Asset Management Decision Making: A Leadership and Governance Approach for Long Term Sustainability

“Overall, there is a lack of framework including processes and timing associated with providing asset management information for decision making purposes. There needs to be a more structured approach to improve focus on providing the right information, to the right people at the right time.”

Asset Management has a critical role in delivering Council’s corporate and community plans and to ensure long term financial sustainability. Ongoing feedback from the Local Government sector indicated that there is a current and significant need for improvement in asset management planning and data driven information to support informed asset management decision making. Further, there is increased focus on asset management practices in local government from the State Government departments across Australia, including the Queensland Audit Office.

In to the impending need to provide a platform for consistency and change in Queensland and in taking the lead in providing the first opportunity for collaboration across the sector the Local Government Association of Queensland (LGQ) in conjunction with Peak Services developed the Asset Management Decision Making Framework. The purpose of the framework is to reinforce the correlation between asset data, project planning and delivery of councils strategic plan with decision making that is founded on well governed process and a sustainable approach.

To assist local governments in addressing the significant challenges of maintaining levels of service through assets which meet community need and expectation, a leadership and governance focussed approach to asset management has been developed. Significant consultation has been undertaken with several participating Queensland local governments to inform and understand how an alternative approach may deliver improved asset management outcomes.

The aim of this Framework is to facilitate and develop an approach that supports tangible organisation wide asset management improvements that can be readily implemented. It has been developed to be scalable so that it can be adapted to any operating environment. It is focused on leveraging existing policies, processes, skills and resources in a repeatable, logical and robust approach that minimises change and disruption but maximises beneficial impact.

With a focus primarily on having a balanced combination on both ‘hard’ and ‘soft’ skills, supported with leadership and ‘buy-in’ from senior stakeholders, this framework is considered essential to maximising effective AMDM capability. Hard skills typically include technical assessment, analysis, data capture and authoring technical plans. Whilst these are important elements, ‘soft skills’ such as promotion, communication, consultation and understanding community needs are recognised as being equally important.

“With well over $100 billion in assets under management, local governments play a critical role in planning, construction and maintenance. The new Asset Management Decision Making Framework is yet another tool available to councils to help them manage their asset management responsibilities to benefit their local community.” Glen Beckett, General Manager Assist, LGAQ.

With a release date of March 2019 to Queensland local government, organisations will be able to take advantage of this framework to be embedded as a basis for providing a platform for change.

Further information on this framework can be obtained by contacting Brian Jackson, Director Technical Consulting, Assets and Project Management for Peak Services on bjackson@wearepeak.com.au.