



## Gilbert Plains Municipality - Asset Management Policy

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## POLICY STATEMENT

Asset management aims to develop sustainable processes, increase knowledge, and provide guidance to maintain and operate infrastructure assets. These goals are achieved through the continuous cooperation of all departments and the council. This Asset Management Policy outlines the key asset management (AM) principles to be implemented across Gilbert Plains.

## INTENT

The purpose of the Asset Management Policy is to outline asset management practices specifically curated to meet the needs of the Gilbert Plains community. These practices will encourage dependable service delivery, long-term economic sustainability, and centralized data management into a consolidated resource to be utilized by the municipality.

This policy will:

- a) Define over-arching principles to guide asset management initiatives while considering current and future generation's needs.
- b) Outline principles that enable Gilbert Plains to manage infrastructure assets in a way that is cost-effective and sustainable.
- c) Demonstrate principles that allow for Environmental and Fiscal stewardship, concerning asset management.

## SCOPE

Gilbert Plains is accountable to manage assets to deliver services to their ratepayers. These assets include roads, bridges, culverts, water networks, sewer networks, recreation facilities, and fleet equipment. All of which require operating, maintenance, disposal, and renewal over their life cycles. Infrastructure assets must be accounted for in a centralized database to ensure proper growth and economic decision-making as the municipality invests in new assets. This Asset Management Policy applies to all assets owned and operated by the municipality.

## ROLE OF ASSET MANAGEMENT POLICY

Asset management is an integrated approach involving various business units, departments, and functions across a municipality. The role of the Asset Management Policy is to define the fundamental principles that the municipality is trying to achieve with the adoption of asset management. Along with the Asset Management Policy, other key Asset Management components are the Asset Management Strategy and the Asset Management Plan. The distinction and relationship between these documents are listed below:

- Asset Management Policy – defines the principles of Asset Management
- Asset Management Strategy – defines how the municipality plans to achieve the Asset Management Policy
- Asset Management Plans – defines the specific operational actions required to achieve the overall Asset Management Strategy



## PRINCIPLES

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### SERVICE DELIVERY TO CUSTOMERS AND INFORMATION MANAGEMENT

Gilbert Plains shall:

- a) Develop and maintain asset inventories for all infrastructure assets.
- b) Deliver defined levels of service by efficiently managing all infrastructure assets.
- c) Demonstrate transparency with performance and defined levels of service to the community.
- d) Define levels of service based on the quality of life, long-term financial stability, and strategic goals of the community.
- e) Monitor and periodically review the defined levels of service and update accordingly.
- f) Ensure levels of service are compliant with Councils' strategic objectives and all relevant legislative, statutory, and regulatory requirements.

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### HOLISTIC AND INTEGRATED DECISION MAKING

- a) Gilbert Plains will connect and integrate appropriate business units, departments, and functions in the asset management decision-making process to build strong working relationships and get maximum value from infrastructure investments.
  - i) These departments and functions include planning, engineering, operations and maintenance, finance, and other strategic and long-term community planning and budgetary functions.

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### FISCAL RESPONSIBILITY

Gilbert Plains shall:

- a) Implement maintenance strategies that consider sustaining the defined levels of service and maximize asset value
- b) Develop processes to ensure investment needs are addressed efficiently and effectively.
- c) Consider investment needs, funding requirements, and revenue projections to develop financial longevity.
- d) Consider the financial impacts on current and future generations and promote social and inter-generational equity throughout the asset management decision-making process.
- e) Aim to minimize the long-term cost of asset ownership while considering the strategic risks of the community when making decisions to build, renew and/or replace an infrastructure asset.
- f) Comply with all the regulatory and statutory financial tracking and reporting requirements.

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### SUSTAINABILITY AND ENVIRONMENTAL ADAPTABILITY

Gilbert Plains shall:

- a) Consider current and future generation's needs by incorporating strategic risk into decision-making regarding infrastructure investments.
- b) Develop business strategies considering risk and the comprehensive costs of delivering defined levels of service when investing in infrastructure assets.
- c) Incorporate a triple bottom line approach, considering the socio-cultural, environmental, and economic outcomes.



- d) Consider how increased frequency and severity of climatic events may directly affect the delivery of levels of service. Where appropriate, the municipality will adopt a proactive approach to mitigating the potential environmental impacts.

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## CONTINUOUS IMPROVEMENT

Gilbert Plains shall:

- a) Continually pursue the growth of the asset management processes with a focus on incorporating innovative tools, techniques, and solutions.
- b) Assess progress with the municipality's asset management program and provide support, education, and training to staff to further develop asset management processes.
- c) Promote long-term efficiency and effectiveness in service delivery and asset management decision-making throughout all relevant departments and functions of the municipality.
- d) Monitor and periodically review asset management processes to measure their applicability and effectiveness in achieving the strategic objectives. Necessary changes will be made when applicable.



## RESPONSIBILITIES

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### CHIEF ADMINISTRATION OFFICER

- a) Establishes an asset management steering committee
- b) Ensures and oversees corporate adoption of asset management policy, processes, and strategies
- c) Appoints team of cross-functional members from relevant departments to the asset management steering committee.
- d) Reviews all asset management information before presentation to Council

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### COUNCIL

- a) Approve Asset Management Policy
- b) Understands and reinforces community values in asset management decision making
- c) Inform municipal priorities as related to asset management
- d) Approve the funding and resources to implement the AM Policy and other relevant requirements
- e) Support strategies and plans that are developed to implement the Asset Management Policy
- f) Supports Asset Management process by approving funding through long-term financial plans
- g) Authorizes the CAO to form a corporate asset management steering committee to implement asset management processes throughout the organization

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### ASSET MANAGEMENT STEERING COMMITTEE

- a) Provides a platform of discourse for the asset management policy, strategy, and plan(s) throughout the development of the asset management process
- b) Lead the integration and collaboration of different business areas to achieve effective and efficient service delivery
- c) Oversees the development of asset management tools and practices and reviews their application across the organization
- d) Encourages learning, information sharing, and co-education opportunities across the municipality

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### DEPARTMENT MANAGERS

- a) Encourages the adoption of the Asset Management Policy principles within their respective departments
- b) Allocate appropriate resources to implement the Asset Management Policy, Strategy, and Plan(s)
- c) Liaise with the asset management steering committee

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### CORPORATE FINANCE

- a) Provides financial direction and support to the departments and asset management steering committee
- b) Provide feedback and support to the departments and asset management steering committee
- c) Develops the necessary financial plans and records relevant to regulatory requirements, statutory requirements, and the asset management policy



## DEFINITIONS

**Asset Management:** the process of making decisions about the use and care of the infrastructure to deliver services in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources.

**Asset:** A physical object that is a significant economic resource and provides the delivery of a program or service.

**Asset Register:** A list of all the municipality's assets including details such as condition, location, and level of service.

**Level of Service:** a measure of the quality, quantity, and/or reliability of service from the perspective of residents, businesses, and customers in the community.

**Risk:** events or occurrences that will have undesired impacts on services

**Asset Risk:** events where an asset fails to perform as it was designed/needed to

**Strategic Risk:** events or occurrences that impact the ability to achieve strategic and service objectives

**Life-cycle:** the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset

**Long-term cost (Life-cycle cost):** the financial and human resources required throughout the life cycle of the asset

**Long-term financial plan:** a plan that documents the process of aligning financial capacity with long-term service objectives.

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