



Asset Management Policy



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Document Control

Policy	Asset Management Policy	Policy Number	107
Author/Reviewer	Manager Engineering Services	Review Period and Date	Reviewed within 12 months of election/4 yearly - September

- This Asset Management Policy (Policy) shall be reviewed within 12 months of an election, and thereafter at intervals of no greater than four years. Any review will ensure this Policy continues to meet all statutory requirements and the operational needs of Hilltops Council. The Policy may also be reviewed at other times as determined by Hilltops Council.

Document History

Date	Status	Version	Resolution	Description
February 2017	Draft	0.1		Asset Management Policy - created
28 March 2018	Draft	0.2		Presented to Council for endorsement, public exhibition for 28 days
28 March 2018	Draft	0.3	18/70	Endorsed policy for 28 day public exhibition
2 May 2018	Final	1.0	18/70	No submissions received – policy adopted



1. PURPOSE

To provide a framework to achieve sustainable asset management, that is based on service delivery needs and integrated into Council's corporate and financial planning processes.

2. OBJECTIVE

To ensure that assets used to support the services delivered by Hilltops Council are sustainable and continue to function at a level of service determined by Council and accepted by the broader community.

3. SCOPE

This policy provides guidance to Council, councillors, management and staff, members of special committees (Section 355 Committees) who are involved in the operation, maintenance, renewal, upgrade, development or disposal of a Council asset.

4. POLICY

4.1 Asset management is a major responsibility of Council in undertaking its primary objective of endeavouring to achieve the best outcomes for the local community, having regard to the long term and cumulative effects of decisions Asset Management Policy.

4.2 As custodian of a variety of assets, including a large infrastructure network, Council will embrace the following principles:

- 4.2.1 Sustainability, preserving Council's assets (maintaining their overall condition) for future generations.
- 4.2.2 Liability management, ensuring that existing assets are safe for use by the current generation.
- 4.2.3 Incorporating responsible asset management principles into long term financial and corporate planning, including the Community Strategic Plan and the Delivery Plan.
- 4.2.4 Give preference to funding the renewal of existing utilised assets over the upgrade of existing assets or creation of new assets.
- 4.2.5 Consider the whole of life cost of any proposed upgrade to an existing asset or the creation of a new asset prior to the adoption of a project; these costs include operational, maintenance and renewal costs over the life of the asset.
- 4.2.6 Account for all infrastructure and asset expenditure in financial reporting under the categories of operations; maintenance; renewal; upgrade; expansion and new.
- 4.2.7 Implement and regularly review the Asset Management Strategy, which identifies improvement opportunities and leads to best practice in asset management.



- 4.2.8 Operate a cross-functional Strategic Asset Management Committee to oversee asset management responsibilities and to co-ordinate, advise on, and facilitate the implementation of the adopted Asset Management Strategy.
- 4.2.9 Prepare and adopt Asset Management Plans:
- 4.2.10 Ensure that Councillors and staff, with asset management responsibilities, are trained in asset and financial management principles, practices and processes.
- 4.2.11 The roles and responsibilities for asset management are:

Council:

Overall custodian of assets; adopt policy and asset management plans incorporating level of service; allocate budget resources; and integrate into Council's long term financial and corporate planning.

Executive Team:

Educate and promote awareness of the Asset Management function to staff, councillors and the community.

Support the Strategic Asset Management Committee.

Ensure all Managers are aware of their responsibilities and comply with the Policy, Strategy and Plans

General Manager:

Oversee and implement asset management policy, strategy and plans with agreed resources. Ensure appropriate resources are available for asset management activities.

Strategic asset management Committee:

Develop and implement asset management policy, strategy and plans. Educate and promote awareness of the Asset Management function to staff and contractors.

Ensure reports comply with the IP&R guidelines and National Asset Management Framework prior to General Manager submission for endorsement to authorities.

Review quarterly reports for submission to Executive Team.

Monitor and review implementation of the Policy, Strategy and Plans.

Provide advice and guidance to the Asset Management Unit.

Assess asset and financial management skills across the organisation and recommend further training to Human Resources where required

5. RELATED LEGISLATION

- NSW Local Government Act 1993
- Local Government Amendment (Planning and Reporting) Act 2009
- Civil Liability Act 2002
- Local Government (Finance and Reporting) Regulations 2014
- NSW Local Government (General) Regulation 2005
- Commonwealth Work Health and Safety Act 2011

6. RELATED POLICIES

Policy Development Guidelines

Risk Management Policy

Budget Preparation and Financial Reporting



7. REFERENCES

- Australian Accounting Standards
Local Government and Planning Ministers' Council, Local Government financial sustainability nationally consistent frameworks, Framework 2 – Asset planning and Management (May 2009)
Australian Centre of Excellence for Local Government – National Assessment Framework
Australia Local Government Association – State of the Assets 2015
NSW Integrated Planning Reforms
The Local Government & Municipal Knowledge Base – Asset Management International
Infrastructure Management Manual
Hilltops Council
- Asset Management Strategy
 - Community Strategic Plan, Council Budget & Strategic Resource Plan

8. REVIEW

This policy will be reviewed two years from the date of adoption, with operational amendments as required, in accordance with Council's approval.

9. DEFINITIONS

Asset Management

Asset Management is 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. It includes the management of the whole life cycle (design, construction, commissioning, operating, maintaining, repairing, modifying, replacing and decommissioning/disposal) of physical and infrastructure assets.

Asset

A physical asset built or constructed to provide a service to the community and requires life cycle management by Council. Physical assets include land, buildings, plant and equipment, roads, bridges, footpaths and bicycle paths, parks, sporting and leisure facilities, playgrounds and passive recreational reserves, art works, stormwater drains and associated structures.