



## Asset Management Policy 2016

Responsible Officer: <b>Manager Maree Walker</b>	Adoption Date:	16 August 2016
	Approved By:	Alan Clarke
Authorising Officer: <b>Director Alan Clarke</b>	Review Date:	2020
	Policy Type	Council

### PURPOSE

This policy outlines how the Rural City of Wangaratta will manage Council's assets. The policy provides clear objectives, defines key principles and lists responsibilities that underpin asset management. It is intended to support the development, management and implementation of an Asset Management Strategy and Asset Management Strategic Action Plan. This will ensure that effective asset management practices are developed and utilised for all assets owned and controlled by the Rural City of Wangaratta.

### CONTEXT

Council's services are heavily reliant on asset infrastructure that has been built up over generations. The replacement cost of these assets is estimated to be over of \$490 million. This investment is growing each year as a result of Council's capital works program and developer contributed assets.

Most assets are long-lived, with useful lives measured in decades. These assets require significant on-going investment in maintenance and renewal activities to ensure they are fit-for-purpose and able to deliver expected levels of service to the community. Consequently, asset management has a key role in enabling the sustainable delivery of existing and future services necessary to achieve the Rural City of Wangaratta's vision '*the Ultimate in Liveability*'.

The Rural City of Wangaratta is in the process of developing an asset management framework to enhance Council's asset management practices. The framework enables Council to implement a coordinated approach for the management of assets under its stewardship.

### SCOPE

This policy applies to all physical assets which require management by Council. Physical assets include:

- road network, including kerb and channel, and bridges
- path network, including bicycle paths, shared path and the rail trail
- land and Council owned buildings
- parks and recreational facilities

- stormwater systems and flood protection
- plant and equipment
- street furniture
- trees
- art (street art and art collections)
- landfill and transfer stations
- off street car parks

## POLICY

### VISION

**Corporate Vision:** The Rural City of Wangaratta – ‘the ultimate in liveability’

This will be achieved through the delivery of projects, services and initiatives as outlined in the Council Plan.

**Asset Management Vision:** To provide and maintain assets that are accessible, safe, sustainable and responsive to the needs of the community.

This will be achieved through maintaining a systematic asset management framework and through the implementation of an Asset Management Strategy.

### GOALS

#### **Corporate Goals:**

- **We are healthy** – as a community we have access to the services and facilities we need to keep us healthy. We can move around and be active, get medical attention and join in social, cultural and recreational activities with our friends and family.
- **We are growing** – our economy and community are growing because we offer exciting opportunities and potential. We have quality offerings for existing and new businesses and as a region, we continue to attract visitors, investors and new residents.
- **We are connected** – our community has developed to make sure that we can connect and interact with each other – via effective communication and planning, by our roads and pathways, and in active community centres that provide activity and purpose.
- **We are creative** – as a community we have opportunities for everyone to embrace the arts, to attend vibrant and exciting events, and to experience a community that is creative and evolving.
- **We are sustainable** – to ensure our long-term viability and capacity to deliver quality services and infrastructure, we will continue to meet the changing and complex challenges that face us.

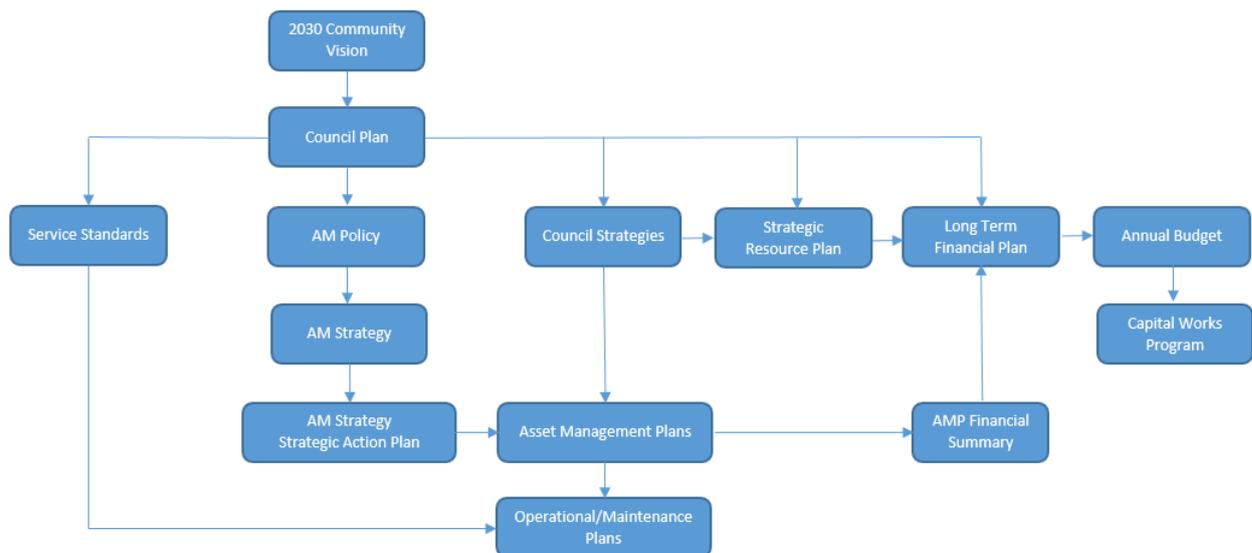
#### **Asset Management Goals:**

- To ensure Council’s infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment.
- To safeguard Council’s assets by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- To develop Asset Management Plans for each asset class that link to the Long Term Financial Plan.

- To adopt a life-cycle management approach, incorporating life cycle costing into capital investment decision making.
- To develop effective and affordable preventative maintenance programs aimed at minimising life-cycle costs and maximising the service potential of assets.
- Contribute to economic development by encouraging asset investments that will improve economic competitiveness and sustainability.
- Make asset decisions that consider and protect the needs and financial obligations of future generations.
- To develop and regularly review service targets in consultation with service managers and stakeholders.
- To develop and maintain detailed asset registers that are integrated across all Council Directorates providing a common data set for strategic, operational and business purposes.

## MANAGEMENT FRAMEWORK

Council's vision and objectives for Asset Management are to be achieved through the continued implementation of Council's Asset Management Framework as shown below:



## ROLES AND RESPONSIBILITIES

### The Council

- Act as stewards for Council owned and maintained assets.
- Adopt the Asset Management Policy, Strategy and Plans.
- Set levels of service.
- Approve the Long Term Financial Plan.
- Ensure the provision and allocation of appropriate asset management resources.

### **CEO and Corporate Management Team**

- Promote asset management awareness.
- Ensure that Asset Management Policy, Strategy and Plans are integrated into the corporate governance framework.
- Ensure that accurate and reliable information is presented to Council for decision making.
- Ensure the Asset Management Strategy - Strategic Action Plan is implemented.
- Foster and support a multi-disciplinary Asset Management and Service Delivery Steering Group.
- Ensure staff are appropriately skilled and trained to perform the required asset management functions.

### **Asset Management and Service Delivery Steering Group**

- Overseeing the development and implementation of the Asset Management Framework.
- Progress to advanced asset management maturity in accordance with the National Asset Management Assessment Framework (NAMAF).
- Monitor and review the Asset Management Policy, Strategy, Plans and associated processes.
- Endorse long term renewal and upgrade programs.
- Identify service costs and evaluate service delivery performance and levels of service.
- Review asset renewal and develop options to meet the renewal gap.
- Monitor asset management performance against actions in the Asset Management Strategy - Strategic Action Plan and report to the Corporate Management Team every six months.

### **Manager Infrastructure Development**

- Develop and review policy, strategy, plans, procedures, practices and guidelines for asset management.
- Develop and implement the Asset Management Strategy - Strategic Action Plan for the management of infrastructure assets.
- Develop and implement capital works programs and maintenance programs in accordance with Asset Management Plans and Council Plans.
- Consult with stakeholders to deliver levels of service to agreed risk and cost standards.
- Ensure that the Asset Management System is integrated with the Finance System and appropriately utilised for asset management tasks.
- Advocate for asset management awareness throughout the organisation.

### **Manager Finance**

- Support the integration of the Asset Management System with the Finance System.
- Prepare financial reports on assets based on accounting standards and financial reporting regulations
- To ensure that funding requirements associated with long term capital works programs and maintenance programs are reflected in the Annual Budget and Long Term Financial Plan.

## **ORGANISATIONAL COMMITMENT**

The Asset Management Policy is set within the context provided by the Council Plan. Council has made a commitment to support and achieve sustainable asset management practices in its Council Plan. This policy supports Council's commitment to:

- give priority to asset renewal when making capital investment decisions in order to ensure that existing assets are fit for purpose; and
- maintain a systematic asset management framework to ensure assets are planned, acquired, created, operated, maintained, renewed and disposed of in line with service delivery priorities.

## **POLICY IMPLEMENTATION**

Vision and goals for Asset Management are to be achieved through the continual implementation of Council's Asset Management Framework. The Asset Management and Service Delivery Steering Group is responsible for overseeing the development and implementation of the Asset Management Framework.

## **RELATED LEGISLATION AND REFERENCES**

Local Government Act 1989

Road Management Act 2004

2030 Community Vision

2013 – 2017 Council Plan – 2016 Revision

MAV STEP Asset Management Program (National Asset Management Assessment Framework)

## **REVIEW**

Responsibility for review upon expiry – Manager Infrastructure Development.

Any change or update which materially impacts and alters this policy must be by Council approval following review by the Corporate Management Team. This policy will be reviewed in June 2020 or if there has been a material change to any relevant laws.