



ASSET MANAGEMENT POLICY

Approval Date: 8 February 2012

Review Date: 8 February 2013

Responsible Officer:

1. Purpose

The aim of this Policy is to guide the strategic management of Council's infrastructure assets.

This policy addresses new legislative requirements under the Local Government Amendment (Planning and Reporting) Act 2009 and will be revised in accordance with any future changes.

2. Objectives

To provide clear direction to the management of Council controlled asset responsibilities and to ensure Council is able to deal with changes to meet community needs in accordance with legislation under the Local Government Amendment (Planning and Reporting) Act 2009.

Together with Council's Community Strategic Plan and Resourcing Strategy, this policy provides specific asset management objectives to ensure Council's asset stewardship is met by;

- a) Establish and routinely update an Asset Management Strategy (minimum 10 year period) as the primary framework to provide and maintain asset services to current and future generations.
- b) Manage assets through the development of Asset Management Plans in accordance with relevant legislation and recognised best practice for each major infrastructure group.
- c) Ensuring future funding needs are identified, affordable, agreed upon, and allocated, so that assets can meet their defined levels of service in consultation with stakeholders, such as our community.
- d) Assets are recorded in accordance with the requirements of the appropriate asset accounting standards and financial reporting requirements.
- e) Create asset management awareness throughout the council, supported at an organisational level.

3. Statement

Council recognises that infrastructure assets are important to the local community and are fundamental to Council's overall service delivery. Planning and responsibility for assets require strong and informed Council and executive oversight which is crucial to achieving strategic asset management and financial management outcomes.

Asset Management is a systematic process to guide the planning, acquisition, operation, maintenance, renewal and disposal of assets. The objective is to maximise asset service delivery potential and manage related risks and costs over the asset's useful life.

This policy guides Council staff in the development and ongoing management of infrastructure assets under Council's control.

4. Definitions

Asset - A resource:

- (a) controlled by an entity as a result of past events; and
- (b) from which future economic benefits are expected to flow to the entity.

Future economic benefits controlled by the entity as a result of past transactions or other past events.

Asset Management - Systematic process to guide the planning, acquisition, operation and maintenance, renewal and disposal of assets to provide the required level of service in the most efficient manner.

Asset Management Plan - Strategic plan consisting of an asset description, maintenance plan, development plan and financial plan to manage the asset for the expected duration of the service to be provided by the asset.

Asset Management Strategy - Includes the development and implementation of plans and programs for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring to ensure desired level of service. The Asset Management Strategy typically has a 10-25 year horizon and aligns Asset Management with the Council Resourcing Strategy.

5. Implementation

The responsibility for the implementation and review of this Policy shall lie with the Executive Group (Director of Engineering, Director of Development, Urban & Commercial and Director Corporate & Community Services).

Staff responsibilities for related asset management activities shall be included in the Delivery and Operational plans and reflected in individual position descriptions.

6. Legislation requirements

Local Government Amendment (Planning and Reporting) Act 2009 No 67 requires that a council must have a long-term strategy (called its resourcing strategy) for the provision of the resources required to implement the strategies established by the 10 year Community Strategic Plan that the council is responsible for. The resourcing strategy is to include long-term financial planning, workforce management planning and asset management planning.

Asset Management planning requirements of this legislation include the development of an Asset Management Policy endorsed by Council to underpin an Asset Management Strategy. The Asset Management Strategy is required to support the Community Strategic Plan and Delivery Program and provide for a minimum timeframe of 10years.

Council also has a number of statutory responsibilities in relation to asset management under the Local Government Act 1993, which outlines the Council's functions, responsibilities, and powers, including providing and maintaining community infrastructure. Under this legislation Section 8 of the Local Government Act 1993, which states in part that Council shall:

- have regard to the long term and cumulative effects of its decisions;
- bear in mind that it is the custodian and trustee of public assets and to
- effectively account for and manage the assets for which it is responsible.

Civil Liability Act 2002 also requires Council to minimise the risk to Council from public liability and address the reasonable expectations of the community.

Presented to Council: 8 February 2012
Public Exhibition Closed: 9 March 2012
Adopted by Council: 11 April 2012 Min #9809

Procedure Review History

Date	Changes Made	Approved By
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December 2011	Policy development	General Manager