

Infrastructure Asset Management Policy

Policy Administration

Dates	Policy approved 24/06/2024 This policy is effective upon its approval. Policy is due for review 06/2027
Approved by	Council Meeting 24/06/2024 Council Resolution CCL043-24
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Policy Owner	Director, Assets and Infrastructure
Related Documents	IPWEA (Institute of Public Works Engineering Australasia) Asset Policy template IPWEA Practice Notes 1-5 for condition assessments IPWEA Financial Planning Guidelines International Infrastructure Management Manual (IIMM 2019 edition) NSW Public Spaces Charter Georges River Council Community Strategic Plan 2022-2032 Georges River Council Resourcing Strategy Georges River Council Delivery Program and Operational Plan Georges River Councils Asset Accounting Policy Georges River Councils Asset Management Plans Georges River Council Community Engagement Strategy
References & Legislation	ISO 55000 – International ISO standards for Asset Management Australian Accounting Standards AASB 116/13/108/36 NSW Integrated Planning and Reporting (IP&R) Framework
Document Identifier	Policy #: Pol-102.01 Doc #: D24/192133
Breaches of Policy	Breaches of any policy will be dealt with and responded to in accordance with adopted codes and/or relevant legislation.
Record Keeping	All documents and information obtained in relation to the implementation of this policy will be kept in accordance with the NSW State Records Act 1998, Georges River Council's Corporate Records Policy and adopted internal procedures.

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Purpose

This policy outlines the principles for managing Council’s infrastructure assets. These principles ensure the responsible management of assets owned and/or administered by Council, in order to deliver sustainable social, environmental, and economic outcomes for the ongoing benefit of Georges River Council and our community.

Methodologies and processes adopted by the policy will conform to the NSW Integrated Planning and Reporting (IP&R) Framework.

Scope

This policy applies to all infrastructure assets owned or administered by Georges River Council including transport, stormwater drainage, buildings and facilities, parks and open space, including marine assets, sports and recreation. This Policy applies to all Council Officials as defined in Council’s [Code of Conduct](#).

This policy should be read in conjunction with Council’s Asset Management Plans, and Council’s Asset Management Strategy located within the Resourcing Strategy. Together, these documents form Georges River Council’s Strategic Asset Management Framework (Figure 1).

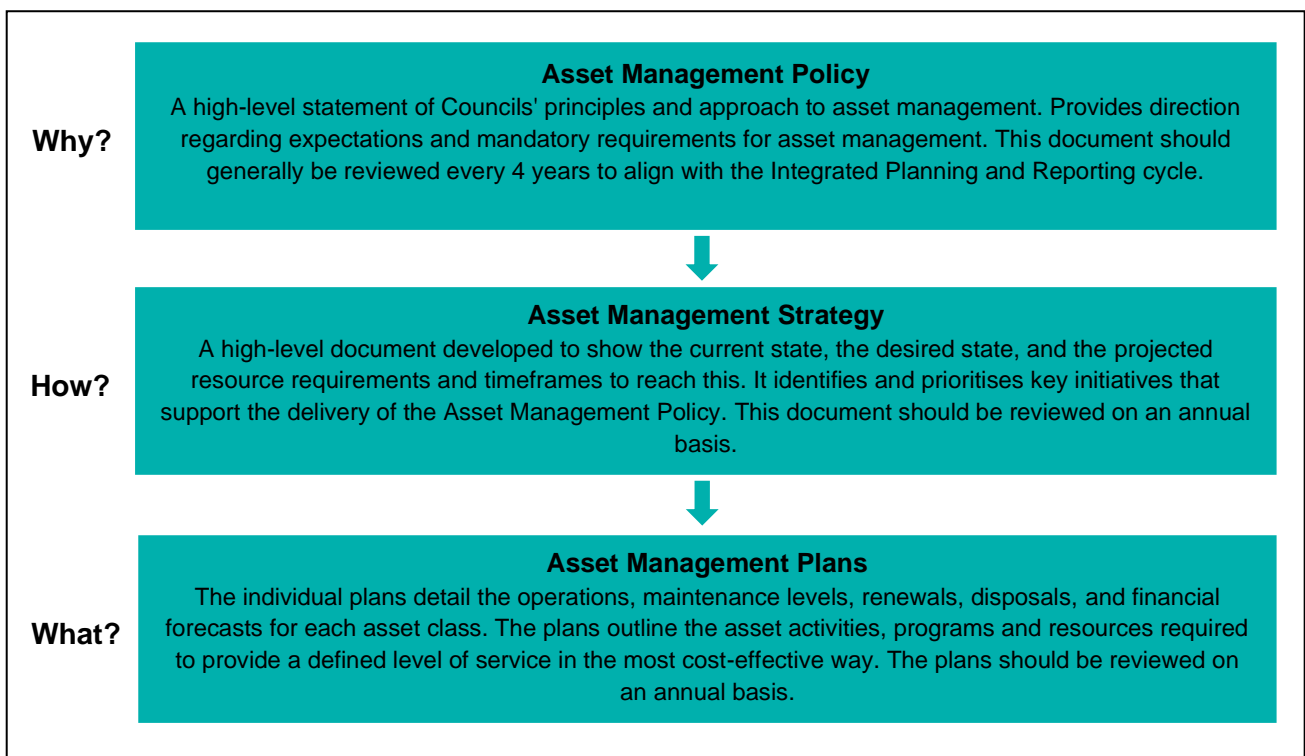


Figure 1: Georges River Council’s Strategic Asset Management Framework

Definition of Terms

Term	Meaning
<i>Asset Accounting Policy</i>	Outlines the principles for accounting for Council's assets, in line with the requirements of the Local Government Act and accounting standards.
<i>Asset Management Plan</i>	A document outlining the full physical and financial life cycle of an asset. This includes details of the asset components, asset values, depreciation rates, life cycle expectations, physical condition assessments, maintenance and renewal plans for the whole of the life of the asset. This Plan also highlights the strategic importance of the asset and contains an improvement plan.
<i>Asset Management Strategy</i>	<p>A high-level action plan that gives effect to the asset management framework by documenting the approach to delivering on objectives and plans with supporting systems. The Strategy also includes a monitored improvement plan.</p> <p>Georges River Council's Asset Management Strategy forms part of the annual Resourcing Strategy.</p>
<i>Capital Expenditure</i>	Capital Expenditure is relatively large (material) expenditure, which has benefits that are expected to last for more than 12 months. Capital Expenditure includes renewal/replacement, expansion and upgrade.
<i>Capital New</i>	Expenditure on new works or acquisitions that create an asset that currently does not exist in any shape or form.
<i>Disposal</i>	Asset disposal is the removal of an asset from the company's records. The asset disposal may be a result of several events: an asset is fully depreciated and must be disposed of, or an asset is sold at a gain/loss because it is no longer useful or needed.
<i>Financial Sustainability</i>	The financing of the full life cycle costs, over a minimum 10-year period of Council's assets so as to not unreasonably burden future generations or unreasonably reduce the service levels for future generations.
<i>Infrastructure Asset</i>	An infrastructure asset by its nature provides value to the community and/or enables the community to function or allows a service to be provided, e.g., roads, traffic facilities, footpaths, drains, parks, sports fields, libraries, community centres etc.
<i>Maintenance Expenditure</i>	Maintenance Expenditure is proactive and or reactive expenditure on the asset, which is periodically or regularly required as part of the anticipated schedule of works. It is required to ensure that the asset achieves its useful life.

<i>NSW Public Spaces Charter</i>	The NSW Public Spaces Charter has been developed to support the planning, design, management and activation of public spaces in NSW. It identifies 10 principles for quality public space, developed through evidence-based research and discussions with public space experts and community members.
<i>Renewal</i>	Expenditure on an existing asset which returns the service function or the life of the asset back to its original condition or modern-day equivalent.
<i>Renewal Gap</i>	The difference between the organisation's current renewal funding and the required renewal demand.
<i>Resourcing Strategy</i>	The long-term resources required to achieve the objectives established by the Community Strategic Plan. The Strategy will include provision for long-term financial planning, workforce management planning and asset management planning.
<i>Upgrade</i>	Expenditure on an existing asset which enhances and/or improves its function and as a consequence provides a higher level of service.
<i>Useful life</i>	a) the period over which an asset is expected to be available for use by an entity; or b) the number of production or similar units expected to be obtained from the asset by an entity.

Policy Statement

1. Policy Principles

To ensure the responsible management of assets owned and/or administered by Council, the following principles will guide decision making and standardise asset management practices:

- 1.1. Life Cycle Management – Assets will be effectively and efficiently managed through the course of their life cycle, through planning, acquisition, operation, maintenance, renewal, and disposal.
- 1.2. Evidence Based Decision Making – Asset related decisions will be informed by up-to-date data and overseen by appropriately trained Council Officers.
- 1.3. Sustainable Financial Management – Financial decisions in relation to asset management will account for the long-term and cumulative consequences and best value practices in the context of the Long-Term Financial Plan.
- 1.4. Stakeholder Engagement – The community and other key stakeholders are to be engaged in the determination of future needs and levels of service.

- 1.5. Risk Management – Council will take a risk management approach to its asset inventory, ensuring that funding is allocated to assets with a higher strategic risk ranking as a priority.
- 1.6. Place-based approach – Council will consider the unique situation of the place and the infrastructure which supports its purpose.
- 1.7. Culture of Responsible Asset Management – Asset management is accepted as a whole of Council responsibility. Specific roles and responsibilities will be defined and monitored for effectiveness. Council Officials with asset management responsibilities will be trained and supported to carry out asset management functions in line with the Asset Management Policy.
- 1.8. Prioritise Asset Renewal – Council will adhere to a ‘renew before new’ approach brought by a centralised Asset Management function, working closely with Council’s Finance function, and overseen by the Asset Management Steering Committee, Executive Team, and Council.

2. Policy Objectives

To ensure Council can meet the purpose statement of this policy, Council is committed to ensuring:

- 2.1. All assets have an identified strategic purpose aligned to the Community Strategic Plan and State and Regional Planning. This ensures that assets that Council owns and administers clearly align to service delivery commitments. A critical part of the strategic alignment is ensuring adequate supply of assets which are adaptive to future growth, environmental changes, and economic impacts. These factors will be managed through specific Council strategies and plans including the 10-year Asset Management Plans.
- 2.2. The long-term financial sustainability of an asset. This will be done by ensuring the asset inventory is not increased or upgraded without considering the impact on Council’s ability to fund future maintenance and renewal.
- 2.3. An infrastructure asset register is in place that is fit for purpose and contains accurate and comprehensive information. The register is maintained and informed by cyclic condition assessments and routine and/or ad hoc inspections by trained Council Officers and/or contractors.
- 2.4. Assets owned or administered by Georges River Council will be managed and accounted for, as per:
 - Legislative requirements in NSW as applicable to specific assets, for example Disability Discrimination Act compliance;

- Guidance provided by IPWEA Practice Notes (Institute of Public Works Engineering) and the International Infrastructure Management Manual (IIMM);
- Integrated Planning and Regulatory Reporting requirements;
- NSW Accounting and reporting requirements as per Australian Accounting Standards (AASB 116/13/136/145); and
- The life cycle approach where the total life cycle cost of all assets is taken into consideration when building and maintaining assets.

2.5. Active engagement with stakeholders to inform asset decisions. Stakeholder consultation will inform asset and service planning. Stakeholders will include, but not be limited to, our community, internal stakeholders and councillors, reference groups, peak bodies, state and federal government, industry experts and other local governments. This engagement will be guided by Council's Community Engagement Policy.

2.6. A place-based approach to asset management. This will involve consideration of the unique value of the place and the infrastructure which supports its purpose. This approach will consider the NSW Public Spaces Charter 10 key principles of:

- Open and welcoming
- Community focused
- Culture and creativity
- Local character and identity
- Green and resilient
- Healthy and active
- Local business and economies
- Safe and secure
- Designed for place, and
- Well- managed

2.7. A business improvement approach to asset management. Council will strive for improved asset management practices and systems. Improvements will include but not be limited to, improvement plans contained in Asset Management Plans with actions and responsibilities assigned, asset management courses available to relevant staff and investment into asset management systems.

Responsibilities

Position	Responsibility
<i>Mayor and Councillors</i>	<ul style="list-style-type: none"> • Support effective asset management and decision making through adherence to strategic plans, programs and policies of Council. • Provide assets that deliver sustainable services to the community that justify the costs of owning and operating these assets.
<i>General Manager</i>	<ul style="list-style-type: none"> • Has overall responsibility for developing infrastructure asset management systems, policies, procedures, and financial models. • Reporting on the status and effectiveness of asset management.
<i>Executive Team</i>	<ul style="list-style-type: none"> • To foster and support the cross-functional Asset Management. • To ensure that accurate and reliable information is presented to Council for decision-making. • To ensure that adequate resources (staff, systems, and materials) are provided to implement the Asset Management Strategy and Asset Management Plans. • To ensure there is training and capacity built into the human resources involved with Asset Management.
<i>Asset Management Steering Committee</i>	<ul style="list-style-type: none"> • Technical review of policies, strategies, and guidelines regarding asset management. • Review and monitor the preparation and implementation of Asset Management Plans. • Review existing asset management practices, procedures, and systems. • Technical advisory role to assist in the development of capital works programs where there is a renewal or upgrade component. • Monitor the implementation of recommendations from the Asset Management Assessment – Morrison Low report. • Advocate on behalf of Council to NSW Government regarding asset management matters. • Act upon Audit Office of NSW Management letter items. • Provide input on technical feasibility, financial implication of capital works items.

<i>Management Team</i>	<ul style="list-style-type: none"> • Provide oversight and governance in alignment to Asset Management Plans. • Be informed of and advocate for effective asset management practices. • Participate in asset management discussions and improvement activities for assets within their service portfolio.
<i>Asset Management Coordinator and Asset Engineers</i>	<ul style="list-style-type: none"> • Management of Councils Infrastructure Asset portfolio. • Delivery of the Asset Management Plans. • Ensure a place-based approach is considered. • Undertake asset condition assessments. • Recommend capital works programs and adequate operational and maintenance expenditure.
<i>Council Officers</i>	<ul style="list-style-type: none"> • Provide technical operational expertise to inform asset management decisions.

Version Control and Change History

Version	Amendment Details	Policy Owner	Period Active
1.0	Infrastructure Asset Management Policy	Director Assets and Infrastructure	24/06/2024 - Ongoing