Shire of Peppermint Grove

Financial Policies - 3.4 Asset Management

Policy	Financial Policies – 3.4 Asset Management
Purpose	To set the broad framework for decision making by Council in undertaking asset management in a structured, coordinated and organised approach.
Status	Administrative - Statutory

Policy

Asset Management in The Shire is the utilisation of best practice within available resources ensuring that the assets under its control are maintained in a safe, functional condition and replaced according to adopted strategies and plans.

Asset Management involves Council, administration and the community; from those that plan services, provide services and manage assets and services to those who use the assets. Council will utilise integrated decision making in order that the built, social, economic and natural impacts of asset provision and maintenance are properly considered throughout the asset management lifecycle.

The primary goal of asset management is to provide the required level of service in the most cost-effective way through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets to provide for present and future generations.

Asset management is a key objective in The Shire's ten (10) year Strategic Community Plan and Corporate Business Plan and shall be incorporated into long term financial planning and management plans. The Shire's strategic financial planning will ensure that:

a) Sufficient funds are allocated as a priority each year for operating, maintenance and refurbishment or replacement of existing assets; and
b) Additional funds are identified and allocated where appropriate for the investment in new or upgraded assets.

Long term financial models will be prepared which identify the whole of life costs for all Shire infrastructure assets. Where appropriate this should include performance modelling of assets based on different funding scenarios.

Investments in new infrastructure creation shall consider whole of life costs of the asset assessing benefit/cost ratios, net present values and the environmental and social benefits of investment.

This policy shall be read in conjunction with the ten (10) year Strategic Community Plan, Strategic Plan, four (4) year Corporate Business Plan and various strategic documents including but not limited to:

- Asset Management Strategy;
- Asset Management Plans;
- Forward Financial Plans; and
- Disability Access and Inclusion Plan.

Related Procedure	Asset Management Strategy; Asset Management Plans.
Amended Authority Level	Council
Related Delegation	
Related Local Law/Legislation	
Adopted/Amended/Reviewed	December 2014/ 22 September 2026