POLICY P8.1.0
ASSET MANAGEMENT

ITEM	DESCRIPTION
Version Number	1.1
SOPs	None
Owner	Deputy Commissioner Preparedness and Capability
Contact	Director Logistics and Equipment
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1. Purpose

1.1. The purpose of this policy is to set out principles that the NSW Rural Fire Service (NSW RFS) will apply to asset management to achieve our strategic direction.

1.2. The policy provides a common set of principles that are endorsed by senior leaders and management, which can be concisely communicated and embraced by employees, volunteers and other external parties and service providers.

1.3. By implementing this policy the NSW RFS will be compliant with a key requirement of the international standard for asset management systems – AS ISO 55001:2014 Asset Management – Management systems – Requirements and with the NSW Treasury Asset Management Policy for the NSW Public Sector (TPP19-07).

Scope

1.4. This policy applies to all current and planned non-financial assets managed and controlled by the NSW RFS, including Council vested assets.

2. Definitions

2.1. For the purpose of this policy, the following definitions apply:

a. **Asset**: an item, thing or entity that has potential or actual value to the NSW RFS. Value can be tangible or intangible. Source: AS ISO 55000:2014 Asset Management – Overview, principles and terminology.

b. **Asset Lifecycle**: sequential changes that encompass all the stages an asset experiences over a period from conception to end of life or contract and typically would include planning, acquisition, delivery, operations and disposal.

c. **Asset Management**: the coordinated activity of an organisation to realise value from assets, present and future. Value can represent financial return and/or be measured by the contribution the assets make to service delivery. Source: AS ISO 55000:2014 Asset Management – Overview, principles and terminology.

d. **Asset Management Framework**: the set of interrelated or interacting elements to establish asset management policy, asset management objectives and processes to achieve those objectives. Source: AS ISO 55000:2014 Asset Management – Overview, principles and terminology.

3. Policy

3.1. The NSW RFS commits to applying effective asset management over the entire asset lifecycle to efficiently manage cost, risk and asset performance for the benefit of our stakeholders.

3.2. All asset management activities undertaken by NSW RFS will be consistent with:

› the requirements of the NSW Treasury Asset Management Policy for the NSW Public Sector (TPP19-07); and

› the predetermined, reviewed and approved asset management objectives of the NSW RFS.

3.3. The following principles will be applied when managing the current and planned assets under NSW RFS management and control:

› Stakeholder engagement – stakeholder engagement, requirements and feedback mechanisms are integrated into our asset management activities and decision making

› Evidence based decision making – we use accurate and timely data to make informed asset management decisions

› Whole of lifecycle approach – our asset management decisions consider a range of asset and non-asset solutions and are assessed on the basis of full lifecycle costs, benefits/risks, and performance outcomes

› Integration – asset management is integrated with other organisational functions, frameworks, processes, activities and information management

› Compliance – we identify and comply with appropriate legislative and regulatory obligations and policies

› Sustainability – our assets are managed in accordance with sustainable development principles, reducing environmental impact

› Continuous improvement – we continuously innovate and improve the asset management capabilities of people, processes and systems in order to enhance performance outcomes, manage risk and reduce cost

Responsibilities

3.4. The NSW RFS Commissioner is responsible for approving the asset management policy.

3.5. The NSW RFS Executive is responsible for implementing the policy. This includes setting the responsibilities of the asset management steering committee, approving the Strategic Asset

Management Plan (which includes the asset management objectives) and ensuring its timely review.

3.6. The asset management steering committee is responsible for establishing, integrating, activating and improving the asset management framework elements supporting the policy. This includes, but is not limited to, identifying the resources required to maintain compliance with the policy.

3.7. Employees, volunteers and external service providers, where appropriate, are responsible for complying with the policy.

4. Related documents

> NSW Treasury Asset Management Policy for the NSW Public Sector (TPP19-07)
> AS ISO 55000:2014 Asset Management – Overview, principles and terminology
> AS ISO 55001:2014 Asset Management – Management systems – Requirements
> NSW Rural Fire Service Asset Management Framework (in development)
> NSW Rural Fire Service Strategic Asset Management Plan
> NSW Rural Fire Service Asset Management Plans (in development)
> Service Standard 5.1.0 NSW RFS Asset Management (in development)
> Policy P4.1.6 Financial Accounting for NSW RFS Assets

5. Amendments

AMENDMENT DATE	VERSION NO	DESCRIPTION
15 July 2021	1.0	Initial Release
16 Nov 2022	1.1	> Repeals and remakes P8.1.0 v1.0 > Revision to better align with NSW government requirements and new internal asset management governance arrangements.

NSW RURAL FIRE SERVICE

STRATEGIC ASSET MANAGEMENT PLAN (SAMP)

Document control

Release history

Version	Date	Author	Summary of changes
1.0	08/11/2022	Craig Crawley	Initial release

Reviewed by

Name	Title	Date
Anthony Bradstreet	Director Strategy & Programs	09/11/2022

Approved by

Name	Title	Date

Related documents

Document name	Version

Contents

1   Executive Summary

The NSW Rural Fire Service (RFS) provides fire and emergency services to approximately 95 percent of the land mass of NSW. The standards and expectations for those services are now changing, so the RFS's assets and capability will need to evolve with these adjustments.

The Strategic Asset Management Plan (SAMP) articulates the RFS's strategic plan to manage its assets, for delivery of its corporate and service objectives, both now and into the future. The SAMP explains:

> how RFS's objectives are translated to asset management objectives
> the activities and governance for the management of assets
> the policies, functions, processes, and information required to manage assets
> the risks to effective management of assets and how those will be mitigated
> the continuous improvement of asset management performance
> how asset investment plans will deliver the required service capability.

RFS has had an operational focus, investing to support operational capability. Limited asset planning capability – and limited information regarding asset condition, serviceability and reliability – has left much of the asset base in need of a refresh. Planned asset management improvements are aimed at lifting RFS's asset planning capability and providing the information tools for better asset investment decision making.

Currently, the forecast asset investment need for 2023-24, and for the next 10 years, is set out in Table 1 below:

Asset Investment Plan	2023- 24 ($M)	Next 10 Years - 2023 to 2033 ($M)
Capital	37.7	272.4
Recurrent	357.9	3,129.6

Table 1: 10-year asset investment needs

Funding levels may need to be reset to refresh and update the asset base for future service demands. Asset Management Plans (AMPs) to be completed for RFS's asset base over the next year will set the asset strategies required to sustain and/or improve asset performance, along with the necessary work programs and investment. These AMPs will underpin and justify RFS's future funding submissions.

2 Terms and Definitions

Term	Definition
Asset	An item, thing or entity that has potential or actual value to the NSW Rural Fire Service. Value can be tangible or intangible. Source: AS ISO 55000:2014 Asset Management – Overview, principles, and terminology.
Asset Lifecycle	Encompasses all the stages an asset experience over a period from conception to end of life or contract and typically would include planning, acquisition, delivery, operations, and disposal.
Asset Management (**AM**)	The coordinated activity of an organisation to realise value from assets, present and future. Value can represent financial return and/or be measured by the contribution the assets make to service delivery.
Asset Management Framework (**AMF**)	The set of interrelated or interacting policies, objectives and processes required to achieve the organisation's objectives through the management of existing and planned assets
Asset Management Plan (**AMP**)	The plan developed for work to be carried out in respect of the lifecycle for assets, which provides an assessment of long-term funding requirements and the approach to manage asset performance/condition risks to meet the required service outcomes.
Asset Management Policy	An authoritative statement of leadership commitment to effective asset management and that sets the direction for asset management within the organisation.
Asset Register	The dataset that incorporates the accurate, current, and comprehensive information on planned and existing assets, traceable between the financial (fixed asset register) and technical data.
Strategic Asset Management Plan (**SAMP**)	Documented information that specifies how the organisation's objectives are to be converted into asset management objectives, the approach for developing asset management plans, and the role of the asset management framework in supporting achievement of the asset management objectives.

3   Introduction

3.1   Document Purpose

The RFS's SAMP **describes**:

> ❯ how stakeholder requirements (strategic 'Why') and corporate objectives (strategic 'What') are converted into asset management objectives (tactical 'How')
> ❯ the current asset portfolio and its key issues and challenges
> ❯ the approach for developing asset management plans
> ❯ governance and assurance processes in support of the SAMP.

The SAMP aligns the RFS's corporate and asset plans and objectives. The SAMP **documents**:

> ❯ the AM principles as stated in the AM policy
> ❯ the AM framework which describes the AM processes, roles and responsibilities
> ❯ the AM strategy for sustaining and improving the RFS's services
> ❯ the asset lifecycle process to manage each class of assets through their AM Plan (AMP).

Effective implementation of the SAMP's components **delivers**:

> ❯ Alignment between stakeholder requirements and asset management decisions
> ❯ Alignment between the corporate and asset management objectives
> ❯ Improvement of asset-related communication, learnings, and performance monitoring
> ❯ Sustainable value from asset operations.

3.2   Defining Asset Management

Asset management is a business discipline. This discipline has the purpose of assuring that the resources of the organisation (assets) are managed in an efficient and effective manner to deliver the desired services at an acceptable cost and risk to the organisation. Asset management's context within an organisation is shown in Figure 1 below. Asset management mandates that systems and processes are in place to make cost-effective decisions across the life of an asset – through its planning, design, acquisition, operation, maintenance, renewal, and disposal.
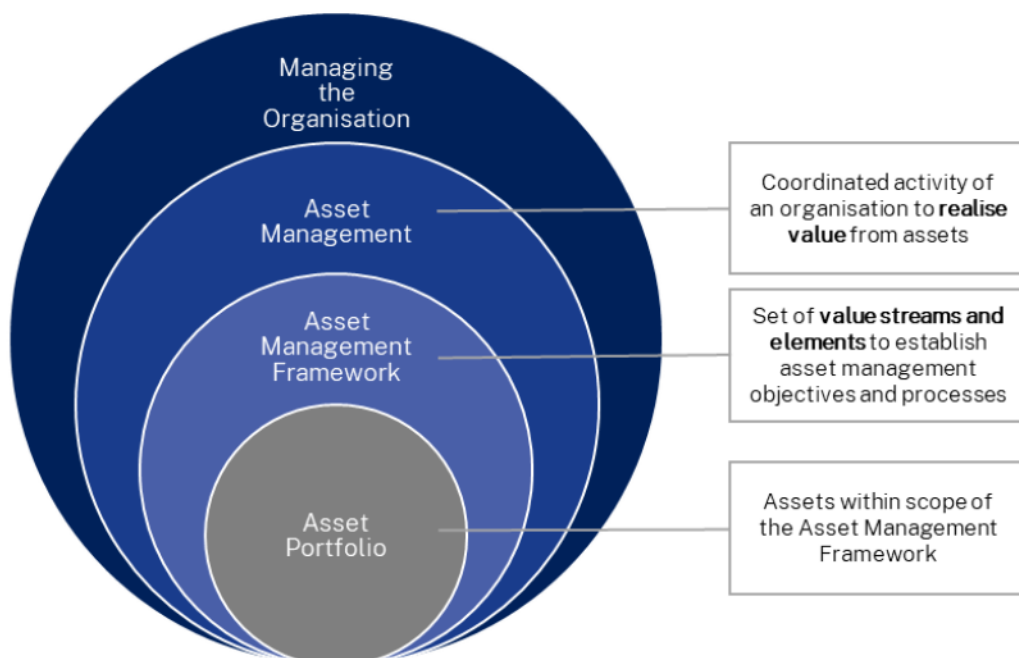

Figure 1 – Asset Management Context

3.3 Scope

The SAMP covers all – current and planned – non-financial assets under control of the RFS, including council-vested assets. The asset portfolio includes the physical assets, systems and processes that are required for the RFS to realise its vision of achieving a world standard of excellence in the provision of a volunteer-based community fire and emergency service.

In accordance with Sections 119 and 120 of the Rural Fires Act 1997, all of RFS's fire-fighting equipment is vested in local councils. All fixed assets are located on council-owned or managed lands but are administered and controlled by the RFS.

RFS has other assets located at its headquarters, warehouse, area commands and other business units around the state. These too are managed and controlled by the RFS within its asset management process.

4   RFS and its Stakeholders

4.1   Organisational Context

The responsibilities of the RFS are set out under the Rural Fires Act 1997 as follows:

Our Vision: To provide a world standard of excellence in the provision of a volunteer-based community fire and emergency service.

Our Purpose: To protect the community and our environment by minimising the impact of fire and other emergencies.

RFS provides fire and emergency services to approximately 95 percent of the land mass of NSW.

RFS is the lead emergency service agency in NSW for:
> the response to bushfires
> bushfire mitigation and prevention activities and coordination.

It also supports the response to other natural disasters and emergencies, including rescue, that are led and/or coordinated by other emergency service combat agencies – for example, the State Emergency Service as the combat agency for floods.

The RFS is widely acknowledged as the largest volunteer fire service in the world. Members of the RFS are trained to very high levels of competence to ensure they know what to do in an emergency.

4.2   Organisational Structure

On 1 September 1997, the RFS was established by an Act of Parliament (the Rural Fires Act 1997) as the successor to the Bush Fires Act, redefining the world's largest fire service, responsible for protecting some of the most fire-prone areas on earth.

As noted in its Annual Report 2020-21, the RFS comprises 1,993 rural fire brigades with a total volunteer membership of more than 75,354. In addition, 1079 staff members are employed to manage the day-to-day operations of the Service at District Offices (Fire Control Centres), Area Commands, Customer Service Centres in Coffs Harbour and Batemans Bay, its warehouse at Glendenning, its Academy at Dubbo, and headquarters at Sydney Olympic Park. These facilities span the state of NSW.

The RFS employs a range of people with a variety of skills and diverse backgrounds. The organisation's structure is shown in Figure 2 below.
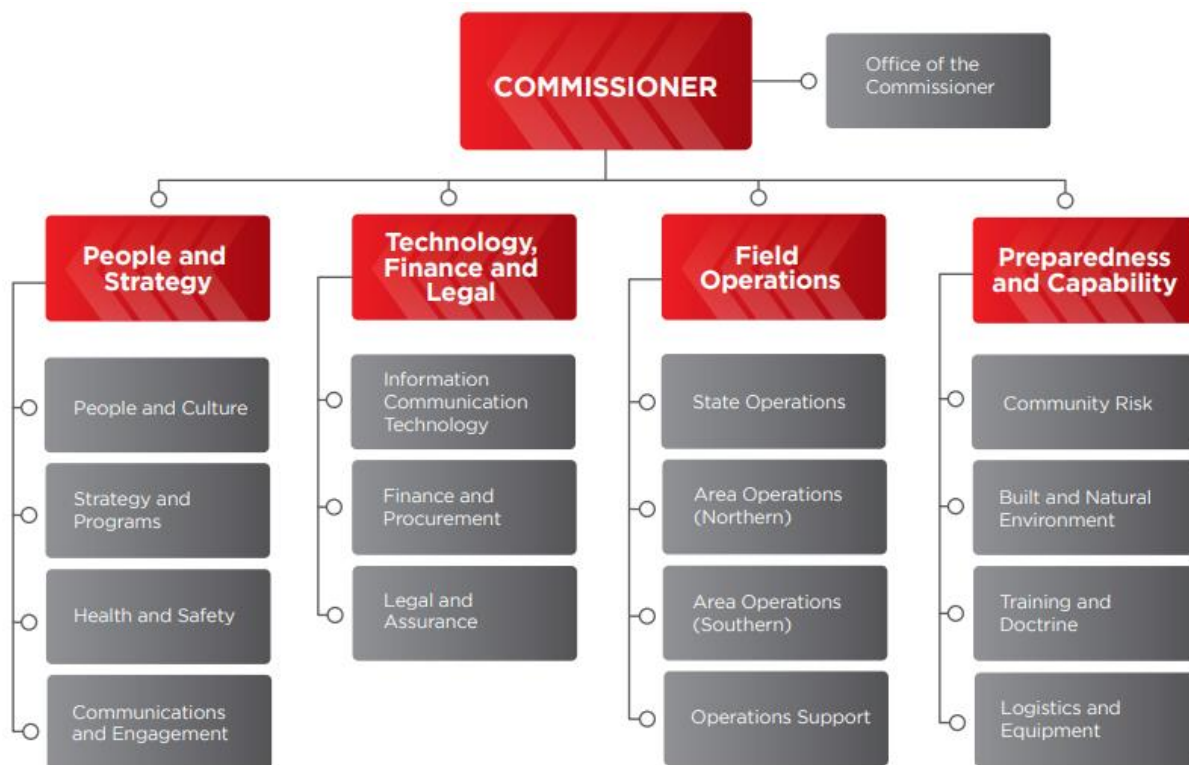
Figure 2 – RFS Organisation Structure
(Source: RFS 2020-21 Annual Report)

4.3   Stakeholders

RFS has a diverse range of stakeholders whose needs are identified and considered in the organisation's asset management decision making.

Communicating and engaging with the NSW community, representative groups, government, peak industry groups, operational partners, the media and RFS members are key to the success of RFS. Engagement with these stakeholders assists RFS to better understand the community's context, identify emerging issues, create new partnerships, and draw on their knowledge and expertise to co-design solutions that better protect the community and environment. Such engagement also helps to minimise the impact of fire and other emergencies.

These stakeholders are listed in Table 2 below.

Internal	External		Operational Partners
NSW RFS members – volunteers and staff	The Broader community	NSW RFS members representative groups	Fire and Rescue NSW (FRNSW), VRA Rescue NSW, Marine Rescue NSW and Surf Life Saving NSW (SLSNSW)
Senior brigade members	At-risk and vulnerable communities	Australasia Fire and Emergency Service Authorities Council (AFAC)	
Group Captains and District Senior Leadership Teams (SLT's)	High risk facility staff	Bushfire and Natural Hazard Collaborative Research Centre (BNHCRC)	
District Managers / District Staff	Community representative groups	Emergency Service peak groups	Forestry Corporation of NSW
Area Command Staff	Minister for Emergency Services	Insurance Industry	NSW Police Force
Area Command Managers	Office of Emergency Management	Tourism industry	NSW State Emergency Service (SES)
HQ Staff	Department of Attorney General and Justice	Industry groups	NSW Ambulance
HQ Managers	MPs – State and Federal	NGOs and service providers (eg Red Cross, Anglicare, etc)	NSW Health
Directors	Local Government NSW and local councils	Other Government Authorities	Defence
Executive	Other State and Territory Governments	Other associations (Farmers Association, Country Women's Association, etc)	Transport for NSW
Commissioner	Rural Fire Service Association (RFSA)	Media agencies and providers	Bureau of Meteorology
	Community Engagement Consultative Committee	Charities and Sponsors	Resilience NSW
			Functional Areas (Energy, Telecommunications, Water)

Table 2 – RFS's Stakeholders
(Source: RFS's 2019-2024 Corporate Plan – Our Plan)

The level of stakeholder participation depends on the impact that engagement activities have on them organisationally or personally. Participation of and by stakeholders may range across a spectrum from informing to partnering and empowering.

Those who have most interest or the greatest stake in engagement activities are encouraged to partner with the RFS to develop appropriate strategies, activities, and resources – and to assist in the development of strategic objectives to benefit the community.

RFS will draw on the outputs of these interactions to improve the effectiveness and efficiency of its assets and asset management.

5 Services and Assets

5.1 Area of Operations

The scope of this SAMP covers all current and planned non-financial assets under control of the RFS. The asset portfolio includes the physical assets, systems and processes that are required for the RFS to realise its vision of achieving a world standard of excellence in the provision of a volunteer-based community fire and emergency service.

While the net carrying amount of RFS-owned property, plant and equipment was just under $90 million as at 30 June 2020, this does not reflect the total value of assets under control of the organisation. The RFS manages and determines standards for – but does not own – the majority of assets used in the delivery of its services. Brigade stations, fire control centres, and various forms of equipment used to respond to emergency incidents, are vested in and ultimately owned by local government.

The RFS controls and manages buildings and other types of infrastructure across approximately 2000 brigade locations throughout NSW. RFS's presence covers all of NSW via seven area commands as depicted in Figure 3 below.
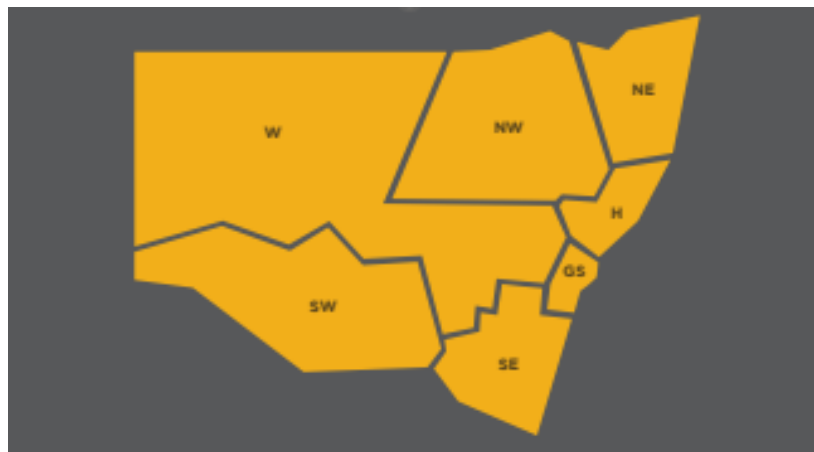
Figure 3 – RFS's Seven Area Commands across NSW

5.2 Services

RFS members attend a range of incidents and activities, including:

- bush and grass fires
- house and structure fires
- storm damage
- search and rescue
- motor vehicle accidents
- community education
- bush fire mitigation.

The RFS aims to reduce the likelihood and consequence of fires occurring. This involves comprehensive risk management programs to reduce bush fire hazards and fire ignitions, and the development of regulations for bush fire prone areas.

The RFS is the lead combat agency for bushfires in NSW. For over 100 years, it has been a significant part of the history and landscape of NSW. Working closely with other agencies, it responds to a range of emergencies including structure fires, motor vehicle accidents and storms that occur within rural fire districts.

5.3 Assets

The RFS relies primarily on its fleet assets for delivery of frontline firefighting, rescue, and marine services, as well as on the support of other agencies. The organisation operates over 7,000 mobile assets including: firefighting appliances (4,100), aircraft (10), marine craft (35), bulk water carriers (500) and support vehicles (2,500).

The base of assets that are managed by the RFS is large, and in addition to the above list there are equipment, buildings, communications, and information assets. To manage all assets effectively they are divided into six classes, each class being of similar function and management. These classes are:

> **Fleet (Red)** – vested assets that are predominantly response vehicles
> **Fleet (White)** – corporate vehicles, predominantly leased, that support daily operations
> **Equipment** – specialist personnel protection and apparatus on firefighting trucks
> **Infrastructure** – vested buildings and fire control centres
> **Aviation** – aviation fleet used in bushfire fighting
> **Information and Communications Technology** - information, systems and communications equipment used for operating emergency services.

How each asset class is managed across its lifecycle is set out in an AMP for each class. These plans specify how key decisions are to be made and provide a 10-year investment plan – both capital and recurrent – to manage the asset costs effectively. AMPs are described in more detail in Section 8 of this document.

6   Performance and Corporate Strategy

6.1   Performance

RFS's vision is to achieve a world standard of excellence in the provision of a volunteer-based community fire and emergency service. The organisation commenced only 20 years ago by bringing together a disparate set of bush firefighting resources from local councils. Since then, it has directed its energies towards operational coordination and effectiveness, but this has left some operating plans and assets no longer fit for purpose.

The expectations of the state government have now changed, and it wants assurance that agencies are managing services and assets in a sustainable manner, using data-driven and cost-efficient strategies. NSW Treasury Policy TPP 19-07 requires the implementation of an asset management capability within agencies by 1 July 2024. RFS has an asset management policy implementation plan based on findings from two reviews and maturity assessments. Completion of the plan will ensure compliance with Treasury's policy.

Many implementation actions have already been identified and included in RFS's corporate plan. The Asset Management Policy Implementation Plan is described in more detail in Section 8.2.

6.2   Corporate Strategy

The RFS, being an organisation that relies largely on volunteers, has some unique challenges to address if it is to sustain its services in the future. Key challenges have been distilled around four aspects:

› Climate

Climate variability is increasing the challenges RFS faces in attempting to meet its targeted outcomes. NSW is experiencing longer and more intense bushfire seasons, resulting in extended periods of operational activity for the RFS and partner agencies. Meanwhile, suitable windows of opportunity for conducting bushfire mitigation activity (namely, weather that is not too hot, not too wet, and not too windy) have narrowed.

› Fit-for-purpose equipment

Firefighting appliances need to meet contemporary standards and adequately protect firefighters. Recent events have shown equipment designs need to be reviewed with regard to respiratory protection and protection from falling objects – when users are both in and outside of such appliances.

› Technology and communication

Response performance of the RFS has been hampered by the lack of a central integrated dispatch system, mobile data terminals in vehicles, and a member availability system. Only the dispatch system is funded, but not at a level that is sufficient to pay operators to run the system (which is a recommendation of the 2020 State Bushfire Inquiry).

› Modernisation of built assets

Many stations and fire control centres (FCCs) have come to the end of their operational life, requiring changes to comply with updated amenity standards, store new technology or facilitate day-to-day operations. The lack of appropriate facilities impacts on RFS's ability to recruit personnel, ensure the availability of volunteers, and respond effectively to emergency situations. A sustained level of investment is required to upgrade ageing stations and FCCs.

Addressing these key challenges is the basis of RFS's 'Our Plan - Strategic Direction 2019-2024' which was developed after extensive consultation, collaboration, and feedback from RFS leaders and other stakeholders.   The Plan provides a clear direction for the organisation, and will enable the organisation to achieve its vision, if implemented effectively. It includes four key pillars that will guide RFS towards the right capabilities, and are used as inputs for its corporate plan and objectives
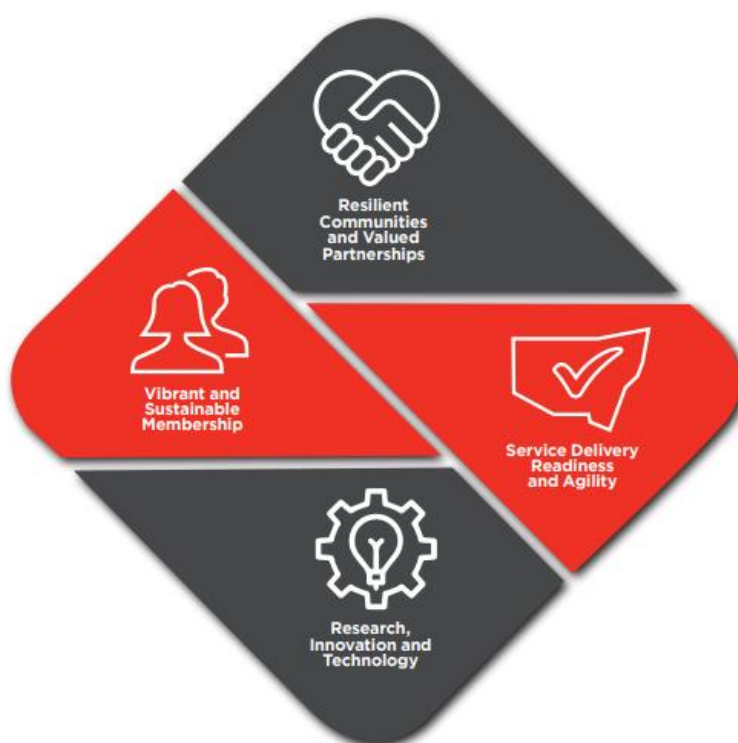

Figure 4 – Four Pillars of RFS's 'Our Plan - Strategic Direction 2019-2024'
(Source: RFS 2020-21 Annual Report)

The pillars are:

1. **Vibrant and Sustainable Membership** - Enable and build a growing, diverse, and sustainable membership.

2. **Resilient Communities and Valued Partnerships** - Build strong partnerships and connections with the community to help them be ready and then recover from emergencies.

3. **Service Delivery Readiness and Agility** - Have the right resources and capabilities at the right places when needed.

4. **Research, Innovation and Technology** - Be innovative, undertake research and apply technology effectively for new and better practices.

7 Asset Management Corporate Approach

7.1 Asset Management Policy

The Asset Management Policy sets out principles and mandated requirements, consistent with RFS's corporate plan, that guide asset management planning and its implementation.

The RFS intends to apply effective asset management over the entire asset lifecycle, in order to efficiently manage cost, risk and asset performance for the benefit of its stakeholders.

As reflected in the Asset Management Policy, RFS seeks to apply the following principles in managing the assets under its control:

- Stakeholder engagement – stakeholder engagement, requirements and feedback are integrated into asset management activities and decision making.
- Evidence-based decision making – use of accurate and timely data to make informed asset management decisions.
- Whole-of-lifecycle approach – asset management decisions consider a range of asset and non-asset solutions and are assessed based on full lifecycle costs, benefits/risks, and performance outcomes.
- Integration – asset management is integrated with other organisational functions, frameworks, processes, activities, and information management.
- Compliance – identification and compliance with appropriate legislative and regulatory obligations and policies.
- Sustainability – assets are managed in accordance with sustainable development principles, therefore reducing environmental impact.
- Continuous improvement – ongoing innovation and improvement of the asset management capability of RFS personnel, processes, and systems in order to enhance performance outcomes, manage risk and reduce cost.

The AM policy is RFS policy no. 'P8.1.0 – Asset Management' and is accessible on the RFS intranet.

7.2 Asset Management Framework

RFS has adopted the Asset Management Framework (AMF) concept model developed by the Department of Community and Justice, which is also part of the Stronger Communities agency cluster, and will make minor adjustments to it, so that the framework is consistent with RFS terminology and activities.

The AMF represents the interactions between processes, systems, and information to manage the asset base through its lifecycle, thus delivering the required emergency services for the community and stakeholders. The framework is shown below in Figure 5.
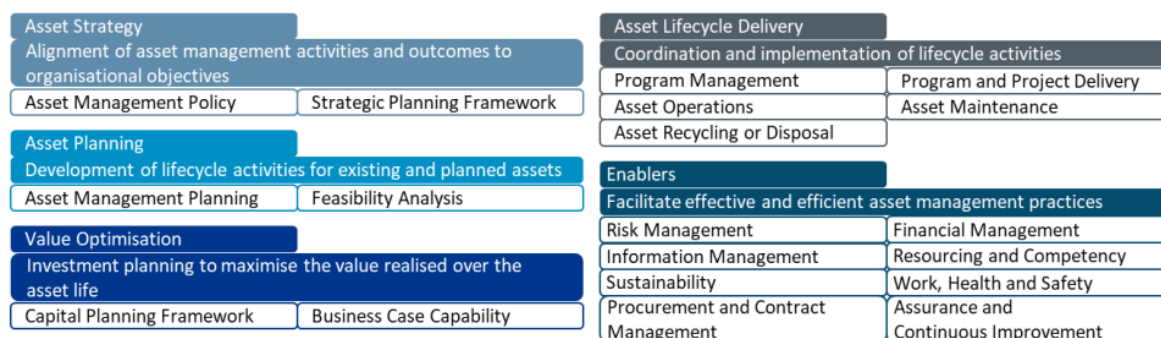

Figure 5 - AM Framework – its streams and elements
(Source: Communities & Justice – AM Framework)

The AMF is comprised of five value streams and 19 elements in total across those streams. In combination, the streams with all their elements provide the necessary foundation for a sound and sustainable asset management practice.

The AMF is described in more detail in Section 10 – Asset Management Framework, while key roles and responsibilities for asset management within RFS are provided in Section 11 – Leadership. To fully implement the AMF across the RFS, key business processes with their respective roles and responsibilities will be documented and linked to the framework. This will enable identification of process and resource gaps that are obstructing the implementation of sustainable asset management practices.

Gaps in business processes are to be identified and assessed in the AM Policy Implementation Plan as:

> **Action No. 2.2** – Business Processes – Status and Coverage

7.3 Risk Management

RFS considers risk management central to decision making that leads to better organisational outcomes. To that end, it has established an Enterprise Risk Management (ERM) Framework. The risk framework complies with the relevant core requirements of NSW Treasury's TPP15-03 - Internal Audit and Risk Management Policy for the NSW Public Sector and is aligned with ISO 31000:2018 Risk management – Guidelines, the AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines.

Risk management is a key component of RFS governance arrangements, and the framework includes an Enterprise Risk Management Policy (P 7.1.10) which documents an approach to ensure risk is managed consistently across the Service. Risk management is embedded within RFS's planning processes, decision-making structures, project management processes and operational procedures.

The ERM framework provides clear guidance and direction to all staff for risk management processes, including:

> conducting of risk workshops and reviews with relevant organisational stakeholders

- use of standard supporting documents/tools to assist with consistency – for example, risk registers, risk assessment tables, risk action plans
- risk tolerance and escalation information to support decision making and risk control
- a recommendation that risk information be used as part of decision making, particularly for business planning, project management, procurement, compliance management and internal audit arrangements.

Under the framework, RFS has a risk register managed by its Risk and Research team. The register summarises the risk, identify the risk rating, outline the key controls, and propose additional treatments. Risk action plans are developed to address enterprise risks specifically. Each risk has a steward who manages controls, any action plan, and reports on the risk's status to RFS's Audit and Risk Committee.

The register is reviewed annually as part of the corporate planning process and informs internal audit plans.

It has been identified that the RFS's risk management framework currently does not include an assessment of risks for assets. There are also no documented procedures for asset lifecycle decisions that balance risk, cost, and performance. Such procedures would allow for consistent and best value/benefit decisions within asset classes and across the total program.

Risk management guidelines for assets are addressed in the AM Implementation Plan under:

> **Action No. 2.4** – Review Risk Framework to Apply for Assets
> **Action No. 4.2** – Develop Decision Tools for Asset Investment Plans

8   Asset Management Planning

Asset management planning flows from RFS's 'Our Strategy' corporate plan. It is a series of the processes, core to the AMF, that applies the corporate and service objectives in consideration of the asset base and develops long-term and short-term plans for the management of the assets.

There are three levels of planning processes that work in combination for effective asset management, and the way they combine is described in the asset management planning framework. The processes are:
- Strategic – strategic asset planning
- Tactical – asset planning
- Operational – asset lifecycle delivery

These process levels inform each other as part of a top-down and bottom-up approach. They are expressed in living documents that are reviewed and updated alongside changes to assumptions, performance, objectives, or organisational context. Figure 6 shows the conceptual elements of the asset management planning framework for the RFS.
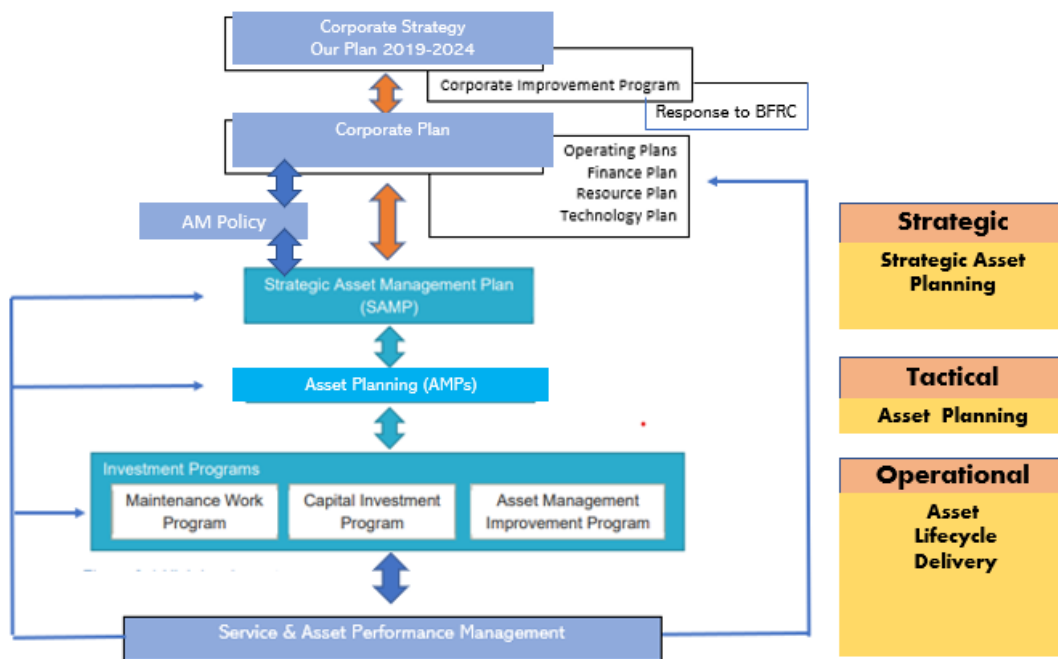
8.1   Asset Management Planning Framework

Figure 6 – AM Planning Framework

8.2   Strategic Asset Planning

Strategic asset planning translates the RFS's corporate strategy and objectives into asset management objectives and capability improvements, which ensure the organisation delivers its services cost effectively and sustainably. Successful management of risks that affect asset management capability

– via their identification, assessment, and treatment – is critical to setting effective asset management objectives and improvement initiatives that will sustain and/or lift capability.

8.2.1   Asset Management Objectives

RFS's Asset Management Objectives, aligned with the four strategic pillars from 'Our Plan – Strategic Direction 2019-2024, are as follows:

Vibrant and Sustainable Membership - A safe and inclusive workplace where members can be at their best.

1.   We will manage assets so there is no resulting harm to staff, volunteers or the public.

2.   We will engage with our staff and volunteers to create 'fit for purpose and use' assets and infrastructure.

3.   We will shape our culture to enable increasing maturity in Asset Management through introducing and developing the requisite tools, support, awareness, knowledge and skills of our staff and volunteers.

Resilient Communities and Valued Partnerships – Stronger communities better able to prepare, respond and recover

4.   We will draw on our formal engagement with communities and partners to ensure key risks are understood and ensure that our asset management is prioritised to best meet service standards.

5. We will build and acquire equipment and infrastructure based on service needs set out in operating plans and specifications that are evidence-based and developed in consultation with operators.

Service Delivery Readiness and Agility – Trusted and credible provision of public safety services

6. We will ensure that our deployed asset base is capable and reliable to deliver our service objectives and comply with relevant regulatory requirements or obligations.

7. We will plan and manage our assets to ensure that capital and operating decisions optimise service and lifecycle cost.

8. We will deliver programs of asset investment on schedule and to budget.

Research, Innovation and & Technology – Better outcomes through applied research, innovation and technology

9. We will investigate and trial asset technology and practices to improve safety, reduces risks and bring operating efficiency for our emergency service functions (to prepare, prevent, respond, and recover).

10. We will consider and pursue the uplift in ICT systems/applications needed to achieve our asset management strategy.

8.2.2 Asset Management Strategic Aims

RFS has three strategic aims for asset management capability that are geared to ensuring the organisation continues to meet service standards as its asset base ages and service expectations change:

1. Stabilise the asset base – bolster the reliability and availability of current assets through timely review and replacement.

2. Refresh asset-related technology – deliver programs that identify and assess new technology for assets such as Next Generation appliances.

3. Improve asset information tools for decision making – deliver programs such as Business Intelligence (BI) uplift and SAP integration.

These asset management strategic aims and their alignment with the outcomes delineated in RFS's 'Our Plan' is provided in Appendix 15.2.

8.2.3 Asset Management Risks

Assessment of risks to asset management capability has been undertaken and these risks inform the development of the Asset Management improvement program. The identified risks along with the approach for their controls are tabulated and presented in Appendix 15.3.

In summary form, the identified risk categories and their controls are:

> **Asset ownership** – set up in legislation, RFS's fleet, equipment and infrastructure assets are primarily 'vested' with local government. This arrangement has led to RFS having little visibility on the reliability and status of an asset to perform its required service.

Asset ownership has been marked for review in the AM Policy Implementation Plan as:

Action No. 1.7 – Revise Service Agreement with LGAs

4. **Program funding** – lack of assurance of program funding from government. Improving asset management planning will build evidence-based programs that will give government confidence that funding is justified.

5. **Human resources** – the capacity and capability of staff limits asset management practices. Improved integrated information systems that support RFS's business processes will mitigate this risk.

› **Service planning** – uncertainty around future weather event intensity and service standards makes capability planning difficult. More contemporary and adaptive tools to assist service planning are now being looked at. These tools will allow variability to be better understood and practically managed.

› **Program delivery** – rising costs and limited production capacity is restricting the delivery of programs. RFS continues to develop its procurement capability to respond to the market, to achieve the best value outcomes with the available funding, and to take procurement constraints back into asset planning.

› **Information** – limited data means there is no consistent monitoring and review of asset management and asset lifecycle. As planned Business Information tools and Enterprise Asset Management system (EAM) integration programs are rolled out, these will enable monitoring and review capability.

8.2.4 Asset Management Improvement

RFS has many improvement initiatives underway. These initiatives have typically been identified through reviews, external inquiries, or as opportunities have presented. There is not yet a structured and consistent practice of performance management that identifies capability improvement needs through monitoring, audit, incident review and then analysis. Many improvement initiatives are already underway – and will help to lift asset management capability – but given their lack of assimilation with an integrated plan, they may not realise their full benefits without some delay or further investment.

RFS has an Asset Management Policy Implementation Plan which was developed from the findings of reviews and a maturity assessment of the organisation's asset management practices in 2021-22. The plan schedule is provided in the appendices – 15.3 AM Policy Implementation Plan. The plan's improvement initiatives are consistent with, and address, the identified risks to AM capability presented in section 8.2.3.

The AM Policy Implementation Plan has an initial horizon of two years, as it is to build AM capability within RFS in order to be compliant with NSW Treasury's AM Policy TPP 19-07 by June 2024. With time and better performance management, this plan will evolve into RFS's ongoing AM Improvement Plan.

At this stage in the development of RFS's asset management capability, there are no plans for a quality management system to be placed over the AM practices. This may only be considered once the AM framework is fully implemented and greater assurance for continuing improvement is desired.

8.3 Asset Planning

Asset planning specifies the assets that will underpin the capabilities required to deliver the necessary bushfire protection and emergency services and will detail how these assets are managed through their lifecycle.

RFS's Asset Planning involves the two steps of:

1. **Identifying the asset needs** – this involves understanding the services and assessing their demand to be able to identify the type and volume of assets needed to deliver the services. This involves progressing through assessment of:

   > risks
   > treatments
   > activities.

These outputs include definition of RFS's different asset classes.

To assess bushfire and emergency risks and treatments, RFS has used tools and guidelines that included bushfire models and Bushfire Risk Management Plans for districts. Many of the resulting assessments are now dated – and, so too, are the prevention and protection activities they proposed. Refreshes for the tools – adopting more contemporary practices, applying more recent data, and developing more complex/accurate models – are now commencing. The outcomes may specify a slightly different future asset base.

2. **Lifecycle management of the assets** – specifies the required assets, the procedures for their operation and maintenance, supporting systems, information needs, decision-making criteria, improvement needs and unrestrained work/investment programs.

RFS manages its asset base in six asset classes, as follows:

> Fleet (Red) – vested vehicles
> Fleet (White) – support vehicles
> Equipment
> Infrastructure
> Aviation
> Information and Communications Technology

There will be an AMP for each asset class. The first AMP will be completed in November 2022 and will cover the Fleet (Red). The format for the AMPs charts the steps required for planning and managing the assets and develop and recommend a 10-year investment plan/program – both capital and recurrent expenditure – to be funded for the asset class. These investment plans are to be used in RFS's funding submissions.

The AMP also documents the outputs from these process steps which direct the management of the assets through their lifecycle. These outputs include:

> asset specifications
> operating procedures
> maintenance plans
> asset risks and controls
> information needs
> investment decision guidelines.

The AMP concludes with assessment of the risks to efficient management of assets and the potential impact to the services they deliver brought by funding limitations.

AMPs will only need significant update when there are changes to service standard, technology, or funding. Otherwise, annual review of risks, based on performance management and assurance activities will be undertaken to confirm that existing work programs are adequate and to extend investment plans out another year.

8.4 Asset Lifecycle Delivery

Once the need for an asset is determined, the asset is specified and its acquisition funded, it begins asset lifecycle delivery. The cycle is shown in Figure 7 below, which is a segment of RFS's AM Framework.

Figure 7 – Asset Lifecycle Delivery: Process and Activities

Asset operation and maintenance work programs are recurrent investment plans, while the acquire and recycle phases are typically single work programs of capital investment. Disposal occurs when the need for the asset no longer exists, and the asset is removed from service – or if the associated function can be better delivered by a different asset solution.

Asset investment plans and work programs need to be delivered efficiently and effectively so that their benefits are fully realised and/or risks remain controlled. The requisite capability to deliver work programs – and the use of sound assumptions in developing such programs – are critical to achieving service objectives. Performance management will monitor the execution and delivery of work programs to enable:

> project reallocations to be made so that greatest value can be gained from available funding
> identification and mitigation of factors affecting the delivery and/or reducing the effectiveness of programs
> feedback to the planning process so as to correct assumptions/guidelines.

Significant capability improvement for AM planning – and investment needs forecasting – is required and is being addressed in the AM Policy Implementation Plan via:

Action No. 1.4 – Review AM Objectives – Set SMART metrics
Action No. 1.5 – Update and Approve Strategic Asset Management Plan (SAMP)
Action No. 2.1 – AM Plan (AMP) template – Review and Finalise
Action No. 2.3 – Prepare Strategic /Investment Planning Process
Action No. 4.1 – Operational Plans – Review and Apply for Asset Planning
Action No. 4.2 – Develop Decision Tools for Asset Investment Plans
Action No. 4.3 – Complete AM Plans
Action No. 7.1 – Start an AM Improvement Program for Ongoing Improvement Actions

At this time, there are no defined critical assets, but on completion of the AM Plans, there will be a review of the need to:

Action No. 4.5 – Develop Contingency/ Service Plans for High-Risk Assets

9 Investment Plans

9.1   Program and Project Delivery

Strategic asset planning and asset planning, as described in Section 8, will be used increasingly to determine capital and recurrent programs/projects as planning capability improves. These programs will also include the asset management improvement initiatives.

Without AMPs, RFS has undertaken annual reviews for immediate investment needs across its asset base, but without a longer-term outlook that incorporates asset deterioration, changing service standards or asset capability. There has also been chronic uncertainty about available funding. This has potentially left RFS with a funding baseline lower than needed for efficient programs. Further funding has typically been sought on a contingency basis to address specific issues or take up opportunities when they arise.

Investment programs are set and re-prioritised by RFS's Executive Team. Review of investment programs/projects occurs every 6 months, and project funding may subsequently be reallocated to optimise the value from available finances, based on an assessment of risk and cost benefits.

The current forecast of capital and recurrent investment needs by asset class for the next 10 years is provided in the following two sub-sections. As AMPs are completed, these forecasts will be updated.

9.2   Capital Program

Asset Class	Budget 2022/23 ($M)	Forecast 2022 to 2032
Red Fleet	N/A	N/A
White Fleet	8.1	68.7
Equipment	7.9	145.8
Infrastructure	0.0	0.0
Aviation	15.2	15.9
Information, Communications & Technology	6.5	42.0
Totals	**37.7**	**272.4**

Table 3 – 10-year Capital Investment Needs by Asset Class
(Note: Data provided by RFS Finance as at November 2022)

9.3   Recurrent Program

Asset Class	Budget 2022/23 ($M)	Forecast 2022 to 2032
Red Fleet	62.7	806.8
White Fleet	7.1	69.3
Equipment	31.5	353.0
Infrastructure	68.1	420.6
Aviation	32.4	362.5
Information, Communications & Technology	156.1	1,117.4
Totals	**357.9**	**3,129.6**

Table 4 – 10-year Recurrent Investment Needs by Asset Class

Investment Plan improvement is being addressed in the AM Policy Implementation Plan as:

Action No. 4.4 – Collate Long Term Investment Plans – Capex & Opex

10 Asset Management Framework

The AMF that is used by the RFS is based on the AMF developed and used by the Stronger Communities' Asset Management Cluster lead – the NSW Department of Community and Justice. The RFS's AMF and has been adjusted (in a minimalist manner) to suit the activities and terms that are in use and understood in the RFS.

The AMF provides a structured approach for RFS's asset management, setting out asset-specific functions and the necessary enabling corporate functions for managing assets through their lifecycle. The framework groups these functions into five (5) value streams, each with a series of value elements. There are nineteen (19) value elements, which are business functions, across the five value streams.

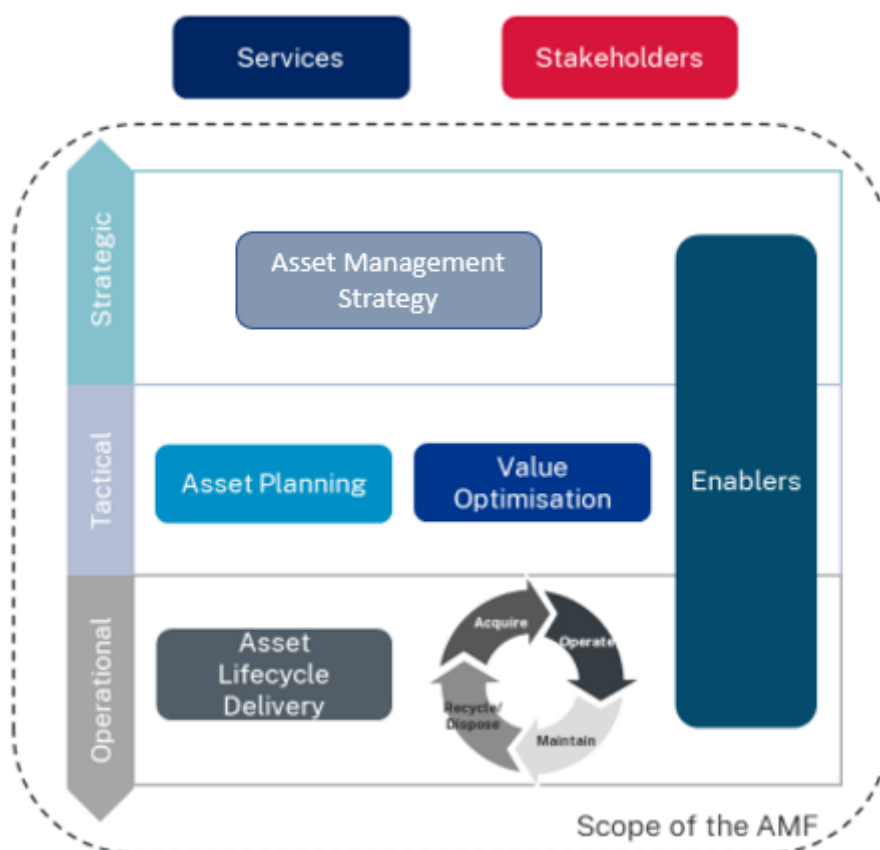### 10.1 Framework – Structure and Value Streams

Figure 8 - RFS's AM Framework – process and streams

10.2 Value Elements

Value Stream	Value Elements
Asset Management Strategy	Asset Management Policy Asset Management Planning Framework
Asset Planning	Asset Planning Feasibility Analysis
Value Optimisation	Program Management Program and Project Asset Operations Asset Maintenance Asset Refurbishment or Disposal
Asset Lifecycle Delivery	Program Management Program and Project Asset Operations Asset Maintenance Asset Refurbishment or Disposal
Enablers	Financial Management Information Management Resourcing and Competency Sustainability Work, Health and Safety Procurement and Contract Management Assurance and Continuous Improvement

Table 5 – AMF: Value Streams and their Elements

The outputs from each element, in the form of policies, processes, programs or information, is set in the table below. RFS's existing practices will be integrated into the AMF, so that gaps in the elements can be identified and essential outputs can be better defined and documented. Once that has occurred, requisite changes will be implemented across all the relevant business units of the RFS.

Value Stream and its Elements		Output - Documents/Processes
Asset Specific Elements	Asset Strategy • AM Policy • Strategic Planning Frame	1. AM Policy 2. SAMP 3. AM Planning Process 4. AM Improvement Plan

	Asset Planning
	• AM Planning
	• Options Analysis
		1. Asset Classes
		2. Asset Class Management Plans
		    • Asset configuration
		    • Supporting systems - information
		3. Options Analysis

	Value Optimisation • Capital Planning Framework • Business Case Capability • Capex Prioritisation	1. Investment Programming Process 2. BC Templates/Economic Analysis 3. Budget committee 4. Asset Class Program Management 5. RFS Investment Program Management
	Asset Lifecycle Delivery • Program and Project Delivery • Program Management • Asset Operations	1. Capital Program 2. Commissioning process 3. Asset operating procedures 4. Maintenance Work Plans

		5. Maintenance schedules
		6. Performance monitoring – delivery
		7. Performance monitoring – maintenance
	Asset Maintenance	8. Performance monitoring – assets
	Asset Recycling or Disposal	9. Renewals planning procedure
		10. Decommissioning procedure
Corporate Elements	Enablers 1. Stakeholder Engagement 2. Risk management 3. Financial management 4. Information management 5. Assurance and continuous improvement 6. Resourcing & competency 7. Procurement 8. Sustainability	1. Corporate Plan; Bush Fire Risk Management Plans 2. RFS Risk Management Framework 3. Budget; cost accounting 4. ERP; Asset Register; data standards; works management system; reports 5. Process audits; Quality Management System 6. HR – PDs; staff training; accreditation 7. Procurement contracts; procurement policy 8. E.g. environment & climate variability Impacts

Table 6 – Value Stream Outputs: Documents and Processes

10.3 Integration across RFS

The asset-specific elements typically need to be documented – or require existing documentation to be updated – in order for them to align with the AMF. Corporate-specific elements usually have documentation, but many such records will need to be updated to cover asset and asset management needs.

AM Framework development and implementation is being addressed in the AM Implementation Plan as:

> **Action No. 1.6** – Update AMF descriptions and integrate business processes
> **Action No. 3.3** – Prepare AMF Resource Plan – with skills and knowledge
> **Action No. 2.5** – Support uptake of AMF
> **Action No. 7.3** – Apply RFS Change Management Framework in AMF

11 Leadership

11.1 Asset Management Roles and Responsibilities

Asset management is a developing discipline within RFS. Many elements for robust asset management have been established but are not practiced in an integrated and consistent manner. Likewise, data is not always used effectively to inform asset planning and investment decisions.

Completing the AM framework will clarify and embed asset management roles across RFS.

> ❯ **Asset Management Policy**
>
> RFS's commitment to asset management is documented through its Asset Management Policy, which is aligned to RFS's corporate objectives. The policy is approved by the Commissioner to demonstrate and reinforce the commitment to asset management. Each Deputy Commissioner/Executive Director is accountable for its implementation within their directorate.

❯ **Strategic Asset Management Plan (SAMP)**

Accountability for the SAMP is with the Executive Director – People and Strategy, and responsibility for its management is with the Director – Strategy and Programs. This includes responsibility for the:

- Asset Management Framework
- Asset Management Policy Implementation/Improvement Plan.

❯ **Asset Management Plans**

AMPs are the responsibility of the businesses that plan and specify the assets. Responsibilities for the AMPs under the six asset classes are given below in Table 7.

Asset Class	Accountable Directorate	Responsible Director
Red Fleet	Preparedness & Capability	Logistics & Equipment
White Fleet	Preparedness & Capability	Logistics & Equipment
Equipment	Preparedness & Capability	Logistics & Equipment
Infrastructure	Preparedness & Capability	Logistics & Equipment
Aviation	Field Operations	Operations Support
Information, Communications & Technology	Technology, Finance & Legal	Information, Communications & Technology

Table 7 – AMP accountabilities

11.2 Asset Management Implementation Governance

Asset Management Policy implementation and improvement typically involves change across the whole business. RFS recognises this and has established a governance structure to oversee and drive its uplift in asset management capability. This structure is shown in Figure 9 below.

Central to the governance of this process is a steering committee of four directors from each of the directorates. Each of them has direct responsibilities in the planning and delivery of asset management. The steering committee's first task is to manage the successful completion of the RFS's AM Implementation Plan by 1 July 2024, which will ensure that the RFS is compliant with NSW Treasury's AM Policy TPP 19-07.
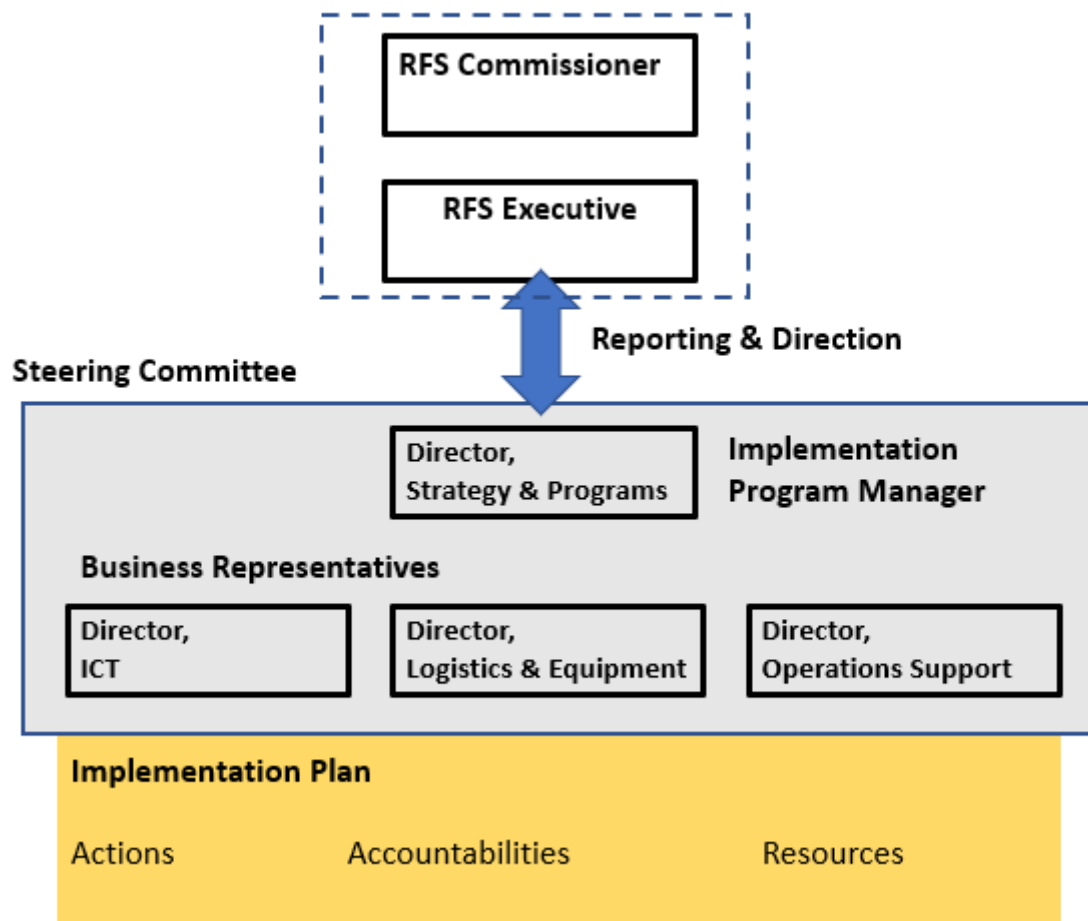
Figure 9 – Asset management implementation governance

Asset management leadership and governance is being addressed in the AM Implementation Plan as:

Action No. 3.1 – Engage and Agree Direction with RFS Executive
Action No. 1.1 – Set up Governance for Plan Delivery
Action No. 1.2 – Implement plan – Action Accountabilities/Responsibilities
Action No. 1.3 – Communicate Implementation Plan and its Progress across RFS
Action No. 1.5 – Update and Approve Strategic Asset Management Plan

12 Information Management

12.1 Asset information management

Asset data and maintenance plans are stored in RFS's EAM, which is jointly shared with Fire & Rescue and State Emergency Services agencies, though partitioned by agency. There is wide variation in the completeness and accuracy of data in EAM across the asset classes.   Fleet (both Red and White), equipment and ICT assets have more complete asset records (80-90%), including maintenance/servicing plans, while aviation and infrastructure data are not in EAM.

Moreover, while maintenance plans are in EAM for fleet and equipment assets, service and condition information are not updated in a consistent manner. This means that performance reporting cannot be completed, and decisions on investment and reallocation occur through annual review meetings. The data collected in the course of those reviews is not entered into EAM. There are insufficient documented processes and accountabilities around asset data management – and without the

specified information needs from asset management plans (AMPs), information systems will not be structured to capture and used the required data.

RFS has invested in systems to track volunteer availability, automate response dispatch, and manage post-incident reporting. It is also implementing mobile data terminals in fleet vehicles for the data transfer from these systems. Plans are now being formulated to provide asset data through these systems and to integrate these systems with the EAM. With the requisite business processes in place, data quality can be uplifted and sustained to support performance management and decision making.

The existing reporting and analysis capability within RFS is focused on corporate management needs and uses BI tools within its SAP ERP.   With limited asset performance data, reporting is confined to usage metrics for fleet, and data is manually extracted and cleansed before use. Aviation reports are submitted by the contracted service providers.

There is a document management system – HPE – that allows staff to access controlled documents through the RFS's intranet. Asset and asset management documentation is to be loaded onto the intranet as a key step in raising AM awareness. All key asset management documents – policy, plans, frameworks, processes, decision guidelines and asset standards (fleet and equipment specifications) – will be available to all.

12.2 Asset Information Strategy

A project has commenced to develop an asset information strategy for the RFS.

The strategy will look at how the existing key information systems, which are contemporary and stable, can be integrated with each other – and added to if necessary – to meet the future needs of the RFS. The following foundational aspects will be key to the success of the strategy:

> Preparation of business processes including information needs, data standards and data capture procedures.
> Structuring of the information systems to store the required data.

The project will be delivered through a series of use cases – one being specifically for the information needed for asset lifecycle management and decision making.

Information management is being addressed in the AM Policy Implementation Plan as:

Action No. 5.1 – Specify Performance Management
Action No. 5.2 – Review Asset Register/Fixed Asset Register – coverage and content
Action No. 5.3 – Specify Asset & Service Information needs
Action No. 5.4 – Review Asset Data Standards and Collection Process
Action No. 5.5 – Collect Asset Data (if justifiable)
Action No. 6.1 – Assess Status Asset Standards & Revise (if needed)
Action No. 6.2 – EAM & BI – Support Performance Management Implementation

13 People Capability

RFS has a high level of skill and competency in many elements of asset management framework. There are dedicated teams managing emergency and operational planning, fleet services, procurement, performance reporting, information systems and communications technology. Their skills and competencies are gained through education, training, and experience.

The requisite knowledge, skills, and experience for performing asset management work in RFS is currently achieved and maintained through the following mechanisms:

> Recruitment process – selection criteria and role descriptions for each role specify required minimum education, skills and experience.
> Development on the job – staff are buddied with experienced staff to gain job-specific skills.
> Training – staff participate in formal courses relevant to their specific role needs.
> Awareness through communication – material is developed and communicated face to face or using other electronic platforms such as OneRFS and internal newsletters.

As noted, RFS has begun the process of uplifting its asset management capability by engaging the executive, who have, in turn, supported and approved the associated improvement plan. People capability is part of that plan and will be based on the asset management framework and business processes have been defined.

Capability needs related to the developing asset management framework will be identified through a systematic process in consultation with key stakeholders. Training material will be developed, and training delivered to gain/sustain knowledge and competency in the identified areas. Initially, as capability is being developed, a few experienced asset management practitioners will be engaged to help with the delivery of the AM Implementation Plan within the Directorates.

People capability is being addressed in the AM Implementation Plan as:

Action No. 3.1 – Engage & Agree Direction with RFS executive
Action No. 3.4 – AM Competencies for RFS Roles

14 Performance Management

Performance management informs the decisions to be made across the lifecycle of the assets and the work programs that underpin asset management capability in the organisation. This means that performance management within asset management considers three aspects:

1. Asset performance

2. Asset Management performance

> Planning and delivery of work programs
> AM objectives and improvements

3. Assurance programs and reviews

> Audit program
> External reviews – inquiries, commissions

Performance management does not just report outcomes but includes analysis and forecasting of performance. For assets, this will allow RFS to proactively manage asset planning and deliver work programs, resulting in greater assurance regarding the achievement of required services outcomes. The asset management framework is designed to provide feedback loops to improve processes and outcomes.

RFS currently collects large quantities of performance data across its business activities, both outputs (lag) and factors (lead) metrics. However, performance management is focused on operational/service outcomes and not used widely and consistently across the asset base.

There are practical reasons that have limited greater implementation of performance management for assets. Many assets are 'vested' with councils to operate and maintain – and limited and variable performance data is provided back to RFS. This leaves the annual budget planning process and the surrogate measure of age to be used to assess and baseline asset condition.

Recent improvements in information management capability – an EAM and a BI system, both now operational – have provided the platform to build fit-for-purpose performance management. Asset information needs from AMPs (as they are completed) will determine the asset performance reporting and analysis capability required, and performance management will be aligned to assets lifecycle so that data-driven investment decisions can be made. Asset performance management needs and planned improvement actions in the AM Policy Implementation Plan are set out below.

Ultimately, performance management will be based on a single assured data set, drawing on a data collation and analysis processes that are specified and automated. There are still many steps to be taken before that is achieved, but RFS have now started down this path.

14.1 Asset Performance

The performance of assets needs to be assessed – both for the individual asset and as part of a system or network – and measured against the parameters of:

> compliance with service expectations
> condition and consequence of failure
> capacity to service demand.

This information will then be used to prioritise the delivery of RFS's capital and maintenance programs, and to update planning criteria and decision tools that are required to sustain or improve future performance.

14.2 Asset Management Performance

Maintenance and renewal program delivery

Delivery of maintenance and renewal programs is dynamic, so these are actively managed to ensure that available funds are used to best value across the programs and to try and keep backlogs to levels that do not have risk consequences. Review of outcomes is also important – and so there is a check that scope and timing of the programs is adequate, especially if there has been delays or deferrals.

Asset management objectives and improvement plan

This is the measure of progress for the strategic asset management activities. These activities are directed towards the development of asset management capability and are set out in the following sections:

> **Asset management objectives**

The objectives and their measures are presented in Appendix 15.1.

> **Asset management improvement plan**

There are inevitably some projects that are critical to RFS, and they can be delivered as part of the Corporate Plan, rather than in the AM Implementation Plan. The AM Steering Committee, which monitors the progress of planned projects, will oversee the delivery of the AM Policy Implementation Plan.

14.3 Assurance Programs and Reviews

❯ **Assurance activities**

RFS has an annual audit program that is managed by its Audit & Risk Committee and coordinated by the Risk Team, which focuses on key functions and associated processes. The outcomes of the assurance activities are communicated to relevant businesses, and corrective actions are monitored by the A&R Committee.

❯ **Reviews that provide valuable insights on capability are the:**
- assessment of asset management maturity
- inquests, inquiries, royal commissions, and lessons management processes of emergency events.

Reviews may demonstrate that the service expectations of stakeholders have shifted – and this information needs to be quantified through corporate strategic and asset management planning. Findings from review activities are recorded, and corrective action (CA) is implemented and monitored to ensure that CAs brought improvement. Progress of CAs is reported monthly to all levels of management.

Performance management capability is being addressed in the AM Implementation Plan as:

Action No. 5.3 – Specify asset & service information needs
Action No. 5.1 – Specify performance management – measure, report, analyse, review
Action No. 6.2 – EAM & BI – support performance management implementation
Action No. 7.2 – Enact corrective action procedures for performance management

15 Appendices

15.1 Asset Management Objectives and Measures

CORPORATE OBJECTIVES		ASSET MANAGEMENT OBJECTIVES	MEASURES	TARGETS
Vibrant & Sustainable Membership: Safe and inclusive workplace where members can be at their best	1	We will manage assets so there is no resulting harm to staff, volunteers or the public.	1. Number of incidents caused by asset failure.	1. Zero
	2	We will engage with our staff and volunteers to create 'fit for purpose and use' assets and infrastructure.	1. Staff and volunteer input to asset and infrastructure.	1. Documented evidence of wide staff and volunteer base consultation for all relevant asset classes
	3	We will shape our culture to enable increasing maturity in Asset Management through introducing and developing the requisite tools, support, awareness, knowledge and skills of our staff and volunteers.	1. Establish Asset Management Framework 2. AM specialist roles formalised and filled. 3. AM Communications and training plan development and implementation	1. AMF achieves compliance with NSW Treasury Policy TPP 19-07 by 1 July 2024. 2. AM roles commenced by 1 July 2024 3. Communication and training plans implemented to AM Policy Implementation Plan schedule.
Resilient Communities & Valued Partnerships: Stronger communities better able to prepare, respond and recover	4	We will draw on our formal engagement with communities and partners to ensure key risks are understood will be drawn upon to ensure that our asset management is prioritised to best meet service standards.	1. Asset and asset management integration into Resource to Risk program. 2. Use of Bushfire Risk Management Plan (BRMP) data for asset and asset management prioritisation.	1. Resource to risk program procedures show AM prioritisation elements. 2. Link from BRMP to asset decision-making is part of formal, active process.
	5	We will build and acquire equipment and infrastructure based on service needs set out in operating plans and specifications that are evidence-based and developed in consultation with operators.	1. Next Generation Fleet based on quantitative and qualitative information.	1. Decisions for Next Generation fleet are traceable to reliable data and operator input.
Service Delivery Readiness & Agility: Trusted and credible provision of public safety services	6	We will ensure that our deployed asset base is capable and reliable to deliver our service objectives and comply with relevant regulatory requirements or obligations.	1. Service objectives are defined and tracked. 2. Resource to risk project imlemented. 3. Number of non-compliances with regulatory requirements.	1. Service objectives are defined and tracked by 1 July 2023. 2. Resource to risk project on track with project plan. 3. Zero
	7	We will plan and manage our assets to ensure that capital and operating decisions optimise service and lifecycle cost.	1. Maintenance plans & lifecycle costs data. 2. Delivery of Stabilise Fleet project.	1. Maintenance plan and lifecycle cost data for all assets reliable and accessible in EAM by ....? 2. Stabilise Fleet project delieverd to its time and cost goals.
	8	We will deliver programs of asset investment on schedule and to budget.	1. Programs of asset investment vs goals on track. 2. Corrective Action on departures from asset investment plans.	1. Cost and time targets for capital, recurrent and improvement work met within a 15% variance. 2. Project > 15% outside of targets reviewed and corrective action is taken.
Research, Innovation & Technology: Better outcomes through applied research, innovation and technology	9	We will investigate and trial asset technology and practices to improve safety, reduces risks and bring operating efficiency for our emergency service functions (to prepare, prevent, respond and recover).	1. Next Generation Fleet program implementation. 2. Telemetry from vehicles to inform maintenance schedules.	1. and 2. on track with respective project plans.
	10	We will consider and pursue the uplift in ICT systems/applications needed to achieve our asset management strategy.	1. Asset and asset management is clearly integrated with the tools used for the Resource to Risk initiative. 2. ICT program includes consideration of asset management improvements in the Next Generation Fleet tooling.	1. Asset management improvements are identifiably integrated with the Resource to Risk tooling. 2. Asset management improvements are identifiably integrated with the Next Generation Fleet tooling.

15.2 Asset Management Strategic Aims

Aim	Description	Increasing levels of community resilience across key demographics and locations	Strong corporate reputation and community confidence in service delivery	Robust operational readiness and continuous improvement in operational performance	Right number of resources, with the right capabilities, at the right times, at the right places	Agile service delivery responsive to changing external influences	Alignment of technologies to current and future services	Technology enables better field-based capability and dynamic information and communication	Technology enables more efficient and effective business practices	Continuous improvement from applied research, science and business intelligence
1. Stabilise the asset base	Bolster the reliability and availability of current assets through timely review and replacement.	✓	✓	✓	✓	✓				
2. Re-fresh asset related technology	Deliver programs such as Next Generation Appliances.	✓	✓		✓	✓	✓	✓		✓
3. Improve asset information tools for decision-making	Deliver programs such as BI uplift and SAP integration.			✓	✓	✓	✓	✓	✓	✓

This does not include all of the Strategic Direction Outcomes as some are not directly linked

15.3 Asset Management Strategic Risks and Controls

These risks were identified and assessed with the AM Steering Committee in November 2022.

Category	Risk	Impact	Mitigation and its adequacy	
Asset Ownership	LGA vested ownership which equates to process inconsistency and restricted decision-making and action due to very limited information about, and control of, the asset base.	Condition and reliability of fleet, equipment & infrastructure assets is unknown going uncorrected causing inadequate service capability	Performance management for vested assets	Partial
Program Funding	Lack of assurance of forward funding for assets impacting on planning.	Service delivery, safety and recruitment	Improve asset planning capability	Partial
Human Resources	Limited internal resource capacity to manage assets, incidents and project delivery all at the same time.	Asset management capability is restrained	Implemented business processes & better integrated information systems	Partial
	Complex asset related systems implemented without suitable documentation and support for staff due to steep pace of change in			
Service Planning	Increasing public expectations of emergency services asset capabilities and geographic allocations exceed what is realistic.	Service and asset planning cannot keep pace with change and variability	Develop/implement improved information tools for better decision making	Effective
	Capacity planning clouded by future uncertainties regarding agency structuring, weather event frequency/intensity.			
	Lack of adaptability in large technology investments once committed.			
	Not keeping pace with changing and maturing assessment of bushfire risk, control measures and technology utilisation.			
Program Delivery	Skills shortage for production of new assets.	Assets replace/refurbished are fewer and service objective are not achieved	Continuing improving procurement capacity to increase program value and allow better asset planning	Partial
	Extended lead time on materials for new asset production.			
Information	No consistent practice of monitoring and review around asset management and asset's life cycles.	Data availability and quality limits asset performance management	EAM enhancements and integrations along with building of BI analytic tools	Effective
	Information security threats with more information being electronically stored and transmitted.			

15.4 Asset Management Policy Implementation Plan

Action No.	Key Focus Areas / Improvement Actions	iNSW Stage 2 Review Recommendation	Timing
	Key Focus Areas		Jun-22 — Jun-23 — Jun-24
0	**Policy Compliance**		
	AM Policy TPP 19-07 Compliance Attestation		
	AM Maturity Assessment		
	Submit SAMP and AMPs (with budget $s)		
1	**Organisation**		
1.1	Set up Governance for Plan Delivery	SR2	
1.2	Implement Plan - Action Accountabilities/Responsibilities		
1.3	Communicate Implementation Plan & its Progress Across RFS		
1.4	Review AM Objectives Set SMART metrics	SR3, MA2	
1.5	Update & Approve Strategic Asset Management Plan (SAMP)	MA2	
1.6	Update AMF Description & Integrate Business Processes	SR3, MA6	
1.7	Revise Service Agreements with LGAs	MA5	
2	**Process & Practices**		
2.1	AM Plan (AMP) template - Review & Finalise	MA7	
2.2	Business Process - Status & Coverage	MA6	
2.3	Strategic /Investment Planning Process	SR8	
2.4	Review Risk Framework to Apply for Assets	MA6	
2.5	Support Uptake of AMF	SR4, MA4	
3	**Resources**		
3.1	Engage & Agree Direction with RFS Executive	SR7	
3.2	Continue Leveraging CoP Knowledge/Experience	SR1	
3.3	Prepare AMF Resource Plan - with Skills & Knowledge	MA3	
3.4	Develop AM Competencies Plan for RFS Roles	SR6, MA8	
4	**Management Plans**		
4.1	Operational Plans - Review and Apply for Asset Planning	MA7	
4.2	Develop Decision Tools for Asset Investment Plans	MA7	
4.3	Complete AM Plans	SR9, MA7	
4.4	Collate Long Term Investment Plans - Capex & Opex	MA7	
4.5	Develop Contingency/Service Plans for High Risk Assets	MA6	
5	**Data & Information**		
5.1	Specify Performance Mgmt - measure, report, analyse, review	MA10	
5.2	Review Asset Register/Fixed Asset Register - Coverage & Content	SR11	
5.3	Specify Asset & Service Information Needs	MA9	
5.4	Review Asset Data Standards & Collection Process	SR10	
5.5	Collect Asset Data (if justifiable)	MA9	
6	**Information Management Systems**		
6.1	Assess Status Asset Standards & Revise if Needed	MA9	
6.2	EAM & BI - Support Performance Mgmt Implementation	MA10	
6.3	Review Need for a (Quality) Asset Management System	MA8	
7	**Continuous Improvement**		
7.1	Start an AM Improvement Plan for ongoing improvement actions	MA11	
7.2	Enact Corrective Action Procedures for Performance Mgmt	SR12, MA8	
7.3	Apply RFS Change Management Framework in AMF	SR12, MA12	

Key to Recommendations
SR = Stage 2 Review
MA = Maturity Assessment