

Council Policy

Asset Management



COUNCIL POLICY

 <p>Adelaide Hills COUNCIL</p>	ASSET MANAGEMENT
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Policy Number:	INF-03
Responsible Department(s):	Infrastructure and Operations
Relevant Delegations:	As per the Delegations Register and as detailed in this Policy
Other Relevant Policies:	None
Relevant Procedure(s):	None
Relevant Legislation:	Local Government Act 1999
Policies and Procedures Superseded by this policy on its Adoption:	Asset Management, 26 September 2017, Item 12.6, 211/17
Adoption Authority:	Council
Date of Adoption:	22 June 2021
Effective From:	6 July 2021
Minute Reference for Adoption:	139/21
Next Review:	No later than May 2025 or as required by legislation or changed circumstances

ASSET MANAGEMENT POLICY

1. INTRODUCTION

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the Adelaide Hills Council.

This policy applies to all the Adelaide Hill Council's departments, officers, employees and contractors.

2. OBJECTIVES

To ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to customers and the environment.
- Safeguarding 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 employees take an integral part in overall management of infrastructure assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

3. DEFINITIONS

“Asset Management System” includes the enterprise wide systems and process that support and deliver the outcomes of the policy setting. This will include but not limited to the identified asset classes, asset register, plans, functions, procedures and processes that support asset management implementation across the organisation.

“Asset Management Plans” means the adopted plans of Council that identify the future works to be undertaken to ensure that the asset classes continue to provide the level of service identified.

4. POLICY STATEMENT

Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

Council owns and uses approximately \$ 500 million of non-current assets to support its core business of delivery of service to the community.

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

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

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.

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.

4.1 Principles

The Adelaide Hills Council's sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of capital assets by:

1. Ensuring that the Adelaide Hills Council's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability;
2. Meeting all relevant legislative and regulatory requirements;
3. Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices;
4. Implementing sound Asset Management plans and strategies and providing sufficient financial resources to accomplish them by:
 - a. Asset Management plans will be completed for all major asset / service areas.
 - b. Expenditure projections from Asset Management Plans will be incorporated into the Adelaide Hills Council's Long-Term Financial Plan.
 - c. Regular and systematic reviews will be applied to all asset plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
 - d. Regular inspection will be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities.
 - e. Asset renewals required to meet agreed service levels and identified in adopted asset management plans, and when applicable long term financial plans, will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented.
 - f. Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
 - g. Future service levels with associated delivery costs will be 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 the Adelaide Hills 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.

4.2 Related Documents:

- A brighter future: Strategic Plan 2020 - 24
- Long Term Financial Plan
- Asset Management Plan 2021 Road, footpath and kerb

4.3 Responsibilities

Council Members are responsible for adopting the policy, allocating resources, and providing high level oversight of the delivery of the Adelaide Hills Council's asset management strategy and plans. The council is also responsible for ensuring that Adelaide Hills Council's resources are appropriately allocated to ensure sustainable service delivery.

The **Chief Executive Officer** has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the Adelaide Hills Council.

5. DELEGATION

5.1 The Chief Executive Officer has the delegation to:

- Approve, amend and review any procedures that shall be consistent with this Policy; and
- Make any formatting, nomenclature or other minor changes to the Policy during the period of its currency.

6. AVAILABILITY OF THE POLICY

6.1 This Policy will be available for inspection at the Council's Offices during ordinary business hours and via the Council's website www.ahc.sa.gov.au. Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

Acknowledgement

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