


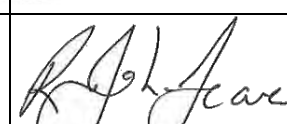


**Murrumbidgee**  
COUNCIL

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# Asset Management Policy

(Revision 1)

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Document Revision History	
Date adopted by Council:	28 August 2018
Minute Number:	175/08/18
Revision Number:	1
Review Date:	September 2022
Date adopted by Council:	27 September 2022
Minute Number:	134/09/22
Next Review:	See item 9 of this Policy
Revision Number:	
Review Date:	
Date adopted by Council:	
Minute Number:	

September 2022

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## 1. Purpose

To provide clear direction and structure for decision making in the management of Murrumbidgee Council assets. To maintain consistency, transparency and inter-generational fairness in the manner in which Council deals with its assets. To promote asset management awareness and the effective delivery of services, throughout Council and the community, with a focus on continuous improvement in the performance, cost, and risk assessment of assets.

To set guidelines for implementing consistent asset management processes throughout Murrumbidgee Council.

## 2. Statement

Council is responsible for the management of an array of infrastructure assets that have been developed for and on behalf of the community. It is committed to the sustainable management of that infrastructure, and realises the importance of incorporating asset management principles across all of its business and service operations.

To achieve this, Council refers to the:

- Roads Act 1993
- Local Government Act 1993, Chapter 13, Part 2 Strategic Planning, sets out the role, purpose, responsibilities and powers of Local Government, including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery. Chapter 13 gives effect to the Integrated Planning and Reporting framework.
- International Infrastructure Management Manual (IIMM) - IPWEA
- Australian Infrastructure Financial Management Manual (AIFMM) –IPWEA
- NSW Integrated Planning and Reporting Framework and Guidelines – see diagram



### **3. Objective**

To ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- Safeguarding Council assets, including physical assets and employees, by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified, and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

### **4. Provisions**

The Asset Management Policy is guided by the Council's Community Strategic Plan and Resourcing Strategy, and details how effective asset management will be achieved through:

- The development and ongoing review of a long term Asset Management Strategy, which shows how the asset portfolio supports the service delivery needs of the community.
- The detailed management of assets through the ongoing development of Asset Management Plans (AMP) according to community expectations, budget allocations, recognised best practice and relevant legislation.
- The provision of funding which is identified, agreed upon and allocated in a way that meets the defined levels of service detailed in the AMP.
- The implementation and maintenance of an Asset Management Information System that contains comprehensive knowledge of all physical assets, and ensures that financial information is recorded in a way that is useful to both the management of the asset and financial reporting.

### **5. Goals and Vision**

Council's goals under this policy are to:

- Fully integrate asset management principles in all its business processes; and
- Through continuous improvement, achieve advanced competency in asset management. When these goals are realised, Council will be able to unequivocally demonstrate and implement the most cost-effective management of all its assets as a basis for its future financial sustainability.

## 6. Principles

- Within each four year term of Council, review appropriate levels of service with the community, for all asset groups to ensure equity, good governance, financial and environmental sustainability.
- Provide inspection processes that will ensure service levels and maintenance regimes are maintained.
- Develop formal Asset Management Plans for the infrastructure assets in each of its major service functions, addressing the whole-of-life costs, including initial capital cost, operation, maintenance and disposal of assets. This will ensure a critical review for asset provision when considering funding for new assets, asset renewal, rehabilitation, decommissioning or alternative modes of delivery.
- Ensure that Asset Management Plans are used by managers to inform and provide linkages to Council's Long Term Financial Plan, as well as short term annual operational plan budgeting.
- Determine the key factors associated with risks to the community and Council staff, assess the resultant range of outcomes and their probability of occurrence, and monitor outcomes on an ongoing basis.
- Apply systematic and cyclic reviews to all asset classes to make sure they are valued and depreciated in accordance with appropriate best practice and Australian Accounting Standards.
- Use a project management methodology for asset life cycle processes.
- Develop and review a comprehensive catalogue of asset management and audit processes, which support the goals of this policy.

## 7. Governance

### Responsibilities for Asset Management

#### Council's Elected Representatives

- To ensure assets and services are provided in a sustainable and efficient manner.

#### General Manager and Directors

- To ensure Council's commitment to the principles of sound asset management and the community needs.
- To ensure all staff are educated in asset management, and responsibilities are undertaken.

#### Asset Management Section

- To provide leadership and coordination for the implementation of sound asset management principles through policy, strategy, procedures, forms and awareness education.
- To provide cross-organisational representation, and meet regularly.

### Asset Custodian

- To be responsible for managing infrastructure assets to ensure their most efficient use.
- To ensure that information provided to populate the Asset Register is accurate and updated when assets are acquired, maintained, renewed or disposed.

### Finance Section

- To update financial systems with asset transactions in accordance with standards.
- To implement and maintain software solutions that enable sound asset management principles for all persons involved.

## **8. All Staff**

Any staff member that manages or has a responsibility to program, instigate, govern or oversee work that results in the creation, upgrade, renewal, receipt (contributed, gifted or otherwise) or disposal of assets shall comply with the processes stipulated in the Asset Management System.

## **9. Policy Review**

This Policy:

- To be reviewed within the first year of the new Council term;
- May be reviewed and amended at any time at Council's discretion (or if legislative or State Government policy changes occur).