

COMMON APPROACH FOR ASSET MANAGEMENT AND STATUTORY OBLIGATIONS

Seyed Safi and Michael Leversha
Covaris Pty Ltd

Summary

Processes that assure asset management compliance with statutory requirements for maintenance delivery.

- Asset validation
 - asset condition assessment
 - asset criticality analysis
- Development of preventive maintenance strategies for maintainable assets.
 - assuring equipment reliability and compliance with statutory obligations

Introduction

One of the primary functions in Facilities Management is duty of care and the management of risk and liability.

*“**demonstrated compliance:** transparently conforming with legal, statutory and regulatory requirements, as well as adhering to asset management standards, policies and processes, can enable demonstration of compliance;*

Clause 2.2 of ISO 55000, Asset management – Overview, principles and terminology

Case Study

ASSESSMENT ACROSS ALL AUSTRALIAN STATES AND
TERRITORIES

ON OVER

 150
Facilities



ACROSS

 500
Buildings



ON OVER

 300
Unique Asset
Types

10-35% STATUTORY COMPLIANCE GAPS FOUND

Asset Validation and Data Collection

Required for facilities when there is low confidence in the accuracy of the current asset register.

The asset validation methods for an established facility are:

- desk-top review of the current assets
- asset validation based on walk down of the site or
- a combination of both.

Asset validation is based on walk down of the site utilising the legacy asset listing as a starting point.

Asset validation is a visual practice.

Asset Condition Assessment

Generally performed during asset validation and data collection.
The following parameters are collected for asset condition assessment:

1. Current condition
2. Current usage
3. Operating environment
4. Age of the assets

Asset Criticality Analysis

A systematic procedure for the analysis of a system of assets to identify the consequence and likelihood of failure of an asset to perform its function.

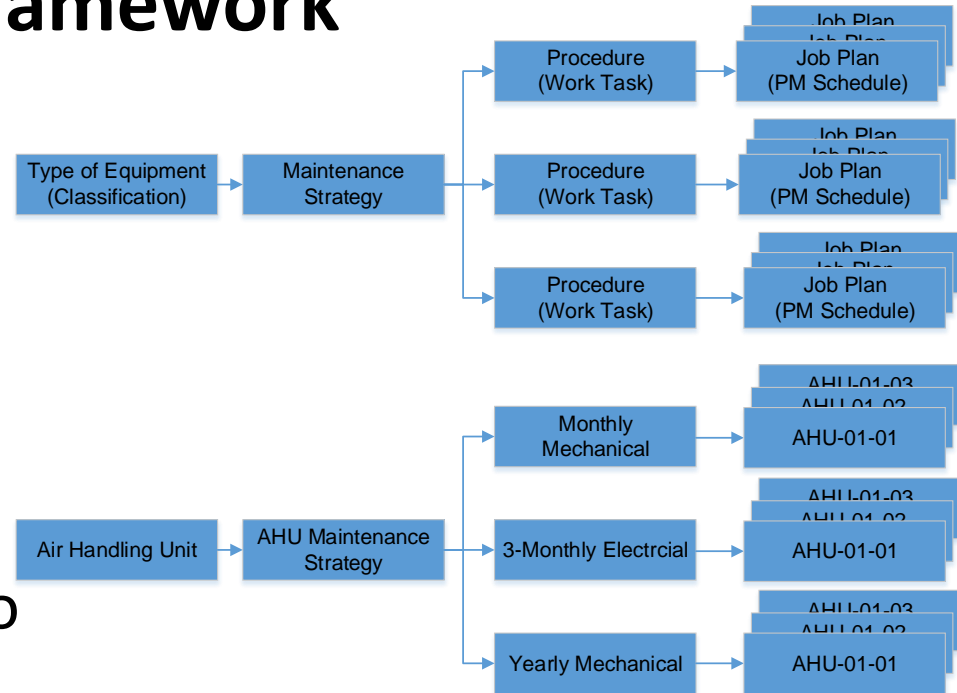
The consequence of failure of an asset defines “how crucial the asset is to the delivery of health care services and how that service delivery is affected should the asset not be performing to its required standard.”

		CONSEQUENCE RATINGS				
		Catastrophic (S1)	Major (S2)	Moderate (S3)	Minor (S4)	Minimal (S5)
LIKELIHOOD	Almost certain (L1)	A	D	J	P	S
	Likely (L2)	B	E	K	Q	T
	Possible (L3)	C	H	M	R	W
	Unlikely (L4)	F	I	N	U	X
	Rare (L5)	G	L	O	V	Y

Statutory Compliance Framework

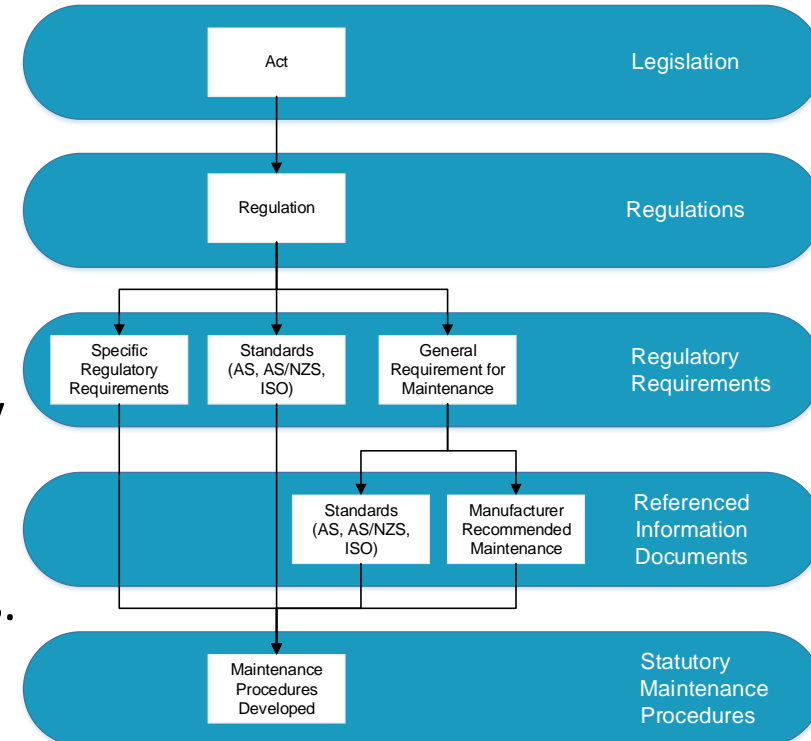
Preventive Maintenance (PM) strategies for all assets types.

Ensures the statutory compliance by providing the line of sight from statute to regulation to asset class and to maintenance job plans.



Statutory Maintenance Procedure Development Process

- Current asset register
- Identify the applicable Acts, Regulations or Codes of Practice for the asset types
- Identify the applicable Australian Standards, technical standards
- Establish a clear tracking of work to statutory obligations for each asset type
- Establish a clear tracking of statutory maintenance obligations for individual assets.



Regulatory Requirements

Applicable regulations typically require maintenance to occur either by:

- Specific maintenance or testing requirements set out in the regulations;
- Specifying compliance with an appropriate Standard; or
- Having a general requirement that maintenance occurs.

Where the regulations set out specific requirements for testing or maintenance, these requirements should be directly included in the statutory maintenance procedures.

In other cases, the applicable regulations specify that compliance with an appropriate Standard is required. In these cases, the maintenance requirements of the Standards should be included in the statutory maintenance procedures.

Example – Fire Hose Reels

Applicable Acts, Regulations or Codes of Practice

Document	Document Type	Issuing Body
Environmental Planning and Assessment Act 1979	Act	NSW Government
Environmental Planning and Assessment Regulation 2000	Regulation	NSW Government

Part 9, Division 5, Section 175 of the Regulations requires an annual fire safety statement.

Part 9, Division 6, Section 182 of the regulations requires that all essential fire safety measures are to be maintained to a standard no less than that specified in the schedule, or to a standard no less than that which the measure was originally designed and implemented.

Example – Fire Hose Reels

Applicable Standards

Standard Number	Standard Title	Standard Mandated by Legislation
AS 2441:2005	Installation of Fire Hose Reels	Yes
AS 1851:2012	Routine Service of Fire Protection Systems and Equipment	Yes

Section	Requirement
9.3	Fire hose reels shall be serviced – a) Six monthly; and b) Yearly.
9.4.1	Six-monthly routine service of fire hose reels shall be completed in accordance with Table 9.4.1
9.4.2	Yearly routine service of fire hose reels shall be completed in accordance with Table 9.4.2

Example – FHR

Applicable Documents for Maintenance of Fire Hose Reels

Document	Issuing Body
Acts of Parliament	
Environmental Planning and Assessment Act 1979	NSW Government
Building Act 1993	Victorian Government
Development Act 1993	South Australian Government
Occupational Safety and Health Act 1984	Western Australian Government
Building Act 2016	Tasmanian Government
Fire and Emergency Act	Northern Territory Government
Building Act 1975	Queensland Government
Regulations	
Environmental Planning and Assessment Regulation 2000	NSW Government
Building Regulations 2006	State Government of Victoria
Development Regulations 2008	Government of South Australia
Occupational Safety and Health Regulations 1996	Government of Western Australia
Building Regulations 2016	Tasmanian Government
General Fire Regulations 2010	Tasmanian Government
Fire and Emergency Regulations	Northern Territory Government
Building Regulation 2006	Queensland Government
Codes of Practice	
National Construction Code	Australian Building Codes Board
Queensland Development Code MP 6.1	Queensland Government
Minister's Specification SA 76 - Maintenance of Essential Safety Provisions	Government of South Australia
Standards Mandated by Legislation	
AS 2441:2005 - Installation of Fire Hose Reels	Standards Australia
AS 1851:2012 - Routine Service of Fire Protection Systems and Equipment	Standards Australia

Conclusion

Methodology which enables demonstration of asset management compliance with statutory requirements regarding maintenance delivery.

A comprehensive process from the initial asset validation to statutory maintenance compliance covering all asset types across the facility.

The outcome: the organisation has assurance that they are statutory compliant in their maintenance programme.

Thank you

Further details on this presentation can be obtained from

S.A. Safi, Principal,

Covaris Pty Ltd

s.safi@covaris.com.au