ACT Government | Canberra Health Services

Our reference: **FOI20-44**

[redacted]

Dear [redacted]

DECISION ON YOUR ACCESS APPLICATION

I refer to your application under section 30 of the *Freedom of Information Act 2016* (FOI Act), received by Canberra Health Services (CHS) on **Thursday 30 July 2020**.

This application requested access to:

> *'I write to request under the Freedom of Information Act 2016 final copies of the current:*
> *• Strategic Asset Management Plan, including both Campus and Off-Campus documents; and*
> *• Upgrade and Maintain ACT Health Assets Stage 2 Business Case.*
>
> *I am only seeking the final documents, not correspondence or other associated material.'*

I am an Information Officer appointed by the Chief Executive Officer of Canberra Health Services (CHS) under section 18 of the FOI Act to deal with access applications made under Part 5 of the Act. CHS was required to provide a decision on your access application by **Thursday 17 September 2020**.

I have identified **three** documents holding the information within scope of your access application. These are outlined in the schedule of documents included at Attachment A to this decision letter.

Decisions

I have decided to:

- grant partial access to two documents; and
- refuse access to one document.

My access decisions are detailed further in the following statement of reasons and the documents released to you are provided as Attachment B to this letter.

In reaching my access decision, I have taken the following into account:

- The FOI Act;
- The contents of the documents that fall within the scope of your request;
- The views of relevant third parties; and
- The *Human Rights Act 2004*.

Refuse Access

I have decided to refuse access to one document as outlined in the schedule of documents at reference three. This document is wholly comprised of information that would reveal deliberations of Cabinet. This document is therefore taken to be contrary to the public interest to release, under Schedule 1.6 (1) Cabinet Information (d) the disclosure of which would reveal any deliberation of Cabinet.

Partial Access
I have decided to grant partial access to two documents**.**

Documents at reference one and two are partially comprised of Cabinet information. The information is therefore taken to be contrary to the public interest to release under Schedule 1.6 (1) Cabinet Information (d) the disclosure of which would reveal any deliberation of Cabinet. I determined the information identified is contrary to the public interest and I have decided not to disclose this information.

Also, the identified documents contain information that I consider, on balance, to be contrary to the public interest to disclose under the test set out in section 17 of the Act as the information contained in these folios are partially comprised of information that could be reasonable expected to prejudice the security of a government agency and the business affairs of non-government businesses.

Public Interest Factors Favouring Disclosure
The following factors were considered relevant in favour of the disclosure of the documents:

- *Schedule 2.1 (a) (i) promote open discussion of public affairs and enhance the government's accountability;*
- *Schedule 2.1 (a) (ii) contribute to positive and informed debate on important issues or matters of public interest;*

Public Interest Factors Favouring Non-Disclosure
The following factors were considered relevant in favour of the non-disclosure of the documents:

- *Schedule 2.2 (a) (iii) prejudice security, law enforcement or public safety; and*
- *Schedule 2.2 (a) (xi) prejudice trade secrets, business affairs or research of an agency or person.*

On balance, I determined the information identified is contrary to the public interest and I have decided not to disclose this information. Disclosure of this information would or could reasonably be expected to endanger the security of a building or structure of a government agency. It may also have the detrimental effect of reducing the competitive ability of non-government organisations as well as reasonable expectation to reduce the ability of Government to engage external contractors.

Charges
Processing charges are not applicable to this request.

Disclosure Log
Under section 28 of the FOI Act, CHS maintains an online record of access applications called a disclosure log. The scope of your access application, my decision and documents released to you will be published in the disclosure log not less than three days but not more than 10 days after the date of this decision. Your personal contact details will not be published.

https://www.health.act.gov.au/about-our-health-system/freedom-information/disclosure-log.

Ombudsman review
My decision on your access request is a reviewable decision as identified in Schedule 3 of the FOI Act. You have the right to seek Ombudsman review of this outcome under section 73 of the Act within 20 working days from the day that my decision is published in ACT Health's disclosure log, or a longer period allowed by the Ombudsman.

If you wish to request a review of my decision you may write to the Ombudsman at:

The ACT Ombudsman
GPO Box 442
CANBERRA ACT 2601
Via email: ACTFOI@ombudsman.gov.au
Website: ombudsman.act.gov.au

ACT Civil and Administrative Tribunal (ACAT) review
Under section 84 of the Act, if a decision is made under section 82(1) on an Ombudsman review, you may apply to the ACAT for review of the Ombudsman decision. Further information may be obtained from the ACAT at:

ACT Civil and Administrative Tribunal
Level 4, 1 Moore St
GPO Box 370
Canberra City ACT 2601
Telephone: (02) 6207 1740
http://www.acat.act.gov.au/

Further assistance
Should you have any queries in relation to your request, please do not hesitate to contact the FOI Coordinator on (02) 5124 9829 or email HealthFOI@act.gov.au.

Yours sincerely

Colm Mooney
Executive Group Manager
Infrastructure and Health Support Services

16 September 2020

ACT Government | Canberra Health Services

FREEDOM OF INFORMATION SCHEDULE OF DOCUMENTS

Please be aware that under the *Freedom of Information Act 2016*, some of the information provided to you will be released to the public through the ACT Government's Open Access Scheme. The Open Access release status column of the table below indicates what documents are intended for release online through open access.
Personal information or business affairs information will not be made available under this policy. If you think the content of your request would contain such information, please inform the contact officer immediately.
Information about what is published on open access is available online at: http://www.health.act.gov.au/public-information/consumers/freedom-information

APPLICANT NAME	WHAT ARE THE PARAMETERS OF THE REQUEST	FILE NUMBER
[redacted]	*I write to request under the Freedom of Information Act 2016 final copies of the current:* • *Strategic Asset Management Plan, including both Campus and Off-Campus documents; and* • *Upgrade and Maintain ACT Health Assets Stage 2 Business Case.* *I am only seeking the final documents, not correspondence or other associated material.*	FOI20-44

Ref Number	Page Number	Description	Date	Status Decision	Factor	Open Access release status
1.	1 – 69	The Canberra Hospital Strategic Asset Management Plan	August 2017	Partial Release	Schedule 1.6 Cabinet, Schedule 2.2 (a) (iii) Security & Schedule 2.2 (a) (xi) Business Affairs	YES
2.	70 - 180	ACT Health Community and Other Facilities Strategic Asset Management Plan	November 2017	Partial Release	Schedule 1.6 Cabinet, Schedule 2.2 (a) (iii) Security & Schedule 2.2 (a) (xi) Business Affairs	YES

3.	181 – 182	2018-19 Budget: Business Case	15 March 2018	Refuse Release	Schedule 1.6 Cabinet	NO
Total Number of Documents						
3						

ACT Government Health

DONALD CANT WATTS CORKE SAFM

THE CANBERRA HOSPITAL

STRATEGIC ASSET MANAGEMENT PLAN

August 2017

List of Figures

List of Tables

1. EXECUTIVE SUMMARY

INTRODUCTION

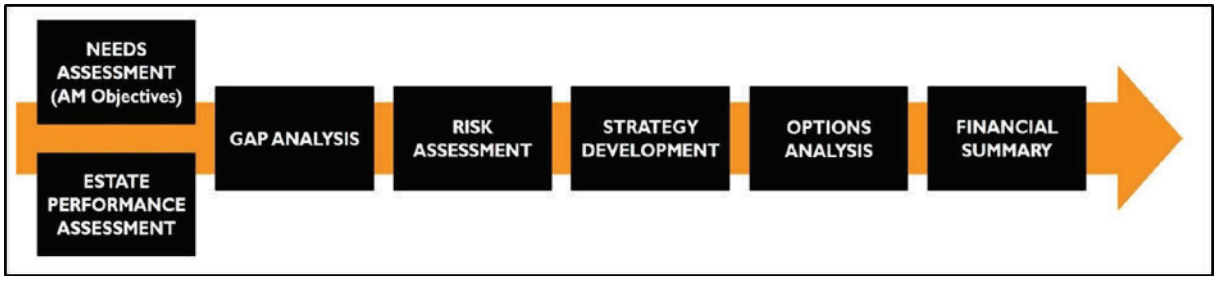
ACT Health is committed to delivering person and family-centred, safe and effective care through an integrated Territory-wide health system, with the appropriate infrastructure to meet the future health needs of the growing ACT and surrounding region.

The Canberra Hospital Strategic Asset Management Plan (SAMP) is a key input to inform investment decisions for current and future hospital and health assets across the ACT. The SAMP sets the direction and establishes the approach to enhance the management of the hospital's asset portfolio. It identifies the management activities necessary for ensuring the assets are functional to provide better health outcomes for the community and consumers of territory health care services.

As a high-level document, the SAMP is an integral part of the hospital's overall strategic management framework, residing between the strategic drivers of Government policies and corporate plans, and the development of specific strategies and programs for the delivery of timely asset maintenance, capital renewal and upgrades. Any existing and future Asset Management Plans (AMPs) are complementary documents aimed at delivering the SAMP objectives. AMPs are more detailed and determine short to medium term projections for works and services and corresponding funding requirements.

SAMP METHODOLOGY

The methodology used to develop the Canberra Hospital SAMP is summarised as follows:



LIMITATIONS

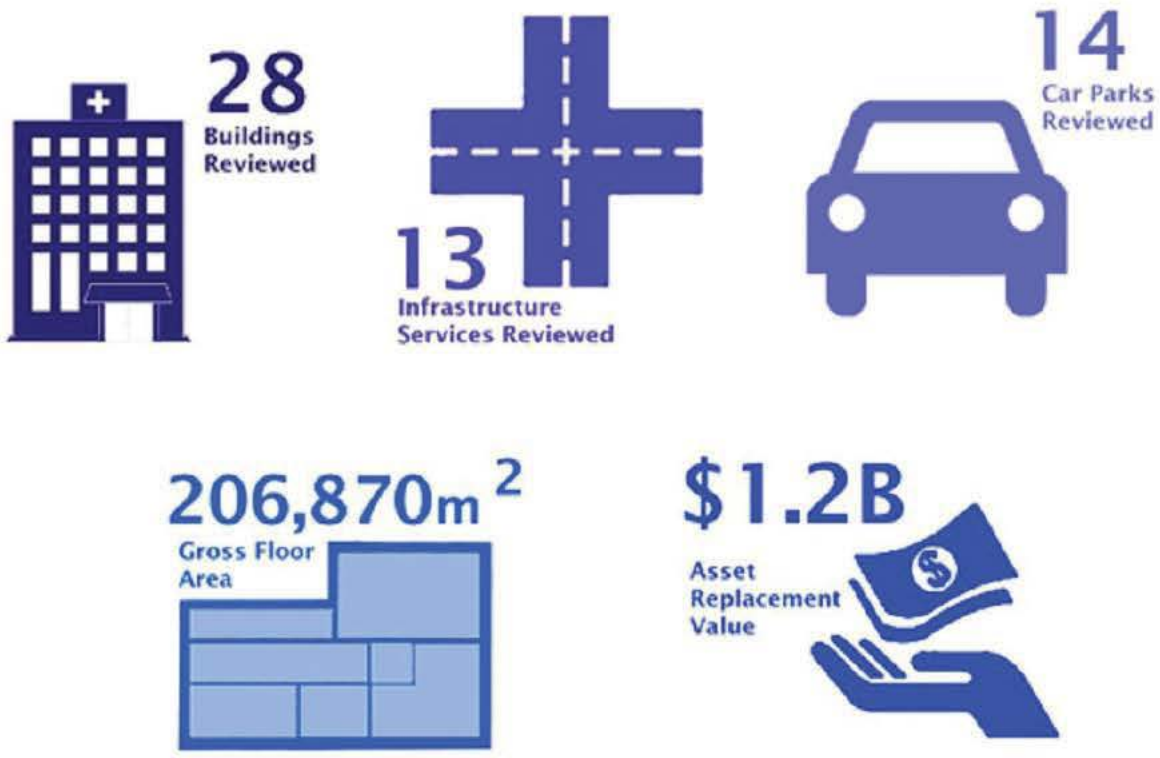
For this SAMP, the Gross Floor Areas (GFAs) and asset age data were provided by ACT Health. The Asset Replacement Values (ARVs) are indicative only. ARVs for Buildings were sourced from Strategic Finance (Capital Works), dated 14 July 2017. ARVs for Infrastructure were not provided at the time of this SAMP development and as such were calculated using current industry asset replacement rates. ACT Health also provided the data for the current and historical maintenance expenditure. This data should be treated as indicative only. At the time of preparing this SAMP, the final Canberra Hospital Repairs and Maintenance budget for FY2017/18 was not available.

SCOPE

The scope for the Canberra Hospital SAMP comprised the ACT Health owned hospital buildings, above ground / underground building links, car parks and key infrastructure. A summarised scope is as follows:

Asset Type	No. of Buildings/Assets	Gross Floor Area (GFA)	Asset Replacement Value (ARV) Note 2
Buildings Note 1	28	206,870m^2	[redacted]
Infrastructure	13	-	
Car Parks	14	-	

Notes:
1. Includes the Southern Car Park.
2. ARVs for Buildings were sourced from Strategic Finance (Capital Works), dated 14 July 2017. ARVs for Infrastructure were not provided at the time of this SAMP development and as such were calculated using current industry asset replacement rates.



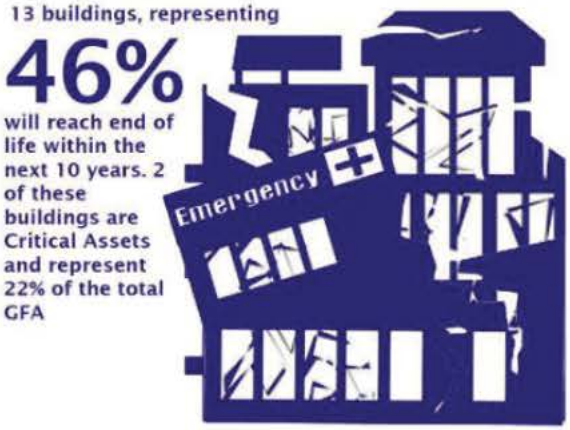
ESTATE PERFORMANCE ASSESSMENT
KEY FINDINGS

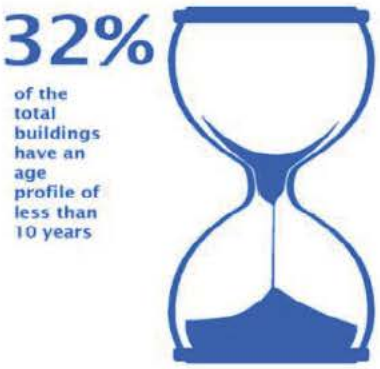
Age and Remaining Useful Life

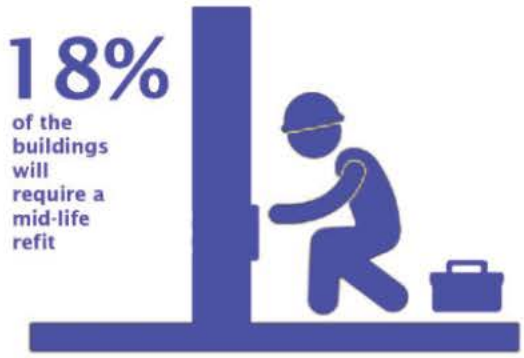
Primary Indicator of the current state of the asset portfolio

Buildings

- 13 buildings, representing 46% of the total hospital buildings will reach end of life within the next 10 years. 2 of the 13 buildings have a Critical asset priority and represent 22% of the total GFA.
- 32% of the total buildings have an age profile of less than 10 years.
- 18% of the buildings will require or already require a mid-life refit.

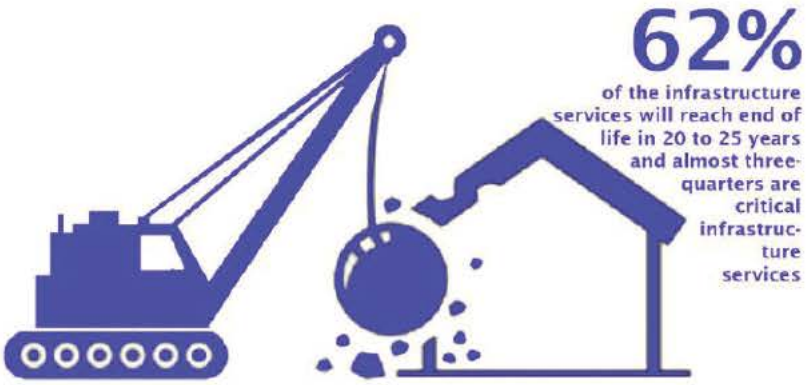


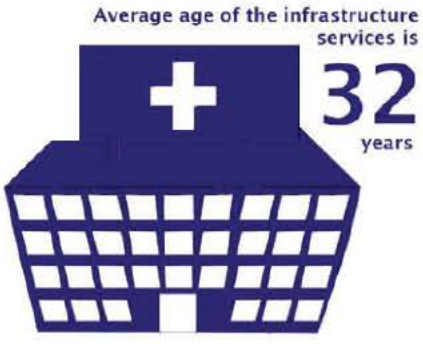




Infrastructure

- Average age of infrastructure services is 32 years.
- 62% of the infrastructure services are expected to reach end of life in 20 to 25 years and almost three-quarters are critical infrastructure services.





Asset Priority and Maintenance Levels of Service

Asset Priority and Levels of Service determines the relative importance or mission alignment of each asset and the respective levels of maintenance service

- 10 buildings, representing 60% of the total GFA are Critical Assets;
- 4 buildings, representing 27% of the total GFA have a High Asset Priority;
- Remaining buildings, representing 13% of the total GFA are either Priority or Low Priority Assets;
- Over half of the total buildings require Mission Critical / Important levels of maintenance service;
- All car parks are recorded as Low Priority assets with Supportive levels of maintenance service; and
- 54% of the total infrastructure are Critical assets requiring Mission Critical / Important levels of maintenance service.

Condition

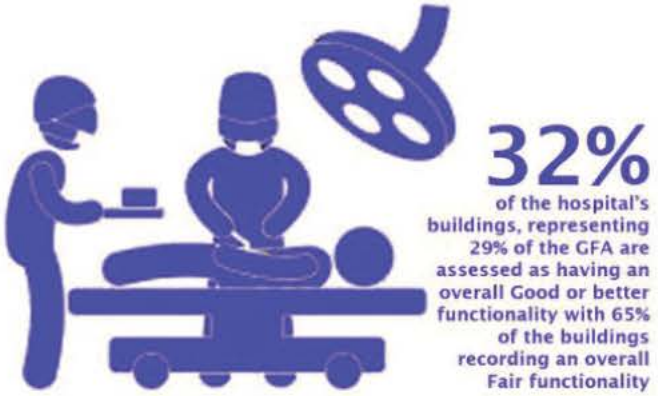
The condition of the asset portfolio is assessed to gauge the level of deterioration and identify any issues

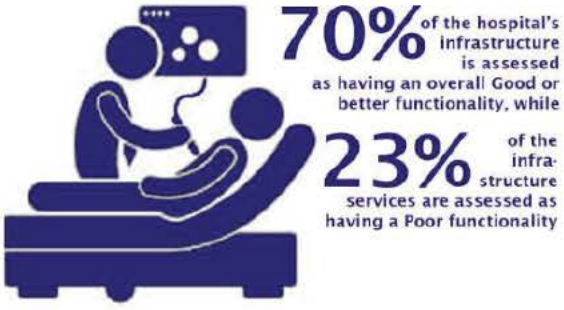
- 50% of the hospital's buildings, representing 75% of the Total GFA is assessed as being in an overall Good or better condition; while 25% of the hospital's buildings, representing 16% of the Total GFA is in a Fair condition;
- 100% of the hospital's car parks are assessed as being in an overall Fair or better condition; and
- 62% of the hospital's infrastructure services are assessed as being in an overall Good or better condition, while 23% of the services are assessed as being in an overall Fair condition.

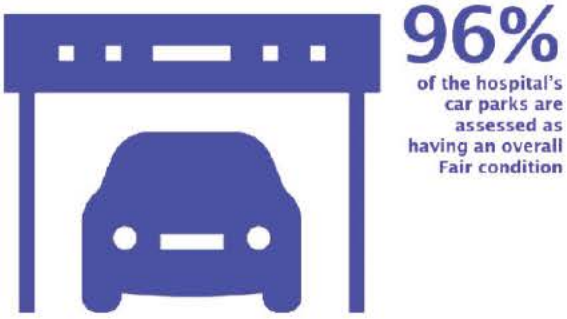
Functionality

The functionality of the asset portfolio is assessed for 'fitness for purpose' to identify and describe any deficiencies for current and planned use

- 32% of the hospital's buildings, representing 29% of the Total GFA are assessed as having an overall Good or better functionality with 65% of the buildings recording an overall Fair functionality. No buildings were assessed as having Very Poor functionality;
- 99% of the hospital's car parks are assessed as having an overall Fair or better functionality, with 96% of car parks recorded as having a Good functionality; and
- 70% of the hospital's infrastructure is assessed as having an overall Good or better functionality, with 7% assessed as having an overall Fair functionality; while 23% of the infrastructure services are assessed as having a Poor functionality.





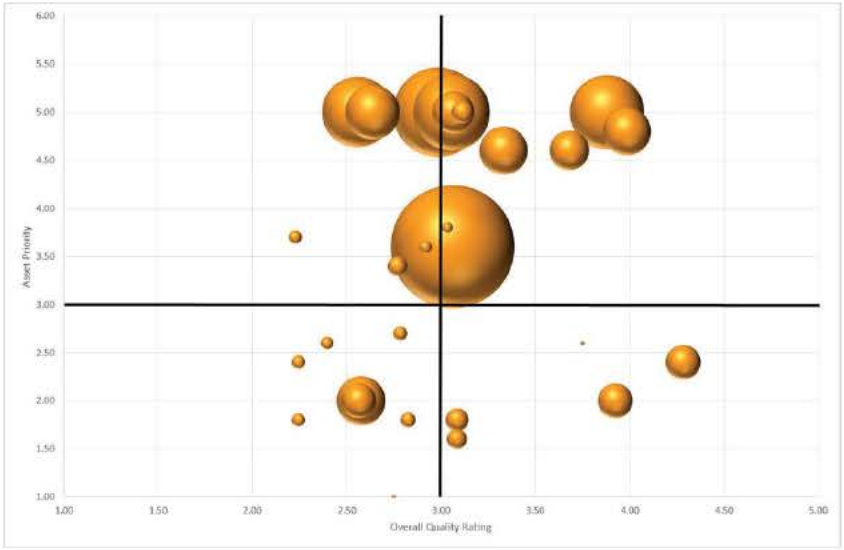


Quality

The quality of the asset portfolio is identified through combining the overall condition rating with the overall functionality rating of the assets

The overall quality of the Canberra Hospital buildings is consistent with the individual condition and functionality assessment results, residing largely across the 2 quadrants:

- Critical, High Priority and Priority Asset / Fair to Excellent condition; and
- Critical, High Priority and Priority Asset / Poor to Fair condition.



There is a relatively smaller volume of GFA residing in the quadrants of lower priority assets and poor to fair condition.

18% of Low Priority or Surplus buildings exceed performance targets set for Priority Buildings

32% of Critical, High Priority and Priority buildings require works to close current condition and functionality performance gaps

Environmental Sustainability

An insight into the sustainability of the asset portfolio

- 46% of the hospital's buildings are metered. Individual metering of the buildings for electricity, gas and water consumption would enable closer monitoring, measurement and management of the hospital's utilities consumption.
- A comparison of average energy intensity by key States, Territory and Regions, sourced from the Council of Australian Governments, Baseline Energy Consumption and Greenhouse Gas Emissions Report (November 2012), found that the hospital's average energy intensity of 1.694 GJ/m^2, falls within the range (at the higher end) recorded by hospitals in similar geographic and climatic locations.

Financial

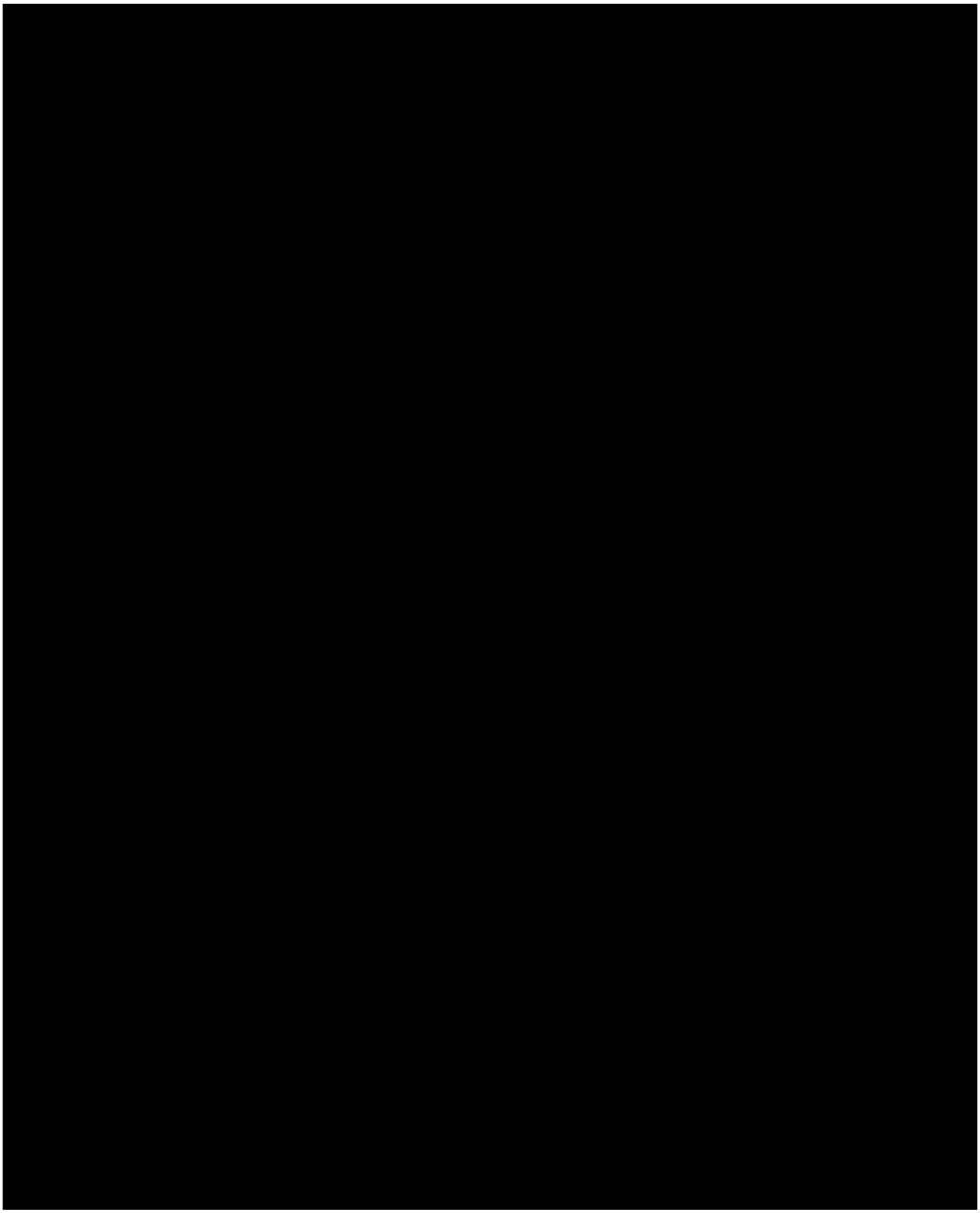
Understanding the financial sustainability of assets requires the application of consistent definitions for both expenditure monitoring and Lifecycle Costing Analysis

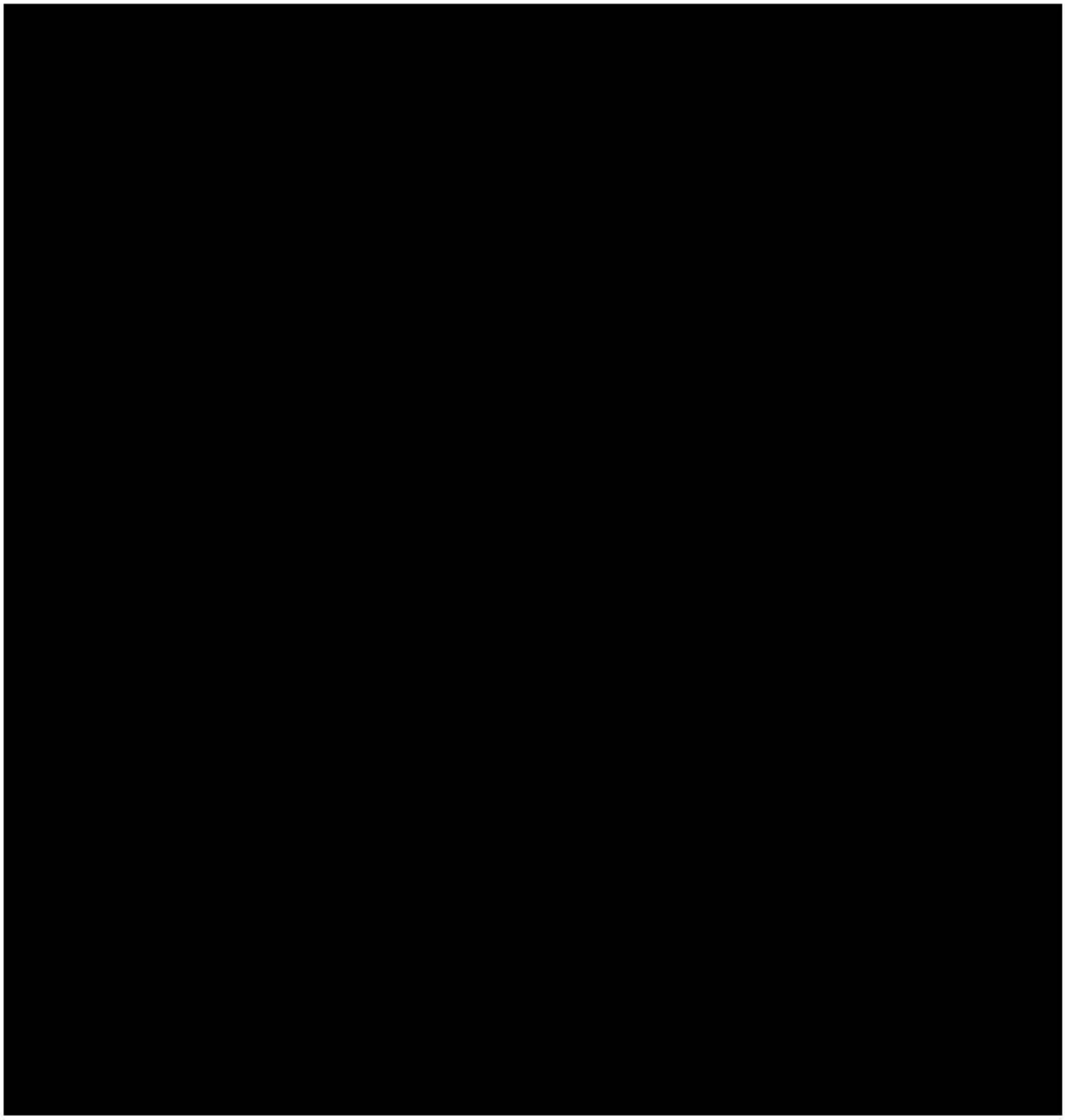
Budget allocations for the management of asset portfolios vary widely across the Health Sector and across industry. A complicating factor in determining budget allocations is that definitions are not consistently applied making it difficult to gain an accurate perspective on expenditure benchmarks.

Recent research indicates that expenditure benchmarks range from a benchmark of 1% to 2% of ARV for maintenance (subject to the specific asset and use) with an expectation of 4% to 6% for refurbishment and asset replacement to maintain an asset portfolio in good condition. Evidence has shown that investment below these benchmarks, will over time, lead to serious degradation of the asset portfolio and the accrual of large amounts of backlog maintenance. It is understood that ACT Health are in the process of implementing a maintenance funding regime to comprise: First Year – 0%; Second Year – 1%; and Third Year and thereafter - 2%.

ACT Health provided ten years of historical data on maintenance expenditure and four years of capital expenditure trends. The maintenance expenditure should be treated as indicative. At the time of preparing this SAMP, the final repairs and maintenance budget for FY2017/18 was not available.

STRATEGIC ALIGNMENT





Gap Analysis

Measuring the gap between the measured performance and the target performance

Condition, Functionality & Legislative Compliance

Performance Target	No. of Buildings Assessed	% Assessed	No. at or above Target	% at or above Target
Condition	28	100%	14	50%
Functionality	28	100%	12	43%
Legislative Compliance	28	100%	21	61%
Asset Priority Index	28	100%	15	68%

Financial Performance

AM Objective	Current Performance		AM Performance Target
	Based on Financial Data used for this SAMP	Proposed ACT Health Approach	
Maintenance Funding Index (%ARV)	[redacted]		
Capital Renewal Index (%ARV)			
Total Expenditure (%ARV)			

Capacity and Utilisation Performance

Measure / Target	FY2015/16 Result	FY2016/17 Result
Increase / maintain the overnight bed occupancy rate of around 85% to ensure quality patient outcomes and achieve maximum efficiencies.	91%	85%
Increase access to elective surgery and reduce the numbers of people waiting longer than clinically recommended timeframes. Target = 35 days national medium wait time.	62 days	-
Improve waiting time for Emergency Department (ED) services: "Did not Wait" Rate = 10%	5%	-
Improve the proportion of Emergency Department (ED) Lengths of Stay of 4 hours or less. Target = 69%	66%	72%

Risk Assessment

Current performance asset gaps and broad service delivery requirements

[redacted]

Strategy Development
Organisational-asset centric strategies for future consideration

- Move from annual budgeting to long term financial planning. Incorporate Year 1 of long term financial planning revenue and expenditure projections into annual budgets.
- Develop an annually review asset management plans and strategic asset management plan covering at least 10 years and 80% of asset replacement value.
- Review and update asset management plans, strategic asset management plans and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.
- Develop and maintain a long term capital investment plan covering 10 years and incorporating asset management plan expenditure projections with a sustainable funding position outcome.
- Ensure decisions are made from accurate and current information in asset registers, on service level performance and 'whole of life' costs.
- Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.
- Implement an improvement plan to realise 'core' maturity for the higher risk asset management competencies within 2 years.
- Report six monthly to the ACT Health Executive on the implementation of capital investment plans, strategic asset management plans, asset management plans and long term financial plans.

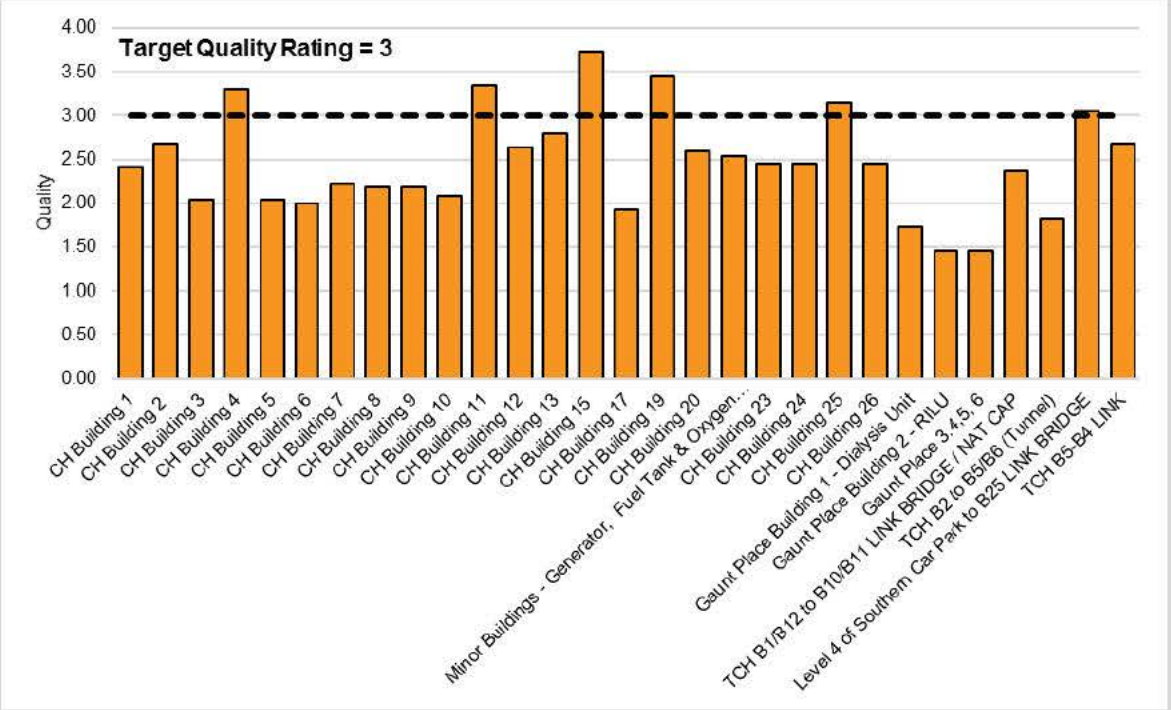
Options Analysis
Evaluation of investment options

[redacted]

Status Quo Option

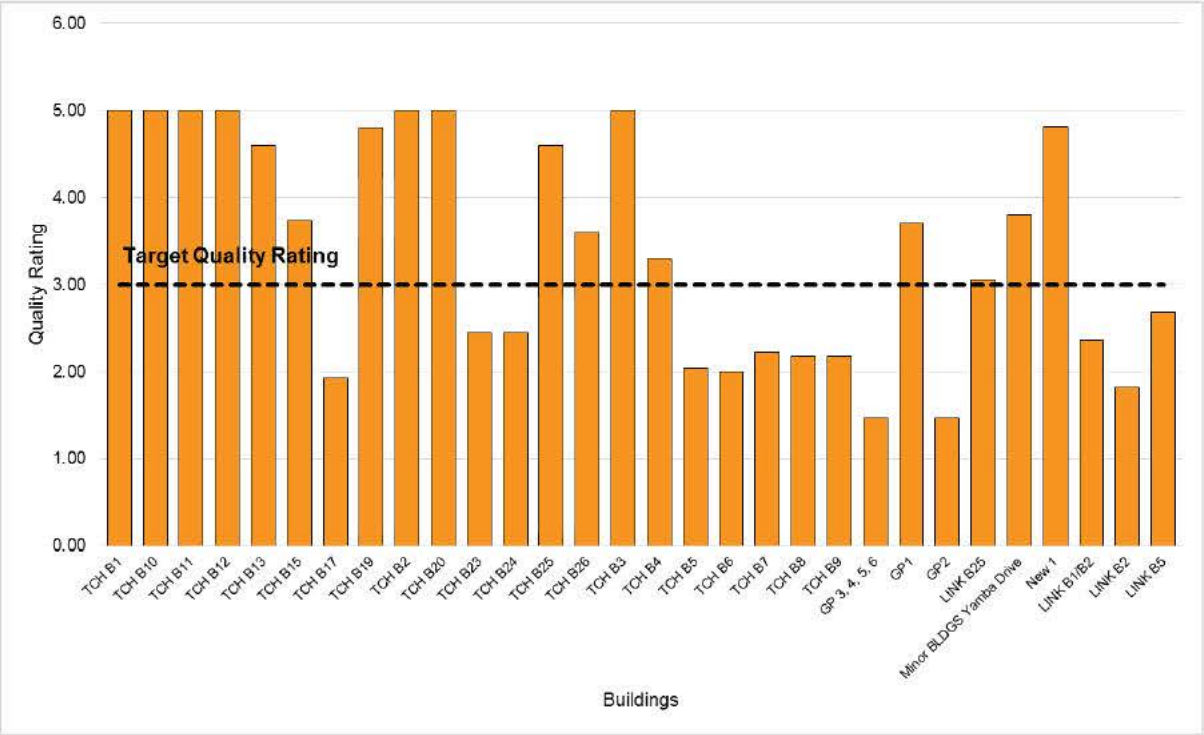
While the overall quality of the Canberra Hospital built assets are fair to good; maintaining the Status Quo will result in deterioration of the existing assets over time. Subsequently, the buildings will become increasingly dysfunctional or functionally obsolete which could potentially compromise the efficient, effective and timely delivery of services. Also as the condition and functionality of these buildings degrades, there may be a need to employ additional staff to meet patient demand and maintain patient flows. [redacted]

Note that this option has been modelled on indicative maintenance expenditure that is thought to be understated.



Quality Option

The Quality option presents a higher up-front investment to improve the quality of the built assets and over time this investment should stabilise. However, expenditure levels for maintenance and capital would need to be maintained to ensure the quality of the assets is also maintained. [redacted]



Additional GFA Option

The Additional GFA option builds on the Quality option and introduces the new facilities from 2024, assuming construction completion in 2023. [redacted]

CONCLUSIONS AND KEY FOCUS AREAS

In conclusion, based on the findings from the Canberra Hospital SAMP activities, key focus areas for consideration are:

Integrated Strategic Asset Management

- Integrate asset management with strategic and corporate planning, consistent with whole-of-government policy frameworks to take into account whole of life costing, future service demands, and balance between capital expenditure and maintenance requirements.

Current Status	In Discussion	Being Actioned	Not Started

- Create asset / property metrics to guide decision-making, build capability and enable benchmarking and continuous performance improvement.

Current Status	In Discussion	Being Actioned	Not Started

- Acquire or build key assessment tools to assist in strategic decision-making.

Current Status	In Discussion	Being Actioned	Not Started

- Determine the future use of the Canberra Hospital physical assets in support of the Territory Wide Health Services Framework.

Current Status	In Discussion	Being Actioned	Not Started

Tactical and Operational Management

- Introduce organisational policies, procedures and systems as well as performance standards for assets (including acquisition, disposal, etc.), maintenance and operations.

Current Status	In Discussion	Being Actioned	Not Started

- Develop an Accommodation Plan identifying all occupants, services, and areas occupied as well as any special clinical and infrastructure requirements.

Current Status	In Discussion	Being Actioned	Not Started

- Establish building asset management and maintenance plans commencing with the Critical buildings.

Current Status	In Discussion	Being Actioned	Not Started

- Adopt differential maintenance levels of service to ensure critical assets remain in better quality for longer.

Current Status	In Discussion	Being Actioned	Not Started

Knowledge Management

- Develop and implement a property (asset) data and information strategy to achieve accurate and authoritative data and information across the asset lifecycle.

Current Status	In Discussion	Being Actioned	Not Started

2. INTRODUCTION

2.1 PURPOSE

The Canberra Hospital Strategic Asset Management Plan (SAMP) sets the direction and establishes the approach, in a strategic context, to inform asset decision making and enhance the management of the hospital's asset portfolio. The SAMP identifies the management activities necessary for ensuring the assets are functional to provide better health outcomes for the community and consumers of territory health care services.

As a high-level document, the SAMP is an integral part of the hospital's overall strategic management framework, sitting between the strategic drivers of Government policies and corporate plans, and the development of specific strategies and programs for the delivery of high level and timely asset maintenance and renewal.

Any existing and future Asset Management Plans (AMPs) are complementary documents aimed at delivering the SAMP objectives. AMPs contain increased detail to determine short to medium term projections for works and services and corresponding funding requirements.

2.2 OBJECTIVES

The key objectives of the SAMP are to:

- Establish a strategic framework to inform evidence-based decision-making on the management of the Canberra Hospital Campus and property (buildings, infrastructure and car park) assets;
- Set asset management guidelines for asset acquisition, upgrade and divestment as well as user demand, levels of service, life-cycle management and funding for asset-sustainability; and
- Facilitate the delivery of the ACT Government's Territory Wide Health Services Framework and realise the Canberra Hospital's strategic and corporate goals.

2.3 DESIRED OUTCOMES

The implementation of the SAMP aims to:

- Provide for a better understanding of asset management and stakeholder issues;
- Improve the level of communication and reporting;
- Improve asset data management and asset performance monitoring;
- Enhance asset management through periodic strategic review; and
- Plan for the organisation's future requirements.

3. ORGANISATIONAL CONTEXT

3.1 HISTORY OF THE CANBERRA HOSPITAL

The Canberra Hospital is a public hospital located in Garran, Australian Capital Territory. It is a tertiary level centre with 672 beds and caters to a population of over 400,000. The hospital was formed when the Woden Valley Hospital and the Royal Canberra Hospital were amalgamated in 1991, and was renamed Canberra Hospital in 1996.

In May 1914 the Canberra Community Hospital, the first hospital for Canberra, was opened in Balmain Crescent, Acton with eight beds. Tents were used to supplement the isolation ward. There were no obstetric facilities and obstetrics patients had to travel to the Queanbeyan hospital. In 1943 a new hospital was opened on the Acton Peninsula. Construction of the building commenced in 1940. In 1942, the United States Army Medical Corps took over construction and commissioned the buildings as an American military hospital. It was a military hospital for only five months. In February 1943, the hospital buildings were handed over to the Canberra Hospital Board for the development of what in time became the Royal Canberra Hospital on Acton Peninsula.

The Woden Valley hospital buildings were constructed between 1969 and 1973 with the first patients admitted to the hospital in 1973. In 1979 the Canberra Community Hospital was renamed the Royal Canberra Hospital and services were transferred to the Woden Hospital when the Royal Canberra Hospital closed in 1991. In 1996 Woden Valley Hospital was renamed Canberra Hospital and its first IVF baby was born on 26 December 1996.

3.2 THE CANBERRA HOSPITAL TODAY

The Canberra Hospital (TCH) is an acute care teaching hospital and a tertiary referral centre that provides a broad range of specialist services to the people of the ACT and South-East NSW. It is the largest public hospital in the region, supporting a population of over 400,000, with strong links to community-based services that provide continuity of care for patients.

The Hospital has a strong national and international reputation in research and teaching, and is affiliated with a number of pre-eminent research institutions, including the internationally acclaimed John Curtin School of Medical Research at the Australian National University. It is also the principal teaching hospital of the Australian National University (ANU) Medical School and also the University of Canberra's School of Nursing.
.
Canberra Hospital is a Heath Promoting Hospital, under the auspices of the World Health Organisation (WHO). It is fully accredited by the Australian Council on Healthcare Standards and committed to providing patients with quality acute care health services.

A comprehensive range of services is delivered from the Canberra Hospital campus, including acute inpatient and day services, outpatient services and pathology services, while community-based services are provided from various venues across the ACT, as well as in people's homes.

The overall investment in health by the ACT Government today stands at $1.6 billion annually.

3.3 POPULATION GROWTH

The ACT Government's *Population Projects 2013 to 2062* projects the population of the ACT to increase to a total population of 421,839 persons by 2020. These projections propose the majority of the territory's population growth is to occur in the new development areas of Gungahlin and Molonglo, with these areas increasing by 20,500 and 10,300 persons respectively.

ACT's demographic structure by suburb has changed considerably over time as a result of the ACT Government's land release program and the introduction of new suburbs in the Territory. From 2016 to 2020, Cotter-Namadgi's population is projected to grow by 139 per cent; Gungahlin's population is projected to grow by around 19 per cent; North Canberra's population is projected to grow by 8 per cent; South Canberra's population expected to grow by 5 per cent; and Belconnen's population projected to grow by 3 per cent.

Weston Creek's population is projected to decline by 7 per cent; Tuggeranong's population to decline by 3 per cent and no population growth is expected in Woden.

In response to the increasing demand on territory health services, the ACT Government is constructing the University of Canberra Public Hospital (UCPH) to provide tailored sub-acute and rehabilitation programs and ease the pressure on the Canberra Hospital and Calvary Hospital, allowing them to focus on acute services such as emergency, intensive care and surgery. The ACT Government has also invested in a scoping study for longer term new and expanded Northside hospital facilities to meet the demands of Canberra's growing population, particularly in the northern suburbs.

3.4 HEALTH REFORM

The Health Directorate is engaged in a comprehensive reform program. Building on existing continuous improvement processes, the reform process is strengthening the delivery of health care by developing and implementing innovative solutions to address complex health issues at the systemic level. This reform seeks to improve the efficiency and quality of publicly funded health services within the ACT and is progressing strategies in alignment with the seven key themes:

- Access;
- Quality;
- Sustainability and Innovation;
- Strategic Partnerships;
- Infrastructure;
- Workforce and Culture; and
- Mental Health.

The overall Reform Program commenced in November 2015 with a focus on patient access, patient centred care and system wide improvements and is scheduled to end in 2019-20. During 2017-18, work will continue on the development of a Territory Wide Health Services Framework, which will provide the strategic framework for the planning and delivery of territory wide health services over the next decade.

4. SAMP METHODOLOGY

The methodology used to develop the Canberra Hospital SAMP is reflected in Figure 1.

Figure 1: SAMP Methodology

In summary, the process of developing the SAMP involved:

a. Collection and review of hospital asset and financial data required to underpin the preparation of a performance based Strategic Asset Management plan;
b. Conduct of an Estate Performance Assessment to determine the current state of the asset portfolio. This assessment was conducted through a series of workshops involving the hospital's executive, management, and facilities staff;

c. Delivery of a Needs Assessment to determine the future asset needs of the hospital and the asset profile required to support the organisation's strategic and operational objectives. The key output at this stage of the process is the Asset Management (AM) objectives;
d. Completion of a Gap Analysis to identify the strategies required to modify the profile of the current asset portfolio to meet organisational future needs of the organisation as defined in the AM objectives; and
e. Conduct of a Gap Analysis and completion of the subsequent activities of risk assessment, strategy development, options and financial summary to provide the ACT Health with options to enable the alignment of the Canberra Hospital asset portfolio with organisational and strategic objectives.

5. LIMITATIONS

The assessment, analysis and data modelling undertaken for the Canberra Hospital SAMP was dependent on the quality of data provided, both in document form as well as data collected through workshops and one-on-one meetings. It is anticipated that as the SAMP process is implemented, continuous improvements will occur including data quality and availability culminating in improved processes and an increasingly accurate Canberra Hospital SAMP.

This evolutionary process is an important one as it augments the existing asset management in-house capacity and capability through information sharing and exchange. It also assists the organisation to move closer to a world's best practice model for asset management to underpin the realisation of its strategic objectives and delivery of better health outcomes.

For this SAMP, the Gross Floor Areas (GFAs) and asset age data was provided by ACT Health. The Asset Replacement Values (ARVs) are indicative only. ARVs for Buildings were sourced from Strategic Finance (Capital Works), dated 14 July 2017. ARVs for Infrastructure were not provided at the time of this SAMP development and as such were calculated using current industry asset replacement rates. ACT Health also provided the data for the current and historical maintenance expenditure. This data should be treated as indicative only as the data required cleansing in an attempt to isolate both expenditure for repairs and maintenance, as well as expenditure for the Canberra Hospital. At the time of preparing this SAMP, the final repairs and maintenance budget for FY2017/18 was not available.

6. ASSET PROFILE

6.1 SCOPE

The scope for the Canberra Hospital SAMP comprised the hospital's buildings including over ground / underground links, car parks and key infrastructure. A summarised scope is as follows:

Table 1: SAMP Asset Scope

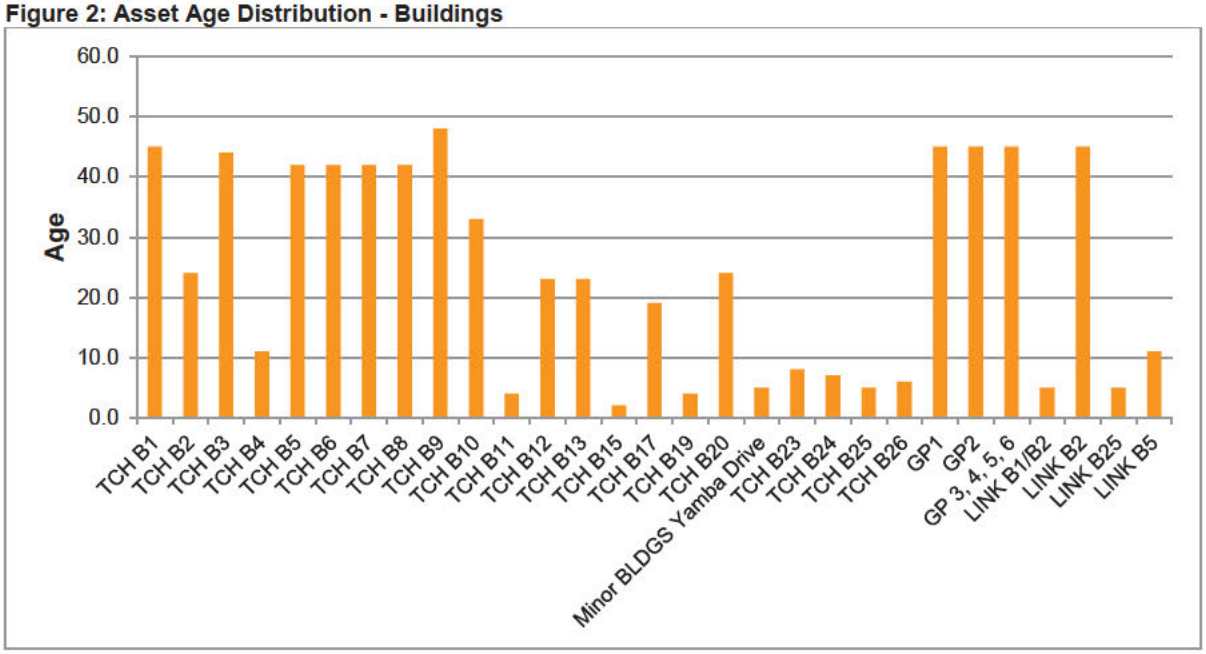
Asset Type	No. of Buildings/Assets	Gross Floor Area (GFA)	Asset Replacement Value (ARV) Note 2
Buildings Note 1	28	206,870m^2	[redacted]
Infrastructure	13	-	
Car Parks	14	-	

Notes:
1. Includes the Southern Car Park.
2. ARVs for Buildings were sourced from Strategic Finance (Capital Works), dated 14 July 2017. ARVs for Infrastructure were not provided at the time of this SAMP development and as such were calculated using current industry asset replacement rates.

6.2 AGE PROFILE

An important and fundamental requirement of the SAMP is the examination of the current state of the asset portfolio with the primary indicator being the age profile of the assets on the hospital campus.

Figure 2: Asset Age Distribution - Buildings



Based on the asset age data and associated information provided by ACT Health, the analysis suggests:

Buildings:

- 13 buildings, representing 46% of the total hospital buildings will reach end of life within the next 10 years. 2 of the 13 buildings are Critical Assets and represent 22% of the total GFA. Note that this assessment excludes the quantum of works undertaken on these buildings to extend the asset life.
- 32% of the total buildings have an age profile of less than 10 years.
- 18% of the buildings will require or already require a mid-life refit.

Car Parks:

- Limited age profile data was available for on grade car parks. An assumption was made that these car parks were constructed in parallel to adjacent buildings; and have been subject to regular renewal and upgrade.

Infrastructure:

- Similarly, the availability of age profile data for infrastructure was limited, however an assumption was made that the majority of infrastructure was constructed in parallel to the early hospital buildings.
- Average age of infrastructure services is 32 years.
- 62% of the infrastructure services are expected to reach end of life in 20 to 25 years and almost three-quarters are critical assets.
- A review of the Annual Reports and historical CUPs data indicates that the campus infrastructure has been subject to regular renewal and upgrade through programs including the Northern Precinct Early Infrastructure Works (NPEIW), Southern Precinct

Early Infrastructure Works (SPEIW) and Continuity of services of existing infrastructure (COSEI).

6.3 SPACE PROFILE

A space distribution profile quantifying asset use and function has not been produced for this SAMP as detailed floor plans, measurements and service level space data were either not available or difficult to obtain during the data collection period.

7. ESTATE PERFORMANCE ASSESSMENT

7.1 SCOPE OF ASSESSMENT

The effective management of an asset portfolio is underpinned by a robust and consistent performance assessment framework comprising a set of performance measures. The Canberra Hospital SAMP references the Queensland Government Building Asset Performance Framework (BAPF) for building performance assessment as it provides a platform for developing informed, effective and outcome focussed asset management plans.

For the purposes of this SAMP, an Estate Performance Assessment (EPA) was undertaken to prepare the SAMP with the assessments completed using a desktop approach involving a series of workshops attended by key Canberra Hospital and ACT Health management and staff.

The performance framework used for the SAMP and extent of assessments is outlined below.

Table 2: SAMP Performance Framework

BAPF Performance Indicator	SAMP Indicator	Extent of Performance Assessment
Location	Location	• All ACTH owned buildings, car parks and infrastructure
Condition	Condition	• All ACTH owned buildings, car parks and infrastructure
Functionality	Functionality	• All ACTH owned buildings, car parks and infrastructure
Remaining Life	Remaining Life	• All ACTH owned buildings, car parks and infrastructure
Capacity	Capacity	• ACT Health Annual Report key performance indicators were used to assess capacity and utilisation, minimising any additional effort required for future SAMP development and update.
Utilisation	Utilisation	
Financial	Operating Cost	• Analysis undertaken at high level only.
	Maintenance Capital Renewal	• All buildings, car parks and infrastructure, noting there was not an authoritative set of TCH maintenance expenditure provided. Furthermore, the maintenance expenditure provided did not contain separate data for corrective / preventive maintenance. At the time of developing the SAMP, the FY2018/19 Maintenance budget was not available. • CUPS expenditure was used for capital renewal.
Legislative Compliance	Legislative Compliance	• All buildings, analysis undertaken at high level only.
Environmental	Environmental	• High level assessment of energy, gas and water consumption including benchmarking against other health jurisdictions.
Significance	Asset Priority	• All ACTH owned buildings, car parks and infrastructure.

7.2 ASSESSMENT METHODOLOGY

The EPA follows the process illustrated at Figure 3.

7.3 ASSET PRIORITY INDEX AND LEVELS OF SERVICE

The assessed API distribution for the hospital's assets are shown in Figures 4 to 6. Each asset has been rated from 1 (lowest) to 5 (highest) for each category; and each category is assigned a priority weighting; Strategic Alignment (40%), Intradependency (20%, Interdependency (20%) and Consequence (20%).

Table 3: Asset Priority Levels

Asset Priority Level	Asset Priority Description
4.0 – 5.0	Critical Asset
3.0 – 4.0	High Priority Asset
2.0 – 3.0	Priority Asset
1.0 – 2.0	Low Priority Asset
0.0 – 1.0	Surplus Asset

Levels of Service (LoS) are intrinsically linked to API as assets of a higher priority will typically require higher levels of service. Similarly, opportunities may exist to realise efficiencies from reducing levels of service for low priority assets.

- **Maintenance Levels of Service** is the degree to which key assets are maintained e.g. preventive maintenance, corrective maintenance, legislative maintenance, etc.

- **Other Levels of Service** includes services such as cleaning, security, energy consumption and water consumption, etc.

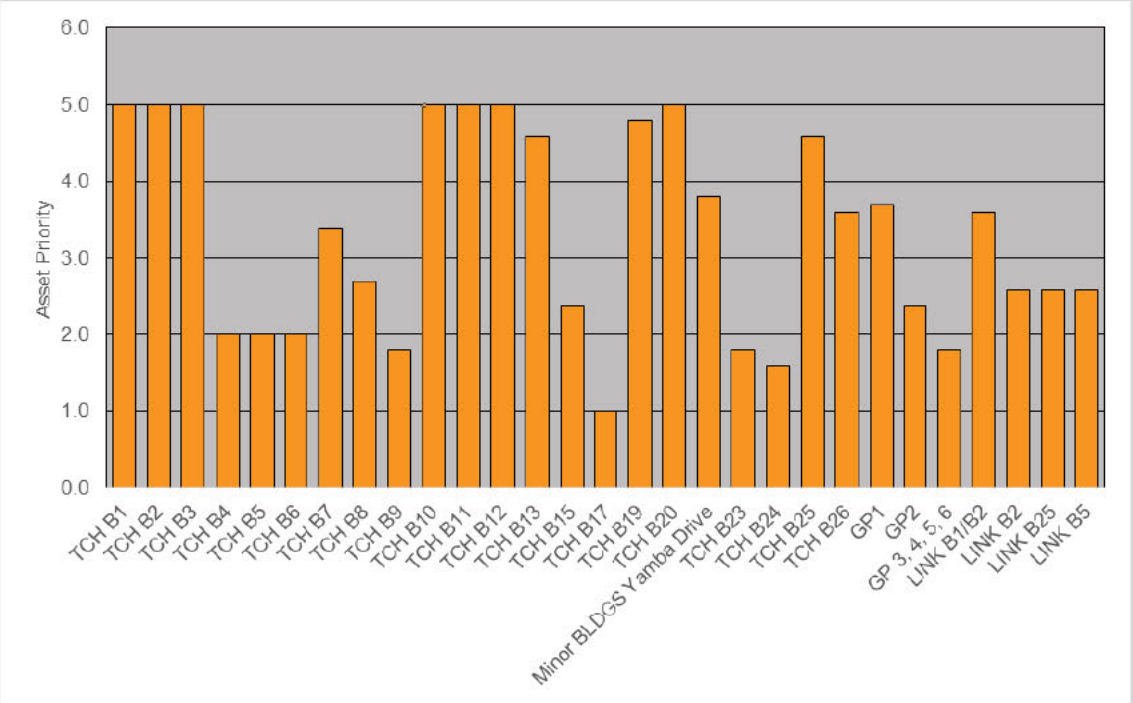
Table 4: Asset Priority Levels

Level of Service	Category	Description
5 – Mission Critical	All recommended maintenance programs scheduled and performed. Little responsive maintenance as items are replaced to prevent failure.	Asset to be in best possible condition. Only minimal deterioration will be tolerated.
4 - Important	A well developed and comprehensive maintenance program addressing all building elements.	Asset to be in good condition operationally and aesthetically, benchmarked against industry standards for that particular class of asset.
3 - Useful	Some priority preventive maintenance programs with an appropriate response to reactive maintenance.	Assets to be in fair condition operationally.
2 - Supportive	Little preventive maintenance focusing on statutory requirements. Significant reactive maintenance.	Conditions need to meet minimum operational requirements only.
1 – Surplus Asset	The minimum level of service required to sustain operation of the building. The focus is on continuing operation of critical systems.	Conditions can be allowed to deteriorate and are only marginally maintained to meet minimum statutory requirements only.

Figure 4 provides the assessment results for the hospital buildings. The results indicate:

- 10 buildings, representing 60% of the total GFA are Critical Assets;
- 4 buildings, representing 27% of the total GFA have a High Asset Priority;
- Remaining buildings, representing 13% of the total GFA are either Priority or Low Priority Assets; and
- Over half of the total buildings require 'Mission Critical / Important' levels of maintenance service.

Figure 4: API Buildings



The assessment results for the hospital's car parks, provided in Figure 5, indicates that all car parks are assigned as Low Priority assets with Supportive levels of maintenance service.

Figure 5: API Car Parks

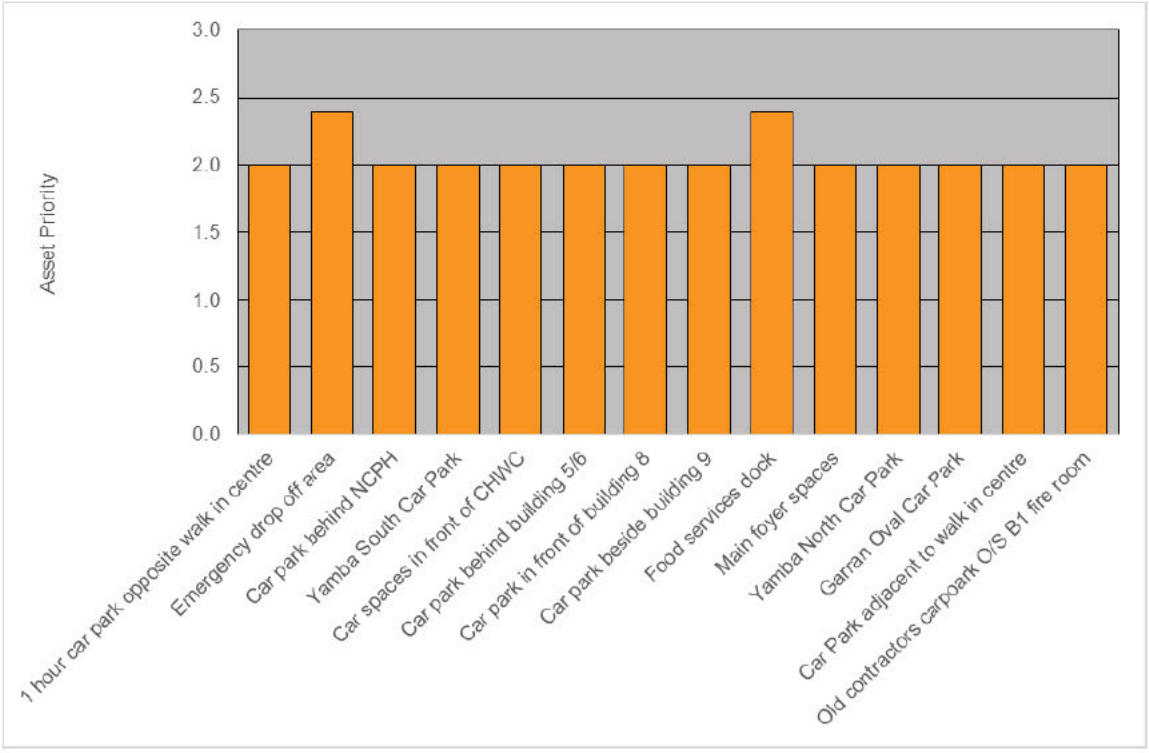
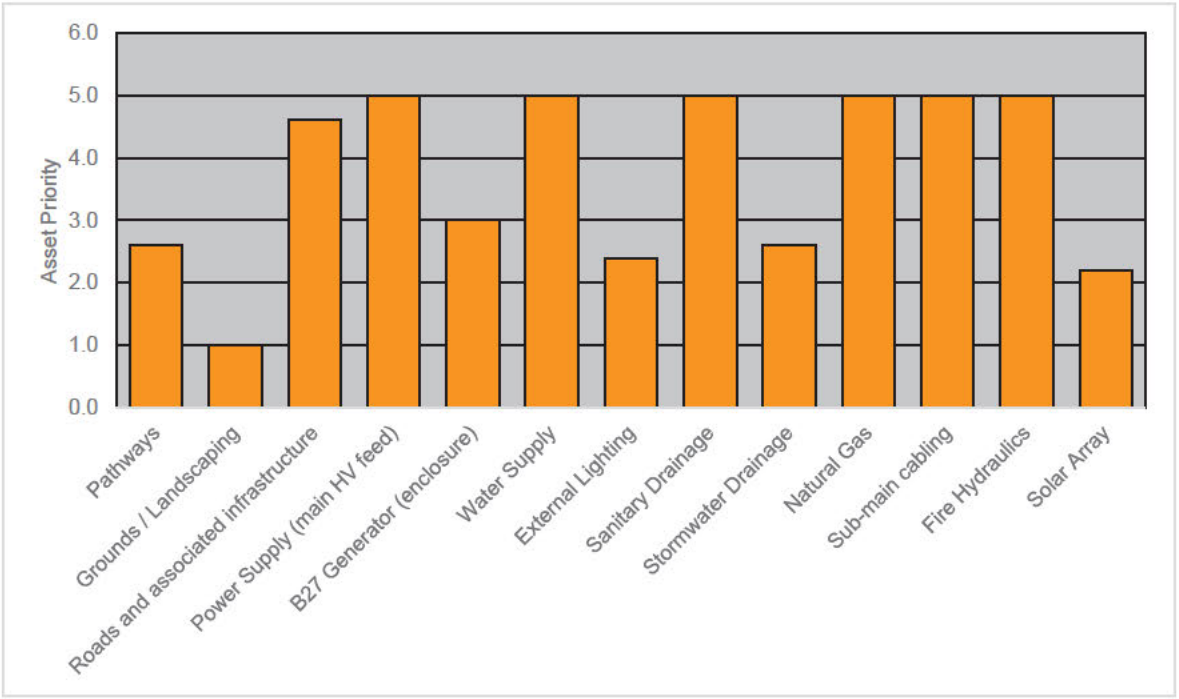


Figure 6 provides the assessment results for Infrastructure, indicating that 54% of the total infrastructure is assigned as a Critical asset requiring Mission Critical / Important levels of maintenance service.

Figure 6: API Infrastructure



A summary of the Levels of Service Assessment is provided in Table 5.

Table 5: Levels of Service Building Assessment Summary

Rating	Description	GFA (m2)	% GFA
5.0	Mission Critical	26,270	12.70%
4.0 – 4.9	Important	98,256	47.50%
3.0 – 3.9	Useful	22,762	11.00%
1.1 – 2.9	Supportive	59,532	28.78%
1.0	Surplus Asset	50	0.02%

An assessment to identify any financial impact from implementing the above Levels of Services cannot be completed at present and would require detailed information on the current levels of service for all assets. However, experience has shown that organisations attempt to conduct comprehensive maintenance regimes on all assets; including assets of low priority. The implementation of Levels of Service targeted to each building in the asset portfolio usually results in the more efficient and effective management of the asset portfolio and improved resource allocation.

Detailed information on the allocation of Asset Priority Index and Levels of Service for the Canberra Hospital Portfolio is provided at Table 6.

Table 6: API and LoS Allocations – Buildings, Car Parks and Infrastructure

Asset	GFA (m2) / No. of Car Parks	ARV	API Weighted	Asset Priority Description	Assigned LoS	Level of Service Description
Building 1	27,970					
Building 2	5,960					
Building 3	17,390					
Building 4	4,115					
Building 5	8,230					
Building 6	4,170					
Building 7	1,260					
Building 8	660					
Building 9	740					
Building 10	10,250					
Building 11	19,200					
Building 12	20,310					
Building 13	7,980					
Building 15	4,130					
Building 17	50					
Building 19	7,980					
Building 20	1,650					
Minor Buildings – Yamba Drive	400					
Building 23	1,810					
Building 24	1,332					
Building 25	5,436					
Building 26	53,000					
GP1	1,727					
GP2						
GP 3,4,5, 6						
TCH B1/B12 to B10/B11 LINK BRIDGE	570					
TCH B2 to B5/B6 (Tunnel)	500					

Asset	GFA (m2) / No. of Car Parks	ARV	API Weighted	Asset Priority Description	Assigned LoS	Level of Service Description
Level 4 of Southern Car Park to B25 LINK BRIDGE	43					
TCH B5-B4 LINK	7					
1 hour car park opposite walk in centre	38					
Emergency drop off area	12					
Car park behind NCPH	91					
Yamba South Car Park	561					
Car spaces in front of CHWC	22					
Car park behind building 5/6	36					
Car park in front of building 8	21					
Car park beside building 9	15					
Food services dock	3					
Main foyer spaces	7					
Yamba North Car Park	138					
Garran Oval Car Park	79					
Car Park adjacent to walk in centre	12					
Old contractor's car park O/S B1 fire room	5					
Pathways	-					
Grounds / Landscaping	-					
Roads and associated infrastructure	-					
Power Supply (main HV feed)	-					
B27 Generator (enclosure)	-					
Water Supply	-					
External Lighting	-					
Sanitary Drainage	-					
Stormwater Drainage	-					
Natural Gas	-					
Sub-main cabling	-					
Fire Hydraulics	-					
Solar Array	-					

7.4 CAPACITY AND UTILISATION

[redacted]

The following table provides an example of the potential savings that can be realised through the efficient management of space for an asset portfolio of $1Billion.

[redacted]

A detailed Capacity Assessment was not completed for this SAMP, due to core data not being available at the time of SAMP development. Core data would include floor plans, detailed space data; and occupant / function information. However, capacity and utilisation measures already exist and are assessed as part of the ACT Health Annual Report. [redacted]

The Australasian Health Facilities Guidelines contain comprehensive planning information including space standards by functional area for each of the health planning units and functional areas.

7.5 CONDITION

Another key facilities portfolio performance parameter is the condition of assets. Under-investment in maintenance often leads to significant deterioration of the asset portfolio to the point where the asset no longer meets the needs of the organisation. The condition of the asset portfolio is assessed to gauge the level of deterioration and identify any issues. However, the condition assessment is more than just making a list of maintenance defects to drive a deferred maintenance program. It is a vital tool that supports effective asset planning and management by providing an overview of the comparable condition of assets within the portfolio that can be consistently applied.

The condition assessment should also be used to:

- evaluate the adequacy of existing maintenance and capital funding;
- analyse portfolio and asset condition trends;
- develop a consist format for reporting of condition within an organisation and to the various levels of Government;
- support the development of effectively targeted and prioritised maintenance programs;
- identify current maintenance liabilities and emerging maintenance issues;
- assess the effectiveness of prevailing maintenance strategies; and
- support the strategic asset planning processes by providing enhanced information on current performance and future liabilities.

Table 8: Condition Ratings

Condition Performance Standard	Condition Standard	Target Rating
Excellent	Asset has no defects; condition and appearance are as new.	5
Good	Asset exhibits superficial wear and tear, minor defects, minor signs of deterioration to surface finishes; does not require major maintenance; no major defects exist.	4
Fair	Asset is in average condition; deteriorated surfaces require attention; services are functional, but require attention; backlog maintenance work exists.	3
Poor	Asset has deteriorated badly; serious structural problems; general appearance is poor with eroded protective coatings; elements are defective, services are frequently failing; and a significant number of major defects exist.	2
Very Poor	Asset has failed; is not operational and is unfit for occupancy or normal use.	1

The overall Condition Assessment results for the Canberra Hospital indicate:

- 50% of the hospital's buildings, representing 75% of the Total GFA is assessed as being in an overall Good or better condition; while 25% of the hospital's buildings, representing 16% of the Total GFA is in a Fair condition (refer Table 9);
- 100% of the hospital's car parks are assessed as being in an overall Fair or better condition (refer Table 10); and
- 62% of the hospital's infrastructure services are assessed as being in an overall Good or better condition, while 23% of the services are assessed as being in an overall Fair condition (refer Table 11).

Figure 7: Overall Condition Rating - Buildings

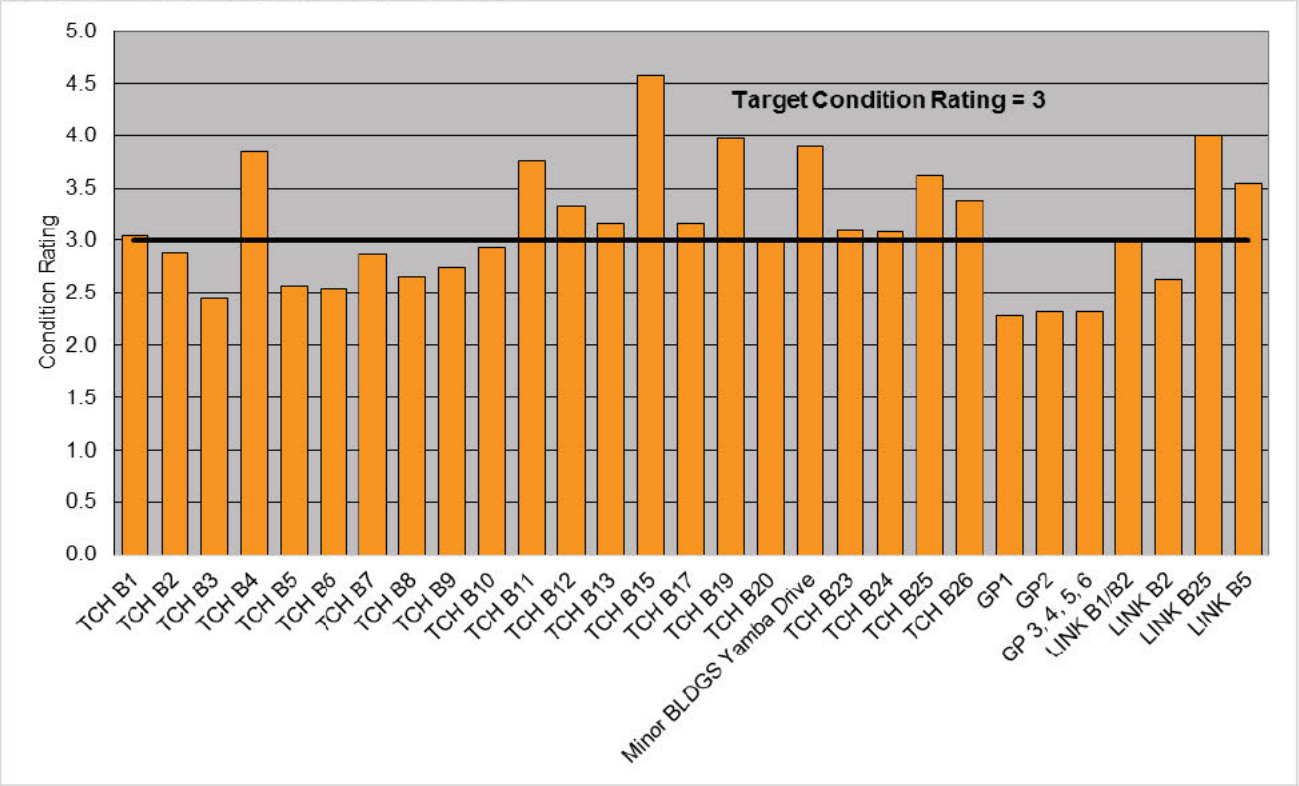


Table 9: Overall Condition Assessment – Buildings

Rating	Description	No of Buildings	GFA (m2)	% No of Building	% GFA
>4.0	Excellent	2	12,153	7%	6%
3.9 - 3.0	Good	12	143,260	43%	69%
2.9 - 2.5	Fair	7	32,340	25%	16%
2.4 - 2.0	Poor	7	19,117	25%	9%
<2.0	Very Poor	0	0	0	0
Total		***28***	***206,870***	***100%***	***100%***

Figure 8: Overall Condition Rating - Car Parks

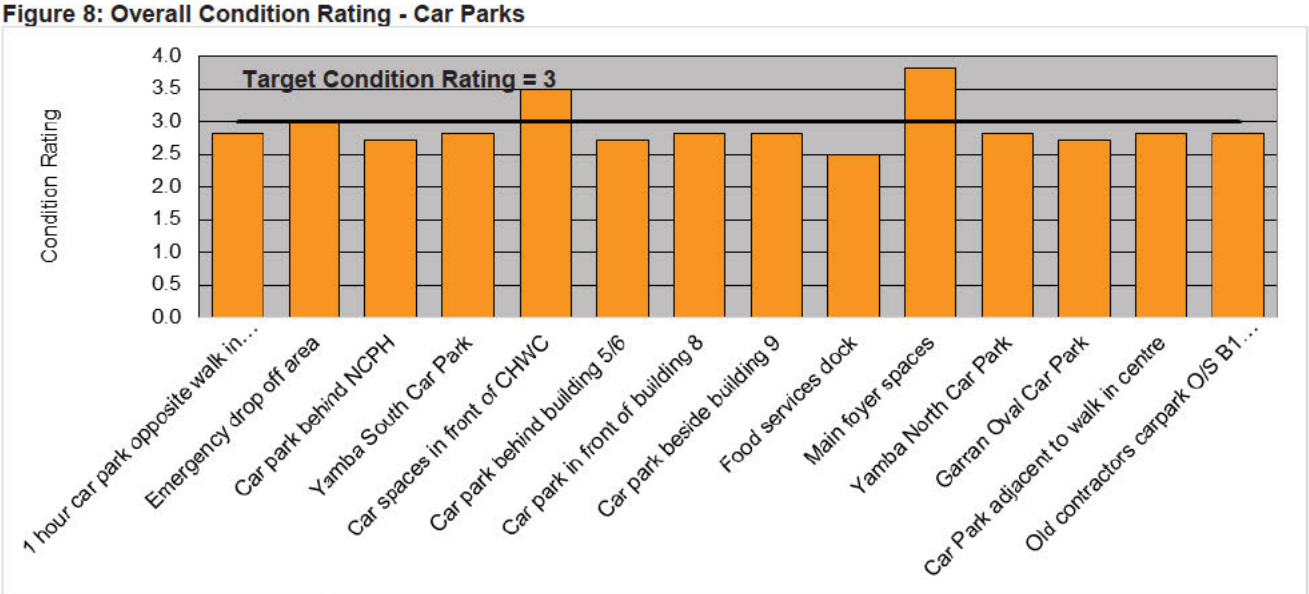


Table 10: Overall Condition Assessment – Car Parks

Rating	Description	No of Car Parks	% No of Car Parks
>4.0	Excellent	0	0%
3.9 - 3.0	Good	3	4%
2.9 - 2.5	Fair	11	96%
2.4 - 2.0	Poor	0	0%
<2.0	Very Poor	0	0%
Total		***14***	***100%***

Figure 9: Overall Condition Assessment – Infrastructure

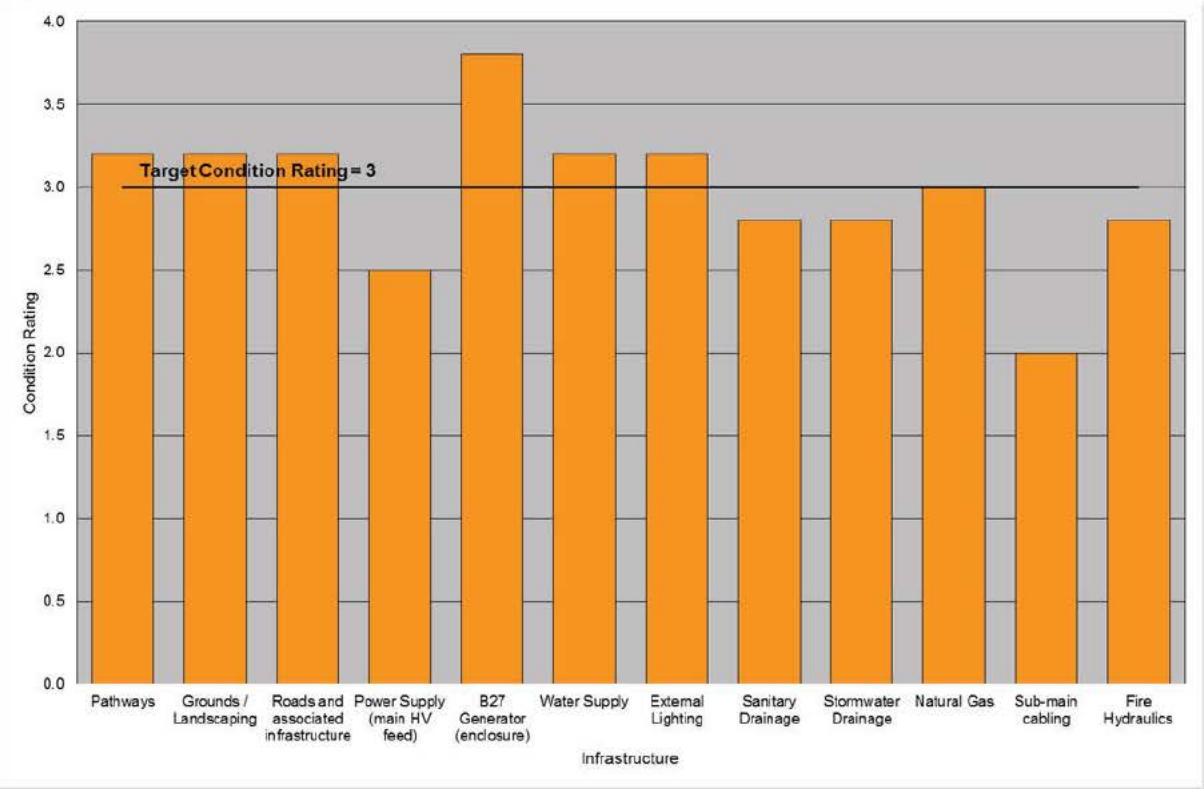
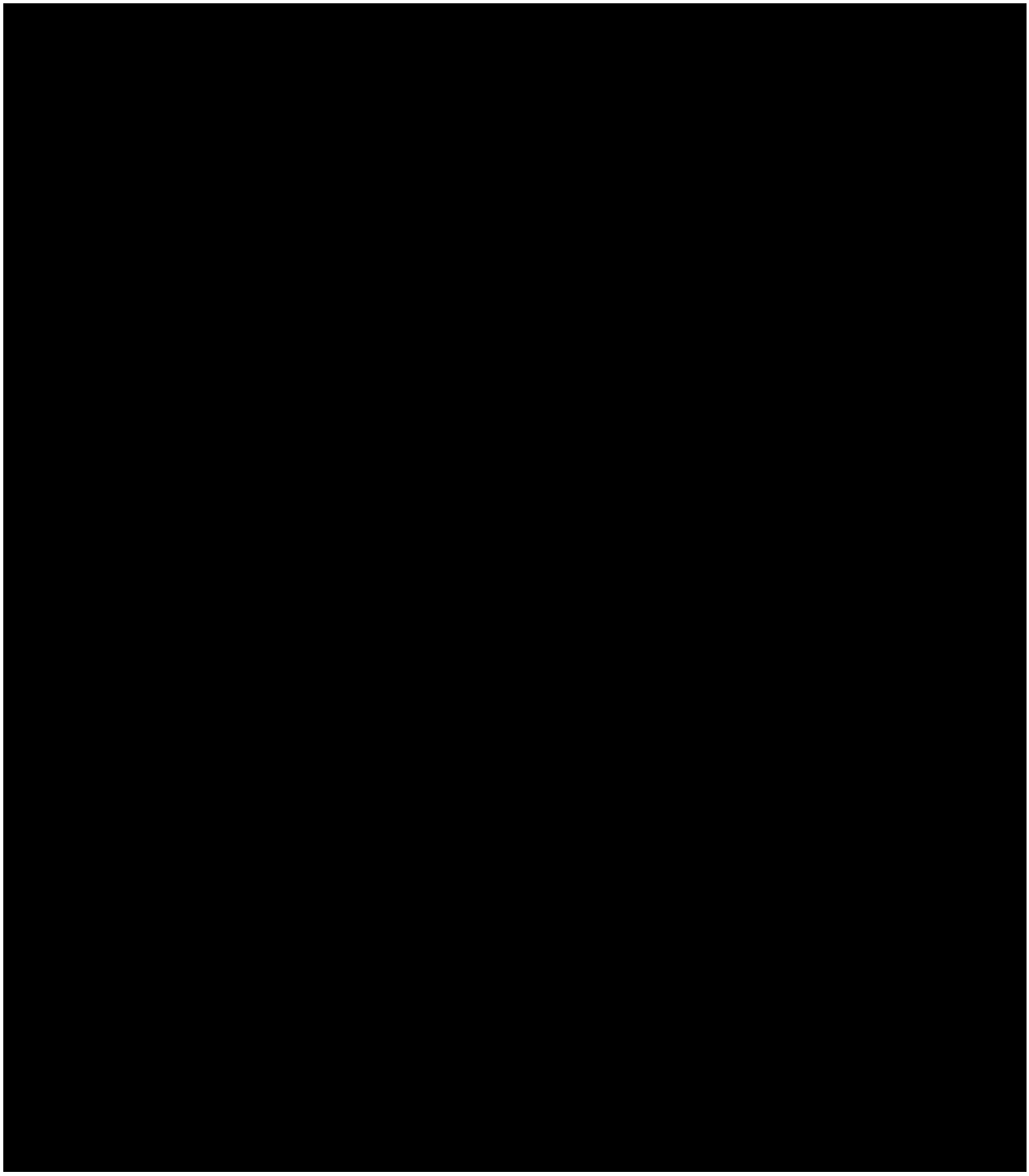


Table 11: Overall Condition Assessment – Infrastructure

Rating	Description	No of Infrastructure Items	% No of Infrastructure Items
>4.0	Excellent	1	8%
3.9 - 3.0	Good	7	54%
2.9 - 2.5	Fair	3	23%
2.4 - 2.0	Poor	2	15%
<2.0	Very Poor	0	0%
Total		***13***	***100%***

7.6 FUNCTIONALITY



The Functionality Assessment adopts a similar rating scale to the Condition Assessment in that the overall functionality of an asset is rating between 0 and 5, where 0 represents very poor functionality and 5 represents excellent functionality.

The overall Functionality Assessment results for the Canberra Hospital indicate:

- 32% of the hospital's buildings, representing 29% of the Total GFA are assessed as having an overall Good or better functionality with 65% of the buildings recording an overall Fair functionality. No buildings were assessed as having Very Poor functionality (refer Table 12);
- 99% of the hospital's car parks are assessed as having an overall Fair or better functionality, with 96% of car parks recorded as having Good functionality (refer Table 13); and
- 70% of the hospital's infrastructure is assessed as having an overall Good or better functionality, with 7% assessed as having an overall Fair functionality; while 23% of the infrastructure services assessed as having Poor functionality (refer Table 14).

Figure 11: Overall Functionality Assessment - Buildings

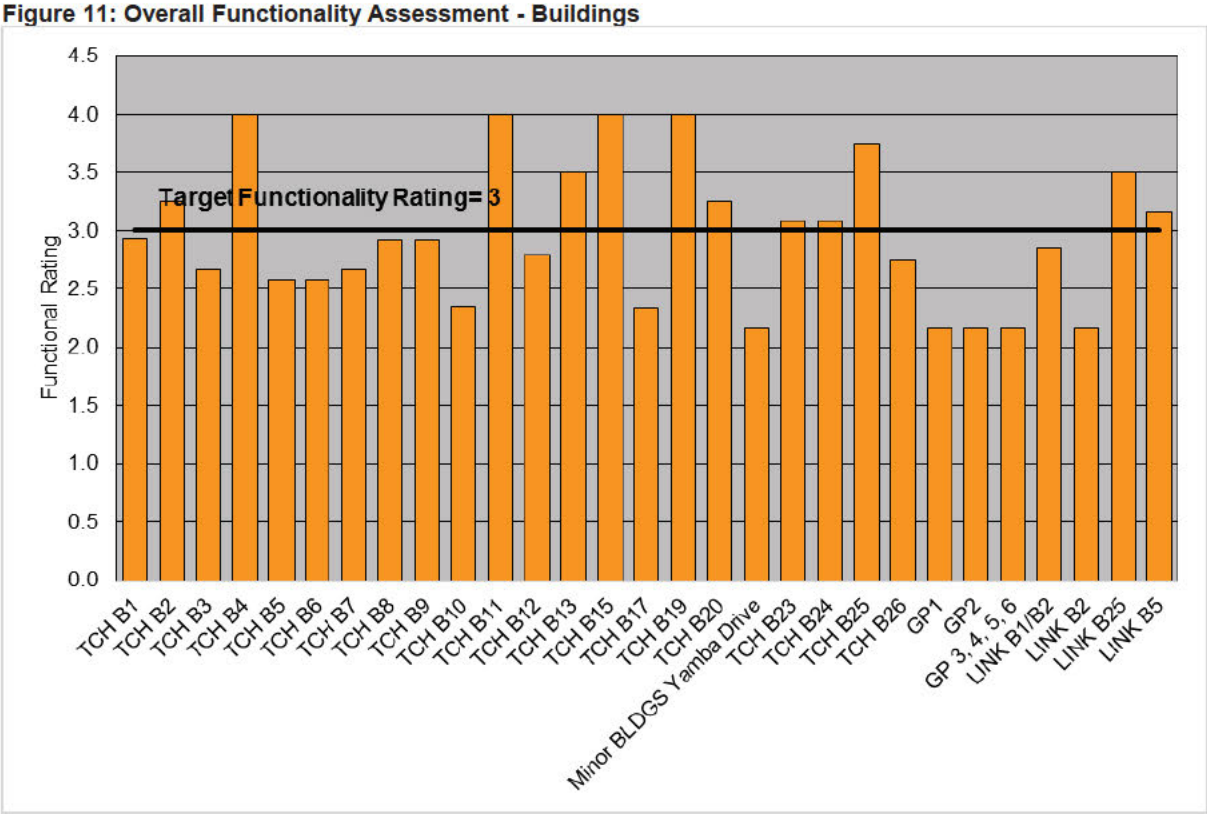


Table 12: Overall Functionality Assessment – Buildings

Rating	Description	No of Buildings	GFA (m2)	% No of Building	% GFA
>4.0	Excellent	3	35,425	11%	17%
3.9 - 3.0	Good	6	24,218	21%	12%
2.9 - 2.5	Fair	10	134,300	36%	65%
2.4 - 2.0	Poor	9	12,927	32%	6%
<2.0	Very Poor	0	0	0%	0%
Total		***28***	***206,870***	***100%***	***100%***

Figure 12: Overall Functionality Assessment - Car Parks

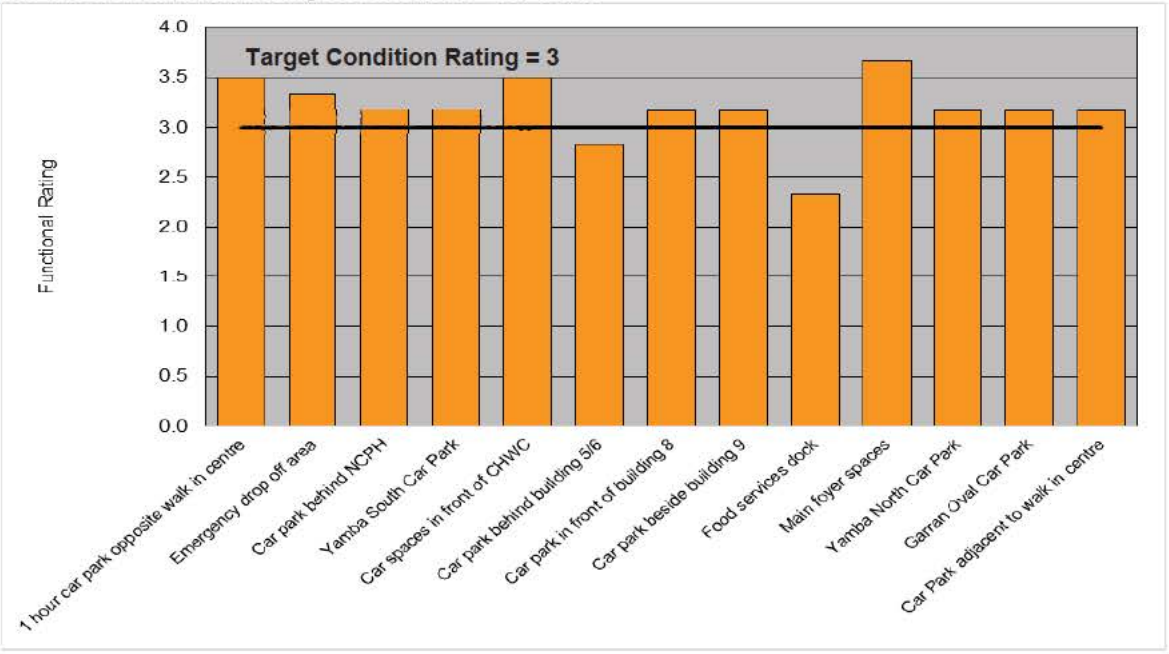


Table 13: Overall Functionality Assessment – Car Parks

Rating	Description	No of Car Parks	% No of Car Parks
>4.0	Excellent	0	0%
3.9 - 3.0	Good	12	96%
2.9 - 2.5	Fair	1	3%
2.4 - 2.0	Poor	1	1%
<2.0	Very Poor	0	0%
Total		***14***	***100%***

Figure 13: Overall Functionality Assessment - Infrastructure

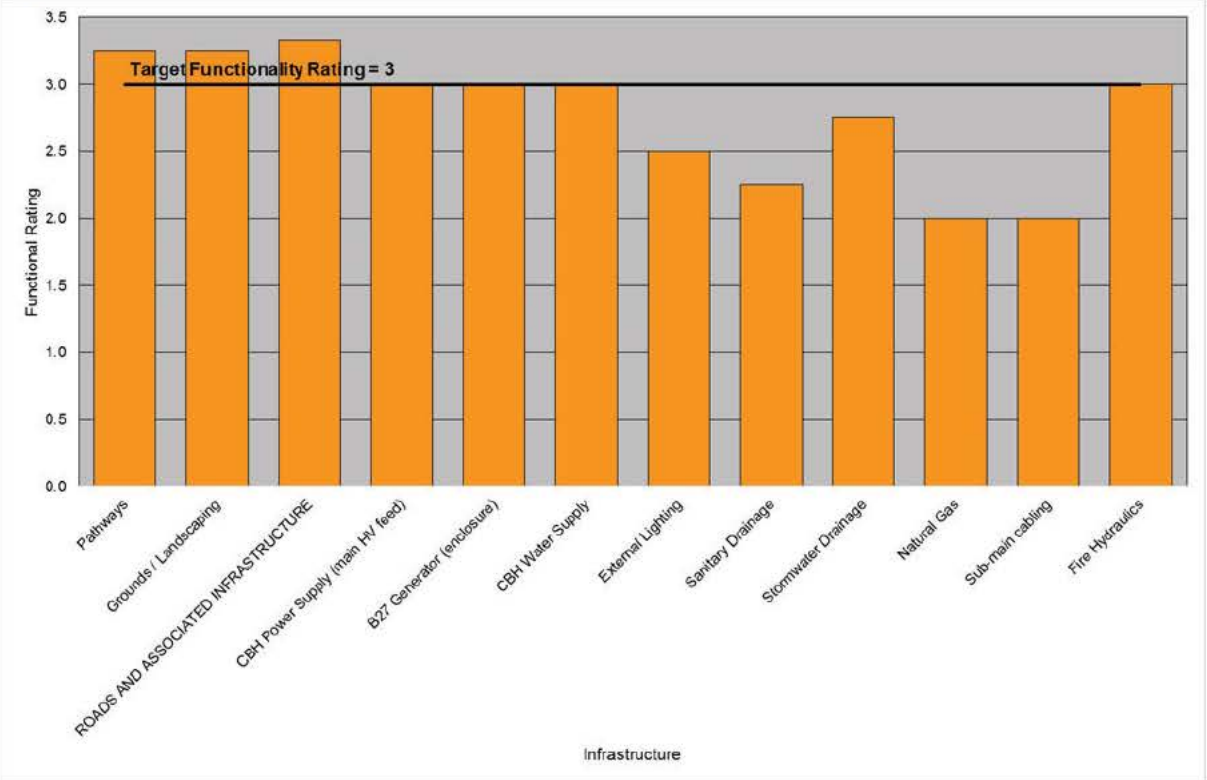


Table 14: Overall Functionality Assessment – Infrastructure

Rating	Description	No of Infrastructure Items	% No of Car Parks
>4.0	Excellent	1	7%
3.9 - 3.0	Good	8	63%
2.9 - 2.5	Fair	1	7%
2.4 - 2.0	Poor	3	23%
<2.0	Very Poor	0	0
Total		***13***	***100%***

7.7 QUALITY

[redacted]

The modelling indicates that the overall quality of the Canberra Hospital buildings is consistent with the individual condition and functionality assessment results, residing largely across the 3 quadrants of:

- Good Condition / Good Functionality;
- Good Condition / Poor Functionality; and
- Poor Condition / Poor Functionality.

[redacted]

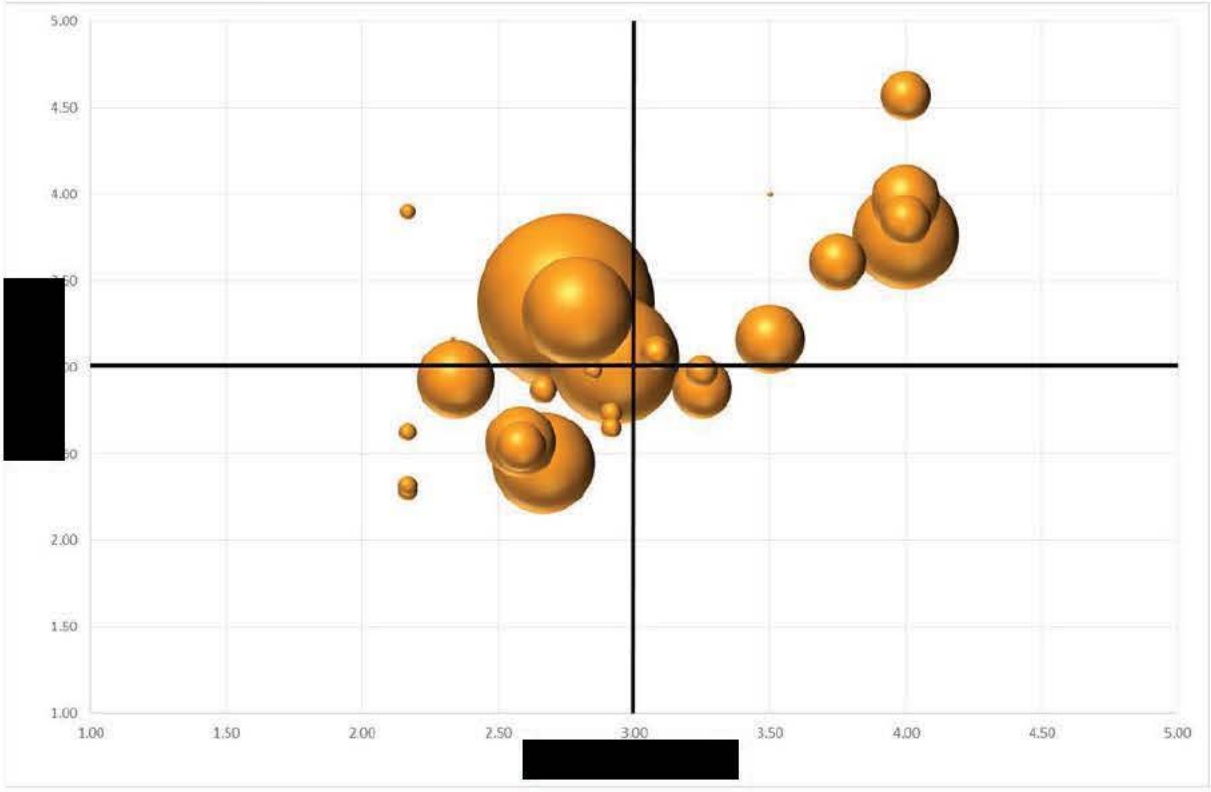
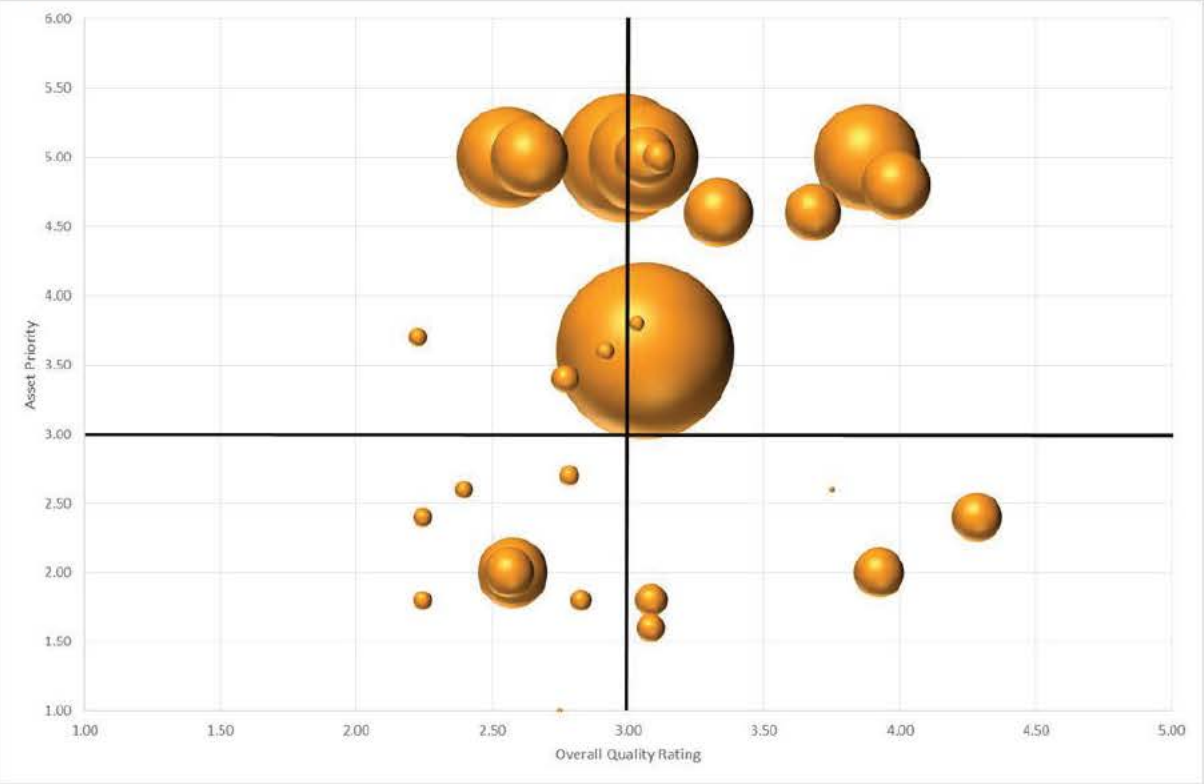


Figure 15 demonstrates the relationship between the Asset Priority Index (API) and the Overall Quality Rating (OQR). [redacted] The modelling indicates that the majority of GFA reside in the 2 quadrants of:

- Critical, High Priority & Priority Asset / Fair to Excellent condition; and
- Critical, High Priority & Priority Asset / Poor to Fair condition.

There is a relatively smaller volume of GFA residing in the quadrants suggesting lower priority assets and poor to fair condition.

Figure 15: API v OQR



7.8 REMAINING USEFUL LIFE

It is generally recognised that the performance of an asset declines with usage over time. To determine the probability of failure for a given asset, it is important to determine w*hen and how that asset's useful life can be expected to end.* This determination sets the stage for estimating the remaining useful life of the asset.

There are a number of definitions for end of asset life used across different sectors for different purposes. These include:

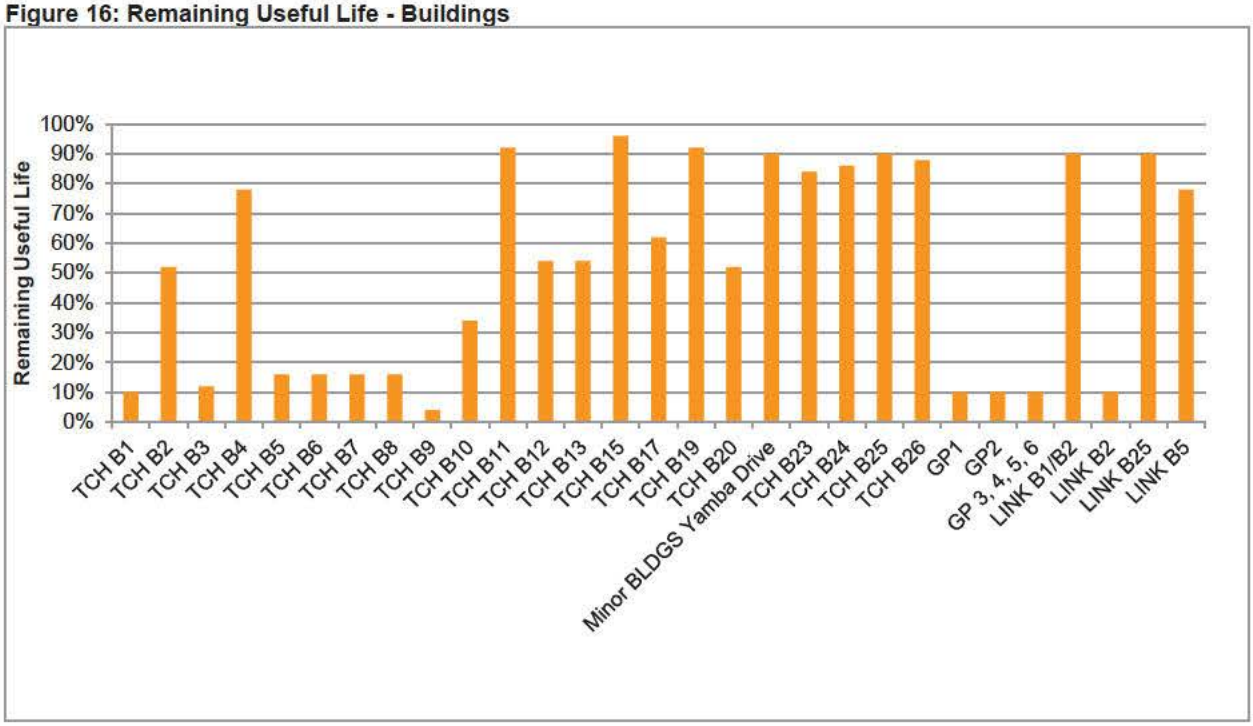
- **End of financial life** – when an asset is fully financially depreciated on the "books";
- **End of physical life** – when an asset is physically non-functioning (e.g. failed, collapsed, stopped working);
- **End of service level life** - when an asset can no longer do functionally what customers/stakeholders require it to do because what is now required exceeds the designed functionality of the asset. This is also known as functional obsolescence;
- **End of capacity life** – when the volume of demand placed on an asset exceeds its design capability; and
- **End of economic life** – when asset cease to be the lowest cost alternative to satisfy a specified level of performance or service level. The end of economic life embraces such terms as "financial efficiency", "business efficiency", and "efficiency.

The assessment used in this SAMP relates to Remaining Effective Life, determined from the most imminent trigger among the four asset life triggers; service level life, capacity life, physical life and economic life. [redacted]

Based on the original construction date and not the quantum of works completed to extend the asset's life:

- 46% of the buildings will reach end of life within the next 10 years;
- 18% of the buildings will require or about to require a mid-life refit; and
- 36% of the buildings have a remaining asset life of 30 years or more.

Figure 16: Remaining Useful Life - Buildings



7.9 ENVIRONMENTAL SUSTAINABILITY

Energy and Water Data

The data provided to conduct the Environmental Performance Assessment of the hospital's built assets included:

- Monthly electricity meter reports from 35 meters from June 2016 to June 2017, provided by Siemens;
- Monthly gas meter reports from 24 meters from June 2016 to June 2017, provided by Siemens;
- Monthly water meter reports from 16 meters from June 2016 to June 2017, provided by Siemens; and
- Summary of definitive data provided by ACT Health.

The data assessed provides a reasonable account of current and recent utility consumption rates and sustainability performance across the Canberra Hospital. However, there are also a number of data gaps due to un-metered buildings. It is recommended that ACT Health meter each of the buildings individually for electricity, gas and water consumption to enable closer monitoring and management of the hospital's utilities consumption. Similarly, the assessment would be enhanced if the equivalent data was provided for past years for trend analysis to determine the patterns of consumption across the hospital's campus over time.

Annual Energy and Water Consumption

a. Energy

Table 15: Annual Electricity, Gas Consumption and Carbon Emissions

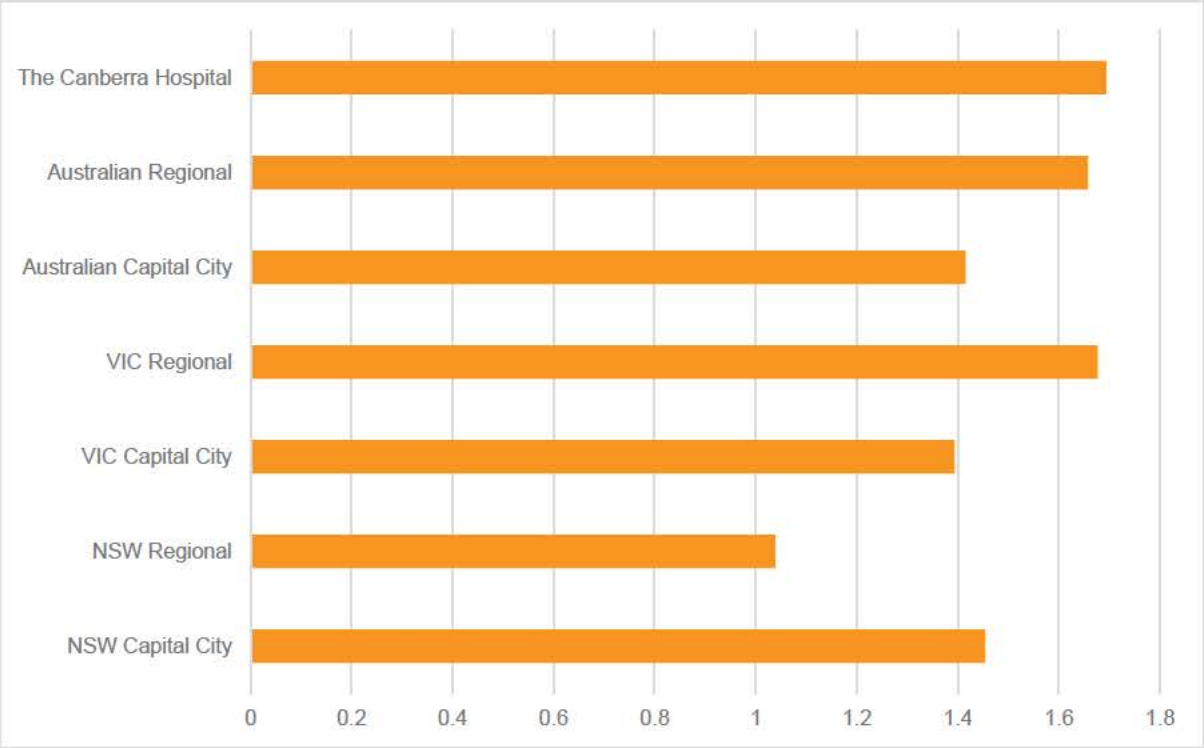
Year	Electricity Consumption (kWh)	Gas Consumption (GJ)	Carbon Emissions (T CO^2-e)
Jun 2016 – Jun 2017	139,072,448	1,910,757	231,275

Table 16: Annual Electricity, Gas and Carbon Emission Intensities

Year	Electricity Intensity (kWh/m^2)	Gas Intensity (GJ/m^2)	Carbon Emission Intensity (T CO^2-e/m^2)
Jun 2016 – Jun 2017	977	11	2.14

A comparison of average energy intensity by key States, Territory and Regions sourced from the Council of Australian Governments, Baseline Energy Consumption and Greenhouse Gas Emissions Report, November 2012, found that TCH's average energy intensity of 1.694 GJ/m^2, falls within the range recorded by hospitals in similar geographic and climatic locations.

Figure 17: Average Energy Intensity by Key States, Territories and Region (MJ/m2.a)

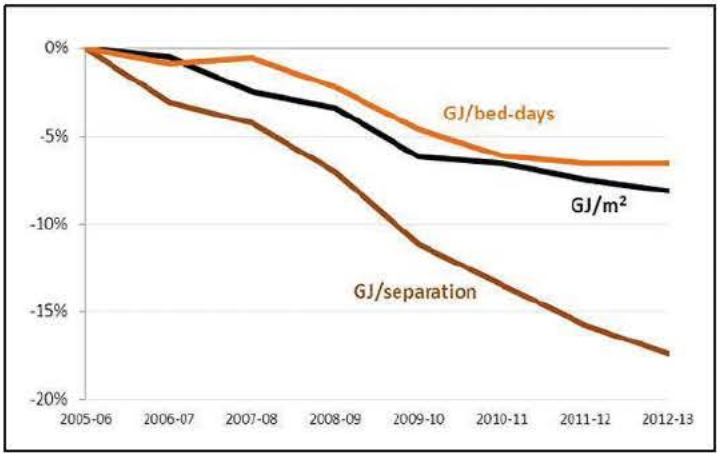


Under the National Greenhouse and Energy Reporting (NGER) Act of 2007, the reporting of direct emissions burned on-site such as natural gas (Scope 1) and indirect emissions through the usage of grid electricity (Scope 2) is required. Scope 3 emissions are indirect emissions that fall outside of the organisational boundary such as staff air travel. It is recommended that ACT Health align carbon emissions accounting practices to NGER requirements. The annual scope 1 and 2 emissions from electricity and gas consumption at the hospital totalled 231,275 Tonnes of Carbon Dioxide Equivalent (T CO^2-e) over the assessed period.

The Victorian Department of Health and the South Australian Department of Health and Ageing have adopted these energy efficiency measures to monitor and report on their performance:

Energy use	Vic	SA
• per separation	✓	✗
• per bed day	✓	✓
• per square metre	✓	✓
• per FTE	✗	✓

Source: Audit Office of New South Wales research.



This table represents the change in Victorian Public Hospitals' energy intensity.

The NSW Auditor-General Report to the NSW Parliament regarding building energy use in NSW Public Hospitals recommends:

- performance trends at all levels should be compared on a rolling three years basis as practices generally do not change substantially in short periods; and
- significant variations in performance should be reviewed to inform decisions, identify better practices and prioritise resources.

The report highlighted six case study hospitals identifying the factors that impact on performance comparisons – these include:

- new hospitals with sustainable design features are more energy efficient and have lower emissions, for example, John Hunter and Orange hospitals;
- use of solar energy and cleaner technologies such as cogeneration reduces energy cost and emissions, for example, Orange and Mt Druitt hospitals;
- inland facilities have higher energy use due to air-conditioning required to cope with the hotter summers and colder winters, which suggests that climate zones impact on energy use and should be part of a benchmarking tool, for example, Deniliquin and Orange hospitals;
- investment in energy efficiency helps facilities manage energy cost and reduce emissions, for example, Westmead and Mt Druitt hospitals;
- energy use in large hospitals often includes commercial tenants and/or research and medical facilities attached to them which they do not control, for example, Westmead, Prince of Wales, John Hunter and Orange hospitals;
- large hospitals use more energy intensive equipment for diagnoses and treatments than smaller hospitals, for example, Westmead, Prince of Wales, John Hunter and Orange hospitals; and
- definition of what constitute a hospital site / facility will vary across hospitals.

b. Water

A total of 151,737 kilo litres (kL) of water was consumed at the Canberra Hospital between June 2016 and June 2017. These figures reflect the main water meters, as the hospital buildings are unmetered. Similar to energy use, making comparisons between buildings and accurate indications of water consumption intensity are difficult to achieve.

Table 17: Annual Water Consumption

Year	Water Consumption (kL)	Water Intensity (kL/m^2)
Jun 2016 – Jun 2017	151,737	1.07

Further details regarding the buildings connected to each water meter are important to measure comparative building performance and more accurately identify water saving opportunities.

Recommendations

Based on the above assessment, it is recommended that:

- A thorough review of existing and historical energy and water data is conducted to ensure the hospital's current performance is baselined, and historical energy consumption records are developed for trend analysis;
- Additional metering is installed to collect more comprehensive data at the building level to enable accurate utilities measurement, management and consumption reduction;
- A review of current utilities contracts to ensure consumption rates are aligned with contractual obligations. There are potentially significant financial savings that can be negotiated in utilities contracts for large consumers such as the Canberra Hospital;

- The Canberra Hospital adopt the NGER reporting standard for measuring and reporting its carbon emission levels resulting from campus operations; and
- Consideration is given to adopting the Victorian and South Australian Government's approach to energy use and performance measurement.

7.10 FINANCIAL SUSTAINABILITY

Current Expenditure

Budget allocations for the management of asset portfolios vary widely across the Health Sector and across industry. A complicating factor is that definitions are not consistently applied making it difficult to gain an accurate perspective on expenditure benchmarks. Recent research indicates that expenditure benchmarks range from a benchmark of 1% to 2% of ARV for maintenance (subject to the specific asset and use) with an expectation of 4% to 6% for refurbishment and asset replacement to maintain an asset portfolio in good condition. Evidence has shown that investment below these benchmarks, will over time, lead to serious degradation of the asset portfolio and the accrual of large amounts of backlog maintenance.

It is understood that ACT Health are in the process of implementing a maintenance funding regime to comprise:

- First Year – 0%;
- Second Year – 1%; and
- Third Year and thereafter - 2%.

ACT Health provided ten years of historical data on maintenance expenditure (refer Table 18) and four years of capital expenditure trends (refer Table 19). At the time of preparing this SAMP, the final repairs and maintenance budget for FY2017/18 was not available. The maintenance expenditure should be treated as indicative only as the data was not confirmed, and was cleansed in an attempt to isolate the Canberra Hospital expenditure. It is suggested that following discussions with ACT Health and in light of the current condition and functionality assessment results, the maintenance expenditure figures may be understated.

Table 20 represents the expenditure in terms of percentage (%) of ARV, noting that the ARVs are also indicative as final figures were subject to review. The expenditure figures exclude the investment in new facilities and infrastructure, which is understood to total over $800 million during the past 10 years.

[redacted]

Sustainability Assessment

Understanding the financial sustainability of maintenance is reliant on applying consistent definitions to both expenditure monitoring and Lifecycle Costing Analysis (LCCA).

Table 21: Definitions

Category	Sub-category	Definition
Planned Maintenance	Preventive Maintenance	Maintenance performed to retain an item or asset in its operating condition by providing systematic inspection, detection and prevention of incipient failure.
	Condition Based Maintenance	Maintenance initiated as a result of routine or continuous checking.
	Statutory Maintenance	Maintenance that must be carried out to meet statutory requirements.
Unplanned Maintenance	Corrective and Breakdown Maintenance	Maintenance performed as a result of failure to restore an item or asset to its optimal condition.
	Incident Maintenance	Returns an asset to an operational or safe condition following damage caused by storms, fire, forced entry or vandals.
Capital Expenditure	New Capital Works Capital Renewal	Relatively large (material) expenditure, which has benefits, expected to last more than 12 months.

Figure 18 below illustrates the optimum maintenance and capital expenditure (CAPEX) for an asset portfolio of equivalent value to the Canberra Hospital (ARV, buildings only) over a 50 year period.

[redacted]

8. STRATEGIC ALIGNMENT

8.1 STRATEGIC DRIVERS

The ACT Government reports that community demand for health services is projected to increase rapidly over the next 15 years, and beyond. By 2022, the ACT's public hospital admissions are projected to rise by 77% and overnight hospital admissions will increase by 49%. The ACT Government continues to implement its plans to reform health care, designed to respond to the community's needs over the next decade and beyond. The plans recognise that an investment in infrastructure to support the health care needs of the community is essential as a complex mix of population ageing, changing technology, and provider and consumer expectations drive a significant increase in demand for health services.

The ACT Government's Infrastructure Plan 2011 – 2022 provides key strategic health policies and infrastructure priorities including:

POLICY PRIORITIES	STRATEGIC INFRASTRUCTURE PRIORITIES
• Providing effective and efficient services	• Continuing to meet the growth in demand for health services through extra capacity and by redesigning care delivery systems
• Exploring opportunities to use technology better and provide care in different ways • Identifying new models of care across the continuum of health services • Providing locally based care that meets the needs of the ageing population	• Enhancing productivity through better use of technology and innovative solutions, including different ways of providing care
• Achieving a comprehensive health system that protects and improves the health of people • Strengthening staff skills and professionalism • Achieving a system of care and support that improves the quality of life for vulnerable groups	• Implementing a comprehensive capital asset development plan to build a sustainable and modern health system to ensure safety, availability and viability of quality health care in the ACT for now and into the future

The ACT Government's Health Care Reform, recognises that healthcare is growing as the Australian population increases and grows older, but expenditure on healthcare is growing at an even faster rate, providing a significant challenge to the sustainability of the healthcare system. In addition, the advent of the national introduction of Activity Based Funding (ABF) methodology by the Federal Government, presents a further challenge for ACT Health on how care and services are provided to ensure consistent efficiency as well as meet current and future demand, within available funding.

ACT Health is currently developing its Territory Wide Health Services Framework, including services processes and clinical specifications (Speciality Services Plans – SSPs) to provide the policy blueprint for meeting the evolving health care needs of the ACT community over the next 10 years. Key principles of the Framework reported in the Fact Sheet dated September 2016, included:

- Person-centric services;
- Inpatient care alternatives including the promotion of community based primary and ambulatory care;
- A system providing equitable access to services with care being provided as close to the patient's home as possible;
- Integrated care between hospital and primary sectors;
- Evidenced based services with a focus on safety, quality and best practice;

- Consistent service planning based on known and predicted demand and cognisant of all available resources in the health sector including the private and primary care sectors;
- Informed and supported by a sound workforce, health infrastructure and information and technology planning; and
- Affordable services (within the Activity Based Funding model).

8.2 ACT HEALTH INFRASTRUCTURE PROGRAM

ACT Health is about to embark on one of the ACT's biggest health infrastructure works program destined for delivery across multiple sites and locations to benefit Canberra and the surrounding communities. At an estimated combined cost of almost $900 million, the program will deliver infrastructure designed to provide a service-wide perspective of the ACT Health System and create a health service offer that is holistic, innovative, accessible, transparent and integrated. Delivery of the program will enable ACT Health and its partners to:

- Maximise Commonwealth revenue within in Activity Based Funding (ABF) environment, and build resistance to funding shocks;
- Incorporate partners in research and education;
- Provide care closer to home and focused on the community; and
- Provide centres of excellence for acute, general and specialist hospital services.

The achievement of these objectives will be delivered, subject to government approval, through a range of infrastructure projects providing contemporary, safe and secure facilities and services to position ACT as a nation leader in innovative, patient-centric services for its communities.

During the 2016 Election for the ACT Legislative Assembly, the returned Labor Government made a number of election promises in relation to Health Infrastructure. These promises are undergoing further planning within ACT Health to enable strategic business case submissions. The capital projects planned for delivery based on the election promises include:

- Surgical Procedures, Interventional Radiology and Emergency (SPIRE) Centre (estimated $500 million capital project);
- Northside Hospital Scoping (estimated $250 million capital);
- Expansion of the Centenary Hospital for Women and Children (estimated $70 million capital project);
- Inner South Aboriginal Health Centre for Winnunga (up to an estimated $12 million capital project); and
- A new Nurse-Led Walk in Centre at Gungahlin.

8.3 ASSET MANAGEMENT (AM) OBJECTIVES

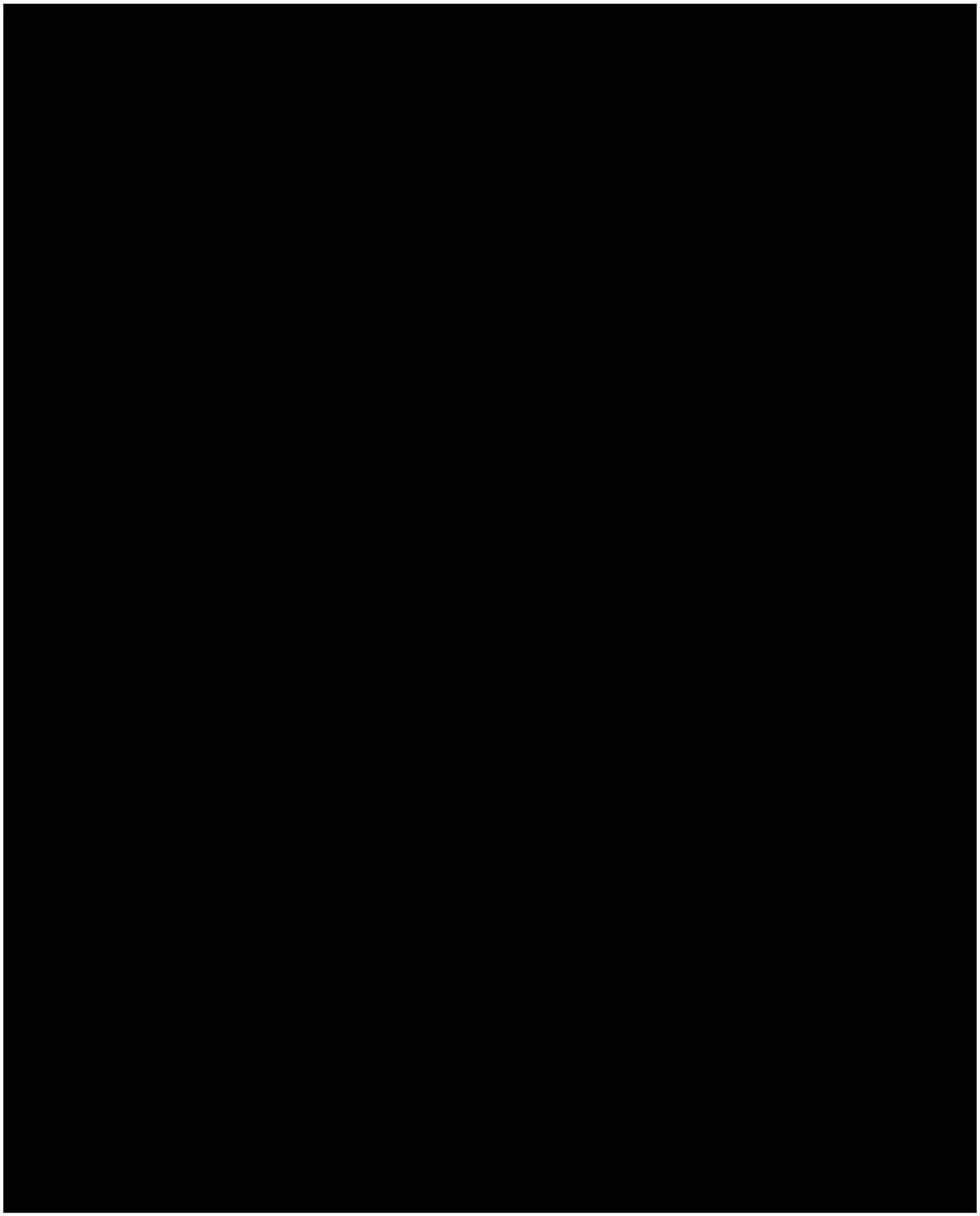
The Asset Management (AM) objectives are a key element of the SAMP and provide the essential link between the organisational objectives and the asset management plans that describe how those objectives will be achieved. This concept of ensuring alignment and consistency between the organisation's strategic and corporate objectives and the asset management plans reinforce that asset level activities must support the delivery of organisational objectives.

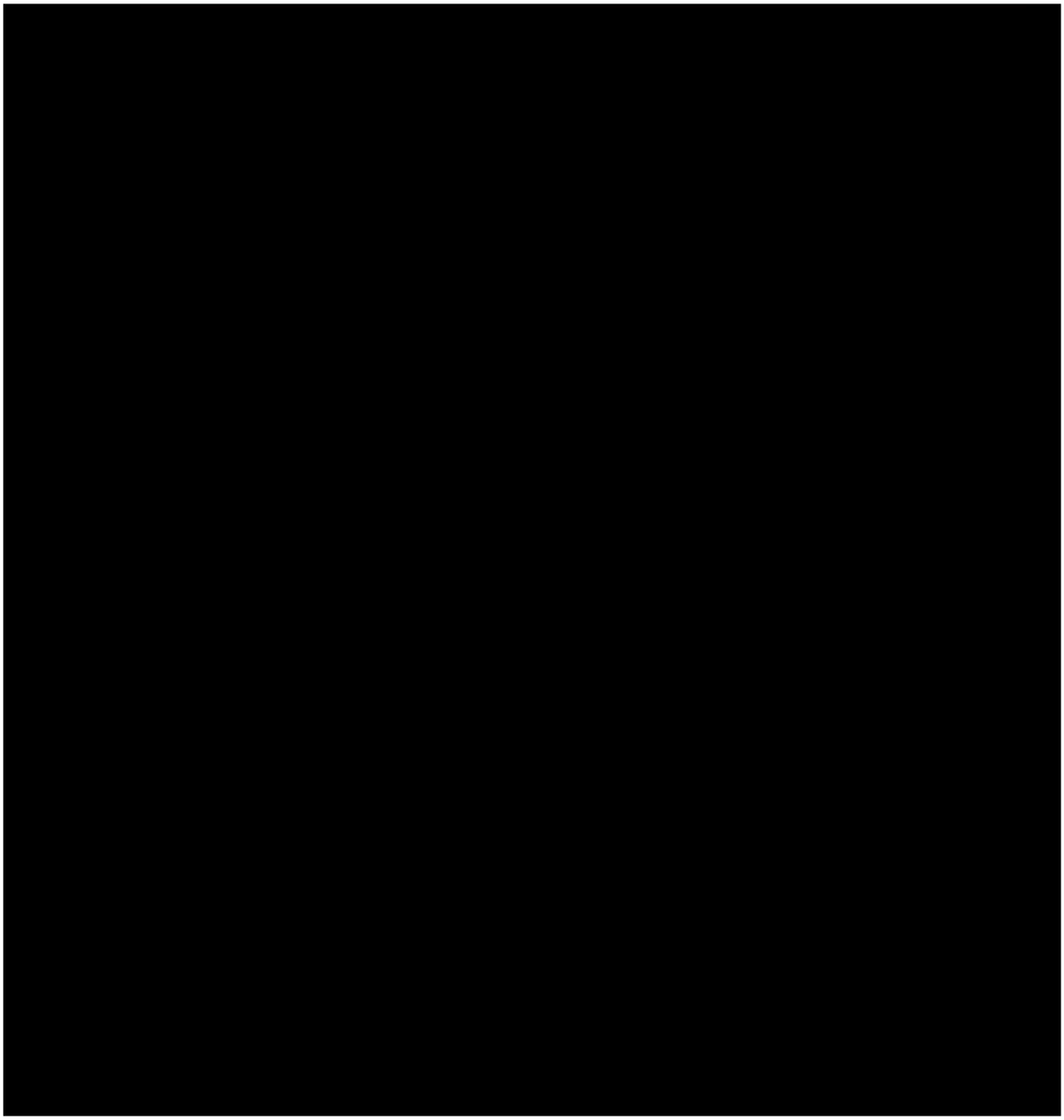
Essentially, AM objectives should be specific, measurable, achievable, realistic and time-bound to facilitate ongoing monitoring and evaluation and underpin the identification and implementation of management strategies. These management strategies focus on realising value from assets in the achievement of the organisation's strategic and corporate objectives and may take the broad form of:

- Ensuring appropriate asset use and functionality;
- Maximising asset utilisation to ensure service potential is optimised;

- Application of full life-cycle analysis and costing;
- Reduction or rationalisation of those assets not achieving a high level of productive outcome;
- Defining clear responsibilities for all elements of the asset, accountability and reporting cycles; and
- Recognition that the management of the infrastructure assets must be directed at providing optimum services to the community.

The Canberra Hospital draft asset management objectives were determined from discussions with ACT Health and from a review of the ACT Health Annual Report.





8.4 GAP ANALYSIS

The gap analysis examines the gap between the measured performance of the buildings and the target performance and covers:

- Asset condition, functionality, legislative compliance and asset priority (at asset level);
- Financial (at campus level); and
- Capacity (at campus level).

Condition, Functionality & Legislative Compliance

The overall level of performance against each performance criteria is shown in Table 25.

Services / functions including category assignment for each building / level was based on information provided by ACT Health in May 2017.

Table 25: Building Performance Summary

Performance Target	No. of Buildings Assessed	% Assessed	No. at or above Target	% at or above Target
Condition	28	100%	14	50%
Functionality	28	100%	12	43%
Legislative Compliance	28	100%	21	61%
Asset Priority Index	28	100%	15	68%

In summary, the results from the Gap Analysis suggest priority attention is assigned for legislative compliance and a maintenance regime attempting to maintain the condition and functionality for the majority of assets; irrespective of priority of these assets.

Key detailed analysis suggests:

- 32% of Critical, High Priority and Priority buildings require works to close current condition and functionality performance gaps;
- 18% of Low Priority or Surplus buildings exceed performance targets set for Priority Buildings.

Subject to ACT Health's strategic infrastructure planning and decisions, it is suggested that:

- Detailed asset management plans including costings are prepared for Critical and High Priority buildings to enable consideration during the FY2018/19 Budget Process;
- Two buildings currently used for administration be reviewed for future replacement / disposal or re-purposing for an alternative use.

Table 26: Building Assets Level of Performance

TCH BUILDING 1	
Services / Functions Summary	[redacted]
Clinical / Back of house admin Clinical / Admin / Building Plant / Infrastructure	

TCH BUILDING 2

Services / Functions Summary

Admin (incl. Retail)

TCH BUILDING 3

Services / Functions Summary

Clinical

Back of house admin Clinical

Admin

Building Plant / Infrastructure

TCH BUILDING 4

Services / Functions Summary

Admin

TCH BUILDING 5

Services / Functions Summary

Admin

Clinical

Back of house admin Clinical

TCH BUILDING 6

Services / Functions Summary

Admin

[redacted]

TCH BUILDING 7

Services / Functions Summary

Clinical

TCH BUILDING 8

Services / Functions Summary

Clinical

TCH BUILDING 9

Services / Functions Summary

Accommodation

TCH BUILDING 10

Services / Functions Summary

Clinical	Back of house admin Clinical
Admin	Building Plant / Infrastructure

[redacted]

TCH BUILDING 11

Services / Functions Summary

Clinical	Back of house admin Clinical
Accommodation	

[redacted]

TCH BUILDING 12

Services / Functions Summary

Clinical	Back of house admin Clinical
Admin	Building Plant / Infrastructure

TCH BUILDING 13 (HELIPAD

Services / Functions Summary

TCH BUILDING 15

Services / Functions Summary

Clinical

TCH BUILDING 17 (STORAG

Services / Functions Summary

TCH BUILDING 19

Services / Functions Summary

Clinical

[redacted]

TCH BUILDING 20

Services / Functions Summary

Clinical

TCH BUILDING 21 (MINOR E

Services / Functions Summary

Minor Buildings – Generator, Fuel Tank, Oxygen Vessel

TCH BUILDING 23

Services / Functions Summary

Admin | Clinical

TCH BUILDING 24

Services / Functions Summary

Admin

TCH BUILDING 25

Services / Functions Summary

Clinical

[redacted]

TCH BUILDING 26 (CAR PARK)

Services / Functions Summary	[redacted]

TCH BUILDING GP1 (COMMUNITY DIALYSIS)

Services / Functions Summary	[redacted]

TCH BUILDING GP2 (INDEPENDENT LIVING UNITS)

Services / Functions Summary	[redacted]

TCH BUILDING GP3, 4, 5 & 6

Services / Functions Summary	[redacted]
Accommodation	

[redacted]

Financial Performance

The current financial performance against the performance targets is shown at Table 28. It should be noted that the performance targets figures are indicative and were informed by the data modelling using historical expenditure figures identified for the Canberra Hospital.

Table 28: Financial Performance

AM Objective	
Maintenance Funding Index (%ARV)	
Capital Renewal Index (%ARV)	
Total Expenditure (%ARV)	

Based on the historical expenditure data identified for the Canberra Hospital, the current funding performance appears, in some instances, **inconsistent** with the overall asset quality performance levels, i.e. overall some of the built assets are of a higher quality which infers higher levels of funding and investment.

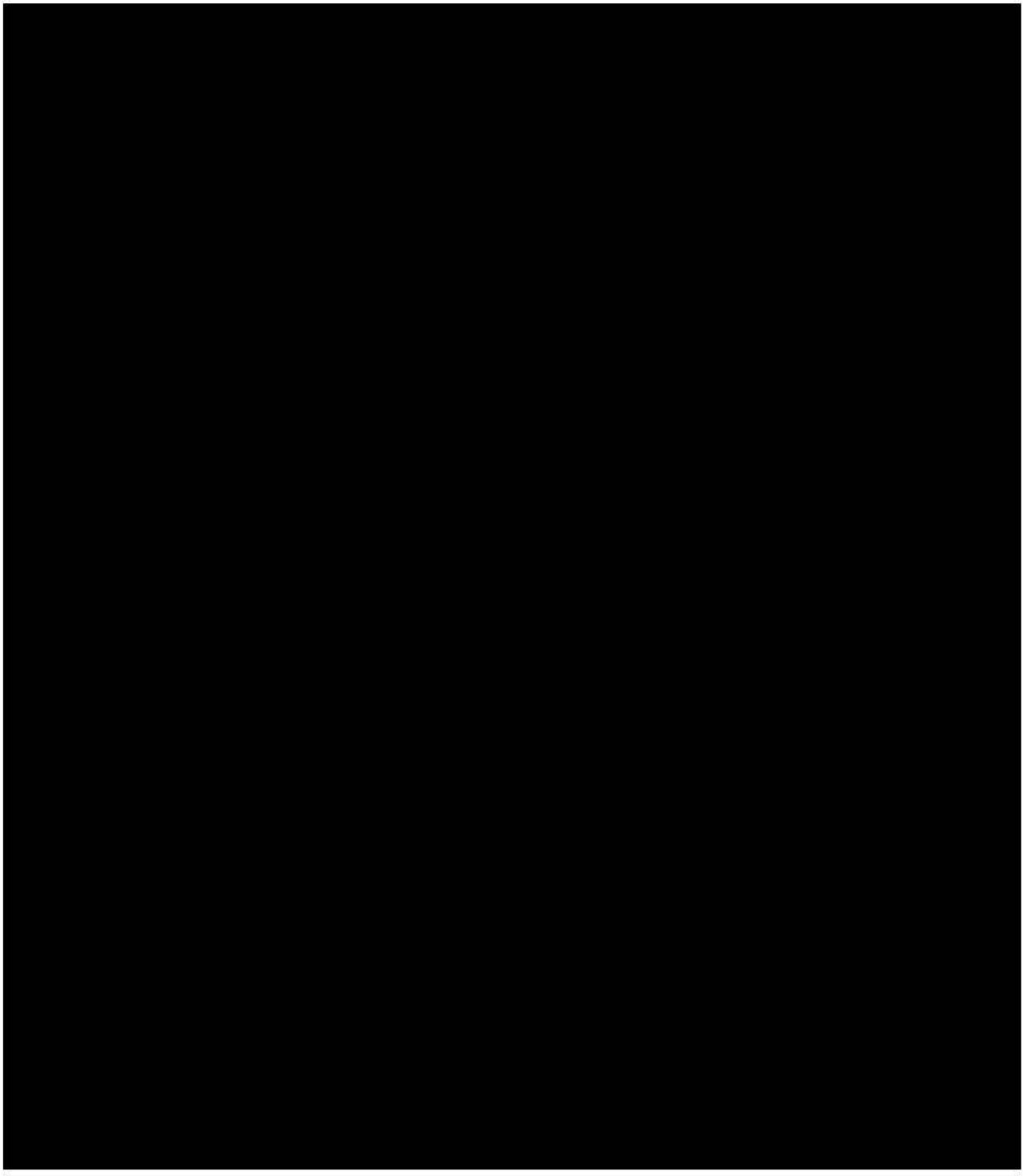
Capacity and Utilisation Performance

Table 29: Capacity & Utilisation Performance

Measure / Target	FY2015/16 Result	FY2016/17 Result
Increase / maintain the overnight bed occupancy rate of around 85% to ensure quality patient outcomes and achieve maximum efficiencies.	91%	85%
Increase access to elective surgery and reduce the numbers of people waiting longer than clinically recommended timeframes. Target = 35 days national medium wait time.	62 days	-
Improve waiting time for Emergency Department (ED) services: "Did not Wait" Rate = 10%	5%	-
Improve the proportion of Emergency Department (ED) Lengths of Stay of 4 hours or less. Target = 69%	66%	72%

8.5 RISK ASSESSMENT

A risk assessment is provided at Table 30. This assessment considers the current asset performance gaps and broad service delivery requirements. Draft management strategies are proposed to mitigate key risks.



8.6 STRATEGY DEVELOPMENT

This section of the SAMP proposes strategies to enable performance gaps to be addressed, risks mitigated and the organisational objectives to be achieved.

For the Canberra Hospital, strategy development will be informed by the Territory Wide Health Services Framework and individual Specialty Service Plans (SSP). The Framework and Plans will provide the broad principles to inform and update this SAMP and other strategic plans as well as operational asset and facility management plans and policies.

Table 31: Strategies

No.	Strategy	Desired Outcome
1	Move from annual budgeting to long term financial planning. Incorporate Year 1 of long term financial planning revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
2	Develop an annually review asset management plans and strategic asset management plan covering at least 10 years and 80% of asset replacement value.	Services are identified and funding to optimise the whole of life costs.
3	Review and update asset management plans, strategic asset management plans and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Awareness of changes to service levels and costs arising from budget decisions.
4	Develop and maintain a long term capital investment plan covering 10 years and incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide assets / services.
5	Ensure decisions are made from accurate and current information in asset registers, on service level performance and 'whole of life' costs.	Improved data management, decision making and greater value for money.
6	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
7	Implement an improvement plan to realise 'core' maturity for the higher risk asset management competencies within 2 years.	Improved asset management capability within the organisation.
8	Report six monthly to the ACT Health Executive on the implementation of capital investment plans, strategic asset management plans, asset management plans and long term financial plans.	Oversight of resource allocation and performance.

8.7 OPTION ANALYSIS

Three options – Status Quo, Quality and Increased Campus GFA - were developed and assessed in the development of this SAMP.

[redacted]

Synopsis:

- While the overall quality of the Canberra Hospital built assets are fair to good; maintaining the Status Quo will result in deterioration of the existing assets over time; and will be compounded by the introduction of new facilities. Subsequently, the assets will not be fit for purpose and potentially, service delivery will be compromised. Alternatively, the condition and functionality issues for these buildings will increase and efficiencies will decrease due to a need to employ additional staff to meet patient demand and maintain patient flows. [redacted] Note that this option has been modelled on indicative maintenance expenditure that is thought to be understated.
- The Quality option present a higher up-front investment to improve the quality of the built assets and over time this investment should stabilise. However, expenditure levels for maintenance and capital would need to be maintained to ensure the quality of the assets is also maintained. [redacted]
- The Additional GFA option builds on the Quality option and introduces the new facilities from 2024, assuming construction completion in 2023. [redacted]

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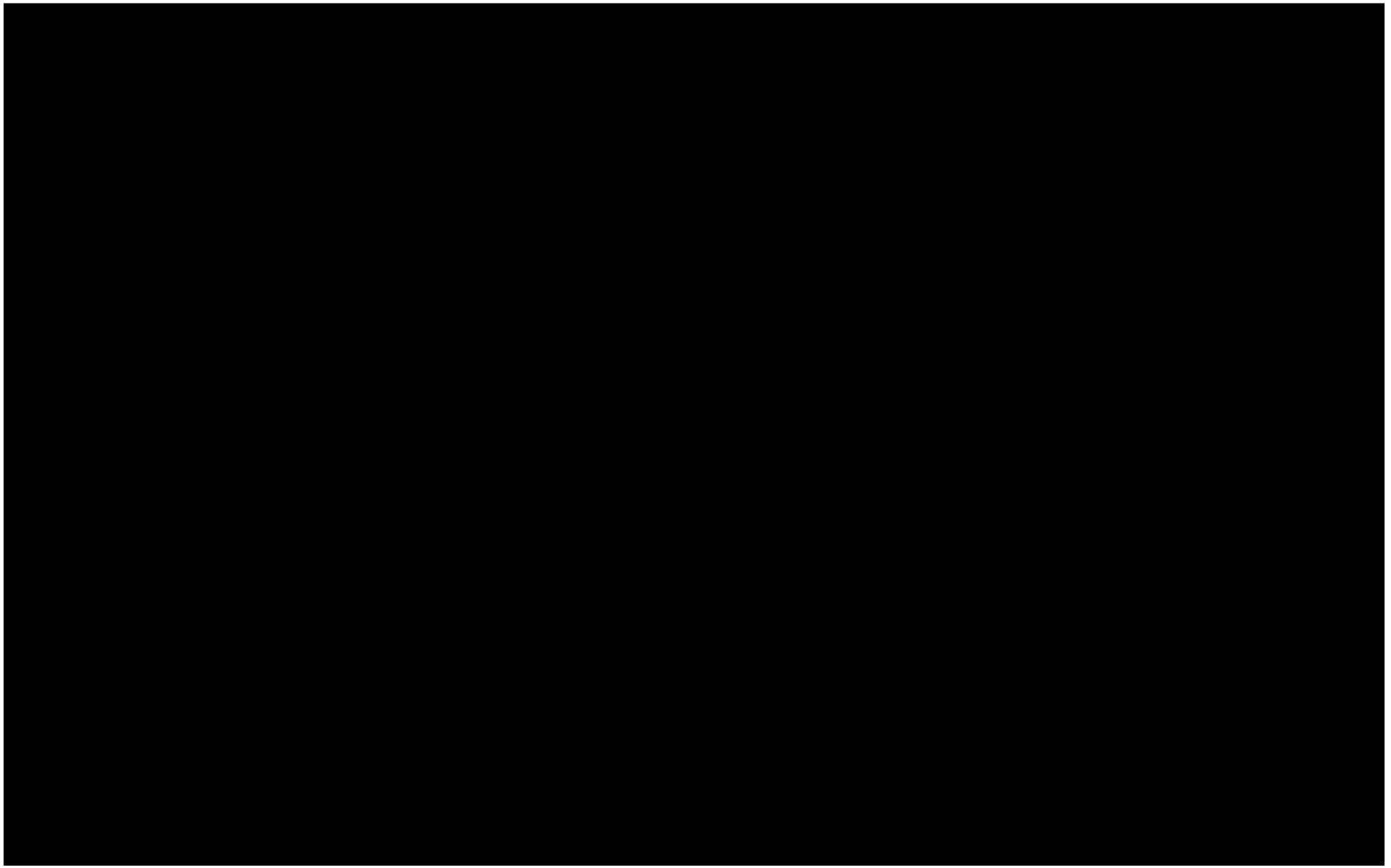
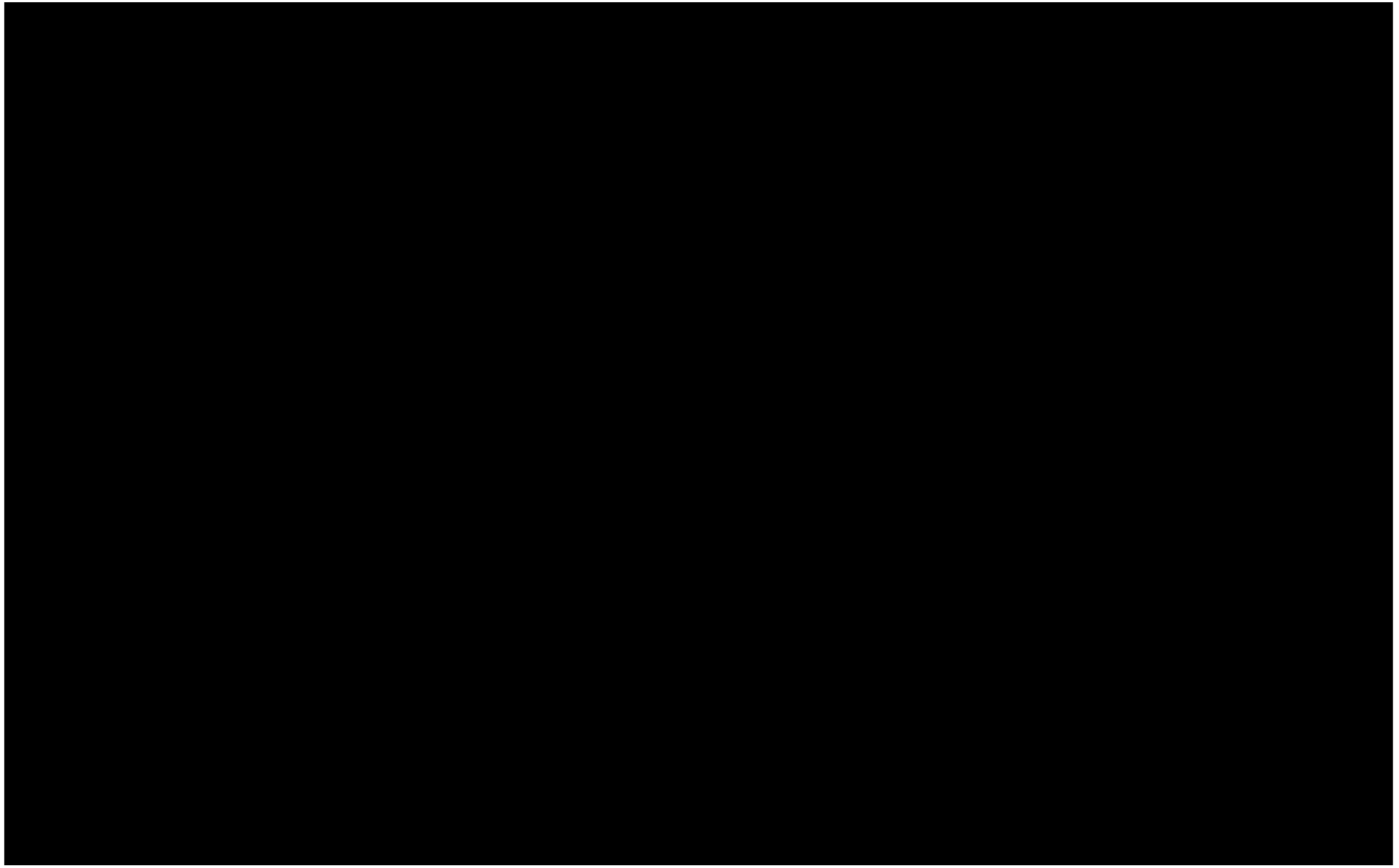
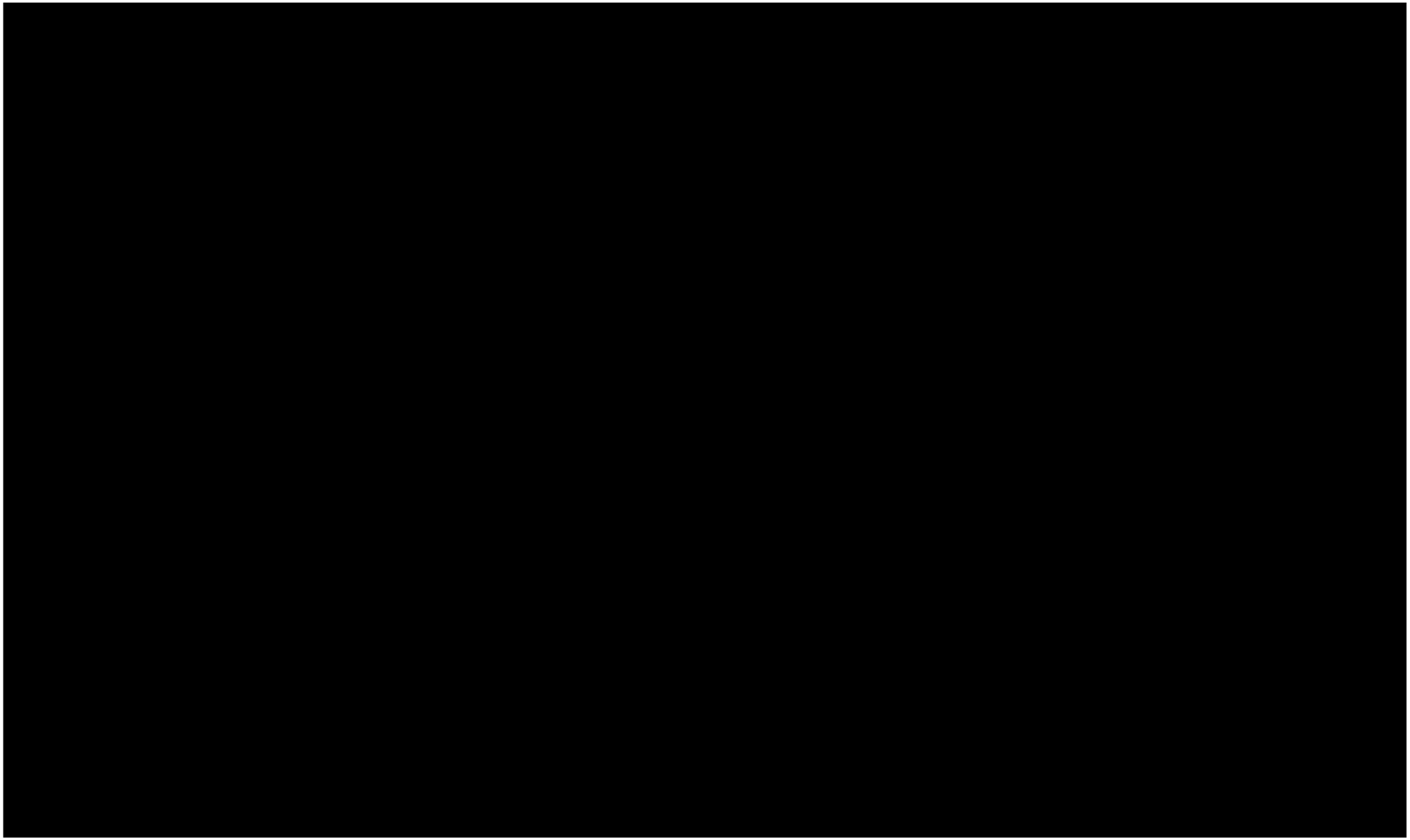






8.8 MONITORING AND REVIEW

The SAMP is intended to have a life of 10 years with content revised and updated annually. However, the SAMP may remain fluid in the short term pending the finalisation and implementation of the Territory Wide Health Services Framework.

8.9 PERFORMANCE MEASURES

The effectiveness of the SAMP can be measured in the following ways:

- The degree to which the required projected expenditures identified in this strategic asset management plan are incorporated into the organisation's long term financial plan;
- The degree to which detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the summarised asset management plans;
- 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; and
- The Maintenance and Capital Renewal Funding Ratios achieving the 100% target.

8.10 CONCLUSIONS AND KEY FOCUS AREAS

In conclusion, based on the findings from the Canberra Hospital SAMP activities, key focus areas for consideration are:

Integrated Strategic Asset Management

- Integrate asset management with strategic and corporate planning, consistent with whole-of-government policy frameworks to take into account whole of life costing, future service demands, and balance between capital expenditure and maintenance requirements.

Current Status	In Discussion	Being Actioned	Not Started

- Create asset / property metrics to guide decision-making, build capability and enable benchmarking and continuous performance improvement.

Current Status	In Discussion	Being Actioned	Not Started

- Acquire or build key assessment tools to assist in strategic decision-making.

Current Status	In Discussion	Being Actioned	Not Started

- Determine the future use of the Canberra Hospital physical assets in support of the Territory Wide Health Services Framework.

Current Status	In Discussion	Being Actioned	Not Started

Tactical and Operational Management

- Introduce organisational policies, procedures and systems as well as performance standards for assets (including acquisition, disposal, etc.), maintenance and operations.

Current Status	In Discussion	Being Actioned	Not Started

- Develop an Accommodation Plan identifying all occupants, services, and areas occupied as well as any special clinical and infrastructure requirements.

Current Status	In Discussion	Being Actioned	Not Started

- Establish building asset management and maintenance plans commencing with the Critical buildings.

Current Status	In Discussion	Being Actioned	Not Started

- Adopt differential maintenance levels of service to ensure critical assets remain in better quality for longer.

Current Status	In Discussion	Being Actioned	Not Started

Knowledge Management

- Develop and implement a property (asset) data and information strategy to achieve accurate and authoritative data and information across the asset lifecycle.

Current Status	In Discussion	Being Actioned	Not Started

ACT Health

Community and Other Facilities

Strategic Asset Management Plan

November 2017

Contents

LIST OF FIGURES

LIST OF TABLES

Abbreviations

AM	Asset Management
ARV	Asset Replacement Value
EPA	Estate Performance Assessment
GFA	Gross Floor Area
HPU	Health Planning Unit
HIS	Health Infrastructure Services
MI	Maintenance (Funding) Index
NLA	Net Lettable Area
OCR	Overall Condition Rating
OFR	Overall Functionality Rating
OQR	Overall Quality Rating
SAMP	Strategic Asset Management Plan

1.1 EXECUTIVE SUMMARY

1.2 INTRODUCTION

The *Strategic Asset Management Plan* (SAMP) for ACT Health Community and Other Facilities sets the direction and establishes the approach - in a strategic context – to inform asset decision making and better manage the Community and Other building asset portfolio. The SAMP identifies the management activities necessary for ensuring the building assets are functional to provide better health outcomes for the community and consumers of territory health care services.

As a high-level document, the SAMP is an integral part of ACT Health's overall strategic management framework, sitting between the strategic drivers of Government policies and corporate plans, and the development of specific strategies and programs for the delivery of high level and timely building asset maintenance and renewal.

1.3 ORGANISATIONAL CONTEXT AND DRIVERS

The ACT Health Directorate is engaged in a comprehensive reform program. Building on existing continuous improvement processes, the Reform process is strengthening the delivery of health care by developing and implementing innovative solutions to address complex health issues at the systemic level. The Reform seeks to improve the efficiency and quality of publicly funded health services within the ACT.

ACT Health provide health services to the community in Canberra through the following programs:

- Public Health, including Health Protection Services;
- Community Health;
- Women, Youth and Children;
- Mental Health;
- Cancer Services; and
- Rehabilitation, Aged and Community Care.

ACT Health also work in partnership with a number of Non-Government Organisations to jointly deliver health services to the community, particularly in delivering the following health services:

- Drug and Alcohol Rehabilitation;
- Mental Health; and
- Rehabilitation, Aged and Community Care.

The above services are delivered through a range of non-acute facilities spread around Canberra town centres and suburbs.

Since the establishment of the ACT Government in 1989, the provision of health services in Canberra and the surrounding regions have changed significantly. Demands and growth in providing health services to the community is driven by a number of factors, both internally and externally. The external factors influencing the provision and delivery of health services may include:

- Population growth;
- Changes in public awareness and expectations in terms of both the provision of health services and the facilities and technologies supporting the services;
- Changes in Legislations, including the introduction of the National Construction Code and the Work Health and Safety Act, the Disability Discrimination Act and the Environmental Protection and Biodiversity Act;

- Changes in technologies, including medical technologies and equipment, building technologies and materials as well as digital information and communication technologies; and
- The impacts of climate change to the local, regional and global weather patterns, which force buildings to adopt approaches to conserve energy and water consumptions as well as the use of reclaimed building materials and minimal off gassing to the indoor environment.

The above factors also have significant impact on the way ACT Health manage the buildings and infrastructure supporting health service delivery.

1.4 METHODOLOGY FOR DEVELOPING THE SAMP

The methodology used to develop the SAMP for the Community and Other Facilities includes a range of activities which are reflected in Figure 1 figure below.

1.5 SCOPE AND LIMITATIONS

ACT Health deliver non acute health services to the community through a range of owned and leased properties, which are either occupied by a Business unit of ACT Health or by Non-Government Organizations providing community health services on behalf of ACT Health.

The Properties included in the SAMP

The following Table summarizes the range of properties included in the SAMP.

Type of Health Service	No of properties	[redacted]	Total Floor Area m2
ACT Pathology	1		59
Cancer Services	1		319
Community Health	8		33,668
Drug and Alcohol Rehabilitation	6		7,056
Mental Health	9		9,612
Health Protection Services	4		1,658
Rehabilitation, Aged and Community Care	2		4,061
Sterilising Services	2[2]		2,741
Storage and Records Management	5		4,095
Student Residential Accommodation	6		1,385
Women, Youth and Children	7		2,329
Total	**51**		**69,724**

[1] May consists of ACT Health fit out only
[2] This consists of the building/ fit out and the sterilizing equipment within the building
[3] May consists of ACT Health fit out only

The above Table highlights how Mental Health, Community Health and Drug and Alcohol Rehabilitation services occupy the majority of the properties, with the largest number of properties, total Floor Area and consequent Reinstatement Values.

Ownership of the Properties

ACT Health own most of the properties utilised to deliver health services to the community around Canberra. To complement the above owned properties portfolio, ACT Health lease properties to deliver health services to the Community and to deliver corporate services. Most of the leased properties belong to the ACT Property Group (ACTPG) under a number of Memorandums of Understanding. ACT Health also lease properties from the ACT Education and Training Directorate and from the private sector.

Limitations of the SAMP

In developing this SAMP for ACT Health, it became evident that there is currently no single source of truth within ACT Health for the facilities supporting the delivery of health services to the community. For this SAMP, building information such as Gross Floor Area (GFA), date of construction, and Asset Replacement Values (ARV) was not readily available, particularly for the properties leased by ACT Health to deliver community health services.

Similarly, the quality of the energy and water consumptions and expenses, and the financial data associated with historical maintenance and capital works expenditure were considered to be inadequate to support a robust environmental and financial sustainability assessments. However, available data provided indications of issues and deficiencies which can be addressed to improve the way ACT Health plan and manage the Community and Other facilities portfolio.

1.6 KEY FINDINGS OF THE ESTATE PERFORMANCE ASSESSMENT

1.6.1 Age Profile

Based on the asset age data and associated information held by ACT Health, the average of the buildings and infrastructure supporting ACT Health community services is now 22 years old, with a median age of 17 years. It should also be noted that 19 out of 36 ACT Health owned Community and Other facilities are older than 20 years old and most are properties which are currently supporting Community, Drug and Alcohol and Mental Health Services.

Assessment of the Remaining Useful Life of the properties also found that 16% of the Community and Other facilities have less than 25% Remaining Useful Life.

It should be noted that there is currently no reliable data on the dates of construction of the buildings or fitout of these properties, and hence the age and Remaining Useful Life findings should be treated as indicative only.

1.6.2 Asset Priority Index and Levels of Maintenance Service

A critical component of any strategic asset management plan is to test the alignment of an organisation's assets with its corporate mission and strategic priorities. The Asset Priority Index (API) methodology used for this SAMP is intended to inform decision-making regarding stewardship; resource allocation, funding levels, loss prevention and risk management. The process of allocating the APIs enables the relative strategic importance or mission alignment of each asset to be determined, and in turn provides a critical link between organisational strategy and asset performance that informs asset strategy development and prioritisation.

The assessment results show that 76.5% of the properties have an API above 3.0 which indicate that the majority of the properties are well aligned with ACT Health's strategic objectives. The most important buildings in the Community and Other Facilities portfolio are:

- The Central Sterilising Services building in Mitchel,
- The Enhanced Belconnen Community Health Centre,
- Hennessy House;
- Tuggeranong Community Health Centre;
- Howard Florey Centre (Health Protection Services); and
- Dhulwa Adult Secure Mental Health facility at Symonston.

The allocation of Level of (maintenance) Services for the Community and Other facilities was conducted by representatives of ACT Health AM and HPU teams during a facilitated workshop, based on their understanding of the 'acuteness' of the services delivered in each property within the portfolio.

The assessment results reflect Mission Critical Levels of Service for the following properties:

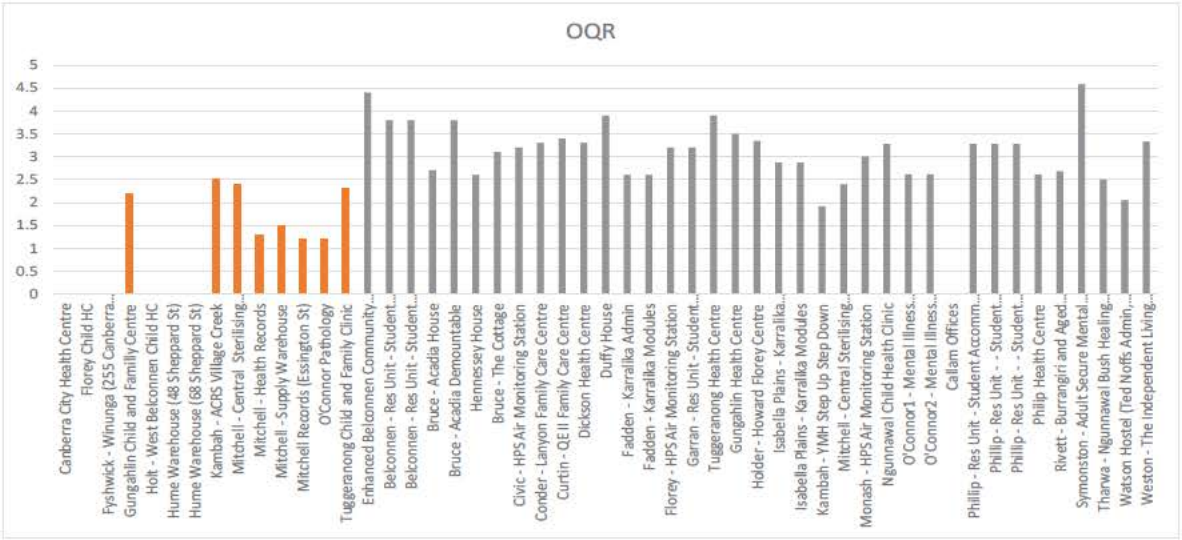
- Florey - HPS Air Monitoring Station
- Mitchell - Central Sterilising Services Department (eqpt)
- Monash - HPS Air Monitoring Station
- Symonston - Adult Secure Mental Health
- Mitchell - Central Sterilising Services Department (Bldg

All Student Residential Accommodation buildings were all considered to be of low priority in terms of delivering ACT Health services and have been assigned with a Useful LoS, based on the opinion that residential accommodation for staff and students could easily be leased from the open market.

1.6.3 Quality

In terms of the overall quality, not all the properties within the portfolio could be assessed, as limited information was available at the time to assess their condition and functionality rating.

The assessment found that the median OQR for the properties in the portfolio which were fully assessed in terms of the condition and functionality is 2.68, which is slightly below the target 3.0. The figure below shows the OQR for each of the properties.



The best quality properties, with Overall Quality Rating above 3.5 are:

- Symonston Adult Secure Mental Health Facility
- Enhanced Belconnen Community Health Centre
- Tuggeranong Health Centre
- Belconnen Student Apartments
- Duffy House
- Bruce Acadia Demountable
- Gungahlin Health Centre

1.6.4 Environmental Sustainability

Assessment of the utility consumption and costs over the past 8 years across the properties supporting Community and Other facilities found the following:

- electricity consumption costs increased from $316,620 in 2008/09 to $935,647 in 2016/17, potentially as a result of an increase in electricity consumption from approximately 2,261,573 kWh in 2008/09 to 6,683,195 kWh in 2016/17.
- gas consumption increased from $78,162 in 2008/09 to $239,769 in 2016/17, potentially associated with an increase in gas consumption from approximately 434,232 MJ in 2008/09 to approximately 1,332,050 MJ in 2016/17.
- water consumption costs increased from $85,001 in 2008/09 to $219,572 in 2016/17, likely to be associated with an increase in water consumption from approximately 16,346 kL in 2008/09 to approximately 42,225 kL in 2016/17.

However, the exact reason for this significant increase in consumption rates is unclear and should be further investigated.

1.6.5 Financial

Budget allocations for the management of asset portfolios vary widely across the Health Sector and across industry. A complicating factor is that definitions are not consistently applied making it difficult to gain a realistic perspective on expenditure benchmarks.

Recent research indicates that expenditure benchmarks range from a benchmark of 1% to 2% of ARV for maintenance (subject to the specific asset and use) with an expectation of 4% to 6% for refurbishment and asset replacement to maintain an asset portfolio in good condition. Experience has shown that investment below these benchmarks will, over time, lead to serious degradation of the asset portfolio and the accrual of large amounts of backlog maintenance.

Maintenance Historical Expenditure

ACT Health Strategic Finance and Building Support Services provided nine (9) years of historical data on maintenance expenditure trends. The annual maintenance index and the findings are summarised in the Table below.

Capital Historical Expenditure

Between 2014 and 2017, ACT Health spent a total of $1,338,327 in capital works to undertake minor refurbishment and upgrades on selected properties. However, this excludes any capital works at the Central Sterilising Department in Mitchell carried out during the same period. There may also have been other capital works undertaken over the past 9-10 years which have not been appropriately captured and reported.

Total Operating Expenses

The total Operating Expenses for the portfolio, including repairs and maintenance, utility and leasing hire and associated property expenses, based on available data, is summarised below.

The above figures need to be closely reviewed because:

- most of the expenses have been reported based on the Cost Centres and not by property; and
- not all the expenses for each property has been captured for each year.

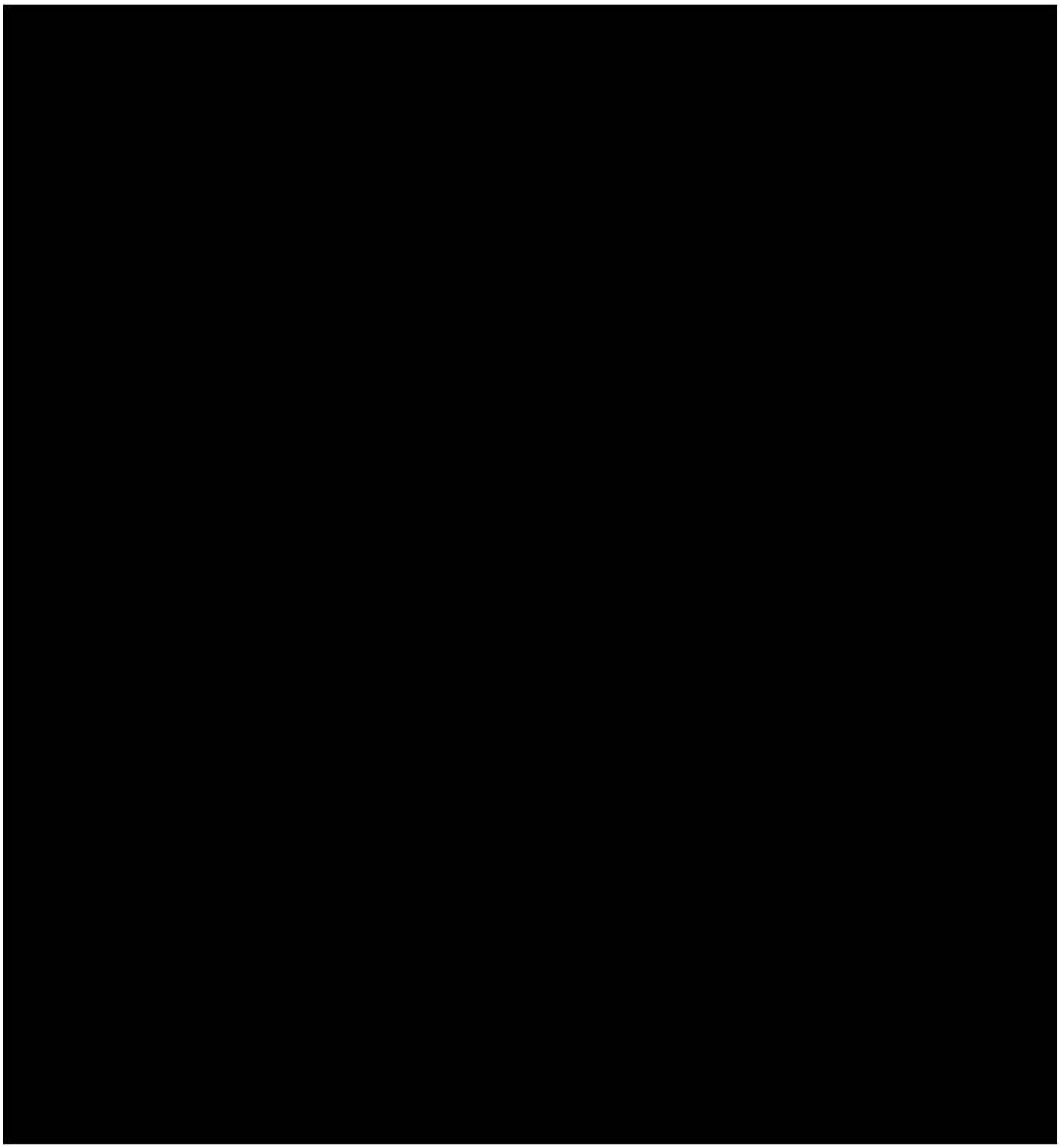
1.7 STRATEGIC ALIGNMENT

The ACT Government's Infrastructure Plan 2011 – 2022 provides key strategic health policies and infrastructure priorities. ACT Health efforts in meeting the strategic infrastructure priorities include:

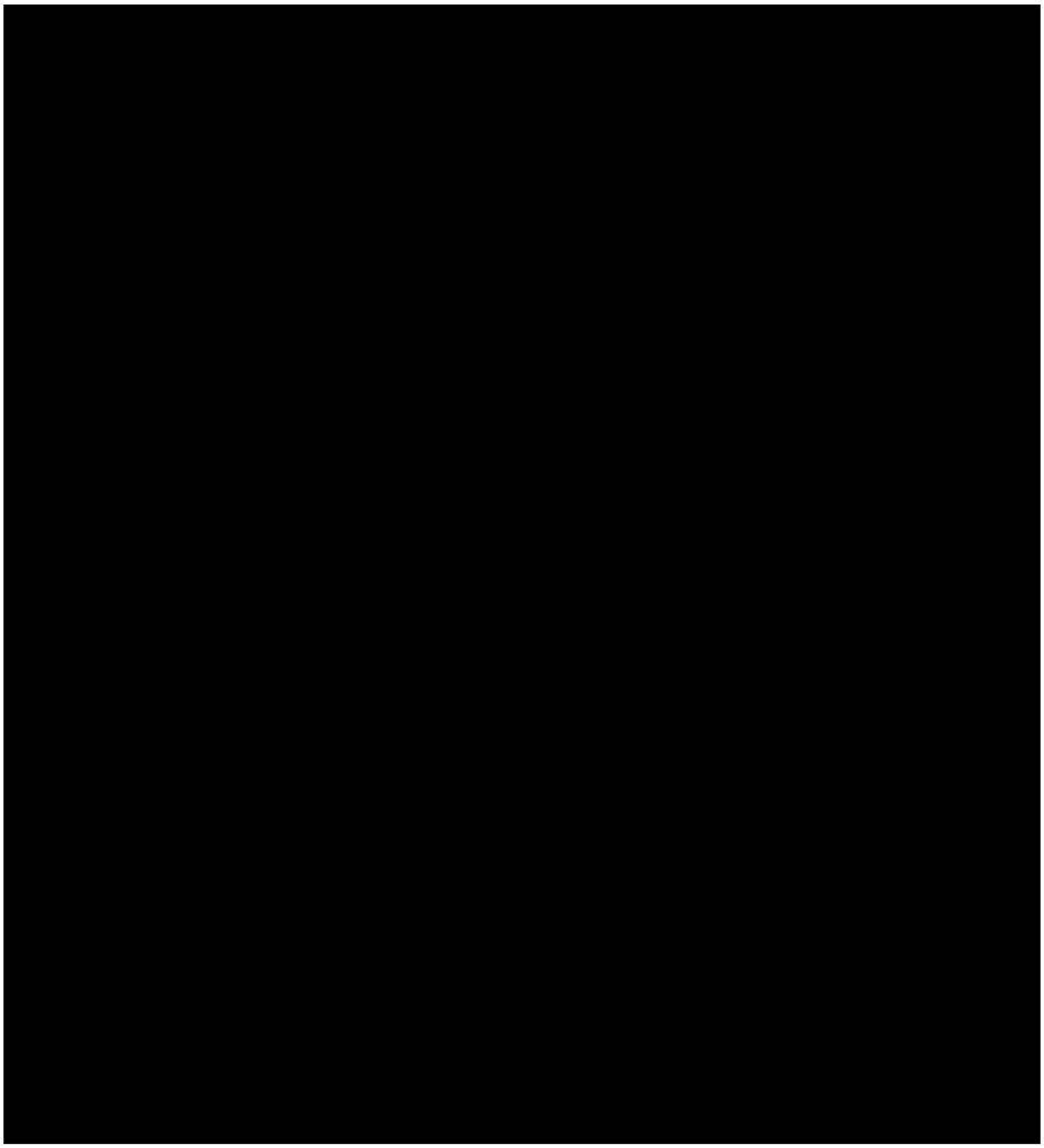
- Meeting growth in demand by improving capacity, utilisation and performance of existing property portfolio and infrastructure;
- Enhancing productivity of existing property portfolio by embracing innovative solutions and technologies, including identification of opportunities for non-asset solutions to service delivery; and
- Adopting a whole of life approach when planning for new properties and infrastructure whilst also adopting an effective and efficient ways of managing, operating and maintaining existing properties.

1.7.1 Asset Management Objectives and Performance Targets

Based on the above strategic policies and infrastructure policies, this SAMP has identified the following AM Objectives and Asset Performance Targets.



[4] *Note to Reader – have reviewed the ACT Health Sustainability Guideline which appears to contain broad objectives but was unable to locate definitive targets?*



1.7.2 Gap Analysis

The gap analysis examines the gap between the measured performance of the buildings and the target performance. The overall level of performance against each performance criteria shows that nearly 80% of the properties are considered to be important and well aligned with ACT Health strategic objectives, but half of these properties do not meet the target condition and functionality performances.

The current financial performance against the performance targets is shown below.

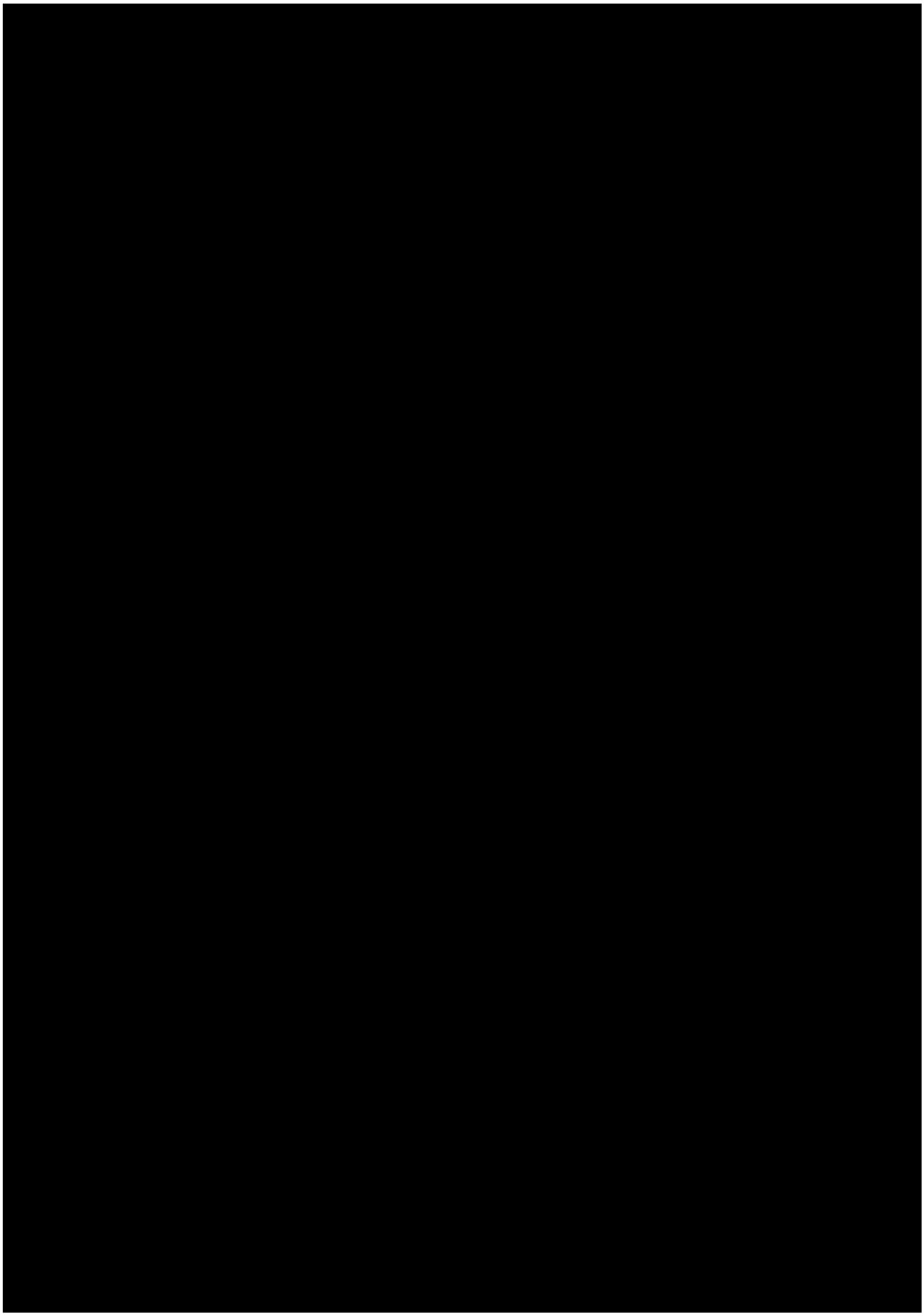
AM Objective	Current Performance	AM Performance Target
Maintenance Funding Index (%ARV)	[redacted]	
Asset Replacement / Renewal Funding Index (%ARV)		
Capital Works Funding (%ARV)		
Total Expenditure (%ARV) including maintenance, asset renewal, capital works and operating costs).		
Utility Expenses		
Leasing and Property Expenses		

It should be noted that the performance targets figures are indicative only and were informed by the data modelling using historical expenditure figures provided by ACT Health for this SAMP.

1.7.3 Risk Assessment

A risk assessment is provided below, and considers the current asset performance gaps and broad service delivery requirements. Draft management strategies are proposed to mitigate key risks.

[redacted]



1.8 STRATEGIES

The following organisational-asset centric strategies are developed to address performance gaps, mitigate risks and achieve organisational objectives are summarised for future consideration, shown in order of priority.

Focus	Strategy
Priority 1: Alignment with ACT Health Strategic Objectives	1. Consult with ACT Health stakeholders responsible for delivering health services to the community, including Corporate services activities, and confirm Services infrastructure requirements for Community and Other facilities for the next 10 years
	2. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and Define how infrastructure requirements may best be provided, eg non-asset solutions, owned vs leased, and define most appropriate lease terms and arrangements
	3. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and define the most effective infrastructure support that ACT Health should provide to NGOs and other industry partners, including level of funding supports towards operation and maintenance expenses
	4. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and review the current API and LoS allocation of the existing properties
	5. confirm AM Objectives, particularly in relation to environmental sustainability and financial targets
Priority 2: Budgeting	Move from annual budgeting to long term financial planning. Incorporate Year 1 of long term financial plan revenue and expenditure projections into annual budgets.
Priority 3 Asset Planning	1. Ensure decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.
	2. Identify and adopt a clinical and office accommodation standard to support the process for planning of new and refurbishing existing facilities, as well assessing and monitoring space capacity and utilisation across the portfolio
Priority 4 Control and long term management of the properties portfolio	1. Define how best to deliver maintenance services to all Community and Other facilities, including scope, type of contracts and performance measures and adopt these as a policy to move forward
	2. Confirm the roles and responsibilities of the strategic asset management team responsibilities for Community and Other facilities and how the reporting and accountability of the Team with other stakeholders
	3. Program and undertake annual visits to all properties followed by discussions with user representatives to ascertain the condition and functionality of the properties
	4. Improve method of recording and analysing property operating expenses, as well as capital and renewal works expenses

Focus	Strategy
Priority 5 Reporting and accountability of industry partners and service providers	1. Confirm current and future agreements with business partners and service providers, including landlords, maintenance and cleaning service providers as well as utility service providers, with clear scope, terms and conditions, roles and responsibilities
	2. Regular meeting between the above AM team and representatives of occupants of the Community and Other facilities to discuss future plans, and current issues and concerns
Priority 6 Asset Management	1. Develop and annually review asset management plans and strategic asset management plan covering at least 10 years (80% of asset value).
	2. Review and update asset management plans, strategic asset management plan and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.
	3. Develop and maintain a long term financial plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.
	4. Provide a six monthly report on the implementation of strategic asset management plan, AM Plans and long term financial plans.

2 INTRODUCTION

2.1 PURPOSE

The *Strategic Asset Management Plan* (SAMP) for ACT Health Community and Other Facilities sets the direction and establishes the approach - in a strategic context – to inform asset decision making and better manage the Community and Other building asset portfolio. The SAMP identifies the management activities necessary for ensuring the building assets are functional to provide better health outcomes for the community and consumers of territory health care services.

As a high-level document, the SAMP is an integral part of ACT Health's overall strategic management framework, sitting between the strategic drivers of Government policies and corporate plans, and the development of specific strategies and programs for the delivery of high level and timely building asset maintenance and renewal.

Any existing and future *Asset Management Plans (AMPs)* are complementary documents aimed at delivering the SAMP objectives. AMPs contain increased detail to determine short to medium term projections for works and services and corresponding funding requirements.

2.2 OBJECTIVES

The key objectives of the SAMP are to:

- Establish a strategic framework to inform evidence-based decision-making on the management of ACT Health's Community and Other facilities (buildings and infrastructure) assets;
- Set asset management guidelines for asset acquisition, upgrade and divestment as well as user demand, levels of service, life-cycle management and funding for asset-sustainability; and
- Facilitate the delivery of the ACT Government's Territory Wide Health Services Framework and realise ACT Health's strategic and corporate goals.

2.3 DESIRED OUTCOMES

The implementation of the SAMP aims to:

- Provide for a better understanding of asset management and stakeholder issues;
- Improve the level of communication and reporting;
- Improve asset data management and asset performance monitoring;
- Enhance asset management through periodic strategic review; and
- Plan for the organisation's future building asset and infrastructure requirements.

3 ORGANISATIONAL CONTEXT

3.1 HEALTH REFORMS

The ACT Health Directorate is engaged in a comprehensive reform program. Building on existing continuous improvement processes, the Reform process is strengthening the delivery of health care by developing and implementing innovative solutions to address complex health issues at the systemic level. The Reform seeks to improve the efficiency and quality of publicly funded health services within the ACT. It is progressing strategies in alignment with the seven key themes:

- Access;
- Quality;
- Sustainability and Innovation;
- Strategic Partnerships;
- Infrastructure;
- Workforce and Culture; and
- Mental Health.

The overall Reform Program commenced in November 2015 with a focus on patient access, patient centred care and system wide improvements and is scheduled to end in 2019-20. During 2017-18, work will continue on the development of the draft Territory Wide Health Services Framework, which will provide the strategic framework for the planning and delivery of territory wide health services over the next decade.

3.2 HEALTH SERVICES TO THE COMMUNITY

ACT Health provides health services to the community in Canberra through the following programs:

- Public Health, including Health Protection Services;
- Community Health;
- Women, Youth and Children;
- Mental Health;
- Cancer Services; and
- Rehabilitation, Aged and Community Care.

ACT Health also works in partnership with a number of Non-Government Organisations to jointly deliver health services to the community, particularly in delivering the following health services:

- Drug and Alcohol Rehabilitation;
- Mental Health; and
- Rehabilitation, Aged and Community Care.

ACT Health Corporate provides support to all health services delivered by the Directorate through the provision of the following services:

- Sterilising Services;
- Storage and Records Management; and
- ACT Pathology.

The above services are delivered through a range of non-acute facilities spread around Canberra town centres and suburbs.

3.3 OTHER DRIVING FACTORS

Since the establishment of the ACT Government in 1989, the provision of health services in Canberra and the surrounding regions have changed significantly. Demands and growth in providing health services to the community is driven by a number of factors, both internally and externally.

The external factors influencing the provision and delivery of health services may include:

- Population growth;
- Changes in public awareness and expectations in terms of both the provision of health services and the facilities and technologies supporting the services;
- Changes in Legislations, including the introduction of the National Construction Code and the Work Health and Safety Act, the Disability Discrimination Act and the Environmental Protection and Biodiversity Act;
- Changes in technologies, including medical technologies and equipment, building technologies and materials as well as digital information and communication technologies; and
- The impacts of climate change to the local, regional and global weather patterns, which force buildings to adopt approaches to conserve energy and water consumptions as well as the use of reclaimed building materials and minimal off gassing to the indoor environment.

The above factors also have significant impact on the way ACT Health manage the buildings and infrastructure supporting health service delivery.

3.3.1 Population Growth

The ACT Government's *Population Projects 2013 to 2062* projects the population of the ACT to increase to a total population of 421,839 persons by 2020. These projections propose the majority of the territory's population growth is to occur in the new development areas of Gungahlin and Molonglo, with these areas increasing by 20,500 and 10,300 persons respectively.

The publication advises that the ACT's demographic structure by suburb has changed considerably over time as a result of the ACT Government's land release program and the introduction of new suburbs in the Territory. It reports that from 2016 to 2020, it is projected that the population of the following areas will grow as follows:

- Cotter-Namadgi by 139 per cent;
- Gungahlin by around 19 per cent;
- North Canberra by 8 per cent;
- South Canberra by 5 per cent; and
- Belconnen by 3 per cent.

In contrast, Weston Creek's population is projected to decline by 7 per cent; Tuggeranong's population to decline by 3 per cent and no population growth is expected in Woden.

In response to the increasing demand on territory health services, the ACT Government is reviewing the facilities supporting the delivery of health services to the community. This is achieved by enhancing existing Community Health Centres, creating new Community Health Centres and Walk in Centres as well as new facilities to support the delivery of Mental Health to the community.

4 SAMP METHODOLOGY

4.1 THE GENERAL METHODOLOGY

The methodology used to develop the SAMP for the Community and Other Facilities includes a range of activities which are reflected in Figure 1below.

Figure 1: SAMP Methodology

In summary, the process involved:

a. Collection and review of asset data required to underpin the preparation of a performance based Strategic Asset Management plan;

b. Conduct of a desktop performance assessment of the buildings portfolio, to determine the current state of the portfolio – this assessment was conducted through a series of workshops involving representatives of ACT Health's Asset Management and Health Planning Units;

c. Assessing the future asset needs of the community and other ACT Health programs and the asset profile required to support the organisation's strategic and operational objectives – the key output at this stage of the process is the Asset Management (AM) objectives;

d. Completion of a gap analysis between the current range and performance of the existing assets against the AM Objectives and identify the strategies required to modify the profile of the current asset portfolio to meet ACT Health's future needs as defined in the AM objectives;

e. Conduct a risk assessment and provide ACT Health with strategies and options to mitigate the risks and align the asset portfolio with the organisation's strategic objectives; and

f. Develop a summary of the financial support required to implement the strategies and activities to enable the alignment of the asset portfolio with ACT Health's objectives.

4.2 LIMITATIONS

The assessment, analysis and data modelling undertaken for the SAMP of ACT Health's Community and Other facilities was dependent on the availability and quality of data provided – both in document form as well as data collected through workshops and meetings. It is anticipated that as the SAMP process is implemented, continuous improvements will occur, including data quality and availability, culminating in improved processes and an increasingly accurate SAMP for ACT Health's Community and Other facilities.

This evolutionary process is an important one as it augments the existing asset management in-house capacity and capability through information sharing and exchange. It also assists the organisation to move closer to a best practice model for asset management to underpin the realisation of its strategic objectives and delivery of better health outcomes.

In developing this SAMP for ACT Health, it became evident that there is currently no single source of truth within ACT Health for the facilities supporting the delivery of health services to the community. For this SAMP, building information such as Gross Floor Area (GFA), date of construction, and Asset Replacement Values (ARV) was not readily available, particularly for the properties leased by ACT Health to deliver community health services.

In some cases, the following approaches have been adopted to enable some comparisons between buildings:

- The Net Lettable Areas for the leased buildings were estimated based on the GFAs of properties owned by ACT Health performing similar functions;
- The age of the building is estimated based on the year the suburb where the building is located was established; and
- The Asset Replacement Values (ARVs) are indicative only – calculated based on current industry replacement costs for the purposes of SAMP development.

Furthermore, some of the facilities are regularly referred to by different names or by the previous use or function, whilst the street address of others are inaccurately registered.

5 ASSET PROFILE

5.1 SCOPE

5.1.1 The portfolio

ACT Health deliver non acute health services to the community through a range of owned and leased properties, which are either occupied by a Business unit of ACT Health or by Non-Government Organizations providing community health services on behalf of ACT Health. Most of the properties consist of a building and supporting infrastructure, although some form part of a building with ACT Health being one of the tenants occupying the building. For this reason, the term property will be used throughout this document.

The following Table summarizes the range of properties included in the SAMP. Refer to Section 9.1 for the full list of the properties.

Table 1: Community and Other Facilities Portfolio by type of Health Service

Division	No of properties	Reinstatement Value (30/6/17)	Total Floor Area m2	Average Age
ACT Pathology	1	[redacted]	59	1
Cancer Ambulatory and Community Health Support	1		319	5
Community Health Centres	8		33,668	13
Mental Health, Justice Health, Alcohol and Drug Services	15		16,668	29
Health Protection Services	4		1,658	34
Rehabilitation, Aged and Community Care	2		4,061	17
Sterilising Services	2[6]		2,741	3[8]
Clinical Records, Clinical Support Services	2		573	17
General Storage, Business Support Services	3		3522	27
Residential Accommodation, Business Support Services	6		1,385	7
Women, Youth and Children	7		2,329	26
Total	**51**		**69,724**	

The above Table highlights how Mental Health, Justice Health, Alcohol and Drug Services and Community Health Centres occupy the majority of the properties, with the largest number of properties, total Floor Area and consequent Reinstatement Values. It should also be noted that these properties also represent some of the oldest properties in the portfolio, which will require significant capital investment in the near future to replace ageing building components.

Many of the above properties are supported by car parking areas, either as part of the basement area of the building, in the form of formal bitumen sealed car parking spaces or of informal gravel covered car parking areas. These car parking infrastructure have not been included in the assessments and currently excluded from the SAMP because there are no separate asset replacement values for these

[5] May consists of ACT Health fit out only
[6] This consists of the building/ fit out and the sterilizing equipment within the building
[7] May consists of ACT Health fit out only
[8] Based on average age of latest fitout and equipment installation

car parking areas and hence the car parking areas are considered to be part of the infrastructure supporting the property. Furthermore, there is currently no data available on the existence, size, type, and condition of these carparks, nor there are any operating or maintenance costs recorded separately for these carparks.

5.1.2 Type of Facilities

The types of facilities forming the Community and Other properties range widely as shown in the following Table:

Table 2: Types of Facilities across the Community and Other Facilities portfolio

Division	Type of Facilities	No of properties
ACT Pathology	Offices	1
Cancer Ambulatory and Community Health Support	Residential	1
Community Health Centres	Health Centre	8
Mental Health, Justice Health, Alcohol and Drug Services	Residential	11
	Offices[9]	3
	Secure Facility	1
Public Health Protection	Laboratory	1
	Unique Air Monitoring Structure	3
Rehabilitation, Aged and Community Care	Residential	1
	Specialised Workshop	1
Sterilising Services	Specialised Workshop	1 property plus 1 range of equipment
Clinical Records, Clinical Support Services	Storage Facility	2
General Storage, Business Support Services	Storage Facility	3
Residential Accommodation, Business Support Services	Residential	6
Women, Youth and Children	Clinics	6
	Residential	1
Total		51

The above Table shows how, besides Residential Accommodation services, Mental Health, Justice Health, Alcohol and Drug Services heavily rely on residential type of properties to deliver its services.

[9] Includes Callam Offices

5.2 OWNERSHIP OF THE PROPERTIES

5.2.1 Ownership

ACT Health own most of the properties utilised to deliver health services to the community around Canberra. However, the ownership status of the Student Residential Accommodation located in Phillip, Garran and Belconnen needs to be confirmed. It is understood that the facilities were acquired by the Commonwealth Department of Health to be utilised by ACT Health, with no formal transfer between the two parties occurred yet, and that the Department of Health require ACT Health to report on the Residences' occupancy rate on an annual basis.

To complement the above owned properties portfolio, ACT Health lease properties to deliver health services to the Community and to deliver corporate services. Most of the leased properties belong to the ACT Property Group (ACTPG) under a number of Memorandums of Understanding, although the terms and conditions of the MOUs are not well defined or understood, nor have the MOUs been reviewed in recent years.

ACT Health also lease properties from the ACT Education and Training Directorate and from the private sector. The commercial lease arrangements between ACT Health and the private sector are not known nor are the terms and conditions.

For the buildings which are leased by ACT Health to deliver its services, the assets owned by ACT Health are assumed to be limited to the internal fitout and some supplementary air conditioning and heating systems, as the base building fabric and services, plus supporting infrastructure, are assumed to belong to the landlords.

Whilst the exact floor area and replacement values of the leased properties are not known, the breakdown of ownership of the properties forming the Community and Other facilities can be summarised as follows:

Table 3 Distribution of Owned and Leased Properties in the portfolio

	No of properties	Total Floor Area in m2	Estimated Replacement Value
Owned	36	47,956	[redacted]
Leased	15	21,768	
Total	51	69,724	

5.2.2 Provision of Maintenance Services

ACT Health engages ACTPG to deliver maintenance services to most of the ACT Health owned properties under an MOU arrangement. The scope of maintenance services agreement with ACTPG excludes the Student Residential properties.

[10] Assumed to represent internal fitout and supplementary systems owned by ACT Health

The current leasing arrangements with ACTPG require ACT Health to pay for expenses associated with:

- operating lease for all ACTPG owned properties
- preventive maintenance and repairs to ACT Health fitout and supplementary services for all ACTPG owned properties
- preventive maintenance and repairs to the base building fabric and services for selected properties

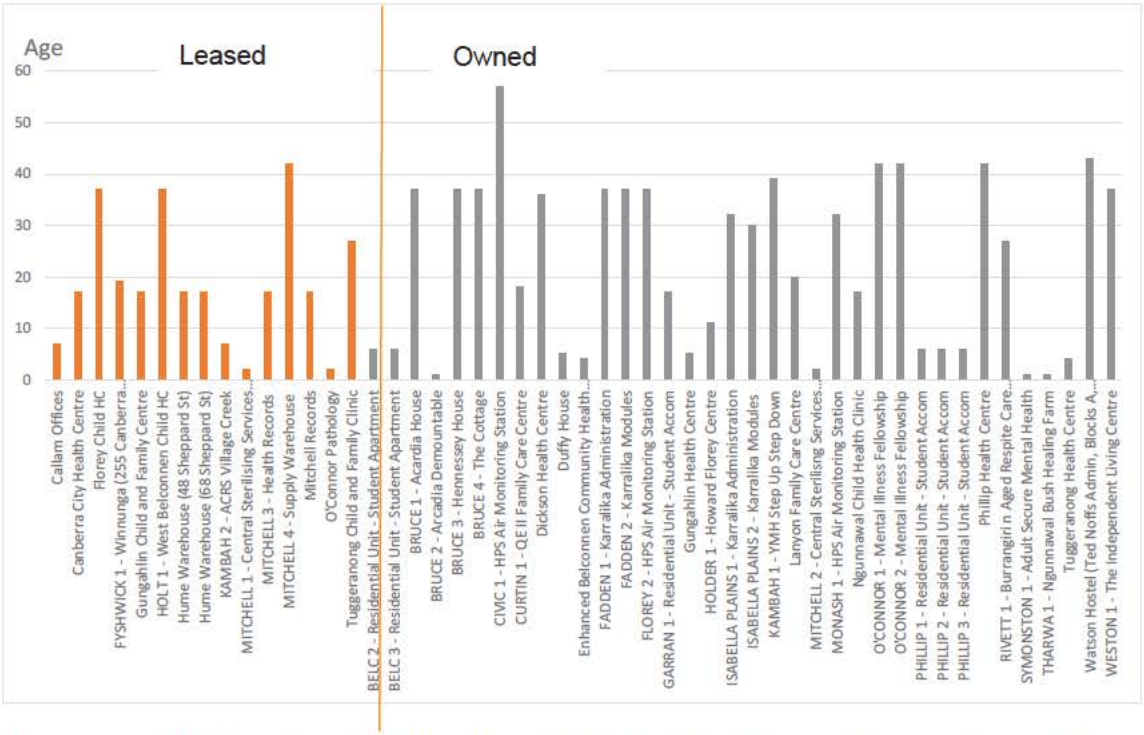
Refer to Section 9.2 for details of the Leased Properties.

5.3 AGE PROFILE

A SAMP compiles data and transforms it into information which in turn is used to create knowledge about the asset portfolio and how it can best be managed in support of an organisation's objectives. An important and fundamental requirement is the examination of the current state of the asset portfolio with the primary indicator being the age profile of the buildings on the campus.

Based on the asset age data and associated information held by ACT Health, the average of the buildings and infrastructure supporting ACT Health community services is now 22 years old, with a median age of 17 years.

Figure 2: Age Profile of the properties



As shown in both Figure 2 and Table 1, 19 out of 36 ACT Health owned Community and Other facilities are older than 20 years old and most are properties which are currently supporting Community, Drug and Alcohol and Mental Health Services.

It should be noted that many of the ages were estimated based on the age of the suburbs and anecdotal information made available during the development of this SAMP. Limited data is currently available on the age of the buildings leased by ACT Health and on the age of the fitout and supplementary systems installed in these leased buildings.

6 ESTATE ASSET PERFORMANCE

6.1 SCOPE OF ASSESSMENT

The effective management of an asset portfolio is underpinned by a robust and consistent performance assessment framework comprising a set of performance measures. The SAMP for ACT Health Community and Other facilities references the Queensland Government Building Asset Performance Framework (BAPF) for building performance assessment as it provides a platform for developing informed, effective and outcome focussed asset management plans.

For the purposes of this SAMP, an Estate Performance Assessment (EPA) of ACT Health's properties was undertaken to prepare the SAMP and identify potential enhancements for future performance assessments. These assessments were completed using a desktop approach delivered through a series of workshops attended by representatives of ACT Health Strategic Asset team, Health Planning Unit and Strategic Finance.

The performance framework used for the SAMP is outlined below. Greyed out areas indicate current data inadequacies, preventing the completion of assessments.

Table 4: SAMP Performance Framework

BAPF Performance Indicator	SAMP Indicator	Definition of the Indicators	Extent of Performance Assessment	
			Owned Properties	Leased Properties
Location	Location		All buildings and infrastructure	Internal fitout and supplementary services in all buildings and leased spaces
Condition	Condition		All buildings and infrastructure where information is available. No information was available for the HPS air monitoring units	Internal fitout and supplementary services, where knowledge of the assets are known
Functionality	Functionality		All buildings and infrastructure where knowledge of the assets is available. Selected properties, particularly those occupied by NGOs, cannot be assessed due to lack of information.	Internal fitout and supplementary services, where knowledge of the assets is available. Most are either unknown or not assessed.
Remaining Life	Remaining Life		All buildings and infrastructure where information is available or can be extrapolated from relevant other data	Not conducted as no information is available
Capacity	Capacity		Further work required on defining measure	Further work required on defining measure
Financial	Operating Cost		All buildings, analysis undertaken at high level only	All buildings where data is available, undertaken at high level only and leasing hiring and property expenses.
	Maintenance Cost and Asset Renewal		All buildings, noting expenditure figures were not separated to corrective / preventive maintenance and asset replacement / renewal.	All buildings where data is available, undertaken at high level only, noting expenditure figures were not separated to corrective / preventive maintenance and asset replacement / renewal.

BAPF Performance Indicator	SAMP Indicator	Definition of the Indicators	Extent of Performance Assessment	
			Owned Properties	Leased Properties
Legislative Compliance	Legislative Compliance	[redacted]	All buildings and infrastructure where information is known.	Internal fitout and supplementary services, where knowledge of the assets are known
Utilisation	Utilisation		Further work required on defining measure	Further work required on defining measure
Environmental	Environmental		Utility expenditure data is available supported by limited consumption data, leading to high level assessment of potential assumptions and recommendations for future actions	Utility expenditure data is available supported by limited consumption data, leading to high level assessment of potential assumptions and recommendations for future actions
Significance	Asset Priority		All properties where activities in the buildings are known and understood	All properties where activities in the buildings are known and understood

6.2 ASSESSMENT METHODOLOGY

The Estate Performance Assessment (EPA) adopted to support the development of this SAMP follows the process illustrated at Figure 3.

[redacted]

6.2.1 Asset Priority Index (API) and Levels of Service (LoS)

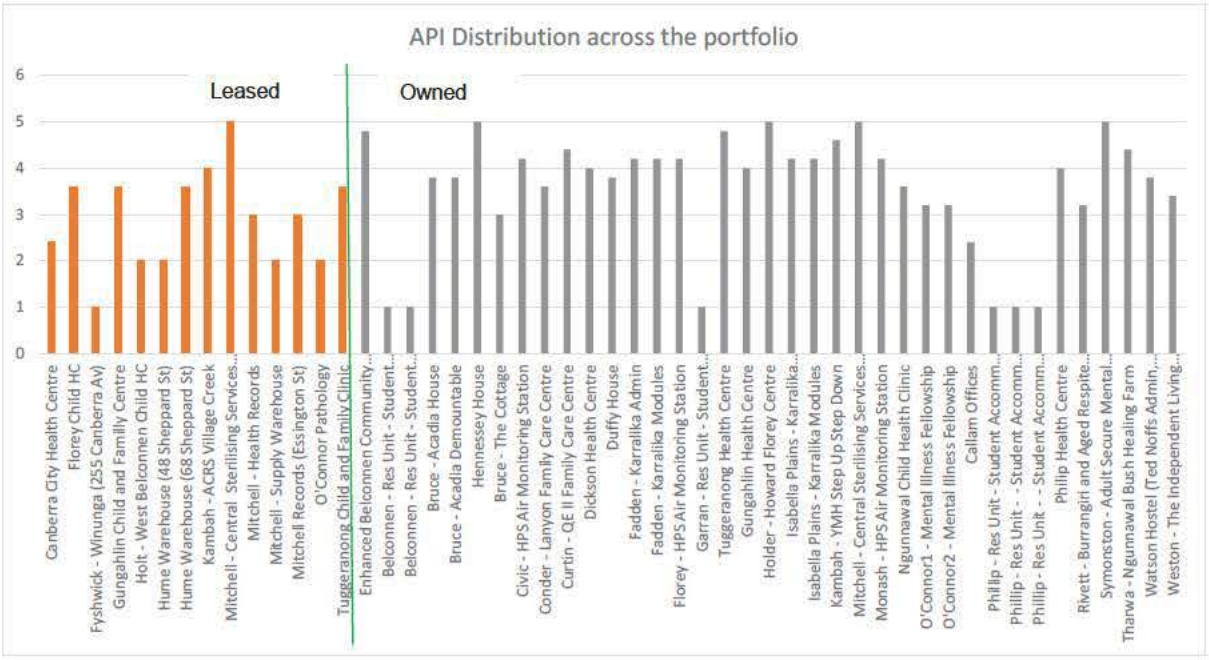
6.2.1.1 API allocation

A critical component of any strategic asset management plan is to test the alignment of an organisation's assets with its corporate mission and strategic priorities. [redacted]

During a workshop attended by representatives of ACT Health AM and HPU teams, each property has been rated from 1 (lowest) to 5 (highest) for each category; and each category is assigned a priority weighting – Strategic Alignment (40%). Intradependency (20%, Interdependency (20%) and Consequence (20%). The API allocation was based on the workshop participant's understanding of the activities held in each property and their appreciation of the alignment of those activities with ACT Health's strategic objectives.

The assessed API distribution for the Community and Other facilities are shown in Figure 4 below.

Figure 4: Building Assets API – both owned and leased properties



The assessment results show that the most important buildings in the Community and Other Facilities portfolio are:

- The Central Sterilising Services building in Mitchel,
  providing supports the operation of the Canberra Hospital and Health Centres around Canberra;
- The Enhanced Belconnen Community Health Centre,
  providing key health services, including dental and renal services, to the community around the Belconnen area;
- Hennessy House,
  providing mental health supports and accommodation;
- Tuggeranong Community Health Centre,
  providing key health services, including dental and renal services, to the community around the Tuggeranong area;
- Howard Florey Centre (Health Protection Services),
  where research and laboratory testings associated with monitoring and protecting public health for the community are conducted; and
- Dhulwa Adult Secure Mental Health facility at Symonston,
  providing secure accommodation for people with mental health under detention.

Not all the properties were assigned with an API during the facilitated workshop due to participants' limited understanding of the current activities held in these properties. To complete the API allocation process, DCWC SAFM made assumptions on the API of these properties upon receiving further information about the activities held in these properties and by comparing these against similar properties within the portfolio.

Recommendation

Review the API allocation in close consultation with relevant Health Services' stakeholders to ensure that the allocations are correct and are aligned with ACT Health strategic objectives, including the seven key themes recently established as part of ACT Health Reform process.

6.2.1.2 Levels of Service (LoS) allocation

In the context of this SAMP, Levels of Service define the appropriate level of maintenance and the priority placed on the work, that each property or asset requires to support service delivery. [redacted]

The LoS descriptions for this SAMP are provided at Table 5 below.

Table 5: Level of Service Descriptions

LoS	Asset Levels of Service	Condition Standard of the Assets
5	[redacted]	Asset to be in best possible condition. Only minimal deterioration will be tolerated.
4		Asset to be in good condition operationally and aesthetically, benchmarked against industry standards for that particular class of asset.

LoS	Asset Levels of Service	Condition Standard of the Assets
3	[redacted]	Asset to be in fair condition operationally and aesthetically.
2		Conditions need to meet minimum operational requirements only.
1		Conditions can be allowed to deteriorate and are only marginally maintained to meet minimum statutory requirements only.

[redacted]

The LoS allocation for the Community and Other facilities was conducted by representatives of ACT Health AM and HPU teams during a facilitated workshop, based on their understanding of the 'acuteness' of the services delivered in each property within the portfolio. A summary of the results from the LoS assessment is provided in the Table below.

[redacted]

All Student Residential Accommodation buildings were all considered to be of low priority in terms of delivering ACT Health services and have been assigned with a Useful LoS. This allocation was based on the opinion that residential accommodation for staff and students could easily be leased from the open market, with ACT Health contributing towards the rent of these accommodation.

The warehouse in Fyshwick currently leased for Winnunga has also been assigned with a low API as it was understood that a new health centre is currently being planned for Winnunga and that this warehouse will no longer be needed when the new centre is completed.

Recommendation

To ensure that the allocation of API and LoS correctly reflect ACT Health Services priorities and aligned wit the recently established seven key themes, it is recommended that ACT Health review the API allocation and associated LoS in close consultation with relevant Health Services' stakeholders.

6.2.2 Space Capacity and Utilisation Assessments

6.2.2.1 Space Capacity Assessment

The Concept

A Capacity Assessment was not undertaken for this SAMP, due to lack of quality and detailed space data and information. The methodology used to undertake a capacity assessment is set out as follows:

1. Develop or adopt a standard definition of space types;
2. Develop space standards to space types;
3. Develop an approach to convert the organisation's level and type of service into space requirements for each space type;
4. Set space performance targets by space type, linking the targets to strategic objectives;
5. Calculate the capacity index by:
   - Using the space requirements and space standards to calculate required space;
   - Measuring actual space by space type; and
   - Calculating the capacity index (actual / required space).

It is understood that ACT Health has already adopted a space type standard with supporting clinical and office accommodation standard, similar to the Australasian Health Facilities Guidelines (AusHFG), used when planning for new facilities or refurbishing existing spaces. The same standard can also be adopted to asses and monitor capacity of existing facilities.

Recommendation

It is recommended that ACT Health commence undertaking the above process of undertaking capacity assessment, including determination of the performance measures of the capacity of each space type.

6.2.2.2 Space Utilisation

A Utilisation or Occupancy Rate Assessment, to measure both the occupancy rate and the frequency of use of specific types of space, was not undertaken for this SAMP also due to lack of available information on space utilisation to date.

Recommendation

It is recommended that ACT Health make decisions towards measuring space utilisation as follows:

- Identify how utilisation rate should be measured to enable ACT Health find space efficiencies across the Community and Other facilities;
- Identify the space types where utilisation rate can be measured; and
- Commence the process and continue to monitor utilisation level on an annual basis.

Utilisation assessment will be useful particularly for the leased properties to ensure that ACT Health only leases and pay rents for space which are essential and well utilised.

It is understood that the Commonwealth Department of Health require ACT Health to report on the occupancy rate of the Student Residential facilities on an annual basis, as the Department had acquired the facilities for ACT Health to use.

6.2.2.3 Space Occupancy and Leasing arrangements

There is currently limited knowledge available to prepare this SAMP about the occupants, activities and tenancy arrangements for:

- ACT Health owned properties which are occupied and managed by either Health Service Program delivery agencies or NGOs; and
- Leased properties occupied by either ACT Health or Health Services Program delivery agencies.

It is difficult to assess the performance of the above properties for this SAMP due to lack of detailed information and clarity on the following:

- the floor area occupied by ACT Health or NGO delivering services on behalf of ACT Health;
- clear identification of ownership of the fitout, supplementary systems and other items installed on site;
- the role and responsibilities between ACT Health and the property owners; and
- the range of controls held by each party on these properties.

In some properties, ACT Health is not the sole tenant and it is unclear how operating expenses of the property have been allocated to the individual tenants.

It is recommended that ACT Health commence to collect data on the property leased to support ACT Health services, including the following:

- Name and contact details of the landlords
- Net Lettable Areas, plus any other space entitlements on common areas and car parking spaces
- Operating Lease Expenditures
- The term of the lease
- The conditions of the lease agreement or MOU, including the roles and responsibilities of each party

6.2.3 Condition and Functionality

6.2.3.1 Condition Assessment

A key facilities portfolio performance parameter is the condition of assets. Under-investment in maintenance often leads to significant deterioration of the asset portfolio to the point where the asset no longer meets the needs of the organisation.

The condition of the asset portfolio is assessed to gauge the level of deterioration and identify any issues. It is a vital tool that supports effective asset planning and management by providing an overview of the comparable condition of assets within the portfolio that can be consistently applied.

The condition assessment should also be used to:

- Analyse portfolio and asset condition trends;
- Identify current maintenance liabilities and emerging maintenance issues;
- Evaluate the adequacy of existing maintenance and capital funding;
- Develop a consist format for reporting of condition within an organisation and to the various levels of Government;
- Support the development of effectively targeted and prioritised maintenance programs;
- Assess the effectiveness of prevailing maintenance strategies; and
- Support the strategic asset planning processes by providing enhanced information on current performance and future liabilities.

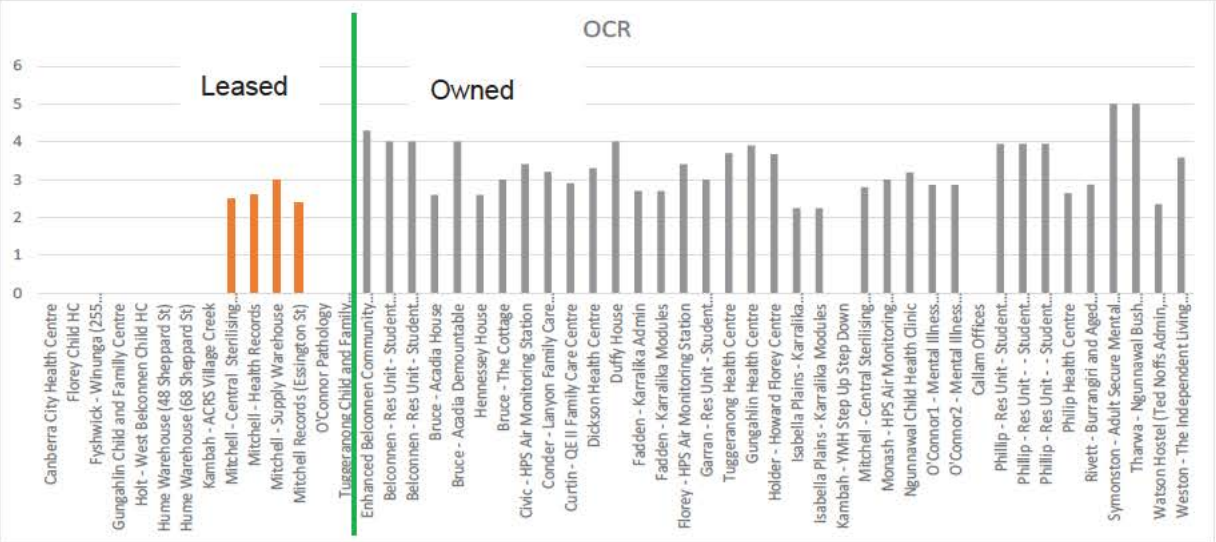
The condition of the Community and Other facilities was assessed as a desktop exercise in a facilitated workshop session attended by representatives of ACT Health AM and HPU teams, based on their knowledge of the properties. Each of the 28 building elements forming each property was assessed and given a rating between 1 (very poor) and 5 (excellent).

Assessment Findings

Condition assessments of the Community and Other facilities found that the average Overall Condition Rating (OCR) of the properties is 3.26 across the portfolio, which is slightly above the target OCR of 3.0. The average condition rating for the owned properties is 3.35 whilst the average condition rating of the leased properties is 2.65.

The range of OCR for all owned properties is shown in Figure 5 below.

Figure 5: Overall Condition Rating (OCR)



The above Figure highlights the following:

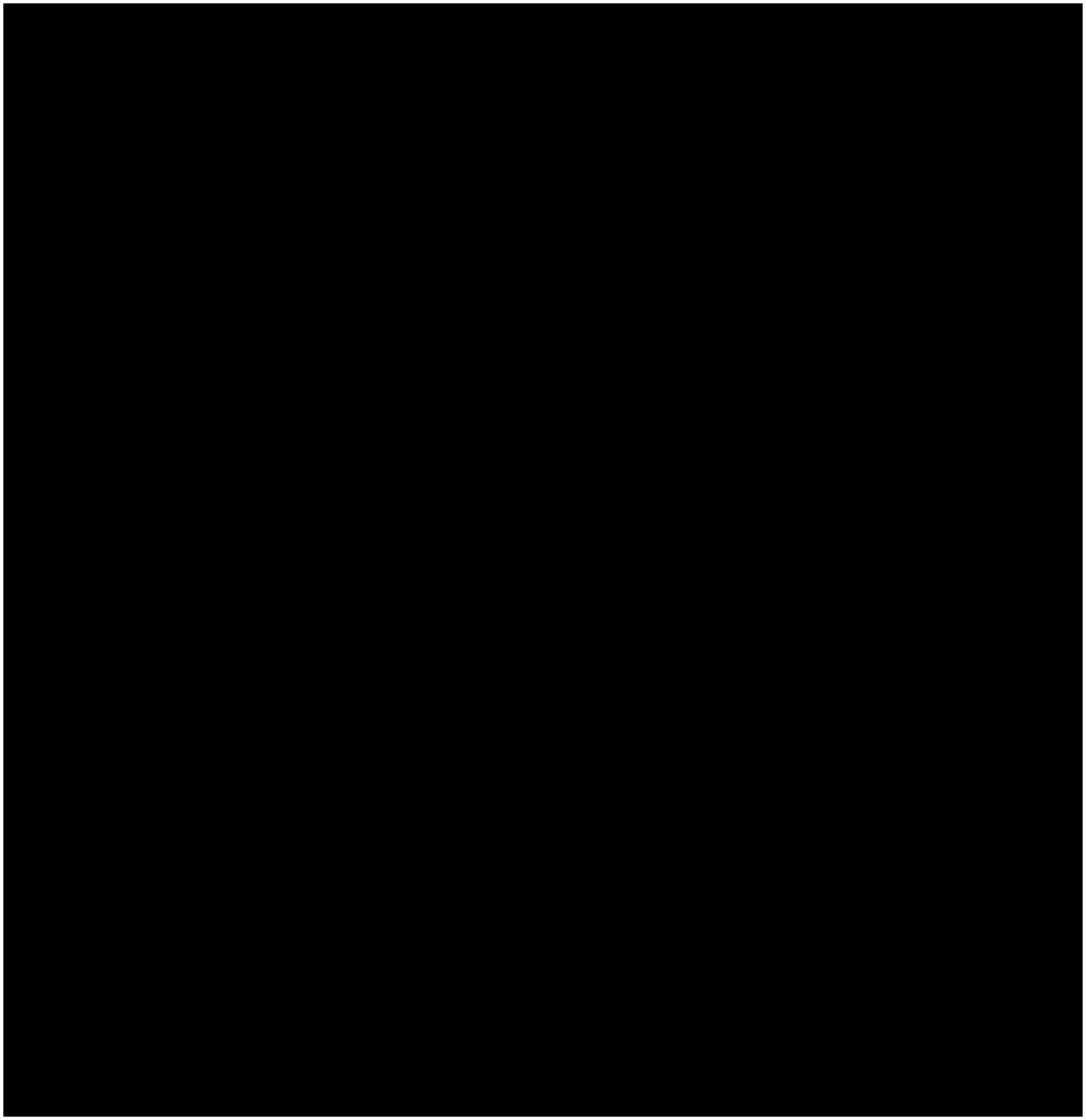
- The best properties are the recently constructed Secure Mental Health facility at Symonston and the Drug and Alcohol Cultural Rehabilitation Centre at Tharwa
- The properties with the worst condition ratings are the Watson Ted Noff's Hostel, Karalika Administration and Module at Isabella Plains and the Mitchell Records – all have OCR <2.5
- The condition of the YMH Step Up Step Down in Kambah was not assessed due to limited knowledge about the property.
- no condition assessment was conducted in 11 of the leased properties due to limited knowledge of the properties and the internal fitouts held by ACT Health; and
- Other than the Supply Warehouse in Mitchell, the condition rating of all other leased properties are less than the desired level of 3.0

Recommendations:

The condition performance rating for the properties should be considered as indications only and not an accurate reflection of the actual performance of the properties as the condition assessment as part of this EPA was conducted as a desktop exercise only, based on the historical knowledge of the condition of the buildings held by representatives of ACT Health AM Team and Health Planning Unit. Visual assessments as part of walk through inspections of the properties are recommended to validate these ratings.

Annual inspections of the assets which are owned or maintained and paid for by ACT Health in these leased properties are also recommended to assess the condition of the properties, and ensure safety of the occupants. In turn, the inspection and condition assessment will provide greater accountability of the expenses incurred towards the repairs and maintenance of these properties.

6.2.3.2 Functionality Assessment



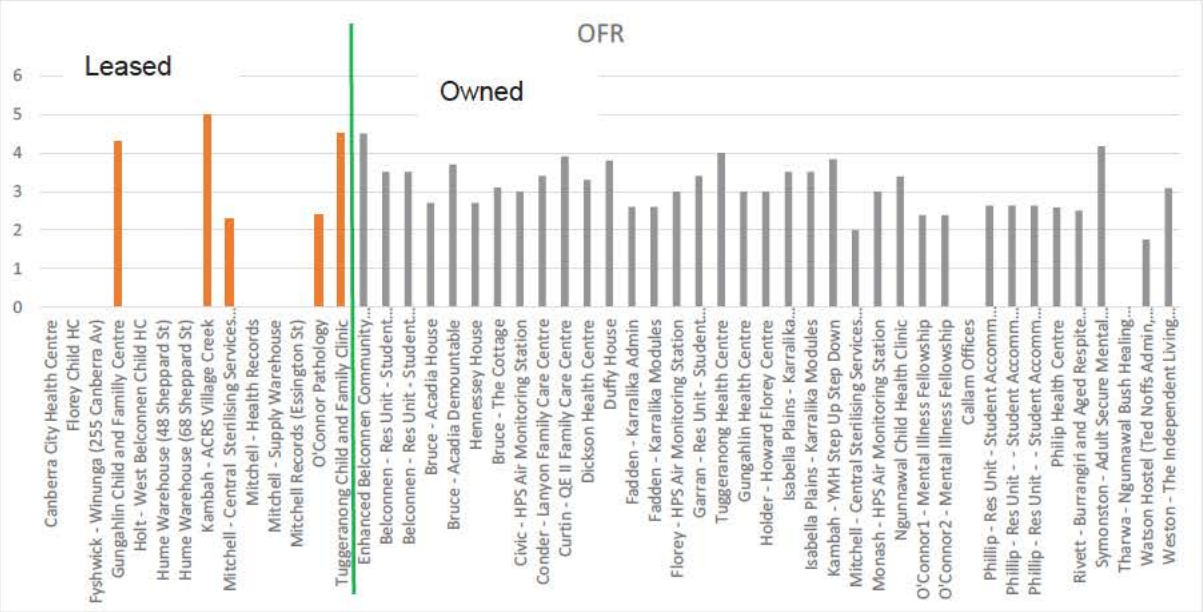
Assessment Findings

Functionality assessments of the properties forming the Community and Other facilities found that the average functionality performance rating for the portfolio to be 3.18, which is slightly above the target performance of 3.0. The average functionality rating of the owned properties is 3.13 and 3.42 for the leased properties.

However, it should be noted that no functionality assessment was conducted in one of the owned facility (Ngunnawal Bush Healing Farm in Tharwa) and 10 of the leased properties due to limited knowledge about these properties was available at the time of the assessments.

The range of functionality performance rating for the portfolio is illustrated in the Figure below.

Figure 7: Buildings Overall Functionality Rating (OFR)



As shown in the figure above, the functionality rating of 14 out of 36 ACT Health owned buildings currently do not meet the required 3.0 rating, including:

- MITCHELL 1 Central Sterilising Services Department (buildings) incl. PM&M
- MITCHELL 2 Central Sterilising Services Department (equipment)
- O'CONNOR 3 O'Connor Pathology
- BRUCE 1 Acardia House
- BRUCE 3 Hennessey House
- FADDEN 1 Karralika Administration
- FADDEN 2 Karralika Modules
- O'CONNOR 1 Mental Illness Fellowship
- O'CONNOR 2 Mental Illness Fellowship
- PHILLIP 1 Residential Unit - Student Accommodation
- PHILLIP 2 Residential Unit - Student Accommodation
- PHILLIP 3 Residential Unit - Student Accommodation
- PHILLIP 4 Phillip Health Centre
- RIVETT 1 Burrangiri and Aged Respite Care Centre
- WATSON 1 Watson Hostel Ted Noffs

The low average functionality rating for the portfolio is due to the fact that, for selected owned properties and for most of the leased properties, not all of the 6 key functionality topics were assessed, due to lack of available information for this EPA. This is particularly the cases with the facilities which offer accommodation services, including Hennessey House, the Student Accommodation, Burrangiri, Mental Illness Fellowship and Watson Hostel, where access to these facilities is not readily available.

No functionality performance assessment was conducted for the Ngunnawal Bush Healing Farm due to lack of knowledge about the activities held in the property.

As the case with the condition assessments, limited functionality assessments were conducted for the Leased buildings, as ACT Health currently have limited knowledge of the actual activities held and the way these properties are utilised by the occupant organisations.

Recommendations

The functionality performance rating for the properties should be considered as indications only and not an accurate reflection of the actual functional performance of the properties as the functionality assessment was conducted as a desktop exercise, based on the understanding of the activities and the buildings currently held by representatives of ACT Health AM Team and Health Planning Unit. More detailed functionality assessments should be conducted with direct consultations of representatives of the organisations occupying the properties and the FM service providers to obtain more accurate functionality assessments of the properties.

Regular/ annual consultations with the occupants of these leased properties will be useful to ascertain the functional performance of these properties. The process will also support accountability of expenses incurred.

6.2.4 Quality Assessments

[redacted]

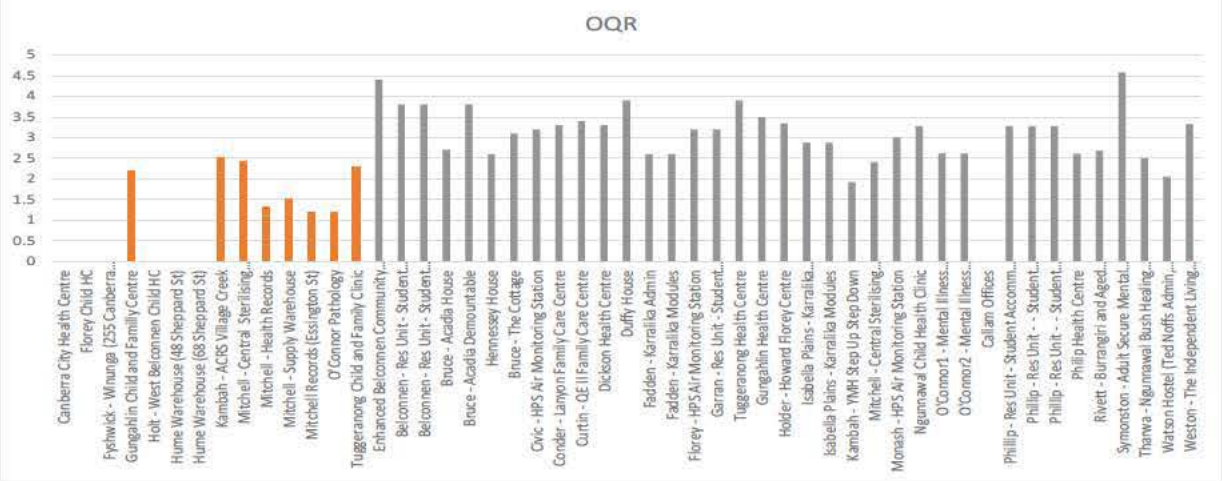
In terms of the overall quality, not all the properties within the portfolio could be assessed, as limited information was available at the time to assess their condition and functionality rating. These are summarised below.

	No of properties fully assessed	No of properties with no OCR available	No of properties with no OFR available	No of properties where no OCR and no OFR available
Owned	32	1	1	
Leased	3	11	10	7
Total	35	12	11	7

Assessment Findings

The assessment found that the median OQR for the properties in the portfolio which were fully assessed in terms of the condition and functionality is 2.68, which is slightly below the target 3.0. Figure 8 below shows the OQR for each of the properties.

Figure 8 Overall Quality Rating of the Property Portfolio

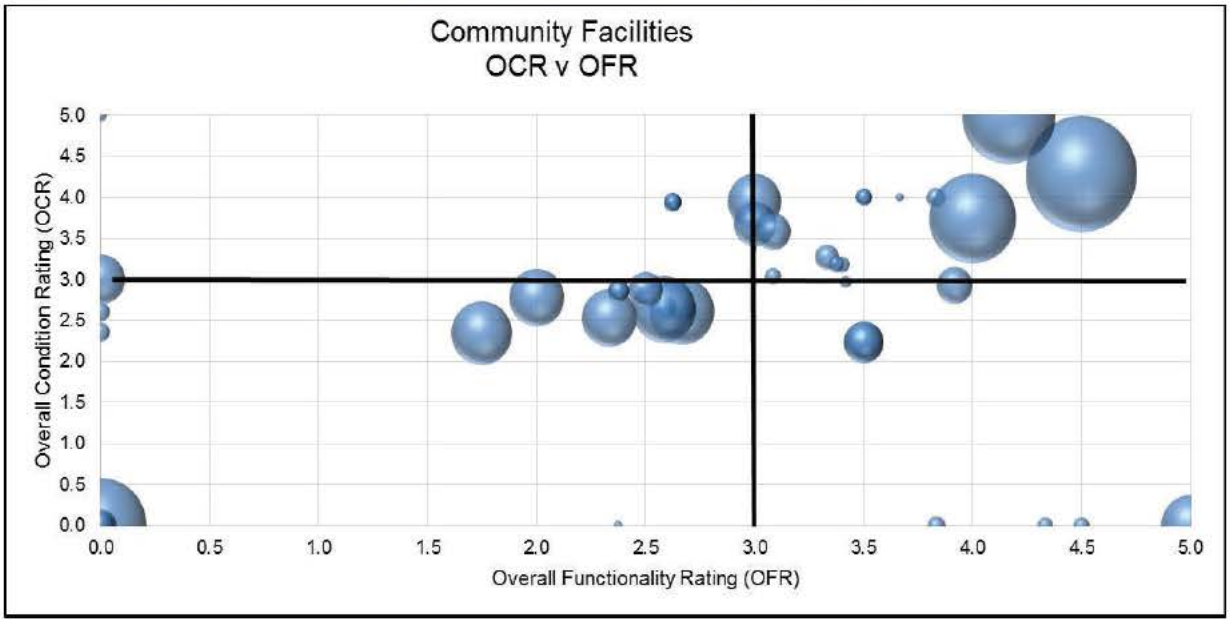


As shown on the above Figure, the following do not have any quality rating due to lack of information::

1. 1 MOORE ST Canberra City Health Centre
2. CALLAM Callam Offices
3. FLOREY 1 Florey Child HC
4. FYSHWICK 1 Winnunga (255 Canberra Avenue)
5. HOLT 1 West Belconnen Child HC
6. HUME 1 Hume Warehouse (48 Sheppard St)
7. HUME 2 Hume Warehouse (68 Sheppard St)

Figure 9 demonstrates the relationship between the Overall Condition Rating (OCR) and Overall Functionality Rating (OFR) [redacted]

Figure 9: Overall Condition Rating (OCR) vs Overall Functionality Rating (OFR) of the properties



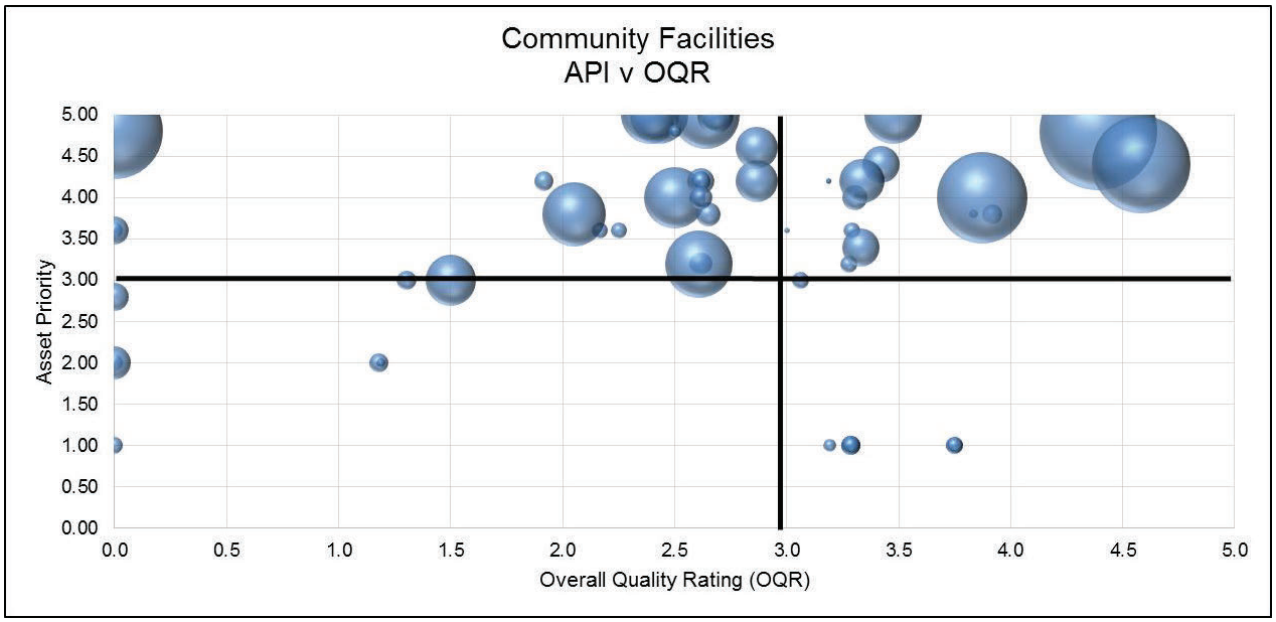
The above figure indicates the following:

- 17 properties, all ACT Health owned, currently have a quality rating higher than 3.0, with 3 of them having GFAs larger than 6,500m2, namely the Enhanced Belconnen Community Health Centre, the Tuggeranong Health Centre and the Adult Secure Mental Health Facility.
- 9 owned properties and the leased Central Sterilising Services Department in Mitchell currently have quality rating less than the desired 3.0. The owned properties are
  - BRUCE 1 Acardia House
  - BRUCE 3 Hennessey House
  - FADDEN 1 Karralika Administration
  - FADDEN 2 Karralika Modules
  - O'CONNOR 1 Mental Illness Fellowship
  - O'CONNOR 2 Mental Illness Fellowship
  - PHILLIP 4 Phillip Health Centre
  - RIVETT 1 Burrangiri and Aged Respite Care Centre
  - WATSON 1 Watson Hostel Ted Noffs

Refer to Section 9.4 for details of the Quality Rating of each property.

Figure 10 demonstrates the relationship between Asset Priority and Overall Quality [redacted]

Figure 10 Asset Priority vs Overall Quality of all properties



The assessment results indicate how

- Only 16 properties with API higher than 3.0 are rated to have OQR higher than 3.0. All are owned by ACT Health, and 3 of them have GFAs larger than 6,500m2, namely the Enhanced Belconnen Community Health Centre, the Tuggeranong Health Centre and the Secure Mental Facility at Symonston. These 16 properties have the best alignment and capability to support ACT Health delivering health services to the community into the future.
- 6 ACT Health owned properties with API lower than 3.0 are currently rated as having OCR higher than 3.0. All these are residential apartments for staff and students working for ACT Health.
- 6 ACT Health leased properties with API lower than 3.0 are currently rated as having OCR less than 3.0 as no assessment was conducted on either their condition or functionality. The properties are:
  - CALLAM — Callam Offices – identified to be vacated by 2019
  - FYSHWICK 1 — Winnunga (255 Canberra Avenue) – identified to be vacated by 2019
  - HOLT 1 — West Belconnen Child HC
  - HUME 1 — Hume Warehouse (48 Sheppard St)
  - MITCHELL 5 — Mitchell Records
  - O'CONNOR 3 — O'Connor Pathology

It is recommended that both a condition and functionality assessments are conducted on these leased properties to provide greater insights to their overall quality before decisions are made on the future of these properties and whether the current lease arrangements are to be renewed or not.

6.2.5 Remaining Useful Life Assessment

It is recognised that the performance of an asset declines with usage over time. When and how the asset's life will end can be determined, which sets the stage for estimating the Remaining Useful Life (RUL) of the asset.

There are a number of end of asset life definitions used across different sectors for different purposes. These include:

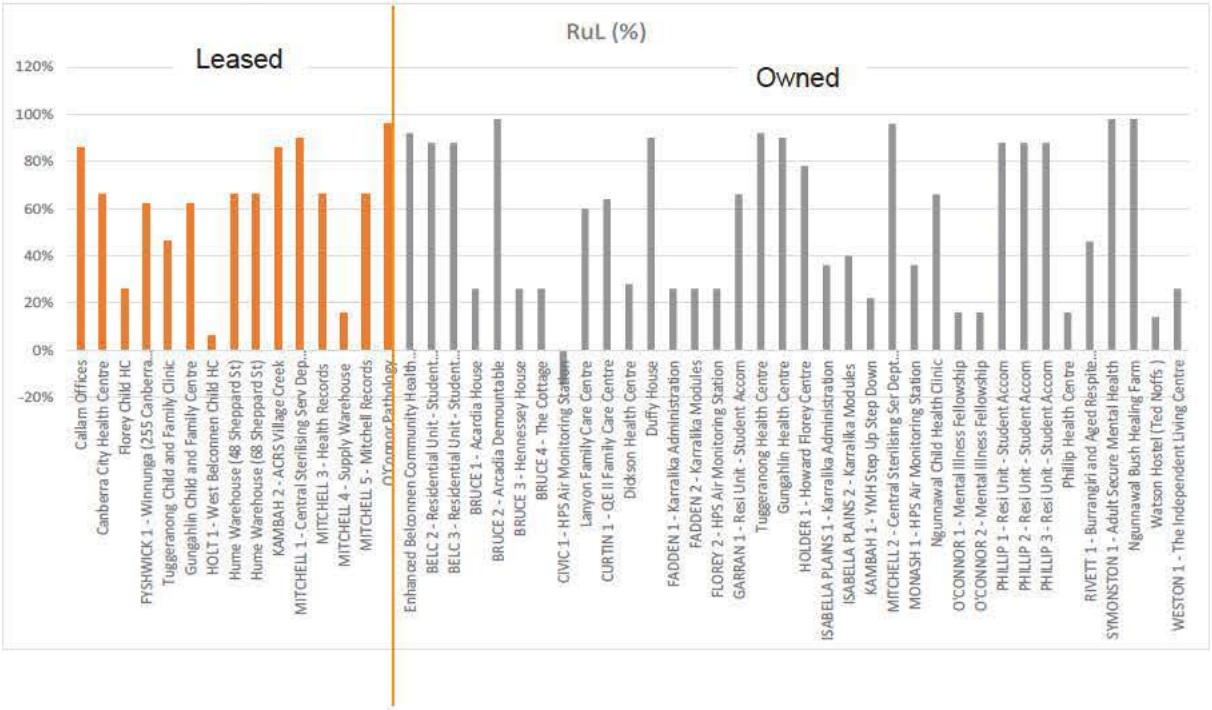
- **End of financial life** – when an asset is fully financially depreciated on the "books";
- **End of physical life** – when an asset is physically non-functioning (e.g., failed, collapsed, ceased to operate);
- **End of service level life** - when an asset can no longer do functionally what customers/stakeholders require it to do because what is now required exceeds the designed functionality of the asset or technologically now obsolete;
- **End of capacity life** – when the volume of demand placed on an asset exceeds its design capacity; and
- **End of economic life** – when asset cease to be the lowest cost alternative to satisfy a specified level of performance or service level. The end of economic life embraces such terms as "financial efficiency", "business efficiency", and "efficiency.

The assessment used in this SAMP relates to Remaining Effective Life, determined from the most imminent trigger among the four asset life triggers – service level life, capacity life, physical life and economic life.

[redacted]

The following figure shows the range of Remaining Useful Life for all the properties. The age and remaining useful life of some of the leased premises have been estimated from the time the suburb was established or when ACT Health moved into the property and installed the internal fitout.

Figure 11: Remaining Useful Life



Approximately 16% of the properties assessed have less than 25% of life remaining. The HPS Air Monitoring Station at Allara Street, Civic is estimated to be 57 years old now and is beyond its estimated useful life. However, these figures are indicative only, as some of the key components may have been replaced several times over the past 50 years.

On the other hand, the RUL for the Mitchell 1 Central Sterilising Services building is shown above as having 96% despite the fact that the base building fabric itself was built in 1974. This is due to the fact that the internal fitout, finishes and major building services and sterilising equipment have been replaced and or refurbished several times with the latest round occurring around 2015.

Refer to Section 9.5 for the RUL for each property.

Recommendations

Compile dates of construction data for each property, including fitout in leased premises or date of occupancy.

6.2.6 Environmental Sustainability Assessment

6.2.6.1 Energy and Water Data Availability

ACT Health provided some data on the annual consumption rate and costs for electricity, gas and water of the Community and Other facilities, with the data grouped into Cost Centres rather than per property. Details of the utility consumption expenses of these facilities are shown in Section 9.6 Appendix F.

Based off the available data set, there is limited scope for evaluating the environmental performance of Community Health's built assets. There is limited consumption figures for electricity, gas and water of the individual property for example, leading to the need to extrapolate the consumption figures underpinning the cost data provided.

6.2.6.2 Extrapolated Energy and Water Annual Consumption

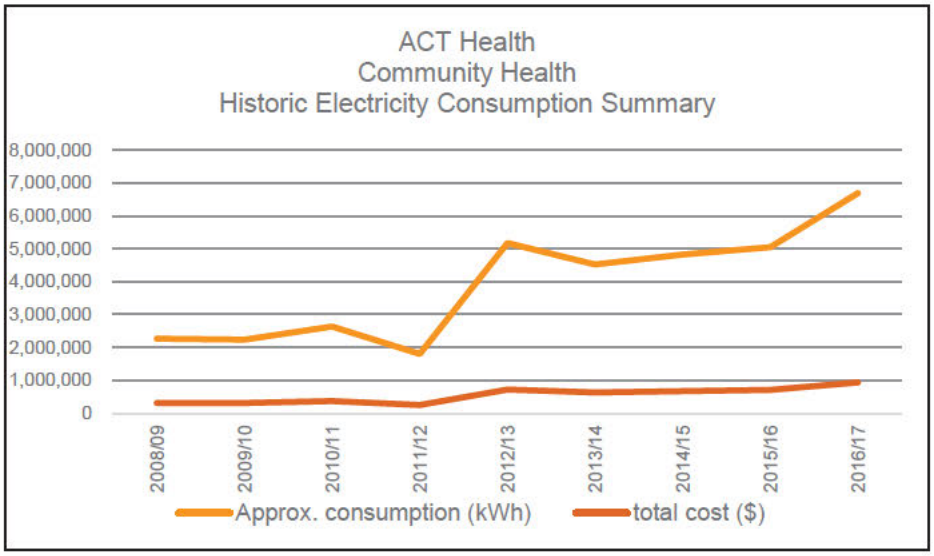
Energy

Based on the annual cost information provided, to ascertain the estimated energy consumption rates for the properties, an approximate annual consumption total for gas and electricity and their associated carbon emissions was extrapolated, based on the respective average costs per unit of electricity and gas. Kilowatt-hour (kWh) and Mega Joule (MJ) rates of 14 cents and 18 cents respectively were applied, which is comparable to other large sector organisations in the ACT. These are approximate cost rates designed to level out the various network, distribution and environmental surcharges applied to energy consumption.

Close examination of the electricity consumption data demonstrates that the electricity consumption costs for the Community and Other Facilities has risen from $316,620 in 2008/09 to $935,647 in 2016/17, a 295% rise in eight years.

This increase in cost is likely associated with an increase in electricity consumption from approximately 2,261,573 kWh in 2008/09 to approximately 6,683,195 kWh in 2016/17 as demonstrated in the below Figure. However, the exact reason for this significant increase in consumption rate in the 2012/13 financial year is unclear and should be further investigated.

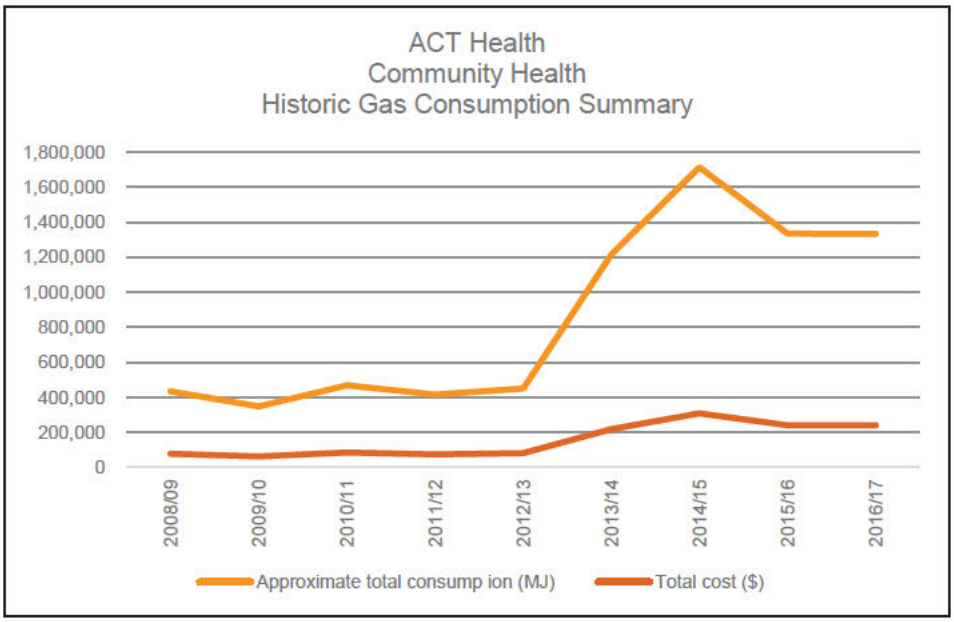
Figure 12 Community Health's Historic Electricity Consumption Profile



The gas consumption data demonstrates that the costs for the Community and Other Facilities has risen from $78,162 in 2008/09 to $239,769 in 2016/17, a 306% rise in eight years.

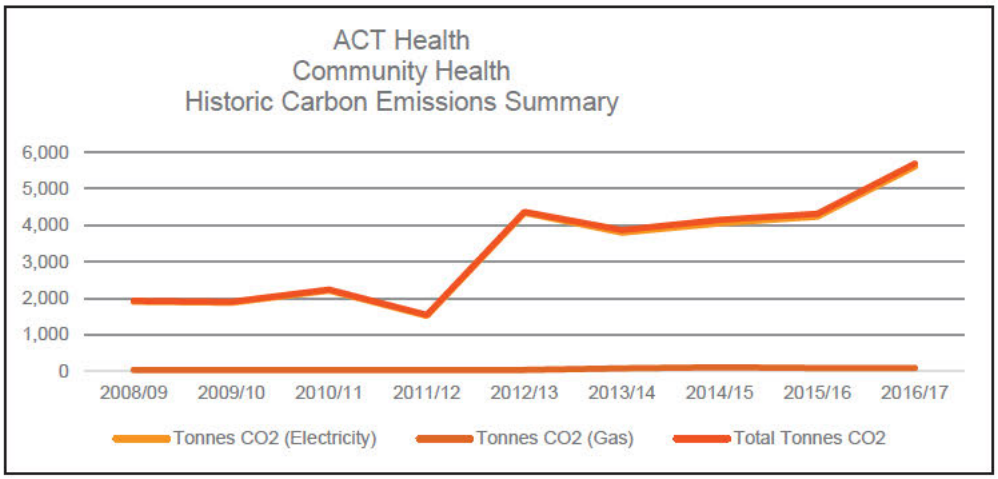
This increase in cost is likely associated with an increase in gas consumption from approximately 434,232 MJ in 2008/09 to approximately 1,332,050 MJ in 2016/17 as demonstrated in the below Figure. As the case with the electricity consumption rates, the reason for the sudden significant increase in gas consumption rate is unclear.

Figure 13 Community Health's Historic Gas Consumption Profile



The associated carbon emissions from the increases in gas and electricity have risen from approximately 1,926 tonnes of carbon dioxide (T CO^2) in 2008/09 to approximately 5,694 TCO^2 in 2016/17, representing a 295% increase in eight years. This is illustrated in the below Figure.

Figure 14 Community Health's Historic Carbon Emissions Profile

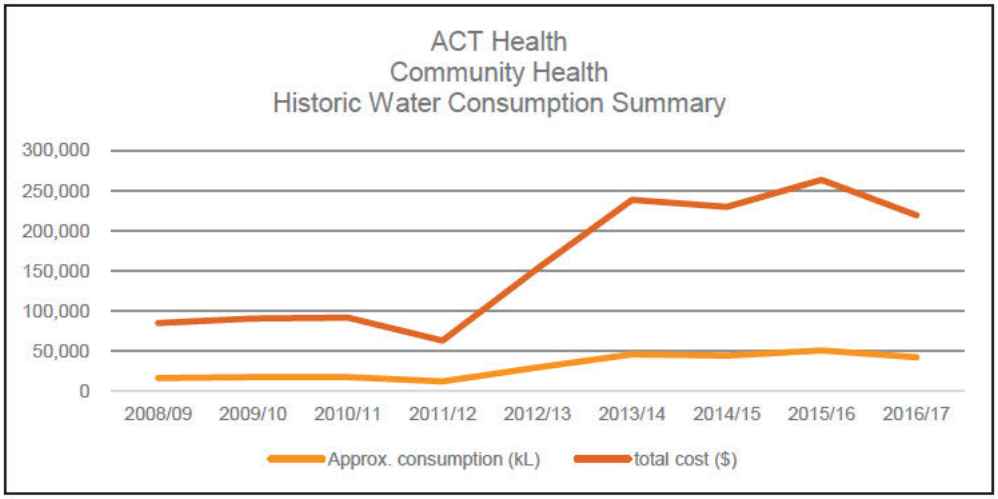


Water

Based on the annual cost information provided, as part of this environmental sustainability assessment, an approximate annual consumption total for water was extrapolated, based on the average per unit of $5.20 per kilo litre (kL). This is an approximate cost rate designed to level out the various supply and sewerage charges included as line items in water bills.

Examination of the water consumption data demonstrates that the water consumption costs for the Community Health Facilities has risen from $85,001 in 2008/09 to $219,572 in 2016/17, a 258% rise in eight years. This increase in cost is likely associated with an increase in water consumption from approximately 16,346 kL in 2008/09 to approximately 42,225 kL in 2016/17 as demonstrated in the below Figure.

Figure 15: Community Health's Historic Water Consumption Profile



6.2.6.3 Recommendations

The above assessment of the utility consumption expenses over the past 9 years highlighted a sudden significant increase in the consumption rate for electricity, gas and water around the 2012/13 financial year. The fact that the increases of reported expenditure of all utilities occurred in the same financial year may indicate:

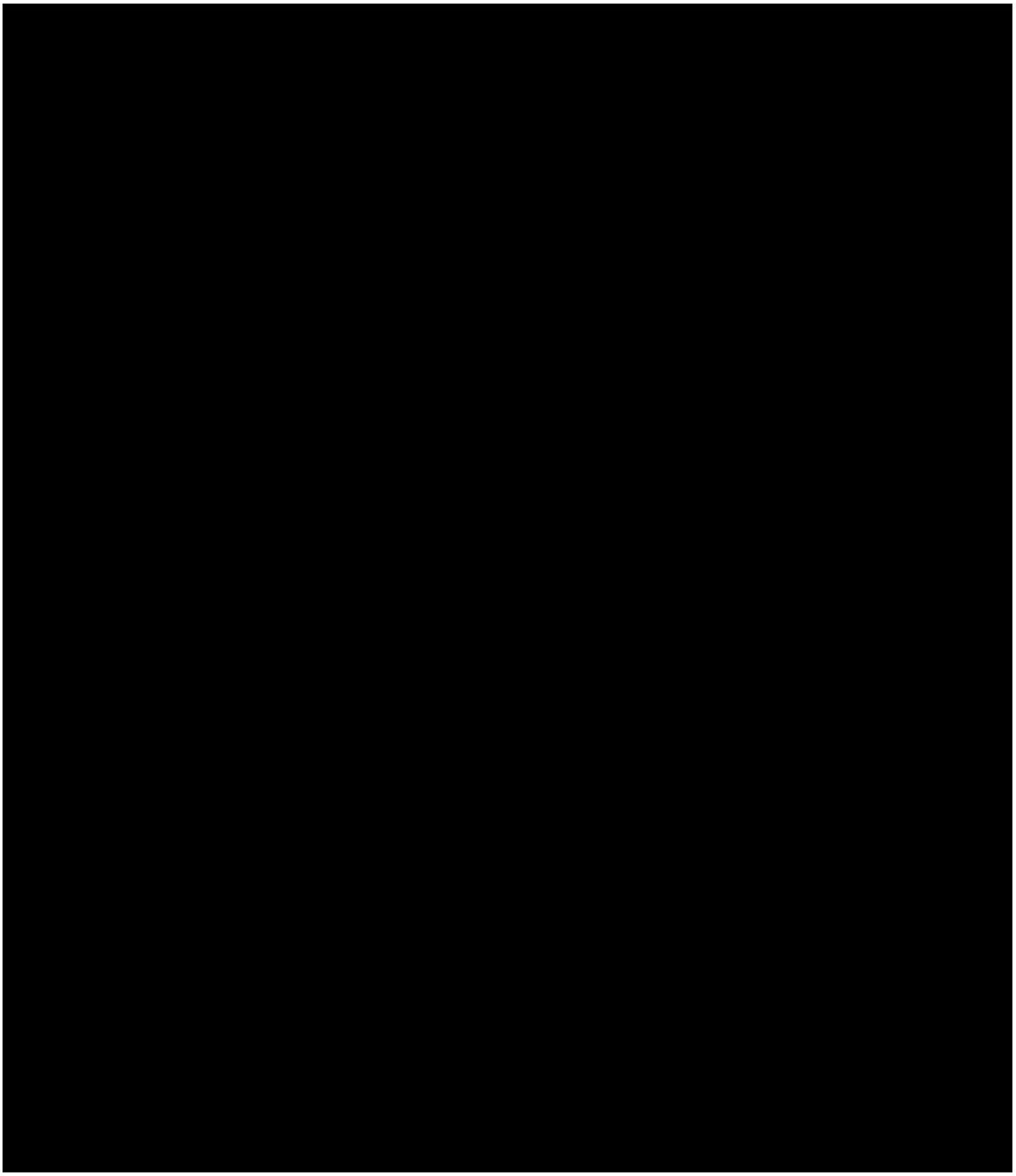
- a change of method in recording the expenditure rather than a reflection on the actual changes in the utility consumption rate; and or
- a change in the charging rates with the utility carrier; and or
- a concurrent change of all the utility service carriers to all properties

Assessment of the details of the utility consumption expenses for the properties shown in Section 9.6 found a number of issues and discrepancies as follows:

- Not all the expenses over the 9 years period is available, which may indicate that no expenditure records were available for those years, or that the expenses were paid by other parties;
- Significant increases from one year to another, as highlighted earlier; and
- For unclear reasons, some records indicate receipt of funds rather than payment of expenses.

To improve the monitoring, measurement and robustness of utilities data across the Community and Other facilities portfolio, it is recommended that ACT Health undertake a thorough review of existing energy and water data to baseline current performance and develop accurate, historical energy consumption records before specific energy and water consumption reduction projects are identified:

6.3 FINANCIAL SUSTAINABILITY



6.3.2 Financial Sustainability Assessment

Understanding the financial sustainability of maintenance is reliant on applying consistent definitions to both expenditure monitoring and Lifecycle Costing Analysis (LCCA). Those maintenance definitions are shown at Table 9.

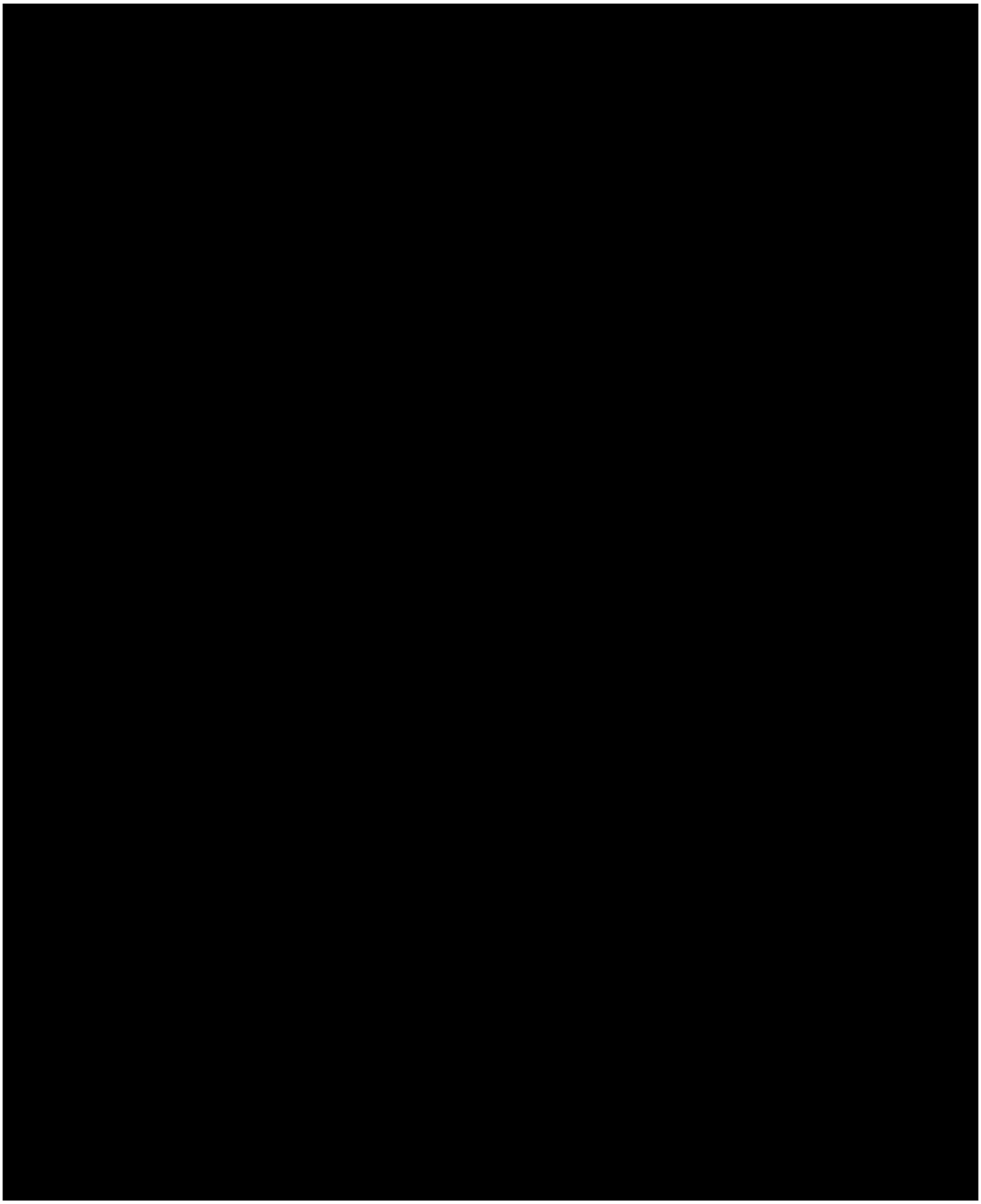
Table 9: Maintenance Definitions

Category	Sub Category	Definition
Planned Maintenance	Preventive Maintenance	Maintenance performed to retain an item or asset in its operating condition by systemic inspection, detection and prevention of incipient failure
	Condition based Maintenance	Maintenance initiated as a result of routine or continuous checking of the condition of the asset
	Statutory Maintenance	Maintenance that must be carried out to meet statutory requirements
Unplanned Maintenance or Repairs	Corrective and Breakdown Maintenance	Maintenance performed, as a result of failure, to restore an item or asset to its optimal condition
	Incident Maintenance	Returns an asset to an operational or safe condition following damage caused by storms, fire, forced entry or vandals
Capital Works		Works performed to enhance or renew the appearance or functions of building elements without replacing it. The works are usually performed as part of a refurbishment or renovation program
Asset Replacement Works		Works performed to replace ageing or deteriorating building element, including those which are functionally or technologically obsolete

The expenditure sustainability assessment is achieved by comparing the projected maintenance expenditure requirements against the likely expenditure requirements. The projected expenditure is achieved by undertaking life cycle cost analysis (LCCA) of each building in the portfolio and aggregating that into a portfolio view of budget requirements. The elemental condition of the buildings is used to adjust generic LCC models to produce a model of expenditure for each building to estimate the Maintenance Index (MI) and Asset Replacement Index (ARI) required to maintain each building. The MI and ARI are then converted to forecast expenditures using the building's ARVs.

The difference between the projected maintenance demand and the historical budget allocation defines the sustainability of maintenance. The larger the gap, the greater the rate of increase in the maintenance backlog and the more rapid the deterioration in the estate condition. However, due to the limited availability of historical maintenance expenditure data and information for the leased properties in this SAMP, a broad assessment of the financial sustainability can only be made for the owned buildings.

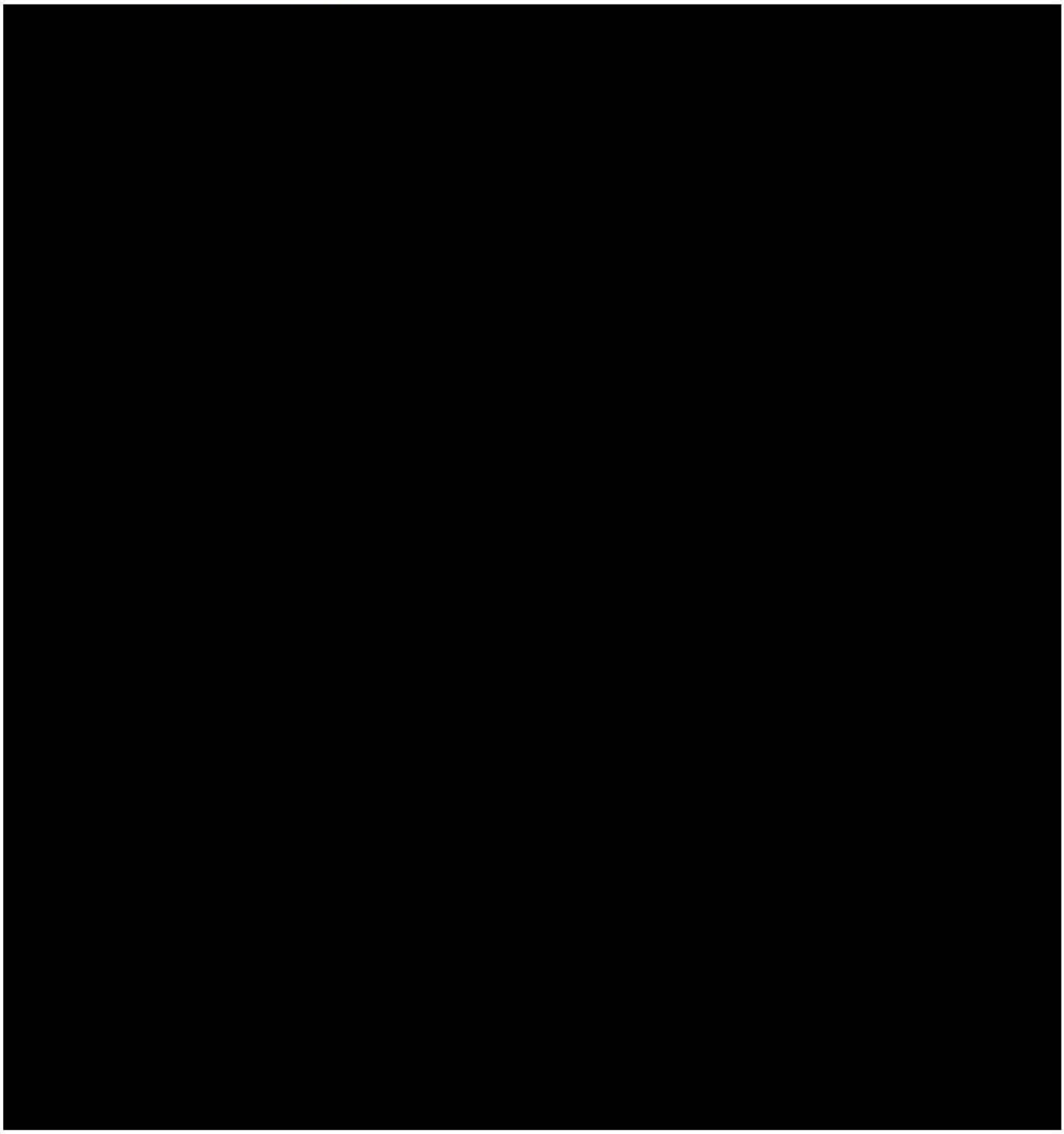
The figure below illustrates the optimum maintenance and capital expenditure (CAPEX) for an asset portfolio of equivalent value to the Community Facilities over a 50 year period, when the asset replacement costs are excluded.



6.3.3 Operating Lease and Property Expenses

ACT Health currently lease a total of 15 properties with a total floor area of approximately 18,568m2 to deliver health services to the community through the Community and Other facilities. There are Operating Lease and Property Expenses associated with leasing these properties, which were also assessed.

The following Table has been generated by extrapolating the Operating Lease and Property Expenses data initially provided by ACT Health, which were presented by Groups of Property within a Cost Centre rather than by Properties.



[redacted]

Close assessment on the operating lease and property historical expenses across the leased properties over the past 9 years found the following issues:

- discrepancies on the expenses for selected properties, including the fact that expenses appeared to have been suspended or not recorded for several years for reasons unknown;
- no operating lease and property expenses was recorded for some properties, for reasons unknown; and
- unclear funding and partnering arrangements between ACT Health and the health service provider(s) occupying the leased property.

Refer to Section 9.8 for details of the Operating Lease and Property Expenses of ACT Health Leased properties.

Recommendations

To gain a better understanding of the historical maintenance expenditure on these Community and Other facilities, it is recommended that ACT Health undertake the following activities:

- Record the preventive and corrective maintenance costs for each property;
- Identify the capital works expenditure associated with renewal and refurbishment for each property;
- Review the tenancy arrangements, including MOUs with ACTPG, with clear terms and conditions, including roles and responsibilities for undertaking maintenance and payment of utilities consumptions; and
- Review the funding arrangement with service providers to confirm the provisions included in the funding arrangement, whether it includes rental assistance, utility and or maintenance costs.

6.3.4 Total Operating Expenses

The total Operating Expenses for the portfolio, including repairs and maintenance, utility and leasing hire and associated property expenses, based on available data, is summarised below.

As indicated earlier, the above figures need to be closely reviewed because:

- most of the expenses have been reported based on the Cost Centres and not by property; and
- not all the expenses for each property has been captured for each year.

7 STRATEGIC ALIGNMENT

7.1 STRATEGIC DRIVERS

The ACT Government reports that community demand for health services is projected to increase rapidly over the next 15 years, and beyond. The ACT Government continues to implement its plans to reform health care, designed to respond to the community's needs over the next decade and beyond. The plans recognise that an investment in infrastructure to support the health care needs of the community is essential as a complex mix of population ageing, changing technology, and provider and consumer expectations drive a significant increase in demand for health services.

The ACT Government's Infrastructure Plan 2011 – 2022 provides key strategic health policies and infrastructure priorities including:

POLICY PRIORITIES	STRATEGIC INFRASTRUCTURE PRIORITIES
• Providing effective and efficient services	• Continuing to meet the growth in demand for health services through extra capacity and by redesigning care delivery systems
• Exploring opportunities to use technology better and provide care in different ways • Identifying new models of care across the continuum of health services • Providing locally based care that meets the needs of the ageing population	• Enhancing productivity through better use of technology and innovative solutions, including different ways of providing care
• Achieving a comprehensive health system that protects and improves the health of people • Strengthening staff skills and professionalism • Achieving a system of care and support that improves the quality of life for vulnerable groups	• Implementing a comprehensive capital asset development plan to build a sustainable and modern health system to ensure safety, availability and viability of quality health care in the ACT for now and into the future

ACT Health efforts in meeting the above strategic infrastructure priorities include:

- Meeting growth in demand by improving capacity, utilisation and performance of existing property portfolio and infrastructure;
- Enhancing productivity of existing property portfolio by embracing innovative solutions and technologies, including identification of opportunities for non asset solutions to service delivery; and
- Adopting a whole of life approach when planning for new properties and infrastructure whilst also adopting an effective and efficient ways of managing, operating and maintaining existing properties.

The ACT Government's Health Care Reform, recognises that demands for healthcare is growing as the Australian population increases and grows older, but expenditure on healthcare is growing at an even faster rate, providing a significant challenge to the sustainability of the healthcare system. In addition, the advent of the national introduction of Activity Based Funding (ABF) methodology by the Federal Government, presents a further challenge for ACT Health on how care and services are provided to ensure consistent efficiency as well as meet current and future demand, within available funding.

ACT Health is currently finalising its Territory Wide Health Services Framework, including services processes and clinical specifications (Speciality Services Plans – SSPs) to provide the policy blueprint for meeting the evolving health care needs of the ACT community over the next 10 years.

Key principles of the Framework reported in the Fact Sheet dated September 2016, included:

- Person-centric services;
- Inpatient care alternatives including the promotion of community based primary and ambulatory care;
- A system providing equitable access to services with care being provided as close to the patient's home as possible;
- Integrated care between hospital and primary sectors;
- Evidenced based services with a focus on safety, quality and best practice;
- Consistent service planning based on known and predicted demand and cognisant of all available resources in the health sector including the private and primary care sectors;
- Informed and supported by a sound workforce, health infrastructure and information and technology planning; and
- Affordable services (within the Activity Based Funding model).

The above also reflects the need to improve the infrastructure supporting community and public health services.

7.2 ASSET MANAGEMENT OBJECTIVES

The asset management objectives are a key element of the SAMP and provide the essential link between the organisational objectives and the asset management plans that describe how those objectives will be achieved. This concept of ensuring alignment and consistency between the organisation's strategic and corporate objectives and the asset management plans reinforce within the organisation that asset level activities support the delivery of organisational objectives.

Essentially, asset management objectives should be specific, measurable, achievable, realistic and time-bound to facilitate ongoing monitoring and evaluation and underpin the identification and implementation of management strategies. These management strategies focus on realising value from assets in the achievement of the organisation's strategic and corporate objectives and may take the broad form of:

- Ensuring appropriate asset use and functionality;
- Maximising asset utilisation to ensure service potential is optimised;
- Application of full life-cycle analysis and costing;
- Reduction or rationalisation of those assets not achieving a high level of productive outcome;
- Defining clear responsibilities for all elements of the asset, accountability and reporting cycles; and
- Recognition that the management of the infrastructure assets must be directed at providing optimum services to the community.

The following draft asset management objectives for the Community and Other facilities were determined from a meeting with ACT Health and require further development pending the finalisation of the Territory Wide Health Services Framework (TWHSF) and consultations with Community Services Program coordinators.

[11] *Note to Reader – have reviewed the ACT Health Sustainability Guideline which appears to contain broad objectives but was unable to locate definitive targets?*

7.3 GAP ANALYSIS

The gap analysis examines the gap between the measured performance of the buildings and the target performance. The overall level of performance against each performance criteria is shown in Table 9.

Table 15: Portfolio Level of Performance

Performance Target	No. of Properties Assessed		Total No of Properties	Properties Assessed	At or above Target			Target Performance
	Owned	Leased			No of Properties		%	%
					Owned	Leased		
Condition	34	5	51	76.5%	16	1	34%	90%
Functionality[12]	34	6	51	78.5%	19	3	44%	90%
Legislative Compliance[13]	32	6	51	74.5%	32	3	68.6%	90%
Financial Sustainability (4.33%)[14]			51					
Asset Priority[15]	36	15	51	100%	29	10	76.5%	80%

The above Table shows how nearly 80% of the properties are considered to be important and well aligned with ACT Health strategic objectives, but half of these properties do not meet the target condition and functionality performances.

Refer to Section 9.9 for details of the gaps posed by each Property.

The gap analysis did not address any Space and Capacity because of the following reasons:

- no space or accommodation standards for each type of community facilities have been confirmed;
- no space performance target for each type of facility is identified yet; and
- the target total GFA for each type of facility is yet to be determined.

The current financial performance against the performance targets is shown at

[12] Not all buildings had their functionality performance assessed due to lack of knowledge about the buildings
[13] legislative compliance not assessed for leased buildings
[14] Financial data obtained did not allow individual building assessments
[15] Not all buildings were allocated with an API during the workshops. DCWC SAFM had allocated some based on knowledge gained following the workshop

Table 16. It should be noted that the performance targets figures are indicative only and were informed by the data modelling using historical expenditure figures provided by ACT Health for this SAMP.

7.4 RISK ASSESSMENT

A risk assessment is provided below, and considers the current asset performance gaps and broad service delivery requirements. Draft management strategies are proposed to mitigate key risks.

[16] Based on estimated floor areas of leased properties and reconciliation of decommissioned and to be constructed facilities, a reduction in total floor area across the portfolio is anticipated.

7.5 STRATEGY DEVELOPMENT

This section of the SAMP generally proposes strategies to enable performance gaps to be addressed, risks mitigated and the organisational objectives to be achieved.

For the Community and Other facilities, strategy development will be informed by the Territory Wide Health Services Framework and individual Specialist Service Plans (SSP). The Framework and Plans will provide the broad principles to inform and update this SAMP and other strategic plans as well as operational asset and facility management plans and policies.

Organisational-asset centric strategies for future consideration, shown in order of priority, are provided at Table 18.

Table 18: Organisational-asset centric strategies for future consideration

Focus	Strategy	Desired Outcome
Priority 1: Alignment with ACT Health Strategic Objectives	6. Consult with ACT Health stakeholders responsible for delivering health services to the community, including Corporate services activities, and confirm Services infrastructure requirements for Community and Other facilities for the next 10 years	Greater certainty on resources required to deliver the services and how best to work with industry partners
	7. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and Define how infrastructure requirements may best be provided, eg non-asset solutions, owned vs leased, and define most appropriate lease terms and arrangements	Greater visibility on potential changes in GFAs, type of facilities and location
	8. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and define the most effective infrastructure support that ACT Health should provide to NGOs and other industry partners, including level of funding supports towards operation and maintenance expenses	Greater understanding of the funding arrangements, including clarity on the roles and responsibilities and transparency and accountability of all parties
	9. Collaborate with ACT Health stakeholders responsible for delivering health services to the community and review the current API and LoS allocation of the existing properties	Greater alignment between the properties and health service delivery methods
	10. confirm AM Objectives, particularly in relation to environmental sustainability and financial targets	Provides performance targets and direction in planning, managing and maintaining the properties
Priority 2: Budgeting	Move from annual budgeting to long term financial planning. Incorporate Year 1 of long term financial plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
Priority 3 Asset Planning	3. Ensure decisions are made from accurate and current information in asset registers, on service level performance and costs and 'whole of life' costs.	Improved decision making and greater value for money.

Focus	Strategy	Desired Outcome
	4. Identify and adopt a clinical and office accommodation standard to support the process for planning of new and refurbishing existing facilities, as well assessing and monitoring space capacity and utilisation across the portfolio	Improved method of initially identifying space and capacity requirements which will also assist in monitoring potential over or under supply of space across the portfolio
Priority 4 Control and long term management of the properties portfolio	5. Define how best to deliver maintenance services to all Community and Other facilities, including scope, type of contracts and performance measures and adopt these as a policy to move forward	• Greater understanding of the maintenance service delivery arrangements, including clarity on the roles and responsibilities and transparency and accountability of all parties. • Greater visibility of financial liabilities and other risks associated with the control and management of the properties
	6. Confirm the roles and responsibilities of the strategic asset management team responsibilities for Community and Other facilities and how the reporting and accountability of the Team with other stakeholders	Responsibility for Community and Other facilities asset management is defined.
	7. Program and undertake annual visits to all properties followed by discussions with user representatives to ascertain the condition and functionality of the properties	Greater knowledge about each property including any potential WHS liabilities posed by the properties Greater transparency on the performance and accountability of maintenance and service providers
	8. Improve method of recording and analysing property operating expenses, as well as capital and renewal works expenses	More robust asset data to support future planning and budgeting Potential opportunity to find financial efficiencies and greater return on investments
Priority 5 Reporting and accountability of industry partners and service providers	3. Confirm current and future agreements with business partners and service providers, including landlords, maintenance and cleaning service providers as well as utility service providers, with clear scope, terms and conditions, roles and responsibilities	• Improved transparency on current and future agreements with business partners and service providers • Greater visibility of ACT Health's commitments, risks and liabilities posed by the arrangements
	4. Regular meeting between the above AM team and representatives of occupants of the Community and Other facilities to discuss future plans, and current issues and concerns	Greater visibility of the activities held and the condition and functionality performances of the Community and Other facilities
Priority 6 Asset Management	5. Develop and annually review asset management plans and strategic asset management plan covering at least 10 years (80% of asset value).	Services are identified and funding to optimise the whole of life costs.
	6. Review and update asset management plans, strategic asset management plan and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Awareness of changes to service levels and costs arising from budget decisions.

Focus	Strategy	Desired Outcome
	7. Develop and maintain a long term financial plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide assets / services.
	8. Provide a six monthly report on the implementation of strategic asset management plan, AM Plans and long term financial plans.	Oversight of resource allocation and performance.

Based on ACT Health's current capital works program, a number of surplus properties will be decommissioned in 2019 and new ones to be constructed. Consequently, the total ARV and total floor area for the portfolio during the next 10 years will change as follows:

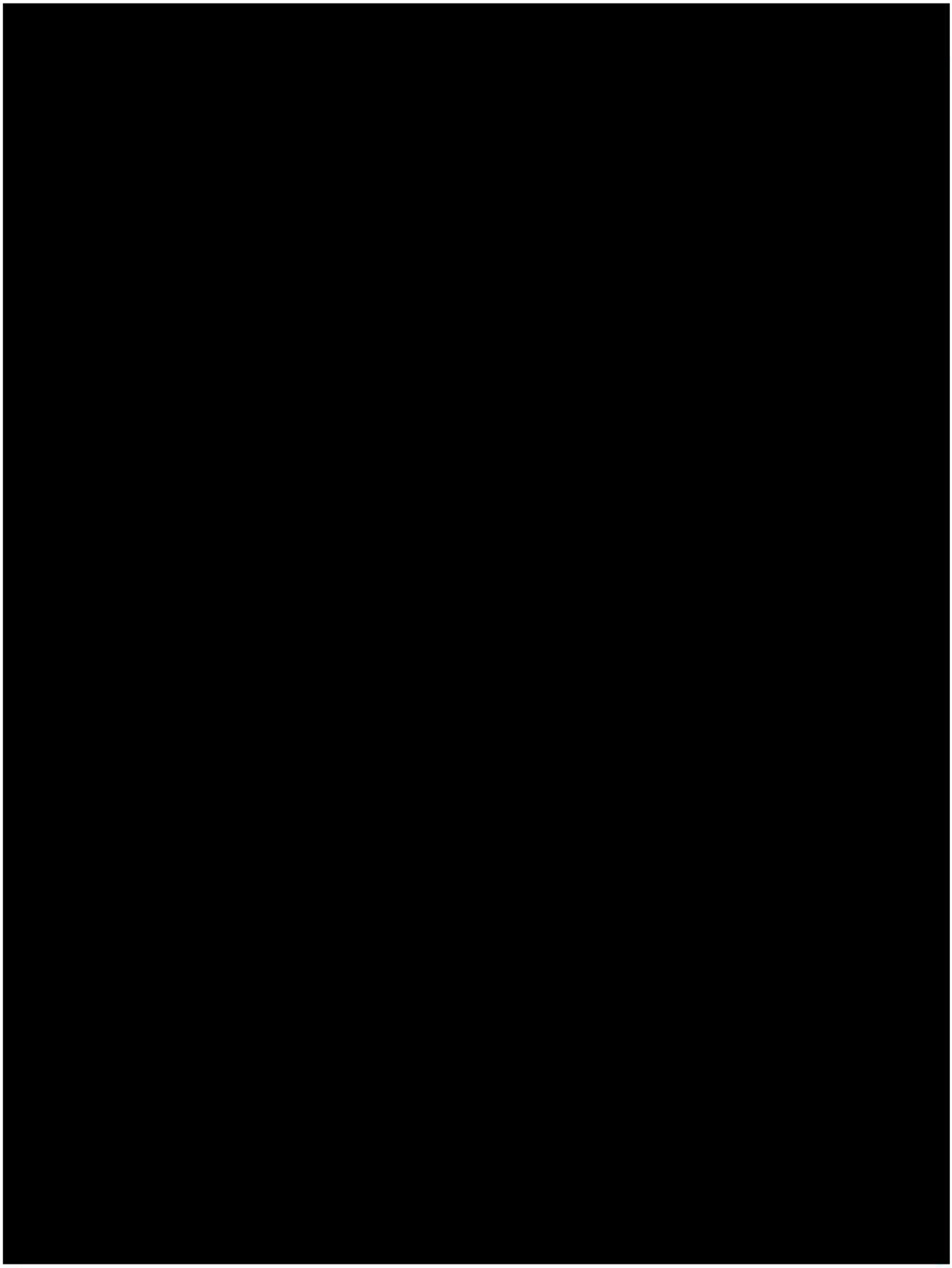
	GFA	ARV
The portfolio between 2017 to 2019		
The portfolio between 2020 to 2027		

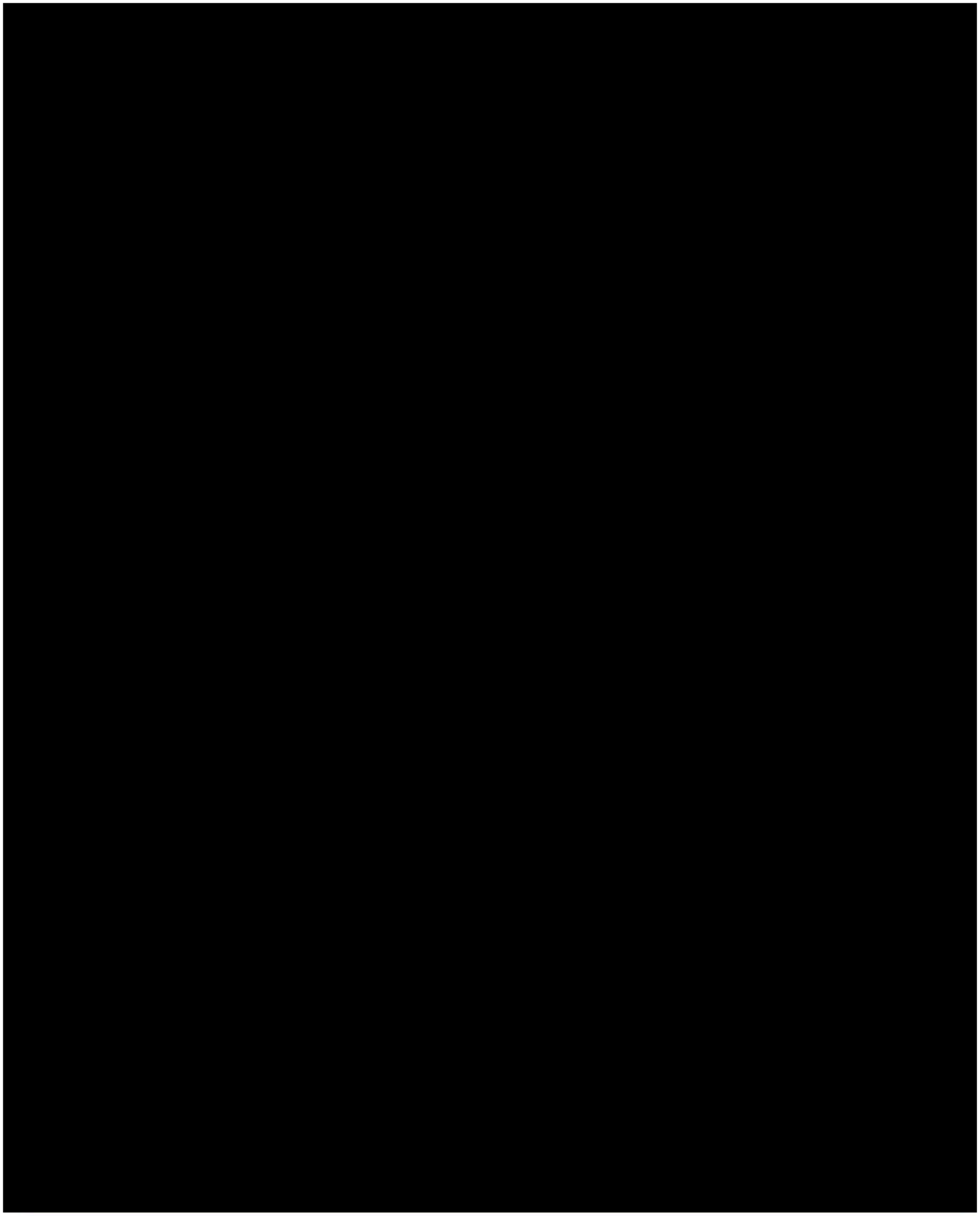
The projected GFAs for the portfolio were based on the following assumptions:

- Termination of leases on selected properties by 2019; and
- The construction of new facilities to either replace the vacated properties or enhance other existing properties.

The projected maintenance expenditure for each of the Options are calculated based on the following:

- The projected maintenance expenditure of the 39 properties with known Overall Quality Rating
- Extrapolating the average yearly maintenance expenditure for the above properties to those where the Overall Quality Rating is unknown due to lack of condition and functionality data
- Extrapolating the same average yearly maintenance figure to the new properties after 2019





8 MONITORING AND REVIEW

The SAMP is intended to have a life of 5 years and is generally due for complete revision and update annually. However, the SAMP may remain fluid in the short term pending the finalisation and implementation of the Territory Wide Health Services Framework.

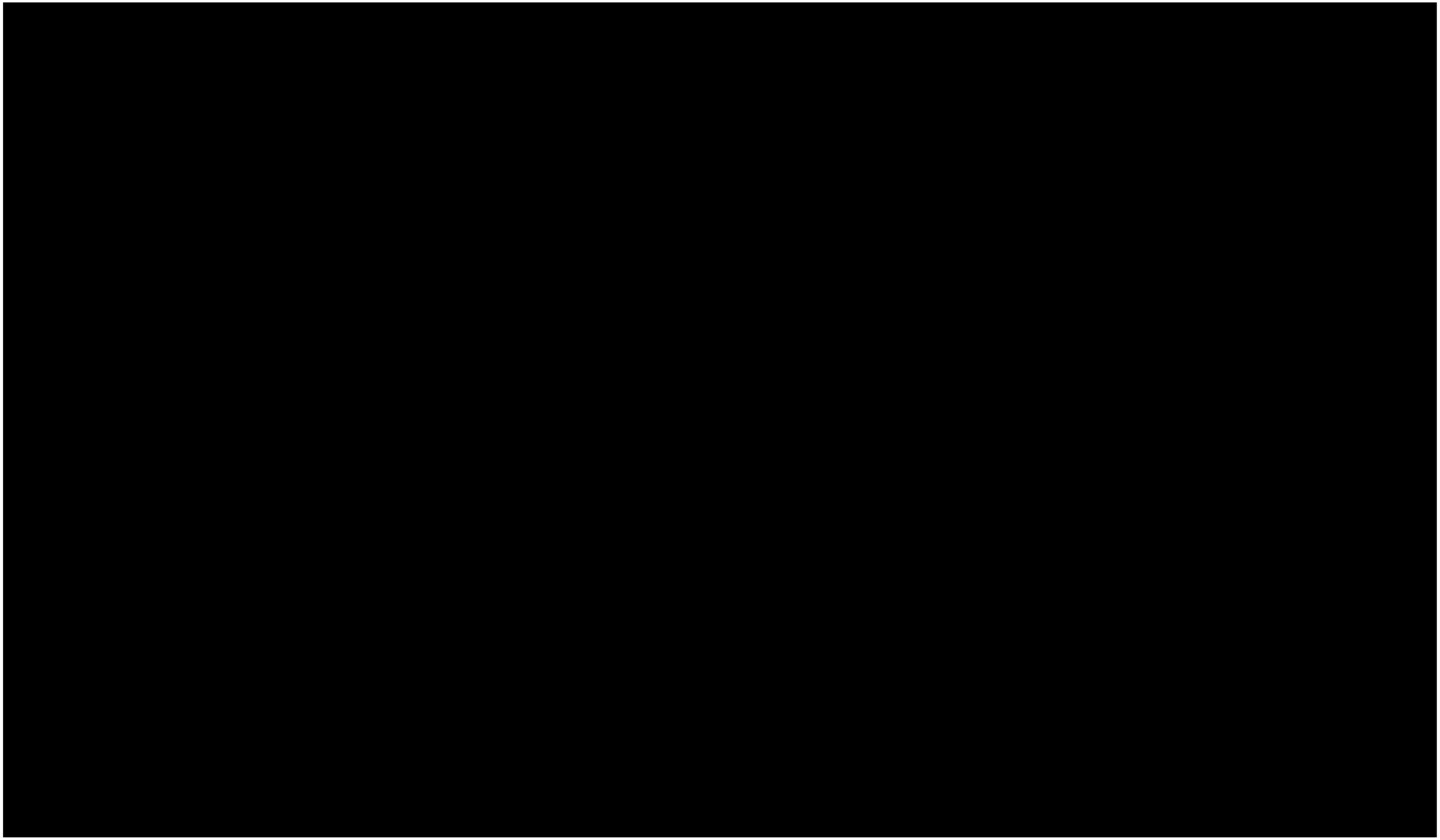
8.1 PERFORMANCE MEASURES

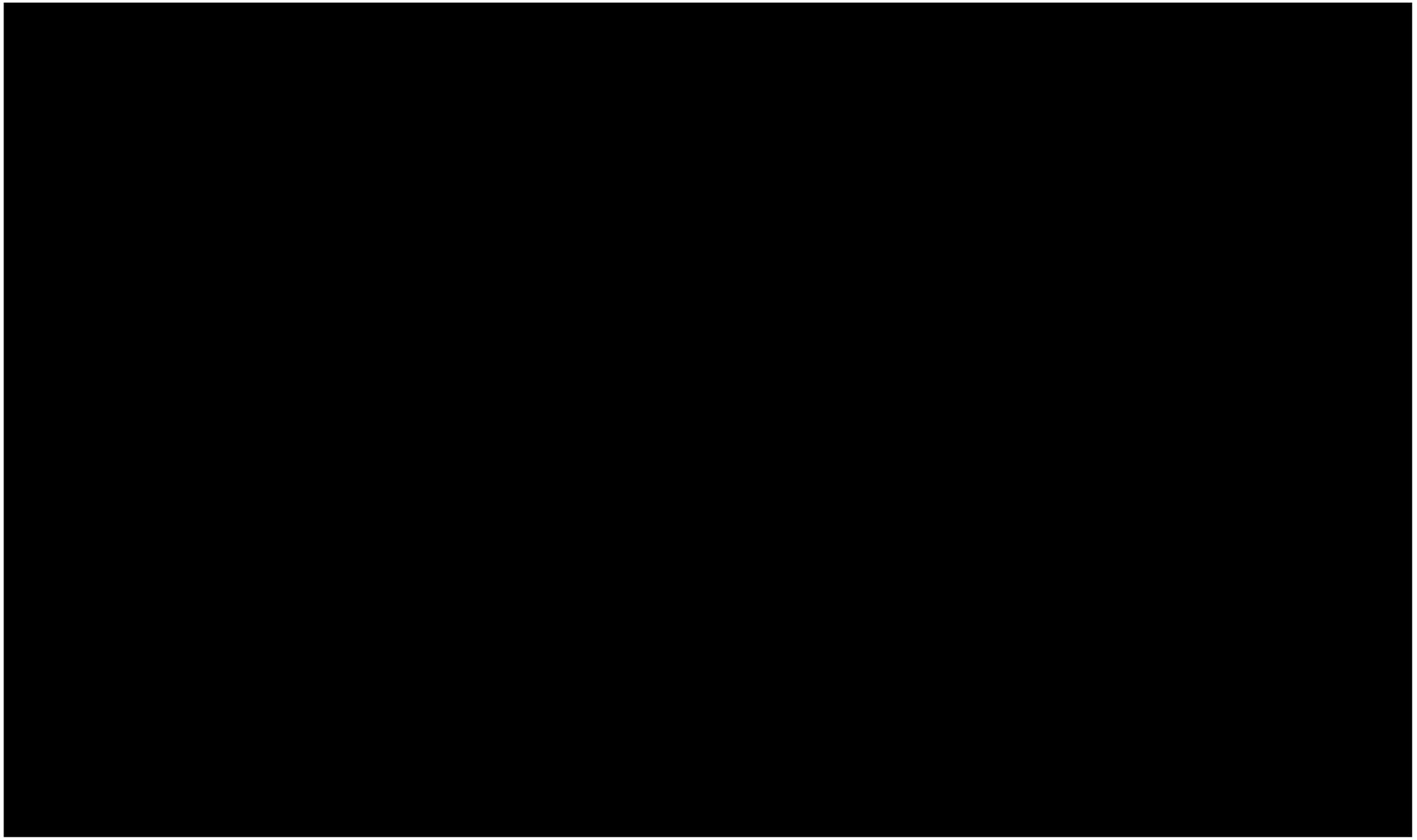
The effectiveness of the SAMP can be measured in the following ways:

- The degree to which the required projected expenditures identified in this strategic 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 summarised asset management plans;
- 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; and
- The Asset Renewal Funding Ratio achieving the target of 100%.

8.2 NEXT STEPS

9 APPENDICES





9.4 APPENDIX D – QUALITY RATING OF THE PROPERTIES

Table 22: Quality Rating of the Properties

Ownership	Asset Name	District
Leased	CALLAM	Callam Offices
Leased	1 MOORE ST	Canberra City Health Centre
Leased	FLOREY 1	Florey Child HC
Leased	FYSHWICK 1	Winnunga (255 Canberra Avenue)
Leased	GREENWAY 1	Tuggeranong Child and Family Clinic
Leased	GUNGAHLIN 1	Gungahlin Child and Family Centre
Leased	HOLT 1	West Belconnen Child HC
Leased	HUME 1	Hume Warehouse (48 Sheppard St)
Leased	HUME 2	Hume Warehouse (68 Sheppard St)
Leased	KAMBAH 2	ACRS Village Creek
Leased	MITCHELL 1	Central Sterilising Services Department (buildings) incl. PM&M
Leased	MITCHELL 3	Health Records
Leased	MITCHELL 4	Supply Warehouse
Leased	MITCHELL 5	Mitchell Records
Leased	O'CONNOR 3	O'Connor Pathology
Owned	BELC 1	Enhanced Belconnen Community Health Centre
Owned	BELC 2	Residential Unit - Student Accommodation (Apartment)
Owned	BELC 3	Residential Unit - Student Accommodation (Apartment)
Owned	BRUCE 1	Acardia House
Owned	BRUCE 2	Arcadia Demountable
Owned	BRUCE 3	Hennessey House
Owned	BRUCE 4	The Cottage
Owned	CIVIC 1	HPS Air Monitoring Station
Owned	CONDER 1	Lanyon Family Care Centre
Owned	CURTIN 1	QE II Family Care Centre
Owned	DICKSON 1	Dickson Health Centre
Owned	DUFFY 1	Duffy House
Owned	FADDEN 1	Karralika Administration
Owned	FADDEN 2	Karralika Modules
Owned	FLOREY 2	HPS Air Monitoring Station
Owned	GARRAN 1	Residential Unit - Student Accommodation
Owned	GREENWAY 1	Tuggeranong Health Centre
Owned	GUNGAHLIN 2	Gungahlin Health Centre

Ownership	Asset Name	District
Owned	HOLDER 1	Howard Florey Centre
Owned	ISABELLA PLAINS 1	Karralika Administration
Owned	ISABELLA PLAINS 2	Karralika Modules
Owned	KAMBAH 1	YMH Step Up Step Down
Owned	MITCHELL 2	Central Sterilising Services Department (equipment)
Owned	MONASH 1	HPS Air Monitoring Station
Owned	NGUNNAWAL 1	Ngunnawal Child Health Clinic
Owned	O'CONNOR 1	Mental Illness Fellowship
Owned	O'CONNOR 2	Mental Illness Fellowship
Owned	PHILLIP 1	Residential Unit - Student Accommodation
Owned	PHILLIP 2	Residential Unit - Student Accommodation
Owned	PHILLIP 3	Residential Unit - Student Accommodation
Owned	PHILLIP 4	Phillip Health Centre
Owned	RIVETT 1	Burrangiri and Aged Respite Care Centre
Owned	SYMONSTON 1	Adult Secure Mental Health
Owned	THARWA 1	Ngunnawal Bush Healing Farm
Owned	WATSON 1	Watson Hostel (Ted Noffs Admin, Blocks A, B, C, D & F) E?
Owned	WESTON 1	The Independent Living Centre or Weston Health Centre - ILC/ Community Dialysis

9.5 APPENDIX E – REMAINING USEFUL LIFE OF THE PROPERTIES

Asset Name	District	Date of Construction	Age	RuL (%)
CALLAM	Callam Offices	2010		
1 MOORE ST	Canberra City Health Centre	2000		
FLOREY 1	Florey Child HC	1980		
FYSHWICK 1	Winnunga (255 Canberra Avenue)	1998		
GREENWAY 1	Tuggeranong Child and Family Clinic	1990		
GUNGAHLIN 1	Gungahlin Child and Family Centre	1998		
HOLT 1	West Belconnen Child HC	1970		
HUME 1	Hume Warehouse (48 Sheppard St)	2000		
HUME 2	Hume Warehouse (68 Sheppard St)	2000		
KAMBAH 2	ACRS Village Creek	2010		
MITCHELL 1	Central Sterilising Services Department (buildings) incl. PM&M	2015		
MITCHELL 2	Central Sterilising Services Department (equipment)	2015		
MITCHELL 3	Health Records	2000		
MITCHELL 4	Supply Warehouse	1975		
MITCHELL 5	Mitchell Records	2000		
O'CONNOR 3	O'Connor Pathology	2015		
BELC 1	Enhanced Belconnen Community Health Centre	2013		
BELC 2	Residential Unit - Student Accommodation (Apartment)	2011		
BELC 3	Residential Unit - Student Accommodation (Apartment)	2011		
BRUCE 1	Acardia House	1980		
BRUCE 2	Arcadia Demountable	2016		
BRUCE 3	Hennessey House	1980		
BRUCE 4	The Cottage	1980		
CIVIC 1	HPS Air Monitoring Station	1960		
CONDER 1	Lanyon Family Care Centre	1997		
CURTIN 1	QE II Family Care Centre	1999		
DICKSON 1	Dickson Health Centre	1981		
DUFFY 1	Duffy House	2012		
FADDEN 1	Karralika Administration	1980		
FADDEN 2	Karralika Modules	1980		
FLOREY 2	HPS Air Monitoring Station	1980		
GARRAN 1	Residential Unit - Student Accommodation	2000		
GREENWAY 1	Tuggeranong Health Centre	2013		
GUNGAHLIN 2	Gungahlin Health Centre	2012		

Asset Name	District	Date of Construction	Age	RuL (%)
HOLDER 1	Howard Florey Centre	2006	[redacted]	
ISABELLA PLAINS 1	Karralika Administration	1985		
ISABELLA PLAINS 2	Karralika Modules	1987		
KAMBAH 1	YMH Step Up Step Down	1978		
MONASH 1	HPS Air Monitoring Station	1985		
NGUNNAWAL 1	Ngunnawal Child Health Clinic	2000		
O'CONNOR 1	Mental Illness Fellowship	1975		
O'CONNOR 2	Mental Illness Fellowship	1975		
PHILLIP 1	Residential Unit - Student Accommodation	2011		
PHILLIP 2	Residential Unit - Student Accommodation	2011		
PHILLIP 3	Residential Unit - Student Accommodation	2011		
PHILLIP 4	Phillip Health Centre	1975		
RIVETT 1	Burrangiri and Aged Respite Care Centre	1990		
SYMONSTON 1	Adult Secure Mental Health	2016		
THARWA 1	Ngunnawal Bush Healing Farm	2016		
WATSON 1	Watson Hostel (Ted Noffs Admin, Blocks A, B, C, D & F) E?	1974		
WESTON 1	The Independent Living Centre or Weston Health Centre - ILC/ Community Dialysis	1980		

9.6 APPENDIX F –THE UTILITY CONSUMPTION EXPENSES

Table 23: Historical Utility Costs for the portfolio

The following has been extrapolated from data initially provided by ACT Health, which presented the expenses grouped into Cost Centres rather than by Properties.

Owned / Leased		Asset Name	Suburb	Floor Areas	Cost Code		Funding Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
								2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09
Leased	KAMBAH 2	ACRS Village Creek	Kambah	3007	61125		Electricity		[redacted]								
							Gas										
							Water										
Leased	MITCHELL 1	Central Sterilising Services Department (buildings) incl. PM&M	Mitchell	2741	66174		Electricity										
							Gas										
							Water										
Owned	DICKSON 1	Dickson Health Centre	Dickson	490	66175		Electricity										
							Gas										
							Water										
Owned	BELC 1	Enhanced Belconnen Community Health Centre	Belconnen	11306	66175		Electricity										
							Gas										
							Water										
Owned	GUNGAHLIN 2	Gungahlin Health Centre	Gungahlin	2608	66175		Electricity										
							Gas										
							Water										
Owned	PHILLIP 4	Phillip Health Centre	Phillip	2876	66175		Electricity										
							Gas										
							Water										
Owned	WESTON 1	The Independent Living Centre	Weston	1143	66175		Electricity										
							Gas										
							Water										

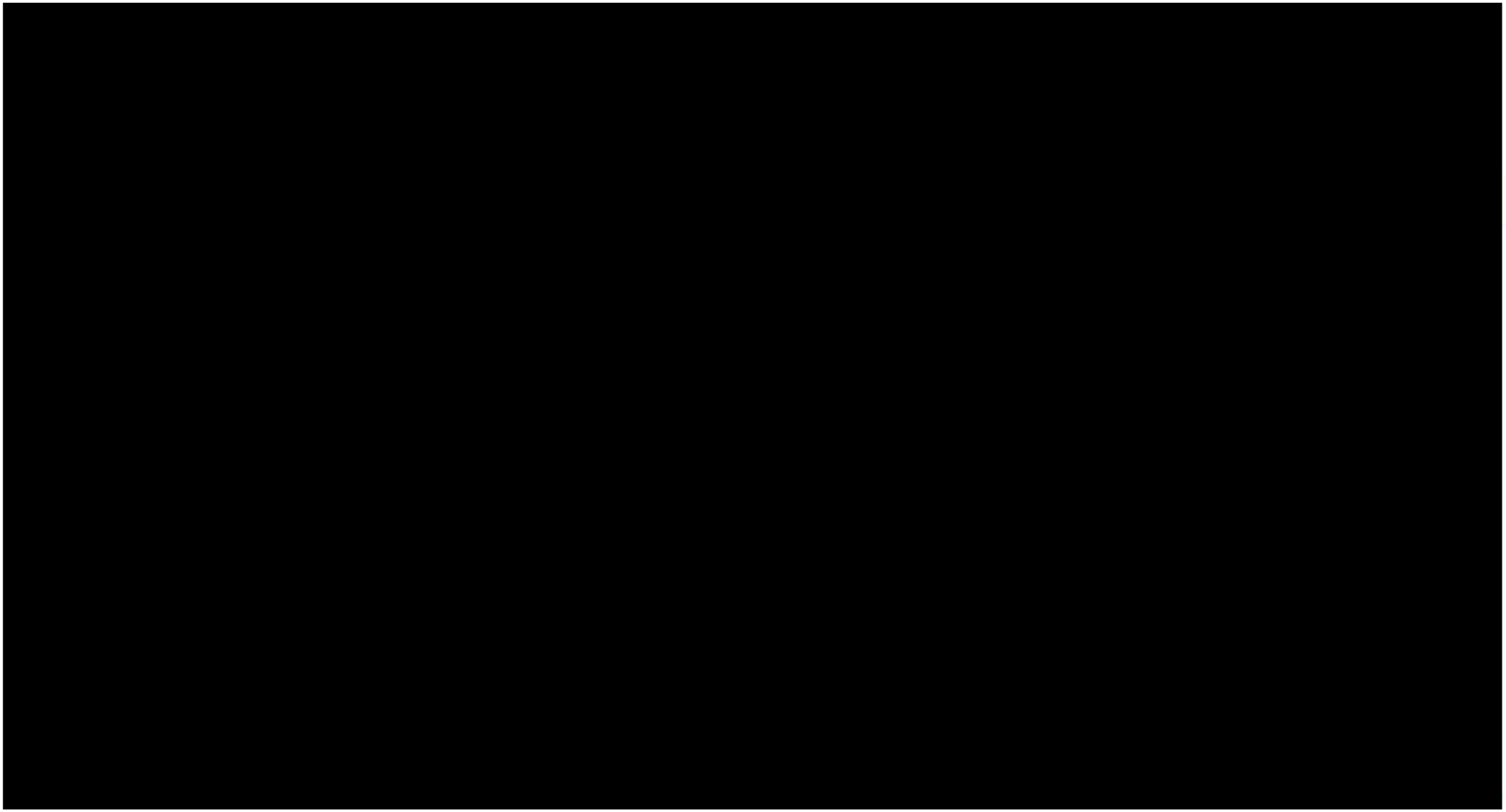
Owned / Leased		Asset Name	Suburb	Floor Areas	Cost Code		Funding Type	Year 1 2017/18	Year 2 2016/17	Year 3 2015/16	Year 4 2014/15	Year 5 2013/14	Year 6 2012/13	Year 7 2011/12	Year 8 2010/11	Year 9 2009/10	Year 10 2008/09
Owned	GREENWAY 1	Tuggeranong Health Centre	Greenway	6760	66175		Electricity										
							Gas										
							Water										
Owned	THARWA 1	Ngunnawal Bush Healing Farm	Tharwa	125	66177		Electricity										
							Gas										
							Water										
Leased	FLOREY 1	Florey Child HC	Florey	200	66182		Electricity										
							Gas										
							Water										
Leased	HOLT 1	West Belconnen Child HC	Holt	200	66182		Electricity										
							Gas										
							Water										
Owned	CONDER 1	Lanyon Family Care Centre	Conder	194	66183		Electricity										
							Gas										
							Water										
Owned	NGUNNAWAL 1	Ngunnawal Child Health Clinic	Ngunnawal	215	66183		Electricity										
							Gas										
							Water										
Owned	CURTIN 1	QE II Family Care Centre	Curtin	1120	66185		Electricity										
							Gas										
							Water										
Owned	BRUCE 3	Hennessey House	Bruce	3719	66186		Electricity										
							Gas										
							Water										
Owned	O'CONNOR 1	Mental Illness Fellowship	O'Connor	390	66186		Electricity										
							Electricity										
							Gas										

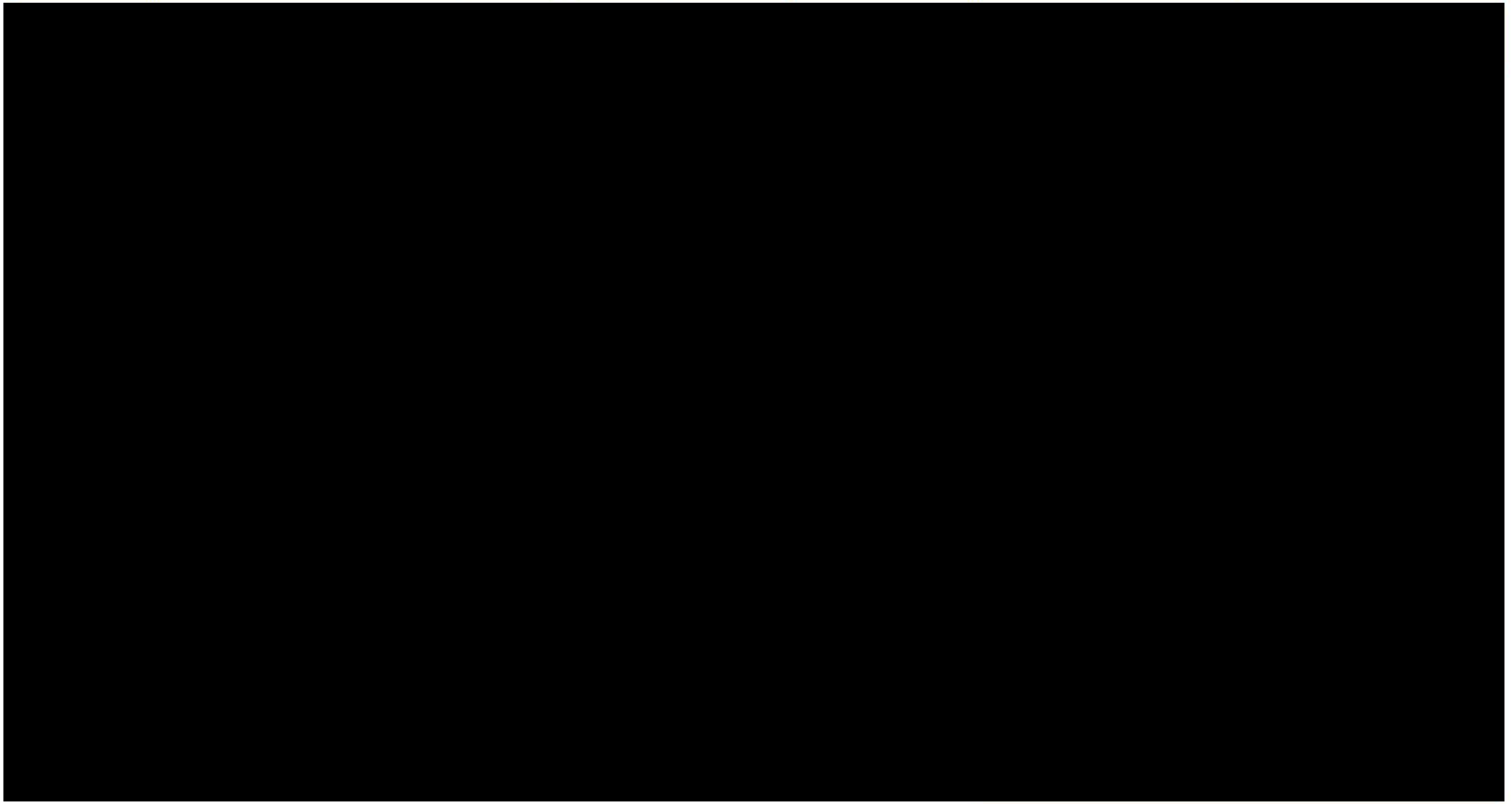
[redacted]

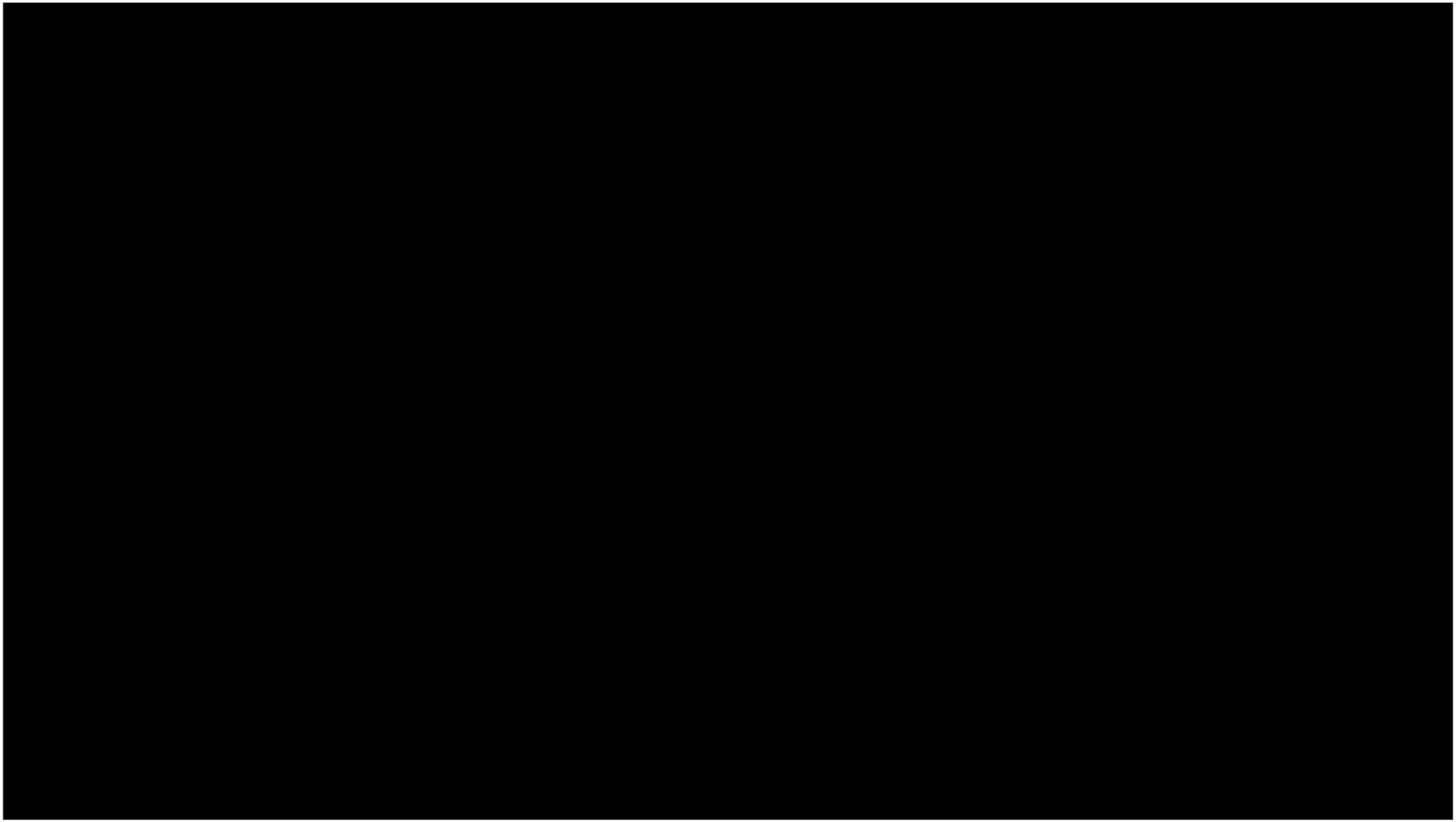
Owned / Leased		Asset Name	Suburb	Floor Areas	Cost Code		Funding Type	Year 1 2017/18	Year 2 2016/17	Year 3 2015/16	Year 4 2014/15	Year 5 2013/14	Year 6 2012/13	Year 7 2011/12	Year 8 2010/11	Year 9 2009/10	Year 10 2008/09
Owned	O'CONNOR 2	Mental Illness Fellowship	O'Connor	390	66186		Gas										
							Water										
							Water										
Owned	BRUCE 4	The Cottage	Bruce	215	66186		Electricity										
							Gas										
							Water										
Owned	RIVETT 1	Burrangiri and Aged Respite Care Centre	Rivett	1054	66188		Electricity										
							Gas										
							Water										
Owned	WATSON 1	Watson Hostel (Ted Noffs Admin, Blocks A, B, C, D & F) E?	Watson	2431	66188		Electricity										
							Gas										
							Water										
Owned	KAMBAH 1	YMH Step Up Step Down	Kambah	279	66188		Electricity										
							Gas										
							Water										
Owned	BRUCE 1	Acardia House	Bruce	467	66196		Electricity										
Owned	FADDEN 1	Karralika Administration	Fadden	534	66196		Electricity										
Owned	FADDEN 2	Karralika Modules	Fadden	280	66196		Electricity										
Owned	ISABELLA PLAINS 1	Karralika Administration	Isabella Plains	1000	66196		Electricity										
Owned	ISABELLA PLAINS 2	Karralika Modules	Isabella Plains	400	66196		Electricity										
Leased	MITCHELL 3	Health Records	Mitchell	285	66197		Electricity										
							Gas										
							Water										
Leased	HUME 1	Hume Warehouse (48 Sheppard St)	Hume	850	66197		Electricity										
							Gas										

Owned / Leased		Asset Name	Suburb	Floor Areas	Cost Code		Funding Type	Year 1 2017/18	Year 2 2016/17	Year 3 2015/16	Year 4 2014/15	Year 5 2013/14	Year 6 2012/13	Year 7 2011/12	Year 8 2010/11	Year 9 2009/10	Year 10 2008/09
							Water										
Leased	HUME 2	Hume Warehouse (68 Sheppard St)	Hume	598	66197		Electricity										
							Gas										
							Water										
Leased	MITCHELL 5	Mitchell Records	Mitchell	288	66197		Electricity										
							Gas										
							Water										
Leased	MITCHELL 4	Supply Warehouse	Mitchell	2074	66197		Electricity										
							Gas										
							Water										
Owned	SYMONSTON 1	Adult Secure Mental Health	Symonston	7880	66372		Electricity										
							Gas										
							Water										
Owned	HOLDER 1	Howard Florey Centre	Holder	1600	66388		Electricity										
							Gas										
							Water										
Owned	PHILLIP 3	Residential Unit - Student Accommodation	Phillip	102	66738		Electricity										
							Gas										
							Water										
Owned	GARRAN 1	Residential Unit - Student Accommodation	Garran	117	66738		Electricity										
							Gas										
							Water										
Owned	PHILLIP 1	Residential Unit - Student Accommodation	Phillip	146	66738		Electricity										
							Gas										
							Water										
Owned	PHILLIP 2	Residential Unit - Student Accommodation	Phillip	146	66738		Electricity										
							Gas										

Owned / Leased		Asset Name	Suburb	Floor Areas	Cost Code		Funding Type	Year 1 2017/18	Year 2 2016/17	Year 3 2015/16	Year 4 2014/15	Year 5 2013/14	Year 6 2012/13	Year 7 2011/12	Year 8 2010/11	Year 9 2009/10	Year 10 2008/09
							Water		[redacted]								
Owned	BELC 3	Residential Unit - Student Accommodation (Apartment)	Belconnen	111	66738		Electricity										
							Gas										
							Water										
Owned	BELC 2	Residential Unit - Student Accommodation (Apartment)	Belconnen	137	66738		Electricity										
							Gas										
							Water										
Owned	DUFFY 1	Duffy House	Duffy	319	66763		Electricity										
							Gas										
							Water										







9.9 APPENDIX I - GAP ANALYSIS OF THE PERFORMANCE OF EACH PROPERTY AGAINST THE AM OBJECTIVES

Table 26: Properties Level of Performance against the AM Objectives

Indicates that current performance not meeting target

Ownership	Asset Name	District
Leased	1 MOORE ST	Canberra City Health Centre
Leased	CALLAM	Callam Offices
Leased	FLOREY 1	Florey Child HC
Leased	FYSHWICK 1	Winnunga (255 Canberra Avenue)
Leased	GREENWAY 1	Tuggeranong Child and Family Clinic
Leased	GUNGAHLIN 1	Gungahlin Child and Family Centre
Leased	HOLT 1	West Belconnen Child HC
Leased	HUME 1	Hume Warehouse (48 Sheppard St)
Leased	HUME 2	Hume Warehouse (68 Sheppard St)
Leased	KAMBAH 2	ACRS Village Creek

Ownership	Asset Name	District
Leased	MITCHELL 1	Central Sterilising Services Department (buildings) incl. PM&M
Leased	MITCHELL 2	Central Sterilising Services Department (equipment)
Leased	MITCHELL 3	Health Records
Leased	MITCHELL 4	Supply Warehouse
Leased	MITCHELL 5	Mitchell Records
Leased	O'CONNOR 3	O'Connor Pathology
Owned	BELC 1	Enhanced Belconnen Community Health Centre
Owned	BELC 2	Residential Unit - Student Accommodation (Apartment)
Owned	BELC 3	Residential Unit - Student Accommodation (Apartment)
Owned	BRUCE 1	Acardia House
Owned	BRUCE 2	Arcadia Demountable

[redacted]

Ownership	Asset Name	District
Owned	BRUCE 3	Hennessey House
Owned	BRUCE 4	The Cottage
Owned	CIVIC 1	HPS Air Monitoring Station
Owned	CONDER 1	Lanyon Family Care Centre
Owned	CURTIN 1	QE II Family Care Centre
Owned	DICKSON 1	Dickson Health Centre
Owned	DUFFY 1	Duffy House
Owned	FADDEN 1	Karralika Administration
Owned	FADDEN 2	Karralika Modules
Owned	FLOREY 2	HPS Air Monitoring Station
Owned	GARRAN 1	Residential Unit - Student Accommodation
Owned	GREENWAY 1	Tuggeranong Health Centre
Owned	GUNGAHLIN 2	Gungahlin Health Centre
Owned	HOLDER 1	Howard Florey Centre
Owned	ISABELLA PLAINS 1	Karralika Administration
Owned	ISABELLA PLAINS 2	Karralika Modules
Owned	KAMBAH 1	YMH Step Up Step Down

[redacted]

Ownership	Asset Name	District
Owned	MONASH 1	HPS Air Monitoring Station
Owned	NGUNNAWAL 1	Ngunnawal Child Health Clinic
Owned	O'CONNOR 1	Mental Illness Fellowship
Owned	O'CONNOR 2	Mental Illness Fellowship
Owned	PHILLIP 1	Residential Unit - Student Accommodation
Owned	PHILLIP 2	Residential Unit - Student Accommodation
Owned	PHILLIP 3	Residential Unit - Student Accommodation
Owned	PHILLIP 4	Phillip Health Centre
Owned	RIVETT 1	Burrangiri and Aged Respite Care Centre
Owned	SYMONSTON 1	Adult Secure Mental Health
Owned	THARWA 1	Ngunnawal Bush Healing Farm
Owned	WATSON 1	Watson Hostel (Ted Noffs Admin, Blocks A, B, C, D & F) E?
Owned	WESTON 1	The Independent Living Centre or Weston Health Centre - ILC/ Community Dialysis