

# E102 - Asset Management Policy

<b>Category</b>	Infrastructure	<b>Type</b>	Policy
<b>Policy Owner</b>	<a href="#">Group Manager Infrastructure &amp; Property</a>	<b>Approved by</b>	Council
<b>Last Approved Revision</b>	June 2023	<b>Review Date</b>	June 2026

## PURPOSE

To determine the appropriate level of sophistication for asset management of infrastructure activities (Transportation, 5 Waters, Resource Recovery and Waste, and Community Facilities) to be managed.

## ORGANISATIONAL SCOPE

This is a Policy to satisfy the requirements outlined in the 2020 International Infrastructure Management Manual (IIMM), Section 2.1.5 and to ensure that Council's service delivery is optimised to deliver the purpose of local government (as defined in the Local Government Act 2002), agreed community outcomes and levels of service, manage related risks, and optimise expenditure over the entire lifecycle of the service delivery, using appropriate assets and non-asset solutions as required.

## THE POLICY

### 1. Policy Principles

Council shall adhere to the following principles in its infrastructure asset management planning:

- Service delivery needs form the basis of infrastructure asset management
- Effective consultation will be used to determine appropriate Levels of Service
- Plans will reflect the strategy of Council and drive its operations
- Infrastructure asset management decision making will be transparent and accountable
- Council will be aware of the need to invest in infrastructure asset management in order to continue delivering services effectively
- Infrastructure asset management will be integrated within Council's strategic, tactical and operational planning frameworks
- Infrastructure asset management will be integrated with other planning including the integration of asset management with corporate, financial, business and budgetary planning using asset management plans and summaries in Council's LTP
- Informed decision making will utilise a lifecycle management and inter-generational approach
- Whole-of-life costs will be considered before initiating any major works, significant renewals of assets and the introduction of new activities
- Appropriate decision making tools and criteria on a whole of network or individual project basis including as appropriate the use of lifecycle benefit and cost analysis, risks to assets, business case development, optimised decision making and multi-criteria analysis will be utilised
- Sustainability will be integrated into all aspects of AMP development. Sustainable management will be focussed on providing for present needs whilst sustaining resources for future generations
- The implications of changes in demand and the potential to manage demand will be taken into account as far as resources allow
- Structure planning will provide input and direction and take account of the Community Outcomes
- Reporting on assets and asset management performance as appropriate for management, benchmarking and mandatory reporting requirements will be undertaken
- Consideration will be given to what is the most useful data, including type quality, frequency, that needs to be collected to form plans and demonstrate achievement of levels of service
- Council's Procurement Policies will be followed

- Integration with neighbouring authorities and other agencies (e.g., New Zealand Transport Agency) And co-ordination with external network utilities will occur as appropriate

## 2. Relevant Activities

The Appropriate Level of Infrastructure Asset Management Policy applies to the following activities:

- Transportation
- 5 Waters (Drinking Water, Wastewater, Stormwater, Land Drainage and Water Races)
- Resource Recovery and Waste
- Community Facilities

## 3. Asset Management Practice Levels

For the purposes of this Policy, three levels of asset management practice are defined as follows:

### ***‘Core’ Asset Management***

Asset management which relies primarily on the use of an asset register, maintenance management systems, top-down condition assessment, simple risk assessment and defined levels of service, in order to establish a long-term cashflow projection.

### ***‘Intermediate’ Asset Management***

‘Intermediate’ asset management practice is undertaken at a level between ‘Core’ and ‘Advanced’ practice. The focus is to build on the basic technical asset management planning of ‘Core’ practice by introducing improved maintenance management and more advanced asset management techniques (as appropriate). Further use is made of risk management, asset lifecycle management, and service standard optimisation techniques.

### ***‘Advanced’ Asset Management***

Asset management which employs predictive modelling, risk management and optimised decision-making techniques to establish asset lifecycle treatment options and related long term cashflow predictions.

The level of sophistication has been determined against the following parameters:

- District and Community Populations
- Issues affecting the district and each activity
- The cost and benefits to the community
- Legislative requirements
- The size, condition and complexity of the assets
- The risk associated with failures
- The skills and resources available to the organisation
- Customer expectations
- Sustainability
- Climate change

### 3.1 Council Infrastructure Asset Management

Infrastructure Asset management practice by activity area shall be managed to a minimum of the following levels:

Activity:	AM Level:	Core	Intermediate	Advanced	Notes
Transportation					<i>Additional as driven by Waka Kotahi requirements</i>
5 Waters					<i>Additional as driven by regulator</i>
Resource Recovery and Waste					
Community Facilities					<i>Some elements at intermediate level – future demand, justification for asset maintenance, renewal and development programmes</i>

#### DELEGATIONS

The implementation of this policy is delegated to the [Group Manager Infrastructure & Property](#).

#### RELATED POLICIES, PROCEDURES AND FORMS

- Determining the Appropriate Level of Infrastructure Asset Management (Supporting Document)
- Delegations Manual
- International Infrastructure Management Manual 2020 (IIMM 2020)

#### CONTACT FOR FURTHER INFORMATION ABOUT THIS POLICY

If you have queries about the content of this policy, contact the [Group Manager Infrastructure](#) or Head of Asset Management

#### POLICY REVIEW TABLE

Date of last review	Status / Summary of changes made
24 March 2021	Council adopted original policy
November 2021	Added to policy manual
May 2023	Position titles updated
June 2023	Updated with significant changes (streamlining content)