



# muswellbrook shire council

## Asset Management

### Policy No. A40/1

**Assembled by  
Community Infrastructure  
Technical Services Team**

**Adopted By Council  
9 May, 2011  
Minute No. 523**

## **POLICY OBJECTIVES**

This policy provides the overall framework to guide the sustainable management of Council's asset portfolio.

## **POLICY STATEMENT**

To ensure effective asset management, Council will endeavour to:

- Utilise assets to their fullest potential to maximise usage and economic performance.
- Manage all infrastructure assets in a systematic and sustainable manner.
- Develop and commit to long term capital works and financial management plans that support and are responsive to the needs of the community.
- Ensure that asset renewal, disposal, upgrade or new asset provision is carried out in accordance with the adopted resourcing strategy that includes demonstrated need, life cycle costing, alternative modes of delivery, sustainability, equitable distribution of resources and social equity.
- Ensure that any budget bids to build new infrastructure include properly estimated full life cycle costs, including maintenance, operations and renewal and these costs have been compared to the estimated benefits from the project
- Involve and consult with the community and key stakeholders as required in determining service and intervention levels.
- Ensure asset management practices conform to legislative requirements and reflect best practice in the industry.
- Regularly update and report on the current maturity of Council's asset data, systems, strategies, plans, processes and skills and the accompanying organisational risk. Council is committed to continual improvement of its asset information to achieve this policy.
- Ensure major industrial development properly mitigates the infrastructure impacts as well as contributing to the Community Enhancement Plan.
- Fund at least 50% of theoretical depreciation, as asset renewal, from revenue over the current Delivery Plan period.
- In the Long Term Financial Plan, seek to increase rates and seek other funding sources to close the gap between the required expenditure levels and Council's budget.
- Ensure that funding for all asset purchase, maintenance, rehabilitation and replacement shall be guided by Council's Asset Management Plans and annual budgetary process.
- Ensure that assets gained from the development of land by third parties meet Councils requirements:
  - Logical and orderly development that minimises the generation of assets per tenement;
  - Assets meet specifications and quality standards; and
  - Assets meet requirements for public safety, OH&S and maintainability.

- Council is committed to rationalising its public infrastructure where that infrastructure has become redundant by reason of:
  - (i) disuse;
  - (ii) sole, or substantial, private use; or
  - (iii) classification as State infrastructure.

**POLICY REFERENCE (E.G. LEGISLATION, RELATED DOCUMENTS)**

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Government Amendment (Planning and Reporting) Act 2009
- National Asset Management Framework
- IPWEA NAMS.PLUS National Templates for Asset Management Plans
- International Infrastructure Management Manual

**PROCEDURE**

Asset management is a dynamic process that affects all areas of Council service delivery and as such this policy will impact upon and relate to a number of policies and strategies throughout the organisation.

**Author**

Director Community Infrastructure

**Date**

5 May 2011

**REVIEW HISTORY:**

	<i>Current</i>	<i>Previous</i>	<i>Prior</i>	<i>Prior</i>
<b><i>Minute No:</i></b>				
<b><i>Meeting Date:</i></b>				
<b><i>Review Date:</i></b>				
<b><i>Rescind Date:</i></b>				