

**BARCOO SHIRE COUNCIL POLICY
ASSET MANAGEMENT POLICY**

Policy Number: BSC-002	Version: 2
Classification: Administrative	Section: Works and Services - Assets
Date Adopted by Council: 18/08/2021	Resolution Number: 2021.08.020
Next review Due: 18/08/2023	Responsible Officer: Director of Works and Services
Last Reviewed:	<p>Review: Note: This Policy is reviewed when any of the following occur:</p> <ol style="list-style-type: none"> 1. The related information is amended or replaced. 2. Other circumstances as determined from time to time by the Chief Executive Officer. <p>Notwithstanding the above, this Policy is to be reviewed at intervals of no more than two years.</p>
Legislation: <i>Local Government Act 2009, Local Government Regulation 2012</i>	

1. PURPOSE

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

2. OBJECTIVES

To ensure adequate provision is made for the long-term replacement of 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; and
- Developing, implementing and continuously improving an asset management system to achieve Council’s strategic priorities and objectives.

3. SCOPE

This policy applies to all Council owned and operated assets and the associated services as well as business processes and activities.

4. POLICY STATEMENT

Barcoo Shire Council is committed to ensuring responsible and sustainable asset management practices are implemented for all infrastructure asset classes as identified in the corporate vision, mission and values.

- 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 will be achieved through the development of an asset management system consistent with ISO55001:2014 Asset Management – Management Systems:

Requirements. This will ensure that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

- Asset management practices impact directly on the core business of the organisation and appropriate asset management is required to achieve our strategic service delivery objectives.
- Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.
- This will aid Council in meeting the long term financial objectives outlined within Queensland Treasury Corporation (QTC) Business improvement program.
- A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets. This will provide positive impact on;
 - Members of the public and staff;
 - Council's financial position;
 - The ability of Council to deliver the expected level of service and infrastructure;
 - The political environment in which Council operates; and
 - The legal liabilities of Council.

5. PRINCIPLES OF ASSET MANAGEMENT

The following principles will identify how asset management will be implemented by Council to achieve its asset management objectives.

- Council's asset management system will include the development of:
 - asset management objectives;
 - asset management strategy; and
 - asset management plans
- A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council and align with asset management objectives;
- Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting;
- Remain consistent with the corporate plan priorities and objectives and ensure the corporate plan also evolves to support asset management development;
- All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management;
- Strong leadership and commitment from management to promote a culture of strong asset management through a whole of Council approach;
- Asset management principles will be integrated within existing corporate, financial, planning and operational processes;
- An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities;
- Asset renewals are required to meet agreed service levels and identified in adopted asset management plans and long-term financial plans will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented in budget documentation;
- Service levels defined in adopted asset management plans will form the basis of annual budget estimates with the service and risk consequences of variations in defined services levels and budget resources documented in budget documentation;
- 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;

- 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;
- Understanding the capacity and capability requirements to establish and maintain the asset management system, including training in asset and financial management for all Councillors and relevant staff;
- Involvement of internal and external stakeholders in the development of the asset management system to meet asset management objectives;
- 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 and;
- Commitment to the continual improvement of the asset management system.

6. RELATED DOCUMENTS

- Asset Management Strategy and associated Asset Management Plans.
- ISO 55001:2014 Asset Management – Management Systems – Requirements (ISO, 2014)
- ISO 55002:2018 Asset Management – Management Systems – Guidelines for the application of ISO 55001 (ISO 2018)
- International Infrastructure Management Manual (IPWEA, 2020)

7. RESPONSIBILITY

Councillors are responsible for adopting the policy, allocation of resources, providing high level oversight of the delivery of the organisation's asset management strategy a plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilized to address the organisation's strategic plans and priorities.

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

8. DEFINITIONS

Asset – An item, thing or entity that has potential or actual value to an organisation.

Asset Management – The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.

Asset Management Plans - Long term plans that outline the asset activities and programs for each service area and resources applied to provide a defined level of service in the most cost effective way.

Asset Management Objectives – specific outcomes required from the implementation of the asset management system.

Asset Management Strategy – A high level action plan that gives effect to an organisation’s asset management policy. Documented information that specifies how the organisational objectives are to be converted into asset management objectives, the approach for developing asset management plans and the role of the asset management system in supporting achievement of the asset management objectives.

Asset Management System – A set of interrelated of interacting elements of an organisation, including the asset management policy, asset management objectives, asset management strategy, asset management plans and the processes to achieve these objectives.

Infrastructure Asset – Stationary systems forming a network or a portfolio of assets serving whole communities, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components. This network may include normally recognised ordinary assets as components.