



## The Corporation of the District of North Vancouver

### COUNCIL POLICY

Title	Asset Management
Section	Finance

**1.0 Purpose** To set guidelines for implementing consistent asset management processes throughout the District of North Vancouver.

**2.0 Objectives** To support the realization of District strategies, goals and objectives by:

- Providing information for asset replacement, upgrade, expansion, and decommissioning decisions.
- Producing a 10 Year Draft Capital Plan for Council prioritization, including estimated progress towards target community outcomes.

To ensure adequate provision is made for the long-term replacement of the District's major assets by:

- Ensuring that District services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, businesses, visitors and the environment.
- Safeguarding and stewarding District assets through the implementation of appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all District employees take an integral part in overall management of District assets by creating and sustaining asset management awareness throughout the organisation inclusive of training and development.
- Meeting federal, provincial and local legislative and regulatory requirements for asset management as applicable at the individual asset level and at the corporate level.
- Ensuring District 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 practices.

**3.0 Scope** This policy applies to all District activities.

**4.0 Policy** **4.1 Background**

4.1.1 The District is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of the organisation. This includes ensuring that assets are planned, created, operated,

maintained, renewed and disposed of in accordance with District priorities for service delivery.

- 4.1.2 The District owns and uses significant tangible capital assets to support its core business of delivery of service to the community.
- 4.1.3 Asset management practices impact directly on the core business of the District and appropriate asset management is required to achieve strategic service delivery objectives.
- 4.1.4 Asset management principles assist the District in achieving its Strategic and Long Term Financial Plan objectives.
- 4.1.5 A strategic approach to asset management ensures that the District delivers the highest appropriate level of service through its assets. This will provide positive impacts on:
  - Members of the public, businesses and staff;
  - District's financial position;
  - The ability of the District to deliver the expected level of service and infrastructure;
  - The political environment in which the District operates; and
  - The legal liabilities of the District.

#### **4.2 Principles**

- 4.2.1 A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practices throughout all departments of the District.
- 4.2.2 All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management at the District.
- 4.2.3 Asset management principles will be integrated within the District's planning and operational processes.
- 4.2.4 Asset management plans must be developed for major service/asset categories. These plans will be informed by community consultation consistent with the District's corporate public engagement strategies and activities; land use planning, financial planning and reporting.
- 4.2.5 An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- 4.2.6 Asset renewals and agreed service levels must be identified in asset management plans. Asset management plans will be used to update the District's long term financial plan.
- 4.2.7 Asset renewal alternative options along with operating, maintenance and capital budget impacts will inform the District's annual budget deliberations. Service and risk consequences of asset renewal alternative options will be evidenced in both asset management plans and budget documentation.
- 4.2.8 Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.
- 4.2.9 Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice using replacement values; not historical costs.

- 4.2.10 Future life cycle costs will be reported and considered in all decisions relating to new District services and assets and upgrading of existing services and assets.
- 4.2.11 Future service levels will be determined by community consultation consistent with the District's corporate public engagement strategies and activities; land use planning, financial planning and reporting.
- 4.2.12 Training in asset and financial management will be provided for relevant staff with an emphasis on multi-disciplinary team learning to build a strong foundation, sustain corporate memory, aid in succession planning and mitigate risks associated with staff turnover.

**5.0 Legislation**

- Community Charter (SBC 2003) Chapter 26
- 254/2004 – Municipal Liabilities Regulation
- Local Government Act [RSBC 1996] CHAPTER 323
- Various Federal and Provincial legislation applicable at the asset and corporate levels. Examples: Canada Health Act, Fisheries Act, BC Building Code, BC Drinking Water Protection Regulation, BC Environment Management Act

**6.0 Related Documents**

Asset Management Strategy  
Asset Management Plans

**Responsibility**

**Councillors** are responsible for adopting the policy, allocation of resources, providing high level oversight of the delivery of the organisation's asset management strategy and plans and maintaining accountability mechanisms to ensure that organisational resources are appropriately utilized to address the organisation's strategic plans and priorities.

The **Chief Administrative Officer** has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within District. Oversight includes internal audit review of all related business processes in a manner and time frame deemed appropriate.

**Review Date**

This policy has a life of 4 years. It will be reviewed in August 2018.

**Approved by  
Council Meeting  
Date**

July 7, 2014