



# ASSET MANAGEMENT POLICY

## 1. BACKGROUND AND CONTEXT

Council recognises that assets are integral to that role of service delivery and that assets must be planned for, provided, maintained, and renewed so that they continue to meet the service delivery needs of the community.

Asset management relates directly to the objectives of Council's Management plan and will ensure that Council delivers the appropriate level of service through its assets. This will provide positive impact on;

- Members of the public
- Council's financial position
- The ability of Council to deliver the expected level of service
- The political environment in which Council operates
- The legal liabilities of Council

## 2. PURPOSE AND SCOPE

To provide the primary criteria to guide the whole of organisation approach to best appropriate asset management practices which sustain service provision to the community.

## 3. DEFINITIONS

### **Asset**

Service potential or future economic benefits controlled by Council as a result of past transactions or other past events, A physical component of a facility which has value, enables services to be provided and has an economic life of greater than 12 months. Councils' assets include roads, bridges, footpaths, parks, buildings and drainage. These assets are generally called infrastructure assets. The policy principles in this report apply to all assets. The financial modelling and conclusions only apply to infrastructure assets.

### **Asset Management**

The process applied to assets from their planning, acquisition by Council, operation, maintenance, renewal and disposal, to ensure that the assets meet Council's priorities for service delivery.

## 4. POLICY PROVISIONS

### ***Criteria for Asset Management***

The following criteria apply to the management of all assets within the scope of normal programs:

- The Council facilitates the structured and coordinated management of assets;
- All corporate responsibilities are identified and acknowledged;
- All relevant legislative and regulatory requirements are acknowledged;
- Risk management is an integral component of total asset management;

- Sustainability of the service standards provided is a key driver for competent asset management; and
- The Asset Management Practices Improvement Strategy provides a framework of continuous improvement, including seeking innovative ways of meeting service requirements and reporting performance.

Best appropriate asset management means that the Council:

- clearly articulates in the Corporate Plan and Operational Plan that Council will provide quality infrastructure and assets that support services that are appropriate, accessible, responsive and sustainable to the community;
- diligently applies the Asset Management Practices Improvement Strategy and Performance Management Framework;
- involves and consults with the community and key stakeholders in determining Levels of Service related to use of the assets;
- develops Levels of Service and service standards as an incremental process building on improved communication links between Council and the community and the organisation;
- maintains current Asset Management Plans for each asset class and competently applies those plans;
- maintains up to date and accurate asset information allowing for appropriate asset planning and informed decision making, both in the short and long term;
- supports a whole of organisation and team approach using multi discipline cross-functional asset management criteria and relationships;
- allocates appropriately skilled and trained resources to ensure asset management practices are undertaken in a manner which ensures that “life cycle” costs are optimised for all existing and new assets;
- ensures that “whole-of-life” costs are formulated for all asset based proposals prior to consideration of any major works/renewal or improvement to an asset, including a critical review of the need for and the application of that asset;
- applies of the ‘Renew before New’ philosophy for asset related programs;
- references risk management criteria in all asset related proposals;
- continually seeks opportunities for multiple uses of assets;
- examines non-asset based solutions for service provision;
- defines roles and responsibilities for all asset users;
- applies of a standard framework of evaluation and prioritisation of Capital Works Projects; and
- consistently applies development and construction standards to Council, community and developer projects.

## **5. AUTHORITIES AND ACCOUNTABILITIES**

Defining and applying standards for asset management means that the Council:

- Establishes appropriate affordable service standards for the type of use of assets, (in consultation with the community);
- Identifies and assesses asset needs and set priorities within the total Council program;
- Allocates public money to meet those needs and priorities; and
- Consistently applies the relevant asset management criteria in the conduct of all operations.

Implementation of asset management as an organisational philosophy will occur through the Asset Management Practices Improvement Strategy.

The Executive Management Group shall ensure application of this policy by the Council and whole of organisation, and shall review compliance with this policy on an on-going basis and

report to Council on a quarterly and annual basis as part of the Asset Management Performance Management Framework. The review will incorporate:

- Application of this policy;
- Audit and review of asset management implementation and improvement as set out in the Asset Management Practices Improvement Strategy; and
- Reporting against the AM Performance Management Framework.

## 6. RELATED DOCUMENTATION

This Asset Management Policy is supported by:

Asset Management Strategy;  
Associated Asset Management Improvement Plans

## 7. APPROVAL TABLE

Approved by Council	Meeting number and date	
GMCCS11 – 15 <sup>th</sup> April 2015 Resolution No:2015/GM1333 GMCCS4 – 20 <sup>th</sup> July 2017 Resolution No: 2017/GM2077	GMCCS9 – 20 <sup>th</sup> February 2019	
	Resolution number	
	2019/GM2554	
Approval by CEO	David Munro	
Effective date	Review date	
16 <sup>th</sup> December 2009	30 <sup>th</sup> April 2021	
Policy Author		
Chief Executive Officer		
Current incumbent		
David Munro		
Implementation Officer(s)		
Chief Executive Officer, Director of Engineering Services & Director Corporate & Community Services		
Current incumbent	Contact number	Official file no.
	4079 9090	ESC-S013