

POLICY ENG 002

Asset Management Policy

Bogan Shire Council

27th April 2017



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Asset Management Policy for Bogan Shire Council

1.0 Purpose

The objective of this policy is to ensure that Bogan Shire Council develops and maintains appropriate, systems, processes, organisational structure, resources (both Financial and Human) and organisational commitment (Culture), to deliver a consistent and sustainable level of service delivery in line with community expectation.

2.0 Objective

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

- Ensuring that Bogan Shire Council develops and maintains appropriate, systems, processes, organisational structure, resources (both Financial and Human) and organisational commitment (Culture), to deliver a consistent and sustainable level of service delivery in line with community expectation
- 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 best practice.

3.0 Scope

Bogan Shire Council has care, control and responsibility for infrastructure assets with a fair value of in excess of \$247 million. These assets are used to underpin the delivery of services to the community. If assets fail, service delivery is threatened.

This policy sets the framework for ensuring that service delivery is not threatened and that replacement, upgrade and provision of assets is carried out in a planned manner. The policy also ensures that non-asset ownership options are considered when considering changes in service levels.

4.0 Policy

Council is committed to implementing a systematic total asset management methodology in order to ensure appropriate asset management best practices occur 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 of service delivery.

5.0 Vision and Mission

Bogan Shire Council's Vision is to provide ***"Comfortable Country Living"***.

Bogan Shire Council Mission is to ***"Provide a comfortable country lifestyle by progressively improving the level of appropriate facilities and services and encouraging growth and economic development that is responsive to the needs of the community"***

6.0 Key Commitments

The following is a set of key commitments that the Bogan Shire Council will adhere to in relation to total asset management.

- Bogan Shire Council will develop, maintain and adopt Asset Management Plans covering all major Asset Classes:
 - Transport and Storm Water (Roads, Bridges ,Footpaths, Kerbs and Gutters)
 - Water Supply and Sewerage
 - Buildings
 - Other Assets
- The format of Asset Management Plans will align with the Institute of Public Works Engineering’s International Infrastructure Management Manual (IIMM), which ensures that best practices are incorporated, including community consultation for levels of service.
- Bogan Shire Council will develop and maintain an Asset Management Improvement Strategy (AMIS) with a planning horizon of 4 years and which sets out continual improvement for asset management systems and processes in line with the State Government’s Integrated Planning and Reporting Framework.
- Prior to considering changes to services levels and / or new capital works, Council will consider the following;
 - Alignment with the strategic objectives of the community (Community Strategic Plan – Bogan Shire Council).
 - Options for service delivery without Council owning an asset (third party asset ownership).
 - Options to renew assets before acquiring new assets.
 - The full lifecycle cost of owning the assets (whole of life cost).
 - Whether the whole of life cost of asset ownership can be accommodated within the Long Term Financial Plan.
- Bogan Shire Council will regularly review (in line with the AMIS) the need for asset ownership and will implement a process to dispose of redundant or poor performing assets.
- Bogan Shire Council will develop, maintain and adhere to the Defined Asset Management Policy (DAMP).
- Bogan Shire Council will establish and maintain a multi-disciplinary, cross functional Asset Management Working Group (AMWG) to guide the development of asset management practices, systems and processes.

7.0 Linkage to Other Corporate Documents



This policy should be read with reference to the following documents;

- Bogan Shire Community Strategic Plan
- Asset Management Strategy
- Asset Management Plans (AMPs)
- Long Term Financial Plan (LTFP)

8.0 Roles and Responsibilities

8.1 Council will:

- Set Asset Management policy and vision.
- Act as stewards for all Council owned assets on behalf of the community.
- Adopt the Asset Management Policy and the Defined Asset Management Policy, and support the Asset Management Strategy and monitor their outcomes.
- Allocate necessary resources to support appropriate asset management processes.
- Ensure that 4 year Delivery Program (Management Plan) and related Capital Works Programs align with the Bogan Shire Community Strategic Plan, and are sustainable and responsive to community need
- Undertake open and transparent decision making
- Approve levels of service, risk and cost standards in consultation with the community.
- Support continuous improvement programs.

8.2 Executive Staff will:

- Ensure that the strategic direction meets Community and Council aims.
- Implement asset management policies, strategies, plans, across the Organisation as part of the overall Resourcing Strategy.
- Monitor implementation progress of the Asset Management Strategy and identify corrective actions if required.
- Provide relevant and timely professional advice to Council on asset management issues for decision-making, and present information in terms of life cycle risks and costs.
- Identify relevant benchmarks and opportunities to achieve best practice.
- Ensure availability of appropriate resources for asset management activities.
- Ensure that assets are managed in compliance with industry guidelines and standards.
- Ensure that staff responsible for managing assets are trained appropriately.

8.3 Asset Management Group represents the asset management and planning expertise within Council and will:

- Oversee the development, monitoring and review of asset policies, strategies and plans using best practice asset management principles.
- Develop operational procedures to ensure the capture and management of asset information.
- Implement tactical plans (such as maintenance programs, capital works programs) in accordance with Asset Management Plans.
- Report implementation progress and effectiveness to the Executive Staff Committee.

8.4 Council Staff (to the extent that they have asset management related responsibilities) will:

- Employ up to date technologies, methodologies and continuous improvement processes in asset management.
- Have asset management responsibilities reflected in input/output documentation and position descriptions as appropriate.
- Undertake actions and programs consistent with the adopted Asset Management Policy, Strategy and Plans.

9.0 Review Date

This policy will be reviewed in accordance with any time table established by the General Manager, after application of the policy reveals any deficiencies, or if changes in law or regulations impact on the accuracy or legality of the provisions.

Policy adopted by Bogan Shire Council on 27th April 2017 – Minute No: 091/2017

Derek Francis
General Manager