

"TOTAL ASSET MANAGEMENT"

by

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for

REVOLUTION PRODUCTIONS

Commissioned by,

The Public Works Dept
State Government of NSW

Running Time 8 mins

"TOTAL ASSET MANAGEMENT"

An 8 minute introductory video
for
Public Works Dept,
NSW State Government

Synopsis

The NSW Government currently manages \$300 billion worth of assets that provide services and infra structure to the state. As these assets grow older, technology changes and community expectations rise, they consume more and more public funds. The NSW Government has had to devise a better way to manage these assets and has insigated Total Asset Management as a more efficient means of management.

This video is the first of a series of instructional videos that are companions to the Total Asset Management manual prepared by the Public Works Department.

The audience is all State Government Ministers, all Treasury and Finance officials, Advisers to the Government including Government Agencies, Asset, and Property Managers and Directors, Corporate Planners and Strategists, Architects, Building and Project Managers, Civil and Structural Engineers, and Quantity Surveyors.

The video's intention is to explain the value of Total Asset Management in an enthusiastic and convincing manner so that key public sector officers will be motivated to undertake full familiarisation in Total Asset Management.

The video will provide an overview of the principles and operation of Total Asset Management and provide some examples of its application. It will show how Total Asset Management can help motivated individuals to effect great change and create efficiency in all public sector services and infrastructure.

VIDEO

TITLE:
"\$300 MILLION TO BE
MANAGED"

SWISH PAN ONTO- PREMIER
FAYE, to camera in the
Cabinet Room.

MONTAGE: Shots of public
sector assets from stock
footage and location
shooting are intercut and
overlayed with quick Vox
Pop statements, comments
from Capital Works
Spokesmen and newspaper
headlines.

"\$82.6 TO COUNCILS FOR
WATER AND SEWERAGE",

"NEW TAFE COLLEGE TO COST
\$18 MILLION", Tweed Daily
News 10/2/93.

"\$103 MILLION FOR OPERA
HOUSE MAINTENANCE", SMH,
31/7/93.

"YAMBA PORT \$2M UPGRADE
PLANNED" Grafton
Examiner, 4/2/93.

PREMIER FAHEY to camera
on Cabinet Room.

TITLE:
"WHAT CAN YOU DO ABOUT
IT?"

AUDIO

Dramatic sting begins fast,
futuristic music.

PREMIER ... 100%:

The NSW government currently
manages \$300 billion worth of
assets that provide services
and infra structure to the
state.

As these assets grow older,
technology changes and
community expectations rise,
they consume more and more
public funds.

DRAMATIC MUSIC.

VOX POP: (Guide) Do we need
more hospitals beds?...

VOX POP: (Guide)
....better schools...

NARRATOR:

Each year it costs the tax
payer \$9 billion, just to
maintain these assets...

OPERA HOUSE SPOKESMAN 100%
....\$103,million to fix the
Opera House.....

NARRATOR:

The public sector maintenance
bill increases every year.

VOX POP: (Guide) We all need
to find ways to do things
better...

PREMIER ... 100%

The community now expects us,
the public sector to become
more efficient. But increasing
the efficiency of an infra-
structure is not so easy...

How can we solve this problem?

INT BOARD-ROOM.

JEFF POWYS, MANAGER OF ASSET MANAGEMENT, is explaining TOTAL ASSET MANAGEMENT to a group of public service ASSET MANAGERS AND ADMINISTRATORS.

JEFF POWYS 100%

TOTAL ASSET MANAGEMENT can increase the value of the public dollar spent. It optimises delivery of our public services by managing demand and avoiding waste, finding better ways of improving service, and ensuring performance at lower cost.

It can bring about more cost efficient asset management in the entire public sector.

ADMINISTRATOR 100%

Can I apply it to managing...say our library?

JEFF POWYS 100%

Sure..It doesn't matter if you have a small, specific problem- like how to make your library more efficient, or a big problem- like managing the Opera House maintenance. TOTAL ASSET MANAGEMENT works equally well on both.

And as your back-up, we respond as equally to individuals as managing committees.

JEFF POWYS 100%

TOTAL ASSET MANAGEMENT is a planning process that identifies the need for the asset, provides for the refurbishment, operation and maintenance of the asset, and considers disposal of the asset.

GRAPHIC:

- *SERVICE PLAN
- *CAPITAL INVESTMENT PLAN
- *ASSET MAINTENANCE PLAN
- *ASSET DISPOSAL PLAN

By systematic analysis, TOTAL ASSET MANAGEMENT diminishes the scale of the problem and allows it to become manageable. Then, you think laterally.

ADMINISTRATOR 100%

Can you give us an example ?

Shots of Hornsby Girls High School.
CU of old photographs of the derelict courts.

SCHOOL SPOKESPERSON to camera. Shots of students using the new courts and club house during the day. Shots of the private club using the facilities after school hours.

Shots of Public School buildings and school grounds.

GRAPHICS:

"UNUSED BUILDINGS LEASED AS PRE SCHOOL",
"GYM LEASED AT NIGHT TO THE PRIVATE CLUB".
"SCHOOL GROUNDS LEASED AS CAR PARK",
"ENERGY EFFICIENT LIGHTING".

MUSIC STING

NARRATOR:

Like most schools, Hornsby Girls High School had difficulty finding funds to maintain some of its assets.

Its tennis courts became derelict and were a useless waste of space.

A business plan was developed using the skills of three entrepreneurs, to rebuild the courts as a commercial and school facility.

ENTREPRENEUR 100%

We entirely rebuilt the courts at our own cost and added a club house and pro-shop. We share the facility with the school.

The school received not only fully maintained, new facilities, but an income from the profit sharing. Pretty good for a once idle piece of ground!

NARRATOR

Other schools are leasing out areas to the commercial sector. They have found additional revenue as car parks and markets. One has even re-lamped its buildings with more energy efficient lighting.

Its this type of innovative thinking that increases the productivity of an asset.

DISS to shots of hospitals from stock footage and location shooting.

HEALTH CAPITAL WORKS SPOKESMAN to camera outside hospital.

Shots of day care facilities.

HEALTH CAPITAL WORKS SPOKESMAN to camera outside hospital.

Stock footage of Accident and Emergency admissions. Stock footage of driver safety, seatbelt, and random breath test campaigns.

Stock footage of the State Trauma plan.

NARRATOR: Hospitals in NSW are faced with continuing limitations on resources and overcrowding. There is currently an \$80 million shortage in funds for capital works.

HEALTH DEPT SPOKESMAN 100%: TOTAL ASSET MANAGEMENT is assisting the NSW Health Dept to manage this demand by seeking alternative ways to reduce admissions and make existing hospital beds better utilized.

NARRATOR: By upgrading day surgery facilities, hospitals can reduce the number of overnight admissions and the number of beds occupied. Money is not wasted on non-medical secondary facilities. Every person who doesn't stay overnight saves on average \$750.

HEALTH DEPT SPOKESMAN 100%: Ways to accelerate discharge are now receiving more consideration. Faster rehabilitation of maternity and hip replacement patients has already dramatically reduced their length of admission.

NARRATOR: Injury is the leading cause of admissions to health centres and road accidents are their single most common cause. Since the introduction of safety and education campaigns in 1982, there have been 40,000 less hospital admissions.

With the State Trauma Plan, patients are now kept alive longer in ambulances and taken direct to one of a few specialized Area Trauma Hospitals. This has eliminated emergency patients being temporarily admitted to a general hospital.

Shots of hospital admissions.

NARRATOR: All of these approaches are helping to The NSW Health Dept to reduce hospital admissions and save millions of dollars of taxpayer's money.

TOTAL ASSET MANAGEMENT facilitates the lateral thinking to help you find more cost efficient solutions to asset problems.

DISS TO Shots of Chipping Norton development.

Stock footage of the unsightly area from the sand mining.

Shots of artists impression sketches and model of the area.

Shots of current sand extraction.

Shots of Chipping Norton Lakes recreational facilities.

NARRATOR

At Chipping Norton, a supervising engineer used asset management principles to solve an environmental disaster, create a productive asset and generate income in the process.

Commercial sand extraction had created an unsightly moonscape at Chipping Norton, an expanding and populous area south-west of Sydney.

PROJECT SPOKESMAN

We recognized the continuing value of the sand and gravel mining asset but saw also a need for recreational space in this densely populated area.

So we proposed a plan whereby controlled mining would excavate an area that could eventually become a lake. The grounds around it could then be landscaped and the area used for boating, recreation and sanctuary for wildlife.

A major part of the cost of the scheme was paid for by royalties from the sand extraction. The income also contributed to ongoing maintenance costs.

NARRATOR:

Chipping Norton Lakes is now a very attractive recreational area providing leisure facilities to thousands of people in the south-west.

The plan was a classic example of the use of asset management principles. It considered the capital value of the asset, its maintenance and its disposal.

DISS TO Stock footage of construction of the Opera House.

Shots of deteriorating construction.

Shots of current maintenance.

OPERA HOSE SPOKESMAN TO CAMERA

Shots of Opera House infra structure.

Location shots of new public buildings.

Shots of Opera House.

NARRATOR: The Sydney Opera House was opened in 1973 after 16 years of construction. While excellent materials were used, there was no money assigned to maintenance and no maintenance strategy.

In the mid 80's when skirting panels fell into the harbour, the spectre of extensive material degeneration instigated an inspection that revealed concrete cancer, deteriorating timber panel, sealants and tiles.

The Opera House has some huge operational problems. They have decided that the application of TOTAL ASSET MANAGEMENT is the only way to approach this predicament.

SPOKESMAN 100%
Using TOTAL ASSET MANAGEMENT, we are formulating a strategy that integrates capital, operational, and heritage considerations, as well as routine and major maintenance.

The ASSET MANAGEMENT program will include analysis of building structure, Engineering services, finishes, technical services, Court structure and cladding, Catering equipment, whitegoods, computer hardware and general equipment.

NARRATOR
Now with TOTAL ASSET MANAGEMENT guidelines, when a new building is designed, a plan for cyclic maintenance is also created.

With TOTAL ASSET MANAGEMENT, situations like the Opera House can never occur.

TITLE: WE CAN BE MORE PRODUCTIVE.

Shots of various large public sector buildings (from stock footage and location shooting) are intercut with SPOKESPERSONS from case studies and CAPITAL WORKS and PROPERTY MANAGERS. They all are seen on location. Their official title appears on screen as a SUPER.

EDUCATION ADMIN SERVICES SPOKESMAN to camera.

PROJECT SPOKESMAN TO CAMERA.

EDUCATION SPOKESMAN to camera.

HEALTH CAPITAL WORKS SPOKESMAN to camera at St Vincents Hospital.

MEADOWBANK SCHOOL SPOKESPERSON to camera.

ADMINISTRATOR to camera.

MUSIC STING

NARRATOR:

The potential cost-saving power of TOTAL ASSET MANAGEMENT can be seen when applied to the huge public sector budgets.

MUSIC STING

EDUCATION SPOKESMAN 100%
We spend at least \$25 million on energy in schools...

PROJECT SPOKESMAN. The royalties from sand mining paid for the entire restoration of the lake.

EDUCATION SPOKESMAN (CONT) 100%
...Save 10% of that and you have the cost of one new school.

HEALTH SPOKESMAN 100%
Maximizing day surgery could save 5% of the costs new hospitals....

SCHOOL SPOKESMAN 100%
The old building that now houses a privately owned pre school centre, returns us \$20,000 each year in rent.

HEALTH SPOKESMAN (cont)100%..
On a \$2 billion program, this is \$10 million.....that's a lot of medical equipment.

ADMINISTRATORwith these savings the school can buy two new computers music library ...

SWISH PAN ONTO- PREMIER
FAYE, to camera in the
Cabinet Room.

PREMIER 100%

We all need to think more
laterally and find better ways
of doing things. We all need to
increase the value of the
dollar spent. TOTAL ASSET
MANAGEMENT will do that for
you.

TOTAL ASSET MANAGEMENT can be
used by everybody who has an
asset to manage. And it doesn't
matter what size the asset is.

It is now being used in all
levels of public service, from
Government Ministers, Executive
Officers, Corporate Planners,
Property Managers and
Engineers. Even the private
sector is using it.

With TOTAL ASSET MANAGEMENT,
anyone can instigate great
changes and increase
productivity by improved
economy. Better economy is
better service.

TITLE, "YOU TOO CAN
INITIATE GREAT CHANGE".
DISS to:
"TOTAL ASSET MANAGEMENT".

MUSIC STING.