

Council Policy



Policy Title:	Asset Management Policy
Policy Number:	11.01
Focus Area:	Provide Infrastructure that meets community needs
Responsibility:	Asset Systems and Planning
Meeting Adopted:	19 August 2025, (190825/7)

OBJECTIVE

The Asset Management Policy supports Council's vision and strategic objectives, sets guidelines for implementing consistent asset management processes throughout the local government area to manage assets so they provide the appropriate level of service to meet the community's needs and expectations in a financially sustainable manner.

Council takes a whole of life approach to asset management, recognising that assets must be planned, provided, maintained and renewed so that they continue to meet the service delivery needs of the community, within the context of providing best value to the community.

This is achieved by ensuring that Council has the information, knowledge and understanding of long-term risk of managing public infrastructure.

The Asset Management policy links with the IP&R planning framework and supports the development of the Asset Management Strategy and specific Asset Management Plan(s).

SCOPE

This policy applies to all infrastructure related service provision such as road and transport, storm water drainage, water and sewerage, Council owned or managed buildings and facilities, land improvements, parks and open spaces including recreational assets.

POLICY

The *Local Government Act 1993* and the Local Government (General) Regulation 2021 defines Council statutory obligations through Integrated Planning and Reporting requirements to account for and plan for all existing assets under its ownership, and any new assets proposed in its Community Strategic Plan, Delivery Program and associated Resourcing Strategy.

Richmond Valley Council will:

- Prepare an Asset Management Strategy and individual Asset Management Plan(s) for each class of assets that support the Community Strategic Plan and Delivery Program.
- Ensure that the Asset Management Strategy and Plan(s) cover a minimum timeframe of 10 years.
- Ensure that the Asset Management Strategy includes an overarching Council endorsed Asset Management Policy.
- Ensure that the Asset Management Strategy identifies assets that are critical to operations and outline risk management strategies for these assets.
- Ensure that the Asset Management Strategy includes specific actions required to improve Council's asset management capability and projected resource requirements and timeframes.

- Ensure Asset Management Plan(s) encompass all assets under Council's control and must identify asset service standards.
- Ensure the Asset Management Plan(s) contain long-term projections of asset maintenance, rehabilitation and replacement, including forecast costs (for reflection in the Long-Term Financial Plan).

Figure 1 below shows the planning components that frame the Asset Management requirements as part of the IP&R planning framework.



Figure 1 - Planning components that frame the Asset Management requirement.

Richmond Valley Councils first adopted an Asset Management Policy in 2008 which has been reviewed and updated regularly since that time.

The policy supports the 'Community Strategic Plan – Richmond Valley 2040', which outlines the nine strategic directions that provides a framework for actions in achieving the overarching vision.

Policy Principles

Council's Asset Management policy is based on the following principles and objectives to guide a systematic asset management methodology across all areas of Council. They are:

- Assets exist to meet the service needs of the community and the objectives of council.
- Decisions and practices must reflect responsible management and accountability for current and future generations.

- Ensure Asset management is integrated with organisation wide functions, systems, compliance and legislative requirements.
- Ensure decisions have regard to the appropriate balance of cost, risk and performance; and decisions are made using a whole-of-life cycle approach.
- Undertake continuous improvement of asset management practices.
- Ensure best value – balance financial, environmental and social aspects.

Policy Objectives

These principles will be applied through the establishment of a fit-for-purpose asset management framework that promotes the achievement of the following objectives.

Implement a life-cycle approach to the management of infrastructure assets where:

- Asset planning decisions are based on an evaluation of alternatives that consider the “whole of life” of an asset through acquisition, operation, maintenance, renewal and disposal.
- Reducing future asset loss by adopting optimal intervention phases.
- Adoption of innovative, contemporary technologies to improve the operation and maintenance of assets.
- The acquisition of new assets to take into account the full cost of acquisition, operation, maintenance, renewals and disposal over its life cycle. The future cost impact of new assets will be fully considered as part of any new asset approval.
- The asset management cycle considers the current and future environmental, economic, cultural and social outcomes.

Informed and accurate decision making through:

- Developing Asset Management Strategies and Plans that will apply to all major asset categories under its care and control.
- Acquisition and use of quality data, development of systems and technology that will support evidence-based decision making.
- Decision support systems and knowledge – core systems will include up to date infrastructure asset information to inform decisions.
- Inspection regime to be used as part of asset management to ensure service levels are maintained and to identify asset renewal priorities.
- Ability to account for economic, social and environmental benefits.

Transparent financial framework through:

- A needs-based budgeting process that is linked to service levels.
- Demonstrable long term financial management.
- Providing trade-off options, where funds are restricted.
- Providing the General Manager the authority to transfer funds from operation/maintenance program to a capital works program preceding a quarterly budget review (or vice versa) providing the transfer is within the already established overall program budget.
- Regardless of service levels, implemented service levels and renewals will be based on adopted budget estimates.
- Funding asset renewals are to be identified in Asset Management Plan(s) and long-term financial plans will be considered in the annual budget process.

- Revaluing assets at intervals of no greater than 5 years using component level assessments in accordance with the Australian Accounting Standards AASB 13 Fair Value and AASB116 Property, Plant and Equipment.

Balancing stakeholders needs and expectations through:

- Measuring utilisation and demand.
- Prioritising capital works, based on the community's acceptable level of service and affordability.
- Funding the optimised levels of maintenance and renewal.
- Change or future service levels will be determined in consultation with the community.

REFERENCES

1. *Local Government Act 1993*
2. *Local Government (General) Regulation 2021*
3. *Integrated Planning and Reporting Guidelines for Local Government in NSW*
4. *ISO 55001 Asset Management Quality Systems*

REVIEW

This policy will be reviewed by Council at the time of any relevant legislative changes, compliance requirements or at least every four years.

Stage	Date	Reason / Comments
Original Policy	2008	New operational policy
Reviewed	2015	Operational Policy Authorised by Council 14 July 2015
Reviewed	2021	Operational Policy Authorised by Council 16 February 2021
Reviewed	2022	Amended from Operational Policy to Council Policy. Incorporated legislative changes and alignment with delivery plans, Strategic Asset Management Strategy and Asset Management Plan(s). Adopted by Council - 20 September 2022 (200922/16)
Reviewed	2025	Incorporating objectives and alignment with reviewed Community Strategic Plan, Resourcing Strategy, Strategic Asset Management Strategy and Asset Management Plan(s). Adopted by Council – 19 August 2025 (190825/7)