



Asset Management Policy

TITLE:	ASSET MANAGEMENT POLICY
RESPONSIBLE OFFICER:	MANAGER ENGINEERING & REGULATORY SERVICES
APPROVED BY COUNCIL:	18 SEPTEMBER 2018
RESOLUTION NO.	104/2018
DATE AMENDED	AUGUST 2018
REVIEW DATE	SEPTEMBER 2022

- 1.0 Purpose** To set guidelines for implementing consistent asset management processes throughout Sorell Council.
- 2.0 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 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.
 - Ensure condition improvement and to seek innovative ways of meeting service delivery requirements.
 - Ensure risk management is incorporated in decision making processes.

3.0 Scope

This policy applies to all Council activities.

4.0 Policy

4.1 Background

4.1.1

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.

4.1.2

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4.1.3

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.

4.1.4

Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.

4.1.5

A strategic approach to asset management will ensure that the Council delivers the agreed 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.

4.1 Principle

4.2.1

A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.

4.2.2

All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.

4.2.3

Asset management principles will be integrated within existing planning and operational processes.

4.2.4

Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting.

4.2.5

An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.

- 4.2.6 Asset renewals required to meet agreed service levels and identify 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.
- 4.2.7 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 service levels and budget resources documented in budget documentation.
- 4.2.8 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.
- 4.2.9 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.
- 4.2.10 Future life cycle cost will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- 4.2.11 Future service levels will be determined in consultation with the community.
- 4.2.12 Training and awareness in asset and financial management will be provided for councillors and relevant staff.

5.0 Legislation

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Local Government (Highways) Act	Sets out role, purpose, responsibilities and powers of local governments in relation to Highways and Roads.
Roads and Jetties Act	Sets out role, purpose, responsibilities and powers of local governments in relation to Highways and Roads.
Traffic (Road Rules) Regulations	Sets out role, purpose, responsibilities and powers of road users
Urban Drainage Bill (2013)	An Act to provide for the management of urban drainage and stormwater systems and infrastructure
Work Health and Safety Act 2012 & Regulations	This Federal legislation provides a nationally consistent framework to secure the health and safety of workers and workplaces.

Environmental Management and Pollution Control Act 1994 (EMPCA 1994)	An Act to provide for the management of the environment and the control of pollution in the State.
Tasmanian State Stormwater Strategy (2010)	Guidelines developed across many Government Agencies to address improved management of the stormwater runoff from land, particularly development.
Australian Accounting Standards Board 13	Fair Value Measurement
Australian Accounting Standards Board 116	Standard applied to Property Plant & Equipment

6.0 Related Documents

- Sorell Council Strategic Plan
- Risk management Policy
- Long Term Financial Plan
- Asset Management Strategy and associated Asset Management Plans.
- Asset Capitalisation Policy (internally approved)

Responsibility

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.

The current Asset Management Team includes the following –

- General Manager
- Manager Engineering & Regulatory Services
- Asset Co-ordinator
- Manager Finance & Information
- GIS Asset Information Officer
- Project & Systems Support Officer

Review date

This policy has a life of 4 years. It will be reviewed in September 2022.

Council Meeting Date

Tuesday 24th June, 2014

Document Revision

This document replaces the previous Asset Management Policy dated January 2005

To be read in conjunction with the NAMS.PLUS2 ebook guidelines.
The Institute of Public Works Engineering Australia