



WORKSHOP NOTES FROM TABLES 2018 LGFP MASTERCLASS

“Lifting the Bonnet on Successful Asset Accounting and Management”

① Strategy

Working group oversight by steering committee
Work for one goal
CEO/GM/Director buy in
Asset Management Policy
Vision should consider economic obsolescence
Asset Capitalisation Policy
Develop service level catalogue
Through review process for capital projects
Ensure link between budget and asset management
Managing political promises over direct community needs
Develop asset owners and define responsibilities
Role of grant funding in the asset construction process

② Systems

GIS needs to be updated and is critical to 1 to 1 relationship
Definitions are a key for good discussions
Importance of validations
System rules/process to control data quality
Ensure systems are simple to use
Use technology to collect road asset data and strategic asset management software to help select renewals

③ Community

Council is reluctant to engage with community about service levels
Community consultation on service levels
Get community to assist in data collection i.e. snap, send and solve software

④ External Influences

Auditors views on valuation and overriding expert valuers
Other states have different processes and interpretations
Differences in revaluation approached from region to region
Valuers do not necessarily understand the area/conditions and assess on the local basis including useful lives
External parties come in with a set goal and objective to achieve the outcome and therefore the task gets completed in a positive framework
Reliance on external experts is disruptive to the organisations knowledge as data is not owned

5 Activities

Business processes need to be mature
Capability audit
Elected Member workshops
QTC AMP workshop
Capitalisation timing
Valuation mix of internal and external resources
Valuation – more education
Undertake internal valuations
Need to adopt standard components
Practical activities like record keeping should be formalised
Determining the funding gap i.e. budget against requirements
Undertake risk management
Asset write-offs need to be done if capitalising replacement assets
Renewals data needs to be signed off by AM team, engineers and finance
Council to be more focused on assets rather than image
Be more proactive than reactive
Asset management plans more summarised and tailored to region
Asset management plans should be 20 years

6 Data

Asset age should be based on date built
Collecting too much data and needs structure, be fit for purpose, have data ownership and system to support
Councils are still finding assets
Important to understand data integrity and quality
Test reasons for data capture details and that will be useful for cost/benefit
Work smarter when collecting data and use technology
Data confidence of renewal estimates is a vicious cycle
Have we gone too far with asset components?
Accuracy of input data i.e. payroll
Sample test sites for condition
Maintaining data can be more difficult than collection
Materiality thresholds
Automation of data collection
Who should review the useful lives
Cost of data collection internal v external
Break down asset into new, renewals and upgrades and give renewals a greater weighting
Ensure data used for decision making is validated
Data from underground asset not as robust as visual assets

7 Resourcing

Asset management is under resourced

Staff changeover impacts data quality

When using internal resources pilot first and develop champions that sell the model to other work areas i.e. mobile collection software

Resourcing in key AM roles is difficult in remote Councils

Councils are financially under resourced to deliver for wants

8 Skills

Data analysis is a new skill

Resources of Council size impact on skills availability

The skillset and time available to complete asset management plans and major asset tasks

Continual improvement comes through staff training and awareness

9 Communication

Finance/asset accountant involved in regular infrastructure meetings

Communication between accountants and engineers

Different terminology understanding on useful life

Culture and communications should inform it is about the services

Open communication between accountants and engineers is vital

Consider personalities when communicating

10 Standards

Are the benchmarks reasonable i.e. is it reasonable to expect 100 years of service from a road and pavement?

Have discussion with engineers and change the standards of assets over time

Do risk assessment on assets built in prior years where standards change

Have standardised assessments with consistent assessment approaches

Differing standards i.e. IPWEA V other views on condition scales, standards, training elements

Ratios for renewals and sustainability