City of GLEN EIRA

GLEN EIRA CITY COUNCIL

BENTLEIGH
BENTLEIGH EAST
BRIGHTON EAST
CARNEGIE
CAULFIELD
ELSTERNWICK
GARDENVALE
GLEN HUNTLY
MCKINNON
MURRUMBEENA
ORMOND
ST KILDA EAST

GLEN EIRA CITY COUNCIL
ASSET MANAGEMENT POLICY

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Policy Owner:	Manager Sustainability and Assets
Approved by:	Council
Policy Category:	Category 2 Policy – Discretionary Policy that requires Council approval

Contents

1. OBJECTIVES

To outline Council's commitment for financially, environmentally, and socially sustainable lifecycle management of all Council infrastructure assets to support ongoing service delivery and the aspirations and commitments outlined in the *2040 Community Vision, Council Plan 2025 - 2029* and the *Asset Plan 2025 -2035.*

More specifically the policy aims to:

- promote a risk-based, service-led approach to asset management that considers the service needs of the community and the impacts of operational and strategic risks, to achieve a desired balance of cost, risk and performance of Council's infrastructure assets
- promote climate resilience and environmental sustainability of Council's infrastructure assets in accordance with the *Climate Emergency Response Strategy 2025–2029*
- work with the people in our community to connect, support and engage them throughout their lives. Plan for the challenges and opportunities of the future, and work together to support, build and sustain a healthy, inclusive and resilient community for all. We aim to strengthen the role of our Gender Impact Assessment (GIA) in shaping design by building skills, knowledge and strategic influence
- promote best practice strategic asset management aligned with ISO 55000, IIMM, IPWEA Practice Notes and NAMAF
- outline the principles that govern the strategic and sustainable management of Council's infrastructure assets guided by the improvement initiatives of the *Asset Plan 2025–2035*
- outline how the *Asset Management Framework* aligns with and supports Council's *Integrated Planning and Reporting Framework*
- outline the key roles and responsibilities of Council's asset management stakeholders.
- Support the development, review and management of Council's *Asset Plan* in accordance with the *Local Government Act 2020*
- improve the asset management awareness and maturity of the organisation
- support the delivery of services and to comply with related legislative and statutory compliance requirements
- ensure that *Asset Management Framework* and *Asset Management Information System* supports decision-making and is driven by a culture of continuous improvement.

2. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
Asset	Physical resource including open space, buildings, community facilities, infrastructure, machinery or equipment with financial value, which enable services to be provided and has an economic life of greater than 12 months. Infrastructure assets include roads, footpaths, kerb and channel, and drainage. Open spaces include our parks and ovals amongst others. Community facilities and buildings include playgrounds, recreation facilities, and libraries.
Asset Management	The systematic and coordinated activities and practices of Council to optimally and sustainably deliver on its objectives through the cost-

Term	Meaning
	effective lifecycle management of assets.
Asset Management Framework	Outlines the structure and relationships between the various asset management system elements, such as the *Asset Management Policy, Asset Management Strategy, Asset Management Plans, and Asset Management Information System.*
Asset Management Information System	A combination of processes, data, software and hardware applied to provide the essential outputs for effective asset management.
Asset Management Plans (for each major class of asset)	Internal working documents that map Council's *Asset Plan* (at least 10 years or more) for each major class of asset. The plans outline activities and programs necessary to achieve the defined levels of service in the most cost-effective manner.
Asset Management Strategy	A short to medium term strategy that details how Council will achieve the objectives of the *Asset Management Policy* through the implementation and documentation of improved asset management practices, plans, processes, and procedures within Council.
Asset Managers (Strategic Infrastructure Planners)	Council officers responsible for ensuring the assets they manage continue to remain fit for purpose to meet current and future service delivery needs and that an accurate asset inventory is maintained.
Asset Renewal	Replacement or other works on an existing asset that returns the service capability of the asset to its original capability.
Levels of Service	The service levels to which Council provides community assets for community use. Levels of service are usually expressed in terms of quality, quantity, safety and reliability as appropriate.
Lifecycle	The time interval that commences with the identification of the need for an asset and terminates with the decommissioning of the asset or any liabilities thereafter.
Service Managers	Council officers responsible for determining the levels of service from the relevant assets to co-ordinate the delivery of services to the community.
Strategic Asset Management Steering Committee (SAMSC)	A cross-functional group consisting of nominated director(s), asset managers and service managers that meets regularly to co-ordinate, review, monitor and report on strategic asset management at Council.

3. POLICY

3.1. SCOPE

This policy provides an overarching framework for the procedures, processes, systems and asset information required to manage all of Council's infrastructure assets to ensure those assets support the service objectives to the Glen Eira community.

This policy applies to all Council services, departments, officers, employees, and contractors involved in the planning, acquisition, operation and maintenance, renewal, and disposal of Council assets and to the extent possible, all contracts applicable in these areas.

3.2. PRINCIPLES

Council's *Asset Management Policy* is based on the following principles to guide sustainable management of infrastructure assets:

Climate Resilient and Environmentally Sustainable

- We will embed climate change action into asset management practice and prioritise the natural environment by planning and managing our assets to build climate resilience and environmental sustainability.

Inclusive and Accessible

- We will plan and manage our assets to build inclusivity, accessibility, and safety in response to the diverse needs of our community.

Community Informed and Service Led.

- We will ensure service delivery needs of the community form the basis of asset management decision making.
- We will adopt asset criticality framework across all asset management models and plans, so prioritisation of maintenance and capital works are based on asset importance and future service demand.

Governance and Culture

- We will develop a governance framework overseen by the Strategic Asset Management Steering Committee to establish accountability and responsibility in roles, to transparently monitor and report on the *Asset Management Framework* actions.
- We will embed affordability checks, reserve funding targets, and annual scenario stress-testing into our governance framework to ensure transparent, accountable decision-making for asset investments
- We will create a culture where all employees take an integral role in the overall management of infrastructure assets, by facilitating and sustaining a culture of asset management awareness throughout the organisation supported by appropriate training and development.

Information Management and Reporting

- We will establish a centralised *Asset Management Information System* with consistent, reliable, and transparent processes to aid decision making.
- We will regularly measure and report on performance to keep the community informed and engaged.
- Our ten-year Financial Plan and capital works program will be developed using scenario modelling and asset specific service levels. Such scenarios will include maintenance, renewal and upgrade costs to provide target service levels into the future and form the basis of our *Asset Management Plans*.

Lifecycle and Long-Term Planning

- We will adopt a whole-of-life approach to managing our assets that minimises risk and environmental impacts, ensures legislative compliance and optimises our resource investment in assets.

- We will continue to develop an integrated framework of service, asset and financial planning with a long-term view.
- We will prioritise our resources on maintenance and renewal of existing assets to keep them up to standards and prolong their useful life.
- Major upgrades and the development or purchase of new assets will only proceed when aligned with strategic priorities and supported by demonstrated community need.

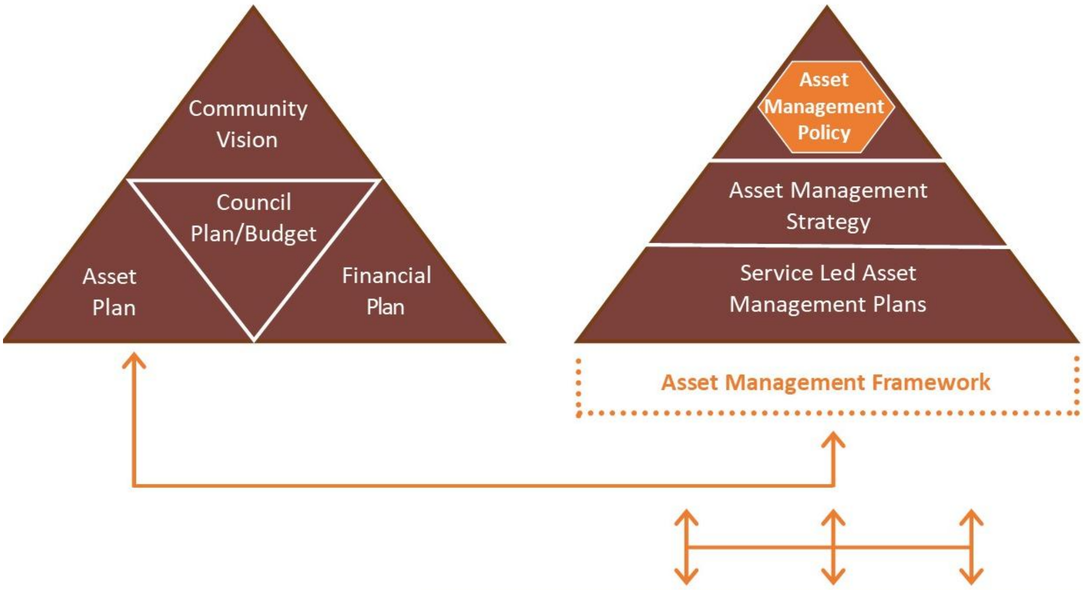
<u>Best Practice and Continuous Improvement</u>

- We will align our asset management practices with best practice, including International Asset Management Standards (ISO), International Infrastructure Management Manual, Institute of Public Works Engineering Australasia Practice Notes, and the *National Asset Management Assessment Framework*.
- We will continuously develop, maintain, and review our *Asset Management Framework* and *Asset Management Information System* by fostering a culture of continuous improvement.
- In addition to routine condition assessments — we will enhance its asset assessment framework to include functionality assessments of buildings and public open spaces to better inform its rationalisation and upgrade programs.

3.3. THE INTEGRATED PLANNING AND REPORTING FRAMEWORK

The delivery of services to the community through the sustainable lifecycle management of our infrastructure assets is guided by the *Community Vision, Council Plan* and the *Asset Plan*, amongst other relevant strategies and policies. These documents also drive Council's approach to asset management and are contextually highlighted below. The *Integrated Planning and Reporting Framework (IPRF)* outlines our commitment to building a strategic planning and reporting system that is connected, inter-dependent and outcome focused.

3.4. THE ASSET MANAGEMENT FRAMEWORK



Climate Emergency Response Strategy	Strategic Property Plan
Integrated Transport Strategy	Open Space Strategy
Integrated Water Management Plan	Community Infrastructure Plan
Recreation Strategy	Road Management Plan

4. ROLES AND RESPONSIBILITIES

<u>Council</u>

- To act as custodians for community assets
- To adopt the *Asset Plan* and *Asset Management Policy*
- To ensure asset management requirements (as documented in the *Asset Plan*) are given appropriate consideration in the Budget and *Long Term Financial Plan*

<u>Executive Team</u>

- To provide leadership, direction and ensure appropriate resources are made available in implementing the *Asset Management Policy* and the *Asset Management Strategy*
- To ensure Council's legal obligations are met
- To foster and support a multi-disciplinary Strategic Asset Management Steering Committee
- To review and evaluate reporting on the performance of the *Asset Management Framework* and the effectiveness of asset management within the organisation

<u>Director Sustainability, Assets & Leisure</u>

- To build commitment towards best practice in asset management
- To take primary responsibility to monitor, promote and align resources to strategic asset management improvements and the implementation of the *Asset Management Framework*
- To take primary responsibility for *Asset Management Framework* reporting to Council and Executive Team

<u>Chief Finance Officer</u>

- To oversee the development, review and monitoring of the *Long Term Financial Plan* and ensure integration with the *Asset Plan*

- To provide guidance and direction on financial matters pertaining to asset management, such as revaluations amongst others
- To ensure compliance to relevant standards for financial reporting on Assets

Strategic Asset Management Steering Committee (SAMSC)

- To promote and sustain a culture of asset management awareness and implement consistent, compliant and best practice asset management across the organisation
- To support the delivery of appropriate training and skill development programs for Council staff
- To ensure the *Asset Management Policy*, strategies and plans are integrated into the corporate governance framework
- To ensure community needs are appropriately reflected in the *Asset Management Framework* and service levels
- To review and monitor the development and implementation of the *Asset Plan, Asset Management Policy, Asset Management Strategy*, and *Asset Management Plans* for the major asset classes
- To periodically review, monitor and improve asset management data practices and the effective utilisation of Council's *Asset Management Information System*

Asset Managers and Service Managers

- To develop, implement and periodically update *Asset Management Plans* in accordance with the objectives and principles outlined in the *Asset Management Policy*
- To develop and deliver maintenance, renewal, upgrade and new capital programs in accordance with the *Asset Management Policy*, strategy, plans and allocated budgets
- To develop and maintain procedures in asset management and service delivery that promotes continuous improvement
- To monitor asset management performance, issues and opportunities across the organisation and report outcomes to the Strategic Asset Management Steering Committee
- To consult with stakeholders and deliver Levels of Service to agreed risk and cost standards
- To ensure compliance with legislative and statutory obligations
- To utilise an integrated *Asset Management Information System* appropriately, to record, view and analyse asset lifecycle to inform decision making
- To develop an asset management and performance reporting process to regularly report on asset management performance and state of the assets

Employees and Contractors will:

- apply asset management practices in accordance with the objectives and principles of this policy and *Asset Management Framework*, in their area of work
- ensure all service contracts that impact on the creation, upgrade, renewal and maintenance of assets are structured and delivered to support the objectives of this policy, and the *Asset Management Framework*

5. HUMAN RIGHTS CHARTER COMPATIBILITY

This policy has been assessed as being compatible with the Charter of Human Rights and Responsibilities Act 2006 (Vic).

This policy underwent a gender impact assessment in line with requirements under the Gender Equality Act 2020, which requires Council to conduct a gender impact assessment for new or reviewed policies, programs or services.

6. ASSOCIATED COUNCIL DOCUMENT

- *Glen Eira 2040 Community Vision*
- *Glen Eira Council Plan 2025 – 2029*
- *Asset Plan 2025 – 2035*
- *Long Term Financial Plan 2025 – 2035*
- *Asset Management Strategy 2026 – 2030*
- *Road Management Plan*
- *Climate Emergency Response Strategy 2025 – 2029*
- *Glen Eira Circular Economy Plan 2022 – 2026*
- *Open Space Strategy 2020*
- *Urban Forest Strategy 2021*
- *Municipal Public Health and Wellbeing Plan Integrated with Council Plan 2025 – 2029*
- *Glen Eira Strategic Workforce Plan 2021 – 2025*
- *Integrated Planning and Reporting Framework Policy*
- *Risk Management Framework and Policy*
- *Community Engagement Policy*

7. EXTERNAL REFERENCE/RESOURCE

- *Local Government Act 2020 (Vic)*
- Local Government (Planning and Reporting) Regulations 2020
- Local Government (Planning and Reporting) Regulations 2014
- *Road Management Act 2004 (Vic)*
- *Victorian Charter of Human Rights and Responsibilities Act 2006 (Vic)*
- *Gender Equality Act 2020 (Vic)*
- ISO 55000 series – International Standard for Asset Management
- International Infrastructure Management Manual 2015 published by Institute of Public Works Engineering Australasia
- Institute of Public Works Engineering Australasia Practice Notes
- *National Asset Management Assessment Framework*

GLEN EIRA
CITY COUNCIL

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