



OP1.24 – ASSET MANAGEMENT POLICY

1.0 Introduction

1.1 Purpose

The purpose of this Asset Management Policy (Policy) is to:

- Outline the principles and provide the framework which guide the Shire of Collie in the management of its infrastructure assets to ensure they are well maintained and managed.
- To assist the Shire in delivering an integrated planning and reporting framework that deliver effective and sustainable outcomes for the local area.

1.2 Scope

This Policy will provide clear direction on the Shire's expectations for the sustainable management of its assets and applies to elected members, employees and contractors/ consultants engaged by the Shire.

The Policy will guide the development of a framework that manages assets in a way that achieves Council's vision, based on the careful deployment of the Shire's resources to best meet the needs of the community.

2.0 Legislative Framework

- *Local Government Act 1995*
- Local Government (Financial Management) Regulations 1996

3.0 Application of Policy

This policy includes but is not limited to the following asset classes:

- Transport-public road and path networks, including:
 - Roads (sealed and unsealed)
 - Laneways
 - Pathways
 - Trails
 - Signage
 - Kerbing
 - Drainage Infrastructure
 - Bridges
 - Street Furniture
 - Streetlights
- Property- buildings, pools, recreation grounds, civic buildings, community leased buildings, emergency services facilities, public art and murals (on Shire managed buildings).
- Parks, ovals, reserves, rivers and street trees
- Places- waste transfer station, aerodrome, depots
- Plant and equipment

This Policy is based upon the following fundamental principles:

- Service focus – ensuring service delivery needs form the basis of asset management;
- Integrated planning – require careful consideration of the acquisition, disposal and operation of assets in line with the Shire of Collie’s Strategic Community Plan and Corporate Business Plan;
- Informed decision-making – incorporating a whole of life-cycle approach to asset management;
- Life cycle planning- providing safe and well maintained Shire owned facilities and infrastructure in accordance with the Shire of Collie Strategic Community Plan;
- Sustainability – providing for present needs while sustaining resources for future generations;
- Fiscal responsibility – selection of asset management practices that promote best practice within the context of the Shire’s anticipated short, medium and long-term budget positioning; and
- Risk management – identify and manage risks associated with assets and mitigate negative impacts of risk while optimising available opportunities to the Shire and the community.

4.0 Policy Provisions

- 4.1 The Shire recognises its responsibility to provide and maintain all of its assets in a manner that does not place undue economic, social or environmental burdens on future generations.
- 4.2 The Shire is committed to implementing a coordinated and integrated approach to asset management that aligns with and supports the Shire to achieve the objectives of its Strategic Community Plan.
- 4.3 This Policy is to be used as a guide for strategic asset management, with the following principles to guide the development of the Shire’s Asset Management Strategy:
- Assets are to be acquired, maintained and renewed to adequately meet present-day community expectations, be fit for purpose and create minimal backlog of maintenance and renewal works;
 - Community expectations will be quantified through the implementation of Service Standards informed by asset lifecycle activities and incorporated into targeted asset management plans and the long-term financial plan.
 - Decision on implementation of new assets, major upgrades or acceptance of donated assets is to be informed by lifecycle costing analysis to determine the true cost of operating and maintaining the asset.
 - The Shire will continuously development is asset management capability and implement systems and practices that enable to storage, sharing and evaluation of asset data, knowledge and information and use these resources to inform its Workforce Plan.
 - Guide the establishment of an asset management information system.
- 4.4 The Chief Executive Officer and executive have overall responsibility for developing an Asset Management Strategy, plans and operational practices for informing and advising Council on the status and effectiveness of asset management in the Shire.

- 4.5 The Asset Management Strategy should be established and routinely updated, with a life of 10 years.
- 4.6 This Policy and the Asset Management Strategy will be supported by targeted asset management plans that cover each asset category that is the responsibility of the Shire. These documents should follow best practice principles and will be subject to ongoing review and updates, with a minimum life of 5 years and a maximum of 10 years.
- 4.7 The Shire of Collie will formalise the short, medium and long term strategic direction of asset management through the adoption of its Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan, annual budget and asset management strategy and plans.

5.0 Strategic Objective

STRATEGIC COMMUNITY PLAN – ADOPTED DECEMBER 2022		
GOAL:	1	Our Community
Objective:	1.1	Community health, safety and wellbeing
Objective:	1.2	Community connection, engagement and participation
GOAL:	3	Our Built Environment
Objective:	3.1	Safe and well-maintained shire owned facilities and infrastructure
GOAL:	5	Our Organisation
Objective:	5.1	Innovative leadership, forward planning, and mutually beneficial partnerships

6.0 Responsibilities

Detailed organisational responsibilities and accountabilities under this Policy shall be defined within the Asset Management Strategy and shall be reviewed regularly in line with the Strategy. At minimum the following responsibilities will be enacted:

- Council and relevant Council Panels – adoption, stewardship and governance of Asset Management Policy and Strategy;
- CEO and Executive – business leadership, compliance management, support and facilitation of best practice in asset management across the organisation;
- Asset Management Steering Group – oversight and implementation of policies and procedures to ensure effective asset management across the organisation;
- Lease Holders and Community Groups– development of business cases (including whole of life costs) in support of significant proposals for asset acquisition, renewal and disposal of assets owned by the Shire.
- Operations Staff – construction, supervision and maintenance of all assets constructed by and on behalf of the Shire. Recommendations of acceptance of infrastructure assets upon satisfactory completion to the Shire.
- Pool Staff – planning maintenance for the Shire’s pool and associated plant.
- All other staff – contributory support and engagement with asset management principles and practice.

7.0 Definitions

Asset means a physical component of a facility which has value, enables a service to be provided and has an economic life of greater than 12 months. Asset Classes group assets of similar nature and use in a local government's operations. Local Government asset classes include land, buildings, infrastructure, plant and equipment, information technology and other assets.

Asset Management means the combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Asset Management Plan means a plan developed for one or more assets that combines technical and financial management processes to provide a specified level of service.

Asset Management Strategy means a document that outlines how the local government's asset portfolio will meet the service delivery needs of its communities into the future, enabling the local government's asset management policies to be achieved and ensuring that asset management is established as part of the local government's Integrated Plan.

Level of Service means the defined service quality for a particular activity (ie. road maintenance) or service area (ie. street lighting) against which service performance can be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental considerations, acceptability and cost.

Lifecycle Cost means the total cost of an asset throughout its life including costs for planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal.

8.0 Related Documents

- WA Department of Local Government: Integrated Planning and Reporting Framework Guidelines, October 2010.
- WA Department of Local Government: Asset Management Framework and Guidelines, May 2011.
- Institute of Public Works Engineering Australia, IPWEA, International Infrastructure Management Manual 2015.

Policy Adoption and Review

Council meeting held:	
Adopted by Minute No:	
Date to be reviewed:	
Previous Revision:	