



Asset Management - Council Policy

1. PURPOSE

The purpose of this policy is to provide the overall framework for the strategic management of Council's infrastructure assets in a co-ordinated and structured manner by:

- Establishing corporate and community objectives for asset management based on service delivery needs
- Integrating asset management with the Council's corporate planning utilising an integrated multidisciplinary approach
- Maximising value for money by adoption whole of lifecycle costing combined with disciplined performance management
- Assigning accountability and responsibility for service delivery together with asset management
- Identification, recording and remediation of asset defects
- Maintain a robust data system that records Council's current assets with the aim of promoting effective service gap analysis and future planning
- Promoting sustainability to plan for the needs of future generations

2. SCOPE & AUTHORITY

This policy governs the strategic management of Council's infrastructure assets. It applies to all Councillors and Council Officers.

This is a discretionary policy, resolved by Council under its powers in accordance with the Queensland Local Government Act (2009) Chapter 2, Section 9 which states:

9 Powers of local governments generally

(1) A local government has the power to do anything that is necessary or convenient for the good rule and local government of its local government area.

3. POLICY STATEMENT

3.1 Council's Approach to Asset Management

Council recognises that infrastructure assets are important to the local community and are fundamental to Council's overall service delivery. Planning and responsibility for these infrastructure assets requires strong and informed Councillor and executive oversight which is crucial to achieving strategic asset management and related financial management. Asset management processes must be based on maintaining an up-to-date database of Council assets, including a record of condition and improvements. A collaborative effort and strong communication between Council officers is required, particularly in the area of new acquisitions.

3.2 Asset Management Principles

Council acknowledges the following principles in determining its approach to asset management:

- Service delivery forms the basis for asset management
- Asset management will be integrated with corporate, financial, business, maintenance and budgetary planning
- The asset management plans are developed and updated for each asset class
- Service levels will be developed and defined in each asset management plan. The service levels will form the basis of budget estimates
- An inspection process will be developed for each asset class to ensure agreed service levels are maintained, and to identify asset renewal priorities
- Renewal plans will be based on service levels, condition and risk
- Informed decision making, incorporating a life cycle approach to asset management
- Establishing accountability and responsibility for asset condition, use and performance
- Sustainability in providing for present needs while sustaining resources for future generations



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3.3 Asset Management Measures

In order to achieve Council's stated corporate and community objectives, Council is committed to achieving financial sustainability of its assets over a period of time through the following measures:

- Ensuring that the asset base is not increased without considering the impact on Council's ability to fund future maintenance and renewal of the asset;
- Not replacing those assets that are determined to be underutilized, at the end of their useful lives, following consultation with the community and determining the impact of not replacing the asset will have on the community;
- Continually improving Council's maintenance and renewal practices and adopting best practice wherever possible;
- Basing contributions and other funding levels to ensure that assets are maintained in their service level prescribed by Council;
- Utilizing technology advances and innovative solutions that assist and are relevant to asset preservation and maintenance;
- Maintaining and renewing Council's existing assets in a manner which is acceptable to Council and the community in terms of safety, access, quality, impact on the environment, meeting community needs and Council's ability to fund those works;
- Maximising resources to achieve the best outcome for the community;
- Regularly consulting with the community to determine whether its needs are being met;
- Preparation and review of detailed asset management plans for all major classes of assets and using these plans to assist Council to determine the priorities for expenditure.

4. RESPONSIBILITIES

4.1 All Councillors and Council employees

- Must act consistently with this policy when undertaking asset management responsibilities

4.2 Managers and Directors

- Assist the Chief Executive Officer to develop & review the Asset Management Policy and Plan
- Develop Asset Management Plans for individual asset groups, using the principles of whole life cycle analysis
- Implement maintenance programs, capital works programs in accordance with the Asset Management Plan, Operational Management Plan and Budget
- Deliver levels of service to agreed service, risk and costs standards
- Present information to the Chief Executive Officer and Council in terms of whole of life cycle risks and costs

4.3 Director Infrastructure Services

- Shall be the custodian of this policy
- Shall facilitate regular meetings of the Asset Advisory Committee
- Shall ensure processes are in place for:
 - Identification of asset defects and/or service gaps and development of an inspection and maintenance schedule
 - Communicating with senior management with service gap data who will in turn inform councillors of proposed budget considerations
 - Recording of defects and maintenance using appropriate technology
 - Maintaining a record of gravel quantities utilised from gravel pits covered under relevant State Government legislation
 - Maintaining Council's GIS program through data capture of new assets



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- Assisting Council finance officers with the collation of purchasing data of new asset acquisitions for record keeping and audit purposes.

4.4 Director, Finance & Corporate Services

- Shall oversee financial elements of asset management, including asset register and asset valuations, in collaboration with Infrastructure Services

4.5 Chief Executive Officer

- Develop and agree on the corporate Asset Management Policy with Council
- Develop and implement the corporate Asset Management Plans with agreed resources
- Monitor, review and report performance of the organisation in achieving the Asset Management Plan
- Ensure that accurate and reliable information is presented to Council for decision making

4.5 Councillors and Asset Advisory Committee

- Act as custodians and trustees for infrastructure assets
- Approve the Management Plan and monitor its outcomes
- After assessing competing priorities, set levels of service, risk and cost within available resources
- Approve the annual budget on sound asset management principles and ensure appropriate resources for asset management activities are made available
- Evaluate asset management improvement

5. RISK

This policy seeks to minimise the risk to Council and the community of impaired and devalued infrastructure assets and any related reduction in service levels and increased financial liability. It provides a strategic framework for organisational wide, whole of lifecycle asset management including Asset Management Plans for each asset class, maintenance of an Asset Register and regular asset condition assessments and valuations. The framework requires regular reporting to and review by an Asset Management Working Group.

6. IMPACTS

Corporate Plan:

- Goal – 4. Infrastructure and Planning; Program Areas – 4.3 Community infrastructure for existing and future needs; 4.5 Sustainable planning and development
- Goal – 5. Governance; Program Areas – 5.4 High levels of accountability and compliance; 5.5 Financial management for long-term sustainability

Human Rights Compatibility Statement: This Policy has been assessed as compatible with the Human Rights protected under the Human Rights Act 2019; and

Engagement: This policy has been developed in consultation with the Senior Leadership Group and provides for broad internal stakeholder engagement with the framework overseen by an Asset Management Working Group.



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7. RELATED LAWS

- Local Government Act 2009 (Qld)
- Local Government Regulation 2012 (Qld)
- Water Act 2000 (Qld)
- Water Supply (Safety and Reliability) Act 2008 (Qld)
- Water Supply (Safety and Reliability) Regulation 2011 (Qld)
- Water Regulation 2002 (Qld)
- Sewerage and Water Supply Act 1949 (Qld)
- Sewerage and Water Supply Regulations 1998 (Qld)
- Australian Accounting Standards Board – Relevant Australian Accounting Standards. Especially noting #5 (NFP) Non-current Assets Held for Sale and Discontinued Operations (for not-for-profit entities) and #138 (NFP) Intangible Assets (for not-for-profit entities)

8. RELATED COUNCIL DOCUMENTS

- Asset Register
- Asset Management Plans for each asset class
- Asset Advisory Committee Terms of Reference

9. REVISION HISTORY

Revokes: Doc No. 58132 Version No.1 adopted 19/07/2018

Previous approved versions: Doc No. 58132 Version No.0 adopted 19/07/2017

Suggested to review by: 19/08/2023

10. DEFINITIONS

CEO means the Chief Executive Officer of the Balonne Shire Council appointed in accordance with the Local Government Act 2009.

Council means Balonne Shire Council, its elected Councillors, its management and its employees.

Council Employees means all permanent, casual and temporary employees, contractors, volunteers, apprentices, trainees and work experience students.