

T11. Asset Management Policy

Policy Objectives

To set out a broad framework to ensure a co-ordinated corporate approach to asset management within the Shire of Dundas that

- Provide clear direction in the provision and management of all of the Shires assets that ensures sustainable outcomes and agreed levels of service for present and future stakeholders.
- Assist with the management of infrastructure assets and to deliver infrastructure service that meets community expectations of time, quality, and value for money.

Definitions

“Asset” – A physical component of a facility which has value, enables services to be provided and has an economic life of greater than twelve (12) months.

“Asset Management Plan” – A plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset. The Asset Management Plan establishes for each Asset Category:

1. Levels of Service (performance, construction, maintenance, and operational standards);
2. Future Demand (rational basis for demand forecasting and selection of options for proposed new assets);
3. Life Cycle Management Plan (including Operations and Maintenance, Renewals and Replacements, and Expansion and Upgrades);
4. Financial Projections;
5. Asset Management Practices; and
6. Performance Monitoring and Improvement.

“Asset Register” - A record of asset information considered worthy of separate identification including inventory, historical, condition, construction, technical, and financial.

“Infrastructure Assets” – Include buildings, drainage, footpaths, furniture, parks and landscape, property, reserve equipment, and roads.

“Life Cycle” – The cycle of activities that an asset goes through while it retains an identity as a particular asset.

“Life Cycle Cost” – The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, renewal and disposal costs.

“Predictive Modelling” – Use of asset deterioration models and condition monitoring to predict failure and asset rehabilitation and renewal.

T11. Asset Management Policy

“Useful Life” – The period over which a depreciable asset is expected to be used.

Policy Statement

The Shire of Dundas delivers a variety of services to the community and in doing so, must ensure that the assets supporting these services are managed in a way that promotes maximum performance for the most cost-effective 'whole of life' cost.

The Shire’s infrastructure assets include physical features within the Shire and include items such as roads, drainage, buildings, parks, pathways, playgrounds, etc and represent a substantial investment to support modern living in our community

The Shire will undertake to provide the agreed level of service of the assets and services it is responsible for, in a whole-of-life and economically sustainable manner.

Budgeting priority will be given to the maintenance and renewal of existing assets and services, and adequate resources will be provided to manage these assets in a cost effective and timely manner.

It is imperative that the Shire employs best practice management skills and practices to ensure that Shire services are delivered economically and in a sustainable manner.

Shire works closely with other GVROC member to implement asset and financial management processes in line with the nationally consistent measures recommended in the National Assessment Framework (ANF) adopted by the Australian Centre of Excellence for Local Government (ACELG).

As part of the Council’s consideration of asset management, the Council will follow the following key principles:

- Prior to the consideration of any major works for renewal or improvement to an asset, undertake a critical review of the need of that asset.
- Consider the “whole of life” cost for all new assets and for any major renewal or improvements and incorporate the costs into the Shires long terms financial plan.
- Undertake to develop industry standard asset management plans that are financially sustainable.
- Involve and consult with the community and key stakeholders on determining Levels of Service and asset service standards.
- Manage its assets utilising a corporate team approach from all management areas.
- Ensure asset information is accurate and up to date and allow for appropriate asset planning in the short and long term.
- Allocate appropriate resources to ensure asset management practices can be undertaken and the timely maintenance and renewal or upgrade of those assets so that “life cycle” costs are optimised (existing and new assets);
- Continually seek opportunities for multiple use of assets.
- Maintenance and safe custody of Assets are assigned to identified responsible officers.

T11. Asset Management Policy

<u>Key Asset Category</u>	<u>Responsible Officer</u>
Land and Buildings	Manager Works
Plant and Equipment	Manager Works
Road, Drainage and Footpath Infrastructure	Manager Works
Airport Infrastructure	Manager Works
Parks and Ovals Infrastructure	Manager Works

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