



GREATER SHEPPARTON CITY COUNCIL

ASSET MANAGEMENT POLICY

Effective: **16 December 2025**



ASSET MANAGEMENT POLICY

Version:	5
Business Unit:	Infrastructure
Responsible Officer:	Manager Project Delivery and Assets
Adopted By:	Council on 16 December 2025
Next Review:	30 September 2029

1. PURPOSE

This policy articulates the Council's dedication to the effective management and stewardship of its assets, recognising their essential role in delivering quality services to the community.

2. OBJECTIVE

This policy delineates the Council's commitment to the systematic management and stewardship of its assets, acknowledging their fundamental importance in the provision of services to the community

3. SCOPE

This policy's objective is to promote the sustainable management of the Council's assets, essential in delivering services to our community.

4. DEFINITIONS

Reference term	Definition
Asset	<p>A physical asset built or constructed to provide a service to the community requires the Council's management.</p> <p>For this policy, "assets" include all Council assets, including:</p> <ul style="list-style-type: none"> • Infrastructure assets (i.e. roads, footpaths, cycle paths, kerb and channel, street furniture, signage, street trees, bridges, buildings, drains, playgrounds, open space and sporting reserves); • Cultural assets (i.e. art collections); • Office equipment (software, desks, computers, etc.); • Vehicles; Plant equipment and associated infrastructure required to deliver Council services (which may be non-Council and utilised through a formal agreement).

Asset Management	The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets
Asset Utilisation Policy	A policy for asset management covering the development and implementation of plans and programs for asset disposal/renewal and performance monitoring to ensure that desired service levels and other operational objectives are achieved at optimum cost.
Asset Management Plan	Long-term plans (usually 10-20 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 most cost-effectively.
Renewal	Expenditure on an existing asset that returns the service potential or the life of the asset up to what it had initially been, including the replacement of an existing asset.
Upgrade	Expenditure that enhances an existing asset to provide a higher level of service extends life beyond what it originally had.
Expansion	Expenditure that extends an existing asset or a new asset to a new group of users at the same standard currently enjoyed by users.
New	New works or acquisitions that create an asset that did not exist in any shape or form.
Service	A combination of tangible and intangible benefits that can be produced and consumed.
Service Level	A relevant measurable standard or target reflects the required performance to meet agreed community expectations about the type, quality and quantity of services the Council delivers.
Service Plans	A Service Plan is a document that provides an outline of a Council's services. It aims to meet the community's current and future asset needs and provides a framework that will guide service development, facility planning, workforce development, and asset planning.

Life Cycle Cost	The total cost of an asset throughout its life, including planning, design, construction, acquisition, operation, maintenance, renewal and disposal costs.
Renewal Gap	The difference between the current renewal funding and the required renewal demand.

5. POLICY

Asset management is a fundamental responsibility of the Council, central to achieving optimal outcomes for the local community while considering the long-term and cumulative impacts of decisions made. As the custodian of various community assets, which include an extensive network of infrastructure, the Council is committed to the following objectives:

- Collaborate with the community to determine sustainable levels of service. This engagement will enable the Council to identify the necessary assets for delivering those agreed-upon service levels, with provisions for the retirement or rationalisation of assets as deemed appropriate.
- Ensure the maintenance of assets to guarantee their safety for current and future generations.
- Aligning the asset plan with the financial plan establishes a unified structure in which asset decisions are considered as part of a larger strategy centered on cost control, risk evaluation, and value improvement. This collaboration guarantees that each dollar invested in asset management strengthens the balance sheet and aligns with the organisation's financial objectives.
- Develop Asset Management Plans for each asset class (Transport, Open Spaces, Buildings and Drainage), outlining and quantifying the level of service to be delivered to the community.

Review and adopt Asset Management Plans in accordance with the Local Government Act 2020 for various asset categories, which will include clearly defined levels of service that are informed by community consultation and align with local government financial reporting frameworks.

- Balance scorecard reporting, to review:
 - Financial Performance Metrics
 - Operational Efficiency Metrics
 - Risk and Compliance Metrics

The balanced scorecard serves as a guide to building a robust and insightful dashboard that drives informed decision-making in asset management. Integrating KPIs and ratios will ensure a panoramic view of financial, operational, risk, and investment perspectives.

- Estimate the projected demand for asset renewal and assess the Council's anticipated renewal gap based on asset condition surveys.

- The Asset Utilisation Policy framework provides a structured approach for the secure, efficient, and compliant disposal of assets. By following these guidelines, the organisation can effectively mitigate risks, maximise residual asset value, and uphold a transparent asset management lifecycle.
- Secure funding through grants, user fees, and other means for the maintenance, renewal, upgrade, expansion, and creation of assets necessary to meet agreed service levels.
- Allocate priority funding for asset renewal based on assessed condition, which is essential for maintaining established minimum service levels.
- Renew existing assets in a timely manner to prevent deferred liability expenditure from impacting future generations.
- Use the Capital Project Assessment Framework to determine the priority funding of renewal, upgrade, expansion, and new projects.
- Assess the whole-life cost of any proposed asset project, considering operational, maintenance, and renewal expenses prior to approval.
- Provide training to Councillors and staff involved in asset management, ensuring a clear understanding of relevant principles, practices, and responsibilities.
- Implement and regularly review an Asset Plan that identifies opportunities for improvement and promotes best practices in asset management.
- Maintain a robust governance structure to support exemplary asset management practices.

Furthermore, the Council is committed to monitoring its performance in asset management according to the metrics established in the Asset Plan.

6. RELATED POLICIES

The implementation of the Asset Management Policy supports the following Greater Shepparton City Council strategic documents:

- Asset Management Plans
- Financial Plan
- Asset Utilisation Policy
- Road Management Plan
- Service Plans
- Asset Plan
- Infrastructure Design Manual
- Land Under Roads Policy
- Accounting for Property, Plant & Infrastructure Policy

7. RELATED LEGISLATION

- Local Government Act 2020
- Local Government Act 2024

8. REVIEW

This Policy is to be reviewed by the Manager Project Delivery and Assets every four years.

DOCUMENT REVISIONS

Version #	Date Adopted	Date Effective