



MOSMAN

**ASSET
MANAGEMENT
POLICY
2020-29**

Adopted by Council 6 October 2020

POLICY

Purpose

To outline a framework for managing Council's infrastructure assets sustainably to achieve the objectives of the MOSPLAN Community Strategic Plan through optimal life cycle, risk and performance management.

COVID-19

The assets values, data and modelling that informed the Asset Management Plans was done prior to the full ramifications of the COVID-19 pandemic being known. Due to the variability in market conditions during this time, it is recommended that the AMPs be reviewed and updated in 18 months' time to account for any changes.

Background

Council is the custodian of \$425 million dollars of infrastructure assets that support its core business of delivering services to the community. The assets are categorised into five (5) asset management plans: roads, parks and open space, buildings, stormwater and marine structures. The major assets include:

- 51 Buildings
- 66 km of stormwater drainage pipes and culverts
- 90 km of road
- 1,100 retaining structures
- An indoor swim centre, two harbour baths and three jetties
- 14 car parks
- 15 playgrounds
- 25 bushland areas covering 325,000 sqm
- 36 parks and reserves covering 270,000 sqm
- 36 stormwater quality improvement devices

Local Government Amendment (Planning and Reporting) Act 2009 requires Council to have a Community Strategic Plan that identifies the main objectives for the future of Mosman over a period of 10 years. The plan (MOSPLAN) is supported by a resourcing strategy that includes a long term financial planning, workforce and asset management planning.

Goals and Objectives

Council's goal in managing infrastructure assets is to provide equitable and appropriate services to the community that are cost effective, sustainable, safe and are of a quality consistent with the requirements of the Mosman community.

The key objectives of infrastructure asset management are:

- An integrated, accurate and consistent approach
- Cost-effective strategies for the long term management of infrastructure
- Sustainable use of resources to deliver affordable services
- Understanding and meeting the demands of growth through infrastructure investment
- Risk management strategies to ensure Mosman is a safe place to live, work and play
- To protect the natural environment through the integration of sustainable practices
- To provide a defined level of service to the community and monitor performance
- To continuously improve in asset management practices
- To achieve an unrestricted current ratio at 2:1
- To meet industry benchmarks, e.g. sustainability financial indicator of greater than 1.0, backlog ratio less than 2.0% and maintenance ratio greater than 100%
- To have business systems which will provide integrated, accurate, timely, cost-effective and responsive information and services
- To use the asset management information to make informed decisions for the community

Scope and Responsibilities

The policy applies to Councillors, General Manager and Council Employees that have a role in managing infrastructure assets in the following classes:

- Buildings
- Roads
- Stormwater drainage
- Parks and Open space
- Marine structures

Councillors are responsible for adopting the policy and ensuring that sufficient resources are available to manage the assets.

The General Manager is responsible for ensuring that an asset management policy, strategy and plans are developed and reviewed.

Directors and Managers are responsible for implementing the asset management strategy and plans by ensuring that employees are tasked with completing the actions outlined in the plans.

Policy Statements

The following statements underpin the strategic goals of the policy:

- Council will implement the Asset Management Plans and actions to support informed decision making on assets and to identify future funding needs.
- Asset Management Plans will be maintained for each asset class for 10 years and updated every 4 years.
- The plans will consider the sustainability of delivering infrastructure assets to protect the needs of future generations.
- The plans will balance risk, cost and performance with community expectations.
- Council will endeavour to ensure that assets are planned, created, operated, maintained, renewed and disposed of in accordance with the Asset Management Plans and MOSPLAN objectives.
- Yearly condition inspections, data collection, valuations and performance and risk monitoring will be carried out to ensure the effectiveness of the Asset Management Plans.
- All relevant legislation, political, social, environmental and economic considerations will be taken into account in managing assets.
- Council will promote training and continuous improvement in asset management practices so as to progressively improve asset management capability.
- Asset management information systems will be further developed including data collection, programming of maintenance and inspections, life cycle costing, forecasting and financial reporting.

Related Information

The Asset Management Policy is integrated with following strategic plans and legislation:

- MOSPLAN Community Strategic Plan 2018-2028
- Mosman Long Term Financial Plan 2018-2028
- Mosman Asset Management Strategy 2020-2029
- Mosman Asset Management Plans 2020-2029
- Local Government (General) Regulation 2005
- Local Government Amendment (Planning and Reporting) Act 2009

Key Performance Measures

The following performance measures are set out for the policy with broad timeframes:

1. Yearly review of plans, condition inspections valuations and performance and risk monitoring - June 2021
2. Review and update plans to account for any changes due to COVID-19 pandemic - March 2022
3. Yearly review of plans, condition inspections valuations and performance and risk monitoring - June 2022
4. Community Review of Service Levels - May 2023
5. Yearly review of plans, condition inspections valuations and performance and risk monitoring - June 2023
6. Update Policy, Strategy and Asset Management Plans - June 2024

Audit and Review

The Asset Management Policy will be reviewed every four years unless otherwise directed by the Executive team.

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Mosman
COUNCIL

