



WS1 Asset Management Policy

Policy Objective

The objective of this policy is to ensure that the Shire has sufficient structure, systems, processes, resources and organisational commitment in place to deliver service outcomes on a financially sustainable basis.

Service delivery may be via the provision of Shire owned Infrastructure Assets, in which case assets are to be optimally managed to support financially sustainable service delivery outcomes for the lowest whole of life cost.

Alternatively service delivery may be by via third party, in which case the Shire has a role in ensuring third party Infrastructure Assets are optimally provided and managed to achieve financially sustainable service delivery outcomes without the need commit the Shire to significant capital expenditure.

The policy also assists the Shire to comply with the provisions of the State Government's Integrated Planning & Reporting Framework (IPRF) by having an integrated approach to Planning for the Future.

Policy

Policy Definitions

"Asset" means a physical item that is owned or controlled by the Shire, and provides or contributes to the provision of service to the community (in this context excluding financial, intellectual, and non-tangible assets).

"Asset Management" means the processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet the priorities of the Corporate Business Plan for service delivery.

"Asset Management Plan" means a plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset.

"Council" means the elected council (comprising Council Members) of the Shire.

"Infrastructure Assets" are fixed assets that support the delivery of services to the community. These include the broad asset classes of Roads, Drainage, Buildings, Parks and Bridges.

"Level of Service" means the combination Function, Design and Presentation of an asset. The higher the Level of Service, the greater to cost to deliver the service. The aim of asset management is to match the asset and level of service of the asset to the community expectation, need and level of affordability.

"Life Cycle" means the cycle of activities that an asset goes through while it retains an identity as a particular asset.

"Whole of life cost(s)" means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and rehabilitation and disposal costs.

"Maintenance" means regular ongoing day-to-day work necessary to keep asset operating and to achieve its optimum life expectancy.

"Operations" – means the regular activities to provide public health, safety and amenity and to enable the assets to function e.g. road sweeping, grass mowing, cleaning, street lighting and graffiti removal.

"New" means creation of a new asset to meet additional service level requirements.

"Resources" means the combination of plant, labour and materials, whether they be external



(contractors/consultants) or internal (staff/day labour).

“**Renewal**” means restores, rehabilitates, replaces existing asset to its original capacity. This may include the fitment of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

“**Risk**” means probability and consequence of an event that could impact on the Council’s ability to meet its corporate objectives.

“**Shire**” means the collective Shire organisation. The Chief Executive Officer of the Shire is responsible for ensuring the Shire’s obligations and commitments are met.

“**Stakeholders**” are those people/sectors of the community that have an interest or reliance upon an asset and who may be affected by changes in the level of service of an asset.

“**Upgrade**” means enhances existing asset to provide higher level of service.

Scope & Limitations

This policy covers all asset service delivery of the Shire and relates specifically to the management of infrastructure assets under the care, control and responsibility of the Shire that are used to deliver services and the infrastructure management regime of third parties where the Shire facilitates service delivery by a third party. This may include but is not limited to;

- Government Agencies;
- Private Enterprise; or
- Contractors.

Background

The community relies on the Shire to deliver services. The Shire has finite resources and limited income streams that can be targeted to fund service delivery. The Shire must ensure that service delivery is well targeted and aligns with the Community’s aspirations identified via the development of the Strategic Community Plan.

To ensure that scarce resources are optimally allocated, it is important informed decisions are made when considering the acquisition, ongoing ownership, management and disposal of infrastructure assets. The Shire also needs to continuously consider whether it needs to provide and/or own assets in order to deliver services or whether it can simply facilitate the provision of the service by a third party, (i.e. non-asset ownership service delivery).

To assist with making informed decisions in relation to this issue, the Shire will put in place the following;

- An Asset Management Framework that is consistent with national standards in Asset Management.
- Maintain a contemporary Asset Management Policy that is regularly reviewed (this Policy).
- Develop, maintain and regularly review an Asset Management Improvement Framework that clearly articulates a sustainable path for continuous improvement and identifies resources to implement via the budget process.
- Develop, maintain and regularly review Asset Management Plans.
- Ensure processes are in place to train Council Members and Officers in key aspects of asset management.

Key Commitments

Prior to making a decision to either deliver a new service, vary the current level of service (up or down) or cease the delivery of a service, the following key commitments are to be adhered to;



- The need for the service will be reviewed.
- The service must align with the Strategic Community Plan and fit within the Corporate Business Plan (Capital evaluation process to be developed and utilised to assess this).
- Options for the Shire to facilitate delivery of the service by a third party are to be identified and considered.
- If the service is needed, and the Shire or a third party cannot deliver the service, infrastructure assets that are required to deliver the service will be identified along with;
- The whole of life cost of delivering the service
- The whole of life planning, maintenance, operation, renewal and disposal cost of the asset required to support the service delivery.
- The service delivery and asset whole of life costs must fit within the 10 Year Long Term Financial Plan (once developed).
- Options to renew infrastructure asset before acquiring a new infrastructure assets are to be considered.
- Options to rationalise assets will be considered.
- A cross-functional, multidisciplinary team will be established and maintained to develop the systems and processes to comply with the above key commitments.

Responsibility and Reporting

Council – is responsible for approving (including amendments to) the following documents;

- Asset Management Policy.
- Asset Management Improvement Strategy.
- Asset Management Plans.

Council is also responsible for ensuring (upon recommendation of the CEO) that resources are allocated to achieve the objectives of the above documents.

In adopting asset management plans, Council is also determining the Level of Service for each asset class.

Chief Executive Officer (CEO) – is responsible for ensuring that systems are in place to develop, maintain and regularly review Council's AM Policy, AM Improvement Strategy, AM Plans. The CEO reports to Council on all matters relating to Asset Management.

The Executive Team – is responsible for monitoring the implementation of asset management across the organisation and for ensuring that resources under their control are appropriately allocated to resource asset management. The Executive Team will ensure that strategies are put in place to remove barriers to the successful implementation of Asset Management. The Executive Team reports to the CEO on all matters relating to Asset Management.

Executive Manager Infrastructure Services – is responsible for resource allocation (from Council approved resources) associated with achieving Council's Asset Management Improvement Strategy. The Executive Manager Infrastructure Services reports to the CEO in relation to Asset Management resource allocation.

Outcomes

Adherence to this policy will ensure that the Shire will continue to deliver (or facilitate the delivery) of financially sustainable services aligned with the aspirations of the community.



DOCUMENT CONTROL BOX		
Custodian: Chief Executive Officer		Decision Maker: Council
Compliance Requirements:		
Legislation: s. 5.56 [Planning for the future] of the Local Government Act 1995 r.19DA (3(c)) [Corporate business plans, requirements for] Local Government (Administration) Regulations 1996		
Industry:		
Organisational:		
Document Management:		
Risk Rating: Medium	Review Frequency: 2 Years	Next Due:
Version #	Decision Reference:	Description:
a	OCM 21/07/20 – Item 13.2	Comprehensive policy register review.
b	OCM 19/07/2022 Item 12.1.2	Comprehensive Policy Register Review
c	OCM 17/12/2024 Item 12.1.2	Policy Reconfirmed – No Amendments
d	OCM 15/12/2025 Item 12.1.1	Policy Reconfirmed – No Amendments