



Policy Owner: Director Engineering and Property Services

Category: 2. Our Built Infrastructure

1. STATEMENT OF INTENT

1.1 North Sydney Council is responsible for a large and diverse asset base. According to Council's Charter under the *Local Government Act 1993* with regard to asset management, Council should:

- a) Provide directly, or on behalf of other levels of government after due consultation adequate, equitable and appropriate services and facilities for the community and to ensure that those services are managed efficiently and effectively;
- b) Have regard to the long term and cumulative effects of its decisions; and
- c) Bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible.

1.2 The objectives of this Policy are to set a broad framework for implementing consistent asset management processes throughout North Sydney; and to ensure adequate provision is made for the long-term replacement of major assets by:

- a) Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- b) Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets;
- c) Creating an environment where all Council employees take part in overall management of Council assets by creating and sustaining asset management awareness throughout the Council;
- d) Meeting legislative requirements for asset management;
- e) Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated;
- f) Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

2. ELIGIBILITY

2.1 This Policy will apply to all Councillors, employees of Council and external consultants employed as representatives of Council.

3. DEFINITIONS

- 3.1 An 'asset' refers to any resource with a financial value attached to it, normally acquired to ensure local service delivery. Council assets include finances, plant and equipment, infrastructure, buildings, open space, other property and any other resources under its ownership or care and control.
- 3.2 The term 'asset management' describes the combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

4. PROVISIONS

This Policy is linked to implementing Council's vision, mission and core values as outlined in the *Community Strategic Plan*. The following provisions outline the guiding principles of effective asset management that must be observed by Councillors, employees and consultants for all Council activities.

- 4.1 A consistent *Asset Management Strategy* must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Council departments.
- 4.2 All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- 4.3 Asset management principles will be integrated within existing planning and operational processes.
- 4.4 An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 4.5 Asset renewals required to meet agreed service levels and identified in the adopted asset management plans and long term financial plans will be fully funded in the annual budget estimates.
- 4.6 Service levels agreed through the budget process and defined in the adopted Asset Management Plans will be fully funded in the annual budget estimates.
- 4.7 Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- 4.8 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 appropriate best practice and applicable Australian Standards.

- 4.9 Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- 4.10 Create an environment where all Council employees take part in overall management of Council assets by creating and sustaining asset management awareness throughout the organisation by training and development.
- 4.11 Future service levels will be determined in consultation with the community.

5. RESPONSIBILITY/ACCOUNTABILITY

- 5.1 Council's Asset Management Department is the key stakeholder of this Policy. However, all related Departments/Council staff who have direct or indirect responsibility for the whole or part lifecycle management of Council assets are also responsible for asset management.
- 5.2 The effectiveness of this Policy shall be reviewed at least once during the term of Council.

6. RELATED POLICIES/DOCUMENTS/LEGISLATION

The Policy should be read in conjunction with the following Council policies and documents:

- Asset Accounting and Capitalisation Policy
- Asset Management Plans (per asset class)
- Community Strategic Plan
- Delivery Program
- Financial Management Policy
- Resourcing Strategy - incorporating Long Term Financial Plan, Asset Management Strategy and Workforce Management Strategy

The Policy should be read in conjunction with the following documents/legislation:

- Local Government Act 1993

Version	Date Approved	Approved by	Resolution No.	Review Date
1	21 June 2010	Council	361	2012/13
2	18 February 2013	Council	61	2016/17
3	29 April 2013	Council	239	2016/17
4	25 June 2018	Council	214	2020/21