



ASSET MANAGEMENT POLICY

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1. INTRODUCTION

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the Organisation.

2. TYPE OF POLICY

Statutory - Statutory policies are those policies that are adopted by Council due to a legislative requirement.

3. OBJECTIVE

To ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to customers and the environment.
- Safeguarding infrastructure assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all employees take an integral part in overall management of infrastructure assets by creating and sustaining an asset management awareness throughout the Organisation by training and development.
- Meeting any legislative and regulatory requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.

Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

4. SCOPE

This policy applies to all the Organisation's departments, officers, employees and contractors.

5. LINK TO STRATEGIC PLAN

Goal 5: Ensure Council listens to and understands community needs and continues to make responsible decisions on behalf of the community. Key Objective: Consistently achieve a high standard of internal financial and governance arrangements.

6. RELATED LEGISLATION

The Local Government Act 1993, section 70C requires Council to develop an asset management policy. Section 70F requires the asset management policy to include those matters defined in an order. Section 70E requires the asset management policy to be reviewed at least every 4 years. In accordance with section 70F, the Local Government (Content of Plans and Strategies) order 2014, clause 8 (2) determines those matters that must be included in the asset management policy.

7. RISK CONSIDERATIONS

This Policy aligns itself with objectives for risk management at George Town Council, namely:

- Set performance standards and regular review and improve practices and procedures.

8. POLICY

Background

1. 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.
2. Adopting asset management principles will assist in achieving our Strategic Long Term Plan and Long Term Financial objectives.
3. Sustainable Service Delivery ensures that services are delivered in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.
4. Sound Asset Management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

Principles

The Organisation's sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of capital assets by:

1. Ensuring that the Organisation's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability.
2. Meeting all relevant legislative and regulatory requirements.
3. Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices.
4. Implementing sound Asset Management plans and strategies and providing sufficient financial resources to accomplish them by.
5. Asset Management plans will be completed for all major asset / service areas.
6. Expenditure projections from Asset Management Plans will be incorporated into the Organisation's Long Term Financial Plan.
7. Regular and systematic reviews will be applied to all asset plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
8. Regular inspection will be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities.
9. Asset renewals required to meet agreed service levels and identified in adopted asset management plans, and when applicable long term financial plans, will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented.
10. 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.
11. Future service levels with associated delivery costs will be determined in consultation with the community.
12. Ensuring necessary capacity and other operational capabilities are provided and Asset Management responsibilities are effectively allocated.
13. Creating a corporate culture where all employees play a part in overall care for the Organisation's assets by providing necessary awareness, training and professional development in asset and financial management for Councillors and relevant staff; and
14. Providing those we serve with services and levels of service for which they are willing and able to pay.

9. RESPONSIBILITIES

Councillors are responsible for adopting the policy, allocating resources, and providing high level oversight of the delivery of the Organisation’s asset management strategy and plans. The council is also responsible for ensuring that Organisational resources are appropriately allocated to ensure sustainable service delivery.

The **General Manager** has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the Organisation.

10. IMPLEMENTATION & REVIEW OF POLICY

Implementation of this Policy rests with the General Manager. This Policy will be reviewed in June 2023 or in accordance with legislative requirements.

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Shane Power
GENERAL MANAGER