

**ENCL: RISK MANAGEMENT & AUDIT
YES COMMITTEE/OPEN**

AGENDA ITEM: 10.3

OUTSTANDING AUDIT ISSUE NO. 145 – ASSET MANAGEMENT AUDIT

REPORT No.: 17CO0003 NN:lf

COMMON No.: 1713107

DATE: 07/07/2017

Presenter: Manager Technical Services, Nadine Nilon

Approved: General Manager City Operations, Luccio Cercarelli

PURPOSE

The purpose of this report is to provide the Risk Management and Audit Committee (RMAC) with an update of Asset Management Audit Outstanding Issues.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal

5 Effective and Responsible Governance

Outcome

5.3 Good governance

Key Strategies

5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- There are four current Outstanding Audit Issues within the Asset Management Audit.
 - Asset Management System procedures
 - Asset Management Plans (AMP)
 - Start of the Assets Reporting
 - Corporate Asset Management System
- This report updates the Risk Management and Audit Committee on the status of these tasks and recommends minor updates to their listing on the Outstanding Audit Issues (OAI) Register.
- All Asset Management activities continue to be reported through the Asset Management Steering Group, and then to the Executive Leadership Team.
- There are no proposed changes for the Completion Dates of OAI 145.
- A presentation with an update of the status of Asset Management will be provided at the meeting.

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

- A. THAT Report Number 17CO0003 NN:lf entitled Outstanding Audit Issue No. 145 – Asset Management Audit, be received and noted.
- B. THAT Outstanding Audit Issue No. 145 - Asset Management Audit, of the Outstanding Audit Issues Register, be amended to reflect **Attachment A** to Report Number 17CO0003 NN:lf entitled Outstanding Audit Issue No. 145 – Asset Management Audit.

BACKGROUND

An asset management audit was undertaken by Deloitte in 2014 to update the previous audits that had occurred across asset management. From this audit, five recommendations were added to the Outstanding Audit Issues Register in March 2015, replacing the previous recommendations.

DECISION NO.21|3162 (27/03/15)

Assessment of Asset Management Processes - Deloitte 2014

Report No. 15A0040 MC:mp (27/03/15) Common No. 1713107

THAT the Committee resolve under delegated authority:

- A. *THAT Report Number 15A0040 MC:mp entitled Assessment of Asset Management Processes - Deloitte 2014, be received and noted.*
- B. *THAT Management agreed recommendations not yet completed be added to the Outstanding Audit Issues Register (with the exception of the table on minor matters).*
- C. *THAT the following Outstanding Audit Issues be removed from the register as they are covered by the more up to date Deloitte assessment of asset management processes which will provide an improved focus:*
 - a. *Outstanding Audit Issue 116 “Asset Management & Financial Sustainability Review” (stemming from Access Economics and Jeff Roorda & Associates reviews).*
 - b. *Outstanding Audit Issue 137 Asset Management Plan – originally part of Outstanding Audit Issue 116.*
- D. *THAT a presentation on the Asset Finda system and its relationship with Map Info and Authority come to the Committee in May 2015.*

The reinstatement of the Asset Management Steering Group has occurred, with updated terms of reference and quarterly meetings that are minuted and provided to

the Executive Leadership Team (ELT). A presentation to RMAC on AssetFinda occurred in May 2015.

An update report was provided in May 2016 following the review of dates;

DECISION NO.21\4454 (27/05/16)

Asset Management Audit - Update On Outstanding Audit Issue No. 145
Report No. 16TS0081 NN:tz (27/05/16) Common No. 1713107

THAT the Committee resolve under delegated authority:-

- A. THAT Report Number 16TS0081 NN:tz entitled Asset Management Audit - Update On Outstanding Audit Issue No. 145, be received and noted.*
- B. THAT the completion dates for the following Outstanding Audit Issue No. 145 items be amended as follows:*
 - i. Issue item 1 and 6 to July 2018*
 - ii. Issue item 2 to July 2017*
 - iii. Issue item 3 to July 2017*
- C. THAT the Committee noted the removal of Issue items 4 and 5 from the Outstanding Audit Issue No. 145 Register as per Decision 21\3162 (27/03/2015).*

A report was also provided in August 2016;

DECISION NO.21\4743 (26/08/16)

Asset Management Policy & Procedure Review - Finance
Report No. 16A0096 MC:je (26/08/16) Common No. 2078949

THAT the Committee resolve under delegated authority:-

- A. THAT Report Number 16A0096 MC:je entitled Asset Management Policy & Procedure Review - Finance, be received and noted.*
- B. THAT the Outstanding Risk Register 145.2 be transferred to the completed actions on the Completed Audit Risk Register.*

In summary, the following tasks have been completed/resolved and are no longer on the Outstanding Issues Register;

2. Finalise list of policies, procedures and standards for asset management, define purpose of each, the responsible sections and schedule review dates.

In May 2016, Report 16TS0081 entitled “Asset Management Audit – Update on Outstanding Audit Issue No. 145” was presented to the Committee at its meeting held on 27 May 2016. Attachment B to report 16TS0081 was a listing of asset

policies and procedures for review with responsibilities and proposed dates for review assigned.

4. Ensure the Asset Management Strategy covers the following areas....

This issue item resulted from the 2012 audit. In March 2015, RMAC considered the Deloitte recommendations and resolved to remove this item as it was covered by the more up to date Deloitte assessment of asset management processes. RMAC is asked to note the removal of this item as per Decision No.21\3162 (27/03/15).

5. Develop Asset Management Improvement Project (AMIP). Program to include all involvement tasks identified in Council's Asset and Risk Management Plans and Strategy.

This issue item resulted from the 2012 audit. In March 2015, RMAC considered the Deloitte recommendations and resolved to remove this item as it was covered by the more up to date Deloitte assessment of asset management processes. RMAC is asked to note the removal of this item as per Decision No.21\3162 (27/03/15).

This report discusses the current status of the tasks within Item 145 of the OAI and a presentation with an update of the status of Asset Management will be provided at the meeting.

DISCUSSION

The following discusses the progress to date on the tasks that remain on the OAI, being tasks 1,3, and 6;

1. On Implementation of Asset Management System, develop and implement new procedures, and update existing draft procedures, where relevant in consultation with finance. (Target completion date – July 2018).

3. Develop, finalise and implement individual asset management plans, taking into account relevant recommendations from the 2012 asset sustainability review report. (Target completion date – July 2017).

6. Asset Finder is not integrated to Civica Authority at this stage. (Target completion date – July 2018).

Task 3 - Asset Management Plans - Target Completion Date July 2017

The Asset Management Plans (AMPs) currently being developed for the City of Darwin are:

- Transport (incl Roads)
- Pathways
- Stormwater
- Buildings

Each of these areas has a variety of information and data available. Roads, pathways, stormwater and buildings all have sufficient information and data to develop AMPs based on the IPWEA template, which includes the NAMS.PLUS modelling. An example of the format is provided in **Attachment B**, which is the Darwin Entertainment Centre Asset Management Plan.

A leading and experienced Asset Management Consultant (GHD Pty Ltd) has been engaged to prepare the AMPs and complete the necessary modelling and information gathering required for the plans.

The AMPs are currently in draft form and under review by Council staff, and are on target to be completed by the end of July 2017. This is consistent with the target date within the OAI for task 3.

Due to the timing of the RMAC meeting as a result of the Council caretaker period, these reports could not be provided in time for this meeting. However, the reports will be provided as an update to the next RMAC meeting, at which time it will be recommended that this be moved to the completed register.

A summary of the outcomes and status for each of the OAI sub-tasks are included below;

| Sub-task | Comment/Status |
|---|--|
| Assign roles and responsibilities resulting from the plans and communicate these to relevant staff members | This requirement is included within the AMP |
| Review asset management plans on a regular basis | This requirement is included within the AMP |
| Ensure future plans indicate likely service level and risk trends resulting from long term financial plan | The current AMPs will include service levels and risk, and use the long term financial plan for the financial modelling |
| Ensure that strategy plan and management plan performance measures align with AMP service levels | The Asset Management Strategy will be updated following the AMPs |
| Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels | Two scenarios are included in the AMP, there are three recommended by IPWEA within the templates, however two of the three result in identical values for Council. |
| Update AMPs with state of the assets service levels for condition, function and capacity as per summary dashboards. | The AMPs will be cross-checked against the state of the assets reports to ensure the data is consistent or able to be extracted easily. |

Details of this task, including the final outcomes of the AMPs will be provided at the next RMAC meeting.

Task 1 & 6 – Corporate Asset Management System - Target Completion Date July 2018

Task 1 refers to procedures and policies relating to an asset management system. This is an ongoing task that is dependent on Task 6 being completed. A clearer heading for this task has been recommended for inclusion in the OAI (refer **Attachment A**). It is recommended that this provides clarity on the intent and direction.

Task 6 is the most critical aspect of Council's Asset Management System. The task itself references AssetFinda not being integrated to Authority, however it is considered that the core issue to be resolved is having a reliable Asset Management System that is the single source of truth for Council Assets. As a result, this task has been re-titled to refer to the Corporate Asset Management System being required.

AssetFinda has been in place for Council's infrastructure assets for nearly 3 years. Training has occurred both at the time of system implementation and subsequently to assist with understanding the transition of utilising asset financial information within AssetFinda.

A project plan, as shown in **Attachment C**, has been developed to commence the transfer of financial information for a pilot asset class following the completion of the 2017 asset revaluation.

This task is progressing and is on track to be completed by July 2018.

Minor amendments to the tasks within the AMP have been included for clarity, as included in **Attachment A**.

CONSULTATION PROCESS

Nil

POLICY IMPLICATIONS

The development of the AMPs will be in accordance with Council's Asset Management Policy.

BUDGET AND RESOURCE IMPLICATIONS

All works are within current operational budgets.

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

Nil

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

NADINE NILON
MANAGER TECHNICAL
SERVICES

LUCCIO CERCARELLI
GENERAL MANAGER
CITY OPERATIONS

For enquiries, please contact Nadine Nilon on 8930 0417 or email:
n.nilon@darwin.nt.gov.au.

Attachments:

- Attachment A:** Outstanding Audit Issue Register – Item 145
Attachment B: Example AMP – Darwin Entertainment Centre (2014)
Attachment C: Project Plan Template

ATTACHMENT A

Outstanding Audit Issue Register – Item 145 Asset Management Audit



| AUDIT ISSUE & REFERENCE | RESPONSIBLE OFFICER | AGREED COMPLETION DATE | IMPLEMENTATION STATUS |
|---|---|------------------------|---|
| 1 Asset Management System Procedures On implementation of Asset Management System, develop and implement new procedures, and update existing draft procedures, where relevant in consultation with Finance. | Manager Technical Services in consultation with Manager Finance | July 2018 | Updated list and status provided as per issue item number 2. Updates and new procedures are occurring as required, specifically for issue item #6 Deferred to July 2018 per RMAC 27 May 2016 |
| 3 Develop, finalise and implement individual asset management plans, taking into account relevant recommendations from the 2012 asset sustainability review report (refer to Section 4 for more information) a) Assign roles and responsibilities resulting from the plans and communicate these to relevant staff members b) Review asset management plans on a regular basis c) Ensure future plans indicate likely service level and risk trends resulting from long term financial plan d) Ensure that strategy plan and management plan performance measures align with AMP service levels e) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels f) Update AMPs with state of the assets service levels for condition, function and capacity as per summary dashboards. g) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels Introduce state of the art reporting for assets in the annual report | Manager Technical Services | July 2017 | Drafts progressing Deferred to July 2017 per RMAC 27 May 2016 |
| 6 Corporate Asset Register AssetFinda-Finder is not integrated to Civica Authority at this stage. a. Further considerations are necessary for the future regarding detailed procedures and degree of integration between accounting and asset management systems b. Implementation date is notional at this stage as it is entirely dependent on all current asset data being entered into AssetFinda | Manager Technical Services in consultation with Manager Finance | July 2018 | Training undertaken April 2016 to improve knowledge and understand practical aspects of implementation. Updated implementation plan being prepared. Deferred to July 2018 per RMAC 27 May 2016 |



Darwin Entertainment Centre

Asset Management Plan



| Document Control | <div><div>IPWEA</div><div>INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA</div></div> <div></div> | | | | |
|---|---|------------------|--------------|-------------------|-----------------|
| Document ID: 59.299.130925 nams.plus2 amp template v4 | | | | | |
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| 0 | August 2014 | Issued | F.Hill (GHD) | H.Lancaster (GHD) | N.Douglas (CoD) |
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1. EXECUTIVE SUMMARY

Context

This Asset Management Plan (AMP) has been prepared for the Darwin Entertainment Centre, one facility of a number owned by the City of Darwin

The Darwin Entertainment Centre

The Darwin Entertainment Centre asset comprises (and replacement value):

- Finishes (\$1,379,372)
- Fittings (\$1,814,258)
- Services – Electrical (\$1,684,386)
- Services – Fire (\$ 300,526)
- Services – Mechanical & Lifts (\$1,333,255)
- Structure (\$2,460,329)

These infrastructure assets have a replacement value of \$8,972,126.

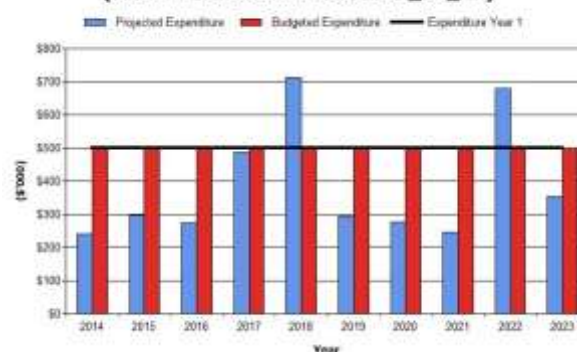
What does it Cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AM Plan) includes maintenance, renewal and upgrade of existing assets over the 10 year planning period is \$3,864,000 or \$386,400 on average per year. This figure does not include for the operational costs of that facility

Estimated available funding for this period is \$5,000,000 or \$500,000 on average per year which is 129% of the cost to provide the service. This is a funding surplus of \$114,000 on average per year. Projected expenditure required to provide services in the AM Plan compared with planned expenditure currently included in the Long Term Financial Plan are shown in the graph below.

While this demonstrates a surplus over a 10 year planning period, the same funding over a 20 year period yields a cumulative deficit, especially as the expected life of key assets comes to an end, especially key mechanical services such as air conditioning. However the lack of reliability resulting in a reputation risk, and the environmental impacts of an aged inefficient system, presents a need to use surplus funds in the first 10 years to replace the existing system ahead of time.

Darwin CC - Projected and Budget Expenditure for (Darwin Entertainment Centre_S3_V1)



What we will do

We plan to provide services for the following:

- Operation, maintenance, renewal and upgrade of Darwin Entertainment Centre to meet service levels set in annual budgets.
- Undertake necessary renewals to enhance the reputation of the facility, and improve environmental performance.

Managing the Risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- Services Breakdown and inefficiency - Inadequate facilities affecting public events, reputation, costs and environmental impacts
- Safety of staff, public, contractors and volunteers – noncompliance with workplace health and safety regulations
- Inadequate security - damage and vandalism of facility
- Insufficient management skills to operate the facility to the required standards and expectations of public, promoters and performers

We will endeavour to manage these risks by:

- Replacement of key, currently unreliable mechanical services
- Asset Management and funding of renewals
- Staff training and cross skilling
- Security measures

Confidence Levels

This AM Plan is based on a medium level of confidence information. This is based on a building condition audit and Level 3 energy audit undertaken in recent months. Table 6.5.1 details the unknowns identified

The Next Steps

The actions resulting from this asset management plan are:

- Actions required to reduce reputational and environmental risks
- Further definition of overall council objectives and goals for the Centre
- Further definition of levels of service
- Funding of maintenance and renewal programs

Questions you may have

What is this plan about?

This asset management plan covers the infrastructure assets that serve the City of Darwin community's Darwin Entertainment Centre's needs. These assets include theatres and rooms that enable the community to enjoy a quality entertainment venue.

What is an Asset Management Plan?

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

An asset management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

Why is there a funding shortfall?

The Darwin Entertainment Centre was constructed new in 1986, and while new, less consideration would have been given to ongoing operations, maintenance and replacement needs.

Many of these assets are approaching the later years of their life and require replacement, services from the assets are decreasing and maintenance costs are increasing.

Our present funding levels are insufficient to continue to provide existing services at current levels in the medium term.

What options do we have?

Resolving the funding shortfall involves several steps:

1. Improving asset knowledge so that data accurately records the asset inventory, how assets are performing and when assets are not able to provide the required service levels,

2. Improving our efficiency in operating, maintaining, renewing and replacing existing assets to optimise life cycle costs,
3. Identifying and managing risks associated with providing services from infrastructure,
4. Making trade-offs between service levels and costs to ensure that the community receives the best return from infrastructure,
5. Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs,
6. Consulting with the community to ensure that the Darwin Entertainment Centre's services and costs meet community needs and are affordable,
7. Developing partnership with other bodies, where available to provide services,
8. Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to infrastructure services.

What happens if we don't commit to necessary funding?

It is likely that we will have to reduce service levels in some areas, unless new sources of revenue are found. For Services – Mechanical and Lifts, the service level reduction may include the inability to provide reliable services to patrons, or to attract performers due to breakdowns in air conditioning, or fire services affected by sharing with the hotel. There are also cost and environmental savings to be gained by providing more efficient modern plant, and better able to measure the cost of provision of services via the hotel shared services.

What can we do?

We can develop options, costs and priorities for future Darwin Entertainment Centre services, consult with the community to plan future services to match the community service needs with ability to pay for services and maximise community benefits against costs.

What can you do?

We will be pleased to consider your thoughts on the issues raised in this asset management plan and suggestions on how we may change the Darwin Entertainment Centre mix of services to ensure that the appropriate level of service can be provided to the community within available funding.

2. INTRODUCTION

2.1 Background

This asset management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 20 year planning period.

The asset management plan follows the format for AM Plans recommended in Section 4.2.6 of the International Infrastructure Management Manual¹.

The asset management plan is to be read with the organisation's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- City of Darwin Municipal Plan

The infrastructure assets covered by this asset management plan are shown in Table 2.1. These assets are used to operate the Darwin Entertainment Centre

Table 2.1: Assets covered by this Plan

| Asset category | No. of Asset Register Entries | Replacement Value |
|---------------------------------|-------------------------------|--------------------|
| Finishes | 333 | \$1,379,372 |
| Fittings | 464 | \$1,814,258 |
| Services - Electrical | 452 | \$1,684,386 |
| Services - Fire | 271 | \$ 300,526 |
| Services – Mechanical and Lifts | 128 | \$1,333,255 |
| Structure | 145 | \$2,460,329 |
| TOTAL | 1,765 | \$8,972,126 |

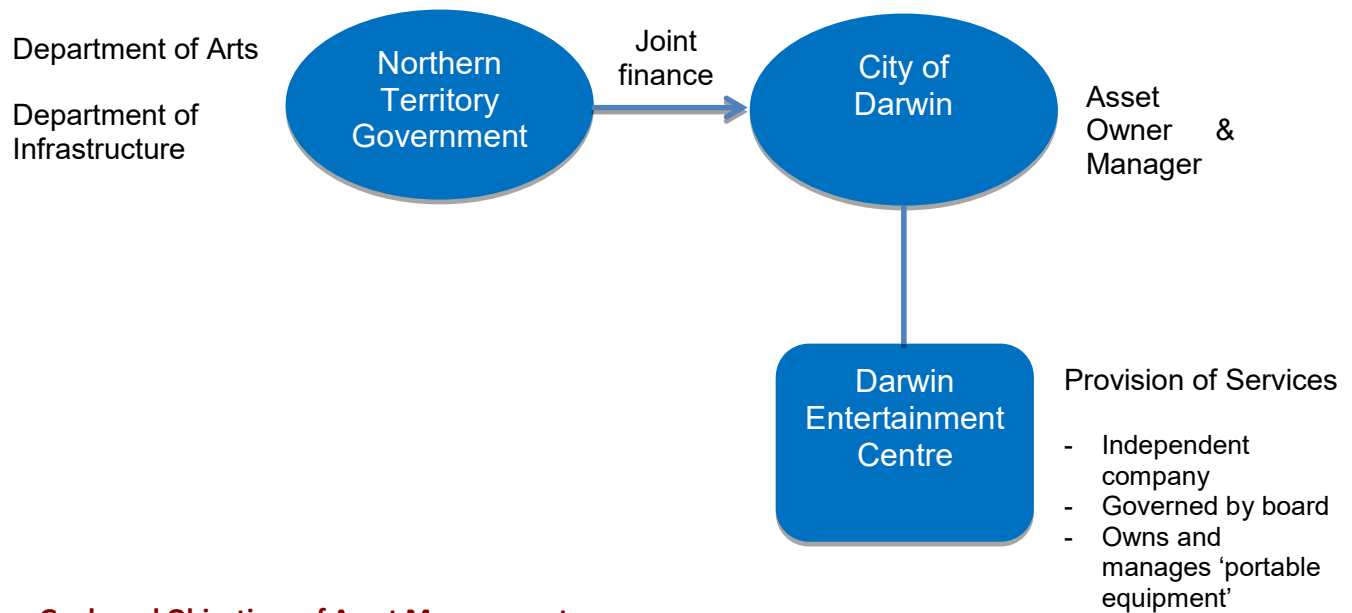
Key stakeholders in the preparation and implementation of this asset management plan are: Shown in Table 2.1.1.

Table 2.1.1: Key Stakeholders in the AM Plan

| Key Stakeholder | Role in Asset Management Plan |
|---------------------------------|--|
| 1 Elected Members | <ul style="list-style-type: none">• Represent needs of community/shareholders,• Allocate resources to meet the organisation's objectives in providing services while managing risks,• Ensure asset is financially sustainable. |
| 2 Northern Territory Government | Providing appropriate joint funding? |
| 3 CEO of CoD | Allocate resources and responsible for asset management planning |
| 4 DEC Board/General Manager DEC | Operate the DEC as a not-for-profit concern, undertake necessary operation and maintenance. Provide all equipment (portable) to maintain services |

¹ IPWEA, 2011, Sec 4.2.6, Example of an Asset Management Plan Structure, pp 4 | 24 – 27.

Our organisation's organisational structure for service delivery from infrastructure assets is detailed below:



2.2 Goals and Objectives of Asset Management

The organisation exists to provide services to its community. Some of these services are provided by infrastructure assets. We have acquired infrastructure assets by 'purchase', by contract, construction by our staff and by donation of assets constructed by developers and others to meet increased levels of service.

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Having a long-term financial plan which identifies required, affordable expenditure and how it will be financed.²

2.3 Plan Framework

Key elements of the plan are

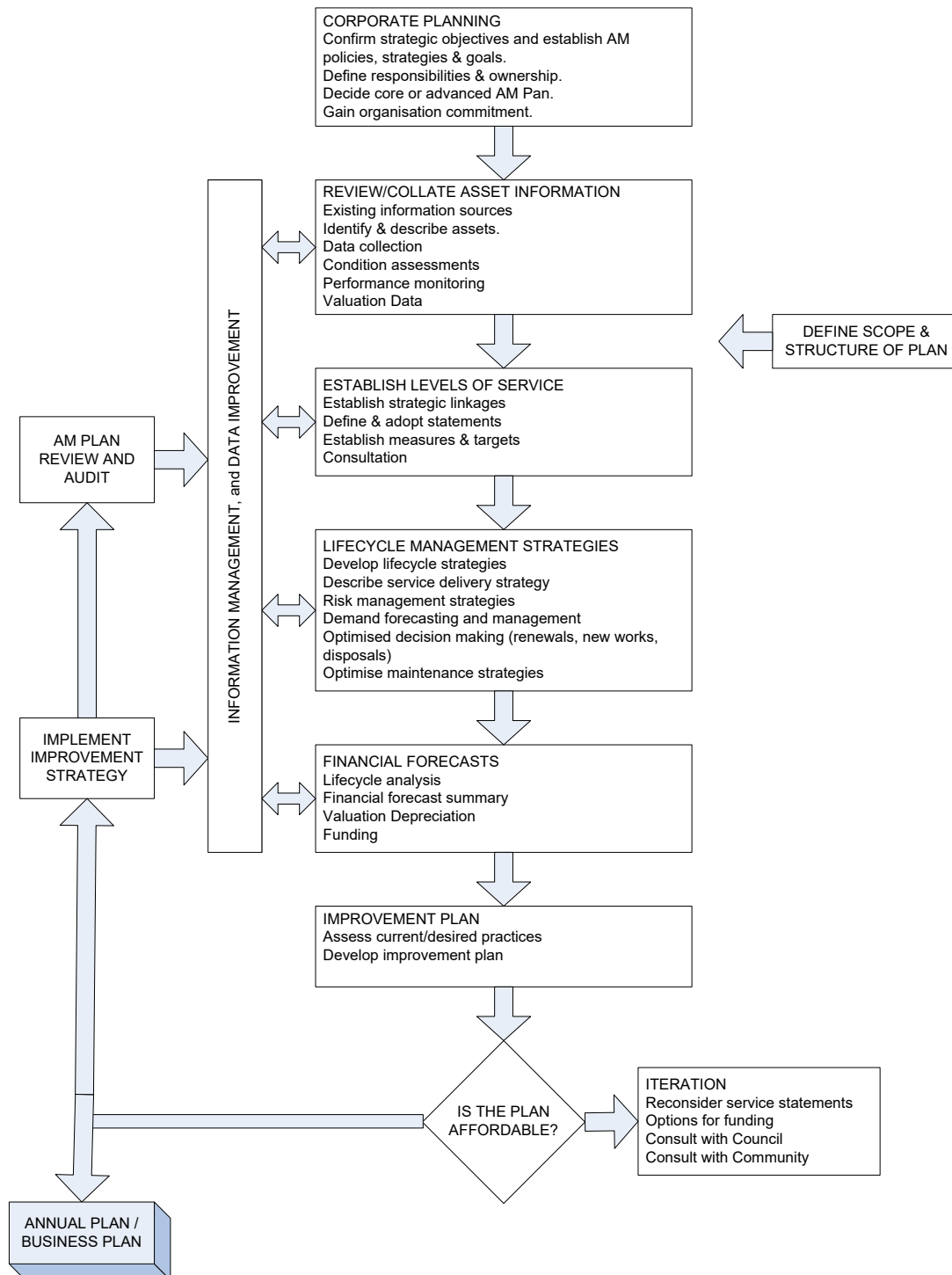
- Levels of service – specifies the services and levels of service to be provided by the organisation,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Life cycle management – how we will manage our existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices,
- Monitoring – how the plan will be monitored to ensure it is meeting the organisation's objectives,
- Asset management improvement plan.

² Based on IPWEA, 2011, IIMM, Sec 1.2 p 1|7.

A road map for preparing an asset management plan is shown below.

Road Map for preparing an Asset Management Plan

Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11.



2.4 Core and Advanced Asset Management

This asset management plan is prepared as a 'core' asset management plan over a 20 year planning period in accordance with the International Infrastructure Management Manual³. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Future revisions of this asset management plan will move towards 'advanced' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels.

2.5 Community Consultation

This 'core' asset management plan is prepared to facilitate community consultation initially through feedback on public display of draft asset management plans prior to adoption by the Council/Board. Future revisions of the asset management plan will incorporate community consultation on service levels and costs of providing the service. This will assist the Council/Board and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

The organisation has not carried out any research on customer expectations other than a broad survey question covering the entire Council i.e. not specific to the Darwin Entertainment Centre. This will be investigated for future updates of the asset management plan.

3.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the organisation's vision, mission, goals and objectives.

Our vision is:

Enhancing Darwin's unique lifestyle and tropical feel with a strong focus on the environment and sustainability.

Our mission is:

By working in partnership with the community, Council will maintain and promote the City of Darwin as the tropical capital of the Northern Territory offering opportunities and a vibrant lifestyle for our residents and visitors.

Relevant organisation goals and objectives and how these are addressed in this asset management plan are:

Table 3.2: Organisation Goals and how these are addressed in this Plan

| Goal | Objective | How Goal and Objectives are addressed in AM Plan |
|----------------------|--|---|
| 2 Lifestyle | Enhance Darwin's Active, Positive and Flexible Lifestyle | Enables the efficient, delivery of a high quality venue catering for local and international artists and audiences by planning for appropriate funding and upkeep to maintain this service level. |
| 5 Cohesive Community | Facilitate and Maintain a Cohesive Community | |

The Council/Board will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this AM Plan. Management of infrastructure risks is covered in Section 5.2

³ IPWEA, 2011, IIMM.

3.3 Legislative Requirements

We have to meet many legislative requirements including Australian and State legislation and State regulations. These include:

Table 3.3: Legislative Requirements

| Legislation | Requirement |
|---|---|
| Aboriginal Land Act | Outlines legislative issues local governments need to consider where its assets may be impacted by Aboriginal Land. |
| Australian Standards | <ul style="list-style-type: none"> AS 1428, Design for access and mobility series <p>Standards providing guidance for fixed plant and equipment as follows:</p> <ul style="list-style-type: none"> AS 1851.1 – Maintenance of fire protection equipment - Portable fire extinguishers AS 1851.2 – Maintenance of fire protection equipment - Fire hose reels AS 1851.3 – Maintenance of fire protection equipment - Automatic fire sprinkler systems AS 1851.4 – Maintenance of fire protection equipment - Fire hydrant installations AS 1851.5 – Maintenance of fire protection equipment - Automatic smoke/heat venting systems AS 1851.6 – Maintenance of fire protection equipment - Management procedures for maintaining the fire precaution features of air-handling systems AS 1851.7 – Maintenance of fire protection equipment - Fire-resistant door sets AS 1851.8 – Maintenance of fire protection equipment - Automatic fire detection and alarm systems AS 1851.10 – Maintenance of fire protection equipment - Emergency warning and intercommunication systems AS/NZS 2293.2 – Emergency evacuation lighting for buildings, Part 2 Inspection and maintenance AS 3000 – Electrical installations AS 3100 – Approval and test specification – General requirements for electrical equipment AS/NZS 3175 – Approval and test specification - Residual current-operated circuit breakers without integral overcurrent protection for household or similar use. AS 3190 – Approval and Test Specification - Residual Current Devices AS/NZS 3760 – 2003 In-service safety inspection and testing of electrical equipment AS 3666 – Air-handling and water systems of buildings – Microbial control AS/NZS 3500.4.2003 – Plumbing & Drainage – Part 4 Heated Water Services AS/NZS 1768:2003 – Lightning Protection Systems AS/NZS 1891.4:2000 – Industrial fall-arrest systems and devices AS/NZS 1020:1995- The control of undesirable static electricity AS 2467 – 1981- Maintenance of electrical switchgear. AS 2676.1 – 1992- Guide to the installation, maintenance, testing and replacement of secondary batteries in building Part 1: Vented cells AS 2676.2 – 1992- Guide to the installation, maintenance, testing and replacement of secondary batteries in building Part 1: Sealed cells AS/NZS 1596:2002 - Storage and handling of LP gas. AS/NZS 3788: 2001 – Pressure equipment in-service inspection. AS 2550.1 – 2002 Cranes, hoists, winches – Safe use – Part 1 General requirements AS 2550.3 – 2002 Cranes, hoists, winches – Safe use – Part 3 Bridge, gantry, portal (including container cranes) and jib cranes. AS 4991 – 2004 Lifting devices. Lifts, escalators and moving walks – Part 2 Passenger and goods lifts – electric AS 1735.2:2001 – Refrigerated systems – Part 2 Safety requirements for fixed applications. |
| Environmental Assessment Act | Outlines legislative issues local governments need to consider in relation to the assessment of the environmental effects of development proposals and for the protection of the environment |
| Environmental Offences and Penalties Act 1996 | Outlines offences local governments local governments (and other parties) may be liable for where their acts and omissions maybe detrimental to the protection of the environment. |
| Essential Goods and Services Act | Outlines legislative issues local governments need to consider in relation to the impacts that the management and control of shortages of prescribed goods or services may have on local government assets e.g. delivery of goods and services over council controlled roads when trafficking is not appropriate due to saturation of pavements. |
| Fire and Emergency Act | Outlines legislative issues local governments need to consider in relation to the prevention of fires and other emergencies as an owner and occupier of land |
| Infrastructure Australia Act 2008 | An Act to establish Infrastructure Australia and the Infrastructure Coordinator, Infrastructure Australia has the primary function of providing advice to the Minister, Commonwealth, State, Territory and local governments, investors in infrastructure and owners of infrastructure on matters relating to infrastructure. |
| Land Title Act & Regulations | Outlines legislative issues local governments need to consider in relation to land ownership, easements and other purposes that may impact on various assets, such as roads, stormwater and buildings that the local government has under it care and control. |
| Lands Acquisition Act & | Outlines legislative issues local governments need to consider in relation to land they own that could be |

| | |
|--|--|
| Regulations | compulsorily acquired by the Northern Territory for the purpose of the provision of essential services and facilities being power (including gas), water, sewerage, road or communication services or facilities to or across the prescribed land, or access to any of them. |
| Local Government Act | Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery. |
| Local Government Grants Commission Act | Sets out the role, purpose, responsibilities and powers of a Local Government Grants Commission to make recommendations concerning the distribution of financial assistance to local government bodies and for related purposes. |
| National Environment Protection Council (Northern Territory) Act | Outlines legislative issues local governments need to consider in relation to the impacts that the National Environment Protection Council activities could have on the various assets, such as roads, stormwater, buildings and land, that the local government has under its care and control. |
| National Trust (Northern Territory) Act | Outlines legislative issues local governments need to consider in relation to the impacts that the National Trust (Northern Territory) activities could have on the various assets, such as roads, stormwater, buildings and land, that the local government has under its care and control. |
| Northern Territory Aboriginal Sacred Sites Act | Outlines legislative issues local governments need to consider in relation to the impacts that the Aboriginal Sacred Sites could have on the various assets, such as roads, stormwater, buildings and land, that the local government has under its care and control. |
| Occupation Safety and Health Act | Sets out the rules and responsibilities to secure the health, safety and welfare of persons at work |
| Planning Act & Regulations | Outlines legislative issues local governments need to consider in relation to providing for appropriate and orderly planning and control of the use and development of land within the municipality |

3.4 Current Levels of Service

We have defined service levels in two terms.

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value.

Community levels of service measures used in the asset management plan are:

| | |
|----------------------|------------------------------------|
| Quality | How good is the service? |
| Function | Does it meet users' needs? |
| Capacity/Utilisation | Is the service over or under used? |

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- Operations – the regular activities to provide services such as opening hours, cleansing frequency, mowing frequency, etc.
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition (eg road patching, unsealed road grading, building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally (eg frequency and cost of road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),
- Upgrade – the activities to provide an higher level of service (eg widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (eg a new library).

Asset managers plan, implement and control technical service levels to influence the customer service levels.⁴

Our current service levels are detailed in Table 3.4.

⁴ IPWEA, 2011, IIMM, p 2.22

Table 3.4: Current and Desired Service Levels

| Key Performance Measure | Level of Service Objective | Performance Measure Process | Current Level of Service | Optimal Level of Service |
|------------------------------------|--|---|--|---|
| COMMUNITY LEVELS OF SERVICE | | | | |
| Quality | Quality of facility | Cleanliness levels Response times to incidents and defects | Cleaning and maintenance schedules at short frequency, especially front of house | Currently achieved – maintain service level |
| Function | Accessibility and Safety (no harm) for public and employees | Facility meets all relevant statutory requirements Security systems and services established | No harm to employees, public and property, | Currently achieved – maintain service level |
| Function | Reliability of assets to provide required service | Disruption to events from services failures (aircon, lighting, fire, security), and via hotel incidents via systems linked to DEC | No disruptions to events due to services failures | Currently achieved – maintain service level |
| Capacity/ Utilisation | Availability of facility to community and meet demand Reasonable fees and charges | No. of days available for booking events/functions. Ability to meet capacity expectations Levels of fees and charges for various events and users | Reliance on DEC company to set availability for event bookings and fee regime | Currently achieved – maintain service level |

Technical levels of service are yet to be developed and defined.

3.5 Desired Levels of Service

Indications of desired levels of service are obtained from community consultation/engagement. Feedback from the DEC company is key to understanding the needs of the facility and the required levels of service from a customer and user perspective.

4. FUTURE DEMAND

4.1 Demand Drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors etc.

4.2 Demand Forecast

The present position and projections for demand drivers that may impact future service delivery and utilisation of assets were identified and are documented in Table 4.3.

4.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown in Table 4.3.

Table 4.3: Demand Drivers, Projections and Impact on Services

| Demand drivers | Present position | Projection | Impact on services |
|-------------------|---|--|--|
| Event bookings | Managed by DEC | Managed by DEC | Increased bookings will lessen life of assets and increase maintenance and renewal costs |
| Venue capacity | Physical capacity is ample to meet current demand and possible growth scenarios | No expected capacity increase | None |
| Venue reliability | Services are unreliable, potentially affecting events | Reliability will decrease unless addressed | Reputation and use by public, promoters and performers unless services are improved |

4.4 Demand Management Plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices include non-asset solutions, insuring against risks and managing failures.

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures⁵. Examples of non-asset solutions include providing services from existing infrastructure such as aquatic centres and libraries that may be in another community area or public toilets provided in commercial premises.

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this asset management plan.

Table 4.4: Demand Management Plan Summary

| Demand Driver | Impact on Services | Demand Management Plan |
|-------------------|---|---|
| Venue reliability | Reputation and use by public, promoters and performers unless services are improved | Renewal of key services with reliable modern energy efficient systems |

⁵ IPWEA, 2011, IIMM, Table 3.4.1, p 3|58.

4.5 Asset Programs to meet Demand

Currently, there are no upgrades or new assets planned to meet demand. However, hastening of the renewal of existing services will allow growth to occur.

Acquiring any new assets will commit the organisation to fund ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs would then need to be identified and considered in developing forecasts of future operations, maintenance and renewal costs.

5. LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the organisation plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

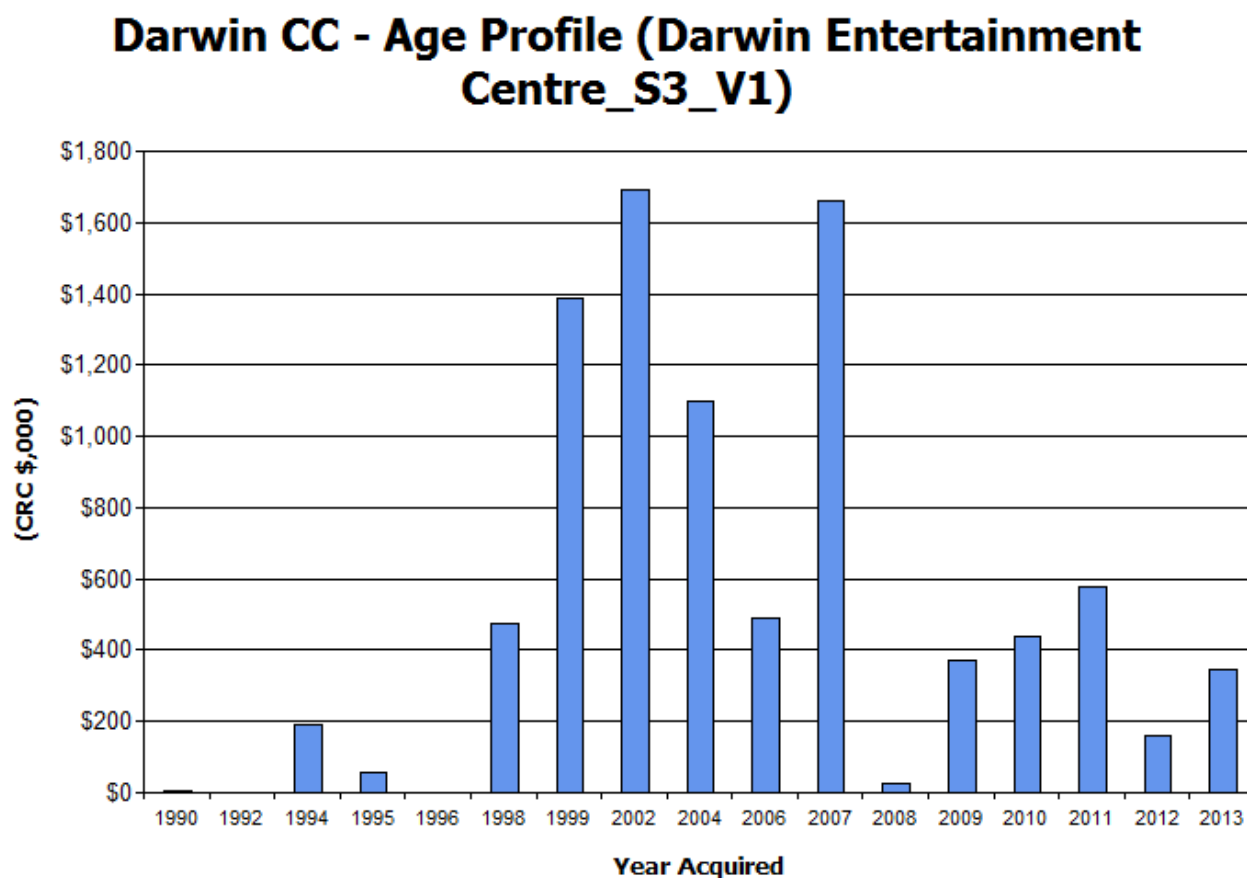
The assets covered by this asset management plan are shown in Table 2.1. The assets listed are those that were ascertained via a visual building audit undertaken in February 2014. These assets are the fixed assets, and are capitalised in this plan accordingly.

The assets excluded from the scope of this plan are:

- Superstructure, foundations, and non-visible assets such as internal cabling, water and wastewater pipes
- Specialised Stage Equipment. This equipment is the subject of a regular thorough audit and performance analysis by Specialised Stage Engineering Pty Ltd
- The specialised lifting mechanism for the orchestra pit
- Portable Equipment for use by DEC Management consisting of:
 - Appliances
 - Audio Visual Equipment
 - Computer and Electrical Equipment
 - Furniture and Fittings
 - Lighting – portable
 - Musical Instruments
 - Office Equipment
 - Phone Equipment
 - Rostra, Steps and Curtains
 - Theatre Lighting
 - Tools, Ladders, Scaffolds, Trolleys etc.
- Items owned and operated by the adjoined Hilton Hotel (yet required by DEC) e.g. fire pumps

The age profile of the assets included in this AM Plan is shown in Figure 2.

Figure 2: Asset Age Profile (based on condition and estimated remaining life to give a theoretical year acquired or last renewed)



Age profile information shown is not based on actual dates of construction, installation or renewal, but is worked out by assessing the condition of each asset, and estimating their remaining life. The expected total life of any asset has been subtracted from the expected 'end-of-life' date to give these theoretical 'Year Acquired' or 'Last Renewed' dates.

Plans showing the Darwin Entertainment Centre fixed assets are:

- Remote Plan Checklist 1 Asset No: 016902

These plans were most recently updated as a result of the February 2014 building audit.

5.1.2 Asset capacity and performance

The organisation's services are generally provided to meet design standards where these are available.

The service deficiencies detailed in this section were identified from the building condition audit undertaken in February 2014, and the energy audit undertaken in March 2014.

Locations where the main deficiencies in service performance are known are detailed in Table 5.1.2. The methodology used in considering the priority of "Immediate" items was determined with a number of factors in mind aligned with the standard risk management assessment of consequence and likelihood. These may have included a combination of safety, public areas, compliance, continuity of service, functionality etc.

The following table summarises the main performance defects, and those of highest values, but a full list of asset defects is contained in the asset and defect register in Excel format.

Table 5.1.2: Known Service Performance Deficiencies

| Location | Service Deficiency |
|---------------------------------------|--|
| Fire Services throughout Centre | <p>It was noted that a number of fire items such as extinguishers had either missed inspections or were not tagged.</p> <p>Some sprinkler heads were missing escutcheon plates and some are covered in dirt.</p> <p>A number of fire doors were labelled as "Fire Safety Doors", yet were not tagged.</p> |
| Electrical Services throughout Centre | <p>There is electrical cable around the Centre that has not been terminated into a junction box as per current code requirements.</p> <p>A number of electrical boards were missing blanking plates.</p> <p>There are instances where installations of new equipment, e.g. emergency lighting, have taken place but old equipment has not been removed, but rather, left in situ.</p> <p>The controls system is inadequate and obsolete⁶</p> |
| Mechanical Services throughout Centre | <p>The Mechanical plant is generally in fair to very poor condition, with the exception of a few condensers and a new unit servicing the Studio Theatre control room.</p> <p>The AC system that serves the Studio Theatre has reached the end of its operating life and the provision of outdoor air to the theatre does not comply with mandatory standards.⁷</p> <p>The 22 AHUs and the air distribution systems appear to be in reasonable condition and the main hardware (casing, fans, motors, coils & drip trays) is generally well maintained. However, many control components that are necessary for energy efficiency are either non-existent or non-functional and obsolete.⁸</p> <p>The insulation on the chilled water reticulation system has failed and this is causing significant damage due to dripping condensate at various areas of the building including the Playhouse Theatre ceiling.⁹</p> <p>The current plant is supplied chilled water via plant located in the Hilton hotel. There are undue costs associated with the shared system.</p> |
| Western elevation | Patching and painting of elevation required |
| Front Entry | Replace TV screens |

⁶ GHD Asset and Energy Audit, Darwin Entertainment Centre: Energy Audit Report (2014)

⁷ GHD Asset and Energy Audit, Darwin Entertainment Centre: Energy Audit Report (2014)

⁸ GHD Asset and Energy Audit, Darwin Entertainment Centre: Energy Audit Report (2014)

⁹ GHD Asset and Energy Audit, Darwin Entertainment Centre: Energy Audit Report (2014)

Other Key Issues

Specialised Stage Equipment

It was noted that DEC engage Specialised Stage Engineering Pty Ltd to inspect stage lifting equipment. This document which was last produced in April 2013 should be the primary reference for lifting equipment, as the performance analysis is excess of the level of detail and access to equipment viewed during the inspection undertaken by GHD.

5.1.3 Asset condition

The condition of assets was recorded in February 2014 as part of the inputs for this AMP. Condition is measured using a 1 – 5 grading system¹⁰ as detailed in Table 5.1.3.

Table 5.1.3: Simple Condition Grading Model

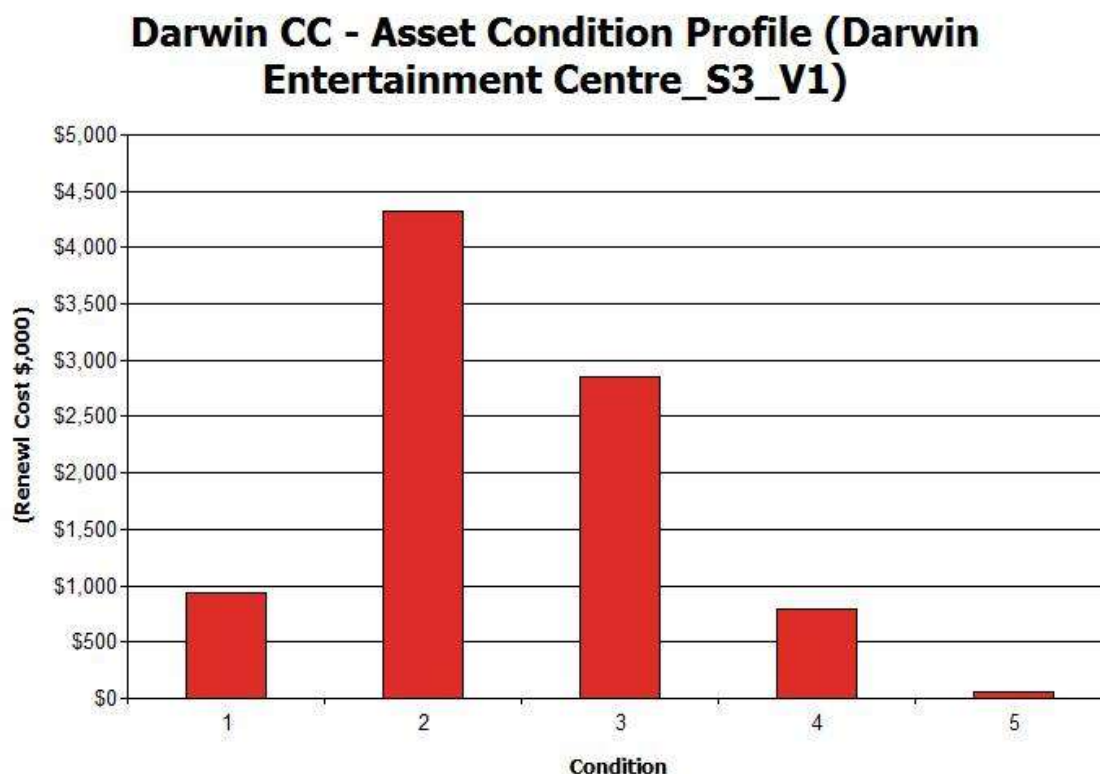
| Condition Grading | Description of Condition |
|-------------------|---|
| 1 | Very Good: only planned maintenance required |
| 2 | Good: minor maintenance required plus planned maintenance |
| 3 | Fair: significant maintenance required |
| 4 | Poor: significant renewal/rehabilitation required |
| 5 | Very Poor: physically unsound and/or beyond rehabilitation |

| Asset Class | CRC (\$) | Qty | Condition (% by value) | | | | |
|---------------------------------|-----------------------|-------------|------------------------|-------------|-------------|------------|------------|
| | | | 1 | 2 | 3 | 4 | 5 |
| Finishes | \$1,379,372.00 | 333 | 18.3 | 47.7 | 22.0 | 11.8 | 0.2 |
| Fittings | \$1,814,258.00 | 464 | 5.4 | 29.4 | 59.9 | 4.9 | 0.4 |
| Services - Electrical | \$1,684,386.00 | 452 | 10.2 | 51.7 | 33.8 | 4.3 | 0 |
| Services - Fire | \$ 300,526.00 | 271 | 4.6 | 76.3 | 15.9 | 3.2 | 0 |
| Services - Mechanical and Lifts | \$1,333,255.00 | 128 | 0.4 | 20.3 | 42.4 | 33.6 | 3.4 |
| Structure | \$2,460,329.00 | 145 | 16.3 | 71.9 | 11.5 | 0.2 | 0.1 |
| Total (see Fig 3) | \$8,972,126.00 | 1793 | 10.5 | 48.3 | 31.8 | 8.8 | 0.6 |

¹⁰ IPWEA, 2011, IIMM, Sec 2.5.4, p 2 | 79.

The condition profile of our assets is shown in Figure 3.

Fig 3: Asset Condition Profile (by Value)



Mechanical Services Condition

The condition profile demonstrates that a large proportion (79.3%) the mechanical services are in fair, poor and very poor condition. The exceptions to these poorer condition assets are a few condensers and a new unit servicing the Studio Theatre control room. The unit serving the Studio Theatre is showing signs of corrosion at the base of the coil on the condenser unit on the roof. Other standalone condensers on the roof were also showing signs of corrosion and age. Other minor items noted included the lagging on pipework deteriorating, which allows condensation to form.

5.1.4 Asset valuations

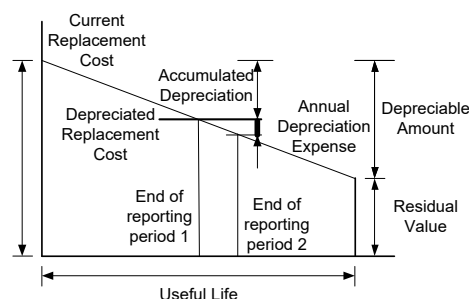
The value of assets recorded in the asset register as at March 2014 covered by this asset management plan is shown below. Assets were last revalued at February 2014. Assets are valued at **\$8,972,000** replacement cost.

| | |
|--|--------------------|
| Current Replacement Cost | \$8,972,000 |
| Depreciable Amount | \$8,972,000 |
| Depreciated Replacement Cost ¹¹ | \$5,667,000 |
| Annual Depreciation Expense | \$ 375,000 |

Useful lives were reviewed in February 2014.

Key assumptions made in preparing the valuations were:

- Projections are based on local operating knowledge only,
- Expenditure projections are very preliminary with a range of $\pm 20\%$



¹¹ Also reported as Written Down Current Replacement Cost (WDCRC).

- Age of existing assets has been estimated based on current condition
- Useful lives have been estimated

Various ratios of asset consumption and expenditure have been prepared to help guide and gauge asset management performance and trends over time.

| | |
|--|-------|
| Rate of Annual Asset Consumption (Depreciation/Depreciable Amount) | 4.20% |
| Rate of Annual Asset Renewal (Capital renewal exp/Depreciable amount) | 2.90% |
| Rate of Annual Asset Upgrade/New (Capital upgrade exp/Depreciable amount) | 0% |
| Rate of Annual Asset Upgrade/New (including contributed assets) | 0% |

In 2014, the organisation plans to renew assets at 69.30% of the rate they are being consumed and will be increasing its asset stock by 0% in the year.

5.2 Infrastructure Risk Management Plan

An assessment of risks¹² associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan, together with the estimated residual risk after the selected treatment plan is operational are summarised in Table 5.2. These risks are reported to management and Council/Board.

Table 5.2: Critical Risks and Treatment Plans

| Service or Asset at Risk | What can Happen | Risk Rating (VH, H) | Risk Treatment Plan | Residual Risk * |
|--|--|---------------------|---|-----------------|
| Services Breakdown and Inefficiency | Inadequate facilities affecting public events, reputation, costs and environmental impacts | VH | Replacement of key plant Asset management and funding Shortened maintenance and cleaning programs | M |
| Safety of staff, public, contractors and volunteers | Non-compliance with workplace health and safety regulations – Inadequate safety for staff, public, contractors and volunteers | H | Building DDA compliant Processes established Staff training and induction Security systems and monitoring Provision of staff escorts. Review and audit of current processes | M |
| Inadequate Security | Damage to, or vandalism of the facility or contents | H | 24/7 security contracted Locks, alarms, swipe access Alarm / CCTV systems | M |
| Insufficient Staff and/or Skills to operate the facility | Loss of key staff or skills resulting in inability of DEC to effectively operate the facility to the required standards and expectations of public, promoters and performers | H | Some cross-skilling of staff to cover functions Provision of necessary support to DEC to manage. | M |

Note * The residual risk is the risk remaining after the selected risk treatment plan is operational.

5.3 Routine Operations and Maintenance Plan

Operations include regular activities to provide services such as public health, safety and amenity, eg street sweeping, grass mowing and street lighting.

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again.

5.3.1 Operations and Maintenance Plan

Operations activities affect service levels including quality and function through street sweeping and grass mowing frequency, intensity and spacing of street lights and cleaning frequency and opening hours of building and other facilities.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but

¹² City of Darwin Infrastructure Department Operational Risk Assessment v2 May 2012

excluding rehabilitation or renewal. Maintenance may be classified into reactive, planned and specific maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

Planned maintenance is repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Specific maintenance is replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, replacing air conditioning units, etc. This work falls below the capital/maintenance threshold but may require a specific budget allocation.

Actual past maintenance expenditure has been managed by the Northern Territory Government to date. There are no statistics available regarding the ratio of planned and specific maintenance to unplanned maintenance.

Maintenance expenditure levels are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance expenditure levels are such that will result in a lesser level of service, the service consequences and service risks have been identified and service consequences highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and prioritisation of reactive maintenance is undertaken by the organisation's staff using experience and judgement.

5.3.2 Operations and Maintenance Strategies

The organisation will operate and maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The operation and maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner,
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost),
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council/Board,
- Review current and required skills base and implement workforce training and development to meet required operations and maintenance needs,
- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options,
- Maintain a current hierarchy of critical assets and required operations and maintenance activities,
- Develop and regularly review appropriate emergency response capability,
- Review management of operations and maintenance activities to ensure the organisation is obtaining best value for resources used.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

Standards and specifications

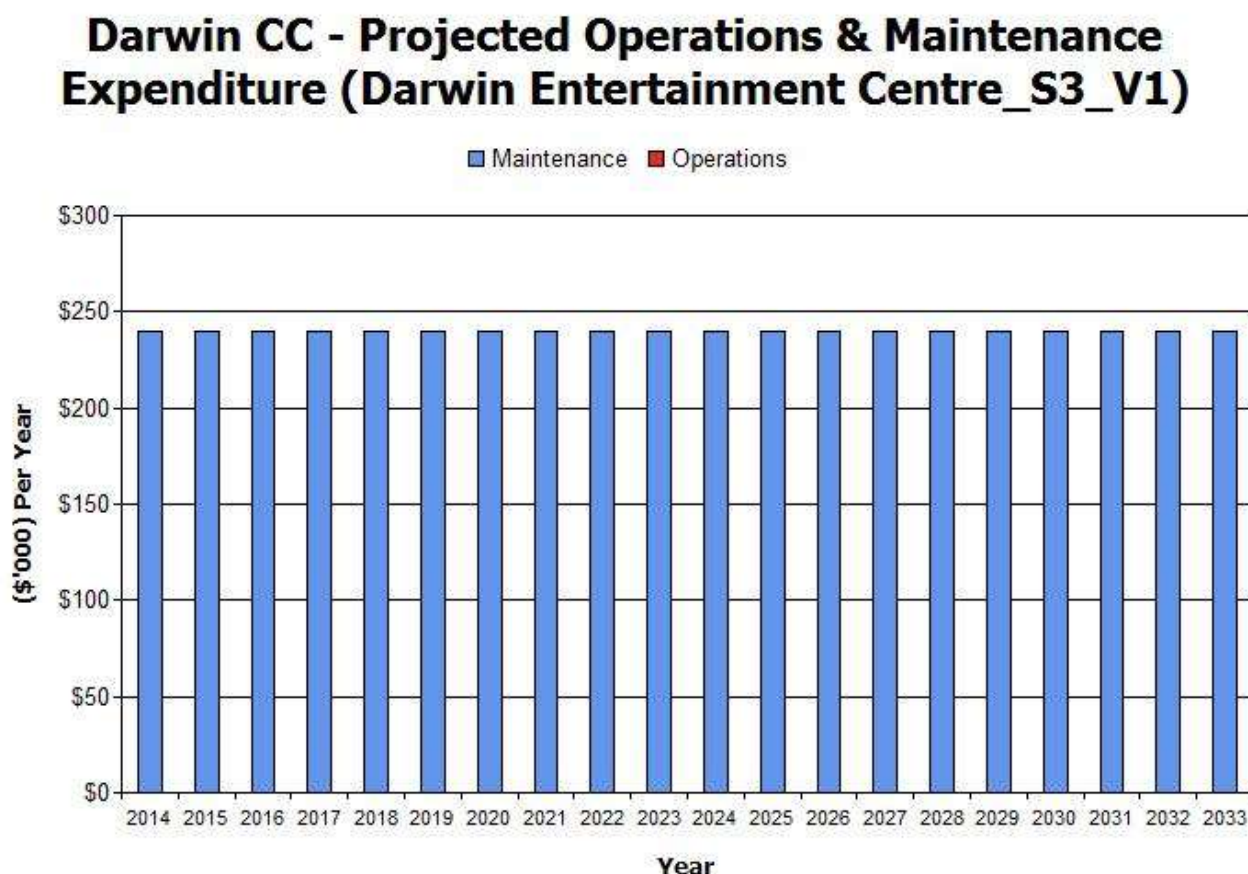
Maintenance work is carried out in accordance with the Standards and Specifications listed in Table 3.3 – Legislative Requirements.

5.3.3 Summary of future maintenance expenditures

Future maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in current 2014 dollar values (i.e. real values).

It is to be noted that operational expenses are not included in these figures, but are part of the DEC responsibilities to manage from revenue.

Figure 4: Projected Maintenance Expenditure



Deferred maintenance, ie works that are identified for maintenance and unable to be funded are to be included in the risk assessment and analysis in the infrastructure risk management plan.

Maintenance is funded from the operating budget where available. This is further discussed in Section 6.2.

5.4 Renewal/Replacement Plan

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

5.4.1 Renewal plan

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or

- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average *network renewals* plus *defect repairs* in the *Renewal Plan* and *Defect Repair Plan* worksheets on the 'Expenditure template'.

Method 2 was used for this asset management plan.

The useful lives of assets used to develop projected asset renewal expenditures are detailed in the asset register, the diversity of assets and asset types makes it impractical to list these in this Plan. Asset useful lives were last reviewed in February 2014 as part of the preparation of this AMP.

5.4.2 Renewal and Replacement Strategies

The organisation will plan capital renewal and replacement projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner,
- Undertaking project scoping for all capital renewal and replacement projects to identify:
 - the service delivery 'deficiency', present risk and optimum time for renewal/replacement,
 - the project objectives to rectify the deficiency,
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
 - and evaluate the options against evaluation criteria adopted by the organisation, and
 - select the best option to be included in capital renewal programs,
- Using 'low cost' renewal methods (cost of renewal is less than replacement) wherever possible,
- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and the Council/Board,
- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required ,
- Review management of capital renewal and replacement activities to ensure the organisation is obtaining best value for resources used.

Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (eg replacing a bridge that has a 5 t load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (eg roughness of a road).¹³

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have a high utilisation and subsequent impact on users would be greatest,
- The total value represents the greatest net value to the organisation,
- Have the highest average age relative to their expected lives,
- Are identified in the AM Plan as key cost factors,
- Have high operational or maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.¹⁴

¹³ IPWEA, 2011, IIMM, Sec 3.4.4, p 3|60.

¹⁴ Based on IPWEA, 2011, IIMM, Sec 3.4.5, p 3|66.

Renewal and replacement standards

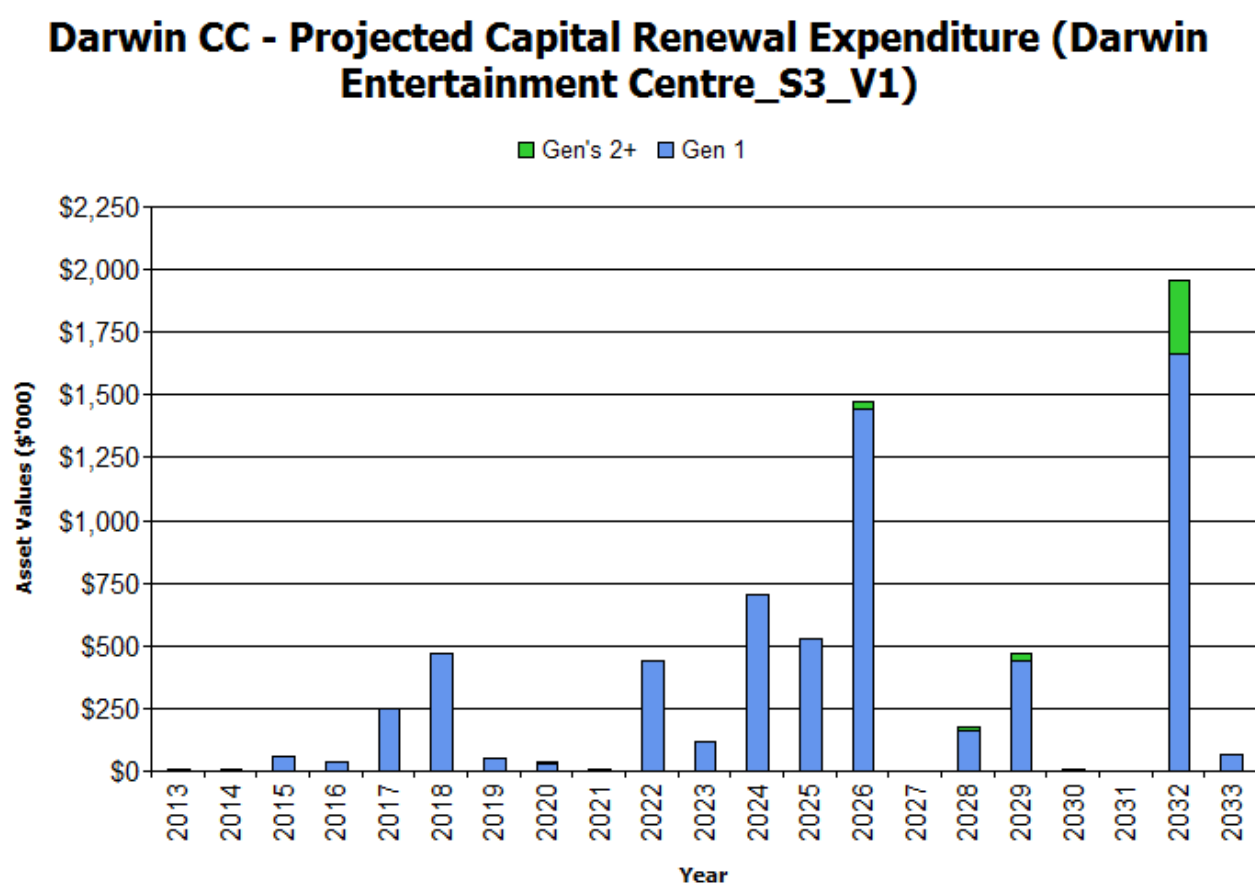
Renewal work is carried out in accordance with the Standards and Specifications listed in Table 3.3 – Legislative Requirements.

5.4.3 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth. The expenditure is summarised in Fig 5. Note that all amounts are shown in real values.

The projected capital renewal and replacement program is shown in Appendix B.

Fig 5: Projected Capital Renewal and Replacement Expenditure



This graph highlights the renewal costs imminent in the second 10 years (2023-2033), and why the facility appears to be running at a surplus within the first 10 years. Due to the current environmental impact, unreliability and inefficiency of key mechanical plant (as highlighted by the level 3 energy audit), it is suggested that the renewals of these be brought forward to be spent progressively over the next 5 years. This will also enable levels of service to be met.

Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

Renewals and replacement expenditure in the organisation's capital works program will be accommodated in the long term financial plan. This is further discussed in Section 6.2.

5.5 Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the organisation from land development. These assets from growth are considered in Section 4.4.

5.5.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from various sources such as councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

5.5.2 Capital Investment Strategies

The organisation will plan capital upgrade and new projects to meet level of service objectives by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner,
- Undertake project scoping for all capital upgrade/new projects to identify:
 - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset,
 - the project objectives to rectify the deficiency including value management for major projects,
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
 - management of risks associated with alternative options,
 - and evaluate the options against evaluation criteria adopted by Council/Board, and
 - select the best option to be included in capital upgrade/new programs,
- Review current and required skills base and implement training and development to meet required construction and project management needs,
- Review management of capital project management activities to ensure the organisation is obtaining best value for resources used.

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal shown in Section 5.4.2.

5.5.3 Summary of future upgrade/new assets expenditure

There are no future upgrades or new assets currently planned for the Darwin Entertainment Centre. Any future expenditure on new assets and services in the organisation's capital works program would be accommodated in future long term financial plans.

5.6 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. There are currently no plans for the disposal of assets at the Darwin Entertainment Centre.

5.7 Service Consequences and Risks

The organisation has prioritised decisions made in adopting this AM Plan to obtain the optimum benefits from its available resources. Decisions were made based on the development of 3 scenarios of AM Plans.

Scenario 1 - What we would like to do based on asset register data

Scenario 2 – What we should do with existing budgets and identifying level of service and risk consequences (ie what are the operations and maintenance and capital projects we are unable to do, what is the service and risk consequences associated with this position). This may require several versions of the AM Plan.

Scenario 3 – What we can do and be financially sustainable with AM Plans matching long-term financial plans.

The development of scenario 1 and scenario 2 AM Plans provides the tools for discussion with the Council/Board and community on trade-offs between what we would like to do (scenario 1) and what we should be doing with existing budgets (scenario 2) by balancing changes in services and service levels with affordability and acceptance of the service and risk consequences of the trade-off position (scenario 3).

6. FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

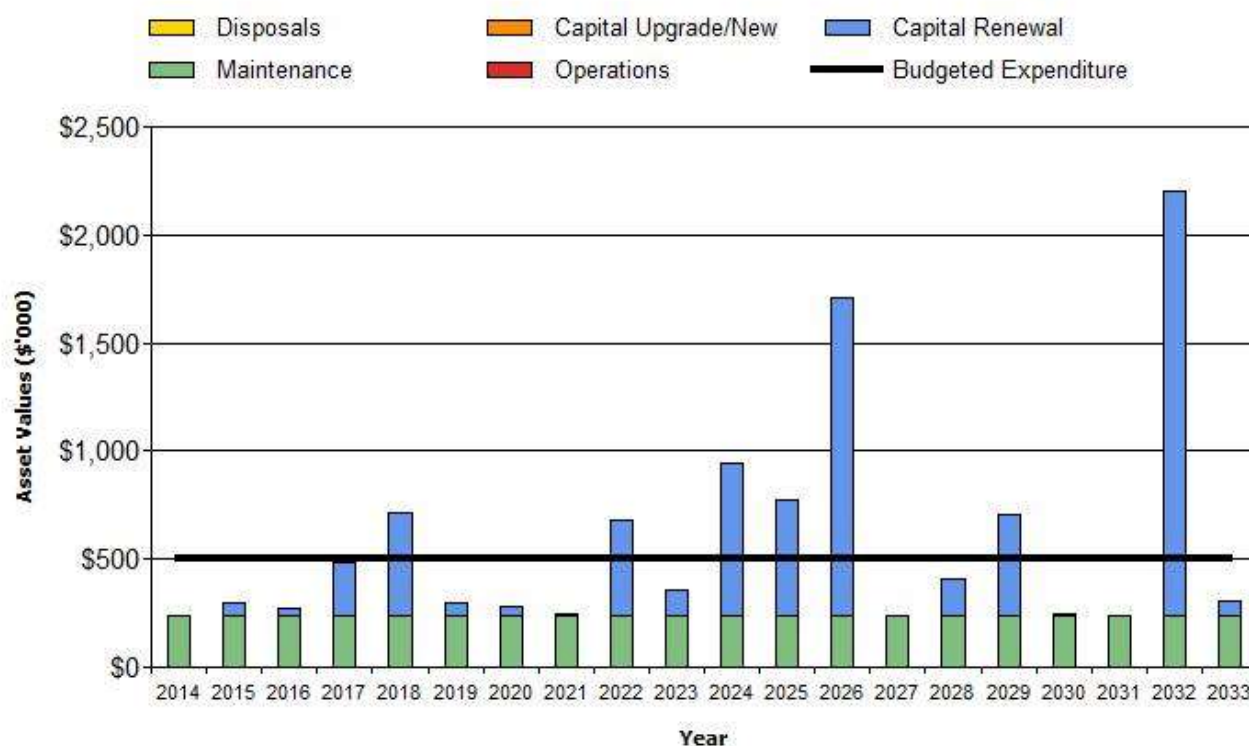
6.1 Financial Statements and Projections

The financial projections are shown in Fig 7 for projected maintenance and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

As stated previously, operational expenses are not included in these figures, but are part of the DEC responsibilities to manage from revenue. There is also no capital upgrade, or new assets planned.

Fig 7: Projected Operating and Capital Expenditure

Darwin CC - Projected Operating and Capital Expenditure (Darwin Entertainment Centre_S3_V1)



6.1.1 Sustainability of service delivery

There are four key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the asset renewal funding ratio, long term life cycle costs/expenditures and medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹⁵ 184%

¹⁵ AIFMG, 2009, Financial Sustainability Indicator 8, Sec 2.6, p 2.18

The Asset Renewal Funding Ratio is the most important indicator and reveals that over the next 10 years, the organisation is forecasting that it will have 184% of the funds required for the optimal renewal and replacement of its assets.

While this appears comfortable, the effect of the 2023-2033 renewals needs to be planned for and anticipated as discussed in previous sections of the AMP in order to improve reliability, cost and environmental performance. Also, while the DEC company is listed as the owner of specialised equipment needed to operate e.g. the specialised stage equipment, lighting, audio visual equipment etc., it is difficult to ascertain the costs associated with owning and renewing this equipment, but it is inevitable that some of this cost would be borne by the City of Darwin. These factors will affect the funding ratio above.

Long term - Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include operations and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is \$615,000 per year (average operations and maintenance expenditure plus depreciation expense projected over 10 years).

Life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. Life cycle expenditure includes operations, maintenance and capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure over the 10 year planning period is \$500,000 per year (average operations and maintenance plus capital renewal budgeted expenditure in LTFP over 10 years).

Any shortfall between life cycle cost and life cycle expenditure is the life cycle gap. There is currently no life cycle gap for services covered by this asset management plan but a \$115,000 per year surplus over a 10 year period.

Life cycle expenditure is 81% of life cycle costs.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the asset management plans and long term financial plan.

Medium term – 10 year financial planning period

This asset management plan identifies the projected operations, maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

The projected maintenance and capital renewal expenditure required over the 10 year planning period is \$386,000 on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is \$500,000 on average per year giving a 10 year funding surplus of \$114,000 per year. This indicates that the organisation expects to have 129% of the projected expenditures needed to provide the services documented in the asset management plan.

Medium Term – 5 year financial planning period

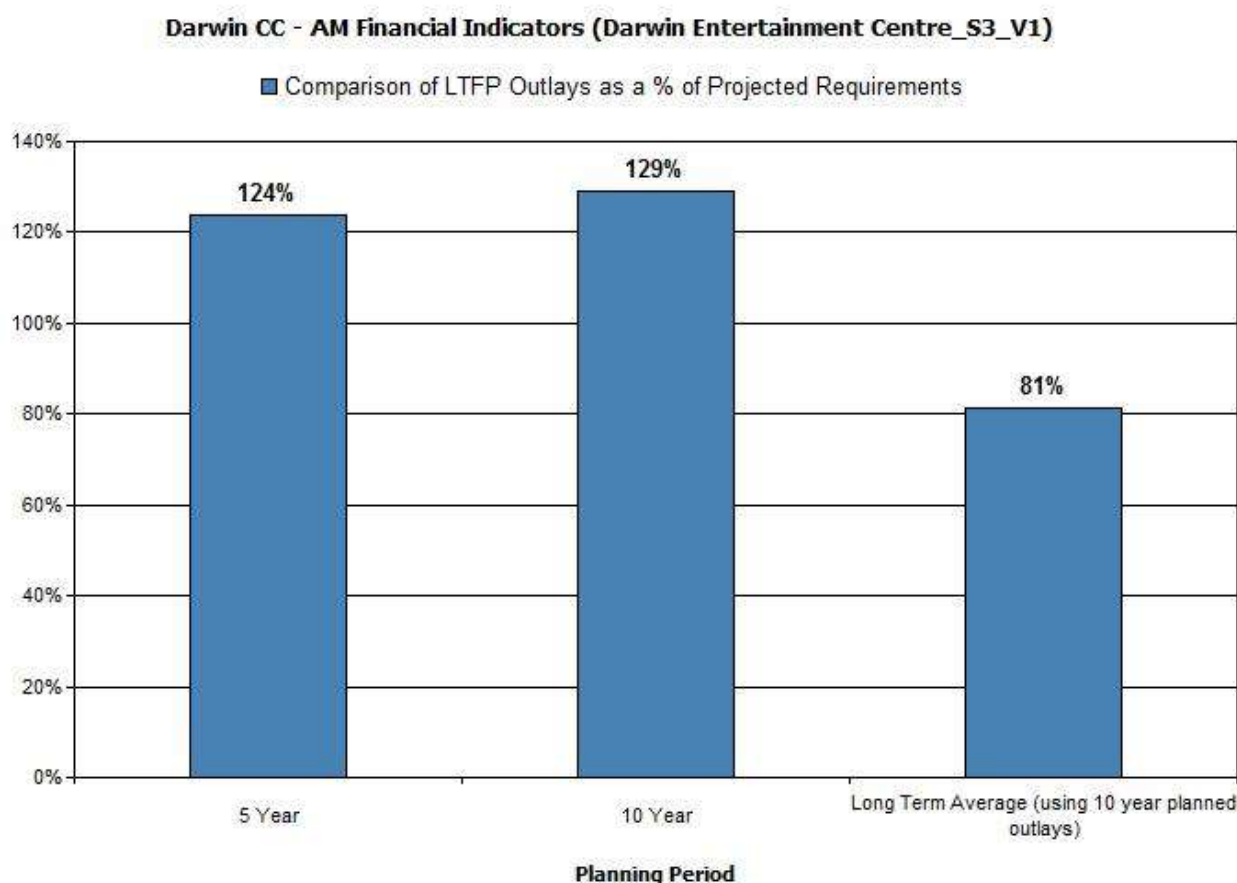
The projected maintenance and capital renewal expenditure required over the first 5 years of the planning period is \$402,000 on average per year.

Estimated (budget) operations, maintenance and capital renewal funding is \$500,000 on average per year giving a 5 year funding surplus of \$98,000. This indicates that the organisation expects to have 124% of projected expenditures required to provide the services shown in this asset management plan.

Asset management financial indicators

Figure 7A shows the asset management financial indicators over the 10 year planning period and for the long term life cycle.

Figure 7A: Asset Management Financial Indicators



Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the asset management plan and ideally over the 10 year life of the Long Term Financial Plan.

Figure 8 shows the projected asset renewal and replacement expenditure over the 20 years of the AM Plan. The projected asset renewal and replacement expenditure is compared to renewal and replacement expenditure in the capital works program, which is accommodated in the long term financial plan

This reinforces the recurring discussion in this AMP regarding the need to consider the 20 year funding cycle and the need to hasten renewal of key services for the sake of environmental impacts, costs, reliability, reputation and service levels.

Figure 8: Projected and LTFP Budgeted Renewal Expenditure

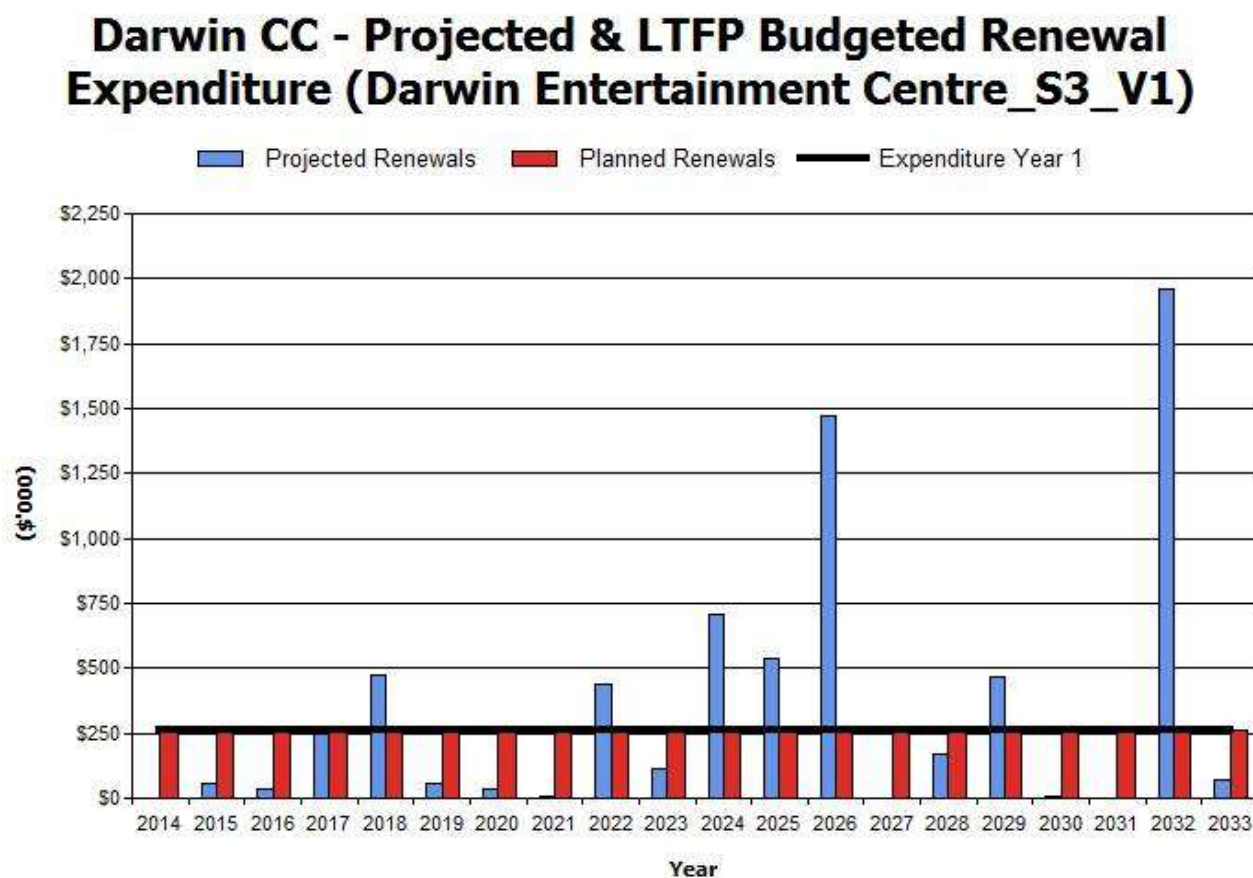


Table 6.1.1 shows the shortfall between projected renewal and replacement expenditures and expenditure accommodated in long term financial plan. Budget expenditures accommodated in the long term financial plan or extrapolated from current budgets are shown in Appendix D.

Table 6.1.1: Projected and LTFP Budgeted Renewals and Financing Shortfall (2014 \$ values)

| Year | Projected Renewals (\$000) | LTFP Renewal Budget (\$000) | Renewal Financing Shortfall (\$000) (-ve Gap, +ve Surplus) | Cumulative Shortfall (\$000) (-ve Gap, +ve Surplus) |
|------|----------------------------|-----------------------------|--|---|
| 2014 | \$0 | \$260 | \$260 | \$260 |
| 2015 | \$57 | \$260 | \$203 | \$463 |
| 2016 | \$34 | \$260 | \$226 | \$689 |
| 2017 | \$247 | \$260 | \$13 | \$702 |
| 2018 | \$473 | \$260 | -\$213 | \$490 |
| 2019 | \$55 | \$260 | \$205 | \$695 |
| 2020 | \$37 | \$260 | \$223 | \$918 |
| 2021 | \$7 | \$260 | \$253 | \$1,171 |
| 2022 | \$440 | \$260 | -\$180 | \$991 |
| 2023 | \$115 | \$260 | \$145 | \$1,136 |
| 2024 | \$707 | \$260 | -\$447 | \$689 |
| 2025 | \$535 | \$260 | -\$275 | \$414 |
| 2026 | \$1,470 | \$260 | -\$1,210 | -\$796 |
| 2027 | \$0 | \$260 | \$260 | -\$536 |
| 2028 | \$169 | \$260 | \$91 | -\$445 |

| | | | | |
|------|---------|-------|----------|----------|
| 2029 | \$465 | \$260 | -\$205 | -\$650 |
| 2030 | \$7 | \$260 | \$253 | -\$398 |
| 2031 | \$0 | \$260 | \$260 | -\$138 |
| 2032 | \$1,958 | \$260 | -\$1,698 | -\$1,836 |
| 2033 | \$67 | \$260 | \$193 | -\$1,643 |

Note: A negative shortfall indicates a financing gap, a positive shortfall indicates a surplus for that year.

Providing services in a sustainable manner will require matching of projected asset renewal and replacement expenditure to meet agreed service levels with **the corresponding** capital works program accommodated in the long term financial plan.

A gap between **projected asset renewal/replacement expenditure and amounts accommodated in the LTFFP** indicates that **further work is required on reviewing service levels in the AM Plan (including possibly revising the LTFFP)** before finalising the asset management plan to manage required service levels and funding **to eliminate any funding gap**.

6.1.2 Projected expenditures for long term financial plan

Table 6.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2014 real values.

Table 6.1.2: Projected Expenditures for Long Term Financial Plan (\$000, 2014 \$ values))

| Year | Operations (\$000) | Maintenance (\$000) | Projected Capital Renewal (\$000) | Capital Upgrade/ New (\$000) | Disposals (\$000) |
|------|--------------------|---------------------|-----------------------------------|------------------------------|-------------------|
| 2014 | \$0.00 | \$240.00 | \$0.00 | \$0.00 | \$0.00 |
| 2015 | \$0.00 | \$240.00 | \$56.80 | \$0.00 | \$0.00 |
| 2016 | \$0.00 | \$240.00 | \$34.23 | \$0.00 | \$0.00 |
| 2017 | \$0.00 | \$240.00 | \$246.91 | \$0.00 | \$0.00 |
| 2018 | \$0.00 | \$240.00 | \$472.52 | \$0.00 | \$0.00 |
| 2019 | \$0.00 | \$240.00 | \$54.92 | \$0.00 | \$0.00 |
| 2020 | \$0.00 | \$240.00 | \$36.78 | \$0.00 | \$0.00 |
| 2021 | \$0.00 | \$240.00 | \$7.20 | \$0.00 | \$0.00 |
| 2022 | \$0.00 | \$240.00 | \$439.84 | \$0.00 | \$0.00 |
| 2023 | \$0.00 | \$240.00 | \$115.02 | \$0.00 | \$0.00 |
| 2024 | \$0.00 | \$240.00 | \$706.70 | \$0.00 | \$0.00 |
| 2025 | \$0.00 | \$240.00 | \$534.79 | \$0.00 | \$0.00 |
| 2026 | \$0.00 | \$240.00 | \$1,470.06 | \$0.00 | \$0.00 |
| 2027 | \$0.00 | \$240.00 | \$0.00 | \$0.00 | \$0.00 |
| 2028 | \$0.00 | \$240.00 | \$169.39 | \$0.00 | \$0.00 |
| 2029 | \$0.00 | \$240.00 | \$465.21 | \$0.00 | \$0.00 |
| 2030 | \$0.00 | \$240.00 | \$7.20 | \$0.00 | \$0.00 |
| 2031 | \$0.00 | \$240.00 | \$0.00 | \$0.00 | \$0.00 |
| 2032 | \$0.00 | \$240.00 | \$1,958.14 | \$0.00 | \$0.00 |
| 2033 | \$0.00 | \$240.00 | \$67.26 | \$0.00 | \$0.00 |

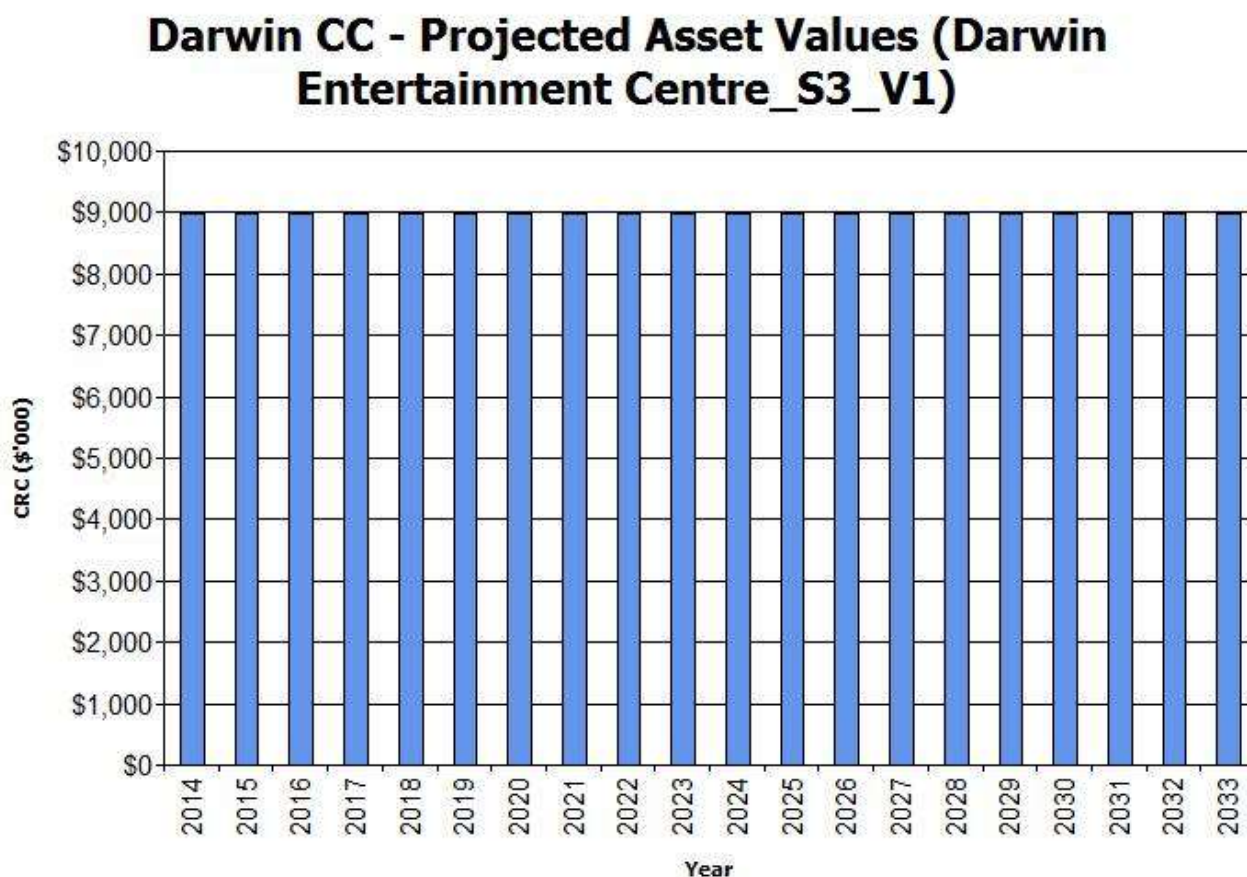
6.2 Funding Strategy

After reviewing service levels, as appropriate to ensure ongoing financial sustainability projected expenditures identified in Section 6.1.2 will be accommodated in the organisation's 10 year long term financial plan.

6.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to the asset stock from construction and acquisition by the organisation and from assets constructed by land developers and others and donated to the organisation. Figure 9 shows the projected replacement cost asset values over the planning period in real values.

Figure 9: Projected Asset Values



This valuation covers capitalised assets that are assigned an effective life and planned for renewal. Note that this valuation would not consider the foundation and structure of the building.

The City of Darwin Asset Accounts have assigned a full new structural replacement valuation based on \$4,500/m² of floor area of \$25,126,920.

6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- Projections are based on 2014 cost and not adjusted for inflation
- Age of existing assets has been estimated based on current condition and estimated useful lives
- Based on current demand and forecasting no growth

- Specific operational equipment is not capitalised, but funded by DEC
- Operational costs are met by DEC and not accounted for in this plan

6.5 Forecast Reliability and Confidence

The expenditure and valuations projections in this AM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale¹⁶ in accordance with Table 6.5.

Table 6.5: Data Confidence Grading System

| Confidence Grade | Description |
|-------------------|--|
| A Highly reliable | Data based on sound records, procedures, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$ |
| B Reliable | Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$ |
| C Uncertain | Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$ |
| D Very Uncertain | Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$ |
| E Unknown | None or very little data held. |

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 6.5.1.

Table 6.5.1: Data Confidence Assessment for Data used in AM Plan

| Data | Confidence Assessment | Comment |
|---|-----------------------|--|
| Demand drivers | A Highly reliable | Based on usage and trends |
| Growth projections | D Very Uncertain | |
| Operations expenditures | E Unknown | DEC manages operations |
| Maintenance expenditures | D Very Uncertain | |
| Projected Renewal exps. - Asset values | A Highly reliable | Based on building audit and level 3 energy audit undertaken early 2014 |
| - Asset residual values | A Highly reliable | Based on building audit and level 3 energy audit undertaken early 2014 |
| - Asset useful lives | C Uncertain | |
| - Condition modelling | C Uncertain | |
| - Defect repairs | A Highly reliable | Based on building audit and level 3 energy audit undertaken early 2014 |
| Upgrade/New expenditures | N/A | |
| Disposal expenditures | N/A | |

Over all data sources, the data confidence is assessed as **medium** confidence level for data used in the preparation of this AM Plan.

¹⁶ IPWEA, 2011, IIMM, Table 2.4.6, p 2|59.

7. PLAN IMPROVEMENT AND MONITORING

7.1 Status of Asset Management Practices

7.1.1 Accounting and financial systems

City of Darwin uses Civica Authority financial management system.

Accountabilities for financial systems

The CEO of City of Darwin is responsible for the accounting and financial systems.

Accounting standards and regulations

Council works under Australian Accounting Standards and State Legislation/Regulations and Directives.

Capital/maintenance threshold

No new capital is expected over this planning period, so no increase in maintenance costs is expected due to new assets.

Required changes to accounting financial systems arising from this AM Plan

None identified in this plan issue

7.1.2 Asset management system

Council is currently in the final stages of securing a new asset management system which will drive a lot of AM Plan reporting in future versions of the plan.

Asset registers

Current data is held within councils MapInfo GIS system and excel spreadsheet for new and disposed assets.

Linkage from asset management to financial system

No link between systems at this stage.

Accountabilities for asset management system and data maintenance

To provide accurate and reliable data to ensure AM Plans contain high confidence levels.

Required changes to asset management system arising from this AM Plan

To be revised in future versions

7.2 Improvement Program

The asset management improvement plan generated from this asset management plan is shown in Table 8.2.

Table 7.2: Improvement Plan

| Task No | Task | Responsibility | Resources Required | Timeline |
|---------|---|-----------------------|--------------------|----------|
| 1 | Actions required to reduce reputational and environmental risks | To Be Confirmed (TBC) | TBC | TBC |
| 2 | Further definition of overall council objectives and goals for the Centre | TBC | TBC | TBC |
| 3 | Further definition of levels of service | TBC | TBC | TBC |
| 4 | Funding of maintenance and renewal programs | TBC | TBC | TBC |

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget planning processes and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The AM Plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the organisation's long term financial plan.

7.4 Performance Measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this asset management plan are incorporated into the organisation's long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the organisation's Strategic Plan and associated plans,
- **The Asset Renewal Funding Ratio achieving the target of 1.0.**

8. REFERENCES

IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM

IPWEA, 2008, 'NAMS.PLUS Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/namsplus.

IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AIFMG.

IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM

City of Darwin, 'Strategic Plan 2013 – 2023',

City of Darwin, 'Annual Plan and Budget'.

| AssetFinda Implementation | | Responsible Officer | Resource Involvement | | | | | Status |
|---------------------------|--|-----------------------|----------------------|-----|----------------|---------|----------------------------|----------|
| Area | Task/Milestone | | Asset Finda | IT | Asset Officers | Finance | Other | |
| Implementation | Data preparation and loading to AssetFinda | Manager Tech Services | Yes | - | Yes | - | - | Complete |
| Implementation | AssetFinda Training - Part 1 - all users overview and training of main components of the software | Manager Tech Services | Yes | - | Yes | Yes | Senior Managers, ELT | Complete |
| Implementation | AssetFinda Server Installation | Manager Tech Services | Yes | Yes | - | - | - | Complete |
| Implementation | AssetFinda Training - Part 2 - training focussed on ipad users with specific groups, and asset and finance officers | Manager Tech Services | Yes | - | Yes | Yes | Infrastructure Maintenance | Complete |
| Implementation | AssetFinda Training - Part 3 - training on financial aspects and specific areas with asset officers | Manager Tech Services | Yes | - | Yes | Yes | - | Complete |
| Data Check | Review and checking of data within AssetFinda | Manager Tech Services | - | - | Yes | - | - | Underway |
| Procedures | Develop draft procedures for asset activities | Manager Tech Services | - | - | Yes | - | - | Underway |
| Field Use | Commence field use of iPad app | Manager Tech Services | - | - | Yes | - | Infrastructure Maintenance | Underway |
| Finance | Finance to provide details of depreciation, monthly valuation, revaluation and other financial requirements of infrastructure assets. | Manager Finance | - | - | - | Yes | - | |
| Finance | GAP Analysis - Undertake review of finance requirements against AssetFinda capabilities | Manager Tech Services | Yes | - | Yes | Yes | - | |
| Finance | Determine and agree on pilot asset class | Manager Tech Services | - | - | Yes | Yes | - | |
| Finance | Agree on flowchart for assets and go over procedures for all activities, including asset creation, replacement and disposal with Finance for pilot project | Manager Tech Services | - | - | Yes | Yes | - | |
| Asset Forms | Commence using iPad app for completion of asset forms as a trial to ensure asset and financial requirements are achieved | Manager Tech Services | - | Yes | Yes | Yes | Asset Form Users | |
| Asset Forms | Review asset forms trial | Manager Tech Services | - | - | Yes | Yes | - | |
| Finance | Undertake training of staff as required in AssetFinda finance activities | Manager Tech Services | Yes | - | Yes | Yes | - | |
| Procedures | Finalise procedures for asset activities | Manager Tech Services | - | - | Yes | Yes | - | |
| Finance | Undertake trial of finance activities within Asset Finda and ensure all requirements are being met and procedures are correct | Manager Tech Services | - | - | - | Yes | - | |
| Finance | Review and complete anything procedure amendments, or resourcing requirements, in transfer of finance activities to AssetFinda | Manager Tech Services | - | - | - | Yes | - | |
| Asset Forms | Rollout asset forms through AssetFinda for all assets having data within AssetFinda | Manager Tech Services | - | - | Yes | - | Asset Form Users | |
| Finance | Commence financial activities in AssetFinda | Manager Tech Services | - | - | - | Yes | - | |