



DUBBO
REGIONAL
COUNCIL

COUNCIL POLICY

Asset Management Policy

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Branch	
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POLICY

PURPOSE

To ensure that Dubbo Regional Council develops and maintains appropriate systems, processes, organisational structure, resources (both financial and human) and organisational commitment (culture), to deliver a consistent and sustainable level of services delivery in line with community expectation. The Asset Management Policy also ensures that Council has information knowledge and understanding about the long-term and the cumulative consequences of being the custodian of public infrastructure.

This is achieved by ensuring that systems and processes are in place to enable people to determine the most effective and efficient options for delivering infrastructure related services while controlling exposure to risk and loss.

The Asset Management Policy provides the framework that together with the Community Strategic Plan, Delivery Program and Operational Plan enables the Asset Management Strategy and specific Asset Management Plans to be produced.

BACKGROUND AND RELATED LEGISLATION

The Local Government Act 1993 and Amendments place a number of obligations on councils in relation to asset management.

This integrated planning and reporting legislation requires that Council must account for and plan for all the existing assets under its ownership, and any new assets proposed in its Community Strategic Plan and Delivery Program and associated Resourcing Strategy.

Council must:

- Prepare an Asset Management Strategy and Asset Management Plan(s) to support the Community Strategic Plan and Delivery Program.
- Ensure that the Asset Management Strategy and Plans(s) 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 Councils 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 inclusive of projected resource requirements and timeframes.

Figure 1 below shows the components of the Integrated Planning and Reporting that frame Asset Management requirements.

Figure 1



SCOPE

Dubbo Regional Council has care, control and responsibility for infrastructure assets with a fair value of in excess of \$2.93 billion. These assets are used to underpin the delivery services to the community. If assets fail, service delivery is threatened.

This policy sets the framework for ensuring that service delivery is not threatened and that replacement, upgrade and provision of assets is carried out in a planned and coordinated manner. The policy also ensures that non-asset ownership options are considered when determining changes in service levels.

POLICY

Council is committed to implementing a systematic total asset management methodology in order to ensure appropriate asset management best practices occur across all areas of Council. This includes ensuring that asset purchases are planned, constructed, operated, maintained, renewed, and disposed of in accordance with Council's priorities of service delivery.

Dubbo Regional Council's vision for asset management is to provide and manage an appropriate mix of infrastructure at the lowest possible life cycle cost to support a great community.

Dubbo Regional Council commits to the following in regard to total asset management:

- Council will develop, maintain and adopt corporate asset management plans covering all major asset classes:
 - Transport (roads, bridges and footpaths)
 - Water supply
 - Sewerage services
 - Stormwater drainage
 - Parks and Landcare
 - Buildings
- The format of Councils Corporate Asset Management Plans will generally align with the Institute of Public Works Engineering's International Infrastructure Management Manual (IIMM), which ensures that the best practices are incorporated, including community consultation in relation to levels of service.
- Council will develop and maintain an Asset Management Improvement Strategy (AMIS) with a planning horizon of 4 years and which sets out continual improvement tasks for asset management systems and processes in line with the State Government's Integrated Planning and Reporting Framework and the National Asset Management Assessment Framework (NAMAF).
- Prior to considering changes to service levels and / or new capital works, Council will consider the following:
 - Alignment with strategic objectives of the community (Community Strategic Plan – 2040).
 - Options for service delivery without council owning an asset (third party asset ownership).
 - Options to renew assets before acquiring new assets.
 - The full lifecycle cost of owning the assets (whole of life costs).
 - Whether the whole of life cost of asset ownership can be accommodated within the Long Term Financial Plan.
- Council will regularly review, in line with the AMIS, the need for asset ownership and will implement a process to dispose of redundant or poor performing assets.

- Council will develop, maintain and adhere to the Defined Asset Management Policy (DAMP).
- Council will establish and maintain a multi-disciplinary, cross functional Asset Management Working Group (AMWG) to guide the development of asset management practices, systems and processes.

RESPONSIBILITIES

Council will:

- Set Asset Management Policy.
- Act as stewards for all Council owned assets on behalf of the community.
- Adopt the Asset Management Policy and the Defined Asset Management Policy, and support the Asset Management Strategy and monitor their outcomes.
- Allocate necessary resources to support appropriate asset management processes.
- Approve levels of service, risk and cost standards in consultation with the community.
- Support continuous improvement programs.

Executive Leadership Team will:

- Ensure that strategic direction meets community and Council aims.
- Implement asset management policies, strategies, plans and the Defined Asset Management Policy (DAMP) across the organisation as part of the overall Resourcing Strategy.
- Monitor implementation progress of the Asset Management Strategy and identify corrective actions if required.
- Provide relevant and timely professional advice to Council on asset management issues for decision making, and present information in terms of life cycle risks and costs.
- Identify relevant benchmarks and opportunities to achieve best practice.
- Ensure availability of appropriate resources for asset management activities.
- Ensure that assets are managed in compliance with industry guidelines and standards.
- Ensure that staff responsible for managing asset are trained appropriately.

Asset Management Work Group represents the asset management and planning expertise within Council and will:

- Oversee the development, monitoring and review of asset policies, strategies and plans using best practice asset management principles.
- Develop operational procedures to ensure the capture and management of asset information.

- Implement tactical plans, such as maintenance programs and capital works programs, in accordance with Asset Management Plans.
- Report implementation progress and effectiveness to Executive Leadership Team.

Council Staff, to the extent that they have asset management related responsibilities, will:

- Employ up to date technologies, methodologies and continuous improvement processes in asset management.
- Have asset management responsibilities reflected in position descriptions as appropriate.
- Undertake actions and programs consistent with the adopted Asset Management Policy, Strategy and Plans.