



DOCUMENT TYPE	Policy
TITLE	ASSET MANAGEMENT
NUMBER:	POL-4010

PURPOSE

To establish Council's position on the sustainable management of the Shire's assets to support service delivery, ensure financial sustainability, and align with the Shire's integrated planning and reporting framework.

This Policy provides the overarching principles to guide the development and implementation of the Asset Management Framework, Asset Management Strategy, Asset Management Plans and associated processes.

DEFINITIONS

Asset means a physical item that is owned or controlled by the Shire of Wyndham East Kimberley and provides or contributes to the provision of service to the community (in this context excluding financial, intellectual, and non-tangible assets).

Asset Management means the processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet Council's priorities for service delivery.

Asset Management Plan means a plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset.

Asset Management Framework means the coordinated set of policies, strategies, plans, processes, systems and practices that enable the effective and integrated management of assets across their lifecycle.

Council means the elected Council (comprising Councillors) of the Shire of Wyndham East Kimberley.

Infrastructure Assets are fixed assets that support the delivery of services to the community. These include the broad asset classes of Roads, Drainage, Buildings and Parks.

Level of Service means the combination function, design and presentation of an asset. The higher the level of service, the greater the cost to deliver the service. The aim of asset management is to match the asset and level of service of the asset to the community expectation, need and level of affordability.

Life Cycle means the cycle of activities that an asset goes through while it retains an identity as a particular asset.

Whole of life cost(s) means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and rehabilitation and disposal costs.

Maintenance means regular ongoing day-to-day work necessary to keep asset operating and to achieve its optimum life expectancy.

Operations means the regular activities to provide public health, safety and amenity and to enable the assets to function e.g. road sweeping, grass mowing, cleaning, street lighting and graffiti removal.

New means creation of a new asset to meet additional service level requirements.

Resources means the combination of plant, labour and materials, whether they be external (contractors/consultants) or internal (staff/day labour).

Renewal means restores, rehabilitates, replaces existing asset to its original capacity. This may include the fitment of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

Risk means probability and consequence of an event that could impact on the Council's ability to meet its corporate objectives.

Shire means the collective Shire of Wyndham East Kimberley organisation.

Stakeholders are those people/sectors of the community that have an interest or reliance upon an asset and who may be affected by changes in the level of service of an asset.

Upgrade means enhances existing asset to provide higher level of service.

SCOPE

This policy applies to all Shire activities and service delivery of the Shire. It relates specifically to the management of infrastructure assets under the care, control and responsibility of the Shire that are used to deliver services or the infrastructure management regime of third parties where the Shire facilitates service delivery by a third party.

This may include, but is not limited to;

- Government Agencies
- Private Enterprise
- Contractors

POLICY STATEMENTS

(1) BACKGROUND

- Asset management practices impact directly on the core business of the Organisation 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 (Strategic Community Plan) and Long-Term Financial objectives.
- Asset management is a core enabler of the Shire's Integrated Planning and Reporting Framework and must be undertaken in a structured, coordinated and organisation-wide manner.

- 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.

(2) PRINCIPLES

The Organisation'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:

- a) Ensuring that the Organisation's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability;
- b) Meeting all relevant legislative and regulatory requirements, including the *Local Government Act 1995* and associated Regulations;
- c) Ensuring asset management is integrated with the Shire's Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan
- d) Ensuring alignment between asset management practices and the Shire's Strategic Asset Management Plan and supporting asset management documents.
- e) Adopting a whole-of-life approach to asset management that considers planning, acquisition, operation, maintenance, renewal and disposal decisions to optimise value and service outcomes.
- f) Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices;
- g) Asset management practices will consider environmental sustainability and climate-related risks, including:
 - resilience of assets to climate impacts; and
 - minimisation of environmental impacts across the asset lifecycle where practicable.
- h) Implementing sound Asset Management plans and strategies and providing sufficient financial resources to accomplish them by:
 - i. Asset Management plans will be completed for all major asset / service areas.
 - ii. Expenditure projections from Asset Management Plans will be incorporated into the organisation's Long-Term Financial Plan to support long-term financial sustainability.
 - iii. Long-term asset planning must be financially sustainable and consider intergenerational equity.
 - iv. 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.
 - v. 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.

- vi. 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.
- vii. 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.
- viii. Future service levels with associated delivery costs will be determined in consultation with the community, and set by Council.
- ix. Asset decisions will be driven by defined levels of service that balance community expectations, affordability and risk.
- x. Ensuring necessary capacity and other operational capabilities are provided and Asset Management responsibilities are effectively allocated;
- xi. Creating a corporate culture where all employees play a part in overall care for the Organisation's assets by providing necessary awareness, training and professional development; and
- xii. Providing those we serve with services and levels of service for which they are willing and able to pay.

(3) OBJECTIVES

The objectives of this policy are to ensure adequate provision is made for the long-term replacement of assets by:

1. Ensuring that all of Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
2. Applying best asset management practices as appropriate to the management of all assets for the Shire of Wyndham East Kimberley.
3. Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
4. Allocating corporate responsibility for asset management and the necessary resources to deliver Asset Management strategies.
5. Creating an environment where all Council departments and employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
6. Assisting the Shire in compliance with the provisions of the State Government's Integrated Planning & Reporting Framework by having an integrated approach to planning for the future.
7. Meeting legislative requirements for asset management.
8. Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
9. Providing a framework for implementing asset management to enable a consistent, coordinated and strategic approach.

10. Facilitate continuous improvement and innovation in delivering service in achieving service standards to benefit the community.
11. Provide a framework which quantifies risk and incorporates that into the decision-making process.
12. Provide guidance to staff responsible for asset management.

(4) ASSET MANAGEMENT FRAMEWORK

The Shire will establish, implement and continuously improve an Asset Management Framework that:

- aligns with Council's strategic objectives;
- integrates with corporate systems including finance, risk and information management;
- supports informed, transparent and consistent decision-making; and
- reflects relevant standards, guidelines and best practice (including ISO 55000 principles where appropriate).

(5) APPLICATION Councillors

Councillors are responsible for adopting the policy, allocating resources, and providing strategic direction in accordance with section 2.7 of the *Local Government Act 1995*. Council is also responsible for ensuring that organisational resources are appropriately allocated to ensure sustainable service delivery.

Chief Executive Officer (CEO)

The CEO has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the organisation.

DOCUMENT AND VERSION CONTROL

Responsible Directorate	Infrastructure		
Responsible Officer	Manager Assets and Engineering		
Statutory References	<i>Local Government Act 1995, Section 5.56</i> <i>Local Government (Administration) Regulations 1996</i> <i>Section 19DA</i>		
Related Documents	POL-4000 Maintenance of Shire Assets. POL-4001 Private Works POL-4002 Private Works and Developments on Road Verges and Council Managed Land.		
Amendment History (Adoption and last 3 amendments)			
Version	Date Issued - Resolution Number	Item #	Description of Change
1.0	25/08/2015 - 11070	13.2.8	Council Adoption
4.0	27/06/2023 - 118869	12.5.1	Review Adopted by Council
4.1	22/11/2023 - CEO066	--	Reference Updates as per POL-1014 Policy Management (previously CP-OPS-3659)
5.0	TBA	TBA	Review Adopted by Council
Date of Next Review	March 2025		