



CITY OF
ADELAIDE

City Of Adelaide

Strategic Asset Management Plan

2020–2024





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Kaurna Acknowledgement

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:

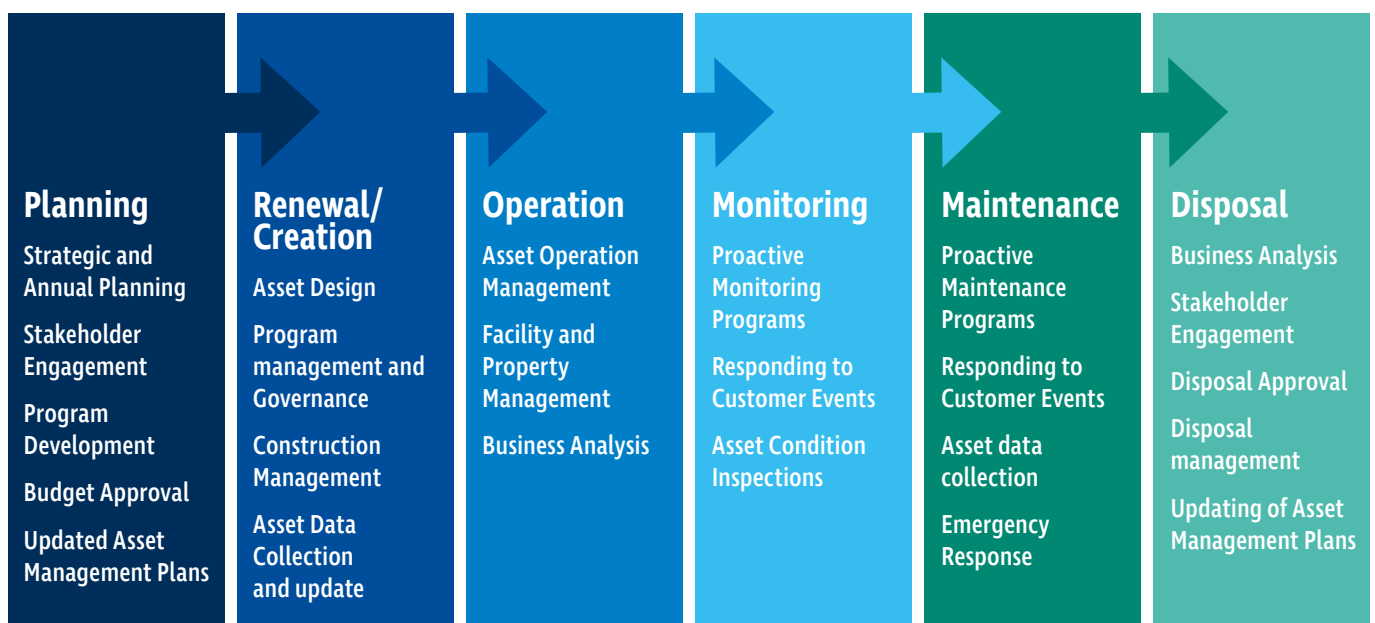
- Improve the cost efficiency by looking at the whole of lifecycle costs,
- Target critical assets to ensure performance is maintained and risk is managed,
- Understand what level of service can be achieved for different costs,
- Ensure infrastructure networks are appropriately funded for the long term 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 elected 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.

Transportation

Total Replacement Cost – \$9
Includes: Roads, Footpaths,

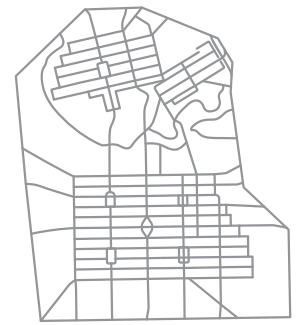
Urban Elements

Total Replacement Cost – \$96 million
Includes: Street Furniture, Bins, Public Art, Monuments, Park Lands Structures

Lighting and Electrical

Total Replacement Cost – \$131 million
Includes: Public Lighting, Electricity Distribution, CCTV

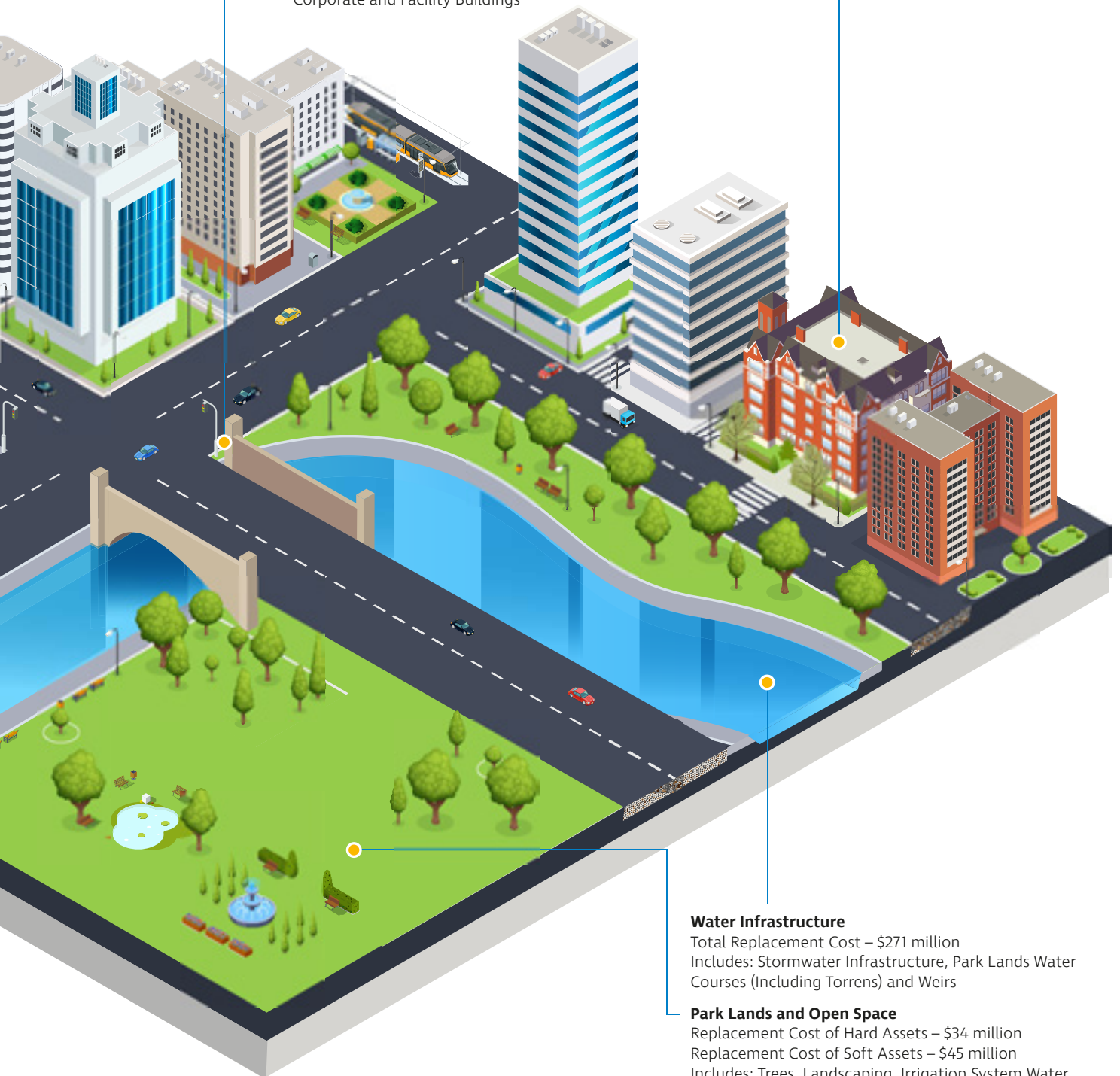




36 million
Bridges, Traffic Signals

Buildings

Total Replacement Cost – \$514 million
Includes: Commercial, Community,
Corporate and Facility Buildings



Water Infrastructure

Total Replacement Cost – \$271 million
Includes: Stormwater Infrastructure, Park Lands Water
Courses (Including Torrens) and Weirs

Park Lands and Open Space

Replacement Cost of Hard Assets – \$34 million
Replacement Cost of Soft Assets – \$45 million
Includes: Trees, Landscaping, Irrigation System Water
Features, Playgrounds and Sporting Courts

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 planned 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 estimated this will grow to 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.

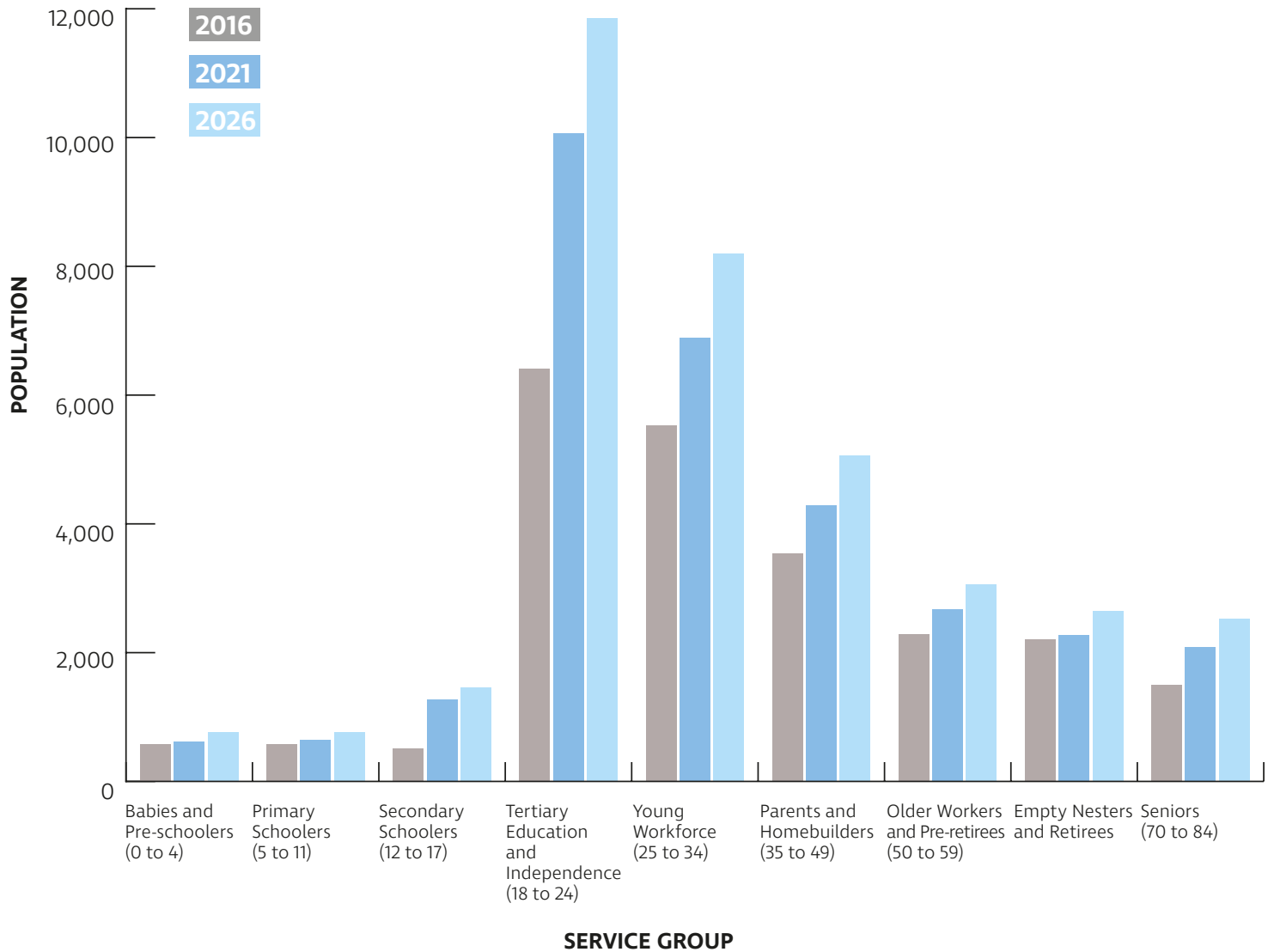
The impacts of this growth on the City of Adelaide are significant. This increase will have an impact on demand for services and infrastructure. The opportunities available for expansion and development are limited with an extremely low availability of unused public land.

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.

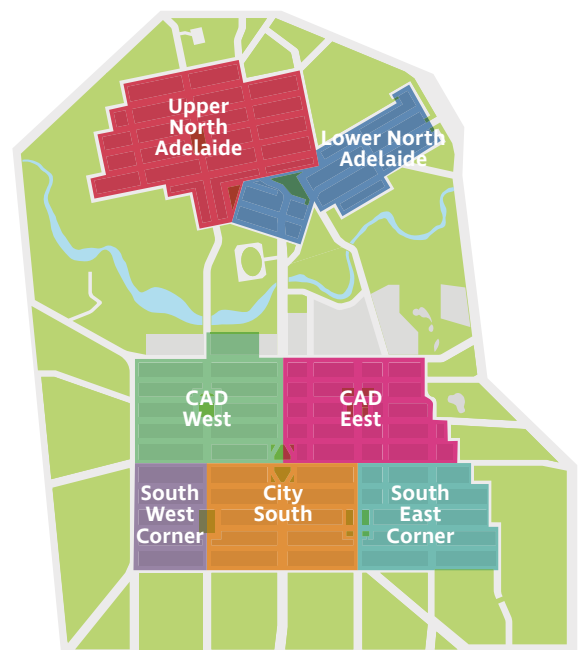
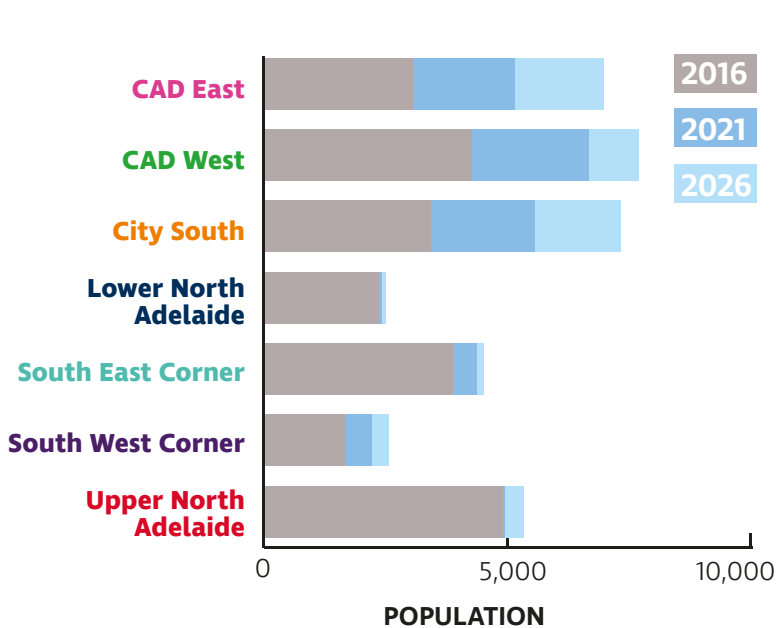
The biggest change comes in the number of residents in the 'Tertiary Education and Independence (18 to 24)' service group, growing from 6,412 in 2016 to 11,858 by 2026. A slight decrease across the other service age groups is currently expected. The 18 to 24 service group are densely populated in the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

Commitment 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 organisation'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 – Develop 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 the Strategic Asset Management Plan

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, and identify the requirement for new and upgraded assets. Financial projections relating to each asset management plan are incorporated in City of Adelaide's Long Term Financial Plan (LTFP).

The City of Adelaide's LTFP seeks to ensure that Council can deliver services, maintain assets and achieve its strategic objectives in a financially sustainable manner. It provides guidance to support Council decision making and confirms that Council has the financial capacity to meet its longer term commitments.

The LTFP is a 10 year forecast of Council's financial position based on its strategic plans, anticipated service levels and economic and political indicators. The LTFP It is a live document that is reviewed quarterly and updated on an iterative basis to reflect the latest available information.

The current LTFP adopted by Council through the 2020–21 Business Plan and Budget includes the projected funding requirements for the Capital Works program based on asset condition and demand

The future implications on funding requirements of each Asset Management Plan will be prioritised against funding sources and levers available to Council over the long term financial plan, including but not limited to; general rates, fees and charges, external funding and borrowings. This will ensure the Financial Sustainability of Council is met.

5.1 Asset Sustainability

Asset Sustainability indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. It is measured by comparing the renewal/ replacement of assets with the optimal level identified in the Asset Management Plans and illustrates whether existing assets are being replaced or renewed at the rate they are being consumed and ensures consistent service delivery as determined by the AMPs. In reviewing our asset management principles, we should strive to renew our assets to ensure we do not push the burden of asset renewal onto future generations.

Overall our assets are performing reasonably well, however the underinvestment in renewal over the past decade has depleted the asset sustainability ratio below 40% (2019–20) partly due to COVID-19 impacts, meaning the assets are not being renewed at the appropriate time, resulting in inferior quality assets. To improve our sustainability ratio, we have adopted several recovery principles through the 20–21 Business Plan and Budget which we will implement through our asset management planning.

Our current forecast sustainability ratio for 2020–21 is 73% and 2021–22 at 67% and the 10 year forecast aims to achieve 100%. As we develop our Asset Management Plans and re-baseline our long-term financial plan our forecast sustainability ratio may increase or decrease dependant on demand, while maintaining the 90–110% recommended average. Condition assessment investigations were completed in 2019–20 which will enable a review of the asset baseline via the implementation of the Asset Management system and forward predictive modelling.

Asset Sustainability Ratio

(expenditure on asset renewals as a % of forecast required expenditure in the asset management pans)

Target 90–110%

33%	73%	67%	100%	100%	100%	100%	100%	100%	100%	100%
2019–20 EOY Forecast	2020–21 Budget	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30

6

Resource Allocation Strategy (RAS)

Aligning to the approved recovery principles our asset renewals will be based on risk and condition audit in the first instance. As we begin to recover from the impacts of Covid-19 we will develop a resource prioritisation model which will enable us to develop our 10 year Asset Management Plans and baseline our long-term financial plan. This will also be utilised for all new request which are outside of the normal annual business planning process

Delivery of the capital works program relies on ranking and prioritising projects to effectively manage budgets sustainably. Resource Allocation prioritisation is the method to identify all potential projects required for the city, how to prioritise the projects based on alignment to:

- Strategic Plan
- Asset use
- Asset demand
- Hierarchy in network
- Community expectation
- Other risks factors

Demand driving assets will be an essential consideration through our prioritisation method as we recover from the impacts of Covid-19. Assets with the ability to stimulate the economic growth and jobs will be prioritised to support the recovery of our city.

This analysis creates a score per project which then enables priority to be given and selection made to match the delivery requirements in the allocated year and that meet the budget of that financial year and can assist in informing future year budgets.

Each asset class will have a resource prioritisation document prepared for Renewal and New and Significant Upgrade to enable this determination of projects and to provide full transparency of a five year rolling capital works program.

The RAS will be utilised in the develop our 10 year Asset Management Plans and baseline our long-term financial plan. This will also be utilised for all new request which are outside of the normal annual business planning process.

7

Asset Management roles and responsibilities

Responsibility for the management of assets is spread throughout the organisation. Preparation and maintenance of service levels for each asset category are the responsibility of the Asset Managers of the asset category.

Role	Responsibilities	Responsible position
Approval of Strategic Direction and intent of the Strategic Asset Management Plan	Agree to the Strategic Management Plan principles which sets the directions and Establishing Strategic asset management framework, financial strategies and corporate implementation	Council
Approval of the Asset Management Plans	Adopt the Asset Management Plans as a 10 year plan with a four year review to deliver the agreed community and technical levels or services	Council
Approval of the Annual Business Plan	Adoption of the annual budget and annual business plan to support the asset management plans.	Council
Approval of the Infrastructure 10 year financial plan	<ul style="list-style-type: none"> Assess the financial requirements of the council for the financial year and, Taking those requirements into account proposed Operating expenditure, capital expenditure and sources of revenue; and Set out the rates structure and policies for the financial year; Assess the impact of the rates structure and policies on the community based on modelling that has been undertaken; and Take into account the City of Adelaide's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets. 	Council
Strategic framework and implementation	Establishing Strategic asset management framework, financial strategies and corporate implementation	Associate Director Infrastructure
Business unit management	Coordination, resource allocation, corporate frameworks and asset management implementation	Associate Director Public Realm, Associate Director Infrastructure, Associate Director Information Management and Finance, Associate Director Community and Culture, Associate Director Customer and People, Associate Director Sustainability, Associate Director Property and Commercial
Planning	Demand management, customer liaison, service level and delivery standards, dataset owner, financial planning (budget and Project and Capital Works) and life cycle modelling	Manager, Infrastructure Management & Governance
Design	Designs and specifications, adherence to and application of relevant standards and legislative requirements	Manager, Technical & Design Services, Lead Technical services Asset planners for each category

Maintenance and operations	Service specifications and delivery standards in conjunction with asset managers, condition assessment, coordination, resourcing and asset maintenance management Maintenance program definitions, customer liaison, service delivery, program execution and resource coordination	Associate Director Public Realm, Associate Director Infrastructure
Role	Responsibilities	Responsible position
Construction	Execution and project management of construction programs, adherence and application of design and required specifications, budgeting and estimating	Associate Director Infrastructure, Associate Director Public Realm, Manager, Infrastructure Management & Governance, Manager, Infrastructure Delivery, Manager, Technical & Design Services
Financial	Budget estimates, Project and Capital Works submissions, cost control, forecasting and variance reporting	Associate Director Information Management and Finance, Associate Director Infrastructure Manager, Infrastructure Management & Governance, Asset planners for each class
Data management	Maintenance of corporate datasets for asset management and spatial data, documentation of required processes and standards for data processing and management	Manager, Infrastructure Management & Governance

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Asset Management Stakeholders

Stakeholders include any person, agency, body or group that have any interest or that are affected by this class of asset and related operations, procedures, policies and activities.

Stakeholder	Definition
Residents	All people resident within the local government area
Businesses	All businesses located within the local government area and any businesses undertaking business within the district from time to time, including tourism and freight industries
Property owners, lessees and licensees	All owners of property including residential, commercial, rural or industrial, lessees and licensees of council buildings and facilities
Ratepayers	All individuals, businesses or agencies required to pay rates
Community groups	All community organisations within the city including clubs, special purpose or interest groups, forums and working parties, including users of council facilities
Visitors/tourists	Any short or long term visitors to the area
Customers	Any person, business, agency or community group that needs to utilise council facilities or services
State and Federal government agencies and departments	Any government department or agency that is a customer of council or requires specific information or outputs from council, or provides funding opportunities
Other agencies and community groups	Any other group or agency that is a customer of council or requires specific information or outputs from council including the Local Government Association, adjoining councils, resident, community and environmental groups, volunteer groups and emergency services
Partnerships	Any other business, agency or group that works with council or under council requirements including utilities and service providers, builders and developers, contractors and suppliers, and research and education partners
Internal council	Any Elected Members of Council or council staff

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References

9.1.1 Strategic Asset Management Implementation Program (ACC2020/122266)

9.1.2 National State of the Assets 2018 – Australian Local Government Association cdn.alga.asn.au/wp-content/uploads/2018-National-State-of-the-Assets-1.pdf

9.1.3 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