

Asset Management Policy

Local Government Act 2009

1. POLICY STATEMENT

The Townsville City Council will responsibly manage council-owned assets.

2. PRINCIPLES

Council makes operational and financial decisions to optimise council's long term financial position while delivering sustainable services and reducing the risk exposure to an acceptable level through the management of assets for present and future communities.

Council is committed to the asset management fundamentals of value, alignment, leadership, and assurance for:

- Long term financial sustainability
- Improved financial performance
- Informed asset investment decisions
- Managed risk
- Improved services and costs
- Demonstrated social responsibility
- Demonstrated compliance
- Enhanced reputation
- Improved sustainability
- Improved utilisation

3. SCOPE

This policy applies to all council activities and services, including Business Services, Planning and Community Engagement, asset custodians, and service delivery units in Infrastructure and Operations.

4. RESPONSIBILITY

Managers and Asset Management workers are responsible for ensuring this policy and associated documents are understood and adhered to by all workers.

5. DEFINITIONS

Asset – means an asset is an item or thing that has potential or actual value to council and community.

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Asset Management – Provide effective control and governance to infrastructure assets to realise value through managing risk and opportunity, in order to achieve the desired balance of cost, risk & performance.

Asset Management System – means a system forms an integrated part of council's management of mission, corporate plan, policies, objectives, asset and service management plans, operational plans, supporting activities, control activities, and other relevant processes.

Business Case/Planning Report – means A Business Case demonstrates the advantage and value of a new service/asset and a Planning Report details the alternative delivery methods and the recommended option.

Lifecycle Cost – means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, depreciation, rehabilitation, and disposal costs.

Manager – includes persons appointed to positions with the title, Team Manager, General Manager, Principal, Director and Chief.

Strategic Asset and Service Management Plan – Documented information specifies the management of one or more infrastructure assets and services that combines multi-disciplinary management techniques (including financial and technical), resources, activities, and time scale over the life cycle of the asset in the most cost effective manner to provide a specified level of service. A significant component of the plan is a long-term financially informed projection of the activities and objectives.

Value – assets exists to provide tangible, non-tangible, financial or non-financial benefits to council and community in accordance with council objectives.

Workers – includes employees, contractors, volunteers and all others who perform work on behalf of council.

6. POLICY

Council will manage assets to realise value through managing risk and opportunity, in order to achieve the desired balance of cost, risk & performance in service delivery.

The management of assets and service potential will be achieved by:

- developing and maintaining long-term Strategic Asset Management Plan and Strategic Service Management Plan and Asset Management Plans;
- preparing Business Case, Planning Reports, and Evidence Based Prioritisation prior to the introduction of a new service or the procurement of a new asset or rehabilitation of existing assets;
- integrating customer experience, strategy planning, financial affordability, capital and operational works planning;
- maintaining a long term financial plan which demonstrates that the full costs of an asset are borne equitably by all users (including future users) of the asset, including using the utility delivered to customers as the basis for allocating depreciation and obsolescence;
- ensuring that the lowest lifecycle cost of an asset is achieved while maintaining agreed levels of services and an acceptable risk exposure level;
- annually prioritising capital investment plan and reviewing asset management strategies and plans;
- measure, monitor and review, asset and service management values and performance;

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- ensuring consistency through the use of asset management systems, business processes and governance requirements with available technology for continuous improvement.
- ensuring a consistent service delivery approach to asset management;
- improving through leadership, cross functional integration, effective communication, collaboration and influencing culture; and
- assuring ISO55000 alignment as minimum requirement for asset management practices.

7. LEGAL PARAMETERS

Local Government Act 2009

Local Government (Finance Plans and Reporting) Regulation 2010

ISO55001 International Standard

8. ASSOCIATED DOCUMENTS

Asset Management Plan

Asset Management Strategic Plan

Long Term Financial Plan

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