

Customer Contact **1300 COUNCIL (1300 268 624)**
 07 4679 4000
www.wdrc.qld.gov.au
info@wdrc.qld.gov.au



Asset Management - Council Policy

Effective Date	<i>17 August 2011</i>
Policy Owner	<i>Technical Services</i>
Link to Corporate Plan	<i>Financial Sustainability</i>
Review Date	<i>November 2022</i>
Related Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 2009</i> • <i>Local Government Regulation 2012</i>
Related Documents	<ul style="list-style-type: none"> • <i>Western Downs Regional Council, Asset Management Plans</i> • <i>Western Downs Regional Council, Annual Operational Plans</i> • <i>International Infrastructure Management Manual 2015</i> • <i>Financial Management Strategy - Council Policy</i>

Policy Version	Approval Date	Adopted/Approved
<i>1</i>	<i>17/08/2011</i>	<i>Ordinary Meeting of Council</i>
<i>2</i>	<i>18/06/2014</i>	<i>Ordinary Meeting of Council</i>
<i>3</i>	<i>18/09/2019</i>	<i>Ordinary Meeting of Council</i>

*This policy may not be current as Council regularly reviews and updates its policies. The latest controlled version can be found in the policies section of Council's intranet or Website. **A hard copy of this electronic document is uncontrolled.***



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1. PURPOSE

The objective of this policy is to provide a whole of organisation approach to achieve best appropriate asset management of Western Downs Regional Council, which will sustain services according to community needs.

This policy aims to achieve:

- Safeguarding Council assets including physical assets by implementing appropriate asset management strategies and appropriate financial resources for those assets;
- Considers all stages in the asset lifecycle (i.e. planning, design, construction, operation, maintenance, renewal and disposal);
- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to meet the needs of the residents, visitors and the environment;
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated;
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the Council;
- Ensuring risk management criteria is considered when identifying strategic upgrades/expansion to the asset network.

2. SCOPE

This policy applies to all assets and services and related activities, owned or controlled, by Western Downs Regional Council.

3. POLICY

It is recognised that assets play an integral role in the delivery of local government services. The asset management policy is to ensure that assets are planned for, provided, maintained and renewed so that they continue to meet the service needs of the community.

The current suite of assets has the following characteristics:

- Infrastructure and facilities assets that vary in age from new to mature assets;
- The useful lives of assets are substantially influenced by natural and environmental events;
- Growth across the region is placing strain on the major asset classes.

Growth and quality of life demands for sustained and improved services over recent years has further accentuated the need to ensure all assets are maintained and renewed to meet community needs. The combined impact of these facts and changes requires a program of continual asset renewal, upgrade and maintenance to ensure that the service delivery requirements for the community and its many visitors are sustained, both now and for future generations.

Council management of assets will be achieved by:

- clearly articulating in the Corporate Plan and Operational Plan that Council will provide quality infrastructure assets and facilities that support services that are appropriate, accessible, responsive, sustainable and affordable for the community;



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- developing and maintaining Long-Term Financial Plan, Long-Term Strategic Asset Management Plan and Strategic Service Management Plan, Asset Management Plans and Operational and Maintenance Management Plans;
- the development of Business Cases and Evidence Based Prioritisation prior to the introduction of a new service;
- ensuring that 'whole-of-life' costs are formulated for all asset-based proposals prior to consideration of any major works / renewal or improvement of an asset;
- maintain a long term financial plan that demonstrates the full costs of an asset are borne equitably by all user, including the utility delivered to customers as the basis for allocating depreciation and obsolescence;
- ensuring that asset renewal requirements required to meet agreed service levels and identified in the asset management plan and long term financial plans will be fully funded in the annual budget estimates
- ensuring that the lowest lifecycle cost of an asset is achieved while maintaining agreed levels of services and an acceptable risk exposure level;
- ensuring that projects and programs in the Capital Works Program and Long Term Financial Plan are identified and allocated funding as renewal, upgrade and new projects;
- annually prioritising capital investment plan and reviewing asset management strategies and plans;
- ensuring consistency through the use of asset management systems, business process and governance requirement with available technology for continuous improvement;
- ensuring a consistent service delivery approach to asset management;
- ensuring Councillors and staff, with asset and financial management responsibilities, will be appropriately trained in relevant asset and financial management principles, practices and processes;
- supporting a whole of organisation approach to asset and services management;
- measuring, monitoring and reviewing, asset and service management values and performance.

Accountability for the implementation of the Asset Management Policy sits with the Chief Executive Officer. Implementation of asset management as an organisational philosophy will occur under the instruction of the Asset Management Steering Group.

DEFINITIONS:

Assets – assets are defined as:

- a physical item of significant value;
- possessing service potential or future economic benefit;
- have an economic life greater than 12 months.
- controlled by the entity; and
- originating as a result of a past transaction or event.

Asset Management – Asset management is the management of assets to deliver a required level of service, in the most cost-effective manner, for present and future customers.

Services Management - the supply of appropriate services to the community, which is consistent with the Council's corporate goals and community needs.

Level of Service - A defined service quality for a particular activity or service area, against which, service performance maybe measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost.

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

Business Case/Planning Report - a Business Case demonstrates the advantage and values of a new service/ assets and will include details of alternative delivery methods and recommended options.

