



## Launceston City Council manages diverse assets using IBM Maximo Asset Management solution.

### Overview

#### ■ Challenge

Extend asset life span, capture costs, streamline purchasing and improve community service

#### ■ Solution

An asset management solution that maintains a wide variety of assets including facility, fleet and IT assets, and can easily integrate into existing financial management suite

#### ■ Benefits

Quicker response time in addressing safety hazards; higher community satisfaction; improved decision making regarding repairing or replacing assets



Launceston City Council uses IBM Maximo software to set priority alerts so that emergency orders receive rapid response.

Launceston is the second largest population center in Tasmania, the Australian island state which is separated from the mainland by the 250-kilometer (155-mile) Bass Strait. Tasmania is noted for its unspoiled and varied scenic beauty, and is a very popular tourist destination.

Maintaining the beauty of the area while meeting the needs of the inhabitants is a task that the Launceston City Council does not take lightly. The organization's mission is to be "a leader in community and government." The Launceston City Council employs 500 people and manages annual expenditures in excess of 85 million AUD (71 million USD).

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– Cranston Gilbert,  
Systems Accountant, Assets  
Accounting, Launceston City Council

## Maximizing the value of assets

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– Cranston Gilbert

To help deliver on its mission, the Launceston City Council took action on an initiative to replace its entire information maintenance structure. In addition to replacing the human resources, payroll, financial management and accounting systems, the Council recognized that it also needed an asset management solution to help maintain its vast array of assets.

“We needed an asset management solution that would extend the life span of our diverse asset base, capture costs, streamline purchasing, improve community service and easily integrate with our other corporate systems,” explains Cranston Gilbert, systems accountant, Assets Accounting, Launceston City Council. “Maximo is the superior product that easily met our needs, and MRO Software [now part of IBM] has proven through years of focus and commitment to this market that it would continually maintain and enhance its solution.”

### **Comprehensive cost analysis drives greater savings**

The IBM Maximo Asset Management solution helps the Council maintain assets ranging from facility and fleet to IT assets. The individual assets include: buildings, parks and recreational facilities such as swimming pools and children's playgrounds; a cemetery and crematorium; recycling and refuse disposal plants; water, sewage and flood prevention infrastructures; roads, trees, car parks and parking meters; lights, fire hydrants and bridges; Launceston's animal stock sales market; and a performing arts center. Maximo software allows the Council to assess what it costs to maintain these assets. The Council now has the ability to maintain the level of detail it wants to capture on an asset-by-asset basis, with over half of its workforce active Maximo software users.

“Using Maximo, we maintain more than 160,000 assets that are worth over 1.4 billion AUD [1.2 billion USD],” continues Gilbert. “Maximo enables us to track the maintenance cost for each asset. The ability to track this type of data allows us to evaluate if the asset is costing more to maintain than to replace. Maximo gives us the data we need to do everything we can to minimize costs.”

### **Rapid resolution increases community satisfaction**

Work on the city's assets is scheduled through Maximo software, including preventive and emergency maintenance. In fact, the Launceston City Council sets priority codes that alert employees if there is an emergency. Emergency work orders receive the highest priority code and employees work to immediately resolve the issue. The asset replacement program is also driven by condition data rather than time, which has resulted in reduced service requirements and cost savings.

For example, Maximo software provides priority codes for different types of services orders, such as work requests created by Council operatives in the field, and calls from the public about issues from burst water pipes to faulty parking meters. The Maximo solution is also integrated with the mapping system that provides information about the exact job location. This information greatly aids productivity as the field personnel now quickly locate the work site. This functionality in Maximo software helps the Council increase community satisfaction as any issues that may cause a safety hazard are quickly addressed.

### **Streamlined processes help optimize spare part inventory**

Launceston City Council also uses Maximo software to facilitate purchasing. The maintenance team generates electronic purchase orders through the Maximo system. When a work order is generated that requires materials, staff have the ability to check the available inventory and if the part is not in stock then a purchase order is generated. Based on the council's business rules, the purchase order is sent through the electronic approval process and then sent to the vendor.

"Maximo has the potential to significantly streamline our purchasing process," says Gilbert. "Maximo not only allows us to check the inventory we have on hand, preventing us from buying parts that we already have, but also saves us time by reducing paper-based processes we used before we implemented the solution." Launceston City Council also integrated Finance One by Technology One using the Maximo generic gateway.

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## **Key Components**

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### *Software*

- IBM Maximo® Asset Management
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*– Cranston Gilbert*

As with many local government authorities and organizations with geographically dispersed assets, Launceston City Council recognizes the benefits of equipping its field operatives with handheld computers. Future plans call for implementing mobile technology. In fact, an increasing number of Launceston City Council employees already take downloaded Maximo data into the field, such as safety audits of playground sites, and then upload progress on work orders, including parts usage and other data, back to the system. This functionality allows the team to improve data entry accuracy and save time through eliminating duplicate entries.

“Before we selected Maximo, we knew there was far more we could be doing in terms of tracking and managing the true cost of asset maintenance,” concludes Gilbert. “Maximo certainly exceeded our expectations.”

#### **For more information**

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For more information about the Launceston City Council, visit:

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