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1. PREAMBLE

The City of Holdfast Bay is committed to implementing a best practice approach to its asset management, ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with the Council's priorities for service delivery.

Implementing consistent asset management processes throughout the City recognises the importance of the asset management plans to guide the management of the significant portfolio of assets within the city.

1.1 Background

- 1.1.1 The *Local Government Act 1999* requires councils to establish a strategic plan, a long term financial plan, an infrastructure asset management plan and asset management policies.
- 1.1.2 The Council owns and uses approximately \$777 million of assets to support its core business of delivering services to the community and are categorised into six groups of assets covered by individual Asset Management Plans.

1.2 Purpose

- 1.2.1 To set the guidelines for implementing consistent asset management practices and procedures throughout the City of Holdfast Bay.
- 1.2.2 To ensure adequate provision is made for the long-term management of Council infrastructure and assets by:
 - Ensuring that the Councils 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 by implementing appropriate asset management strategies and appropriate financial resources for those assets
 - Creating awareness amongst employees and Elected Members of their responsibilities for the creation and management of sustainable assets.
 - 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 POLICY

- Ensuring an integrated approach across all Business Units in asset management service delivery

1.3 Scope

This policy applies to all Council assets within the City of Holdfast Bay that are owned, managed, or under the care and control of Council.

This policy is a component of the Council's Asset Management Framework.

1.4 Definitions

Asset: A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity.

Infrastructure assets: Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, e.g. roads, drainage, footpaths and cycle-ways.

Level of service: The defined service quality for a particular service/activity against which service performance may be measured.

1.5 Strategic Reference

Culture: Being financially accountable

Culture: Supporting excellent, efficient operations

2. PRINCIPLES

- 2.1 A strategic approach to asset management will ensure that the Council delivers the highest level of service through its assets. This will provide positive impact on the community through the Council providing community benefits and financial sustainability.
- 2.2 Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve Council's strategic service delivery objectives.
- 2.3 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.
- 2.4 In accordance with Section 122 of the *Local Government Act 1999* Council is required to have in place a consistent Asset Management Strategy enacted through the existence of regularly reviewed Infrastructure and Asset Management plans. Therefore:
 - All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management

ASSET MANAGEMENT POLICY

- Systematic asset management and appropriate asset management best-practice throughout all portfolios of Council will underpin planning and operational processes
- Methodical cyclic reviews will be applied to all asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- Asset Management Plans will be developed for major asset categories, the plans will be informed by community consultation, financial planning and operational reporting.
- Asset renewals required to meet agreed service levels as identified in infrastructure and asset management plans and long term financial plans will be funded as a matter of priority in the annual budget estimates.
- Asset information that is created or changes as a result of creating, upgrading, renewing, receiving and disposing of assets owned by or in the custody of Council will flow in a timely fashion to the appropriate Council asset management systems.

2.5 Service Levels

- 2.5.1 Council will determine the setting of service levels.
- 2.5.2 Service levels adopted in the Asset Management plans will form the basis of the annual budget.
- 2.5.3 Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing assets.
- 2.5.4 An inspection regime (condition, function and capacity) will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 2.5.5 Key performance measures for service levels will be determined and used in understanding outcomes.
- 2.5.4 Future service levels will be determined in consultation with the community.

3. REFERENCES

3.1 Legislation

- *Development Act 1993*
- *Disability Discrimination Act 1992*
- *Environmental Protection Act 1993*
- *Local Government Act 1999*
- *Work Health and Safety Act 2012*

3.2 Other References

- Council By-Laws and Policies;

ASSET MANAGEMENT POLICY

- City of Holdfast Bay Development Plan;
- Building Code of Australia;
- AAS – Australian Accounting Standards;
- Asset management plans
- Asset Management Roles and Responsibilities
- Asset System Project Plans
- Procurement Policy
- Disposal of Asset Policy
- The International Infrastructure Management Manual published by the Institute of Municipal Engineers Australia. (I&).