

Policy Name	Asset Management
Policy Number	TS16
Responsible Section	Infrastructure Assets and Maintenance
Responsible Department	City Assets
Date Last Adopted	13 July 2021
Date of Next Review	July 2024
Applicable Legislation	Local Government Act 1999 Work Health and Safety Act 2012 Work Health and Safety Regulations 2012
Related Governance Documents	City Plan 2030 Long Term Financial Plan Annual Business Plan and Budget Infrastructure and Asset Management Plans Council Strategic Plans Capitalisation Policy Community Engagement Policy Section Plans Australian Accounting Standards (AASB116) Depreciation and Amortisation Policy ISO 55000:2014 Asset Management – Overview, principles and terminology ISO 55001:2014 Asset Management – Management Systems – Requirements ISO 55002:2014 Guidelines for the application of ISO 55001 • Australian Standards (Various) NAMS.AU Guidelines International Infrastructure Management Manual 2015 (IIMM)
City Plan Theme	Economy Community Environment Place Making Leadership

KAURNA ACKNOWLEDGEMENT

Acknowledgement and respect is paid to the Traditional Owners of the Land, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Land is situated. It is also The Place of the Kardi, the Emu, whose story travels from the coast inland. Respect is paid to Elders past and present and their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. Acknowledgement is also given to the contributions and important role that Aboriginal people continue to play within our shared community.

1. PURPOSE/OBJECTIVE

The intent of Asset Management (AM) is to meet the required level of service, in the most cost-effective manner, through the management of infrastructure assets for present and future ratepayers. As highlighted by ISO55000, good AM is about achieving best value through the right balance between cost, risk, and performance.

The purpose of this Policy is to guide the ongoing development of AM within Council. Strategy and leadership play a vital role in establishing strong AM processes that will deliver the objectives of the City Plan 2030.

This Policy aims to focus on the current priorities that are fundamental to delivering the City Plan 2030.

- **Funding of Assets** – understanding the cost associated with maintaining, replacing and renewing our existing assets and committing to appropriate funding levels to successfully deliver the Levels of Service desired by our community;
- **Long Term Planning** – identifying the assets to best deliver the services required by our Community and forecasting the expenditure required to deliver these services over a ten year budget;
- **Citizen Democracy** - actively engage with our Elected Members and our community to seek feedback to determine the levels of service desired by our assets;
- **Circular Economy** – encourage the re-use of material in construction of assets to minimise community waste;
- **Digital Access** – to connect with our community using interactive media, allowing the community and Elected Members easy access to asset related information;
- **Social Cohesion** – understanding the role in which infrastructure connects community through the provision of service;
- **Climate Adaptation** – to design and construct infrastructure that manages the risk caused by climate change already in train and those caused by potential future climate change;
- **Intergenerational Equity** – to ensure the cost of asset maintenance and renewal is fairly and equitably funded between current and future ratepayers. Council’s long term financial sustainability is dependent upon ensuring that on average, over time, its expenses should be less than its associated revenues.

2. SCOPE

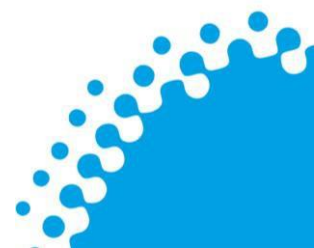
This policy applies to all public infrastructure assets within the City of Port Adelaide Enfield that are owned, managed or under the care and control of Council. This policy covers the management of assets including but not limited to:

- Roadways
- Footways and Bridges
- Stormwater
- Kerb and Gutter
- Pump Stations
- Bus Shelters
- Parks and Gardens
- Buildings.
- Public Art

This Policy aligns the relationship between the following Asset Management objectives to our City Plan 2030 strategies.



City Plan 2030 Theme	City Plan 2030 Strategies and Priorities	Asset Management Strategy 2019-2024 Objectives
Leadership	<ul style="list-style-type: none"> • Ensure transparent and accountable leadership which delivers excellent decisions • Be responsive in addressing current community needs whilst also planning for future generations and requirements • Plan for and manage finances and assets sustainably • Invest in our people and culture to develop a safe, inclusive and high performing organisation. • Implement a service review program to ensure we deliver value to our community. 	<ul style="list-style-type: none"> • The organisation recognises the importance of AM planning and adequately resources the AM System. • The organisation is committed to understanding the services valued by the community and to provide and maintain assets through informed decision making. • Decision making is outcome based and developed on reliable asset information. • The organisation will actively and transparently engage with stakeholders as to how infrastructure assets are managed and maintained. • A continual improvement approach is taken to advance asset management practice throughout the organisation. • Infrastructure assets are to be managed in a financially prudent manner. • All new initiatives must consider full lifecycle costs.
Environment	<ul style="list-style-type: none"> • Manage energy, water and waste resources sustainably • Foster climate and water sensitive and energy efficient development at all scales 	<ul style="list-style-type: none"> • Environmental impacts associated with infrastructure assets are mitigated. • Infrastructure assets will be designed and managed to enhance and protect our environment. • Ensure the preservation of our City's heritage.
Place making	<ul style="list-style-type: none"> • Strive for excellence in the design of the public realm and the built environment 	<ul style="list-style-type: none"> • All asset infrastructure is considered safe for the community – ensuring access and linkage for people to conduct their life and business activity.
Community	<ul style="list-style-type: none"> • Develop and maintain quality, contemporary social infrastructure, sporting facilities, and services 	<ul style="list-style-type: none"> • Administration will engage with the community and it's Elected Members on expected levels of service. • Infrastructure assets will support community wellbeing.
Economy	<ul style="list-style-type: none"> • Ensure an infrastructure led approach to urban development 	<ul style="list-style-type: none"> • The infrastructure provided will support business and industry to grow and prosper.



3. POLICY

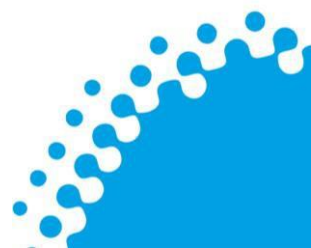
Council is committed to the ongoing development of Asset Management to deliver informed decision making through accurate financial records, lifecycle costs, condition data, community expectations on service levels, and risk management.

The following principles will continue to advance Asset Management within our organisation.

- An appropriate organisational structure and resource level is provided to deliver the Asset Management objectives defined above.
- Levels of service are defined based on an ongoing process of community engagement ensuring community expectations are understood and documented.
- There is a high value of integrity placed on our asset data and the systems that sustain it.
- Asset Management Plans inform the long term expenditure requirements to maintain the asset base at a level of service expected by the community.
- Priority is given to maintenance and replacement of assets over funding for new assets.
- Decisions relating to Council's construction programs are well informed, involving the consideration of broader strategic plans and policies as well as reviewing the condition of all adjacent infrastructure types to ensure cost effectiveness and minimum disruption to our community.
- Continual review of the useful lives and unit rates of infrastructure to determine the asset network value and annual depreciation in the organisation's financial accounts.
- Assets are managed in a way that supports sustainability outcomes, environmental risk mitigation, and climate change preparedness.
- The Asset risk register is reviewed annually, with highest risks identified, reported, and appropriately considered for treatment options.
- Council's services and infrastructure are provided in a sustainable manner with the appropriate levels of service to the community
- Creating an environment where all Council employees play an integral part in the overall management of Council assets by creating and sustaining an asset management awareness throughout the organisation by training and development.
- Ensure transparency of Council's asset management processes to the community.

Council will be guided by the following requirements of asset management:

- Taking a life cycle approach,
- Developing cost-effective management strategies for the long term,
- Providing a defined level of service and monitoring performance,
- Understanding and meeting the demands of growth through demand management and infrastructure investment,
- Managing risks associated with asset failures,
- Sustainable use of physical resources,
- Continuous improvement in asset management practices



Condition assessment programs for all major asset types are repeatable in methodology and performed within reasonable cyclic timeframes (every 4 years at a minimum for each asset class type).

Asset Management Plans will use condition data and community feedback to project maintenance and capital works expenditure levels, which will inform Council's Long Term Financial Plan.

Asset Management Plans will be comprehensively reviewed regularly (required to be adopted within 2 years following each Council election).

Asset Management Plans will be interactive and accessible to the community via Council web page. Using interactive media will help connect with our Elected Members and community, allowing access to asset related information.

Costs associated with the construction and maintenance of Council's assets will be recorded in Council's Asset Management Database and Council's financial systems.

Cost effectiveness of all construction and maintenance programs will be continually reviewed to ensure best value from expenditure.

The use of recycled materials for construction projects where principles relating to cost benefit have been appropriately considered.

We will engage with a broad range of community sectors to determine and establish levels of service that can be reviewed and reported within each Asset Management Plan revision.

Community engagement and customer requests will drive improvements in community levels of service based on community expectations.

We will commit to maintain knowledge and awareness of industry standards in design and construction of our infrastructure and use maintenance techniques that will minimise whole of life costs.

Asset categories will be reviewed periodically to ensure that the assets are recorded, valued and depreciated in accordance with financial guidelines and applicable Australian Standards.

All applicable asset databases will be maintained and updated following completion of capital works and acceptance of free of charge assets.

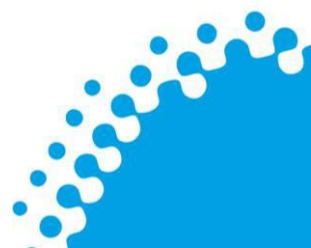
Council will ensure a collaborative and cross functional approach to Asset Management by engaging administration, Elected Members, and the community to agree upon levels of service and expenditure levels.

Infrastructure will be designed and constructed to respond to increased heat and change in rainfall intensity and durations, as well as invest in projects to combat the impacts of climate change.

We strive for innovation in identifying materials, solutions and technologies in the renewal and replacement of our assets.

4. ROLES AND RESPONSIBILITIES

The Manager Infrastructure Assets and Maintenance is responsible for the implementation and management of the policy. It is recognised that there are many individual responsibilities from various employees for the day to day administration of the policy.



5. DEFINITIONS

The following list of terms and meanings are relevant to the specific words/terms uniquely used in this policy:

Asset	A resource controlled by an entity as a result of past event and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.
Asset Class	A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.
Asset Condition Assessment	The process of continuous or periodic inspection, assessment, measurement, and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action, and capture the expected remaining life.
Asset Management (AM)	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 Plans	Long term plans (usually 10 – 20 years or more for infrastructure assets) that outline the asset activities and programmes for each service area and resources applied to provide a defined level of service in the most cost efficient way.
Asset Management System	A set of interrelated or interacting elements of an organisation, including the AM Policy, AM Objectives, AM Strategy, AM Plans, and the processes to achieve these objectives.
Demand Management	Actions taken to influence demand for services and assets, often undertaken as part of sustainability initiatives and/or to avoid or defer required asset investment.
Free of Charge Assets	Community infrastructure assets that are constructed by other entities (usually through major development) and then handed to local Councils to operate and maintain.
Level of Service	The defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.
Lifecycle	The time interval that commences with the identification of the need for an asset and terminates with the decommissioning of the asset or any liabilities thereafter.
Lifecycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs
Risk Management	The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.