



# BOARD Policy

Section:	Asset Management	BRD-0340-50
Title:	Asset Management Policy	029

## 1. PURPOSE

- 1.1** The Sunshine Coast Regional District (SCRD) provides services to its residents that require responsible ownership and operation of various assets to facilitate the continuing delivery of those services. The purpose of the Asset Management Policy is to:
- 1.1.1 Define the guiding principles to be integrated across the SCRD's decision making processes with respect to assets under SCRD stewardship.
  - 1.1.2 Articulate the SCRD's commitment to sustainable service delivery through the practice of Asset Management.
  - 1.1.3 Define the roles and responsibilities associated with the delivery of the SCRD's Asset Management program.

## 2. SCOPE

- 2.1** This applies to all services within the SCRD that use constructed assets, natural assets, or equipment in the delivery of their service.

## 3. DEFINITIONS

- 3.1 "Asset"** means a physical infrastructure asset that provides or facilitates the provision of a service to the community. These typically require an appropriate level of maintenance to ensure the ability to sustainably provide that service.
- 3.2 "Asset Management Program"** means an integrated approach involving planning, finance, engineering and operations to effectively manage existing and new assets, and maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner.
- 3.3 "Expected Useful Life"** means the anticipated lifespan of an asset assuming proper operations and maintenance procedures are followed.
- 3.4 "Full Life Cycle"** means the period from concept to disposal for a specific asset. Typically used in context of accounting accurately for the entirety of the impact of the asset.
- 3.5 "Intergenerational Equity"** means the understanding that the community we inhabit today will be inherited to future generations of residents, and that the lifespan of assets that provide services to the community extend beyond a single generation. Asset stewardship should consider the short and long-term impacts when making decisions.
- 3.6 "Levels of Service"** means the sum of the various metrics used to measure service delivery. Targets for Levels of Service typically balance the holistic costs and demands of technical, performance, and customer satisfaction metrics unique to each service being delivered to the community. These metrics can include the availability, quality, reliability, safety, legislative compliance, environmental impact, or the cost effectiveness of a service.
- 3.7 "Natural Asset"** means a naturally occurring feature that provides or facilitates the delivery of a service to the community. The contributions of a natural asset to the delivery of a service reduce the amount of physical infrastructure needed while providing habitat and ecosystem benefits. Identification and preservation of natural assets can reduce the financial costs of service provision.
- 3.8 "Responsible Ownership"** means the obligation to care for and maintain assets. Local Governments have an obligation to their residents to endeavor to maximize value from the



## BOARD Policy

---

assets they own/manage, this is typically achieved through appropriate operations and maintenance activity, proactive repairs, and ensuring adequate resources are available for the provision of these activities.

**3.9 “Service”** means the services provided by a Regional District are established through bylaws that define the service to be delivered, the participants, the method of delivery, and the specific cost recovery details. Costs may not be shared between services. Service establishment is regulated by the provincial government and any alterations to the service must comply with provincial law.

## 4. POLICY

### 4.1 Asset Management

- 4.1.1 The SCRД is committed to the establishment, implementation, and maintenance of asset management programs to ensure that assets are identified, located, quantified, assessed, planned, built, operated, maintained, rehabilitated and decommissioned in a socially, environmentally, economically and culturally responsible manner.
- 4.1.2 The SCRД will maintain the necessary capacity (resourcing, financial support, staff competencies, business processes, etc.) to support the elements and practices of the SCRД’s asset management programs.
- 4.1.3 The status, performance and effectiveness of work related to the implementation of asset management programs will be reported to the Board regularly.

### 4.2 Organizational Integration

- 4.2.1 To support asset management decision making, the SCRД will take steps to connect the appropriate departments and functions, and support activities to build effective working relationships and encourage information-sharing.
- 4.2.2 The Asset Management Policy will be considered and integrated with other SCRД policies, strategies, plans and processes such as the Financial Sustainability Policy, SCRД Board Strategic Plan, Annual Financial Plan, Official Community Plans and other internal processes.
- 4.2.3 The SCRД will support the development and operation of internal asset management working groups to facilitate the development of asset management programs and to identify improvement opportunities across the organization.
- 4.2.4 The SCRД will encourage communication and collaboration with other local governments and external agencies to support the practice of asset management.

### 4.3 Service Delivery

- 4.3.1 The SCRД will strive to define levels of service objectives that balance community expectations and regulatory requirements with risk, affordability and resource availability, and will do the following:
  - a) Manage assets appropriately to efficiently and effectively deliver the defined levels of service.
  - b) Develop and maintain performance metrics to evaluate the delivery of services.
  - c) Monitor and periodically review level of service objectives to ensure they meet or support community and Board expectations and other strategic objectives.
- 4.3.2 The SCRД will provide transparency and accountability to the community on service delivery. This will include reporting to the Board on service performance.
- 4.3.3 The SCRД will strive to exceed compliance with all relevant legislative, regulatory and statutory requirements.
- 4.3.4 The SCRД will promote asset management programs that incorporate risk-based and data driven, decision-making frameworks that incorporate industry best practices while



## **BOARD Policy**

---

appropriately considering the potential impacts of asset failure on ongoing service delivery.

- 4.3.5 The SCRD will ensure that decisions regarding the need for new assets are made with due diligence; and that these needs are evaluated with a focus on service delivery to the community, and supported with a business case that articulates costs and benefits.
- 4.3.6 The SCRD will prioritize and direct resources and expenditure to deliver defined levels of service at an acceptable level of risk.

### **4.4 Long-term Sustainability and Resiliency**

- 4.4.1 The SCRD's asset management efforts will consider the needs of both current and future generations, and the potential challenges associated with changing community demographics and expectations related to service delivery.
- 4.4.2 The SCRD's approach to asset management will seek to build resiliency to climate change and support mitigation of greenhouse gas emissions.
- 4.4.3 The SCRD will consider social, environmental, and economic factors and implications when making and implementing asset related decisions.
- 4.4.4 The SCRD will seek to incorporate and leverage natural assets to facilitate service delivery.

### **4.5 Financial**

- 4.5.1 The SCRD will seek to deliver services as efficiently as possible. This includes:
  - a) Developing long-term projections of capital investment/renewal.
  - b) Reviewing proposed short-term investments with consideration to full lifecycle impacts.
  - c) Ensuring that proposed investment plans are efficient and effective.
  - d) Identifying the operational budget implications of capital investments.
  - e) Exploring opportunities to improve efficiency where appropriate, including new technologies.
  - f) Analyzing capital investment plans and associated funding requirements and ensuring compliance with the SCRD's Financial Sustainability Policy.
- 4.5.2 The SCRD will evaluate asset investment decisions based on consideration of the full financial and environmental costs associated with managing those assets through their entire life cycle.
- 4.5.3 The SCRD will evaluate proposed investments related to assets considering the aggregate value derived for the community, affordability across the asset lifespan, willingness to pay, and the impact on intergenerational equity.

### **4.6 Innovation and Continual Improvement**

- 4.6.1 The SCRD views continual improvement as a key part of the asset management approach and will seek to maintain familiarity with the development of tools, techniques, and solutions by other members of the broader asset management community.
- 4.6.2 The SCRD will monitor and periodically review the effectiveness of asset management processes and the wider asset management system in supporting the delivery of strategic objectives and will adjust as required.
- 4.6.3 The SCRD will review the Asset Management Policy in conjunction with its review of the asset management strategy every five years.



## BOARD Policy

---

### 5. EXCEPTIONS

### 6. AUTHORITY TO ACT

**6.1** To ensure the Asset Management Policy is effectively integrated into the SCRD's decision making, the following roles and responsibilities are associated with the success of the policy:

#### **6.1.1 Board**

- a) Approve asset funding through the annual budget process;
- b) Approve funding and resources to maintain the asset management program;
- c) Provide high level oversight of the SCRD's Asset Management practices;
- d) Approve levels of service that balance community expectations and financial capacity;

#### **6.1.2 Staff**

- a) Chief Administrative Officer
  - i. Allocates sufficient resources to enable competent delivery of the SCRD's asset management program;
  - ii. Provides interdepartmental oversight of the development and application of the SCRD's asset management programs;
  - iii. Facilitates integration of this Asset Management Policy with other SCRD policies, strategies and plans in conjunction with Senior Leadership Team;
  - iv. Provides annual reports to the Board on asset management program development and effectiveness of implementation.
- b) Chief Financial Officer
  - i. Ensures long-term planning aligns with financial policies;
  - ii. Ensures efficient internal support is available to each department in the development and implementation of long-term plans.
- c) Asset Management Department
  - i. Leads the development of SCRD asset management programs;
  - ii. Implements asset management program procedures and practices across the organization.
  - iii. Monitors and assesses the effectiveness of asset management programs and identify areas for improvement;
  - iv. Establishes and maintains asset registries;
  - v. Reports to the Chief Administrative Officer on asset management program development and effectiveness of implementation.
- d) Department Managers
  - i. Participate in working groups to assist asset management staff in the development of asset management programs;
  - ii. Commit resources for internal review and development of asset management plans associated with own department;
  - iii. Integrate this Asset Management Policy into departmental activities;
  - iv. Provide feedback to the asset management staff to assist with continual improvement.
- e) All Staff
  - v. Adhere to this Asset Management Policy and any requirements, procedures and practices associated with asset management programs established in various departments.



## BOARD Policy

---

### 7. REFERENCES (Bylaws, Procedures, Guiding documents)

- 7.1 Financial Plan Process Policy*
- 7.2 Financial Sustainability Policy*
- 7.3 Debt Management Policy*
- 7.4 Oath of Office – Elected Officials*

Approval Date:	February 12, 2015	Resolution No.	058/15 Rec. No. 4
Amendment Date:	July 28, 2022	Resolution No.	195/22 Rec. No. 5
Amendment Date:		Resolution No.	
Amendment Date:		Resolution No.	