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RELATED LEGISLATION:	<i>Local Government Act 1989</i> <i>Road Management Act 2004</i>
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Signed by Chief Executive Officer

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**This document is available in alternative formats (e.g. larger font) if requested.**

## 1 PURPOSE

The purpose of this policy is to set the direction of the asset management approach for Council's facilities, infrastructure, and assets that underpin community services, now and into the future.

## 2 SCOPE

This policy applies to all assets of a physical nature, owned or controlled by Council throughout the Council area that:

- are used by the community
- support the delivery of services provided for the benefit of the community or
- are held by Council for future use.

This policy applies to all Councillors and Council officers involved in the creation, operation maintenance, upgrade, renewal and rationalisation of Council assets.

## 3 POLICY

### 3.1 Asset Management Policy

Council is committed to meeting the expectations of present and future residents for the delivery of quality asset-based services at the lowest long-term economic and environmental cost, through the development and implementation of best appropriate asset management practices.

In doing this Council will comply with all legal, regulatory, safety and environmental requirements placed upon it and will not compromise the safety of its employees or the public.

To achieve this policy Council will:

- ensure its asset management practices are service driven and align with the strategic priorities and directions of Council and are informed by community input and local government financial reporting guidelines
- take an integrated approach so that asset and service planning and reporting is aligned with Council's vision and broader governance frameworks
- develop an Asset Management Framework that includes preparation of an Asset Management Strategy and Asset Management Plans covering a period of no less than 10 years that provide direct input to the Long-Term Financial Plan
- deliver financial sustainability by making decisions that lead to a cost-effective asset base, by focussing on asset renewal before new assets, rationalising under-utilised assets, and limiting asset expansion unless justified
- adopt a life-cycle management approach, optimising the performance, cost and risks of the asset portfolio and incorporating life cycle costing into capital investment decision making
- ensure that its assets are fit for purpose, safe, reliable, and sustainable and remain available for the benefit of current and future generations

- ensure assets are created, acquired, maintained, operated, and renewed to enable Council to meet its strategic service delivery goals in a cost-effective manner
- in partnership with the community, rationalise or consolidate assets that are surplus to need or no longer meet agreed levels of service in a financially sustainable manner
- continue to pursue external funding to support and maintain infrastructure assets to minimise the financial impact to the community
- invest in an appropriate and timely asset management training and development program for staff and Councillors as required
- manage locally while planning regionally.

## 3.2 Key roles and responsibilities

Council recognises that the very nature of asset management requires input and interaction between all facets of the organisation, including departments that do not have specific responsibility for managing assets but use Council assets in the delivery of services.

With a whole of Council approach to asset management, Council will establish the platform required for the sustainable and responsible management of Council's assets.

The key responsibilities and relationships associated with asset management within Council are:

### 3.2.1 Council

Council, comprising its councillors:

- act as overall stewards for assets that are owned or controlled by Council
- ensure that asset management requirements and lifecycle costs are appropriately considered in decision making and catered for in council planning and financial management
- approve the Asset Management Policy, the Asset Management Strategy, and Asset Management Plans.

### 3.2.2 Management Executive Group

The Management Executive Group, comprising the CEO and directors:

- are accountable for overall organisational asset management and service planning performance
- continually promote asset management across the organisation and Council
- ensure that accurate and reliable information is presented to Council for decision-making
- provide adequate resources and oversight in the implementation and review of the Asset Management Policy, Asset Management Strategy, and Asset Management Plans
- ensure that asset management and its governance are integrated into corporate governance including enterprise planning, financial management, reporting, and risk management

- ensure alignment/compliance with Council's legislative responsibilities.

### 3.2.3 Asset Management Working Group

The Asset Management Working Group, comprising the Director Operations, Director Corporate Services, Manager Assets and Infrastructure, Manager Financial Services, Asset Management Co-ordinator, and the Financial Accountant, together:

- provide a coordinated, consistent, collaborative and integrated approach to service planning and asset management across Council
- support the development, monitoring and review of the Asset Management Policy, Asset Management Strategy, Asset Management Plans and Asset Management Framework
- champion asset management across Council and support the evaluation and development of organisational asset management capability
- monitor progress of the implementation of the Asset Management Strategy, Asset Management Plans, and related improvement actions and the reporting of status and recommendations to the Management Executive Group on a quarterly basis.

### 3.2.4 Asset Management Team

The Asset Management Team, comprising Manager Assets and Infrastructure, Asset Management Co-ordinator and GIS and Assets Officer:

- prepare, implement, and review the Asset Management Policy, Asset Management Strategy, and Asset Management Plans
- manage asset systems, develop procedures and ensure compliance with standards and to support decision making, accountability and improvement
- maintain detailed asset registers providing a common data set for organisational purposes
- effectively and efficiently manage funds allocated for asset maintenance, operations, and asset related projects
- promote and raise awareness of asset management in the organisation and through the community

### 3.2.5 Council staff

All Council staff have a role in:

- proactively developing skills and abilities at a level appropriate to their role in asset management
- being innovative in asset management by identifying and communicating opportunities for improvement.

## 3.3 **Capacity building**

To ensure that Council's asset management capabilities are best appropriate practice, Council will:

- review skills and development needs in asset management related areas as part of employee performance planning and provide appropriate development opportunities

# ASSET MANAGEMENT POLICY

- provide appropriate briefings in relevant asset and financial management principles, practices, and processes to Councillors and staff with asset and financial responsibilities
- provide and allocate resources for training to support asset management across the organisation.

## 4 DEFINITIONS OF TERMS OR ABBREVIATIONS USED

Term	Definition
Asset	An item or thing that has potential value to an organisation, and for which the organisation has a responsibility. An asset would include a property, building, asset component and sub-component.
Asset Management	The coordinated activities of an organisation to realise lifecycle value from assets in delivery of its objectives. Realisation of value will normally involve a balance of costs, risks, opportunities, and performance benefits. When asset outputs or required service levels are pre-determined and non-negotiable, or when value is negative (e.g. dominated by risks or liabilities), 'realise lifecycle value' may represent minimising the combination of costs and risks.
Asset Management Framework	A set of interrelated or interacting elements of an organisation that establish asset management policies and objectives and processes to achieve those objectives.
Asset Management Policy	The principles and mandated requirements derived from and consistent with the organisational / corporate plan, providing a framework for the development and implementation of the Asset Management Strategy and setting the asset management objectives.
Asset Management Strategy	A set of agreed principles and actions that determines how an organisation manages its assets over a defined period.
Asset Management Plans	Documented information that specifies the activities, resources and timescales required for an individual asset, or a grouping of assets, to achieve the organisation's Asset Management objectives.

## 5 HUMAN RIGHTS STATEMENT

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act. Loddon Shire Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee Health and Safety Representatives in any workplace change that may affect the health and safety of any of its employees.

## 6 REVIEW

The Director Operations will review this policy for any necessary amendments no later than 4 years after adoption of this current version.