

Asset Management Policy

Policy type	Council
Function	Infrastructure Services
Policy Owner	Infrastructure Services
Effective date	17 December 2009

1. Purpose

The purpose of this Policy is to set guidelines for implementing consistent asset management through the Cassowary Coast Regional Council.

2. Scope

This policy applies to all assets owned by Cassowary Coast Regional Council.

3. Definitions and principles

Asset Management – The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

Level of Service - The defined quality for a particular service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability or cost.

Life Cycle - The cycle of activities through which an asset progresses whilst retaining an identity as a particular asset, i.e. from planning and design through to decommissioning or disposal.

Life Cycle Cost - The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

3.1 Principles

The following principles will be used by Council to guide Asset Management planning and decision making:

- A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management practice throughout Council.
- All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- Asset management principles will be integrated within existing planning and operational processes.
- Asset Management Plans will be developed for all asset classes. . The plans will be informed by community consultation and financial planning and reporting.
- An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.

- Service levels when defined in adopted asset management plans, will form the basis of annual budget estimates.
- Asset renewal plans will be prioritised and implemented progressively based on service levels and risk Asset renewals plans adopted asset management plans and long term financial plans, will form the basis of annual budget estimates.
- Systematic and cyclic reviews will be applied to all asset classes to ensure assets are managed, valued and depreciated in accordance with accepted industry practices and applicable Australian Standards.
- 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.
- Training in asset and financial management will be provided for councillors and relevant staff.

4. Objective

That adequate provision is made to ensure the community is provided with assets that meet its ongoing needs by:

- Deliver sustainable services that enhance the liveability of the region for current and future generations.
- Develop an environment in which leaders provide clear directions, effective communication and empower staff to make informed decisions.
- Alignment with the strategic vision, forecasted community needs, collective decision making, and transparent delivery through highly efficient and innovative approaches.
- Remove underutilised asset to make way for new assets that enhance the way of life on the Cassowary Coast Region.
- Renewal decision making processes are consistent with the Council's broader strategic objectives, asset/workforce and systems capability, actual asset performance, and prioritisation of need.
- Asset data is considered an asset and managed objectively with outcome in mind.
- Asset management planning that drives compliance, continuous improvement and inclusiveness within council and the community.
- Develop a culture within the organisation that understands, values and contributes towards improving asset management practices.
- Maintenance of Assets that is adaptive, integrated and informed by shared data aimed to improve the reliability of services and their financial sustainability.
- Develop performance framework in alignment with the Corporate Plan, Planning Scheme, Financial Strategy, and asset/service objectives.

5. Responsibility

Councillors adopt the policy and ensure sufficient resources are applied to effectively manage the assets.

The Director Infrastructure Services has overall responsibility for developing asset management business processes, systems, organisational policies and procedures and reporting on the status and effectiveness of asset management within Council.

Directors and **Managers** are responsible for developing asset management plans, implementing asset management business processes, systems, organisational policies and procedures.

Team Leaders will be held accountable for the management of assets within their areas of responsibility as determined under the asset management plans and Council's documented programs and services (organisation chart).

Employees will be tasked with delivering the levels of service defined in the various asset management plans and will be responsible for the timely completion of activities contained within these plans.

6. Policy Guidelines

In order to meet its objectives, Council is committed to achieving financial sustainability of its assets over a period of time through the following measures:

- Prioritising the renewal of existing assets and all things being equal, only upgrading or installing new assets that have been justified as necessary through a regional assessment and prioritisation process;
- Strategic and targeted expansion of the asset base will only be undertaken where the regional benefits to the Community and Council, justify the whole of life costs;
- Actively identifying and disposing of those assets that are determined to be underutilised, at the end of their useful lives, subject to consultation with the community and determining the impact of non-replacement on the community;
- Linking asset management strategy, policy and procedures to other Council policies, strategies and procedures;
- Adopt an innovation approach that utilises technological advances relevant to asset management;
- Ensuring all developer contributed assets comply with current engineering standards to ensure they do not become an unnecessary burden on the community; (provided and accepted service/levels)
- An integrated planning approach, which ensures that manager roles are understood and documented and that communication procedures are in place to ensure assets are planned and delivered in a sustainable manner;
- Improving maintenance and rehabilitation practices;
- Maintaining and rehabilitating its existing assets in a manner, which is acceptable to the community in terms of financial burden, safety, quality, impact on the environment, need and Council's ability to fund those works;

- Developing defined Levels of Service for the various asset classes that are linked to and assist in the preparation of Council's budget and long term financial plan;
- Regional collaboration through Far North Queensland Regional Organisation of Councils Asset Management Group
- Preparation of an Asset Management Strategy which details how this policy is to be implemented;
- Preparation and review of detailed asset management plans for all major classes of assets and using these plans to assist in determining the priorities for capital, maintenance and operational expenditure;
- Monitoring and reporting on performance.
- Council will align its asset management practices with ISO55000 Asset Management series..

Related forms, policies and procedures	Asset Management Strategy Asset Management Plans ISO55000:2014 Asset Management
Relevant legislation	<i>Local Government Act 2009</i> <i>Local Government Regulation 2012</i>
Reference and resources	Asset Management

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