



**WUJAL WUJAL ABORIGINAL SHIRE COUNCIL**  
**ASSET MANAGEMENT POLICY**

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| <b>Responsible Manager:</b> | Director Finance & Corporate Services   |
| <b>Head of Power:</b>       | <i>Local Government Act 2009 (Qld)</i><br><i>Local Government Regulation 2012 (Qld)</i> |
| <b>Authorised by:</b>       | Council   |
| <b>Authorised on:</b>       | 30 June 2020  |
| <b>Implemented from:</b>    | 30 June 2020  |
| <b>To be reviewed on:</b>   | 30 June 2022  |
| <b>Corporate Plan:</b>      | To manage Council's resources in a way that achieves maximum community benefit          |

## 1. POLICY STATEMENT

Wujal Wujal Aboriginal Shire Council ("Council") is committed to:

- a) Implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.
- b) Implementing consistent, transparent and effective asset management processes in accordance with the requirements set out in the *Local Government Act 2009 (Qld)* and the *Local Government Regulation 2012 (Qld)*.
- c) Ensuring adequate provision is made for the long-term replacement of major 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; and
  - safeguarding Council assets including physical assets and community by implementing appropriate asset management strategies and appropriate financial resources for those assets; and
  - creating an environment whereby all Council employees take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout Council; and
  - meeting legislative requirements for asset management; and
  - 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.

## 2. SCOPE

This Policy shall apply to all activities of Council.

## 3. PROCEDURE

Adopting asset management principles will assist Council in achieving its strategic longer-term plan and long-term financial objectives.

#### 4. PRINCIPLES

- a) A consistent asset management strategy must exist for implementing systematic asset management and appropriate asset management best practice throughout all departments of Council.
- b) All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- c) Asset management principles will be integrated within existing planning and operational processes.
- d) An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- e) Capital expenditure will be rationed to asset renewals to meet agreed service levels and identified in asset management plans and long-term financial plans where it is possible to do so.
- f) Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- g) 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.
- h) Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- i) Future service levels will be determined in consultation with the community.

#### 5. DEFINITIONS

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

**Level of service** means the defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.

**Asset renewal** means the expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed.

As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time

**Capital expenditure** means a relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade.

**Life cycle cost** means the cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

## 6. RESPONSIBILITIES

- a) Councillors are responsible for adopting the policy and allocation of resources, for providing high level oversight of the delivery of the organisation's asset management strategy and plan and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilised to address the organisation's strategic plans and priorities.
- b) The Chief Executive Officer has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

## 7. AUTHORISATION

This page and the previous bearing my initials were duly authorised by Council as the **Wujal Wujal Aboriginal Shire Council Asset Management Policy** on the 30 June 2020 and shall hereby supersede any previous Policy of the same intent.



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**Stephen Wilton**  
**Chief Executive Officer**

Date: 30 June 2020