

**City of Charles Sturt**



# **Information Technology**

## **Asset Management Plan**



Scenario 1 Version 2 .0

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# 1 EXECUTIVE SUMMARY

## Context

Council provides an Information Technology (IT) network and services to enable the delivery of services to the community.

IT assets are provided in partnership with Council staff to enable the capture, organisation, sharing and use of information to meet our strategic objectives.

This plan covers the assets that provide Information Technology (IT) services. These assets have a value estimated at \$9.6m and include:

- IT Infrastructure
- Computers and Devices
- IT Applications and Software

## What does it Cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AM Plan) over the 10-year planning period is \$8m or \$0.8m on average per year.

This AM Plan will be reflected in the Long Term Financial Plan (LTFP), with an annual review to ensure that we have adequate funding to meet our long-term needs.

## What we will do

We will provide an IT network and services to underpin the successful delivery of Council's strategic objectives by:

- Demonstrating leadership in gaining insights from our information to better respond to customer, community and business needs.
- Embracing the latest proven technology and leveraging best practice tools, governance models and methodologies to deliver 'fit for purpose' innovative solutions and transition to a hybrid cloud IT environment.
- Exercising sound commercial leadership and proactively managing the IT environment to ensure high reliability, security, performance and service levels.
- Developing strategic sourcing and workforce plans to improve service delivery, facilitate innovation, and achieve sustainable and cost-effective solutions.

## Managing the Risks

The main risk consequences are insufficient resources (funding, equipment, personnel) to:

- Meet the increasing expectations of IT by Council staff and the community, to deliver 24/7 services and ease of interaction.
- Renew or upgrade IT assets in accordance with the estimated useful life expiration or poor condition assessment.

We will endeavour to manage these risks within available funding by:

- Collaborating with the local government sector, other levels of government and stakeholders for the sustainable delivery of IT services.
- Continuing to monitor and prioritise the upgrade program based on demand, risk and opportunities for strategic alliances.
- Keeping IT users informed about evolving strategies and plans, and providing associated equipment and tools to ensure key business goals are met.
- Maintaining IT assets at a secure and reliable level throughout their lifecycle.
- Providing associated equipment and tools to ensure that key business goals are met.

## Confidence Levels

This AM Plan is based on an "Uncertain" level of confidence in the data behind the financial forecasts. Our confidence level will increase as we continue to act upon our improvement plan, execute the Information Services (IS) Strategic Plan, and refine the AM Plan accordingly.

## The Next Steps

The next steps resulting from this AM Plan are:

- Monitor performance and customer satisfaction surveys, to better understand IT asset performance and service delivery.
- Continue to implement alternative or latest technology options into renewal projects.
- Continuous improvement of IT asset management practices, processes and procedures.
- Develop our IT strategies and roadmaps to refine the asset management plan and increase our confidence level in the data behind the financial forecasts.

## 2. INTRODUCTION

### 2.1 Background

This AM Plan aims to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements and to outline the funding needed to provide the required levels of service.

The expectations associated with IT levels of service held by Council staff and the community continue to increase. Historically, IT investment has been opportunistic and driven by demand, resulting in inadequate resources to maintain and upgrade IT assets.

A strategic and planned approach to IT investment is being taken and is formalised by this first AM Plan, to ensure that the Council can anticipate future opportunities and respond to current needs such as delivering digital services and Smart City infrastructure.

The asset management plan is to be read with the organisation’s Asset Management Policy and Asset Management Strategy as these have been developed along with other key planning documents for the City of Charles Sturt:

- Community Plan 2016-2027 – Charles Sturt – a leading, liveable City
- Corporate Plan 2016-2020 – Charles Sturt – a leading, liveable City
- Asset Accounting Policy and Asset Fund Policy
- Information Services (IS) Strategic Plan 2018-2022
- IT Application Strategy and Roadmap 2019-2024
- Smart City Plan
- Business Continuity Plan and IT Disaster Recovery Plan

The IT assets covered by this asset management plan are shown in Table 2.1. These assets are used to provide the IT network and services.

**Table 2.1: Assets covered by this Plan**

Asset Category	Replacement Value
<b>IT Infrastructure</b>	<b>\$2.6M</b>
Generators and UPS	\$120,000
Infrastructure Network (including Telephony, Data and Voice Communications)	\$935,150
Server Room	\$147,500
Servers and Storage Arrays (including Backup Tapes and Units)	\$859,100
Structured Cabling Systems	\$576,750
<b>Computers and Devices</b>	<b>\$2.3M</b>
Audio-visual Equipment	\$250,000
Desk Phones	\$150,000
Desktops and Laptops	\$1,158,000
Printers, Scanners and Plotters	\$380,500
Mobile Phones and Tablets	\$407,500
<b>IT Applications and Software</b>	<b>\$4.7M</b>
Desktop Productivity Software	\$870,000
Enterprise Applications	\$2,404,400
Specialised Applications	\$1,045,000
IT Service Management Tools	\$423,500
<b>TOTAL</b>	<b>\$9.6M</b>

## 2.2 Goals and Objectives of Asset Ownership

Our goal in managing 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 asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and 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
- Linking to a long-term financial plan which identifies required, affordable expenditure and how it will be allocated.

Other references to the benefits, fundamentals principles and objectives of asset management are:

International Infrastructure Management Manual 2015 <sup>1</sup>

- ISO 55000<sup>2</sup>

## 2.3 Core and Advanced Asset Management

This AM Plan is prepared as a ‘core’ asset management plan over a 20 year planning period in accordance with the International Infrastructure Management Manual<sup>3</sup>. Core asset management is a ‘top down’ approach where analysis is applied at the system or network level. An ‘advanced’ asset management approach uses a ‘bottom up’ approach for gathering detailed asset information for individual assets.

## 3. LEVELS OF SERVICE

### 3.1 Customer Research and Expectations

The Council has not carried out any targeted research on customer expectations with regards to preparing this particular AM Plan. However in 2017, Council released the results of an independent, statistically reliable community survey to capture residents’ and business owners’ satisfaction with aspects of services and facilities provided by Council; and to test the importance of specific aspects of service provided to the community. Satisfaction with Council’s overall performance, taking all aspects of Council’s strategic direction into account, was moderate to high.

The Council uses this information in developing its strategies and in allocation of resources in the budget.

### 3.2 Strategic and Corporate Goals

This AM Plan is prepared under the direction of Council’s Community and Corporate Plans. Relevant organisational goals and objectives and how these are addressed in this AM Plan are outlined in Table 3.2.

**Table 3.2: Goals and how these are addressed**

Goal	Objective	How Goal and Objectives are addressed in AM Plan
Our Liveability	Council assets and infrastructure are developed and well maintained on a strategic and equitable basis.	<ul style="list-style-type: none"> <li>• Planned maintenance/renewal</li> </ul>
Our Leadership	Adaptive and sustainable management of the Council’s finances.	<ul style="list-style-type: none"> <li>• Undertake planned maintenance programs to ensure assets achieve their useful life.</li> <li>• Develop and regularly review the Long Term Financial Plan to ensure long term financial sustainability.</li> </ul>

<sup>1</sup> Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2 | 13

<sup>2</sup> ISO 55000 Overview, principles and terminology

<sup>3</sup> IPWEA, 2015, IIMM.

Goal	Objective	How Goal and Objectives are addressed in AM Plan
		<ul style="list-style-type: none"> <li>Regularly review asset management plans for Council approval.</li> <li>Implement asset renewals in line with asset management plans so that the overall condition of assets is not deteriorating.</li> <li>Manage the growth of new assets in response to community demand in a financially responsible way as forecast through the Long Term Financial Plan.</li> <li>Establish and monitor internal controls in accordance with legislative requirements.</li> </ul>

### 3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. These include:

**Table 3.3: Legislative Requirements**

Legislation	Requirement
South Australian Local Government Act 1999	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.
South Australian State Records Act 1997	To ensure the City of Charles Sturt records and stores all relevant information as set out by the State Government of SA
Work Health and Safety Act 2011	To take a constructive role in promoting improvements in work health and safety practices whilst assisting in the preservation of public health and safety in all undertakings of the organisation.
Freedom of Information Act 1991	Sets out the framework for processing requests for Council information and records.

### 3.4 Customer Levels of Service

The current internal customer service levels are detailed in Tables 3.4. Table 3.4 shows the expected levels of service based on resource levels in the current LTFP.

**Table 3.4: Current Service Levels**

Responsiveness	Definition	Target response time	Target for completion
High Priority	System down Large scale issue Key systems ie mail, telephone	1 hour	8 hours
Medium Priority	Create new containers Operational difficulties Printing issues Individual phone issues New logon	8 hours	2 days  3 days
Low Priority	Software Installation PC moves Map production	2 days	8 days
Project	Large scale changes	3 days	As per project schedule

## 4. FUTURE DEMAND

### 4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, consumer preferences and expectations, technological changes, economic factors, and environmental awareness.

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

**Table 4.3: Demand Drivers, Projections and Impact on Services**

Demand drivers	Present position	Projection	Impact on services
Increased end users and community preferences and expectations	Current resource is at capacity.	Increased staff and community users due to population growth and augmenting services, and expectations of 24/7 customer service channels and improved customer experience.	Increased need for IT assets and resources.
Demographics	Reactive approach to any changes in demographics and population growth.	A significant increase in demographic impacts due to population growth, aging population with increasing instance of chronic illness and rising levels of multiculturalism.	Changing customer demands resulting on increased needs for services in community centres and libraries and increased access to online services (capability and capacity).
Environmental	Implementation of environmentally friendly equipment when renewal is due.	Reduce and measure carbon footprint.	Possibly increased cost of hardware and electricity. New software to assist in tracking electricity consumption.
Technology trends	Major emerging technology trends changing the face of IT. Four main streams include big data, mobility, Internet of things, smart cities, social and cloud.	Big data, mobility, social and cloud will continue impacting IT services at a rate that is difficult to keep up with. Asset replacement programs need to be proactive to take advantage of emerging trends.	Necessity to provide agile assets readily adaptable to emerging technology trends.

### 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 can include non-asset solutions, insuring against risks and managing failures.

Our IT strategies will balance a due diligence approach through the development of business cases at each stage, which examine the cost benefit of various options and offer the flexibility to adapt to emerging trends and collaborative opportunities.

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

**Table 4.4: Demand Management Plan Summary**

Demand Driver	Impact on Services	Demand Management Plan
Planning	Risk of IT not being fit for purpose and unable to deliver services adequately.	<p>IS will aim to realise the following outcomes when planning for demand management:</p> <ul style="list-style-type: none"> <li>• Proactively partner with colleagues to provide systems and solutions that enable the delivery of appropriate services to the community.</li> <li>• Ensure that staff have the tools to enable efficiency and productivity in the delivery of services.</li> <li>• Continue to move towards best practice in relation to technology, processes and practices.</li> <li>• Explore new and emerging trends and technologies to deliver strategic advantage, promoting innovation and further enhancement of Council’s service provision.</li> </ul>
Service Delivery	Inability to provide necessary services.	<ul style="list-style-type: none"> <li>• Ensure that services provided are driving the demand for our IT assets.</li> <li>• Review business as usual activities to identify and prioritise opportunities to streamline and rationalise processes and practices and increase value to the community.</li> </ul>
Financial	Financial shortfall will impact on services provided	<ul style="list-style-type: none"> <li>• Develop long term financial plans to ensure financial sustainability and transparency.</li> </ul>

## 4.5 Asset Programs to meet Demand

The IS Strategic Plan underpins the Community and Corporate Plans, by outlining the key change initiatives (programs and projects) that the IS Portfolio will lead and participate in over the next four years. The Executive Summary of the IS Strategic Plan is included in Appendix D.

Key change initiatives included are:

- A Digital Strategy and Roadmap provide digital citizen-centric services and enable staff to work anywhere anytime to deliver effective and efficient services (in progress).
- An IT Application and Strategy Roadmap to guide the prioritisation, selection, implementation and renewal of our IT applications to meet organisational and community demand (completed, Executive Summary in Appendix E).
- An Information Management Program to provide a holistic view of customer interactions for stronger relationships, and an open data approach to make Council data available to businesses and the community (in progress).
- An IT Infrastructure Strategy and Roadmap to support Smart City initiatives and facilitate the transition to a hybrid cloud IT environment (first draft completed, business case pending).

The initiatives listed above are anticipated to identify the need for new assets, at which time this AM Plan will be reviewed and updated. Acquiring new assets will commit ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required - however the investment in new assets for citizen benefit and business process enhancement may be offset by operational efficiencies and cost savings.

## 5. LIFECYCLE MANAGEMENT PLAN

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

The assets covered by this asset management plan are shown in Table 2.1. This data covers currently owned and leased assets. It does not cover IT assets that are located in Charles Sturt facilities but are not owned or leased by the City. Examples of assets like this include Telstra’s NTU’s.

These assets still require ongoing maintenance and replacement at end of life but have not been specifically addressed in this version of the AM Plan. It is anticipated that this will be an element of consideration in future revisions.

IT assets have in general a very short estimated useful life. As such many assets and components will require multiple replacement time frames over the life of this plan. Due to the relative short life of IS assets, asset condition is not always a key driver for renewal. Technology advances and service level requirements are often the primary drivers for renewal.

Assets are generally provided to meet design standards where these are available. However several service performance deficiencies were identified during the development of the IS Strategic Plan and a review of the technical architecture environment, and are detailed in Table 5.1.2.

**Table 5.1.2: Known Service Performance Deficiencies**

Asset Class	Service Deficiency
IT Infrastructure	<ul style="list-style-type: none"> <li>• Currently a typical on-premise IT environment including servers, storage and communications systems which interconnect the various Council sites and provide connection to the Internet. There is an offsite disaster recovery environment with limited recovery capabilities.</li> <li>• Increasingly more systems, services and devices will be internet connected and the Smart City initiatives which are currently in their infancy will drive some of this change.</li> <li>• In order to respond effectively to these changes, there is a need to plan for and deliver IT infrastructure and platforms in ways that will support the future technology landscape – by using industry standards, adopting technology which is regarded as best practice, and transitioning to a hybrid cloud environment.</li> </ul>
Computers and Devices	<ul style="list-style-type: none"> <li>• Tablets are no longer effectively supporting the mobile worker in an increasingly digital workplace, and generally require users to manage two devices – a desktop computer and a tablet.</li> <li>• Core business application vendors are moving to cloud-friendly applications which typically operate from a web browser. The nature of these changes allows users to be highly mobile and utilise applications across various types of devices, including ‘2 in 1’ devices which essentially serve the dual purpose of a desktop computer and tablet.</li> </ul>
IT Applications and Software	<ul style="list-style-type: none"> <li>• In addition to enterprise applications, there are currently a high number of specialised applications, integration points, custom solutions and scripts with varying levels of support and maintenance.</li> <li>• There is a need for the preparation of annual upgrade plans and the development of strategic roadmaps for IT applications, to proactively guide their maintenance, renewal and investment.</li> </ul>

## 5.2 Maintenance Plan

Maintenance activities may be targeted to mitigate critical assets failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels. Routine maintenance is the regular ongoing 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.

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. IT maintenance work is carried out in accordance with the following standards and specifications.

- IT Infrastructure – as per manufacturer warranty conditions
- Computers and Devices – as per manufacturer warranty conditions
- IT Applications and Software – as per license maintenance conditions
- Council standards and specifications

We regularly update our IT Applications and Software to latest versions as they become available. In relation to IT Infrastructure, we use monitoring tools to ensure that the equipment is being utilised efficiently.

Maintenance expenditure levels are currently 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 they will result in a lesser level of service, the service consequences and service risks have been identified and highlighted in this AM Plan and service risks considered in the Risk Management Plan.

Maintenance activities for IT assets, and annual IT Applications and Software license maintenance are funded through the annual recurrent budget. Each time we acquire a new asset, consideration must be given to the impact on the recurrent budget of maintenance activities and annual license maintenance, to ensure that we can fund whilst maintaining reasonable rate increases.

## 5.3 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 service potential. Work over and above restoring an asset to original service potential is considered to be an upgrade/expansion or new work expenditure resulting in additional future maintenance costs.

For this AM Plan, future funding requirements are based on Method 1 - using Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year. Due to the relatively short life span of IT assets, many assets will be renewed multiple times over the life of this plan.

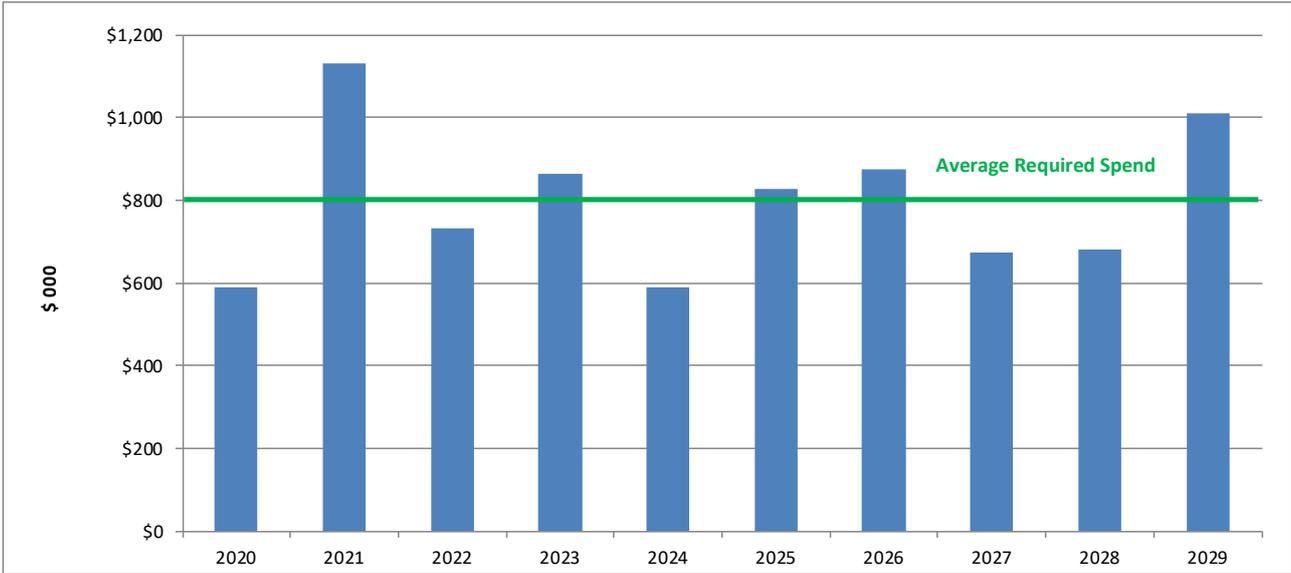
The annual review of this AM Plan will be vital, to ensure that IT assets are renewed where deemed appropriate in alignment with strategic imperatives and to leverage technology advances. There may be an opportunity to smooth the annual expenditure by deferring renewal and replacement where appropriate, to spread the expenditure over two financial years.

Renewals and replacement expenditure in the capital works program will be accommodated in the long term financial plan. This is further discussed in Section 7.

Projected future renewal and replacement expenditures are shown in Figure 5. However, this excludes the renewal of IT Applications and Software, which will be transitioned to cloud services as the opportunity arises – generating Annual Operating Projects and impacting the annual recurrent budget, rather than increasing capital expenditure.

Note that all amounts are shown in current (real) dollars. The projected capital renewal and replacement program is shown in Appendix B.

Figure 5: Projected Capital Renewal and Replacement Expenditure



## 5.4 Creation/Acquisition/Upgrade Plan

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

New assets and upgrade/expansion of existing assets are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. 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.

Due to the nature of IT assets, only planned and specific assets will be budgeted for. Most other upgrades will be accommodated by renewals. No projected upgrade/new asset expenditures are presently known. However the IT Application Strategy and Roadmap shown in Appendix E, sets out an indicative roadmap for potential future investment in IT Applications and Software.

These initiatives are primarily anticipated to be Annual Operating Projects, however should the need be identified for further capital upgrades / new assets, this AM Plan will be reviewed and updated. Budget bids will be submitted for new assets in alignment with IT strategies and be assessed by Council, giving regard to the benefit rating, risk management criteria and community consultation.

Expenditure on new assets and services in the capital works program will be accommodated in the LTFP to the extent of Council’s support for the strategic initiatives.

Acquiring new assets will commit ongoing maintenance and renewal costs for the period that the service provided from the assets is required. However, the investment in new assets for citizen benefit and business process enhancement may be offset by operational efficiencies and cost savings.

## 6. RISK MANAGEMENT

The City of Charles Sturt is committed to applying risk management principles at both corporate and community levels to enable its strategic objectives to be achieved. Risk management involves adopting systematic procedures and practices to identify, evaluate, treat and monitor risk in all Council activities so that the risks associated with these activities are controlled and tolerable.

Risk management at the City of Charles Sturt is as much about identifying opportunities as avoiding or mitigating losses. It is an integral part of the continuous improvement process embraced by Council.

Risks, opportunities and associated controls are detailed throughout this document.

City of Charles Sturt’s organisational risks are reported to the Audit Committee. The high risks that relate to the IT AM Plan are extracted in Appendix C.

The table below lists the specific risks that were identified when developing the IS Strategic Plan and this AM Plan.

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Security of Council and citizen information, particularly with the increase in connected devices and Smart City technologies	Loss, misuse, or disclosure of information assets – resulting in threats, vulnerabilities, sabotage, fraud, inaccessibility	H	Undertake a high-level security review and develop a plan to support continuous improvement and promote IT security awareness (review completed using 2017-2018 recurrent budget)	M	\$30,000
			Bring forward the replacement of firewalls and components, suitable for a hybrid cloud environment (Included in 2019-2020 capital renewals)		\$60,000

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

## 6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Similarly, critical failure modes are those which have the highest consequences. By identifying critical assets and failure modes investigative activities, condition inspection programs, maintenance and capital expenditure plans can be targeted at the critical areas.

The identification of critical business functions has been made within the Council’s Business Continuity Plan (BCP), which details the operational response and recovery from a critical incident. The IT Disaster Recovery Plan has been aligned with the BCP and identifies the related critical IT assets and the approach to recovery of services.

## 7. FINANCIAL SUMMARY

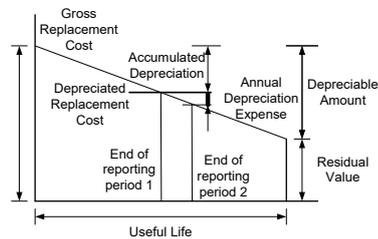
This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset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

### 7.1 Financial Statements and Projections

#### Asset valuations

The best available estimate of the value of assets included in this Asset Management Plan are shown below. IT equipment is carried at cost, less any accumulated depreciation and impairment losses. Assets are valued at actual replacement cost where known or estimated renewal cost based on fair value by internal estimate.

Gross Replacement Cost	\$9.6M
Depreciable Amount	\$7.8M
Depreciated Replacement Cost <sup>4</sup>	\$1.8M
Annual Depreciation Expense	\$1.8M



Various IT Applications and Software (particularly enterprise applications) were implemented over 10 years ago and on this basis are now fully depreciated.

### 7.2 Funding Strategy

Funding for assets is provided from the budget and long term financial plan.

The financial strategy of the entity determines how funding will be provided, whereas the asset management plan communicates how and when this will be spent, along with the service and risk consequences of differing options.

To ensure that we maximise the value of our investment we will review the current funding model mechanisms for hardware, which in recent times has favoured pursuing capital investment over leasing options.

In future the following factors will be considered when determining the most cost-effective solution, having regard to the:

- Financing options
- Ongoing recurrent budget implications
- Flexibility/agility of the solution (eg. cloud) and ability to respond to emerging markets

### 7.3 Valuation Forecasts

Asset values are forecast to increase as additional assets are added to service.

Additional assets will generally add to maintenance needs in the longer term, as well as the need for future renewal. Additional assets will also add to future depreciation forecasts.

The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets.

<sup>4</sup> Also reported as Written Down Value, Carrying or Net Book Value.

## 7.4 Key Assumptions Made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan. 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:

**Table 7.4: Key Assumptions made in AM Plan and Risks of Change**

Key Assumptions	Risks of Change to Assumptions
Forecast on “today’s” dollars	If CPI or escalation factor for change in inflation varies significantly, forecast will be inaccurate
Staffing needs are resourced adequately. External costs for implementation or replacement equipment have been included in the replacement costs where relevant or identifiable that current resourcing is inadequate.	Unable to resource planned asset management activities
No significant changes in legislation and service levels	Changes may demand unplanned/unbudgeted asset management activities
Estimates are based on best currently available information	Subject to material changes due to the fast-paced nature of technology advancements

## 7.5 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 scale<sup>5</sup> in accordance with Table 7.5.

**Table 7.5: Data Confidence Grading System**

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate ± 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 ± 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 ± 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 ± 40%
E Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is considered to be Uncertain. Our confidence level will increase as we act upon our improvement plan, continue to undertake the initiatives identified in the IS Strategic Plan, and review and update the AM Plan accordingly.

<sup>5</sup> IPWEA, 2015, IIMM, Table 2.4.6, p 2 | 71.

## 8. PLAN IMPROVEMENT AND MONITORING

### 8.1 Status of Asset Management Practices<sup>6</sup>

The Council implemented the Technology One Finance One ERP module during 2002 and 2003. The system has been capturing all operating and capital expenses since that time. In the absence of a job costing application, the chart of accounts was developed to track all of the required information of a project as identified at the time by the project managers.

The capital works chart structure identifies the project, subproject, object and activity codes, and contained within the project and subproject numbers are codes to identify the manager, asset category, new/renew/upgrade and the project objective. The project and subproject define the location and objective of the project, the object code identifies the inputs into it, and the activity code identifies the nature of work being carried out.

The budgets for all our projects are also stored in Finance One at the project and subproject level. Reports are generated on a monthly basis from Finance One comparing actual to estimate. Once works have been completed, the subproject numbers are closed off, and the balance of the subproject is either capitalised into the Finance One Fixed Asset Register, or into a current Asset Management Services Fixed Asset Register, provided it meets the Threshold of Materiality.

The master asset data sits within the Technology One works and assets system, however IT assets are currently not captured within this system. The Technology One core enterprise suite includes the existing Financials module resulting in a consolidated asset register.

### 8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 8.1.

**Table 8.1: Improvement Plan**

Task No	Task	Responsibility	Resources Required	Timeline
1	Council endorsement of the updated plan	GM Corporate Services	Manager Information Services	Feb 2019
2	Monitor performance and service levels to better understand asset performance and service delivery.	Manager Information Services	IS Portfolio	Ongoing
3	Continue to implement alternative or latest technology options into renewal projects where appropriate.	Manager Information Services	IS Portfolio	Ongoing
4	Continuous improvement of IT asset management practices, processes and procedures – including entry of IT assets into the Works and Assets system, if suitable.	Manager Information Services	IS Portfolio	Ongoing
5	Develop our IT strategies and roadmaps to refine the asset management plan and adjust the long term financial plan accordingly.	Manager Information Services	Manager Financial Services	Annually

<sup>6</sup> ISO 55000 Refers to this the Asset Management System

### 8.3 Monitoring and Review Procedures

This AM 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 reviewed annually and revised when required to ensure it represents the current service levels, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the Council's LTFFP.

The Local Government Act 1999 sets out the requirements for the organisation in relation to preparing and reviewing its Asset Management Plans.

Chapter 8 – Administrative and financial accountability Part 1 Strategic management plans

*'(1a) A Council must, in conjunction with the plans required under subsection (1), develop and adopt –*

*a) A long term financial plan for a period of at least 10 years and*

*b) An infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the council for a period of at least 10 years.*

*(4) A council may review its strategic plans under this section at any time but must –*

*(a) Undertake a review of*

*(i) Its long term financial plan; and*

*(ii) Any other elements of its strategic management plans prescribed by regulations for the purposes of this paragraph,*

*As soon as practicable after adopting the council's annual business plans for a particular financial year and*

*(b) In an event, undertake a comprehensive review of its strategic management plans within 2 years after each general election cycle.'*

Should the annual review cycle identify material changes that either have a significant financial or service delivery impact then the document will be resubmitted to the Asset Management Committee for review and update.

A comprehensive review of the AM Plan will be conducted every four years, within two years of each general election cycle as prescribed in the LG Act 1999 unless required before that time.

### 8.4 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 long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and corporate 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 IS Strategic Plan and associated plans.
- The Asset Renewal Funding Ratio achieving the target of greater than 80%.

## 9. REFERENCES

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IPWEA, 2015, 2nd edn., 'Australian Infrastructure Financial Management Manual', Institute of Public Works Engineering Australasia, Sydney, [www.ipwea.org/AIFMM](http://www.ipwea.org/AIFMM).

IPWEA, 2015, 3rd edn., 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, [www.ipwea.org/IIMM](http://www.ipwea.org/IIMM)

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TechnologyOne - FinanceOne, Corporate Financial System

City of Charles Sturt, Community Plan 2013-2027

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City of Charles Sturt, Asset Accounting Policy

City of Charles Sturt, Asset Fund Policy

## **10. APPENDICES**

Appendix A Projected Capital Renewal and Replacement Works Program

Appendix B Projected Capital Upgrade/New Works Program

Appendix C Information Services – High Risks

Appendix D Executive Summary of IS Strategic Plan 2018-2022

Appendix E Executive Summary of IT Application Strategy and Roadmap 2019-2024

Appendix F Indicative Projected Annual Operating Projects 2019-2024

## Appendix A: Projected Capital Renewal and Replacement Works Program

\$ 000

Asset Category	Asset Sub-Category	Useful Life	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
Computers and Devices	Audio-visual Equipment	5 years	20	160		60	30	180			60	190
	Desk Phones	9 years		84								
	Desktops and Laptops	3-6 years	508	260	390	578	260	390	508	330	390	508
	*Mobile Phones and Tablets <i>Phones are currently managed via recurrent budget – reassess from 20/21</i>	3-6 years	*0	40	290	74	40	290	74	40	290	74
	Printers, Scanners and Plotters	3-6 years		381			224		157	224		
IT Infrastructure	Generators and UPS	12-20 years										
	Infrastructure Network	3-6 years	60	65	62	133	14	31	110	20	2	142
	Server Room	6-20 years		60		20	15					
	Servers and Storage Arrays	6-15 years		83	60		7	7	26		7	7
	Structured Cabling Systems	30 years								60		90
<b>Capital Totals</b>			<b>588</b>	<b>1133</b>	<b>802</b>	<b>865</b>	<b>590</b>	<b>898</b>	<b>875</b>	<b>674</b>	<b>749</b>	<b>1011</b>
<p>Assumes that Asset Categories IT Infrastructure and IT Applications and Software will progressively transfer from capital to operating as we transition to a hybrid cloud environment.</p> <p>Adjustments (reductions) made to Projected Capital Renewal and Replacement Works Program based on the assumption of hybrid cloud environment.</p>												

<b>Renewal by Annual Operating Projects</b>		<b>\$ 000</b>									
<b>Asset Category</b>	<b>Initiatives</b>	<b>19-20</b>	<b>20-21</b>	<b>21-22</b>	<b>22-23</b>	<b>23-24</b>	<b>24-25</b>	<b>25-26</b>	<b>26-27</b>	<b>27-28</b>	<b>28-29</b>
IT Infrastructure	Renewal by migration to cloud: <ul style="list-style-type: none"> <li>*Infrastructure/Platform as a Service</li> <li>Unified Communications (telephone system and infrastructure)</li> </ul> <b>*Cost/benefit TBC by business case</b>	TBC	TBC TBC								
IT Applications and Software	Renewal by migration to cloud (Software as a Service) and managed services: <ul style="list-style-type: none"> <li>Service Desk System</li> <li>SharePoint Online</li> <li>ESRI Geographic Information System (GIS) on premise upgrade – maturity of SaaS option to be re-assessed at a later stage</li> </ul>	43 76 40									
<b>Renewal by Recurrent Budget</b>		<b>\$ 000</b>									
IT Applications and Software	Renewal by upgrade to current supported version: <ul style="list-style-type: none"> <li>Enterprise Applications</li> <li>Specialised Applications</li> <li>IT Service Management Tools</li> <li>Desktop Productivity Software – primarily covered by Microsoft Enterprise Agreement</li> </ul>	40 20 10									

## Appendix B: Projected Capital Upgrade/New Works Program

2019-2020	Asset Category	Asset Sub-Category	Asset Description	Amount \$ 000
NEW	Nil identified			
UPGRADES	Nil identified			

## Appendix C: Extract of Relevant High Risks from Organisational Risk Assessment

No.	Risk Description			Objective effected by Risk  (Positively or Negatively)	Potential Causes of Risk Description  (Positive or Negative)	Initial Negative Risk Rating	Residual Risk Rating (negative consequences after controls in place)
	Event / Situation that may lead to uncertainty	Opportunity of Event/Situation (Potential Positive Consequences)	Threat of Event/Situation (Potential Negative Consequences)				
10.	Provision of core information services	<p>Staff are able to apply systems to capture, disseminate and plan various work efficiently.</p> <p>Communicate with the community using methods that are up to date with community expectations.</p> <p>The community are able to access hardware and software which they may not be able to at home.</p>	<p>Work sites may become unsafe.</p> <p>Alternative work site and/or systems access may not be available for all staff causing operations to be significantly disrupted.</p> <p>Financial loss to Council in its efforts to return to normal business.</p> <p>Inability to service customers or meet service levels.</p> <p>Community's expectations not met.</p> <p>Loss of Council information, data held on electronic storage or physical documentation.</p> <p>Hazards not identified in the community leading to public health and safety risks.</p>	<p><b>Theme Area 1. OUR COMMUNITY – A Strong and Connected Community</b></p>	<p>Natural and other disasters (e.g. extreme heat) are largely unpredictable.</p> <p>Organisation has no access to a key system / application e.g. Email, TRIM, Internet, TechnologyOne suite, Intranet and potentially security systems lose power if back up failure.</p> <p>Third party behaviour e.g. hacking or terrorist activity.</p> <p>Failure of supporting infrastructure. Failure of an external provider.</p> <p>Loss of premises altogether through fire, flood, etc.</p> <p>Loss of utilities. Remote sites become disconnected from the network e.g. Beverley, Libraries, and Community Centers.</p> <p>Customers unable to contact Council. Staff unable to use phones.</p> <p>Switchboard failure/backup failure.</p> <p>Failure to enact Community Emergency Management Plan.</p> <p><b>Main concern:</b> Flawed strategic planning</p>	<p>Likelihood: Possible</p> <p>Consequence: Catastrophic</p> <p>Risk Rating: Extreme</p>	<p>Likelihood: Unlikely</p> <p>Consequence: Major</p> <p>Risk Rating: High</p>

## Appendix D: Executive Summary of IS Strategic Plan 2018-2022

The Community and Corporate Plans identify five themes and outline a range of strategic programs and initiatives for delivery from now until 2027. The IS Strategic Plan has been developed to demonstrate how IS will support the Community and Corporate Plans, and to indicate the key IS planning and direction setting activities that need to be undertaken.

The following IS strategic priorities for 2018-2022 will underpin the successful delivery of the Community and Corporate Plans.

- **Information and Insights:** We demonstrate leadership in gaining insights from our information to better respond to customer, community and business needs.
- **Architecture and Solutions:** We embrace the latest proven technology and leverage best practice tools, governance models and methodologies to deliver 'fit for purpose' innovative solutions.
- **Assets and Services:** We exercise sound commercial leadership and proactively manage the IT environment to ensure high reliability, security, performance and service levels.
- **Resources and Skills:** We develop strategic sourcing and workforce plans to improve service delivery, facilitate innovation, and achieve sustainable and cost-effective solutions.

These strategic priorities will increase our maturity towards playing a transformational role and trusted partner, essential to the City of Charles Sturt being a leading and transformational local government organisation.

The level of expenditure required to transform in accordance with the IS Strategic Plan will become clearer in 2018, once further research, scoping and strategies have been completed and incorporated into an approved Information Technology Asset Management Plan. Scheduling of strategic initiatives will need to consider the available capital and operational budget, projected renewal costs, and the Long Term Financial Plan.

Major opportunities and risks to the success of the IS Strategic Plan include Council amalgamation or rate capping, and the accelerating demand for Smart City infrastructure and 24/7 community services. These risks and opportunities will be mitigated and managed by:

- Developing our strategies and roadmaps for applications, infrastructure and information
- Preparing strategic workforce and sourcing plans to establish appropriate support models
- Implementing an IT asset management program to optimise resources and costs
- Increasing value to the community by streamlining and rationalising our processes and practices

## Appendix E: Executive Summary of IT Application Strategy & Roadmap 2019-2024

### Overview

The IT Application Strategy (ITAS) will ensure that the City of Charles Sturt (CCS) invests in fit for purpose IT applications to underpin the delivery of Council services to the community, and to meet future customer expectations and business transformation needs.

*“An application strategy is a process of continuous iteration driven to improve business value by engaging all stakeholders in measuring the current state of applications and developing options for improvement”.<sup>7</sup>*

The ITAS provides a flexible and actionable roadmap, and principles to guide the future prioritisation, selection, implementation and renewal of applications.

### Strategic Context

The ITAS will balance a due diligence approach through the development of business cases at each stage which examine the cost benefit of various options, with the flexibility to adapt to emerging trends and opportunities such as shared services or collaborative initiatives, to ensure that CCS is able to deliver its services in the most efficient manner.

### Key Findings and Principles

Business demand and customer expectations will continue to outstrip the capabilities of Council’s existing IT application suite. For this reason, there is a need for a business-driven, adaptable ITAS and roadmap to underpin future IT investment decisions.

In developing the ITAS, we have researched the current market trends in designing and delivering an IT application suite to meet Council’s current and future needs - based on leading global IT research and advisory services (Gartner), learnings from Local Government (in SA and interstate) and other organisations.

### IT Application Fitness

The fitness of an application is an important factor in ensuring that IT creates business value and should be used as part of building an application strategy to manage and improve the overall quality and performance of the application portfolio.

### IT Application Architecture

Historically CCS has taken an “ERP first” (Enterprise Resource Planning) approach to new business requirements with Technology One, although recently we have seen the introduction of specialist and cloud applications and the bespoke development of solutions. This has occurred when Technology One has been unable to satisfy business requirements and/or deliver innovative solutions with our desired timeframes.

Leading Gartner analysts suggest that too many organisations have built their application strategies on a flawed premise: having a single, integrated IT application that is managed against a common set of criteria and evolves on a common timeline has led to the mess many companies are in. Any changes to systems require a tremendous amount of effort because even simple modifications have far-reaching implications to foundational systems.<sup>8</sup>

Gartner recommends that organisations “use a Pace-Layered Application Strategy to determine their ERP footprint, because one size no longer fits all”.<sup>9</sup> ERP systems such as Technology One are considered a System of Record, best used to support core business processes that are stable and well understood, and where data integrity is critical - whereas Systems of Differentiation or Innovation are better for supporting unique business

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<sup>7</sup> What is an Application Strategy? Darryl Carlton, Gartner Application Architecture Summit, June 2014

<sup>8</sup> Is it Time to Re-think your Enterprise IT Application Strategy, Dennis Gaughan, Online Accessed 24 July 2014 at <http://blogs.gartner.com/dennis-gaughan/2010/06/29/is-it-time-to-rethink-your-enterprise-application-portfolio-strategy>

<sup>9</sup> Predicts 2013: Reinventing the Roles of ERP and Application Suites, 17 April 2013, Ganly, Rayner, Hestermann, Montgomery & Drobik, Gartner (Article: G00246540)

processes with a higher rate/pace of change. The adoption of a pace-layered strategy will provide CCS with a framework to consider investment in IT applications based on business needs and pace of business change, with the aim of delivering a faster response and better Return on Investment (ROI).

ERP vendors often struggle to deliver innovation in response to rapid business change, and in some cases the ERP has to be highly configured to meet particular business needs. This type of approach can have a lock in effect; where the application strategy is dictated by the ERP vendor, rather than driven by the organisation’s business strategy.<sup>10</sup>

Gartner advises organisations to deconstruct their ERP suite into a ‘postmodern ERP’, this resulting in “... a more federated, loosely-coupled ERP environment with much (or perhaps even all) of the functionality sourced as cloud services or via business process outsourcers”.

Postmodern ERP retains a core ERP solution where integration adds value through business standardisation and operating efficiencies. This core ERP, which may be on-premises or in the cloud, is augmented with specialist solutions, most likely sourced as cloud services or via business process outsourcers (that add value through differentiation, innovation and user centricity).<sup>11</sup>

### **IT Application Principles**

Enterprise Architecture principles are a crucial foundation for achieving strategic outcomes as they establish the basis for a set of rules and behaviours for organisations.<sup>12</sup> The table below outlines the key principles proposed for CCS, to guide future decision-making on IT applications and investment.

Ref	Principle/Statement	Rationale (Business Benefit) <sup>13</sup>	Implications
1	<b>Fit for purpose, customer-focused solutions</b> When selecting future IT applications make an assessment based on the required pace of change and the business distinctiveness.	Customer needs should be the primary drivers for investment: a business-led and oriented architecture is more successful in meeting strategic goals, responding to changing needs and meeting customer expectations.	Partner with our colleagues to select fit for purpose and cost-effective solutions, with the customer experience front of mind  Take an enterprise view of data to inform integration solutions
2	<b>Technology One as core ERP</b> CCS applications are better supported by a core ERP solution which requires limited customisation, and where integration adds value through business process standardisation and operating efficiencies.	Diverse organisations need solutions which deliver the operational efficiencies and business process standardisation of core ERP, supplemented by solutions which deliver business agility and current industry best practice.	Limit customisation  Focus on loosely coupled and service-oriented design  More agile responses will be adopted, including bimodal capability <sup>14</sup>  More robust master data and integration

<sup>10</sup> Applying Pace Layering to ERP Strategy, January 2012: Gartner

<sup>11</sup>Postmodern ERP Is Fundamentally Different From a Best-of-Breed Approach, 24 June 2014, Hardcastle: Gartner, (Article: G00264620)

<sup>12</sup> Australian Government Enterprise Architecture Principles

<sup>13</sup> Adapted from Australian Government Enterprise Architecture Principles and Gartner

<sup>14</sup> The practice of managing two separate but coherent styles of work – one focused on renovating the legacy environment, the other on exploring and experimenting to solve new problems (Gartner definition).

Ref	Principle/Statement	Rationale (Business Benefit) <sup>13</sup>	Implications
3	<p><b>Plan for integration</b> Future IT applications will need to equally consider their data needs in the greater context of the CCS IT application suite, whilst ensuring that integration solutions provide the desired Return on Investment.</p>	<p>Information is the foundation of decision-making, so it must be carefully managed, to ensure that its location is known, its accuracy can be relied upon, and it can be obtained when and where it is needed.</p> <p>The sharing and reuse of information assets provides the basis for improved efficiency, value for money and performance.</p>	<p>ROI on integration will be assessed</p> <p>Data and information governance model will be established to identify key information assets</p> <p>Enhance our ability to integrate applications</p>
4	<p><b>Cloud first, hybrid on the journey</b> Adopt a “cloud first” principle, acknowledging that we will have a hybrid cloud environment during the transition to cloud.</p>	<p>With the emergence of cloud services, organisations need to promote the use of agile approaches and services need to be designed to adapt for change.</p>	<p>Procurement evaluations will assess Software as a Service options</p> <p>Third party cloud checklists are to be completed by prospective cloud vendors</p>
5	<p><b>Renovate our applications</b> Pursue the goals of reducing the cost and complexity of the IT application suite, while transforming the IT and business investment processes, governance, and culture that lead to an inflexible application environment.</p>	<p>As customer expectations increase, more investment is needed to grow and transform the business (rather than simply run IT)</p>	<p>Focus on consolidation, simplification, standardisation, service orientation and interoperability</p> <p>Application fitness reviews will identify candidate applications to “eliminate “</p> <p>“Undertaker” role assigned to decommission applications</p>
6	<p><b>Business justification is a must</b> Develop sound business cases for IT projects at CCS which include; cost-benefit analysis (ROI), total cost of ownership, definition of requirements before selecting the solution, and consideration of the non-functional requirements such as integration, ongoing support and upgrades.</p>	<p>Business initiatives and IT investment must represent value to the community.</p>	<p>Business cases will be prepared for new initiatives and their value factually assessed in relation to community benefit, impact on resources, and risk.</p> <p>Return On Investment (ROI) will be assessed</p> <p>A total cost of ownership (TCO) approach will be taken</p> <p>Initiatives will be prioritised in relation to our strategies and roadmaps</p>
7	<p><b>Buy before build</b> Buy off the shelf rather than build solutions, and if no other option then partner with a vendor on the design, delivery and ongoing support.</p>	<p>Applications require ongoing support and commitment to make them sustainable.</p>	<p>Building of solutions will be achieved by partnering with vendors, and only as a last resort.</p>

Ref	Principle/Statement	Rationale (Business Benefit) <sup>13</sup>	Implications
8	<p><b>Mature IT practices</b> Mature our IT Governance Framework to ensure project success is achievable, based on agreed business, data, application and technology principles.</p>	<p>Organisations with good IT governance enjoy benefits such as increased business value of IT-related assets.</p> <p>As governance becomes more mature, it becomes less bureaucratic.</p>	<p>Evolving role and membership of Strategy and Architecture group</p> <p>Further development of architectural principles and capabilities</p> <p>Any new initiatives and their timing are assessed in the context of the ITAS</p>

**Recommendations**

It is recommended that CCS adopts the ITAS, proposed principles, and roadmap for Council’s future significant IT change initiatives effective from 1 July 2019.

Key benefits of the ITAS will include:

- Improved ROI on IT decisions through cost-benefit analysis.
- Planned approach to decisions via a well-informed IT application roadmap.
- Fit for purpose and customer-focused solutions.
- Governance and guidance throughout IT application lifecycle management.
- Improved understanding and performance of system dependencies and the exchange of critical data between systems.
- Flexible sourcing and delivery models such as collaboration, outsourcing and cloud.
- Achieving the desired balance between efficiencies and business innovation.

The key assumptions of the ITAS are:

- Adopt a pace-layered application strategy to determine our core ERP footprint.
- Undertake further research, due diligence and planning to confirm the approach and sequencing of Technology One Ci Anywhere migration.
- Commitment to an appropriate IT governance model to guide and underpin future IT application decisions and investment.
- Individual business cases on business IT initiatives to justify ROI and consider alternative delivery models such as cloud-delivered solutions and/or collaborative opportunities.

In the current Long Term Financial Plan (LTFP), an average of \$0.8 million annually is allocated for capital renewals and replacement for IT systems and supporting technologies (for both software and hardware expenditure). Additional capital and operating project expenditure to enable this ITAS may be required and will be assessed on a case-by-case basis for each significant business initiative. However, it is estimated that to support the ITAS and roadmap will require an indicative additional investment of over \$1.485 million (+/- 20%) in Annual Operating Projects over the next five years commencing 1 July 2019, subject to feasibility planning of each initiative.

Acquiring new IT assets will deliver significant benefits, although commit the organisation to fund ongoing operations, maintenance and renewal costs for the period – which are likely to be offset by other operational efficiencies and cost savings yet to be quantified.

The ITAS will be a living strategy and is intended to be reviewed annually, or more frequently subject to strategic planning and business initiatives at CCS.

### Indicative IT Application Strategy (ITAS) Investment Roadmap

This table shows the proposed IT application investment roadmap to support Council’s core business capabilities. Future year’s initiatives will require an approved business case and timing will be subject to change, based on the business case outcomes. The costs of acquiring and maintaining new IT assets are likely to be offset by other operational efficiencies and cost savings, yet to be quantified.

Reference	Initiative	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	Funding
Action 1	Undertake IT application fitness reviews, starting with Technology One Contracts module, Content Manager (EDRMS) and Infiniti (online forms)							Recurrent
Action 2	Develop a cloud transition roadmap (assessing Infrastructure, Platform, and Software as a Service options) <i>(Estimated costs of implementation via annual operating project TBC by business case)</i>							Recurrent / Operating Project
Action 3	Research, planning and preparation for migration to Technology One Ci Anywhere							Recurrent
Action 4	Implement State Government ePlanning portal, integration and decommission of relevant Technology One Property & Rating (P&R) functions							Operating project
Action 5	Progressively migrate Technology One ERP to Ci Anywhere to enable access to new functionality of business benefit							Operating project
Action 6	Update IT Asset Management Plan and Long Term Financial Plan to reflect the ITAS roadmap							Internal resources
Action 7	Develop strategic workforce and sourcing plans to improve service delivery, facilitate innovation, and achieve sustainable and cost-effective solutions							Internal resources
Action 8	Implement Website Channel to provide a range of convenient customer channels with an increased emphasis on self-service							Operating project
Action 9	Implement Customer Relationship Management solution(s) to meet changing customer expectations and support the Customer Experience Strategy							Operating project
Action 10	Migrate intranet (The Mine) to SharePoint Online to provide the foundations for content and collaboration services							Operating project
Action 10.1	Implement content and collaboration services (workflow and team collaboration) to provide an intuitive self-service portal for seamlessly managing, sharing and locating corporate information from anywhere at anytime							Operating project
Action 11.1	Implement enterprise Business Intelligence and Analytics solution to support reporting and analysis to better inform city planning, decision-making and performance management							Operating project
Action 12	Establish Enterprise Information Management program and ongoing governance to effectively manage Council’s information assets							Recurrent
Action 13	Assess maturity and develop Business Process Management (BPM) framework to increase capability in business process modelling and promote the use of tools to build, improve and share process knowledge							Recurrent
Action 14	Establish Internet of Things platform to support Smart City initiatives							Recurrent initially
Action 15	Collaboratively undertake research, planning, and design to establish an enterprise data management platform as the foundation to serve BI and analytics, open data initiatives, and emerging needs for Smart City insights							Recurrent initially
	<b>Estimated additional investment</b> (Annual Operating Projects +/- 20%)		\$160K	\$400K	\$475K	\$350K	\$100K	<b>\$1,485</b>
	<i>Estimated associated increase to recurrent budget</i>		\$56K	\$20K	\$50K			

### Appendix F: Indicative Projected Annual Operating Projects from ITAS and ITAMP 2019-2024

Reference	Type	Initiative	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
<b>IT Infrastructure</b>							
ITAMP	Renewal	*Cloud migration of infrastructure	TBC	TBC			
ITAMP	Renewal	Unified Communications (telephone system and infrastructure)		TBC			
		<b>*Cost/benefit TBC by business case</b>					
<b>IT Applications and Software</b>							
ITAMP	Renewal	Service Desk System (SaaS)	\$43K				
ITAMP	Renewal	ESRI Geographic Information System (GIS)	\$40K				
ITAMP/ITAS Roadmap Action 10	Renewal	SharePoint Online (SaaS)	\$76K				
ITAS Roadmap Action 4	Upgrade	ePlanning Portal (arising from legislative change)	\$34K				
ITAS Roadmap Action 5	Upgrade	Technology One to Ci Anywhere	TBC	\$100K	\$150K	\$100K	\$100K
ITAS Roadmap Action 8	New	Website Channel		\$75K			
ITAS Roadmap Action 9	New	Customer Relationship Management			\$250K	\$250K	
ITAS Roadmap Action 11.1	New	Business Intelligence and Analytics		\$75K	\$75K		
ITAS Roadmap Action 14	New	Internet of Things Platform		TBC			
ITAS Roadmap Action 15	New	Enterprise Data Management Platform		TBC			