



Council Policy

Asset Management

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1. Objective

To ensure that the City of Albany undertakes asset management activities in a structured and coordinated way to attain optimum value from its investment.

The key principles behind this objective include;

- The provision and maintenance of sustainable assets
- A consistent cross functional approach that reflects best practice
- Ensuring that asset management remains a business imperative

2. Policy Framework

The City will prepare an Asset Management Improvement Strategy that will guide the implementation of Asset Management practices across the organisation with the major outcome being the adoption by Council of a Service & Asset Management Plan for the following classes of infrastructure assets;

- Roads
- Paths
- Drainage
- Buildings
- Recreation
- Bridges

3. Definitions

“Asset” means a physical item that is owned or controlled by the City of Albany and provides or contributes to the provision of service to the community (in this context excluding financial, intellectual, and non-tangible assets).

“Asset Management” means the processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet Council’s priorities for service delivery.

“Asset Management Plan” means a plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset.

“Infrastructure Assets” are fixed assets that support the delivery of services to the community. These include the broad asset classes of Roads, Drainage, Buildings, Parks, Paths & Bridges.

“Life Cycle” means the cycle of activities that an asset goes through while it retains an identity as a particular asset.

“Whole of life costs(s)” means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance and rehabilitation and disposal costs.

“Maintenance” means regular ongoing day-to-day work necessary to keep asset operating and to achieve

“Operations” – means the regular activities to provide health, safety and amenity and to enable the assets to function e.g. road sweeping, grass mowing, cleaning, street lighting and graffiti removal.

“New” means creation of a new asset to meet additional service level requirements.

“Resources” means the combination of plant, labour and materials, whether they be external (contractors/consultants) or internal (staff/day labour).

“Renewal” means restores, rehabilitates, replaces existing asset to its original capacity. This may include the fitment of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

“Risk” means probability and consequence of an event that could impact on the Council’s ability to meet its Corporate objectives.

“WAMMI” means Western Australian Asset Management Improvement Program

4. Policy Statement

The City of Albany is committed to providing best practice professional and technical advice to allow for the implementation of systematic asset management across all departments. To achieve this outcome the City will;

- Reflect the community’s desire for asset type and condition through the Asset Management and City Services Strategy and Policy Committee.
- Link Asset Management Strategies and Plans to the Albany Insight Beyond 2020 Strategic Plan.
- Establish and maintain a staff multi disciplinary and cross functional Asset Management Working Group under agreed terms of reference.
- Provide the necessary resources, staff and training to maintain condition inventories, develop gap analysis, and establish funding requirements and priorities.
- That the decisions regarding the procurement of new or renewed assets include the whole of life costs.

- Ensure that gifted assets are procured that meet community needs and represent a good life cycle cost outcomes.
- Undertake a post investment review of all major asset investments to ensure the costs are reflective of the initial investment decision.
- Link developed Asset Management plans to 5 year financial plans.

5. Legislative and Strategic Context

This policy compliments and recognizes the Albany Insight – Beyond 2020 Strategic plan. In particular;

The City of Albany will...

- 5.1 *Be a cohesive Council committed to delivering responsible government and bringing the vision to fruition.*
- 5.2 *Ensure that Albany's municipal assets are capable of supporting our community's lifestyle.*
- 5.3 *Deliver excellent community services that meet the needs and interests of our growing and diverse community.*

Council, as custodians of City of Albany's assets, shall ensure that;

- The City's legal obligations are met;
- The infrastructure provided meets community needs;
- Assets are monitored and reviewed in a strategic context,
- Funding is procured for intervention maintenance and renewal, and;
- Continuous improvement in asset management is encouraged.

6. Review Position and Date

Responsibility and Reporting

Council is responsible for approving (including amendments to) the following documents;

- Asset Management Policy
- Asset Management Improvement Strategy
- Asset Management Plans

Council is also responsible for ensuring (upon recommendation of the CEO) that resources are allocated to achieve the objectives of the above documents.

In adopting asset management plans, Council is also determining the level of service for each asset class.

Chief Executive Officer (CEO) – is responsible for ensuring that systems are in place to ensure that Council’s AM Policy, AM Improvement Strategy, AM Plans are prepared and kept up to date, reviewed at least annually and that recommendations are put to Council (at least annually) in relation to appropriate resource allocation to fulfil the objectives of the above documents. The CEO reports to Council on all matters relating to Asset Management.

Executive Director Management Team (EDMT) – is responsible for monitoring the implementation of asset management across the organisation. The EDTM will ensure that strategies are put in place to remove barriers to the successful implementation of Asset Management.

Asset Management Working Group (AMWG) – is responsible for ensuring that Council’s Asset Management Improvement Strategy is achieved and that Asset Management Plans are prepared and maintained in line with Council’s Policy on Asset Management. Where changes to Council’s AMP Policy, Improvement Strategy or Plans are identified, the AM Working Group is responsible for reporting this to the EDTM for consideration. Where aspects of Council’s Policy, Improvement Strategy or Plans are not being achieved or adhered to, the AM Working Group is responsible for reporting non-compliances to the EDTM for corrective action.

Executive Director Corporate & Community Services (EDCCS) – is responsible for resource allocation (from Council approved resources) associated with achieving Council’s Asset Management Improvement Strategy. The Director Corporate Services reports to the CEO in relation to Asset Management resource allocation.

Manager City Assets (MCA) – is responsible for supporting the AM Working Group and ensuring that resources are commissioned (where appropriate) to assist the AM Working Group achieve its objectives. The Asset Management Co-ordinator reports to the Director Corporate Services on all matters relating to Asset Management.

To be reviewed by;

This policy has an expected life of four (4) years and will be reviewed by 30th June 2013.

7. Associated Documents

The City’s Strategic Plan – Albany Insight – Beyond 2020

CEO Authorisation: _____

Date: ____/____/____