



ASSET MANAGEMENT POLICY

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Version 1.0 [November 2018]

WEST LINDSEY DISTRICT COUNCIL

Foreword.

By Eve Fawcett-Moralee- Executive Director of Economic and Commercial Growth

West Lindsey District Council owns; manages or is otherwise in control of 196 physical assets (buildings; land and property) spread across five identifiable asset definitions.

Defined as either Operational Property; Community Assets; Investment Assets; Surplus Assets or Miscellaneous Other, these assets have a net book value (as at 31st March 2018) of circa £23 million.

Each asset is supported by a varied array of infrastructure elements such as power supplies; power generation; staff & public support systems and community welfare all of which demand further management, maintenance and investment.

The effective management of these assets requires a clear and robust understanding of their condition; behaviour and requirements allied to clear and precise actions and plans designed to mitigate their degradation and failure and to maintain or improve their monetary and/or social value.

A focused management approach must be supported by reliable information, effective and transparent processes and procedures, trained & competent professional staff and a determination by the executive and council leaders to achieve our aspirations.

This objective drives the Authority's approach to our management of physical assets or 'Asset Management'.

In 2014 the Authority embarked on a programme of 'Asset Management' development which is guided by the 'International' principles of 'Asset Management' [PAS 55 and ISO 55000] and which will allow the Authority to fully develop and deliver an effective asset management plan and programme. The (ongoing) programme was designed to demonstrate the Authority's commitment to effective performance based asset management and develop the appropriate systems and processes required.

Since 2014, we have introduced a 'Computer Aided Asset Management' system which will provide the data required to support our objectives and which will fully support our principal objectives of;

- *Effective and controlled management of physical assets*
- *Cost control by developing optimised whole life cost analysis and management*
- *Safe and fully compliant physical assets delivering a safe work & visitor environment*
- *Sustainability at the heart of asset management*
- *Defendable investment planning and decision making which is attractive to potential partners and investors*
- *Supporting economic growth and social opportunities within our own administrative area.*

*This policy document is designed to identify the key elements required to deliver effective asset management and give direction to the development of an effective '**Strategy and Strategic Asset Management Plan**', with lower order policies, plans and the co-ordinated activities required to promote quality management.*

Signed by

Date

OUR APPROACH TO ASSET MANAGEMENT

Overview

In developing our approach to 'Asset management' we have adopted the definition as proposed by the International Standard for Asset Management [ISO 55000] that is, asset management is;

"Coordinated activities of an organisation to realise value from physical assets"

To achieve this, we will adopt a robust management structure and follow best practice at all times, learn from the experiences of peer groups and apply learning outcomes wherever applicable.

Asset management is directed towards aligning the way in which we [West Lindsey District Council] manage our assets with our '**Corporate objectives**'. For the Authority, this means that we will manage in a way which promotes safe compliant buildings [premises and property] providing a safe environment for staff and customers; support the use and development of sustainable buildings and dispose of buildings which do not meet [or cannot economically be made to meet] statutory requirements, maintain our assets in a way which maximises capital and revenue value and, balances cost in use when (assets are) retained.

Purpose and Objectives

As a Local Authority, West Lindsey District Council is obligated to deliver a wide range of public services in a way which is transparent; cost effective and above all safe. The management of retained physical assets is a critical element in our overall approach to achieving quality local government and as such it is recognised that the management [of physical assets] must be co-ordinated with and aligned to, all other activity. It is not a stand- alone activity but a fully considered, integrated and co-ordinated approach.

In order to achieve this, we will continue to develop an 'Asset Management' structure and approach which;

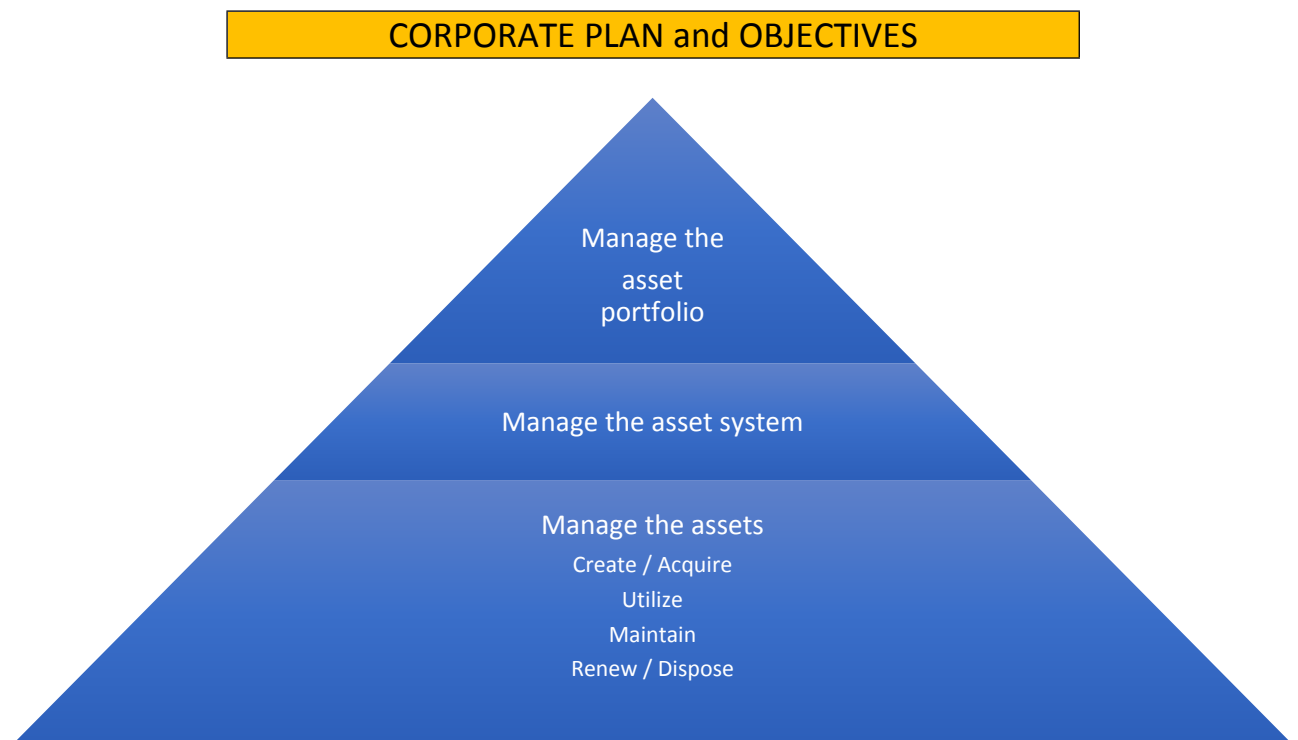
- Follows the internationally accepted structure and model
- Aligns [asset] objectives with 'Corporate 'objectives
- Supports our Role and Vision as an 'entrepreneurial council
 - *To work independently and with potential partners, and use our full potential to improve safety, reliability, capacity and value for money.*
 - *Support local and regional regeneration activity*
 - *Carefully consider asset investment*
- Supports and develops our espoused behaviours
 - Accountable; Transparent; customer focused; collaborative.
- Supports the basic strategic themes of;
 - Safety and Sustainability
 - Development of capabilities [management and project delivery]
- Co-ordinates its activities to direct, control and mitigate identified risks.
- Identifies 'Key enablers' which will support our work.
 - Technology; people and organisational change
 - Systems; procedures and processes

Asset Management System

Our asset management structure and approach to delivery will follow the structure as proposed by the institute of asset management and highlighted in PAS 55 and ISO 55000.

The system places West Lindsey's Corporate Planning Objectives at the head of the management structure with increasingly detailed operations filtering down to day to day asset operations. Application of the system guides our staff in the delivery of key objectives and aligns day to day requirements with our wider horizon [service delivery] targets.

The Asset Management System



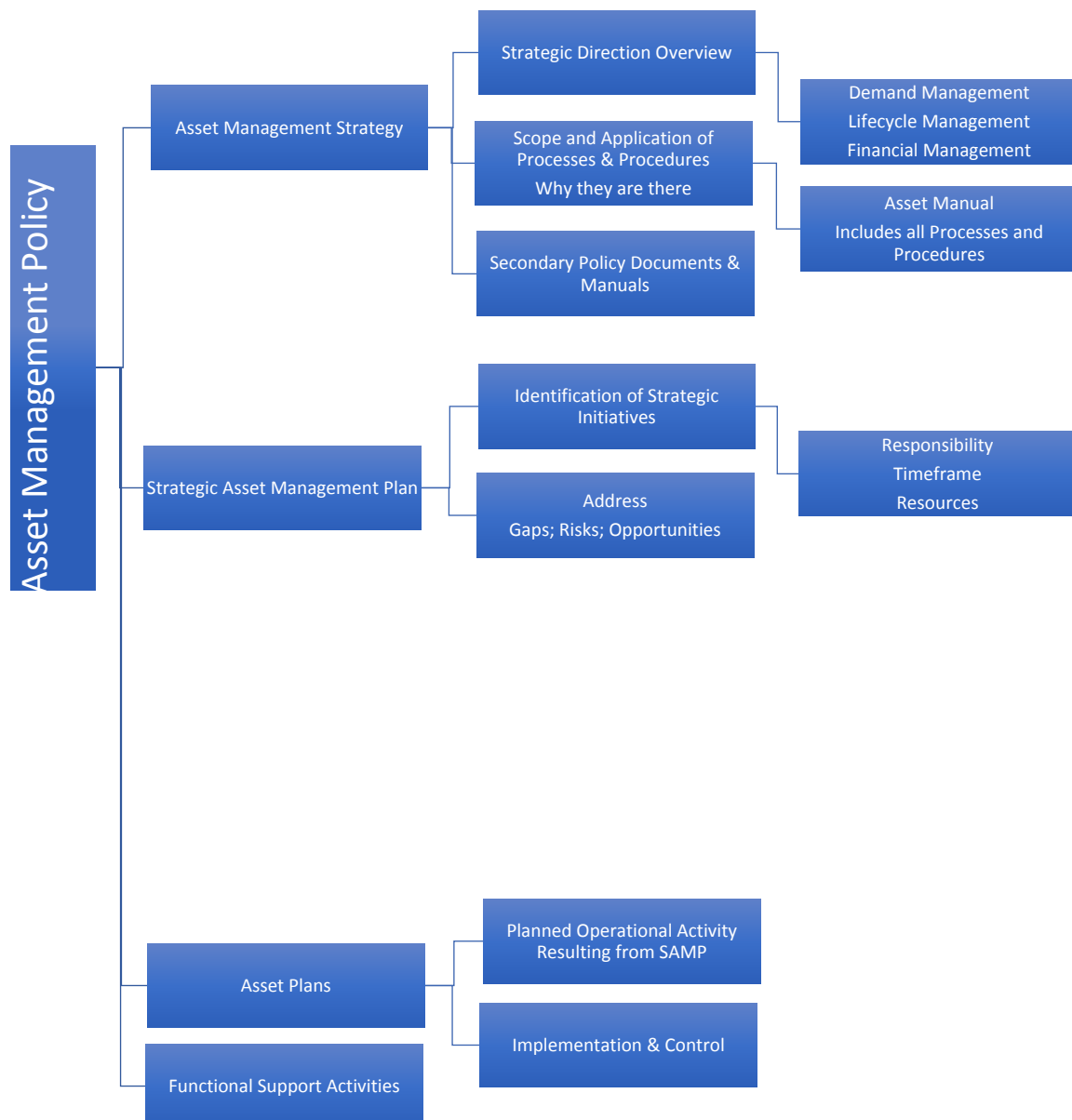
- I. The Asset portfolio. The complete range of assets and systems owned and controlled by the Authority.
- II. The Asset System. Comprises the asset management policy; asset management strategy; asset management objectives and the asset management plans. Also, the activities; processes and organisational structure necessary for implementation and improvement.
- III. Management of assets. Day to day operations and decisions in respect of the physical assets.

Asset Management Delivery Structure.

Our asset management [delivery] structure embodies the principles as outlined in PAS 55 and ISO 55000. The structure ensures that our strategic goals and priorities are identified, documented and reflected in increasingly detailed, and asset, specific plans.

Life cycle costs, risks and performance can be considered; optimised and fed into the managed element of the system.

Our Delivery Structure;



Asset Management Policy.

Identifies our intentions; principles and approach in relation to asset management. Our policy forms the basis of our strategic objectives; goals and targets, and mandated requirements. It identifies the framework for management control and reinforces our commitment to Health and Safety; compliance; governance and efficiency and plays a key role demonstrating our overall commitments.

Asset Management Strategy

The principles by which the Authority applies asset management to achieve its objectives and aligns asset management decision making.

Strategic Management. Identifies the financial and operational parameters of the Authority, its broad legal obligations and all stakeholders in relation to asset management.

The document will summarise the key scope and purpose of high and lower level processes and procedures and indicates the relevant routes to pursue to achieve level two compliance and secure due diligence.

It will identify the principal measures required to ensure effective control over the implementation of life cycle activity plans and in association with our partner organisations will establish control and transparency over outsourced activity.

The strategy will take account of asset and asset related risks and identify the function; performance and condition of our existing assets; asset system and any critical assets and their ability to support wider corporate objectives. The principal methods by which the assets and asset system(s) will be managed will be identified.

Objectives. Will identify the current level of performance of the assets and asset system and their ability to continue to support the Authority's corporate objectives. Identify and plan for continuous improvement and risk mitigation.

Identify Secondary Policy Documents. Outline the principles and parameters to be followed by the Authority and its officers when pursuing core asset activity e.g.

- Investment
- Acquisition and Disposal of assets
- Sustainability
- Outsourcing
- Building Compliance
- Health & Safety

(The above is not a comprehensive list)

Strategic Asset Management Plan

The S.A.M.P. outlines the high-level strategic actions deemed necessary to ensure that the assets and asset management system will meet the Authority's stated

organisational 'Asset Management' objectives. The main focus of the document is the identification of the 'Strategic Initiatives' required to bridge identified gaps in asset management and achieve a forecast position.

The plan will cover a broad range of initiatives and for each initiative will identify:-

- High level action required
- Responsibilities for delivering each action
- Timeframes for completing each action
- The resources (people; funding etc.) required to complete each action.

The Asset Management Plan should be regarded as a live document, subject to frequent review and up-dated as objectives are achieved and new objectives and/or initiatives are identified.

Asset Plans

Creation of Plans. We will develop a series of plans detailing the activity required to fully implement the asset management strategy. Plans will be developed for operational activities covering 'Life Cycle Activities'.

- Creation; acquisition; re-development of assets
- Utilisation of assets
- Maintenance
- Disposal and/or decommissioning of assets.
- Business continuity and crisis management plans.

Functional Activity. Comprises the day to day activity required to maintain our physical assets.

Implementation.

Transferring the written statements into practice is crucial to successful delivery. Referencing both international standards and models of good / best practice, the Authority will, in its drive for quality, address the four principal foundations of [asset] management.

This policy will be reviewed by the strategic team annually.

Accountability. We will identify key personnel responsible for both the development of strategic initiatives and the delivery of operational activity. The strategic team will maintain the 'Asset Management' strategy and identify the systems; mechanisms and accountabilities applied across the Authority. Identified personnel will be accountable for establishing lines of communication and delivering accurate reporting.

Asset System The 'Asset Management System' and its component parts will be maintained and subject to periodic review. The system will support the documentation of key processes and the identification of key competences & training; critical

risk factors and compliance. The system should be monitored against best practice and be reviewed to mirror change across the Authority.

Communication.

This policy will be clearly communicated (and made freely available) to all internal and external stakeholders; service providers & business partners who may require knowledge of the content of the policy. The policy can be viewed via;

- West Lindsey D.C. Mineva Property & Assets Pages
- West Lindsey D.C. Website

Key Enablers.

The Executive Director of Economic and Commercial Growth will ensure that the supportive systems; procedures; processes and resources are available to ensure that the Authority can maintain its asset management system and deliver the documented outcomes. Resources include appropriate professional training.

Our Targets and Goals.

By 2018/19	By 2019/20	End of 2020/21
<ul style="list-style-type: none">• Secured approval for our property Compliance Policy.• Reviewed and updated all current sub-policies relating to 'Asset Management'• Identified & completed new policy requirements• Approved the compliance control management system	<ul style="list-style-type: none">• Completed compliance surveys for all physical assets• Updated the CAAM system with survey results• Developed action plans for non-compliant assets• Completed first formal 'Strategic Asset Management Plan' in accordance with the principles of ISO55000	<ul style="list-style-type: none">• Established individual asset action plans for all estate assets• Completed first review of 'Asset Management' system.

THE POLICY

WEST LINDSEY DISTRICT COUNCIL

EFFECTIVE APRIL 2018

The Asset Management policy developed by the Authority reflects its commitment to the development of an effective system of 'Asset Management' which aligns with its corporate and public commitments and obligations.

The policy outlines core principles which are at the centre of its strategic operations.

Policy statements.

We will take all reasonable and practical steps to ensure the health, safety and wellbeing of staff, visitors and contractors who use or visit our buildings, land or property and who use or are in contact with supporting asset infrastructure.

We will ensure that all our buildings and landed property assets are fully compliant with current legal requirements, are fit for purpose and managed and maintained in accordance with best practice.

We will ensure that infrastructure supporting our physical assets is safe and fully compliant with relevant legislative and regulatory requirements.

All activity on our assets will be carried out in compliance with relevant legislative and statutory requirements.

We will assess asset related risks and manage such risk in accordance with our corporate risk management policy or in accordance with procedures relevant to the specific asset, its use and function.

We will retain and/or acquire physical assets which are appropriate to our business and function and dispose of those assets which are not fit for purpose or which cannot support our business or investment criteria.

We shall continue to actively develop our asset management systems; processes and procedures in a way which is appropriate; efficient; transparent and sustainable and which supports the best management outcomes for our physical assets.

We shall continue to train and develop staff across the asset management discipline and apply technology and innovation where practical.

We shall seek continual improvement of our management capability and activities to ensure value for money for all stakeholders.

Revision Summary	Revision Number	Current Issue Date	File Name	Page of Total Pages
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