



Asset Management Policy

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1. Scope

This policy applies to all fixed physical assets under control of Council that have a Useful Life of more than one year.

2. Purpose

The purpose of the Policy is to ensure that Council has the information, knowledge, understanding and framework to sustainably manage public assets to the community's expectation.

3. Objective

The objective of the Policy is to ensure:

- a) The average condition of existing assets by classification is Condition 3,
- b) Legislative requirements are met, and
- c) The adequate provision of assets in response to future growth.

4. Policy

4.1 Asset Management System - Council will have an Asset Management (AM) System.

4.2 Life Cycle management- Assets will be effectively and efficiently managed through the course of the Life Cycle.

4.3 Evidence Based Decision Making- Asset related decisions will be informed

Name of Policy		
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by decision support systems and knowledge with up to date information and data.

4.4 Sustainable Financial Management- Financial decisions in relation to Asset Management will take account of the long- term and cumulative consequences and best value practices in the context of the Long Term Financial Plan. A process exists to record and account for assets including related revenue and expenses.

4.5 Stakeholder Engagement- The community and other key stakeholders are to be engaged in the determination of future needs and Levels of Service.

4.6 Accountability and Transparency: -

- Council will set objectives and key performance indicators and measure asset performance.
- Council will define roles and responsibilities of asset management staff.

The Council: Is the asset owner and acts as a steward for the assets. The Council will set the Asset Management Policy and Asset Management Strategy objectives. Ensures that resources are available for asset management activities.

Executive Team: Reviews the Asset Management Strategy and Asset Management Plans (including the four-year asset delivery program) and asset business cases in line with this Policy.
Advises and recommends asset matters to Council.

Asset Strategy Forum: Consists of relevant Executive Team and leadership team representatives to recommend Asset Management Strategy and Asset Management Plans to the Executive Team and:

- To oversee asset strategy implementation (including reporting)
- To ensure asset resources, process and systems are adequate
- Advocate best practice Asset Management
- Support the functions of the finance committee

Strategic Asset Manager: Responsible for the development of the Asset Management Strategy and recommends the most sustainable use of available funds across the asset portfolio. Oversees and encourages best practice asset management, Asset Management training & culture and the development of Asset Management Plans.

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Service Manager:	Uses, occupies or tenant's asset/s to provide a service to the community. Advises on current and future service delivery requirements, maximises asset utilisation and reports on asset performance to the Asset Manager. Represents the customer or user's needs.
Asset Manager:	Responsible for the preparation and delivery of the Asset Management Plan to support the Asset Management Strategy objectives. Procure Asset Service Providers to undertake work on the assets.
Asset Service Provider:	Are appointed by the Asset Manager to undertake work in relation to an asset. Some examples include design engineers, project managers, maintenance staff, security officers.

4.7 Risk Management – Council will identify and manage asset related risk.

4.8 Asset Category – Council will create and maintain an Asset Hierarchy.

4.9 Council will undertake condition assessments of Council's assets in accordance with Council's Asset Management plan.

4.10 The planning and reporting of assets will occur in the context of the framework shown in **Attachment A**. Council will develop operational procedures to support implementation of this Policy.

4.11 Continuous improvement –Continuous improvement practices will be implemented to achieve best practice Asset Management including a commitment to regular audits.

4.12 Compliance –Assets will be managed in accordance with relevant legislation.

5. Definitions

Asset Hierarchy: A framework for segmenting an asset portfolio into manageable classifications. City of Parramatta's infrastructures assets are broken up into catalogues of Transport, Stormwater, Buildings, Open Space & Recreation and Shared Infrastructure (assets that can be located in both open space and the traffic corridor).

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Asset Management (AM): The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives throughout the cost effective lifecycle management of assets.

Asset Management Plan: A plan for a specific asset class that identifies asset service levels or standards and contains long term projections of new/replacement, renewal, maintenance and operating costs. Sets out a 4-year program of works which then is broken down annually into the delivery plan.

Asset Management Strategy: Documented information that specifies how City of Parramatta's objectives are to be converted into AM objectives, the approach for developing AM Plans and the role of the AM system in supporting achievement of the AM objectives.

Asset Management System: A set of interrelated or interacting elements of City of Parramatta, including the AM Policy, AM Strategy, AM Plans and the processes to achieve these objectives.

Condition: as measured in accordance with industry standard such as Institute of Public Works Engineers Australasia (IPWEA) condition and assessment performance guidelines or for bridges the Roads and Maritime Bridge Inspection Procedure Manual where 0 is a brand new asset, 3 being fair condition and 5 being an asset in very poor condition.

Level of Service – The defined service quality for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

Life Cycle- The cycle of activities that an Asset (or facility) goes through from planning and design, operation, maintenance, performance and monitoring, to decommissioning or disposal.

Integrated Planning and Reporting Framework- The framework that allows Council to draw various plans together, understand how they interact and get the maximum leverage from their efforts by planning holistically for the future.

Long Term Financial Plan- The 10-year financial plan developed by Council under the Integrated Planning and reporting framework. The Plan is a mechanism to deliver the Community's expectations as outlined in the Community Strategic Plan and Delivery Program within the context of finite economic and financial resources.

Useful Life- The period over which an Asset is expected to be available for use by Council (in the context of its service to Council and not to the Asset's actual physical life).

History

REFERENCES	- Local Government Act 1993
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	- Local Government (General) Regulation 2005 - Local Government Amendment (Planning and Reporting) Bill 2009 - Division of Local Government Planning and Reporting - Guidelines for local government in NSW 2010 - Division of Local Government Planning and Reporting - Manual for local government in NSW 2010 - International Infrastructure Management Manual Edition 2015 - Australian Infrastructure Financial Management Guidelines Edition 1.1 2011
POLICIES	Asset Management Policy 309
ATTACHMENTS	Appendix A

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ASSET MANAGEMENT SYSTEM

