

S-F1 Asset Management Policy

Purpose	To set guidelines for implementing consistent Asset Management processes throughout Flinders Council.	
Department	Finance	
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1. Definitions

Act means the *Local Government Act 1993*.

Council means the Flinders Council established under s.18 and s.19 of the Act.

Council Officer means an employee of Council.

Councillors An elected member of Council who is known as a Councillor, Mayor or Deputy Mayor or who otherwise meets the definition of a "Councillor" as defined in section 3 of the Act.

General Manager means the person appointed to the position of General Manager of the Council **from** time to time pursuant to s.61 of the Act.

2. Purpose

To set guidelines for implementing consistent Asset Management processes throughout Flinders Council.

3. Objective

To ensure adequate provision is made for the long-term replacement of major assets by:

- 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.
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all Council Officers take an integral part in overall management of Council Assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified; and
- Demonstrating transparent and responsible asset management.

4. Scope

This Policy applies to all Council activities.

5. Policy

It is the Policy of Council that:

5.1. Background:

5.1.1 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed, and disposed of in accordance with Council's priorities for service delivery.

5.1.2 Council currently owns and uses approximately \$53 million of non-current assets to support its core business of delivery of service to the community.

5.1.3 Asset management practices impact directly on the core business of the organisation and appropriate asset management is required to achieve our strategic service delivery objectives.

5.1.4 Adopting the asset management principles will assist Council in achieving its Long-Term Financial and Asset Management Plans and Strategies.

5.1.5 A strategic approach to Asset Management will ensure that Council delivers the most appropriate, and affordable level of service through its assets. This will provide positive impact on:

- Members of the public and staff;
- Council's financial position;
- The ability of Council to deliver the expected level of service and infrastructure;
- The political environment in which Council operates; and
- The legislative and environmental obligations of Council.

5.2. Principles:

5.2.1 A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.

5.2.2 All relevant legislative requirements together with political, social, and economic environments, are to be considered in asset management.

5.2.3 Asset Management principles will be integrated within existing planning and operational processes.

5.2.4 Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting.

5.2.5 An inspection regime will be used as part of Asset Management to ensure agreed service levels are maintained; identify asset renewal priorities; and ensure health and safety standards have been met.

5.2.6 Asset renewals required to meet agreed service levels and identified in adopted Asset Management Plans and Long-Term Financial Plans, will be fully funded in the Annual Budget Estimates.

5.2.7 Service levels agreed through the budget process and defined in adopted Asset Management Plans will be fully funded in the Annual Budget Estimates.

5.2.8 Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.

5.2.9 Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.

5.2.10 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.

5.2.11 Future services levels will be determined in consultation with the community.

5.2.12 Training in Asset and Financial Management will be provided for all Councillors and relevant staff.

6. Procedure

This Policy should be read in conjunction with the Long-Term Financial Management Plan and Strategy, and Long-Term Asset Management Plan and Strategy.

7. Legislation and Council Related Policies

Local Government Act 1993 (The Act)
Local Government (Highways) Act 1982
Local Government (Buildings & Miscellaneous Provisions) Act 1993
Land Use Planning & Approvals Act 1993
ISO 31000:2009 Risk Management – Principles & Guidelines
Australian Standards (AS)

Council Related Documents

Long-Term Financial Management Plan
Long-Term Financial Management Strategy
Long-Term Asset Management Plan and Strategy

8. Responsibility

Councillors are responsible for adopting the Policy and ensuring that sufficient resources are available to manage all assets.

The General Manager has overall responsibility for developing a Long-Term Financial Management Plan and Strategy, and Long-Term Asset Management Plan and Strategy; procedures and reporting on the status and effectiveness of Financial and Asset Management Plans within Council.