

Name of policy:	Asset Management		
Adoption by Council:	24 March 2021	Minute number:	73/2021
Last review date:	October 2020		
Review timeframe:	4 Years		
Next scheduled review date:	November 2024		
Related legislation:	<i>Local Government Act 1993</i> <i>Water Management Act 2000</i>		
Associated policies/documents:	<i>MidCoast 2030 Shared Vision, Shared Responsibility Community Strategic Plan 2018-2030</i> Asset Management Strategy Asset Management Plans Office of Local Government’s Integrated Planning and Reporting Manual for local government in NSW 2013 NSW Government’s Best-practice Management of Water Supply and Sewerage Guidelines 2007 AS IS055000:2014 AS IS055001:2014 AS IS055002:2018		
Responsible division:	Infrastructure & Engineering Services		

Policy Objective

This asset management policy provides the framework for the establishment of consistent asset management processes throughout MidCoast Council. This ensures that Council’s assets provide quality services to the community and are managed, maintained and renewed in a manner that is sustainable and meets community expectations.

Policy Statement

The purpose of this policy is to demonstrate MidCoast Council’s commitment to the responsible management of its assets. The policy sets out principles, requirements and responsibilities for implementing consistent asset management processes throughout Council. It also ensures that Council, as the custodian of public infrastructure, has mechanisms in place to deliver infrastructure services in the most effective manner.

Policy implementation

Council’s assets will be managed in the most cost effective manner, driven by defined service levels and performance standards. This will require ongoing assessment of the following key issues:

- customer and community expectations;
- strategic and corporate goals;
- long term financial model; and
- legislative requirements

These should be achieved through strategic planning, service level review, output review, and development/implementation of the asset management framework.

Coverage of the policy

This policy applies to all physical assets owned and/or managed by Council.

Community Strategic Plan link

We strive to be recognised as a place of unique environmental and cultural significance. Our strong community connection, coupled with our innovative development and growing economy, builds the quality of life we value.¹

Community Strategic Plan Values		
We value	our unique, diverse and culturally rich communities	Our diverse communities offer active and social opportunities, are safe and are places where we work together with a creative focus acknowledging our rich history and culture.
We value	a connected community	We are socially and physically connected with each other, by ensuring we have activities, facilities, roads, footpaths and technology that are upgraded and well maintained.
We value	our environment	Our natural environment is protected and enhanced, while we maintain our growing urban centres and manage our resources wisely.
We value	our thriving and growing economy	We are a place where people want to live, work and play, business is resilient and adaptable to change by utilising knowledge and expertise that supports innovation.
We value	strong leadership and shared vision	We work in partnerships towards a shared vision, that provided value for money and is community focused.

¹ MidCoast Council’s Community Strategic Plan 2018-2030 *MidCoast 2030 Shared Vision, Shared Responsibility*

To meet the objectives of the Community Strategic Plan, Council will:

- prepare an integrated Asset Management Strategy and Asset Management Plans which supports the Community Strategic Plan, Resourcing Strategy, Delivery Program & Operational Plan
- ensure that the Asset Management Strategy and Plans cover a minimum timeframe of ten years
- ensure that the Asset Management Strategy includes an overarching Council endorsed Asset Management Policy
- engage with the community to establish agreed levels of service for delivery of infrastructure assets
- ensure that the Asset Management Strategy identifies assets that are critical to Council's operations as categorised in the Business Continuity Plan, and outline risk management strategies for these assets as per the Risk Management Framework
- ensure that the Asset Management Strategy includes specific actions required to improve Council's asset management capability and projected resource requirements and timeframes

Asset Management Principles

The organisation's sustainable service delivery requirements will be met by adequately providing for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of assets. This is accomplished by ensuring that:

- all relevant legislative requirements together with social, political and economic environments are taken into account in asset management
- the Asset Management Strategy outlines the implementation of systematic asset management and appropriate best practice throughout Council
- the Asset Management Plans are revised to align with the Resourcing Strategy. The Plans are informed by community consultation, technical and financial planning and reporting
- the risks of Climate Change are addressed in each asset management plan and adaptation actions are implemented to minimise the impacts
- service levels are developed and defined in each asset management plan. The Service Levels will form the basis of annual budget estimates
- programs are developed for each asset class and regular inspections, maintenance and repairs are carried out to maintain the agreed service levels and to identify asset renewal priorities
- future service levels are determined in consultation with the community
- renewal plans are developed based on service levels, conditions and risk
- assets are managed, valued, and accounted for in accordance with appropriate best practice
- future lifecycle costs are reported and considered in all decisions relating to new services and assets and upgrading existing services and assets

- an organisational culture of living asset management is promoted whereby all employees with asset management responsibilities are provided the necessary training and professional development
- the required operational capabilities and resources are provided and asset management responsibilities are effectively allocated

Responsibilities

The implementation of this policy will rely upon the efforts of three key groups. The responsibilities of these groups are:

Elected Council

Council is responsible for:

- providing leadership and governance
- adopting a corporate asset management policy and strategy
- considering the impact of financial and service level decisions on Council's assets
- ensuring that organisational resources are allocated to safeguard sustainable service delivery.

MANEX & Extended MANEX

The General Manager, Directors and Managers are responsible for:

- allocating resources to the implementation of the Asset Management Strategy and Plans
- ensuring that actions identified in the Asset Management Strategy and Improvement Plan are completed within timeframes
- ensuring the integration and compliance with the Asset Management Policy and Strategy with other policies and business processes of the organisation
- developing and implementing maintenance and capital works programs in accordance with the Integrated Planning and Reporting documents
- delivering Levels of Service to agreed risk and cost standards
- Ensuring the community is involved and engaged on all key Council matters affecting service delivery
- managing infrastructure assets in consideration of long term sustainability
- presenting information to Council on lifecycle risks and costs
- approve the Asset Management Plans

Asset Management Working Group

The Asset Management Working Group is responsible for:

- reviewing the Asset Management Policy and Asset Management Strategy and ensuring integration with the Long Term Financial Plan and other Integrated Planning & Reporting documents
- monitoring the development and implementation of Asset Management Policy, Strategy and Plans
- developing and reviewing policies, processes and practices to ensure effective asset management across the organisation
- the implementation of the Asset Management Improvement Plan
- providing professional advice and collaborate with other departments of Council in relation to asset management
- operating within an agreed 'Terms of Reference'

Definitions

Term	Definition
Asset	A physical item owned by council that has economic value and enables services to be provided.
Asset life cycle	The life of an asset; from its acquisition to disposal.
Asset Management Information System	An asset management information system is a combination of processes, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment.
Asset management	Asset management (AM) is a systematic process to guide the planning, acquisition, creation, operation and maintenance, renewal and disposal of assets.
Asset Management Plan	A plan developed for the management of an asset class that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset, in the most cost effective manner to provide a specified level of service.
Asset Management Strategy	The Asset Management Strategy is a component of the Resourcing Strategy. It demonstrates how our assets support service delivery in consultation with the community and within available funding.
Asset register	A record of asset information including inventory, historical, financial, condition, construction, technical, and financial details.
Infrastructure asset	Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components
Level of service	The defined service quality for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality,

Term	Definition
	quantity, reliability, responsiveness, environmental acceptability and cost.
Life-cycle cost	The total cost of an asset throughout its useful life.
Useful life	Either, the period over which an asset or component is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset of component by the entity.

Responsible officer (position)

Director Infrastructure & Engineering Services

Attachments

Nil