



ASSET MANAGEMENT PLAN

Liverpool Plains Shire Council

Fleet AMP FY26

Document Control	Asset Management Plan - Alternate Method
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Document ID : 2025 Transportation AMP

Rev No	Date	Revision Details	Author	Reviewer	Approver
1.0	December 2020	Review to contemporary standard and combine Roads, Footpaths and Bridges into Transportation	DES	GM	Council
2.0	April 2025	Review to align with new LTFP and newly elected Council	DIES	DIES	Council

Document Control	Asset Management Plan – Asset Register Method
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Document ID : Fleet Asset Management Plan

Rev No	Date	Revision Details	Author	Reviewer	Approver
V1.0	April 2025	Initial Fleet AMP	DIES	DIES	Council

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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 20 year planning period. The AM Plan will link to a Long-Term Financial Plan which typically considers a 10 year planning period.

1.2 Asset Description

This plan covers the mobile plant and equipment that Council utilises to provide maintenance services for our other infrastructure assets.

The above fleet assets have replacement value estimated at \$11,871,922.

1.3 Levels of Service

The allocation in the planned budget is sufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- There is no opportunity to procure new items of plant to expand capability
- Limited capacity to deal with price shocks from increase fuel prices

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Budget available for works as costs are recovered through charge out
- Changes in technology resulting in increased costs and complexity

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand.

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The lifecycle costs necessary to provide the services covered by this AM Plan include operations, maintenance, renewal and upgrade of existing assets, and the acquisition of new assets to meet demand. Disposal of assets is also considered.

When lifecycle costs are prepared for a minimum 10-year planning period, they can be used to inform the 10-year LTFP. The first 10-year lifecycle forecast is estimated to cost \$21,407,234 or \$2,140,724 on average per year.

Depreciation is excluded from these cost estimates.

1.6 Financial Summary

1.6.1 What we will do

The funding made available in the first 10-years' of the LTFP is \$23,622,888 or \$2,362,289 on average per year which is approximately 110.35% of the cost to undertake the lifecycle activities.

The reality is, only what is funded in the LTFP can be provided. Informed decision making depends on the AM Plan emphasising the consequences of planned budgets on the service levels provided and communicating the residual risks. It is important to ensure the organisation is delivering the services in a financially sustainable manner.

The 10-year LTFP results in a surplus of \$221,566 on average per year of the forecast lifecycle costs required to provide services. This is shown in the figure below.

Forecast Lifecycle Costs and Planned Budgets

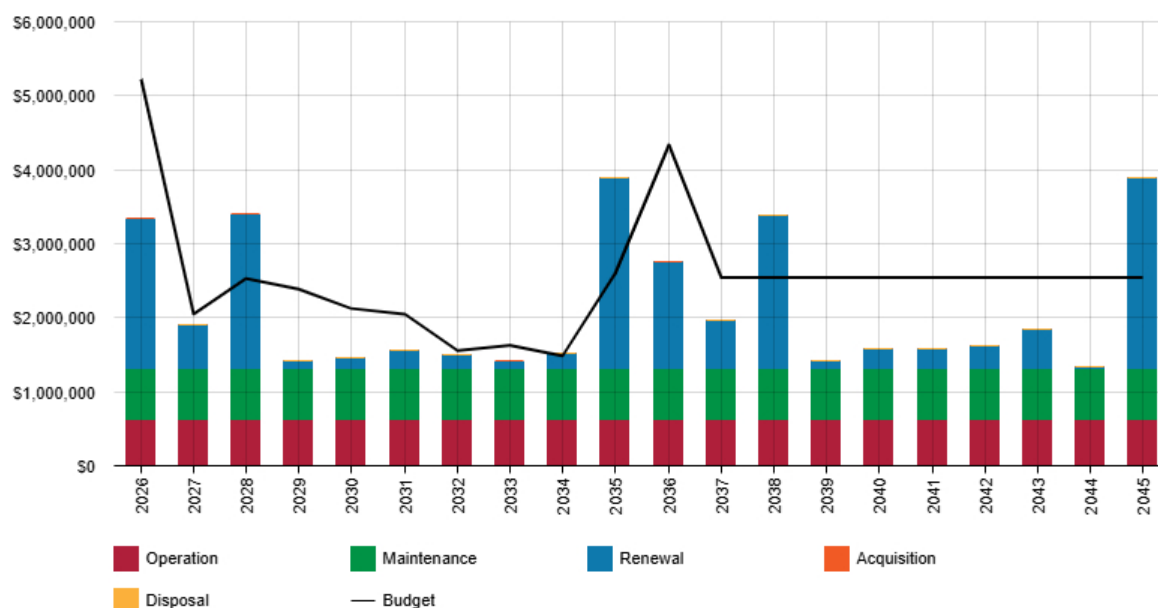


Figure Values are in current dollars.

We plan to provide fleet services for the following:

- Operation, maintenance, renewal and acquisition of the fleet to meet service levels set by Council in annual budgets.
- Given the relative short life of plant, the majority of the fleet is proposed to be renewed within the 10 year planning period.

1.6.2 What we cannot do

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Deliver all civil works by Council utilising only Council fleet
- Expand our fleet to provide additional services
- Achieve zero down time

1.6.3 Managing the Risks

Our present budget levels are sufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Volatility in prices (fuel and plant)
- Residual value of plant when it is time to renew
- Shortage of mechanics meaning Council cannot adequately maintain the fleet

We will endeavour to manage these risks within available funding by:

- Ensuring plant replaced complies with current practice
- Reviewing budgets and hire rates annually
- Employ an apprentice mechanic to grow our own skilled staff

1.7 Asset Management Planning Practices

Key assumptions made in this AM Plan are:

- Council's own source delivery of infrastructure maintenance will continue
- Council's budget for infrastructure delivery will remain sufficient to recover plant hire charge rates against
- There is no shift in technology that will alter costs
- Utilisation will remain similar to recent history

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal,
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The fleet Asset Register was used to forecast the renewal lifecycle costs for this AM Plan.

This AM Plan is based on a reliable level of confidence information.

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Develop a system to monitor downtime and cost it
- Review hire rates annually
- Review income vs expenditure quarterly
- Participate in benchmarking with IPWEA or similar Councils