

Function: Infrastructure & Planning - 04
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Asset Management

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CAO Signature:

Policy Statement:

The Asset Management Policy describes the organization's intentions and directions for asset management. It describes the principles and framework to be adopted in applying asset management to achieve the organization's strategic objectives. Council's mission and goal is to provide quality, cost-effective services, and infrastructure to meet the diverse needs of Lac Ste. Anne County, while improving competitiveness and sustainability.

This Asset Management Policy describes the organization's intentions, commitment, and directions for asset management. Asset management practices implemented in accordance with this policy will provide information for evidence-based decision-making which will drive quality, cost-effective services that can be sustainably delivered to the County.

This policy and related asset management procedures and practices integrate with, but do not replace, existing corporate strategic, business planning and budget management systems and processes already in place.

Definitions:

Asset Management (AM): Co-ordinated activity of Lac Ste. Anne County to realize value from its assets. AM involves the balancing of costs, opportunities, and risks against the desired performance of assets, to achieve organizational objectives (balancing may need to be considered over multiple timeframes). AM enables Lac Ste. Anne County to examine the need for, and performance of, assets and asset systems at different

levels and in conjunction with the non-asset solutions. Additionally, it enables the application of analytical approaches towards managing assets over the different stages of their lifecycle.

Asset Management Policy (AM Policy): The Asset Management Policy describes Lac Ste. Anne County's intentions and directions for asset management, it describes the principles and framework adopted in applying asset management to achieve the organization's strategic objectives.

Asset Management Strategy (AM Strategy): Documented information that specifies how Lac Ste. Anne County's objectives are converted into asset management objectives; the scope and role of the asset management system in supporting achievement of the asset management objectives; and a high-level overview for the approach to be used in developing asset management plans.

Asset Management System (AM System): Set of interrelated or interacting elements to implement the Asset Management Policy and the processes, tools and guidance documents to achieve the asset management and goals and objectives.

Asset Management Plan (AM Plan): A business-level plan developed for the management of infrastructure assets that combines multi-disciplinary management strategies (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to deliver a specified level of service. It specifies the activities, resources and timelines required for individual assets (or asset groups) to achieve the organization's asset management objectives. A significant component of the plan is therefore a long-term program of works and cash flow projections for the activities. Key inputs for the capital renewal section within Asset Management, Bridge Management, and Fleet Management Plans. Each plan will vary in complexity depending on the asset group it pertains to.

Lifecycle Costs: Lifecycle costs refer to the total cost of ownership over the life of an asset. This may include but is not limited to capital costs, operating, maintenance and renewal costs, replacement costs, environmental costs, and user delay.

Tangible Capital Assets Policy (TCA Policy) – Lac Ste. Anne County Policy Number 03-050-001: exists for proper recording, tracking and assessment of all tangible capital assets.

Responsibilities:

The County Manager will be responsible for the implementation and compliance of this policy.

Senior Administration will be responsible for:

- Administering the Asset Management Policy.
- Establishing an Asset Management Governance structure, and assigning roles and responsibilities.
- The implementation and continuous improvement of asset management procedures, practices, and systems.
- Maintaining the necessary corporate capacity (including, but not limited to: resourcing financial support, staff competencies, business processes, data and integrated information systems) to implement and improve the elements and practices of asset management to support the achievement of Lac Ste. Anne County's organizational objectives.

Principles:

To attain Lac Ste. Anne County's goal of asset management, the following principles are to be applied to all elements, documents, procedures, tools, and practices of asset management within the County's asset management system:

- ***Corporate*** – take a comprehensive approach that looks at the “big picture” (i.e. the combined implications of managing all aspects rather than a compartmental approach). This includes the functional interdependencies and contributions of assets within asset systems and the different management of assets across all lifecycle phases.
- ***Systematic*** – take a methodical approach (i.e. formal, repeatable, and consistent) to the management of assets.
- ***Systemic*** – make asset investment decisions in an asset system context, not just to optimize the individual asset itself.
- ***Risk-based*** - manage asset risk associated with attaining levels of service and focusing resources, expenditures, and priorities based on risk and associated cost/benefit.
- ***Optimal*** - make asset investment decisions based on trade-offs between the competing factors of service level (including asset performance), risk and cost.

- ***Sustainable*** - take a long-term, lifecycle-based approach in estimating asset investment and activities, thus developing effective asset management strategies for the long term,
- ***Integrated*** - coordinate the above principles to ensure the delivery of justified services and well-defined outcomes.
- ***Aligned*** - ensure that the asset management system complements the strategic objectives of the County, as well as other key business systems, legislation and regulation.

Outcomes:

Implementation and adherence to this policy is expected to result in:

- Reduced risk of not investing in safe and reliable infrastructure at the most optimal times in an asset's lifecycle, potentially compromising the safety and service delivery provided by the County's infrastructure.
- Reduced risk of sub-optimal planning for growth, maintenance and replacement of existing assets and the development of new assets, potentially compromising the County's ability to provide expected levels of service.
- Reduced risk of conflicting departmental investment priorities, issues with the coordination of delivery of service, corporate inefficiencies, and lack of expenditure optimization.
- Reduced risk of inconsistency of capital plans with the community service needs identified in the asset management plans, increasing infrastructure deferred work, or funding gap, compromising the alignment of infrastructure, financial and land-use goals, and reducing the ability of the county to achieve a sustainable state of service delivery.