

ASSET MANAGEMENT POLICY

September 2020



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SUTHERLAND SHIRE

1. PURPOSE

Council owns and is the custodian of a large portfolio of assets including roads, footpaths, stormwater drains, buildings, land, open space and plant and equipment. The purpose of this Policy is to articulate Council's commitment to the establishment of a clear direction and framework for asset management in line with the adopted strategic direction and in order to respond to the needs of our community.

2. APPLICATION

This policy applies to all assets owned, controlled or managed by Council. It shall be applied by Councillors and staff and contractors who conduct activities associated with the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets.

3. PRINCIPLES

No one principle should be applied to the detriment of another. Principles must be collectively considered and applied to the extent that is reasonable and practicable in the circumstances.

3.1 Value: Cost effective assets that meets service needs of current and future generations

- We will only acquire new assets where there is demonstrable need in the community for the service and the lifecycle costs of the asset can be afforded by Council.
- We will align Asset Management Plans and the Long Term Financial Plan and any funding gaps will be addressed by balancing risk, lifecycle cost and service levels.
- Our approach to service delivery is to consider non-asset solutions, including disposal of assets, as an alternative to asset renewal or acquisition.

3.2 Alignment: Community and organisational priorities are considered in all decisions

- We will develop asset management plans informed by relevant Council plans and strategies, including demand forecasts, community surveys and technology changes.
- We will plan, create, operate, maintain, renew and dispose of assets in accordance with community and Council's priorities for service delivery.

3.3 Leadership: Collective leadership and culture determine the realisation of value

- An asset management framework aligned with the requirements of ISO 55001 will be prepared, implemented, monitored and continually improved.
- Council commits to developing capability and capacity of its teams to deliver asset management objectives and responsibilities.
- We will communicate and consult with stakeholders when making decisions about assets.

3.4 Assurance: Confidence in our decision making and our capacity to provide community needs

- We will regularly determine acceptable and affordable service levels in consultation with the community.
- We will apply the principles in Council's risk management framework to ensure community and environmental safety, and asset performance and availability.
- We will plan and prioritise maintenance and renewal expenditure to keep assets in an acceptable condition; and expenditure will be properly planned to minimise increase in renewal backlog.

4. RESPONSIBILITIES

4.1 Responsible Officer

The Director Shire Infrastructure is the Responsible Officer for this policy and is responsible for its currency and communication.

4.2 Council

In accordance with the Local Government Act 1993, Council is responsible for administration of this Policy.

4.3 Chief Executive Officer

Council has delegated the Chief Executive Officer the authority to meet Council's obligations within the Policy.

4.4 Directors

Directors are responsible for ensuring their Division adheres to the requirements of this policy and provide guidance in respect of achievement of the strategic objectives of the policy within their division and the organisation.

4.5 Staff

Staff must adhere to the requirements of this policy and operate within the authorities of their position delegation.

5. MONITORING

Adherence to this policy will be monitored by the Asset Management Steering Committee.

Council will review this policy within four years or at the request of Council or in response to legislative and statutory requirements.

6. RECORD KEEPING, CONFIDENTIALITY AND PRIVACY

Council adheres to and complies with the NSW State Records Act 1998 and Privacy and Personal Information Protection Act 1998 through its Enterprise Content Management Policy and Privacy Policy.

7. BREACHES OF POLICY

Breaches of this policy will be dealt with in accordance with normal disciplinary procedures and will be advised to the Chief Executive Officer and / or relevant divisional Director.

8. RELATED DOCUMENTS

- Resourcing Strategy
- Strategic Asset Management Plan
- Asset Management Plans
- Procurement Policy

9. RELEVANT LEGISLATION, REGULATIONS AND GUIDELINES

- Local Government Act 1993 (NSW).
- State Records Act 1998 (NSW).
- Privacy and Personal Information Protection Act 1998 (NSW).
- Government Information (Public Access) Act 2009 (NSW).

10. DEFINITION OF TERMS

Term	Meaning
Asset	1. An item, thing or entity that has potential or actual value to an organization (ISO 55000) 2. An item of Infrastructure, Property, Plant and Equipment (AASB 116)
Asset Management System	Management system for asset management whose function is to establish the asset management policy and asset management objectives
ISO 55000 ISO 55001	ISO 55000 is an international standard covering management of assets and ISO 55001 defines Management systems Requirements

End of Document

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