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POLICY CODE:	SC39
DIRECTORATE:	Engineering & Works
BUSINESS UNIT:	Infrastructure Services
SERVICE UNIT:	Asset Services
RESPONSIBLE OFFICER:	Asset Manager
FILE NO.:	182/001
DATE FIRST ADOPTED:	10 May 2007
DATE LAST REVIEWED:	10 September 2015
ATTACHMENTS:	N/A
DELEGATED AUTHORITY REF.:	N/A
VERSION NO.	2

Dates of Amendments / Reviews:		
DAPPS Meeting:	22 March 2007	28 November 2013
	22 March 2012	27 August 2015
OCM:	10 May 2007	12 December 2013
	12 April 2012	

BACKGROUND:

The City's Asset Management Policy was adopted in 2007 in consideration of changes to the Local Government Act that provide "*in carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations though an integration of environmental protection, social advancement and economic prosperity*".

It was recognised that one of the primary objectives of Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decision-making, and as part of the Council's requirement to comply with legislation and to protect its community, it was considered that Council must establish a clear direction to ensure appropriate asset management practices for its asset portfolio now and into the future.

In accordance with Council's Corporate management practices this Policy has been reviewed to reflect the current status of the development of Asset Management within the organisation.

PURPOSE:

1. The purpose of this Policy is to ensure in respect to Asset Management (AM) policy and practice at the City of Cockburn that:
 - (1) Corporate responsibility and resources are identified;

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- (2) Management of assets is undertaken in a structured and co-ordinated way;
 - (3) Risk management is considered;
 - (4) Financial, social and environmental sustainability issues are considered;
 - (5) Continuous improvement and seeking innovative ways of meeting identified and agreed Levels of Service are fostered; and
 - (6) Legislative and regulatory requirements are achieved.
2. The Policy also ensures that Asset Management and the importance of managing Council's infrastructure assets for present and future generations is clearly understood and recognised by Council and its community. It provides an essential framework and rationale for best practice asset management decision-making (function and standard) and informs the organisation on how it will maintain its assets to meet service delivery requirements.

POLICY:

- (1) Elected Members, as custodians of City of Cockburn's assets, should represent the community as the asset owners and ensure the asset is maintained for present and future generation at an equitable cost.
- (2) Council staff have a corporate responsibility to provide the correct asset management related technical and professional advice to Elected Members so that they may make the best decisions on behalf of the community they represent.
- (3) As part of Council's consideration of asset management, Elected Members and Council staff will:
 1. As custodians/caretakers of community assets, and as part of providing quality infrastructure and community facilities, undertake to develop industry standard, affordable and financially sustainable Asset Management Plans;
 2. In accordance with its Community and Corporate Planning processes (and the pre-existing Plan for District), provide quality infrastructure assets that support services that are appropriate, accessible, responsive and sustainable to the community;
 3. Manage the infrastructure and assets in a systematic and sustainable manner;
 4. Involve and consult with the community and key stakeholders on determining Levels of Service standards;

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5. Ensure asset information is accurate and up to date allowing for appropriate asset planning, both in the short and long term, and for informed decision-making to occur;
6. Manage the City's assets utilising a team approach crossing across all Business Units and drawing on the authority and cooperation of the Executive and the Strategic Business Managers group (SBMG);;
7. Allocate appropriate resources to ensure sound AM practices are employed and the maintenance and renewal of assets is undertaken in a timely manner so that life cycle costs are optimised for existing and new assets;
8. Prior to consideration of any major works involving renewal or improvement to an asset, undertake a critical review of the need and the whole of life cost of that asset;
9. Continually seek opportunities for optimal use(s) of assets;
10. Ensure that the roles and responsibilities of all asset custodians are well defined and understood;
11. Develop and implement a framework for the evaluation and prioritisation of Capital projects taking account of sound asset management principles; and
12. Develop mechanisms for the acquisition of consistent, fit for purpose, asset data for new and existing assets, including those constructed by the City or handed over by developers.

(4) Application

This policy applies to Council, Elected Members, Executive Management, Staff, Committees of Management and the Community involved in the operations, maintenance, refurbishment, renewal, upgrading and development of Council's existing and new infrastructure and other tangible assets.

(5) Asset Management Roles and Responsibilities

To achieve this policy the following key roles and responsibilities and commitments are identified:

1. Council

- (a) To act as stewards for infrastructure assets;

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- (b) Set corporate AM policy with linkage to the Council's Community Strategic Plan and Corporate Business Plan (previously Plan for the District);
 - (c) Contribute to the development, adoption and periodic review of appropriate Levels of Service, risk and financial measures and projections as applied to Asset Management Plans
 - (d) Ensure appropriate resources and funding for Asset Management activities are made available to facilitate integration and application of Asset Management policies, Asset Management strategies and Asset Management Plans within the corporate governance framework;
 - (e) Provide consistent and transparent decision-making based on adopted Asset Management Policy, Strategies and Plans; and
 - (f) Provide a best practice Asset Management advocacy role with State and Federal Governments and the community.
2. Executive and Strategic Business Management Group (SBMG)
- (a) Continually promote AM across the organisation and with Council and the community;
 - (b) Validate and challenge proposals to ensure they meet the Council's Asset Management Plan objectives and community service needs;
 - (c) Contribute to the development and continued refinement of the overarching AM Policy and AM Strategy with linkage to the Community Strategic Plan and Corporate Business Plan, for consideration by Council;
 - (d) Monitor the performance of the staff in implementing asset management;
 - (e) Ensure the community and key stakeholders are engaged during the development and continuous improvement of the AM Plans;
 - (f) Ensure staff are appropriately trained and skilled to perform the required AM functions;
 - (g) Ensure that accurate and reliable asset related information is presented to Council for decision-making; and
 - (h) Provide effective communication between Staff, Council and the community in respect to the application of the City's AM Policy, Strategy and Plans.

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3. Business & Service Unit Managers:

- (a) Develop, implement and review AM plans applicable to their area of operation, using the International Infrastructure Asset Management Manual (IIAMM) and Australian Infrastructure Financial Management Guidelines (AIFMG) as a guide, documenting required allocation of funding and improvement plans for individual asset groups, using the principles of lifecycle analysis;
- (b) Contribute to the implementation and periodic review and updating of AM Policy and Strategy;
- (c) In consultation with the community and key stakeholders, identify current and target Levels of Service, risk mitigation and financial measures for incorporation into AM Plans and for subsequent Council endorsement;
- (d) In accordance with Council approved AM Plans, prepare budget items and allocate resources to deliver on agreed Levels of Service, risk mitigation and financial measures;
- (e) Ensure efficient and effective use of Council funds to optimise the life cycle cost of assets to the extent possible whilst attaining agreed Levels of Service and risk mitigation;
- (f) Develop Long Term Financial Plans for asset maintenance, refurbishment, improvement and replacement capital works programs in accordance with Asset Management Plans, for endorsement and incorporation into the Corporate Business Plan;
- (g) Develop and implement procedures that ensure the asset database is maintained and updated and provide required reports to Council to meet their statutory and legal responsibilities; and
- (h) Promote and raise awareness of asset management to the Council, staff, users and community.

4. Asset Manager & Asset Services Team

- (a) Contribute to the implementation and periodic review and updating of AM Policy and Strategy;
- (b) Lead in the development and implementation of the various components of the City's Asset Management System, including those designed to ensure the City's asset database is maintained and updated;
- (c) Assist Business and Service Units in their development, implementation and review of AM Plans, including the identifying of

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current and target Levels of Service, risk mitigation, financial measures and optimum asset life cycles for incorporation into AM Plans

- (d) Facilitate the provision of required reports to or on behalf of Council to meet statutory and legal responsibilities and other reporting needs; and
- (e) Communicate with and report on Asset Management to SBMG and promote and raise awareness of Asset Management to the Council, staff, users and community.

(6) Implementation and Review

1. Review of this Policy will take place annually. The two yearly review will incorporate:
 - (a) The Audit and review of the suitability and compliance of the AM Policy in respect to Statutory obligations;
 - (b) The Audit and review of the AM Policy's suitability to continue to progress "best practice" Asset Management by the City, including to generate "fit for purpose" AM Plans and Long Term Financial Plans meeting the Council's and Community's requirements; and
 - (c) Review of the Asset Management Strategy.
2. The responsible B/U Manager shall also review compliance to this Policy on an on-going basis and report to Council on an annual basis.