

Central Coast Council

Asset Management Policy

Date Adopted: 23/06/2025
Revision: 1



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1. Policy Objectives

- 1.1. The purpose of this Policy is to set out the guiding principles for the strategic asset management of Council's assets to ensure they provide satisfactory service to the community in a financially sustainable.
- 1.2. Council is committed to:
 - 1.2.1. A lifecycle approach to asset management;
 - 1.2.2. Managing asset risks appropriately;
 - 1.2.3. Considering community needs in the future;
 - 1.2.4. Complying with regulatory requirements;
 - 1.2.5. Continuously improve asset management.

2. Policy Scope

- 2.1. This Policy applies to all Council representatives, including Councillors, Chief Executive Officer, Directors, Senior Management, and all employees.
- 2.2. All constructed assets under the control of Council with a useful life exceeding 12 months and where the value of the asset, or collective of like assets, exceeds the capitalisation threshold identified in Council's Asset Accounting Protocol will be considered within the scope of this Policy
- 2.3. Natural assets on Council managed land providing a benefit to the community that may not provide a financial value, and where the application of asset management principles provides a means of planning future expenditure requirements. Natural assets may not be recognised under the Council's Asset Accounting Protocol.
- 2.4. Examples of the assets Council manages under this Policy are shown in Table 1.

Water Supply Infrastructure	Sewerage Network Infrastructure
Dams, weirs and water reservoirs	Sewer mains
Water treatment plants	Sewerage treatment plants
Water pumping stations	Sewerage pumping stations
Water mains	Sewerage network assets
Transport Infrastructure	Stormwater Drainage Infrastructure
Road pavements	Pipes
Wharves and jetties	Pits
Road and pedestrian bridges	Culverts and channels
Footpaths and cycleways	Detention basins
Street furniture	Gross pollutant traps
Park and Recreation Infrastructure	Building Infrastructure
Swimming pools	Building structures
Sporting facilities	Mechanical services
Playgrounds	Electrical services
Park and recreational furniture	Internal fit outs
Plant and Equipment	Natural Assets
Information Technology equipment	Fire trails and asset protection zones

3. Policy Statement

- 3.1. Council will ensure a consistent approach to the planning, creation, operation, maintenance, renewal and disposal of assets to meet the needs of the community as outlined by the Community Strategic Plan or adopted Strategies and Plans and within the financial parameters identified by Council's Long Term Financial Plan.
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4. A Lifecycle Approach to Asset Management

- 4.1. Considering the full lifecycle costs, including long term financial sustainability objectives and revenue generation, of managing assets in all decisions relating to renewing existing assets, the provision of new services and assets, and the upgrading existing services and assets.
 - 4.2. Establishing affordable levels of service for all asset classes and associated intervention levels that achieve a suitable balance between risk, cost and performance.
 - 4.3. Preparing and implementing asset lifecycle planning supported by performance monitoring, quality data, and integrated systems.
 - 4.4. Reviewing and updating all asset management plans on a cyclic basis.
 - 4.5. Minimising financial shocks by ensuring that all foreseen asset lifecycle related costs are incorporated into Council's financial planning over the long term.
 - 4.6. Implementing a strategic approach to capital grant application opportunities as guided by Council's Infrastructure Pipeline and working with the key users/groups of Council's assets so they understand and plan for their future needs.
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5. Managing Asset Risks Appropriately

- 5.1. Risks associated with assets are managed according to the adopted Enterprise Risk Management Policy to ensure that risks are identified, proactively managed and considered in the allocation of resources.
 - 5.2. Critical assets within each asset class are identified and appropriate mitigation measures are identified.
 - 5.3. Where identified risks are outside the level of acceptable risk strategies are developed to control or mitigate the risk.
 - 5.4. Ensuring Council's financial planning and Long-Term Financial Plan allow Council to respond to natural disasters.
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6. Considering Community Needs

- 6.1. Assessing utilisation measures, demographic trends and population forecasts to plan for future asset requirements.
 - 6.2. Aligning asset service provisions to Council policies, strategies and planning documents.
 - 6.3. Prioritising the management of assets with current and future users in mind, and in line with agreed affordable levels of service.
 - 6.4. Donated assets, including those delivered through the subdivision process, meet the community's identified requirements. No additional burden is placed on the Council by providing assets exceeding the community's needs.
 - 6.5. Using best practice standards, including universal design principles to improve asset resilience.
 - 6.6. Ensuring assets support Council's long-term financial sustainability, intergenerational equity and sustainable tourism.
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7. Compliance with Regulatory Requirements

- 7.1. Assessing utilisation measures, demographic trends and population forecasts to plan for future asset requirements.
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8. Continuously Improve Asset Management

- 8.1. Ensuring Council's asset management framework supports the implementation of Asset Management Strategy actions.
 - 8.2. Continuing to develop asset management capability and competency towards the preferred level of maturity for each asset class.
 - 8.3. Continuously improving asset management planning, processes, practices and systems.
 - 8.4. Implementing regular asset management maturity reviews and maturity target setting to inform improvement activities.
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9. Responsibilities

9.1. Councillors

- 9.1.1. Consider adequate resourcing is provided across the Long Term Financial Plan to respond to current and future new assets so they can be operated,

maintained and renewed within the financial capacity of Council to meet the community's objectives identified in the Community Strategic Plan.

9.2. Chief Executive Officer and Executive Leadership Team

- 9.2.1. Approve and monitor the Asset Management Strategy and Asset Management Plans in accordance with the Integrated Planning and Reporting framework, legislative requirements and Council's strategic direction.
- 9.2.2. Ensure the impact on Council's asset base is considered when making recommendations to Council in relation to planning and financial matters, including the delivery of services.
- 9.2.3. Promote and facilitate best practice in asset management.
- 9.2.4. Integrate asset management, service and financial planning within Council.
- 9.2.5. Ensure that asset-management policies, strategies and plans are included within the corporate governance framework.
- 9.2.6. Ensure there is a framework to manage risk.
- 9.2.7. Consider the availability of adequate resources to meet the asset management objectives and principles.
- 9.2.8. Provide for staff to be appropriately trained and skilled to perform the required asset management functions in accordance with their delegated authority.

9.3. Unit Manager Facilities and Asset Management

- 9.3.1. Implement Council's Asset Management Framework across Council, ensuring consistent approaches across Units and Sections.
- 9.3.2. Continue to develop and improve Council's Asset Management Strategy and incorporate asset management principles across Council's business practices.
- 9.3.3. Coordinate the implementation of Asset Management Improvement Plans across Council.
- 9.3.4. Provide asset management advice and support to services within Council.

9.4. Technical Asset Managers

- 9.4.1. Develop and implement Asset Management Plans for all asset classes to manage asset lifecycle activities and planning.
- 9.4.2. Manage assets to minimise the asset lifecycle cost at the agreed level of service for the community.
- 9.4.3. Identify critical assets within each asset class and ensure appropriate mitigation strategies are developed.

- 9.4.4. Support the development and implementation of the Asset Management Improvement Plan.
- 9.4.5. Deliver appropriate levels of service, operationally and technically, through the provision of assets for community use to agreed risk and cost standards. Levels of service are to recognise community needs and financial position of Council.
- 9.4.6. Ensure growth and changing community and regulator needs are considered in preparing long term plans for assets.

9.5. Management and Staff

- 9.5.1. Support operating assets at the lowest lifecycle cost to provide an agreed level of service for the community by maximising efficiency and effectiveness in all work practices.
- 9.5.2. Support the implementation of the Asset Management Improvement Plan as required.
- 9.5.3. Ensure all asset related maintenance and capital work is captured within Council's Asset Management Systems and Finance System to record information relevant to work performed and the associated costs of that work.

9.6. Reporting

- 9.6.1. The reporting of work under this Policy is captured within the reporting requirements under the Integrated Planning and Reporting Framework. The Annual Report provides outputs of asset related works, including the delivery of the CAPEX Program. An End of Term Report for Council will also summarise all asset related activity.
- 9.6.2. Each financial year audited Financial Statements are prepared and presented publicly to Council. These statements provide a summary of the position of Council's assets, including the reporting of key performance indicators used across Local Government.

9.7. Records Management

- 9.7.1. Staff must maintain all records relevant to administering this protocol in accordance with Council's Information and Records Management Policy.
- 9.7.2. All asset related maintenance and capital work must also be captured within Council's Asset Management Systems and Finance System to record information relevant to work performed and the associated costs of that work.

10. Policy Definitions

Act	means the <i>Local Government Act 1993</i> (NSW)
Asset - Constructed	means a constructed asset is the tangible result of a construction project, that provides a present or future value for Council for more than 12 months.
Asset - Natural	means a natural asset on Council managed land refers to natural resources and ecosystems, such as trees, vegetation or wetlands, that provide a benefit to the community and generally do not hold an economic value and are not generally recognised under Council's Asset Accounting Protocol.
Asset Class	means a grouping of assets of a similar nature and use in an entity's operations.
Asset Management	means the combination of management, financial, economic and engineering with other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.
Asset Management Framework	means the details the guiding structure and key components of asset management processes and practices implemented by Council.
Asset Management Plan	Means a long-term plan (10 years) that outlines the lifecycle activities and programs for a group of assets and the resources required (and available) for the provision of a defined level of service, always in the most cost-effective way.
Asset Management Strategy	means a high-level action plan that gives effect to the Asset Management Policy.
Capital Grant	means of funding work on Council's assets at any stage of its life. Capital grants are provided by third parties, generally national or State Government Agencies.
Capital Renewal	means expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally, including replacement of an existing asset.

Capital Upgrade	means expenditure which enhances an existing asset to provide a higher level of service or extends the life beyond that which it had originally.
Council	means Central Coast Council
Infrastructure Pipeline	<p>means the Central Coast Council's Infrastructure Pipeline brings together all infrastructure projects that are planned. The Pipeline in projects identified for new assets, asset renewal or asset upgrade, through asset management planning or projects identified to support population growth the Development Contribution Plans or Development Service Plans.</p> <p>Projects from the Pipeline are included in Council's 4 Year Works Program, while projects in the Pipeline between 5 and 10 years are considered in the preparation of the Long Term Financial Plan and Asset Management Planning.</p>
Intervention Level	means the point where the performance against the agreed level of service warrants intervention.
Levels of Service	means the defined asset-performance targets that an organisation intends to deliver to customers and other stakeholders in relation to factors including but not limited to; quality, reliability, responsiveness, timeliness, accessibility and cost.
Lifecycle Costs	means the total costs of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
Long Term Financial Plan	means the 10-year projected revenues that inform and guide the financial extent to which infrastructure projects, workforce resources, and operational expenditure can be allocated.
Maturity Assessment	means the process used to understand the effectiveness of an organisation's asset management system and levels of service, as well as help comply/align with standards and regulatory requirements.
Risk Management	means the application of a formal process to manage all risks within Council, not just insurable risks or occupational health and safety.

Useful Life	means the period over which an asset is expected to be available for use by an entity (in the context of its service to the entity and not to the asset's actual physical life).
Utilisation Measures	means measures that show whether an asset is being effectively used, for example occupancy rates, traffic counts, waiting list metrics, attendance numbers, etc.

11. Policy Administration

Business Group	Infrastructure Services
Responsible Officer	Unit Manager, Facilities and Asset Management
Associated Procedure (if any, reference document(s) number(s))	Budget Management Protocol - D16499248 Asset Accounting Protocol – D16599305
Policy Review Date	Four years from date of adoption unless legislated otherwise
File Number / Document Number	D17023923
Relevant Legislation (reference specific sections)	<p>This Policy supports Council's compliance with the following legislation:</p> <ul style="list-style-type: none"> ▪ <i>Local Government Act 1993 (NSW)</i> ▪ <i>Local Government Amendment (Planning and Reporting) Act 2009 (NSW)</i> ▪ Local Government (General) Regulation 2005 (NSW) ▪ Code of Conduct and Procedures for the administration of the Code of Conduct ▪ <i>Disability Inclusion Act 2014 (NSW)</i> ▪ <i>Civil Liability Act 2000 (NSW)</i> ▪ Equity, Diversity and Respect Policy ▪ Australian Accounting Standards Board AASB116 and AASB13
Link to Community Strategic Plan	<p>Theme 4: Responsible</p> <p>Goal H: Delivering essential infrastructure</p> <p>L-K3: provide signage, public facilities, amenities and playgrounds to encourage usage and enjoyment of public areas.</p>
Related Policies / Protocols / Procedures / Documents (reference document numbers)	<ul style="list-style-type: none"> ▪ Information and Records Management Policy (D14025241) ▪ Council's Code of Conduct ▪ Delegations Register ▪ International Infrastructure Management Manual (Institute of Public Works Engineering Australasia) ▪ International Infrastructure Financial Management Manual (Institute of Public Works Engineering Australasia) ▪ Plant and Fleet Management Manual (Institute of Public Works Engineering Australasia)

	<ul style="list-style-type: none"> ▪ ISO55000, ISO55001 and ISO55002 ▪ Enterprise Risk Management Framework Policy (D14582043) ▪ ISO 310000 Standard for Enterprise Risk Management ▪ Integrated Planning and Reporting Guidelines (NSW Office of Local Government) ▪ Integrated Planning and Reporting Handbook (NSW Office of Local Government)
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12. Policy Authorisations

No.	Authorised Function	Authorised Business Unit / Role(s)
N/A	N/A	N/A

13. Policy History

Revision	Date Approved / Authority	Description Of Changes
1	23 June 2025 Ordinary Council Meeting Minute no. 710/25 (5) (Adopted)	New Policy Adopted (as part of the Asset Management Strategy 2025-2035)