



Council Policy

13.7 ASSET MANAGEMENT

VISION

To maintain and renew community assets for the adequate provision of services for current and future generations.

PURPOSE

Council will provide and manage its assets to ensure they are appropriate to service the needs of the community, within its financial constraints. Assets will be effectively and sustainably utilised and maintained at agreed levels of service. Council will manage its assets through an Asset Management Strategy and the implementation of Asset Management Plans. This will be achieved by utilising up-to-date technologies, methodologies and thorough consultation with the community.

Decisions regarding allocation of resources will have regard to sustainable maintenance of assets and the ongoing provision of services provided by the assets.

SCOPE

This policy applies to all Council services and infrastructure assets.

OBJECTIVE

To provide a clear direction for Colac Otway Shire Council, as the custodians of community assets, taking into consideration the following:-

- Understanding the services Council delivers and the assets required to meet these service needs
- Ensuring all Council assets are adequately documented
- Service and asset related risks are managed appropriately
- Sustainability of assets
- Defined roles and responsibility of Council and its staff
- Ensure compliance with legislation and regulatory requirements
- Considers environmental impacts

POLICY

- Asset Management decisions shall be based on service delivery needs (these are determined in consultation with the community and user groups).



- Incorporate planned and reactive maintenance cost, risk, with an evaluation of alternative options that take into account lifecycle costs when analysing an asset's future.
- The ongoing need for an asset will be determined by increasing or diminishing usage, condition and funding available to renew the asset to a suitable standard.
- Asset Planning and Management has a direct link with Council's corporate and business plans, budgets and reporting process.
- Until a more comprehensive measure is developed, asset depreciation is to be used as the measure of funding renewal and/or rehabilitation of assets.
- Renewal cost will be provided in the Asset Management Plans (AMP). Once developed, AMP's will inform Council's Long Term (10 year) Financial Plan (LTFP) including a Renewal Gap.
- Evaluation of new projects will be conducted as outlined in the Capital Works Evaluation Framework.
- New or upgraded projects funded by grants need to consider full lifecycle costs (whole of life costs including maintenance and renewal) as part of project evaluation.
- Asset Management Plans are to be developed to include all asset classes; they will be informed by sustainable community service needs and integrated with local government financial reporting frameworks.
- Financial and Asset Management reporting shall be categorised in terms of operational, maintenance, renewal, upgrade and new expenditure classifications to enable sound Asset Management decisions.
- Staff with asset and financial responsibilities will be appropriately skilled in relevant asset and financial management principles and processes.

RELATED DOCUMENTS

Council Plan 2017 – 2021

Colac Otway Shire Council Corporate Plan 2017 - 2021

Asset Management Strategy (under review)

Road Management Plan 2018

Roads Asset Management Plan 2018

Bridges Asset Management Plan

Colac Otway Shire Risk Register

Risk Management Policy

RESPONSIBILITIES

Council:

- Provide sustainable assets for the community by recognising and considering the full cost of Council acquiring, maintaining, renewing and operating assets throughout their lifecycle.
- Provide assets that deliver sustainable services to benefit the community to a level of service that justifies the costs of owning and operating these assets.
- Act as custodian for assets on behalf of the community.
- Make decisions regarding assets that are made in accordance with Colac Otway Shire Council Plan 2017 – 2021.
- Review and adopt the Asset Management Policy.
- Review and adopt the Asset Management Strategy.



Chief Executive Officer and Executive Management Team –

- Reflect the corporate and community strategic planning principles embraced by Council in the Asset Management Policy, Strategy and Plans.
- Seek allocation of sufficient resources to the development, ongoing improvement and delivery of the Asset Management Strategy, Asset Management Plans and supporting systems.
- The Asset Management Policy and Strategy integrates with other policies and business processes of Council.
- To ensure Councillors understand the principles and importance of Asset management.
- Report on the status and effectiveness of Asset management within Council.

Council Staff with Asset Management Responsibilities

- Develop and maintain Council’s Asset Management Strategy.
- Develop and maintain Asset Management Plans for agreed asset/service groupings.
- Deliver asset maintenance, renewal, upgrade and disposal programs in accordance with Asset Management Plans, agreed levels of service and budget allocation.
- Periodically review the Asset Management Policy, Strategy and Asset Management Plans.
- Engage up-to-date technologies, methodologies and continuous improvement processes in the management of Council’s assets.
- Ensuring that Asset Management skills and training needs are identified as part of the staff performance appraisal process.

REFERENCES & LEGISLATION

Institute of Public Works Engineering Australasia (IPWEA)
Local Government Act 1989
Local Government (Finance and Reporting) Regulations 2004
Risk Management Act 2004
Road Management Act 2004
Occupational Health and Safety Act 2004
Wrongs and Limitations of Actions Act 2003

FILE MANAGEMENT

Policy owner	Jeremy Rudd	Division	Infrastructure and Leisure Services
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