

Asset Management Policy

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1. Purpose

- 1.1 The Asset Management Policy sets guidelines to ensure consistent and sustainable asset management processes are followed throughout AlburyCity.

The objective is to practice robust asset management by:

- 1.1.1 ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents and visitors;
- 1.1.2 safeguarding Council assets by implementing appropriate asset management strategies and the allocation of financial resources for those assets;
- 1.1.3 creating an environment where all Council employees play an integral part in the overall management of Council assets by creating and sustaining asset management awareness throughout the organisation through training and development;
- 1.1.4 meeting legislative requirements for asset management;
- 1.1.5 ensuring resources and operational capabilities are identified and responsibility for asset management is allocated; and
- 1.1.6 demonstrating transparent and responsible asset management processes that align with best practice.

2. Scope

- 2.1 This Policy applies to all Council activities.

3. Definitions

- 3.1 Asset - An item, thing or entity that has potential or actual value to an organisation. (ie. sculptures, plant, playgrounds, buildings, roads, etc).
- 3.2 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.
- 3.3 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.
- 3.4 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.
- 3.5 Asset Management Policy - The principles and mandated requirements derived from and consistent with the organisational/corporate plan, providing a framework for the

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development and implementation of the Asset Management Strategy and setting the asset management objectives.

- 3.6 **Asset Management Steering Committee** - A cross functional working party established to ensure Council maintains a whole of organisation approach to address strategies for asset management and long-term financial plans.
- 3.7 **Asset Management Strategy** - A set of agreed principles and actions that determines how an organisation manages its assets over a defined period.
- 3.8 **Asset Rehabilitation** - Works to rebuild or replace parts or components of an asset, to restore it to a required functional condition and extend its life. Involves repairing the asset to deliver its original level of service (ie. heavy patching of roads, lining sewer mains, etc) without resorting to significant upgrading or renewal, using available techniques and standards.
- 3.9 **Asset Renewal** - Works to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability.
- 3.10 **Level of service** - The parameters, or combination of parameters, that reflect social, political, economic and environmental outcomes that the organisation delivers. Levels of service statements describe the outputs or objectives an organisation or activity intends to deliver to customers.
- 3.11 **Life cycle costs** - The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
- 3.12 **Maintenance** - All actions necessary for retaining an asset, as near as practicable, to its original condition but excluding rehabilitation or renewal. Maintenance does not increase the service potential of the asset but slows down deterioration and delays when rehabilitation or replacement is necessary.

4. References

- 4.1 Local Government Act 1993
- 4.2 Local Government (General) Regulations 2005
- 4.3 Local Government Amendment (Planning & Reporting) Act 2009

5. Content

5.1. Background

AlburyCity owns and controls approximately \$2.3 billion (as at 30 June 2022) of assets to support its core business of delivering service to the community. Council recognises the importance and its responsibility to manage its infrastructure for present and future generations and commits to sustainable asset management practices.

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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:

- 5.1.1 members of the community and staff;
- 5.1.2 Council's financial position;
- 5.1.3 the ability of Council to deliver the expected level of service and infrastructure in a sustainable manner;
- 5.1.4 our resilience to Climate Change;
- 5.1.5 the political environment in which Council operates; and
- 5.1.6 the legal responsibilities of Council.

5.2. Principles

- 5.2.1 Asset Management Practices will be developed within the Towards Albury 2050 vision and Integrated Planning and Reporting Framework to ensure the community values of working together, integrity, courage and passion and new ideas are achieved.
- 5.2.2 Through consultation with our community our future service levels will be established to ensure best-practice moving forward.
- 5.2.3 A consistent Asset Management Strategy must exist for implementing methodical asset management and appropriate asset management best-practice throughout all sections of Council.
- 5.2.4 Asset Management will consider all relevant legislative requirements together with political, social, economic and environmental considerations including the emerging effects of climate change.
- 5.2.5 Asset Management Principles will be integrated within existing planning and operational processes.
- 5.2.6 Asset Management Plans will be developed for major service/asset categories. These plans will be informed by community consultation and financial planning and reporting.
- 5.2.7 An inspection and data collection regime will be used as part of asset management to ensure community safety and agreed service levels are maintained. This data will be used to prioritise asset maintenance, rehabilitation and renewal activities.

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- 5.2.8 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.
- 5.2.9 Council will, in accordance with budget constraints, fund asset renewals and service levels identified in infrastructure and asset management plans and long-term financial plans.
- 5.2.10 Review under-performing/non-performing assets with a view of circular economy.
- 5.2.11 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.
- 5.2.12 Training in asset and financial management will be provided for Councillors and staff.

5.3. Roles and Responsibilities

Councillors

- 5.3.1 Act as stewards in mirroring the needs of the community in asset management activities and practices.
- 5.3.2 Consider the impact of managing Council's assets on the financial position of the organisation.
- 5.3.3 Actively develop skills and knowledge to effectively engage in asset related decision-making.
- 5.3.4 Ensure appropriate funding is allocated to supporting good asset management.

Executive

- 5.3.5 Ensure business practices and organisation structures are established to support sound asset management and the implementation of the Asset Management Framework.
- 5.3.6 Ensure resources are allocated to achieve asset strategic priorities.
- 5.3.7 Ensure compliance with legal obligations.
- 5.3.8 Ensure recommendations made to the elected Council adequately consider the impact to asset management.
- 5.3.9 Set strategic principles for allocation of funds to support asset management activities and recommend the budget to Council.

Asset Management Steering Committee

- 5.3.10 Implement the Asset Management Improvement Plan.

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5.3.11 Develop and foster organisation-wide literacy in asset management.

5.3.12 Identify opportunities for alignment of policies and procedures across the organisation for effective asset management.

5.3.13 Provide the governance framework for asset management activities, including budget governance.

Asset practitioners

5.3.14 Undertake asset life cycle management activities including development of forward capital works programs, asset maintenance and renewal programs.

5.3.15 Undertake asset life cycle modelling.

5.3.16 Develop and implement Asset Category Plans.

5.3.17 Manage and maintain systems for recording asset knowledge and data.

5.3.18 Record and maintain asset-related information and data.

5.3.19 Develop program and project budgets.

5.3.20 Monitor costs and expenditure for asset activities against allocated budgets.

6. Documentation

6.1 Asset Management Plans [FIL22/01715]

6.2 Asset Management Strategy [FIL22/01715]

6.3 Community Strategic Plan (Towards Albury 2050) [DOC22/126683]

6.4 Four Year Delivery Program [DOC23/190879]

6.5 Long Term Financial Plan [DOC23/172754]

6.6 Operational Plan [DOC22/164349]

6.7 Workforce Management Plan [DOC22/171635]

7. Authorisation

Owner	Directorate	Assets, Sustainability & Environment – Assets
	Responsible Officer	Ben Van Kesteren
Authorisation	Insert 'Approved Executive' or 'Adopted Council' Include date approved/adopted	
Review Date	Insert date four years from last issue date, or earlier if required	
Register	Indicate if this Policy is included in the Public Policy and Procedure Register.	

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Record of Amendments	Insert date	Provide brief description of the change.
	Insert date	Provide brief description of the change.

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