



Asset Management Policy

Number:	Admin.PO1
Responsible Manager:	Executive Manager Finance
Head Policy:	N/A
Legislation:	Local Government Act 2009 Local Government Regulation 2012

Purpose

Kowanyama Aboriginal Shire Council provides services to our community. Council held assets enable us to support the provision of many of these services. Council has a responsibility to manage its assets to ensure cost effective delivery of its services.

Council is committed to working towards implementing best Asset Management practice. Asset management is a systematic process that guides the planning, acquisition, operation, maintenance, renewal and disposal of assets over their lifetime. The objective of this policy is to:

- a) Set out a framework to ensure a co-ordinated approach to asset management;
- b) Provide clear direction in the provision and management of assets ensuring sustainable outcomes and agreed levels of service for present and future stakeholders; and
- c) Ensure that Council meets the requirements of legislation and policy for both the technical and financial aspects of managing assets.

Objectives

To promote the implementation of asset management principles in a way that ensures:

- a) Assets are managed in accordance with current legislation and government policy;
 - b) Assets are managed in accordance with recognised best practice;
 - c) Future funding needs are identified so that assets can achieve their defined Level of Service;
 - d) Asset management principles will be integrated within existing planning and operational processes.
- a) A 'whole-of-life' cost approach is taken to the planning, acquisition, operation, maintenance and renewal of assets;
 - b) Asset performance is measured against defined Levels of Service; and



- c) Information about assets is recorded and kept up to date for both the technical and financial aspects of our assets.

Commencement of Policy

This Policy will commence from the date of approval.

Application of the Policy

This policy applies to all Council owned and operated assets and the associated services, regardless of how they were acquired. Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.

Principles

- Capital expenditure will be rationed to asset renewals to meet agreed service levels and identified in asset management plans and long term financial plans where it is possible to do so.
- Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- Systematic and cyclic reviews will be applied to all asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- 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.
- Future service levels will be determined in consultation with the community.

Responsibilities

- Councillors are responsible for adopting the policy, allocation of resources, providing high level oversight of the delivery of the organisation's asset management strategy and plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilized to address the organisation's strategic plans and priorities.
- 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 Council.
- Staff are responsible to comply with the Asset Management Policy to deliver agreed Levels of Service to risk and cost standards. They will also provide timely advice and input into council's asset systems, and participate in appropriate training to develop the skills required to undertake asset management tasks as appropriate for their role or position.



Definitions

Asset - A physical item that is owned or operated by Council, and provides or contributes to the provision of services to the community. Assets must meet valuation thresholds. Assets below the valuation threshold may be managed as managed items or portable and attractive items.

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 - A strategy for the implementation and improvement of asset and services management practices.

Level of Service - Levels of Service are derived from the visionary and strategic Council documents such as the Corporate Plan and the Planning Scheme and associated planning policies. Services are described in terms of quality, quantity, reliability, responsiveness, aesthetics and cost.

Whole of Life Cost - Total expenditure required throughout the life of an asset in order to fund the creation, design, construction, operation, maintenance, renewal and disposal so that the asset can deliver the desired level of service over its life.

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

Review

This policy is to remain in force until otherwise determined by Council.

Resolution

Adopted by Council on the 29 June 2017.

Approved

Chief Executive Officer, Fabian Williams

Date

29/06/2017