Asset Management Policy

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Position title of responsible business unit Manager:	Manager Sustainability and Infrastructure
Approved by:	Council
Internal external or both:	Internal and External

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1. ASSET MANAGEMENT POLICY

2. OBJECTIVE

To outline Council's commitment for financially, environmentally, and socially sustainable lifecycle management of all Council infrastructure assets to support ongoing service delivery and the aspirations and commitments outlined in the *Council Plan 2021–2025* and the *Asset Plan 2022–2032 (Plan)*.

More specifically this *Policy* aims to:

- Promote climate resilience and environmental sustainability of Council's infrastructure assets in accordance with *Our Climate Emergency Response Strategy 2021–2025 | Dhumbali Wurrungi-biik Parbin-ata*.
- Promote a risk-based, service led approach to asset management that considers the service needs of the community and the impacts of operational and strategic risks, to achieve a desired balance of cost, risk, and performance of Council's infrastructure assets.
- Promote best practice strategic asset management.
- Outline the principles that govern the strategic and sustainable management of Council's infrastructure assets guided by the Improvement Initiatives of the *Plan.*
- Outline how the Asset Management Framework aligns with and supports Council's Integrated Planning and Reporting Framework.
- Outline the key roles and responsibilities of Council's asset management stakeholders.
- Support the development, review, and management of Council's *Plan* in accordance with the *Local Government Act 2020*.
- Improve the asset management awareness and maturity of the organisation.
- Ensure the sustainable management of Council's infrastructure assets by applying best practice strategic and service led asset management principles to support the delivery of services and to comply with related legislative and statutory compliance requirements.
- Ensure that Asset Management Framework and Asset Management Information System supports decision making and is driven by a culture of continuous improvement.

3. DEFINITIONS AND ABBREVIATIONS[1]

Term	Meaning
Asset	Physical infrastructure asset with value, which enables services to be provided and has an economic life of greater than 12 months. Assets include roads, footpaths, buildings, kerb and channel, drainage assets, playgrounds, recreation, and open space assets amongst others.
Asset Management	The systematic and coordinated activities and practices of Council to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets.
Asset Management Framework	Outlines the structure and relationships between the various asset management system elements, such as the *Asset Management Policy, Asset Management Strategy, Asset Management Plans*, and Asset Management Information System.
Asset Management Information System	A combination of processes, data, software and hardware applied to provide the essential outputs for effective asset management.
Asset Management Plans	Internal working documents that map Council's *Plan* (at least 10 years or more) for each major class of asset. The Plans outline activities and programs necessary to achieve the defined levels of service in the most cost-effective manner.
Asset Management Strategy	A short to medium term strategy that details how Council will achieve the objectives of the *Asset Management Policy* through the implementation and documentation of improved asset management practices, plans, processes,

[1] Adapted from International Infrastructure Management Manual 2015

Term	Meaning
	and procedures within Council.
Asset Managers	Council officers responsible for ensuring that the assets they manage continue to remain fit for purpose to meet current and future service delivery needs and that an accurate asset inventory is maintained.
Asset Renewal	Replacement or other works on an existing asset that returns the service capability of the asset to its original capability.
Levels of Service	The service levels to which Council provides community assets for community use. Levels of service are usually expressed in terms of quality, quantity, safety and reliability as appropriate.
Lifecycle	The time interval that commences with the identification of the need for an asset and terminates with the decommissioning of the asset or any liabilities thereafter.
Service Managers	Council officers responsible for determining the levels of service from the relevant assets to co-ordinate the delivery of services to the community.
Strategic Asset Management Steering Committee (SAMSC)	A cross-functional group consisting of nominated Director(s), Asset Managers and Service Managers that meets regularly to co-ordinate, review, monitor and report on strategic asset management at Council.

4. POLICY

4.1 Scope

This *Policy* provides an overarching framework for the procedures, processes, systems and asset information required to manage all of Council's infrastructure assets to ensure those assets support the service objectives to the Glen Eira community.

This *Policy* applies to all Council services, departments, officers, employees, and contractors involved in the planning, acquisition, operation and maintenance, renewal, and disposal of Council assets and to the extent possible, all contracts applicable in these areas.

4.2 Principles

Council's *Asset Management Policy* is based on the following principles to guide sustainable management of infrastructure assets:

Climate resilient and environmentally sustainable

- We will embed climate change action into asset management practice and prioritise the natural environment by planning and managing our assets to build climate resilience and environmental sustainability.

Inclusive and accessible

- We will plan and manage our assets to build inclusivity, accessibility, and safety in response to the diverse needs of our community.

Community informed and service led

- We will ensure service delivery needs of the community form the basis of asset management decision making informed by appropriate community engagement.

Governance and culture

- We will develop a governance framework overseen by the Strategic Asset Management Committee to establish accountability and responsibility in roles, to transparently monitor and report on the Asset Management Framework actions.
- We will create a culture where all employees take an integral role in the overall management of infrastructure assets, by facilitating and sustaining a culture of Asset Management awareness throughout the organisation supported by appropriate training and development.

Information management and reporting

- We will establish a centralised Asset Management Information System with consistent, reliable, and transparent processes to aid decision making.
- We will regularly measure and report on performance to keep the community informed and engaged.

Lifecycle and long-term planning

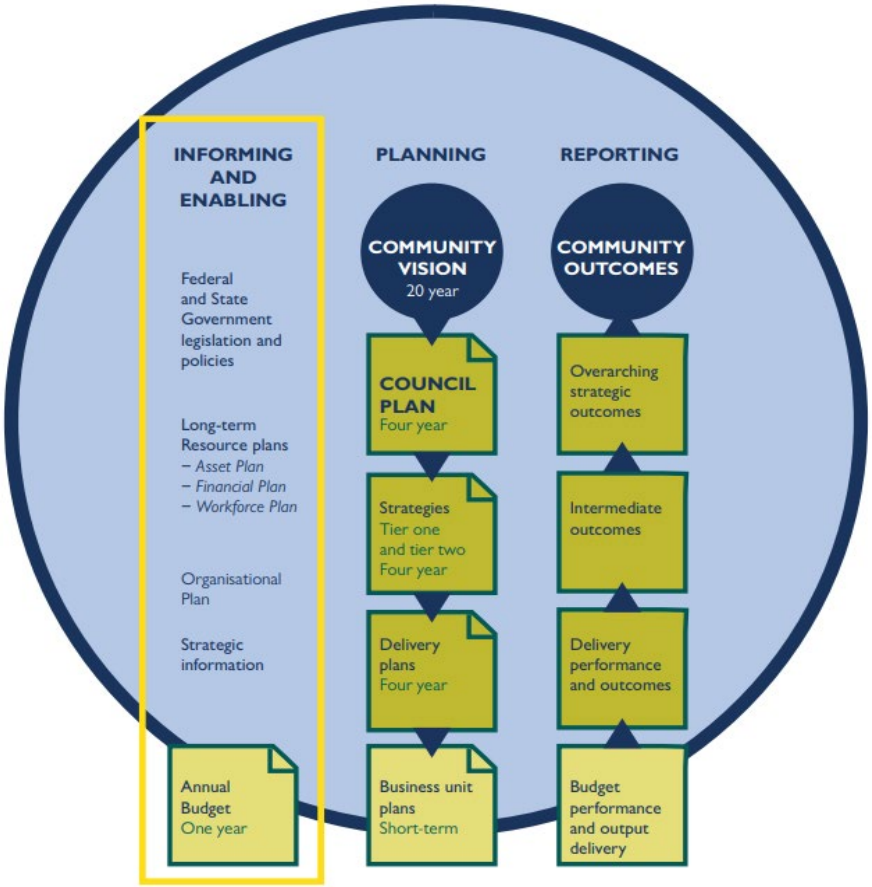
- We will adopt a whole-of-life approach to managing our assets that minimises risk and environmental impacts, ensures legislative compliance and optimises our resource investment in assets.
- We will continue to develop an integrated framework of service, asset and financial planning with a long-term view.
- We will continue to give funding priority to asset maintenance and renewal to sustain existing assets unless this relates to the acquisition of property for investment or strategic purposes.

Best practice and continuous improvement

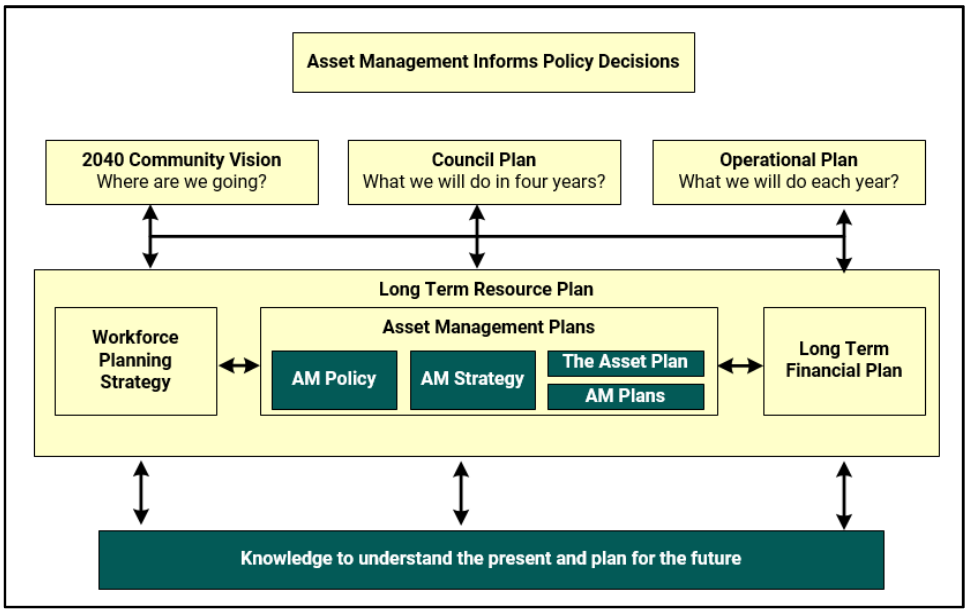
- We will align Council's Asset Management practices with best practice, including International Asset Management Standards (ISO), International Infrastructure Management Manual, Institute of Public Works Engineering Australasia Practice Notes, and the National Asset Management Assessment Framework.
- We will continuously develop, maintain, and review our Asset Management Framework and Asset Management Information System by fostering a culture of continuous improvement.

4.3 The Integrated Planning and Reporting Framework

The delivery of services to the community through the sustainable life cycle management of our infrastructure assets is guided by the *Glen Eira 2040 Community Vision*, *Council Plan 2021–2025* and the *Plan*, amongst other relevant strategies and policies. These documents also drive Council's approach to asset management and are contextually highlighted below. The Integrated Planning and Reporting Framework (IPRF) outlines our commitment to building a strategic planning and reporting system that is connected, inter-dependent and outcome focused.



4.4 Asset Management and Financial Planning Framework.



This Policy forms part of Council's integrated asset management and financial planning framework. The relationship between core Council documents is represented in Figure 1 above.

4.5 Roles and Responsibilities

Council

- To act as custodians for community assets.
- To adopt the *Asset Management Policy* and *Plan*.
- To ensure that asset management requirements (as documented in the *Plan*) are given appropriate consideration when considering financial allocations during the annual budget planning process.

Executive Team

- To provide leadership, direction and ensure appropriate resources are made available in implementing the *Asset Management Policy* and the *Asset Management Strategy*.

- To ensure that Council's legal obligations are met.
- To foster and support a multi-disciplinary Strategic Asset Management Steering Committee.
- To review and evaluate reporting on the performance of the Asset Management Framework and the effectiveness of asset management within the organisation.

Director Sustainability, Assets and Leisure

- To build commitment towards best practice in asset management.
- To take primary responsibility to monitor, promote and align resources to strategic asset management improvements and the implementation of the Asset Management Framework.
- To take primary responsibility for Asset Management Framework reporting to Council and Executive Team.

Chief Finance Officer

- To oversee the development, review and monitoring of the *Financial Plan* and ensure integration with the *Plan*.
- To provide guidance and direction on financial matters pertaining to asset management, such as revaluations amongst others.
- To ensure compliance to relevant standards for financial reporting on Assets.

Strategic Asset Management Steering Committee (SAMSC)

- To promote and sustain a culture of asset management awareness and implement consistent, compliant and best practice asset management across the organisation.
- To ensure the delivery of appropriate training and skill development programs for Council staff and Councilors.
- To ensure that the *Asset Management Policy*, strategies and plans are integrated into the corporate governance framework.
- To ensure that community needs are appropriately reflected in the Asset Management Framework and Service Levels.
- To review and monitor the development and implementation of the *Asset Management Policy, Asset Management Strategy, Plan* and asset management plans for the major asset classes.
- To periodically review, monitor and improve asset management data practices and the effective utilisation of Council's Asset Management Information System.
- To develop an asset management and performance reporting process to regularly report on asset management performance and state of the assets.

Asset Managers and Service Managers

- To develop, implement and periodically update Asset Management Plans in accordance with the objectives and principles outlined in the *Asset Management Policy*.
- To develop and deliver maintenance, renewal, upgrade and new capital programs in accordance with the *Asset Management Policy, Strategy, Plans* and allocated budgets.
- To develop and maintain Asset Management procedures in Asset Management and service delivery that promotes continuous improvement.
- To monitor asset management performance, issues and opportunities across the organisation and report outcomes to the Strategic Asset Management Steering Committee.
- To consult with stakeholders and deliver levels of service to agreed risk and cost standards.
- To ensure compliance with legislative and statutory obligations.
- To utilise an integrated Asset Management Information System appropriately, to record, view and analyse Asset Lifecycle to inform decision making.

Employees and Contractors will:

- Apply Asset Management practices in accordance with the objectives and principles of this *Policy* and Asset Management Framework, in their area of work.
- Ensure all service contracts that impact on the creation, upgrade, renewal and maintenance of Assets are structured and delivered to support the objectives of *this* Policy, and the Asset Management Framework.

5. HUMAN RIGHTS CHARTER COMPATIBILITY

This *Policy* has been assessed as being compatible with the *Charter of Human Rights and Responsibilities Act*

2006 (Vic).

6. ASSOCIATED INTERNAL DOCUMENTS

- Glen Eira Council and Community Plan 2021–2025
- Glen Eira 2040 Community Vision
- Financial Plan 2025–2034
- Asset Management Strategy
- Climate Emergency Response Strategy 2021–2025
- Open Space Strategy 2020
- Urban Forest Strategy 2021
- Municipal Public Health and Wellbeing Plan 2021–2025
- Glen Eira Strategic Workforce Plan 2021–2025
- Integrated Planning and Reporting Framework Policy
- Risk Management Framework and Policy
- Community Engagement Policy

7. EXTERNAL REFERENCES/RESOURCES

- Local Government Act 2020 (Vic)
- Local Government (Planning and Reporting) Regulations 2014
- Road Management Act 2004 (Vic)
- Victorian Charter of Human Rights and Responsibilities Act 2006 (Vic)
- ISO 55000 series – International Standard for Asset Management
- International Infrastructure Management Manual 2015 published by Institute of Public Works Engineering Australasia
- Institute of Public Works Engineering Australasia Practice Notes
- National Asset Management Assessment Framework