

 City of Mount Gambier	A900 – ASSET MANAGEMENT POLICY	Version No:	1
		Issued:	March 2019
		Next Review:	March 2021

1. INTRODUCTION

This document sets out the policy of the City of Mount Gambier (Council) to:

- 1.1 Ensure adequate provision is made for the long-term management of major Council infrastructure and assets by:
 - 1.1.1 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.
 - 1.1.2 Safeguarding Council assets including physical assets by implementing appropriate asset management strategies and financial resources for those assets.
 - 1.1.3 Creating awareness amongst employees and elected members of their responsibilities for the creation and management of sustainable assets.
 - 1.1.4 Meeting legislative requirements for asset management.
 - 1.1.5 Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
 - 1.1.6 Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.
 - 1.1.7 Ensuring an integrated approach across all business units in asset management service delivery.
- 1.2 Set the guidelines for implementing consistent asset management practice and procedure throughout the City of Mount Gambier.

2. SCOPE

- 2.1 Council is custodian of approximately \$247 million of assets comprising land, buildings, road infrastructure, footpaths, drainage infrastructure, plant and equipment, art and history collections, library books, technology and a regional landfill which have been built up progressively over many years.
- 2.2 This policy applies to Council assets within the City of Mount Gambier that are owned managed and under the care, control and management of Council including Caroline and Orchard Road Landfills that are located within the District Council of Grant. Motor vehicles are governed under their own Council policy and as such the management thereof are excluded from the scope of this policy.
- 2.3 This Policy applies to all Councillors and Council officers involved in the creation, operation, maintenance, upgrade, renewal and rationalisation of Council assets. This Policy also applies to all contracts applicable in these areas and officers responsible for the delivery of services that make use of Council assets.

3. PRINCIPLES

- 3.1 In accordance with Section 122 of the Local Government Act (SA) 1999 Council is required to have in place a consistent Asset Management Strategy enacted through the existence of regularly reviewed Infrastructure and Asset Management Plan(s). Therefore:

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- 3.1.1 All relevant legislative requirements together with political, social and economic environments will be taken into account in asset management.
- 3.1.2 Systematic asset management and appropriate asset management best practice throughout the Council will underpin the asset management planning and operational processes.
- 3.1.3 Methodical reviews in accordance with the Asset Management Strategy will applied to all asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- 3.1.4 Asset renewals required to meet agreed service levels and identified in infrastructure and asset management plans and long term financial plan will be funded as a matter of priority in the annual budget plan estimates.
- 3.1.5 Asset renewals will only be brought forward if they are included in the forecast ten year program approved in the relevant Asset Management Plan. The only exception is where there is a clearly documented and approved strategic and economic justification via a business case, annual project budget bid and/or by Council recommendation.
- 3.1.6 Asset information that is created or changes as a result of creating, upgrading, renewing, receiving and/or disposing of assets owned by or in the custody of Council will flow in a timely fashion to appropriate Council asset management system(s).

4. POLICY STATEMENT

- 4.1 The Council exists to provide services to its community. Some of these services are provided by infrastructure assets including a number of non-current assets which have been created by Council or transferred to Council at no cost by developers and others to meet increased levels of service or to provide for new communities / expansion.
- 4.2 Council's goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most sustainable (including cost effective) manner for present and future generations.

The key elements of infrastructure asset management are:

- 4.2.1 Providing a defined level of service and monitoring performance;
- 4.2.2 Managing the impact of growth through demand management and infrastructure investment;
- 4.2.3 Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service;
- 4.2.4 Identifying, assessing and appropriately controlling risks; and
- 4.2.5 Having a long-term financial plan that identifies required, affordable expenditure and how defines how it will be financed.

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5. KEY ACTIONS

- 5.1 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.
- 5.2 Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve Council's strategic service delivery objectives.
- 5.3 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:
- 5.3.1 Members of the public and staff;
 - 5.3.2 Council's financial position;
 - 5.3.3 The ability of Council to deliver the expected level of service and infrastructure;
 - 5.3.4 The political environment in which Council operates; and
 - 5.3.5 The legal responsibilities of Council.

6. SERVICE LEVELS

- 6.1 Service levels agreed through the budget process and defined in Infrastructure and Asset Management Plans will be funded as a matter of priority in the annual budget estimates.
- 6.2 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.
- 6.3 An inspection or condition rating regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 6.4 Future service levels will be determined in consultation with the community.

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7. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au

Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

File Reference:	AF11/1786
Applicable Legislation:	Local Government Act, 1999 Chapter 8 Part 1
Reference: Community Plan 2016-2020	Goal 2: Our Location
Related Policies:	C375 - Council Vehicles - Provision and Replacement of E500 - Provision of Council Resources to Support the Emergency Services in Emergencies
Related Procedures:	Nil
Related Documents:	Asset Management Strategy

DOCUMENT DETAILS

Responsibility:	General Manager, Council Business Services
Version:	1.0
Last revised date:	19 March 2019
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