

nams.au update

Nov 2012

NATIONAL ASSET MANAGEMENT STRATEGY COMMITTEE Institute of Public Works Engineering Australia

REPORT & DECISIONS

of meeting 2 Nov 2012

1. Australian Infrastructure Financial Management Guidelines

The Australian Infrastructure Financial Management Guidelines are a project of IPWEA working in association with the National Local Government Financial Management Forum. The Guidelines have been well received with over 600 copies purchased to date. Copies are available at www.ipwea.org.au/AIFMG.

3 Updates of the Guidelines are now available. Update No. 3 May 2012 covers 78 pages and is available as a pdf download from www.ipwea.org.au/AIFMG. Six (23 to date) *Infrastructure Financial Management* courses based on the Guidelines have been held in July/Sept 2012. Feedback was positive from attendees.

The AIFMG Glossary is available as a free download from www.ipwea.org.au/bookshop/aifmg. Click on AIFMG Glossary on the bottom of the page.

The meeting resolved to submit a proposal for a Local Government Infrastructure Data Quality Roundtable to ACELG as a 2013 ACELG project.

2. Asset Management Plan Preparation Training – NAMS.PLUS2 and NAMS *lite*

337 Councils in Australia are now part of the NAMS.PLUS program. Feedback at the training workshops continues to be very positive. The NAMS.PLUS training has been shortened to 3 days and incorporates the AM4SRRC Practice Note training –now NAMS *lite*. It requires attendees to complete templates and download graphs and reports to develop a ‘first cut’ AM Plan over the 3 days.

The enhanced NAMS.PLUS2 templates and modelling has been tested over training in 2012 and will be released in conjunction with a single sign on for all IPWEA web based resources.

IPWEA was contracted to run a third pilot of NAMS *lite* in North Vancouver BC and Humboldt SK, Canada in June 2012. 30 communities are now participating in the NAMS.PLUS2/NAMS *lite* program in Canada. The visit included an Infrastructure Financial Management Course and presentation to the Humboldt Chamber of Commerce. A fourth round is planned for Nov 12 2012 for communities in Saskatchewan, British Columbia and the City of Calgary

3. Long Term Financial Plan Practice Note

The Long Term Financial Plan Practice Note No. 6 authored by John Comrie, was published in March 2012. The Practice Note will assist councils develop long term plans based on the Australian Infrastructure Financial Management Guidelines. A hard copy of the Practice Note is available from IPWEA for (\$55 + GST) and a pdf version (free) from the NAMS.AU web site. The

LTFP PN includes a simple LTFP model spreadsheet. 130 copies have been sold in hard copy have been sold but a further 3,900+ PDF copies have been downloaded.

The one day workshop based on the LTFP Practice Note 6 has been expanded to 2 days to include a 'hands-on' LTFP preparation day. 16 courses have been run to date. The feedback has been very positive.

4. Building Condition Practice Note

576 copies of the Building Condition Practice Note No. 3 have been sold. 6 training courses for the 2 day Building Condition Practice were held over Oct-Nov 2012.

5. Stormwater Drainage Condition Practice Note

199 copies of the Stormwater Drainage Condition Practice Note No. 5 have been sold. 7 one day training course on the Stormwater Drainage Practice Note No. 5 developed with the co-authors Alf Grigg Consulting and Pipe Solutions were held over Oct/Nov 2012.

6. Water & Sewerage Condition Practice Note

A Scoping Document produced and agreed with Cardno was circulated to Qld and NSW Water Directorates, AWA and WSAA for comment or feedback prior to preparation of the PN. The aim is to complete this work by mid 2013.

7. Road Condition Practice Note

Peter Way, Leon Patterson and Mick Savage, Manager NSW Roads Directorate are developing a draft of the Road Condition Practice Note. The aim is to complete this work by mid 2013.

8. Levels of Service supported by Infrastructure Practice Note

A further draft discussion paper prepared by John Howard on the Levels of Service and Community Consultation Practice Note was considered at the meeting.

NAMS.AU resolved to:

1. Modify into 2 parts (Part A Level of Service and Part B Consultation on LOS) and finalise the draft discussion paper for first review,
2. Invite suitable persons to be part of a reference group to be involved in the development of the Practice Note through Asset Management Community of Practice Forum.

9. Practice Notes Program

Future Practice Notes have been identified to cover:

- Parks Management,
- Data Management including Disaster Response Management
- Street Tree Management,
- Marine and Waterways Structures,
- Natural Assets/Waterways,
- Disaster Management,
- Evaluating and Prioritising Capital Works Proposals.

10. Asset Management Study Tour to New Zealand

Eleven delegates will take the AM Study Tour to be held in November 2012 with the International Advanced Asset Management Conference to be held in Auckland. The Tour will focus on visits/meetings around the Auckland area. Major amalgamations in Auckland region will provide good case studies for participants.

11. National Asset Management Competition (NAMie)

The National Asset Management Award for 2013 will be awarded at the Darwin International Public Works Conference. The NAMie is awarded biennially for the paper that best demonstrates the most significant contribution towards advancing AM within an organisation.

Persons able to demonstrate best practice in this area are invited to submit a paper and register for the Conference. Abstracts are due by 30 Nov 2012. Guidelines for submitting an abstract are at http://www.aomevents.com/IPWC2013/Call_for_Papers.

12. Tertiary Education in Asset Management

The IPWEA / CPEE / University of Tasmania's graduate certificate in infrastructure asset management has been expanded to a Graduate Diploma. It continues to be well supported with over 241 unit enrolments since 2009. IPWEA has developed two core asset management units based on the International Infrastructures Management Manual (IIMM). A third has been added based on the Australian Infrastructure Financial Management Guidelines (AIFMG). For further details and to lodge enrolments, go to www.ipwea.org.au/GradCertIAM.

Following liaison with Engineers Australia, NAMS.AU resolved to encourage members on tertiary education liaison committees to promote asset management principles being part of undergraduate engineering courses.

13. National Approach to Electronic 'As Constructed' Drawings

NAMS.AU continues to promote ADAC, a data schema designed to standardise data collection to simplify the updating asset registers and GIS records for infrastructure organisations. An ADAC Strategic Reference Group (SRG) meeting will be held on the 5th November in Brisbane where the latest developments will be discussed with an all-day show and share session between Councils and utilities. New ADAC software partners that have joined the group will provide a summary of progress as well as ADAC implementation assistance providers. The consortium is also in the process of formalising structures and policy to assist the integrity and future of ADAC going forward.

If you are interested in sitting in on the ADAC Strategic Reference Group meeting on the 5th of November, please contact Adam Hain at ahain@ipweaq.asn.au.

14. Elected Members Training Resources

The 8 minute short version of the *Sustainable Communities, Critical Insights* video is now freely available at the NAMS.AU web site at <http://www.ipwea.org.au/AssetManagement/ViewDocument/?DocumentKey=d3f9eb4b-7168-41c8-acaf-4aae29752262>.

15. Asset Management Standard for Australia

Peter Way represents IPWEA on the Standards Australia's Mirror Committee set up to address Australia's interest in the development of an ISO Standard for asset management. This will incorporate

- ISO 55000 Asset management – Overview, principles and terminology
- ISO 5501 Asset management – Management systems – Requirements
- ISO 5502 Asset management – Management system – Guidelines on the application of ISO 5501

The fourth meeting of the International Standards Organisation Project Committee (ISO PC251) was held in Prague in June 2012.

A Communiqué from the ISO AM Standards Meeting in Prague has been released by the Secretary of PC251 and a copy of that is available on the IPWEA website.

The next Meeting of the ISO PC 251 Committee is scheduled for Calgary in May 2013.

NAMS.AU resolved to endorse a draft Policy on *Application of ISO Asset Management Standard to Local Governments* prepared by Peter Way and refer the draft policy to the IPWEA National Board for adoption.

16. National Asset Management Assessment Framework

The NAF Portal development is proceeding with State consultation underway. It is proposed to populate with data collected in the NAMS.PLUS maturity model in NSW and Tasmania as part of the LGRF program in those two states.

17. Local Government Reform Fund Progress

IPWEA is assisting the NSW, NT, SA and Tas governments with professional development associated with the LG Reform Program. This includes elected member's awareness, NAMS.PLUS/NAMS *lite*, Infrastructure Financial Management and Long-Term Financial Planning courses.

18. National Professional Development Program

NAMS.AU resolved to prepare an outline of the annual national professional development program and publish in December each year to assist people preparing annual training budget proposals. When completed, this will be available from <http://www.ipwea.org.au/AssetManagement/AboutNAMSANAMSAustralia/>. Click on Education & Events and Upcoming Events to see the calendar.

19. Global Network of Asset Management Societies

The proposal for a gNAMS focussing on municipal and public assets has been adopted by the International Federation of Municipal Engineering (IFME) at its meeting held in Johannesburg in October 2011.

Chris Champion has been appointed gNAMS convenor. Chris and Roger Byrne presented a paper to the IFME Triennial Conference in Helsinki in June 2012 suggesting progressing gNAMS as an international forum. The purpose and projects of gNAMS are available at <http://www.ifmeworld.org/gnams>

The next meeting of gNAMS will be held in conjunction with the next Board Meeting of IFME in New Zealand in November.

20. Personal Growth Pathway

NAMS.AU considered a proposal from IPWEA WA Division to develop a personal growth pathway providing a clear path for people coming into or working in the asset management space to give direction on:

1. For someone coming into or working in the asset management field, what path should they take to ensure they gain an appropriate level of understanding and knowledge to apply asset management principles and practices in their work?
2. If someone with no knowledge of the IIMM or NAMS gets hold of a prior asset management plan and updates it or writes a new one based on the old one, would it be accepted as an asset management plan by their peers? If not, what should they learn, study or do before publishing their plan?

NAMS.AU requested Peter Way to investigate the proposal and report back to the next meeting.

21. NAMS.AU Annual Report 2011/12

NAMS.AU adopted the 2011/12 Annual Report. This is available from <http://www.ipwea.org.au/AssetManagement/AboutNAMSau/ObjectivesCommittee/>

STATE REPORTS

22. Queensland State Report

QLD State Government Requirements for Asset Management Plans

In accordance with version 2 of the Queensland State Government's Asset Management Advancement Program (AMAP) for 2011-12, Councils were required to formally adopt their asset management plans in conjunction with the adoption of 2012-13 budget.

No further update to AMAP to guide future asset management planning development has been provided to Council's since the above milestone was reached.

The Local Government and Other Legislation amendment Bill 2012 currently before Parliament changes the current requirement for a 10 year long-term community plan to a 5 year corporate plan that incorporates community engagement plus a long-term asset management plan and a long-term financial forecast.

Local Government Reform Fund Wrap Up

The Commonwealth Government provided \$2.695 million to Queensland councils through the Advancing Asset Management in Local Government Project. This project has now formally wrapped up and on the 6 June 2012 the Commonwealth Government approved the project's final report and advised the project has been concluded.

Whilst the Commonwealth Government has deemed the project "concluded" (all project milestones were achieved), the LGAQ is finalising some outstanding visits to councils by consultants and facilitating regional asset management meetings (whilst funding is still available). These activities will be finalised in the very near term.

SEQ Regional Asset Management Group Activities

On Thursday 4th October, the South East Queensland Regional Asset Management Group held an asset management conference at the Sandgate Town Hall. The conference is organised every one to two years and follows on from workshops held every three months among the SEQ Councils. Approximately 100 Officers from 12 Councils attended, as well as representatives from three industry bodies (NAMS-IPWEA, LGAQ and CIEAM). Invitations were also extended to Councils from other Queensland Regions and from Northern NSW.

The theme for the conference was "An Asset's Lifecycle" with presenters "unbundling" and presenting on the asset lifecycle phases including concept, design, procurement, construction, commissioning, handover, operations, maintenance, rehabilitation and disposal. The presenters were from Councils who provided insight into the depth and width of the activities that take place in each asset lifecycle phase, and the effect this has upon asset management.

A major takeaway from the conference was that asset management commences in the asset pre-acquisition phases. The decisions made early on and prior to asset handover, have an enduring impact on the services delivered, and in the operating, maintenance and rehabilitation activities which also influences the total lifecycle costs. Peter Way presented an overview of the draft ISO 55000 suite of asset management standards. The proposed draft changes created a lot of interest among attendees.

The workshops and the conferences have been successful in implementing improved asset management processes in the SEQ Councils and in promoting the sharing of knowledge among Councils. The attendance indicates that there is a strong desire for this sort of event in the SEQ specifically for local government asset management officers.

Far North Queensland Regional Organisation of Council's (FNQROC) Regional Group - Asset Management Activities

The priority for the FNQROC Board has been the assessment of the infrastructure funding gap within the region and councils (the regions) capacity to raise revenue to close this gap. The group has commenced this process with JRA and as a pilot test will focus on water asset. Water assets were chosen as local governments in the region are also focussed on looking at alternative business models to manage our water assets. The group are also progressing a consistent unit rate methodology in the region.

23. NSW State Report

Australian Rural Road Group Inc.

Over the past two years, the Australian Rural Roads Group has led valuable policy work regarding how roads are planned, funded and managed in Australia - and how current approaches could be improved upon. These works have extended to consider important issues regarding road pricing and commercial improvement of freight routes for productive and sustainable returns.

In its 2011 Report to the Council of Australian Governments, Infrastructure Australia singled out one particular recommendation of the ARRG as something that Prime Minister and Premiers should pursue: national road asset cost and condition reporting to an independent road portfolio manager – a body which, armed with a clear picture of road costs and conditions, could make more sensible and realistic decisions about where investment in road networks was likely to bring the greatest dividends for the economy – including opportunities for productive commercial investment in some freight networks.

Infrastructure Australia has now engaged Juturna Infrastructure PL to develop a pilot study for road portfolio reporting and management, working with a small group of local governments and their engineering departments across two states and engaging industry in the process.

Infrastructure Australia wants to test the ability of a small group of local governments to be able to pull together a single, detailed yet practical road asset cost and condition assessment for an entire region – embracing several local governments and state road systems. The intention is for a single report to summarise the condition and remaining useful life of this network with a focus on the most economically important segments.

Armed with this more thorough understanding of the actual road assets of the region, Infrastructure Australia wants the project to then work with regional freight customers and operators to determine which of these roads could be upgraded for higher productivity and more reliable (and sustainable) freight purposes – in simple terms, a regional freight infrastructure improvement network that will be more cost effective in that net economic income would increase ie. the cost of road improvement would be significantly less than reductions in freight costs.

A sizeable 'region' in northern NSW and southern QLD has been brought together to collate its road asset cost and condition data to bring about a regional roads portfolio that will allow further analysis to take place and prove the concept.

The following shires are participating:

- Southern Downs Regional Council (Mr Peter See)
- Goondiwindi Regional Council (Mr Rod Slacksmith)
- Moree Plains Shire Council (Mr Ian Dinham)
- Narrabri Shire Council (Mr Lew Oldfield)
- Gunnedah Shire Council (Wayne Kerr)
- Warrumbungle Shire Council (Mr Kevin Tighe)
- Gwydir Shire Council (Mr Richard Jane)

Initial reporting is underway and subsequent analysis will occur with industry as well as engineers over coming months. A final report to Infrastructure Australia is expected in January 2013

North West NSW Heavy Vehicle Breakfast Forum

The Moree Plains and Gwydir Shires Road Safety Program has been hosting the North West NSW Heavy Vehicle Breakfast Forum in its current format for the past three years. The forum provides the opportunity for proactive communication between State and Local Government, heavy vehicle operators, farmers, Workcover, NSW Police Force, Trucking Associations, Farming Associations and Essential Energy. Since its inception in 2010 there has been over 200 people attend the forums.

This forum has led to the development of a local heavy Vehicle Action Plan that has achievable short term objectives focusing on nine key areas which are addressed via 12 actions that are to be delivered over 2 years. These actions include:

- Setting up a consultative group to share information about the local heavy vehicle industry
- Developing an education campaign for each “link” in the chain of responsibility
- Fully investigating the feasibility of introducing and expanding the high productivity vehicle access in Moree Plains and Gwydir Shires by:
 - Identifying key freight routes
 - Assess the identified key routes for suitability for high productive vehicle access
- That the cotton industry work with state and local government to determine suitable safe routes to support the walking and/or floating of cotton pickers such as the JD7760 on local roads without damaging infrastructure.

Modular B-Triples

Modular B-triples were introduced onto most NSW double road train approved routes west on the Newell Highway on 1 October 2012. They cannot operate on or east of the Newell Highway unless they are enrolled in the IAP. The module B-triple must be able to form into a compliant 25/26 B-double when one lead trailer is removed regardless of which one is removed. It must not exceed 35m in length. They are able to operate up to concessional mass limits (CML).

NSW Livestock Loading Scheme

The NSW Government has introduced a Livestock Loading Scheme which has implication for council assets, particularly bridges. The scheme allows livestock vehicles fitted with certified road friendly suspension to operate at higher mass limits (HML). In addition drivers will be required to undertake training to reduce the incidence of livestock vehicle roll-overs. NSW Councils are currently being asked to submit information to the NSW Roads and Maritime Services about the capacity of their bridges to handle such loading.

The scheme commences in December and access will only be to HML approved routes and it will be extended to other NSW roads in 2013 once necessary signposting on bridges has been completed.

Road Trains East of the Newell Highway

The NSW Minister for Roads has announced that road trains can run east of the Newell Highway under a permit system as long as they meet a number of conditions including:

- Must use a tri-axle dolly with certified road friendly suspension
- Must not be longer than 36.5m

- Must be part of the National Heavy Vehicle Accreditation Scheme (NHVAS). A grace period is in place until 1 April 2013 for those currently not accredited.

NSW IPWEA Training

Stormwater Drainage Condition Assessment Workshops (NSW IPWEA)

Asset Management for Buildings Workshops (NSW IPWEA)

Asset Tour of New Zealand 2012 (NSW IPWEA)

24. Victoria State Report

The major focus of industry work and specific activities remains similar to my previous report. Major industry work done in the past year in local government has focused on attaining 100% Core Competency by December 2012. The Municipal Association of Victoria (MAV) has been working with Councils to achieve this target. This target aims to ensure Victorian Councils can meet the requirements of both federal and state governments for funding under the National Framework for Asset Management and Reporting. I will report on the status of this objective when I have details.

The MAV convened a state-wide Infrastructure and Asset Management Forum in June. There was an even split on opinion that STEP should keep the focus on individual councils or should move to more a regional forum approach, so nothing changed. The meeting discussed matters including:

1. The Step AM program: regional processes; core compliance;
2. The National Heavy Vehicle Regulator: update re commencement in 2013
3. The PBS Route Assessment Tool: demonstration (by ARRB) and rollout plans
4. Regional Freight Strategies and funding submission to the Commonwealth National Building Program
5. Collaborative road maintenance contract pilot
6. Shortage of road making material: future directions
7. 2012 Council elections: information for candidates
8. Truck rest areas
9. Road Management Act updates

In general, Council asset managers are increasingly becoming comfortable with their knowledge of the theory. Examples of the type of projects they are spending their time on include:

- Improving the use of the corporate AM system
- Upgrading the existing AM system
- Reviewing and/or developing levels of service
- Getting useful information out of AM systems for strategic use
- Getting data entry properly organised and/or adequately resourced
- Fully linking asset data to GIS
- Getting more asset categories into the corporate AM system
- Risk and condition rating
- Building relationships across the organization
- Developing AM responsibility matrices
- Linking customer request systems with AM systems
- Developing meaningful works programs
- Renewal gap forecasting
- Rewriting AMPs
- Developing policy and strategy

An improvement in asset management principles continues to increase awareness and analysis of statewide public sector issues that can impact on the community. These issues relate to regulations/rules, levels of service, and financial management. As reported previously:

- There is an awareness that disaster recovery funding can cause long term asset management problems. This is because the funding of asset repairs/reinstatements to standards and/or levels of service not requested, can jeopardise the long term financial sustainability of rural shires.
- There are questions being asked about the logic of legislative responsibilities for hydrants for fire fighting purposes. Councils are required to fund this service, but have no ability to perform the work.
- Public lighting arrangements remain an ongoing issue.

Some items of general interest include:

- The Victorian Government has released a discussion paper on its metropolitan planning strategy titled "Melbourne, let's talk about the future". The paper, and supporting material/information can be accessed from www.planmelbourne.vic.gov.au. A quote I heard last week, in the context of an experienced professional engineer who was involved in the recent Victorian and Queensland floods, was "... flash floods kill people, poor planning destroys assets/infrastructure ...". This highlights the distinction between strategic asset management and a focus on managing assets.
- Local Government Victoria (Department of Planning and Community Development) upcoming projects include a Strategic Asset Management Review. I will share more details as they become available to me.
- A \$200k project to standardise documentation, and produce a Subdivisions Standard Manual, has commenced. Ernst and Young have recently projected that standardisation of documents could deliver a savings of \$100 million p.a. The Growth Areas Authority forecasts a 10% reduction in costs of \$8k per lot.
- Several research projects highlight the important distinction between condition and remaining useful life. Condition, on its own, could/should not be used to determine the remaining useful life of an asset. Service life of an asset of a prescribed condition can be extended by reducing operating and/or license/regulatory requirements, or by changing/lowering levels of service. This is not a decision that an external condition assessment technologist/specialist can make independently from the asset owner. Discussions talk about optimising your condition assessment inspections, and not doing more than what adds value to your business objectives.
- The Smart Water Fund is inviting applications to share in up to \$1 million in funding to support innovative urban projects in Victoria in the areas of asset management and resource recovery. This round of funding is open to commercial businesses, research institutions and consulting firms for projects which are able to demonstrate benefits and value to the Smart Water Fund Joint Venture partners. Funding is available for innovative projects and leading edge research that will have a positive impact on the Victorian water industry. Applications close 15 November 2012 - see www.smartwater.com.au for details and guidelines.
- All Victorian water businesses continue to be involved in a collaborative Intelligent Water Network program. This program deals with all elements of the water cycle including issues relating to source of water, water quality, water quantity, and the physical assets (both built and natural). A broader theme that is becoming increasingly important is integrated water management. This involves all elements of the water cycle (drinking water, rain water, stormwater, recycled water, waste water, and groundwater). Monash University is leading a \$120 million Cooperative Research Centre on Water Smart Cities. The last two years of this

nine year project will specifically focus on knowledge management and sharing of information.

25. South Australia State Report

Strategic Management Plans

By the end of 2012 all Councils in SA are required by legislation to review their strategic Management Plans including Asset Management Plans - containing Council's key forecasts and objectives. Some Council's may already have completed this review: others may be part-way through and others might not yet have commenced this process.

For Information.....Strategic Management Plans. What are they?

The strategic management plan is not a single document. Rather, it is a suite of documents that serve several inter-related purposes, as described in section 122 of the Local Government Act 1999. A Council's collection of strategic management plans (SMPs) are among the most important documents that the Council must consider.

In summary, the SMPs must set out, or include:

- a Council's over-riding objectives, and how they fit in with various regional, State and national objectives;
- the services that the Council wants its community to enjoy, and how it intends to provide these services (or cooperate with others in providing them);
- the performance measures (financial and non-financial) that the Council intends to use to report to its community against its objectives;
- predictions about demographic and other changes that may affect the Council's area in coming years;
- an infrastructure and asset management plan; and
- a long-term financial plan.

Section 122 provides that, at a minimum, there must be "a comprehensive review" of SMPs "within 2 years after each general election of the Council." That two-year window expires in November 2012.

National Standard Drawings Project

In September, our State Division was invited to be present at a National 'round table' meeting to discuss the progression of a National Standard Drawings initiative. This project, led by the Queensland division, is no doubt an area of interest to the majority of our members. We look forward to the result of this great initiative.

Climate Change Project under way

The joint LGA/UniSA/IPWEA SA National Climate Change Adaptation and Response Fund (NCARF) asset management project is continuing.

The project, with a total budget of approx \$600,000, comprises a research component looking into potential impacts from climate change on public infrastructure. It will identify likely climate change scenarios, the impacts they are expected to have on infrastructure, and will develop responses and adaptation measures to integrate into asset management frameworks – ideally in conjunction with the NAMS asset management framework.

IPWEA SA has a role on the technical panel and project management committee as well as facilitating interaction of the academic research group with AM practitioners so there will be plenty of opportunity for IPWEA members to contribute to the project.

The final report has been submitted to NCCARF and approval is pending prior to the release of the report.

During the course of the project, the LGA(SA) was able to secure funding over and above the required amount so that additional aspects of the project, including development of a promotional poster and fact sheets, and further engagement with Stephen Lees (IPWEA) and Magnus Steele (JR and Associates), to integrate the project into the NAMS+ toolkit.

Development Engineering Committee (SA)

IPWEA(SA) has had a development engineering committee working on a myriad of issues confronting councils in the area of contributed assets and development engineering approval since 2010. The committee is made up of a group of our members from the Local Government Industry who meet regularly to discuss various issues, exchange ideas and network on all matters relating to Land Division Management.

The purpose of the Interest Group was to establish a forum for discussing common issues in the land division process and to provide recommendations for improvements on a number of issues to assist Local Government, developers and others involved in the land development process.

Recently a survey has been distributed to our members to gauge responses and to collate results highlighting particular issues regarding Land Division Development which require further investigation.

A number of issues highlighted were: standard drawings and specifications, standard development conditions, design guidelines etc. The committee are currently working through these matters and a report is pending.

26. Western Australia State Report

IPWEA – WA – Asset Management Steering Committee

The IPWEA Executive Committee has restructured all portfolio responsibilities. As part of this restructuring it has also resolved that all main committees should be convened by a member of the Executive Committee and Bruce Lorimer has therefore been appointed as convenor of the Asset Management Committee.

A revised structuring of the Committee now means that representatives of the Department of Local Government, Local Government Managers' Association and WALGA have joined the Committee.

The identified objectives and responsibilities of the Committee are:-

- Provide direction and advice to the State Executive in relation to asset management
- Communicate asset management to members
- Schedule and run regular Asset Management Forums
- Keep the State Executive informed in relation to emerging Asset Management Issues
- Provide advice to the State Executive on the communication of Asset Management issues to the Industry and wider community
- Provide advice to key stakeholders, via the State Executive on the development and implementation of State asset management frameworks and capacity building need.

IPWEA Asset Management Forums

As part of discussions relating to the restructuring of the Asset Management Committee (see previous item) the proposed organisation and style of the forums which the committee organise is also being discussed. This has resulted in no forums being arranged for the last six months.

It is expected that the forum programme will recommence in the very near future.

Update on present situation of WAAMI

The WAAMI Programme is still being run by WALGA with the programme now being delivered by For Business Australia. Unfortunately no Steering Committee Meetings have been held for in excess of 18 months. IPWEA have written to WALGA seeking advice as to why this is happening but to date no response has been forthcoming.

It is hoped that the expansion of the IPWEA State Asset Management Steering Committee (see item above) will allow further discussion on this matter in order that WALGA can clearly clarify its expectations for the continuation of the programme (or not) in the future.

Local Government Reform Process – WA

The Department of Local Government has provided the following update:

The Department of Local Government is implementing a suite of reforms aimed at improving the sustainability of local governments, including their capacity to plan strategically for the future needs of their communities.

In May 2012, the Department undertook a survey to assess the progress of local governments in developing strategic plans during the 2011/2012 year. The survey focused on local governments' performance with respect to the development of Strategic Community Plans, long term Financial Plans, Workforce Plans, and the ability of local governments to calculate their Asset Consumption Ratio.

2011/2012 survey results met anticipated target levels. Results showed that:

- 130 local governments (96 per cent of the sector) completed the survey.
- 30 per cent of LGs met the baseline requirements for Strategic Community Planning, and submitted completed Plans.
- 8 per cent met the baseline requirements for Workforce Planning.
- 83 per cent met the baseline requirements for financial planning.
- 30 per cent met the baseline requirements for asset management.

The Department of Local Government is supporting integrated planning implementation in all local governments through the provision of tools, information, advice, training programs for councillors and staff and a dedicated website.

A Workforce Planning toolkit has recently been developed to assist local governments develop and implement workforce planning. This was made available to the sector in August 2012.

The Department is currently delivering a program of Workforce Planning training workshops to local government officers in partnership with the Australian Centre of Excellence for Local Government and Local Government Managers Australia, WA Division (LGMA).

ROMAN Update

WALGA has provided the following update :

ROMAN continues to grow in use in terms of number of users, quantity of use and types/complexity of use. There has been a substantial increase of the ROMAN software systems especially in relation to asset valuation and other end of financial year functions.

Some of the more advanced users are progressing into forward works planning and analysis. Other new emerging uses are incorporating and managing traffic count information, use of ROMAN for proactive road operations management and inspections.

Three Local Governments have departed ROMAN leaving 131 Local Government participants- one to use a generic asset register system and the other two intending to use Excel or other spreadsheets to manage their assets. Most of the WA asset management consultant sector is now participating in ROMAN.

The sector appears to be dividing into a small group of proactive Local Governments pursuing asset management, a small group choosing not to participate and a majority group participating reluctantly or slowly to meet reporting obligations.

Data collection and quality has become a point of focus for many Local Governments with many discovering gaps in records or obsolete records as they implement asset valuation or works planning with the more sophisticated tool.

Generally the application of new accounting standards, the more comprehensive and effective software and emphasis on better processes and data is showing WA Local Governments have been undervaluing, but over depreciating, their road assets

Lack of understanding of asset management science and government requirements; and lack of skilled resources to implement asset management continue to be the main obstacles to Local Governments implementing asset management and using the ROMAN system.

27. Tasmania State Report

The Financial and Asset Reform Project reached its Commonwealth completion date on 30th September. A recent Independent Evaluation of the project and informal communications from IPWEA (Institute of Public Works Engineering Australia) suggest that Tasmania is the leading jurisdiction in this field. This was largely attributed to the early work of the Tasmanian Audit Office; this project and the training it provided; and the extent of collaboration between councils.

Whilst the project can demonstrate to the Commonwealth that all councils were given the opportunity to develop strategic plans by the project's deadline, not all councils completed long-term financial and asset management plans. It's important that the momentum established during the first phase of the project continues, especially given the State Government's commitment to legislate mandatory minimum requirements. For the purpose of reporting to the Commonwealth and more importantly to identify areas in which some councils may require further assistance, a survey was distributed to all councils in August and these will continue to inform the development of the second phase of the project.

In the last week of September, IPWEA's John Comrie conducted Long Term Financial Planning workshops in both the North and South of the state, funded by this project. The workshops were well attended, well received and included a second day session which produced a first cut plan using a simple excel based model.

In its September meeting, the project's Steering Committee acknowledged the effectiveness of existing and newly established regional committees in progressing asset management planning. It was suggested that this regional approach could be broadened to establish regionally based financial committees to address long term financial planning and related issues – a concept that has received initial support from financial staff. Other aspects of the project plan include:

- follow-up maturity assessment in 2013 to map progress and improvement;
- continuation of support for smaller councils such as one-on-one assistance from IPWEA; and
- a subsidised financial sustainability forum for both asset management and financial staff.

28. IPWEA NSW Roads & Transport Directorate

Austroads Assets Task Force

Several Austroads projects currently under way or just completed may be of interest to NAMS members. These are:

Managing Civil Liability Risk

Austroads has now published the final report from project AT1691 Managing Asset Management Related Civil Liability Risk. This project specifically includes input from Local Government. The document summary explains the content as:

It is imperative to note that the objective of this document is to improve awareness and provide practical guidance. It is not a legal textbook or repository of case law, nor does it set out to provide legal opinion. This is the domain of a road authority's legal representatives.

The underlying principle adopted throughout this document is that preventing incidents occurring through sound asset management practices is a far better strategy than choosing to rebut or defend all claims received regardless of the scenario and technical issues involved. Being able to robustly demonstrate that reasonable and effective measures have been consistently implemented in managing and maintaining the road network will go a long way towards the road authority being able to demonstrate that it has fulfilled its duty of care to road users.

It is essential that asset management practitioners actively consult and work with their authority's legal representatives regarding all legal related risk management matters. This begins immediately upon receipt of formal notification of a claim, and then subsequently during any formal proceedings should the claim progress. A two-way process is advocated, which includes the need for legal representatives to understand technical concepts and be encouraged to provide feedback on the outcomes of any proceedings as part of a learning and continual improvement regime.

The Research Report AP-R412-12 can be downloaded from the Austroads website www.austroads.com.au.

Unsealed Roads Project

The Roads & Transport Directorate has agreed to participate with ARRB, Austroads and Moorabool Shire in a project to gather data on the performance of unsealed roads. The project has the following specific aims for a sample panel of local government unsealed roads:

- Measure gravel road roughness pre and post blading by grader associated with road maintenance.
- Measure pre and post roughness of gravel resheeting for rehabilitation works.
- Develop works effects models for impact on roughness of blading and resheeting.
- Develop or validate road deterioration models for roughness.

All the resulting road deterioration and works effects models derived from this study will be made available to all Member Agencies and LGAs to assist in estimating the impacts of heavy vehicles on gravel road in terms of changes in condition and additional maintenance costs.

Improvements in road surface condition associated with blading by grader and rehabilitation involving grading and compaction (gravel resheeting) are a major component of unsealed road maintenance practices and asset management systems. Road roughness measurements provide a key measure in determining the efficacy of these activities, particularly if data is collected at suitable periods before and after such activities. No Australian models currently exist for predicting the impact of these maintenance practices on roughness. In addition, despite ongoing research into unsealed road deterioration and associated changes on roughness, reliable transferable data on this area is limited.

There will be an opportunity for Councils in NSW to contribute to this project next year by making available additional road segments for testing. If you are interested in being involved in the project please contact the Roads & Transport Directorate at: msavage@ipwea.org.au.

AT1736 Economics of Materials Availability and Recycling

The aim of the project is to determine the economic costs associated with the decreasing availability of traditional road-building materials and the extent to which future pavement materials availability will impact on road maintenance and construction activities.

The purpose of this project is to investigate the economics associated with both the continued use of traditional pavement materials and also the adoption of alternative strategies involving the use of various types of recycled materials. This will assist road agencies to make more informed decisions regarding the management of pavement materials and maintenance and rehabilitation strategies.

The first stage of the project involves an information gathering exercise which addresses the economics associated with the continuing use of traditional pavement materials, and assesses how large the problem of the shortage of these materials is. The second stage of the project will address what recycled materials and processes are available now and the economics associated with the use of materials/processes in the longer term.

- 29. Next NAMS.AU Meeting:** NAMS.AU Face to Face Meeting Saturday 25 May 2013 in Melbourne.



NAMS Australia is an initiative of the IPWEA National Asset Management Strategy [NAMS] Committee. NAMS.AU seeks to provide national leadership and advocacy in the sustainable management of public works infrastructure, community assets and services.

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