
1. POLICY CERTIFICATION

Policy title:	Asset Management Policy
Policy number:	ASS002
Category:	Council Policy
Classification:	Asset and Infrastructure
Status:	Draft

2. PURPOSE

The purpose of the Asset Management Policy is to set guidelines for implementing consistent asset management processes and to provide a whole of organisation approach. This will achieve best appropriate asset management for Roper Gulf Regional Council (Council) which will sustain services according to community needs throughout the Roper region.

3. ORGANISATIONAL SCOPE

The Asset Management Policy applies to the operation, maintenance, refurbishment, renewal, upgrading and development of all Council owned or controlled existing and new assets and associated services and activities.

4. POLICY STATEMENT

Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that:

- Assets are managed in accordance with current legislation;
- The asset base is not increased without considering the impact on Council's ability to fund future maintenance and renewal programs;
- Assets that are deemed underutilised at the end of their life will not be replaced.
- Council continually improves maintenance and renewal practices, including increasing contributions and other funding to ensure assets are maintained for their service level prescribed;
- Assets are maintained in a manner which is acceptable to Council and the community in terms of safety, access, quality, impact on the environment and meeting needs of the community;
- 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;
- Information about assets is recorded and kept up to date for both technical and financial aspects of the assets; and
- Assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

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 resource controlled by Council that has a current or future economic value. Assets include land, leases, buildings, infrastructure, plant and machinery, motor vehicles, furniture and fittings, intangible assets and inventory.
Major asset	An asset with a value of or above \$10,000 (exclusive of GST) or another amount less than \$10,000 (exclusive of GST) as determined by the Council.
Portable and attractive asset	An asset with a value below the value of a major asset.
Asset Management	The processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet Council's priorities for service delivery.
Asset Register	A record of asset information considered worthy of separate identification including inventory, historical, condition, construction, technical and financial.
CEO	Chief Executive Officer.
Council	Roper Gulf Regional Council.
Infrastructure Assets	Includes 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	The cycle of activities that an asset goes through while it retains an identity as a particular asset.
Lifecycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, disposal and rehabilitation costs.
Maintenance	Regular ongoing day to day work necessary to keep an asset operating.
New	Creation of a new asset to meet additional service level requirements.
Record	Recorded information in any form that is required to be kept by a public sector organisation as evidence of the activities or operations of the organisation as per the <i>Information Act 2002</i> .
RGRC	Roper Gulf Regional Council.
Risk	Probability and consequence of an event that could impact on the Council's ability to meet its corporate objectives.
Upgrade	Enhances existing asset to provide a significant higher level of service.
Useful Life	The period over which a depreciable asset is expected to be used.

6. PRINCIPLES

- 6.1. Asset management encompasses all of the various actions that Council must take to ensure that its assets are planned, delivered, managed, renewed and retired to serve both present and future generations sustainability.
- 6.2. 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.
- 6.3. Asset management principles will be integrated within existing planning and operational processes. Asset Management Plans will be developed for major

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- service/ asset categories. The plans will be informed by community consultation and financial planning and reporting.
- 6.4. An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
 - 6.5. Service levels agreed through the budget process and defined in adopted Asset Management Plans will be fully funded in the annual budget estimates.
 - 6.6. 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.
 - 6.7. 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; and
 - Plans to upgrade existing infrastructure will be considered and evaluated according to the need to increase the asset's level of service.
 - 6.8. Systematic and cyclical 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.
 - 6.9. 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.
 - 6.10. Future service levels will be determined in consultation with the community.
 - 6.11. Council will continually seek opportunities for multiple uses of assets, as well as strategic community partnerships and for economic extensions to infrastructure life.
 - 6.12. Training in asset and financial management will be provided for Council members and relevant staff.
 - 6.13. Roles and Responsibilities
 - 6.13.1. Council
 - Act as custodians and trustees for assets;
 - Provide stewardship of community assets;
 - Approve the Asset Management Plan and monitor its outcomes;
 - After assessing competing priorities, set level 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; and
 - Evaluate asset management improvement.

6.13.2. 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;
- Ensure compliance with legal obligations;
- Ensure that adequate records are kept of Council assets
- Monitor, review and report performance of the organisation in achieving the Asset Management Plan; and
- Ensure that accurate and reliable information is presented to Council for decision making.

6.13.3. Senior Management

- Assist the CEO to develop, implement and regularly review the Asset Management Policy and Plan;
- Develop Asset Management Plans for individual asset groups, using the principles of whole life cycles analysis;
- Implement maintenance programs and capital works programs in accordance with Asset Management Plan, Operational Management Plan and Budget;
- Develop and maintain asset information systems;
- Participate in appropriate training to develop skills required to undertake asset management tasks as appropriate for the responsibility of the role or the position;
- Deliver levels of service to agreed service risk and costs standards;
- Present information to the CEO and Council in terms of whole life cycle risks and costs; and
- Undertake a stocktake of inventory once each year as per Section 25 of the *Local Government (General) Regulations 2021*.
- Maintain a register of Council’s major assets and portable and attractive assets as per Section 26 of the *Local Government (General) Regulations 2021*.

7. REFERENCES

Related Policies	FIN009 Asset Disposal Policy
Related Publications	<i>Local Government Act 2019</i> <i>Local Government Act (General) Regulations 2021</i> <i>Information Act 2002 (NT)</i>
Related Supporting Documents	Asset Management Strategy Asset Management Plans Long Term Financial Sustainability Plan

	RGRC Maturity Assessment – Asset Management
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8. DOCUMENT CONTROL

Policy Number	ASS002
Policy Owner	Asset and Infrastructure
Approved By	Council
Approval Date	18 December 2013
Revisions	May 2017
Amendments	31 May 2017, 22 February 2023
Next revision due	July 2024

10. CONTACT PERSON

Position

Manager Governance, Corporate Planning & Compliance