	<h2 style="text-align: center;">ASSET MANAGEMENT POLICY</h2>			
POLICY TYPE	DOCUMENT CONTROLLER	RESPONSIBLE MANAGER	POLICY ADOPTED	REVIEW DUE
Council	Infrastructure Manager	Deputy General Manager	25 September 2023	September 2025
PURPOSE	<p>To set guidelines for implementing consistent asset management processes throughout Devonport City Council and to ensure adequate provision is made for the long-term management of assets by:</p> <ul style="list-style-type: none"> • Ensuring that Council's asset-based services are delivered strategically in a financially and environmentally sustainable manner, meeting the needs of the community. • Safeguarding Council assets by implementing disciplined asset management and allocation of sufficient financial resources to maintain those assets at the desired service level. • Creating a culture where Council employees and Councillors understand the importance of responsible management of Council's assets. • Meeting legislative requirements for asset management. • Ensuring resources and operational capabilities are allocated to ensure responsible and sustainable asset management is delivered. • Providing quality, sustainability and operational reporting on asset management performance. • Demonstrating transparent and responsible asset management processes that align with industry best practice. 			
SCOPE	<p>This Policy applies to all asset classes which are owned and maintained by Council. This includes:</p> <ul style="list-style-type: none"> • Roads, Stormwater, Buildings, Parks and Open Space, Plant and Fleet, Land, Office and Equipment, Heritage and Cultural assets. 			
POLICY	<p>1. Strategic Asset Management</p> <p>A strategic approach to asset management will ensure that the Council delivers a sustainable level of service through its assets. This will provide positive impact on:</p> <ul style="list-style-type: none"> • Community and employees. • Council's financial position. • The ability of Council to deliver the appropriate level of service and infrastructure. • The political environment in which Council operates. • The legal liabilities of Council. • Local Government Act 1993 requirements: <ul style="list-style-type: none"> ◦ Section 70C requires Council to prepare an asset management policy for the municipal area. 			

- Section 70E requires Council's plans, strategies and policies to be reviewed at least every 4 years.

2. Asset Planning and Budgeting

Council is committed to implementing asset management practices to ensure that all assets are planned, created, operated, maintained, renewed and disposed of in accordance with identified priorities and in line with the objectives of the adopted Long-Term Financial Plan and Asset Management Plans by:

- Ensuring the asset renewal and maintenance programs will be met prior to any new or additional assets being considered.
- Effective asset life-cycle management whereby all capital investment expenditure is approved in conjunction with a clear understanding of the impact on recurrent operational expenditure budgets.
- Undertaking preventative maintenance programs to ensure that the lowest life-cycle cost is achieved, and asset values are maintained.

3. Asset Operations and Maintenance:

To ensure Council's assets are maintained and operated properly Council will:

- Undertake appropriate planned maintenance regimes to assist its assets in meeting their expected design lives in the most cost-effective manner.
- Ensure maintenance plans are designed to incorporate a cost benefit approach.
- Capture information about the activities undertaken to assist it in the analysis of current and/or future expenditure requirements.

4. Asset Accounting and Costing:

The asset accounting and costing arrangements, at Council, will allow:

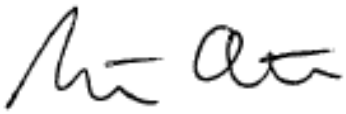
- Maintenance of detailed asset registers on all assets owned or under the control of Council.
- Effective economic lives will be given to each of Council's assets with the written down value and depreciation value determined in accordance with current accounting standards and requirements.
- Depreciation will be calculated on an appropriate basis with the objective being to use a method that best reflects the consumption of the asset or provides an indication of future cash flows necessary to sustain the asset condition to the required level of service.
- Assets to be revalued in accordance with the Australian Accounting Standards.

- Planned asset acquisitions, modifications or disposals will proceed in accordance with the Council's capitalisation and disposal procedures.

5. Principles

- A consistent Asset Management Strategy must exist for implementing systematic asset management and disciplined asset management practices across all operational areas of Council.
- All relevant legislative requirements together with political, social and economic environments are to be considered as important to effective asset management.
- Asset based services will be provided sustainably and will support community resilience.
- Asset management principles are integrated within existing planning and operational processes.
- Asset Management Plans will be developed and maintained for major asset classes. The plans will be based on accurate asset data and will inform financial planning and reporting.
- Service levels defined in adopted asset management plans will form the basis of annual operating budget estimates.
- Asset renewal programs will be assessed based on agreed intervention levels and will be included in Council's Forward Capital Program which informs the Long-term Financial Plan and Annual Capital Budget.
- Asset renewals should consider climate change impacts and adhere to Council's Climate Change Adaptation Plan 2018-2023.
- 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 applicable Australian Accounting Standards and industry guidelines.
- Whole of life costing will be considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- Level of asset-based service provision will consider the expectations of the community, financial and environmental sustainability consideration, and legislative requirements.
- Council will endeavour to continuously mature its asset management practices delivering asset-based services more efficiently.
- Training in asset and financial management will be provided for Councillors and employees.
- Asset Management roles and responsibilities are defined for staff throughout the organisation.

Councillors are responsible for adopting the policy, allocation of financial resources, providing high level oversight of the

	<p>delivery of the organisation's asset management strategy and plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilised to address the organisations strategic plans and priorities.</p> <p><u>The General Manager</u> has overall responsibility for developing the asset management strategy, plans, procedures and reporting on the status and effectiveness of asset management within Council.</p>			
LEGISLATION AND RELATED DOCUMENTS	<p>Local Government Act 1993 – S70C (1) and (2). Local Government (Contents of Plans and Strategies) Order 2014, Clause 8 (2) Long-Term Strategic Asset Management Plan 2021-2031 AASB 13 Fair Value Measurement AASB 116 Property, Plant and Equipment Financial Management Strategy 2032 Asset & Property Disposal Procedure Devonport City Council Strategic Plan 2009-2030</p>			
ATTACHMENTS (IF APPLICABLE)	N/A			
STRATEGIC REFERENCE	2.3 Active asset renewal program and clear infrastructure priorities for funding			
MINUTE REFERENCE	23/189			
OFFICE USE ONLY	Update Register	Y	Training/Communication	Y
	Advise Document Controller	Y	Advise HR / MCO	Y
	Management Sign Off:  Date: 25 September 2023			