Port Pirie Regional Council

ASSET MANAGEMENT POLICY	
Type	Governance
Category	Infrastructure
Responsible Officer	Director Infrastructure
First Issued / Adopted	23 September 2015
Review Period	4 Years
Last Reviewed	16 Feb. 2021, 29 Nov. 2017, 23 Sept 2015.
Reference	OM260/25, OM39/21, OM352/17, OM275/15
Next Review Date	October 2029
Applicable Legislation	Local Government Act 1999
Related Documents	Asset Accounting Policy Asset Management Plan Asset Management Strategy Community Engagement Policy Community Engagement Procedure Community (Strategic) Plan Disposal of Land & Assets Policy Footpath Development and Maintenance Policy Infrastructure Guidelines SA Long Term Financial Plan Request for Service Policy Road Infrastructure Cost Sharing Policy Unsolicited Proposals Policy Unsolicited Proposals Procedure Other relevant strategies and masterplans
Public Consultation Required	Nil
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1. PURPOSE

To set clear, organisation-wide guidelines for implementing consistent, evidence-based asset management that supports sustainable service delivery, prudent financial stewardship, statutory compliance, and the objectives of Council's Community (Strategic) Plan.

2. SCOPE

This Policy applies to all physical assets owned, managed or controlled by Council (e.g. transport, stormwater, buildings, open space, parks, plant & equipment, community facilities, lighting and other infrastructure. It applies to Elected Members, Council committees, operating, maintaining, renewing and disposal of assets.

3. DEFINITIONS

See **Appendix 1**

4. POLICY

4.1 Objectives

Council will:

a) Provide services and infrastructure sustainability at agreed levels of service for residents, visitors and the environment;
b) Safeguard people and assets by applying risk-based asset strategies and appropriate funding;
c) Embed asset management accountability, capability and awareness across the organisation;.
d) Meet legislative, accounting and reporting requirements;
e) Ensure resources and operational capabilities are identified and responsibilities are clear; and
f) Demonstrate transparent and responsible asset decisions aligned to recognised best practice.

4.2 Policy Statement & Background

Council will implementing a systematic asset management methodology aligned with ISO 55000 principles and the International Infrastructure Management Manual (IIMM). Assets will be planned, created, operated, maintained, renewed and disposed of in line with service needs, whole-of-life cost and intergenerational equity. This improves service reliability, financial sustainability, legal compliance and community confidence.

4.3 Principles of Asset Management

a) Council will maintain an Asset Management Strategy and class-based Asset Management Plans (AMPs) that apply systematic best practice across all departments ;
b) Asset management will consider relevant legislation and the political, social, environmental and economic contexts s (including climate resilience) ;
c) Asset management will be integrated with strategic planning, budgeting, risk management, procurement and project management;

d) AMPs for major service/asset categories will be informed by community engagement , service planning and financial analysis;
e) AI Inspection and condition/risk assessment regimes will support service levels and inform renewal priorities.
f) Renewal programs identified in adopted AMPs and the long term financial plans (LTFP) will form the basis of annual budgets. Any variance will document service and risk consequences;
g) Service levels adopted in AMPs will inform annual budgets. Variations will be explicitly justified (services/risk) impacts;
h) Renewal and upgrade priorities will be risk based and linked to ability of assets to meet targeted service levels;
i) All asset classes will undergo cyclic review to ensure management, valuation and depreciation follow best practice and relevant Australian Accounting Standards;
j) Whole-of-life cyclic costs will be considered for new, upgraded and replacement assets. Business cases will include demand options, risks and OPEX impacts;
k) Future service levels will be confirmed through community engagement consistent with Council's Community Engagement Policy;
l) Elected Members and relevant employees will receive training in asset and financial management appropriate to their roles; and
m) Developer/donated assets will be accepted only where they meet Council standards, are fit-for-purpose, and whole-of-life costs are understood and budgeted.

4.4 Integration with LTFP and Corporate Planning

The key elements to the Asset Management Plans are:

a) Future Demand (growth, demographics, technology & climate);
b) Levels of Service (technical & community);
c) Risk Management (including critical assets & resilience);
d) Life Cycle Management (operations, maintenance, renewals, upgrades & disposal);
e) Financial Summary (10-year forecasts and ratios);
f) Asset Management Practices (systems, data, processes and audits);
g) Monitoring & Improvement Plan (maturity roadmap); and
h) Linkages to Community (strategic) Plan and Annual Business Plans.

Council's planning loop :

Community (Strategic) Plan → Asset Management Policy → AM Strategy → AM Plans → LTFP → 10-Year Capital Works Program → Annual Budget & Operational Plans, with feedback via performance reporting.

4.5 Service Delivery Needs & Levels of Service

Asset decisions will be driven by service delivery needs. Council will:

a) Engage with community and stakeholders to confirm outcomes and target service levels;
b) Set minimum service standards based on statutory obligations and duty of care;

c) Reflect service and financial implications in strategic and financial plans;
d) Assess options to deliver services (including non-asset solutions, partnerships, leasing);
e) Acquire assets only where justified by service need and whole-of-life analysis;
f) Operate/maintain assets to achieve service levels at minimum life-cycle cost;
g) Apply clear quality/quantity/l criteria for services and assets; and
h) Manage service requests above standard levels through established policies (Request for Service Policy, Road Infrastructure Cost Sharing Policy, and Footpath Development and Maintenance Policy).

4.6 Data, Systems & Information

Council will maintain accurate asset registers, hierarchies, condition and performance data, and link assets to GIS and finance systems. Data standards will support reliable forecasting, valuation, revaluation cycles/fair value, depreciation, risk and investment decisions.

4.7 Climate, Resilience & Risk

AMPs will consider climate change, natural hazards, criticality and interdependencies. Risk assessments (ISO 31000-aligned) will inform priorities, design standards and contingency planning.

4.8 Performance & Reporting

Council will monitor and report—with progressive targets—on indicators such as:

a) Asset Sustainability Ratio (ASR) and Asset Renewal Funding Ratio (ARFR)
b) Asset Consumption/Condition (distribution vs. target)
c) Renewal gap & treatment backlog (trend)
d) % planned maintenance and renewal delivered vs. program
e) Customer outcomes tied to Levels of Service (response times, availability, safety KPIs)
f) Data quality audits; AMP improvement actions closed

4.9 Roles & Responsibilities

Council:

a) Endorses service levels and approves this Policy, AM Strategy, AMPs and relevant budgets; and
b) Considers whole-of-life and risk information in decisions.

Audit & Risk Management Committee (ARMC):

a) Oversees adequacy of asset/risk frameworks, financial sustainability indicators and improvement plans; reviews reports at least annually.

Chief Executive Officer:

a) Ensures integration of asset management across planning, finance, risk and service delivery; assigns accountability and resources; and rports to the ARMC and Council.

Director Infrastructure *(Policy owner):*

a) Leads development and continuous improvement of the AM Strategy, AMPs, systems and reporting; assures data quality and program delivery.

Managers/Asset Custodians:

a) Maintain asset data, condition/risk assessments and treatment programs; deliver O&M and renewals; prepare business cases; engage with Finance to align LTFP and annual budgets.

Manager Finance (or equivalent)**:**

a) Integrates AMP forecasts into LTFP and annual budgets; ensures compliance with Asset Accounting Policy and relevant Accounting Standards.

Project Managers/Engineers:

a) Apply gateways and whole-of-life analysis for new/upgrade/renewal projects; ensure handover and data updates to the asset system.

All Employees, Contractors & Consultants:

a) Comply with this Policy, AM Strategy/AMPs, standards and procedures, report asset defects, risks and data issues**.**

5. DOCUMENT REVIEW

This Policy will be reviewed every four years, or earlier if required by changes in legislation, related documents, WHS requirements, Council intent, delegated authorities, or by CEO/Director determination.

6. FURTHER INFORMATION

This policy will be available for inspection at:

a) Port Pirie Council Administration Centre, 115 Ellen Street, Port Pirie

b) Crystal Brook Rural Office, 21 Bowman Street, Crystal Brook.

It can be downloaded, free of charge, from Council's internet site: www.pirie.sa.gov.au

Copies are available on request (fees may apply in line with Council's Schedule of Fees and Charges).

7. DOCUMENT HISTORY

Version No.	Date Approved	Reference	Notes/ Changes
1.0	23/09/2015	OM275/15	New document
2.0	18/09/2025	OM260/25	Full redraft: strengthened integration with LTFP; clarified roles, principles and lifecycle; aligned with ISO 55000/IIMM; updated review cycle from 2 to 4 years, and File No. from Synergy to Altus (Cover sheet). Added: Community Engagement Procedure, Disposal of Land & Assets Policy, Unsolicited Proposals Policy & Procedure (Related Documents); Data, Systems & Information (Sect.4.6); Climate, Resilience & Risk (Sect.4.7); Performance & Reporting (Sect. 4.8) and performance KPIs for ARMC, Managers/Asset Custodians, Manager Finance, Project Managers/ Engineers, All employees (Sect. 4.9); Employee definition (Appendix 1).

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APPENDIX 1 - Definitions

Asset
Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than twelve (12) months.

Asset Management
The systematic and coordinated activities and practices through which an organisation optimally manages its physical assets and their associated performance, risks and expenditure over their lifecycle for the purpose of achieving the goals and objectives of the strategic plan.

Asset Management Plan
A tactical plan developed for the management of a class of assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of an asset in the most cost-effective manner, to provide a specific level of service. A significant component of the plan is the development of long-term expenditure forecasts for the activities required to manage the assets.

Asset Management Strategy
A plan to achieve ongoing improvement in Asset Management activities and practices by establishing: clear objectives, a framework within Council to achieve those objectives, a system for measuring performance and a detailed improvement program.

Employee
means a person employed for renumeration under a contract of employment and includes a public employee (Fair Work Act (SA) 1994); and includes Senior Executive Officers (the Local Government Act 1999).

> *NOTE: in the WHS legislation the term 'worker' is used instead of employee or staff. The WHS term 'worker' includes any contractors, volunteers, trainees, work experience students and consultants undertaking work for, or on behalf of the Council. These are not employees.*

Levels of Service
Service levels are a combination of functional criteria related to quality, quantity, reliability, responsiveness, environmental acceptability and cost, derived in consultation with clients, and used to measure an asset's performance.

Lifecycle Cost
The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and rehabilitation and disposal costs.

Long Term Financial Plan
A ten year financial plan which enables Council to better plan and understand financial planning of their long-term financial requirements, which includes consideration of sustainability, service provision levels and the creation, upgrading and renewal of assets.

New Asset
The construction or acquisition of an asset that is not currently part of Council's asset base.

Renewal
Works required to upgrade, refurbish or replace existing assets with assets of equivalent capacity or performance capability.