

### **Policy Frameworks**

MP 0109/19 Effective from: 24 June 2019

# **Strategic Asset Plan Policy**

#### 1. Purpose

The Strategic Asset Plan Policy (the policy) sets out the mandatory requirements for the preparation and submission of a Health Service Providers (HSP) Strategic Asset Plan (HSAP) to ensure the effective and efficient management of assets. The development of a HSAP assists HSPs to identify their asset management investment priorities on an annual basis. The HSAP is for planning purposes only, it is not a funding mechanism.

The policy supports the Western Australian (WA) Government's mandate to strengthen links between business decisions and asset planning and is consistent with the <u>Department of Treasury's Strategic Asset Management Framework.</u> A WA health system Strategic Asset Plan (SAP) is prepared by the Department of Health for submission to Government on an annual basis.

The policy is a mandatory requirement for HSPs under the *Infrastructure (Asset Management) Policy Framework* pursuant to section 26(2)(d) of the *Health Services Act 2016*.

#### 2. Applicability

This policy is applicable to all HSPs.

#### 3. Policy Requirements

All HSPs must:

- nominate a representative member to attend the Systemwide Programs and Infrastructure Steering Committee which assists the implementation of strategic asset planning policy and practice and provides advice to the Deputy Director General on asset planning and management.
- prepare a full HSAP every 4 years using the SAP template and an annual HSAP update during the interim years as is required by the SAP Timeline (and Appendix 3 of the SAP template).
- outline investment priorities over the short term (1-4 years), medium term (5-9 years) and long terms (10 years and beyond).
- align minor works and medical equipment requirements with priorities identified as part of the WA Health Medical Equipment and Imaging Replacement Program and Minor Building Works Program.
- follow the approved Department of Health's Budget Processes to seek funding for identified priority projects outlined in the HSAP.

## 4. Compliance Monitoring

The Major Health Projects and Infrastructure Unit, on behalf of the System Manager, will require that HSPs submit their HSAP as per the Strategic Asset Plan Timeline.

The individual HSAPs will be used by the System Manager to identify system-wide investment priorities and to develop the WA Health SAP. This information will also be used to evaluate the effectiveness of the policy.

#### 5. Related Documents

The following documents are mandatory pursuant to this policy:

- <u>Strategic Asset Plan Template</u>
- Strategic Asset Plan Timeline

#### 6. Supporting Information

The following information is not mandatory but informs and/or supports the implementation of this policy:

- <u>Government of WA, Department of Treasury: Strategic Asset Management</u>
  <u>Framework Policy</u>
- Government of WA, Department of Treasury: Strategic Asset Plan Guidelines
- Government of WA, Department of Treasury: Strategic Asset Plan Template

#### 7. Definitions

The following definition(s) are relevant to this policy.

| Term   | Definition   |
|--|--|
| Systemwide Programs and<br>Infrastructure Steering Committee | A Department of Health steering committee<br>comprising Departmental and HSPs<br>representatives which meets on a regular basis.<br>The steering committee provides advice to the<br>Deputy Director General about matters relating<br>to asset planning and investment priorities. The<br>steering committee assists in the<br>implementation of strategic asset planning<br>policy and practise and provides advice and<br>direction on asset planning and management. |

#### 8. Policy Contact

Enquiries relating to this policy may be directed to:

Title:Director, Infrastructure UnitDirectorate:Major Health Projects and InfrastructureEmail:infrastructure@health.wa.gov.au

# 9. Document Control

| Version    | Published date  | Effective from  | Review date       | Amendment(s)              |
|------------|-----------------|-----------------|-------------------|---------------------------|
| MP 0109/19 | 24 June<br>2019 | 24 June<br>2019 | September<br>2020 | Original version          |
| MP 0109/19 | 11 January      | 11 January      | January           | Policy review, amendments |
| v.2.0      | 2024            | 2024            | 2027              | listed below.             |

- Title amended from Asset Management: Strategic Asset Plan Policy to Strategic Asset Plan Policy.
- Purpose section amended to create a distinction between planning and funding mechanisms.
- Policy requirements section amended to streamline requirements and rename the governance body.
- Compliance monitoring section amended to align with policy requirements.
- Related documents section amended to include the *Strategic Asset Plan Template* and *Strategic Asset Plan Timeline*.
- Supporting information section amended and removal of the *Strategic Asset Plan Template* and *WA health system Strategic Asset Plan 2019-2029*. Inclusion of Government of WA, Department of Treasury Strategic Asset Management Framework Policy, Strategic Asset Plan Guidelines and Template.
- Definitions amended to remove terms no longer referenced in the policy.
- Policy contact section updated to reflect the change of Directorate.

#### 10. Approval

| Approval by   | Dr David Russell-Weisz, Director General, Department of Health |  |
|---------------|--|--|
| Approval date | 31 May 2019  |  |

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