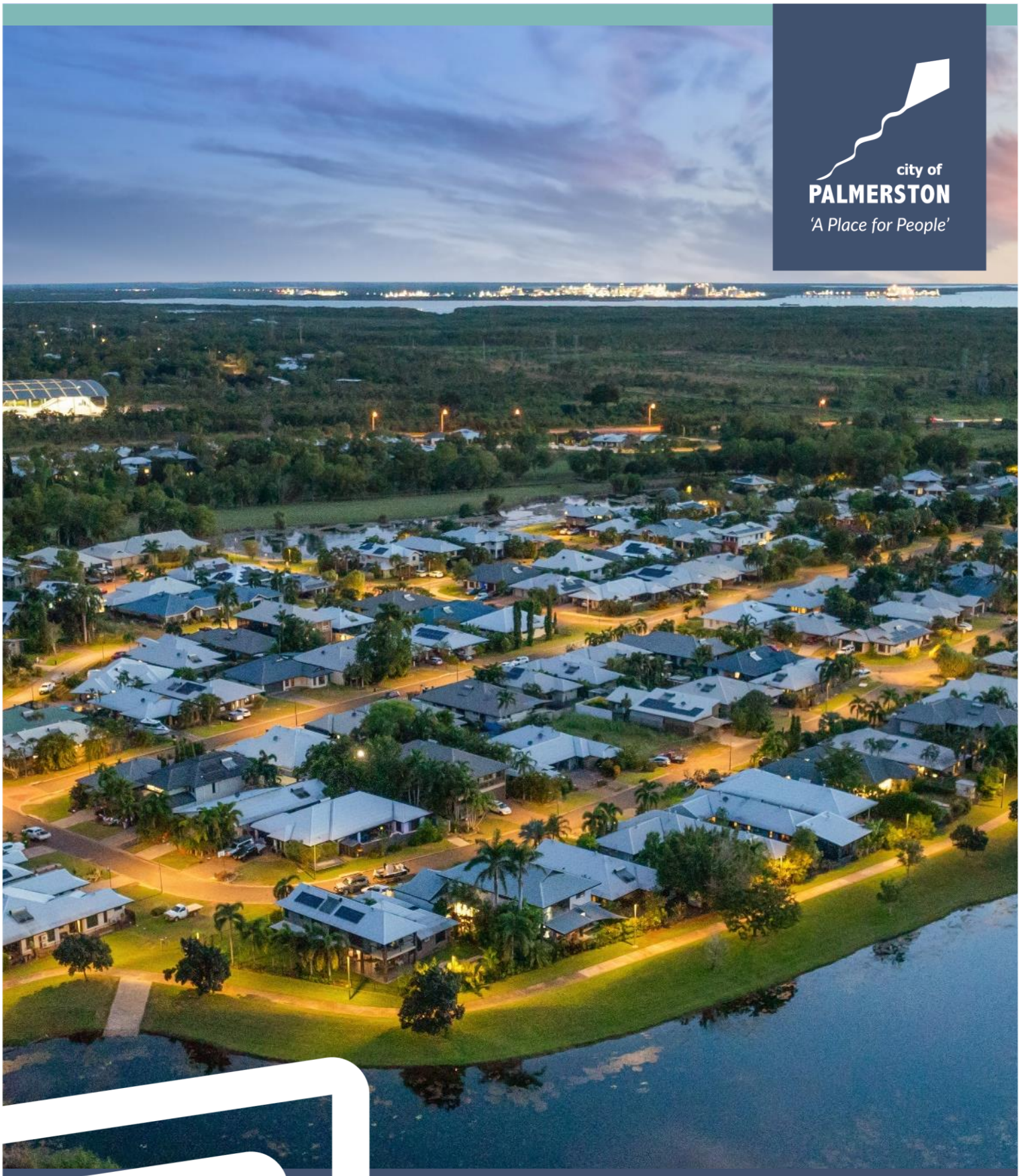


city of
PALMERSTON
'A Place for People'

ASSET MANAGEMENT PLAN
FLEET-2026

DOCUMENT CONTROL REGISTER

DOCUMENT CONTROL		ASSET MANAGEMENT PLAN			
Rev No.	**Date**	**Revision Details**	**Author**	**Reviewer**	**Approver**
1	August 2021	First Version - RMAC	CAM	DCGO, PM	DCGO
2	February 2026	Second Version – RMAC Re-branded	AML	ITAM	GMFG

This Plan shall be reviewed annually or amended when required when associated changes occur including:

- Annual budget changes result in a material impact to the plan, including the Long-Term Financial Plan.
- Finalisation of the 10-year capital works program.
- Changes to service levels.

Abbreviations:
AML – Asset Management lead
ITAM – IT & Assets Manager
GMFG – General Manager, Finance & Governance
CAM – City Assets Manager
DCGO – Director City Growth and Operations *(now General Manager Infrastructure)*
PM – Project Manager

1. EXECUTIVE SUMMARY

The purpose of the Plan

As the second largest and fastest growing city in the Northern Territory, the City of Palmerston (Council) has $829 million in assets under its management as of 30 June 2025.
Asset Management Plans aim to:

- Mitigate Council's Strategic Risk relating to long term sustainability.
- Ensure consistent asset management across Council.
- Identify asset management issues and scenarios that may impact upon Council's financial position.
- Detail information about assets including actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks.
- Define the services to be provided, how the services are provided and what funds are required to provide the services over a 10-year planning period.
- Ensure assets are safe for use and the community receive value for money for their investment in community assets.
- Provide detailed asset data and data analysis to inform Council's Long-Term Financial Plan (LTFP).

Summary Findings

As at 30 June 2025, asset sustainability ratio for Fleet is 156% which indicates that City of Palmerston is replacing 156% of its existing asset base with capital renewals as the assets reach the end of their useful life. Council has an asset sustainability benchmark of 90% - 110%.

City of Palmerston's Assets Consumptions Ratios rate is 47%. A measure between 60% and 75% indicates that the assets are being maintained, renewed and replaced at a responsible rate.

1.2 Asset Description

Fleet is one of the key asset groups that provide Council the capacity and ability to facilitate services that are enjoyed by all members of our community.
This AM Plan covers 46 Assets in Fleet comprising of:

- Trucks - 2
- Trailers - 6
- Excavator - 1
- Light passenger and commercial vehicles - 29
- Associate equipment – 6
- Aquatic Harvester – 2

1.3 Levels of Service

It is an objective of the City of Palmerston Community Plan that our infrastructure is fit for purpose. This requires that our infrastructure is maintained and managed through adaptive innovative approaches to meet multiple community uses and needs. Levels of service to achieve this include:

- Providing Fleet in quality condition with an improved asset management and data capture techniques.
- Providing safe and compliant Fleet as per community expectations.
- Provide regular upkeep and maintenance of Fleet utilising a contemporary tracking system.

- Manage the resources Fleet use in environmentally sustainable way.

1.4 Future Demand

The main demands for new services and fleet are created by:

- Community expectations on appropriate infrastructure, safety, sustainability, and service levels.
- Economic demand due to increasing asset portfolio, economic pressures, asset age and CPI increases.
- Increase in environmental awareness and considerations.
- Population growth and new subdivisional activity, development of existing land and planning strategies.

Changing demands will be managed through a combination of existing assets and providing new assets supported by non-asset solutions, such as insuring against risks and managing failures. Demand management planning activities occur on an ongoing basis and include:

- Continue to monitor and provide input into development controls and guidelines for the requirements of effective Fleet.
- Monitor, assess and implement measures to meet increased demand for environmentally sustainable asset management.
- Monitoring community feedback, trends and assess expectations against existing levels of service and available resources with consideration to budget.

1.5 Managing Risk

Present funding levels based current data are seen to be adequate to control risks relating to these assets. To gain confidence in the risk management position of the assets, condition audits and inspection practices have been identified as requiring improvement.
The management of risk is facilitated by:

- Continual improvements in asset data capture, tracking, maintenance, and management.
- Identify efficiencies in asset utilisation.

1.6 Financial Summary

Gross Replacement Cost:	$2,464,000 (based on current replacement value)
Depreciable Amount:	$1,604,233 (based on actual purchase price at time of purchase, assets still within useful life)
Depreciated Replacement Cost[1]:	$1,163,986.
Annual Average Asset Consumption:	$ 288,926 (annual depreciation)

The combined annualised depreciation for the assets included in the AMP is $288,926.
The current combined allocation for Operating and Maintenance activities is $185,000per annum.
The LTFP anticipates expenditure totalling $4,543,539 over the 10-year period for renewals.

1.7 Monitoring and Improvement Program

The next steps resulting from this asset management plan to improve asset management practices are:

- Increase data confidence through continuation of cyclic condition audits, inspections and consistent and effective record
- Review and report on current fleet management responsibilities, effectiveness and alternatives

[1] Also reported as Written Down Value, Carrying or Net Book Value.

- Continue to review Fleet Useful Lives against fit for service
- Improve asset management and data capture techniques through all stages of the asset life cycle to increase data confidence levels
- Review asset utilisation through vehicle management system
- Improve asset management and data capture techniques through all stages of the asset life cycle to increase data confidence levels
- Annual cyclic review of AM Plan to ensure the latest financial and condition data can be utilised within the plan.
- Review current fleet radio equipment and develop documented standards to ensure suitability and compliance with operational requirements
- Develop and implement a Trailer Monitoring Standard Operating Procedure (SOP), including condition inspections and compliance requirements
- Review Customer levels of service and monitor these against community expectation and Community Satisfaction Survey