

COUNCIL POLICY

Asset Management

Policy Number:	PO128		
Strategic Plan Objective:	2. Community Connected through Infrastructure		
Policy Owner:	Director Assets and Infrastructure Services	Record Number:	16/14218[v5]
Responsible Officer:	Asset Manager	Minute Reference:	167/2023 (12/07/2023)
Date Adopted:	12/07/2023	Next Review Date:	July 2027

1. POLICY OBJECTIVES

Yorke Peninsula Council (Council) exist to support sustainable service provision within the Yorke Peninsula local government area.

This policy aims to support such service provision by mandating Asset Management consideration for; planning, delivery and maintenance of all Council assets.

2. SCOPE

This Policy applies to all assets within the Yorke Peninsula Council area that are owned, managed or under the care, control and management of Council.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

4.1. Background

Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve our strategic service delivery objectives.

Sound asset management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

Sustainable service delivery ensures that services are delivered in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.

Adopting asset management principles will assist in achieving our Strategic Long Term Plan and Long Term Financial objectives.

4.2. Principles

The following asset management principles will be employed in the planning, delivery and maintenance of all Council assets.

- Subject to Council endorsed strategy change, Council will wherever possible give first priority to 100% funding the renewal and or 'fit for purpose' replacement of its existing assets before funding and adding more of the same type new assets to Council's asset registers.
- Employ consistent asset management processes throughout the Yorke Peninsula Council.
- Ensure adequate financial provision is made for the long-term replacement of major assets.
- Ensure Council's services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to; residents, visitors and the environment.
- Safeguard Council's infrastructure assets, including physical assets and employees, by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all Council employees play an integral role in the overall management of Council's infrastructure assets by creating and sustaining asset management awareness throughout Council through training and development.
- Ensure Council's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability.
- Meet legislative and regulatory requirements for asset management.
- Ensure operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrate transparent and responsible asset management processes that align with demonstrable best-practice.
- Implement sound asset management plans and strategies and providing sufficient financial resources to accomplish them by:
 - a) completing asset management plans for all major asset/service areas;
 - b) incorporating expenditure projections from asset management plans into Council's Long Term Financial Plan;
 - c) undertaking regular and systematic reviews of all asset plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice;
 - d) undertaking regular inspections, as part of the asset management process, to ensure agreed service levels are maintained and to identify asset renewal priorities;
 - e) using asset renewals as required to meet agreed service levels identified in adopted asset management plans, and applicable long term financial plans, to form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented;

- f) ensuring future life cycle costs are reported and considered in all decisions relating to new services and assets, and the upgrading of existing services and assets;
- g) ensuring future service levels, with associated delivery costs, are determined in consultation with the community;
- h) ensuring necessary capacity and other operational capabilities are provided and asset management responsibilities are effectively allocated;
- i) creating a corporate culture where all employees play a part in overall care for Council's assets by providing necessary awareness, training and professional development; and
- j) providing those we serve with services and levels of service for which they are willing and able to pay.

5. COMPLAINTS

Complaints relating to this policy can be made in writing to the Director Assets and Infrastructure Services. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

6. REVIEW

This Policy will be reviewed every four (4) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

7. TRAINING

Council is committed to supporting relevant authorised officers (through appropriate delegations) in complying with this Policy. Training needs will be identified and reviewed as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

8. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO072 Disposal of Land and Other Assets Policy

PO091 Risk Management Policy

PO124 Asset Accounting Policy

PO147 Complaints Policy

PO161 Prudential Management Policy

Asset Management Plans

Annual Business Plan

Long Term Financial Plan

Strategic Management Plan

Strategic Risk Register

10. REFERENCES AND LEGISLATION

Local Government Act 1999

Australian Accounting Standards Board AASB116

Australian Infrastructure Financial Management Manual (AIFMM)

International Infrastructure Management Manual (IIMM)

Institute of Public Works Engineering Australasia (IPWEA) – NAMS.PLUS

11. COUNCIL DELEGATION

VERSION HISTORY

Version No	Issue Date	Description of Change
1	10/06/2008	Full Revision.
2	10/08/2010	Full Revision.
3	10/06/2015	Full Revision.
4	13/11/2019	Full Revision.
5	12/07/2023	Full Revision.

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Asset	<p>A resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.</p> <p>Infrastructure assets are a sub-class of property, plant and equipment, which are non-current assets with a life greater than 12 months and enable services to be provided.</p>
Asset Management	<p>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.</p>
Asset Management Plan	<p>Details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to over a 10 - 20 year planning period. The AM Plan will link to a Long Term Financial Plan which typically considers a 10 year planning period.</p>
Infrastructure Assets	<p>Physical assets that contribute to meeting the needs for access to major economic and social facilities and services (e.g. roads, drainage, footpaths and cycle ways). These are typically large, interconnected networks or portfolios of composite assets.</p> <p>The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and often have no separate market value.</p>
Level of Service	<p>The parameters or combination of parameters that reflect social, political, economic and environmental outcomes that the organisation delivers.</p> <p>Levels of service statements describe the outputs or objectives an organisation or activity intends to deliver to customers.</p>
Long Term Financial Plan	<p>A plan that projects a forecast of Council's financial performance and position over a period of at least ten (10) years</p>