



Asset Management Planning



Overview

Hierarchy – Where does an Asset Management Plan Fit:

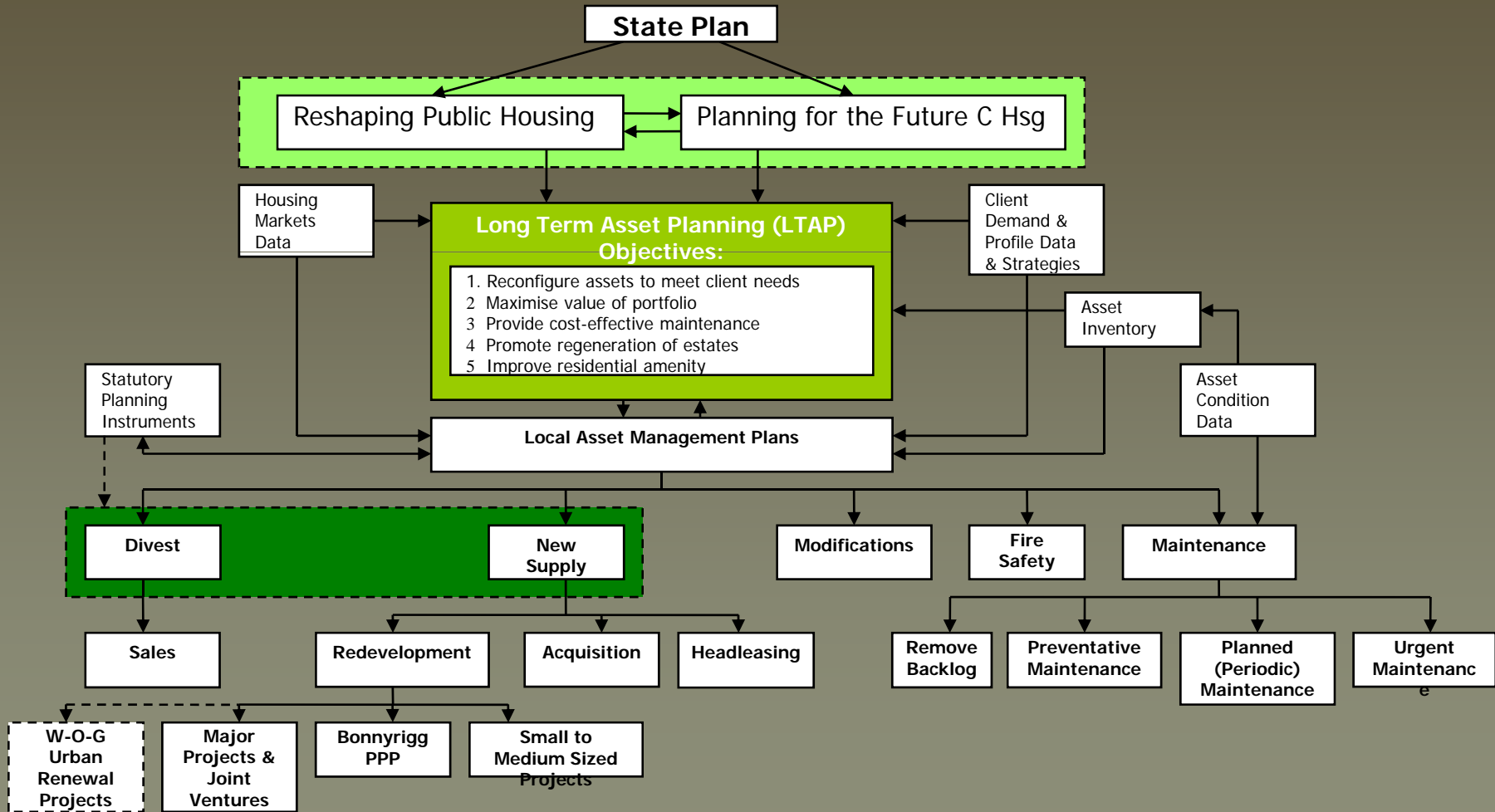
- Organisation's Business Plan
- Asset Management Policy / Strategy
- **Asset Management Plan**



Asset Management Planning



Overview HNSW Asset Management Framework





Asset Management Planning



Asset Policy and Strategy

- The organisation establishes its asset management policy and strategy.
- Top level Strategy that determines assets role in supporting service delivery.

Asset Strategy must answer following questions;

1. Can service delivery be made less asset dependent?
2. Are existing assets fully used in service delivery?
3. Are existing assets appropriately located for effective service delivery?



Asset Management Planning



Asset Policy and Strategy

4. Is the capacity of existing assets sufficient to provide the required services?
 5. Are assets suitable for the effective delivery of the services they are intended to support?
- These broad strategic goals are translated into specific goals and objectives, providing direction and guidance for its asset management planning.
 - Asset management plans provide more detail and long-term projections.



Asset Management Planning



Asset Policy and Strategy

Developing an Asset Management strategy

What is our current asset situation?

- Asset Condition?
- Meet current and future needs?
- Funding Appropriate/Affordable?

Where do we want to be?

- Goals and Objectives.
- Service Provision Outcomes.

How will we get there?

- Changes between current and proposed.



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Asset Policy and Strategy

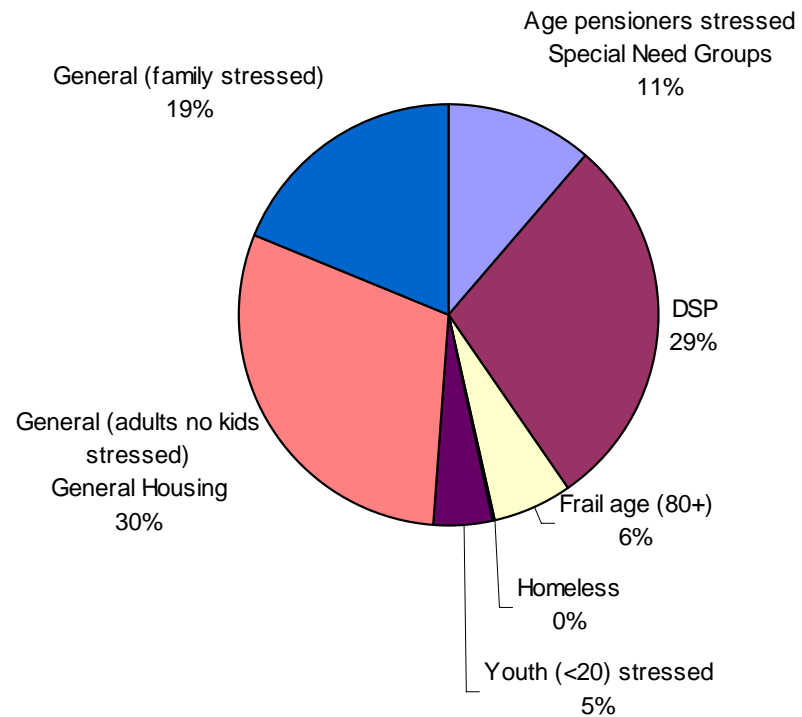
The benefits of a strategic approach to establishing an asset management **policy**, **strategy** and **plan**, include:

- Better allocation of limited resources.
- Improved alignment of assets with services and community expectations.
- More effective use of existing assets.
- Improved processes and accountability for capital and recurrent works.
- Use of non-asset solutions to meet demand.
- Increased use of sustainable development solutions.



Demand Analysis

% 2011 Demand in LGA per client group





Asset Management Planning



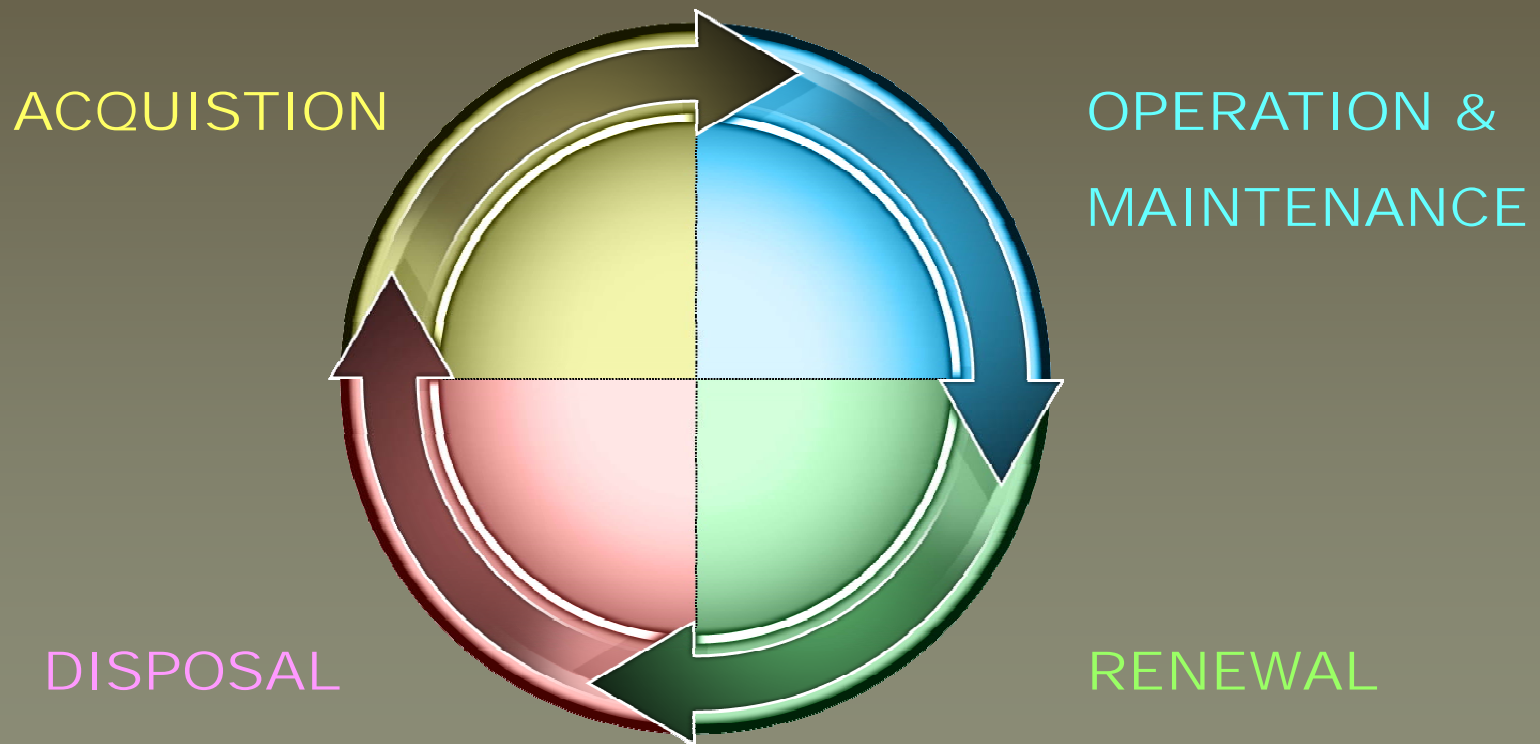
Overview

- Asset Mgt Goal: to meet a required level of service in the most cost effective way through the creation, acquisition, operation and maintenance, renewal and disposal of assets to provide for present and future clients/communities.
- A life-cycle approach is central to asset management by taking account of the total cost of an asset throughout its life. A better service, not a better asset, is a key indication of successful asset management.



Asset Management Planning

The Asset Lifecycle





Asset Management Planning



Developing an **Asset Management Plan**

Asset Strategy is converted into **action** by an Asset Management Plan (20-year time horizon).

- Define the social housing service levels – quality, cost, fitness for purpose, quantity, responsiveness.
- Define the timeframe – Annual, Ten-Year etc
- Adequately describe the asset – Physical, Financial
- Incorporate strategies for the management of risk.
- Include financial information – Cash flow forecasts, lifecycle costs, Capital/Recurrent. – Budgets



Asset Management Planning



Developing an **Asset Management Plan**

- Recognise changes in service potential of assets.
- Set assumptions and confidence - e.g.: accuracy of data levels
- Outline an improvement program – Procedures, Systems, Training, Data, Gap- Analysis
- Be prepared by competent persons – Multidisciplinary approach, Technical and Financial support - Peer Reviewed
- Have clear linkages to other strategic documents – Corporate and Business Plans
- Be regularly reviewed - Not static, Continuous Improvement



Asset Management Planning



Components of an Asset Management Plan

- An Acquisition Plan
- A Disposal Plan
- An asset operations and Maintenance plan
- A financial / funding plan
- A risk management plan
- An environmental management plan



Demand Analysis

Division	Area	LGA_Name	SCENARIO2 Combined long term portfolio realignment endorsed July 2007				Portfolio realignment 06/07 - 07/08 *				Stage 1 projects in Stimulus Package ^				Remaining Portfolio Strategy realignment targets to be achieved			
			1br	2br	3br	total	1br	2br	3br	total	1br	2br	3br	total	1br	2br	3br	total
CSD Total			843	874	-127	1590	100	139	-56	183	41	29	9	79	702	706	-80	1328
GASD	Mid Western Sydney	Auburn	60	200	20	280		57	5	62		4		4	60	139	15	214
GASD	Mid Western Sydney	Bankstown	160	280	-350	90	26	-4	-18	4	12	26	-2	36	122	258	-330	50
GASD	Mid Western Sydney	Baulkham Hills																
GASD	Mid Western Sydney	Hdroyd	50	50	30	130	10	109	18	137	4			4	36	-59	12	-11
GASD	Mid Western Sydney	Parramatta	200	250	-260	190	39	83	-22	100	16	97	3	116	145	70	-241	-26
	Mid Western Sydney Total		470	780	-560	690	75	245	-17	303	32	127	1	160	363	408	-544	227
	Outer Western Sydney Total		570	1155	-2260	-535	-62	46	-132	-148	4	22		26	628	1087	-2128	-413
	South West Sydney Total		1095	2385	-3185	295	51	132	-241	-58		12	6	18	1044	2241	-2950	335
GASD Total			2135	4320	-6005	450	64	423	-390	97	36	161	7	204	2035	3736	-5622	149
	Central Coast Total		850	1250	-780	1320	-25	204	-97	82	-10	95	-3	82	885	951	-680	1156
	Hunter Total		279	645	-523	401	-9	98	-55	34	35	40	8	83	253	507	-476	284
	New England Total		100	185	-280	5	-6	28	-45	-23		14	10	24	106	143	-245	4
	North Coast Total		864	1238	-394	1708	-24	204	-61	119	16	23	7	46	872	1011	-340	1543
NNSWD Total			2093	3318	-1977	3434	-64	534	-258	212	41	172	22	235	2116	2612	-1741	2987
	Illawarra Total		180	180	-880	-520	9	18	-133	-106	6	11	8	25	165	151	-755	-439
	Riverina Murray Total		65	137	-640	-438	3	-4	-95	-96	2	8	-3	7	60	133	-542	-349
	South East Total		100	170	-337	-67	5	33	-69	-31	8	11	-2	17	87	126	-266	-53
	Western Total		135	185	-767	-447	4	55	-204	-145		2	-1	1	131	128	-562	-303
SAWD Total			480	672	-2624	-1472	21	102	-501	-378	16	32	2	50	443	538	-2125	-1144
Grand Total			5551	9184	-10733	4002	121	1198	-1205	114	134	394	40	568	5236	7592	-9568	3320