

Asset Management

Policy Type:	Council Policy
Reference Number:	COU 113
Responsible Department:	Assets & Infrastructure
Responsible Officer:	General Manager
Legislation	Local Government Act 1999
Relevant Delegations:	Chief Executive Officer
Related Policies and Procedures	Infrastructure and Asset Management Plans and supporting documentation
Community Goal	<p>4.2 Ensure the ongoing maintenance and development of the physical infrastructure of the City by meeting the agreed service requirements of the construction and maintenance program for footways, roads and drainage.</p> <p>4.6 Ensure that the community is fully aware of the infrastructure challenges in Unley, and encourage residents to participate in identifying the solutions.</p> <p>6.2 Generate an approach to all Council operations which maintains the principles of good governance such as public accountability, transparency, integrity, leadership, co-operation with other levels of government and social equity.</p> <p>6.3 Continue to develop Council's financial management strategies and administration to ensure that optimal effectiveness and efficiency can be obtained to improve service delivery and increase productivity</p>
Council Resolution:	<p>Audit Committee February 09 Council February 09 CS&P 17 May (319/10) C 24 May 665/10 CSP 8 Oct (139/12) C 22 Oct (564/12)</p>
Date Adopted:	22 October 2012
Review Date:	2013

1. POLICY STATEMENT

As custodian of community assets, the City of Unley will apply a transparent and consistent approach to asset management to ensure all existing and newly created assets maximise their lifecycle by ensuring maximum life at a minimal cost.

2. PRINCIPLES

A strategic and systematic approach to asset management that embraces industry standards and best-practice will be employed at the City of Unley.

Assets that are to be maintained or renewed must meet a recognised need as identified by Council.

An inspection regime and consistent condition rating will be used to ensure agreed service levels, intervention methods and renewal priorities can be determined across all asset categories.

Maintenance and renewal actions and expenditure required to meet agreed service levels identified in the asset plan will be forecast in Council's Long Term Financial Plan and be fully funded in the annual budget development process.

Maintenance and renewal actions that will minimise Council's exposure to risk in regard to asset failures.

Asset management plans will be cognisant of the changing environment and ensure that the decisions we make with respect to repairs, renewal and new construction minimise our ecological footprint.

Future life cycle costs will be considered in all decisions relating to new services and assets and upgrading of existing services and assets.

Future service levels will be determined in consultation with the community.

Asset renewal requirements will be separately identified from new asset requirements.

Council recognises the need to maintain its asset base and will target a long term asset sustainability index of approximately 90%.

Financial sustainability targets be incorporated.

3. POLICY OBJECTIVES

A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets. This will provide positive impact on;

- Members of the public and staff;
- Council's financial position;
- The environmental footprint left for future generations;
- Intergenerational equity;
- Council to deliver & maintain the expected level of service and infrastructure;
- The political environment in which Council operates; and
- The legal liabilities of Council.

4. DEFINITIONS

Sustainability Index – Indication of whether a Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out. It is calculated by measuring capital expenditure on renewal or replacement of assets relative to the recorded rate of depreciation of assets for the same period.

Environmental Footprint -

Intergenerational Equity – Involves the costs associated with expenditure being spread over time in accordance with the distribution of the benefits that are being generated.

5. REFERENCES

- Local Government Act (1999), Section 122
- Local Government Association/IPWEA Web site and Asset Management Policy template
- City of Marion Asset Management Policy
- Information Paper 9 Local Government Financial Indicators, November 2006

6. PROCEDURES

The development of asset plans has been undertaken with the assistance of the local Government Association (LGA) and Institute of Professional Works Engineers (IPWEA) using the standard templates and graphs developed to comply with changes to the Local Government Act in relation to asset management.

The asset plans developed by council contain more detail than is required under the Act so as to further inform Council in its decision making. This additional information includes service standards and risk management along with other relevant information in individual asset categories.

The current asset plans have been developed with individual asset category stakeholders and finance. Future reviews of asset plans will occur annually to inform the Long Term Financial Plan and ensure Council's budgets reflect the asset and the community needs.

That all asset plans, service standards and risk plans are updated at least annually and reviewed in detail every four years for presentation to Council.

That the procurement and disposal of assets are undertaken in such a manner that the asset register is updated as these transactions take place.

A process will be developed to allow the management of the lifecycle of our assets from procurement through to disposal.

Service standards will be established to guide the maintenance and renewal responses with responses to the agreed service standards being measured and reported upon. Where service standards have not been established, current practices will be applied until reviewed.

A systematic and planned approach to asset management will maximise the opportunities for multiple benefits and an integrated approach across all asset classes.

Asset custodians will continue to meet to discuss issues and opportunities for improvement with respect to asset planning at least three times each year.

Processes that reduce operational costs and provide for efficiencies in service delivery, will be regularly reviewed, developed and implemented.

Environmentally sustainable processes in our operations, where appropriate will be included.