

## **ASSET MANAGEMENT**

### **1.10pm      The Heat is on rates – David Jeffrey**

#### **Abstract**

We are all seeing the effect of the global financial meltdown on business and the economy. We have all tightened our belts, reigning in discretionary spending where we can. Councils need to play their part by minimising increases in ratepayers bills. This presentation will focus on my experience as the Asset Planning Manager at Auckland City Council on how to prioritise expenditure to achieve affordable progress. I worked through asset management planning to determine the asset needs over the next ten years, and then with senior executive prioritising capital and operational projects. I can share the process, models and tools used and discuss the learnings from New Zealand's largest council.

#### **David Jeffrey**

David has recently joined GHD to take on a Senior Strategic Consultant position following an Asset Planning Manager role at Auckland City Council that he has held since 2002. He has strong experience managing teams through end-to-end asset management processes with a key capital planning and delivery focus. He brings significant experience in finance, cemented by the highly respected CIMA qualifications gained in the UK and his previous engagements as a business analyst in the energy sector.

### **1.50pm      Performance management – linking service delivery to Community Outcomes through performance management – Andrew Maughan**

#### **Abstract**

Feedback from the Office of the Auditor General for the 2006/16 LTCCP's was that there was poor linkage between community outcomes and performance management systems. Feedback included:

- The performance framework is a major area requiring development – the greatest deficiency in the 2006/16 LTCCPs
- There is a lack of logical flow in performance reporting
- Levels of service are not defined
- Information on achievement of outcomes is frequently incomplete.

High level community outcomes statements developed by Councils had a significant number of potential performance measures that were not being monitored. As part of Councils' 2009/19 AMP development, MWH undertook AMP reviews and assisted in the establishment of improved performance management systems.

Simple, systematic and rigorous systems were developed that lead to ongoing performance monitoring becoming 'business-as-usual'.

As a result of the reviews:

- Up to 300 performance measures for an activity were consolidated to less than 10 LTCCP measures, less than 20 Asset/Activity Management Plan measures, and less than 30 operational measures
- All measures were consolidated into a single and simple performance reporting tool that can be easily maintained by Council
- Regular semi-automated performance reporting was established at operational, management and strategic levels
- The performance regime is both delivery focused and aligned with community outcomes.

**Andrew Maughan**

Andrew is a Senior Management Consultant whose responsibilities are across a variety of groups and include project start-ups and delivery, business process improvement relating to project delivery, project improvement and recovery, development and implementation of activity and asset management systems and tools, and business development.

Andrew has over 15 years experience including managing large change projects within the public sector in NSW, contract management and procurement, project management (capital projects, maintenance contracts, business change projects), and organisational review with a significant proportion of this work in local government in NZ and NSW. He has also worked in the commercial property sector, public housing, education and training facilities and property development.

**2.30pm**

**The “Star Rating” – Making Technical Standards real to Customers. Translate engineering standards into a system that lets ratepayers understand the cost/quality trade-off – Colin Symonds**

**Abstract**

Non-technical people often find it difficult to appreciate the quality/cost trade-off that is inherent in setting Service Levels. But everybody understands the difference between a 5-star hotel and a 2-star backpackers’ hostel. As part of the 2009-19 AMP/LTCCP cycle, Colin developed systems for evaluating technical levels of service and translating them into star ratings for public infrastructure, such as water supplies, community halls, pensioner housing, public toilets and other facilities.

The translation process ensures that the capital investments and operational spending of Councils results in real changes in the star rating, thus maintaining the cost/quality relationship.

The results of this work formed part of a highly effective consultation plan which successfully engaged and informed the community, re-inforcing a direct linkage between cost, quality of service, and willingness to pay. Proposals that form part of the LTCCP are supported by easily understandable projections of how the service level will change if they are adopted.

**Colin Symonds**

Colin has 30 years’ experience in infrastructure management and asset planning. Both independently and in association with Waugh Infrastructure Management Ltd, he has shared this with clients since 2001.