



# ASSET MANAGEMENT POLICY

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**Policy Number:** GRC 067  
**Policy Type:** Administrative  
**Responsible Officer:** Director of Community and Corporate Services  
**Department:** Community and Corporate Services

Version	Decision Number or CEO Approval	Decision Date	Status / History
1	Meeting Resolution OM-216/12	28 November 2012	Adopted by Council Review July 2013
2		Reviewed January 2014	Review January 2015
3		Reviewed and amended January 2015	Review January 2017
4		Reviewed 3 March 2017	Review March 2019
5	Meeting Resolution OM-157/19	Reviewed and amended June 2019	Review July 2020
6		Reviewed July 2020	Review July 2023
7		Reviewed 7 May 2024	May 2027

## 1. BACKGROUND

Council is committed to implementing a systematic asset management methodology in order to ensure that all Council assets are planned, constructed, operated, maintained, replaced and disposed of in accordance with Council's priorities for service delivery and financial sustainability.

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

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:

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- 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 legal liabilities of Council

Asset management relates directly to Councils Corporate Plan.

Corporate Plan Strategic Goal	Corporate Plan Strategic Action
<p><b>1. A THRIVING COMMUNITY</b></p> <p>A welcoming, engaged and resilient community supported by quality community infrastructure and services.</p>	Providing quality community facilities and services
	Delivering planned and coordinated disaster management response
	Supporting local arts, culture, identity and history
	Promoting active community participation and lifestyles
<p><b>2. A STRONG ECONOMY</b></p> <p>A region known for its prosperous rural economy and innovation.</p>	Contributing to creating an attractive place to do business, invest, work and visit
	Supporting a regional hub for innovation and entrepreneurship
	Providing town and regional planning that enhances opportunity for economic prosperity
<p><b>3. A SUSTAINABLE REGION</b></p> <p>A sustainable, well-managed and healthy region for today and future needs.</p>	Enhancing our communities with open parks and gardens
	Contributing to a healthy and safe community
	Delivering sustainable and affordable essential services and infrastructure that meet current and future needs
<p><b>4. A HIGH PERFORMING ORGANISATION</b></p> <p>An engaging and transparent Council providing community leadership and quality service delivery.</p>	Providing excellent customer service and opportunities for positive community engagement
	Operating an innovative, transparent and accountable organisational governance based on evidence based decisions
	Delivering a sustainable financial position
	Promoting a safe and collaborative workplace culture

## 2. POLICY STATEMENT

- A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best practice throughout all Departments of Council.
- All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- Asset management principles will be integrated within existing planning and operational processes.
- An inspection regime will be used as part of asset management to ensure defined service levels are maintained and to identify asset renewal priorities.
- Assets will be managed at the lowest possible cost to meet defined levels of service and risk.
- Asset renewals required to meet defined service levels and identified in infrastructure and asset management plans and long term financial plans will be fully funded in the annual budget estimates.
- Asset renewal and upgrade plans will be prioritised and implemented progressively based on defined service levels and the effectiveness of the current assets to provide that level of service.
- Service levels agreed through the budget process and defined in Infrastructure and Asset Management Plans will be fully funded in the annual budget estimates.
- Systematic and cyclic reviews will be 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.
- Yearly reviews will be applied to specific asset attributes such as depreciation rates, remaining useful lives and residuals to ensure that the asset valuations remain relevant.
- 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.
- Future service levels will be determined in consultation with the community
- 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.

## 3. POLICY PURPOSE

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the Goondiwindi Regional Council area.

## 4. ROLES AND RESPONSIBILITIES

Councillors adopt the policy and provide leadership and stewardship of asset Management principles and long term planning.

The Chief Executive Officer has overall responsibility for developing asset management business processes, systems, organisational policies and procedures and reporting on the status and effectiveness of asset management within Council.

Directors and Managers are responsible for developing asset management plans, implementing asset management business processes, systems, organisational policies and

procedures. They will form the base of the Asset Management Steering Committee, with input from other officers as required.

Employees with management or supervisory responsibilities will be held accountable for the management of assets within their areas of responsibility as determined under the asset management plans.

Employees will be tasked based on the relevant Core Asset management Plans and will be responsible for the timely completion of allocated events.

## **5. DEFINITIONS**

**Capital Renewal** - expenditure on an existing asset, which returns, restores, rehabilitates the service potential or the life of the asset up to that which it had originally. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, e.g. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

**Capital Upgrade** - Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that, will increase the life of the asset beyond that which it had originally. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base, e.g. Widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

**New** – expenditure that creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential, it may impact revenue and will increase future operating and maintenance expenditure.

## **6. REVIEW DATE**

May 2027

## **7. LEGISLATION**

*Local Government Act 2009*

*Local Government (Finance, Plans & Reporting) Regulation 2010*

*Local Government Finance Standard 2005*

Australian Accounting Standard AASB116 (Property Plant & Equipment)

Australian Accounting Standard AASB136 (Impairment of Assets)