

1. POLICY CERTIFICATION

Policy title:	Asset Management Policy
Policy number:	DIT002
Category:	Policy
Classification:	DITS
Status:	Approved – 18 December 2013

2. PURPOSE

The purpose of the Asset Management Policy is to set guidelines for implementing consistent asset management processes throughout the Roper Gulf Region.

3. ORGANISATIONAL SCOPE

The Asset Management Policy applies to all Roper Gulf Regional Council activities.

4. POLICY STATEMENT

Roper Gulf Regional Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organization. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Roper Gulf Regional Council's priorities for service delivery.

Roper Gulf Regional Council's overall goal in managing infrastructure assets is to provide the required level of service in a sustainable manner to present and future consumers.

5. DEFINITIONS

Asset	A physical asset, built or constructed, to provide a service to the community and which requires management by Council. Physical assets include land, buildings, vehicles, plant and equipment, roads, bridges, footpaths and bicycle paths, parks, artworks, sporting and leisure facilities, playgrounds and passive recreational reserves, storm water drains and associated structures.
Asset Management	The processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet Roper Gulf Regional Council's priorities for service delivery.
Asset Register	Means a record of asset information considered worthy of separate identification including inventory, historical, condition, construction, technical and financial.
Infrastructure Assets	means to include roads (including bridges and pathways), drainage, parks and nature reserves, buildings and in-situ plant.

Level of service	The defined quality and quantity of services to meet community expectations delivered by Council. In the context of asset management, this applies to assets such as parks and reserves, roads and infrastructure, buildings, drainage, natural areas and traffic and transportation.
Life cycle	means the cycle of activities that an asset goes through while it retains an identity as a particular asset.
Life Cycle Cost	means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, disposal and rehabilitation costs.
Maintenance	Means regular ongoing day to day work necessary to keep an asset operating.
New	Means creation of a new asset to meet additional service level requirements.
Operations	Means the regular activities to provide public health, safety and amenity and to enable the assets to function. Eg. Road sweeping, grass mowing, cleaning, street lighting and graffiti removal.
RGRC	Roper Gulf Regional Council
Risk	Means probability and consequence of an event that could impact on the Council's ability to meet its corporate objectives
Upgrade	Means enhances existing asset to provide a significant higher level of service
Useful Life	Means the period over which a depreciable asset is expected to be used.

6. PRINCIPLES

Asset Management encompasses all of the various actions that RGRC must take to ensure that its assets are planned, delivered, managed, renewed and retired to serve both present and future generations sustainability.

A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council. All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.

Asset management principles will be integrated within existing planning and operational processes. Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting.

An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.

Service levels agreed through the budget process and defined in adopted Asset Management Plans will be fully funded in the annual budget estimates.

DIT002 – Asset Management Policy

Asset renewals required to meet agreed service levels and identified in adopted asset management plans and long term financial plans will be fully funded in the annual budget estimates. Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.

Prior to consideration of new infrastructure works, renewal, or upgrade:

- a strategic review of the need for, and the life cycle cost of that asset (including capital, maintenance, operating and renewal costs) will be carried out
- Asset Renewal Plans will be implemented progressively based on priority, the level of service required and the effectiveness of the current performance of the asset
- plans to upgrade existing infrastructure will be considered and evaluated according to the need to increase the asset’s level of service.

Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.

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.

Future service levels will be determined in consultation with the community.

RGRC will continually seek opportunities for multiple uses of assets, as well as strategic community partnerships and for economic extensions to infrastructure life.

Training in asset and financial management will be provided for councillors and relevant staff.

7. ROLES AND RESPONSIBILITIES

Council will be responsible for adopting the policy and ensuring that sufficient resources are applied to manage the assets.

The **Chief Executive Officer** will have overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

8. REFERENCES

Acknowledgements (original author/source documents)	
Related Policies	<ul style="list-style-type: none"> ▪ FIN009 Asset Disposal Policy
Related Legislations	<ul style="list-style-type: none"> ▪ Local Government Act 2008

DIT002 – Asset Management Policy

Related Documents	<ul style="list-style-type: none"> ▪ Asset Management Strategy and associated Asset Management Plans ▪ Long Term Financial Sustainability Plan ▪ RGSC Maturity Assessment – Asset Management
Related Forms	

9. DOCUMENT CONTROL

Policy number	DIT002
Policy Owner	DITS
Endorsed by	OCM
Date approved	18 December 2013
Revisions	
Amendments	
Next revision due	December 2014

10. CONTACT PERSON

Position	Manager Governance, Corporate Planning & Compliance
Contact number	08 8972 9000