

Adoption of the Water Infrastructure Asset Management Plan

Strategic Alignment - Our Places

Public

Tuesday, 18 June 2024

Infrastructure and Public Works Committee

Program Contact:

Mark Goudge, Associate Director Infrastructure

Approving Officer:

Tom McCready, Director City Services

EXECUTIVE SUMMARY

The purpose of this report is to present the community feedback and consultation outcomes of the draft Water Infrastructure Asset Management Plan (AM Plan), in conjunction with feedback received from the Audit and Risk Committee (ARC) and seek Council adoption of a finalised Water Infrastructure AM Plan as required under Section 122 of the *Local Government Act 1999 (SA)*. Each of our six AM Plans will require Council adoption prior to 30 June 2024 to enable review by the Essential Services Commission of South Australia (ESCOSA) in 2024/25.

At its meeting on 26 March 2024, Council was presented the draft Water Infrastructure AM Plan and endorsed it to be released to community consultation for a six-week period between 2 April 2024 and 10 May 2024. Community consultation included a Your Say Adelaide engagement page in conjunction with two drop-in sessions that were held at the Hutt Street Library (23 April 2024) and the North Adelaide Library on Tynte Street (24 April 2024). The community was notified of the consultation through the Government Gazette and Public Notice in The Advertiser, as well as physical and electronic promotion including signage at community centres and social media campaigns.

Through the Your Say Adelaide engagement process, we received 670 visits to the landing page (for all six AM Plans), with 13 visitors who viewed the Water Infrastructure AM Plan feedback form. Three survey responses were received for the Water Infrastructure AM Plan, which were all supportive of the draft Water Infrastructure AM Plan. While community engagement response numbers were low, the feedback received did not result in any adjustments for the finalisation of the Water Infrastructure AM Plan. All consultation responses have been collated and summarised in **Attachment A**.

The draft Water Infrastructure AM Plan was also presented to the Audit and Risk Committee (ARC) on 12 April 2024 for review and comment. Upon review, the ARC did not provide any feedback that would prompt updates to the AM Plan.

RECOMMENDATION

The following recommendation will be presented to Council on 25 June 2024 for consideration

THAT THE INFRASTRUCTURE AND PUBLIC WORKS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL:

1. Receives the community feedback for the draft Water Infrastructure Asset Management Plan included in the Engagement Summary & Submissions Report provided in Attachment A to Item 7.3 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 18 June 2024.
2. Notes that the draft Water Infrastructure Asset Management Plan was presented to the Audit and Risk Committee on 12 April 2024 for review and comment.
3. Notes that there were no changes made to the draft Water Infrastructure Asset Management Plan in response to the feedback received through community consultation and the advice received from the Audit and Risk Committee, other than minor editorial and formatting changes.
4. Adopts the Water Infrastructure Asset Management Plan provided in Attachment B and C to Item 7.3 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 18 June 2024.

5. Notes that the adopted Water Infrastructure Asset Management Plan will be included into the 2024/25 Business Plan and Budget and Long Term Financial Plan.
6. Notes that the Water Infrastructure Asset Management Plan will be reviewed on an annual basis, where any material changes to financial forecasts will be considered through the Annual Business Plan and Budget process and incorporated as updates to the Long Term Financial Plan.
7. Authorises the Acting Chief Executive Officer or delegate to make minor and technical amendments as required (including updates to adopted budgets in the Long Term Financial Plan), to the Water Infrastructure Asset Management Plan documents contained in Attachments B and C to Item 7.3 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 18 June 2024.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Places Manage our assets to meet the needs of the community.
Policy	Asset Management Policy Strategic AM Plan Public Communication and Consultation Policy
Consultation	<p>Consultation on the draft Water Infrastructure AM Plan was open from Tuesday 2 April 2024 to Friday 10 May 2024. The results of the consultation feedback and analysis are provided within, and as an attachment to this report for Council's consideration prior to adopting the Water Infrastructure AM Plan.</p> <p>The draft Water Infrastructure AM Plan was presented to the ARC on 12 April 2024 for review and comment with feedback received incorporated into the final Water Infrastructure AM Plan.</p>
Resource	Not as a result of this report
Risk / Legal / Legislative	The review and update of AM Plans, including levels of service, is required every four years or within two years of a general Council election pursuant to section 122 of the <i>Local Government Act 1999 (SA)</i> .
Opportunities	The Water Infrastructure AM Plan defines asset levels of service to ensure assets are meeting the community's current and future requirements.
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	2024/25 budgets will be set by Council through the Annual Business Plan and Budget Process (noting Asset Renewal Funding Ratio targets of between 90-110%). Asset renewal is generally funded through operational revenue, which includes rates, commercial revenue and grant allocations.
Life of Project, Service, Initiative or (Expectancy of) Asset	There are implications for the future lifecycle management of our Water Infrastructure portfolio, including operation, maintenance and renewal of assets. These are presented in detail within the Water Infrastructure AM Plan.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	As documented within AM Plan (no change).
Other Funding Sources	External funding opportunities will continually be pursued to offset costs, bring forward works, or provide for additional enhancements.

DISCUSSION

1. The purpose of this report is to present the community feedback and consultation outcomes of the draft Water Infrastructure AM Plan, in conjunction with feedback received from the Audit and Risk Committee (ARC) and seek Council adoption of a finalised Water Infrastructure AM Plan as required under Section 122 of the *Local Government Act (SA) 1999* (the Act). Each of our six AM Plans will require Council adoption prior to 30 June 2024 to enable review by the Essential Services Commission of South Australia (ESCOSA).

Background

2. In November 2021, City of Adelaide undertook an engagement process with City residents and visitors to better understand and measure levels of satisfaction of users who utilise the services provided by our Water Infrastructure portfolio. The engagement received feedback from 113 total respondents, which is considered a sound basis for informing the development of the Water Infrastructure AM Plan.
3. At its meeting on 28 November 2023, Council received a report noting the results of the community consultation undertaken to benchmark current user satisfaction and approved the development of a draft Water Infrastructure AM Plan based on the planning principles and recommended management strategies (levels of service) presented within the report and its Attachments [\[Link 1\]](#).
4. At its meeting on 26 March 2024, Council received the draft Water Infrastructure AM Plan and endorsed it to be released to community consultation for a six-week period between 2 April 2024 and 10 May 2024. [\[Link 2\]](#).

Consultation Process

5. Community consultation ran for a six-week period between 2 April 2024 and 10 May 2024.
6. This six-week period exceeded the minimum requirements (21 days) of Section 50 of the Act and aligned with the six-week consultation period recommended under Council's Community Consultation Policy.
7. Community consultation included a Your Say Adelaide engagement page in conjunction with two drop-in sessions that were held at the Hutt Street Library (23 April 2024) and the North Adelaide Library on Tynte Street (24 April 2024).
8. To ensure the community was informed and aware of their opportunities to provide feedback into this process, consultation included:
 - 8.1. Public notice in the South Australian Government Gazette on 28 March 2024.
 - 8.2. Public notice in The Advertiser newspaper on 1 April 2024.
 - 8.3. Physical promotion at libraries and community centres.
 - 8.4. Electronic promotion through social media platforms.
 - 8.5. Notification to registered Your Say Adelaide stakeholders (over 10,000 registered users) via the Your Say Adelaide email newsletter on 18 April 2024.
 - 8.6. Notifications to registered CoA newsletter subscribers.
9. Through the Your Say Adelaide engagement, we received 670 visits to the landing page (for all six AM Plans), with 13 visitors who viewed the Water Infrastructure AM Plan feedback form.
10. Three survey responses were received for the Water Infrastructure AM Plan, all of which were supportive of the draft Water Infrastructure AM Plan. All consultation responses have been collated and summarised in **Attachment A**.
11. While community engagement response numbers were low, the feedback received did not require any material adjustments to the Water Infrastructure AM Plan.

Audit and Risk Committee Advice

12. The draft Water Infrastructure AM Plan was presented to the ARC on 12 April 2024 for review and comment. [\[Link 3\]](#).

Finalised Water Infrastructure AM Plan

13. The feedback from community consultation and the ARC did not prompt any substantial changes to the draft Water Infrastructure AM Plan, other than minor editorial and formatting changes.
14. The finalised Water Infrastructure AM Plan is presented in **Attachment B** (Summary Water Infrastructure AM Plan) and **Attachment C** (Comprehensive Water Infrastructure AM Plan).

Next Steps

15. The 2024/25 Business Plan and Budget has been prepared in line with the requirements of the updated Water Infrastructure AM Plan, with the Long-Term Financial Plan (LTFP) being updated through this process.
16. Following adoption of all six AM Plans, in 2024/25 ESCOSA will assess City of Adelaide's long-term financial sustainability.
17. Following adoption of the 2024/25 Business Plan and Budget and updates to the Long-Term Financial Plan (LTFP), minor amendments will be made to the Water Infrastructure AM Plan, under the authorisation of the Acting Chief Executive Officer, to reflect changes to adopted budget allocations for the Water Infrastructure AM Plan (i.e. showing to what extent the AM Plan is being funded by Council in 2024/25).

DATA AND SUPPORTING INFORMATION

Link 1 - Council Meeting Minutes 28 November 2023

Link 2 - Council Meeting Minutes 26 March 2024

Link 3 - Audit and Risk Committee Meeting Agenda 12 April 2024

ATTACHMENTS

Attachment A - Water Infrastructure AM Plan Engagement Summary & Submissions Report

Attachment B - Water Infrastructure AM Plan (Summary)

Attachment C - Water Infrastructure AM Plan (Comprehensive)

- END OF REPORT -