

Policy 5.01 Asset Management

Directorate	Assets and Operations
Responsible Officer	Director Assets and Operations

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Record of Administrative Amendments

<u>Amendment Version No.:</u>	<u>Description of Administrative Amendment</u>	<u>Date Reviewed</u>
5.2	Version placed on public exhibition (D25/37742)	May 2025
5.1	Review of policy in accordance with Section 165 of the Local Government Act 1993 Workshopped with Councillors on 30 April 2025	March 2025
5	Adopted by Council (D22/71172)	20/07/2022

2.1 Introduction

2.1.1 Scope

This policy encompasses the systems implemented by Council to effectively manage and maintain its infrastructure assets and should be read in conjunction with the Community Strategic Plan (CSP) 2042, the Resourcing Strategy and the Financial Management Policy. This policy applies to all departments, officers, employees, contractors and elected representatives.

2.1.2 Purpose

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout Bega Valley Shire Council.

Council manages and maintains over \$2.11-6 billion in infrastructure, land and plant and equipment assets to provide the services and facilities needed to meet the needs of the community. Our vision is that the Bega Valley Shire is an inclusive and welcoming community that integrates quality of life, prosperity, sustainable development and conservation of the environment. Our connection to Country is guided by the culture and heritage of our Traditional Owners.

2.1.3 Objectives

The objectives of this policy are to ensure adequate provision is made for the long-term management of infrastructure assets by:

- Ensuring that Council's services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to users and consideration of the environment-
- Safeguarding Council assets, and employees and the community by implementing appropriate asset management strategies and systems with appropriate financial resources for those assets-
- Creating an environment where all Council employees, contractors and elected representatives take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout the Council-
- Meeting legislative requirements for asset management and ensuring asset planning information is available to stakeholders, where appropriate-
- Ensuring resources and operational capabilities are identified and responsibility for asset management is clearly allocated-
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice-

2.21.4 Definitions

Table heading	Table heading
Asset	An 'Asset' refers to any resource with a financial value attached to it, normally acquired to ensure local service delivery. Council assets include such things as; vehicles, infrastructure, buildings, open spaces, electronic equipment, plant equipment and tooling and any other resources under its ownership or care and control.
Asset Management	The term 'Asset Management' describes the combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required level of service in the most cost-effective manner. Sound 'asset management' practices enable sustainable service delivery by integrating customer values, community and organisational priorities and an informed understanding of the trade-offs between risks, costs and service performance <u>for given levels of funding</u>
Asset Management System	'Asset Management System' refers to the interrelated elements of an organisation that encompass all facets of an organisations asset management. It is synonymous with how Council manages its assets.

2 Legislation, standards and guidance materials

- *Local Government Act 1993 and Regulations under the Act.*
- *Civil Liability Act 2002*
- *Institute of Public Works Engineering Australasia (IPWEA) International Infrastructure Management Manual (IIMM)*
- *ISO 55000 – Asset management- Overview, principles and terminology*
- *ISO 55001 – Asset management- Management systems- requirements*
- *ISO 55002 – Asset management- Management systems- Guidelines for the application of ISO 55001 Integrated Planning and Reporting Guidelines 2021*
- *ISO55010 – Asset Management - Guidance on the alignment of financial and non-financial functions in asset management*

23 Implementation

2.43.1 Policy Statement

Bega Valley Shire Council will provide sustainable service delivery and asset provision in a systematic manner by:

- Providing our community with a level of service for which they are willing and able to pay-

- Determining future service levels in consultation with the community, striving for early, broad, and deep engagement to clarify and test our understanding of community value, expressed in our strategic plans, when applied to decisions on our services and priorities-
- Making asset decisions with consideration of the immediate, long-term, and cumulative effects for current and future generations-
- Managing assets transparently in consideration of the fact that Council is the custodian and trustee of public assets. Prioritised outcomes of the Strategic Asset Management Plan and major projects will guide the Long-Term Financial Plan-
- Implementing infrastructure Asset Management Plans based on best practice throughout all departments of Council and in conjunction with the Community Strategic Plan (CSP), Resourcing Strategy, Delivery Program, and other relevant Council policies
- Implementing all infrastructure Asset Management Plans in accordance with relevant legislative requirements together with political, social, and economic environments-
- Implementing an assessment regime as part of asset management processes to ensure service levels are maintained and to identify asset renewal priorities and risks identified and mitigated.
- Prioritising and implementing asset renewal plans and/or rationalisation and disposal plans progressively based on agreed service levels, the available funding and the effectiveness of the current assets to provide that level of service-
- Undertaking asset improvements and development of new assets when required based on identified community need and community value as identified in adopted strategic plans-
- Reviewing the various asset classes and associated asset data in Council's Asset-Management Information System on a systematic and cyclical basis to ensure that the assets are adequately captured, managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards-
- Considering all future life cycle costs and reporting these prior to making decisions relating to new services and assets and upgrading of existing services and assets-
- Integrating asset management principles within all planning and operational processes and ensuring necessary capacity and other operational capabilities are provided and asset management responsibilities are effectively allocated-
- Establish processes with appropriate resourcing that foster continuous improvement in Council's asset management system
- Applying this policy to all Councillors, employees of Council as well as external consultants and contractors engaged as representatives of Council to foster a corporate culture where all stakeholders play a part in asset management-

2.43.2 Responsibilities

2.4.23.2.1 Elected Council

- Act as stewards for Council assets on behalf of the community
- Adopt the Asset Management Policy and Strategic Asset Management Plan and monitor their outcomes
- Consider the impact on Council's asset base and service organisation of planning, financial and service level decisions
- Approve levels of service, risk, and cost standards in consultation with the community, through the adoption of Strategic Asset Management Plans and the long term financial plan scenario
- Support continuous improvement programs

2.4.23.2.2 CEO, Leadership Executive Group.

- Ensure that sound business principles are reflected in the development and implementation of the Strategic Asset Management Plan and infrastructure Asset Management Plans for each asset class
- Determine levels of service, risk, and cost standards in consultation with the community
- Provide upon request by relevant stakeholders, Council's infrastructure Asset Management Plans that reflect current conditions and risks
- Ensure the impact on Council's asset base and service organisation is considered when making recommendations to Council in relation to planning and financial matters or the delivery of services
- Ensure resources are appropriately allocated to asset management to ensure sustainable service delivery
- Ensure compliance with legal obligations and other corporate policies and procedures when integrating and implementing asset management responsibilities
- Support continuous improvement of Council's asset management system including support for Council's Corporate Asset Management Group
- Oversee the development, monitoring and review of asset policies, strategies and plans using best practice asset management principles
- Report implementation progress and effectiveness to the elected body on a regular basis

2.4.23.2.3 Assets and Operations Directorate

- Facilitate the Corporate Asset Management Group
- Monitor implementation progress of the Strategic Asset Management Plan and infrastructure Asset Management Plans and identify corrective actions if required
- Develop and implement effective asset management practices with staff who are adequately trained
- Facilitate integration and consistency with asset management practices across the organisation
- Develop and maintain an Asset Management Information System to manage Council's asset information

2.4.23.2.4 Asset Managers

- Develop and continually update infrastructure Asset Management Plans with sound asset data including asset operation, maintenance, and renewal, disposal and/or upgrade plans and associated financial models
- Keep abreast of best practice and innovation whilst minimising whole of life costs with regard to asset and service delivery planning
- Provide professional advice and comment to other departments of Council in relation to infrastructure asset management and service delivery
- Develop operational procedures to ensure the capture and management of asset information in Council's Asset Management Information System including the integration of financial data
- Develop strategic plans to guide capital works (renewals, improvements, rationalisations, disposals and new assets) to ensure projects are based on community needs, service levels and will deliver good value to the community through their lifecycle
- Consider asset rationalisations and redistributions to best meet current and future community needs and best use of available resources.

24 Supporting documents

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

ISO 55000 – Asset management- Overview, principles, and terminology
ISO 55001 – Asset management- Management systems- requirements
ISO 55002 – Asset management- Management systems- Guidelines for the application of ISO 55001
Integrated Planning and Reporting Guidelines 2021
ISO55010 – Asset Management- Guidance on the alignment of financial and non-financial functions in asset management
Community Strategic Plan 2042
Resourcing Strategy 2022-2025 – June 2024 update

2.5.14.1.1 BVSC Procedures that relate to this Policy

Procedure No.:	Procedure Name	External or Internal Procedure
	There are no <u>P</u> rocedures related to this Policy	

2.5.24.1.2 BVSC Policies that relate to this Policy

Policy No.:	Policy Name
<u>5.02</u>	<u>Transport Infrastructure Services</u>
6.05	Work Health and Safety
6.06	Financial Management

Note: Policy details may change from time to time. To ensure you are viewing the most recent version please view Council's adopted Policies and Procedures on Council website: www.begavalley.nsw.gov.au