

ASSET MANAGEMENT

POLICY



CITY WEST
HOUSING

DOCUMENT INFORMATION

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PURPOSE

This Asset Management Policy is intended to define key principles and requirements which City West Housing (CWH) will apply to its assets to achieve its business objectives. This policy is a key element of CWH's overall asset management framework.

CORPORATE ALIGNMENT

This document and the principles captured within it are derived from and consistent with the CWH Strategic and Business plans.

PRINCIPLES

CWH's Asset Management Policy is aimed at ensuring that its physical (real estate) assets, once acquired, are effectively managed across their lifecycle in a safe, efficient, co-ordinated, and environmentally sensitive way and that these assets serve the needs of our customers (CWH residents). In applying this policy CWH will comply with all legal, regulatory, safety and environmental requirements placed upon it and will not compromise the safety of its employees, its residents or the public.

CWH will:

- Provide input into the planning, design and building of (new) physical assets to meet CWH's requirements in a manner that:
 - Complies with regulatory and legislative requirements, safety and environmental obligations, CWH's Asset Performance Standards and our Constitution;
 - Achieves the best balance between upfront and ongoing costs of maintaining and operating the assets; and
 - Best meets the needs of customers (CWH residents) within agreed cost parameters.
- Operate, maintain and renew the assets in a manner that:
 - Optimises the performance, cost and risks of the assets over the long-term;
 - Effects timely corrective actions based on regular monitoring and analysis of the condition and performance of the assets;
 - Ensures asset management decisions are based on good quality and timely asset data; and
 - Promotes safe, reliable, sustainable and cost-effective work practices.
 - Reference: Annexure 2
- Provide input into decisions to dispose of individual real estate assets, including where these assets may be:
 - uneconomic to repair;
 - not fit for purpose and
 - may not meet legislative requirements
- Develop and maintain a co-ordinated and end-to-end asset management system that:
 - Applies a lifecycle approach to asset management;
 - Establishes the asset management strategies, objectives and plans;
 - To support the achievement of the strategic plan and related business plan; and
 - That are sustainable, efficient and based on consideration of economic, technical, risk and performance aspects of our assets;
- Uses the risk management system to systematically identify hazards and to assess and control the risks associated with these hazards;
- Integrates with CWH's environment, work place safety, quality management systems and standard operating procedures;
- Is continuously improved;
- Ensures that employees have the appropriate asset management competencies;

- Facilitates regular audit and management reviews of the asset management system; and
- Regularly reviews and benchmarks the economic and technical performance of the assets, service providers and contractors.

APPROVAL

This document has been approved by CWH's Chief Executive Officer and endorsed by the Development and Asset Committee of the Board

IMPLEMENTATION

Accountability for the implementation of this Asset Management Policy sits with the Head of Assets. The mechanisms, processes, accountabilities and responsibilities and high-level timeframes for implementation are documented in the Asset Management Plan and will ensure that all service providers, contractors and suppliers will apply similarly high standards to the management of its assets.

MONITORING AND REVIEW

Accountability for the continuous review and improvement of this Asset Management Policy sits with the Head of Assets. The Head of Assets shall be accountable for arranging its review with the Chief Executive Officer at least once every three-years.

Each review shall include consideration of the following:

- That the document remains relevant, suitable, appropriate and consistent with the Strategic Plan and Strategic Asset Management Plan;
- Opportunities for continual improvement in terms of asset management activities; and
- Opportunities for improvements in the format, communication and implementation of the Asset Management Policy itself.

VERSION CONTROL

VERSION	DATE APPROVED	APPROVE BY	REVIEW DUE
4.0	14 February 2019	Leonie King	14 February 2022

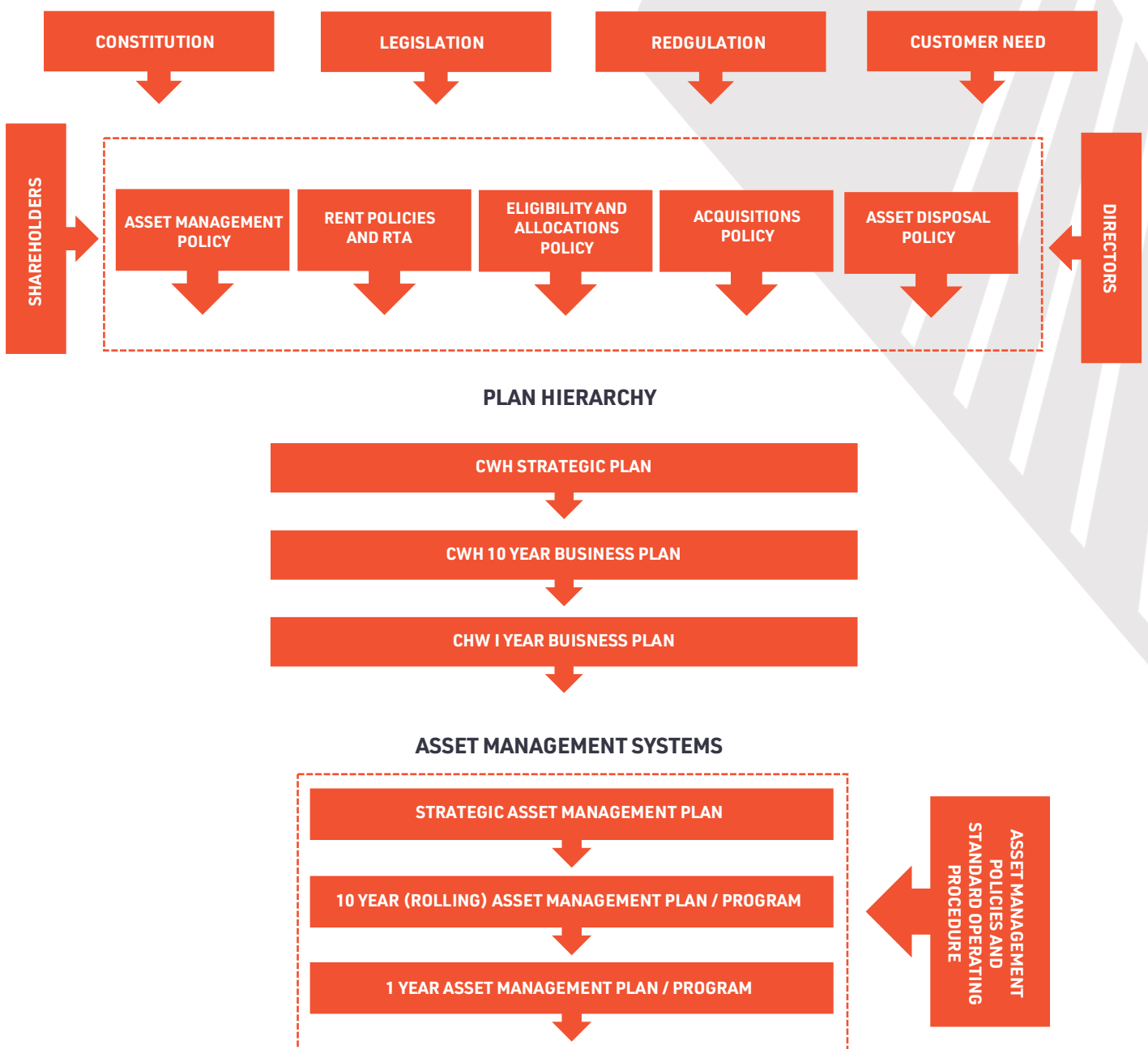
ANNEXURE 1

ASSET MANAGEMENT SYSTEM

This Asset Management Policy forms a key component of CWH's asset management framework, which ensures a clear 'line-of-sight' between the day to day maintenance, programmed and lifecycle maintenance activities, including asset interventions.

The overarching authorising environment for City West Housing's operations and the link between this and the Asset Management System is shown at Figure 1.

**FIGURE 1:
CWH AUTHORISING ENVIRONMENT**



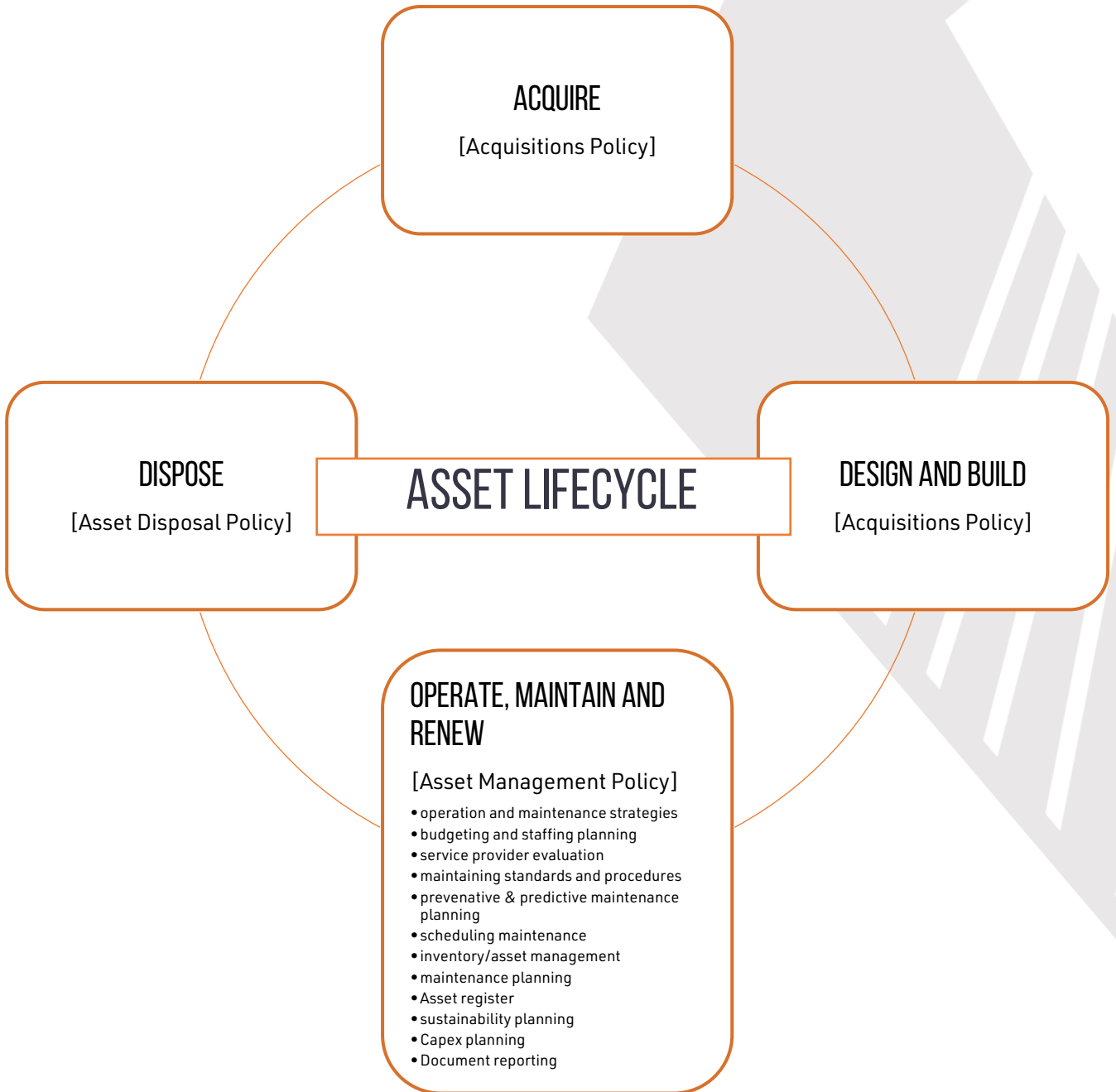
Specifically, the Asset Management Policy and its key principles provides a link between CWH's Strategic Plan, the Strategic Asset Management Plan and (various) Asset Management Plans.

These core asset management system documents provide direction for the optimal combination of lifecycle, cyclical and responsive asset management activities to be applied across City West Housing's portfolio of assets in accordance with their, condition and performance.

Definitions of the various elements that make up the asset management system are provided at Annexure 1.

ANNEXURE 2

TOTAL ASSET MANAGEMENT SYSTEM



ASSET MANAGEMENT SYSTEM DEFINITIONS

ITEM	DEFINITION
ASSET MANAGEMENT	Systematic and co-ordinated activities through which City West Housing effectively manages its assets and their associated performance, risks and expenditures over their lifecycle for the purpose of delivering on its strategy and in accordance with its Business Plan.
ASSET MANAGEMENT SYSTEMS	City West Housing's asset management strategy, policy, asset management objectives, asset management plans and the activities, processes and organisational structures necessary for their development, delivery, management, renewal and continual improvement.
HEAD OF ASSETS	The Asset Management Division is responsible for managing the City West Housing portfolio, including identifying properties for disposal at the end of their economic useful life or that no longer meet need. The Development Division is responsible for acquisitions and delivery of new dwellings.
ASSET MANAGEMENT POLICY	The Policy sets out the principles and legislative and contractual requirements derived from and consistent with City West Housing's authorising environment. It provides a framework for the setting of our asset management objectives and development of CWH's Asset Management Plan.
ASSET MANAGEMENT OBJECTIVES	The asset management objectives are: <ul style="list-style-type: none"> • a detailed and measurable level of performance or condition required of the assets; and/or • specific and measurable outcomes or achievement required of the asset management system. •
STRATEGIC ASSET MANAGEMENT PLAN (SAMP)	The Strategic Asset Management Plan documents the approach to implementing the principles laid out in the Acquisitions Policy, Asset Management Policy and Asset Disposals Policy and sets out how CWH will acquire, operate, maintain and renew and dispose of our residential property assets. The purpose of the SAMP is to ensure that CWH can continue to meet housing need and service delivery requirements in a sustainable and viable way. The Plan is informed by the strategy of the organisation.
ASSET MANAGEMENT PLANS	Asset Management Plans are the documents specifying activities, resources, responsibilities and timescales for implementing the asset management strategy and delivering the asset management objectives over the short to medium term.