

Title: **Asset Management**
Policy No: 055
Adopted By: Council
Next Review Date: 24/06/2018
Responsibility: General Manager City Operations
Document Number: 2119270

| Version | Decision Number | Adoption Date | History |
|---------|-----------------|---------------|---------|
| 1 | 22\2600 | 30/03/2010 | Adopted |
| 2 | 21\2321 | 24/06/2014 | Adopted |

1. Policy Summary

This Policy provides guidelines for implementing consistent and strategic asset management processes for the City of Darwin's infrastructure assets.

2. Policy Objectives

To ensure adequate provision is made for the long-term management and replacement of major assets by:

- 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.
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout the organisation by training and development.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice

3. Background

3.1 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

- 3.2 Council infrastructure assets including but not limited to:
- Land and Improvements
 - Parks and reserves
 - Buildings
 - Pathways
 - Transport (roads)
 - Stormwater Drainage
 - Sporting Reserve and Facilities.
- 3.3 Asset management practices impact directly on the core business of the organisation and appropriate asset management is required to achieve our strategic service delivery objectives.
- 3.4 Adopting asset management principles will assist Council in achieving its strategic and long term financial objectives.
- 3.5 A strategic approach to asset management will ensure that the Council delivers the appropriate level of service through its assets. This will provide positive impact on the community and Council.

4. Policy Statement

City of Darwin recognises that assets exist to provide services and value to the community and this recognition underpins Council's asset management policy and practices.

Council will apply a total asset management approach as one of its key strategies in demonstrating effective governance through the application of the following principles:

- 4.1 Undertake asset management activities within a strategic framework which is integrated with broader corporate and business planning, and operational processes.
- 4.2 A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.
- 4.3 All relevant legislative requirements together with political, social, environmental, cultural and economic considerations are to be taken into account in asset management.
- 4.4 Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation as required and financial planning and reporting.
- 4.5 An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 4.6 Asset renewals required to meet agreed service levels and identified in adopted asset management plans and long term financial plans will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented in budget documentation.

- 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 should be considered in decisions relating to new services and assets and upgrading of existing services and assets.
- 4.10 Training in asset and financial management will be provided for Elected Members and relevant staff.
- 4.11 Asset Management Plans and renewal plans will incorporate sustainable practices wherever possible to ensure consistency with Council's environmental policies and plans.

5. Legislation, terminology and references

For the purposes of this policy an asset is physical infrastructure defined under the asset classes of land, transport, stormwater drainage, parks and reserves, pathways and buildings and is owned or controlled by Council.

6. Implementation and delegation

Asset management plans, associated documentation and the management of infrastructure assets are the responsibility of the Infrastructure department, with specific assets being managed across all departments. Financial asset management is the responsibility of the City Operations department.

7 Evaluation and review

This policy should be reviewed once in the term of each Council or more often as required.