
Sustainable Asset Management Policy



September 2020





Northern Grampians Shire Council
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Sustainable Asset Management Policy

Responsible Director

Responsible Officer

Functional Area

Date adopted by Council

Review date

Director Infrastructure

Manager Infrastructure

Infrastructure

21 September 2020

September 2024

Purpose

The purpose of this Sustainable Asset Management Policy is to set the broad framework for undertaking asset management (AM) in a structured and coordinated way within Council. The policy sets the structure for the preparation of the Sustainable Asset Management Strategy and Service Asset Management Plans, it is applicable to all Council owned and operated assets.

Background

Under the *Local Government Act 2020* section 92, Council must develop, adopt and keep in force an Asset Plan in accordance with its Community Engagement Policy. The Asset Plan should cover a period of at least the next ten years.

There is a need to align asset management planning processes with the rest of corporate and financial planning processes. This alignment ensures that the planning, creation, operation, maintenance, renewal and disposal of assets is in line with Council's priorities for service delivery, asset functionality, life cycle economy and risk management.

Policy

In order to achieve the objectives of the Council Plan 2017-21, particularly "Provision of Sustainable Infrastructure", the following principles are set:

- **Sustainable Asset Management Strategy** - A Sustainable Asset Management Strategy must be developed to support the implementation of this policy.
- **Service Asset Management Plans** - Service Asset Management Plans must be developed for all major asset portfolios in accordance with Council deliberative engagement practices.
- **Review of Asset Management System documents** - Sustainable Asset Management Policy and Sustainable Asset Management Strategy must be reviewed and updated every four years or at every Council cycle. Service Asset Management Plans must be reviewed and updated annually.
- **Compliance with Regulatory Standards and Legislation** - All relevant legislative and Statutory requirements (environmental, economic, political and social) must be complied with.
- **Understanding Customer needs and expectations** - Customers' needs must be understood and used to drive organisation's objectives and levels of service. A balance between level of service and customer willingness to pay for the service must be established.
- **Life cycle cost consideration** - Life cycle cost must be considered in all new assets and upgrades decisions.
- **Renewal of critical assets** - Identified Asset renewals in Service Asset Management Plans required for maintaining agreed level of service must be prioritised in annual funding and delivery of work programs.

- **Risk Management** - When prioritising asset works and allocating funds, the risks and consequences of actions and inactions must be considered.
- **Demand Management** - Demand drivers must be monitored to plan for future asset requirements,
- **Single source of truth for all asset data** - Assetic Cloud (council's asset management information system) must be implemented as the single source of truth for all asset data.

Council Plan Objectives/Strategy

The 2017-21 Council Plan objectives relevant to this policy are;

Provide Sustainable Infrastructure

- Enhance the natural and built environment to improve lifestyle and visitation

Legislation and Standards

Council is committed to maximising return on investment in its physical assets while ensuring that all asset management activities are carried out in a safe and environmentally sustainable manner and within the limits of all legislative and regulatory requirements including but not limited to;

- *Local Government Act 2020*
- *Road Management Act 2004*
- ISO55000 series

Responsibilities

Council is responsible for setting corporate AM policy, strategy and approval of AM Plans.

Director Infrastructure is responsible for implementing approved AM Policy, Strategy and Plans.

Asset Management Steering Committee (AMSC) is responsible for developing and establishing AM Strategy and Asset Management Plans for individual asset groups using principles of lifecycle analysis.

Manager Infrastructure is responsible for coordinating collection of inventory and condition data for all infrastructure assets and buildings.

Stakeholders

This policy applies to Councillors, staff, consultants responsible for undertaking asset management planning on behalf of Northern Grampians Shire Council. The community is directly affected by this policy as asset management underpins the development and maintenance of infrastructure which enables the delivery of programs, services and activities.

Review

The policy will be reviewed by the Asset Steering Committee every four years or at every Council cycle to ensure it remains current with the Council's goals and actions. Triggers for an earlier review include legislative changes and introduction of new systems or procedures.

Communication and implementation

The approved Sustainable Asset Management Policy will be retained in eDRMS and communication to relevant internal and external stakeholders will be via the following mechanism:

- Northern Grampians Shire Council's website
- Council induction and in-house training
- Asset Management Framework web portal

All Council employees involved in the Asset Management System will be involved in a continuous professional development to ensure that their competencies and skills required for the achievement of the Asset Management deliverables are current.

References

Council Plan 2017-21

International Infrastructure Management Manual (IIMM)

ISO55000 series

Privacy and Data Protection compliance

This Policy is inline with the *Privacy and Data Protection Act 2014* and the *Victorian Protective Data Security (VPDSS) Framework* which adopts a risk-based approach to protective data security.

Gender Equality Act 2020

This Policy is inline with the relevant gender equality principles, workplace gender equality of rights, opportunities, responsibilities and outcomes.

Charter of Human Rights compliance

It is considered that this policy does not impact on any human rights identified in the *Charter of Human Rights & Responsibilities Act 2006*.

Definitions

Term	Meaning
Infrastructure Asset	A physical component of a facility which has value, enables services to provide 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 level of service in the most cost effective manner.
Asset Management System	A set of people, processes, tools and other resources involved in the delivery of Asset Management.
Policy	A statement of an organisation's attitude and preference of direction.
Council	Northern Grampians Shire Council.

Review history

Date	Review details	Action
2003	Corporate Asset Management Policy	Adopted by Council
27 Sep 2007	Asset Management Policy	Reviewed & adopted by Council
28 Oct 2010	Sustainable Asset Management Policy	Reviewed & adopted by Council
02 Oct 2017	Sustainable Asset Management Policy	Reviewed by Council Officers
September 2020		Reviewed & adopted by Council