

	POLICY / PROCEDURE		No.	9.1
	Asset Management		Effective Date	25-Apr-2018
			Revision Letter	A
			Council Approval	2018-08-06

1.0 Purpose

To set guidelines for implementing consistent asset management processes throughout the District of Fort St. James.

The objectives are to ensure adequate provision is made for the long-term replacement of major assets by:

- Ensuring that services and infrastructure are provided in a financially sustainable manner, with the appropriate levels of service to customers and the environment.
- Safeguarding infrastructure assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all employees take an integral part in overall management of infrastructure assets by creating and sustaining an asset management awareness throughout the organization by training and development.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.
- Ensuring necessary capacity and other operational capabilities are provided and Asset Management responsibilities are effectively allocated;
- Creating a corporate culture where all employees play a part in overall care for the District of Fort St. James assets by providing necessary awareness, training and professional development; and
- Providing those we serve with services and levels of service for which they are willing and able to pay.

2.0 Scope

This policy applies to all the District of Fort St. James departments, officers, employees and contractors.

3.0 Policy

This Policy/Procedure of the District of Fort St. James shall ensure the following:

- District of Fort St. James sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of capital assets by:
- Ensuring that the District of Fort St. James capital assets are provided in a manner that respects financial, cultural, economic and environmental sustainability;
- Meeting all relevant legislative and regulatory requirements;
- Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices;

4.0 Definitions

- 4.1 Asset - is an object (physical or intangible) that has an identifiable value and a useful life greater than 12 months, that is or could be used by the entity responsible for it to provide a service.
- 4.2 Asset Management - is the combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner. It includes the management of the whole life cycle (design, construction, commissioning, operating, maintaining, repairing, modifying, replacing and decommissioning/disposal) of physical and infrastructure assets.
- 4.3 Asset Management Plan (AMP) - is a plan developed for the management of one or more infrastructure asset classes with a view to operating, maintaining and renewing the assets within the class in the most cost effective manner possible, whilst providing a specific level of service."
- 4.4 Asset Management Strategy - is a strategy for the implementation and documentation of asset management practices, plans, processes & procedures within an organization.
- 4.5 Core Business - the primary area or activity that an organization was founded on or focuses on in its business operations.

- 4.6 Level of Service - can be defined as the service quality for a given activity. Levels of Service are often documented as a commitment to carry out a given action or actions within a specified time frame in response to an event or asset condition data.
- 4.7 Long-term Financial Plan - is a document that forecasts an organization's financial position over an extended period.
- 4.8 Operation - is the act of utilizing an asset. Asset operation will typically consume materials and energy.
- 4.9 Service Capacity - is an asset's ability to deliver its service potential over time, expressed as a rate of service delivery.
- 4.10 Strategic Planning - is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people.

5.0 Responsibilities

- 5.1 Council members are responsible for adopting the policy, allocating resources, and providing high level oversight of the delivery of the District of Fort St. James asset management strategy and plans. The council is also responsible for ensuring that District resources are appropriately allocated to ensure sustainable service delivery.
- 5.2 The Chief Administrative Officer has overall responsibility for the oversight of the asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within the District of Fort St. James.

6.0 Procedures

- 6.1 Asset Management Plans will be completed for all major asset / service areas.
- 6.2 Expenditure projections from Asset Management Plans will be incorporated into the District of Fort St. James Long-Term Financial Plan.
- 6.3 Regular and systematic reviews will be applied to all asset management plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice.
- 6.4 Regular inspection will be used as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 6.5 Asset renewals required to meet agreed service levels and identified in adopted asset management plans, and when applicable long term financial plans, will form the basis of annual budget estimates with the service and risk consequences of variations in defined asset renewals and budget resources documented.

- 6.6 Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.
- 6.7 Future service levels with associated delivery costs will be determined in consultation with the community.
- 6.8 This policy should be reviewed within four years of adoption.

7.0 Document Approvals

Role	Position	Name of Approver	Approval Signature	Date Approved
Owner	Economic Development Officer	Kelley Williams		
Reviewer	Chief Administrative Officer	Kevin Crook		
Final Approver	Mayor and Council	Rob MacDougall		

8.0 Revision History

Effective Date	Rev Letter	Document Author	Description of Change
25-Apr-2018	A	K. Williams	Initial Release.

APPENDIX A

Background

Asset management practices impact directly on the core business of the District of Fort St. James and appropriate asset management is required to achieve our strategic service delivery objectives.

Adopting asset management principles will assist in achieving Strategic Long-Term Plan and Long Term Financial objectives.

Sustainable Service Delivery ensures that services are delivered in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.

Sound Asset Management practices enable sustainable service delivery by integrating customer values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

Related Documents

- Community Charter
- Asset Management Strategy [in progress]
- Asset Management Plans [in progress]
- Strategic Plan
- Financial Plan
- Policy No. 2.3 – Tangible Capital Asset

Acknowledgements

- The Institute of Public Works Engineering Australasia
- NAMS Canada
- Canadian Network of Asset Managers