

Title: Asset Management

Policy No: 1034

Effective Date: March 9, 2020

Motion Number: 20.03.157

Supersedes Policy No: NONE

Review Date: March 9, 2023



Purpose: The purpose of this policy is to guide Greenview’s implementation of the asset management practices that enable a coordinated, cost effective and organizationally sustainable approach across Greenview.

This policy will:

- a) Define over-arching principles that guide the Greenview’s asset management initiatives to ensure the provision of required services to the community that meet the community’s current needs without compromising the future, at a level that is cost effective and sustainable;
- b) Outline decision making processes that demonstrate Environmental and Fiscal stewardship;
- c) Achieve Council’s vision as stated in approved Council’s Strategic Plan

DEFINITIONS

Asset means a physical object that is a significant economic resource and provides the delivery of a program or service.

Asset Management means the process of making decisions about the use and care of infrastructure to deliver services in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources.

Asset Risk means events where an asset fails to perform as it was designed/needed to.

CAO means Chief Administrative Officer.

Level of Service means a measure of the quality, quantity, and/or reliability of a service from the perspective of residents, businesses, and customers in Greenview.

Life-cycle means the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset.

Long-term cost (Life-cycle cost) means the financial and human resources required throughout the life cycle of the asset

Long-term financial Plan means a plan that documents the process of aligning financial capacity with long-term service objectives.

Risk means events or occurrences that will have undesired impacts on services.

Strategic Risk means events or occurrences that impact the ability to achieve strategic and service objectives.

POLICY

1. Asset Management is an integrated and adaptive approach, involving the Council and all departments of Greenview, to deliver sustainable services to the community by effective management of existing and new infrastructure.
2. This policy outlines principles that shape the asset management approaches and initiatives across the organization.
3. Greenview delivers services to the community through a wide range of assets owned and managed by Greenview.
4. This Policy applies to:
 - a) All existing and new assets or asset systems (including natural assets) owned by Greenview and used to deliver services to the community;
 - b) Assets owned by Greenview, but managed or co-managed by others to deliver services to the community, subject to the terms of any agreement already in place;
 - c) Assets owned by others but managed or co-managed by Greenview to deliver services to the community, subject to the terms of any agreements already in place.

PROCEDURE

5. **Service Delivery:**

- a) Greenview shall define the levels of service to meet the community's needs and regulatory requirements, in a manner that considers quality of life, minimizes long-term costs to the community and balances risks and opportunities.
- b) Greenview shall operate and manage all assets effectively and efficiently to deliver the defined levels of service to the community.
- c) Greenview will share defined levels of service and service performances with the community to demonstrate accountability and transparency in decision-making.
- d) Greenview shall monitor and periodically review the defined levels of service to ensure they are compliant with the community's needs, Council's strategic objectives and any applicable regulatory requirements.
- e) Greenview will comply with all relevant legislative, statutory and regulatory requirements.

6. **Sustainability and Environmental Adaptability**

- a) Greenview shall develop business cases that consider risks and long-term costs of delivering defined levels of service when investing in infrastructure assets.
- b) Greenview's infrastructure investment shall consider the current and future generation's needs (considering changing demographics), by incorporating strategic risk assessments in the asset management decision making.

- c) Greenview's asset management decision making shall incorporate a triple bottom line approach, considering the socio-cultural, environmental and economic outcomes.
- d) Greenview will consider the potential effects of climate change and other environmental impacts, and how the increased severity and frequency of climatic events may directly affect levels of service. Where appropriate, a proactive approach to mitigating the potential impacts of climate change will be adopted.

7. Holistic and Integrated Decision Making

- a) Greenview shall connect and integrate the appropriate departments, business units, and functions in the asset management decision making process in order to build effective working relationships and recognize maximum value in infrastructure investments.
 - i. These departments and functions include planning, engineering, operations and maintenance, finance and other strategic and long-term community planning and budgetary functions.

8. Fiscal Responsibility

- a) Greenview shall develop and maintain a long-term financial plan that identifies investment needs, funding requirements and revenue projections to achieve long-term financial sustainability.
- b) Greenview's infrastructure investment shall consider the financial impacts on current and future generations and promote social and inter-generational equity.
- c) Greenview shall implement processes that ensure the proposed investment needs are addressed efficiently and effectively.
- d) The decision to build, renew and/or replace an asset shall aim to minimize the long-term cost of asset ownership while balancing risks and meeting the defined levels of service.
- e) Greenview shall implement efficient maintenance strategies that consider sustaining the defined levels of service while seeking to mitigate risk and maximize value of asset ownership.
- f) Greenview shall comply with all the regulatory and statutory financial tracking and reporting requirements.

9. Continuous Improvement

- a) Greenview shall monitor and periodically review the asset management processes (including this policy) to measure their applicability and effectiveness in achieving the Greenview's strategic objectives, where applicable the required revisions shall be made.
- b) Greenview shall seek continuous improvement of the asset management processes by focusing on incorporating innovative tools, techniques and solutions that promote long-term efficiency and effectiveness in service delivery and asset management decision making.
- c) Greenview shall assess the asset management competencies required to implement the asset management processes and provide the necessary support, education and training to relevant staff.

Responsibilities**10. Council**

- a) Approves Asset Management policy.
- b) Supports strategies and plans that are developed to implement the Asset Management Policy.
- c) Approves the defined levels of service.
- d) Approves asset funding through multi-year plans and annual budgets.
- e) Supports asset management system by approving funding to implement the asset management processes.
- f) Authorizes the CAO to form a corporate asset management steering committee to implement asset management system across the organization.

11. CAO

- a) Ensures and oversees corporate adoption of asset management policy, processes and strategies.
- b) Establishes an asset management steering committee.
- c) Appoints the cross-functional representatives from relevant departments to serve on the steering committee as well as chair of the steering committee.
- d) Reviews all asset management information prior to presentation to Council.

12. Asset Management Steering Committee

- a) Provides a forum for discussion and development of asset management policy, strategy, plans and processes.
- b) Encourages the collaboration and integration between different business areas to achieve efficiency and effectiveness in service delivery.
- c) Provides a forum for learning, information sharing and co-education opportunities.
- d) Leads the development of corporate asset management tools and practices and monitors their application across the organization.

13. Department Managers

- a) Lead the adoption of the asset management policy within their departments.
- b) Allocate appropriate resources for implementation of the policy and associated processes.
- c) Liaise with Asset Management Steering Committee.

14. Corporate Finance

- a) Provides financial direction and support to the departments and Asset Management Steering Committee.
- b) Develops and maintains the required financial plans and records in accordance to the asset management policy and regulatory and statutory requirements.