KERR WOOD LEIDAL
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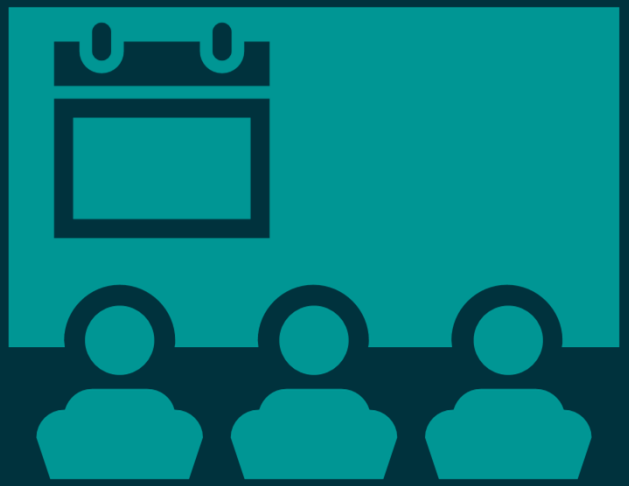
What's in your Toolkit?

Asset Management Policy & Plan Templates

Friday, May 25 @ 10:00am

Agenda

- Asset Management Policy
  - Template
  - Guide
- Asset Management Plan
  - Overview of Template
  - Flow Chart
- Next Steps
- Questions / Feedback



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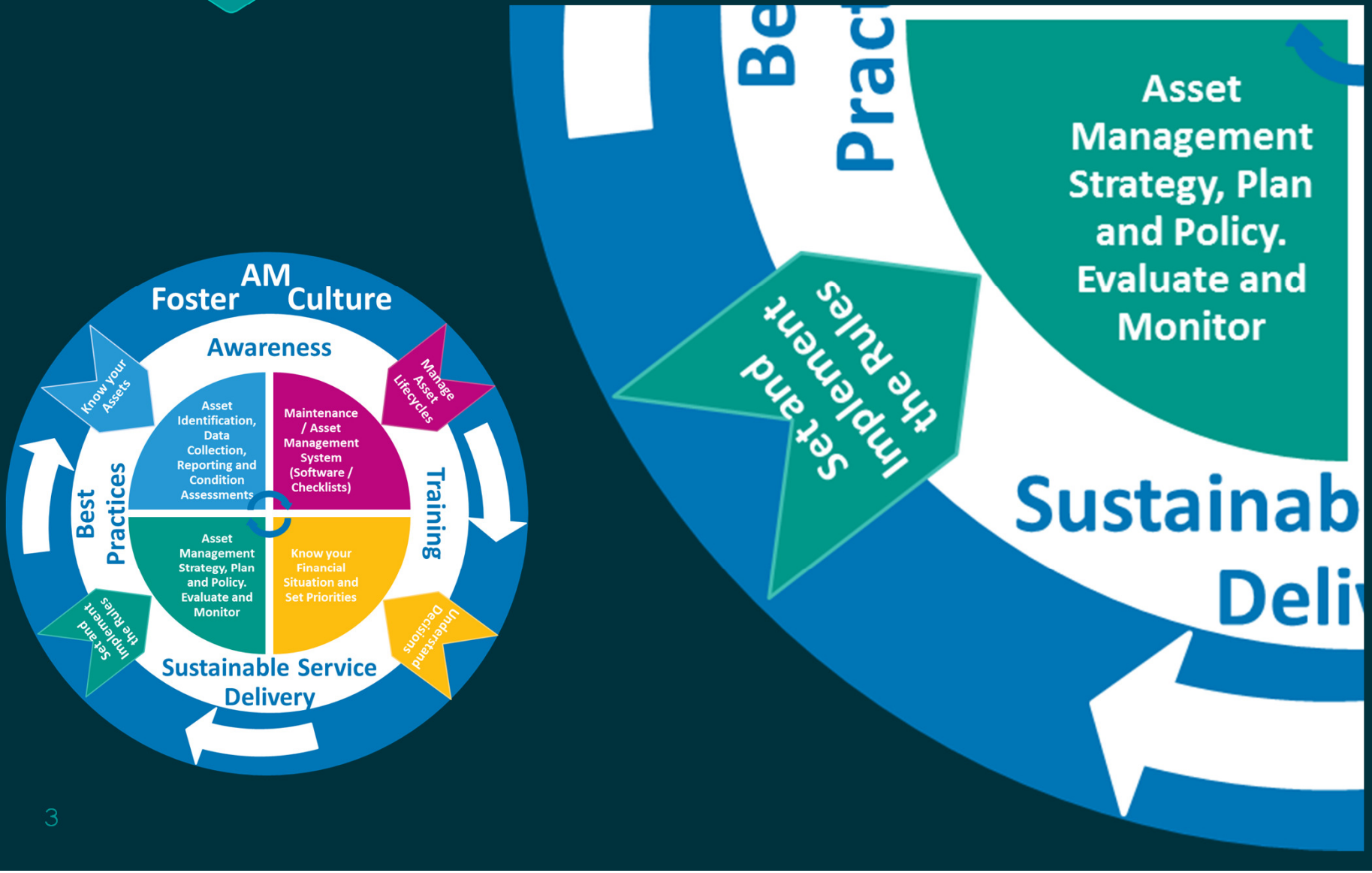
Asset Management Framework



Asset Management Policy

What is a Policy?

Articulates **Council's commitment to asset management** and provides **direction for staff** in carrying out all elements of the organization's asset management program.

Why is it important?

- **Signifies a** community's **commitment** to asset management
- Informs **consistent** asset management **practices** across the organization
- **Sets clear expectations** for developing and implementing a program

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Asset Management Policy

(Community Name)
Asset Management Policy

Policy Adopted (dd/mm/yyyy)

PURPOSE

This Policy articulates the (Community Name)'s commitment to effective asset management. The purpose of this Policy is to:

- Deliver infrastructure services in a way that meets established levels of service;
- Provide direction to help our community make decisions and prioritize core infrastructure needs;
- Provide direction for the consistent application of asset management by Council and staff; and,
- Reflect the organization's strategic goals with respect to managing infrastructure.

Asset management enables the protection of community-owned assets that deliver core community services, including the water system, wastewater system, solid waste, buildings and facilities, and vehicles and equipment (adjust as necessary).

ASSET MANAGEMENT POLICY STATEMENTS

Asset management is an organization-wide approach that encompasses many. The tangible assets of the (Community Name) are managed in accordance with the following principles and the policy statements that support them:

a) Levels of Service

The (Community Name) has established and strives to deliver levels of service that:

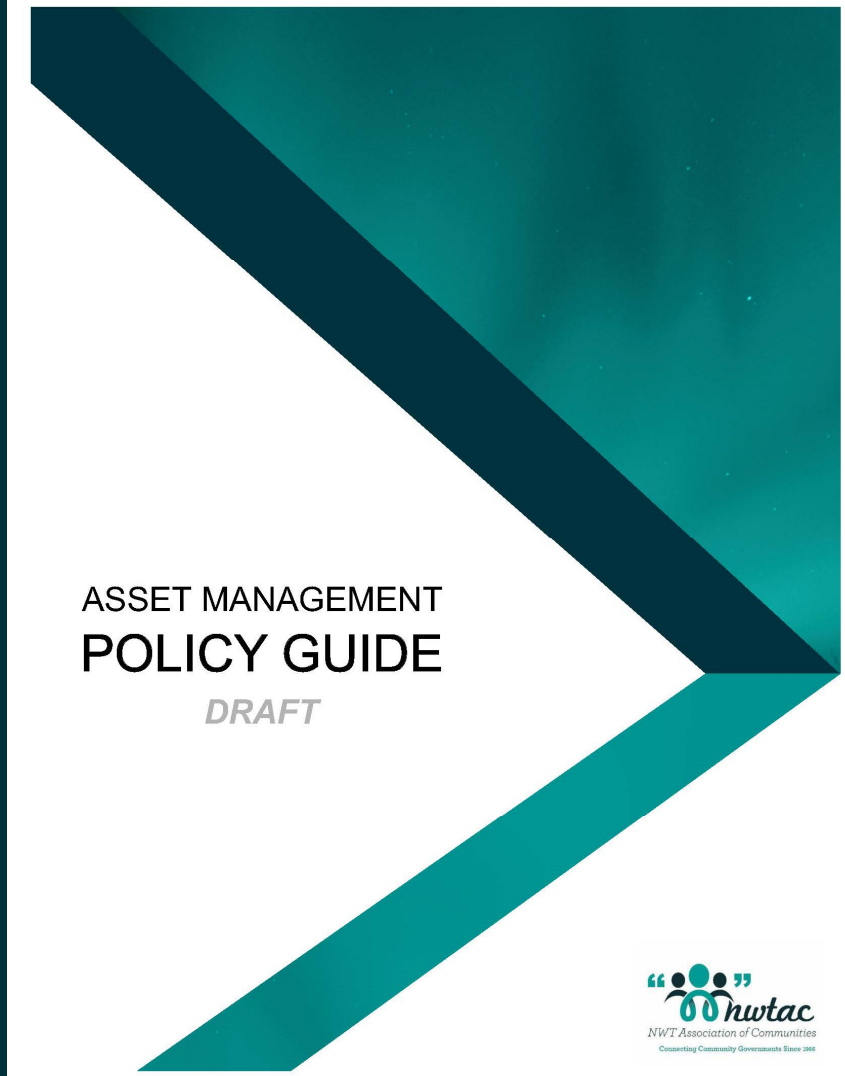
- Comply with all legislated requirements;
- Protect and uphold public safety, community well-being and the environment; and
- Reliably meet the informed expectations of stakeholders and the public.

b) Informed Decision Making

Asset management decisions are based on sufficient, reliable and current inventory information. A consistent approach has been adopted for decision making, including data management, risk analysis, evaluating trade-offs, and record keeping. Decisions that guide capital planning are made with a holistic view of systems needs across all asset categories, integrated with existing policies, and balanced according to community priorities. Opportunities for regional collaboration are identified and leveraged.

c) Minimum Sustainable Cost

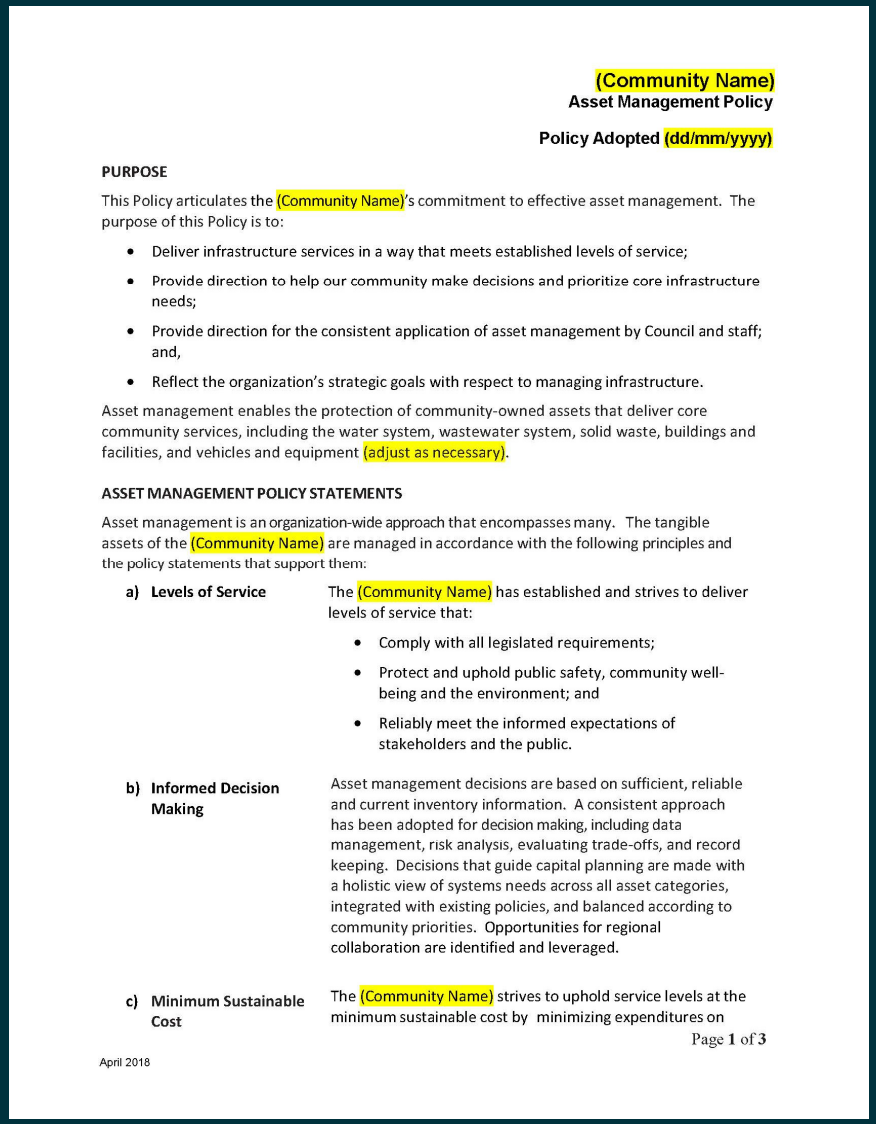
The (Community Name) strives to uphold service levels at the minimum sustainable cost by minimizing expenditures on



Asset Management Policy

Components of a Policy

- Purpose
- Policy Statements
- Context & Integration
- Responsibilities for Managing the Policy



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April 2018

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Asset Management Policy

CONTEXT AND INTEGRATION

The context and integration of asset management throughout the organization is formalized through references and linkages between corporate documents. Where possible and appropriate, Council and staff will consider this Policy and integrate it in the development or updating of corporate documents.

Asset Management Policy

KEY RESPONSIBILITIES FOR MANAGING THE ASSET MANAGEMENT POLICY

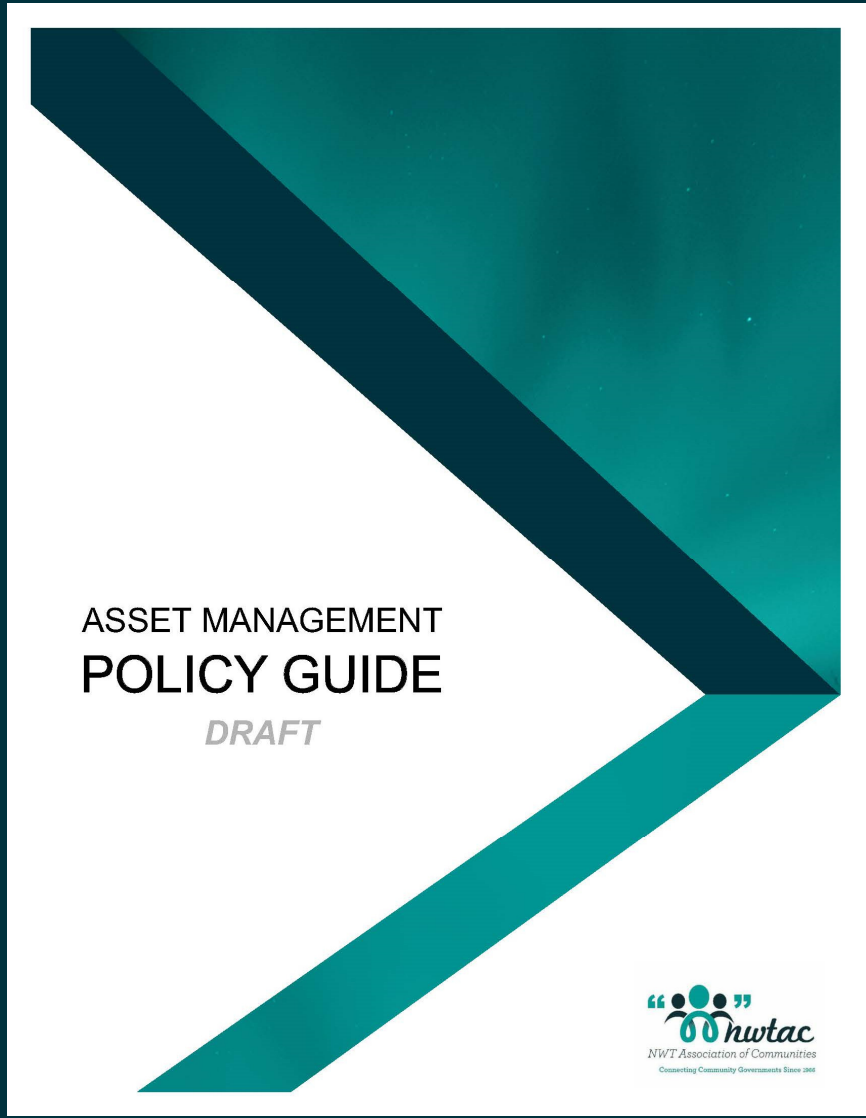
The performance of asset management is organization specific, reflective of knowledge, technologies and available tools, and will evolve over time. Council retains the sole authority to approve, update, amend, or rescind this Policy. Council has the authority to delegate implementation responsibilities to staff, while providing the resources necessary to support staff in performing delegated responsibilities.

A full list of responsibilities for implementing the Asset Management Policy is outlined below:

Area of Responsibility	Body Responsible
Ongoing review of policies, updating where needed	Council
Exercise stewardship of assets	Council
Establish a budget for asset management	Council, staff delegate

Asset Management Policy

1. About this Guide
2. Background
3. Developing Your Policy
4. Putting It Into Practice



Asset Management Plan

What is an Asset Management Plan?

A document that describes how one or more **groups of assets** are to be **managed** over a period of time in order to **deliver** an agreed upon **standard of service**.

Why is it important?

- Provides details necessary to support decision-making
- Enables communities to maximize the value of existing infrastructure that delivers core community services

Asset Management Plan

7 Essential Elements

Adapted from *InfraGuide: Managing Infrastructure Assets.*

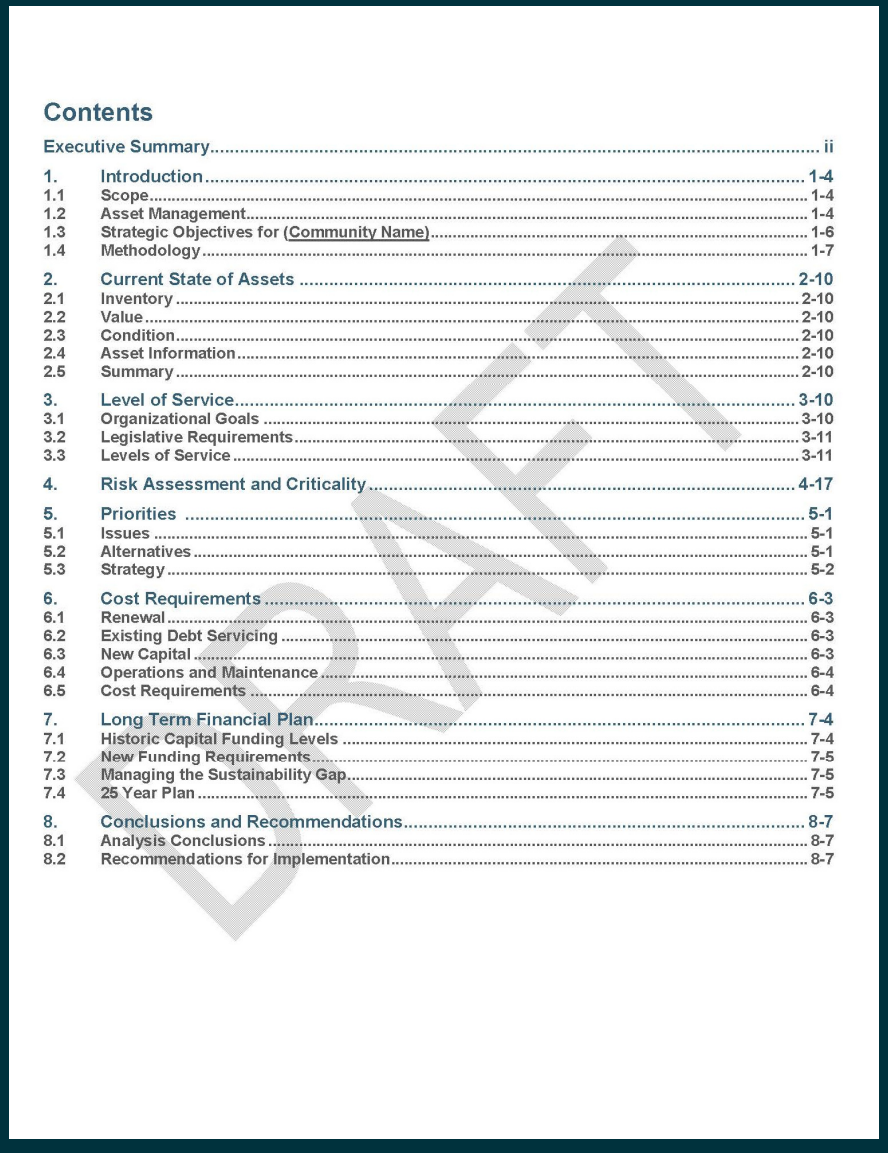
What do you own?	→	Inventory
What is it worth?	→	Valuation
What is its condition?	→	Condition / Remaining Life
What needs to be done?	→	Levels of Service / Initial Plan
When do you need to do it?	→	Risk Assessment & Prioritization
How much will it cost?	→	Revenue Requirements
How will you pay for it?	→	Long Term Financial Plan

Asset Management Plan

Components

Executive Summary

1. Introduction
2. Current State of Assets
3. Level of Service
4. Risk Assessment and Criticality
5. Priorities
6. Cost Requirements
7. Long Term Financial Plan
8. Conclusions and Recommendations



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DRAFT

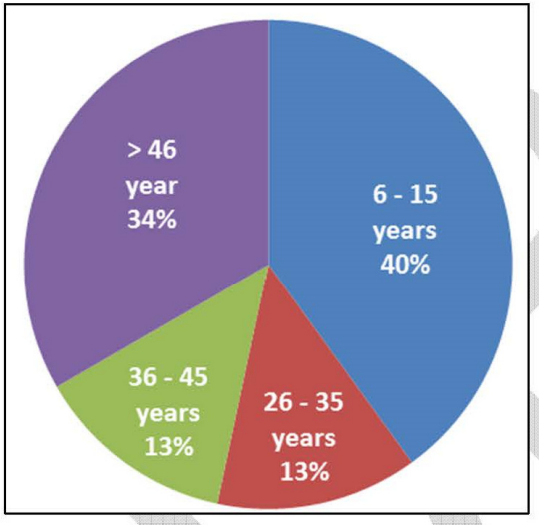
Asset Management Plan

Example: Current State of Assets

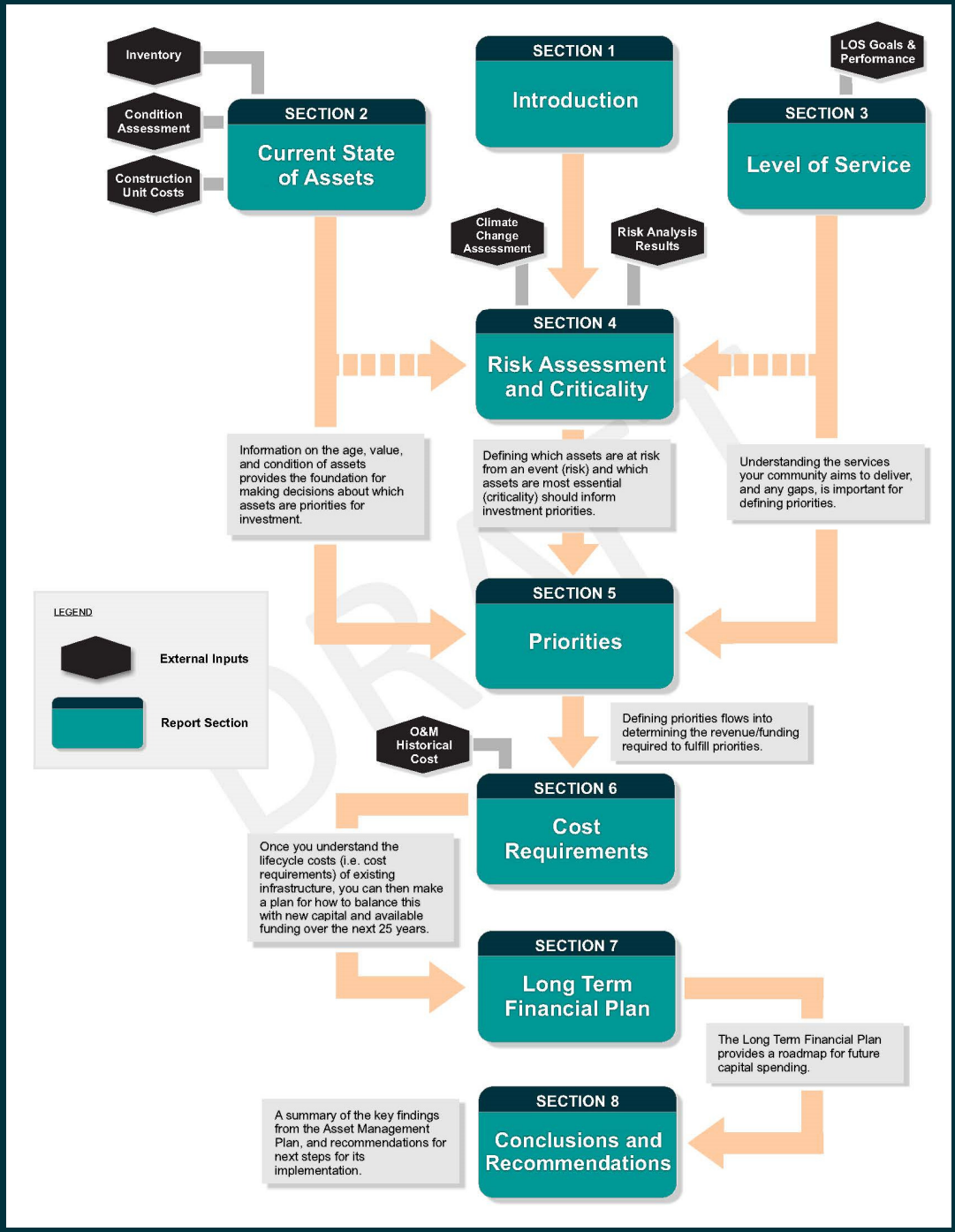
Remaining Life

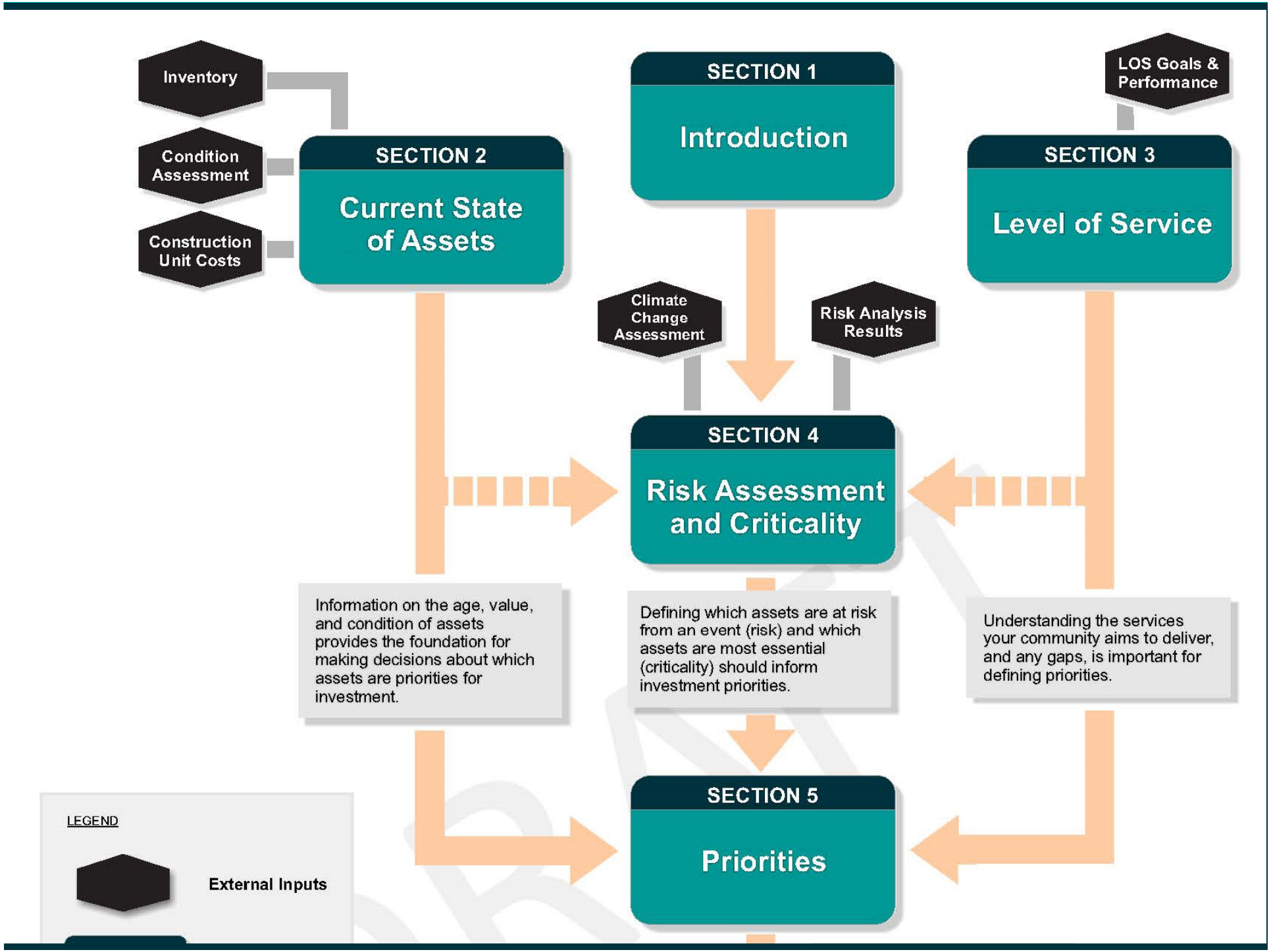
The (Community)'s assets range in age from (youngest – oldest; eg. new to almost 50 years old), with an average age of approximately (number of years) years. On average, community assets have an estimated (00%) of their life remaining (weighted by value), meaning that (add comment here e.g. there is significant need for renewal in the near future). (Describe the asset category with the highest % remaining life). (Describe the asset category with the lowest % remaining life, and most urgent need for renewal).

A summary of the average percent remaining life assets in each asset category is shown in Figure X (sample).



Details on the remaining life of each asset are provided in Appendix X.


Inventory
Condition Assessment
Construction Unit Costs
SECTION 2
Current State of Assets
SECTION 1
Introduction
LOS Goals & Performance
SECTION 3
Level of Service
Climate Change Assessment
Risk Analysis Results
SECTION 4
Risk Assessment and Criticality
Information on the age, value, and condition of assets provides the foundation for making decisions about which assets are priorities for investment.
Defining which assets are at risk from an event (risk) and which assets are most essential (criticality) should inform investment priorities.
Understanding the services your community aims to deliver, and any gaps, is important for defining priorities.
LEGEND
External Inputs
Report Section
SECTION 5
Priorities
O&M Historical Cost
Defining priorities flows into determining the revenue/funding required to fulfill priorities.
SECTION 6
Cost Requirements
Once you understand the lifecycle costs (i.e. cost requirements) of existing infrastructure, you can then make a plan for how to balance this with new capital and available funding over the next 25 years.
SECTION 7
Long Term Financial Plan
The Long Term Financial Plan provides a roadmap for future capital spending.
SECTION 8
Conclusions and Recommendations
A summary of the key findings from the Asset Management Plan, and recommendations for next steps for its implementation.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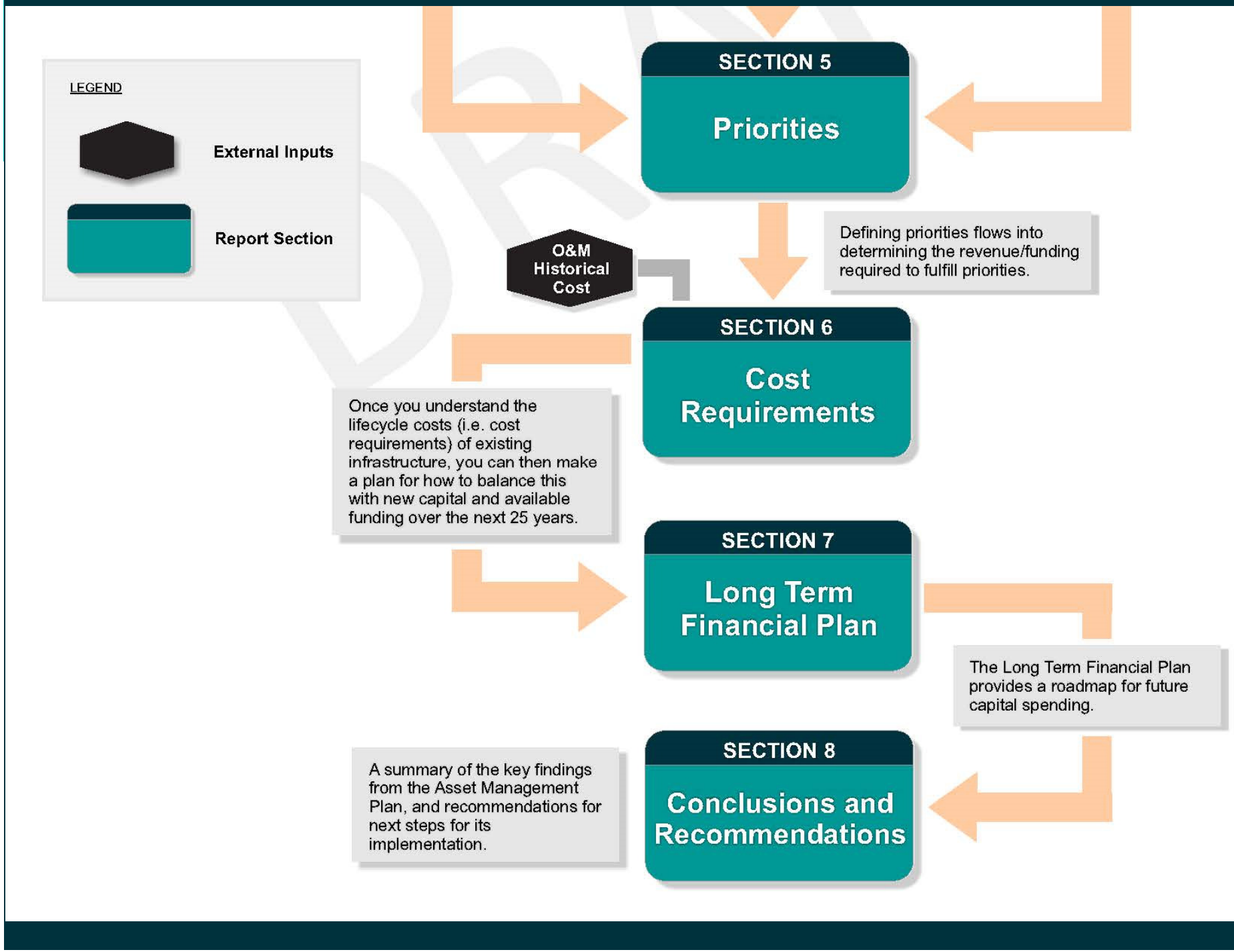
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Next Steps

- Feedback welcome!
  - AM Policy Template and Guide
  - AM Plan Framework and Flow Chart
- Finalize the AM Policy Template and Guide
- Updated draft of the AM Plan Template tables and text
- Prepare AM Plan Guide
- Circulate to communities; make available on NWTAC website

Questions / Feedback

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