

Policy

Asset Management

2024



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	26 June 2013	National Asset Management Framework incorporating Integrated Planning and Reporting – Res # 380
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Further Document Information and Relationships	
Related Legislation*	Local Government Act 1993 Local Government (General) Regulation NSW Office of Local Government Integrated Planning and Reporting Framework Local Government Code of Accounting Practice and Financial Reporting International Infrastructure Management Manual (IIMM)
Related Policies	Procurement Policy Risk Management Framework
Related Documents	Asset Management Strategy Asset Management Plans Community Strategic Plan 2017-2027 Long Term Financial Plan

**Note: Any reference to Legislation will be updated in the Policy as required. See website <http://www.legislation.nsw.gov.au/> for current Acts, Regulations and Environmental Planning Instruments.*

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1. Purpose

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the Liverpool Plains Shire Council.

The Liverpool Plains Shire Council aims to efficiently manage its assets to ensure the delivery of necessary services and infrastructure, meeting both present and future social and economic needs of the community at the lowest possible cost.

2. Scope

This policy extends to all departments, personnel, and contracted individuals affiliated with the Liverpool Plains Shire Council. It also includes all physical infrastructure assets under the Council's ownership, supervision, or administration, as well as assets leased or controlled by the Council.

Asset Management Plans have been developed and reviewed for the following asset categories:

- Buildings
- Parks and Reserves
- Transportation
- Water and Sewer
- Aerodrome
- Fleet and Plant

3. Objectives

To ensure adequate provision is made for the long-term replacement of major assets, whilst sustainably maintaining, improving and developing its assets to support services in a way that minimises risk, has a low impact on the environment, demonstrates best value and meets agreed level of services.

In support of this, the Liverpool Plains Shire Council fundamental values of asset management are:

- Ensuring that services and infrastructure are appropriate for community use, safe, accessible and suitable for the needs of the service.
- Ensure that assets are supplied in a financially sustainable manner, balancing service levels for customers and environmental considerations. We are committed to meeting present needs while preserving resources for the well-being of both current and future generations.
- 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.
- Confirming compliance with legislative asset management mandates, while also developing plans that reflect community needs, maintain affordable service standards, incorporate climate resiliency and diminish Council's environmental impact.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.

- Demonstrating transparent and responsible asset management processes that align with accepted best practice.

4. Background

Effective asset management is crucial for the Liverpool Plains Shire Council's core functions. Implementing best practices across all areas is essential to meet strategic service delivery objectives. This includes planning, developing, operating, maintaining, renewing, and disposing of assets according to service priorities.

Adopting asset management principles supports the Strategic Long-Term Plan and long-term financial goals.

Sustainable Service Delivery ensures socially, economically, and environmentally responsible service delivery without compromising future generations' choices.

Sound Asset Management practices integrate customer values, priorities, and trade-offs between risks, costs, and service performance to enable sustainable service delivery.

Asset management cannot occur in isolation from the Council's broader Integrated Planning Framework. It focuses on achieving the objectives outlined in the Council Plan and informs key documents, such as the Long-Term Financial Plan.

The illustration below demonstrates the interaction between the Council's asset management practices and the Integrated Planning Framework.



5. Principles

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

1. Ensuring that 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 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 inspections 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 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.

6. Responsibility

Council/Councillors are responsible for:

- Approval and adoption of appropriate asset related policies, plans and strategies,
- Consideration of asset management requirements and lifecycle costs when allocating appropriate financial resources,
- Providing high level oversight of the delivery of Council's asset management strategy and plans,
- Ensuring that Council's financial resources are appropriately allocated to ensure sustainable service delivery, and

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- Setting levels of service, risk and cost within available resources.

Director Infrastructure and Environmental Services has overall responsibility for:

- Developing an asset management strategy, plans and procedures,
- Reporting on the status and effectiveness of asset management within Council,
- Ensuring compliance with Council's legislative responsibilities and standards, and
- The promotion and awareness of asset management across the organisation.

Asset Management Team and Council Staff are tasked to assist in:

- Preparation, review and implementation of Asset Management Policy, Asset Management Strategy and Asset Management Plans,
- The administration and maintenance of asset systems and registers, development of procedures and provision of guidance,
- Promotion of compliance with relevant standards and support decision making, while maintaining accountability and transparency,
- The effective and productive management of funds allocated for asset maintenance, operations and related projects, and
- Seeking training to enhance development of skills, abilities and knowledge in the area of asset management.