



CITY OF
CANADA BAY
COUNCIL

ASSET MANAGEMENT POLICY

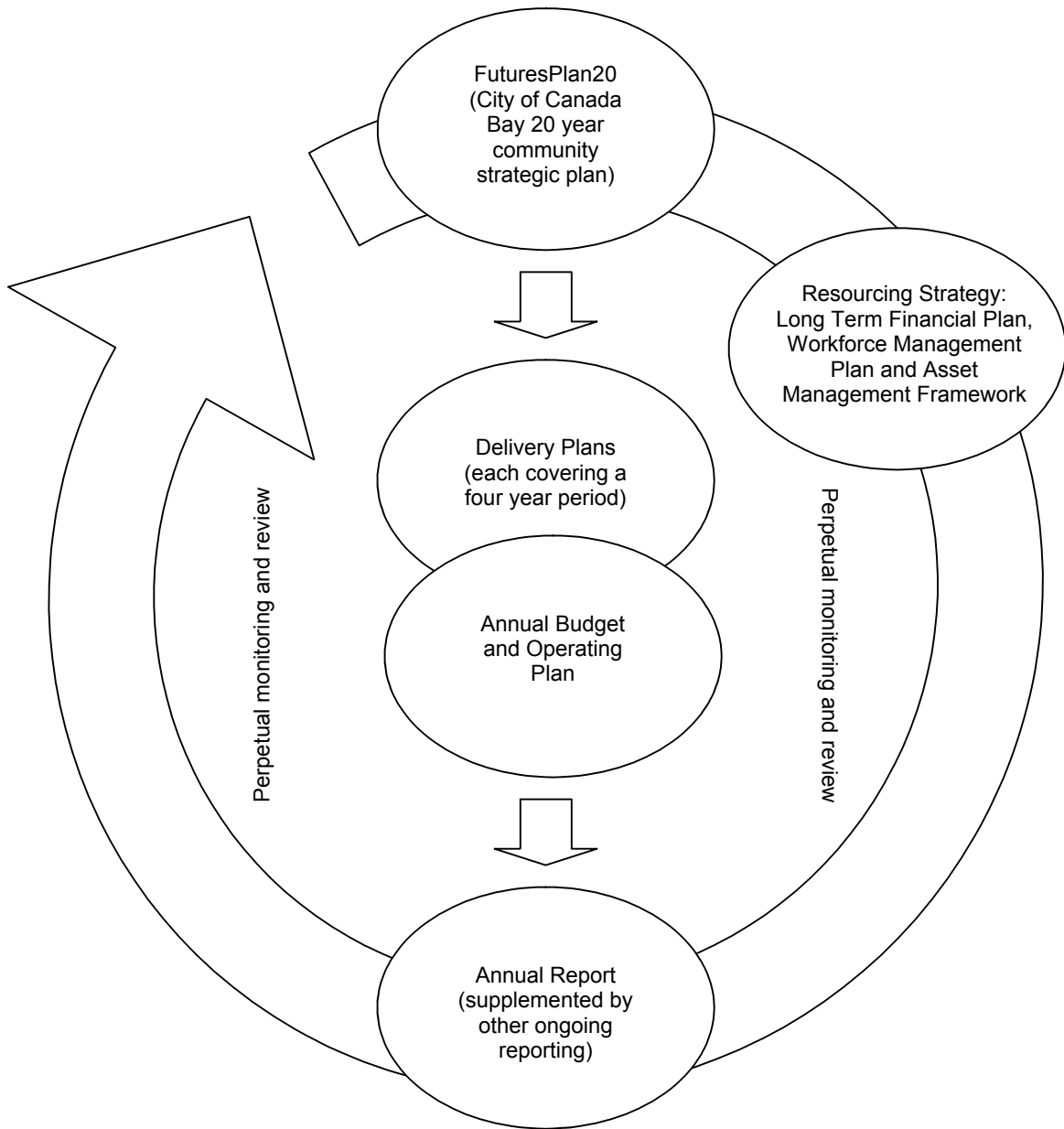
Effective Date: February 2010

Preamble

This policy forms part of the City of Canada Bay's Resourcing Strategy. The Resourcing Strategy is comprised of Council's Long Term Financial Plan, Workforce Management Strategy and Asset Management Framework.

These interrelated documents give consideration to the capacity for Council to deliver on it's responsibilities within FuturesPlan20, our City's community strategy plan, and both inform and are informed by the four yearly Delivery Plans created to outline the strategies in place to meet these responsibilities.

These individual documents should be viewed as constituent elements of an overall strategy and will be under continuous review and adjustment as annual budgets and operating plans are developed. The diagram below outlines Council's integrated planning and reporting framework and outlines the relationship between the Resourcing Strategy and other elements of the framework.



Resourcing Strategy Framework

1. Introduction

An asset is defined as "a resource controlled by a council as a result of past events and from which future economic benefits are expected to flow to the council." The City of Canada Bay currently owns and maintains over \$650 million worth of infrastructure assets including roads, drainage, land, buildings, furniture and fittings, and plant and equipment. These assets require continual maintenance and renewal to ensure that they will carry on meeting the service delivery requirements of the community. This means that the assets are predominantly income absorbing not income producing.

The term asset management describes the process for 'whole of life' asset management from planning, purchase, operation, and maintenance to disposal of assets. It also encompasses integration of asset and service outcomes. The City of Canada Bay Council owns and/or operates a significant portfolio of assets. These assets include roads and bridge assets, flood mitigation and stormwater drainage assets, parks and recreation assets, property and building assets, plant and equipment assets and Information Technology assets.

Council has three primary functions in managing assets being:

- Act as the responsible entity for assets under its control
- Implement effective asset management practices and planning
- Ensuring facilities and related services are maintained for future generations

The application of sound asset management underpins the key pillars of the City of Canada Bay Council's Strategy, FuturesPlan20:

- An Engaged City
- A Green City
- A Healthy City
- A Liveable City
- A Moving City
- A Prosperous City
- A Vibrant City

The aim of this policy is to set the framework for undertaking asset management in a structured and coordinated way and ensure it aligns with Council's community strategic vision of FuturesPlan20. Council supports the community vision and this planning policy, and participation by Council is noted as fundamental to the success of asset management. This policy is needed to provide direction and guidance for asset management and planning based on service provision.

2. Purpose

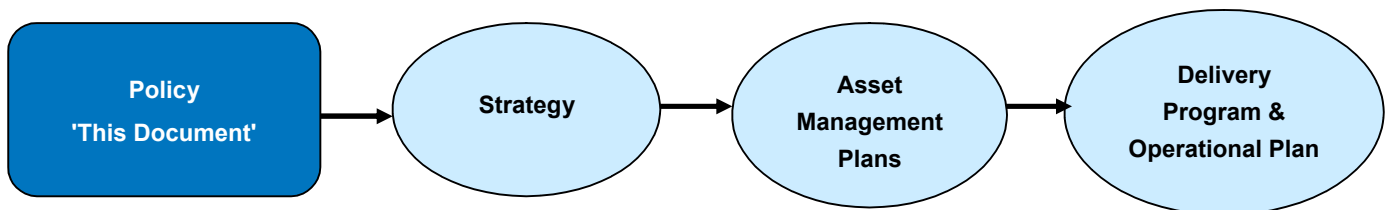
This policy sets out Council's commitment to manage its assets, which assists in the achievement of its FuturesPlan20 vision to meet the needs of the community. This policy will guide the strategic management of Council's assets.

It will be supported by:

- An Asset Management Strategy;
- An Asset Management Plan & detailed plans for each asset class;
- Operational and Delivery Plans;
- An Asset Management information system.

Together these documents, processes, software and data make up Council's Asset Management Framework that provides broad corporate goals and objectives that support the management of Council's assets.

This Policy links with Council's Asset Management Strategy, Asset Management Plans and Operational Plans as follows:



Asset Management Policy

- AM context
- AM vision and goals
- AM Commitment
- AM responsibilities
- Broad timeframes
- Continual improvement

Asset Management Strategy

- AM theory
- Asset description
- Links with Council/ Corporate strategy
- Current AM status
- Desired/target practice
- Strategies and actions to address AM gaps
- An improvement strategy and plan

Asset Management Plans

- Levels of Service
- Demand forecasts
- Asset portfolio
- AM activities inc
- Operations
- Maintenance
- Renewals
- New Works
- Disposals
- AM Gap Analysis
- Financial Forecasts (10 years +)

Delivery Program & Operation Plans

- Outlines operations and maintenance actions
- Allocates necessary resources
- Reflects AM Plan priorities/forecasts
- Contains measurable performance indicators
- Promotes efficient service delivery

3. Objective

The following outcomes from FuturesPlan20 set out Council's commitment to the strategic management of our assets. Council will align its asset management strategy within the vision and objectives of this community plan.

Outcome: 1.1 I have opportunities to participate in and contribute my opinion to local decision making through consultation and other forms of engagement with Council. To create an engaged city we will:

1.1.1 Engage with the community on local issues and planning

Outcome: 1.4 My City is well managed and my needs are met through high quality services and well maintained facilities and infrastructure. To create an engaged city we will:

1.4.1 Integrate service delivery and operational planning

1.4.2 Implement a long term financial plan which prioritises infrastructure renewal

1.4.3 Effectively manage staff and resources

Outcome: 2.3 I know what I can do to help the environment and make active day to day choices to support environmental sustainability. To create a green city we will:

2.3.3 Move to alternative and more sustainable transport choices within Council

2.3.4 Implement projects about sustainable business practices

Outcome: 2.4 I have a sense of wellbeing through living in a clean, healthy local environment. To create a green city we will:

2.4.1 Maintain and enhance streets and open community spaces

2.4.2 Operate effective and sustainable waste management for the City

2.4.3 Maintain and enhance the City's parkland areas, foreshore and river access

2.4.4 Undertake programs that contribute to a clean and healthy City

Outcome: 3.1 I feel a sense of health and wellbeing. To create a healthy city we will:

3.1.2 Develop an integrated network of pathways and cycleway for incidental exercise as well as alternative transport options

Outcome: 3.2 There are places for me to participate in sport and other outdoor recreation. To create a healthy city we will:

3.2.1 Provide and maintain accessible indoor and outdoor sport and leisure facilities and outdoor recreation spaces

Outcome: 3.4 There are services that meet my needs. To create a healthy city we will:

3.4.2 Generate the development of infrastructure needed to facilitate a healthy city

Outcome: 4.1 My City has attractive streets, village centres and public space. To create a liveable city we will:

4.1.1 Enhance the village atmosphere in local centres

4.1.2 Ensure accessibility to all public spaces

4.1.3 Encourage shared use of public space and facilities

4.1.4 Ensure that new development conserves or enhances significant streetscape items

Outcome: 4.2 My City has attractive landscapes with sustainable development and where heritage is conserved.

To create a liveable city we will:

4.2.1 Integrate best practice sustainable design

4.2.2 Conserve and celebrate the City's heritage

Outcome: 5.1 I can walk or cycle on designated paths to a range of commercial, recreational and community spaces around the City. To create a moving city we will:

5.1.1 Develop and enhance walking and cycling path networks around the City

Outcome: 5.2 I can get where I need to go safely without too much delay. To create a moving city we will:

5.2.1 Work with relevant partners to advocate for improvements to the City's road network

5.2.2 Maintain roads and footpaths to ensure they are safe and accessible

5.2.3 Improve safety, comfort and accessibility to public transport access points

5.2.4 Promote and support physical connectivity across the City

Outcome: 5.3 I have good day to day public transport options which take me to the places I need to go. To create a moving city we will:

5.3.4 Investigate and support new solutions and alternatives to parking needs as the City's population rises

Outcome: 6.1 I have access to an attractive village centre near where I live where I can socialise and shop for the day to day things I need:

6.1.1 Support and facilitate village development programs which contribute to vibrant and commercially viable village centres

Outcome: 7.1 I have a great lifestyle and feel part of an active and vibrant community. To create a vibrant city we will:

7.1.2 Provide access to a range of services and facilities that improve quality of life in Canada Bay

7.1.4 Generate initiatives to revitalise and maintain village centres as vibrant community spaces

Outcome: 7.2 I feel like I belong and my story is celebrated. To create a vibrant city we will:

7.2.4 Support and investigate initiatives which assist housing and accommodation affordability to improve access and maintain resident diversity in the area

Outcome: 7.4 I live in a creative City, inspired by diverse cultures and innovative ideas

7.4.2 Identify and support the development of community spaces for arts and culture

The intended objectives of the application of this policy are:

- Council makes better and more informed decisions;
- appropriate resources are allocated according to the defined levels of service;
- legislative and regulatory requirements are achieved.

In order to realise this, Council is committed to:

- preparation and review of detailed asset management plans for all major classes of assets and using these plans to assist in determining the priorities for capital and maintenance expenditure;
- funding asset maintenance and renewal to levels identified in the asset management plans;
- funding programs of works identified in the Operational and Delivery Plans;
- integrated management linking asset management strategy, policy and procedures to other Council policies, strategies and procedures;
- utilisation of technological advances relevant to asset management;
- an integrated planning approach which ensures manager roles are understood and documented and that communication procedures are in place which ensure assets are planned and delivered in a sustainable manner;
- improving its maintenance and rehabilitation practices;
- maintaining and rehabilitating its existing assets in a manner which is acceptable to the community in terms of financial burden, safety, quality, impact on the environment, meeting needs and Council's ability to fund those works;
- maximising resources to achieve the best outcome for the community;
- consulting and surveying the community to determine whether its needs are being satisfied;
- managing assets in accordance with relevant legislation;
- preparation of an Asset Management Strategy which details how this policy is to be implemented;
- monitoring performance in accordance with measures developed as part of its Asset Management Strategy.

4. Scope

This policy applies to all asset classes owned by Council. Council asset classes are:

Asset Type	Asset Class	Includes:
Infrastructure Assets	Roads	Sealed roads, carparks, footpaths, kerb & gutter, bus shelters, bike paths, roadside furniture, signage, street lighting
	Drainage	Drains, pipes, culverts, pits, gross pollutant traps, wetlands, seawalls
	Buildings & Facilities	Libraries, public halls, community facilities, public toilets, houses, museums, Council offices, pavilion, stadiums, preschools, maternal & child health centres, swimming pools
	Open Space	Parks, gardens, sporting ovals, swimming pools, play equipment, irrigation systems, skate park, tennis courts, park furniture, trees, sportsfield lighting
Non-infrastructure Assets	Plant & Equipment	Motor vehicles, trucks, construction equipment, gardening equipment, computer systems and equipment
	Other	Office furniture, fittings & equipment, library books, artworks, land etc.

5. Policy Implementation

Asset management must be integrated with broader Council planning requirements of the community strategic plan (FuturesPlan20), Local Environmental Plan, Delivery Plan (4 year Program) and the yearly Operational Plan. Council's assets will be developed and maintained to defined levels of service and performance standards in the most cost effective manner.

This requires the continuing assessment of:

- i. community and customer expectations;
- ii. strategic and corporate goals;
- iii. long term financial model;
- iv. legislative requirements.

This should be achieved through ongoing strategic planning, reviewing service levels and standards and development and implementation of an asset management framework.

6. Accountabilities

6.1 Council

This policy is enacted through Council as the custodians of community assets, demonstrating the organisations commitment, vision and strategic objectives through an integrated asset management framework. The role of Council is to:

- exercise stewardship over infrastructure assets;
- to adopt the corporate asset management policy and vision which links to FuturesPlan20;
- understand the communities needs and expectations and prioritise expenditure;
- to agree to levels of service, budgets, risk and cost standards;
- to approve appropriate resources for asset management activities in the Long Term Financial Plan and the annual budget.

6.2 Senior Management Team

The objectives of the senior management team are:

- continually promote asset management across the Council and with the community;
- validate and challenge proposals to ensure they meet the FuturesPlan20 objectives and community service needs;
- develop and continually refine the asset management policy and asset management strategy with reference to FuturesPlan20 for consideration by Council;
- foster and support a multi discipline cross functional Asset Management Working Group;
- monitor and review the performance of staff in implementing asset management;
- implement approved asset management plans within budget and service parameters;
- ensure that timely, accurate and reliable information is presented to Council for decision making;
- ensure the community and key stakeholders inputs are integrated into asset management plans;
- ensure that adequate resources are provided to implement approved asset management strategies and plans.

6.3 Asset Management Team

The role of the Asset Management Team is to:

- develop and implement appropriate asset management strategies;
- continually seek innovative ways to meet service needs;
- continually review the asset management policy, strategies and plans;
- consult with the community and key stakeholders to identify levels of service for Council approval;
- deliver levels of service to agreed risk and cost standards;
- ensure efficient and effective use of Council funds and optimising lifecycle costs of all assets;

- develop and implement maintenance, refurbishment and capital works programs in accordance with asset management plans and report to senior management and Council;
- develop and implement procedures that ensure that a single asset database is maintained and updated, providing required reports to Council to meet their statutory and legal responsibilities;
- promote and raise awareness of asset management to Council, staff, users and the community.

7. Audit and Review Procedure

This policy shall be reviewed not less than every four (4) years, or considered within the first year of each newly elected Council.

8. Legislation

As a part of its requirement to comply with legislation, Council must establish a clear direction to ensure appropriate asset management practices for its asset portfolio now and into the future.

The legislation and standards Council is required to comply with are as follows:

- Accounting regulations;
 - ASSB 116 - Property, Plant & Equipment
 - AASB 5 - Non-Current Assets held for Sale and Discontinued Operations
 - AASB 136 - Impairment of Assets
 - AAS 27 - Financial Reporting by Local Governments
- The Local Government Act 1993. Section 428 2(d) of the Local Government Act 1993 (NSW) requires Council to report on the condition of its public works each financial year. This includes estimates of costs to bring works up to a satisfactory standard and maintaining them at that standard. Whilst there is no current legislative requirement for local government to establish long term asset management plans, a position paper on asset management planning prepared by the Department of Local Government has recommended that amendments be made to the Local Government Act 1993 (NSW) to address long-term strategic asset management planning. It is expected that these amendments will be made in the near future.
- Occupational Health & Safety Act; and
- Discrimination Act.

9. Reference Documents

- FuturesPlan20
- 2009-2013 Delivery Plan
- City of Canada Bay Long Term Financial Plan
- City of Canada Bay Workforce Management Plan
- Department of Local Government - Planning and Reporting Manual (Draft 2009)
- Asset Management Planning for NSW Local Government 2006
- International Infrastructure Manual - Version 3.0 2006