

## 37. ASSET AND SERVICE MANAGEMENT GENERAL POLICY

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### Intent

Section 104 (s) (a) (ii) of the *Local Government Act 2009* and Section 167 of the *Local Government Regulation 2012* requires the production of a long-term Asset Management Plan. Section 168 of the regulation outlines requirements of the Asset Management Plan.

This policy also supports Council's Corporate Plan 2019-2024, Theme 5 "Robust Governance and Efficient Service Delivery", Goal 3 "We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting", Initiative 1 "Prepare Asset Management Plans for all Council assets".

The goal of the Asset Management Plan is for Douglas Shire Council, on behalf of the community, to meet a required level of service in a way that is financially sustainable through the creation, acquisition, operation and maintenance, renewal and disposal of assets to provide for present and future customers and communities. An Asset Management System approach is central to asset management by taking account of the total cost of an asset throughout its life. A successful asset management plan is judged through better service at an improved costing, not a better asset.

The Douglas Shire Council Asset Management System follows the recognised Plan, Do, Check, Act cycle. This cycle is used to affect both major performance breakthroughs as well as small incremental improvements in projects and processes.

### Scope

This policy applies to all Douglas Shire Council Activities (excluding Controlled Entities).

### Background

Douglas Shire Council is committed to implementing a systematic asset management methodology in order to implement appropriate asset management best-practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, replaced and disposed of in accordance with Council's priorities for service delivery.

Asset Management relates directly to the objectives of Council's Corporate Plan, and will ensure that Council delivers the appropriate level of service through its assets. This will provide positive impact upon:

- Members of the public and staff;
- Council's financial position;
- The ability of the organisation (Council) to deliver the expected level of services and infrastructure;
- The political environment within which the Council operates; and
- The legal liabilities of Council.

## Purpose (Objectives)

Douglas Shire Council applies the asset management framework to achieve the following objectives:

1. Ensure that Council delivers effective & efficient services and infrastructure, at the appropriate levels to residents, visitors and the environment;
2. Safeguard Council assets including physical assets and employees by implementing appropriate asset management strategies, and appropriate financial treatment of those assets;
3. Create an environment where all Council employees will take an integral part in overall management of Council assets (create asset management awareness throughout Council);
4. Meet or surpass legislative compliance for asset management;
5. Ensure resources and operational capabilities are identified and responsibility for asset management is allocated; and
6. Demonstrate transparent and responsible asset management processes that align with appropriate best practice.

## Principles

Effective asset management will be achieved through:

1. Organisational Maturity;
2. Asset Management Practices;
3. Asset Planning and Management Plans;
4. Asset Knowledge;
5. Continuous Improvement;

Council's integrated and multi-disciplinary approach to asset management is essential for cost effective and sustainable service delivery to the community, and for reinforcing Council's role as Custodian of community assets for future generations. An **Asset Steering Committee** comprising of a cross functional team will be responsible to manage the end to - end asset management process. Its' primary purpose is to ensure that:

- The strategic goals for the organisation drive effective asset management;
- Activities and tasks of the Asset Management Plans are prioritised if resources are not available to complete all tasks;
- Any risks and or issues are mitigated in an appropriate manner;
- Asset Management Plans reporting is reviewed on a regular basis;
- A risk management approach is taken with regards to decision making; and
- Review Business process and opportunities to improve asset lifecycle.

Asset and Service Management Plans are to be developed for all major asset groups. Plans are to be linked to, and support, other corporate planning, review and reporting processes.

Assets and related management operations will be periodically re-evaluated to determine the most cost effective and appropriate service delivery solutions, thoroughly considering "total lifecycle costs" and all relevant matters surrounding long-term sustainability and intergenerational equity. Any changes in strategy are then to be reflected in updated Asset Management Plans and Long-term Financial Plans.

## Policy Review

This policy is to be reviewed annual/whenever legislation changes, or every 4 years if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

## Policy Details

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<b>Policy Department</b>	Infrastructure
<b>Link to Corporate Plan</b>	Inclusive Engagement, Planning and Partnerships
<b>Revoked/Superseded</b>	

This policy is to remain in force until otherwise determined by Council.