CITY OF ADELAIDE

City Of Adelaide

Strategic Asset Management Plan

2020–2024

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Kaurna Aknowlegement

The city of Adelaide and its assets are located on the traditional Country of the Kaurna people of the Adelaide Plains. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

1 Introduction

City of Adelaide currently owns and manages approximately $2 billion worth of assets on behalf of our communities. These community assets range from significant structures such as roads and buildings through to park furniture and play equipment. These assets are a significant investment and require sound strategic management and planning.

The *Local Government Act 1999* requires the preparation of strategic management plans, including long term financial plans and infrastructure asset management plans. The long-term costs of owning and operating infrastructure assets continue to be a financial challenge to local government and requires Councils to take a whole of life approach to determining the cost of owning and managing infrastructure.

We are implementing an integrated asset management approach that aims to:

- Ensure the appropriate level of service
- Ensure the asset's service is delivered in the most effective and efficient way
- Embrace environmental sustainability
- Promote economic sustainability
- Ensure our financial sustainability
- Management of risks

The strategic planning and decisions made by Council, benefit not just the local community, but often flow to all South Australians. City of Adelaide provides hundreds of services and facilities that contribute to building strong and vibrant communities, improve the community's quality of life and enhance their experiences.

City residents, business owners and visitors alike can enjoy a safe, clean and vibrant city and beautiful Park Lands and live the life of their choice. Our infrastructure assets are critical to delivering these experiences.

Today, like in many Australian communities, many of our assets are aging and require significant ongoing maintenance, partly because most of our assets were built decades ago. Our community has grown, and expectations have increased, as well as the demand for new and improved services. Our assets are also vulnerable to climate change impacts such as heavier localised storms, extended heatwaves and other unexpected events. At the same time, new advancements in technology and engineering need to be understood to plan for the future.

It is important that investment decisions on our infrastructure are based on the ability to fund the upfront capital costs and also include allowances for the ongoing operational, maintenance and future replacement costs.

1.1 What is Asset Management?

Infrastructure is at the heart of our economy and enriches of our community's experience in the city. As infrastructure assets can provide services over extended periods of time, the choices we make today can impact the quality of life of future generations. Asset Management is a systematic business practice to manage and maintain infrastructure in a sound and reliable condition and is based on minimizing whole-of-life costs, it also aims to significantly reduce operating and maintenance cost, as well as long-term capital expenses.

Asset Management provides the organisation with the ability to understand the immediate, medium, and long-term impacts of decisions and provide solutions on how to mitigate the risks to the organisation.

Asset Management benefits include:

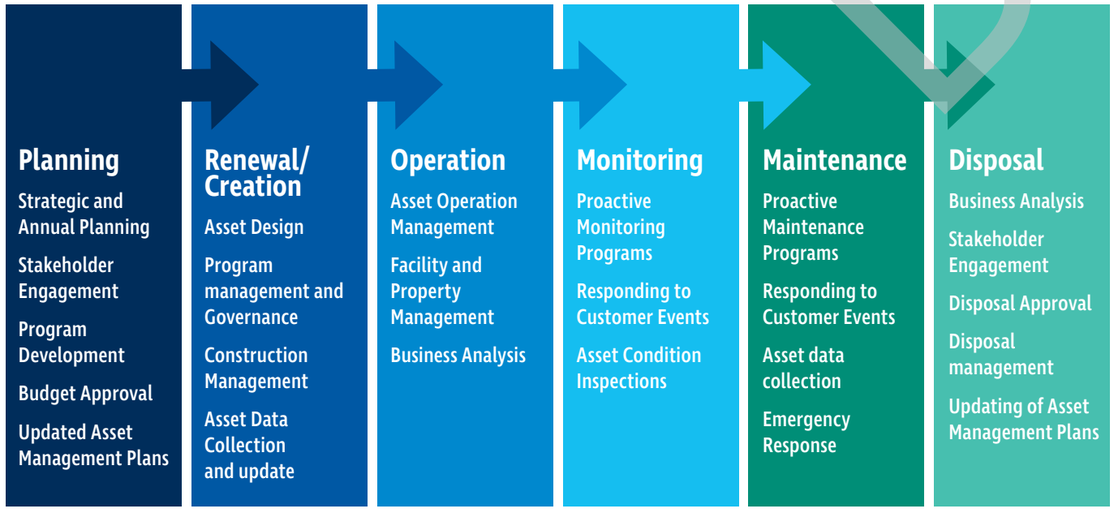
- Improve the cost efficiency by looking at the whole of lifecycle costs,
- Target critical assets to ensure performance is maintained and risk is managed,
- Understand what level of service can be achieved for different costs,
- Ensure infrastructure networks are appropriately funded for the long term and
- Improve customer satisfaction by matching the services we provide to the community's expectations

In simple terms, asset management is about how we manage our assets throughout their lifecycle on both a day to day basis as well as in the medium to long term.

Day to day asset management requirements include the monitoring of our assets as well as operational and maintenance activities to ensure our assets are kept in a safe and serviceable condition. This includes activities like maintenance inspections, cleansing, grass mowing, graffiti removal, as well as maintenance activities such as road patching and footpath repairs.

Medium to Long term asset management requirements include planning, renewal, creation and disposal of assets. This includes comprehensive condition audits of our asset networks, stakeholder engagement, development of Asset Management Plans, development of a comprehensive five year Capital Works program, Project Design and Construction Management.

Asset Management Lifecycle



1.2 Strategic Plan objectives

Our aim is to listen, understand and respond to its community. The City of Adelaide today not only delivers traditional council services, but acts as champion, influencer, advocate and enabler to be a leader in the ways we bring benefit to the community. We work to continually develop, improve and innovate to achieve our vision. As a capital city council, the City of Adelaide has wide-ranging responsibilities. From community wellbeing to urban planning, events, lifestyle experiences to heritage, business growth to climate action. Council works across sectors and issues to ensure the best outcomes for ratepayers, residents, workers and visitors in the city.

The City of Adelaide Strategic Plan for 2020 to 2024 ensures Council Members, our people and the community can share a vision for the future and embrace the opportunities around us. The City of Adelaide 2020–2024 Strategic Plan's vision is for Adelaide to become the most liveable city in the world.

The Strategic Plan's guiding principles include:

- Community Benefit
- Embracing Innovation
- Accessible Participation
- Being Accountable

Key outcomes for the Strategic Plan include:

Thriving Communities

- Healthy and resilient communities
- Safe and welcoming community spaces
- Well-planned and inclusive residential population growth
- Functional zero homelessness
- A safe, affordable, accessible, well-connected city for everyone, and all transport modes
- Increase community use of and access to the Adelaide Park Lands

Strong Economies

- The lowest-cost capital city with the least red tape
- Greater digital capabilities and connectivity through Ten Gigabit Adelaide, enhancing capacity for innovation
- Attraction and retention of a broad range of businesses and investment
- Be a test bed for innovation in diverse industries
- Main streets activated for economic growth

Dynamic City Culture

- Aboriginal people and culture strongly represented in city life
- Beautiful, surprising places
- Global connections and collaborations
- Celebration of diverse community, culture and creativity
- New cultural infrastructure
- Protection, preservation and promotion of our unique built, natural and cultural heritage

Environmental Leadership

- A city where sustainability is core
- A transition to low carbon and circular economies
- Enhanced greening and biodiversity
- A climate ready organisation and community
- Integrated and sustainable development

The Strategic Asset Management Plan provides the framework to consider all Council strategies when planning for infrastructure, as an example it supports the strategic property review's aims to optimise the performance of the City's property portfolio ensuring improved alignment of Council's existing holdings with its strategic, community and financial objectives.

1.3 Strategic Asset Management Plan

The purpose of the Strategic Asset Management Plan (SAMP) is to provide a high-level integrated framework to deliver on the infrastructure needs and objectives identified in the City of Adelaide Strategic Plan 2020–2024. This will be delivered through our Asset Management Plans.

Our Asset Management Plans will be divided into six Asset Categories. Asset Management Plans for each of our six asset categories are established in consultation with our community to document a scenario that allows us to cost-effectively manage our assets to a defined level of service within risk, resource and financial constraints. These plans project the long term financial requirements of each asset category across renewal, upgrade and new, maintenance and operational expenditure streams.

Financial projections relating to each asset management plan are incorporated in the City of Adelaide's LTFP.

The Strategic Asset Management Plan provides the framework to consider all Council strategies when planning for infrastructure, as an example it supports the strategic property review's aims to optimise the performance of the City's property portfolio ensuring improved alignment of Council's existing holdings with its strategic, community and financial objectives.

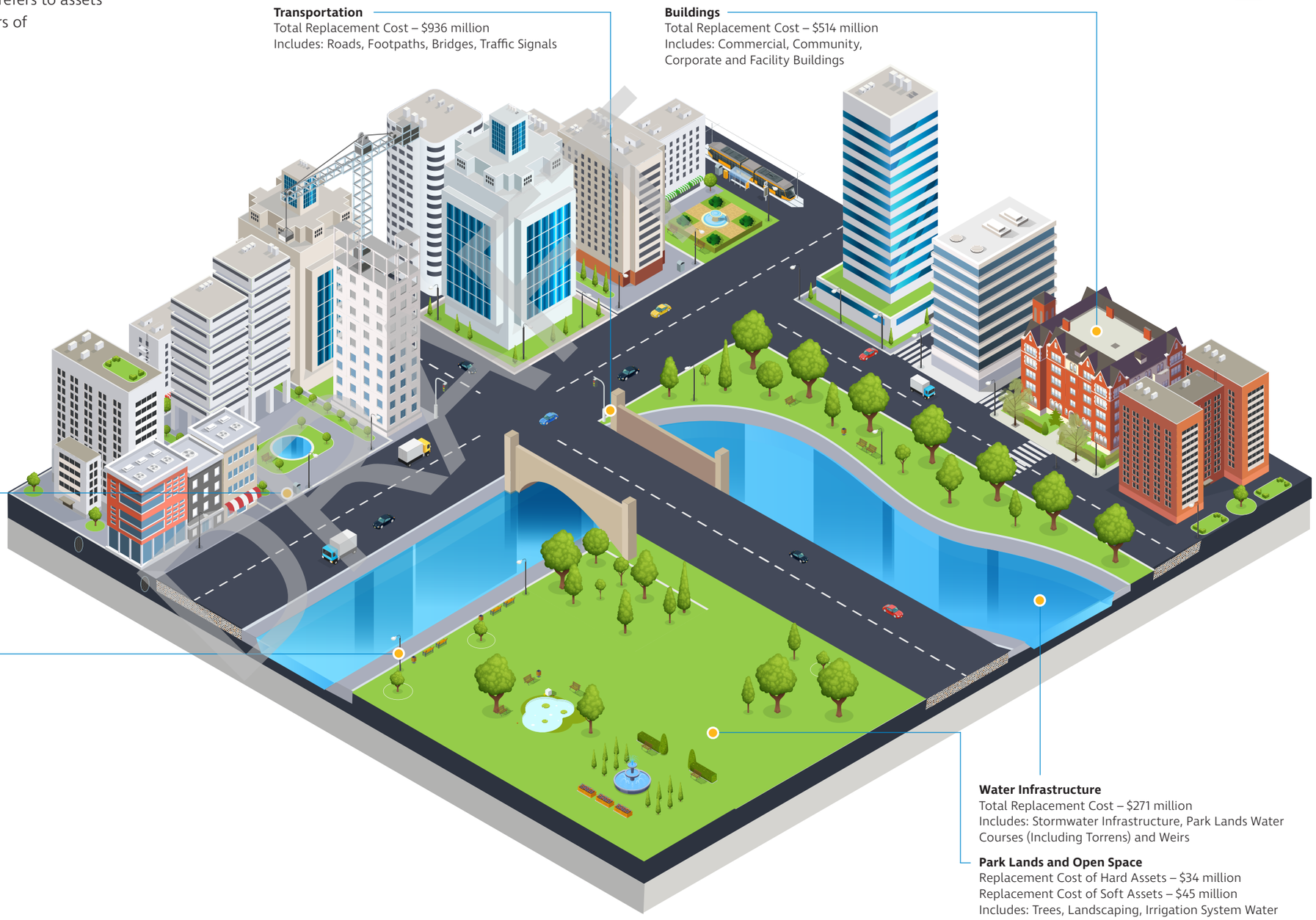
The aim of this plan is to transform the way that the City of Adelaide manages assets to enable long-term sustainability. This approach will enable Adelaide to grow and prosper over the next decade without diminishing levels of service and will also ensuring intergenerational equality.

The Strategic Asset Management Plan will implement industry standard systems and processes. These will support evidence-based decision making and delivery of our infrastructure to our community in a financially sustainable way supporting a strong economy. These best practice solutions will ensure City of Adelaide is an industry leader in Asset Management.

2
City Of Adelaide Asset Portfolio

2.1 Our Assets

Our city is comprised of a vast range of assets, each of which provide specific services to our community. This Strategic Asset Management Plan relates to six specific asset categories. The Strategic Asset Management Plan refers to assets that are owned by us as well as some assets owned by other tiers of government or agencies where we have care and control.



Asset Categories:

1. Transportation

City of Adelaide's transportation assets provide safe and efficient movement of pedestrians, cyclists, commuter vehicles and public transport services throughout the City. These assets include roads, footpaths, bridges, kerb and water table and traffic signal infrastructure. With projected growth for both the City and greater metropolitan Adelaide, it is anticipated there will be increased use of public space, which will put additional demand on the transportation network.

Asset Class	Asset Subclass
Transportation	Roads
	Footpaths
	Bridges
	Kerb and Water Table
	Traffic Signals

2. Buildings

City of Adelaide's building assets provide accommodation for the civic, administrative and operational functions of Council as well as providing community services. These are services such as sporting and recreational activities which include libraries, community centres and public toilets. The building portfolio also includes several sites used for commercial (income generating) purposes.

Asset Class	Asset Subclass
Building	Commercial
	Community
	Corporate
	Facility
	Leased Building

3. Water Infrastructure

City of Adelaide's water infrastructure assets provide services to the entire city of Adelaide area. To deliver these services, the City of Adelaide manages a portfolio of water infrastructure assets including, an underground stormwater drainage network that provides flood protection for rainfall events, a network of watercourses providing amenity and supporting ecosystems and biodiversity through the Park Lands, and a group of Weirs, boat landings, earth retaining structures and environmental equipment to support the Torrens Lake.

Asset Class	Asset Subclass
Water Infrastructure	Stormwater Network Structure
	Torrens River and Creeks
	Sewer Infrastructure

4. Park Lands and Open Space

City of Adelaide's open space assets are contained within 760 ha of Adelaide Park Lands, city streets and associated public realm areas. These assets to support the vision for the Adelaide Park Lands. The Adelaide Park Lands Management Strategy and City of Adelaide Community Land Management Plans proposes a transformation of the Park Lands to meet the challenges and needs of an increasingly diverse population in and around the city. These strategies support a robust framework for future park management and development and illustrates the significant contribution that the Park Lands make to the social life of Adelaide.

Asset Class	Asset Subclass
Park Lands and Open Space	Irrigation System
	Open Space Area
	Water Feature
	Recreational Spaces

5. Urban Elements

City of Adelaide's Urban Elements asset portfolio aims to provide services and amenity to enhance the experience for those living within our community as well as visitors to the City.

Asset Class	Asset Subclass
Urban Elements	Arts and Culture
	Furniture
	Other Structures
	Parking
	Signs
	Structure
	Waste

6. Lighting and Electrical

City of Adelaide's lighting and electrical assets provide services to the entire Council area through facilitating safe access and enjoyment of the city and its amenities. These assets include the infrastructure to support the delivery of electricity to our assets to keep the city safe.

Asset Class	Asset Subclass
Lighting and Electrical	Public Lighting
	Electrical Distribution
	CCTV
	Smart Technology Assets

3
Our changing city

We have identified four key areas with the potential to significantly impact our ability to meet the community's needs. These challenges also provide opportunities which we can leverage to our advantage. These include:

1. **Environmental Challenges**
2. **Population Growth and Demographic Changes**
3. **Technology**
4. **Impact of Covid-19 Pandemic**

Demand for infrastructure is expected to continue to increase, due to urban densification and increase number of visitors per day. Population forecasts show an increase significantly over the next 20 years. The types of infrastructure required will be guided by the demographics of the developed areas. Additional demand will come from the need for public realm improvements to our centres and to cater for medium and higher density developments.

It is recognised that the type and form of infrastructure required for these areas will differ to traditional approaches, requiring high functioning assets that facilitate several uses and potentially catering for higher volumes and intensity of use.

Our current forecasting over the next 10 years indicates significant investments in asset renewals to sustain our existing assets as well as new capital projects to support city growth and other strategic objectives.

A detailed resource modelling project, which commenced in 2020, aims to analyse the resourcing impacts of demand for all services across the organisation, including demand for new and upgraded infrastructure, to further inform our demand modelling and the prioritisation of financial resources.

3.1 Environmental challenges

Adelaide's climate is projected to significantly change over the coming decades. The Millennium Drought presented a significant challenge, hotter and longer heat waves over the Summer of 2019 as well as the Adelaide Hills bushfires. An overall drying trend is predicted with a reduction in Spring rainfall, however the intensity of individual rainfall events in Adelaide is expected to increase.

Climate Data

Temperature

Annual average temperatures to increase by 1°C by 2050, +3.3°C by 2090

Rainfall

Spring rainfall to decline by 7.4% by 2050

Extreme Heat

26 days over 35°C by 2030, 47 days over 35°C by 2090 (Extreme Heat Days to double by 2090)

Extreme Rain

Rainfall intensity to increase by at least 10% by 2050

Fire Danger

Days of 'severe' fire danger rating to increase by more than 200% by 2090

Climate Fact

Adelaide experienced 17 days of temperatures above 40°C in 2019

Most of our current infrastructure was designed, built and intended to be maintained on the premise that our future climate would be similar to that in which had been previously experienced. Current scientific opinion indicates this is no longer the case. The potential risks to the our assets and infrastructure are significant. The City of Adelaide's recent climate change risk assessment identified over three quarters of risks were associated with the increase in average temperatures including increased frequency of very hot days and heatwaves; and changing rainfall patterns, extreme rainfall and flooding events.

Extensive risk assessment for council owned assets, understanding community demands and climate change adaption, can provide useful insights to support the sustainable management of assets.

Adapting our assets so they are climate ready and sustainable will require innovative solutions. New technologies are already being trialled such as roads constructed using 100% recycled materials, installation of raingardens and water sensitive urban design features, cool road surface treatments and increasing tree canopies for shading.

The City of Adelaide is striving to be one of the world's first carbon neutral cities and has already begun transforming assets. These transformations include street-lights to LED, installing solar systems on large buildings to reduce greenhouse gas emissions and purchasing renewable energy resources.

These actions will help mitigate future climate change impacts and ensure that assets are adaptive. The impact to our current assets and those planed for the future, could be immense if City of Adelaide continues to design, build and maintain without considering the potential risks posed by a changing climate.

The useful life of horticultural assets-built infrastructure and stormwater drainage systems is likely to be shortened by extreme heat, reduced rainfall and flooding events. The use of community assets will change to accommodate human impacts of climate change. Changes due to heat could include an increasing demand for 'cool refuges', less outdoor events or cancellations due to heat, and reduced open space use or pedestrian activity. There will also be an increase the mortality of trees and other vegetation on very hot days resulting in urban heat island implications. Increased frequency of extreme rain events will affect the capacity and maintenance of our stormwater infrastructure. Increased extreme heat and rainfall will affect our road surfaces and footpaths requiring more frequent maintenance and renewal.

3.2 Population Growth and Demographic Changes

The City of Adelaide has been growing at a significant rate since 2016, and this is expected to continue. In 2016 the population was 23,552 and it is to an estimated 31,280 in 2021. This growth is expected to continue to trend up at about 5% annually to a population of 36,931 in 2026. This is based on current data available and the longer-term impacts of COVID19 is yet to be determine.

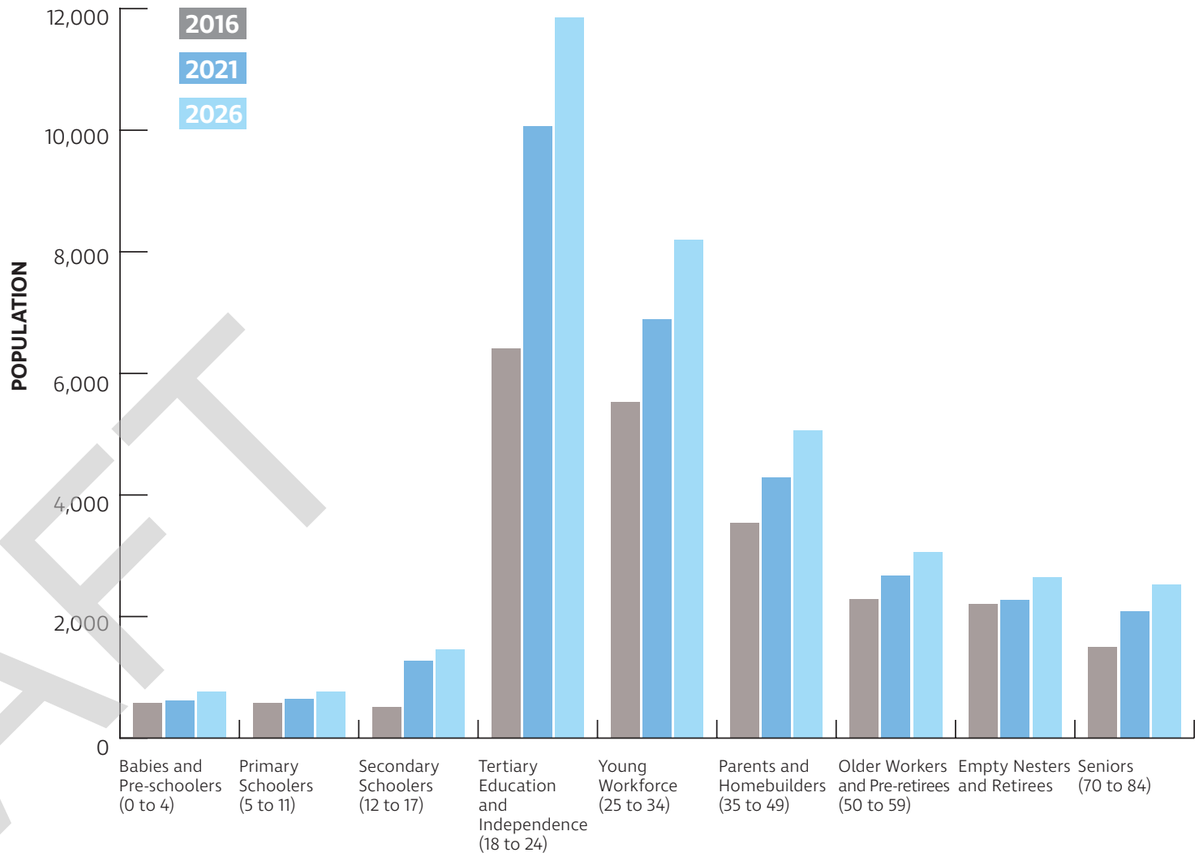
The impacts of this growth on the City of Adelaide are significant. This increase will have an impact on demand for services and infrastructure. The opportunities available for expansion and development are limited with an extremely low availability of unused public land.

The demographic profile of the city of Adelaide will also change over the next six years, and with it, the service and assets needs of the community.

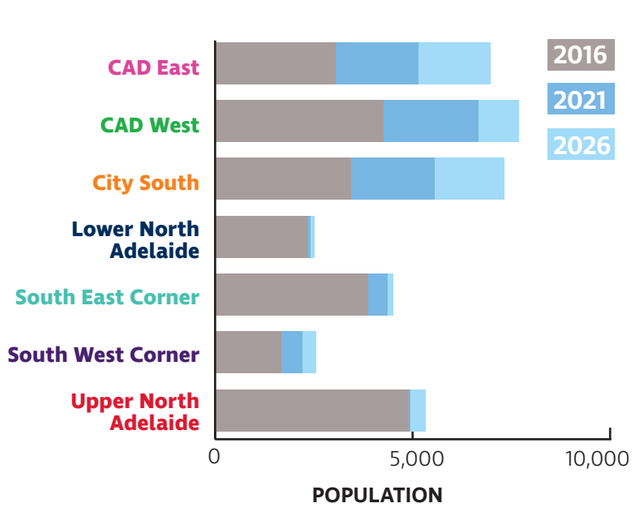
The biggest change comes in the number of residents in the 'Tertiary Education and Independence (18 to 24)' service group, growing from 6,412 in 2016 to 11,858 by 2026. A slight decrease across the other service age groups is currently expected. The 18 to 24 service group are densely populated in the CAD East (49.3% of area population) & West (53.8% of area population).

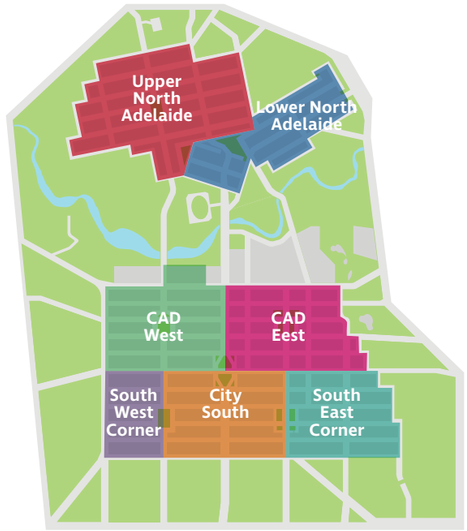
The other major demographic for the City of Adelaide is the 'Young Workforce (25 to 34)' who, when combined with the 18 to 24 service group, project to account for 54% of the population. Metropolitan growth projections and increased number of people coming into the City to work, study, tourism and leisure, putting additional demand on services we provide and associated assets.

Demographic changes



Estimated changes to population in specific areas of the City of Adelaide





3.3 Technology

Advancements in technology are reshaping the way the city operates. These changes affect the way City of Adelaide plans and delivers it's services, and by extension assets to the community. These advancements also change the way in which our community engages with us.

The changes in technology challenge the City of Adelaide to ensure it keeps pace with new technologies, but also provide an opportunity for our asset management systems.

Data is becoming the key component to linking the community, our assets and the City of Adelaide. Data analysis is what helps to inform many of our asset decisions such as our strategic planning and long-term capital renewal planning.

The development of new technologies open up new and exciting ways of obtaining data and turning it into wisdom and knowledge through sharing and collaboration. These technologies include cloud-based services, the Internet of Things, smart phones, smart meters, people movement and other sensors.

Access and understanding of the data available and systems to support this, will enable the City of Adelaide to better understand our asset performance and model our future requirements. This data will allow us to better engage with our community and allow them to participate in prioritising and making asset decisions.

3.4 Impact of Covid19 Pandemic

In the first half of 2020 during the early stages of the COVID-19 pandemic the way in which people used the city changed. While too early to fully understand the impacts of social distancing, temporary health advisory signage, increased cleaning regimes and reduced commuter traffic all have implications on the city's infrastructure. All decision making will consider the impact the situation has on the assets and how they are managed.

4
How City of Adelaide will respond

The City of Adelaide is committed to sustainable asset management which involves managing the levels of service, risk and investment on infrastructure assets in an optimal manner throughout their lifecycle. As such, Council adopted the Asset Management Policy in February 2019, which includes the principals to develop and maintain consistent Asset Management Policy, which are:

1. Community benefits:

Development of service levels and standards to ensure an appropriate balance of expectations and the objectives and requirements of the City of Adelaide.

2. Financial sustainability:

Investment decisions for new and upgraded infrastructure will consider costs of constructing, operating and maintaining to ensure adequate funding is allocated in the long-term financial plan.

3. Environmental sustainability:

Efficient use of resources and protection of the natural environment will be embedded into asset lifecycle planning to support the environmental sustainability objectives of the city.

4. Continuous improvement:

Comment to advancing the practice of asset management including the use of smart technology to optimise decisions, performance and reporting.

5. Evidence based decision making:

Development and maintenance of an asset management information system that will underpin effective asset lifecycle analysis and sound financial management to enable accountability and sustainable management of infrastructure assets and services.

The City of Adelaide aims to ensure alignment with any key international standards, including the International Asset Management Standard (ISO 55000) and both the International Infrastructure Management Manual and International Infrastructure Financial Management Manual, associated Guidance Documents and Practice Notes. These are proven industry standards to achieve best outcome for the organisation and the community.

4.1 Community Benefit

By working with the community City of Adelaide will develop levels of service that are needs based and easily understood.

Actions:

a. Together with the community, use community-based levels of service to inform our strategic objectives.

b. Align City of Adelaide's Strategies to identify future opportunities and ensure better community outcomes.

c. Utilise Council-endorsed prioritisation methods and levels of service to determine the feasibility of projects and biggest impact to the community.

d. Effectively adapt and respond to community needs without adversely impacting the asset management plans and agreed level of service.

4.2 Evidence-Based Decision making

Evidence Based Decision-Making is critical to ensure that there is a line of sight between proposed investments and requirements associate with levels of service, risk management and strategic objectives.

This will allow us to effectively and accurately demonstrate the ongoing renewal and maintenance requirements for our existing assets as well as the investments needed for new and upgrade infrastructure. This evidence comes in several forms, but most common is digital data. System and data management is critical to build an organisations knowledge base over time.

Actions:

a. Develop a data governance policy and procedures to ensure that data and information are sufficiently accurate, reliable and secure. Then use the information to determine, measure and monitor key indicators to demonstrate the organization's performance.

b. Undertake optimised scenario modelling to identify impacts of funding and/or service levels, risk profiles and investment strategies on our assets over the long term. Then model that prioritised expenditure across all of our asset portfolio and Capital Works Program.

c. Make all data needed available to the relevant people to make the right decision at the right time.

d. Use information to better understand the whole of lifecycle benefits and costs of our assets.

4.3 Financial Sustainability

A council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services. City of Adelaide will manage assets to deliver the organisation's objectives through effective asset lifecycle management at the lowest cost to the community.

Actions:

a. Maintain a strategic approach to the delivery of all services and capital works programmes with a sustainable 10 year Long Term Financial Plan to achieve Council's long-term strategic objectives.

b. Model investment requirements associated with different level of service scenarios.

c. Work with industry to leverage opportunities for innovative techniques with cost saving opportunities

d. Identify opportunities to partner or to secure grant and other government funding to support our infrastructure.

e. Ensure there is fairness between generations of rate payers and Adelaide remains an affordable and attractive city to work, live and experience into the future.

4.4 Environmental Sustainability

City of Adelaide will ensure the challenge presented by a changing climate is taken into account when planning and managing assets.

Actions:

a. Consider 'green' over 'grey' infrastructure where appropriate, cost effective and deliver the same level of service.

b. Investigate and implement sustainable infrastructure solutions.

c. Consider projected environmental changes when planning and implementing infrastructure solutions today

d. Promote and support sustainable procurement strategies

e. Minimise impacts to the natural environment.

f. Recycle and minimise waste to landfill where appropriate and re-purposing of existing assets to meet changing community needs.

4.5 Continuous improvement

Community's expectation can change over time. The challenge is to be able to anticipate these changes, while still providing services. Improving our asset management capability will give us greater ability to adapt to changing community requirements.

Actions:

a. Systems – Develop or enhance data processes and systems capability to ensure accurate, consistent, complete data is available.

b. Capability – evelop improvement programs to advance and mature our Asset Management capabilities.

c. Process - Develop reporting capability to determine whole of lifecycle benefits and costings to enable better decision making.

5
How we will fund our Asset Management Objectives

Asset Management Plans will project the long-term financial requirements of each asset category, and consider funding requirements to monitor, maintain and renew our existing assets, as well as identify the requirement for new and upgraded assets. Financial projections relating to each asset management plan are incorporated into the Long-Term Financial Plan (LTFP). The LTFP seeks to ensure that we can deliver services, maintain assets and achieve its strategic objectives in a financially sustainable manner. It provides guidance to support decision making and confirms that we have the financial capacity to meet our longer-term commitments.

With consideration of our current financial position following the covid-19 pandemic, during our recovery it is critical that we look to reduce whole-of-life costs associated with the management of our asset portfolio. To do this, a number of 'levers' can be considered moving forward to inform the development of asset management plans and the associated LTFP. These levers include:

- Optimisation of Renewals
- Review of Levels of Service
- Asset Sustainability Ratio
- Divesting Assets and Accepting Assets
- External Funding Opportunities
- Resource Allocation Strategy

5.1 Optimisation of Renewals

Utilising predictive modelling, a number of asset investment strategies can be modelled with consideration of level of service, cost and risk. Rather than assets being replaced through the conventional 'worst first' approach, various other management strategies can be modelled and considered.

Optimisation through predictive modelling allows specific treatments to be identified for specific assets to ensure works are prioritised to reduce the whole-of-life costs of an asset network. In the long term this will allow optimisation of both level of service outcomes as well as renewal and maintenance expenditure.

Optimisation of asset renewals would be considered through the development of Asset Management Plans and reviewed on an annual basis to align with the Capital Works program that informs the Business Plan and Budget.

5.2 Review of Levels of Service

Levels of service describe the objectives that we intend to deliver to our community through assets, with consideration of quality, function and capacity.

Levels of service are the building blocks of asset management and establishing levels of service is a key requirement to effectively provide services from assets.
To ensure assets are managed in a sustainable manner, it is important that levels of service are periodically reviewed to understand the financial impacts associated with a reduction, maintenance or increase in an assets service provision.

A review to Levels of Service would be undertaken in consultation with the community as well as with Council through workshops in the leadup to the development of Asset Management Plans. Considerations would include:

- Material palettes and design standards, including where they are utilised within the City
- Intervention criteria for undertaking renewal and maintenance works on our assets
- Responsiveness to reactive maintenance activities (e.g. repairing a pothole in a road)
- Frequency of planned operational and maintenance activities (e.g. street sweeping and lawn mowing)
- Functionality and capacity of assets to meet community needs.

5.3 Asset Sustainability Ratio

The Asset Sustainability Ratio indicates whether we are renewing our assets at the same rate that they deteriorate. Adhering to an asset sustainability ratio of between 90-110% ensures that we are sustainably managing the current state of our assets. Where an asset sustainability ratio falls to less than 90% over the medium-long term, it indicates that the state of our assets will deteriorate over time and level of service objectives will not be met. It is important that our assets are sustainably managed over the medium-to-long term to ensure that the cost to maintain and replace them does not become a burden for future ratepayers.

Through reviewing our levels of service, optimising asset renewals and considering asset investment strategies to inform the development of asset management plans, there is an opportunity to ensure we are able to sustainably manage our assets into the future at a reduced cost.

5.4 Divesting Assets and Accepting Assets

A number of our assets provide services not only for our local community, but also the greater metropolitan Adelaide. With consideration of these services, there is opportunity to strategically reconsider ownership and management responsibilities between City of Adelaide, State Government and other interested parties. Through strategically divesting specific assets that may be underperforming or not in our interest to continue to own and operate, the value of our overall asset portfolio would decrease as well as the ongoing lifecycle management costs, allowing funding to be reallocated towards other priorities. Divestment and partnership opportunities for impacted assets would be workshopped with Council. Through deeds and agreements, we regularly accept gifted assets from State Government and developers through third-party projects. Understanding and assessing the ongoing maintenance, operating and replacement costs of these gifted assets is critical to ensure that they can be accommodated within our financial capacity and allow us to continue to sustainably manage our asset portfolio.

5.5 External Funding Opportunities

Leveraging off external funding opportunities for projects will allow us to maintain and enhance the quality of the service we provide through assets, while reducing financial pressures through the efficiencies in an increased revenue. We will continue to work in partnership with both the State and Federal Governments to pursue these opportunities for both renewal and significant upgrade/new projects.

5.6 Resource Allocation Strategy

Implementing a Resource Allocation Strategy will provide a governance structure and line of sight regarding how project initiatives are prioritised and delivered through the Annual Business Plan and Budget. The Resource Allocation Strategy would create a score and ranking for each project initiative, with consideration of the criteria below:

- Strategic Plan Alignment
- Asset Management Plan Alignment
- Demand on Assets
- Community Expectations
- Contribution to Economic Growth
- Environmental and Financial Sustainability
- Project Readiness

The intent is that new project initiatives would be scored, ranked and considered through annual reviews of Asset Management Plans and the LTFP.

6 References

6.1.1 Strategic Asset Management Implementation Program (ACC2020/122266)

6.1.2 National State of the Assets 2018 – Australian Local Government Association

cdn.alga.asn.au/wp-content/uploads/2018-National-State-of-the-Assests-1.pdf

6.1.3 Key documents and related processes

Plan or process	Input from AMP	Output to AMP
Corporate and strategic planning		
Strategic Plan 2020–24 and related strategic management plans	Consolidation of strategic asset management implications and requirements	Confirms key strategies and directions as detailed within the strategic management plans informing asset management planning and priorities. Strategies, directions and required functions to be facilitated or delivered through provision of assets
Council Policy		Council policy refers to sustainability and Council's role as owner/custodian and service provider
Asset Management Policy	Life cycle asset requirements including Service Levels, sustainability and financial implications	Endorsed asset management framework and key processes
Financial Planning		
Long Term Financial Plan and Funding Policy	Financial forecasts modelling and sustainability impacts	Endorsed and forecast funding levels
Annual Business Plan and Budget	New assets, asset renewal, operating and maintenance requirements, budgets and programs	Resulting endorsed budgets are then included in the AM planning process
Project and Capital Works (PCW)	Proposed programs and input to the PCW planning process including definition of requirements, pressures and issues for each category	Endorsed prioritised and scheduled works programs and forecasts
Operational Planning		
Business Plans (local work area plans, Project Register)	Service levels, work programs, processes and budgets defined in asset management plans are incorporated into business plans as activity budgets, management strategies and performance measures	Business plans provide schedule and resource information for inclusion in asset management planning
Service specifications and standards	Required service delivery specifications and resulting intervention levels	Resource requirements and capacity issues
Works programs – (PCW, maintenance and operational)	Programs defined by asset management planning and PCW	Program completion and changes provide input to AM planning
Specific studies, strategic and planning documents		Studies, strategic and tactical planning documents are required as input to the asset management planning process
Other		
Contracts	Service levels, strategies and information requirements contained in the asset management plans are incorporated into contract specifications	Contracts provide for the provision of required asset management data