City of
Bayswater

Information and Communication Technology Asset Management Plan

2025/26–2034/35

CITY OF BAYSWATER
The Garden City - Quality Lifestyle

Contents

Version Control

Version	Date	Details	Authors	Ref.
1	19/6/2023	Endorsed	Executive Leadership Team	ICT Asset Management Plan Final Draft 23-33 v1.4.docx
2	23/01/2025	Endorsed	Executive Leadership Team	ICT Asset Management Plan 24-34 v1.1docx
3	05/06/2025	Draft AMP 2025/26–2034/35	Correy Jansen van Vuuren, Asset Management Specialist Data and Systems	ICT Asset Management Plan 2025/26-2034/35 Draft docx
4	27/08/2025	Reviewed draft	Sonja Pienaar, Manager Assets	ICT Asset Management Plan 2025/26-2034/35 Draft docx
5				

Approval

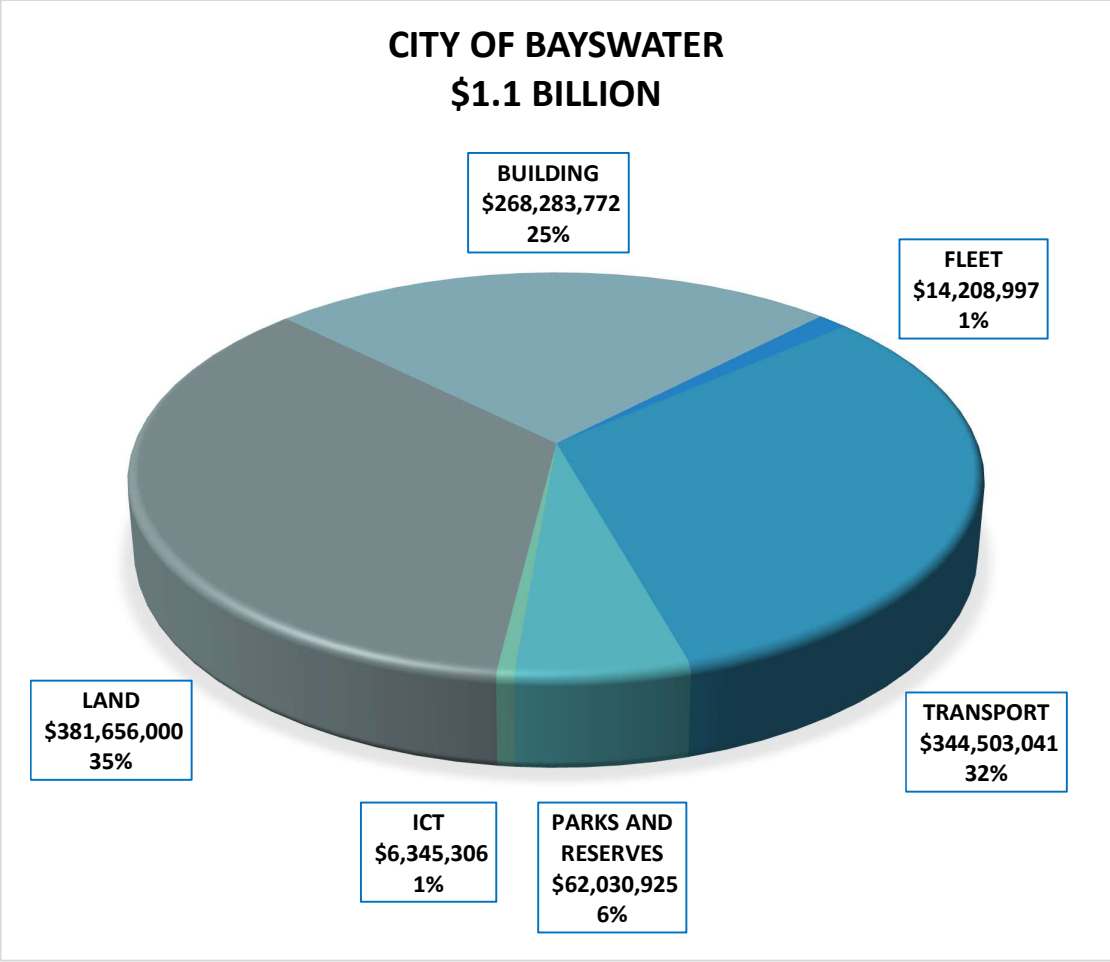
Name	Date	Details
Executive Leadership Team	6/10/2025	Endorsed

Approval Process

The City's Executive Leadership Team (ELT) to endorse the annual internal review with outcomes presented to Council according to the Asset Management Policy (2024).

Executive Summary

The City of Bayswater maintains a range of assets to provide an integrated approach to the delivery of service. The City is responsible for community infrastructure with a replacement value of close to $1.1billion.



In order to ensure that the City effectively manages this large portfolio of assets, the City's Asset Management Working Group renewed their commitment to continuous improvement of its asset management practices, including preparing a suite of asset management plans as informing strategies to the Strategic Community Plan (SCP) and the Long-Term Financial Plan LTFP).

The purpose of an asset management plan is to assist the City to manage its infrastructure and other assets to an agreed level of service, and to ensure this is sustainable into the future. It is a plan for the appropriate renewal, upgrade, acquisition, maintenance and disposal of assets that balances aspirations with affordability.

This is the City's Asset Management Plan (AMP) for Information and Communication Technology (ICT) assets. It includes hardware such as desktop & mobile computers, network equipment, security system equipment and miscellaneous equipment, but excludes furniture equipment.

On 30 June 2024, the current replacement cost of City's ICT assets (Asset Management System) was $6.4m with a written down value of $2.1m. The available data indicates that approximately $1.3m will be required annually over the long term to renew ICT assets to

sustain the current service levels. This plan also explores the short to medium term requirements through the development of a 10 year forward capital works program (FCWP). This excludes ongoing operation and maintenance expenditure (including funding the EDEN Project) and in 2023/24 financial year it amounted to approximately $4.5m.

Project EDEN is the City's Business Transformation Program incorporating the upgrade of its Enterprise Resource Planning (ERP) solution along with the implementation of new applications within its ecosystem.

It is anticipated that a number of likely changes will occur to ICT service demand. Some of the more significant changes will be the rapid changes in technology, the increase requirements for information security and upgrading the aging ERP solution.

While care has been taken to represent available information accurately, the City is committed to continuous improvement to ensure that the organisation's asset management maturity continues to evolve.

In order to improve asset management practices and the accuracy of this plan, a number of key tasks have been identified. These have been listed within the Improvement Plan for future implementation.

All readers of this asset management plan must understand its limitations and applied assumptions before acting on any information contained within it.

Background and Objectives

Purpose of this Asset Management Plan

As part of the Integrated Planning and Reporting Framework, the City has prepared AMP's and FCWP as informing strategies to the Strategic Community Plan (SCP) and the Long Term Financial Plan (LTFP).

This document is the AMP for the City's ICT assets, and documents the related management practices, processes and strategies. The objective of the ICT AMP is to ensure that ICT assets are maintained to agreed service levels, balanced against long-term resource availability and sustainability.

Information used in the Asset Management Plan

The financial asset class Furniture and Equipment comprises of computer, network, security, furniture and miscellaneous equipment. This revision of the ICT AMP refers to all of the asset under this asset class excluding furniture equipment.

The City's financial asset register for Furniture and Equipment is required to hold assets at the historic cost or price paid when purchased. Financial regulations also require the City to adopt a threshold for assets values. The City considers assets below $5000 as non-financial assets and are not required to report on them, but to consider it as part of operational expenditure.

Future improvements will allow for the two systems to use the same definitions. Regular stocktakes allows for reconciliation of the two systems to align reporting.

By reporting from both systems, the importance of aligning them can be highlighted and monitored.

Focus of this Asset Management Plan

This AMP focus on assets that support the ICT service provided by Digital Solutions Services branch and other branches. The key assets that make up the service and their values as recorded in the financial asset register are detailed in Table 1.

Table 1 details the current replacement cost of ICT assets held in various asset management inventories.

Table 1: Assets covered by the ICT AMP (Asset System)

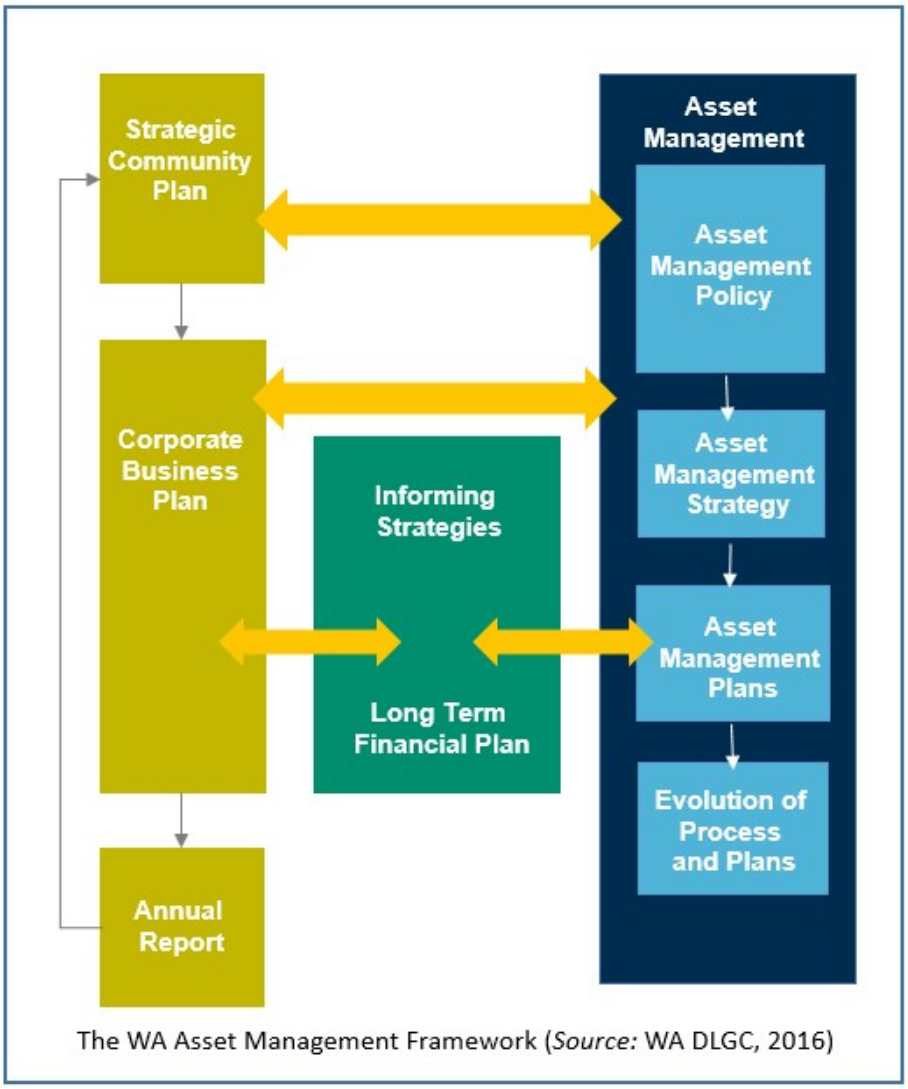
Asset Type	No of Item records	Current Replacement Cost
Desktop and Mobile Computers	441	$2,355,250
Network Equipment	153	$2,551,406
Security System*	49	$562,787
Miscellaneous Equipment	13	$875,863
Total	656	$6,345,306

Note: *The FCWP made the assumption that the entire CCTV system would be replaced by a non-asset solution by considering a managed service. This would result in no replacement cost but an increase in operating expenditure that had been provided for in the Long Term Financial Plan.

Corporate Document Relationships

This AMP integrates with the following City documents as part of an integrated planning and reporting framework:

- Strategic Community Plan
- Corporate Business Plan
- Long Term Financial Plan
- Asset Management Policy
- Annual Budget



The WA Asset Management Framework (*Source:* WA DLGC, 2016)

The ICT Asset Management Plan is also guided by the following informing strategies and other City documents:

- CCTV Strategy 2018-2028
- Cloud Strategy
- Digital Transformation Strategy
- Eden Project Brief
- Library and Customer Services - Information and Communication Technology Plan 2020 – 2025
- Annual IS Security Audit conducted by Office of Auditor General

Time Period of the AMP and Review Process

The ICT AMP 2025/26 to 2034/35 covers a 10-year period and is subject to annual review by the City's Executive Leadership Team (ELT), after which it is presented to Council in accordance with the Asset Management Policy (2024).

The AMP, together with the supporting Forward Capital Works Program (FCWP), informs the annual review of the Long-Term Financial Plan (LTFP) and Budget process as part of the integrated planning and reporting framework.

Service Levels

Introduction

Service Levels describe the outputs that the City provides from its ICT portfolio. These have been developed through the consideration of strategic and policy inputs, community perceptions and community needs.

Community Perceptions Survey

In the case of ICT services, community members are important users of City provided ICT services.

Most of the City's services to the community rely on how effective community members, staff and Council are supported by appropriate ICT assets.

The City's last Community Perceptions Survey was in 2023 and indicated the following performance results and trends as shown in Table 2 below.

Table 2: Community Perception Survey

Focus	Very Satisfied or Satisfied 2023	Very Satisfied or Satisfied 2021	Trend
Access to City services online	82.4%	86.4%	Decreasing

Service Level Performance

ICT assets should provide a service level that efficiently enables work, facilitates collaboration and enhances community interaction with the City and its services.

Table 3 details the targeted service levels to be refined in future revisions of the plan.

Table 3: Service Level Performance

KPI	Service level - Target	Service level - Performance
Reliability	The City will target 99% availability of ICT assets with production, test and redundant ICT environments configured and maintained to support this target.	Monitoring and reporting annually
Performance	Either measured as condition and/or whether it is fit for purpose.	Monitoring and reporting annually
Compliance	Compliance to requirements for ensuring security of information and systems.	Monitoring and reporting annually
Financial Sustainability	Asset Ratios (Asset System).	Monitoring and reporting annually

Service Demand

This section summarises likely factors that may affect the demand for ICT assets over the life of the AMP.

Some of the more significant changes will be the rapid changes in technology, the increase requirements for information security and upgrading the aging Enterprise Resource Planning (ERP) solution.

Historic Demand

The following table outlines the key factors that have affected historical service demand change.

Table 4: Historic Demand Drivers*

Driver Type	Effect	Demand Change
Population	The population grew from 69,283 in 2021 (Census data) to an estimated total of 75,981 in 2024 (ABS Estimated Residential Population - next census in 2026). This figure is expected to grow to 100,000 people by 2050.	Increase
Staff Numbers	Staffing use ICT assets in conducting their duties. Staffing numbers have increased from 370 in 2023 to 382 (permanent and fixed term employees) in 2024. The impact this has on the demand for ICT assets will be quantified in future revisions of this plan.	Increase

Technology & Usage Changes	Reliance and use of technology has increased with more modern approaches to working, changes include remote working, social collaboration, data accessibility, task automation. There is also increased community expectations of easy to use, intuitive and functional on-line services. This has not been more prevalent than during Covid and the increased need to work from home that placed additional pressures on the provision of ICT equipment to staff and facilities to have virtual meetings.	Increase
Policy Changes	As outlines in the various ICT strategies and Information Security Action Plan (currently under development).	Increase

*Next Census will take place in 2026 (5-year cycle)

Future Demand

Consideration was given to six possible future demand drivers of ICT assets.

Table 5: Future Demand Drivers

Driver Type	Effect	Demand Change
Political	Possible increased demand for additional and better performing ITC services as emerging technology becomes available.	Increase
Economic	Productivity, efficiency and cost effectiveness of service delivery can increase if appropriate technologies are applied, but usually require investment and strategy.	Increase
Social	Population growth (and staff increases) will directly affect demand for online services, although the exact quantum and ability to meet demand is unclear.	Increase
Technological	Consideration should be given to increased demand and performance requirements and an increased demand in new and disruptive technology.	Increase
Legal	ICT assets and services support the City to comply with regulatory obligations including privacy of personal and transactional data; Security of systems and services; and business continuity.	Increase
Environmental	Increased demand to move towards cloud solutions to reduce power and cooling requirements.	Increase

Demand Management

A review of past and future demand factors shows that service demand change has occurred and will also likely occur into the future. The following improvements are proposed in order to meet demand changes.

- Using the findings and recommendations from the current and future ICT related informing strategies to inform the Asset Management Plan and consequent 10-year FCWP, as these demand management strategies have already included consultation.

- Monitoring and reviewing current utilisation and performance of ICT infrastructure, systems and services to ensure it remain fit for purpose.
- Aligning the Long-Term Financial Plan and Annual Budget with the AMP supported 10-year FCWP will ensure that demand is managed in a sustainable way.

Risk Management

An assessment of risks associated with service delivery identifies risks that can result in loss or reduction in service, personal injury, environmental impacts, financial shock, reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment also includes the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

The City proactively monitors the condition and performance of ICT assets. Having sufficient warning and understanding of the likelihood and consequences of an asset failing, the City can take proactive action to avoid outages and meet agreed service levels.

Service or Asset at Risk	What can happen	Risk rating	Risk Treatment Plan
Core Business Operations	Disruptions to the City's business systems, customer relations management and documents and records management.	H	Implement preventative maintenance schedule, replace aging assets.
Communication and Collaboration	Disruptions to the City's email and messaging platforms, shared drives and collaborative tools.	H	Upgrade legacy systems, implement software lifecycle policies.
Service Delivery Platforms	Disruptions to the City's Public-facing systems (web portals and online services).	H	Upgrade legacy systems, implement software lifecycle policies.
Data and Analytics	Disruptions and potential loss of data and delays in reporting.	H	Upgrade legacy systems, implement software lifecycle policies.
Infrastructure and Network Services	Disruptions in internet/intranet connectivity, cloud services and backup and disaster recovery systems.	H	Upgrade legacy systems, implement software lifecycle policies.
Security and Access Control	Increased vulnerability to cyber threats, unauthorised access and exposure to malware – OAG audit requirements.	H	Regular penetration testing, deploy endpoint protection, conduct access audits.

ICT Assets' Physical Parameters

The City's financial asset registers are only required to carry ICT assets at historic cost as reported in the Annual Financial Report. Table 6 is a summary of the current replacement cost of the ICT assets as on 30 June 2024.

Table 6: ICT Portfolio Physical Parameters (Asset System)

Asset Type	Items recorded	Current Replacement Cost	Depreciated Replacement Cost	Annual Depreciation
Desktop and Mobile Computers	441	$2,355,250	$417,050	$471,050
Network Equipment	153	$2,551,406	$989,556	$510,281
Security System*	49	$562,787	$94,300	$112,557
Miscellaneous Equipment	13	$875,863	$562,520	$175,173
Total	656	$6,345,306	$2,117,426	$1,269,061
30 June 2023 Total	1403	$5,282,874	$1,931,696	$1,070,449

Note: *The FCWP assumed that the entire CCTV system would be replaced by a non-asset solution by considering a managed service. This would result in no replacement cost but an increase in operating expenditure that had been provided for in the Long Term Financial Plan.

ICT Portfolio Condition

ICT assets can be monitored autonomously. However, many ICT assets in the possession of City staff and Council require those users to report failing assets so that they may be repaired or replaced. The future ICT asset condition rating system should consider the following condition states:

- **Serviceable** – assets in service or in reserve that while functioning, can be repaired in the event of failure.
- **Non-Serviceable** – assets that although in service, cannot be repaired in the event of failure due to their age, specific use, unavailability of spares, patches or support. In some cases, an increase in cost of servicing relative to assets age may also be classified as the asset being not cost effective to service.
- **Failing** - assets in service that are known to be failing and have been flagged as requiring repair or replacement. An asset may be considered failing when it is no longer compatible with current hardware or software requirements or if it is no longer compliant with regulatory and security compliance protocols.
- **Out of Service** – assets in storage that are no longer serviceable or functioning.

ICT Portfolio Data Confidence and Reliability

Table 8 details the reliability and confidence levels of the current asset data the City holds (1-5 with 1 being very good and 5 very poor). It is the City's intention to progress towards a

position whereby data confidence levels for all areas are classified as either a 1 or 2. A full asset stocktake audit will be included in future revisions of this plan.

Table 7: ICT Portfolio Data Confidence Levels

Asset Type	Inventory	Condition	Valuation
Desktop & Mobile Computers	2	2	2
Network Equipment	2	3	3
Security System	2	3	3
Miscellaneous Equipment	3	3	3

Lifecycle Management Strategies

This section details the strategies and practices that are currently employed to manage ICT assets at the lowest lifecycle cost.

ICT assets are mostly managed by the Digital Solutions Services branch, but some items under Miscellaneous Equipment (ME) and Security Equipment (SEC) are managed by other branches. Refining roles and responsibilities for these various arrangements will be further clarified in future revisions of this plan.

Operation & Maintenance Strategy

The City currently operates and maintains ICT assets in line with manufacturer specifications. All assets are maintained at appropriate intervals to ensure that the expected useful life can be obtained. External contractors may be used for maintenance or servicing work on an ad hoc basis or by vendor maintenance service agreements.

Vendor maintenance contracts for hardware and software (i.e. software assurance) are part of a robust asset maintenance plan. Maintaining service agreements with vendors, while being part of a risk mitigation strategy and business continuity plan also provides the following benefits:

- Reduce support costs – with access to vendor supplied service and support.
- Reduce renew and upgrade costs – renew and upgrade paths for hardware or the latest version of software at reduced rates.
- Increased security – ensuring ICT infrastructure and software is always up-to-date, patched and functioning optimally.
- Reduced administration – outsourcing of product knowledge, fault resolution and general maintenance to the support vendor.
- Improved service levels – external support supplementing the internal workforce capacity and ensuring service levels are met.

The Information Services (IS) branch maintains a service catalogue of ICT services they provide to the City. Service requests and incidents are managed through the service desk tool. The IS service desk (help desk) receive, resolve and when necessary, escalate service requests including those pertinent to asset use, performance and failure. Requests can be raised by City stakeholders or by IS staff directly.

Non asset solutions such as leasing of ICT assets is an alternative to investing large sums of money in purchasing ICT assets outright. Leasing ICT assets will allow the City to acquire cutting-edge hardware and software at a manageable cost while remaining adaptable as technology needs evolve over time.

Renewal Strategy

The City's renewal strategy for ICT assets is primarily driven through the establishment of optimal replacement triggers. The identified projects are scheduled within a 10-year Capital Works Program in line with informing strategies, and strive to balance cost, safety, reliability and functionality.

The useful life of assets varies depending on their application (fit for purpose) and appropriate maintenance and warranties. The progression through its life cycle should be monitored by assessing the assets condition and performance.

Table 9 shows the renewal triggers based on age that have been identified and will be reviewed for future revisions of this plan.

Table 8: ICT Assets – useful life estimates

Asset Type *	Description	Useful life in years
Desktop and Mobile Computers	Workstations (incl mouse and keyboard, etc.), monitors, laptop, tablets, iPad, Surface Pro's, Tough Pads, desktop printers.	5 years
Network Equipment	Server, storage, uninterruptible power supply (UPS) including the GIS system,	5 years
Security System	Closed-circuit television (CCTV) system, CCTV server, body-warn security cameras, vehicle mounted security cameras.	5 years
Miscellaneous Equipment	Printer/Plotters, survey equipment, digital mobile radio equipment, audio visual equipment, phone system, video conferencing system.	5-10 years

The purpose of the asset management plan is to ensure that these renewal strategies are effective to maintain a specific level of service. Table 10 list all the individual renewal programs that will apply.

Table 9: ICT Renewal Programs

Asset Type	
Desktop & Mobile Computers	Replacement of workstations, monitors, portable computers and devices and their accessories.
Network Equipment	Replacement of Network Equipment, including servers, storage, uninterruptible power supply (UPS).
Security System	Replacement of security system assets. The FCWP assume that the entire CCTV system would be replaced by a non-asset solution by considering a managed service. Replacement of body-warn and vehicle mounted security cameras are still included in the FCWP.
Miscellaneous Equipment	Replacement of printer/plotters, survey equipment, digital mobile radio equipment, audio visual equipment, phone systems, video conferencing system.

Upgrade/New Strategy

The City's Digital Strategy has recognised that the City is in the middle of a digital transformation and highlighted that investment in vital infrastructure projects and improvements are to be considered.

The priorities for the ICT Upgrade/New program are centred around the following:

- Reviewing and upgrading the aging Enterprise Resource Planning (ERP) solution, including transition to Software as a Service (SaaS).
- Improving the delivery of digital services through the website and other channels.
- Creating a financially sustainable implementation plan.

Project EDEN is the City's Business Transformation Program incorporating the upgrade of its Enterprise Resource Planning (ERP) solution along with the implementation of new applications within its ecosystem.

Table 10: ICT Upgrade/New Programs

Asset Type	Upgrade/New Strategy
Desktop & Mobile Computers	Any identified improvements or changes to stakeholder key design and operational requirements due to functional, technology or ergonomic requirements may result in an identified and sanctioned upgrade and new request. These requests will be assessed on a case by case basis as part of the AMP and FCWP development.
Network Equipment	
Security System	
Miscellaneous Equipment	

Transitioning to the 'cloud' or Software as a Service (SaaS) is generally seen as an easy decision.

Typically, the benefits of moving to the 'cloud' are reductions in capital expenditure (CAPEX) and the overall total cost of ownership (TCO) of ICT infrastructure and assets. This will

unfortunately be accompanied by an increase in operational cost which is common when selecting a non-asset solution to service provision.

The City is responsible for ensuring the capacity of the City's ICT infrastructure, systems and services to meet stakeholder expectations for performance while balancing cost. Maintaining existing assets to deliver current and future requirements forms the basis of capacity management.

Upgrade/New ICT assets typically improve performance outcomes at a cost (capital expenditure). However, this cost can be offset against a reduction in operational costs due to improved productivity. New assets can bring additional benefits such as greater security and reliability and a smaller size for improved portability or physical footprint.

Renewal vs Upgrade/New Strategy

When considering purchasing of ICT assets (irrespective if it is a like-for-like renewal or Upgrade/New assets) the following also needs to be taken into consideration:

- **Timing** – new assets should be deployed in a predictable and planned manner and where possible, just-in-time to maximise the use of current assets before they are replaced. When an asset fails outside a proactive replacement schedule, it should be replaced in accordance with business continuity and service expectations.
- **Technology** – replacement technology should, at a minimum be like-for-like however, consideration should be given to increased demand and performance requirements and new and disruptive technology.
- **Budget** – many ICT assets represent considerable investment and budgeting should occur 3-5 years in advance of the planned expenditure.
- **Leasing** –for large (>$50,000) capital purchases, leasing may be a more financially astute option to purchasing.
- **Procurement** – the product and deployment/support vendor should represent value for money.
- **Deployment** – deployment plan, change management, timing and resourcing are all key to ensure the transition from old to new.

Disposal Strategy

Assets that are no longer in a serviceable condition and for which maintenance is no longer available (or not cost effective) should be retired from service. Disposal of assets must be in line with the City's disposal policy.

Table 11: ICT Asset Disposal Program

Asset Type	Disposal Strategy
Desktop & Mobile Computers	Once ICT assets have been identified for renewal the old assets will be disposed of. In some cases, assets might be identified for disposal and not replaced. Currently no specific criteria for this have been identified. Disposals are identified during the AMP and in consequent works program review. Any other disposals that are not in an endorsed program should adhere to disposal delegation requirements and relevant policies and management practices.
Network Equipment	
Security System	
Miscellaneous Equipment	

Financial

This section contains the financial requirements resulting from all the information presented in this ICT AMP.

Current operation & maintenance, renewal, upgrade and new expenditure

Future revisions of this plan will refine the reporting on operation & maintenance, renewal, upgrade and new expenditure.

Table 13 provides a summary of capital expenditure related to ICT assets by various service providers areas (branches) during the 2023/24 financial year.

Table 12: ICT Current Capital Expenditure for 2023/24 financial year

Asset Type	Capital Expenditure 2023/24
Desktop & Mobile Computers	$352,793
Network Equipment	$45,044
Security System	$0
Miscellaneous Equipment	$89,305
Total	$487,141
30 June 2023 Total	$444,644

Required Capital Expenditure Requirements

Projected Renewal Expenditure Required over the Long Term

The average long term renewal requirement is calculated using the Current Replacement Cost (CRC) of an asset divided by the asset's Useful Life (UL). Over the entire asset class, this provides a good indicator on the level of investment required to maintain assets for future generations.

More refined estimates of the required renewal expenditure require data that is reliable in terms of inventory, valuation and condition.

As the City's asset management maturity, data reliability and systems improve, the reliability of these estimates will improve.

For purposes of this document, the annualised replacement cost will present the official indicators of required renewal expenditure as an annual average over the next 10 years.

This number excludes the impact of any growth of the portfolio due to new and upgrade projects over the next 10 years.

All replacement costs are presented as they were in June 2024, and no consumer or construction price index (CPI) has been applied to adjust for inflation.

Table 13 A provides a summary of the projected renewal expenditure required over the long term as described above.

Table 13A: ICT Assets Required Renewal Expenditure – Long Term (Asset System)

Asset Type	Required Renewal Expenditure – Long Term
Computer Equipment	$471,050
Network Equipment	$510,281
Security System*	$112,557
Miscellaneous Equipment	$175,173
Total required	$1,269,061
30 June 2023 Total	$1,070,449

Note: *The FCWP assumed that the entire CCTV system would be replaced by a non-asset solution by considering a managed service.

Projected Required Renewal Expenditure – Long Term to Medium Term

The City conducted its project level renewal program, by programming specific asset renewals based on asset information and engineering considerations. The below illustration how the project level required renewal fluctuates around the long-term average required renewal measured by annual depreciation.

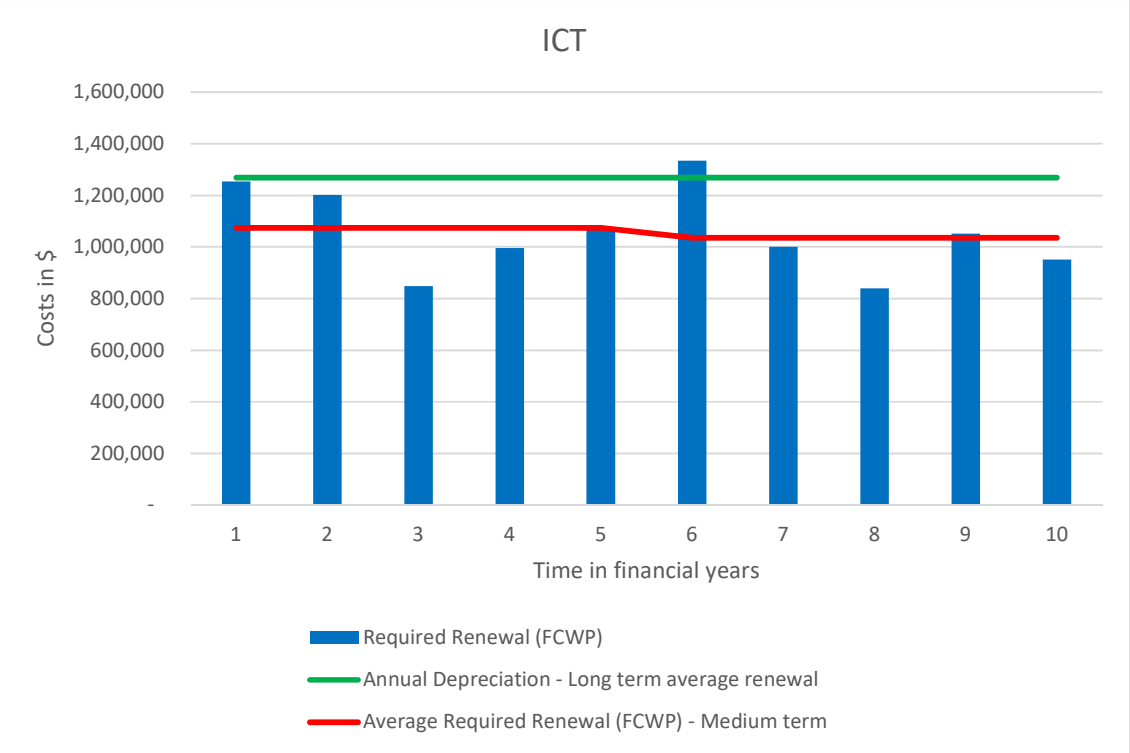


Table 13B: ICT Assets Required Renewal Expenditure – Long Term to Medium Term

Asset Type	Required Renewal Expenditure – Long Term	Long Term - 10 Year Average Annual Required FCWP	Short Term – 2024/25 Required Annual FCWP
ICT*	$1,269,061	$1,054,902	$1,253,753
Total	$1,269,061	$1,054,902	$1,253,753

Note: *The FCWP used the assumption that the entire CCTV system would be replaced by a non-asset solution by considering a managed service.

Projected Upgrade and New Expenditure

The 10-year FCWP has identified upgrades and new projects that will impact the ICT asset portfolio.

Table 13C: ICT Assets New and Upgrade Expenditure – Long Term to Short Term

Asset Type	Long Term – 10 Year Average Annual New/Upgrade FCWP	Short Term – Annual New/Upgrade 2024/25 FCWP
ICT*	$16,400	$104,000
Total	$16,400	$104,000

Note: *The FCWP used the assumption that the entire CCTV system would be replaced by a non-asset solution by considering a managed service.

Planned Expenditure Requirements (renew, upgrade, new)

The LTFP indicates to what extend the 10-year FCWP has been funded and what is planned to be delivered.

City of Bayswater LTFP 2024/25 – 2033/34 has funded 100% of the 10-year FCWP 2024/25 – 2033/34.

Table 13D: ICT Assets Planned Expenditure – Long Term.

Asset Type	10 Year Average Annual New/Upgrade LTFP	10 Year Average Annual Renew LTFP
ICT*	$16,400	$1,054,902
Total	$16,400	$1,054,902

*The FCWP used the assumption that the entire CCTV system would be replaced by a non-asset solution by considering a managed service.

For more detail on which project are planned to be funded see the City of Bayswater LTFP 2024/25 – 2033/34 on the City's website.

Plan Improvement and Monitoring

This section of the plan outlines the degree to which this AMP is an effective and integrated tool for asset management. It also details the future tasks required to improve its accuracy and robustness.

Performance Measures

The effectiveness of this AMP is monitored by the performance of the three asset management ratios that the City reports on.

These KPIs are useful in determining:

- the current physical state of the asset portfolio;
- how sufficient past renewal expenditure was; and
- whether sufficient future renewal expenditure is being allowed for.

Asset Consumption Ratio (ACR)

The Asset Consumption Ratio is used to assess the extent to which the useful life of the assets has been consumed. The ACR provides insight into the age and condition of the City's assets, and assist to monitor asset aging, inform renewal planning and support long-term financial sustainability assessments.

ACR = (Depreciated Replacement Cost of Assets) / (Current Replacement Cost of Assets)

The City has a target band of between 50% and 75% for this ratio.

Non-depreciating assets are excluded from this calculation.

Table 14: ICT Asset Consumption Ratio

Asset Type	Depreciated Replacement Cost (Fair Value) DCR (FV)	Current Replacement Cost CRC (FV)	Asset Consumption Ratio ACR
Desktop & Mobile Computers	$471,050	$2,355,250	20%
Network Equipment	$989,556	$2,551,406	39%
Security System	$94,300	$562,787	17%
Miscellaneous Equipment	$562,520	$875,863	64%
Total	$2,117,426	$6,345,306	33%
30 June 2023 Total	$1,931,696	$5,282,874	37%

Conclusion:
The City falls below the target band of between 50%-75%, indicating investment would be required to maintain service levels.

Asset Sustainability Ratio (ASR)

The Asset Sustainability Ratio is used to assess whether the City is investing enough in its assets to maintain their current value over time. The ASR assists the City to evaluate the long-term sustainability of infrastructure, informs budgeting and investment decisions and communicates asset renewal needs to stakeholders.

ASR = (Capital Expenditure on Asset renewal) / (Depreciation Expense)

The City has a target band of between 90% and 110% for this ratio.

For the below calculations Average Annual Renewal Expenditure are planned expenditure figures to project sustainability into the future. In future, actual expenditure will also be used to measure if planned renewal resulted in actual renewal.

Table 15: ICT Asset Sustainability Ratio (Asset System)

Asset Type	Average Annual Renewal Expenditure*	Annual Required Renewal	Asset Sustainability ratio - target 90%
Desktop & Mobile Computers	$361,855	$471,050	77%
Network Equipment	$427,280	$510,281	84%
Security System	$81,418	$112,557	72%
Miscellaneous Equipment	$184,350	$175,173	105%
Total	$1,054,902	$1,269,061	83%

Conclusion:
Overall, the City is allocating adequate resources toward the renewal of ICT assets to replace what has been consumed on an annual basis. However, to improve portfolio condition and the consumption ratio more funds may have to be allocated.

Asset Renewal Funding Ratio (ARFR)

The Asset Renewal Funding Ratio measures whether the City is planning and allocating sufficient funds to renew its assets at the rate they are wearing out. It helps determine if the current funding strategy is sustainable in the long term.

ARFR = (Planned Capital Expenditure on Asset Renewal over a period) / (Required Capital Expenditure on Asset Renewal over the same period)

The City has a target band of between 95% and 105% for this ratio.

Currently the City is funding 100% of all required renewal. The City will ensure processes are refined to identify any gaps in funded and unfunded required renewal by supporting asset management improvements.

Table 16: ICT Asset Renewal Funding Ratio (Asset System)

Asset Class	NPV of LTFP Planned Renewal Expenditure over the next 10 years according to LTFP	NPV of AMP/FCWP Required Renewal Expenditure over the next 10 years	Asset Renewal Funding Ratio
ICT*	$10,549,018	$10,549,018	100%
ICT Total	$10,549,018	$10,549,018	100%

Note: *The FCWP used the assumption that the entire CCTV system would be replaced by a non-asset solution by considering a managed service.

Conclusion:
The City is maintaining this ratio at 100%, indicating no identified gap between planned and required renewal expenditure over the next 10 years.

Improvement Plan

It is important to further develop the City's Asset Management Plans. This will ensure that the City's asset management continues to mature and can provide accurate data and information for effective decision-making to ensure that the City's ICT assets are managed sustainably into the future.

The asset management improvement plan generated from this AMP is shown in Table 18.

Table 18: ICT AMP Improvement Plan

Task No	Task	Revised Timeline
1	Identify main risks for assets and asset management practices.	Completed
2	Improve inventory reliability. Review classification and definitions to form the basis of a review of the inventory. (Inventory improvement program).	Completed
3	Improve valuation reliability by reviewing replacement cost estimates and useful life triggers. (Inventory improvement program).	June 2027
4	Improve condition data reliability and review the renewal and other lifecycle strategies to align with current practices. (Condition assessment framework).	June 2027
5	Improve reporting on historic/actual renewal cost to allow for calculating the asset sustainability ratios. (Ongoing improvements are being made to refine actual expenditure reporting).	June 2026
6	Prepare 10-year Forward Capital Works Programs that feed into the Long-Term Financial Plan and allow for calculating asset renewal funding ratios.	Completed.
7	Review Technology Hardware Purchasing Management Practice.	June 2026