



CITY OF
TEA TREE GULLY
Naturally Better

2025-2034 Draft Plant & Fleet Asset Management Plan

Asset management plans (AMPs) are used to guide the planning, construction, maintenance and operation of our infrastructure.

These plans are key components of our Long-Term Financial Plan and include detailed information about each asset and define which services will be provided, how they will be provided and what funding is required to cost-effectively deliver them over a 10-year period.

For more information call 8397 7444
or visit cttg.sa.gov.au/amp

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Introduction

The City of Tea Tree Gully uses a range of plant and fleet assets in delivery of its services to make a positive difference in our community. These assets range in value and life expectancy so it is imperative that Council plans for their ongoing maintenance and replacement at the right time.

Plant and fleet assets include vehicles (heavy commercial, light commercial and passenger vehicles) and portable and light pant (battery operated tools, trailers, mowers, sprayers, chainsaws, etc).

Many of the plant and fleet assets are subject to various legislative requirements relating to their day-to-day management and operational use.

Actual expenditure on new assets and revenue raised from disposing current assets will vary from year to year as the market fluctuates and the condition of our assets change over time, which may change our renewal priorities.

The renewal indicators in this plan are based on current risks and safety priorities. Any emerging risks, changes to legislation or factors beyond Council's control may influence the priorities of the renewal plan.

This asset management plan should be read in conjunction with Council's key strategic management, planning and policy documents, including our Asset Management Policy, Long-Term Financial Plan and Annual Business Plan and Budget.

Collectively, these plans support the achievement of our vision for our City – *A thriving community that enjoys a quality lifestyle that values its people and natural environment.*

This plan will be reviewed annually, with a full update completed every four years.

We incorporate community feedback into our Asset Management Plans through information provided via various community and user surveys, the review of common customer requests, and community engagement projects.

Visit cttg.sa.gov.au/amp to view all of our asset management plans.



Plant & Fleet profile

Asset quantities

139

Light Commercial

75

Heavy Commercial

13

Passenger Vehicles

965

Portable and Light Equipment

\$19 Million

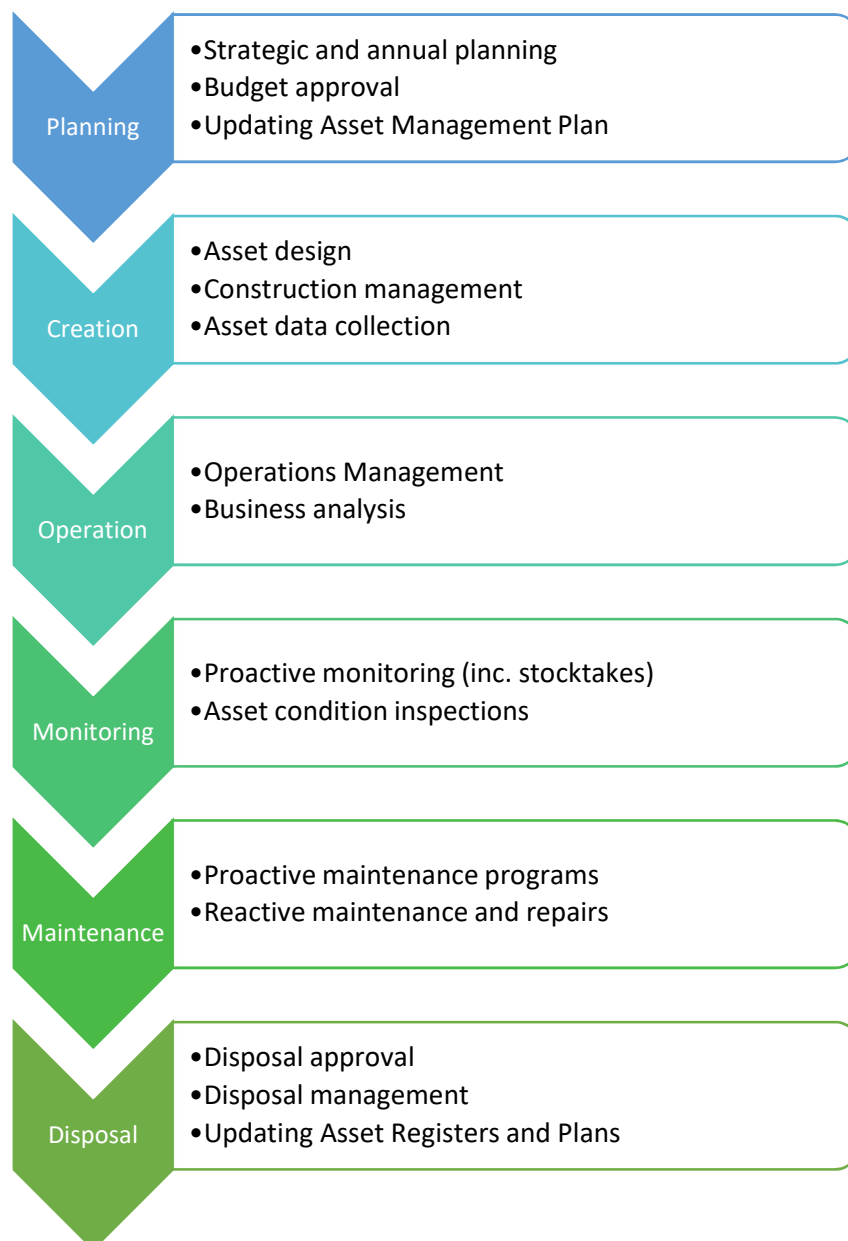
Asset Replacement Cost

Service levels

The current plant and fleet asset service levels are driven by Council's strategic plan and vision for the City, legislative requirements and community research.

Council's level of service pertaining to plant and fleet is primarily a technical service level, which is an operational or technical measure of performance. These include measures to the allocation of resources to best achieve the desired customer outcomes and to demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets and closely align with the Asset Management Lifecycle for plant and fleet.



Strategic and organisational goals

Our vision for a thriving community with a quality lifestyle that values its people and natural environment is the foundation of our strategic and organisational goals.

Council's Strategic Plan 2025¹ (Draft Strategic Plan 2030 currently being developed) articulates the vision and aspirations for our community, and details objectives for these aspirations. The objectives listed below are linked directly to the Plant and Fleet Asset Management Plan.

Community

- People feel a sense of belonging, inclusion and connection with places, spaces and the community.
- There are opportunities for people to volunteer, give back and share their skills with others in the community.
- Our services are accessible to all and respond to changing community needs.

Environment

- A community that is protected from public and environmental health risks.
- The carbon footprint of our city is reduced through the collective efforts of community and Council, including business.
- Our consumption of natural resources is minimised by reducing, reusing and recycling products and materials, and using renewable resources.

Places

- Infrastructure and community facilities are fit for purpose, constructed using sustainable practices and well maintained.

Leadership

- Planning considers current and future community needs.
- Decision making is informed, based on evidence and is consistent.
- Major strategic decisions are made after considering the views of our community.

Legislative requirements

There are many legislative requirements relating to the management of plant and fleet assets.

These include:

- *Local Government Act 1999*
- *Work Health and Safety Act 2012 (SA)*
- *Work Health and Safety Regulations 2012 (SA)*
- *Road Traffic Act 1961*
- *Disability Discrimination Act 1992 and other relevant disability legislation*
- *Highways Act 1926*
- *Motor Vehicles Standards Act 1989*
- *Relevant Australian Standards*
- *Relevant Heavy Vehicle National Law and Regulations*
- *SafeWork SA as relevant to Council's plant and fleet*

¹ *Strategic Plan 2025 - cttg.sa.gov.au/strategicplan*

Future demand

Population growth, social and technology changes can impact community demand for services. This section looks at these trends and examines the strategies required to address them.

Demand drivers

Drivers affecting demand include:

- Service level changes
- Technology change
- Legislative changes
- Environmental awareness

Demand forecasts

Service levels

Council's plant and fleet assets are designed to meet the needs of operational teams, each with their individual required service levels.

Changes to the performance requirements of operational teams will be a driver impacting the future needs of plant and fleet assets.

These changes will be assessed on a case-by-case basis or as part of a broader service review process.

Technology

Changes in vehicles, equipment and tools offered by manufacturers will greatly impact the make-up of Council's plant and fleet assets.

These changes include capability and reliability improvements in battery operated tools which will improve health and safety considerations for our employees.

Our ability to adapt to advances in technology is important to maintaining fit for purpose assets, efficient operations and improved safety standards.

To better understand total utilisation of Council's fleet, technology is currently in place to provide intelligence on regular usage metrics. This data is used to regularly review the total fleet.

Legislative changes

The range vehicles available to buy from manufacturers is ever changing. Furthermore, as the Federal and State Governments change standards and legislation this will impact the range of vehicles available in the future.

Given these changes in legislation, vehicle manufacturers are changing their range of vehicles available to purchase in future years.

Our attention is turning to legislation changes and availability of zero emission vehicles. This will change the types of vehicles Council purchases in future years.

Environmental awareness

The tools and equipment utilised in our daily operations create noise and emissions. We are continually exploring opportunities to reduce these emissions, for example by switching our trailer mounted watering pumps from an engine to an electric pump.

Switching out chainsaws, pole saws and other tools from petrol engines to battery units also increases the safety considerations for staff by reducing harmful fumes around them.

This awareness to our broader environment will impact future equipment change over.

Risk management

Effective risk management is integral to all aspects of Council business including how assets risks are identified and managed



The risk assessment process which is aligned to the Risk Management Standard ISO 31000:2018 – Guidelines provides the logical approach for the identification, assessment and management of risks in order to protect Council’s assets and to minimise risks to the community.

Once risks have been assessed and rated, for the most significant risks (those rated as high or extreme), treatment options must be considered and implemented. Risks identified as moderate or low are monitored and reviewed to determine if circumstances change.

The following risk management principles have been applied to our plant and fleet assets:

- Integration of risk management in all decision making and business processes
- Applying a systematic and structured approach to manage risks
- A tailored risk management approach to suit the context
- Applying an evidence-based approach in assessing and mitigating risks
- Determining the Council’s risk tolerance

- Applying a transparent and inclusive approach in the management of risks
- Applying risk management practices to continuously improve City of Tea Tree Gully’s operations.

Risk identification

For plant and fleet assets, risks can be identified from a number of sources:

- Minor operational routine inspections
- Major condition/defect inspections
- Customer requests
- History of performance
- Stakeholder advice.

Risk analysis

The City of Tea Tree Gully uses a risk assessment matrix (as pictured below) that is designed to define the level of risk by combining the consequence and the likelihood to arrive at a risk rating.

Risk treatment

All risks that have been assessed as having an extreme or high-risk rating require the implementation of mitigation strategies and/or risk treatment options (controls). The residual risk rating and treatment cost post implementation of treatment/controls is shown in the table on the next page.

Consequence	Likelihood				
	Rare	Unlikely	Possible	Likely	Almost certain
Critical	High	High	Extreme	Extreme	Extreme
Major	Medium	Medium	High	High	Extreme
Moderate	Medium	Medium	Medium	High	High
Minor	Low	Low	Medium	Medium	Medium
Insignificant	Low	Low	Low	Low	Low

Critical risks and treatment strategies

Service or asset at risk	What can happen	Risk rating	Risk treatment strategies/control	Residual risk *	Treatment costs
Ageing fleet and risk of non-compliance with relevant standards, regulations or legislation.	Older assets may not be equipped with current safety equipment or safeguards. Older assets may also have worn parts, closer to failure point.	High	All assets are regularly serviced, as per manufacturer's guidelines. All assets are scheduled for replacement at the optimal time. City of Tea Tree Gully maintains professional membership with industry associations for ongoing learning and awareness of any changes in compliance requirements.	Medium	Asset replacement costs
Undiagnosed issues or damage to fleet assets	Issues arising from unknown, early parts failure can cause more significant problems or risks.	Medium	Daily or weekly (asset classification depending) pre-operational checks performed by operators to identify damage or any abnormality. On-board telematics system provides insights to asset, sending various notifications to trigger further investigation.	Low	Licensing of telematics system. Staff time.
Availability of staff to perform Council's services	Injury to operators due to lack of adequate safety documentation on the use of plant and fleet assets.	High	Prior to commissioning for use, each asset is subject to an internal and independent plant risk assessment. These are used to create, with consultation of the operators, a Safe Operating Procedure. All relevant staff are trained and inducted to the asset using these documents.	Low	Staff time and independent plant risk consultant.
Efficient delivery of Council's services	If there is a lack of availability of fit for purpose vehicles it will be difficult and inefficient to deliver Council's services.	Low	Consultation with relevant departments on the design and make-up of Council's fleet.	Low	Staff time.

Financial summary

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan.

Asset valuations

The value of our plant and fleet assets as at 1st June 2024 is shown below.

Asset type	Current replacement cost	Depreciated replacement cost	Accumulated depreciation	Depreciation expense
Plant & Fleet	\$16,625,644	\$7,052,552	\$9,537,092	\$1,415,592

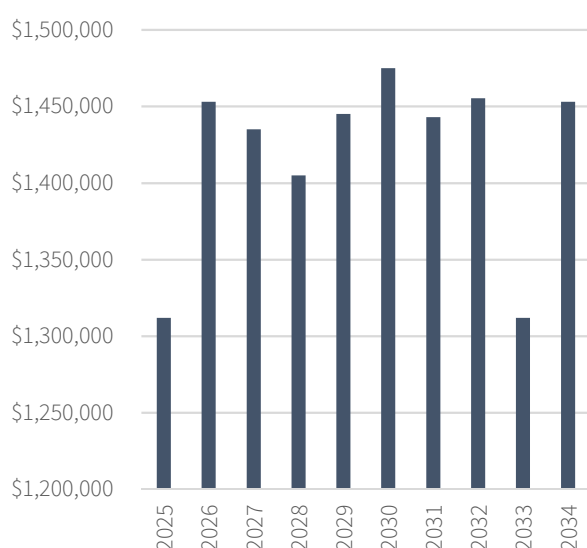
Financial projections

This plan sets out the projected operations, maintenance and capital replacement expenditure required to provide the agreed service levels to the community over a 10-year period in a sustainable manner and informs our Long-Term Financial Plan.

The projected operations, maintenance and capital replacement expenditure required over the 10- year planning period is \$3.65 million on average per year.

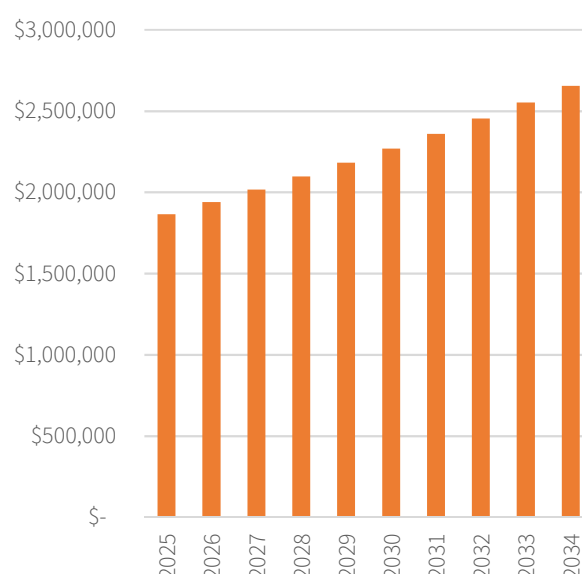
The 10-year replacement program will ensure assets are always fit for purpose and safe to use.

10-Year Replacement Program



The operations and maintenance expenditure categories will be subject to future indexation. Based on recent trends, the graph below outlines the forecast operational spend.

Operational & Maintenance



Key assumptions made in financial forecasts

Key assumptions made in this asset management plan are:

- The required renewal expenditure assumes that the community is content with the current levels of service across the entire asset class. Should these levels of service be refined through future community consultation, it could have a significant impact on the intervention levels used and funding required.
- The Long-Term Financial Plan is grouped by asset type, and is based upon the depreciation expense values.
- Replacement costs are based on predicted values of future costs and not the current replacement cost.
- The assumed useful lives of assets will be achieved.
- It is understood that the Long-Term Financial Plan funding values are subject to change year upon year based upon expenditure in other sections of Council, not just asset management related expenditure.

Forecast reliability and confidence

The expenditure and valuation projections in this plan are based on best available data. The estimated confidence level of this data is considered to be reliable (level B), using the five-level scale below.

A. Highly reliable

Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$.

B. Reliable

Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$.

C. Uncertain

Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete (up to 50% is extrapolated data) and estimated to be accurate $\pm 25\%$.

D. Very uncertain

Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$.

E. Unknown

None or very little data held.

Plan improvement & monitoring

The figures within this plan will be reviewed annually as part of our Long-Term Financial Plan review process and will be amended to recognise any changes in service levels, valuations, conditions and/or resources available to provide those services.

Status of asset management practices

Accounting and financial systems

We use TechOne to manage our financial information.

Financial transactions are processed using TechOne against financial assets, which update financial depreciation values as the transactions are performed.

Accounting standards and regulations

The Australian Accounting Standards provide the benchmark against which we report on asset accounting.

Asset management systems

We use TechOne to manage our plant and fleet asset information. Additionally, we use a telemetry system to capture and analyse data on the performance of each vehicle.

The data we analyse includes financial performance, utilisation and mechanical condition, which is used to develop this asset management plan and to forecast the replacement of our assets.

Improvement plan

The asset management improvement plan generated from this asset management plan is shown on the next page.

Monitoring and review procedures

The Plant & Fleet Asset Management Plan will be reviewed annually, during the annual business plan and budget process, to ensure it reflects:

- Current service levels
- Actual asset values
- Projected operations, maintenance and capital replacement
- Projected expenditure values incorporated into the Long-Term Financial Plan
- Any changes to the available resources and the resultant service levels.

The plan is due for full revision and updating within two years of each Council election, by legislation.

Performance measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditure identified in the asset management plan are incorporated into the Long-Term Financial Plan.
- The degree to which the works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the asset management plan.

Asset management improvement plan

	Task	Responsibility	Resources required	Timeline
1	Plant and Fleet Design – collect information from other departments on their plant and fleet needs as it relates to the design and quantity of Council’s plant and fleet assets. Manage the changes required in line with the replacement program.	Operations Support Services	All departments	Reviewed annually
2	Fleet utilisation review – regular analyses of utilisation data gathered from the telematics system for decision making on the allocation and quantity of fleet assets.	Operations Support Services	Operations Support Services	Reviewed quarterly
3	Safety improvements – Transition pre-operations checks into new system, from web-based open form to Telematics system.	Operations Support Services	City Operations	September 2024
4	Safety improvements – Regularly review incidents/accidents and create actions to remove risks, if they exist.	Operations Support Services	WHS Team	Reviewed quarterly
5	Data collection – Transition paper-based data collection of asset servicing process to digital based forms and system.	Operations Support Services	Operations Support Services	June 2025



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