

Asset Management Policy

PURPOSE

To give formal organisational commitment and set the broad direction for the application of asset management at City of Launceston.

SCOPE

This policy:

- Applies to all City of Launceston operations and to the assets and infrastructure it controls. This includes Council authorities.
- Excludes Queen Victoria Museum and Art Gallery's collections.

POLICY

The City of Launceston is committed to the application of the discipline of Asset Management through the strategic management of its assets and infrastructure in order to achieve the adopted sustainable levels of service and operational objectives at optimum cost.

PRINCIPLES

The following principles will apply to operation and management of Asset Management at City of Launceston:

1. City of Launceston will utilise the local government industry standard framework and methodology as guided by ISO 55000 the international suite of standards for asset management, and set out in the International Infrastructure Management Manual - 2015, and comply with the Australian equivalents in the International Financial Reporting Standards.
2. Utilise an Asset Management Strategy and Strategic Asset Management Plan to implement consistent and systematic asset management and appropriate asset management best-practice by asset owners across Council.
3. Asset management strategies will include:
 - The development and implementation of plans and programs for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring;
 - Establishment of asset management parameters such as service levels, valuations, critical assets and condition ratings;
 - Community consultation to guide the levels of service;
 - Future life cycle costs for all projects of \$1,000,000 or more in value will be reported and considered in all decisions relating to new services (and assets) and renewal or upgrading of existing services (and assets);
 - Ongoing refinement of the financial modelling to determine optimum costs for annual and long-term service delivery; and
 - Consider the effects of climate change.
4. The Asset Management System will be integrated with the following established systems:
 - Financial Management;
 - Risk Management;

- Customer Services;
- Knowledge (including Information and GIS) Management; and
- Operations and Management

so that it becomes an integral part of our daily processes and is not seen as an additional system.

5. Council management will maintain processes and procedures through the Asset Management Strategy and Strategic Asset Management Plan to ensure that:
 - Roles, responsibilities and resources are allocated;
 - Appropriate systems and levels of documentation are maintained;
 - Coordination occurs to avoid duplication; and
 - Asset management policy is applied with a consistent framework across the organisation.
6. Managers will develop and maintain systems and procedures that include:
 - Asset management strategies and plans to cover all asset classes;
 - Whole of life costing;
 - Service levels;
 - Asset registers; and
 - Condition ratings appropriate to the asset and the associated risk.
7. Outputs from the asset management plans and associated methodology will be used to guide inputs into the 10 year Corporate Strategic Plan and Long Term Financial Plan.
 - To ensure competency, training in asset and financial management will be provided for Councillors and relevant staff.

RELATED POLICIES & PROCEDURES

- [12-SDx-004 City of Launceston Long Term Financial Plan 2019-2029 \(LTFP...](#)
- [12-HLPr-008 Financial Management - Management and Operation Diagram](#)
- [30-SDx-001 City of Launceston Corporate Strategic Plan 2014-2024: 2019...](#)
- [30-SDx-003 City of Launceston Strategic Asset Management Plan 2019-203...](#)
- [30-SDx-004 City of Launceston Annual Plan 2020/21](#)
- [30-PI-004 Risk Management Policy](#)
- [30-Plx-005 Financial Management Strategy](#)

RELATED LEGISLATION

Local Government Act 1993 (Tas) section 70C

REFERENCES

International Infrastructure Management Manual - 2015
AS/NZS ISO 31000 Risk Management - Principles and Guidelines

DEFINITIONS

Extracted from International Infrastructure Management Manual - Version 5.0, 2015 glossary
Pages xvii to xx

Asset - An item, thing or entity that has potential or actual value to an organisation (such as plant, machinery, buildings, etc).

Asset Management - The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

Asset Management Plan - Long-term plans (usually 10-20 years or more for infrastructure assets) that outline the asset activities and programmes for each service area and resources applied to provide a defined level of service in the most cost effective way.

Asset Management Strategy - A strategy for asset management covering the development and implementation of plans and programmes for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring to ensure that the desired levels of service and other operational objectives are achieved at optimum cost.

Asset Register - A record of asset information, typically held in a spreadsheet, database or software system, including asset attribute data such as quantity, type and construction cost.

Level of Service - The parameters or combination of parameters that reflect social, political, economic and environmental outcomes that the organisation delivers. Levels of service statements describe the outputs or objectives an organisation or activity intends to deliver to customers.

Strategic Asset Management Plan - A plan containing the long-term goals and strategies of an organisation. Strategic Plans have a strong external focus, cover major portions of the organisation and identify major targets, actions and resource allocation relating to the long-term survival, value and growth of the organisation.

REVIEW

This policy will be reviewed no more than four years after the date of approval (version) or more frequently, if dictated by operational demands and with Council's approval.