SHIRE POLICY 1.7
Asset Management

Responsible Department:	Technical Services
Responsible Business Unit:	Executive Manager Technical Services
Date of Adoption:	15 July 2026
Council Resolution:	040726

1. OBJECTIVE

The objective of this Policy is to guide the sustainable management of the Shire of Chittering's (the Shire's) assets to support service delivery, financial sustainability, risk management and long-term community needs.

2. SCOPE

This policy applies to all assets owned, controlled or managed by the Shire that support the delivery of infrastructure services to the community, including Road, land, buildings, parks, reserves, fleet, equipment and other asset classes identified in the Shire's Asset Management Plan.

3. 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 Council's priorities for service delivery.

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

Level of Service (LOS) means the combination of function, design and presentation of an asset. The higher the LOS, the greater the cost. The aim of asset management is to match the asset and LOS to the community expectation, needs and level of funding (municipal or Grant).

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

Renewal means the restoration, rehabilitation or replacement of an existing asset to its original capacity. This may include the fixture of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

Risk means the probability and consequence of an event that could impact on the Council's ability to meets its corporate objects.

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 the enhancement of an existing asset to provide a higher level of service.

Whole of the 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.

4. POLICY STATEMENT

The Shire recognises that its assets are essential to the delivery of services to the community and represent a significant long-term investment. The Shire is committed to managing its assets in a sustainable, responsible and coordinated manner to support service delivery, financial sustainability, risk management and long-term community needs.

Asset management will be integrated with the Shire's Council Plan, Corporate Business Plan, Long Term Financial Plan, Asset Management Plan, and Annual Budget. Asset-related decisions will be based on appropriate levels of service, whole-of-life costs, risk asset condition, community need, legislative obligations and the Shire's long-term financial capacity.

The Shire will manage its assets in accordance with the following principles:

1. **Sustainable service delivery**
   Assets will be planned, provided, maintained and renewed to support the delivery of services to the community at levels of service that are appropriate, affordable and sustainable.

2. **Whole-of-life asset management**
   Asset decisions will consider the full Life cycle of the asset, including planning, acquisition, operation, maintenance, renewal, upgrade, disposal and associated financial impacts.

3. **Renewal before new assets**
   Priority will be given to maintaining and renewing existing assets before creating or acquiring new assets, unless a new asset is clearly justified by service need, strategic alignment, risk, legislative requirements or community benefit.

4. **Financial sustainability**
   Asset management planning will be aligned with the Long-Term Financial Plan and Annual Budget to ensure that asset-related decisions are financially responsible and consider the Shire's capacity to fund future maintenance, renewal and operating costs.

5. **Risk-based decision-making**
   Asset priorities will be informed by risk, asset condition, criticality, service impact, safety, compliance obligations and available resources.

6. **Integrated planning**
   Asset Management Plans will inform and be informed by the Shire's broader Integrated Planning and Reporting framework, including strategic planning, financial planning, workforce planning and annual budget processes.

7. **Community and stakeholder needs**
   Levels of service will be informed by community need, stakeholder feedback, statutory requirements, available resources and Council's strategic priorities.

8. **Asset information and continuous improvement**
   The Shire will maintain and progressively improve asset information, systems and processes to support evidence-based decision-making, transparent reporting and continuous improvement in asset management practices.

9. **Clear responsibility and accountability**
   Asset management is a shared organisational responsibility.

5. ROLES AND RESPONSIBILITIES

Council is responsible for setting strategic direction, determining Levels of Service and allocating resources through the integrated planning and reporting framework.

The Chief Executive Officer is responsible for ensuring the implementation of this policy and that appropriate systems, resources and governance arrangements are in place to support sustainable asset management.

The Executive Management Team is responsible for integrating asset management principles into the integrated planning and reporting framework.

All employees involved in asset planning, delivery and maintenance are responsible for managing assets in accordance with this policy and associated procedures.

6. COMPLIANCE

Legislation	*Local Government Act 1995* *Local Government (Administration) Regulations 1996* *Local Government (Financial Management) Regulations 1996* *Local Government (Functions and General) Regulations 1996* *State Records Act 2000*
Industry	Integrated Planning and Reporting Framework (Department of Local Government, Industry Regulation and Safety ISO55000 Asset Management Standards
Organisational Documents	Council Plan (formerly Strategic Community Plan) Corporate Business Plan Long Term Financial Plan Asset Management Plan Policy 1.9 – Risk Management
Strategic Alignment	Connected Communities

7. ADMINISTRATION

Review Cycle	Every 3 years	**Next Review Due**	July 2029
Policy Owner	Executive Manager Technical Services		
Version	**Decision Ref**	**Date**	**Change**
1.0	Unknown	Unknown	Initial adoption
2.0	100512	16/05/2012	Review
3.0	140513	15/05/2013	Review
4.0	140614	18/06/2014	Review
5.0	120615	17/06/2015	Review
6.0	100819	21/08/2019	Review
7.0	130722	20/07/2022	Review
8.0	170623	21/06/2023	Amendment
9.0	210326	18/03/2026	Review
10.0	040726	15/07/2026	Review and Amendment