

Document Control

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Asset Management Policy	GOV.POL.0009.001	July 15
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16 October 2013	3592	Supersede Policy 42

Purpose

To provide the framework for Council to ensure that assets are provided, maintained and renewed so that they continue to meet the needs of the community in a way which assists in the achievement of Council's goals and visions whilst providing the best value for the community.

By the implementation of long term management of its assets Council will achieve significant benefits including:

- More informed decision making
- Improved efficiency
- Ability to plan for the present and future generations
- Improved long term financial forecasting and management.

Council will ensure that asset management is an integral part of its business cycle and will:

- Be consistent with its goals and objectives
- Help Council to manage business risk
- Provide tangible benefits
- Be sustainable.

Scope

This policy applies to all activities of Greater Hume Shire Council.

Definitions

Nil, as at date adopted.

Policy Content

1. Background

- 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.
- Council owns and uses approximately \$382,910,000 (excluding bulk earthworks, land under roads, office equipment, furniture and fittings and works in progress) of non-current assets to support its core business of delivery of service to the community.
- 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.
- Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.
- 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:
 - 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.

2. Principles

A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of 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 major service/asset categories. 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.
- Asset renewals required to meet agreed service levels and identified in adopted asset management plans and long term financial plans will be fully funded in the annual budget estimates.
- Service levels agreed through the budget process and defined in adopted Asset management Plans will be fully funded in the annual budget estimates.
- 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.
- 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.
- 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.
- Future service levels will be determined in consultation with the community.
- Training in asset and financial management will be provided for councillors and relevant staff.

3. Framework

Council's asset management framework as illustrated below shows the relationship between this policy, the asset management strategy and asset management plans. This framework will ensure a strategic approach to asset management.

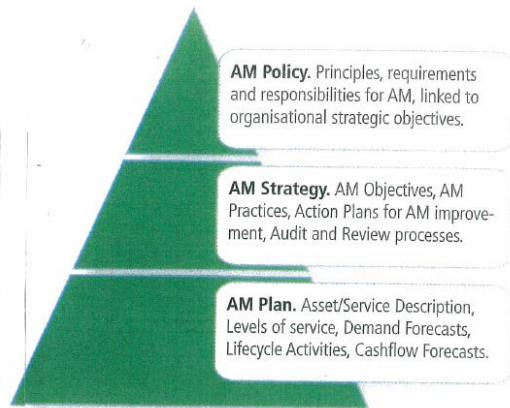


Figure 2.1.3: The Asset Management Framework

Links to Policy

Nil, as at date adopted.

Links to Procedure

Nil, as at date adopted.

References

Nil, as at date adopted.

Responsibility

- **Councillors** adopt the policy and ensure sufficient resources are applied to manage the assets.
- The **General Manager** has overall responsibility for developing asset management systems, policies and procedures.
- **Departmental Directors** are responsible for implementing asset management systems, policies and procedures.

Relevant Legislation

- Local Government Act
- The Protection of the Environment Operations Act 1997 (POEO Act)
- Australian Accounting Standards
- AS3500.3-1990 National Plumbing Drainage Code – Stormwater Drainage
- AS/NZS 4360:2004 Risk Management
- Road Traffic Act 1974
- Road Traffic Amendment Act 2000
- National Environmental Protection (Diesel Vehicle Emissions) Measure
- Work Health and Safety Act & Regulation 2011
- Australian Design Rules
- Motor Vehicle Standards Act 1989,
- National Asset Management Framework Legislation 2010
- DLG Integrated Planning NSW
- Heritage Act 1997
- Building codes, Acts and standards
- Disability Discrimination Act
- Roads Transport (Safety and Traffic Management) Act 1993

Associated Records

Asset Management Strategy and associated Asset Management Plans.