



STRATEGIC POLICY
MOUNT ISA CITY COUNCIL
Asset Management and Services Policy

RESOLUTION NO. **OM21/11/20** VERSION **V3**

APPLIES TO STRATEGIC POLICIES ONLY

This an official copy of the **Asset Management and Services Policy**, made in accordance with the provisions of *Local Government Act and Regulations, Public Records Act*, Mount Isa City Council's Local Laws, Subordinate Local Laws and current Council Policies.

Strategic policies are adopted by Council due to its desire to influence the direction of an issue or assist in the delegated decision making of Council officers. Strategic policies should follow the jurisdiction provided to Council through its Corporate Plan; the **Asset Management and Services Policy** is approved by the Mount Isa City Council for the operations and procedures of Council.

.....
 David Keenan
Chief Executive Officer

DOCUMENT VERSION CONTROL			
Governance/Policies/Strategic Doc ID# 30428		POLICY TYPE	Strategic (Council)
VERSION	DATE	RESOLUTION NO.	DETAILS
V1	06.07.2016	OM04/03/17	Responsible Officer – GIS & Asset Management Officer
V2	07.02.2018	OM24/02/18	Responsible Officer – Asset Management Officer
V3	25.11.2020	OM21/11/20	Responsible Officer – Asset Management Officer
		REVIEW DUE	01.07.2030

DISTRIBUTION AND DISSEMINATION			
Internal email to all employees	X	Section meetings / Toolbox talks	X
Internal email to all councillors	X	Included in employee inductions	X
Employee noticeboards	X	Uploaded to Council website	X
Internal training to be provided	X	External training to be provided	X
Registered in magiQ	X		



1. PURPOSE

- 1.1 The purpose of the Asset Management and Services Policy is to establish efficient and well maintained infrastructure networks and services which support the local communities and industries as per Mount Isa City Council ('Council') Corporate Plan objectives.

This policy applies to all physical assets owned or controlled by Council, however Council **must** take into account the network connectivity of private trunk infrastructure and strategic direction of governing statutory bodies and the Federal and State Governments. This policy does not include intangible assets, people, intellectual property and financial instruments.

- 1.2 In conjunction with the Queensland Audit Office, Council acknowledges that public and private entities use assets to deliver services to the community. It is integral that Council understands and supports the community's long-term needs, and what assets they will require to meet those needs. This will be provided with the support of the Federal and State Government, utility providers, community organisations and private business.

Effective asset management plans drive an entity's operations and asset investment decisions; they are not a compliance exercise to be filed and forgotten. To be effective, asset management planning must balance the interrelationship between:

- a) the performance required from assets to meet current and future demand
- b) the level of risk that is acceptable to those charged with governance and key stakeholders
- c) the cost of and funding available for maintenance and renewal works.

2. COMMENCEMENT

This policy will commence on and from 18 November 2020. It replaces all other policies or arrangement governing asset management and services (whether written or not).

3. APPLICATION

This policy applies to employees, agents and contractors (including temporary contractors) of Council, collectively referred to in the policy as "employees".

4. POLICY OBJECTIVES AND MEASURES

- 4.1 The objectives of this policy are to:

- a) specify Council's overarching intentions and guiding principles for asset management;
- b) inform Council's strategic asset management planning and enables the development and implementation of Long Term Asset Management Plans (10 year timeframe).
- c) includes commitments to funding infrastructure renewal requirements, legislative compliance and to the continual improvement of Council's asset management performance.

- 4.2 Performance measures include:

- a) Meeting Queensland Audit statutory requirements for asset management;
- b) Publicly available declared service areas and asset registers for rateable services and Council reserves (including parks, gardens, roads and stormwater drainage channels);
- c) Adopted Local Government Infrastructure Plan reflecting trunk infrastructure projects as per the current long-term capital works plan.

5. POLICY INSTRUCTIONS

Council must adhere to the following:

5.1 Accountability and Direction

- a) The management of assets aligns with the Council's vision and conforms to corporate policy, strategy and plans for the provision of asset-based services to the community.
- b) An enterprise first, multi-disciplinary and consistent approach is taken to asset management in accordance with Council's Asset Management Framework.
- c) Accountability for the management of Council owned or controlled assets is unambiguous, accepted and met.
- d) Asset management industry standards are used where appropriate and adapted if necessary, to maintain organisational consistency.

5.2 Asset Information Management

- a) Asset information is managed in accordance with Council's information management and asset management standards and policies.
- b) Assets under the control of Council are identified and recorded in a register with the level of detail and accuracy being based on:
 - i. statutory requirements; *and then*
 - ii. risk management requirements; *and then*
 - iii. cost/benefit.
- c) Statutory requirements for external reporting are met (as a minimum).

5.3 Lifecycle Management

- a) Assets are managed from a whole-of-life perspective (i.e. from planning and design to disposal).
- b) Assets are managed to achieve the lowest possible whole-of-life cost whilst controlling exposure to risk and loss of service.
- c) Assets are managed in support of the development of sustainable communities and can adapt to changing environmental and social conditions.
- d) Statutory requirements for asset management planning are met (as a minimum).

5.4 Service Level Management

- a) A planned approach is taken to the impacts of growth and demographic change through demand management and asset investment using an agreed growth and demographic model.
- b) Current and desired levels of service are defined for asset-based services that consider: community expectations; legislative and technical requirements; the cost of service and economic, environmental and social sustainability.
- c) Council is committed to funding infrastructure renewal requirements stated in the annually updated Integrated Services and Asset Management Plan, to ensure the sustainability of the City's infrastructure base.
- d) Investment decisions for new/upgraded infrastructure will consider whole-of-life costs, including specifying additional annual operations and maintenance costs as part of the defined approval process.



6. RESPONSIBILITIES

Responsibilities are detailed in Attachment A – Assessment Management Responsibilities

7. VARIATIONS

Council reserves the right to vary, replace or terminate this policy from time to time.

8. BREACH OF POLICY

8.1 Where Council reasonably believes an employee has breached this policy, the matter will be dealt with under the Performance and Misconduct Policy.

9. COMMUNICATION AND DISTRIBUTION

8.1 Council will make available to the public, the Asset Management and Services Policy on our website at www.mountisa.qld.gov.au/maps.

8.2 The responsible officer shall liaise with the Training and Development Officer to create and deliver external appropriate and regular training to the Council employees as identified in Attachment A;

8.3 Supervisors will ensure the policy is distributed as per the Distribution and Dissemination table on this policy.

9. DEFINITIONS

- a) **Asset** - An item that has potential or actual value to an organisation.
- b) **Asset Life Cycle** - The life of an asset, beginning with the establishment of a need for it, through its acquisition, operation and any maintenance or upgrading, to its disposal.
- c) **Asset Management** - Asset management is taking a systematic approach to manage assets through all lifecycle phases. This involves applying a combination of engineering, financial and other technical practices to the management of infrastructure; costs; opportunities; risks; and performance.

ASSOCIATED LEGISLATION AND POLICIES

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- Procurement Policy
- Records Governance Policy

Attachment A – Asset Management Responsibilities

Attachment B – Asset Management Steering Committee Structure

Attachment A – Asset Management Responsibilities

The Asset Management and Services Policy require these responsibilities for asset management.

The Chief Executive Officer (CEO) is responsible for championing good asset management practices across the organisation. Their duties include:

- Set and approve corporate Asset Management & Services Policy and direction.
- Approve the Integrated Services and Asset Infrastructure Management Plan and monitor outcomes.
- Set levels of service, risk and cost standards based on the community's needs and Council's ability to fund with support from asset custodians.
- Set and where required, vary acceptable standards of construction and levels of service for Council's assets.
- Be aware of and commit to funding infrastructure renewal requirements stated in the Integrated Services and Asset Management Plan, to ensure the sustainability of the City's infrastructure base.
- To ensure investment decisions for new/upgraded infrastructure consider whole-of-life costs, including additional annual operations and maintenance costs.
- Approving corporate strategies (including the Asset Management & Services Strategy).
- Steering the implementation of the Asset Management & Services Policy, Strategy and the Improvement Program, including monitoring outcomes and performance measures.
- Review and monitor the preparation, implementation and outputs of Asset Management Plans.

Asset Custodians (commonly a whole section and the respective manager) are responsible for acting as stewards for all physical assets owned or controlled by Council. The criteria (not in priority order) used to assign custodianship are situations where a section:

- Has a sole responsibility for the capture and maintenance of the information.
- Has the greatest operational need for the information.
- Is the first to record changes to the information.
- Is the most competent to capture and/or maintain the information.
- Is in the best economic position to justify collection of the information at source; or
- Requires the highest integrity of the information.

In accepting the responsibilities of custodianship, a section needs to take into account the following roles and responsibilities, and, whether it is appropriate for them to take on these responsibilities. If they cannot meet these requirements, or find that it constrains the operations of their activities, the section should consider relinquishing their custodianship to another section. The additional duties of an **asset custodian** are:

- To assist the Technical Services Team in developing, updating and implementing Asset Management Plans for the assets under their control, including determination of asset renewal requirements i.e. proposed timing and estimated costs of end of life renewal using the principles of good asset management practice.
- Determine the whole-of-life costs of proposed new/upgraded infrastructure, including additional annual operations and maintenance costs.
- To implement the assigned components of the Asset Management Strategy with agreed resources and review the performance of those strategy elements.
- To implement tactical plans (such as maintenance programs and capital works programs) in accordance with the Asset Management & Services Policy, Strategy, approved Asset Management Plans and other asset related plans.
- To deliver asset based services to agreed levels of service, risk and cost standards.

- To present information to the CEO and Council relating to asset service levels, life cycle costs, risks and opportunities.
- To record the levels of service set by Council, including decision date and reference number, for assets under its control (i.e., in a service level register or similar).
- Capture details of newly installed/constructed assets and changes to asset types and conditions as required for the asset registers
- Make these records available to Technical, Asset Management and GIS Officers in one form or another to update the asset registers
- If they are unable to maintain completeness of asset information, they have the responsibility of finding another section to take on the role of maintaining these records. If for some reason no section is willing to undertake the role, the asset management team will assess the situation and recommend a solution for the CEO to decide.

The **Asset Management Steering Committee (AMSC)** contains appropriate representatives across the different sections that contribute to Council's asset lifecycles. They are required to align their efforts and culture to achieve long term corporate objectives and manage the implementation of this policy, associated strategy and the relevant change management responsibilities. As the Asset Management development and implementation process evolves, the AMSC must:

- Develop the corporate Asset Management & Services Policy and Strategy for consideration by the CEO and Council. Then implement assigned components with agreed resources and review the performance of those strategy elements and integrate the documents into the corporate governance framework.
- Provide asset management governance.
- Develop and implement level of service review, systems/plan development for asset management plans
- Coordinate asset data collection (new assets and regular inspections) as required for insurance, forward planning and valuation purposes to minimise duplication of effort.
- Evaluate and monitor outputs following asset management implementation and ongoing plan review
- Coordinate the Asset Management Improvement Program.
- Liaise, consult and cooperate with all sections in order to ensure that the right asset management classes and practices are assembled, maintained and delivered, in conformance with standards, specifications and user priorities, in a consistent way across Council
- Achieve consistence in asset management practices across the Council
- Annually produce the Integrated Services and Asset Infrastructure Management Plan, including renewal requirements, for Council adoption.

Technical, Asset Management and GIS Officers must ensure asset related information is available for asset valuations; forward planning and external audits (*refer to Council's Records Management Policy*). They are specifically required to:

- Guide and support the development of Asset Management Plans.
- Maintain Council's infrastructure asset registers and MapInfo GIS.
- Complete Project Summary Sheets and related quality assurance documents for all major projects.
- Order standards and specifications for the AMSC as required.

Attachment B – Asset Management Steering Committee Structure

As identified, an Asset Management Steering Committee (AMSC) will be developed to ensure that preparation, implementation, and management of the Asset Management Plan is an organisational approach. The structure of the proposed AMSC follows Council’s Organisation Structure and may be subject to change for improvement and effectiveness of the processes:

Each departmental supervisor will be responsible for providing relevant information for the asset management plan to the asset management coordinator to ensure that all data is incorporated in the plan. “Asset Management” is a journey that requires continuous management, monitoring and documenting up-to-date information.

It is essential that support across the whole organisation is maintained.



Our Organisational Structure

