

Policy Name	Asset Management
Policy Type	Human Resources
Policy Number	HR02
Version	1
Approval Date	January 2019
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**Policy Number**            **HR02**

**Policy Name**             **Asset Management**

## SUMMARY

To set guidelines for implementing consistent asset management processes throughout West Daly Regional Council

## BACKGROUND

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.

Council owns and uses non-current assets to support its core business of delivery of service to the community.

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.

Adopting asset management principles will assist Council in achieving its Strategic Longer-Term Plan and Long Term Financial objectives.

## POLICY STATEMENT

Council's objective is to ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with appropriate levels of service.
  - I. Safeguarding Council assets by implementing appropriate asset management strategies and developing appropriate financial resources for those assets.
  - II. Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining an asset

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management awareness throughout the organisation by training and development.

- III. Meeting legislative requirements for asset management.
- IV. Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- V. Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

### Principles

- I. A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.
- II. All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- III. Asset management principles will be integrated within existing planning and operational processes.
- IV. Asset Management Plans will be developed for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting.
- V. An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- VI. Asset renewals required to meet agreed service levels and identified in adopted asset management plans and long term financial plans will be fully funded in the annual budget estimates.
- VII. Service levels agreed through the budget process and defined in adopted Asset Management Plans will be fully funded in the annual budget estimates.
- VIII. 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.
- IX. 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.
- X. 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.
- XI. Future service levels will be determined in consultation with the community.
- XII. Training in asset and financial management will be provided for Councillors and relevant staff.

## **TERMINOLOGY AND REFERENCES**

Asset - A resource controlled by Council as a result of past events and from which future economic benefits are expected to flow to Council. Infrastructure assets are a sub-class of property, plant and equipment which are noncurrent assets with a life greater than 12 months and enable services to be provided.

Asset Management - 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.

## **REFERENCES**

*Local Government Act*

*Local Government Act (Administration) Regulations*

*West Daly Regional Council Policies*

*West Daly Regional Council Strategic Plan*

*West Daly Regional Council Long Term Financial Plan*

*West Daly Regional Council Regional Plan*

*Australian Standards*

## **FURTHER INFORMATION:**

*Chief Executive Officer*

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