



Asset Management Policy

Policy, General Manager’s Directive, Procedure, Procedural Guideline, Work Instruction	Policy (External)
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Related documents	Asset Management Strategy and associated Asset Management Plans
Author	Manager Infrastructure Services
Section / Department	Maintenance Services
Linkage to Our Community Vision	2 Community Wellbeing
Objective	3.4 We have the facilities and services needed to be a healthy and active community
Strategy	2.4.3 We have the programs, services and infrastructure to ensure a safe and healthy community



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1. Purpose

To set guidelines for implementing consistent asset management processes throughout Bellinghen Shire.

2. Objective

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 awareness of asset management 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.

3. Scope

This policy applies to all Council activities.

4. Definitions

Asset	A physical component of a facility which has value, enables services to be provided and has an economic life of greater than 12 months.
Asset Management	The combination of management, financial, economic, engineering, and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.
Asset Management Strategy	A strategy for asset management covering the development and implementation of plans and programmes for asset creation, operation, maintenance, rehabilitation/replacement, disposal, and performance monitoring to ensure the desired levels of service and other operational objectives are achieved at optimum cost.
Asset Management Plan	A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service.
Lifecycle	The cycle of activities that an asset goes through while it retains an identity as a particular asset (i.e., from planning/design to decommissioning/disposal).



5. Policy Statement

5.1 Background

- 5.1.1 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
- 5.1.2 Council owns and uses approximately \$460 million of non-current assets to support its core business of delivery of service to the community
- 5.1.3 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
- 5.1.4 Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long-Term Financial objectives
- 5.1.5 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

5.2 Principles

- 5.2.1 A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council
- 5.2.2 All relevant legislative requirements together with political, social, and economic environments are to be taken into account in asset management
- 5.2.3 Asset management principles will be integrated within existing planning and operational processes
- 5.2.4 Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting
- 5.2.5 An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities
- 5.2.6 Asset renewals required to meet agreed service levels and identified in 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
- 5.2.7 Service levels defined in adopted asset management plans will form the basis of annual budget estimates with the service and risk consequences of variations in defined services levels and budget resources documented in budget documentation
- 5.2.8 Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service
- 5.2.9 Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued, and depreciated in accordance with appropriate best practice and applicable Australian Standards
- 5.2.10 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
- 5.2.11 Future service levels will be determined in consultation with the community
- 5.2.12 Training in asset and financial management will be provided for councillors and relevant staff



6. Roles and Responsibilities

Councillors are responsible for adopting the policy, allocation of resources, providing high level oversight of the delivery of the organisation's asset management strategy and plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilized to address the organisation's strategic plans and priorities.

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

7. Related Documents

Asset Management Strategy and associated Asset Management Plans.

8. Legislation

- Local Government act 1993
- Local Government (General) Regulation 2005

9. Associated Documents

- Integrated Planning and Reporting Guidelines
- IPWEA International Infrastructure Management Manual (IIMM)
- IPWEA Australian Infrastructure Financial Management Manual (AIFMM)

10. Policy Detail

Council is committed to undertake the management of assets in accordance with current global best practice and Asset Lifecycle Management. Asset Lifecycle Management is the term used to describe the management of an asset during its life.

Asset Lifecycle Management is comprised of processes or planning documents that outlines what is required to effectively undertake the lifecycle management of an asset.

These processes form the basis of an Asset Management Plan.

- Background Data of the Asset
- Planning
- Creation/Acquisition/Augmentation Plan
- Financial/Risk Management Plan
- Operations and Maintenance Plan
- Condition and Performance Monitoring
- Rehabilitation/Renewal/Replacement Plan
- Consolidation/Rationalisation Plan
- Audit Plan/Review



Key elements that drive the above asset lifecycle management processes include.

- Levels of Service
- Future Demand
- Lifecycle Management Plan
- Financial Summary
- Asset Management Practices
- Plan Improvement and Monitoring

Council will maintain and regularly review the Strategic Asset Management Plan.