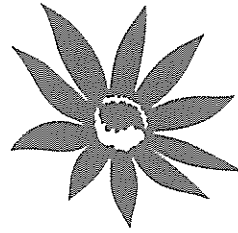


Wyong  
Shire  
Council

POLICY NO: WSC143


# POLICY FOR NATURAL ASSET MANAGEMENT

*To be read in conjunction with the  
'Policy for Natural Asset Management – Implementation Plan'*



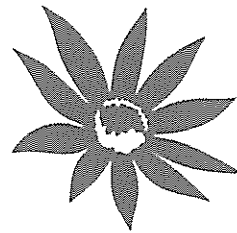
<b>AUTHORITY</b>	<b>NAME &amp; TITLE</b>
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<b>CHIEF EXECUTIVE OFFICER</b>	Rob Noble

**CERTIFIED A TRUE COPY OF POLICY ADOPTED BY COUNCIL**

<b>AUTHOR SIGNATURE</b>	
<b>COUNCIL RESOLUTION DATE</b>	11/5/16.

**History of Revisions:**

Version	Date	TRIM Doc. #
1	11/5/2016.	D12304748



**A. POLICY SUMMARY**

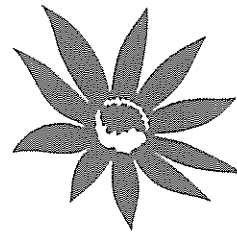
- A1 The purpose of this policy is to ensure compliance with the Local Government Act 1993 and subsequently enable the management of natural assets in a structured and coordinated fashion through the development of a Natural Asset Management system inclusive of a Natural Asset Management Plan. The plan will ultimately enable the determination of an appropriate level of service for these assets in a sustainable manner for the present and future.
- A2 This policy applies to all natural assets owned or controlled by Council regardless of their purpose or source of acquisition.

**B. POLICY BACKGROUND**

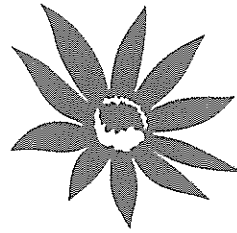
- B1 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management practices across all areas of Council.
- B2 This methodology is an essential component of the custodianship of Council's assets. It is necessary to advise on the best use of resources by ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's service needs.
- B3 Asset management of all of Council's assets in accordance with the NSW Government Integrated Planning and Reporting Guidelines is a requirement of the Local Government Act 1993.
- B4 Council has an obligation to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development (Clause 8, Local Government Act 1993)
- B5 Council's Long Term Resourcing Strategy recognises Natural Assets as one of two primary asset classes managed by Wyong Shire Council
- B6 Council recognises that some approaches to the methodology used for the strategic asset management of natural assets, may have to be different to those used for infrastructure assets because of the different nature of the asset however where suitable the methodologies between the two will be developed in such a way that they align.
- B7 Council has an extensive portfolio of land holdings which have been gifted to or acquired by Council for the purpose of conservation, scenic amenity, environmental management and the like.
- B8 This policy is to be read in conjunction with the Wyong Shire Council 'Policy for Property Transactions – Sales and Acquisitions' (WSC123) and the 'Policy for Community Infrastructure Asset Management (WSC120)

**C. DEFINITIONS**

- C1 **The Act** means the *Local Government Act 1993*



- C2 **Asset Management** shall mean “the systematic and coordinated activities and practice through which an organisation optimally manages its assets and their associated performance, risks and expenditures over their lifecycle for the purpose of achieving its organisational strategic plan”
- C3 **Component** An essential specific part of an asset having independent physical and functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality
- C4 **Council** means Wyong Shire Council, being the organisation responsible for the administration of Council affairs and operations and the implementation of Council policy and strategies.
- C5 **Implementation Plan** means the Policy for Natural Asset Management – Implementation Plan
- C6 **Natural Areas** are those areas that have the primary objective of:
- a. conserving biodiversity and maintaining ecosystem function in respect of the land, or the feature or habitat in respect of which the land is categorised as a natural area, and
  - b. maintaining the land, or that feature or habitat, in its natural state and setting, and
  - c. providing for the restoration and regeneration of the land, and
  - d. providing for community use of and access to the land in such a manner as will minimise and mitigate any disturbance caused by human intrusion, and
  - e. assisting in and facilitate the implementation of any provisions restricting the use and management of the land that are set out in a recovery plan or threat abatement plan prepared under the Threatened Species Conservation Act 1995 or the Fisheries Management Act 1994 .
- C7 **Natural Assets:**
- a. shall mean those assets that reside in natural areas and which give a natural area its distinct characteristics and identity
  - b. are not restricted to those assets that are of value only to humans and includes those of value to the whole ecosystem, or that only possess intrinsic values in their own right.
  - c. may include those which present no obvious current market demands, but bring indirect uses, options and benefits which cannot be translated into a present day monetary value.
  - d. may provide recreational and economic benefits but may not be built or maintained primarily for these reasons.
  - f. include assets that are constructed to mimic the functions of a natural ecosystem
  - e. may be co-located with other Council assets and infrastructure such as parks, drainage easements and roads, and may exist outside a designated natural area



- g. may be a component of a natural asset, but are not a component of another type of asset
- h. in the application of this policy applies to those natural assets under Council's ownership, or under Council's care and control

C8 **Plans** shall mean Council's adopted Annual Management Plan, Delivery Plan, Long Term Financial Strategy, Long Term Resourcing Strategy, Asset Management Strategy, site management plans, Plans of Management and Community Strategy

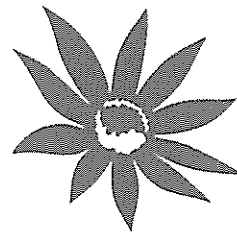
#### **D. POLICY STATEMENTS**

##### **Jurisdiction**

- D1 This Policy covers all elected members of Council, all personnel employed by Council, any person or organisation contracted to or acting on behalf of Council, any person or organisation employed to work on Council premises or facilities and all activities of the Council.
- D2 This policy does not confer any delegated authority upon any person. All delegations to staff are issued by the Chief Executive Officer.

##### **General**

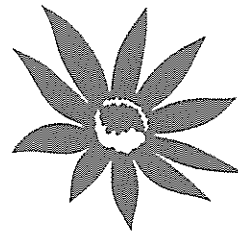
- D3 Council exists to provide services to the community and many of these services are provided by natural assets.
- D4 Councils seeks to both address legislative requirements through the management of natural assets and to meet required levels of service in a sustainable manner both in the present and the future.
- D5 This policy has been prepared to facilitate the development of plans and processes that will provide guidance for staff that have responsibilities in the planning, acquisition, creation, disposal and management of natural areas within Wyong Shire.
- D6 The policy will apply to all natural assets within Council ownership, or care and control for the duration of this policy.
- D7 Asset management principles will be integrated within existing planning and operational processes.
- D8 As part of Council's consideration of natural asset management, Council will:



- Manage its natural assets in a systematic and sustainable manner
  - Engage with the community, stakeholders and service providers when determining service standards/ level of service through the Community Strategic Planning process.
  - Allocate appropriate resources to ensure the timely maintenance and renewal of natural assets, so that "life cycle" costs are optimised (existing and new assets)
  - Meet legislative requirements for asset management
  - Update the Natural Asset Management Plan annually to reflect the position in the Delivery Plan for the upcoming financial year
  - Audit progress of Asset Management Plans and Strategies internally every four years
- D9 Asset renewals required to meet agreed service levels and identified in asset management plans and long term financial plans and which align with the priority objectives of the Community Strategic Plan will be given higher priority for funding in the annual budget estimates.
- D10 Future life cycle costs will be reported and the ability to fund those costs will be considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- D11 Council's natural asset management and future land use plans will consider the potential impact that population growth and climate change will have on its assets.
- D12 The policy will facilitate the preparation and implementation of a Natural Asset Management Plan that will set levels of service, risk and cost standards after balancing competing demands and considering integrated planning matters.
- D13 Council is committed to managing all its assets, both built and natural, under a consistent approach within the integrated planning and reporting guidelines. It is noted however that there are no definitive national standards for natural assets, unlike built assets. Further work will be required to develop a suitable formula for recognising the role and value that this asset group plays in Council's property portfolio. This will form part of the implementation of this policy.

**E. POLICY IMPLEMENTATION - PROCEDURES**

- E1 This policy should be read in conjunction with the Wyong Council Code of Conduct.
- E2 It is the personal responsibility of all Council employees and agents thereof to have knowledge of, and to ensure compliance with this policy.
- E3 As part of the implementation of this policy, the Implementation Plan that accompanies the policy must also be considered
- E4 Implementation of this policy will be led by the Natural and Environmental Assets Section of Council's Property Management Unit which forms part of the Property and Economic Development Department
- E5 Any works undertaken within natural assets, or that affect natural assets, or that create or dispose of natural assets, must first be approved by the Natural and Environmental Assets section as the asset owner.



- E6 Implementation of this policy and any subsequent plans and strategies will be undertaken in consultation with other relevant internal and external stakeholders
- E7 This policy will be implemented through projects that promote the lawful, environmentally and socially responsible, effective and efficient management of Council's natural assets.
- E8 To achieve this policy, the following key roles and responsibilities and commitments are identified:
- (a) **Council and Chief Executive Officer**
- General ownership of the policy and impetus for implementation of the various actions
  - To ensure that appropriate resources and funding are available to responsibly manage the natural asset portfolio into the future
  - The Chief Executive Officer shall ensure that Council's organisational structure will identify responsibility and accountability for implementation of Council's role as owner of the natural assets
- (b) **Senior Management Team (Executive)**
- Ensure authority, resources and funding for natural asset management activities are made available in the appropriate parts of the organisational structure
  - Ensure the integration of this Policy and implementation strategies with other policies, business processes and the corporate governance framework
  - To ensure the impact on Council's natural asset portfolio is considered when making recommendations to Council in relation to planning and financial matters or the delivery of services
- (c) **Property Management Unit/ Natural and Environmental Assets Section**
- Development and implementation of appropriate strategies, policies and procedures to ensure effective natural asset management across the organisation
  - Provide cross organisational guidance in relation to the development and implementation of strategies, policies and procedures relating to natural asset management
  - Maintain momentum and coordination of the implementation of this policy
  - Encourage continuous improvement, innovation and cost effective methods to improve natural asset management practices
  - To provide expert input into the strategic planning process with specific consideration of the Shire's natural areas and broader biodiversity conservation priorities.
- E9 **Associated documents**
- Council Code of Conduct
  - Policy for Management of Natural Assets – Implementation Plan