

ASSET MANAGEMENT POLICY

1. Scope

The Asset Management Policy (this 'Policy') provides the guiding principles and overarching framework for the strategic management of infrastructure assets under Council's stewardship. This Policy is applicable to all organisational units that are custodians of assets that are owned, managed or under the care and control of Council.

Most of Council's assets are long lived and require significant ongoing investment in maintenance and renewal activities to ensure they deliver the required levels of service expected by the community. These assets include:

- Roads and Drainage
- Footpaths
- Bridges and Major Culverts
- Water
- Sewer
- Plant and Equipment
- Buildings
- Site Improvements (including park, recreation, open spaces, and waste management assets)
- Land

2. Purpose

To ensure that a holistic asset management system is in place which supports the management of physical assets and delivery of infrastructure services to the community:

- a) in an effective, efficient and financially sustainable manner;
- b) which supports initiatives within Council's Corporate Plan; and
- c) that supports Council's asset management obligations in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

3. References (legislation/related documents)

Legislative references

Local Government Act 2009 s 104

Local Government Regulation 2012 ch 5 pt 2 div 2

Related documents

AS ISO 55000:2014 : Asset management – Overview, principles and terminology

AS ISO 55001:2014 : Asset management – Management systems – Requirements

AS ISO 55002:2019 : Asset management – Management systems – Guidelines for the application of ISO 55001

Asset Management Plans

- Buildings
- Fleet
- Footpath
- Roads (including Stormwater and Bridges)
- Sewer
- Water

Australian Government – Australian Accounting Standards Board – Accounting Standards:

- AASB 116 Property, Plant and Equipment;
- AASB 136 Impairment of Assets;
- AASB 138 Intangible Assets; and
- AASB 13 Fair Value Measurement.

International Infrastructure Management Manual (Institute of Public Works Engineering Australasia)

Livingstone Shire Council Corporate Plan 2020 – 2030

Livingstone Community Plan – Towards 2050

Our Living Coast – Livingstone Coastal Hazards Adaptation Strategy

Strategic Asset Management Plan

4. Definitions

To assist in interpretation, the following definitions shall apply:

Asset	Any item or thing that has potential or actual value to the organisation and community.
Asset Management	The systematic and coordinated activities and practices of an organisation to deliver on its objectives optimally and sustainably through the cost-effective lifecycle management of assets.
Asset Management System (AMS)	A system that forms an integrated part of Council's vision, corporate plan, policies, objectives, asset service delivery plans, operational plans and supporting activities.
Lifecycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, depreciation, rehabilitation and disposal costs.
AMSC	Asset Management Steering Committee.
Council	Livingstone Shire Council.

5. Policy Statement

Council is committed to managing its assets in a whole-of-life and financially sustainable manner which aligns asset management practices to Council's strategic objectives and long-term financial plan while addressing the service delivery needs of the community.

This Policy provides support for, and forms part of, Council's asset management system, which brings together all the elements required to convert this policy into action and drive Council towards a more advanced asset and service management maturity status and alignment with best appropriate industry practice.

Council's asset management system will prioritise continuous improvement in the provision of services and management of assets across Livingstone Shire Council through the following strategic asset management activities:

5.1 Asset Management Governance

Council's asset management system will be guided by the Asset Management Steering Committee which will have representation from all sections of Council that are responsible for management of physical assets owned or controlled by Council. The Asset Management Steering Committee will:

- (a) be responsible for the currency of relevant directives, plans and strategies to ensure asset management is performed in accordance with relevant legislation and best industry practice;
- (b) report to Council on the development of asset and services management initiatives; and
- (c) provide oversight of activities within each of the sections necessary to achieve the objectives of this policy.

5.2 Strategic Asset Management

Council will develop and maintain a Strategic Asset Management Plan (SAMP). A Strategic Asset Management Plan (SAMP) is the documented strategy for asset management that clarifies intended activities, desired outcomes and certain practices that will be used in their delivery.

Council ensure ongoing development of asset management capabilities within Council to ensure the sustainable delivery of assets and services to the community.

Through the implementation of the SAMP, Council will focus on ongoing continuous improvement based on available resources.

5.3 Asset Management Objectives

- (a) The management of assets is to be undertaken in a structured and coordinated manner in order to meet the social, recreational, health and safety, economic and environmental needs of the community.
- (b) The effective and efficient management of Council's Asset Management System and Asset Portfolio will be achieved by:
 - i. taking a strategic, lifecycle approach using a risk management-based approach while delivering services at the adopted level.
 - ii. developing and maintaining asset management plans to inform Council's long term financial plan.
 - iii. preparing business cases for proposed future funding requirements prior to the introduction of new assets or services ensuring the whole of life cost of the assets or services are fully understood.
 - iv. integrating asset management activities with applicable Council Management Systems.
 - v. monitoring asset performance and maintaining quality asset data in accordance with corporate asset data requirements.
 - vi. ensuring investment decisions are based on optimised levels of service that address the needs of the community in a financially sustainable manner.
 - vii. monitoring, reviewing, and reporting on the performance of the asset management system to ensure alignment with industry standards and best practice; and
 - viii. providing resources and training in asset and financial management principles, practices, and processes to enable delivery of the Asset Management System.
- (c) Non-asset solutions are considered as part of the introduction of any new service or proposed expansion of an existing asset base.
- (d) Legislative and regulatory requirements are met.

5.4 Roles and Responsibilities

Asset management requires a whole of Council approach with the key roles and responsibilities identified below:

- (a) **Councillors** provide the strategic guidance, commitment to the approach for the management of assets and overall approval of any Asset Management Plans;
- (b) **Chief Executive Officer** has the overall responsibility for the effectiveness of asset management within Council. The CEO is also responsible for ensuring sufficient resources are allocated to manage Council's assets;
- (c) **Asset custodians** are responsible for supporting the development of asset management plans (through the review of draft AMP plans), implementing asset management business processes, systems, organisational policies, and procedure. Asset Custodians must also ensure alignment between approved budgets and the outcomes specified in adopted asset management plans.
- (d) **Asset Management Steering Committee** is established to ensure good stewardship and governance in the management of assets by tracking the delivery of asset management objectives and targets and review of the achievement of their intended benefits;
- (e) **Coordinator Assets** is responsible for the authoring and reviewing of asset management plans;
- (f) **Chief Financial Officer** is responsible for the implementation of a coordinated end-to-end asset management framework including the development of a ten year plan for acquisition of required assets as well as the renewal and upgrade of existing assets, subject to funding availability. This is to be developed in line with established Service Levels, the SAMP and AMPs as well as all other legal/contractual commitments; and
- (g) **Council Staff** are responsible for the management, acquisition, upgrade, or disposal of assets and must ensure that this is done in accordance with the principles and values of this Policy. Any theft, loss or damage to assets are to be reported as soon as practical and in keeping with applicable regulatory and policy requirements.

5.5 Implementation of Policy

The implementation of this policy will be principally achieved through the Strategic Asset Management Plan, which will ensure that a structured set of actions aimed at enabling continuous improvement to asset management activities across the organisation is maintained.

6. Changes to this Policy

This policy will be reviewed every four years and will otherwise remain in force until any of the following occur:

- 1. The related information is amended/replaced; or
- 2. Other circumstances as determined from time to time.

7. Repeals/Amendments

This Policy repeals Livingstone Shire Council Policy titled 'Asset Management Policy (v2.0)'.

Version	Date	Action
1	03/07/2018	Adopted
2	20/07/2021	Amended Policy Adopted - amended to reflect update to Related Documents, AM Objectives and Strategic Asset Management Plan.
3.0	20/05/2024	Amended Policy Adopted - close out improvements identified in the SAMP Improvement Plan.

CALE DENDLE
CHIEF EXECUTIVE OFFICER