The State of our Assets – October 2024
KPI Performance Scorecard

THE STATE OF OUR ASSETS – OCTOBER 2024

Progress reporting to Assets Steering Committee, Council and the community is a key focus of the City of Marion's asset management transformation. Measures and targets are determined by the Assets Steering Committee. Using industry standard measures (where available) enables Council to compare our performance. This includes submitting data to the National State of the Assets (NSoA) benchmarking project commissioned by the Australian Local Government Association.

ASSET MANAGEMENT STRATEGY KEY PERFORMANCE INDICATORS			ANNUAL SUMMARY: AUGUST 2024
#	KPI	Target	Result	Comments
1	Asset Condition	90% of assessed assets in very good to fair condition	97.0% – Overall	Live dashboards created to enable data validation and reporting.
2	Asset Function	100% of assessed assets in very good to fair function	Rating levels reviewed and documented by asset category during the 4-yearly comprehensive review of Asset Management Plans (AMPs). Dashboards being created to enable data population and reporting during 2024/25	
3	Asset Capacity	90% of assessed assets in very good to fair capacity		
4	Climate Resilience	Assessment methodology is being developed by multi-council Resilient Asset Management Project during 2024/25		
5	Customer Satisfaction	75% rated as 'Somewhat satisfied' or above.	Ranges from 67% to 95%	Gaps and opportunities have been identified and added to the asset management improvement plan.
6	Technical Levels of Service	100% of assets with defined technical levels of service.	100% in Asset Management Plans (AMPs)	Will be operationalised through Business Process Manuals developed to support and deliver each AMP.
7	Asset Renewal Funding Ratio (ARFR)	Between 90% and 110%	82% in 2022/23	Council's Long Term Financial Plan (LTFP) is budgeted to achieve an average ARFR of 100% over the next three years and over the 10 year term of the LTFP.
8	Asset Expenditure Profiles	100% of 10-Year Asset Expenditure Profiles included within the Long Term Financial Plan.	100%	Building organisational capacity in financial analysis to support robust zero-based annual business planning and budgeting.
9	Asset Management Maturity	Level 3 – Core Maturity, measured across all 11 competencies	4.3 – Overall	All 11 competencies have reached or exceed Core Maturity. Ongoing future improvements towards advanced asset maturity will be prioritised against return on investment.
10	Asset Data Confidence	Level B – Reliable	Ranges from Level A: Highly Reliable to Level E: Unknown	Gaps and opportunities have been identified, allocated funding and added to the asset management improvement plan.

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KPI 1: Asset Condition	
How we measure it	**Target and Tolerances**
Asset Condition Rating* 1 = 'Very Good' 2 = 'Good' 3 = 'Fair' 4 = 'Poor' 5 = 'Very Poor' Data Sources: Assetic asset register, Fleet, Plant and Equipment and Trees Asset Management Plans 2024-34 Measurement Level: Asset Category. Data Confidence: High	90% of assessed assets in very good to fair condition. On track - 90% to 100% Monitor - 70% to 89.9% Off track - 0% to 69.9%

Latest Performance

Asset Management Plan	# Assets	# Assessed Assets	% Assessed Assets	Condition Rating						% Assessed Assets in Very Good to Fair Condition
				1: Very Good	2: Good	3: Fair	4: Poor	5: Very Poor	Not Defined	
Artworks, Culture & Heritage	360	354	98.3%	211	105	35	2	1	6	99.2%
Buildings and Structures	2521	1248	49.5%	302	493	383	50	20	1273	94.4%
Coastal Walkway	246	223	90.7%	30	105	70	14	4	23	91.9%
Fleet, Plant and Equipment	167	167	100.0%	150	17	0	0	0	0	100.0%
Open Space	5942	5235	88.1%	984	1607	1987	494	163	707	87.4%
Transport	44796	44152	98.6%	5676	19850	16423	1811	392	644	95.0%
Trees	61139	57532	94.1%	45549	9293	2079	611	0	3607	98.9%
Stormwater	17840	11386	63.8%	4534	6212	591	49	0	6454	99.6%
Water Treatment and Resources	429	91	21.2%	27	32	22	9	1	338	89.0%
OVERALL	**133440**	**120388**	**90.2%**	**57463**	**37714**	**21590**	**3040**	**581**	**13052**	**97.0%**
As % of Total Assets				**43.1%**	**28.3%**	**16.2%**	**2.3%**	**0.4%**	**9.8%**	

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Asset condition measures the health of an asset, assessed via a visual inspection. It is used to predict how long it will be before an asset needs to be repaired or renewed. Condition inspections generate an asset's Overall Condition Index (OCI) based on a weighted average of detailed component ratings.

Asset Management Plan reviews have highlighted the need to obtain and update condition data for all assets. The City of Marion Asset Inspection Procedure defines the owners, scope and frequency of condition inspections for each asset category.

Assessment gaps have been identified and added to the asset management improvement plan. A detailed Building Condition Audit undertaken in 2024 will provide updated condition ratings to most Building and Structures assets. Age profiling conducted during the review of the Stormwater and Water Treatment and Resources Asset Management Plans has supplemented condition data in renewal programming.

Funding for condition inspections is included within the Monitoring phase of the asset management lifecycle. Live dashboards have been created to enable data validation and reporting. The OCI calculation methodologies for each asset category will be documented within Business Process Manuals.

* Adapted from International Infrastructure Management Manual (IIMM) Institute of Public Works Engineering Australasia (IPWEA)

KPI 2: Asset Function	
How we measure it	**Target and Tolerances**
Asset Function Rating* 1 = 'Very Good' 2 = 'Good' 3 = 'Fair' 4 = 'Poor' 5 = 'Very Poor' Data Source: Assetic asset register Measurement Level: Asset Category Data Confidence: N/A	100% of assessed assets in very good to fair function. On track - 100% Monitor - 70% to 99.9% Off track - 0% to 69.9%
Latest Performance	
Asset function is a measure of how an asset meets program/service delivery needs in an efficient and effective manner. It is used in asset planning, creation, renewal and disposal. Rating levels were reviewed and documented by asset category during the 4-yearly comprehensive review of Asset Management Plans (AMPs). Dashboards are being created to enable data population and reporting during 2024/25 following a pilot using Stormwater asset data.	

* Adapted from International Infrastructure Management Manual (IIMM) Institute of Public Works Engineering Australasia (IPWEA) industry standard

KPI 3: Asset Capacity	
How we measure it	**Target and Tolerances**
Asset Capacity Rating* 1 = 'Very Good' 2 = 'Good' 3 = 'Fair' 4 = 'Poor' 5 = 'Very Poor' Data Source: Assetic asset register Measurement Level: Asset Category Data Confidence: N/A	90% of assessed assets very good to fair capacity. On track - 90% to 100% Monitor - 70% to 89.9% Off track - 0% to 69.9%
Latest Performance	
Asset capacity is a measure of how an asset caters for current demand and maximises utilisation. It is used in asset planning, creation, renewal and disposal. Rating levels were reviewed and documented by asset category during the 4-yearly comprehensive review of Asset Management Plans (AMPs). Dashboards are being created to enable data population and reporting during 2024/25 following a pilot using Stormwater asset data.	

* Adapted from International Infrastructure Management Manual (IIMM) Institute of Public Works Engineering Australasia (IPWEA)

KPI 4: Climate Resilience	
How we measure it	**Target and Tolerances**
Council's asset management plans address climate resilience by including actions that support a transition to a low-carbon, energy efficient future and planning for physical climate and nature related risks and opportunities whilst ensuring it is cost effective. An assessment methodology is being developed by multi-council Resilient Asset Management Project during 2024/25	

KPI 5: Customer Satisfaction	
How we measure it	**Target and Tolerances**
Customer Satisfaction Rating 1 = 'Very satisfied' 2 = 'Somewhat satisfied' 3 = 'Low Satisfaction' 4 = 'Not satisfied' 5 = 'Not applicable to me' Data Source: Community Satisfaction Survey Measurement Level: Asset Category Data Confidence: Medium (sample) size)	Greater than or equal to 75% rated as 'Somewhat satisfied' or above. On track - 75% to 100% Monitor - 50% to 74.9% Off track - 0% to 49.9%

Latest Performance

Asset Management Plan	Asset Category	Satisfaction
Artworks, Culture & Heritage	Artworks, Culture & Heritage	85%
Buildings and Structures	Libraries	95%
	Neighbourhood Centres	85%
	Outdoor Pool	90%
	Sporting and Recreation Facilities	87%
Coastal Walkway	Coastal Walkway	88%
Fleet, Plant and Equipment	No questions in Community Satisfaction Surveys	
Open Space	Playground Equipment	85%
	Lighting in Reserves	70%
Transport	Roads	71%
	Footpaths and Kerbs	67%
	Lighting in Streets	79%
Trees	Community Trees	71%
Stormwater / Water Treatment and Resources	Stormwater Harvesting, Treatment and Reuse Network	86%

2022 customer satisfaction survey results informed the 4-yearly comprehensive review of Asset Management Plans. Gaps and opportunities have been identified and added to the asset management improvement plan.

The 2024 customer satisfaction survey will be undertaken externally using online and computer assisted telephonic interviews. Results will be available in September.

KPI 6: Technical Levels of Service	
How we measure it	**Target and Tolerances**
% of assets with defined technical levels of service. Data Source: Asset Management Plans Measurement Level: Asset Category Data Confidence: High	Track against Business Process Manuals development project plan. On track - 100% Monitor - 90% to 99.9 Off track – 0% to 89.9%
Latest Performance	
Technical Levels of Service detail what we do to deliver services. Council manages whole of lifecycle costs to ensure the best value for resources used. 100% of technical levels of service were reviewed and documented during the 4-yearly comprehensive review of Asset Management Plans (AMPs). They will be operationalised through Business Process Manuals developed to support and deliver each AMP.	

KPI 7: Asset Renewal Funding Ratio	
How we measure it	**Target and Tolerances**
Actual capital expenditure on asset renewal and replacement of assets compared to 10-Year Expenditure Profiles within Asset Management Plans. Data Source: Finance Information System Measurement Level: Organisation Data Confidence: Medium	Between 90% and 110% as per Council's Asset Management Policy On track - 90% to 110% Monitor - 80% to 89.9%, or 110.1% to 120% Off track - less than 80% or greater than 120%
Latest Performance	
Net asset renewal expenditure is defined as net capital expenditures on the renewal and replacement of existing assets and excludes new/upgrade capital expenditure on the acquisition of additional assets. It is calculated by dividing net asset renewal figures by planned asset renewal expenditure. This ratio indicates whether the council is renewing or replacing existing assets at the rate of consumption. Annual fluctuations result due to the mix of asset renewal and new/upgrade capital expenditure. The ratio of 82% achieved in 2022/23, while below the target of 90%, reflects deferred expenditure on the vehicle replacement program due to supply constraints and savings achieved against planned expenditure in some capital programs which did not impact the physical renewal targets. Council's Long Term Financial Plan (LTFP) is budgeted to achieve an average Asset Renewal Funding Ratio of 100% over the next three years and over the 10 year term of the LTFP.	

KPI 8: Asset Expenditure Profiles	
How we measure it	**Target and Tolerances**
% of 10-Year Asset Expenditure Profiles included within the Long Term Financial Plan Data Source: Finance Information System Measurement Level: Asset Management Plan Data Confidence: Medium Data Source: Long Term Financial Plan	On Track - 100% Monitor - 90% to 99.9% Off Track - 0% to 89.9%
Latest Performance	

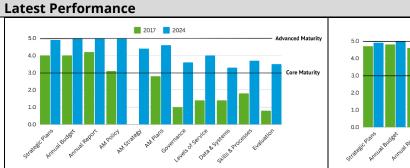100% of 10-Year Asset Expenditure Profiles were included within the 2024-33 Long Term Financial Plan.

Integration of Asset Management Information System and Finance Information System and development of 2024 - 2034 Asset Management Plans has refined asset lifecycle funding categorisation, improving data confidence.
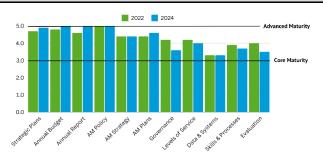
A Lean Six Sigma Project is currently evaluating how the annual business planning and budgeting process drives asset management planning and budgeting to meet endorsed levels of service.

Council continues to build organisational capacity in financial analysis to support robust zero-based annual business planning and budgeting. Delivery will be addressed through the implementation of the Asset Management Roadmap, monitored quarterly by Assets Steering Committee.

KPI 9: Asset Management Maturity

How we measure it	Target and Tolerances
Asset Management Maturity Assessment Rating 1 = 'Aware 3 = 'Core Maturity' 5 = 'Advanced Maturity' Data Source: NAMAF Assessment Measurement Level: Organisation Data Confidence: High	To maintain core maturity across all competencies as business as usual at the City of Marion. Ongoing future improvements towards advanced asset maturity will be prioritised against return on investment.

Latest Performance

A guided self-assessment of current financial and asset planning, management and reporting processes was undertaken conservatively and measured against a nationally consistent framework, comparing results with assessments undertaken in 2017 and 2022. Findings were analysed, identifying opportunities to achieve and maintain core asset management maturity.

The National Asset Management Assessment Framework (NAMAF) assesses asset management maturity through eleven individual and separate competencies. A council's maturity is determined by the score for each individual competency.

In 2024, council has recorded a high overall maturity score of 4.3, averaged across the assessment competencies. This is well above our Core Maturity target score of 3, and 86% of the Advanced Maturity score of 5. All 11 competencies have reached or exceed Core Maturity.

Asset Management Policy, **Annual Budget**, and **Annual Report** are our strongest performance areas reaching Advanced Maturity. These results highlight a consolidation in asset management understanding and capability across the organisation.

Although the overall 2022 and 2024 maturity ratings are equal, variances have occurred within individual competencies. Maturity has maintained or improved against seven of the 11 competencies. Targeted improvements have been identified to address dips in **Evaluation**, **Governance**, **Skill and Processes** and **Defining Levels of Service**

Ongoing future improvements towards advanced asset maturity will be prioritised against return on investment. Asset management maturity will be addressed through the implementation of the Asset Management Roadmap, monitored quarterly by Assets Steering Committee. The next Asset Management Maturity assessment is due to be conducted in 2026.

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KPI 10: Asset Data Confidence	
How we measure it	**Target and Tolerances**
Data Confidence Grade* A = 'Highly Reliable' B = 'Reliable C = 'Uncertain' D = 'Very Uncertain' E = 'Unknown' Data Source: 2024-2034 Asset Management Plans Measurement Level: Asset Category Data Confidence: High	Level B - Reliable, measured against IPWEA Data Confidence ratings On track - all data is rated 'Level B - Reliable' or higher Monitor - some data is rated 'Level C – Uncertain' Off track - some data is rated lower than 'Level C - Uncertain'

Latest Performance

	Artworks, Culture and Heritage	Buildings and Structures	Coastal Walkway	Fleet, Plant and Equipment	Open Space	Transport	Trees	Stormwater	Water Treatment and Resources
Asset Condition	B	C	B	B	C	B	Street Trees B / Reserve C	Kerb & Channel A / Conduits C / Components C	Water Treatment B / Rivers and Creeks D / Marion Water B
Asset Function	C	C	A	C	C	D	B	A	A
Asset Capacity	E	C	C	B	C	D	C	C	A
Asset Age Profile	A	D	C	A	D	D	C	B	C
Replacement Value	C	B	C	B	B	B	B	B	C
Service Levels	B	B	C	B	B	A	B	A	B
Demand Drivers	C	B	B	C	B	B	C	B	B
Asset Creation and Renewal Forecasts	C	B	C	B	B	C	B	B	C
Operating and Maintenance Forecasts	C	B	C	B	B	D	B	B	C

A thorough assessment of data confidence has been conducted during the 4-yearly comprehensive review of Asset Management plans. Data confidence ranges from Level A: Highly Reliable to Level E: Unknown across the elements. Gaps and opportunities have been identified, allocated funding and added to the asset management improvement plan.

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