Asset Management Policy 2024-2028

VERSION NO.	1
APPROVAL	Council
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REVIEW	December 2028
RESPONSIBLE EXECUTIVE	General Manager Infrastructure & Open Space
POLICY TYPE	Council
POLICY OWNER	Manager Infrastructure

REVISION RECORD	Version	Revision Description
February 2008	1	Initial Policy endorsed by Council
November 2013	2	Endorsed by Council
February 2018	3	Endorsed by Council
December 2023	4	Review & updated to new policy framework & template

1. Purpose

The purpose of this policy is to set guidelines for implementing consistent asset management processes throughout the organisation.

This Policy aims to ensure comprehensive and effective asset management practices are developed and utilised across all asset classes to enable:

- Informed decision making.
- Improved long term financial forecasting and management.
- Improved efficiency.
- Ability to plan for the present and future generations.

2. Scope

This Policy applies to:

- All assets owned, managed or maintained by Council
- All relevant planning, acquisition, operation and maintenance, renewal and disposal activities pertaining to assets covered by this Policy.
- All departments of Council, including areas that do not have direct responsibilities for managing infrastructure assets however utilise Council assets as a fundamental requirement for the delivery of services to the community.

3. Governance Principles and Council Plan alignment

3.1 Governance Principles

This Policy aligns with the following Governance principles:

Principle (b) - priority is to be given to achieving the best outcomes for the municipal community, including future generations.

Principle (c) - the economic, social, and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.

Principle (d) - the municipal community is to be engaged in strategic planning and strategic decision making.

Principle (e) - innovation and continuous improvement is to be pursued.

Principle (g) - the ongoing financial viability of the Council is to be ensured.

Principle (i) - the transparency of Council decisions, actions and information is to be ensured.

3.2 Council Plan Alignment
This Policy is aligned to Our Roadmap (Council Plan 2021-25) and aligns with the six Strategic Directions and Objectives featured within. These include:

- Liveable - Our city will be a vibrant, enjoyable, and easy place to live.
- Sustainable - We prioritise our environment and reduce our impact on the earth.
- Prosperous - We will embrace the concept of a 20-minute neighbourhood, support the ongoing process of decentralisation and support people to live and work locally.
- Healthy and Inclusive - We are progressive, inclusive and prioritise the wellbeing of all members of our community.
- Safe - Our community will feel safe, and be safe, in all aspects of their lives.
- Well-governed - Council will be collaborative, accountable, transparent, responsive, well-informed and efficient.

This Policy recognises the strong linkages between the Council Plan 2021-25 and planning for the future needs of the local community through assets and the provision of services.

4. Policy Details

4.1 Asset Management Vision
As custodian of community assets, Council will provide and manage its assets to enable a resilient, inclusive and diverse community.

Council's assets are critical to the achievement of our Your Kingston Your Future Community Vision. They support the following key principles from our vision:
- Community planning.
- Keeping the community informed, empowered and engaged.
- Respectful, inclusive, and diverse community.
- Innovation to create a sustainable community.
- Most liveable city for its diverse community.
- Prioritise the natural environment.
- Safety, health and wellbeing of the people.

4.2 Asset Management Principles
In support of the asset management vision, Council's principles that underlie our asset management practices are:
- **Community Planning** - We will be driven by understanding the needs and aspirations of our community so that our assets support demand, social and economic wellbeing.
- **Keeping the community informed, empowered and engaged** - Transparent, honest and performance-based reporting to the Community.
- **Respectful, inclusive and diverse** - We will work towards having safe, accessible, and functional assets that respond continuously to changing community needs.
- **Create a sustainable community** - Through innovation and good governance, we will embed good practice where the whole organisation plays an integral role in the overall management of our assets.
- **Prioritise the natural environment** - We will plan and manage our assets to build

climate resilience and mitigate our environmental impact.

- **Safe, health and wellbeing of community** - We will improve infrastructure that promotes safety and better accessibility and demonstrate compliance to legislated responsibilities.
- **Lifecycle approach** - We will take a whole-of-life approach to managing our assets that minimises risk, ensures compliance, and optimises our investment in assets.
- **Financial sustainability** - We will aspire to provide sustainable levels of funding and resources for the benefit of current and future generations.
- **Integrated** - Continued development of an integrated framework of service, asset and financial planning that supports better informed decision making.

4.2 Asset Management Framework

Council's vision and goals for asset management are to be achieved through the continued implementation of Council's Asset Management Framework as shown in the diagram below.

This Framework has been developed following good practice principles and in particular the relationship between the Integrated Planning Framework, key elements of an ISO:55000 asset management system and the National Asset Management Accountability Framework (NAMAF).

Shown in Councils Integrated Strategic Planning and Reporting Framework below, the overarching Asset Management Framework comprises the Asset Management Policy, Asset Management Strategy, Asset Plan, Asset Management Plans as well as supporting Operational Plans and Asset Information Systems.
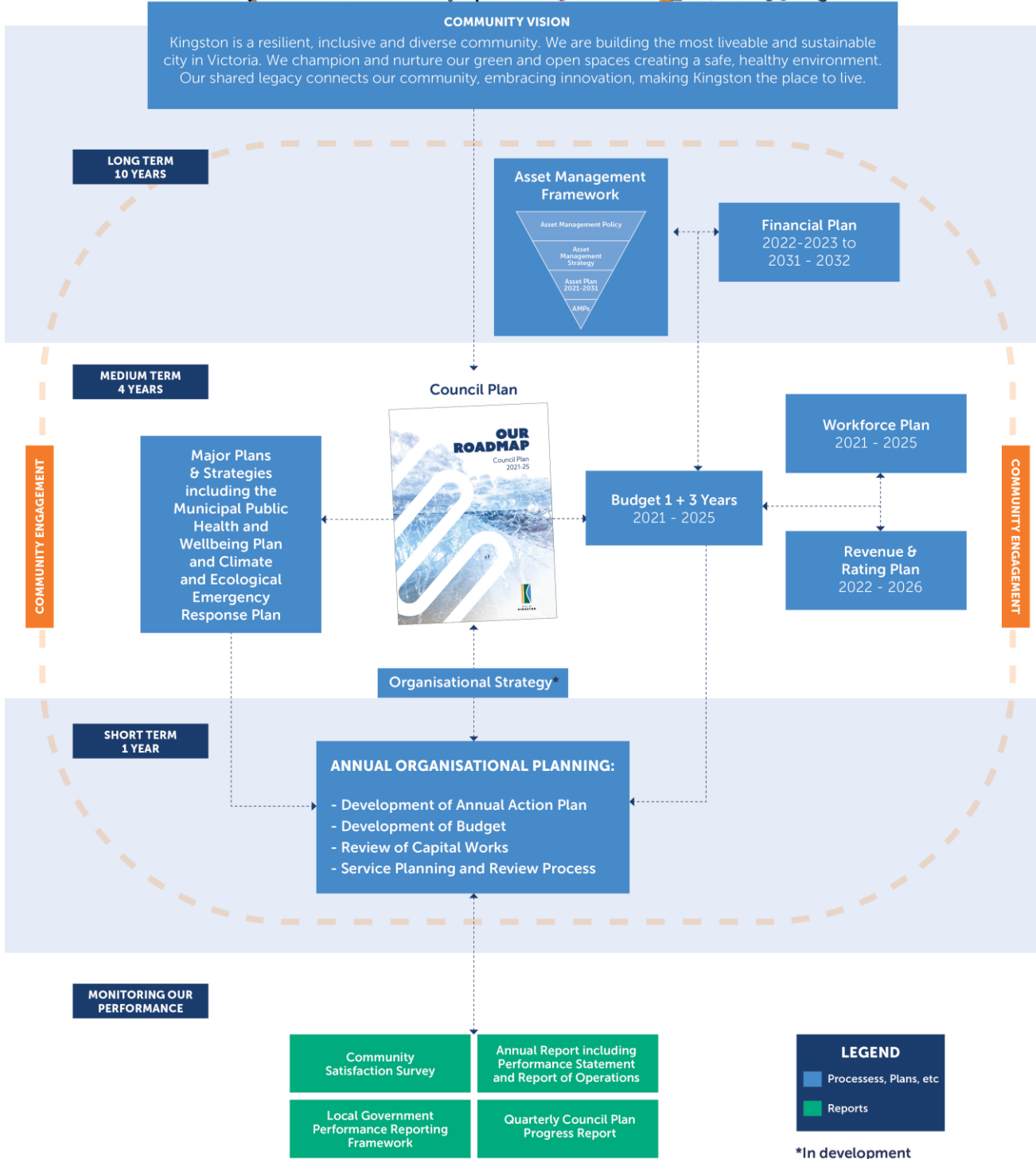
Our Asset Management Framework aims to ensure that a systematic approach to asset management delivers prudent and efficient outcomes that meet Council's objectives.

KINGSTON'S INTEGRATED STRATEGIC PLANNING AND REPORTING FRAMEWORK

COMMUNITY VISION

Kingston is a resilient, inclusive and diverse community. We are building the most liveable and sustainable city in Victoria. We champion and nurture our green and open spaces creating a safe, healthy environment. Our shared legacy connects our community, embracing innovation, making Kingston the place to live.

LONG TERM 10 YEARS

Asset Management Framework

Asset Management Policy

Asset Management Strategy

Asset Plan 2021-2031

AMPs

Financial Plan 2022-2023 to 2031 - 2032

MEDIUM TERM 4 YEARS

COMMUNITY ENGAGEMENT

Major Plans & Strategies including the Municipal Public Health and Wellbeing Plan and Climate and Ecological Emergency Response Plan

Council Plan

OUR ROADMAP
Council Plan 2021-25

Budget 1 + 3 Years 2021 - 2025

Workforce Plan 2021 - 2025

Revenue & Rating Plan 2022 - 2026

COMMUNITY ENGAGEMENT

Organisational Strategy*

SHORT TERM 1 YEAR

ANNUAL ORGANISATIONAL PLANNING:

- Development of Annual Action Plan
- Development of Budget
- Review of Capital Works
- Service Planning and Review Process

MONITORING OUR PERFORMANCE

Community Satisfaction Survey

Annual Report including Performance Statement and Report of Operations

Local Government Performance Reporting Framework

Quarterly Council Plan Progress Report

LEGEND

■ Processess, Plans, etc

■ Reports

*In development

4.2 Policy Implementation

Asset management requires a whole of organisation approach and requires strong and cooperative internal relationships between departments focused on service outcomes and departments charged with the maintenance, renewal and development of infrastructure assets.

The Service and Asset Management Steering Group (SAMS) has been established to guide the development and alignment of strategic service and asset planning to facilitate collaboration of the asset management objectives into an integrated framework and practices across the organisation.

The SAMS Group is responsible for the implementation, monitoring and review of this Policy and the Asset Management Framework including identification of resource skills, capability and capacity required to implement the Asset Management Principles and Asset Management Framework.

5. Key Stakeholders

- The Community
- Council
- Executive Leadership Team
- All Council Officers
- Council Service Delivery Providers
- Regulatory Bodies
- Government

Council established the Your Kingston Your Future Community Panel to engage with the community and provide key advice on the Council Vision, Council Plan and strategic guiding plans including the Asset Plan and associated strategic asset management issues.

Future community consultation for asset management is to be undertaken in accordance with Councils Community Engagement Policy and specifically for Asset Plan 2025 as required under the Victorian Local Government Act 2020.

6. Internal and External Assessments

6.1 Risk Assessment

Asset Management risks are considered at the organisation level and documented in Council's Strategic Risk Register.

6.2 Delegation and Authorisation (Compliance Framework)

Authority and responsibilities for management of assets are recognised in position descriptions, departmental business plans and the Instrument of Delegations.

6.3 Gender Impact Assessment

A Gender Impact Assessment was completed and identified that there is high impact which affects gender diverse people. Council is committed to ensuring the impacts to diverse genders are considered and prioritised as part of deliberative engagement planned to occur in 2024/25 ahead of the next iteration of the Asset Plan 2025.

6.4 Privacy Impact Assessment

A Privacy Impact Assessment is not required for this Policy.

6.5 Human Rights Charter

This policy has been reviewed against and complies with the Charter of Human Rights and Responsibilities Act 2006. This policy promotes and enhances human rights, by supporting the planning, delivering and management of community assets. Effective management of Councils assets support a range of rights under the Victorian Human such as enabling freedom of movement, peaceful assembly and freedom of association and the right to take part in public life.

7. Roles and Responsibilities

There are two high level roles for oversight of Asset Management:
- Council, which sets the policy and strategic direction and;
- CEO, to guide the implementation in achieving Council's strategic objectives.

Role	Responsibility
Council	• Act as custodian and stewards for community assets. • Articulate and approve Council's vision for the future. • Set sustainable financial and Level of Service objectives. • Approve Annual Budgets, Capital Programs, and Long-Term Financial Strategy. • Approve strategic and master plans that work towards Council's vision. • Approve the Asset Management Policy.
Chief Executive Officer (CEO)	• Ensure Council's legal obligations are met. • Ensure appropriate resources for asset management activities are made available. • Oversee continuous improvement of Asset Management capability of the organisation. • Review, evaluate and report to Council on the Asset Management performance of the organisation through CEO Key Performance Objective. • Ensure accurate and reliable information is presented to Council. • Ensure the alignment of Asset Management Policy, Strategy, and Asset Plan with Council Plan and the Long-Term Financial Strategy.

8. Monitoring and Review

The Services and Asset Management Steering Committee (SAMS) will monitor the implementation of this Policy. The successful management of this Policy will be measured by:
- Improvement in asset management NAMAF maturity assessment outcomes.
- Achievement of actions identified in the Asset Management Strategy and associated Asset Management Improvement Plan.
- Financial ratio and asset funding analysis.
- Assets level of service performance.
- Compliance audits confirming legislative requirements are being met.

The Asset Management Policy is to be reviewed by December 2028.

9. Related documents

8.1 Legislation
- *Local Government Act 2020*
- *Local Government (Planning and Reporting) Regulations 2014*
- *Road Management Act 2004*
- *Victorian Charter of Human Rights and Responsibilities Act 2006*

8.2 Documents and resources
- *Your Kingston Your Future - Community Vision*
- *Council Plan 2021-2025*
- *Public Health and Wellbeing Plan 2021-2025*
- *Financial Plan 2023-2024*
- *Asset Plan 2022-2031*
- *Gender Equality Action Plan 2021-2025*
- *Community Engagement Policy*
- *Risk Management Policy*
- *Asset Disposal Policy*

10. Definitions

Term	Definition
CEO	Chief Executive Office
Council	Kingston City Council
ELT	Executive Leadership Team
Asset	A physical component of a facility which has value, enables services to be provided and has an economic life of greater than 12 months. They represent not only physical objects or rights which have some monetary value, for example land, but also result from expenditure from which the benefit is yet to be derived.
Asset Management	Asset Management is a systematic process to guide the planning, acquisition, operation and maintenance, renewal and disposal of assets.
Asset Management Framework	The overarching asset management framework which comprises the Asset Plan, Asset Management Policy, Asset Management Improvement Plan, Asset Management Plans and Asset Management Information System.
Asset Management Strategy	A short to medium term strategy for the implementation and documentation of current and desired state for asset management, improved asset management practices, plans, processes and procedures within the organisation. The Asset Management Strategy typically has a 5-year horizon and aligns asset management with the Council Plan.
Asset Plan	A legislative document required under the Local Government 2020. The Asset Plan is intended to be a strategic public facing document that informs the community on how the council-controlled infrastructure and other assets are to be managed to achieve the Council Plan objectives and Community Vision statement.
	A Council must develop, adopt and keep in force an Asset Plan for period of at least the next 10 financial years. An Asset Plan must include information

about maintenance, renewal, acquisition, expansion, upgrade, disposal and decommissioning in relation to each class of infrastructure asset under the control of the Council.

Asset Management Plan	A plan developed for the management of one or more infrastructure asset classes that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is the development of long-term cash flow projections for the activities.
Asset Management Information System	An Asset Management Information System is the foundation of all Asset Management Practices. It is the combination of processes, data and software to provide the essential outputs for effective asset management and takes into account risk and optimum infrastructure investment. The Asset Management Information System will link with the other corporate information systems such as the Property System, Geographic Information System, Finance System and Document Management System thereby integrating Asset Management with the rest of Council's operations.
Level of Service	The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, statutory functional requirements, environmental, acceptability and cost
Asset Life Cycle	This is the life (years) of an asset from the planning and design phase through to decommissioning or disposal.
Useful Life of an Asset	The useful or economic life of an asset is the estimated or expected time between placing the asset into service and removing it from service.