CRITICALITY RATING

1. Criticality is a measure of the importance of the function of an asset or an asset system to Defence and the degree of reliability and availability required.

2. The following definitions are provided as guidance and their application requires a degree of “common sense”. Overstating the Criticality Rating (CR) of an asset will adversely impact the integrity of the works forecast through Estate Appraisal (EA). The CR of an asset is also a key input into Major Capital Facilities Program (MCFP) reinvestment prioritisation. All CR rankings are to be reviewed annually to ensure they reflect legitimate changes in the role of an asset or structure and its support of Defence capability. Reviews should consider factors such as the availability of similar assets locally or nationally, dependant military platforms, trends in force generation and posture, critical training pathways etc. Reviews may be informed by subject matter expertise from sources such as Joint Operations Command (JOC) (exercise planning), Estate Planning (EP) and Director Operation and Training Area Management (DOTAM). Audits will be conducted to identify inappropriate use of CR and other risks which would impact on the asset’s continued use to support Defence outcomes (ie safety, legislative compliance (including Defence security policy), environment, heritage and personnel).

3. With asset systems, the individual component of assets may not be important to the operations of Defence yet as a functioning system it is critical. For example; while not directly linked to operational capability, the sewerage treatment plant at a site may be assigned a criticality rating of 1 – Highly Critical, because of its importance to the day to day operations of the site.

4. Criticality is considered based on a specific asset’s contribution or importance and not necessarily by asset type. For example; on a base with four messes, one mess maybe assigned a higher criticality rating than the others because it is of a hardened construction and has been designated the post disaster mess for the area. CR is assigned on a five point scale as described in the following paragraphs.

5. **CR 1 – Highly Critical Assets.** CR 1 assets are those assets that are highly critical to the activities of Defence and must be continually available and fit for its intended purpose. These assets can include both operational assets and support assets that are deemed highly critical due to their function, level of use, or other assets they support.

6. The unavailability or compromise of a CR 1 asset could immediately jeopardise Australia’s national security and present a very high risk to the Commonwealth and Defence, with potential issues such as very high:

   a. negative impact on Defence capability;
b. risk to work, health and safety (WHS), personnel, environment; and heritage if assets not maintained to the required standard; and/or

c. impact on the activities (including the security) of a Defence site.

7. All maintenance needs to be carefully planned, including where replacement before failure is an appropriate maintenance approach.

8. CR 1 examples include:

a. critical command, control, intelligence and communications assets, such as DNOC & HQJOC;

b. Defence fuel installations (DFI) and hazardous material infrastructure, such as DFI (A) and DFI (M);

c. major strategic assets that enable the deployment of high end platforms and systems eg. airfields and wharves;

d. unique facilities that enable pre deployment training;

e. water supply and treatment assets, waste water systems, electricity infrastructure; and

f. air conditioning assets (particularly in IT facilities) and security infrastructure that support these highly critical assets.

9. **CR 2 – Critical Assets.** CR 2 assets are those assets that are critical to the activities of Defence where non-availability must be planned and scheduled. These assets can include both operational assets and support assets that are deemed critical due to their function, level of use, or other assets they support.

10. The unavailability or compromise of a CR 2 asset could prevent sustainment of Australia’s national security and present a high risk to the Commonwealth and Defence, with potential issues such as high:

a. impact on Defence capability; and/or

b. risk to WHS, personnel or the environment and heritage if not maintained to required standards; and/or

c. impact on the operations (including the security) of a Defence site.

11. CR2 examples include:

a. essential military working accommodation and healthcare buildings;

b. permanent storage facilities for weapons, ammunition, combustible materials and;

c. unique weapons training or targeting systems for high end platforms or systems, assets that enable important training pathways or assets that enable elements of major or multinational exercises; and
d. water supply and treatment assets, waste water systems, electricity infrastructure, air conditioning assets (particularly in IT facilities) and security infrastructure supporting these critical assets.

12. **CR 3 – Day-to-day Operational or Support Assets.** CR 3 assets perform a support role for the day to day activities of Defence. The unavailability of the asset would have a moderate impact on operations but could be managed or mitigated through work arounds.

13. The unavailability or compromise of a CR 3 asset could present a long term risk to Australia’s national security, or cause unreasonable and unsustainable inconvenience to personnel with potential issues such as:
   
   a. moderate impact on the overall capability of the Defence; and/or
   
   b. some danger to members of the public or the Defence personnel; and/or
   
   c. moderately noticeable impact on Defence operations.

14. CR3 examples include:

   a. roads;

   b. training area facilities or environs that enable the core training requirements of units where short term alternatives are available;

   c. capability support working accommodation and camps;

   d. important classroom training and educational assets;

   e. military vehicle storage;

   f. high-use live-in accommodation; and

   g. water supply and treatment assets, waste water systems, electricity infrastructure, and security infrastructure supporting these moderately critical assets.

15. **CR 4 – General Purpose Assets.** CR 4 assets are those general purpose assets that are of moderate importance to day to day activities of Defence. Their availability and reliability do not have a material impact on Defence operations would generally have minimal:

   a. impact on the overall capability of the Defence; and/or

   b. danger to members of the public or Defence personnel; and/or

   c. impact on Defence operations.

16. CR4 examples include:

   a. training area facilities in low demand and replicated at a nearby location;

   b. office, retail and assembly buildings;

   c. general live-in accommodation and detached houses; and
d. general purpose utilities and engineering structures.

17. **CR 5 – Low Importance Assets.** CR 5 assets are of negligible criticality and their availability and reliability have negligible impact on Defence operations. This includes assets that are unused/mothballed where only essential safety standards are required. CR 5 assets have:

   a. no impact on the overall capability of the Defence;
   
   b. present no danger to members of the public or Defence personnel;
   
   c. no impact on Defence operations.

18. CR5 examples include:

   a. recreation facilities, car parks;
   
   b. monuments; and
   
   c. unused or mothballed buildings and infrastructure.

**Worked Examples**

19. Given the importance of operational runways and their safety characteristics they may be assigned a Criticality Rating of 1 – Highly Critical Asset. Whereas a road around a runway for vehicle movements, where some unavailability creates less risk and is tolerable, could be assigned a Criticality Rating of 3 – Day-to-day Operational or Support Assets.

20. For some assets the associated maintenance may relate directly to safety or environmental issues. These issues may also have an impact on capability. For example, a safety communications system on a training area that fails may be considered a safety risk. That risk, however, is usually not realised because if it occurs the training activity may be stopped. Therefore this is an issue about capability, as well as ensuring work is performed in a safe environment.

**Multi-Use Facilities**

21. Where a structure contains multiple functions that provide a different contribution to capability, e.g. a command and control facility within a general office building, determination of the CR should typically be according to the majority use of the structure. Works on higher CR elements within the structure should be addressed using the Work Order priority allocated during the EA.