
ASSET MANAGEMENT

APPROVALS

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CATEGORY	Statutory		
POLICY OWNER	Strategic Assets		
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OBJECTIVE

To provide a framework for the responsible management of Isaac Regional Council (IRC) - owned infrastructure assets by safeguarding IRC physical assets and employees, by mandating appropriate asset management strategies, practices and systems.

The objective of this policy is to give clear direction and ensure effective management of IRC assets through the application of the Asset Management Framework.

SCOPE

This policy applies to all IRC activities and services, including Departments, business units and service delivery units.

DEFINITIONS

TERM / ACRONYM

MEANING

Asset

- a physical item of significant value controlled by the entity; and
- possesses service potential or future economic benefit; and
- has an economic life greater than 12 months; and
- originates from a past transaction or event.

Asset Management practice

The combination of management, financial, economic, engineering, and other practices applied to assets with the objective of providing an appropriate level of service in the most cost effective manner.

Asset Owner
(Manager/Custodian)

The designate having the responsibility and authority over the asset.

AMP - Asset Management Class Plan

A plan developed for the management of a group of assets within an asset class that combines multi-disciplinary management techniques (including financial and technical) over the life cycle of the asset in the most cost-effective manner to provide a specified level of service.

SAMP - Strategic Asset Management Plan

Overarching Strategy setting up the objectives and measures for asset management across portfolios, asset classes and individual asset management.

AMSC	Asset Management Steering Committee
Asset Users / Occupiers and Service Managers	The end users of the asset or occupier of the facility or asset – both internal and external
Business Case	A proposal that demonstrates the advantage and value of a new service/asset; or the renewal or upgrade to an existing service/asset; or the rationale for the disposal / discontinue of an asset or service
Capital New	Expenditure that creates a new asset providing a new service to the community. It will increase future operating and/or maintenance expenditure. It includes software developed in house with effective life of three years or more. It excludes other software and intangible items such as trademarks and brands.
Capital Renewal	Expenditure on an existing asset, which returns, restores, rehabilitates the service potential or the life of the asset up to that which it had originally.
Capital Upgrade	Expenditure that enhances an existing asset to provide a higher level of service or increase the life of the asset beyond that which it had originally.
Decommissioning	The process of taking an asset out of active service into retirement
Depreciation	Is the systematic allocation of the depreciable amount of an asset over its estimated useful life.
Disposal	The physical removal and/or financial expiry of the asset. This includes sale, abandonment, removal and asset register expiry of the asset.
IRC	Isaac Regional Council
Levels of Service (LOS)	The level of service is the defined service quality for a particular activity or service area against which service performance may be measured. Service levels relate to measurable criteria such as reliability, quantity, quality, responsiveness, safety, capacity, environmental impacts, comfort, cost/affordability and legislative compliance.
Maintenance Expenditure	Recurrent expenditure which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure which was anticipated in determining the asset's useful life.

Operations Expenditure	Recurrent expenditure which is continuously required, excluding maintenance and depreciation, e.g. power, fuel, staff, plant equipment, on-costs and overheads, chemicals and consumables.
Physical Asset Management	Coordinated activities of an organisation to realise value from physical assets – optimal life cycle management to sustainably achieve stated business objectives, balancing costs, risks, opportunities and benefits.
Service Manager (Operational manager)	The designate with the responsibility and authority over the service.
Services Management	The supply of appropriate services to the community, which is consistent with the IRC's corporate goals and community needs
Whole of Life Cost (WOL)	Also known as life cycle cost. The total cost of providing an asset or service throughout its life including planning, design, construction, acquisition, renewal/rehabilitation, operation, maintenance and disposal costs.

POLICY STATEMENT

GUIDING PRINCIPLES

The principles guiding Isaac Regional Council's asset management activities are:

- Fit for purpose assets
- Alignment with Long Term Financial Planning
- Minimise whole of life cost
- Contribute to the fulfilment of our mission
- Rebalance reactive preventative asset management
- Optimise the use of our assets
- Ensure long term sustainability of assets and the services they provide
- Value for money
- Minimise environmental impact and promote purchase of environmentally friendly goods and services
- Risk management, mitigation and reduction.

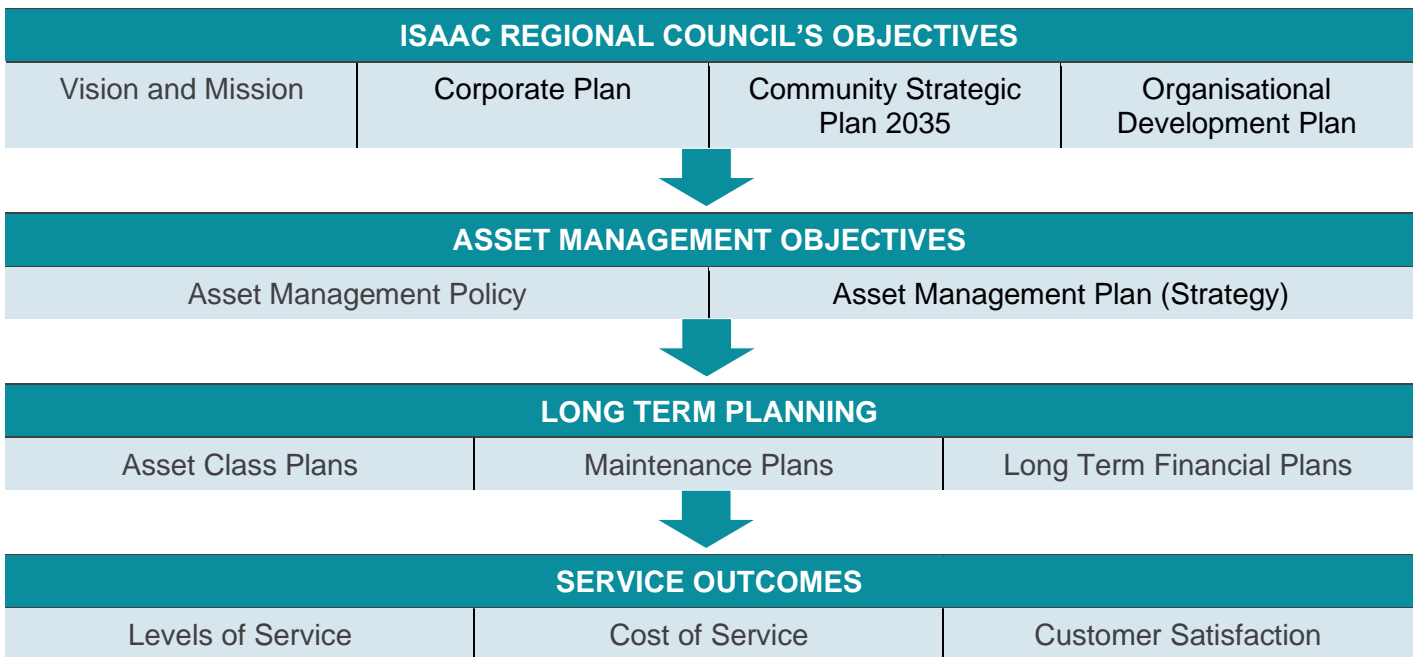
POLICY

IRC is committed to improving asset management practices through:

- Regular dialogue and communication with the community to determine the appropriate asset standards and service levels;
- Allocation of sufficient resources for the development of asset strategies, asset management plans and the asset management practices improvement program;
- Management of all IRC assets in a systematic and sustainable manner;
- Implementation of a corporate asset management system;
- Having fit for purpose assets and asset management practices to support them
- Quality control of contributed assets from developers (e.g. land, parks, playgrounds, roads);
- Formation of an Asset Management Steering Committee, a Corporate Asset Management Team and Asset Management sub-groups;
- The development of primary asset management plans which will be further developed into advanced plans;
- The capture of critical asset data to populate the IRC primary asset management system; and
- The development and implementation of an Asset Management Practices Improvement Program.
- The development of a skills matrix and ensuring appropriate knowledge and responsibility is allocated in staff position descriptions and included in their development plans.

ASSET MANAGEMENT FRAMEWORK

This policy guides the asset management strategy which in turn informs the asset management plans. The following diagram sets out the components of the IRC’s Asset Management Framework and reflects IRC’s commitment to the implementation of appropriate asset management practices.



ROLES AND RESPONSIBILITIES



LEGISLATIONS AND RELATED GUIDELINES

- *Local Government Act (QLD) 2009*
- *Local Government Regulation (QLD) 2012*
- *Financial Accountability Act 2009*
- *Sustainable Planning (Infrastructure Charges) and Other Legislation Amendment Act 2014 (SPICOLA 2014)*
- *Statutory Bodies Financial Arrangements Act 1982 (SBFA Act).*
- *Building Act 1975*
- *Disaster Management Act 2003*
- *Environmental Protection (Waste Management) Regulation 2000*
- *Environmental Protection (Water) Policy 2009*
- *Environmental Protection Act 1994*
- *Food Act 2006*
- *Mixed Use Development Act 1993*
- *Plumbing and Drainage Act 2018*
- *Public Health (Infection Control for Personal Appearance Services) Act 2003*
- *Queensland Heritage Act 1992*
- *Plumbing and Drainage Regulation 2019*
- *Sustainable Planning Regulation 2009*
- *Transport Infrastructure Act 1994*
- *Urban Land Development Authority Act 2007*
- *Work Health and Safety Act 2011*
- *International Infrastructure Management Manual – IPWEA 2011*
- *Australian Infrastructure Financial Management Guidelines – IPWEA 2011*

REFERENCES

ID	NAME
STAT-POL-045	Enterprise Risk Management Policy
ADM-POL-002	Environmental Policy
STAT-POL-051	Procurement and Disposals Policy

POLICY

ADM-POL-001	WHS Policy
	Long Term Asset Management Plan
	Isaac Regional Council Annual Budget
	Isaac Regional Council Annual Report
	Isaac Regional Council Community Strategic Plan 2035
	Isaac Regional Council Corporate Plan
