



INFRASTRUCTURE ASSET MANAGEMENT POLICY

Approved: By Council on 9 September 2014

Owner: Phil Burton (*Corporate Manager, Infrastructure Management*)

Trim: ACC2014/78956

1. Introduction

1.1. This policy outlines Adelaide City Council's approach towards the management of its infrastructure assets.

1.2. This policy sets the principles that will govern the provision of asset management services to enable Council assets to effectively deliver multiple place outcomes.

2. Strategic Context

2.1. The effective management of the City of Adelaide's infrastructure assets supports the delivery of the six key outcomes within the Strategic Plan, to provide:

- a City of Great Places,
- an Accessible City,
- a Creative City,
- a Liveable City,
- a Prosperous City; and
- an Environmentally Sustainable City.

2.2. The management of assets to ensure they provide value for money and grow community wealth, now and into the future, is a guiding principle of the Corporation Plan.

2.3. Planning and management of infrastructure assets are an important component for the effective delivery of key Council strategies such as the Place Making Strategy and Smart Move Strategy.

3. Policy Objectives

- 3.1. To facilitate the effective management of assets to enable Council to meet the social, safety, economic, environmental and recreational needs of the community.
- 3.2. To support the achievement of environmental outcomes including preparing the City for the impacts of climate change.
- 3.3. To ensure adequate provision is made for the long-term renewal and replacement of assets by:
 - 3.3.1. ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and having regard to the environmental outcomes;
 - 3.3.2. demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

4. Policy Principles

- 4.1. All relevant legislative requirements together with political, social, environmental and economic considerations are taken into account in managing our infrastructure assets.
- 4.2. Asset management principles will be integrated within existing and future strategic and corporate planning processes.
- 4.3. Asset Management Plans will be developed for major service/asset categories for a period of at least 10 years. The plans will be informed by community consultation and will be reviewed annually from a renewal and budgeting perspective. Plans will be revised at an interval no greater than 4 years and within 2 years of a local government election.
- 4.4. Following evaluation of alternative options, asset management decisions shall be based on service delivery needs; analysis of benefits and risks; and lifecycle costs. Future service levels will be developed in consultation with the community and end users.

Administrative Requirements

5. Legislative Requirements

Section 122 (1a) of the *Local Government Act 1999* requires Council's to develop and adopt Asset Management Plans. This policy provides the principles supporting these plans. Asset Management Plans are integral to the Strategic Management Plans.

6. Definitions

Asset Class - an asset class is a grouping of assets of a similar nature and use.

Asset Management –a framework to identify the costs and benefits associated with providing an agreed level of service that meets the needs of the community, whilst identifying how to optimise the asset through minimising the whole-life cost, including the operation, maintenance and replacement or disposal of each asset in the system

Asset Management Plan – a plan, typically at asset class level, combining technical and financial management techniques over the lifecycle of the asset to determine the most cost-effective manner by which to provide a specified level of service.

Infrastructure assets – are physical assets owned or under the care, control and management of Council that contribute to the community's needs for access to major economic and social facilities. These assets include roads, stormwater and drainage, transport, buildings, lighting and electrical, Park Lands and open space (including street trees) and urban elements.

Level of Service - the service quality for a particular activity, generally both a measurable performance specification, and a minimum condition or performance grade.

Lifecycle Cost - is all the costs related to future activities including ongoing maintenance, renewal, replacement or disposal (including rehabilitation) of the asset.

7. Roles and Responsibilities

Councillors are responsible for adopting the policy and budget approval.

The CEO is responsible for allocation of resources, providing high level oversight of the delivery of the asset management strategy and plan and maintaining accountability mechanisms to ensure that resources are appropriately utilised to address the strategic plans and priorities, consistent with Section 99(1)(g) of the *Local Government Act, 1999*.

The General Manager has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

Corporate Manager, Infrastructure Management will have primarily responsibility for the monitoring and implementation of the principles contained within this policy across the organisation.

Administration staff who are responsible for the management, acquisition (including gifted assets), upgrade or disposal of any asset must perform their

duties in accordance with the principles and values of this asset management policy.

8. Key Performance Indicators

Assets classes meeting their performance targets identified in their respective Asset Management Plan.

Asset performance and future planning for infrastructure assets will be informed by financial indicators including: operating surplus ratio, net financial liabilities ratio and asset sustainability ratio contained within Council's long term financial plan and annual budget.

9. Monitoring and Implementation

9.1. An inspection regime will be used as to ensure service levels are maintained and to identify asset renewal priorities.

9.2. Systematic and cyclic reviews will be applied to all asset classes to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.

10. Review

This policy should be reviewed at a period no greater than 5 years.

11. Revision History

Revision Summary	Approval Date	ELG Council or Committee	Decision #	TRIM Reference	Related policy documents
1998	09/02/1998	Urban Services Committee	Approved	ACC2007/104911	
2007	16/01/2007	ELG	Retyped and reformatted only	ACC2007/104911	
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