



ASSET MANAGEMENT POLICY

Date Adopted:	23 June 2009
Council or Corporate Policy	Council Policy
Responsible Division:	Infrastructure and Service Delivery
Supporting documents, procedures & forms of this policy:	Asset Management Strategy Infrastructure and Asset Management Plans
References & Legislation:	Local Government Act 1993 Integrated Planning and Reporting Guidelines Local Government (General) Regulation 2005 National Asset Management Framework International Infrastructure Management Manual ISO 55001:2014 Asset Management

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1 PURPOSE

The purpose of the Asset Management Policy is to ensure that Council has information knowledge and understanding about the long-term and the cumulative consequences of being the custodian of public infrastructure.

This will be done by ensuring systems and processes are in place to enable the most effective and efficient options for delivering the services provided by infrastructure to be determined, while controlling exposure to risk and loss.

The Asset Management Policy describes the principles that emanate from Council's Community Strategic Plan to guide infrastructure asset management and enable the asset management strategy and specific asset management plans to be produced.

2 BACKGROUND AND LEGISLATIVE FRAMEWORK

The introduction of the legislation amending the Local Government Act in the Local Government Amendment (Planning and Reporting) Act 2009 placed a number of obligations on Councils in relation to asset management. The legislation requires that Councils must account for and plan for all of the existing assets under its ownership, and any new assets proposed in its Community Strategic Plan and Delivery Program.

To comply with regulations Council shall:

- Prepare an Asset Management Strategy and Asset Management Plan(s) to support the Community Strategic Plan and Delivery Program.
- Ensure the Asset Management Strategy and Plan(s) cover a minimum timeframe of 10 years.
- Ensure the Asset Management Strategy includes an overarching Council endorsed Asset Management Policy.
- Ensure the Asset Management Strategy identifies assets that are critical to Council operations and outlines risk management strategies for these assets.
- Ensure the Asset Management Strategy includes specific actions required to improve Council's asset management capability and projected resource requirements and timeframes.

Council adopted an Asset Management Policy on 23 June 2009 to address the above requirements with a view to review the policy in 4 years. Three international standards for asset management were published in 2014 setting the international benchmark for the management system for the management of assets. The adopted policy is now updated and amended to comply with the ISO standards.

The Asset Management Strategy is published and advertised for public comment as part of the annual delivery plan.

3 SCOPE

This policy applies to all infrastructure related services provided by assets grouped as: Transport and related Infrastructure, Stormwater Management, Buildings and other structures, and Parks and Open Spaces.

4 CORPORATE ENVIRONMENT FOR THE ASSET MANAGEMENT POLICY

The following goal and objectives guide Council to meet desired outcomes consistent with policy principles and meet strategic goals set out in the Community Strategic Plan.

The policy goal is:

- Accountable civic leadership that delivers services and assets to support the community now and in the future

The policy objectives are:

1. Requirements and clear standards for infrastructure and services which meet the needs of local communities are provided and maintained:
 - Deliver services in line with the community's expected and agreed levels of service
 - Maintain and/or improve service levels in line with identified community priorities

2. Our staff, financial resources, business processes, services and assets are managed efficiently and effectively to ensure their sustainability:
 - Maintain Council's strong financial position (operating result, asset renewal ratio, liquidity, working funds and reserves, manageable debt levels, adequate provision for employee leave entitlements);
 - Consistently apply sustainability principles to our service systems, decision making and management structures;
 - Develop and maintain effective systems to measure and report on performance;
 - Manage and minimise risk for Council and the community;
 - Increase the resilience of Council to the impacts of climate change;
 - Reduce Council's dependence upon mains water supply.

The other strategic goals, objectives and strategies in the Strategic Community Plan influence the decisions on the management of assets.

5 PRINCIPLES

Council's policy is based on the following principles to guide sustainable management of infrastructure assets. The principles are:

- Take a life lifecycle approach – apply a whole of life methodology for managing infrastructure assets including planning, acquisition, operation, maintenance, renewal and disposal;
- Assure sustainable environmental performance;
- Seek best value – balance financial, environmental and social aspects to achieve best value;
- Define Service levels;
- Apply asset management practices, plans and systems to enable the development of long term financial plans for asset classes;
- Monitor and measure asset performance;
- Apply decision support systems and knowledge – core systems with up to date information on infrastructure assets to inform decisions;
- Manage risks associated with infrastructure assets; and
- Continuously improve asset management practices.

6 INTENDED OUTCOMES

The successful completion of the policy objectives will provide Council with outcomes that include:

- Allocation of sufficient resources for the development of asset strategies, management plans and service level documents to achieve the target maturity;
- Management of all infrastructure assets in a systematic and sustainable manner;
- Development and commitment to long-term capital works and financial management plans that support and are responsive to the needs of the community;
- Asset renewal, disposal, upgrade or new asset provision is carried out in accordance with the adopted resourcing strategy that includes demonstrated need, life cycle costing, alternative modes of delivery, sustainability, equitable distribution of resources and social equity;
- Involvement of and consultation with the community and key stakeholders as required in determining service and intervention levels;
- Asset management practices that conform to legislative requirements and reflect best practice in the industry;
- Account for and plan for all the existing assets and any new asset solutions proposed in the community strategic plan and delivery program;
- Asset management planning that exceeds a 10 year planning horizon.
- Asset management will be underpinned by performance measurement, audit and review at appropriate intervals;
- Annually prepare an Asset Management Strategy and Plan to support the Community Strategic Plan and Delivery Program;
- Regularly report on the maturity of Council's asset data, systems, strategies, plans, processes and skills and the accompanying organisational risk.

7 RESPONSIBILITIES & RELATIONSHIPS

The Mayor and Councillors adopt the policy objectives (this policy) and ensure sufficient resources are applied to manage the assets.

The General Manager has overall responsibility for developing infrastructure asset management systems, policies and procedures and financial models and reporting on the status and effectiveness of asset management within Council.

The Asset Management Steering Committee is responsible for ensuring that all asset management activities are consistent with the objectives of Councils 2025+ Strategic Plan, the Integrated Planning and Reporting Framework. The committee members are responsible for ensuring that people, processes and systems are in place and work together to deliver services and meet the corporate infrastructure asset management objectives. They will also oversee the development and implementation of asset and risk management plans for all asset classes.

Divisional Directors and Managers are responsible for implementing infrastructure asset management plans, systems, policies and procedures.

Employees with management or supervisory responsibility are responsible for the management of assets within the area of responsibility as determined under asset management plans. In the short-term, employees will be tasked under implementation plans, and will be responsible for the timely completion of those activities contained within those plans.

8 POLICY REVIEW

The Asset Management Policy will be reviewed every 4 years. The next review will be undertaken in 2018.

9 VERSION CONTROL AND CHANGE HISTORY

Version Control	Date Effective	Approved By	Amendment
1	23 June 2009	Council	
2	24 June 2014	Council	Reviewed in June 2014 with the adoption of Council's Resourcing Strategy 2014-2018