Government of **Western Australia**
Department of **Treasury and Finance**

Strategic Asset Management Framework

Strategic Asset Plan Guidelines

October 2026

Strategic Asset Management Framework – Strategic Asset Plan Guidelines

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Acknowledgement of Country

This document was prepared by the Department of Treasury and Finance on the traditional Country of the Whadjuk people of the Noongar Nation.

The Department respectfully acknowledges the Traditional Custodians of Country throughout Western Australia and their continuing connection to Country, Culture and Community.

We pay our respects to all members of Western Australia's Aboriginal communities and their cultures and to Elders past and present.

We acknowledge and pay tribute to the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economy.

We recognise our responsibility as an organisation to work with Aboriginal people, families, communities, and organisations to make a difference and to deliver improved economic, social and cultural outcomes for Aboriginal people.

Further information relating to these guidelines may be obtained by emailing samf@dtf.wa.gov.au.

Version History

Version	Date	Changes
1.0	August 2005	Initial Publication.
2.0	December 2014	SAP embedded into entity corporate planning and Minister to approve SAP.
3.0	January 2023	Minor amendments that SAP consider State Infrastructure Strategy recommendations.
4.0	January 2025	Minor amendments to agency brand. Website references currency updates.
5.0	October 2026	Addition of maintenance expenditure data table. Website references currency updates.

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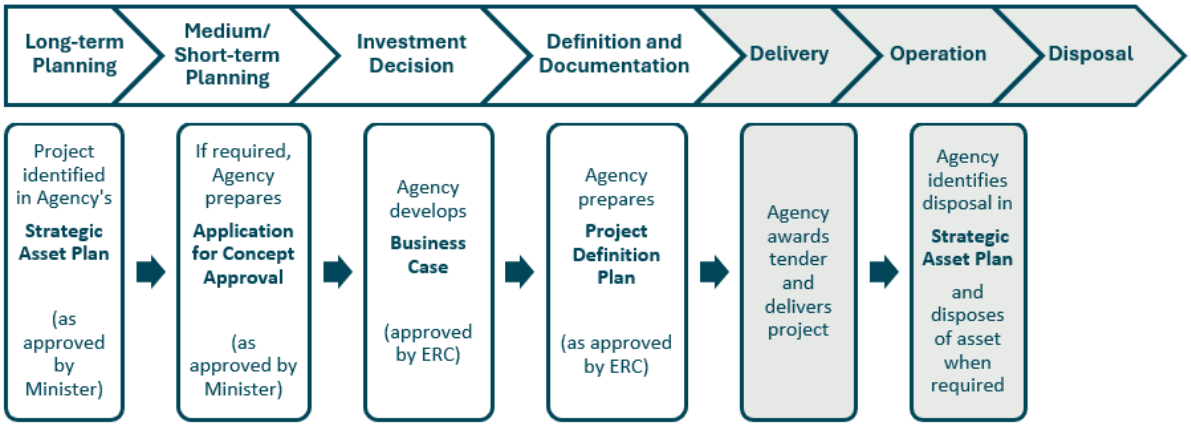
SAMF Overview

Asset investment proposals are developed and considered under a sequenced approach which involves government approval at various stages. The Strategic Asset Management Framework (SAMF) has distinct modules that are intended to provide advice to government during the planning, investment, operation and disposal of assets, these are:

- Strategic Asset Plan;
- Application for Concept Approval;
- Business Case; and
- Project Definition Plan.

Figure 1 provides a high-level overview of how the SAMF suite of documents inform Government asset planning and investment decision-making.

Figure 1: SAMF Documents in Investment Decision-Making



Western Australian Government public sector bodies are required to develop a Strategic Asset Plan (SAP) in accordance with the SAMF to support and demonstrate the effective and efficient management of assets. Responsible asset management enables an agency to achieve its and the Government's objectives.

Public sector bodies must ensure that their asset portfolio is assessed regularly against strategic requirements and that any assets that are under-performing or surplus to operating requirements are identified for disposal.

These guidelines specify the required structure and content of an SAP.

Introduction

Agencies are the custodians of Government-owned assets and are responsible for ensuring that assets under their control are managed appropriately. These assets are to enable the objectives of Government and ensure the needs of the community are met.

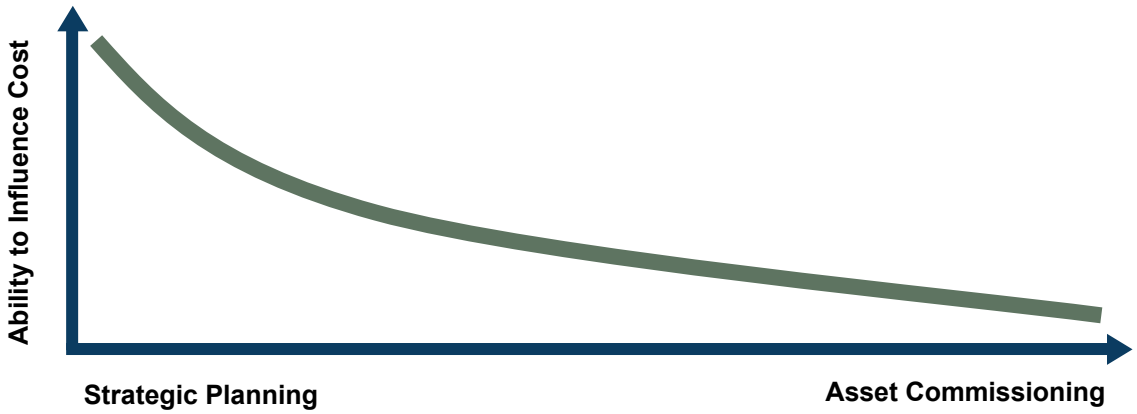
Purpose

These guidelines aim to assist agencies to produce a high-quality SAP. SAPs provide assurance to decision-makers that the agency's management of its asset portfolio is appropriate to support current and future service delivery objectives and deliver Government's desired outcomes.

SAPs are also utilised by Infrastructure WA (IWA) in developing long term infrastructure strategies.

An agency's utilisation of capital and recurrent funding is significantly influenced by its strategic planning. This guideline presents an approach to strategic asset planning that ensures the strategic decisions and investment are aligned with corporate objectives and Government goals. Figure 2 illustrates the financial influence of strategic decisions as compared to operational decisions.

Figure 2: The Influence of Strategic Planning on Cost



Scope

This guideline is to be applied by all general government agencies, public financial corporations and public non-financial corporations in accordance with all relevant legislation and policies. It is intended to provide clear expectations for agencies with high value and/or complex asset portfolios, while remaining scalable for smaller agencies. Agencies with low value asset portfolios are encouraged to consult with their Department of Treasury and Finance (DTF) budget analyst to adapt a fit for purpose approach.

This guideline uses terminology that is relevant to asset management of infrastructure, but applies to all assets under the agency's control, operation or lease, which may include:

- land, buildings or other real assets (including monuments, heritage, and cultural assets);
- computing hardware and software;
- plant (excluding vehicles), machinery and equipment; and/or
- any other assets as considered appropriate by the accountable authority (e.g. rail cars, aircraft, biological assets).

Financial assets and vehicle assets are not subject to this policy. Advice on vehicle assets is available from the Department of Housing and Works. Advice on the application of this policy to any other classes of assets is available from DTF.

Reporting and Governance

The SAP is to be clear, concise and prepared to a level of detail that is appropriate for the complexity and value of the agency's asset portfolio. The SAP is to:

- meet the requirements of the SAMF;
- be updated annually;
- be based on asset management activities that are compliant with the State's financial management framework, other relevant legislation and government policies;
- be approved by the Director General or, if applicable, the Chief Executive Officer and Board;
- be approved by the responsible Minister or Ministers; and
- be submitted to DTF as part of the annual Budget process if the agency is seeking additional funding to support its resourcing plan, and/or if requested by DTF.

Agencies that are subject to regulatory oversight by the Economic Regulation Authority (ERA) or other regulatory bodies are encouraged to consult with DTF to assess whether the regulatory body's requirements can be incorporated within the SAP.

Alignment with ISO 55000 Asset Management and ISO 31000 Risk Management is encouraged.

Transparency

A culture of increased openness and free information-sharing within the public sector will enable improved asset management outcomes through better coordination across the sector. This will mutually support agencies to build capacity in asset management by sharing leading practices.

To promote openness and transparency to the public, consistent with the objectives of the *Freedom of Information Act 1992* (FOI Act) and with decision-makers' legal obligations:

- SAPs may be disclosed to the public on request except where the content of the SAP, or parts of the SAP, meet the criteria for withholding;
- the criteria for withholding are applied on a case-by-case basis, keeping in mind the exemptions that might apply under the FOI Act (most commonly where content within the SAP is the subject of a duty of confidentiality or secrecy, is of a commercially sensitive nature, or informs the deliberations of Government); and
- the reasons for any decisions on disclosing or withholding the SAP are clearly documented, to encourage rigour in decision-making.

Taking a case-by-case approach is intended to encourage confidentiality based on the sensitivity of document contents and the potential harm to the public interest that could be caused by their disclosure. Similarly, agencies are encouraged to draft different sections of SAPs with their potential audiences in mind. In particular, the Executive Summary and Strategic Context sections of most SAPs would generally be suitable for public disclosure.

Strategic Context



Sustainability
Agency Objectives
Strategic Alignment
Forecasting
Asset Management Objectives

The Strategic Context section provides a strategic level view of the objectives of the agency and the external factors (e.g. demand for services) that have the potential to influence agency operations and outcomes.

It is to summarise:

- the purpose and corporate objectives of the agency;
- the alignment of the corporate objectives with whole-of-government strategic planning, priorities, infrastructure strategies and goals;
- external factors and drivers that have the potential to impact on agency outcomes;
- current and forecast future demand for services; and
- the agency's asset management objectives.

For agencies operating in a stable environment, the Strategic Context section need not be changed significantly from year to year.

Sustainability

Designing and constructing assets that meet the needs of the present without compromising the ability of future generations to meet their own needs, should be a key consideration in the planning and management of an agency's asset portfolio.

Sustainability principles should be embedded in agency asset planning and investment decision-making which address social, economic, environmental and governance outcomes.

Examples of Government policy which can support incorporation of sustainability principles in asset planning include:

- State planning policies which promote the importance of design quality in delivering positive environmental, social and economic outcomes for all Western Australians;
- Adoption of an interim target to reduce emissions from its operations of 80 per cent below 2020 levels by 2030;
- A Climate Policy that sets out the Government's plan for a climate resilient community and a prosperous low carbon future;
- The release of interim guidance on climate change risk management that seeks to develop agencies' capacity to assess, manage and report on the implications of climate change on the State's finances, infrastructure, physical assets and service delivery; and
- A Climate Adaptation Strategy which addresses the need for infrastructure which is resilient and adaptable to climate change.

Agency Objectives

The Agency Objectives section is to provide a high-level summary of the agency's core purpose and corporate objectives. High-level objectives set the strategic direction of the business for which all other objectives and measures are to be aligned. Details from relevant corporate planning documents can be summarised and referenced in the SAP and included in appendices if required.

Strategic Alignment

The Strategic Alignment section articulates how the corporate objectives of the agency are aligned with whole-of-government state strategic plans, infrastructure strategies and Government policies and priorities. Examples may include whole-of-government strategies in relation to climate, land-use planning, economic development, digital, procurement and the Government's fiscal objectives.

Under the *Infrastructure Western Australia Act 2019*, agencies are to align their strategies, plans and policies with the Government's response to Infrastructure WA's State Infrastructure Strategy.

Forecasting

The Forecasting section investigates the external drivers that have the potential to impact on agency business, the forecast impact of these drivers on assets and demand for services, and the agency's response to the forecast demand for services.

Environmental Scan

The Environmental Scan is a high-level assessment of external factors and drivers that have the potential to impact on the agency's objectives, demand for services and asset requirements over the next 10 years and beyond.

The agency may use environmental scanning or a similar technique to develop this assessment. Environmental scans are formal and systematic investigations that explore changes in society, technology, regulatory framework the economic outlook, environment, climate and political dynamics that have implications for the agency.

Demand Forecasting

Demand Forecasting is used to explore the range of impacts that the environmental scan drivers will have on future demand for services. It is preferable that demand forecasting is undertaken using quantitative methods, although a mix of quantitative and qualitative methods may be appropriate. Agencies are encouraged to work with DTF to ensure consistent application of inputs such as population forecasts and economic growth. Key demographic and economic datasets are available from Data WA and the DTF.

Scenario Planning

Scenario planning is a valuable tool that presents the potential range of impacts that the demand forecasts and environmental scan outcomes may have on the agency's assets and services. This assessment considers external factors such as population growth, technology changes, economic shifts and how they can affect the composition and capacity of the existing asset portfolio to service future demand and potential service delivery changes. The assessment is to identify in broad terms how the agency's needs are likely to change over the next 10 years and beyond.

Asset Management Objectives

The Asset Management Objectives section outlines the asset objectives of the agency and demonstrate their alignment with the agency objectives. The asset management objectives are the focus of the Asset Portfolio Review and Asset Portfolio Plan.

These objectives must demonstrate a clear understanding of the links between an organisation's functions, processes, plans and the resources required to achieve outcomes.

Asset management objectives should be fit-for-purpose and would typically align with:

- the requirements of relevant stakeholders;
- other financial, technical, legal, regulatory and organisational requirements (identified as part of the organisational context);
- the level of risk (financial and non-financial) associated with meeting the agency's broader objectives; and
- established processes for management reviews of the asset management objectives
- the need to develop a balance of cost, risk and (asset) performance.

As an example, asset management objectives may contain the following type of information:

- safety and environmental compliance with legislation;
- performance and reliability to deliver the intended service/outputs;
- affordability and cost effectiveness;
- governance, assurance, and risk; and
- sustainability and whole-of-life management.

An example is outlined in Table 1.

Table 1: EXAMPLE – Department of XYZ – Asset Management Objectives

Asset Management Objective	Agency Strategic Alignment	Description of AM Objective	Measure of Success
Mature Asset Management	High Performing Organisation	Improve the maturity of our Asset Management System and culture to enable the achievement of organisation objectives.	• Improvement in Asset Management Maturity Score/Rating • Deliver against KPIs
Lower Carbon Future	Decarbonised Asset Portfolio	Our asset management system enables existing and future assets to be electrified.	• Positive annual tracking towards reduced emissions by 80% by 2030 evidenced in emissions reporting. • Deliver against KPIs
Safe Asset Performance	High Performing Organisation	Maintain WHS Act compliant assets, to better attract and retain skilled staff.	• Reduction in staff turn-over in regional areas. • Increased days of asset availability, reliability, and accessibility.

Asset Portfolio Review



The Asset Portfolio Review provides details of the agency's existing asset portfolio holdings and the capacity of those assets to support agency objectives now and into the future.

The Asset Portfolio Review presents information on:

- the extent and characteristics of the asset portfolio, highlighting the agency's high value, high risk assets;
- the current and forecasted performance of the assets, highlighting performance gaps; and
- significant risks to the achievement of asset management objectives.

Portfolio Stocktake

The Portfolio Stocktake is to present an aggregate level summary of the agency's existing asset base. The level of detail presented is to be appropriate for the size and complexity of the agency. The asset register, asset valuation data, governance and contractual arrangements are inputs to this section.

Details are to include:

- the extent (e.g. number, length, size) and replacement value of the portfolio by asset class (e.g. land, building, computing hardware and software, and other asset classes);
- details of significant assets in terms of quantity, location, date of acquisition, breakdown of critical systems and components integral to the asset's lifecycle, condition, replacement cost, and importance; and
- details of, and defined boundaries for asset holdings with third parties (e.g. through lease arrangements, contracts for service, collaborative ventures with the not-for-profit sector, and joint ventures with the private sector).

Assets with unclear control and ownership arrangements are to be identified along with an outline of the steps being taken to clarify the situation.

Portfolio Evaluation

The Portfolio Evaluation section assesses how well the asset portfolio is supporting the achievement of agency objectives and the adequacy of the portfolio to support future service delivery requirements. The evaluation is to identify the gaps between current performance and required performance, which enables the development of the Asset Portfolio Plan.

The Portfolio Evaluation section is to:

- specify portfolio performance measures with clear links to asset management objectives;
- document current performance;
- specify performance targets or industry benchmarks; and
- analyse results, identifying performance gaps, trends and opportunities to be addressed in the Asset Portfolio Plan.

Performance measures are to cover financial service and technical aspects of the agency's performance. Some examples of measures are:

- Financial Performance: cost of service, operating cost, maintenance cost by type (routine, preventative, reactive/breakdown);
- Service Performance: functionality, liveability, location to determine if the assets are fit for purpose; and
- Technical Performance: conformity to standards, asset condition, number of failures, capacity, and/or utilisation.

Table 2 presents an example of a Performance Evaluation framework template that demonstrates the alignment of performance measures with asset management objectives.

Table 2: EXAMPLE – Asset Portfolio Evaluation

Asset Management Objective	Performance Measure	Current Performance	Target/Benchmark
Safe			
Reliable			
Compliant			

Asset Condition Assessments

Asset condition assessments are to consistently assess assets against a condition scale. These assessments can help determine the remaining life of assets and maintenance requirements. As part of these assessments, assets are evaluated with respect to conformity to specified standards, visual appearance and operational performance.

Condition assessments are not suitable for all assets. For example, a low value, low risk portfolio (typically run to failure) and/or assets that do not present with evidence before failures would not benefit from a condition assessment.

Where applicable the condition of assets is to be presented in the Portfolio Evaluation section. The Department of Housing and Works can advise agencies on undertaking condition assessments of buildings. Table 3 provides an example of a visual assessment condition rating scale.

Table 3: EXAMPLE – Visual Condition Assessment Scale for Buildings

Scale	Description
A – As New	Shows no appreciable signs of deterioration
B – Good	Minor deterioration – no rectification required to satisfy elemental function
C – Fair	Damaged or worn (but not failed) – shows significant signs of defects but still supports the required function of that element – may require future repair/replacement, maintenance to be applied/programmed
D – Poor	Retrievable – repair is economically viable and possible. This may include partial replacement
E – End of Life	Irretrievable – repair is not economically viable, and replacement is required

Risk Assessment

The Risk Assessment section is to highlight the agency's highest asset risks. The risk assessment may consider the impacts (consequence) on the achievement of agency objectives, workplace health and safety, the environment, key stakeholders, reputation, regulatory requirements and the achievement of value for money outcomes.

The Risk Assessment section is required to:

- outline the agency's risk framework, including definitions and scales of consequence and likelihood; and
- specify highest asset risks to be addressed in the Asset Portfolio Plan.

Asset Portfolio Plan



The Asset Portfolio Plan specifies the life cycle asset management activities that enable the achievement of the asset management and agency objectives. The life cycle asset management activities include planning and acquisition, maintenance and operations, and disposal.

The timeframes considered in the Asset Portfolio Plan are short term (Budget and forward estimates period), medium term (4-9 years) and longer term (10 years and beyond).

This section is required to:

- outline the priority activities required to meet asset management and agency objectives; and
- outline significant assets that are surplus to the requirements of the agency, which can be scheduled for disposal.

Asset Disposal

The purpose of the Asset Disposal section is to identify significant assets that are surplus to requirements, are not cost effective to maintain and operate, and/or not fit for purpose. Significant assets for disposal are to be identified over the short, medium and long term.

The analysis is to take into consideration:

- the asset's residual value and include costs of decommissioning and disposal;
- impacts to services, and how services will be transitioned to alternative or new assets;
- stakeholder and community impacts and sensitivities of disposal or repurposing; and
- potential for land to be repurposed with consideration of any presence of hazardous materials.

Maintenance and Operation

The Maintenance and Operation section is to present the priority maintenance and operational activities required to manage the performance gaps and risks highlighted in the Asset Portfolio Review and achieve asset management objectives.

Effective maintenance programs act to minimise life cycle asset costs. However, maintenance is not a requirement of all assets. Low value, low risk asset classes are often optimally managed through a run to failure approach.

The Maintenance and Operation section in the agency's SAP is required to:

- outline the highest priority maintenance, minor works and operational activities planned for the short term; and
- demonstrate the prioritisation approach with consideration to the available resources and asset management objectives.
- provide a five-year historical summary of asset maintenance expenditure using the Excel template of the table below. Asset maintenance expenditure means **expenditure directed at maintaining or restoring existing assets to their required service standard**. It excludes new assets or optional upgrades of existing assets.

Table 4: EXAMPLE – Summary of Historical Asset Maintenance Expenditure (Cash Basis)

	Year T-4 $'000	Year T-3 $'000	Year T-2 $'000	Year T-1 $'000	Year T* $'000
Recurrent					
Capital					
Total					

*Year T is the most recent financial year for which audited actuals are available.

Please note: Once the relevant Minister has approved your agency's SAP, please send an electronic copy of the completed Excel sheet to your DTF Budget Analyst and also to: samf@dtf.wa.gov.au.

Acquisition

The purpose of the Acquisition plan is to articulate the agency's priorities for replacement of current assets and acquisitions of new assets in the short, medium and long term.

The Acquisition plan is to:

- outline the replacement and new asset requirements for the short, medium and long term;
- demonstrate how potential acquisitions are prioritised with consideration for available resources and asset management objectives; and
- highlight priorities for Business Case development in the short to medium term (Budget and forward estimates period).

Potential acquisitions are to be prioritised in accordance with the agency's defined shortlisting criteria. It is recommended that these criteria be based on the SAMF Business Case Guidelines (see Figure 3).

Figure 3: Suggested Evaluation Criteria for Prioritising Proposals

Strategic Options Analysis
Business cases for new investment with an estimated total capital cost of more than $5 million are required to be consistent with the SAMF Business Case Guidelines. Business cases are to include a strategic options analysis. This process involves developing a long list of potential investment options relative to a base case. The long list is shortlisted, with shortlisted options evaluated in detail against the following primary criteria: • alignment with the identified objectives; • alignment with Government policy; • achievability; • social, economic and environmental impacts; • financial implications (i.e. capital and recurrent costs and budgetary impacts); and • risk assessment. These criteria may assist in long term planning and prioritising for major proposals.

Resourcing Plan



The Resourcing Plan is to confirm the current approved level of capital and recurrent resources for maintaining, operating, disposing and acquiring assets over the Budget and forward estimates and summarises the level of additional resourcing likely to be sought over the same period.

The Resourcing Plan is required to be consistent with the agency's Budget submission. It outlines the investment requirements for the Budget and forward estimates period, including:

- the approved 10-year Asset Investment Program as recorded in the SIMS Asset Investment Module (AIM), including rolling programs of works;
- the agency's estimated expenditure on preventative maintenance, breakdown repairs and minor improvements and refurbishments over the Budget and forward estimates period; and
- any proposed variations to the Asset Investment Program, any new spending proposals and recommendations for disposal or spending efficiencies, consistent with the agency's Budget submission.

Approved Capital

The Approved Capital section is to provide a summary of the approved 10-year Asset Investment Program. Capital expenditure includes projects that alter or improve the capability, capacity, functionality or residual value of an asset. Requests for additional capital must be sought during the Budget process and included in the agency's Asset Investment Program if approved.

Approved Recurrent

The Approved Recurrent section is to provide a summary of the approved recurrent expenditure allocations across maintenance and operational activities. Itemise allocations to preventative maintenance, breakdown repairs and minor improvements and refurbishments, where:

- preventative maintenance is planned work to preserve the asset;
- breakdown repairs are carried out on demand to reinstate service delivery; and
- minor improvements and refurbishments are to ensure that assets remain fit for purpose.

Proposed Variations

The Proposed Variations section is to provide a summary of the variations from the approved capital and recurrent funding allocations. This includes a summary of any:

- proposed variations to the Asset Investment Program and recurrent spending from within approved funding limits; and/or
- new spending proposals and recommendations for disposal, consistent with the agency's Budget submission.

Accounting Treatments

Agencies are advised to refer to the Financial Administration Bookcase (FAB) and other relevant Treasurer's Instructions. The DTF Financial Policy unit, can provide advice on accounting treatments for the Resourcing Plan.

Funding Sources

The Asset Investment Program and recurrent maintenance spending may be funded from a mix of funding sources, including central funding (appropriations and borrowings), agency borrowings, hypothecated revenue sources (e.g. Royalties for Regions), Commonwealth grants and subsidies, proceeds of land and property sales, and internally generated revenues and cash balances.

DTF maintains a holding account for each agency to receive annual credits for the non-cash component of its appropriation (depreciation) as a provision for the future replacement of significant assets. The holding account is a funding source that is used in lieu of cash appropriations to meet the capital cost of asset replacement.

Requests for drawdowns from the account are assessed by DTF and are only approved after Government has endorsed the replacement of an asset.

Continuous Improvement



The Continuous Improvement section is a brief statement of the agency's plan to improve its asset management systems and practices. Continuous improvement ensures progress towards better long-term governance and stewardship of the asset portfolio.

The Continuous Improvement section is to:

- outline asset management system achievements for the past year; and
- present a concise plan for the short term.