



**ASSET  
MANAGEMENT  
STRATEGY 2021-  
2026**

 *City of  
Burnside*



# FOREWORD

The City of Burnside owns and manages a large range of assets on behalf of our community. These assets deliver a number of services for our community - helping to enable transport, prevent flooding, improve safety, improve environmental outcomes, and provide facilities for community activities. The City of Burnside works hard to manage these assets in the most cost effective manner possible, while ensuring they continue to meet the needs of the community now and into the future.

The City of Burnside's Strategic Community Plan, Burnside 2030, outlines a vision and key priorities for the City of Burnside over a 10 year horizon. Effective asset management is a key enabler to delivery of this plan and it's objectives - with our assets helping to enable services and functions that maintain and improve quality of life for our community.

The purpose of an Asset Management Strategy is to document how the organisation's strategic objectives are integrated with, and supported by, asset management practices, and, what the organisation intends to do to

progress its journey towards best practice asset management.

In developing this document, the International Standard *ISO55000 Asset Management*, and the International Infrastructure Management Manual (IIMM) published by the Institute of Public Works Engineering Australasia (IPWEA) have been referenced to provide guidance as to what 'best practice' asset management should incorporate.

These documents, together with the information contained within, and sourced in development of, Council's new Strategic Community Plan 'Burnside 2030' have been used as the foundation for development of this Strategy.

This Strategy will ensure the City of Burnside's asset management practices continue to enable the strategic outcomes we have committed to in conjunction with our community, and ensure a focus on ongoing improvements as we continue our journey towards best practice asset management.



# CONTENTS

OVERVIEW	2
ASSET MANAGEMENT FRAMEWORK	4
HOW OUR ASSETS PROVIDE VALUE TO OUR COMMUNITY	6
STATE OF OUR ASSETS	8
LOOKING FORWARD	10
BEST PRACTICE vs CURRENT PRACTICE	12
OUR STRATEGY	14
HOW WE WILL DELIVER ON THIS STRATEGY	16

REVISION	DESCRIPTION	DATE
0.1	Draft for community consultation	Jan 2021
1.0	Final for Audit Committe endorsement	Apr 2021
1.1	Final for Council approval	Apr 2021



# OVERVIEW

**STATE OF OUR ASSETS**

- Current asset value
- Current asset condition
- Greenhouse gas (GHG) emissions

**FORECAST PROJECTIONS**

- Population projections
- Forecast changes to population age
- Forecast changes to household size and make-up

**MEGA TRENDS**

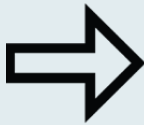
- Climate change
- Environmental sustainability
- Increasing urban density
- Legislative changes
- Evolving technologies

**BEST PRACTICE vs CURRENT PRACTICE**

Our asset management journey towards best practice

**BURNSIDE 2030**

**Strategic Community Plan**  
*A prosperous City with a healthy, safe, connected, and active community, living in green leafy neighbourhoods where lifestyle is admired, heritage is valued, and people and nature live in harmony*





# ASSET MANAGEMENT FRAMEWORK

Strategic Asset Management documents are identified within the City of Burnside's Strategic Management Framework, as shown below.

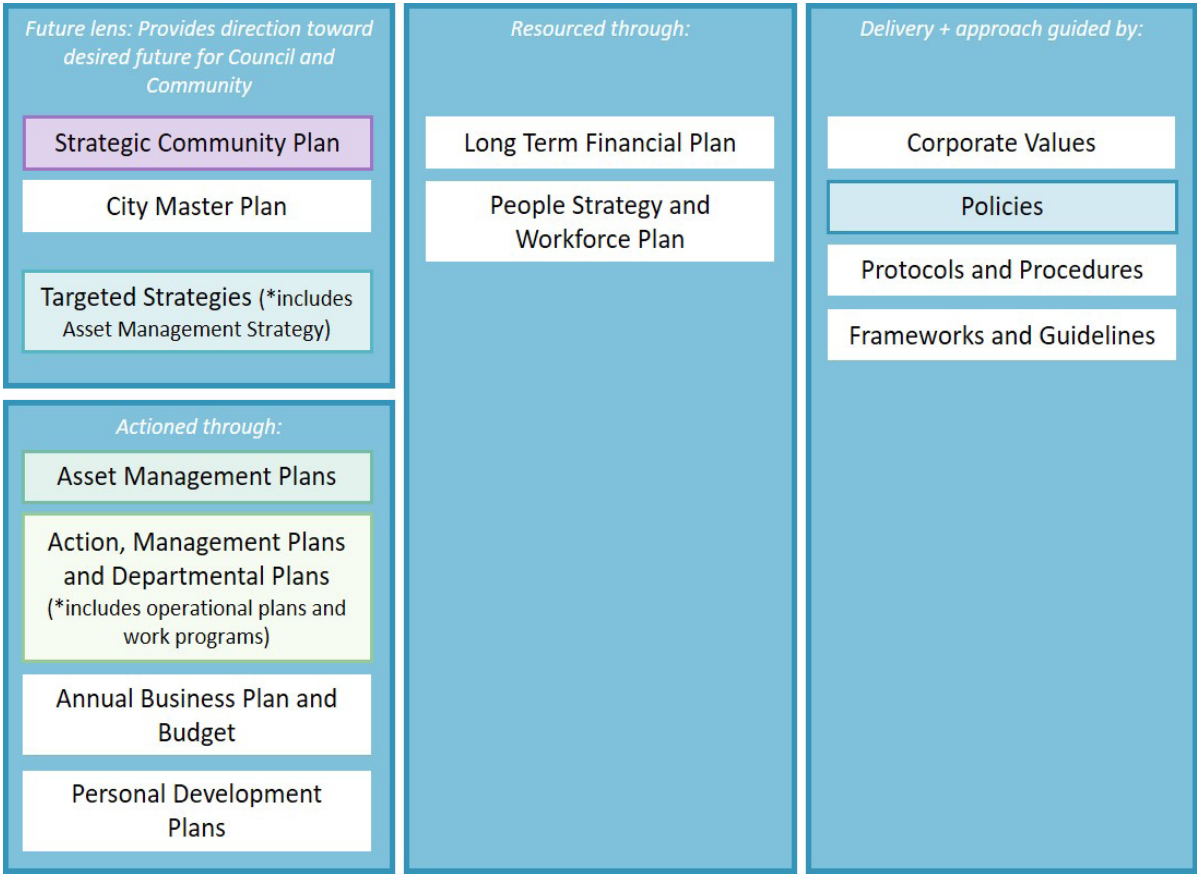


Figure 1: Strategic Management Framework

The City of Burnside's Asset Management Framework ensures that asset management practices align with the Council's strategic objectives and plans, as well as Council's Long Term Financial Plan, to ensure assets are provided and maintained for the benefit of our community.

Council's Asset Management Policy defines Council's approach and principles that will applied by the organisation to enable effective asset management. The Policy is routinely reviewed, in line with Council's Policies and Protocols Framework.

This Asset Management Strategy is supported by 10-year Asset Management Plans, which detail service levels for our assets, and the level of investment required to maintain assets to these service levels (as well as providing new assets, as identified through Strategic Plans and Council resolutions).

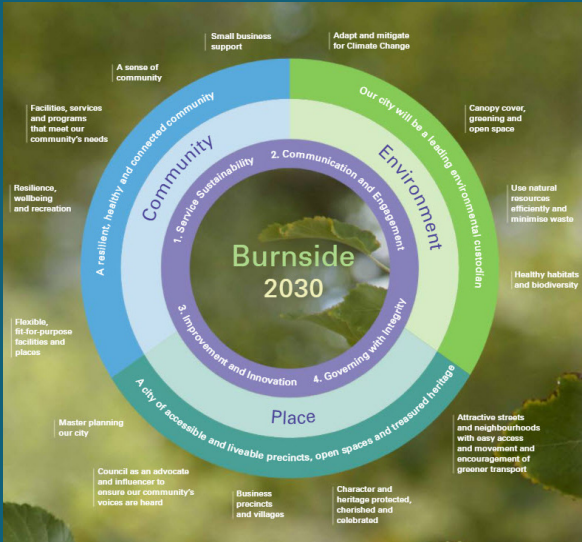
Both this Strategy and the Plans will be reviewed every 4 years, and within 2 years of a Local Government election.

Asset Management Plans are further supported by operational plans and work programs, which enable delivery of maintenance and works defined through the asset planning process.



Figure 2: Asset Management Framework

# HOW OUR ASSETS PROVIDE VALUE TO OUR COMMUNITY



The City of Burnside's Strategic Community Plan, Burnside 2030, outlines a vision and key priorities for the City of Burnside over a 10 year horizon. Effective asset management is a key enabler to delivery of this plan and it's objectives - with our assets helping to enable services and functions that maintain and improve quality of life for our community. Further detail on how our asset management practices are helping deliver on our strategic objectives is provided below.

Strategic Community Plan: Burnside 2030			
	COMMUNITY	ENVIRONMENT	PLACE
Asset Management supports delivery of the City of Burnside's Strategic Community Plan by:	<ul style="list-style-type: none"><li>• Providing flexible, quality, multi-purpose community spaces and facilities</li><li>• Supporting long term recreation planning and implementation</li><li>• Providing accessible, inclusive facilities for all to enjoy</li><li>• Providing forward planning which takes into account what the community needs and wants now, and is likely to need and want in the future</li></ul>	<ul style="list-style-type: none"><li>• Delivery of infrastructure which helps to reduce carbon emissions and increases use of renewable energy</li><li>• Ensuring provision and renewal of assets which are adaptable to, and help mitigate, the effects of climate change</li><li>• Investment in assets which enable conservation and efficient use of resources</li></ul>	<ul style="list-style-type: none"><li>• Responding to changing demands and future challenges</li><li>• Ensuring service levels are set in conjunction with the community, so the City continues to be a place people enjoy and value</li><li>• Providing assets which contribute to high quality streetscapes and public spaces</li><li>• Ensuring practices protect and respect the City of Burnside's heritage and neighbourhood character</li></ul>

Asset management provides further value through improved governance, enabling effective and sustainable decision making, enhanced customer service and risk management, and improved financial efficiency.<sup>1,2</sup>

**Strong governance and accountability by:**

- demonstrating to customers and stakeholders that services are being delivered effectively and efficiently
- providing a transparent and auditable basis for making decisions
- improving accountability for use of resources through performance and financial indicators
- providing the ability to benchmark results

**More effective and sustainable decision making by:**

- having a robust information evidence base to support decisions
- ensuring life-cycle costs are included in decision processes, so emphasis is on sustainable long term efficiencies

**Enhanced customer service through:**

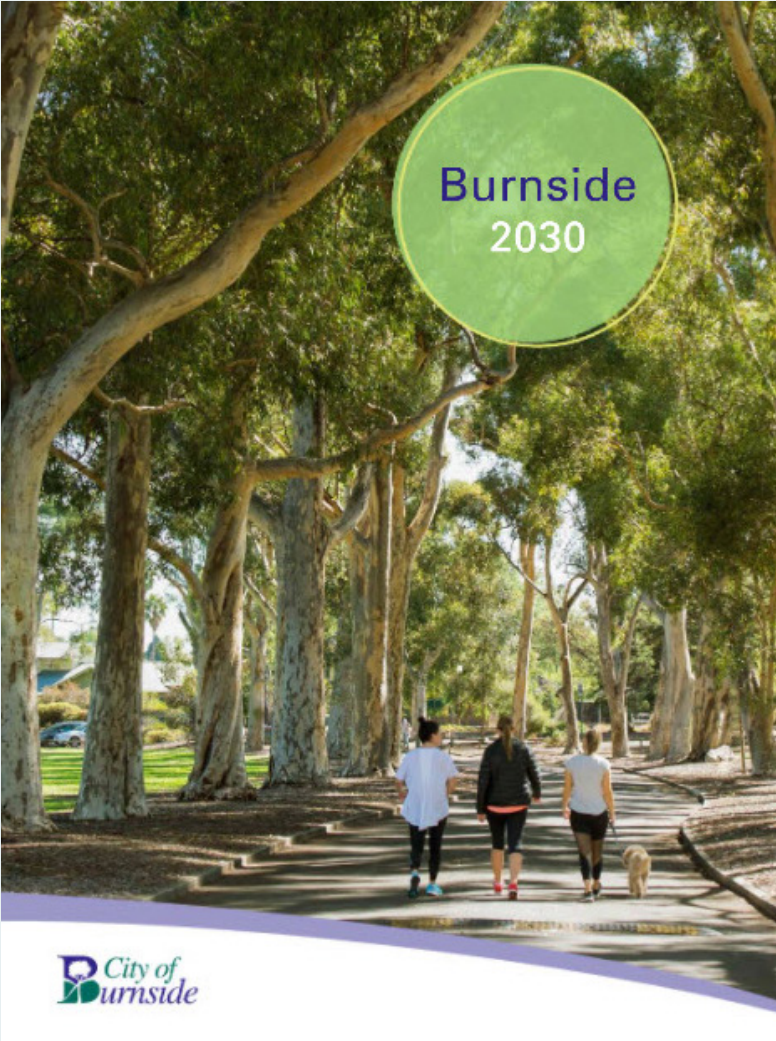
- improved understanding of service requirements
- improved performance and control of service delivery to required standards
- a holistic approach to asset management within the organisation, enabling improved customer responsiveness

**Effective risk management by:**

- demonstrating compliance with legal and regulatory requirements
- understanding risks related to asset management and service delivery, and applying a framework to prioritise risk mitigation
- addressing the inter-relationships between different areas of the organisation

**Improved financial efficiency by:**

- improved decision making based on data, costs and benefits
- prioritisation of investments, interventions and asset maintenance activities
- justification for forward works programs and funding
- recognition of all costs of owning / operating assets over the life-cycle of those assets
- benchmarking condition and performance to promote efficiency



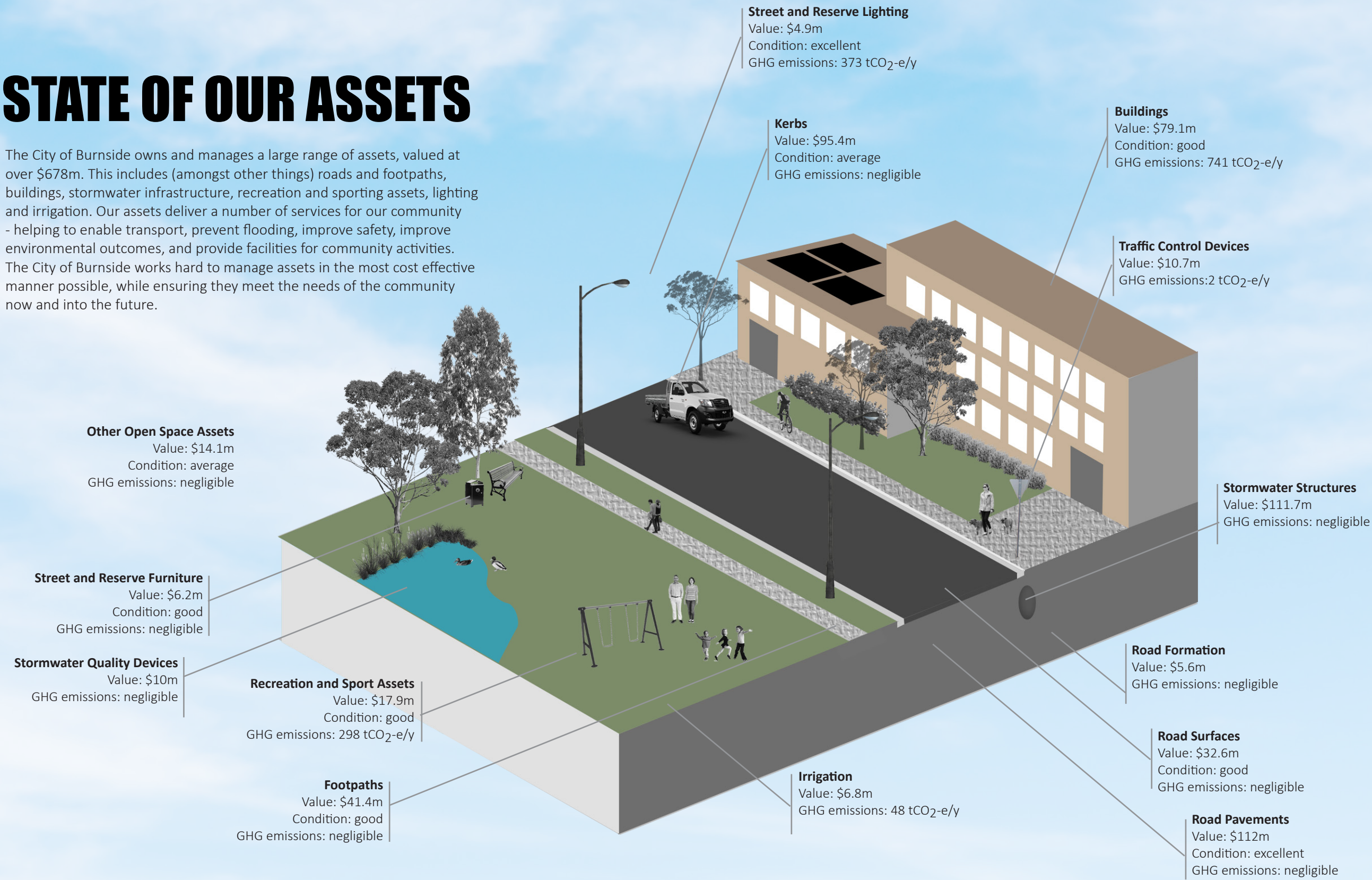
1 International Infrastructure Management Manual, IPWEA

2 ISO 55000 Asset Management



# STATE OF OUR ASSETS

The City of Burnside owns and manages a large range of assets, valued at over \$678m. This includes (amongst other things) roads and footpaths, buildings, stormwater infrastructure, recreation and sporting assets, lighting and irrigation. Our assets deliver a number of services for our community - helping to enable transport, prevent flooding, improve safety, improve environmental outcomes, and provide facilities for community activities. The City of Burnside works hard to manage assets in the most cost effective manner possible, while ensuring they meet the needs of the community now and into the future.



\*GHG emissions (Greenhouse Gas Emissions) calculated are based on operational use only, and numbers stated are for the 2019/20 financial year

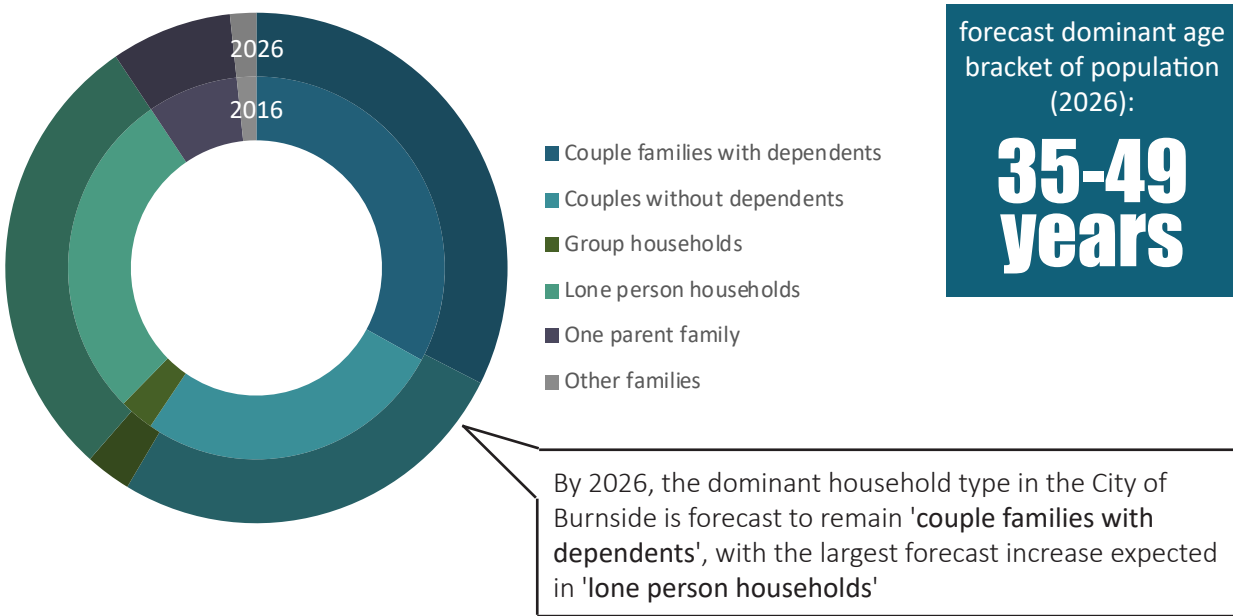
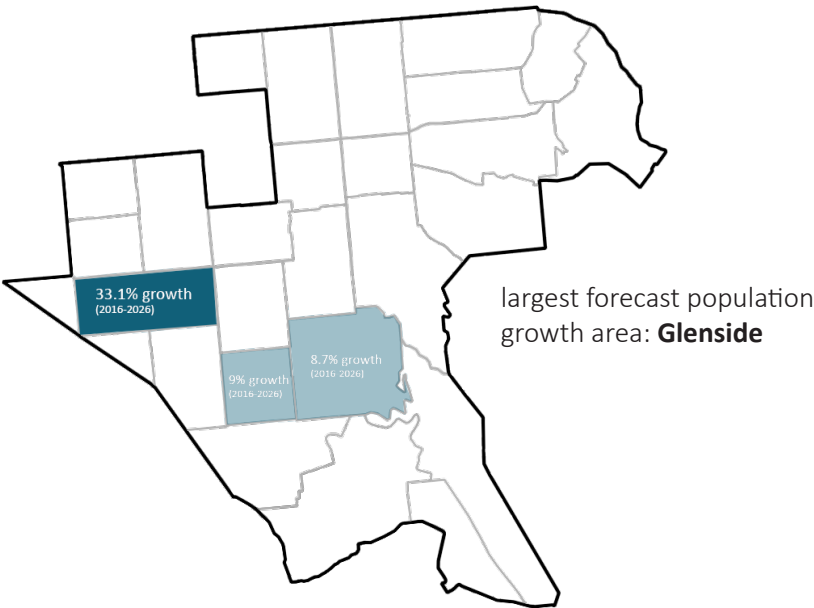
# LOOKING FORWARD

Forecast data between 2016 to 2026 for the City of Burnside predicts a moderate increase in population and dwellings across the City, with a decrease in average household size. Changes are also predicted for household make-up, with the largest increase expected for 'lone person households'.<sup>3</sup>

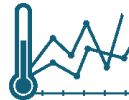
**3,810** ↑  
forecast population increase  
between 2016-2026

**1,640** ↑  
forecast increase in dwellings  
between 2016-2026


**0.06** ↓  
average household size  
decrease between 2016-2026





There are a number of mega-trends that have the potential to impact Asset Management planning and practices. In particular, the impacts of climate change, a growing focus on environmental sustainability, evolving technologies, increasing urban density and changes to legislation are all likely to have an impact on asset provision and management.

**CLIMATE CHANGE**  There is a strong likelihood of increases in severe weather events associated with climate change, and as a result, there is a risk that assets will fail or need to be renewed earlier than expected. However, it is still unclear as to the exact impact of these changes.

According to the World Bank Group, “asset management, when undertaken according to best practice, is already one of the most significant climate adaptation strategies”. By continuing to ensure that the City of Burnside has the best possible information about its assets, the Council is able to better predict future demand and account for any potential required changes as a result of climate change.

**ENVIRONMENTAL SUSTAINABILITY**  Water efficiency and reuse, energy efficiency and use of renewables, waste reduction, recycling, circular procurement and protection of natural areas are all ways in which local government organisations are responding to climate change, reducing impact on the environment as well as reducing council and household costs. Asset management supports environmental sustainability by providing investment in infrastructure that supports these environmental initiatives.

**URBAN DENSITY**  The South Australian Government's 30 Year Plan for Greater Adelaide seeks to increase medium to high density housing within existing suburbs and along growth corridors as a way of containing the footprint of Adelaide's population growth. While increases to urban density provide the opportunity to improve sustainability of communities by enabling people to live nearer to business centres, for example, it can also have an impact on the 'character' of neighbourhoods and the infrastructure required to support these dwellings. In particular, the impact on stormwater systems is a challenge faced by increasing urban density that needs to be considered in asset management planning.

**LEGISLATIVE CHANGE**  Changes to legislation have the potential to impact Council's ability to adequately provide and maintain assets. For example, Council rate capping, should it proceed, has the potential to affect effective asset management if insufficient funds are able to be secured to manage existing assets to agreed levels of service, or to provide new assets desired by the community.

**EVOLVING TECHNOLOGY**  Emerging technologies and influences such as machine learning, the Internet of Things, virtual reality, artificial intelligence, smart technologies, mobility solutions, driver-less vehicles and data warehousing all have the ability to affect demand and asset management practices, however, it is anticipated that the impact of these changes will be seen over a longer term horizon. Relevant technologies will continue to be further investigated and trialled as appropriate.



# BEST PRACTICE vs CURRENT PRACTICE

IPWEA (Institute of Public Works Engineering Australasia) publish the International Infrastructure Management Manual (IIMM), which is considered to be a 'best practice guide' for asset management. As part of the City of Burnside's Internal Audit program in 2019/20, asset management practices were audited, which included an assessment of the City of Burnside's asset management maturity against the criteria outlined in the IIMM, and provided recommendations in relation to continuous improvement opportunities as a result.

The resolution of the Audit Committee on receipt of the internal audit report on Asset Management was *"That both Galpins (Council's internal audit partner) and the Chair consider Burnside as best practice in asset management planning and commends the organisation for being the benchmark council in SA"*

The results of the maturity assessment, recommendations, and actions are summarised below.

IIMM Asset Management Maturity Assessment			
IIMM	Area	Core Target	Current Score
2.1	Policy and Strategy	60	70
2.2	Levels of Service + Performance Management	60	80
2.3	Forecasting Demand	60	60
2.4	Asset Register Data	60	90
2.5	Asset Performance + Condition	60	80
3.1	Decision Making	60	60
3.2	Managing Risk	60	70
3.3	Operational Planning	60	55
3.4	Capital Works Planning	60	70
3.5	Financial Planning	60	75
4.1	Asset Management Leadership	60	75
4.2	Asset Management Plans	60	90
4.3	Management Systems	60	55
4.4	Asset Management Information Systems	60	80
4.5	Service Delivery Mechanisms	60	70
4.6	Audit and Improvement	60	60

Asset Maturity Index		
	Advanced	81-100
	Intermediate	61-80
	Core	41-60
	Basic	21-40
	Aware	0-20

Audit recommendations and associated actions as a result of this assessment are provided below.

Audit recommendation	Relevant IIMM Area(s)	Action	Target Date	Responsibility
Future capital expenditure prediction to be based on most recent buildings condition assessment data	2.3, 3.1, 3.4, 3.5,4.3, 4.4	Input new building data into relevant asset systems and update AMPs	July 2021	GM Assets & Infrastructure
Identify and assess any risks related to the implementation of Assetic Predictor software	2.3, 3.2, 4.3, 4.4	Risks identified, documented and addressed	Complete	GM Assets & Infrastructure
Implementation of an Asset Management Strategy	2.1, 3.1, 4.1	Develop Asset Management Strategy	July 2021	GM Assets & Infrastructure
Document maintenance plans and procedures	3.3, 4.5	Document maintenance plans and procedures	June 2021	GM Operations & Environment
Ensure assets requiring new revaluation in short term are undertaken	2.4, 2.5, 3.5	Asset revaluation schedule in place	Complete	GM Finance & Governance
Record componentisation of building assets in TechOne based on level 2 building condition assessment data	2.4, 2.5, 4.3, 4.4	Level 2 building data entered into TechOne	July 2021	GM Assets & Infrastructure
Implementation of formal instruction or regime on the frequency of assessments in asset management practices	4.6	Regular schedule for re-assessment of asset management maturity developed	Complete	GM Assets & Infrastructure



# OUR STRATEGY



Some of the key functions of councils are to 'provide services and facilities that benefit its area, its ratepayers and residents, and visitors to its area', and 'to provide infrastructure for its community and for development within its area' (Local Government Act 1999). Effective asset management aims to provide assets which help to meet the needs of the community now,

and into the future. To do this well, the City of Burnside will work towards ensuring we have a culture, leadership, systems and processes which support this. As such, our Asset Management Strategic Goals are centred around ensuring strong leadership, quality data, robust systems and processes, and informed decision making.

## STRONG LEADERSHIP

Effective asset management leadership involves:

- Leaders who foster a whole of organisation culture that promotes best practice asset management practices and works to ensure the organisation is moving toward these goals
- An organisational structure that reflects the important role that asset management has within the organisation, with roles aligned to teams and individuals to ensure necessary asset management tasks are being performed
- Coordination of information and processes across all internal and external stakeholders and departments
- Policies and strategies that link with and complement asset management practices
- Staff that are capable and have capacity to undertake required asset management tasks effectively
- Service levels that are developed in conjunction with the community, with clear KPIs, which are monitored and managed effectively
- A commitment to continuous improvement (IIMM 2.1, 2.2, 3.1, 4.1, 4.3, 4.6)

## QUALITY DATA

Good quality, reliable data is paramount to successful asset management.

- High quality data ensures Asset Management Plans are reliable, aligned with actual conditions and accurately reflect future requirements and investments.
- Ensuring data is stored centrally, is accessible and provided in a way that meets the needs of all users also helps in making sure the data is used in a way that provides the best possible value and outcomes.
- A regular program for reviewing and updating data helps to ensure data remains accurate and relevant. (IIMM 2.4, 2.5, 4.4)

## ROBUST SYSTEMS AND PROCESSES

- Appropriate systems and processes help to make sure that asset management requirements are aligned with the objectives of the organisation, and embedded in services and functions.
- Asset management practices and processes include consideration of risk management, and tie into an organisational risk management framework.
- Asset planning includes forecasting likely demand changes and influences, to ensure future forecast and investments are informed and valid.
- A robust process for developing, reviewing and approving Asset Management Plans, to ensure they remain current and relevant.
- Regular audits of systems and processes helps to keep focus on continuous improvement opportunities. (IIMM 2.3, 3.2, 4.2, 4.3, 4.4, 4.5, 4.6)

## INFORMED DECISION MAKING

- It is imperative that all asset management related decisions are made in a consistent manner that is based on sound data and analysis, with clear and transparent communication of how these decisions are made and informed available to the public.
- Relevant strategies and policies are in place which support asset management practices
- Suitable planning is undertaken and documented for operational practices, capital works, finance and asset management, to provide clarity on why, how, and what needs to be done when, where and by whom. (IIMM 2.1, 3.1, 3.3, 3.4, 3.5, 4.2)



# HOW WE WILL DELIVER ON THIS STRATEGY

Strategic Pillar	Action	Timeframe	Responsibility
Strong Leadership	Organisational structure reflects importance of asset management within the organisation	Ongoing	CEO
	Policies and strategies link with and complement asset management practices	Ongoing	GM Assets & Infrastructure
	Service levels are developed in conjunction with the community, with clear KPIs	Every 4 years, as part of AMP review	GM Assets & Infrastructure
	Continue to ensure the City of Burnside has the best possible information about its assets in order to best predict future demand and account for any required changes as a result of climate change	Ongoing	GM Assets & Infrastructure
	Ensure AMPs include investment in infrastructure that supports environmental initiatives and helps to reduce Council's carbon footprint	Ongoing	GM Assets & Infrastructure
Quality Data	Processes in place to ensure asset condition data is regularly reviewed and updated	Complete	GM Assets & Infrastructure
	Regular independent verification of unit rates and useful lives	Ongoing	GM Assets & Infrastructure
	<i>Revaluation schedule in place for regular review and update of asset valuations*</i>	<i>Complete</i>	<i>GM Finance &amp; Governance</i>
	<i>Most relevant and current condition data maintained within Asset Management System, and used for future capital expense predictions*</i>	<i>July 2021</i>	<i>GM Assets &amp; Infrastructure</i>

Strategic Pillar	Action	Timeframe	Responsibility
Robust Systems and Processes	Asset management practices and processes link with organisational risk management framework and processes, and financial management framework and processes	Complete	GM Assets & Infrastructure, GM Finance & Governance
	Regular review of forecast demand changes and influences, to ensure future forecast and investments are informed and valid	Every 4 years, as part of AMP review	GM Assets & Infrastructure
	<i>Program in place to routinely audit systems and processes to identify and implement continuous improvement (re-assessment of asset management maturity*)</i>	<i>Biennially</i>	<i>GM Assets &amp; Infrastructure</i>
Informed Decision Making	<i>Asset Management Strategy developed and approved*</i>	<i>July 2021</i>	<i>GM Assets &amp; Infrastructure</i>
	<i>Document maintenance plans and procedures*</i>	<i>June 2021</i>	<i>GM Operations &amp; Environment</i>
	Asset Management Plans regularly reviewed, and alignment with LTFP confirmed	Annual review of AMP / LTFP data Full review of AMPs every 4 years	GM Assets & Infrastructure, GM Finance & Governance
	Ensure AMPs include predictions of any likely future demand increases or impacts, both from forecast population changes as well as from trends such as urban density increases, legislative change, or evolving technology	Ongoing	GM Assets & Infrastructure


*\*audit recommendation*






 401 Greenhill Road, Tusmore SA 5065

 (08) 8366 4200

 [burnside@burnside.sa.gov.au](mailto:burnside@burnside.sa.gov.au)

 @CityofBurnside

[www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)