Plant & Fleet Asset Management Plan 2025-2035

PORT MACQUARIE
HASTINGS COUNCIL

Document control

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1. Executive summary

1.1. Overview

This asset management plan (AMP) focuses on the assets that comprise Port Macquarie Hastings Council's Plant and Fleet asset portfolio. It is designed to explain the scope of the assets, the stakeholder needs and address the main performance, risk and investment requirements for these assets over both the short term (2025-26) and the long term, spanning the 10-year period from 2025-26 to 2034-35.

1.2. Purpose of AMP

The purpose of this plan is to detail the asset management planning requirements, particularly with regards to performance, risk and investment, for the asset portfolio summarised below.

1.3. Summary of Scope

This AMP addresses the following asset classes and sub-classes managed by Council:

- Major plant and equipment
- Minor mobile plant
- Trucks
- Council fleet vehicles
- Miscellaneous mobile equipment and light machinery
- Two ferries
- Depots, stores and workshops

The AMP does not cover operational costs, such as fuel usage. It also does not evaluate demand-driven planning data for new assets but does incorporate planned and anticipated new assets identified in works programs into the lifecycle plans.

The Plant and Fleet asset classes operates on a user charge basis, where project budgets for works undertaken on other asset classes are used to fund the Plant reserve via internal hire charges. The hire rates have been developed to notionally offset the costs associated with plant assets, as well as allow purchase of new plant to meet the asset management needs of Council.

The Plant reserve is then used to fund asset acquisition, renewals, maintenance and other lifecycle costs. As such, the costings in this plan reflect the costs of work but do not necessarily reflect a funding gap as the costs are incurred by other asset classes.

1.4. Current State of the Assets

Comprehensive asset condition data is not available in Authority for the fleet and mobile equipment assets. Asset condition data is included in logbooks, service records and workshop and maintenance inspections notes. Asset condition is constantly being assessed and is a key parameter when decisions are made about asset maintenance and renewals, and asset disposal.

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As fleet and plant assets will likely have residual values, the assets are generally replaced on an optimised renewal strategy based on age or usage of the plant. The suggested lives have been used to determine the replacement profile for the AMP, though it is noted the assets will remain in an operable state beyond this time, provided maintenance is undertaken as required. It is also crucial that asset condition data is reviewed and updated to reflect those assets which have met the adopted threshold but are still in service.

1.5. Key Risks and AM Priorities

The following significant asset-management-related risks are highlighted:

- There is a need to implement a fleet management system software to better keep track of assets, maintenance, warranties, insurances and licences.
- An optimised plan developed internally by teams indicates that increased renewal funding is required to address the risk of aging plant, truck and vehicle assets to minimise asset lifecycle costs. Council can examine if and how it can adjust its plant hire fees to cover some of this increased maintenance cost.

1.6. Asset Investment Needs

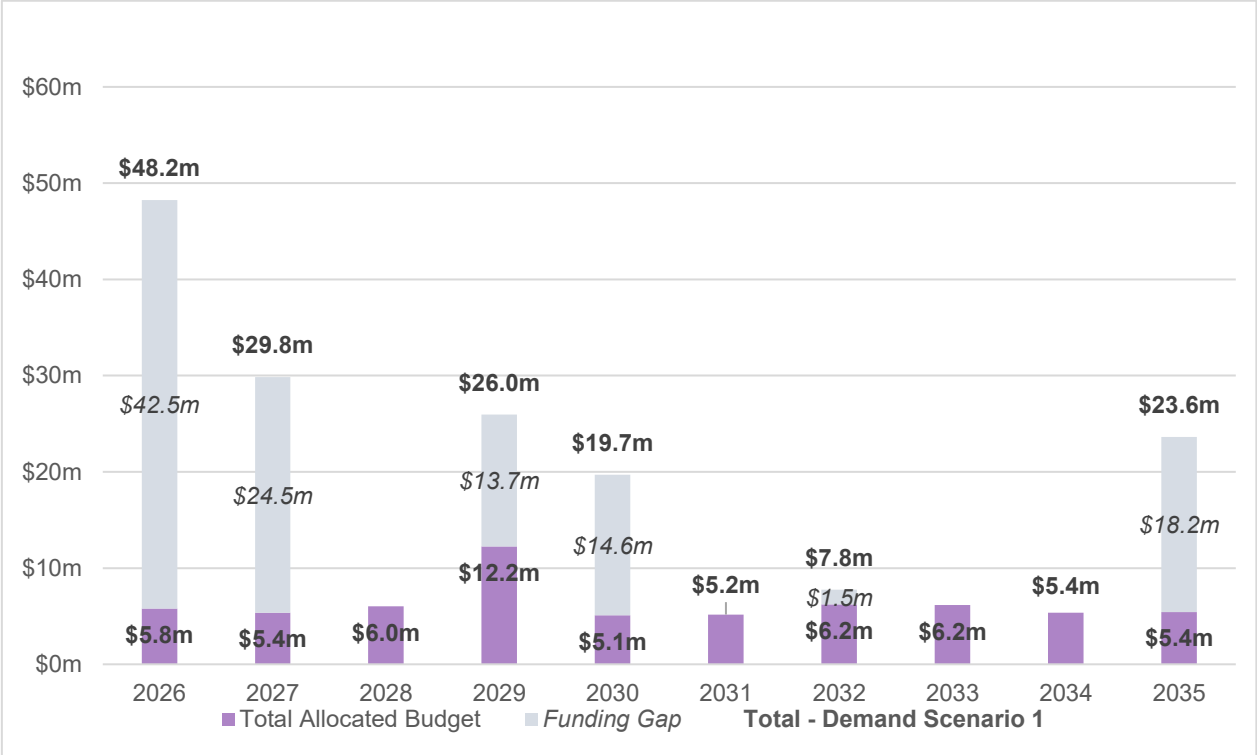
A lifecycle management plan has been developed based on information in the asset register. For 2025-26, under the proposed scenario (1.15% population growth rate) the investment requirements are as follows:

- Asset renewal[1]: $46,532,110
- Asset maintenance: $1,717,878

For the 10-year period from 2025-26 to 2034-35 the investment requirement for the proposed scenario and the allocated budget are shown in the figure below.

Figure 1 – Forecast asset expenditure for the Plant and Fleet portfolio assets

[1] This includes backlog and overdue replacements from the ideal asset changeover strategy though does not reflect the plant is inoperable. This does also not consider residual value (resale and recovery amounts)


$60m
$50m
$40m
$30m
$20m
$10m
$0m
$48.2m
$42.5m
$5.8m
$29.8m
$24.5m
$5.4m
$6.0m
$26.0m
$13.7m
$12.2m
$19.7m
$14.6m
$5.1m
$5.2m
$7.8m
$1.5m
$6.2m
$6.2m
$5.4m
$23.6m
$18.2m
$5.4m
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
Total Allocated Budget
Funding Gap
Total - Demand Scenario 1

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2. Introduction

2.1. Background

This AMP has been developed as part of the Asset Management Improvement Project (AMIP) which commenced in 2023. It reflects the priorities of our current Community Strategic Plan (CSP), *Imagine 2050* and Council's Infrastructure Strategy.

This AMP is structured to be consistent with our new framework outlined in the 2025-2035 Asset Management Strategy (AMS). It is also aligned to the requirements of the international standard ISO 55001, as well as the Integrated Planning and Reporting (IP&R) framework. It is based on best available information, and is designed to be easy to use, minimise duplication with the AM strategy and asset process documentation, minimise the use of technical jargon, and be easily updated in future years.

2.2. Purpose

The purpose of the Asset Management Plan is to achieve the following in relation to the Plant and Fleet asset portfolio:

- Provide an overview of the current state of the assets within the portfolio.
- Confirm the existing asset management arrangements.
- Articulate the expectations for performance and levels of service.
- Identify key risks and asset management priorities.
- Outline short-term (1 year) medium term (4 years) and long-term (10 years) asset investment needs.
- Identify asset management improvement needs for the portfolio.

2.3. Timeframe

The timeframe for this AMP primarily covers 2025-26, the 4-year Delivery Program and the 10-year long term financial forecast from 2025-26 to 2034-35. The 10-year plan timeframe is designed to align with the AM Strategy. This AMP will be reviewed at least every four years in line with Council's Resourcing Strategy and more frequently if significant changes occur in asset conditions, addition or removal of significant assets or infrastructure, service levels or financial circumstances.

2.4. Assumptions

The following assumptions have been made in the development of this plan:

- Financial and asset management data is extracted from Council information systems and is current.
- The capital expenditure for new assets reflects the 10-year Works Program.
- There will be no significant changes in legislation.
- The asset operation and utilisation are calculated from current projected demand scenarios.
- The lifecycle plans have not accounted for asset costs related to significant risks eventuating, such as natural disasters.

If significant changes arise which impact the above assumptions, this plan will need to be revised. More detailed assumptions used in the long-term lifecycle plan are outlined in section 9.

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3. Stakeholders, Alignment and Objectives

3.1. Stakeholders

Internal stakeholders for asset management for this portfolio of assets are summarised below:

- Councillors
- Council Executives
- Director Community Infrastructure
- PMHC Group Manager Infrastructure and Recreation Operations
- Fleet Services Manager
- Asset Management Working Group (AMWG) members
- Asset Management Control Group (AMCG) members
- Fleet Operations team
- Plant and Fleet users
- Finance team

The following external stakeholders are identified:

- The Community and general visitors
- Maintenance and other contractors
- Ferry Operator
- Australian Maritime Safety Authority
- Suppliers
- Council's insurers
- Australian and NSW Government

3.2. Strategic Alignment

This AMP aligns with the asset management planning framework and the document framework, outlined in sections 6 and 7.1 of the AM Strategy, which is a key part of the Council IP&R Resourcing Strategy.

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3.3. Portfolio Asset Management Objectives

The portfolio AM objectives are:

1. Document requirements and ensure full compliance with applicable regulatory, contractual and licence requirements.
2. Plan and optimise whole of life-cycle costs by managing asset risks while providing levels of service to address community needs and expectations.
3. Identify and manage the competency, skills, and training needs for all roles in asset management.
4. Document asset data requirements and capture and maintain all relevant asset data at an appropriate level of detail and accuracy that enables effective decision-making and financial understanding.
5. Support strategic asset planning by analysing and documenting at the portfolio level:
    a. the service and deterioration of assets;
    b. the applicable natural, social, political, technological, economic, and environmental factors and changes;
    c. demand and growth impacts and needs; and
    d. the resourcing needs and gaps over the short, medium, and long-term.

Performance against these objectives will be assessed by the Asset Owners and the AMCG, as part of the Assets Planning and Review Cycle, outlined in section 6.2 of the AM Strategy. Where there are gaps, specific continual improvement action items will be added to this AMP (in section 1010).

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4. Organisation and Services Delivery

4.1. Summary of AM Service Delivery

Fleet maintenance is carried out by both internal staff and external contractors. All vehicles, plant and mobile equipment, are serviced based on the schedules set by their original equipment manufacturers (OEM). Before operation, fleet operators conduct a pre-start checklist, which is used to help identify maintenance needs.

Ferries are operated and refuelled by an Operator contractor. Council staff attends breakdowns and oversees maintenance, including dry-dock servicing undertaken every 4 years. Ferries undergo inspection and certification by the Australian Maritime Safety Authority every 12 months.

4.2. AM Organisation

Management of Plant and Fleet is undertaken within the Community Infrastructure and Recreation Operations. An overview of the key personnel and key supporting functions is summarised in the organisation chart below:

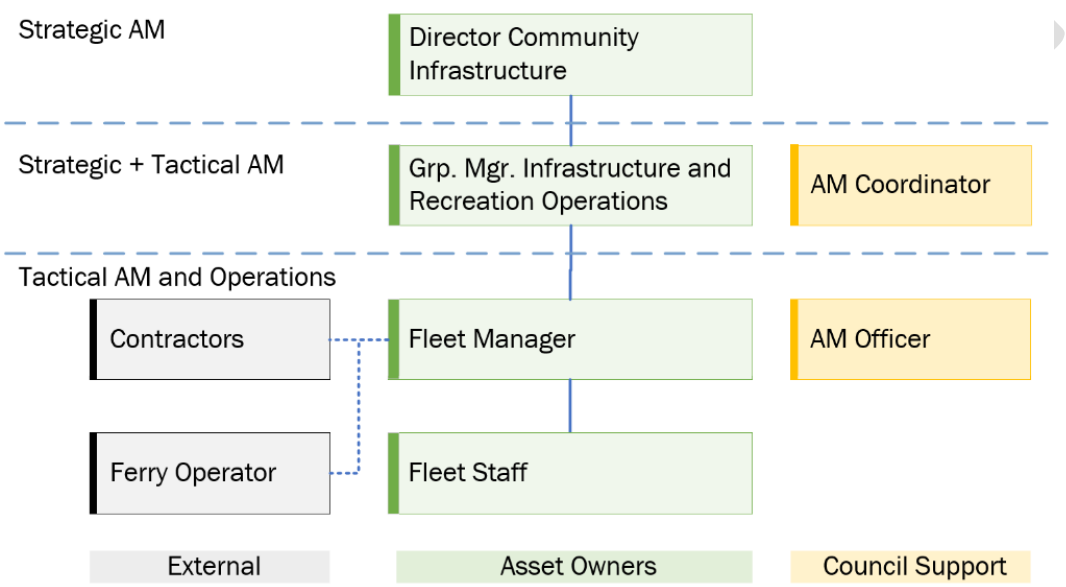

Figure 2 – Organisation chart for Plant and Fleet Assets.

The following key roles and responsibilities apply to the delivery of this AMP:

Role	AM Responsibility
Group Manager, Infrastructure and Recreation Operations	Owns and approves the Plant and Fleet AMP Endorses asset investment needs in AMP Endorses asset risks
Fleet Manager	Keeps the AMP updated Recommends asset investment needs in AMP Reviews and identifies all asset risks Coordinates delivery and QA/QC of FM services Ensures compliance maintenance is delivered Identifies maintenance requirements for AMP Manages the capture and analysis of asset data Provides accurate asset data to support AM planning
Fleet Staff	Delivery and Quality Assurance of FM services Identifies operational asset risks
Asset Management Coordinator	Provides central coordination and planning support to the annual asset planning activities and assists preparation of AMP
Asset Management Officer	Manages the capture and analysis of asset data Provides accurate asset data to support AM planning
Finance Asset System Accountant	Uploads asset data into Enterprise Resource Planning (ERP) system and reports asset data as required by Council.
Asset Management Working Group (AMWG) members	Reviews Levels of Service Reviews and recommends standards. Shares information across AMPs Coordinates AM improvements
Asset Management Control Group (AMCG) members	Approves Levels of Service Approves AM Strategy Oversees AM improvements

5. Asset Information Management

5.1. Documentation Management

Asset drawings, manuals and other asset documents records and information are managed through Council's Content Manager, Authority and Geocortex applications.

5.2. Data Management

Key data management platforms used for asset management planning for Plant and Fleet assets are as follows:

- Fleet information, including plant register, purchase values, acquisition dates and utilisation is captured in spreadsheets.
- Depot facilities asset register data including valuation and select attributes, is captured in Authority and updated as a result of revaluation or changes to the portfolio.
- Purchasing of labour, sub-contracted services and materials associated with maintenance and capital works is undertaken through Authority.
- Reactive maintenance and renewals are recorded in spreadsheets.
- There is no computerised maintenance management system (CMMS) being used for these fleet assets; work orders are not specifically tracked; there is no centralised tracking of spare parts.
- There is no centralised system for recording asset criticality assessments or data.

Council is currently reviewing our Asset Management Information Systems, including fleet management systems to minimise the risks associated with keeping information in spreadsheets. There is no budget allocation for this work at present.

5.3. Asset Reporting

Our current asset reporting consists of financial analysis from Authority and ad-hoc analysis from Authority and GIS. There is currently limited capability to report on, analyse, monitor or audit our asset data. There are some limited asset management reports available, but these are dated, have to be individually configured, require detailed system expertise to prepare, and are not linked to dashboards, benchmarks or KPIs.

Our Asset Management Information Systems (AMIS) have benefited from increased levels of asset data condition information following recent asset condition inspection projects and an increased focus on our asset management as part of the AMIP.

A current project included in the gap analysis from the AMIP has been to undertake an organisation wide review of our AMIS. This project is underway and future improvements to the AMIS are included as part of our AMSIP.

It is expected that our AM will mature and become more sophisticated as the system and process improvements identified in this project are combined with updated asset data.

5.4. Information Sources for this AMP

The following data sources were used in the development of this AMP:

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- Historical general ledger accounts and budgets extracted from Council's financial management system
- Asset list, valuation data and condition data extracted from Authority
- 10-year works program 2025-2035
- Operational Program 2025-2026
- REMPLAN Port Macquarie Population Data
- PMHC Purchased and Developer Contributed Assets
- Divisional Risk Registers
- Port Macquarie-Hasting Council Draft Resourcing Strategy 2025-2035

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6. Summary of Assets

6.1. Portfolio Scope

This AMP includes the following asset sub-classes:

- Major Plant
- Minor Plant
- Trucks
- Utilities
- Motor Vehicles
- Sedan Vehicles
- Plant and Equipment
- Miscellaneous

The portfolio includes 1,025 mobile assets, which includes large vehicles and plant, such as ferries and construction plant, to small non-fixed equipment and machinery, such as mowers, high pressure washers and brush cutters. “High Maintenance” plant assets appears to be categorised predominantly for mowers and wood chippers.

6.2. Critical Assets / Systems

There is limited asset criticality data available for these assets. There are various classifications of our infrastructure assets which inform criticality and importance of our assets across Council as described in our Risk Appetite Statement. This information is used in our asset management, planning and Levels of Service (LoS). However, the detailed business rules and AM practices that govern how these assets are managed are not documented centrally in our AMP.

This has been recognised as a critical action and future improvement within the AMSIP. The AMSIP outlines the resourcing, roles, and management of change requirements to support and sustain the improvements outlined and the resourcing requirements of the AMSIP are reflected in the AMS.

The AMSIP is currently being developed and will be managed as a separate live document that allows for tracking and regular adjustments

6.3. State of the Assets

Condition data for Plant and Fleet assets is not being recorded in Authority. Asset condition data is included in logbooks, service records and workshop and maintenance inspections notes. Asset condition is constantly being assessed and is a key parameter when decisions are made about asset maintenance and renewals, and asset disposal. Our AMPs are prepared on available asset data and financial information. This data is first captured at the time of asset creation and maintained through periodic inspections.

There are many assets recorded as having no remaining lives. This is due to applying the ideal changeover periods as the useful lives and does not reflect the asset condition. Assets identified as “overdue” have exceeded the ideal changeover timing, but decisions on asset

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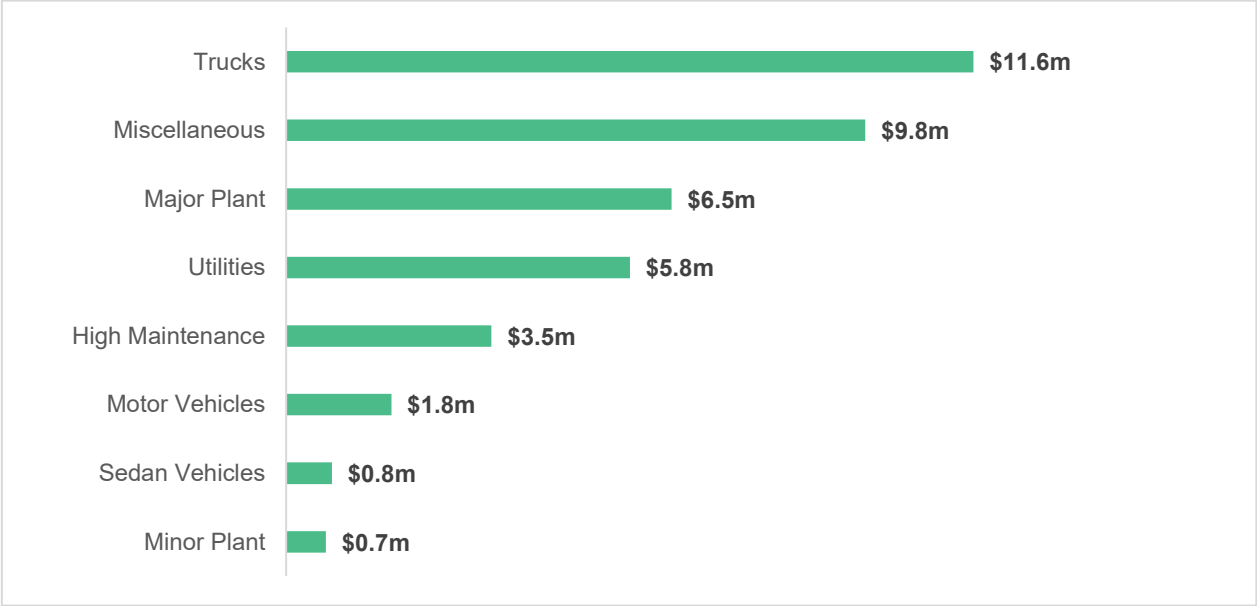
replacement will require informed technical judgement from fleet owners following inspection of the assets.

6.4. Financial Information

The replacement cost for this portfolio is approximately $40.3 million. The breakdown of replacement cost for each asset category in the asset register is summarised in the table below.

Figure 3 – Asset replacement costs by group for plant and fleet assets



6.5. Risks and Issues

An optimised fleet renewal plan has been developed by Council, and it defines replacement strategies for certain asset types in accordance with the Plant Procurement Procedure. This approach aims to mitigate the risks associated with aging fleet assets. These risks are known but have not been formally quantified.

Business Risks

Council is undertaking a Risk Management Transformation project. This project is reviewing current risks associated our infrastructure portfolios and business operations. The transformation project is currently being finalised and will be presented to Council at a later date. Once adopted, the risks will be updated and incorporated into future iterations of the AMP.

Within Council's Risk Appetite Statement, there is a "low" to "moderate" tolerance for risks across Plant and Fleet items governed and affected by our Asset Management framework. The appetite statement is used to guide our Asset Management practices, particular for those risks that must be addressed, as well as those where minor and moderate tolerances can be accepted. This is intimately tied to and informs our adopted LoS, with required, desirable and actual LoS to be measured. The AM framework and this AMP has been developed to align and integrate with our Risk Management Framework.

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Operational Risks

Operational risks are those encountered in our ‘day to day” operations. In particular, this informs our maintenance and operational practices. Council undertakes serviced based on the schedules set by original equipment manufacturers (OEM). Before operation, fleet operators conduct a pre-start checklist, which is used to help identify maintenance needs. For other risks, Council generally follows industry guidelines and practice notes for risk management and asset management for individual assets. This is in accordance with relevant legislation, including the Australian Standards, national Construction Code, Civil Liabilities Act and Work Health and Safety Act.

The individual guidelines and manuals which govern our operations are used to ensure that a consistent and satisfactory approach is undertaken to our asset management operations considering the available resources to Council. Council manages its LOS to ensure that risks classed as high risk or above are adequately addressed, with low risks generally tolerable and addressed as resources permit. Where works cannot immediately rectify a risk, the asset is made safe and works are programmed based on availability and operational efficiency.

Unfunded Works

The scope of the AMP includes only investment in new assets for which a funding source has been confirmed (i.e. items in Council’s 10-year Works Program). Whilst it is acknowledged there may be additional proposals for new assets, these will not fall within the scope of the AMP until a funding source has been confirmed and they have been added to Council’s 10-year Works Program.

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7. Compliance and Performance

7.1. Compliance Requirements

The following legislative requirements are relevant to operations, construction and asset management of the plant and fleet assets

Legislation	Requirement
Local Government Act 1993	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long-term financial plan supported by asset management plans for sustainable service delivery.
Australian Standards & Codes of Practice	Referenced in the National Construction Code. Governs a vast range of building construction and management.
Work Health & Safety Act 2011	Provide a work environment that is safe and as far as practical without risks to health. Includes requirements relating to undertaking modifications to vehicles.
Motor Vehicle Standards Act 1989	Requirement to register and assign identification to each vehicle imported to or manufactured in Australia
National Environment Protection (Diesel Vehicle Emissions) Measure	Supporting legislation to the National Environment Protection Council Act 1994 that requires monitoring and control of emissions from diesel vehicles.
Australian Design Rules	Requirement for all new vehicles sold in Australia to meet standards relating to anti-theft, safety and emissions.
Protection of the Environment Operations Act 1998	Sets out the role, purpose, responsibilities and powers of Council relating to protection and preservation of the environment.
Disability Discrimination Act 1993	To ensure that persons with disabilities have the same rights as the rest of the community (including access to premises)
Marine Safety Act 1998 (NSW)	Addresses the registration, survey, design, and equipment of commercial vessels, including ferries
Passenger Transport Act 2014 (NSW)	Governs the provision of passenger transport services in NSW, which includes ferries. It outlines the requirements for operators and drivers, standards of service, and other related issues.

In addition, maintenance on safety equipment and essential services is to conform to applicable Australian Standards as required.

7.2. Levels of Service Requirements

There are informal levels of service (LoS) for Plant and Fleet with regards to management, servicing, maintenance and changeover.

The existing LoS focus on operational aspects and features/services provided but there are no specific measurable targets relevant to asset management, such as for condition and asset functional availability.

Community expectations are discussed further in our AMS and other Integrated Planning and Reporting documents. Following adoption of the suite of AM documents, can be used as the basis for future engagement with our community.

7.3. Performance Monitoring and Improvement

The levels of service are expected to be updated later. The LoS will be revised in accordance with the LoS framework and principles outlined in the AM Strategy. The LoS should also cover statutory and compliance requirements.

7.4. Summary of Current Performance

Currently the fleet assets perform satisfactorily, according to an internal assessment of suitability, performance, down time and availability, and this is reflected in operating hours analysis and planned to unplanned maintenance ratios. The LoS requirements and performance against these will be expanded upon at the next iteration of this AMP.

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8. Demand Planning

8.1. Demand Planning

Most fleet assets are hired internally to Council departments for daily use, and maintenance and construction works. These assets are meeting Council's current demand. Planning and decisions to expand the plant and fleet are primarily driven by historical need to hire external fleet and its associated costs, and the cost-benefit of acquiring additional plant to cater to the increased demand.

The two ferries are used as community transport. Utilisation reviews conducted internally indicate that the ferries are meeting current demand needs.

Overall, one of the key demand drivers is population growth, which will lead to more projects and maintenance works being undertaken by Council, and consequently an increase in plant and fleet utilisation.

Another demand consideration is changing technology and associated changing customer expectations. This could be a key driver for investment in new technical assets, which would need to be incorporated in the asset lifecycle plans.

8.2. Demand Impact on Asset Management

For modelling future asset management needs, the key demand factor is based on population growth rates. Council population projections are derived from region specific economic and demographic data, which forecasts an average annualised population growth range of 1.19% over the next four years and 1.15% over the next ten years. This supersedes historic forecasts which have typically been in the 0.75% (NSW DPE projections) to 0.95% (REMPLAN) range. This reflects the increased growth experienced across our area over the recent years, though is forecasted to decrease to the previous assumed levels beyond the ten-year horizon.

It should be noted this growth rate is an overall assumption for the next ten years has been used to develop future asset maintenance and renewal expectations and is not to be considered for future land use planning decisions as location specific analysis is required.

For assessing the impact on maintenance and renewal between 2025-26 and 2034-35, the following three demand scenarios have been modelled:

- Scenario 1 (proposed): Annual population growth rate at an average of 1.15% (REMPLAN 10-years average)
- Scenario 2: Annual population growth rate at an average of 1.19% (REMPLAN 4-years average)
- Scenario 3: Annual population growth rate of zero (base case to compare to impacts of demand)

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9. Proposed Investment Program

This section identifies the overall asset needs identified and compared against available and proposed funding within our LTFP. It is prepared from our asset data, financial valuations, depreciation calculations, risk registers and identified project requirements. This version of our AMPs will document the current commitments of the Council towards funding levels required for asset renewal, upgrade and new asset requirements in the long term.

Our asset management needs encapsulate the full lifecycle of assets, and this work is generally broken down into the following types:

- Asset renewals and replacement
- Asset maintenance and operations
- Construction of new and upgrade of existing assets to meet future needs
- Asset disposal

A detailed breakdown of the investment requirement and allocated budget for the Operational Plan (1 year), Delivery Program (4 year) and Resourcing Strategy (10 year) planning horizons is provided in the tables below:

Table 1 - Investment requirement over 1, 4 and 10 years

	2025-26 Operational Plan (1 year)	2025-2029 Delivery Program (4 years)	2025-35 Resourcing Strategy (10 years)	4 Year Average	10 Year Average
Asset Renewal	$46,532,110	$99,585,145	$149,330,710	$24,896,286	$14,933,071
Asset Maintenance	$1,717,878	$7,556,777	$22,467,671	$1,889,194	$2,246,767
Capital Investment - New Assets	$0	$1,625,000	$1,625,000	$406,250	$162,500
Total	**$48,249,987**	**$108,766,921**	**$173,423,381**	**$27,191,730**	**$17,342,338**

Table 2 - Allocated budget over 1, 4 and 10 years

	2025-26 Operational Plan (1 year)	2025-2029 Delivery Program (4 years)	2025-35 Resourcing Strategy (10 years)	4 Year Average	10 Year Average
Asset Renewal	$4,120,000	$20,795,000	$41,845,000	$5,198,750	$4,184,500
Asset Maintenance	$1,675,527	$7,028,196	$19,448,987	$1,757,049	$1,944,899
Capital Investment - New Assets	$0	$1,625,000	$1,625,000	$406,250	$162,500
Total	**$5,795,527**	**$29,448,196**	**$62,918,987**	**$7,362,049**	**$6,291,899**

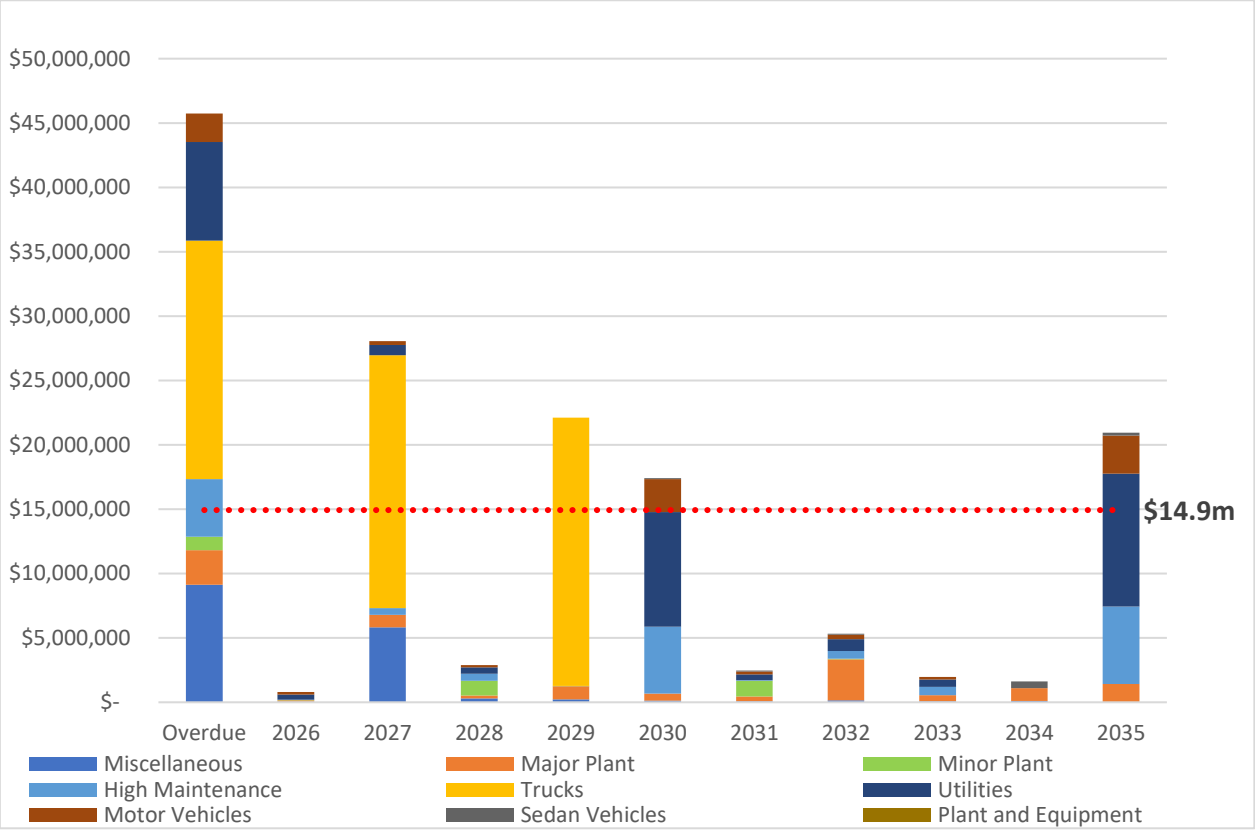
The total average investment requirement over 10 years is $17.3 million per year and the average allocated budget is $6.3 million per year. This shows that average funding is below identified needs, though the funding gap will be incurred across Council's other services. This

also does not consider the resale or recovery value of assets which may be in the order of 15-20% at changeover.

9.1. Short Term FY2024 and FY 2025 Requirements

There are $45.7 million assets identified as “overdue”, though noting this measured based on the asset age and developed changeover strategy and does not consider residual value. These assets are still operable and may also be related to issues with the data currency. These assets should be reviewed as a priority and considered for renewal, or if not current the useful lives should be adjusted to reflect the current situation.

Figure 4 - Replacement demand by asset category

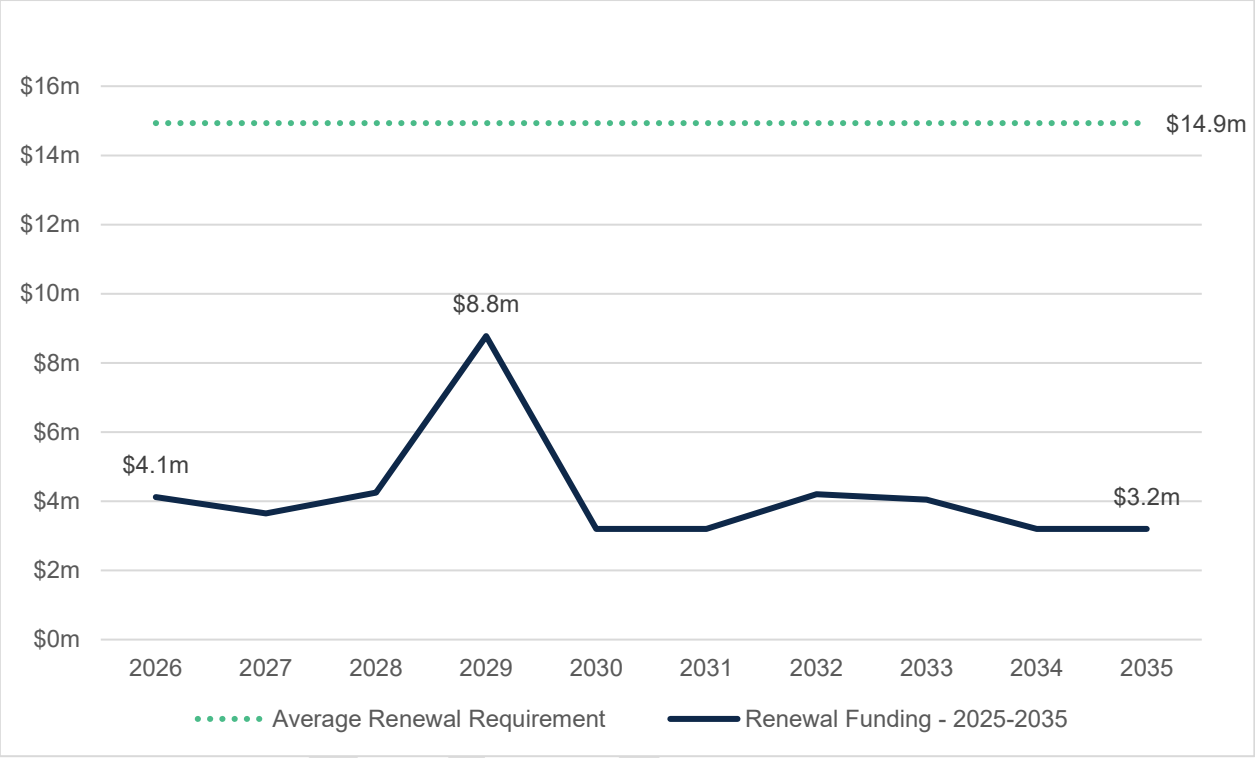


As can be seen, the majority of renewals are identified for the Trucks category, given they are the largest by asset value. There is a significant amount of renewal as “overdue, as well as for 2027, 2029 and 2035. As the asset renewal reflects the lives applied to the assets, the actual delivery and replacement is usually phased over a number of years. In this case, an average annual demand provides a practical representation of renewal needs and also allows delivery in accordance with Council’s available funding and resources. The total renewal demand across the ten years of this AMP is $149.3 million with average asset renewal demand of approximately $14.9 million per year.

9.2. Asset Renewals and Replacement

Our renewal and replacement needs have been identified through analysis of our asset data and future projections are based on our asset valuation and calculated replacement costs. The figure below shows the identified renewal needs against available budget allocations across our Works Program.

Figure 5 - Renewal budget against average demand



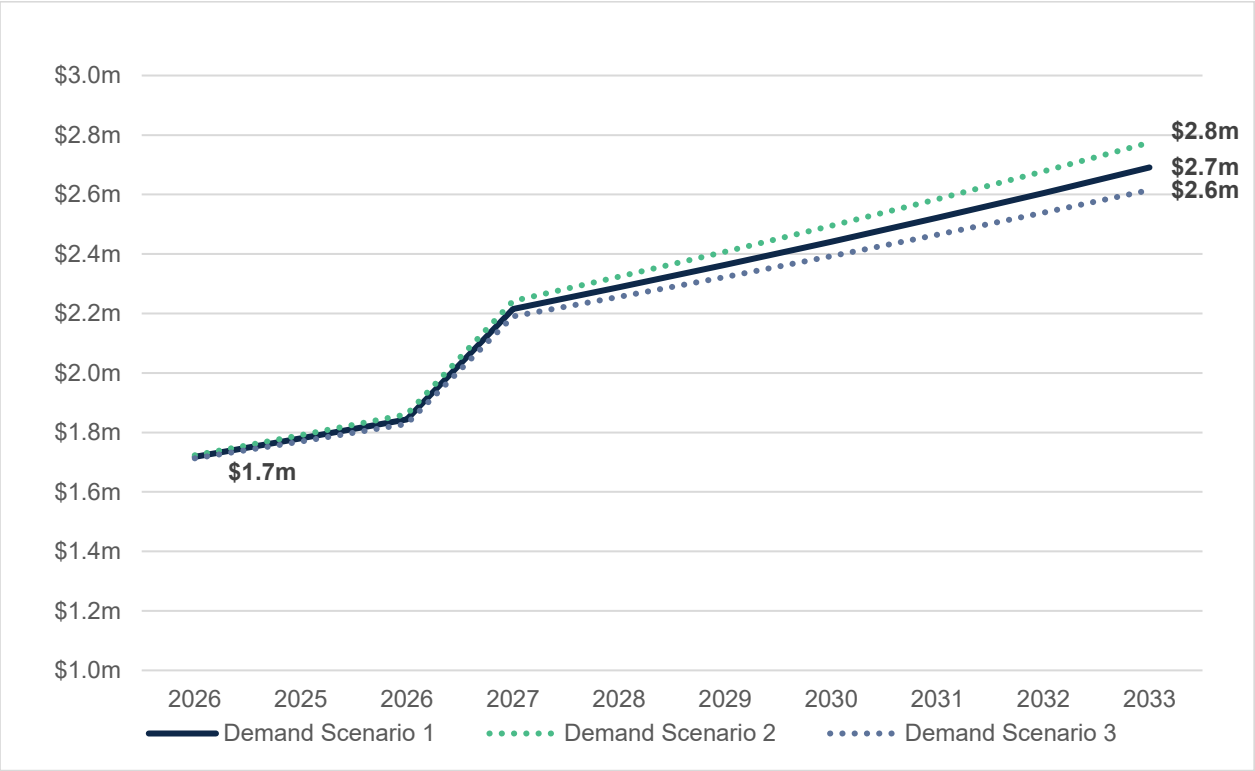
The average annual asset renewal demand is approximately $14.9 million, whilst our average allocated renewal budget is $4.2 million. Whilst this number reflects a funding gap, this notionally the mount to be recovered through internal hire rates.

9.3. Asset Maintenance and Operations

Our asset maintenance and operations needs have been developed from available asset data, historic practices and forecast growth in our asset base. It factors in an ideal maintenance scenario for our assets, though our maintenance levels are affected by many factors such as weather events, seasonal demands, and our adopted maintenance treatments and LoS.

Our maintenance budgets have been prepared on typical funding levels and the scenarios identified earlier. Scenario 1 is our assumed maintenance needs, whilst scenario 2 has been developed based on a higher projected growth in demand. Finally, the scenario 3 has been developed assuming current levels with only growth in the asset base and no increased demand. In our adopted scenario, our identified asset maintenance demand is $1.7 million in 2025-26 and is forecasted to grow to $2.7 million in 2034-35.

Figure 6 - Projected asset maintenance scenarios



A comparison of budgeted maintenance against demand scenario 1 is provided in the figure below. For 2025-26, the forecast demand for maintenance of Waste assets is $1.7 million, whilst the maintenance budget of $1.7 million approximately aligns.

In 2034-35, forecast maintenance demand is expected to grow to $2.7 million, whilst budgeted maintenance only grows to $544k, reflecting a $346k gap. This reflects that the growth in our asset base is expected to outgrow the maintenance budgets. This is due to the expected growth through new infrastructure projects, notably the Hibbard Ferry Replacement and Upgrade. Again, the internal hire rates will need to be reviewed regarding the forecast maintenance increases.

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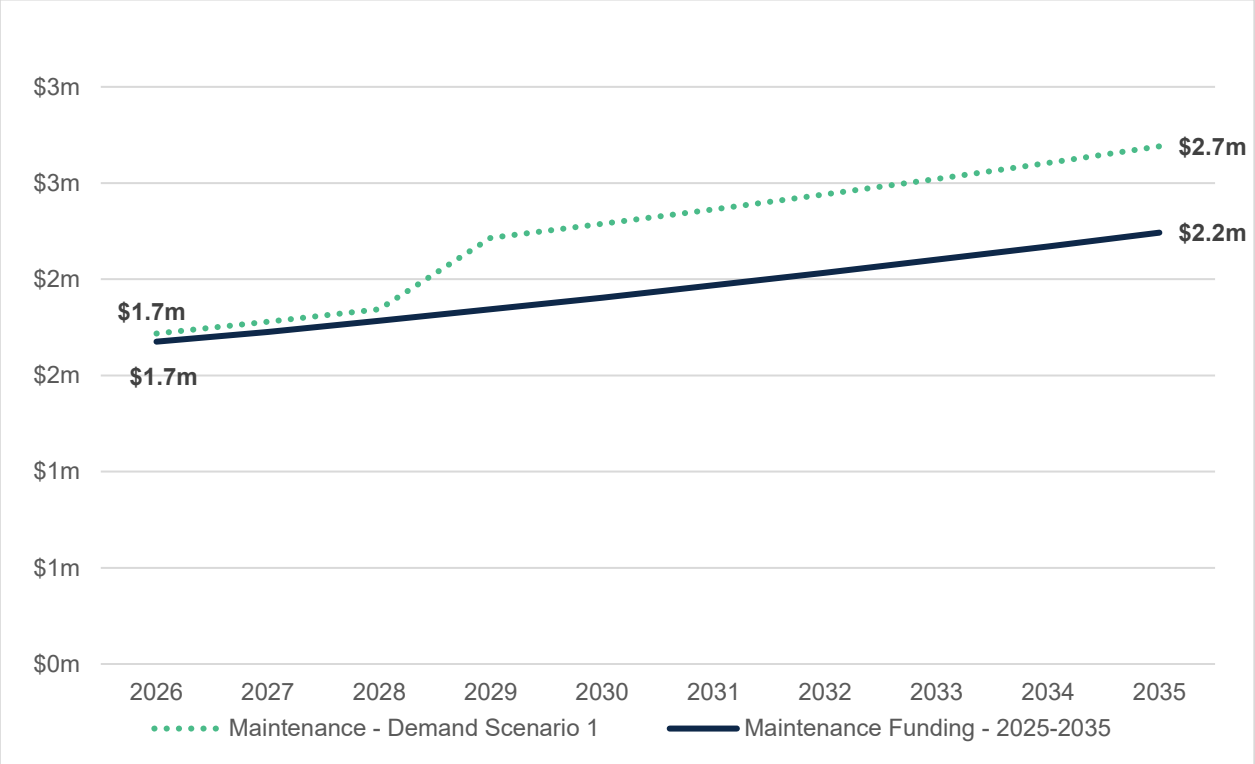
Figure 7 - Maintenance investment requirement compared to allocated budget



9.4. Capital Investment Planning

Capital Investment requirements are based on the identified new works in our 10-year Works Program. Within our 10-year Works Program, the only capital investment identified for the Plant and Fleet assets class is the Hibbard Ferry Replacement and Upgrade. This project is planned in 2029, with $6.5 million of budget currently allocated. The upgrade component for this project is estimated at $1,625,000 (25%).

9.5. Budget and Historical Costs Considerations

Some key budget and historical cost considerations are as follows:

- Asset maintenance: Maintenance and constructions costs have increased substantially in the last few years, though have been offset by increased renewal investment and no significant weather events resulting in severe impairment of our assets. However, it is forecasted that maintenance needs will increase over the next years with a significant amount of new assets coming online.
- Asset renewals: There are a significant number of asset renewals that will be overdue in 2026 and 2027. Current rates are calculated from assumed rates and do not consider residual value. These costs are influenced by organisational needs, as well as specific job requirements that may differ from the general assumptions. These are planned through our asset management systems and updated costs are then incorporated into future iterations of this AMP as further detail emerges.

9.6. Lifecycle Model Assumptions

The financial cost model is based on the following assumptions:

- The model covers renewal and maintenance costs but excludes operational costs.
- For any overdue works (any deferred maintenance, replacement or renewal), the year of replacement is the start year of lifecycle model.

- Replacement of an asset is assumed to be with an asset of same value and useful life with escalation applied.
- In the 10-year Works Program, certain investments comprise both 'new' and 'renewal' components. Within the framework of the model, the 'new' component is regarded as a ‘capital investment’ and as an additional asset added to the portfolio which requires maintenance and renewals. Conversely, the renewal portion is only included in the renewal forecasts.
- Maintenance costs have been calibrated given historical maintenance expenditure.
- Additional maintenance is calculated based on the value of new assets with the demand scenario options as proposed, compounded on an annual basis.
- For demand impact, it is assumed that utilisation of the assets will grow proportionally to population growth (i.e., there are no other significant demographic or behavioural changes).

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10. Continual Improvement

10.1. Strategic-driven Asset Management Improvements

The AMS explains the intended processes for continual improvement. It references the AMSIP, which documents a program of activities to be carried out in coming years.

10.2. AMP Review and Improvement

In 2023, a review of asset management requirements included a comprehensive review of this AMP. As described in the AMS, this review process will be performed as part of the Assets Planning and Review Cycle.

In future years, the AMP will reflect improvements made to underlying processes, digital systems and data that are being implemented as part of the AMSIP. The AMP will identify how those improvements will specifically impact this portfolio of assets and how they are managed once determined and prioritised.

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11. Conclusion

This AMP demonstrates requirements for our Plant and Fleet assets in the coming years. Our forward-looking asset and financial modelling highlights key challenges and areas requiring strategic focus.

A growing population and the resulting expansion of the asset base will place increasing pressure on Council's infrastructure in the coming years, which in turn impacts our Plant and Fleet requirements.

Forecasts indicate that renewal needs over the next ten years appear higher than annual depreciation, suggesting if the increased investment needs in the medium to long term are met, the future costs may revert back in with current levels. This will require continual monitoring and review to reflect forecasts if and when replacements are undertaken to ensure that assets funding is adequate to maintain acceptable service levels, and the impact of full lifecycle costs are fully understood.

To address these challenges, robust and ongoing asset management is essential. This includes frequent and consistent condition inspections, timely data updates, and the integration of these insights into strategic planning. The AMP must remain a living document—regularly monitored, reviewed, and updated—to reflect changing conditions, emerging needs, and updated financial forecasts.

Council's commitment to evidence-based asset management will ensure that our Plant and Fleet assets continues to support the community now and into the future, in a sustainable and cost-effective manner.

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Appendix A Definitions and Acronyms

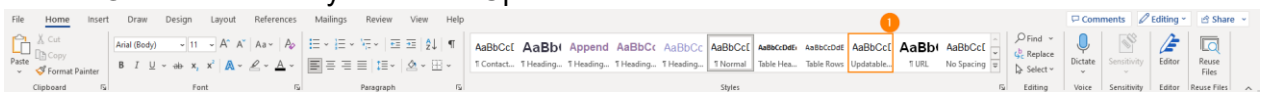
The following terms are defined:

Definition/Acronym	Explanation
ABS	Australian Bureau of Statistics
AM	Asset Management
AMP	Asset Management Plan
AMIP	Asset Management Improvement Project
AMSIP	Asset Management Sustainment and Improvement Plan
AMCG	Asset Management Control Group
AMSG	Asset Management Steering Group
ARV	Asset Replacement Value
AS	Australian Standard
CCTV	Closed-circuit Television
CMMS	Computerised Maintenance Management System
CPI	Consumer Price Index
CRM	Customer Relationship Management
CSP	Community Strategic Plan
DP	Delivery Program
EPA	Environmental Protection Authority
ERP	Enterprise Resource Planning
FY	Financial Year
GIS	Geographic Information System
IP&R	NSW Integrated Planning and Reporting
ISO 55001	International Standard for Asset Management System
LoS	Levels of Service
LTFP	Long-Term Financial Plan
NSW DPE	NSW Department of Planning and Environment
OP	Operational Plan
PMHC	Port Macquarie-Hastings Council
TfNSW	Transport for NSW
QA	Quality Assurance (preventing issues, ensuring quality through processes)
QC	Quality Control (detecting issues, verifying quality through inspection and monitoring)
REMPLAN	Population forecast system used by council

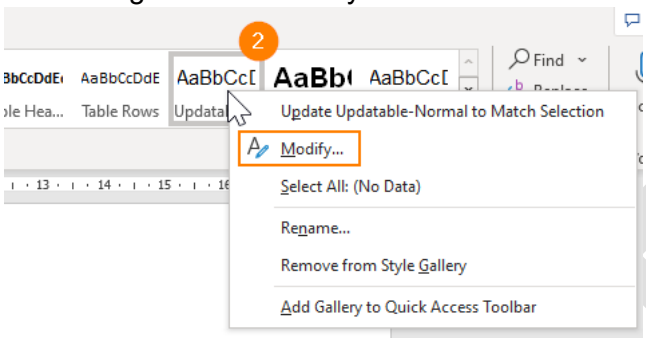
Appendix B AMP Quick Update Guide

It is expected that in yearly updates of this AMP, only some sections will need to be changed. These sections have been formatted with a different MS Word style to allow them to be easily highlighted. To highlight these sections, follow the steps:

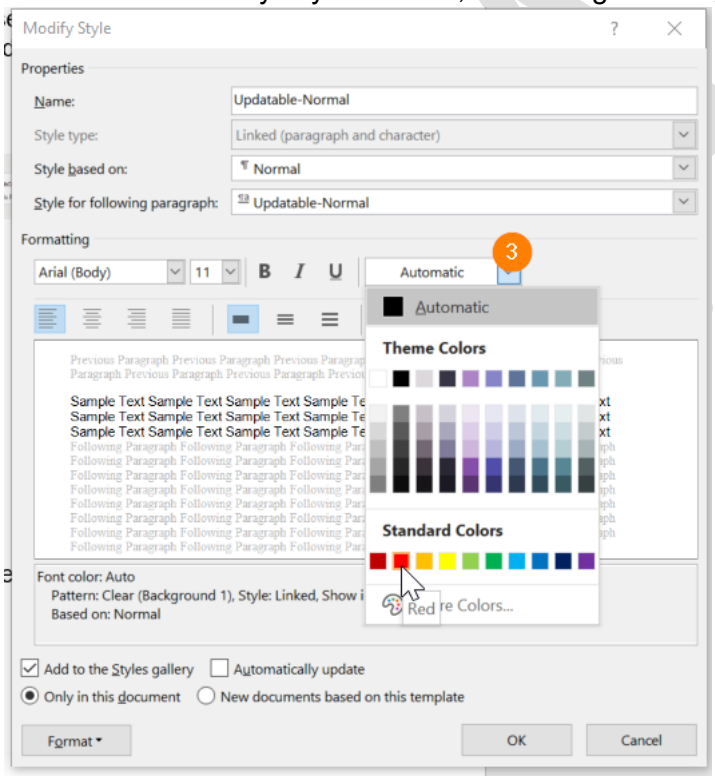
1. Go to Home > Styles > find “Updatable”



2. Right click > Modify.



3. In the modify Style window, formatting section, change the text colour to red. Click OK.



4. Click OK. All the text in the “Updatable” style will now be in red.
5. Make the changes without reformatting.
6. Once the document is ready, change the “Updatable” style back to black, by following steps 1 to 3.