Infrastructure for Resilience

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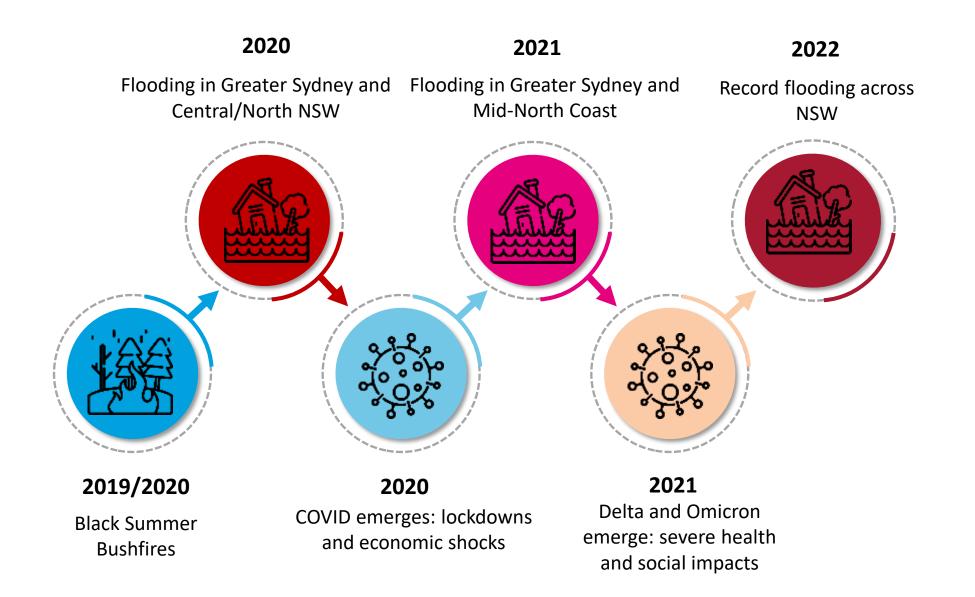


Content

- Taking stock of the last two years and looking ahead
- From infrastructure resilience to infrastructure for resilience
- Focus on Asset Management



Taking stock of the last two years...





What does the future have in store?



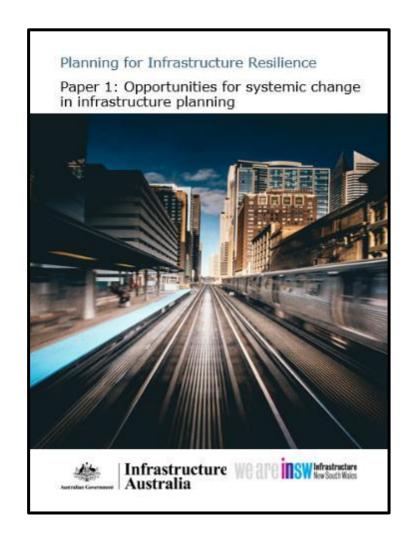
Increased impacts of more frequent and more severe natural disasters, chronic stresses, and human-induced threats



Unequal distribution of impacts most affecting those with least adaptive capacity



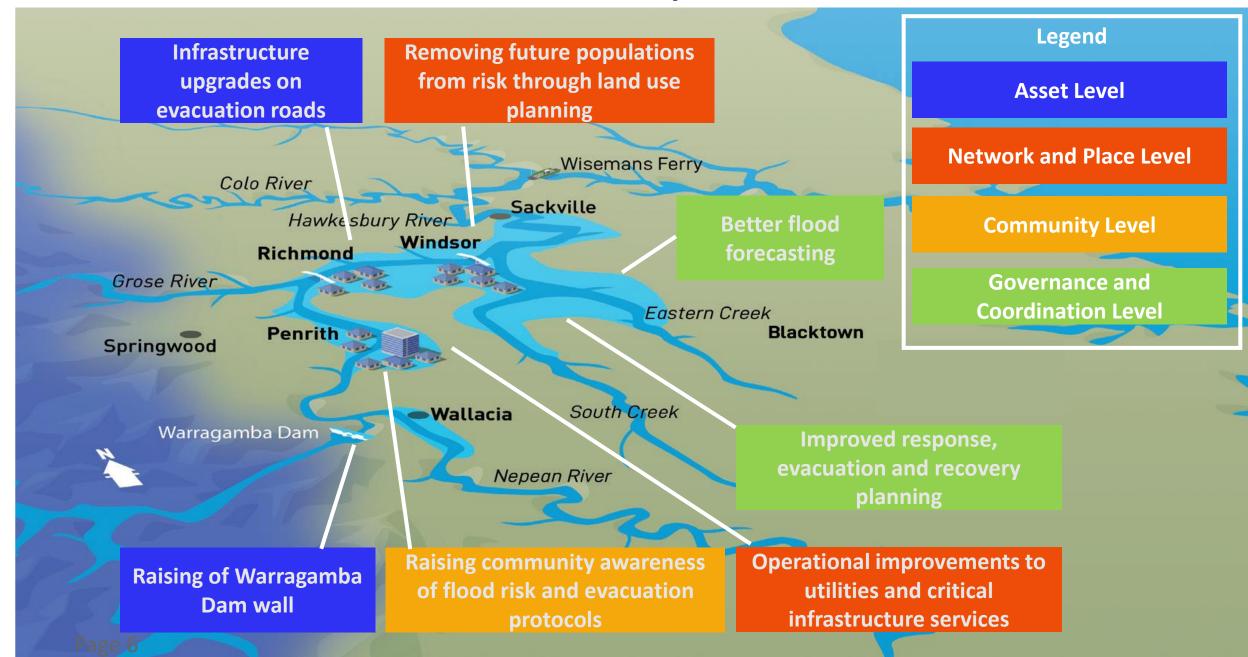
From infrastructure resilience to infrastructure for resilience



Taking a **systems-approach** to shift focus from the resilience of the asset, to the contribution of assets to the resilience of the system – or *infrastructure for resilience*.

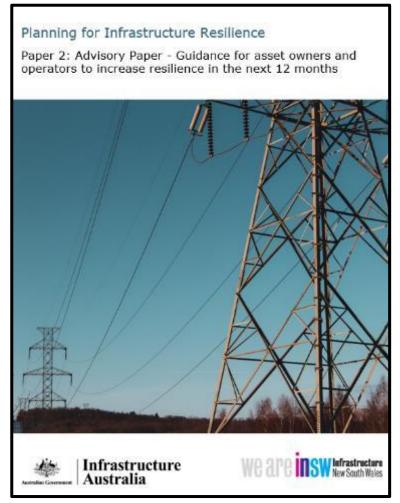


Infrastructure for Resilience – an example



Focus on Asset Management

- NSW's existing asset stock is large and growing
- Asset maintenance and maintenance can be overlooked when competing for funding
- Understanding interdependencies between different asset classes and operators
- Asset renewal must incorporate adaptation and "building back better"
- Maintenance and planning enhances resilience
- Embedding digitisation and technology





Scale of the portfolio



+ \$110.4b over the next 4 years





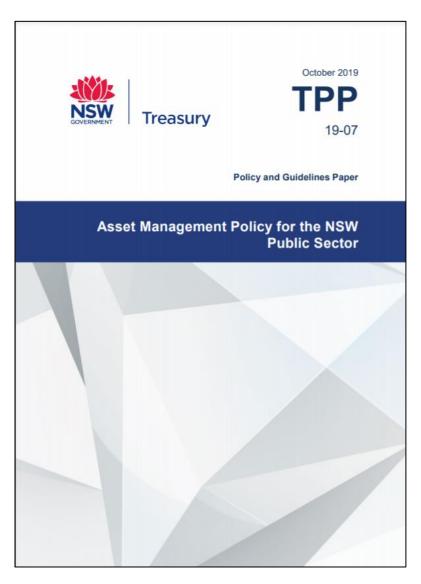
\$10.4 billion for hospitals and health facilities



\$8.4 billion for schools and skills infrastructure



The NSW AM Policy – core requirements



CORE REQUIREMENT 1

Asset Management Principles must be adopted by agencies and used to determine how assets under the agency's control are managed.

Principle 1

Assets exist to provide value by supporting government objectives

Principle 2

Agencies act as stewards of public assets on behalf of the Government

Principle 3

Asset management decisions must have regard to the appropriate balance of cost, risk and performance Principle 4

Asset management decisions must be integrated with other organisational functions, processes, activities and data Principle 5

Asset management decisions must be made using a whole-of-lifecycle approach

CORE REQUIREMENT 2

Asset Management Frameworks must be established and maintained in line with the NSW AM Policy.

This includes production of Asset Management Plans, Strategic Asset Management Plans and an Asset Register.

Element 1

Establishing and managing the Asset Management Framework

Element 2

Lifecycle planning and operation

Element 3

Integration with other organisational asset policies, functions, processes activities and data

Element 4

Improving and reporting on performance

CORE REQUIREMENT 3

Policy Compliance and Disclosures require that Accountable Authorities must annually certify their compliance with core requirements 1 and 2 and periodically assess their asset management maturity.

AM Policy resilience requirements

NSW AM Policy mandates:

"a 'system-of-systems' approach across interconnected infrastructure networks to drive an integrated vision of infrastructure provision and management, and create value, reduce costs, manage risks and improve the resilience of assets"

asset management plans must include "an <u>assessment of the resilience and vulnerability</u> of the agency's assets to the impacts of climate change, natural disasters, and human-related threats and proposed mitigations/ interventions"



Outcomes being sought

Growth in new infrastructure

Outcome 1

Increase NSW public sector asset management capability

Asset use and resilience

Outcome 2

Increase economic and social value of assets to meet future needs of communities Financial sustainability

Outcome 3

Decrease lifecycle costs and increase return from assets

Investment in existing assets

Outcome 4

Improve data and evidence supporting maintenance requirements



Thank you for listening

