

Asset Management

1. Purpose

The City of Holdfast Bay owns and manages a large diverse portfolio of assets valued in excess of \$600 million to support the Strategic Plan Our Holdfast 2050+ and core business of delivering services to the community.

The purpose of the Asset Management Policy is to set the principles, requirements and responsibilities for implementing consistent asset management practices and procedures throughout the City of Holdfast Bay. This policy ensures adequate provision is made for the long term management of council assets by:

- 1.1 Ensuring that councils services and assets are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- 1.2 Safeguarding Council assets by implementing appropriate asset management strategies and providing appropriate financial resources for those assets.
- 1.3 Creating awareness amongst employees and Elected Members of their responsibilities for the creation and management of sustainable assets.
- 1.4 Meeting legislative requirements for asset management.
- 1.5 Ensuring resources and operational capabilities are identified and funded and responsibility for asset management is assigned.
- 1.6 Demonstrating transparent and responsible asset management processes that align with best practice standards and guidelines.
- 1.7 Ensuring an integrated approach across all Business Units in asset management service delivery.

2. Scope

This policy applies to all council assets within the City of Holdfast Bay that are owned, managed, or under the care and control of Council.

This policy is supported by Council's asset management documentation, including Asset Management Plans, Asset Management Strategy, and Long Term Financial Plan.

3. Roles and Responsibilities

Council Members	Act as custodians of community assets. Set Asset Management Policy and vision. Allocate resources to meet council objectives in providing services while managing risks.
Audit and Risk Committee	Review and make recommendations and observations to Council on the financial outcomes of the Asset Management Plans.
Senior Leadership Team	Provide leadership and strategic direction. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and the outcomes of service reviews are incorporated into asset management planning and the Long Term Financial Plan. Ensure Councilors and staff are provided with training in financial and asset management. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of Asset Management Plans, Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares Asset Management Plans. Manages asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provides technical asset management expertise to the organisation.

4. Policy Statement

- 4.1 Assets exist to meet community needs and support the delivery of services to the service levels adopted by Council.
- 4.2 The primary intent of asset management is to meet the required level of service in the most cost effective way, through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets to provide for present and future community needs.

Council is committed to:

- 4.3 Preparing and adopting Asset Management Plans in accordance with legislative requirements, and council and community needs, while balancing financial, environmental, cultural, and social outcomes.
- 4.4 Preparing and maintaining an Asset Management Strategy to facilitate integration of Council's strategies and asset management principles into planning and operational processes.
- 4.5 A systematic asset management methodology to apply appropriate asset management practices across all areas of council to achieve Council's strategic objectives, considering a whole of life approach for managing assets.
- 4.6 Asset Management Plans informed by community consultation, financial planning, risk management, and operational reporting.

- 4.7 Long Term Financial Plan to be directly linked and consistent with Asset Management Plans.
- 4.8 Evidence based decision making through up-to-date asset data and information, including industry standards and future climate projections. Asset information created or changed as a result of creating, upgrading, renewing, receiving and disposing of assets will flow in a timely fashion to the appropriate asset management systems.
- 4.9 Cyclic review and condition assessments for all asset classes to ensure the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- 4.10 Regularly review and update asset useful lives and unit rates, in accordance with Australian Standards.
- 4.11 Periodically review maintenance and renewal practices to provide best value outcomes to the organisation and community.
- 4.12 Setting service levels in consultation with the community and elected members inform annual budgets, considering the available resources and long term financial planning.
- 4.13 Periodically review service levels to identify asset renewal priorities and optimise whole of life costs.
- 4.14 Track and measure key performance measures for service levels.
- 4.15 Prioritise new, upgrade, and renewal works based on asset condition, whole of life cost, meeting strategic objectives, and agreed service standards.
- 4.16 Report and consider future lifecycle costs in all Council decisions relating to new services and assets and upgrading of existing service and assets.
- 4.17 Sustainable environmental performance, considering future climate projections and the long term impacts on assets and how they are planned, designed, constructed, and managed.
- 4.18 Effective risk management, including consideration of future demand and climate change impacts.
- 4.19 Asset disposal in accordance with the Disposal of Land and Assets Policy.

4 Definitions

Key term or acronym	Definition
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost effective manner.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.

Asset Management Plan	Long-term plans (usually 10 years or more for infrastructure assets) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal

5 Administration Use Only

Reference Number:	Document Set ID 5049398
Strategic Alignment:	Sustainability: A city, economy and community that is resilient and sustainable
Strategic Risk:	SC05 – Lack of strategic alignment SC08 – Poor or ineffective budget development and management AD01 – Poor or ineffective management of the impacts of climate change AD02 – Insufficient or ineffective Asset Management Planning
Responsible Officer(s):	Asset Management Lead
First Issued / Approved:	22/08/17, 11/08/20
Minutes Date and Council Resolution Number:	26/11/24 - C261124/7949
Last Reviewed:	26/11/24
Next Review Date:	30/11/2028
Applicable Legislation:	<i>Local Government Act 1999</i>
Related Policies:	Disposal of Land and Assets Policy
Other Reference Documents:	Asset Management Strategy Building Asset Management Plan Open Space Asset Management Plan Plant and Equipment Asset Management Plan Stormwater Asset Management Plan Transport Asset Management Plan Long Term Financial Plan