

ASSET MANAGEMENT

Previous policy number: 2.2.14

Policy Statement

The Town of Mosman Park Council will provide and manage assets that support the delivery of services in line with its Strategic Vision (Strategic Community Plan). Through a commitment to effective organisational practices, the Town will develop, adopt and implement an Asset Management Vision, Strategy and a suite of Management Plans.

The Town will manage its assets with respect to whole-of-life costs and in an economically, environmentally, culturally and socially sustainable manner. Asset management decisions will consider other key Town Policies, and priority will be given to existing assets and services over new ones. Long term resource needs (Asset Management Plans) will be balanced against availability (Long Term Financial Plan and Annual Budgets).

Policy Details

Objective

The Town's Asset Management Vision shall be achieved through the implementation of an integrated planning and reporting framework. As a minimum:

- The Asset Management Strategy shall define the Town's Asset Management Vision, objectives, outcomes, enablers (e.g. roles and responsibilities, training etc.), performance monitoring measures and implementation plan.
- The Asset Management Plans shall be driven by community informed service levels, future demand analysis, feasibility, legislative compliance, long term sustainability and risk management.

Policy Principles

This Policy provides clear direction in the provision and management of all Council's assets. It seeks to ensure that assets support Council's strategic vision and objectives, deliver sustainable service outcomes and are provided at appropriate levels of service for present and future stakeholders.

Policy Guidance

The Town of Mosman Park has limited resources and is the custodian of a large asset portfolio, many of which have reached, or are beyond, their useful life. In consideration of this fact, and to make informed decisions, Council will meet the Objective through the following strategic principles:

- To establish a philosophy of renewing assets before acquiring new assets and, where possible, rationalising assets that are no longer used and/or do not provide the desired level of service and/or do not align with the Strategic Community Plan in a way that can be sustainably delivered.
- Prior to the consideration of major asset renewal and/or improvement works, to determine and critically review with respect to the following:
- The current usage and therefore need of an asset.

- The potential to rationalise assets, to remove or realise opportunities for multiple uses.
- The legislative requirements.
- Future demand drivers and impacts on the Town such as population growth.
- Feasibility and long term sustainability of the asset.
- The risk management perspective.
- All capital projects will be evaluated in accordance with a “whole of life” cost assessment and take into account capital cost, ongoing cost of maintenance, refurbishment, replacement and operating cost.

Definitions

Asset – An item that has potential value to an organisation such as infrastructure, land, plant, equipment etc. whether natural or built, that support the delivery of one or more of the following services:

- Property
- Recreation
- Transport
- Plant, Vehicles and Equipment
- Information Technology
- Waste

For the purpose of this policy and subsequent documents an ‘Asset’ is defined as: “a physical object(s) that is owned and/or controlled by the Town of Mosman Park, that has a value greater than \$5,000 and a useful life of more than 1 year.”

Asset Management Plans – Plans that guide the use, acquisition and disposal of assets to make the most beneficial use of their service delivery potential and to manage related risk and costs over their lifecycle.

Equipment – Non-current physical items such as IT hardware, tools etc.

Infrastructure – Non-current physical items that often have significant service potential such as roads, drains, bridges, footpaths, public buildings, parks and reserves etc.

Land – Freehold land parcels owned by the Town and/or land parcels vested in the Town’s control and/or land parcels leased by the Town.

Levels of Service (Service Levels) – statements describing the outputs of service objectives the Town intends to deliver to customers (stakeholders).

Lifecycle – The stages of an asset’s life being, Conception/Planning, Creation/Acquisition, Operation, Maintenance, Renewal and Disposal.

Plant – Non-current physical machinery such as passenger vehicles, service vehicles etc.

Renewal – means restore, rehabilitate or replace existing assets or asset components to their original capacity. This may include the fitment of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

Useful Life – The period over which an asset or component is expected to be available for use by an entity.

Whole of life cost(s) - means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance and rehabilitation and disposal costs.

Governance References

Statutory Compliance	<i>Local Government Act 1995.</i>
Organisational Compliance	Strategic Community Plan Corporate Business Plan Asset Management Strategy Long Term Financial Plan Asset Management Plans Town of Mosman Park Fixed Asset Policy

Policy Administration

Directorate:		Officer title:
Technical Services		Executive Manager Technical Services
Next Review		Review Cycle
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1	26 April 2017	OCM-309-2016
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3		