



Asset Management Policy

Adopted by Council 2025/385

POLICY OBJECTIVE

The objective of this policy is to establish a clear framework for asset management within Narromine Shire Council (Council), ensuring a structured, consistent, and coordinated approach. This policy aims to guide asset management practices by:

- Ensuring Council's infrastructure and services are provided sustainably, delivering appropriate levels of service to residents, businesses, and visitors while considering environmental impacts.
- Protecting and maintaining Council's assets through the implementation of effective asset management strategies and the allocation of appropriate financial resources.
- Fostering a culture of asset management awareness across all Council departments, ensuring staff understand their role in the responsible management of Council assets.
- Complying with all relevant legislative and regulatory requirements for asset management.
- Managing and operating a well-balanced mix of sustainable community infrastructure at the lowest whole-of-life cost while meeting community needs.

BACKGROUND

Council is committed to a systematic and responsible approach to asset management to ensure infrastructure assets are managed effectively and sustainably. This includes planning, creation, operation, maintenance, renewal, and disposal of assets in alignment with Council's service delivery priorities, ensuring the lowest whole-of-life cost.

Council has care, control, and responsibility for infrastructure assets with a fair value exceeding \$400 million. These assets are essential for delivering services to the community, and their failure directly impacts service provision. This policy provides a framework to ensure asset replacement, upgrades, and provision occurs in a planned and sustainable manner, while also considering non-asset solutions where appropriate.

The current Asset Management Plans (AMPs) are based on evolving data, and both the data and related plans will continue to develop over time. This will enable a structured approach that:

- Ensures Council's services and infrastructure are reliable and meet appropriate levels of service for residents, businesses, visitors, and the environment.
- Safeguards Council's physical assets and workforce through effective asset management strategies and responsible financial planning.
- Embeds a culture of asset management awareness across all Council departments, ensuring employees actively participate in asset management processes.
- Complies with and exceeds legislative and regulatory requirements for asset management.
- Identifies necessary resources and operational capabilities while clearly defining responsibilities for asset management.
- Demonstrates transparent, accountable, and best-practice asset management to support informed decision-making.
- Ensures service delivery is not compromised due to asset failure by proactively planning for asset replacement, renewal, and alternative service delivery methods.

This policy establishes the foundation for asset management excellence, ensuring that infrastructure assets continue to support a thriving and sustainable community.

KEY COMMITMENTS

Council is committed to a structured and consistent approach to asset management, ensuring best practices are implemented across all Council departments. A well-defined asset management framework is essential for the sustainable management of Council's infrastructure, balancing community expectations, financial sustainability, and legislative compliance. The asset management framework consists of:

- An overarching Asset Management Strategy (AMS) with a four-year planning horizon, guiding continuous improvement in asset management systems and processes, in line with the NSW Government's Integrated Planning and Reporting Framework.
- Asset Management Plans (AMPs) for each class of Council assets, covering a minimum period of 10 years, ensuring long-term sustainability for current and future generations.
- AMPs aligned with the Institute of Public Works Engineering's International Infrastructure Management Manual (IIMM), incorporating industry best practices and community consultation to define service levels.

Asset Management System

To support informed decision-making, Council will maintain an up-to-date Asset Management System, incorporating:

- Asset registers to record infrastructure assets.
- Asset condition assessments to track asset performance and deterioration.
- Asset maintenance and management systems to optimise maintenance schedules.
- Strategic planning capabilities for long-term service delivery planning.
- Predictive and deterioration modelling to anticipate future asset needs.
- Lifecycle costing to assess the total cost of asset ownership.

Integrated Planning and Renewal Prioritisation

Asset management will be integrated with existing planning and operational processes to ensure financial sustainability and effective service delivery. Prior to considering changes to service levels or new capital works, Council will assess:

- Alignment with community strategic objectives (Community Strategic Plan).
- Alternative service delivery models, including third-party asset ownership.
- Renewal of existing assets before acquiring new infrastructure.
- Whole-of-life costs and whether they fit within the Long-Term Financial Plan (LTFP).
- Annual reviews of Asset Management Plans.

Council will apply systematic and cyclic renewal reviews across all asset classes to ensure assets are managed, valued, and depreciated in accordance with best practices, Australian Standards, and legislative requirements. Asset renewal plans will be prioritised based on service level requirements, community consultation, and asset performance.

Governance and Compliance

Council's financial asset information will be externally audited annually, and the Asset Management Systems will be reviewed and internally audited to ensure continuous improvement.

Council will regularly review asset ownership needs and establish processes for the disposal of redundant or underperforming assets.

An Asset Management Working Group (AMWG), comprising a multi-disciplinary, cross-functional team, will oversee the development of asset management practices, systems, and processes.

All new, upgraded, or disposed assets will be approved in accordance with Council's operational procedures, requiring approval from the General Manager and Council.

Grant applications must be reviewed and approved by the General Manager before submission, ensuring the whole-of-life cycle cost, including asset disposal, is considered. This framework establishes the foundation for effective and sustainable asset management, ensuring infrastructure assets continue to support Narromine Shire's community, economy, and environment into the future.

Asset Management Plans (AMPs)

Council has developed Asset Management Plans (AMPs) to ensure the effective management, maintenance, and renewal of its infrastructure assets. These plans provide a structured approach to balancing community needs, financial sustainability, and long-term asset performance.

Council's AMPs cover the following asset categories:

- Waste – Management of waste facilities, landfill sites, and resource recovery infrastructure to ensure compliance with environmental regulations and sustainable waste disposal.
- Aerodrome – Maintenance and renewal of aviation infrastructure, ensuring safety, regulatory compliance, and continued service for the local community and businesses.
- Buildings – Management of Council-owned buildings, including offices, community halls, libraries, and operational facilities, ensuring they remain functional and fit for purpose.
- Recreational and Community Facilities – Oversight of parks, playgrounds, sports fields, public amenities, and community spaces to support active lifestyles and community engagement.
- Transport Assets – Management of roads, bridges, footpaths, and cycleways to ensure safe and efficient movement across the Shire, meeting community and industry needs.
- Drainage – Maintenance of stormwater drainage systems to mitigate flooding risks and protect properties and the environment from water-related damage.
- Water - Management of water supply to ensure safe, reliable, and sustainable water services for residents, businesses, and industries.
- Sewer – Management of wastewater infrastructure to ensure safe, reliable, and sustainable sewerage services for residents, businesses, and industries.

AMP Objectives and Review Process

Each AMP outlines:

- The current condition and performance of the asset class.
- The levels of service expected by the community.
- Planned maintenance, renewal, and upgrades to sustain long-term service delivery.
- Whole-of-life cost considerations, ensuring financial viability.
- Risk management strategies to minimise asset failure and service disruption.

Council will review and update AMPs annually to ensure they remain aligned with community needs, legislative requirements, and Council's Long-Term Financial Plan (LTFP). These plans will continue to evolve as asset data and management practices improve, supporting sustainable infrastructure management for future generations.

ROLES AND RESPONSIBILITIES

Council will:

- Set Asset Management policy and vision.
- Act as stewards for all Council owned assets on behalf of the community.
- Adopt the Asset Management Policy and support the Asset Management Strategy and monitor their outcomes.
- Allocate necessary resources to support appropriate asset management processes.
- Approve levels of service, risk and cost standards in consultation with the community.
- Support continuous improvement programs.

Executive Staff will:

- Ensure that the strategic direction meets Community and Council aims.
- Implement the asset management policy, strategy and plans, across the Organisation as part of the overall Resourcing Strategy.
- Monitor implementation progress of the Asset Management Strategy and identify corrective actions if required.
- Provide relevant and timely professional advice to Council on asset management issues for decision-making, and present information in terms of life cycle risks and costs.
- Identify relevant benchmarks and opportunities to achieve best practice.

Asset Management Team (represents the management and asset planning expertise within Council) will:

- Oversee the development, monitoring and review of the Asset Management Policy, Strategy and plans using best practice asset management principles.
- Develop operational procedures to ensure the capture and management of asset information.
- Implement plans (such as maintenance programs, capital works programs) in accordance with Asset Management Plans.
- Report implementation and performance progress and effectiveness to the Executive Leadership Team.

Council Staff (to the extent that they have asset management related responsibilities) will:

- Utilise up-to-date technologies, methodologies and continuous improvement processes in asset management.
- Have asset management responsibilities reflected in input/output documentation and position descriptions as appropriate.
- Undertake actions and programs consistent with the adopted Asset Management Policy, Strategy and Plans.

Legislative Requirements and Links to Other Documents

Legislative Requirements

Local Government Act 1993

Integrated Planning and Reporting Guidelines and Manual (2021)

Related Documents

Community Strategic Plan 2035

Asset Management Strategy

Asset Management Plans (AMPs)

Long Term Financial Plan (LTFP)

Workforce Management Strategy (WMS)

Asset Acquisition Procedure

Asset Disposal Procedure