

## Asset Management

**Summary** This Policy promotes a consistent and improved approach to asset planning and delivery that is underpinned by the consideration of asset lifecycle costs, performance, risk and economic modelling to support the strategic priorities of NSW Health.

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**Distributed to** Ministry of Health, Public Health System, Divisions of General Practice, Government Medical Officers, NSW Ambulance Service, Environmental Health Officers of Local Councils, Private Hospitals and Day Procedure Centres, Health Associations Unions, Tertiary Education Institutes

**Audience** All Chief Executives; Finance and Corporate Services Directors; Asset Management; Building/Facility; Capital Works; Procurement and Contract Managers

## Asset Management

### POLICY STATEMENT

All NSW Health organisations must ensure asset-related decisions represent a balance of cost, risk and performance, are based on the current and future contribution of the asset to service provision and use a whole-of-lifecycle approach.

This Policy Directive extends to the management of all non-financial assets under the care and control of NSW Ministry of Health and NSW Health organisations, regardless of their financial value.

### SUMMARY OF POLICY REQUIREMENTS

This Policy Directive supports NSW Health's goal of providing world class clinical care, by facilitating ready access for NSW Health staff and community users to assets that are fit for purpose and safe. It aligns with and commits to achieving the core requirements of NSW Treasury's *Asset Management Policy for the NSW Public Sector* ([TPP 19-07](#)) and NSW Health [Future Health Guiding the next decade of care in NSW 2022-2032](#).

NSW Health organisations must determine locally driven asset management objectives aligned to NSW Health strategic asset management objectives.

NSW Health organisations, including the NSW Ministry of Health must annually submit a Strategic Asset Management Plan and Asset Management Plan(s) that respond to NSW Health state-wide asset management; strategic priorities; objectives; and the NSW Health organisations' own asset management objectives.

An Attestation Statement for Asset Management must be completed and submitted annually by 30 May each year by all NSW Health organisations.

NSW Health organisations must ensure effective local governance systems are in place to promote awareness and oversee the development of capabilities aligned with the NSW Health Asset Management Framework, Strategic Asset Management Plan and Asset Management Plan to improve asset management practice.

NSW Health organisations must commit to use and maintain Asset and Facilities Management (AFM) Online as a single asset management asset register to meet the requirements of the Asset Management Framework.

NSW Health organisations must ensure opportunities identified by the NSW Ministry of Health regarding asset management competency and capabilities are integrated into local mandatory education and training for relevant staff.

NSW Health organisations must report to the NSW Ministry of Health on asset portfolio performance and compliance.

Assets located on land owned by the Health Administration Corporation or other NSW Health organisations, which are operated by external parties on behalf on NSW Health under agreements made after this Policy Directive comes into effect, must be managed in compliance with this Policy Directive.

### REVISION HISTORY

Version	Approved By	Amendment Notes
PD2022_044 September-2022	Deputy Secretary, Financial Services and Asset Management	Policy statement revised in line with NSW Health's current asset management maturity and incorporates a detailed procedure document in addition to the revised principle outlined in PD2020_038.
October-2020 (PD2020_038)	Deputy Secretary, Financial Services and Asset Management	Initial Document

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## **1. BACKGROUND**

Effective asset management is based on achieving an appropriate balance of cost, risk and performance at portfolio and asset levels to meet organizational objectives and deliver value from assets to an organisation and its stakeholders.

The planning and delivery of health care services underpins the asset needs across all asset classes, including infrastructure; medical and non-medical equipment; information and communications technology (ICT) and fleet. Health care assets will vary by size, use, location and other factors such as age, design, construction and performance. Consequently, the approaches to the management of these assets are not always consistent.

Effective asset management enables NSW Health organisations to:

- Make better use of their existing assets
- Adopt clear and consistent definitions and methodologies to report to government each year on the size of any maintenance backlog and identify measures to address the backlog
- Broaden assessments of asset performance to consider economic, social and environmental benefits including the minimization of waste to landfill and improving carbon emissions performance
- Develop a framework across interconnected infrastructure networks to drive an integrated vision of infrastructure provision and management, and create value, reduce costs, manage risks and improve the resilience of assets
- Adopt innovative, contemporary technologies to improve the operation and maintenance of assets
- Use quality data that will support evidence-based decision making to balance cost, risk and asset performance
- Undertake proactive measures to maximise resource efficiency.

### **1.1. About this document**

This Policy Directive promotes a consistent and improved approach to asset planning and delivery that is underpinned by the consideration of asset lifecycle costs, performance, risk and economic modelling to support the strategic priorities of NSW Health.

NSW Health organisations may develop local procedures that are consistent with the requirements of this Policy Directive to enable effective asset management across the organisation.

This Policy Directive has been developed to align with the core principles and core requirements of NSW Treasury's *Asset Management Policy for the NSW Public Sector* ([TPP 19-07](#)).

For further information, please refer to the NSW Health Asset Management Handbook.

## 1.2. Key definitions

<b>Asset</b>	An item, thing or entity that has potential or actual value to an organisation. In the context of NSW Health, assets include all non-financial assets recognised by the building agency including, but not limited to, land and buildings, plant and equipment, infrastructure systems, leased assets, works in progress, cultural and heritage collections, ICT systems and digital services.
<b>Asset (financial)</b>	Assets are defined under accounting standards as economic resources controlled by the entity as a result of past events. A Capital Asset within NSW Health refers to economic resources such as land, building, plant and equipment and infrastructure assets that have a total acquisition value equal to or greater than \$10,000.
<b>Asset (maintainable)</b>	An asset that constitutes a part or an assembly of parts that is normally the lowest level in the equipment hierarchy during maintenance.
<b>Asset lifecycle</b>	All the stages an asset experiences over the period from conception to end-of-life or contract and typically would include planning, acquisition, delivery, operations and maintenance, and disposal.
<b>Asset Management Framework (AMF)</b>	The set of interrelated or interacting policies, objectives and processes required to achieve the agency's objectives through the management of existing and planned assets.
<b>Asset Management Plan (AMP)</b>	An Asset Management Plan documents the current state of the asset portfolio, associated asset data and resources required to support the agency's Asset Management Framework and maintain effective and sustainable service delivery.
<b>Asset Management Policy (The Policy)</b>	An authoritative statement of leadership commitment to effective asset management and sets clear direction for asset management within the agency.
<b>Asset management strategy</b>	The strategy for addressing any gaps or deficiencies in the delivery of the defined Asset Management Objectives (see section 2.1), which reflect the required asset management practice.
<b>Asset owned by third party</b>	Assets belonging to any other party other than NSW Health, including, without limitation, any assets owned by or operated under the control of the third-party contractor, but situated on NSW Health owned land, and/or within NSW Health facilities.

<b>Asset portfolio</b>	The collection of assets within the scope of the Asset Management Framework.
<b>Asset renewal or disposal</b>	When an asset reaches the end of its useful life or is not able to support the service delivery requirements, the functionality, performance, and cost of the asset is reviewed. If feasible, the asset is recommended for renewal or repurposing. When an asset reaches the end of its useful life and is not suitable for renewal or repurposing, the asset must be disposed of in the appropriate manner.
<b>Capital asset</b>	A Capital Asset within NSW Health refers to economic resources such as land, building, plant and equipment and infrastructure assets that have a total acquisition value equal to or greater than \$10,000.
<b>Fixed Asset Register</b>	Oracle Fixed Asset Register (FAR) is the principal assets register for all capitalised assets. Assets that meet the prevailing capitalisation threshold are required to be carried on the Fixed Asset Register at the cost and depreciated over their respective useful life. Land, building and infrastructure assets are also revalued over time and reflected in the Fixed Asset Register.
<b>Information and Communications Technology (ICT)</b>	The common term for the entire spectrum of technologies for information processing, including software, hardware, communications technologies and related services.
<b>International Standard for Asset Management (ISO 55000)</b>	ISO 55000 consists of three separate documents: ISO 55000 – the concepts and definitions which underpin the standards, ISO 55001 – the requirements that make up the standard, and ISO 55002 – guidance on the requirements.
<b>Outsourcing</b>	An arrangement where an external organisation performs part of an organisation's function or processes.
<b>Stakeholders</b>	Asset management stakeholders include people or organisations that can affect, be affected by, or perceive themselves to be affected by a decision or activity of the agency. For the purpose of this Policy, stakeholders considered by the agency would include people and organisations both within and outside the NSW public sector.
<b>Strategic Asset Management Plan (SAMP)</b>	Strategic Asset Management Plan sets out the asset portfolio strategies that respond to the health service delivery requirements of the health entities. Strategic planning defines the future capacity and capability of the facilities and assets, informed by the organisational needs and the existing assets.

<b>Total Expenditure (TOTEX)</b>	Sum of capital expenditure and operational expenditure over a period.
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## 2. ASSET MANAGEMENT FRAMEWORK

The Asset Management Framework is directed by NSW Health objectives and requires appropriate governance systems to ensure effectiveness.

The Asset Management Framework must:

- Be fit for purpose with a clear and integrated governance structure
- Include lifecycle planning and operation considerations at all levels of asset decision making
- Integrate with other organisational asset policies, functions, processes, activities and data
- Improve and report on capability and performance
- Consider financial and environmental sustainability.

### 2.1. Asset management objectives

Asset management objectives for NSW Health are structured against the three enablers of asset management:

Enabler	Objective
<b>People and culture</b>	<ol style="list-style-type: none"> <li>1. We drive a sustainable whole-of-lifecycle approach to asset management across all levels in NSW Health.</li> <li>2. We support a culture of innovation and continuous improvement where asset management learnings are shared across NSW Health.</li> <li>3. We continually seek out strategic partnerships and investments.</li> </ol>
<b>Practice and process</b>	<ol style="list-style-type: none"> <li>4. Our assets create a network of infrastructure that is responsive to change, supports the complete patient journey and delivers a full spectrum of care in the home, community and hospital.</li> <li>5. We use an investment framework that supports flexible ways of managing growth across the NSW Health network and makes better use of existing assets.</li> <li>6. Our maintenance, renewal and future investment decisions balance cost, risk and performance across the asset lifecycle.</li> </ol>
<b>Information and technology</b>	<ol style="list-style-type: none"> <li>7. We maintain an integrated Asset Management Framework across NSW Health, enabled by innovative technology.</li> <li>8. We use benchmarks that monitor the suitability, condition and performance of assets to ensure they support healthcare services.</li> <li>9. We have a state-wide information system that acts as a single point of truth.</li> </ol>

NSW Health organisations are to develop local asset management objectives where necessary to facilitate the local Asset Management Framework and implementation of the state-wide asset management objectives.

For further information and the full list of objectives, please refer to the NSW Health entity Strategic Asset Management Plan templates released each year via the NSW Ministry of Health.

## **2.2. Strategic Asset Management Plan**

NSW Health organisations are to establish a Strategic Asset Management Plan (SAMP) that sets out the strategies for achieving asset management objectives and for delivering a capable asset portfolio that meets the needs of the organisation. The NSW Health organisation's Strategic Asset Management Plan must be directly aligned to the NSW Health *Future Health: Guiding the next decade of health care 2022-2032* ([Future Health](#)) and NSW Health's asset management strategic priorities.

Strategic Asset Management Planning requires compliance with the [NSW Government Resource Efficiency Policy](#) and achievement of the objectives of the NSW Net Zero Interim Plan. Annual delivery of energy and water saving, and waste minimalization projects are required as is the integration of environmental performance considerations into asset management operations. Reporting is required annually to track progress on policy objectives.

The asset portfolio is to be based on the current and future asset cost, risk and performance to the organisation. The asset portfolio strategies subsequently inform the asset lifecycle management activities that are described in the Asset Management Plans.

Asset risks and opportunities are identified through tactical asset management activities, potential capital projects are identified and prioritised based on service needs and benefits to the organisation.

NSW Health organisations must submit their Strategic Asset Management Plan to the NSW Ministry of Health annually at the end of each financial year.

## **2.3. Asset Management Plan**

NSW Health organisations are to develop an Asset Management Plan/s (AMP) to provide detail on the assets under their control. The Asset Management Plan defines the state of asset management, and the asset forward works plans.

The Asset Management Plans are to describe lifecycle management activities required to ensure that assets (across all asset classes) provide the required level of service and are maintained over a defined period. It must include the method of managing each asset in a way that supports the achievement of the tactical asset lifecycle management outputs. Asset-related information included in the Asset Management Plan must be consistent with information maintained in the Asset and Facilities Management (AFM) Online.

NB: A minimum 5-year horizon must be considered for Asset Management Plan/s. Some individual assets may have a shorter lifecycle and may require replacement more than once within the Asset Management Plan planning horizon. These assets must also be included in the Asset Management Plan.

NSW Health organisations must submit their Asset Management Plan to the NSW Ministry of Health annually at the end of each financial year.

## 2.4. Asset register

Each NSW Health organisation is to maintain a single asset management asset register using the Asset and Facilities Management (AFM) Online. The asset register is to contain accurate and comprehensive information on the organisation's assets and conform with NSW Health Asset Information Standards and Nomenclature. The AFM Online asset register must be aligned to financial management asset registers including but not limited to the Fixed Asset Register (FAR) held within Oracle R12. AFM Online is a key enabler to improve the management of Health assets and must be treated as a priority by NSW Health organisations. This includes the provision of adequate resources for its implementation.

## 2.5. Decision-making factors

Decision-making factors	Strategic Asset Management Plan (Asset management and asset portfolio management)	Asset Management Plan (Asset lifecycle management)
Cost	Cost of asset ownership including operations, planned maintenance, unplanned maintenance and renewal activities. Financial sustainability of each asset group.	Cost management of all asset operations and maintenance activities. Identification of recurring costs that indicate systemic asset issues and the management of mitigation actions. Managing financial budget allocations for asset management activities.
Risk	Management of asset group level risk issues relating to asset group capability and its ability to support value-based healthcare and optimal patient outcomes. Elevating identified asset risk to corporate level where risk management needs to be coordinated across the business.	Identification and management of operational asset risk including potential for asset failure, asset reliability, asset availability, health and safety issues, and environmental impacts.
Performance	Informing the Asset Management Plan of the asset group strategies and specific lifecycle management requirements to meet the asset management objectives. Identification and evaluation of the benefits to the business from potential capital work projects.	Monitoring physical asset performance including condition, reliability, accessibility, utilisation of assets. Managing the delivery of defined levels of asset performance. Identification of potential asset renewal and asset efficiency / effectiveness enhancement projects that improve asset performance.

Cost, Risk and Performance are decision-making factors that align with NSW Treasury's *Asset Management Policy for the NSW Public Sector* ([TPP 19-07](#)). In the context of NSW Health, primary decision-making factors and factors including value for money and service outcomes must also be considered. Information requirements must be documented and where information is not available assumptions must be documented for decision-making.

## 3. ASSET LIFECYCLE CONSIDERATIONS

Asset management decisions are to be based on a whole-of-lifecycle approach that balances capital and operational considerations across the lifecycle phases, extends the life of the

asset where appropriate, reduces work scope and costs associated; and ensures the level of care services are maintained as required.

### **3.1. Asset Planning and Procurement**

Planning for assets must be thoroughly considered in the context of NSW Health *Future Health: Guiding the next decade of health care in NSW 2022-2032* ([Future Health](#)) and [20-Year Health Infrastructure Strategy](#) to deliver value-based healthcare. Operational requirements of the NSW Health organisation must be determined and verified. Operational requirements may include infrastructure, equipment, digital, or a combination of all three. Non-asset solutions (e.g., revised care/delivery models) must be considered wherever possible to support the balance of cost, risk and performance over the minimum term of 5 years (where a shorter asset economic lifecycle is not determined by accounting standards).

Planning for assets must include making informed business decisions on whether to purchase or lease assets. This requires consideration of estimated lifecycle cost, ongoing maintenance and management costs, estimated lease agreement term, removal and disposal costs and potential service delivery risk, financial risk and political or reputational risk as a minimum.

Options are to be developed and refined based on the operational requirements identified in the planning phase. The preferred proposal is to be approved through the appropriate channels of asset management governance. Following the approval process, the proposal is progressed to the specification and procurement process so that the asset can be acquired or implemented.

Acquisition includes purchasing, constructing, repurposing and inheriting assets. Acquired assets are to be handed over to the operator or maintainer and are under the care and management of the NSW Health organisation once in place.

Major capital investments must be determined through NSW Health organisations' clinical service and asset planning processes and provided to the NSW Ministry of Health. In line with NSW Treasury's *Asset Management Policy for the NSW Public Sector* ([TPP 19-07](#)), the NSW Ministry of Health submits a 10-year Capital Investment Plan to NSW Treasury in accordance with the annual budget process.

### **3.2. Operations and maintenance**

All asset related operations and maintenance activity, including recall management is to be recorded in the Asset and Facilities Management (AFM) Online. Assets are to have ongoing servicing and maintenance schedules developed with the specific performance requirements of the asset considered. NSW Health state-wide asset management business processes are to be adopted where available. The aim is to optimise asset condition whilst supporting the functional performance of the asset to deliver the required services.

### **3.3. Renewal or disposal**

When an asset reaches the end of its useful life, poses a Work Health and Safety risk, is non-compliant under statutory regulations or is not able to support the service delivery requirements, the asset will be renewed or disposed of. Renewal and disposal of assets must be aimed at achieving optimal patient outcomes, value for money and meet transparency and probity requirements.

When disposing of a non-real property asset, NSW Health organisations must gain and document approval from the Chief Executive, or their delegate, confirming that the non-real property asset is suitable for disposal and the estimated presented value is accepted, prior to commencing the project. Methods of disposal must be compliant with applicable environmental safeguards, Work Health and Safety requirements, legislative requirements and local council regulations. NSW Health organisations must comply with the NSW Health Policy Directive *NSW Health Procurement* ([PD2022\\_020](#)) for the donation of surplus non-real property assets to community/non-for-profit organisations.

NSW Health organisations are required to comply with the NSW Health Policy Directive *Real Property Disposal Framework* ([PD2012\\_039](#)) for the identification, declaration, disposal, and application of sale revenue relating to under-utilised or obsolete real property assets. The provisions of the Real Property Disposal Framework must be applied in the review of the Strategic Asset Management Plans and Asset Management Plans on an annual basis.

### **3.4. Capability development**

An organisational approach to uplift capability across three enablers of the asset management objectives must be adopted for NSW Health Asset Management Capability Development.

NSW Health organisations must:

- consider skills, competencies, knowledge and experience in the planning and development of asset management activities
- recognise capability gaps as they relate to asset management activities across the asset lifecycle
- focus development initiatives on increasing maturing across asset management programs, strategies, compliance and actively seek opportunities to close capability gaps.

## **4. MANAGING ASSETS**

NSW Health organisations are to apply the following principles when managing current and planned assets:

- Assets exist to provide value by supporting government objectives
- NSW Health organisations act as stewards of public assets on behalf of the government
- Asset management decisions must have regard to the appropriate balance of cost, risk and performance, including environmental performance
- Asset planning requirements are recorded in the annual submission of Strategic Asset Management Plans (SAMPs) and Asset Management Plans (AMPs)
- Asset management must be integrated with other organizational functions, processes, activities and data
- Asset management decisions must be made using a whole of lifecycle approach.

#### **4.1. Servicing and maintenance**

Modern maintenance practice optimisation is based on monitoring asset condition, performance and risk, so maintenance interventions occur only when the asset is nearing a minimum level of service. These predictive maintenance practices evolve as a result of better understanding the asset through performance monitoring.

To maintain or preserve an asset's level of service requirement, the asset must be appropriately serviced, adjusted and/or maintained (adjusting an asset refers to bringing any out-of-tolerance condition into tolerance).

Where it is uneconomical to repair a failed asset, a replacement can be acquired based on appropriate planning and decision-making processes.

Depending on availability and cost of spare parts, spare assets may be held in stock. If a service is highly critical and failure carries an unacceptable level of risk, the asset may be duplicated so that a back-up is immediately available.

NSW Health organisations must ensure that appropriate levels of planning and/or spares/inventory management systems are documented and maintained as part of business continuity plans.

At a minimum, maintenance practices must meet statutory requirements.

#### **4.2. Real property and other assets owned by third parties**

Assets that are owned and/or managed by third parties fall within the scope of this Policy Directive, and the principles of this Policy Directive must be considered in the contract negotiation process.

Assets owned by third parties include assets that are:

- owned by third parties but managed by NSW Health
- owned and managed by third parties
- jointly owned and managed between NSW Health and third parties

Real property assets owned by third parties may include property and land that is rented or occupied by NSW Health.

Real property assets owned by third parties and wholly or partly managed by NSW Health will be bound by the specific terms of engagement within the contract or agreement between NSW and the third party.

Other non-real property assets owned by third parties could include Managed Equipment Services (MES) and other types of contracted assets.

Public Private Partnership (PPP) arrangements are to be given the same considerations as other assets in this category.

#### **4.3. Risk management**

Risk management refers to the principles outlined in the NSW Health Policy Directive *Enterprise-wide Risk Management* ([PD2022\\_023](#)). For the purposes of this Policy Directive,

effective asset risk management applies to identification, assessment and treatment and/or escalation of risks which may impact:

- Performance-based decisions, including:
  - Business continuity plans
  - Critical spares
  - Make safe (Corrective maintenance)
  - Service delivery response times (Corrective maintenance)
  - Optimising asset life (Preventative maintenance)
  - Minimising impacts to service delivery (Inventory)
- Cost-based decisions, including:
  - Total Expenditure (TOTEX) decision making
  - Identification and management of delayed and deferred planned works
- Capability of NSW Health staff to appropriately identify, assess and treat or escalate risks
- Strategic asset planning and procurement to inform cost, risk and performance decision making
- Enabling of risk-based decisions to achieve or extend asset replacement beyond financial useful life
- Consider the adverse impact of extreme weather events resulting from climate change
- Minimising risk of adverse incidents and/or other third-party liability events
- Compliance with core requirements of NSW Treasury's *Asset Management Policy for the NSW Public Sector* ([TPP 19-07](#)):
  - Asset management decisions must have regard to the appropriate balanced of cost, risk and performance
  - Asset management must be integrated with other organisation functions, processes, activities and data
  - Asset management decisions must be made using a whole of lifecycle approach.

For further advice regarding risk management see NSW Treasury Policy *Internal Audit and Risk Management Policy for the General Government Sector* ([TPP 20-08](#)).

#### **4.3.1. Documenting risks, controls and management actions**

All NSW Health organisations are to ensure an accurate and complete record of asset-related risk assessment and management activities, including those activities reflected above, are appropriately recorded in the organisation's Risk Register. All asset-related risk must be recorded in accordance with the NSW Health Policy Directive *Enterprise-wide Risk Management* ([PD2022\\_023](#)).

The NSW Health Risk Matrix noted in the NSW Health Policy Directive *Enterprise-wide Risk Management* ([PD2022\\_023](#)) classifies levels of risk across the NSW Health system. The NSW Health Risk Matrix provides a tool to apply a severity rating to each asset-related risk, by assessing the potential consequence of the risk and its likelihood of occurring.

Risk Owners are required to review and moderate risk within their area of responsibility and accountability to ensure that the assessment and actions taken are reasonable, acceptable and within the tolerance and level of delegated accountabilities and responsibilities of the risk owner.

#### **4.3.2. Documenting asset related incidents**

NSW Health staff members are required to report all identified clinical incidents, near misses and complaints including asset related incidents in the state-wide incident management system *ims+*. Asset-related incidents including incidents with no direct human contact must also be appropriately reported in *ims+*. NSW Health organisations must have incident management processes in place that are consistent with the requirements of the NSW Health Policy Directive *Incident Management* ([PD2020\\_047](#)).

## **5. GOVERNANCE AND COMPLIANCE**

### **5.1. Annual attestation of compliance**

The Asset Management Attestation Statement is an annual statement to the Secretary, NSW Health about the NSW Health organisation's conformance or otherwise (e.g., in transition) to this Policy Directive. Advice or feedback may be sought from local governance in relation to the organisation's compliance.

The Chief Executive is to submit the Attestation Statement to the NSW Ministry of Health (via email [MOH-AssetManagement@health.nsw.gov.au](mailto:MOH-AssetManagement@health.nsw.gov.au)) by 30 May each year, confirming the NSW Health organisation's compliance status with this Policy Directive during the current financial year.

A copy of the final completed Asset Management Attestation Statement (see template in Appendix A) must be communicated to the organisation's relevant board sub-committee.

### **5.2. Exemption**

NSW Health organisations that have minimally sized asset bases of low critically can apply to the NSW Ministry of Health for exemption from the requirements of this Policy Directive.

The NSW Health Chief Financial Officer will consider the scale and criticality of the NSW Health organisation's asset base to determine if an exemption can be given. Exemptions will be given for a maximum of two years, after which the NSW Health organisation must reapply.

An exemption from this Policy Directive does not imply exemption from any statutory requirements for asset management or from the requirements of any other NSW Health Policy.

For details or to apply for exemption, contact Asset Management at [MOH-AssetManagement@health.nsw.gov.au](mailto:MOH-AssetManagement@health.nsw.gov.au).

## **6. APPENDICES**

- 6.1 NSW Health Asset Management Attestation Statement template
- 6.2 Exemption template
- 6.3 NSW Health Asset Management Policy Attestation Checklist template

## **6.1. NSW Health Asset Management Attestation Statement template**

### **NSW HEALTH ASSET MANAGEMENT ATTESTATION STATEMENT**

I, [Chief Executive] am of the opinion that the [NSW Health organisation] has an Asset Management Framework in operation that is, excluding the exemptions or transitional arrangements described below, compliant with the following requirements.

#### **Requirement 1: Asset Management Framework**

The NSW Health organisation must ensure that the NSW Health Asset Management Framework that effectively supports service delivery and enables patient centred care has been implemented. The Asset Management Framework must:

- Be fit for purpose with a clear and integrated governance structure
- Include lifecycle planning and operation considerations at all levels of asset decision-making
- Integrate with other organisational asset policies, functions, processes, activities and data
- Improve and report on capability and performance.

#### **Requirement 2: Asset Management Objectives**

The NSW Health organisation has developed local asset management objectives to facilitate the local Asset Management Framework and implementation of the state-wide NSW Health asset management objectives.

#### **Requirement 3: Asset Management Principles**

The following principles are followed when managing current and planned assets:

- Assets exist to provide value by supporting government objectives
- NSW Health organisations act as stewards of public assets on behalf of the government
- Asset management decisions must have regard to the appropriate balance of cost, risk and performance, including environmental performance
- Asset planning requirements are recorded in annual submission of Strategic Asset Management Plans (SAMPs) and Asset Management Plans (AMPs)
- Asset management must be integrated with other organisational functions, processes, activities and data
- Asset management decisions must be made using a whole of lifecycle approach.

#### **Transitional arrangements**

I, [Chief Executive] advise that the Asset Management Framework for [NSW Health organisation] departs from the following requirements set out in the NSW Health Asset Management Policy due to [NSW Health organisation] implementing measures to achieve

compliance with new policy requirements consistent with the permitted transitional arrangements.

Departure	Reason for departure and description of transitional arrangements implemented/being implemented
Requirement	<ul style="list-style-type: none"><li>• Detailed description of circumstances giving rise to departure(s)</li><li>• Detailed description of transitional arrangements implemented / being implemented to achieve equivalent level of assurance</li><li>• Detailed description of the steps being taken to achieve compliance</li></ul>

These processes, including the transitional arrangements implemented, demonstrate that [NSW Health organisation] has established and maintained frameworks, including systems, processes and procedures for appropriately managing assets with the [NSW Health organisation].

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Contact Officer (Sign and Date)

Role:

Contact details:

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Chief Executive (Sign and Date)

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## 6.2. Exemption template

### EXEMPTIONS

I, [Chief Executive] advise that the Asset Management Framework for [NSW Health organisation] is exempt from the requirements set out in the NSW Health Asset Management Policy due to [NSW Health organisation]'s minimally sized asset base of low criticality.

Exemption information
<ul style="list-style-type: none"><li>Detailed description of circumstances giving rise to exemption</li><li>Date of NSW Health Chief Financial Officer exemption approval</li></ul>

- Detailed description of circumstances giving rise to exemption
- Date of NSW Health Chief Financial Officer exemption approval

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Contact Officer (Sign and Date)

Role:

Contact details:

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Chief Executive (Sign and Date)

### 6.3. NSW Health Asset Management Policy Attestation Checklist template

In FY [0000/00] [NSW Health organisation] has:	BAU	Actions to meet compliance		
		Action	Program	Executive Sponsor
Established an appropriate local asset management governance structure	<input type="checkbox"/>			
Committed resources to implementing the NSW Asset Management Framework for all levels of service delivery	<input type="checkbox"/>			
Developed local asset management objectives where necessary to facilitate implementation of NSW Health Asset Management objectives	<input type="checkbox"/>			
Established a Strategic Asset Management Plan (SAMP) that sets out the strategies for achieving asset management objectives and for delivering an appropriate asset portfolio that meets the needs of the NSW Health organisation. An endorsed copy of SAMP is submitted annually to the Ministry of Health	<input type="checkbox"/>			
Developed Asset Management Plan/s (AMP) to provide details on assets under the NSW Health organisation's control. An endorsed copy of the AMP is submitted annually to the Ministry of Health	<input type="checkbox"/>			
Maintained a single asset management asset register using Asset and Facilities Management Online (AFMO) with ongoing serving and maintenance schedules	<input type="checkbox"/>			
Established and maintained a real property asset disposal plan	<input type="checkbox"/>			
Recorded asset-related risk and asset-related incident management in accordance with the NSW Health Policy Directive <i>Enterprise-wide Risk Management</i> ( <a href="#">PD2022_023</a> )	<input type="checkbox"/>			
Maintained a Forward Works Plan for assets (excluding major capital investments seeking consideration as part of the annual state budget process)	<input type="checkbox"/>			

Invested in local asset management capability development and integration	<input type="checkbox"/>			
Developed and submitted a compliant Government Resource Efficiency Policy report to track energy, water and waste performance	<input type="checkbox"/>			