
POLICY TITLE: Corporate Asset Management Policy

POLICY #: PLCY-2024-005

CATEGORY: Community Services - Climate Change & Asset Management

AUTHORITY: Ontario Regulation 588/17

POLICY APPROVED BY: Report No. CSE-2024-004

EFFECTIVE DATE: 2024-06-17

APPLICABLE TO: All Staff

REFERENCES AND RELATED DOCUMENTS:

Town of Halton Hills Strategic Plan 2023 – 2026

2022 Core Infrastructure Asset Management Plan

Tangible Capital Asset (TCA) Policy

Asset Retirement Obligation (ARO) Policy

Long Range Financial Plan

Energy Conservation and Demand Management Plan

Climate Change Adaptation Plan

Climate Vulnerability Assessments

Low Carbon Transition Strategy

Transit Service Strategy

Corporate Technology Strategy

1. Terms and Definitions

For the purposes of this document, the following definitions will apply consistent with the Ontario Regulation 588/17, ISO 55000:2014(E) - International Standard for Asset Management and the International Infrastructure Management Manual (IIMM).

Asset – an item, thing or entity that has potential or actual value to the Town, including but not limited to tangible assets, natural assets, heritage or culturally significant assets and information assets.

Asset Lifecycle – set of phases through the life of an asset that characterizes the ability of the asset to meet an expected level of service and retain its identity as an asset.

Asset Management (AM) – is a combination of management, financial, economic, engineering, and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner at an acceptable level of risk. It involves data-driven decision-making and actions throughout the lifecycle of assets.

Asset Management (AM) Network Team – the cross-departmental/divisional team of Subject Matter Experts and Managers that govern and maintain the Town's assets in compliance with the corporate asset management policy.

Asset Management Information System (AMIS) – an integrated system that combines processes, data, software, and hardware to effectively support and enhance asset management, through comprehensive asset lifecycle management to ensure optimized performance, cost-efficiency, and strategic alignment in asset management practices.

Asset Management Plans (AMPs) – asset-specific plans which are regularly updated to develop data-driven strategies and operational recommendations necessary to achieve objectives and service level expectations.

Asset Management System – a set of interrelated and interacting elements of an organization, including the AM policy, AM objectives, AM Strategy, AM Plans and the processes to achieve these objectives.

Core Assets – These typically refer to the essential infrastructure assets that are directly involved in the delivery of key municipal services. Ontario Regulation 588/17 defines core assets as roads, bridges, culverts, water, wastewater and stormwater management systems.

Corporate Asset Management (CAM) – the application of asset management practices at a corporate level to maximize consistency among the diverse asset

groups and create efficiency by harmonizing service levels and business process while considering climate adaptation plans and sustainability strategies.

Corporate Asset Management (CAM) Steering Committee – the committee comprised of senior management across the organization.

Green Infrastructure – an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes. Green infrastructure includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces, and green roofs.

Level of Service (LOS) – the parameters or combination of parameters that reflect social, political, economic, and environmental outcomes that the organization delivers. LOS statements describe the outputs or objectives an organization or activity intends to deliver to customers.

Lifecycle Cost – the total cost of ownership of an asset throughout its life. This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement or disposal costs, and environmental costs.

Non-Core Assets – Ontario Regulation 588/17 defines non-core assets as municipal assets that do not fall into the core asset categories. These typically include facilities, vehicles, machinery and equipment, parks, and recreational assets.

Physical Asset or Tangible Capital Asset (TCA) – non-financial assets (core and non-core) having physical substance that are acquired or constructed/developed and:

- Are used on a continuing basis in the Town's operations
- Have useful lives extending beyond one accounting period
- Are not held for re-sale in the ordinary course of operations

Resilience – the capacity to function, survive and thrive no matter what changes, stresses or shocks are encountered.

State of Infrastructure Report (SOIR) – report presenting information on the asset portfolio including details of the asset inventory, valuation of the asset base (replacement value), condition/performance of the asset base, accompanied by information on supporting data.

Strategic Asset Management Plan (SAMP) – plan that documents and specifies how the organizational objectives are to be converted into AM objectives, the approach for developing AM plans and the role of the asset management system in supporting the achievement of AM objectives.

Sustainability - meeting the needs of today without compromising the needs of future generations. It is about maintaining or improving the standard of living by protecting human health, conserving the environment, using resources efficiently and advancing long-term economic competitiveness. It requires the integration of environmental, economic, and socio-cultural priorities into policies and programs with actions at all levels.

Value-based Decision-making – a strategic approach that focuses on maximizing the value of each asset in terms of service delivery and cost-efficiency. It involves assessing and prioritizing actions based on their potential to improve outcomes, reduce costs, and mitigate risks, thereby ensuring that the most beneficial and cost-effective decisions are made for asset maintenance, renewal, and replacement.

2. Policy Background

Pursuant to Ontario Regulation 588/17 (O. Reg. 588/17) under the Infrastructure for Jobs and Prosperity Act, 2015, which took effect on July 1st, 2019, the Town of Halton Hills is required to develop and maintain a strategic asset management policy, and to develop and implement asset management plans.

The Town must periodically review and update its asset management policy at least every five years, ensuring it remains relevant and effectively addresses both current and emerging challenges.

3. Policy Review

The Town of Halton Hills established its corporate asset management policy in 2018. This 2024 revision integrates additional considerations for managing natural assets and green infrastructure and updates the policy framework to reflect current and future needs in alignment with the Town's strategic objectives.

4. Policy Purpose

This asset management policy expresses the commitment and intentions of Town of Halton Hills staff to strategically and efficiently manage the Town's infrastructure and assets. It ensures effective stewardship of all public assets while protecting natural areas and heritage, and creating and supporting a safe, vibrant, and welcoming community.

5. Policy Statement

The Corporation of the Town of Halton Hills is deploying a program to manage assets in a strategic, comprehensive and organization-wide manner known as the Corporate Asset Management (CAM) Program.

The CAM program requires that all assets, including natural assets and green infrastructure, are treated as essential components in an interrelated system, rather than as isolated parts. Service areas evaluate, enhance, and maintain assets using a common framework and collaborative processes.

CAM is an integrated business approach that relies on well devised strategies, safe and reliable assets, effective stewardship, trained and knowledgeable staff and transparent communication to provide sustainable services that foster a higher quality of life for residents.

The CAM program focuses everyone at the Town on five fundamental goals when managing infrastructure and assets:

- Providing efficient, effective, and sustainable level of service that meet the needs of the community,
- Ensuring that the town has resilient infrastructure assets to reduce impacts of severe weather on the community,
- Ensuring that services keep pace with population, housing and non-residential growth,
- Managing risks and improving safety to the community,
- Committing to continual improvement of the program.

The CAM program is the method by which the Town will ensure sound and effective stewardship of public assets and meet its service commitments to current and future residents in an efficient and sustainable manner.

This asset management approach will support the achievement of the Town of Halton Hills' strategic objectives for efficient and effective infrastructure and asset management. The CAM program will create and maintain clear alignment between the broader corporate objectives, policies, strategies, plans and the day-to-day decisions and activities.

Specifically, the CAM program is committed to the following objectives:

- **Service Focused**

Provide assurance to the community through clearly defined levels of service and adhere to optimal asset management processes and practices, including investment, that are supported by continually updated asset data and performance measures.

- **Innovative**

Continually improve our asset management approach, rededicating ourselves to innovation as new tools, techniques and solutions are developed.

- **Fact-Based Decision Making**

Use of a formal but flexible, consistent, and repeatable approach to cost-effectively manage infrastructure assets through informed decisions on future investments, leveraging AMIS information.

- **Value Realization**

Make value-based decisions between competing factors such as service delivery, asset condition, cost, and risk to select the best scenario for optimal lifecycle value realization using AMIS.

- **Whole Lifecycle Perspective**

Consider the full impact of asset management activities on services, risks, and costs through their whole lifecycle phases from acquisition, operations, maintenance, renewal to disposal.

- **Integrated System Focused**

Evaluate all infrastructure assets, including natural assets and green infrastructure, in terms of their role and value within the context of the greater system, as opposed to examining individual assets in isolation, taking into consideration operating and capital budgets, master plans, official plan, and departmental strategic plans.

- **Forward Looking & Sustainable**

Incorporate social, legislative, environmental, and economic considerations into decisions to adequately address the present and future land use planning framework, to protect and preserve natural areas and green spaces, to enhance biodiversity through environmental stewardship, and to foster a thriving economy.

- **Risk-based**

Comply with all relevant legislative, regulatory, and statutory requirements to minimize risks. Direct resources, expenditures, and priorities in a way that achieves the established levels of service at an acceptable level of risk to build a safe and welcoming community.

The Corporation will provide sufficient training and resources to enable this policy to be achieved.

6. Definition

Asset management is a broad strategic framework that encompasses many disciplines and involves all departments of the Town of Halton Hills, from planning, finance, procurement, engineering, facilities, maintenance to operations. The term asset management, as used in this document, is defined as the application of sound technical, social, and economic principles that consider present and future needs of residents and the service/performance of the assets to guide the Town to achieve its strategic objectives.

The Corporate Asset Management Framework (Appendix A) relies on key organizational strategies, plans and activities aligned with each other to deliver the desired outcomes for core and non-core assets.

- Strategies to manage risk, level of service and communication.

- Asset management strategies for asset lifecycle and data management.
- Planning based on optimized and value-based decision-making model.

Staff will continue to implement the Corporate Asset Management Policy through the operationalization of the Corporate Asset Management Framework.

7. Policy Principles

The key principles of the Asset Management Policy are outlined as follows:

- Take an optimized approach to asset related decisions, including acquisitions, disposals, and value-realization, which considers all revenues and costs (including operation, maintenance, replacement, and decommissioning) and strives to minimize the total life cycle costs of assets.
- Establish organizational accountability and responsibility for asset management, including for asset inventory and data management, asset condition monitoring, asset utilization and maintenance of asset performance levels.
- Define and articulate asset service, maintenance, and replacement levels in relation to service delivery objectives and desired Customer Service outcomes.
- Implement and maximize the utilization of AMIS across all service areas in alignment with the Corporate Technology Strategy to document and share asset data and information and provide essential outputs for effective asset management.
- Minimize risks to asset users, and risks associated with infrastructure and asset failures.
- Integrate corporate, financial, business, and technical requirements in budgetary planning for all asset classes.
- Plan for and provide stable long-term funding through the utilization of capital reserves while aligned with the long-term financial plan.
- Ensure that the Town's asset management planning process is aligned with the in effect provincial policy documents and the Planning Act.
- Ensure coordination with the Region of Halton, area municipalities and other agencies for a holistic asset management system.
- Manage assets in a sustainable manner through the best use of asset management enablers such as data, people, technology, and the implementation of best practices.
- Integrate stakeholder input, climate change impact considerations, environmental goals and social and sustainability objectives into a comprehensive asset management strategy.

- Utilize the Town's Public Engagement Charter to fully involve/engage the public in the CAM process, as applicable.
- Report on the performance of the CAM program for review and approval by Council.

8. Guidelines & Practices

This policy should be implemented by staff to integrate effective asset management within the Town's processes, ensure compliance with regulations and align with industry standards such as ISO 55000:2014 – International Standard for Asset Management.

Asset management plans should be comprehensive, detailing long-term objectives and the strategies necessary for achieving them, while also monitoring established levels of service. These plans should utilize current asset inventories and asset data, assess the risks associated with assets and the impact on the level of service. The plans should also detail replacement portfolios and financial plans while considering alternative scenarios and risks.

9. Context and Integration

The Town will comply with capital asset reporting requirements and ensure that the CAM program is integrated across Town processes. Asset management will be systematically embedded throughout the Town's lines of business and formalized through references and linkages in corporate documents.

Staff will ensure that this policy is considered and integrated into the development of key documents and policies in order to facilitate informed decision-making, including but not limited to:

- Tangible Capital Asset and Asset Retirement Obligation Policies,
- Strategic and Financial Plans,
- Capital and Operational Budgets and Plans,
- Annual Reports, Design Criteria, and Asset Management Plans.

10. Key Roles and Responsibilities

The Corporate Asset Management Policy shall be approved by the Council of the Town of Halton Hills and communicated to the public through the Town's website.

Responsibility for developing and implementing companion guidelines and practices and for enabling the principles of the Corporate Asset Management Policy will rest with Town Staff, as outlined in the table below.

Role	Responsibility
Identification of issues and development of policy updates	<ul style="list-style-type: none"> • CAM Steering Committee • AM Network Team
Exercise stewardship of assets, adopt policy and budgets	<ul style="list-style-type: none"> • Council • Senior Management Team • CAM Steering Committee
Implementation of policy	<ul style="list-style-type: none"> • Senior Management Team • CAM Steering Committee • AM Network Team • Departments
Development of guidelines and practices	<ul style="list-style-type: none"> • CAM Steering Committee • AM Network Team • Departments
On-going review of policies	<ul style="list-style-type: none"> • CAM Steering Committee • AM Network Team



Appendix A – Corporate Asset Management Framework



Corporate Asset Management Framework

