Road Infrastructure	$122,959	$134,334	$34,861	$292,153
Buildings	$33,862	$48,119	$20,977	$102,957
Bridges and Major Culverts	$5,428	$6,410	$0	$11,838
Drainage Assets	$20,931	$22,677	$13,383	$56,991
Open Space Assets	$93,680	$44,101	$19,607	$157,387
Waste Facilities	$178,627	$3,400	$14,483	$196,510
Total	**$455,486**	**$259,040**	**$103,310**	**$817,837**

Table 9 – Total Ten-Year Projected Expenditure by Asset Class

Figure 9 provides a visual representation of the breakdown in expenditure outlined in Table 9.

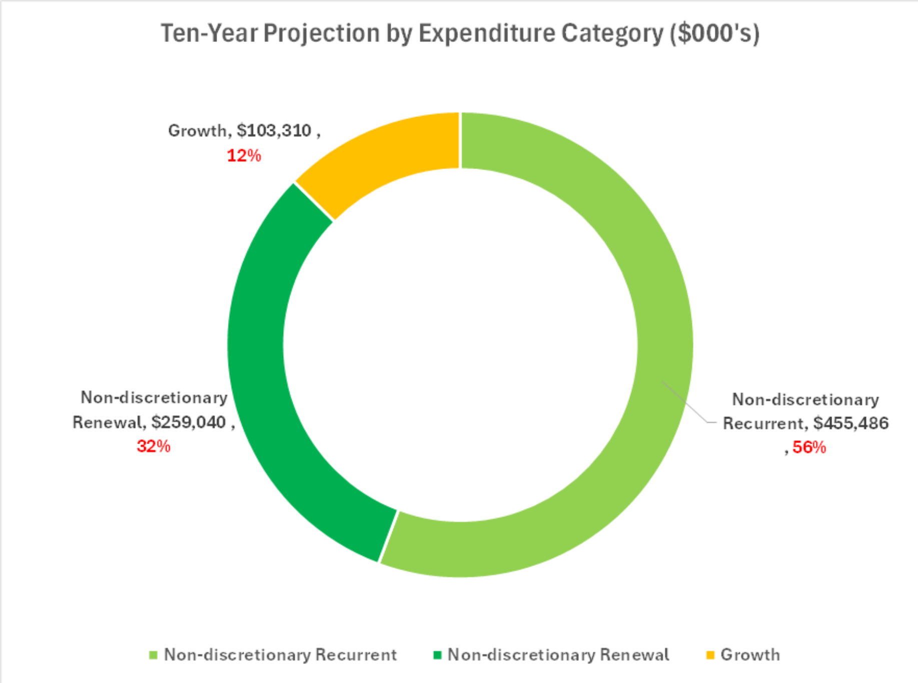


Figure 9 - Total Expenditure Projections by Category

Our projected expenditure over the next ten (10) years is summarised in Figure 10.

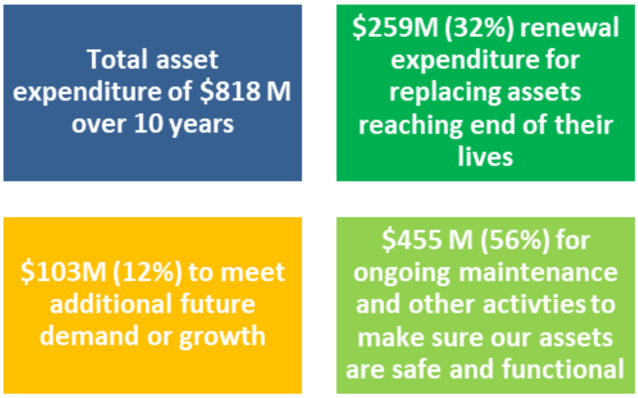


Figure 10 – Summary of Ten-Year Expenditure Projections

A total investment in the order of ***$818 million*** on our infrastructure asset portfolio over the next ten (10) years is proposed so that our assets remain fit for purpose, are safe and support the delivery of services to our growing community. This represents a significant investment that is made on behalf of our community and is fundamental in enabling us to meet ever-changing demands and to safeguard future use of our infrastructure.

7.3 Continuous Improvement

This Asset Plan and approach to funding has been developed based on existing processes, practices, data and standards. We are committed to striving towards best practice asset management and are always working to improve what we know about our assets and enhancing tools we use to manage them. Table 10 summarises the actions we've identified to continuously improve the management of our infrastructure assets over the next 4 years. We have focused on improving the accuracy of our asset data to build greater confidence in our long-term programs and to support better decision-making about how we manage and invest in our assets.

No.	Improvement Actions	Relevant Asset Classes
1	Develop an integrated service planning framework to improve understanding of future service requirements associated with community infrastructure.	All
2	Develop Service and Community Plans for each service supported by community infrastructure, to inform the asset management decision-making framework	All
3	Improve the asset management decision-making framework, including asset planning criteria to guide the evaluation of asset investment options.	All
4	Undertake regular asset condition assessments, including a review of replacement unit rates, to facilitate more accurate decision making in relation to funding asset renewals.	All
5	Implement enhanced predictive modelling tools to ensure improved lifecycle and renewal cost projections, to inform future budgets to deliver the required levels of service	All
6	Upgrade existing asset information management system to improve: user accessibility integration with relevant corporate applications for streamlining data transfer reporting on asset performance and maintenance contractor performance a comprehensive asset data repository for analysis and decision-making financial reporting on assets as per Accounting Standards utilisation in the field for asset data capture, asset inspections/servicing, recording of asset failures and defects and completion of maintenance work orders.	All
7	Implement a multi-dimensional approach to assessing the asset's capacity and performance supporting service delivery	All
8	Implement an asset and service levels performance monitoring and reporting framework supported by appropriate processes and system/s.	All
9	Improve processes for asset and data handover on completion of Council's capital works projects and subdivisional works completed by developers.	All
10	Improve asset data quality and governance procedures	All
11	Establish an infrastructure risk register for monitoring and mitigating identified risks	All
12	Undertake asset criticality assessments and develop contingency plans and appropriate inspection and maintenance regimes for assets deemed critical for service delivery.	All

No.	Improvement Actions	Relevant Asset Classes
13	Improve the prioritisation methodologies for investing in urban and rural road improvements across the Shire.	Roads
14	Improve recording of roads asset inventory relating to signage, furniture and public lighting and include in routine inspection schedules	Roads
15	Develop a policy for any future road discontinuances	Roads
16	Improve the building component register to facilitate condition assessments and development of more targeted and timely renewal programs for building services and fit outs.	Buildings
17	Implement a categorised approach to service standards across the entire building portfolio	Buildings
18	Review opportunities for rationalising, re-purposing or disposing of under-utilised community buildings and open space assets.	Buildings and Open Space assets
19	Continue with the drainage data capture and improvement to further enhance knowledge and condition of the existing asset inventory.	Drainage
20	Develop a stormwater management plan to identify and prioritise improvement works that may need to be undertaken in each sub-catchment to support existing development and/or future subdivisional development.	Drainage
21	Componentise bridges and major culverts in the asset register and review useful life of each component, to inform future asset renewal projections.	Bridges and Major Culverts
22	Establish a methodology and regime for condition assessment of Parks infrastructure	Open Space assets
23	Establish an improved holistic process for management of street trees	Open Space assets
24	Standardise the assessment of condition assessment of waste transfer stations to ensure consistent evaluation and prioritisation of maintenance and upgrades.	Waste facilities

Table 10 – Continuous improvement actions identified in the Individual Asset Management Plans.

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Buchan Resource Centre - 6 Centre Road
Cann River Community Centre - Princes Highway