

# Draft Central Darling Shire Council Asset Management Policy

## OBJECTIVES

The objective of this policy is to ensure that Central Darling Shire Council develops and maintains appropriate, systems, processes, organisational structure, resources (both Financial and Human) and organisational commitment (Culture), to deliver a consistent and sustainable level of service delivery in line with community expectation.

## SCOPE

Central Darling Shire Council has care, control and responsibility for infrastructure assets with a fair value of in excess of \$131,000,000<sup>1</sup>. These assets are used to underpin the delivery of services to the community. If assets fail, service delivery is threatened.

This policy sets the framework for ensuring that service delivery is not threatened and that replacement, upgrade and provision of assets is carried out in a planned manner. The policy also ensures that non-asset ownership options are considered when considering changes in service levels.

## POLICY

Council is committed to implementing a systematic total asset management methodology in order to ensure appropriate asset management best practices occur across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed, and disposed of in accordance with Council's priorities of service delivery.

## VISION

Central Darling Shire Council's Vision for Asset Management is:

"That within its financial constraints, to provide and manage an appropriate mix of infrastructure at the lowest life cycle cost in a sustainable manner to support our community."

## KEY COMMITMENTS

The following is a set of key commitments that the Central Darling Shire Council will adhere to in relation to total asset management.

- Central Darling Shire Council will develop, maintain and adopt Asset Management Plans covering all major Asset Classes:
  - Transport (Roads, Bridges, Footpaths)

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<sup>1</sup> June 2012 General Purpose Financial Statements.

- Water Supply
- Sewerage Services
- Stormwater Drainage
- Parks and Landcare
- Buildings
- The format of Asset Management Plans will align with the Institute of Public Works Engineering’s International Infrastructure Management Manual (IIMM), which ensures that best practices are incorporated, including community consultation for levels of service.
- Central Darling Shire Council will develop and maintain an Asset Management Improvement Strategy (AMIS) with a planning horizon of 4 years and which sets out continual improvement for asset management systems and processes in line with the State Government’s Integrated Planning and Reporting Framework.
- Prior to considering changes to services levels and / or new capital works, Council will consider the following;
  - Alignment with the strategic objectives of the community (Community Strategic Plan – 2013).
  - Options for service delivery without Council owning an asset (third party asset ownership).
  - Options to renew assets before acquiring new assets.
  - The full lifecycle cost of owning the assets (whole of life cost).
  - Whether the whole of life cost of asset ownership can be accommodated within the Long Term Financial Plan.
- Central Darling Shire Council will regularly review (in line with the AMIS) the need for asset ownership and will implement a process to dispose of redundant or poor performing assets.

## **LINKAGE TO OTHER CORPORATE DOCUMENTS**

This policy should be read with reference to the following documents;

- The Community Strategic Plan – 2013
- Asset Management Strategy
- Asset Management Plans (AMPs)
- Long Term Financial Plan (LTFP)

## **ROLES AND RESPONSIBILITIES**

### **Council will:**

- Set Asset Management policy and vision.
- Act as stewards for all Council owned assets on behalf of the community.
- Adopt the Asset Management Policy and support the Asset Management Strategy and monitor their outcomes.
- Allocate necessary resources to support appropriate asset management processes.
- Approve levels of service, risk and cost standards in consultation with the community.
- Support continuous improvement programs.

**Executive Staff will:**

- Ensure that the strategic direction meets Community and Council aims.
- Implement asset management policies, strategies, plans, across the Organisation as part of the overall Resourcing Strategy.
- Monitor implementation progress of the Asset Management Strategy and identify corrective actions if required.
- Provide relevant and timely professional advice to Council on asset management issues for decision-making, and present information in terms of life cycle risks and costs.
- Identify relevant benchmarks and opportunities to achieve best practice.
- Ensure availability of appropriate resources for asset management activities.
- Ensure that assets are managed in compliance with industry guidelines and standards.
- Ensure that staff responsible for managing assets are trained appropriately.
- Oversee the development, monitoring and review of asset policies, strategies and plans using best practice asset management principles.
- Develop operational procedures to ensure the capture and management of asset information.
- Implement tactical plans (such as maintenance programs, capital works programs) in accordance with Asset Management Plans.
- Report implementation progress and effectiveness to MANEX meetings on a regular basis.

**Council Staff** (to the extent that they have asset management related responsibilities) will:

- Employ up to date technologies, methodologies and continuous improvement processes in asset management.
- Have asset management responsibilities reflected in input/output documentation and position descriptions as appropriate.
- Undertake actions and programs consistent with the adopted Asset Management Policy, Strategy and Plans.