



# ASSET MANAGEMENT POLICY

## PURPOSE

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To provide a framework for the City to undertake the long-term sustainable management of its infrastructure and other associated assets by:

- Ensuring that the City's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- Creating an environment where all City employees form an integral part in overall management of City assets by creating and sustaining asset management awareness throughout the organisation by training and development;
- Meeting legislative requirements for asset management and reporting through the integrated planning and reporting framework;
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated; and
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

## SCOPE

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This policy applies to all City activities.

## DEFINITIONS

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**City** means the City of Kalgoorlie-Boulder.

**Asset Management Plan** means long-term plans (usually 10-30 years or more for infrastructure assets) that outline the asset activities and programs for each service area and resources applied to provide a defined level of service in the most cost effective way.

**Disposal** includes disposition of an asset by sale, transfer, destruction, throw away, donation or otherwise.

**Infrastructure Assets** means fixed assets (or networks), for example, roads, parks, sewerage, public buildings, etc., that serve the community or are for public use and where the system is or assets are as a whole intended to be operated, used and maintained indefinitely.

**Integrated Planning and Reporting Framework** means a framework for establishing community priorities and linking this information into different parts of a local Government functions.

**Minister** means the Minister of the Department of Local Government, Sport and Cultural Industries (or such other state government department charged with authority over local governments).

**National Assessment Framework** means the National Assessment Framework created by the Local Government and Planning Minister's Council to help local government to evaluate progress to implement the Local Government Financial Sustainability Nationally Consistent Frameworks.



**Plant & Equipment** refers to tangible, long-term assets that are essential for the operation of the City. Plant assets include buildings (e.g. Pump-stations, warehouse, workshop sheds), and other structures used in the operation of the City. Equipment refers to machinery, tools, and other devices used to support business operations, such as vehicles, computers, machinery, and office equipment.

**Upgrade/New** means works to provide new facilities or works to upgrade facilities with enhanced capacity or performance capability.

**Renewal** means works to refurbish or replace existing facilities with facilities of equivalent capacity or performance capability.

**Sustainability** means meeting the needs of the future by balancing social, economic, cultural and environmental outcomes or needs when making decisions today.

## **POLICY STATEMENT**

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The City is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the City. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with the City's priorities for service delivery.

## **POLICY DETAILS**

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Asset management practices impact directly on the core business of the City and appropriate asset management is required to achieve our strategic service delivery objectives.

Adopting asset management principles will assist in achieving Strategic Long-Term Plan and Long-Term Financial objectives.

Sustainable Service Delivery ensures that services are delivered in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.

Sound Asset Management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

### **City's principles and best practices to be adopted**

The City's sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of capital assets by:

1. Ensuring that the Organisation's/Organization's capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability.
2. Meeting all relevant legislative and regulatory requirements, taking into account political, social and economic environments.
3. Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices.
4. Ensuring that councillors and staff with asset and financial responsibilities are appropriately briefed and trained in relevant asset and financial management principles, practices and processes.



5. Implementing sound Asset Management Plans and Strategies and providing sufficient financial resources to accomplish them by:
  - a. Asset management principles will be incorporated within existing planning and operational processes.
  - b. Asset Management Plans will be completed for all major asset / service areas.
  - c. Expenditure projections from Asset Management Plans will be incorporated into the organisation's/organization's Long-Term Financial Plan.
  - d. Regular and systematic reviews will be applied to all asset plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
  - e. Regular inspection will be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities.
  - f. Asset renewals required to meet agreed service levels and identified in adopted Asset Management Plans, and when applicable Long-Term Financial Plans, will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented.
  - g. Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
  - h. Future service levels with associated delivery costs will be determined in consultation with the community.
  - i. Ensuring necessary capacity and other operational capabilities are provided and Asset Management responsibilities are effectively allocated.
  - j. Creating a corporate culture where all employees play a part in overall care for the Organisation's/Organization's assets by providing necessary awareness, training and professional development; and
  - k. Providing those we serve with services and levels of service for which they are willing and able to pay.
  - l. Applying systematic and cyclic reviews to all asset classes and to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards, Australian Accounting Standards.
  - m. Ensuring that asset planning and management has a direct link with the City's corporate and business plans, including its strategic and the long-term financial plans, budgets and reporting process.
  - n. Ensuring that Renewal or Upgrade projects funded by grants include full lifecycle (whole of life costs) as part of project evaluation.
  - o. Aligning asset management maturity to the National Assessment Framework.
6. Disposal of Assets in line with Section 3.58 of the Local Government Act 1995, a local government can only disposal of property to either the highest bidder at public auction, or through the most acceptable tender at public tender unless exempt under the regulations.
  - a. Before agreeing to dispose of the property, the City needs to give local public notice of the proposed disposition and invite submissions:
    - i. For public notice, to provide details of the proposed disposition, include the names of all other parties concerned, the consideration to be received by the City for the disposition and the market value of the disposition that is



- ascertained by a valuation within 6 months before the proposed disposition, or declared by a resolution of the Council that the Council believes to be a true indication of the value if it is more than 6 months before the proposed disposition.
- ii. Inviting submissions to be made to the City before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given.
- b. Section 30.3 of the Local Government (Functions and General) Regulations 1996 states that disposal of property other than land is an exempt disposition if its market value is less than \$20,000 or the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than 75,000.
  - c. The City needs to give public notice and invite submissions for donating an asset.

## RESPONSIBILITY

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**Councillors** are responsible for adopting the policy, allocating resources, and providing high level oversight of the delivery of the City's asset management strategy and plans. The council is also responsible for ensuring that City resources are appropriately allocated to ensure sustainable service delivery.

The **Chief Executive Officer** has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the City.

The **Director Finance, People and Culture** has the responsibility to ensure that the City is compliant with relevant regulations and accounting standards and financial management of the assets, such as provide financial analysis and insights to support investment decisions, carry out valuations, calculate and record depreciation, assesses the financial risks associated with assets.

The **Manager Assets** is the **Steward** of all assets within the City. As such, Asset Stewards focus on maintaining the quality and integrity of assets. They ensure that assets are accurate, consistent, and reliable. Stewards implement and enforce policies and standards related to asset management. They act as subject matter experts, understanding the importance and use of the assets within the organization

The **Managers for Facilities, Leasing and Insurance, Operations and Assets** are the **Custodians** of the Infrastructure Assets the respective Managers are working with. The Asset Register will list for each Asset Group its Custodian. A Custodian for infrastructure assets is responsible for the long-term management and care of infrastructure systems, ensuring they meet the needs of the community sustainably and efficiently and the day-to-day management. This role involves overseeing the entire lifecycle of infrastructure assets, from planning and construction to maintenance and eventual decommissioning. Asset custodians are responsible for the daily maintenance and operational aspects of assets. This includes managing access, monitoring performance, and handling incidents. They ensure that assets are secure and comply with relevant regulations and policies.

Custodians provide technical support and are involved in the practical aspects of asset management.



## COMPLIANCE REQUIREMENTS

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Section 5.56 *Local Government Act 1995*

Regulation 19DA *Local Government (Administration) Regulations 1996*

## RELEVANT DOCUMENTS

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Asset Management Framework

Asset Management Strategy

Asset Management Plans

Integrated Planning and Reporting Framework

Australian Standards

Australian Accounting Standards

City of Kalgoorlie-Boulder Risk Management Policy

ISO 5500 Series of Standards

DOCUMENT CONTROL				
Responsible Department	Asset Management			
Description of Changes	Adoption of Policy			
Version	Resolution Number	Endorsement Date:	Last Reviewed Date:	Next Review Date:
1	15.2.4	15 December 2025	October 2025	October 2026