

Title	Asset Management Policy
Description	Outlines the principles, requirements and responsibilities for undertaking asset management activities across Council in a structured and coordinated way to manage risk, preserve and develop Council assets for the benefit of the community and to support Council services in a sustainable manner.
Category	Assets
Type	Policy
Approval authority	Council
Responsible officer	Senior Coordinator Asset Management and Capital Works
Approval date	23 Jun 2022
Review cycle	Every four years
Review date	22 Jun 2026
HPE CM Ref. No.	D22/137876
Human Rights compatibility	This policy has been assessed and is compatible with the Victorian Charter of Human Rights of Responsibilities

1. Purpose

Asset management ensures that the appropriate infrastructure and other physical assets are available now and into the future for the benefit of the community and to support the delivery of services whilst balancing levels of service, risk and whole-of-lifecycle asset costs.

The purpose of this policy is:

- To define Council's guiding principles for asset management.
- To assist Council to achieve best practice asset management towards delivery of the Yarra Council Plan 2021-25 and Yarra 2036 Community Vision.
- To guide staff in complying with Asset Plan provisions of the *Local Government Act 2020*.

2. Scope

This policy applies to all infrastructure and other physical assets owned or controlled by Council, including land, buildings, open space, urban treatments, transport, stormwater, lighting, fleet/mobile plant and lighting assets.

An asset management plan may cover a set of related asset categories.

2.1. Policy Principles

Yarra City Council's asset management principles are as follows:

- **Principle 1** – We will implement and maintain an asset management framework comprising this Policy, a Strategic Asset Management Plan, asset management plans for each infrastructure asset group and a Council-adopted Asset Plan.
- **Principle 2** – The asset management framework will align with ISO 55001 (Asset Management – Management Systems – Requirements), the International Infrastructure Management Manual and the Asset Plan provisions of the *Local Government Act 2020*.

- **Principle 3** – Asset management will support the delivery of the Council Plan (as it addresses the overarching Community Vision) and the various sub-ordinate strategies of Council.
- **Principle 4** – Asset planning will have a planning horizon of at least ten years, and longer where needed including consideration of the Yarra 2036 Community Vision horizon of fifteen years and climate adaptation considerations.
- **Principle 5** – Lifecycle asset activities (acquisition, operations, maintenance, renewal and disposal) will be considered with the objectives of minimising costs and environmental impact over the whole lifecycle.
- **Principle 6** – Levels of service will be defined for asset-based services in consideration of community needs, financial, social and environmental sustainability.
- **Principle 7** – Funding for renewal of existing assets needed for ongoing service provision will be given priority over funding for new assets, asset upgrades and expansions.
- **Principle 8** – Renewal of existing assets will be based on service need, fitness for purpose, asset condition, compliance and risk management considerations.
- **Principle 9** – Proposed new assets, asset upgrades and expansions will be in alignment with the Council Plan, Council strategies, service plans and demand forecasts.
- **Principle 10** – Asset management planning and long-term financial planning will be integrated with the service and risk implications of any divergence between asset and financial plans considered as part of the planning process.
- **Principle 11** – Asset management roles, responsibilities and accountabilities will be clearly defined and resourced appropriately and linked to position descriptions and the Workforce Plan.
- **Principle 12** – Asset management training and skills development will be provided for staff, management and Councillors.
- **Principle 13** – A corporate centralised asset management information system will be utilised for the operational and strategic management of assets.
- **Principle 14** – We will regularly measure and report performance against objectives and strive to continuously improve asset management, including the introduction of innovative technologies for productivity and capability improvements.

2.2. Policy Alignment

Community Vision

The following Yarra 2036 Community Vision future priorities relate to asset management:

- *Community Safety - 3.4 Council actively maintains ... and implements infrastructure to ensure our streets and public spaces are free of hazards.*
- *Environmental Sustainability – 4.2 Lead the way in climate change mitigation and resilience within Yarra and extend our impact through advocacy and innovative partnership.*
- *Environmental Sustainability – 4.4 A transport system that is innovative, efficient, sustainable and accessible.*
- *Shared Space – 7.1 All our shared spaces are made physically accessible and welcoming to people of all abilities, linguistic, cultural backgrounds and age groups.*
- *Shared Space – 7.2 Community meeting spaces, service buildings, and facilities evolve and adapt to reflect changing needs of our diverse community.*

- *Shared Space – 7.3 Create and innovate solutions to maximise the use of under or unused streets and spaces.*
- *Shared Space – 7.4 Increase availability and diversify use of open spaces to address existing shortages and respond to population growth.*

Council Plan

The following Council Plan 2021-25 strategies relate to asset management:

- *SO 1 Climate and Environment – S1.1 Take urgent action to respond to the climate emergency and extend our impact through advocacy and partnerships.*
- *SO 4 Place and nature – S4.2 Plan and manage community infrastructure that responds to growth and changing needs.*
- *SO 5 Transport and movement – S5.4 Create a safe, well-connected and accessible local transport network including pedestrian and bike routes through Yarra (MPHWP).*
- *SO 6 Democracy and governance – S6.1 Provide opportunities for meaningful, informed and representative community engagement to inform Council's decision-making.*
- *SO 6 Democracy and governance – S6.2 Manage our finances responsibly and improve long-term financial management planning.*
- *SO 6 Democracy and governance – S6.3 Maximise value for our community through efficient service delivery, innovation, strategic partnerships and advocacy.*
- *SO 6 Democracy and governance – S6.4 Practice good governance, transparency and accountable planning and decision-making.*
- *SO 6 Democracy and governance – S6.5 Progress and embed our culture of organisational continuous improvement and build resilience to adapt to changing requirements in the future.*

3. Responsibilities

Council

Will make decisions which demonstrate sound stewardship of assets in relation to asset management including consideration of intergenerational equity. Council is responsible for adopting the Asset Management Policy and the Asset Plan, and ensuring that asset management requirements (as documented in the Asset Plan) are given appropriate consideration when considering financial allocations during the annual budget planning process.

CEO

Will ensure that adequate resources are allocated to enable sound asset management practice across the organisation. Will ensure that asset management objectives align with the organisation's objectives, the Council Plan and the Community Vision. They will ensure that an integrated strategic planning framework is developed and implemented to meet the objectives of the Council.

Executive Management Team

Will support the CEO in their decision making, and provide leadership in relation to asset management for any asset-related functions within their division.

Director City Works and Assets

Will provide leadership and direction for implementing Council's asset management framework, including developing the asset management policy, strategic asset management plan and associated asset management plans. Has primary responsibility for the monitoring and implementation of the principles contained within this policy across the organisation.

Director Corporate Business and Finance

Will ensure that the financial projections in asset management plans are a key input into the long-term financial plan and will implement a service planning framework to assist asset managers and Service Managers in predicting future demand associated with assets and services.

All Asset Managers

Will develop, implement and maintain asset management plans using the principles and objectives outlined in the Asset Management Policy in accordance with the further guidance in the Strategic Asset Management Plan. Will ensure that all lifecycle activities are costed in the asset management plan and reflected in annual budgets. Will collaborate with Service Managers to ensure asset management plans are integrated with and respond to service requirements. Will develop asset renewal requirements, risk registers, levels of service tables, maintenance standards and lifecycle costs for inclusion in asset management plans.

Asset Management and Capital Works Unit

Will develop, implement and maintain the asset management framework, including assisting and guiding asset management planning activities by asset managers. Will also coordinate the capital works planning and monitoring process aligned with asset management plans.

4. Related Documents

- Yarra 2036 Community Vision
- Council Plan 2021-25
- Long-Term Financial Plan 2021/22 to 2030/31

5. Relevant Legislation

- Local Government Act 2020