

PURPOSE

This policy guides the safe, effective and efficient management of physical assets supporting the sustainable delivery of services identified in Council's Community Strategic Plan, Delivery Program, and Operational Plan.

POLICY INTENT

The overall intent of this Asset Management Policy is encapsulated in the following statement:

Council will provide and manage its physical assets in a way that ensures they can support the safe, effective, and efficient delivery of services to our community now and into the future.

Consistent with the Office of Local Government requirements this policy¹:

- Sets the broad framework for undertaking asset management in a structured and coordinated way, aligned with the Community Strategic Plan;
- Outlines why and how asset management will be undertaken;
- Gives clear direction for asset management defining the key principles for whole of life asset management; and
- Promotes financial sustainability and recognises the importance of meeting the needs of future generations.

ASSET MANAGEMENT PRINCIPLES

Council will apply a strategic approach to asset management guided by the following core principles:

- Services drive assets and the interrelationship between our assets and how they support the delivery of services to our community is clearly defined and understood;
- Responsibility for asset management is shared collectively across Council with roles and responsibilities that are clearly defined and understood;
- Council's assets are effectively managed using a Whole of Life (WoL) approach (i.e. operations, maintenance, renewal, upgrade, expansion, and disposal) as a fundamental component of ensuring long term financial sustainability for the provision of services to our community;
- Reliable information on our assets is available and maintained to meet the Council's strategic, operational, and business planning purposes;
- Asset Management Plans inform financial sustainability and financial planning;
- Council complies with all legislative and regulatory obligations;
- Council officers have the appropriate training, knowledge and skills to deliver asset management;
- Asset management performance is routinely monitored and reported;
- Asset management processes, practices, and systems will continually be evaluated and a continuous improvement approach applied.

¹ Office of Local Government Handbook p.48

WOLLONGONG 2028 OBJECTIVES

Many of the goals, objectives and strategies identified in the Community Strategic Plan relate to the services that Council provides to our community. In many cases these services require a range of assets to support delivery. Goal 4 “*We are a connected and engaged community*” includes the following objective and strategy for which asset management is a core component of long-term financial sustainability.

Objective 4.3: Our council is accountable, financially sustainable and has the trust of the community

Strategy 4.3.2: Resources (finance, technology, assets and people) are managed effectively to ensure long term financial sustainability

STRATEGIC ASSET MANAGEMENT PLANNING FRAMEWORK

Council’s Asset Management intent and principles are to be achieved through the implementation of the Strategic Asset Management Planning Framework as shown in Figure 1.

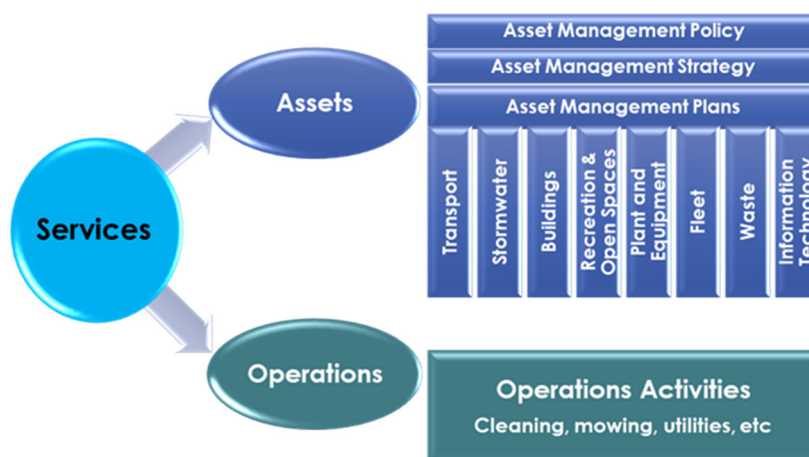


Figure 1: Strategic Asset Management Planning Framework

POLICY STATEMENT

Council will:

- Implement the Strategic Asset Management Planning Framework for the management of Council’s physical assets;
- Identify and define asset requirements and levels of service for each of the services being delivered to our community within Asset Management Plans;
- Ensure the integration of the Asset Management Plans with Council’s Resourcing Strategy, Delivery Program, Operational Plan and other Council strategies and plans related to Council’s physical assets;
- Prepare and adopt Asset Management Plans for each asset class and update these on a minimum 4 yearly cycle;
- Ensure whole of life costs are considered in all investment decisions surrounding new assets;
- Ensure risks associated with Council owned or managed assets are identified and appropriately managed;
- Consider the possible effects of climate change on assets as part of Asset Management Plans;
- Consider the opportunities and impacts presented by technological development of assets and customer needs;
- Review Council’s asset management practices every 4 years with an aim to achieve, or exceed, a ‘core’ level of maturity;

- Further develop asset management capability and competency to ensure Council Staff are aware, competent and empowered to implement this policy;
- Ensure operational resources are available and empowered to prepare effective Asset Management Plans;
- Develop and implement a Continuous Improvement Plan; and
- Implement a governance model for Council's Asset Management Framework.

LEGISLATIVE REQUIREMENTS

Wollongong City Council recognises its obligations under the Local Government Charter (section 8(1) of the Local Government Act 1993) as they pertain to asset management. Specific legislation and standards as relate to each asset class are listed in the relevant Asset Management Plan. This Policy also follows the requirements of the NSW Integrated Planning and Reporting framework in the Local Government Act 1993

REVIEW

This Policy will be reviewed every two years from the date of each adoption of the policy, or more frequently as required.

REPORTING

Councils must report on their assets in the annual financial statements, in accordance with the Local Government Code of Accounting Practice and Financial Reporting, including condition assessment, renewal and maintenance expenditure.

ROLES AND RESPONSIBILITIES

Responsibilities for implementing this policy are shared between Councillors, Executive, and staff as follows:

Councillors

- Primarily responsible for ensuring that their decisions represent and reflect the needs of the wider community. Council will engage with the community to determine their main priorities and expectations for the future and through development of the Community Strategic Plan and Delivery Program which detail the strategies and resources that will be used to achieve these goals.
- Adopt Council's Resourcing Strategy including the Asset Management Policy and Asset Management Plans.

General Manager and Executive

- Primarily responsible for ensuring the development and resourcing of Council's Strategic Asset Management Planning Framework, Asset Management Plans, processes, and systems to ensure they are fully integrated into Council's Integrated Planning and Reporting framework and Community Strategic Plan.
- Endorse Council's Asset Management Strategy.
- Endorse Council's Asset Management Plans.
- Seek to ensure Council allocates sufficient resources to the development, ongoing improvement and delivery of the Asset Management Strategy, Asset Management Plans, and supporting systems.
- Integrate the Asset Management Policy and Strategy into other policies and business processes of Council.
- Comply with Council's legal obligations.

Council Staff

- Develop and maintain Council's Asset Management Strategy.
- Develop and maintain Asset Management Plans for agreed asset groups.
- Deliver asset maintenance, renewal, upgrade, and disposal programs in accordance with Asset Management Plans and identified priorities.
- Identify community Levels of Service for assets as part of the development of Service Plans.
- Ensure asset whole of life costs are identified and incorporated into service delivery proposals and projects.
- Periodically review the Asset Management Policy, Strategy, and Asset Management Plans.
- Engage up-to-date technologies, methodologies, and continuous improvement processes in the management of Council's assets.
- Commit to continuous improvement approach

Asset Management Steering Committee (AMSC)

- Provides oversight of Council's Asset Management Strategy, Asset Management Plans and Continuous Improvement Program.

Director Infrastructure and Works

The Director Infrastructure and Works will provide leadership and direction to support the:

- Directorate is adequately resourced and trained to carry out the Asset Management actions;
- Application of Council's Strategic Asset Management Framework;
- Development of Asset Management Strategy and Plans;
- Implementation of the adopted Asset Management Strategy and Continuous Improvement Plan actions;
- Development and implementation of the Infrastructure Delivery Program in accordance with Asset Management Plans, Long Term Financial Plan and the Annual Budgets;
- Report to the Council, Audit Committee and Executive and with respect to ongoing Asset Management performance; and
- Liaise with other directorates to assist them to develop and monitor Service Plans for each key service provided by the Council incorporating both the descriptive and financial costing aspects of the plans.

Director Corporate Services and Chief Financial Officer

These roles provide leadership and direction to:

- Work with the Infrastructure Strategy and Planning Division to align the asset management and financial management practices within Council and apply the Strategic Asset Management Planning Framework;
- Development of a Long Term Financial Plan that recognises asset consumption and contains the predicted capital renewal forecasts, demand costs and other whole of life costs identified in Asset Management Plans;
- Provide guidance and advice to the Asset Management department where asset management and financial management requirements overlap (e.g. financial valuations);
- Structure the accounts and related business processes to recognise lifecycle costs including: Operations, Maintenance, Renewal, Upgrades, New and Disposal;
- Support the development, implementation and alignment of the Asset Accounting Policy with the Asset Management Policy and Strategy.

Chief Information Officer

The Chief Information Officer operates under the Director Corporate Services and will provide leadership and direction to:

- Deliver technology related assets and projects identified and assigned in Council's Infrastructure Delivery Program
- Provide cyber security services to support asset planning and management, where these assets have a technology component
- Ensure the on-going maintenance and support for information technology and technology components of assets
- Ensure that the information generated from technology related assets is well managed, secure and available to provide management insights to Council.

Manager Infrastructure Strategy and Planning

The Manager Infrastructure Strategy and Planning operates under the Director of Infrastructure and Works and will provide leadership and direction to:

- Ensure the division is adequately skilled and trained to carry out its role and function;
- Strategically plan the development and provision of transport and stormwater services;
- Develop and apply Council's Strategic Asset Management Planning Framework;
- Prepare Asset management related policies, strategies and plans for consideration by the Executive and Council;
- Develop and implement a Continuous Improvement Plan for asset management;
- Provide technical Asset Management leadership within Council;
- Coordinate the Asset Management Steering Committee;
- Develop the Infrastructure Delivery Program linked to Service Plans, Asset Management Plans and other strategic planning documents;
- Prepare and document processes for asset management activities; and
- Collect and regularly review condition data to support asset management planning.
- Provide stormwater design services to support asset planning and management.

Manager City Works

The Manager City Works operates under the Director of Infrastructure and Works and will provide leadership and direction to:

- Deliver capital works projects identified and assigned in Council's Infrastructure Delivery Program
- Delivery of planned maintenance programs and activities.
- Responding to relevant customer service requests relating to assets and undertaking reactive works as necessary to maintain levels of service.

Manager Project Delivery

The Manager Project Delivery operates under the Director of Infrastructure and Works and will provide leadership and direction to:

- Manage the delivery of Council's current year Infrastructure Delivery Program.
- Deliver works projects identified and assigned in Council's Infrastructure Delivery Program.
- Provide civil, structural, geotechnical and landscape design services to support asset planning and management.

Service Managers

Council's Delivery Program identifies Service Managers responsible for the delivery of a wide range of services. Service Managers:

- Develop and regularly review Service Plans which identify community levels of service and the associated asset requirements necessary to support service delivery;
- Identify opportunities for the rationalisation of assets no longer required for the delivery of services;

- Identify new/upgrade works for assets to support service delivery and work with the Infrastructure Strategy and Planning Division to seek approval and funding for these works including associated Whole of Life costs; and
- Work with the Infrastructure Strategy and Planning Division to specify asset requirements for the delivery of works in Council's Infrastructure Delivery Program.

RELATED POLICY AND PROCEDURES

- Asset Accounting Policy
- Financial Strategy

DEFINITIONS

Term	Definition
Asset	A physical item, component or resource from which future economic benefits are expected. They have a life of greater than 12 months and enable services to be provided.
Asset Management	The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through cost-effective whole of life management of assets.
Asset Management Strategy	A high-level strategic plan that gives effect to this Policy
Asset Management Plans	Documented information that specifies the activities, resources or timescales required for an individual asset or grouping of assets, to achieve the organisation's asset management objectives.
Whole of Life Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs
Service	Activity undertaken to meet the needs of the community or the administrative support associated with undertaking these activities.
Level of Service	The defined service quality for a particular service/ activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost

APPROVAL AND REVIEW

Responsible Division	Infrastructure Strategy and Planning	
Date/s adopted	<i>EMC</i> 2 June 2022	<i>Council</i> 27 June 2022
Date/s of previous adoptions	June 2017, April 2014, June 2005	
Date of next review	June 2024	