



# Asset Management Policy

## Policy - CP031

Prepared	Reviewed	Approved	Date	Council Minute No.
Manager Asset Services	Asset Management Coordinator	Council	22 May 2019	2019/0110
Trim File: 18/02/01		To be reviewed: May 2022		
Document Owner: Manager Asset Services		Review Frequency: 3 years		

### 1. The purpose of this policy is

To set guidelines for implementing consistent Asset Management processes throughout Mildura Rural City Council (Council).

### 2. Policy Statement

To manage Council assets so they provide the agreed level of service to meet community's needs in a financially sustainable manner and to support the achievement of Council's adopted vision and Long Term Strategic Planning.

To implement Asset Management best practices across all areas of the organisation ensuring the Lifecycle management of assets in line with Council's agreed levels of service.

### 3. Principles

Councils Asset Management Policy will:

- ensure Council assets are fit for purpose in accordance with its long term strategic direction;
- ensure that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- safeguard Council assets including physical assets and employees by implementing appropriate Asset Management strategies and appropriate financial resources for those assets;
- create an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an Asset Management awareness across the organisation through training and development;
- meet legislative requirements for asset management;
- ensure resources and operational capabilities are identified and responsibility for Asset Management is allocated; and
- demonstrate transparent and responsible Asset Management processes that align with demonstrated best practice.

## Roles and responsibilities

The following roles have been defined to clarify how Council will ensure it implements Asset Management best practices across all areas of the organisation:

- **Management of the Service**  
Those responsible for a service being delivered to the community and the interface between Council and the community.
- **Management of the Asset**  
Those responsible for how assets are managed, including overall capital works planning through the engagement of service providers, maintenance managers and other stakeholders.
- **Management of Maintenance**  
Those responsible for ensuring that assets function as designed to meet defined levels of service and industry standards.
- **Governance of the Asset Management System**  
Those responsible for setting up frameworks, systems and processes that can be used across the organisation for Asset Management related activities.

#### **4. Who is responsible for implementing this policy?**

**Council** is responsible for adopting the policy.

The **Chief Executive Officer** has overall responsibility for ensuring the development of the Asset Management Strategy, Plans and Procedures and reporting on the status and effectiveness of Asset Management within Council.

The **Asset Management Steering Group** is responsible for high level implementation and monitoring of Asset Management practices within Council.

## 5. Definitions

Asset	A physical item that is owned or legally controlled by Council, and provides or contributes to the provision of service to the community (in this context excluding financial, intellectual, and non-tangible assets) and has an economic life of greater than 12 months.
Asset Management	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.
Asset Management Strategy	Long-term optimised approach to management of assets, derived from, and consistent with, the organisational strategic plan and the asset management policy
Asset Management Plan (AMP)	A plan developed for the management of one or more infrastructure asset groups that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service.
Level of service	The defined service quality for a particular activity (i.e. Roads) or service area (i.e. buildings) against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Lifecycle	The cycle of activities that an asset (or facility) goes through while it retains an identity as a particular asset i.e. from planning and design to construction, through routine maintenance and renewal to eventual decommissioning or disposal.

## 6. Legislation and other references

### 6.1 Legislation

For further information related to this policy see:

- Local Government Act 1989

### 6.2 Documents

This Policy is implemented in conjunction with the following documents:

- Council's Asset Management Framework
- Council's Asset Management Strategy (under development)
- Council's Roles and Responsibilities Guidelines (under development)
- International Infrastructure Management Manual (2015)
- Australian Infrastructure Financial Management Guidelines (2015)

### 6.3 Risk Assessment Reference

*Please tick the corporate risk(s) that this policy is addressing.*

Risk Category		Risk Category	
Asset Management	✓	Financial Sustainability	✓
Committees		Human Resource Management	
Compliance – Legal & Regulatory	✓	Leadership & Organisational Culture	
Contract Management		Occupational Health & Safety	
Contract Tendering & Procurement		Organisational Risk Management	✓
Corporate Governance	✓	Project Management	
Environmental Sustainability	✓	Public Image and Reputation	✓