

# Asset Management Policy

Classification:	Council Policy
Policy Name:	Asset Management
First Issued / Approved:	16 September 2008 (O2485)
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Next Review:	March 2024
ECM Tracking No.:	987617
Responsible Officer:	General Manager Urban and Community
Relevant Legislation:	Local Government Act 1999
Related Policies:	Streetscape Bluestone Kerbing Environment and Biodiversity Climate Change (under development) Fixed Asset Financial Reporting Footpath Heritage Open Space Public Lighting Risk Management Road and Traffic Management Sale or Disposal of Assets Urban Tree Management Verge Development Water Sensitive Urban Design Watercourse Management Eastern Region Public Health Plan

## 1 Introduction

- 1.1 The purpose of this policy is to set out the asset management framework for the City of Burnside.

## 2 Strategic Plan Desired Outcomes

- 2.1 Conservation and enhancement of this historic character of the City
- 2.2 Environmentally sustainable development which complements the City's character
- 2.3 Sustainable, engaging, healthy and functional public spaces and streetscapes
- 2.4 High quality sport and recreational facilities that foster healthy lifestyles
- 2.5 Fit for purpose and cost effective infrastructure that meets community needs

- 2.6 An effective transport network that supports safe and efficient movement, connecting people and places
- 2.7 Natural environments and watercourses protected, conserved and enjoyed
- 2.8 Sustainable use of natural resources and minimisation of waste to address climate change
- 2.9 A safe community that values and supports its people
- 2.10 Delivery of good governance in all Council business
- 2.11 Cost-effective technologies that support efficient Council services and Governance to benefit the community
- 2.12 A financially sound Council that is accountable, responsible and sustainable

### **3 Our Approach**

- 3.1 Plan, maintain and deliver Council infrastructure and assets to the required level of service and condition that meet the needs of the community now and into the future

### **4 Legislative Requirements and Corporate Policy Context**

- 4.1 Local Government Act, 1999
  - 4.1.1 Section 99(1)(g) - the function of the Chief Executive Officer includes to ensure that the assets and resources of the council are properly managed and maintained.
  - 4.1.2 Section 122 - Council must develop and adopt an Infrastructure and Asset Management Plan.

### **5 Interpretation**

- 5.1 For the purpose of this Policy:
  - 5.1.1 "Council" means the City of Burnside.
  - 5.1.2 "Asset" in this policy refers to non-current assets, which means an asset which is not easily convertible to cash or not expected to become cash within the next year. Examples include land, buildings, roads, drainage and other infrastructure.
  - 5.1.3 "Natural asset" means assets such as trees. While these do not fall under the accounting definition of a 'non-current asset', they are important assets which provide a high value to the community and are managed in line with asset management principles through the City of Burnside's Urban Tree Policy and Urban Tree Management Strategy.

### **6 Policy Objectives**

- 6.1 This policy will provide a framework for a strategic approach to asset management in accordance with the objectives of Council's Strategic Plan.
- 6.2 The fundamental aim of the policy is to illustrate the link between the sustainable and cost effective management of the City's assets and infrastructure to service delivery needs of our community.
- 6.3 Council is committed to implementing a systematic asset management methodology in order to implement 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 service delivery priorities.

- 6.4 Council owns and uses in excess of \$669 million of non-current assets to support its core business of delivery of service to the community.
- 6.5 Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve our strategic service delivery objectives.
- 6.6 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:
  - 6.6.1 members of the public and staff;
  - 6.6.2 Council's financial position;
  - 6.6.3 the ability of Council to deliver the expected level of service and infrastructure in a sustainable manner, which takes into account climate change adaptation and mitigation;
  - 6.6.4 the political environment in which Council operates; and
  - 6.6.5 the legal liabilities of Council.
- 6.7 Council will ensure that adequate provision is made for the long-term replacement of major assets by:
  - 6.7.1 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.
  - 6.7.2 Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and plans and allocating appropriate financial resources for those assets.
  - 6.7.3 Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset management awareness throughout the Council.
  - 6.7.4 Meeting legislative requirements for asset management.
  - 6.7.5 Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
  - 6.7.6 Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

## **7 Policy Principles**

- 7.1 An Asset Management Strategy to enable asset management best practice throughout all Council operations.
- 7.2 All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- 7.3 Climate change adaptation and mitigation is considered in management of assets, and the development of Asset Management Plans.
- 7.4 Asset management principles will be integrated within existing planning and operational processes.
- 7.5 An inspection regime will be used as part of asset management to ensure service levels are maintained and to identify asset renewal priorities.

- 7.6 Asset renewals required to meet service levels and identified in Infrastructure and Asset Management Plans and Long Term Financial Plans will be recommended to be appropriately funded through the annual budget development process.
- 7.7 Asset renewal plans will be prioritised and implemented progressively based on the level of service required and the effectiveness of the current assets to provide that level of service.
- 7.8 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.
- 7.9 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.
- 7.10 Any proposals to renew, replace, add, upgrade or remove infrastructure not included in endorsed Asset Management Plans will be considered in accordance with the prioritisation factors outlined within the Asset Management Plans, with consideration given to the ensuing social, economic and environmental impacts (including climate change).

## **8 Review and Authority**

- 8.1 This Policy will be reviewed every three to four years in line with Council's Policies and Protocols Framework.

## **9 Availability**

- 9.1 The Policy is available to be downloaded, free of charge, from Council's website <http://www.burnside.sa.gov.au>
- 9.2 The Policy will be available for inspection without charge at the Civic Centre during ordinary business hours and a copy may be purchased at a fee as set annually by Council.

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## **10 Further Information**

- 10.1 For further information about this policy please contact:

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