

Policy title	Asset Management
Responsible manager(s)	Manager, Technical Services
Contact officer(s)	Asset Engineer
Directorate	Infrastructure Services
Approval date	26 April 2022
Outcome area	5. Our engaged community with progressive leadership
Strategy	5.2 Proactive, responsive and strategic leadership
Delivery Program link	5.2.2 Implement effective governance and long-term planning
Operational Plan link	5.2.2.3 Review and prepare Council's plans and reports under the Integrated Planning and Reporting Framework

Purpose

Eurobodalla Shire Council's policy was developed to ensure that:

- Council's assets are managed effectively to deliver the level of service our community is prepared to pay for in the short, medium and long term taking account of the social, economic and environmental consequences of Council's decisions.
- Costs are reasonably shared between those using and consuming the assets today and those who will be required to renew, replace, upgrade or dispose of those assets in the future (providing inter-generational equity).
- There is continuous improvement in asset management and service delivery.

Policy aims

- To promote an integrated framework for dealing with the management, renewal and upgrading of infrastructure assets;
- To ensure consistency and fairness in the manner in which the Council deals with infrastructure assets;
- To ensure Council acts in accord with the Guiding Principles outlined under Section 8 of the Local Government Act 1993 which states in part that:
 - Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community
 - Councils should consider the long term and cumulative effects of actions on future generations
- To minimise the risk to Council from public liability under the Civil Liability Act 2002;
- To make Council's policies and requirements for asset management readily accessible and understandable to the public.

Policy details

1	<p>Application</p> <p>This policy applies to all physical infrastructure assets owned, controlled or managed by Council.</p>
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2	<p>Council is responsible for the management of an array of infrastructure that has been developed for and on behalf of the community. To ensure the realisation of the goals and aspirations of the community, Council is committed to sustainable management of that infrastructure. To achieve this, Council is committed to implementing a systematic, integrated methodology across all areas of its operations.</p> <p>Council will implement the asset management framework as outlined in the <i>International Infrastructure Management Manual (IPWEA 2020)</i>, the NSW Integrated Planning Reforms and the <i>Local Government Amendment (Planning and Reporting) Act 2009</i></p>
3	<p>Asset Management Strategy</p> <p>An Asset Management Strategy will be developed and adopted by Council that is consistent with the Community Strategic Plan, Delivery Program and Long Term Financial Plan.</p>
4	<p>Levels of Service</p> <p>Levels of service will be implemented consistent with the budget adopted by Council following engagement with the community on the Delivery Program and Operational Plan. The levels of service area shall take into account the capability of Council to maintain community infrastructure in a financially sustainable manner consistent with Council's risk management policies.</p> <p>Council will implement Maintenance Management Systems including inspection regimes for its assets to ensure levels of service are achieved.</p>
5	<p>Asset Management Plans</p> <p>Council will regularly review and update formal Asset Management Plans (AMPs) for the infrastructure under its care and control. The Asset Management Plans will address the whole of life costs of the infrastructure including initial capital cost, operation, maintenance, rehabilitation, and where appropriate, disposal of assets.</p> <p>The Asset Management Plans shall take account of the drivers for capital expenditure including the condition, functionality and capacity of the infrastructure required to meet community need, effectively manage risk and provide social equity. This shall include the expansion or upgrade of infrastructure to service growth or increasing utilisation, drawing upon relevant strategies and planning documents.</p>
6	<p>Asset Planning and Budgeting</p> <p>The Asset Management Plans shall be used to inform and provide linkages to Council's Long-term Financial Plan.</p> <p>Systematic and cyclic reviews will be applied to asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice Australian Standards.</p> <p>All assets will be valued in accordance with Fair Value principles.</p> <p>Council will regularly review its asset inventory and identify opportunities for asset rationalisation.</p> <p>In approving Council's budget, Council will take account of the Fit for Future requirements of the NSW Office of Local Government, including financial reporting measures.</p>
7	<p>Asset Operations and Management</p> <p>Systematic asset management shall be adopted and implemented for all infrastructure. Wherever possible, predictive modelling will be used to develop and implement planned maintenance and renewal programs to ensure that the net whole of life cycle cost and useful life of the asset is optimised whilst effectively managing risk.</p>

Implementation

Requirements		Responsibility
1	Management Plan This policy will be implemented by following Council's Asset Management Plan, which specifies in detail the plan, procedures and matters to be considered.	Council officers
2	Complaints and Requests Complaints and requests received regarding Asset Management will be recorded on Council's customer request management (CRM) system and handled in accordance with Council's Policy. The CRM database will be used as a tool to analyse the history of complaints and requests and to help determine follow up actions.	Council officers

Review

This policy will be reviewed every 4 years. It may also be reviewed and updated as necessary when legislation requires it; or Council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages Asset Management.

The policy may be revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless Council updates or revokes it sooner.

Note: *The next general local government election is expected to be held in September 2024.*

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Delivery Program/ Operational Plan outcomes achieved	Council reporting
Concerns or complaints registered	Council records
Internal or external review	Audit

Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

Related legislation and policies

Name	Link
Related Council Policy or Code of Practice	https://www.esc.nsw.gov.au/_data/assets/pdf_file/0014/150602/ESC-Asset-Management-Strategy-2017.pdf
<i>Local Government Act 1993</i>	https://legislation.nsw.gov.au/view/html/inforce/current/act-1993-030
<i>Civil Liability Act 2002</i>	https://legislation.nsw.gov.au/view/html/inforce/current/act-2002-022
<i>Local Government Amendment (Planning and Reporting) Act 2009</i>	https://legislation.nsw.gov.au/view/pdf/asmade/act-2009-67

Related external references

Name	Link
Office of Local Government	www.olg.nsw.gov.au
NSW Integrated Planning Reforms	www.planning.nsw.gov.au/a-new-planning-system-for-nsw
International Infrastructure Management Manual 2020	IIMM - Institute of Public Works Engineering Australasia (ipwea.org)

Change history

Version	Approval date	Approved by	Min No	File No	Change
1	07 Dec 2006	Council	06	E06.0380	Policy commenced
2	22 Sep 2009	Council	09/291	E06.0375 E09.3418	Reviewed and updated (start of new Council term)
3	23 Apr 2013	Council	13/108	E06.0375 E13.7095	Reviewed and updated (start of new Council term)
4	25 Jul 2017	Council	17/237	E06.0375 E16.0297	Reviewed and updated (start of new Council term)
5	26 April 2022	Council	22/91	E16.0297	Reviewed & updated at new Council term. Report GMR22/046

Internal use

Responsible officer	Director Infrastructure Services		Approved by	Council	
Minute	22/91	Report	GMR22/046	Effective date	26 April 2022
File	E16.0297	Review date	Feb 2022	Pages	4