



Asset Management Policy

Strategic Reference	Provide leadership, good governance, and efficient, effective and responsive Council services
File Reference / Record No	18/076/229 /
Responsibility	Assets and Environment
Version Number	1.4
Effective Date	September 2012
Last Revised Date	October 2024
Minute Book Reference	C24249
Next Review Date	November 2028
Applicable Legislation	Local Government Act 1999 (s122, s49)
Related Policies	Asset Accounting Policy Procurement Policy Prudential Management Policy Sale and Disposal of Council Land and Other Assets Policy
Related Procedures / Documents	Strategic Management Plan Long-Term Financial Plan Infrastructure and Asset Management Plan

1. Objective

This document sets out the policy of the District Council of Yankalilla (Council) to:

- 1.1. Ensure adequate provision is made for the long-term management of major Council infrastructure and assets by:
- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
 - Safeguarding Council assets including physical assets by implementing appropriate asset management strategies and financial resources for those assets.
 - Creating awareness amongst employees and elected members of their responsibilities for the creation and management of sustainable assets.

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- Meeting legislative requirements for asset management.
- Ensuring resources required are assigned, operational capabilities and capacity are identified and the responsibility for asset management is allocated throughout the organisation.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.
- Ensuring an integrated approach across all business units in asset management service delivery.

1.2. Set the guidelines for implementing consistent asset management practices and procedures throughout the District Council of Yankalilla.

1.3. This policy, together with individual Asset Management Plans and associated working procedures and practices will put in place a comprehensive, accountable and transparent asset management framework for the District Council of Yankalilla.

2. Scope

2.1. This policy applies to Council assets within the District Council of Yankalilla that are owned, managed and/or under the care of Council.

3. Definition

3.1. For the purpose of this policy:

General Definitions:

'Asset' an individual or group of physical objects, which has value, enables services to be provided and has an economic life of greater than 12 months.

'Asset Management' The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required service level in the most cost-effective manner.

'Asset Renewal Funding Ratio' Capital expenditure on renewal or replacement of existing assets as a percentage of asset management plans allocation.

'Lifecycle Cost' The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

'Maintenance' Maintenance of an asset is periodic expenditure required to ensure that the asset lasts as long as it is expected to last and that it provides and continues to provide future economic benefits, or expenditure on non-current assets that do not meet the capitalisation criteria.

'New Asset' A new asset is additional to Council's previous assets held.

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'Upgraded Assets' An upgraded asset replaces a previously existing asset with enhanced capability or functionality, where an option existed for replacement without any enhanced capability or functionality.

'Renewal / Replacement Assets' Renewal or replacement of an asset occurs where a previously existing asset is replaced, giving a new asset with a new useful life, without enhancement of the service capability.

Infrastructure Asset Class Definitions:

Asset Class: Building and Other Structures

Financial Class: Building and Other Structures

Asset Types Included:

- Public Conveniences;
- Halls;
- Civic Centres;
- Sporting Facilities; and
- Community Facilities etc.

Asset Class: Recreation

Financial Class: Recreation

Asset Types Included:

- Fences and walls;
- Path/walkway assets;
- Park and playground facilities;
- Electrical and water assets;
- Hard surfaces;
- Stairs;
- Signs; and
- Irrigation assets.

Asset Class: Infrastructure

Financial Class: Stormwater Drainage

Asset Types Included:

- Township Stormwater Drains;
- Township Nodes (headwalls, pits, pollutant traps, maintenance holes and soakage pits);
- Township Storage and WSUD;
- Rural Cross Drain, Pipes and Culvert;
- Rural Cross Drain Nodes (headwalls, pits, erosion protection types); and
- Rural Stormwater – Other (scour protection, junction box)

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Asset Class: Infrastructure

Financial Class: Transport Infrastructure

Asset Types Included:

- Township Roads (Sealed and Unsealed);
- Rural Roads (Sealed and Unsealed);
- Footpaths;
- Kerbs and Gutters;
- Off Road Carparks; and
- Transport – Other

Asset Class: Infrastructure

Financial Class: Bridges

Asset Types Included: Bridges

4. Policy Statement

- 4.1. The District Council of Yankalilla will work with the local community to set affordable standards for the quality and safety of those assets managed on their behalf. Further Council will acquire, dispose of and optimise the use of these assets to ensure that the overall asset base meets appropriate service standards while not negatively impacting on Yankalilla communities or the environment.

This policy ensures the following:

- 4.1.1. Council's assets will be managed using a "life cycle cost" approach and in accordance with best practice asset management technique. Council's assets will be utilised to their fullest potential to maximise usage and economic performance.
- 4.1.2. Council will continually monitor and review its asset portfolio to ensure it is responsive to service delivery needs set by Council.
- 4.1.3. Council's assets will be properly maintained to ensure that they continue to function effectively for the duration of their life.
- 4.1.4. Funding for all asset purchase, maintenance, rehabilitation and replacement will be guided by Council's Asset Management Plans and included in the capital works program, annual budgetary process, Long-term Financial Plan and Annual Business Plan.
- 4.1.5. Prior to the consideration of any "new asset" acquisition and/or any major rehabilitation of or upgrade to an existing asset, a cost-benefit analysis will be undertaken.
- 4.1.6. The disposal of any asset shall be in accordance with Council's Sale and Disposal of Council Land and other Assets Policy.

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5. Policy

In accordance with Section 122 of the Local Government Act (SA) 1999 Council is required to have in place a consistent Asset Management Strategy enacted through the existence of regularly reviewed Infrastructure and Asset Management plan(s).

The following points describe the key policy principles:

- 5.1. Asset Management plans will be completed for all major Asset Classes.
- 5.2. Council will prepare a risk management plan (in accordance with Council's risk management framework) for each major infrastructure asset class and use this information in their decision-making processes in regard to the management of assets.
- 5.3. Expenditure projections from Asset Management Plans will be incorporated into the Council's Long Term Financial Plan. Asset renewals required to meet agreed service levels as identified in the Asset Management Plans targeting a long-term asset renewal funding ratio targeting at 100% and Long-Term Financial Plan will be funded as a matter of priority in the annual budget estimates.
- 5.4. Regular and systematic reviews will be applied to all Asset Management Plans to ensure that assets are managed, valued, and depreciated in accordance with Australian Accounting Standards.
- 5.5. Asset renewals will only be brought forward if they are included in the forecast ten-year program approved in the relevant Asset Management Plan. The only exception is where there is a clearly documented and approved strategic and economic justification via a business case, annual budget proposal and/or by Council recommendation.
- 5.6. Targeted inspections on assets that are believed to be critical or identified as having a key focus (i.e. through customer queries or risk assessment) will be undertaken to ensure levels of service are maintained and/or corrective actions identified.
- 5.7. Whole of life costs will be considered in all decisions relating to new services and upgrading of existing services and assets.
- 5.8. Changes in and/or new service levels with associated delivery costs will be determined in consultation with the community.
- 5.9. Ensure the corporate culture is such that all employees play a part in the overall care for the Council's assets by providing necessary awareness, training and professional development.
- 5.10. Provide Council's customers and stakeholders with assets which meet their expectation of a reasonable level of service and affordability.

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6. Further Information

This policy will be available for inspection at the Council office listed below during ordinary business hours and provided to interested parties as per Council's Fees and Charges Register. Copies are available to be downloaded, free of charge, from Council's website: www.yankalilla.sa.gov.au/policies

District Council of Yankalilla
1 Charles Street
Yankalilla 5203

Phone: (08) 8558 0200

Fax: (08) 8558 2022

Email: council@yankalilla.sa.gov.au

Office hours: Monday to Friday, 9.00am to 5.00pm (except public holidays)

7. Grievances

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

8. Review Cycle

This document is subject to review in four (4) years from the date of adoption or more frequently if legislation or Council requires.

9. Document History

Date	Version	Council Resolution No.	Description of changes
September 2012	1.0	NA	Adoption of Policy
January 2014	1.2	Date: 20/1/14 Page No: 8 Report No: 16.1	Review of Policy
19 November 2024	1.4	C24249	Review of Policy. Minor Updates Additional Definitions added Enhanced Principles Minor formatting and updating to current template.

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