

DETAILS

Council Admin

Effective from:	15 October 2018	
Contact officer:	Executive Coordinator – Strategic Asset Management, Corporate Asset Management	
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File reference:	LG343/1045/03/01	
iSpot #	This policy	28702308
	Value Proposition	41654798

OBJECTIVES & MEASURES

Objectives	<p>This policy:</p> <ul style="list-style-type: none"> • Specifies Council of the City of Gold Coast's (Council) overarching intentions and guiding principles for asset management. • Is a requirement of the Asset Management Advancement Program 2010-11 as prescribed by the Queensland State Government. It also complies with the National Asset Management and Planning Framework as agreed by all State and Territory Planning Ministers in May 2009. • Informs Council's strategic asset management planning and enables the development and implementation of long term Asset Management Plans. • Includes commitments to funding infrastructure renewal requirements, legislative compliance and to the continual improvement of Council's asset management performance.
Performance Measures	<p>Asset Consumption Ratio and Asset Renewal Funding Ratio, as per Australia Infrastructure Financial Management Guidelines 2009.</p> <p>Maturity Assessment of Asset Management Practice Areas.</p>
Risk Assessment	Medium

POLICY STATEMENT

Council acknowledges that assets (particularly infrastructure assets) support its core business of delivering services to the Gold Coast community. The Council of the City of Gold Coast (Council) is committed to ensuring that infrastructure and services are provided in a sustainable manner, with appropriate levels of service to residents and visitors and taking due regard of the environment.

It is the intention of Council that the management of its assets will encompass the economic, environmental and social sustainability of both the built and natural environment whilst ensuring the most appropriate and cost effective methods of delivery of Council services for the benefit of the community.

Therefore, Council is committed to the adoption of sound asset management practices and processes which will significantly contribute to the achievement of the City vision.

Since significant and on-going expenditure is required to maintain existing infrastructure, it is important that Council employs high-level asset management skills and practices to ensure that its asset-intensive services are delivered economically and sustainably.

Council is also committed to managing its assets from a 'whole of life' perspective in accordance with recognised industry practice. Council recognises the need to establish an appropriate balance between the creation of new assets and the maintenance of its existing asset base. This includes reducing the gap between current expenditure on infrastructure maintenance and renewal and the level of expenditure required to ensure on-going infrastructure sustainability. This will require the integration of Council's asset management plans with its long term community and financial plans and the consideration of total life cycle costs for new or enhanced services. Furthermore, Council recognises that levels of service need to be set via a process that balances the community's needs and expectations with Council's ability to fund both now and in the future.

In view of the above Council aspires to the following:

“To develop and maintain asset management governance, skills, processes, technology and data in order to provide the desired level of service for present and future customers in the most cost effective and fit for purpose manner”

Asset managers must adhere to asset management principles (refer Attachment A) that are classified according to the four domains of:

- accountability and direction
- asset information management
- asset lifecycle management
- service level management

SCOPE

Asset Management at Council is the combination of management, financial, economic and technical practices applied to physical assets, with the objective of meeting the required levels of service in the most cost-effective and fit for purpose manner.

This policy applies to all physical assets owned or controlled by Council, however in keeping with the Queensland State Government's requirements, the initial focus will be given to Council's long life infrastructure assets. Therefore the physical asset classes covered by this policy are categorised as follows:

- Roads, Bridges & Major Culverts
- Flood Mitigation & Drainage
- Water and Sewage Infrastructure
- Buildings
- Pathways
- Site Improvements
- Land
- Other physical assets such as fleet, plant & equipment

Note: This policy does not include intangible assets, people, intellectual property and financial instruments.

DEFINITIONS

Asset - An item that has potential or actual value to an organisation.

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.

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.

Council – Council of the City of Gold Coast

RELATED POLICIES AND DELEGATION

- Non-Current Asset Accounting Policy
- Information Management and Information Privacy Policy
- Asset Custodianship Policy (Infrastructure and Land)

LEGISLATION

Local Government Act 2009

Local Government Regulation 2012

SUPPORTING DOCUMENTS

Attachment A – Asset Management Principles

Attachment B – Asset Management Responsibilities

RESPONSIBILITIES

Sponsor	Chief Operating Officer, OCOO
Business Owner	Manager, Corporate Asset Management

VERSION CONTROL

Document	Date	Approved	Amendment
28702308 v.7	15.10.18	iSpot #71929758	Minor amendment
28702308 v.6	31.03.17	iSpot #61684972	Minor amendment
28702308 v.5	19.06.15	B15.0619.014/15.0619.002	Minor amendment
28702308 v.4	06.05.14	COO #43881389	Minor amendment
28702308 v.3	06.05.14		New version. No amendments
28702308 v.2	22.10.12	#28751723	Minor amendment
28702308 v.1	16.08.10	ES10.0811.001 / G10.0816.014	Council resolution

Asset Management Policy Standards

Attachment A – Asset Management Principles

Asset Management Domain	Guiding Principles
Accountability and Direction	<ul style="list-style-type: none"> • 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. • An enterprise first, multi-disciplinary and consistent approach is taken to asset management in accordance with Council’s Asset Management Framework. • Accountability for the management of Council owned or controlled assets is unambiguous, accepted and met. • Asset management industry standards are used where appropriate and adapted if necessary to maintain organisational consistency.
Asset Information Management	<ul style="list-style-type: none"> • Asset information is managed in accordance with Council’s information management and asset management standards and policies. • Assets under the control of Council are identified and recorded in a register with the level of detail and accuracy being based on: <ol style="list-style-type: none"> (1) statutory requirements; <i>and then</i> (2) risk management requirements; <i>and then</i> (3) cost/benefit. • Statutory requirements for external reporting are met (as a minimum).
Lifecycle Management	<ul style="list-style-type: none"> • Assets are managed from a whole-of-life perspective (i.e. from planning and design to disposal). • Assets are managed to achieve the lowest possible whole-of-life cost whilst controlling exposure to risk and loss of service. • Assets are managed in support of the development of sustainable communities and are capable of adapting to changing environmental and social conditions. • Statutory requirements for asset management planning are met (as a minimum).
Service Level Management	<ul style="list-style-type: none"> • 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. • 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. • Council is committed to funding infrastructure renewal requirements stated in the annually updated Total Asset Management Plan, to ensure the sustainability of the City’s infrastructure base. • 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.

Council

- To act as stewards for all physical assets owned or controlled by Council.
- To set and approve corporate Asset Management Policy and direction.
- To approve the Total Asset Management Plan and monitor outcomes.
- To set levels of service, risk and cost standards based on the community's needs and Council's ability to fund.
- To set (and where required vary) acceptable standards of construction and levels of service for Council's assets.
- To be aware of and commit to funding infrastructure renewal requirements stated in the annually updated Total 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.

Chief Executive Officer (via Executive Leadership Team)

- To approve corporate Asset Management Strategy.
- To champion good asset management practices across the organisation.
- To steer the implementation of the Asset Management Policy, Asset Management Strategy and the Asset Management Improvement Program, including monitoring outcomes and performance measures.
- To review and monitor the preparation, implementation and outputs of Asset Management Plans.

Asset Custodians

- To develop, update and implement 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 Policy, Asset Management 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 (via Executive Leadership Team) 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).

Corporate Asset Management Branch (Office of the COO)

- To develop corporate Asset Management Policy & Strategy for consideration by the CEO (via Executive Leadership Team) and Council.
- To implement assigned components of the Asset Management Strategy with agreed resources and review the performance of those strategy elements.
- To coordinate the Asset Management Improvement Program.
- To ensure the Asset Management Policy & Strategy and Asset Management Plans are integrated into the Corporate Governance Framework.
- To guide and support the development of Asset Management Plans.
- To annually produce the Total Asset Management Plan, including renewal requirements, for Council adoption.
- To provide asset management governance.

Whole of City Sources:

- Whole of City funding sources shall be used for infrastructure renewal requirements stated in the Total Asset Management Plan.
- Whole of City funding sources shall be used for operations and maintenance costs of infrastructure assets.

Divisional Allocations:

- Must comply with the Local Area Works and Services Program Policy.
- If a Councillor is of the view that local park assets should be renewed earlier than determined through asset management planning and included in the Total Asset Management Plan renewal forecasts, the request for early renewal of these assets shall be submitted in accordance with the Local Area Works and Services Program Policy with the Councillor divisional allocation to be the source of funding, unless specifically determined by the Council.
- If a Councillor is of the view that local park assets identified for disposal through asset management planning should be retained, the request for renewal of these assets shall be submitted in accordance with the Local Area Works and Services Program Policy with the Councillor divisional allocation to be the source of funding, unless specifically determined by the Council.
- Divisional allocations are the primary source of funding for new/upgraded local park assets in that division and divisional allocations can be a source of funding for other new and upgraded infrastructure in that division e.g. Whole of City park assets, local pathway connections (eg. footpaths and shared paths), etc.