

Infrastructure & Asset Management Policy

Strategic Reference	Objective 2; A strong sense of civic pride and well-maintained townships. Strategy 2.7; Maintain and develop assets, infrastructure & buildings in accordance with Infrastructure & Asset Management Plans, Roadside Vegetation Management Plans and Capital Works programs.
File reference	AR18/17603
Responsibility	Infrastructure & Assets Department
Revision Number	4
Effective date	February 2008
Last revised date	October 2018
Minutes reference	208/18,103/16, 017/14, 392/11
Next review date	Every two years, October 2020
Applicable Legislation	Local Government Act 1999 Local Government (Financial Management) Regulations 2011
References	LGA 'Financial Sustainability' Information Paper 6: <i>Infrastructure and Asset Management</i>
Related Policies	Disposal of Council Land & Other Assets Policy Service Range Policy Procurement Policy Asset Accounting Policy
Related Procedures/Plans	Asset Registers Capital Works Program Risk Management Plan Long Term Financial Plan Asset Management Plans Strategic Management Plan

1. Purpose

The goal of infrastructure and asset management is to meet a required level of service, in the most cost effective manner, through the management of assets for present and future customers.

This policy provides the overall framework to guide the sustainable management and protection of Council's asset portfolio as a platform for service delivery to ensure:

- Assets are effectively and efficiently managed through the course of their life cycle;
- There is clear direction for asset custodians to assist informed decision making;

Infrastructure & Asset Management Policy

- Community needs and expectations are optimised;
- Legislative and regulatory requirements are met;
- Best value practices are incorporated in asset management strategies and implementation activities;
- Exposure to risk is managed through the application of sound operational principles and practices;
- There is continuous improvement in asset management and service delivery; and
- Sustainable development is based on the recognition and integration of sound social, ecological and economic principles and practices.

2. Policy Scope & Goals

The scope of this policy applies to the creation, acquisition, operation, maintenance, rehabilitation and disposal of all Council assets.

Council will resolve to meet the following goals:

- a) Council aims to develop and maintain:
 - Detailed Asset Registers of all assets owned or under Council's control
 - Asset Management Strategies
 - Infrastructure & Asset Management Plans
 - Long-term Financial Plans
 - Asset Maintenance Plans
 - Risk Management Plans
- b) To ensure Council's assets are managed in an appropriate and financially sound manner, enabling the provision of appropriate levels of service delivery.
- c) To encourage innovative and cost effective means of improving work practices and processes to ensure Council's assets are managed in accordance with best practice principles.
- d) To minimise Council's exposure to risk from asset failure.

3. Definitions

“Asset”: An individual or group of physical objects, which has value, enables services to be provided and has an economic life of greater than 12 months.

“Asset Management”: The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required service level in the most cost effective manner.

“Lifecycle Cost”: The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

Infrastructure & Asset Management Policy

“New Asset”: Refers to the construction/purchase of an asset that is not currently part of Council’s asset base.

4. Preamble

Coorong District Council owns or is custodian of in excess of \$289m of community assets.

These assets make up the social and economic infrastructure that enables the provision of services to the community and businesses, playing a vital role in the local economy and on quality of life. Asset management is a tool that facilitates corporate accountability and impacts on all areas of service planning and delivery.

The importance of these assets to communities and their significance in terms of Council’s budgets and operational strategies means that asset management must be at the centre of Council’s overall financial and strategic planning.

This Policy, together with individual Infrastructure & Asset Management Plans and associated working procedures and practices will put in place a comprehensive, accountable and transparent asset management framework for the Coorong District Council.

5. Council’s asset management philosophy

Coorong District Council will work with the local community to set affordable standards for the quality and safety of those assets managed on their behalf. Further Council will acquire, dispose of and optimise the use of these assets to ensure that the overall asset base meets appropriate service standards while not negatively impacting on Coorong communities or the environment.

6. Policy statement

It is policy that:

- Council’s assets will be managed using a “life cycle cost” approach and in accordance with best practice asset management techniques
- Council’s assets will be utilised to their fullest potential to maximise usage and economic performance.
- Council will continually monitor and review its asset portfolio to ensure it is responsive to service delivery needs set by Council.
- Council’s assets will be properly maintained to ensure that they continue to function effectively for the duration of their life.
- Funding for all asset purchase, maintenance, rehabilitation and replacement will be guided by Council’s Infrastructure & Asset Management Plans and included in the capital works program, annual budgetary process, Long-term Financial Plan and Annual Business Plan.
- Prior to the consideration of any “new asset” acquisition and/or any major rehabilitation of or improvement to an existing asset, a detailed cost-benefit analysis will be undertaken.

Infrastructure & Asset Management Policy

- The disposal of any asset shall be in accordance with Council's Disposal of Land & Other Assets Policy.

7. Principles

To achieve this policy the following key principles will define Council's approach to asset management:

1. Assets exist to support the delivery of services
2. Managers and staff are the responsible custodians for Council assets assigned to their respective operational areas, including the efficient use of those assets
3. Asset Management decisions are integrated with Strategic Planning.
4. Asset Planning decisions are based on an evaluation of alternatives which consider life cycles, costs, benefits and risks of ownership.
5. Systems are developed to provide accountability for asset conditions, usage and performance.
6. An effective internal financial control structure is established.
7. Council will maintain Infrastructure & Asset Management Plans to identify future asset management requirements within the context of a Long Term Financial Framework
8. Asset renewal requirements will be separately identified from new assets which will undergo a separate annual approval process by Council.
9. Council recognises the need to maintain its asset base and will target a long term asset sustainability ratio averaging 85 - 110%

8. Integration

Asset management is a dynamic process that affects all areas of Council service delivery and as such this policy will impact upon and relate to a number of policies and strategies throughout the organisation.

9. Review Statement & Further information

This Policy will be reviewed every two years.

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's website: www.coorong.sa.gov.au.

Coorong Civic Centre

95-101 Railway Terrace
Tailm Bend
Phone: 1300 785 277
Fax: 8572 3822

Meningie Information Hub

49 Princes Highway
Meningie
Phone: 1300 785 277

Tintinara Customer Service Centre

37 Becker Terrace
Tintinara
Phone: 1300 785 277

Copies will be provided to interested parties upon request. Email council@coorong.sa.gov.au.

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.