

Asset Management Policy

Date policy was adopted:	29 November 2022
Resolution number:	431/22
Next Policy review date:	October 2024
Reference number:	52.5.4
Strategic Pillar	Assets
Responsible Branch	Infrastructure Services

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1 OUTCOMES

- 1.1 This policy governs the sustainable management of Queanbeyan-Palerang Regional Council's Infrastructure, Property, Plant and Equipment to meet current and future community needs under the adopted responsible spending scenario.
- 1.2 Queanbeyan-Palerang Regional Council is committed to:
- Providing, maintaining, and operating safe, reliable, and effective assets to enable the delivery of agreed levels of service.
 - Ensuring assets meet the needs of the community as the area changes over time
 - Taking a responsible and financially sustainable approach to asset management
 - Complying with legislative and regulatory requirements for asset management
 - Demonstrated transparent and responsible asset management processes that align to ISO 55001 Asset management systems.

2 SCOPE OF THE POLICY

- 2.1 This policy applies to all Queanbeyan-Palerang Regional Council (QPRC) elected councillors, employees, contractors and consultants.
- 2.2 The scope includes the whole of life cycle management for all assets controlled by Council required to deliver community services.
- 2.3 This policy does not apply assets maintained by QPRC under Contract with Transport for NSW or other Asset Owners.

3 DEFINITIONS

- 3.1 **Asset Management** – a framework to identify the costs and benefits associated with providing an agreed level of service that meets the needs of the community, whilst identifying how to optimise the asset through minimising the whole-life cost, including the operation, maintenance and replacement or disposal of each asset in the system
- 3.2 **Asset** - a physical item that provides a function to meet the objectives of Council
- 3.3 **Asset Register** - a system used to store asset information for groups of asset classes based on financial funding sources
- 3.4 **Asset Class** - an asset class is a grouping of assets of a similar nature and use
- 3.5 **Strategic Asset Management Plan** - a high level long term approach and objectives to managing the assets contained within the Asset Register
- 3.6 **Asset Management Plan** - a plan, typically at asset class level, combining technical and financial management techniques over the lifecycle of the asset to determine the most cost-effective manner by which to provide a specified level of service
- 3.7 **Infrastructure, Property, Plant and Equipment** - are long-term tangible assets controlled by Council to delivery services to the community. These assets include roads, stormwater and drainage, land, buildings, water, sewerage, parks recreational areas, library books, art works, public sculptures, and fleet equipment.
- 3.8 **Level of Service** - the service quality for a particular activity, generally both a measurable performance specification, and a minimum condition or performance grade.
- 3.9 **Lifecycle Cost** - is all the costs related to future activities including acquisition, ongoing maintenance, renewal, replacement, or disposal (including rehabilitation) of the asset.

4 LEGISLATIVE OBLIGATIONS AND/OR RELEVANT STANDARDS

- 4.1 The Local Government Act 1993 places a number of obligations on Council for Integrated Planning and Reporting. Integrated Planning and Reporting requires Council must account for and plan all of the existing assets under its control, and any new assets proposed in its Community Strategic Plan and Delivery Program.

The Council must:

- Prepare and adopt an Asset Management Strategy and Asset Management Plans for each class of assets to support the Community Strategic Plan and Delivery Program.
- Ensure that the Asset Management Strategy and Plans cover a minimum timeframe of 10 years.
- Ensure that the Asset Management Strategy includes an overarching Council endorsed Asset Management Policy.
- Ensure that the Asset Management Strategy identifies assets that are critical to the Council's operations and outline risk management strategies for these assets.
- Ensure that the Asset Management Strategy includes specific actions required to improve the Council's asset management capability and projected resource requirements and timeframes. Asset Management Plans must encompass all the assets under a Council's control and must identify service standards.
- Asset Management Plans must contain long term projections of asset maintenance, rehabilitation and replacement, including forecast costs for reflection in the long-term financial plan.
- Council must report on its assets annually including condition assessment, renewal and maintenance expenditure.

5 PRINCIPLES

- 5.1 The primary intent of asset management is to assure level of service requirements are provided that balances cost, risk and quality in a sustainable manner.
- 5.2 This will be achieved through the planning, creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets to provide for present and future community needs.
- 5.3 Council is committed to:
- Asset Management Planning that meets the Integrated Planning and Reporting requirements
 - Using quadruple bottom line (QBL) considerations to provide transparent and responsible asset management decisions
 - Applying systematic and cyclic reviews to all asset classes to assure currency and accuracy of the asset register
 - Improving reporting on state of assets to support services.

6 CONTENT

- 6.1 Council will implement a systematic asset management framework and methodology, in order to apply appropriate asset management best practices across all areas of the organisation. Employees will ensure that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery. Acquisition and disposal of assets will be in accordance with Council's Sustainable Procurement and Contracts Policy, Asset Accounting Policies, and Project Management Framework.
- 6.2 Council will only acquire or create assets after due consideration has been given to the service needs of the community and the operating needs of the Council. Ongoing service levels will be determined in consultation with the community.
- 6.3 Decisions for the acquisition, renewal or retention of assets will consider whether an asset solution is, or remains, the most effective method of meeting the service needs of the community and operating needs of Council.
- 6.4 Council will develop and implement a works management system to create, track, and report maintenance activities against its assets. Council will ensure that the Asset Management Plans are prepared and regularly updated to inform its Long Term Financial Plan.
- 6.5 Implementation of the Asset Management Plans will ultimately rest with Council through the budgeting process, but the philosophies contained within the Plans will guide service delivery throughout the organisation.

7 PERFORMANCE INDICATOR

- 7.1 The effectiveness of this policy will be measured through ensuring that the adopted asset intervention levels are maintained within acceptable limits as defined in the Strategic Asset Management Plans and to Council's financial sustainability levels.

8 REVIEW

- 8.1 This policy will be reviewed every four years or earlier as necessary if:
 - a) legislation requires it, or
 - b) Council's functions, structure or activities change