

Asset Management

Policy Objective

The purpose of the Asset Management Policy is to set out principles which guide how asset management will be implemented to achieve the asset management objectives set by the Shire of Broome.

This policy aims to ensure that the Council has information, knowledge and understanding of the long-term consequences of being the custodian of public infrastructure.

The policy will also demonstrate Council's commitment to the responsible management of the Shire of Broome's assets and set guidelines for implementing consistent asset management process throughout the Shire of Broome.

Policy Principles

The Shire of Broome's Asset Management Policy is based on the following principles to guide sustainable management of infrastructure assets.

- Take a lifecycle approach – apply a whole of life methodology for managing infrastructure assets including planning, acquisition, operation, maintenance, renewal and disposal;
- Sustainable environmental performance;
- Best value – balance financial, environmental and social aspects to achieve the best value;
- Long-term financial plans – asset practices, plans and systems will enable the development of long-term financial plans for asset classes;
- Decision support systems – core systems will include up to date infrastructure asset information to inform decisions;
- Sharing of asset data through digital platforms;
- Service levels – infrastructure asset service levels will be clearly defined;
- Manage risks associated with infrastructure assets; and
- Continuous improvement of asset management practices.

Policy Scope

This policy applies to the following asset classes:

Asset Class	Assets included in the Asset Class
Buildings	Including operational, community, commercial sport/club, heritage, amenities and childcare buildings
Coastal Infrastructure	Including groynes, , jetties, boat ramps and sea walls
Footpaths	Including single and shared-use paths
Miscellaneous Infrastructure	Including bus shelters, footbridges and street/reserve lighting
Public Open Space	Including parks, reserves and gardens, sports ovals, play equipment, irrigation systems, park furniture, street furniture, shade shelters landscaping, public art
Roads & Carparks	Including road subgrade, pavements, surfacing, carparks, kerbing, signage and traffic management devices.
Stormwater Drainage	Including stormwater drains, pits and pipe networks

Policy Statement

This Asset Management Policy has been developed to ensure that the assets utilised by Council provide quality services to the Shire of Broome and are managed, maintained and renewed in a manner that is sustainable and meets community expectations.

1. Implement a life-cycle approach to the management of infrastructure assets where:

- Asset planning decisions are based on an evaluation of alternatives that consider the “whole of life” of an asset through acquisition, operation, maintenance, renewal and disposal.
- The asset management cycle considers the current and future environmental, economic, cultural and social outcomes.

2. Ensure that service delivery needs are the primary driver for infrastructure asset management practices by:

- Establishing and monitoring levels of service for each asset class

- Identifying and monitoring individual and network risks to assets and service levels for each asset class.
3. **Provide a sustainable funding model that provides assets aligned with the Shire's long-term plans and community needs with a:**
 - Funded model for all asset related services extending at least 10 years into the future that addresses the need for funds, considers renewal peaks and troughs and identifies how the funds will be sourced.
 4. **Develop and implement best value environmentally sustainable asset management practices that:**
 - Encourage a flexible and scenario-based approach through systems and plans to allow for innovative use of assets, particularly in recycling and environmental initiatives;
 - Acknowledge climate change adaptation, environmental protection and enhancement protocols which are fundamental to sustainable asset management planning;
 - Minimise energy and water use, waste generation and air quality impacts through our own initiatives and by working with stakeholders;
 - Utilise low energy products, infrastructure materials and methods wherever possible; and
 - Incorporate sustainability criteria into infrastructure projects and procurement.
 5. **Provide reliable asset and infrastructure data thorough supported digital platforms demonstrated by:**
 - Implementation of sound data governance and data quality management;
 - Access to systems and information by mobile technology wherever possible.
 6. **Implement an integrated decision support system that:**
 - Provides systems and knowledge necessary to achieve policy outcomes;
 - Proactively interrogates and model's data to support informed decisions;
 - Minimise the risk of corporate knowledge and data loss;
 - Manages information as efficiently as possible through the appropriate use of software, hardware and communication tools; and
 - Reduces data duplication
 7. **Ensure compliance with legislative requirements by:**
 - Having clear policies, processes and information to ensure that objectives and legislative requirements are met.
 8. **Allocate Asset Management responsibilities where:**

- The roles and responsibilities of Council, Chief Executive Officer and Asset Managers are clearly identified.

Roles and Responsibilities

Title	Responsibility
Council	<p>is responsible for approving (including amendments to) the following documents;</p> <ul style="list-style-type: none"> • Asset Management Policy • Asset Management Plans <p>Council is also responsible for ensuring (upon recommendation of the CEO) that resources are allocated to achieve the objectives of the above documents.</p> <p>In adopting asset management plans, Council is also determining the Level of Service for each asset class.</p> <p>Council are responsible for considering whole of life costs when prioritising new initiatives.</p>
Chief Executive Officer (CEO)	<p>Is responsible for ensuring that systems are in place to ensure that Council's Asset Management Policy, Asset Management Improvement Strategy, Asset Management Plans are prepared and kept up to date, reviewed at least annually and that recommendations are put to Council (at least annually) about appropriate resource allocation to fulfil the objectives of the above documents. The CEO reports to Council on all matters relating to Asset Management.</p>
Executive Management Group (EMG)	<p>is responsible for monitoring the implementation of asset management across the organisation. EMG will ensure that strategies are put in place to remove barriers to the successful implementation of Asset Management. EMG reports to the CEO on all matters relating to Asset Management.</p>
Director Infrastructure (DI) and Manager of Engineering (ME)	<p>are responsible for resource allocation (from Council approved resources) associated with achieving Council's AM Improvement Strategy. The DI and ME report to the CEO in relation to Asset Management resource allocation.</p>

Asset and Building Coordinators	Are responsible for maintaining the Shire's Asset Registers, ensuring the Asset Management Improvement Strategy and Asset Management Plans are prepared and kept up to date and overseeing the delivery of annual renewal projects. The Asset and Building Coordinators report to the Manager of Engineering and Director of Infrastructure on all matters relating to asset management.
Employees with management or supervisory responsibilities	are responsible for the management of assets within the area of responsibility as determined under asset management plans. In the short-term, employees will be tasked under implementation plans, and will be responsible for the timely completion of those activities contained within those plans. In the medium-term, awareness sessions will be conducted to ensure that employees are familiar with asset management and how it is applied within the Shire.

Performance Measures

Performance will be measured by –

- Reporting in our annual report the completion and status of agreed improvement actions;
- Comparing levels of service achieved with those planned;
- Key Performance Indicators including Asset Consumption Ratio, Asset Sustainability Ratio and Asset Renewal Funding Ratio; and
- Evaluating the alignment of delivered projects with the strategic outcomes.

Definitions

Asset: A physical item of value that is owned by the Shire of Broome and provides or contributes to the provision of services to the community (in this context excluding financial, intellectual, and non-tangible assets).

Asset Consumption Ratio: Is the value of infrastructure assets divided by gross current replacement cost of infrastructure assets, expressed as a percentage.

Asset Renewal Funding Ratio: Indicates whether the local government has the financial capacity to fund asset renewal as required and continue to provide existing levels of service in the future, without:

- Additional operating income; or
- Reductions in operating expenses; or
- An increase in net financial liabilities above currently projected

Asset Management: The combination of management, financial, economic, engineering, risk and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner to meet Council's priorities for service delivery.

Asset Management Plan: A Plan developed for each Asset Class to outline the management activities to meet defined levels of service with available resources. These are long term plans that investigate future demand and forecast lifecycle costs for existing assets.

Asset Sustainability Ratio: Provides a measure as to whether Council's asset base is being adequately maintained. It expresses as a percentage the proportion of the total asset value consumed (depreciated) compared to the amount spent in preserving the asset (capital replacement/renewal).

Council: The elected members of Council of the Shire of Broome.

Infrastructure Assets: Are fixed network assets that support the delivery of services to the community. These include Transport Assets (roads, footpaths, kerbing, drainage etc.), Buildings, Park and recreation infrastructure, coastal infrastructure and miscellaneous assets.

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