Key Asset Management Initiatives

The following table gives an overview of the key asset management initiatives being undertaken by the peak local government bodies and Local Government Victoria both at a local and national level.

In your Council participating in these projects?

4. Key Challenges for the Sector

Improving Capability - The Step Program

The MAV Step Program is designed to assist councils to improve their asset management processes with support from the consortium of Step asset management consultants. All councils are encouraged to participate in the program. The Step scores are also collected as part of the DVC Asset Management Performance Measures Project for analysis, at an aggregate level only, to monitor progress.

Legislative Delivery - Road Management Plans

The State Government has the Road Management Act to deliver improved rights for road users, better road management and more consistent road standards. The legislation provides a policy defence against claims for road management failure, and provides an economic framework to support councils. The Act has been in place since 1 January 2005, however, some of the provisions such as those covering development of road management plans came into effect on 1 July 2004.

Understanding Assets and their Condition - Condition Assessment Guidelines

Condition assessment and performance monitoring of assets enables councils to:
- make informed decisions about appropriate maintenance, rehabilitation and renewal of assets
- understand the remaining life of an asset or its components
- develop better models and infrastructure projects
- share information with the community
- understand the link between existing good asset management practice and the economic lives of assets and life cycle costs

DVC Asset Management Knowledge Project

The MAV is currently working with councils to document the link between existing good asset management practice and the economic lives of assets and life cycle costs. This project will provide a short term response to the issue of developing consistent condition assessment of assets across the sector relative to economic lives.

Australian Road Research Board – Condition Assessment - MAV Asset Management Knowledge Project

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Road Management Plans

Road Management Plans came into effect on 1 July 2004. Councils are required to develop standards to be applied to council roads according to environment, traffic volumes and road conditions. Better reflect the performance of sealed and unsealed local roads according to environment, traffic volumes and road conditions.

Skill Training – New Programs

The ARRB is working with the sector to enable asset management systems to better reflect local road conditions. Deterioration models will be developed that better reflect the performance of sealed and unsealed local roads according to environment, traffic volumes and road conditions.
Emerging issues for the Sector
There are a number of emerging issues that make asset management a priority for councils:
- The new road management legislation
- Requirements for more accurate financial reporting on asset management
- Growing community demand for best Value service delivery and the assets which support it

A Checklist for Your Council
How prepared is your Council to meet future asset management challenges?
- Do you have road management plans in place to meet the legislative requirements?
- Is your data on asset management accurate and reliable? Can you complete the annual DVC Asset Management Information Framework?
- Are you on track to meet your Step Program future targets?
- Are you able to measure the condition and estimated life of your assets?

Key Asset Management Initiatives
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<table>
<thead>
<tr>
<th>Initiative</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>SUSTAINING LOCAL ASSETS</td>
<td>PROJECTS</td>
</tr>
<tr>
<td>Planning for Infrastructure Assets</td>
<td>Road Management Plan</td>
</tr>
<tr>
<td></td>
<td>The development of model Road Management Plans to enable councils to better meet the requirements of the Road Management Act 2004.</td>
</tr>
<tr>
<td>SUSTAINING LOCAL ASSETS</td>
<td>CURRENT STATUS</td>
</tr>
<tr>
<td>Planning for Infrastructure Assets</td>
<td>Real Estate Management Plan</td>
</tr>
</tbody>
</table>

TIMELINES AND CONTACTS

Knowledge
- tray Knowledge Base Project
- Establishment of Performance Standards for Local Road Payments

Project aims to share knowledge between councils about asset management processes and asset condition, accounting approaches and budgeting and accounting approaches. The project will identify how councils can best measure asset condition and economic life, for example, by using local road condition models and other techniques.

TIMELINES AND CONTACTS

Knowledge
- tray Knowledge Base Project
- Development of performance standards for local road payments

A methodology has been developed to assist the sector with their performance management of infrastructure assets in terms of road condition. The methodology will enable councils to collect data on their asset condition and better reflect the performance of local roads in various environments, different traffic volumes and road pavement covering both sealed and unsealed roads. Over 160 sites are being monitored across Victoria.

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