

## ASSET MANAGEMENT POLICY

### DOCUMENT SUMMARY

This Council Policy deals with the framework for undertaking asset management in a structured and coordinated way.

### DOCUMENT CONTROL

#### Document Information

	Information
Document ID	[TRIM Document number]
Document Owner	Director Finance and Policy
Current Version date	May, 2013
Date of next review by Council	May, 2017 and then each 4 years after that.
Review Trigger	Legislative Requirement under the Integrated Planning & reporting framework.

#### Document History

Version	Issue Date	Changes
1.1	06/05/2013	

#### Associated Documents

Document Type	Information (include relevant section numbers)
Associated Legislation	Local Government Act
Associated Regulations	There are no associated regulations. General Requirements for asset management planning are contained in the Integrated Planning & reporting Guidelines (2.9 & 2.10)
Associated Government Policies	Integrated Planning & Reporting requirements Essential Elements 2.9 to 2.17
Associated Council Documents	Resourcing Strategy
Associated Operational Documents	Delivery Program and Operational Plan

#### Document Approval

This document is the latest version of the official policy of the Wentworth Shire Council. All previous versions of this policy are null and void.

This policy may be amended or revoked by Council at any time.

General Manager	Signature	Date
Peter Kozlowski	<i>Signed on original document</i>	16 May 2012

## 1. STATEMENT OF POLICY INTENT

To set guidelines for implementing systematic practices and coordinated activities to optimally manage Council assets as per the direction provided from the Community Strategic Plan.

## 2. POLICY SCOPE

This policy applies to all Council owned and controlled assets. The policy will provide direction regarding the measurable service levels, management, maintenance and operation of assets.

This policy together with the Asset Management Strategy and Asset Management Plan/s will provide the framework for asset management practices and processes for all assets.

## 3. BACKGROUND INFORMATION

Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

Council is responsible for approximately \$384 million of non-current assets to support its core business of delivery of service to the community.

Asset management practices impact directly on the core business of the organisation and appropriate asset management is required to achieve our strategic service delivery objectives.

Adopting asset management principles will assist Council in achieving its strategic longer-term planning and its long-term financial objectives.

A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets. This will provide positive impact on;

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

#### 4. DEFINITIONS AND ABBREVIATIONS

All definitions and abbreviations used in this policy are contained in the International Infrastructure Management Manual, 2011.

#### 5. POLICY

The policy of this Council is to ensure adequate provision is made for the long-term replacement of major assets by:

- ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
- meeting legislative requirements for asset management.
- ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

#### *Asset Management Principles*

The following key principles for Asset Management are established within this policy. These are:

- the establishment of a consistent Asset Management Strategy to implement systematic asset management and appropriate asset management best-practice standards for Asset Management throughout all Departments of Council. The Asset Management Strategy is to also outline the risk management strategies for Council assets.
- the adherence to relevant legislative requirements together with consideration of the quadruple bottom line (political, social, economic and environment) are to be taken into account in asset management.
- the integration of Asset Management planning with the Resourcing Strategy, the Delivery Program and the Operational Plan
- the development of Asset Management Plans for major service/asset categories. The plans will be informed by community consultation, financial planning and the development of current and agreed service levels.
- the development of an inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.

- the renewal of assets required to meet agreed service levels as identified in the adopted asset management plans, and long term financial plans will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented in budget documentation.
- the development of asset renewal plans, which are to be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- the systematic and cyclic reviews for all asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- the development of lifecycle costing, whereby the future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- the development of future service levels will be determined in consultation with the community.
- the delivery of training in asset and financial management for councillors and relevant staff.

## 6. POLICY COMMENCEMENT

This policy shall commence upon the date of the Council resolution of adoption or review, and it shall remain in force until specifically reviewed or revoked in writing by a subsequent resolution of the Council.

## 7. POLICY REVIEW

This policy may be amended or revoked by Council at any time. The policy will be formally reviewed within 9 months of each newly elected Council.

## 8. RESPONSIBILITY & ACCOUNTABILITY

The Councillors are responsible for adopting the policy and ensuring that sufficient resources are applied to manage the assets.

The General Manager has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

## 9. ATTACHMENTS TO THIS POLICY

There are no attachments to this policy, however it should be read in conjunction with the Asset Management Strategy and the 6 Asset Management Plans, Operational Directives and WPP's.