Draft
Asset Plan
2025 - 2034

City of
STONNINGTON



Our infrastructure assets



IMAGE TO BE UPDATED

Reconciliation Acknowledgment Statement

The City of Stonnington acknowledges that we are on the Traditional Lands of the Wurundjeri Woi-wurrung and Bunurong peoples of the East Kulin Nations and pay our respect to their Elders past and present. We extend that respect to all Aboriginal and Torres Strait Islander peoples. We acknowledge their living connection to Country, relationship with the land and all living things extending back tens of thousands of years.

Message from the Mayor

[To be written]

DRAFT

Contents

Executive Summary 4
Introduction 8
- Why asset planning is important 8
- About this Plan 8
- Scope of this Plan 9

Strategic alignment 10
- Our Strategic Asset Management Framework 10

Key challenges 11
- Population growth 11
- Ageing Assets 11
- Climate change 11
- Financial constraints 11

Community insights 12
- Our deliberative engagement process 12
- What we heard 12
- Other engagement 12

State of our assets 13
- Asset value 13
- Asset condition 14
- Current intervention level 15
- Future improvements 15

How we manage our assets 16
- Asset management principles 16
- Asset lifecycle management 17
- How we plan and prioritise 19

Our plan for the next 10 years 20
- Projected expenditure 20
- What we have prioritised 20
- The likely impact 21
- What we will do about it 21

Our plan for each asset group 22
- BUILDINGS AND SURROUNDS 23
- OPEN SPACE ASSETS 26
- ROADS AND RELATED ASSETS 29
- STORMWATER DRAINAGE ASSETS 32

Reshaping our future 35
- What this plan tells us 35
- What we'll do 35
- When we'll review the plan 36

DRAFT

Executive Summary

Overview

Our infrastructure assets support essential services, shape the look and feel of our neighbourhoods, and contribute to community health, connection and wellbeing.

This Asset Plan 2025–2034 sets out how we will manage and invest in our infrastructure assets over the next decade, to support achievement of the Stonnington Community Vision 2040 and Council Plan 2025-29. It ensures our asset decisions are financially responsible, risk-aware, and aligned with long-term community priorities.

Developed in accordance with the Local Government Act 2020, the Plan reflects insights from a deliberative engagement process with a representative People's Panel.

This Plan works alongside the Financial Plan to guide annual budgets and investment decisions, ensuring we continue to deliver services effectively while planning for future needs.

What this Plan covers

ROADS AND RELATED ASSETS	STORMWATER DRAINAGE ASSETS
» Roads (including surface, pavement, kerbing, roundabouts and traffic calming devices, road signs, and barriers) » Pathways (footpaths, cycleways and shared paths) » Laneways » Bridges (road and pedestrian structures) » Off-street, at-grade carparks	» Flood mitigation assets (drainage pits and pipes) » Water quality treatment assets (such as rain gardens, wetlands and pollutant traps)
OPEN SPACE ASSETS	**BUILDINGS AND SURROUNDS**
» Outdoor sports infrastructure (including sports playing surfaces/ovals and associated lighting and irrigation systems) » Park assets (including garden beds, lawns, irrigation systems, public lighting, water features, bollards, signage, minor structures and other park furniture) » Playgrounds and fitness stations » Public art » Streetscape assets (including garden beds and furniture in streets and urban spaces/public squares) » Trees	» Aquatic facilities* » Civic/administration *and operations buildings » Commercial buildings* » Community centres » Creative arts and cultural facilities* » Early years facilities » Libraries » Multi-deck car parks » Public toilets » Sports facilities and recreation centres

Table notes:

* includes heritage buildings

The plan does not include land, fleet or other non-fixed assets owned by Council, or infrastructure owned by others.

DRAFT

Strategic challenges

Managing our asset portfolio over the next decade requires us to navigate four key interrelated challenges.



Population Growth

Stonnington's population is expected to grow by around 23% by 2045. This will increase pressure on community infrastructure and require both new investment and better use of existing assets.



Ageing Infrastructure

Some assets are nearing the end of their useful life and no longer meet contemporary standards. Renewal and compliance needs are increasing, and it is becoming harder to respond to demand for asset maintenance and asset upgrades.



Climate Change

More frequent extreme weather events are accelerating asset deterioration and placing strain on our stormwater drainage systems. We must design and manage assets to be more resilient and sustainable.



Financial Constraints

We face rising construction and maintenance costs, limited grant availability, and rate capping. This demands careful prioritisation and long-term planning to make every dollar count.

Projected expenditure 2025/26 to 2034/35

We expect to spend approximately **$615 million** on asset management over the next 10 years. Most funding will go toward maintenance and renewal to replace ageing infrastructure and maintain current service levels.

Total projected 10-year investment ($ million)

	Maintenance	Renewal	New	Upgrade	Expansion	Total
Buildings and surrounds	$64.4	$83.6	$5.4	$11.6	$2.5	**$167.6**
Open space assets	$146.0	$49.3	$11.8	$21.9	$0.4	**$229.4**
Roads and related assets	$39.4	$118.1	$2.6	$14.3	$4.9	**$179.3**
Stormwater drainage assets	$14.0	$10.9	$1.0	$13.7	$0.0	**$38.7**
Total	**$263.8**	**$261.0**	**$20.8**	**$61.6**	**$7.7**	**$614.9**

DRAFT

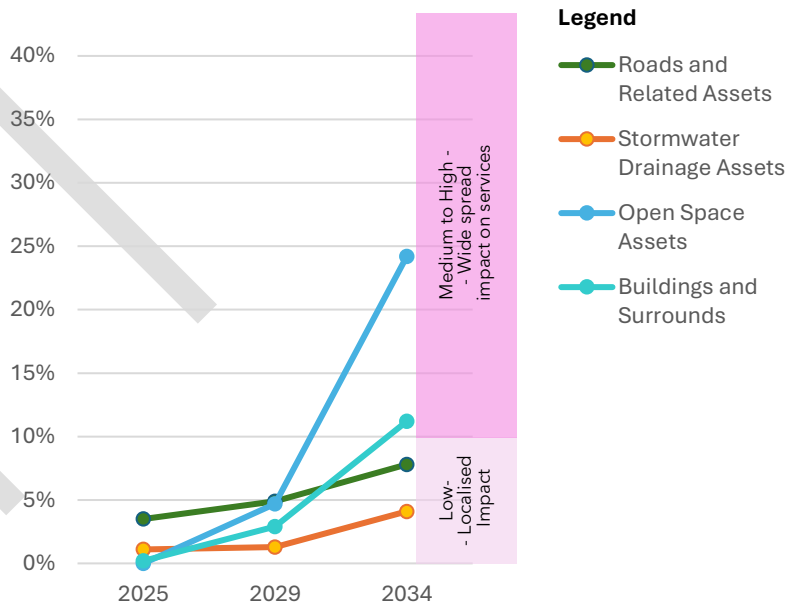
What impact will this have?

We use predictive asset deterioration modelling to estimate how our asset conditions may change over time, under various funding scenarios. This model is limited by our assumptions regarding asset age and deterioration rates. In some areas, our condition data is also limited. Given these limitations, the short-term condition predictions (1-5 years) are more reliable than the longer term. It's also more reliable for long-life assets (e.g. roads) than for shorter-life assets (e.g. seats, bollards).

Our current model predicts that, without an uplift in our capacity to invest more in asset renewal or rationalise assets in the latter years of the plan, we could expect to see a decline in the condition of our assets over the next ten years.

In the short term, the decline is relatively minor and unlikely to noticeably affect community services. However, the longer-term outlook is more concerning for some asset groups. By 2034-35, around 24% of our open space assets and 11% of our buildings and surrounds are predicted to be in poor or very poor condition. These percentages are based on total estimated renewal cost of each asset group, not the number of individual assets[1].

If left unaddressed, the impacts would become noticeable. The community may experience more frequent service disruptions, asset closures, or reduced amenity. Focusing our limited funding on maintaining existing assets also means we're investing less in new assets, upgrades or expansions. Over time, this may limit our ability to meet the needs of a growing and changing community.



Note: These results are based on the best data currently available, but there are known limitations, so the findings should be seen as indicative rather than precise. Data confidence is *High* for Roads and Related Assets, *Moderate* for Buildings and Surrounds, and *Low* for Open Space Assets and Stormwater Drainage Assets. Condition audits are underway to improve data quality.

Our focus for the next four years

The next four years are critical. There are actions we can take now to prevent the rate of decline currently modelled in the longer-term. It's our opportunity to lay the groundwork for smarter, more efficient management of our assets in the decades to come. To do this, we'll focus on:

» Collecting better asset data, reviewing our asset deterioration assumptions and updating our predictive model

[1] This is consistent with standard industry practice when consolidating the condition of different types of assets.

DRAFT

» Improving efficiencies and streamlining processes to ensure critical assets are identified and prioritised.

» Engaging with the community to understand service demand and define more nuanced affordable service level targets that consider more factors than asset condition.

» Exploring options to increase our financial capacity

Investment options will be assessed annually through a structured budget development process. Projects and programs will be evaluated based on factors like community value, risk, lifecycle costs, asset condition, and alignment with strategic objectives – balancing short- and long-term costs and benefits. Plans will be updated as new data, funding, and community feedback become available.

DRAFT

Introduction

Why asset planning is important

Council assets help make Stonnington a great place to live. They connect us, keep us safe, and support our daily lives.

- **Buildings**, like libraries and community centres, house services for people of all ages.
- **Open space** assets provide places to play, exercise and enjoy nature.
- **Roads**, pathways and carparks help us get where we need to go.
- **Stormwater drainage** assets manage rainwater to protect against flooding and to safeguard our waterways.

The quality of our assets, and the way we manage them, affects the liveability of our suburbs and the overall look and feel of our city.

Over the next ten years, we will invest millions of dollars to maintain, renew and improve our assets. To do this wisely, we need an affordable and sustainable plan – one that reflects community priorities and acknowledges the practical and financial constraints we face.



About this Plan

This Asset Plan sets out how we will manage our infrastructure assets over the next decade. It complies with the Local Government Act 2020 (section 92), was developed through deliberative engagement with our community, and supports the Community Vision 2040 and Council Plan 2025-29.

This Plan:

- Covers ten financial years from 2025-26 to 2034-39.
- Provides a snapshot of the current value and condition of our asset portfolio.
- Reflects community aspirations and priorities.
- Highlights the challenges we face.
- Outlines how we will manage assets through each stage of their lifecycle.
- Projects our investment and its predicted impact on asset condition over the next ten years.

Together with the Council Plan and Financial Plan, this Asset Plan will guide future budgets and support informed conversations with our community about where to invest, what service levels to provide, and how to balance competing needs.






DRAFT

Scope of this Plan

This Plan applies to fixed infrastructure assets under Council control, across four major categories:

Roads and related assets



Connect people to places.

- Roads (including surface, pavement, kerbing, roundabouts and traffic calming devices)
- Pathways (footpaths, cycleways and shared paths)
- Laneways
- Bridges (road and pedestrian structures)
- Off-street, at-grade carparks

Stormwater drainage assets



Protect people and property from floodwater and help keep waterways clean.

- Flood mitigation assets (drainage pits and pipes)
- Water quality treatment assets (such as rain gardens, wetlands and pollutant traps)

Open space assets



Support outdoor sport, recreation, and social connection.

- Outdoor sports infrastructure (including sports playing surfaces/ovals and associated lighting and irrigation systems)
- Park assets (including garden beds, lawns, irrigation systems, public lighting, water features, bollards, signage, minor structures and other park furniture)
- Playgrounds and fitness stations
- Public art (including sculptures and murals)
- Streetscape assets (including garden beds and furniture in streets and urban spaces/public squares)
- Trees

Buildings and surrounds



Provide spaces for health, wellbeing, learning and community participation.

- Aquatic facilities*
- Civic/administration *and operations buildings
- Commercial buildings*
- Community centres
- Creative arts and cultural facilities*
- Early years facilities
- Libraries
- Multi-deck car parks
- Public toilets
- Sports facilities and recreation centres

Note:

* includes heritage buildings

This Plan **does not cover** Council land or moveable assets such as library books, vehicles, plant and equipment.

It also excludes infrastructure controlled by others, such as:

- Traffic lights
- Freeways and arterial roads
- Driveways providing access to properties not owned by Council.
- Water and gas infrastructure (pits, trenches, pipes, valves and fittings)
- Telecommunications infrastructure (towers, overhead/underground cables, pits, trenches)
- Energy infrastructure (power poles, electricity cables, pits, trenches, standard street lighting)
- Tram, train and bus infrastructure (shelters, poles, signage, overhead/underground cables, tracks and abutting road surfaces, crossings, shelters, concrete surrounds)
- Melbourne waterways, including the Yarra River and Gardiners Creek

Council advocates on behalf of the community regarding the management of these assets but does not control them.

DRAFT

Strategic alignment

Our Strategic Asset Management Framework

We've developed a Strategic Asset Management Framework to guide and improve asset management practices. It shows how our Asset Plan is shaped by the Strategic Asset Management Policy and how it aligns closely with the Financial Plan to support long-term, sustainable investment in Council assets.

The level of funding in both plans reflects current knowledge of asset condition, risk, and service level targets. Development of both plans is iterative and recognises the need to balance service delivery needs with the responsibilities of managing a large, complex asset portfolio.

Operational policies and plans are also developed to support good practice. Asset condition audits and Portfolio Asset Management Plans (AMPs) will inform future updates to this Plan. Each AMP will:

» Define affordable service level targets with the community.

» Use predictive modelling to estimate future funding needs.

» Identify opportunities for operational efficiencies.

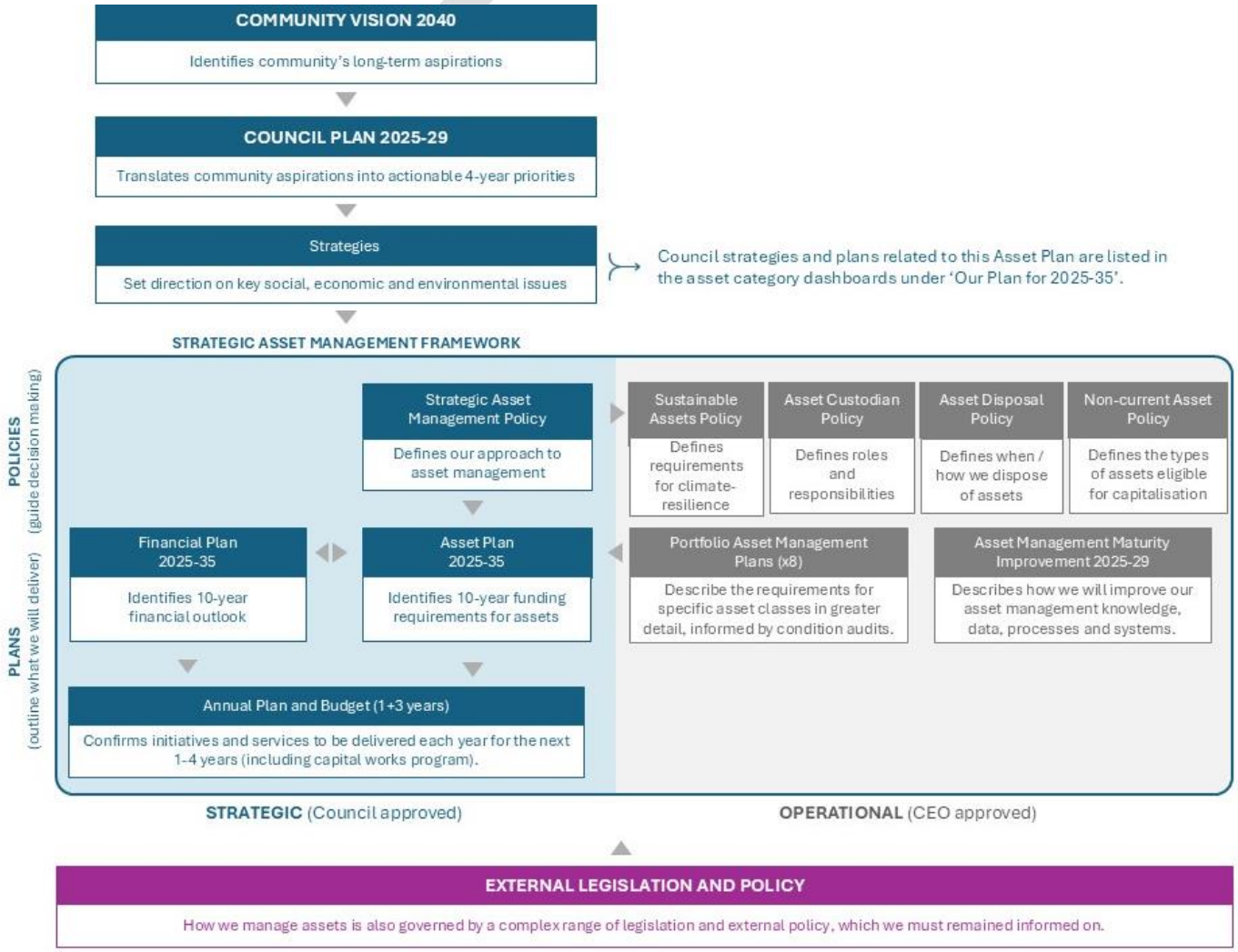


Figure 1 - Strategic Asset Management Framework

Key challenges

Managing our infrastructure assets over the next decade requires considered navigation of four interconnected challenges.



Population growth

Stonnington's population is projected to grow by around 23% between 2025 and 2045, based on current trends and assumptions. In 2024–25, the Victorian Government identified 14 activity centres in Stonnington to accommodate 50,000 new homes by 2051. This growth will place additional pressure on our assets and services. There will be greater demand for community facilities, open spaces, transport infrastructure, and drainage systems.

What this means for our assets

- Increased wear and higher usage across all asset types
- Greater need for adaptable, multipurpose facilities
- Pressure to create new assets while maintaining existing infrastructure.

How we will respond

We are delivering strategic plans such as the Transport Strategy, Sports Infrastructure Plans, Housing Strategy, Neighbourhood Activity Centre Framework, Heritage Strategy and Open Space Strategy to guide future asset provision.



Ageing Assets

We have infrastructure assets approaching the end of their useful life. Some buildings, for example, were constructed before modern standards for universal accessibility, energy and water efficiency were considered. Similarly, older open space assets, roads, and drainage systems no longer meet contemporary expectations for functionality or resilience. As assets age, maintenance becomes more intensive and expensive, and the risk of failure increases, placing strain on available budgets.

What this means for our assets

- Higher maintenance costs to retain minimum service standards.
- Rising risk of asset failure and service disruptions
- Limited capacity to fund both renewal and expansion needs

How we will respond

We will continue to invest in strategic renewal programs, retrofit upgrades into existing assets where possible, and identify opportunities to rationalise underperforming assets, ensuring our infrastructure portfolio remains safe, functional and aligned to community needs.



Climate change

Our infrastructure is already being impacted by climate change. More frequent extreme weather events – including intense rainfall, heatwaves, droughts and strong winds – are accelerating asset deterioration, increasing maintenance demands, and placing greater strain on drainage systems. These impacts are expected to intensify in the years ahead, requiring a shift toward more resilient and adaptive asset designs.

What this means for our assets

- Faster deterioration of surfaces and structural elements
- Increased risk of localised flooding
- Greater need for climate-resilient materials, designs, and management practices

How we will respond

We are embedding climate resilience into asset planning and design, investing in sustainable materials and practices, supporting low-carbon transport, and ensuring that new and renewed assets contribute to climate adaptation, circular economy and biodiversity outcomes.



Financial constraints

We operate in a constrained financial environment, with capped rate revenue, limited access to external funding, and rising construction, material and maintenance costs. Compared to similar councils, Stonnington's lower rates limit the funding available to maintain ageing assets and deliver new infrastructure to meet community expectations.

What this means for our assets

- Increasing pressure to prioritise and sequence asset investments carefully.
- Need to make strategic trade-offs, like adjusting service levels or deferring lower priority projects
- Stronger reliance on grants and partnerships to fund asset improvements.

How we will respond

We will focus on optimising asset performance and lifecycle management, pursue additional external funding sources and partnerships, and explore options such as divestment, service outsourcing or rate cap variations to sustainably fund future infrastructure needs.

DRAFT

Community insights

Our deliberative engagement process

To ensure our Asset Plan reflects community priorities, we undertook a deliberative engagement process with a demographically representative People's Panel – a group of 33 community members selected to broadly reflect Stonnington's population in terms of age, gender, location, and lived experience. The Panel played a key role in shaping Council's core strategic planning documents – the Council Plan, Financial Plan, and Asset Plan.

Deliberative engagement for the Asset Plan included two sessions. The first was an online webinar in February 2025, where panel members were introduced to Council's asset base and asset management approach through a presentation and Q&A session.

This was followed by an in-person workshop in March 2025, where the Panel worked in small groups to allocate 100 points within each of our four asset groups – roads and related assets, stormwater drainage assets, open space assets and buildings and surrounds.

Groups were asked to document the reasons behind their allocations and any trade-offs they considered necessary.

Problem statement posed to the panel

We want to refresh the 2021 Stonnington Community Vision to ensure it continues to reflect the community's aspirations.

As we prepare our Council Plan, Asset Plan and Financial Plan, sustainability remains our focus. We want to ensure that we achieve the best outcomes and deliver value for our community, but we have limited financial resources.

Considering this, how do we meet our community's expectations for services, assets and infrastructure while we collectively address big challenges like population growth, environmental sustainability and the impacts of climate change.

Council's promise to the panel

The panel's guidance will be strongly considered and reflected where possible in the final strategic documents.



What we heard

The People's Panel expressed strong support for investment across all asset groups, emphasising the importance of adapting infrastructure to meet future challenges. The Panel's point allocations, along with key themes that emerged from their discussion, have been included throughout the remainder of this Plan.

Other engagement

In addition to insights from the People's Panel, we drew on a range of other engagement:

- Community requests and feedback received over time
- Results from the annual statewide Local Government Community Satisfaction Survey
- Informal interactions between Council staff and community members during regular asset inspections and maintenance activities
- Formal consultation during the development of various strategies and masterplans

We will continue to engage with the community as we develop more detailed Asset Management Plans for specific asset classes, such as roads, carparks, trees, pathways, bridges and open space. This will help set service level standards and ensure our asset planning continues to align with community needs and expectations.

State of our assets

Asset value

The value of assets under Council control is reported in our Annual Report. Our land portfolio, which includes parks and reserves, is valued at over $2.4 billion. This equates to 76% of our asset base.

The total value of our assets is estimated at $3.45 billion. Roads and related assets account for 14% of that total, while our buildings and surrounds represent 12%.

The way we manage these high-value assets as they age will have a significant impact on Council's long-term financial sustainability and the level of services we can provide.

Note: Assets are revalued each year. The values in this figure are based on the 2023-24 Annual Report. Infrastructure assets were re-valued at current replacement cost at the end of the 2024-25 financial year, taking into account disruption costs and site preparation costs.

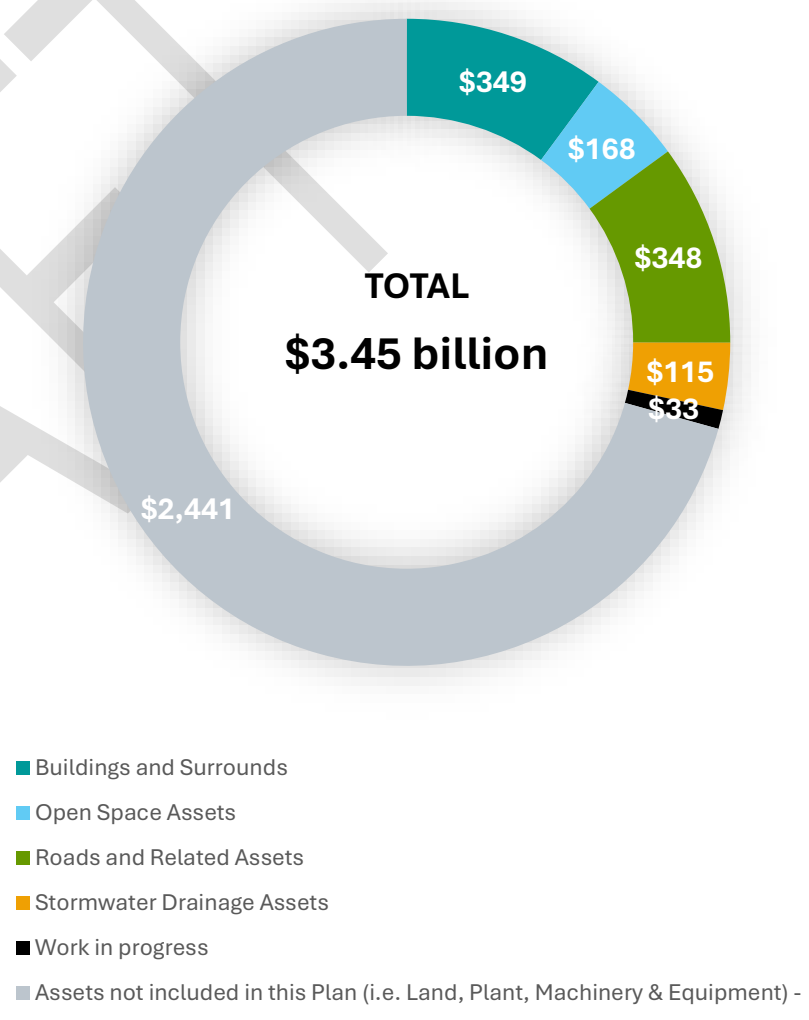


Figure 2 - Value of our assets ($M) – Annual Report 2023-24

DRAFT

Asset condition

The health of our assets is assessed using a five-point rating system. Based on our most recent data (collated in November 2024) the average condition of our portfolio is rated as 'Good.' Figure 3 below represents this data however, some of the assets in poor or very poor condition have since been replaced.

Condition rating	Description
1 – Very good	**As new** Only routine preventative maintenance required.
2 – Good	**Minor superficial defects only** Routine preventative maintenance required, plus minimal reactive maintenance to repair defects.
3 – Fair	**Minor defects and signs of wear and tear** Routine preventative maintenance required, plus some reactive maintenance (or component replacement) to repair localised defects.
▲ Focus on maintenance to keep asset safe and maximise asset life ▲ ---------- CURRENT INTERVENTION LEVEL ---------- ▼ Program asset for renewal, upgrade or disposal depending on service need ▼	
4 – Poor	**Significant wear and tear with some defects affecting functionality** Significant reactive maintenance is required to repair failed components and rectify defects. Assets or asset components should be scheduled for renewal or replacement in the short to medium term.
5 – Very poor	**Near unserviceable** Maintenance is no longer effective at keeping the asset functional for a reasonable time period. Asset replacement or renewal is required. Consider disposal if the asset is no longer needed for service delivery.

Our existing condition data is updated to reflect the results of our rolling program of independent condition audits. Where condition audits have not been completed (i.e. various open space assets and stormwater drainage assets) asset age and predicted useful life is used to estimate current condition.

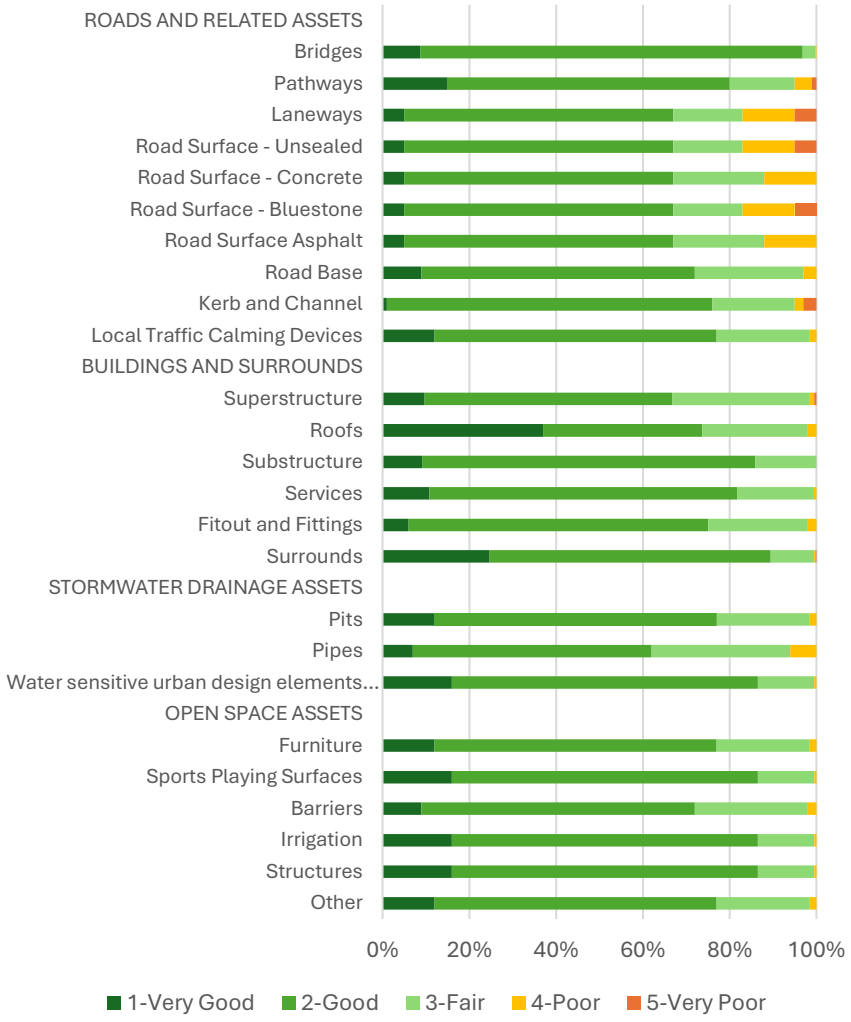


Figure 3 - Condition as % of estimated replacement cost - November 2024

Current intervention level

An intervention level is a decision point at which we assess how best to intervene to manage the asset's remaining life – whether to carry on maintaining it, or to renew it, upgrade it, or dispose of it, depending on specific impacts of the condition and ongoing service needs.

At the moment, we use a standard intervention level of 4 (Poor) for all asset types, because we don't yet have detailed data on what the community considers an acceptable standard. This means that when an asset reaches a 'Poor' condition rating, we flag it for potential renewal.

However, this doesn't mean we wait until every asset reaches this point to act. For example, with roads, it's often smarter and more cost-effective to intervene early and resurface the road to prevent moisture from causing further deterioration.

It also doesn't mean we automatically renew assets as soon as they hit this condition. Some can continue to perform adequately for a few years after being rated as Poor or even Very Poor however may require more maintenance to ensure minimal impact on services until it is renewed.

In practice, intervention levels help us take a balanced and efficient approach – renewing or upgrading assets when it makes the most sense based on condition, cost, risk, and community need.

Future improvements

Currently, condition is our primary measure of asset performance. Condition reflects the overall health of our portfolio and helps predict how long assets will remain functional, but it doesn't always tell the full picture. We're working to broaden our understanding of asset performance by:

- Improving the accuracy and completeness of our asset data sets
- Engaging with the community to define service level targets that balance affordability and community expectations regarding each asset type, as well as the various components that make up each asset.
- Incorporating additional performance measures such as utilisation, functionality, accessibility, environmental sustainability and service satisfaction.





IMAGES TO BE UPDATED

DRAFT

How we manage our assets

Asset management principles

We work hard to ensure all assets under our control are retained in a condition that is safe, compliant with relevant regulations, and fit for use. We are also required to take a long-term view to enable reliable delivery of services for the benefit of current and future generations.

The following ten principles from our Strategic Asset Management Policy define our approach to asset management.

1. **Governance and accountability -** Clear governance processes and accountability mechanisms will foster transparent, efficient and sustainable asset management.
2. **Strategic integration -** Asset planning will be integrated into Council's long-term financial and strategic planning.
3. **Maximise public value -** Council will aim to optimise the provision of agreed service levels and maximise community benefit at the lowest life cycle cost, lowest environmental impact, highest climate resilience, and lowest risk profile.
4. **Data driven decisions -** Asset-related data will be accurate, up to date, "fit for purpose" and reliable to support informed planning, budgeting and other asset-related decision- making.
5. **Whole-of-life perspective -** All asset decisions will consider the costs and benefits at each stage of the asset life cycle to maintain financial and environmental sustainability.
6. **Community focussed -** Asset planning and management will consider community needs and expectations.
7. **Climate resilient -** Council assets will be managed to ensure sustainability and resilience to environmental challenges.
8. **Risk averse -** Council will apply a risk management approach to ensure assets are compliant, safe and well-managed.
9. **Innovation and technology enabled -** Council will leverage innovative technologies to enhance asset management practices and outcomes.
10. **Continuous improvement -** Council will enhance its asset management maturity so decisionmakers have the necessary information, skills and tools to deliver efficient, cost-effective and sustainable assets that meet community needs.

Key decision points:

» When an unmet community service need arises, Council must decide whether to create a new asset or to upgrade or expand an existing asset.

» When an existing asset has deteriorated and can no longer be cost-effectively maintained in a safe and compliant condition, Council must decide whether to dispose, renew or upgrade it.

DRAFT

Asset lifecycle management

We take a whole-of-life approach to asset planning, recognising that decisions made at each stage of the asset lifecycle affect costs, risks, and service performance. This includes continuously improving our asset data and predictive modelling capabilities, linking infrastructure decisions to service delivery outcomes, and considering sustainability and climate impacts in the way assets are designed, maintained and renewed.

Investment in maintenance and renewal works is considered 'non-discretionary.' It relates to the management of our existing asset stock to address safety risks and compliance issues. This work enables current service levels to be retained and is therefore prioritised ahead of all other project types which are considered 'discretionary' as they relate to changing Council's asset stock or service level standards to meet growing or changing community needs.

ASSET CREATION	MAINTENANCE	RENEWAL
Acquisition or development of new assets. It involves stakeholder consultation, planning, design, procurement, construction.	Inspection and repair of defects, as well as servicing, cleaning and other preventative care of existing assets.	Replacement or refurbishment of assets with a modern-day equivalent. It involves planning, design, procurement, construction.
When and why do we do it? To meet growth, changes in service demand, or to address gaps in current infrastructure provision.	**When and why do we do it?** Maintenance begins as soon as an asset is created, so that we keep our assets safe and useable for as long as possible.	**When and why do we do it?** When assets have deteriorated to such an extent that they can no longer be maintained cost-effectively. We renew them to keep them safe and useable for as long as they are needed to support service delivery.
What impact does it have? » Expands the asset base and service provision. » Improves existing service levels. » Increases long-term renewal, operating and maintenance costs	**What impact does it have?** » Maximises asset life. » Retains existing service levels. » Mitigates public safety risks	**What impact does it have?** » Restores asset safety and performance. » Improves existing asset compliance with contemporary standards. » Reduces short-term maintenance needs. » Retains existing service levels
Examples » Stonnington Sports Centre » Dixon Street Pocket Park	**Examples** » Pothole patching » Gutter cleaning » Air-conditioner servicing	**Examples** » Local road resurfacing program » Playground replacement program

UPGRADE	EXPANSION	DECOMMISIONING/ DISPOSAL
Enhancement of existing assets to improve quality or functionality. It involves stakeholder consultation, planning, design, procurement, construction.	Work that increases the size or capacity of existing assets. It involves stakeholder consultation, planning, design, procurement, construction.	Decommissioning, sale, demolition, closure or transfer of asset ownership. It involves stakeholder consultation and may include asset recycling, repurposing or disposal to landfill.
When or why do we do it? To meet changes in community needs by providing an asset that better meets their needs.	**When or why do we do it?** To provide a new service, or to offer more of an existing service to a new group of users	**When or why do we do it?** When assets are unsafe, underused, or no longer needed to support service delivery
What impact does it have? » Increases the value of the asset base. » Improves existing service levels to align with contemporary requirements. » Increases long-term operating and maintenance costs	**What impact does it have?** » Increases the size and value of the asset base. » Provides current service levels for more people. » Increases long-term renewal, operating and maintenance costs	**What impact does it have?** » Reduces the size and value of the asset base. » Reduces future renewal and maintenance liabilities. » May provide funds for reinvestment or free up valuable land space
Examples » Harold Holt Aquatic Centres Building Improvements » Toorak South Yarra Library Lift and Entrance Improvements	**Examples** » Monomeath Avenue Drainage Project » Vista Grove Road Conversion to Open Space	**Examples** » Demolition of the Chris Gahan Centre to expand open space after services were relocated. » Removal of unsafe playground equipment

How we plan and prioritise

Managing our large and diverse portfolio of community assets, with limited resources and evolving community needs, requires careful long-term planning about where and how to invest. We can't afford to do everything we would like to, all at once. Every year we make deliberate, often difficult choices about which projects and programs to prioritise.

Striking the right balance between managing our existing assets and funding improvements is a constant challenge. Underfunding renewal and maintenance lead to lower levels of service. Excessive deferral of upgrades results in assets that no longer meet community needs. If we don't do enough preventative maintenance and renewal, we end up having to rely on more expensive reactive repairs when assets fail, if we do too much, we are wasting resources.

Our 10-year Capital Works Program, and asset maintenance practices aim to balance three critical factors:

1. **Risk –** what we need to address to ensure safety, regulatory compliance and resilience.
2. **Community value –** the services people want and need.
3. **Financial sustainability –** what we can afford now and in the future.

Each proposed capital project, and any change to our current maintenance practices, is assessed against a range of factors. We prioritise projects and programs, which reduce public safety risks or address regulatory or compliance issues. Beyond this, we also consider factors like community satisfaction survey results, strategic alignment, community benefit, environmental sustainability, lifecycle cost impact, asset condition, funding availability, and readiness for delivery. This evaluation process ensures that funding is directed where it will have the most impact and deliver the greatest value to our community.

DRAFT

Our plan for the next 10 years

Projected expenditure

Over the 10-year period from 2025-26 to 2034-35, Council intends to invest approximately **$615 million** on the four asset groups included in this plan.

Our funding outlook is based on the best available data and planning insights at the time of publication. As we improve our asset information and planning systems, we will continue to refine our forecasts and ensure investment decisions remain transparent, evidence-based and responsive to change.

What we have prioritised

Most funding will be directed toward maintaining and renewing existing assets to keep our services safe and reliable for as long as possible. Renewing assets as they near the end of their life allows us to incorporate improvements while avoiding more costly and disruptive urgent repairs when assets fail.

When looking at how the funding is allocated across the asset groups, a relatively low amount is allocated to stormwater assets. This reflects current assumptions about their long lifespan but is under review as part of our Flood Mitigation Strategy, which may recommend increased investment in renewals and upgrades. By contrast, open space assets have been allocated a relatively high level of maintenance funding. This reflects our proactive approach to keeping these spaces looking good. Some of the maintenance funds are used to replace rather than maintain open space assets when it is more cost-effective to do so.

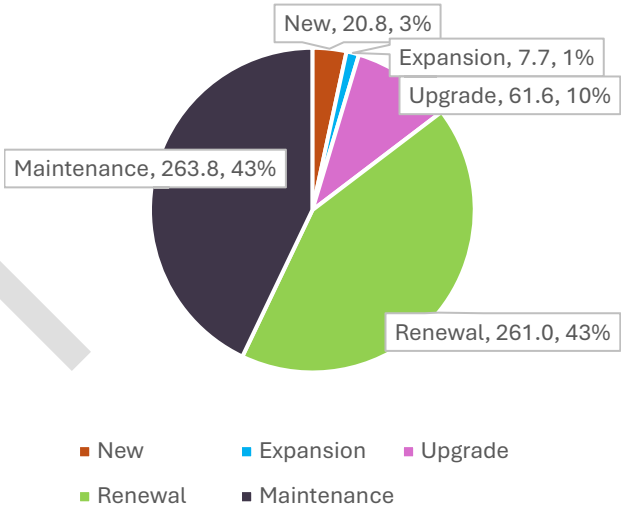


Figure 4 - Total projected expenditure 2025/26 to 2034/35 ($M)

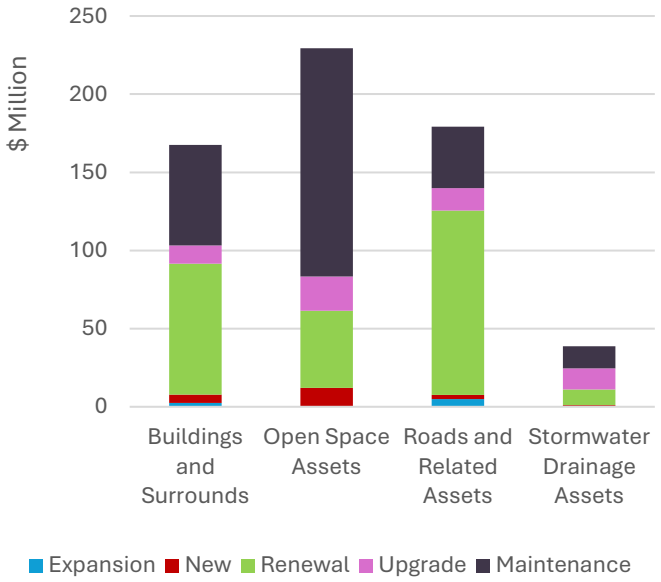


Figure 6 – Total projected expenditure by asset group

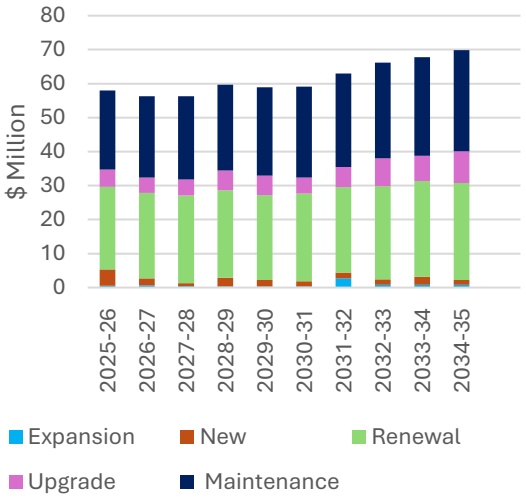


Figure 5 – Annual projected expenditure

GRAPHS TO BE DESIGNED

DRAFT

The likely impact

Our decision to focus on maintenance and renewal, while deferring asset expansion until we have greater financial capacity, comes with some long-term risk. Without additional investment, there is a possibility that future community demand may outpace the capacity of our existing assets.

Using predictive modelling, we have estimated how our asset conditions may change over time under the projected renewal funding levels. This helps us to understand the potential long-term impact of the funding decisions made today.

The accuracy of these forecasts (summarised in Figure 7) depends on the quality of our data and the assumptions we use in the predictive models. Under current funding and current assumptions, the modelling suggests a small decline in overall asset condition over the next four years. This is unlikely to have noticeable impact on community services. However, over the longer-term, more significant deterioration is possible, particularly for open space assets and buildings, without increased investment. If deterioration continues at the projected rate, some assets may become more expensive to maintain, pose greater safety or compliance risks, or fall short of community service expectations.

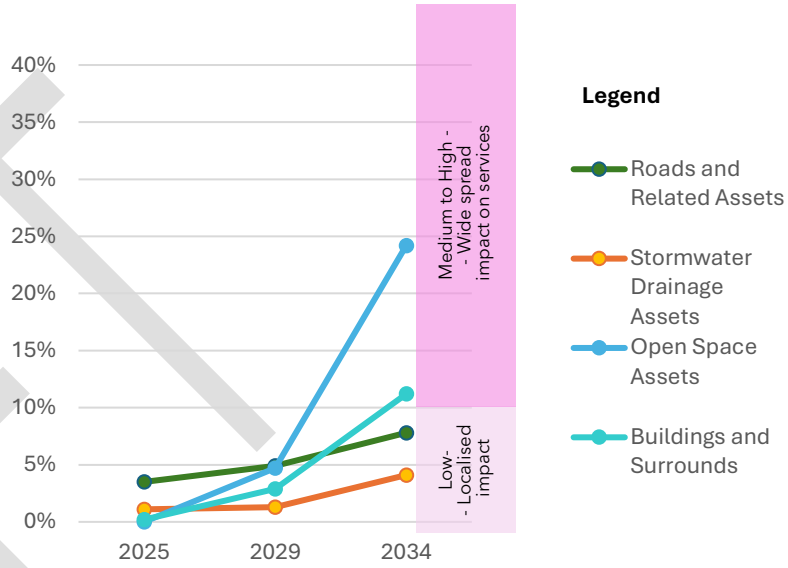


Figure 7 – Predicted Condition

Note: These results are based on the best data currently available, but there are known limitations, so the findings should be seen as indicative rather than precise. Data confidence is *High* for Roads and Related Assets, *Moderate* for Buildings and Surrounds and *Low* for Open Space Assets and Stormwater Drainage Assets. Condition audits are underway improve our data.

What we will do about it

The next four years are our opportunity to act early, so we can continue to maintain a fit-for-purpose asset portfolio into the future.

We'll focus on:

- Improving efficiencies and streamlining processes to ensure critical assets are identified and prioritised.
- Developing portfolio level asset management plans that include more reliable asset condition data and predictive asset deterioration modelling.
- Engaging with the community to better understand current and future service needs and to define more nuanced service level targets that balance community expectation and affordability.
- Exploring options to divest underused or underperforming assets and to expand our financial capacity

DRAFT

Our plan for each asset group

The following sections provide a summary of our plans and the predicted impact on each of the four asset groups.

Some information to help read the summaries

Included assets	A list of the assets that have been categorised as part of the asset group.
Estimated renewal cost	The approximate amount of money we would need to spend to replace all the included assets with equivalent assets. This amount is used in our predictive asset deterioration model.
Average condition	The overall health of the group of assets, calculated using the estimated renewal cost of each asset as a fraction of the group. Condition is rated on a five-point scale: Very Good, Good, Fair, Poor and Very Poor (See **page 15** for definitions).
Data confidence	A rating of the quality and reliability of our existing data for this asset group, which effects how much confidence we place on the predictive modelling results. - Low: Data is incomplete, outdated or based on untested assumptions. - Moderate: Some data gaps exist, or accuracy is uncertain. - High: Data is reliable, accurate and current with only minor gaps.
Community Insights from People's Panel Deliberations	Highlights how the People's Panel allocated 100 points across the asset types in the group, and the reasons they gave for their priorities. See **page 10** for detail on this engagement process.
Projected expenditure	Shows how planned funding (as per current Financial Plan) will be distributed: - Graph 1: Distribution across the asset lifecycle stages (New asset creation, Maintenance, Renewal, Expansion, and Upgrade). - Graph 2: Distribution across the different types of assets with the asset group.
Predicted asset performance	Summarises the results of our predictive asset deterioration modelling. This is a high-level estimate of how our asset condition may change over time under the projected level of renewal funding. While these forecasts are only as accurate as the underlying data and assumptions, they help guide long-term planning by indicating where we may be over- or under-investing, and highlights where action may be required to avoid undesirable long-term outcomes.
Our focus	Highlights some of the funded projects and initiatives that we will be working on to improve the asset performance.
Key strategic plans	Documents that guide how we plan, manage and invest in the included assets.

BUILDINGS AND SURROUNDS






INCLUDED ASSETS

- **Aquatic facilities** [#]| 2 sites |
- **Civic/administration[#] and operations buildings** | 26 buildings |
- **Commercial buildings** [#]| 20 buildings|
- **Community centres** | 8 buildings |
- **Creative arts[#] and cultural facilities** | 6 buildings |
- **Early Years facilities |** 21 buildings |
- **Libraries** | 4 sites |
- **Multi-deck carparks** | 6 sites |
- **Public toilets** | 18 sites |
- **Sports facilities and recreation centres** | 30 sites |

[#] includes heritage buildings- Chapel off Chapel, Malvern Town Hall, Prahran Town Hall, Prahran Market, Harold Holt Swim Centre

ESTIMATED RENEWAL COST	**$798 million**
AVERAGE CONDITION	**GOOD**

DATA CONFIDENCE	**MODERATE**	Our asset data is incomplete and has some inconsistencies because it has been collected by different parties and has not been fully validated or consolidated. The most recent building condition audit was completed in 2025 however, it excluded public toilets and commercial leased buildings.

DRAFT

COMMUNITY INSIGHTS FROM PEOPLE'S PANEL DELIBERATIONS

- Libraries and aquatic centres highly valued for community wellbeing and recreation.

  "Libraries are the heart of a community."

  "[recreation facilities are] more and more important as we get more dense."
- Early years facilities are seen as important despite targeted user base.
- Multi-use facilities (e.g. childcare, sport, recreation, cultural and creative services) were seen as helpful in enhancing community connection
- Lower community interest was expressed in civic, administrative, heritage, cultural facilities
- Investment in commercial buildings was assigned the lowest level of importance

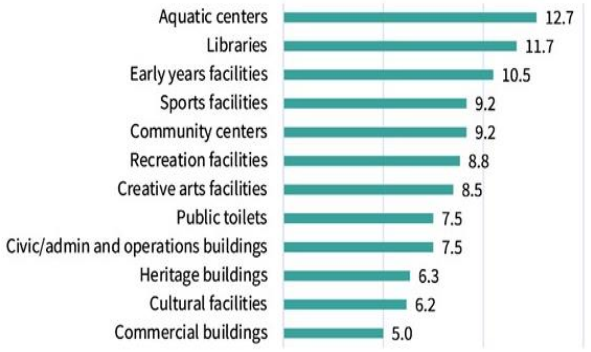


Figure 8 - People's Panel 100-point allocation

PROJECTED EXPENDITURE

Over the next 10 years, we plan to invest almost $168 million to maintain, renew, and improve our buildings and surrounds. Most of this investment will go toward ongoing maintenance and renewal of older facilities that are in poorer condition, such as Prahran Market (a commercial building), as well as civic and administrative buildings that support the delivery of a wide range of community services. While these buildings were not seen as high priorities by the People's Panel, they are essential to Council's ability to operate effectively, support staff, and deliver the services and programs our community values. By contrast, some buildings, such as libraries, were identified by the community as high priorities, but require less investment during this period simply because they are already in relatively good condition.

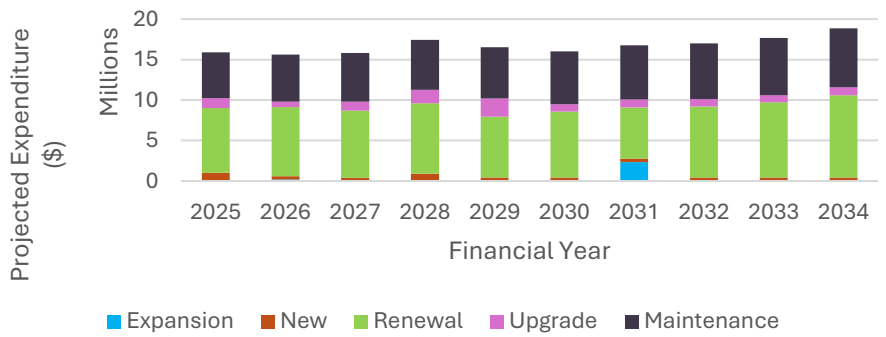


Figure 10 - Buildings and surrounds -10-year funding projection

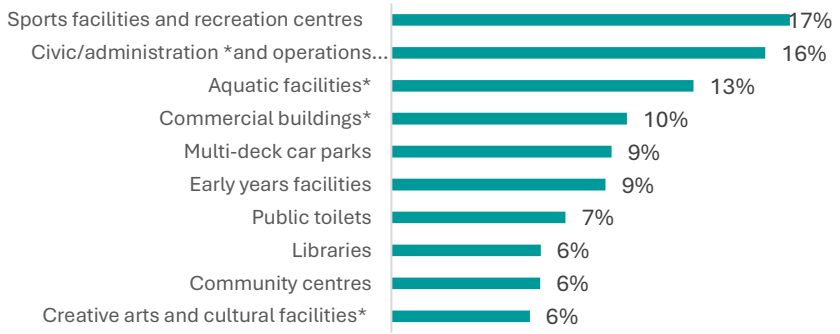


Figure 9 - Buildings and surrounds - Projected funding by asset category

Note: Categories were slightly adjusted for administrative purposes after the People's Panel process

PREDICTED ASSET PERFORMANCE

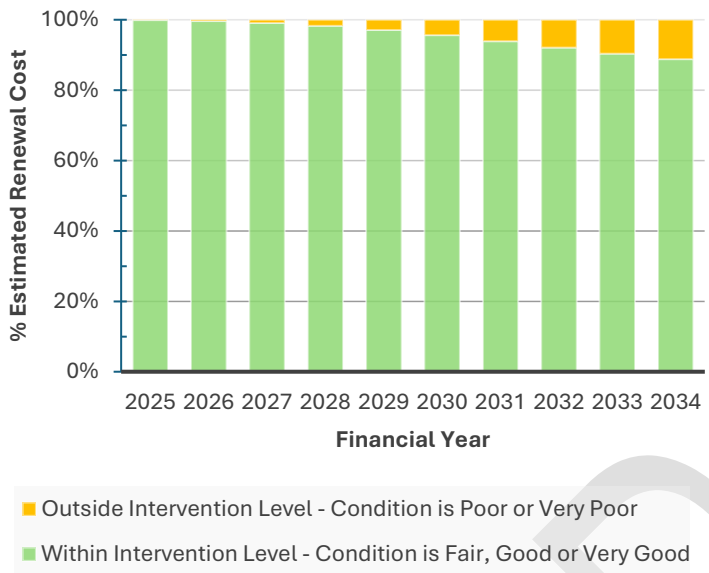


Figure 11 - Buildings and surrounds- Predicted asset condition

What does this mean?

Under projected renewal funding levels, a decline in condition is predicted as our building components age. We currently have 0.2% of the building portfolio value approaching a poor or very poor condition. By 2029 this is predicted to increase to 2.9% and reach 11.2% by 2034.

Short-term impacts are expected to be minimal; however, the longer-term decline could result in higher risk of service disruption due to building component failures.

What will we do about it?

- Engage with the community to better understand which buildings and components they see as most critical and set more nuanced but affordable intervention levels.
- Continually improve our building condition data through regular condition audits
- Strengthen our understanding of current and future demand for different facilities
- Explore alternative funding sources and identify opportunities to repurpose or responsibly divest underused, underperforming buildings

OUR FOCUS

- Progress renewal of the iconic Prahran Market building and transform Prahran Town Hall into a community destination.
- Support sustainable, climate-resilient, and net-zero operations.
- Incorporate inclusive amenities where feasible in line with the Fair Access Policy & LGBTIQA+ Action Plan
- Enhance flexibility and adaptability of buildings through minor works to support multiple uses and serve a broader community needs without major redevelopment

KEY STRATEGIC PLANS

- Building Asset Management Plan*
- Environment Strategy*
- Sports Infrastructure Plan*
- Fair Access Policy & LGTIQA+ Action Plan
- Neighbourhood Activity Centres Framework*

*Document under development or review

DRAFT

OPEN SPACE ASSETS





INCLUDED ASSETS		
» **Outdoor sports infrastructure** | including sports playing surfaces and associated lighting, irrigation systems and other sports furniture at 21 sites | » **Park and public space assets**| including garden beds, lawns, irrigation systems, public lighting, water features, bollards, signage, minor structures and other park furniture at 186 sites | » **Playgrounds/fitness stations** | 83 playgrounds, 23 fitness stations | » **Public art** | 35 works including sculptures and murals | » **Streetscape and urban space assets** | including garden beds and furniture located in 256 km of streetscape and 8 urban spaces/public squares | » **Trees** | over 75,000 |	**ESTIMATED RENEWAL COST**	**$169 million**
	AVERAGE CONDITION	**GOOD**
DATA CONFIDENCE	**LOW**	Our maintenance crews have a good working knowledge of the current condition of our open space assets as they are inspected when they are maintained on a regular cycle. However, our existing asset inventory and condition data needs to be improved. A comprehensive condition audit is underway to strengthen our data.

DRAFT

COMMUNITY INSIGHTS FROM PEOPLE'S PANEL DELIBERATIONS

- Trees, particularly native trees, highly valued for environmental and health benefits.
- Playgrounds, fitness stations and outdoor sports infrastructure praised for fostering community and wellbeing.
- Increased importance of open space assets noted in the context of increased housing density.
- Streetscape furniture was noted as important for the youngest and oldest residents.

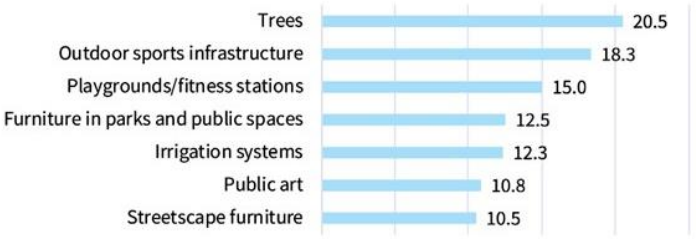


Figure 12 - People's Panel 100-point allocation

PROJECTED EXPENDITURE

Over the next 10 years, we plan to invest just under $230 million to maintain, renew, and improve our open space assets. This does not include investment in land acquisition for the creation of new parks. The majority of funding will be spent on maintaining our existing assets in parks and public spaces, including green assets such as lawns and garden beds, trees and our outdoor sports infrastructure including the Malvern Valley Golf Course. The high level of maintenance expenditure occurs because open space assets require constant upkeep to keep the spaces usable, safe and attractive. Proactive maintenance ensures small issues can be addressed and low-cost items, like seats, can be replaced using the maintenance budget.

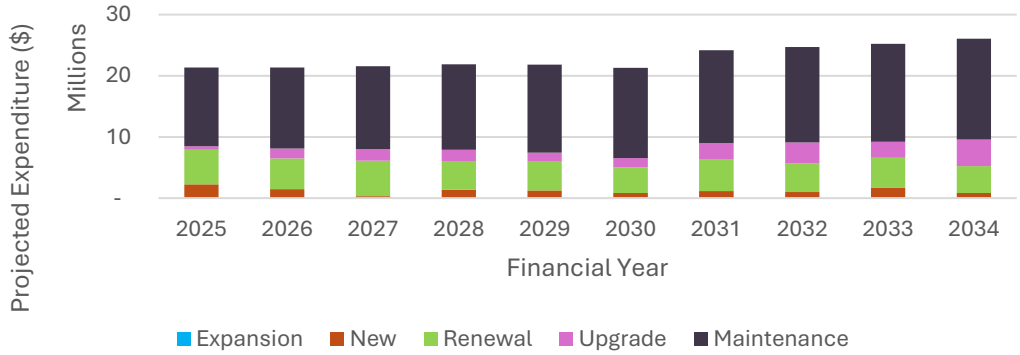


Figure 14 - Open space assets - 10-year funding projection
Note: This expenditure forecast will be updated to reflect the results of the condition audit due to be completed in 2026

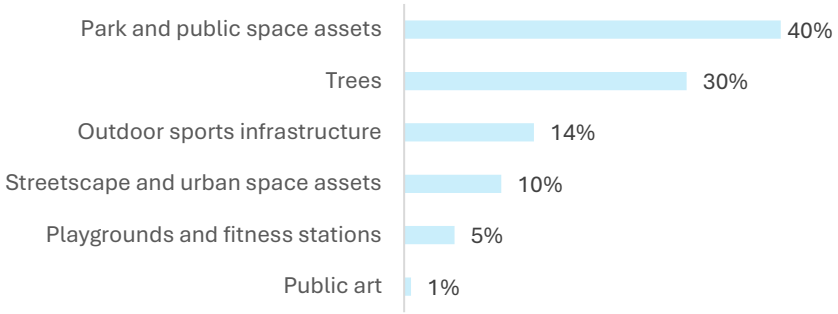


Figure 13 - Projected funding by asset category
Note: Categories were slightly adjusted for administrative purposes after the People's Panel process.

PREDICTED ASSET PERFORMANCE

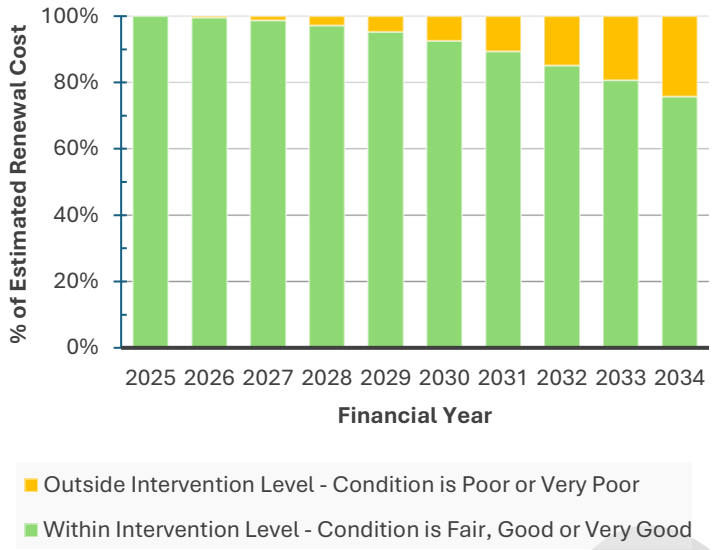


Figure 15 - Open space assets - Predicted condition

Note: This excludes public art, trees and other green assets

What does this mean?

Under projected renewal funding levels, a decline in condition is predicted. We currently have no open space assets in a poor or very poor condition. By 2029 this is predicted to increase to 4.7% and reach 24.2% by 2034.

The predicted deterioration is unlikely to be noticeable in the short-term however, the longer-term projection raises concerns. Declining conditions in parks and sports fields would reduce their appeal.

What will we do about it?

- Conduct more thorough audits to improve the quality of our condition data
- Engage with the community to understand how our open spaces are used and valued
- Define functional standards for different types of open space, clarifying what features are essential at each type of site
- Develop more targeted and affordable intervention levels for maintenance and renewal, based on asset criticality and community expectations

OUR FOCUS FOR THE NEXT FOUR YEARS

- Improve the amenity of open space along the Gardiners Creek trail
- Deliver programs and facilities that promote active recreation
- Enhance urban greening and protect natural habitats.
- Transition to climate-resilient, native trees and vegetation.
- Deliver the integration of Grattan Gardens and Izzet Street Pocket Park
- Construct Talbot Habitat Park with raingardens, habitat planting, fitness equipment, and improved paths
- Improve public lighting and sheltered seating.

KEY STRATEGIC PLANS

- Open Space Asset Management Plan*
- Sports Infrastructure Plan*
- Open Space Strategy*
- Environment Strategy*
- Biodiversity Plan*
- Active Transport Plan*
- Public Lighting Guidelines*

*Document under development or review

DRAFT

ROADS AND RELATED ASSETS






INCLUDED ASSETS		
» **Roads** | 256km road surfaces and road bases, 547km kerb and channel, 931 roundabouts / traffic calming devices|	**ESTIMATED RENEWAL COST**	**$551 million**
» **Pathways** | 546km footpaths, 38,738 sqm shared cycle paths |	**AVERAGE CONDITION**	**GOOD**
» **Laneways |** 237,624 square metres |		
» **Bridges** | 27 |		
» **Off-street at grade carparks** | 84 |		
DATA CONFIDENCE	**HIGH**	Independent condition audits occur every four years. Regular defect inspections are also undertaken in accordance with our Road Management Plan this ensures we have a good quality data and a good understanding of how our roads and related assets are performing.

DRAFT

COMMUNITY INSIGHTS FROM PEOPLE'S PANEL DELIBERATIONS

- Roads received the highest allocation of points, reflecting their daily importance and noting high current Council investment.
- Pathways were also considered important and recognised for their role in promoting health, connection, and environmental benefits.
- Laneways were acknowledged as important local assets.
- Views on carparks were mixed – some valued their potential economic return, others were opposed.

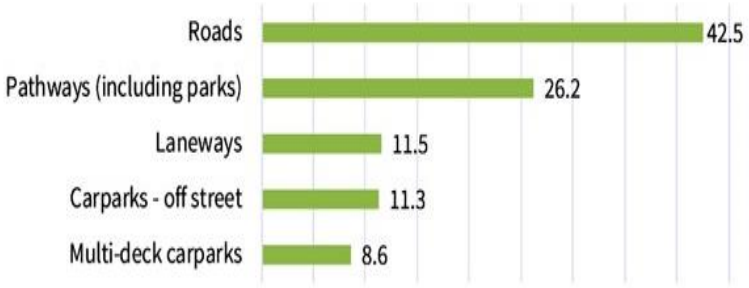


Figure 16 - People's Panel 100-point allocation

PROJECTED EXPENDITURE

Over the next 10 years, we plan to invest almost $180 million to maintain, renew, and improve our roads and related assets.

Most funding will be allocated to the renewal of roads and pathways to keep pace with the natural rate of deterioration. This reflects the priorities of the Panel and responds to concerns regarding the condition of our footpaths noted in the latest Annual Local Government Customer Satisfaction Survey. Investment in asset improvements will be limited and focused on meeting community safety, connectivity, accessibility and amenity expectations.

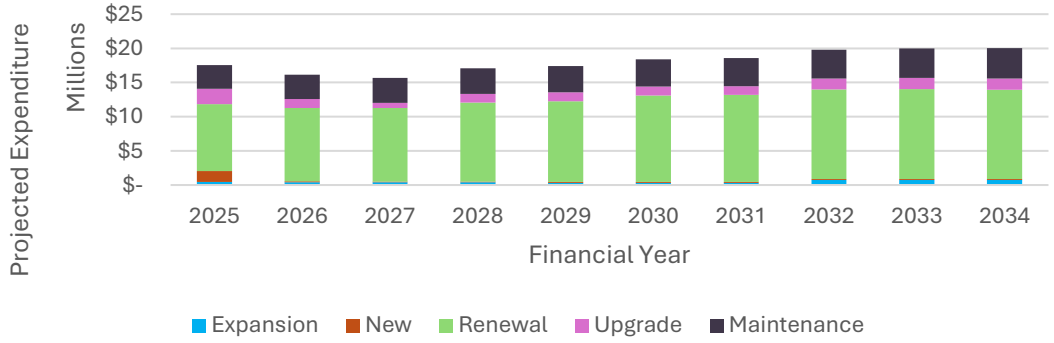


Figure 17 - Roads and related assets 10-year funding projection

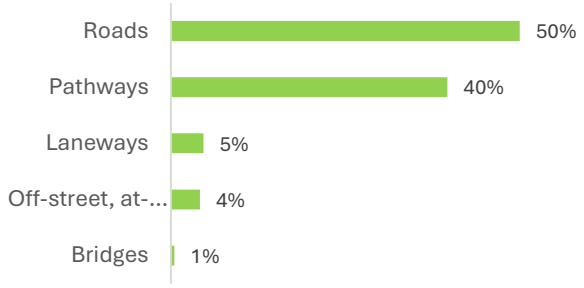


Figure 18 - Funding distribution by asset category
Note: Categories were slightly adjusted for administrative purposes after the People's Panel process.

PREDICTED ASSET PERFORMANCE

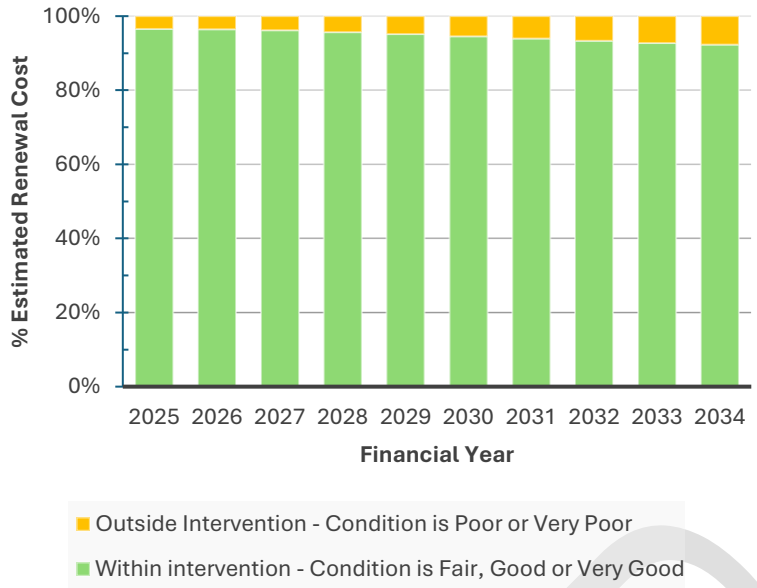


Figure 19 - Roads and related assets - Predicted condition

What does this mean?

Under projected renewal funding levels, a slight decline in condition is predicted. Over the next decade less than 10% of the value of our roads and related assets is predicted to be in poor or very poor condition. We currently have 3.5% of the value of the roads and related assets portfolio in poor or very poor condition. By 2029 this is predicted to increase slightly to 4.9% and to reach 7.8% by 2034.

While some community members may experience reduced comfort, such as rougher road and footpath surfaces, public safety risks will continue to be actively mitigated through our ongoing maintenance program.

What will we do about it?

- Continue to monitor asset condition and repair defects in accordance with our Road Management Plan.
- Maintain the forecast level of renewal funding.
- Refine our intervention levels to better consider community expectations regarding aesthetics, accessibility and other performance measures for the various types of roads and related assets.

OUR FOCUS FOR THE NEXT FOUR YEARS

- Renew footpaths to mitigate risks and replace patched areas to improve aesthetics where possible.
- Continue the road resurfacing program to prevent deterioration of the underlying pavement and avoid the need for more expensive road reconstructions.
- Prioritise road safety improvements, especially for vulnerable users.
- Manage parking and road space in line with current and future mobility needs.
- Support active, sustainable travel options.

KEY STRATEGIC PLANS

- Road Management Plan*
- Transport Strategy*
- Parking Action Plan*
- Active Transport Plan*
- Road Safety Plan*
- Neighbourhood Activity Centres Framework*
- Road, pathway and carpark Asset Management Plans*

*Document under development or review

DRAFT

STORMWATER DRAINAGE ASSETS





INCLUDED ASSETS		
» **Flood mitigation assets** | 18,654 drainage pits, 387 km drainage pipes | $158 M » **Water quality treatment assets |** 300 Water Sensitive Urban Design (WSUD) devices (e.g. rain gardens, wetlands, gross pollutant traps) | $2 M	**ESTIMATED RENEWAL COST**	**$160 million**
	AVERAGE CONDITION	**GOOD**
DATA CONFIDENCE	**LOW**	Our current understanding of the condition of our stormwater drainage network is limited, largely due to the difficulty and cost of inspecting underground assets. Condition is estimated based on asset age and targeted auditing. To strengthen our understanding and improve the accuracy of our forecasts, a comprehensive condition audit has commenced and is scheduled to be completed by June 2026. New data will be analysed and used to adjust our modelling and investment planning in future updates of this plan.

DRAFT

COMMUNITY INSIGHTS FROM PEOPLE'S PANEL DELIBERATIONS

- Both asset categories and asset functions were considered important
- Concerns related to the need to protect assets and communities from water damage and climate change impacts.
- Financial impacts from flooding (e.g. trading disruptions, repair costs) were acknowledged.
- Water quality protection is valued to minimise pollution and environmental harm



Figure 20 - People's Panel 100-point allocation

PROJECTED EXPENDITURE

Over the next 10 years, we plan to invest almost $39 million to maintain, renew, and improve our stormwater drainage assets.

This expenditure forecast is based on historic expenditure. The higher level of proposed upgrade funding, when compared to the other asset groups, reflects the fact that in the past most drainage issues have required an asset upgrade as they have been initiated from reported flooding issues due to undercapacity pipes.

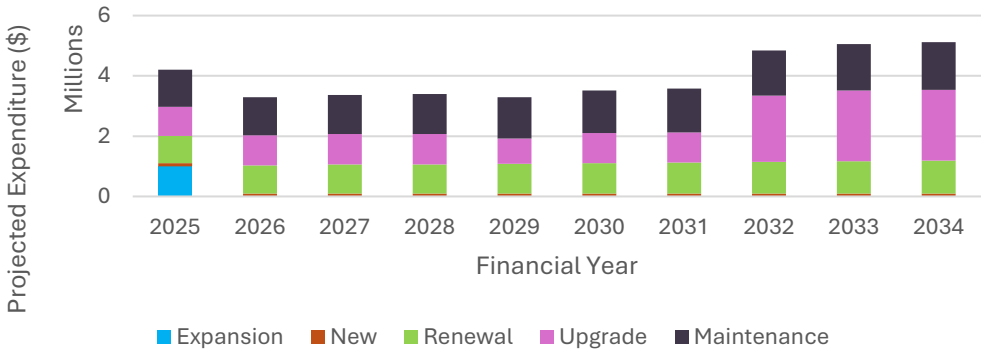


Figure 22 -- Stormwater drainage assets 10-year funding projection

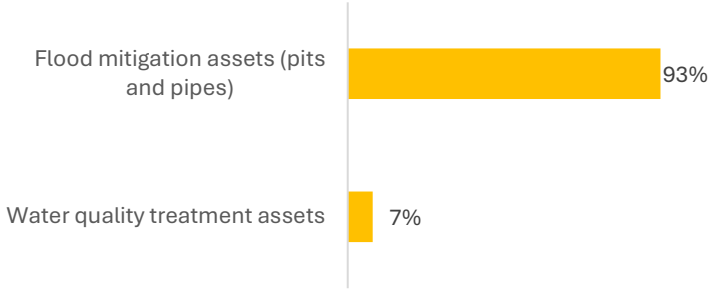


Figure 21 - Projected funding by asset category

Note: This expenditure forecast will be updated to reflect the results of the condition audit due to be completed in 2026.

PREDICTED ASSET PERFORMANCE

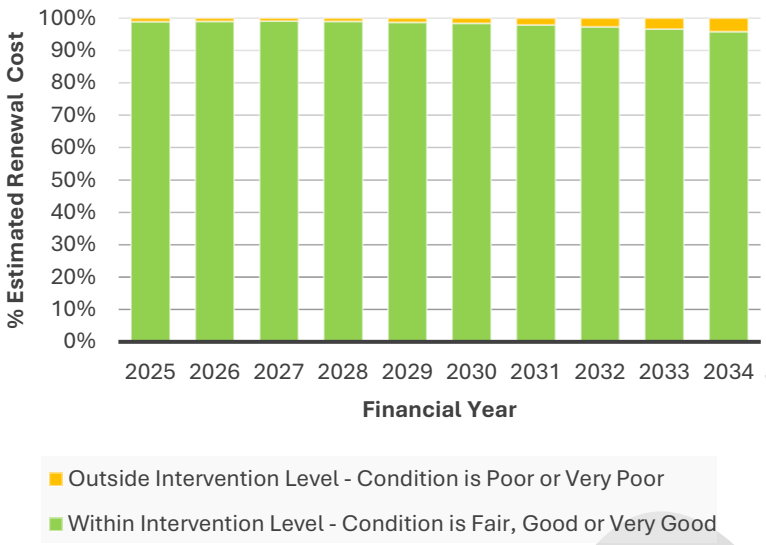


Figure 23 - Predicted stormwater drainage asset condition

Note: This prediction will be updated to reflect the results of the condition audit due to be completed in 2026.

What does this mean?

Over the next ten years, less than 5% of our stormwater drainage asset portfolio is predicted to be in poor or very poor condition. It's important to note however that this prediction is based on extrapolation of very limited set of condition audit results.

Under current assumptions we estimate that 1.1% of the stormwater drainage asset portfolio value is approaching a poor or very poor condition. By 2029 this is predicted to remain stable at 1.3% and to reach 4.1% by 2034.

Given the data limitations there is a risk that there are significant issues we are not aware of, and that new audit data could reveal a different condition profile.

What will we do about it?

» Use new condition and flood modelling data (currently being collected and analysed) to test our assumptions regarding predicted asset life and deterioration rates.

» Develop a program of recommended works to renew and upgrade our assets to minimise flooding risks and the impact of flood waters on our environment.

OUR FOCUS FOR THE NEXT FOUR YEARS

» Reflect on the insights provided by the people's panel and the condition audit when developing our key strategic plans listed here.

» Invest in improving flood resilience through stormwater capacity upgrades that include integrated water solutions.

KEY STRATEGIC PLANS

» Flood Risk Management Strategy*

» Environment Strategy*

» Integrated Water Management Plan*

» Drainage Asset Management Plan*

*Document under development or review

DRAFT

Reshaping our future

What this plan tells us

This plan provides the evidence and direction we need to make better decisions about how we manage and invest in our community assets. Though some of the modelling in this plan is based on limited data, the trends it reveals are clear.

Right now, and in the short to medium-term our assets are performing well. They support all the services our community expects. But current projections show that without increasing our financial capacity and refining the way we prioritise, and manage our asset base, it will not be possible to maintain everything at today's standard over the long term. Unless we can increase our financial capacity or reduce the overall size of our asset portfolio, we will find ourselves having to make increasingly difficult trade-offs – reallocating resources from one area to address growing needs in another.

What we'll do

We have an opportunity to act now to improve the quality of our predictions and to reshape the anticipated trajectory. Over the next four years, we will:

- **Improve our data and modelling**
  We'll continue to strengthen the quality of our condition data, refine how we forecast asset performance, and expand our performance measures to include factors like accessibility, utilisation, environmental impact, and community satisfaction.
- **Assess need and prioritise investment**
  This Asset Plan will work alongside the Council Plan and Financial Plan to guide our annual budget decisions, ensuring that investment is aligned with strategic priorities, community expectations and long-term service needs.
- **Make deliberate decisions about our asset portfolio**
  We'll assess whether we have the right number, quality and type of assets to serve our community now and into the future. This includes exploring opportunities to adjust service level standards, repurpose or divest underused, underperforming assets and reinvest in areas of higher need or community benefit.
- **Develop detailed Portfolio Asset Management Plans to inform the next iteration of this Asset Plan**
  For key asset types, we will develop detailed operational plans that identify critical assets, define service level standards, lifecycle management strategies, and priority investments based on updated condition data and community insights.
- **Strengthen our asset governance and processes**
  We'll embed asset planning more deeply into budget processes and ensure decision-makers have clear, consistent information when weighing service and infrastructure options.

Together, these actions will help us maintain a safe, affordable, and responsive asset network that delivers strong public value and supports our city as it grows and changes.

DRAFT

When we'll review the plan

The data that underpins this plan is continuously updated as we inspect, maintain, renew and improve our assets, and as we engage with the community and review service needs.

Each year, as part of budget planning, we'll review the expenditure forecasts and proposed activities outlined in this plan to ensure they reflect current priorities, asset performance, community expectations, regulatory changes, and financial considerations.

A full review of the Asset Plan will occur every four years, following Council elections, as required under the Local Government Act 2020. Future versions will incorporate improved data, refined assumptions, emerging trends, funding availability, and service demand.

DRAFT