



## **ASSET MANAGEMENT POLICY**

**POLICY NUMBER: CORP-AP-003**

### **PURPOSE**

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To provide a framework for the City to undertake the long-term sustainable management of its infrastructure and other associated assets by:

- Ensuring that the City's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- Creating an environment where all City employees form an integral part in overall management of City assets by creating and sustaining asset management awareness throughout the organisation by training and development;
- Meeting legislative requirements for asset management and reporting through the integrated planning and reporting framework;
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated; and
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

### **SCOPE**

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This policy applies to all City activities.

### **DEFINITIONS**

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**City** means the City of Kalgoorlie-Boulder.

**Asset Management Plan** means long-term plans (usually 10-30 years or more for infrastructure assets) that outline the asset activities and programs for each service area and resources applied to provide a defined level of service in the most cost effective way.

**Infrastructure Assets** means fixed assets (or networks), for example, roads, parks, sewerage, public buildings, etc., that serve the community or are for public use and where the system is or assets are as a whole intended to be operated, used and maintained indefinitely.

**Integrated Planning and Reporting Framework** means a framework for establishing community priorities and linking this information into different parts of a local Government functions.



**Minister** means the Minister of the Department of Local Government, Sport and Cultural Industries (or such other state government department charged with authority over local governments).

**National Assessment Framework** means the National Assessment Framework created by the Local Government and Planning Minister's Council to help local government to evaluate progress to implement the Local Government Financial Sustainability Nationally Consistent Frameworks.

**Upgrade/New** means works to provide new facilities or works to upgrade facilities with enhanced capacity or performance capability.

**Renewal** means works to refurbish or replace existing facilities with facilities of equivalent capacity or performance capability.

**Sustainability** means meeting the needs of the future by balancing social, economic, cultural and environmental outcomes or needs when making decisions today.

## **POLICY STATEMENT**

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The City is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the City. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with the City's priorities for service delivery.

## **POLICY DETAILS**

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### **City's principles and best practices to be adopted**

The City will adopt and embed the following principles and recognised best practices in developing and maintaining consistent asset management practices within the City.

The City will:

1. Adopt asset management principles to assist the City in achieving its strategic longer-term plan and long-term financial objectives;
2. Maintain a consistent asset management strategy for implementing systematic asset management and appropriate asset management best-practice throughout all departments within the City;
3. Take in account all relevant legislative requirements together with political, social and economic environments in asset management;
4. Integrate asset management principles within existing planning and operational processes;
5. Develop Asset Management Plans for major service/ Infrastructure Asset categories, such plans being informed by community consultation, financial planning and reporting;



6. Use an inspection regime as part of asset management to ensure agreed service levels are maintained and to identify asset Upgrade or Renewal priorities;
7. Use asset Renewals or Upgrades as detailed in approved Asset Management Plans required to meet agreed service levels as identified in relevant adopted Asset Management Plans as the basis of the annual budget estimates and long term financial planning;
8. Apply systematic and cyclic reviews to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards, Australian Accounting Standards and the City's Accounting Policy;
9. Ensure asset planning and management has a direct link with the City's corporate and business plans, including its strategic and the long-term financial plans, budgets and reporting process;
10. In developing the long term financial plan and the annual budget, the level of asset Renewal or Upgrade will be set to ensure that Council assets are maintained at the service levels as defined in the relevant Asset Management Plans while referencing the target level of asset Renewal/Upgrade expenditure required by the Integrated Planning and Reporting Framework and Minister;
11. Make asset management decisions based on service delivery needs and the benefits and risks of assets. Consideration of options should take into account lifecycle cost for the asset;
12. Ensure Renewal or Upgrade projects funded by grants include full lifecycle (whole of life costs) as part of project evaluation;
13. Categorise financial and asset management reporting in terms of operational, maintenance, Renewal, Upgrade, expansion and new expenditure classification to enable sound asset management decisions;
14. Ensure councillors and staff with asset and financial responsibilities are appropriately briefed and trained in relevant asset and financial management principles, practices and processes;
15. Operate via an asset management strategy and objectives which are aligned with this policy which are consistent with Council's strategic plans; and
16. Align asset management maturity to the National Assessment Framework.



## COMPLIANCE REQUIREMENTS

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Section 5.56 *Local Government Act 1995*

Regulation 19DA *Local Government (Administration) Regulations 1996*

## RELEVANT DOCUMENTS

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Asset Management Strategy

Asset Management Plans

Integrated Planning and Reporting Framework

Australian Standards

Australian Accounting Standards

City of Kalgoorlie-Boulder Accounting Policy (Corp-F-004)

DOCUMENT CONTROL		
Responsible department	Finance	
Date adopted by Council	27 March 2023	Resolution number: 14.2.1
Date of last review	27 March 2023	Policy reviewed and amended n/a
Date of next review	March 2025	



City of  
**Kalgoorlie  
Boulder**