1. Regional Comparison

In the 2012 round of the AMCV (previously known as Aquamark), there was only sufficient participation in the regions of Australia/New Zealand and North America to allow a valid comparison of the overall water utility performance in each region.

This comparison indicated a difference between the two regions. This difference may have been associated with the smaller peer group and size range of participants in North America (there were no small utilities in the North America group). Participants in North America had a much tighter range of scores compared to Australia / New Zealand. All North American participants were classified as being in the developing and established stages of maturity. In comparison the Australian/New Zealand region had a far more diverse range of scores.

Given the greater scatter of results, the Australia/ New Zealand regional group had higher median scores in all functions. This ranged from Asset Capability Forward Planning at 17% higher to Business Support Systems at 4% higher than the median scores.

The differences are primarily attributed to the level of maturity of asset management processes, with Australia / New Zealand having actively pursued asset management into their third decade for the larger utilities. Conversely, most of the North America participant group was still largely within its first decade of asset management development. Note that this result is from only a small sample of North American utilities and is by no means indicative of the overall North American utility market.

The differences also reflect differing business drivers. North American participants had a greater focus on regulatory compliance, while Australia / New Zealand (and Australia in particular) had a greater emphasis on growth planning and capital delivery.

The Australia / New Zealand regional group had more mature processes within Corporate Policy and Business Planning, with the notable exceptions of Innovation Program and Life Cycle Best Value Decision Making.

2. Leading Practice Themes

Leading practices were identified across the participant group in themes that aligned strongly to meeting industry-wide business imperatives.

Drawing from the priority business drivers for the overall participant group and its regions, the following leading practice themes were developed and discussed more fully at the Leading Practice Conference held in Sydney in November 2012 and as part of the Leading Practice Report:

**Foundations for Sustainable Asset Management** - sustaining business services and financial viability in the long term, through appropriate asset management frameworks, governance, alignment with corporate objectives and performance management

**Tools, Decision Making and Documentation** – focusing on life cycle decision making processes and documenting the decisions made

**Prudent Asset Investment** – project justification and its application to growth, renewals and service improvement planning

**Efficient Service Delivery** – service delivery strategies and the benefits of application of asset management principles in the asset acquisition phase

**Doing More With Less Operationally** – managing service levels and risk at lowest cost, developing operating and maintenance strategies, smart systems and productivity improvement, and the value of configuration management

**Organisational Asset Management Capability** – staff skills and competencies, supported by proactive review and improvement planning for asset management business processes, information systems and data.
3. Industry Wide Improvement Opportunities

The intent of the 2012 project was to identify and share leading practices to improve the level of practice and maturity of the whole participant group, as well as others in the urban water industry.

The 2012 Industry Report identified the following improvement initiatives:

**Implementing an Asset Management System (or framework for asset management)** - to provide guidance on establishing a clear mandate for asset management activities and communicating this through a utility

**Asset Management Improvement Planning** - to proactively review the status of asset management with respect to meeting business objectives, planning and implementation processes, information systems, data and knowledge improvements through a structured program including research and knowledge capture

**Asset Management Skills and Competencies** - to provide guidance on appropriate ways to evaluate and develop sustainable asset management capability in urban water utilities

**Asset Management Planning Documentation** – to provide appropriate examples to improve the content and use of Asset Management Plans (AMPs) or similar documentation to ensure alignment with business and stakeholder needs

**Investment Evaluation Decision Making Approaches** - to explore alternatives, and potentially standardise, evaluation processes and tools to achieve prudent and efficient investment

**Maintenance Strategies and Implementation** - to provide guidance and case studies on maintenance strategies and implementation issues

**Productivity Optimisation** - to provide guidance and case studies on process improvements and key opportunities for productivity improvement in urban water utilities

**Renewals Planning and Forecasting** - to provide guidance and case studies on process improvements and key opportunities for renewals forecasting and planning, and end of economic life determination for urban water utility assets

**Configuration Management** - to provide guidance and case studies on process improvements and benefits from implementation of configuration management principles and processes.

These initiatives were recognised by the Asset Management Committee of WSAA, and adopted as strategic objectives that have been worked on over the period from 2012 to now.