

# Policy

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**Title:** Asset Management

**Category:** Corporate Governance

**Date Last Adopted:** 7 March 2016

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## 1. Objectives

To broadly outline why asset management is relevant to Council and detail what requirements need to be considered within the policy to ensure:

- (i) consistency with Council's Strategic Plan;
- (ii) management of infrastructure is undertaken in a structured and coordinated way in support of sustainable service delivery, taking into account community, social, environmental, cultural heritage and other relevant factors;
- (iii) corporate responsibilities are identified and appropriate and adequate resources are allocated to implement the policy;
- (iv) risk management is integrated into transparent decision making;
- (v) continuous improvement is maintained; and
- (vi) legislative and regulatory requirements are achieved.

## 2. Background

The policy has been developed to accord with the requirements of the National Asset Management Assessment Framework and the *Local Government Act 1993*.

## 3. Policy

That the Council:

1. As custodians of community infrastructure assets is committed to ensuring that its asset management framework is compliant with legislative requirements and is implemented at the best appropriate practice standard.



2. Acknowledges that the goal of asset management is to achieve the required level of service in the most effective way through the creation, acquisition, maintenance, operation, renewal and disposal of assets to provide for both present and future generations.
3. Will ensure that it provides infrastructure assets to support the provision of community services which have been established in accordance with its Strategic Plan and agreed through consultation with the community and key stakeholders.
4. Recognises change in community expectations and increasing financial demands and ensures decision making is made with the objective of providing services at a sustainable level for the benefit of current and future generations.
5. Embraces strategic asset management planning and recognises that a cross-functional approach to the management of these assets is required through adequate resourcing and integration with the corporate, financial and budgetary planning processes.
6. Will develop and annually update a long-term Strategic Asset Management Plan, reflecting the financial outcomes of asset management strategic planning and expenditure forecasting, which is linked to the long-term Financial Management Plan.
7. Acknowledges that assets need to be managed to facilitate sustainable service delivery by ensuring:
  - (i) assets continue to meet the changing service needs of users and the community;
  - (ii) long-term planning for asset renewal and expansion shall consider climate change adaptation and mitigation issues;
  - (iii) asset management decisions are informed by evaluating the range of service provision alternatives in accordance with whole-of-life costing considerations and best overall value, including community, social, environmental, cultural heritage and other relevant factors
  - (iv) the collection and ongoing maintenance of high-quality data to support sound and well informed decision making;
  - (v) short-term works programs and long-term expenditure forecasts are established based on capital evaluation processes which include risk management considerations; and
  - (vi) the design, construction, maintenance and renewal of assets reflect current standards and regulatory requirements



8. Will continue to seek innovative and cost effective ways of using technology and improved work practices and processes to ensure all of its assets are managed in an efficient and effective manner.
9. In considering any new assets, will fully account for the ongoing costs of operation, maintenance and renewal of that asset over its effective life to ensure that the overall life-cycle cost is optimised.
10. Will monitor key performance asset management indicators against target outcomes.
11. Take into account and report on the financial implications of its investment decisions including the expenditure categories of Maintenance, Operational, Renewal, Upgrade and New.
12. Will ensure service and asset management skills and competencies of responsible positions within the organisation be achieved and maintained for best appropriate practice standards for local government.

## 4. Legislation, Terminology and References

National Asset Management Assessment Framework

<b>Responsible Officer:</b>	Director City Infrastructure
<b>Policy first adopted by the Council:</b>	10/6/2003
<b>History</b>	
Amended by Council	9/6/2009
Amended by Council	7/3/2016
<b>Next Review Date:</b>	March 2017