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## Strategic Asset Management Policy

### 1. PURPOSE

The purpose of this Policy is to govern the practice of asset management at the Library.

This Policy brings the City and Library into compliance with the Infrastructure for [Jobs and Prosperity Act, 2015, S.O. 2015, c. 15](#).

The Act was established to encourage principled, evidence-based and strategic long-term infrastructure planning that supports job creation and training opportunities, economic growth and protection of the environment, and incorporate design excellence into infrastructure planning.

### 2. POLICY STATEMENT

The Library Board is committed to continuous improvement and adoption of appropriate practices regarding asset management planning and investment. This policy is part of a broader Asset Management Framework and Plan to ensure the Library has a consistent and coordinated approach to asset management and an alignment with the Library's Strategic Plan and the [City of Brampton's Planning Vision](#) and [Strategic Plan](#).

### 3. DEFINITIONS

- 3.1. Asset** is an item, thing or entity that has potential or actual value to an organization. The value can be tangible or intangible, financial or non-financial and includes consideration of risks and liabilities.
  - 3.2. Asset Information Strategy** means a coordinated effort to ensure convenient access to relevant, reliable, comprehensive and timely information to the Library Board, corporate staff and senior management team.
  - 3.3. Asset Management** is the coordinated activity of an organization to realize value from its assets.
  - 3.4. Asset Capitalization** is an accounting rule whereby an organization making a large asset purchase expense it over a long period of time, such as for the duration of the useful life of the asset. The cost of such an asset is said to be capitalized.
  - 3.5. Corporate Asset Management Strategy and Roadmap** is the set of interrelated and interacting elements that set the Asset Management Policy, Supporting Strategies, Asset Management Plan, processes and asset information systems to ensure that organizational objectives are met. It is the means by which an organization practices the discipline of asset management. The Corporate Asset Management Roadmap represents the Strategy's implementation plan and was endorsed by the City as part of
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the 2016 Corporate Asset Management Plan in December 2016, and amended to reflect Implications of Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure in June 2018.

- 3.6. Corporate Asset Management Plan or Asset Management Plan** is a tactical plan for managing an organization's infrastructure and other assets to deliver an agreed standard of service.
- 3.7. Levels of Service Strategy** means activities undertaken to establish measures of the effectiveness of a particular activity as perceived by customers or in relation to technical standards. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost.
- 3.8. Lifecycle Strategy** means activities undertaken with respect to a municipal infrastructure asset over its service life, including constructing, maintaining, renewing, operating and decommissioning, and all engineering and design work associated with those activities
- 3.9. Risk Management Strategy** is the application of a formal process to assess organizational asset risks in order to determine the resultant ranges of outcomes, their probability of occurrence, and what actions may be cost-effectively taken to reduce the organization's overall risk exposure.
- 3.10. Service Level Asset Management Plan** is an Asset Management Plan which includes assets for a specific service area only.
- 3.11. Supporting Strategy** means a coordinated approach to the development of a specific aspect of the Corporate Asset Management Plan. Supporting strategies will include the Levels of Service Strategy, the Risk Management Strategy, the Lifecycle Strategy, and the Asset Information Strategy at a minimum.

#### **4. LEGISLATIVE AUTHORITY**

[Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure](#) guides municipalities on the implementation of the Act and sets out principles and requirements for Strategic Asset Management Policies and Asset Management Plans.

#### **5. SCOPE**

This Strategic Asset Management Policy will be in line with the City's Strategic Asset Management Policy and will be brought forward for review when appropriate to ensure that it remains current and continues to be a useful guide to the Library Board.

This policy applies to all assets owned or leased by the Brampton Public Library Board. Applicable Assets include:

- a) Any asset supporting the provision of library services
- b) Assets that are co-owned with other governmental agencies, including the Region of Peel

## 6. OUTCOMES

- 6.1 The Library proactively plans for growth and meets the agreed service levels in the most efficient and effective way possible through asset lifecycle management.
- 6.2 Community expectations, sustainable development, and the actual needs of existing and future assets are prioritized and aligned to manage service level expectations.
- 6.3 Library's financial, infrastructure, and property use goals and objectives are sound.

## 7. PRINCIPLES

The Library will strive to incorporate the following principles into the preparation of asset management strategies and plans, as well as into its day to day operations.

- 7.1 **Service focused:** The Library will consider all the assets in a service context and take into account their relationship with the City as opposed to optimizing individual assets in isolation.
- 7.2 **Risk-based:** The Asset Management Plan will aim to preserve the continuity of core public services, and will consider disaster mitigation potential in its risk management approach. It will aim for a balance between established levels of service and the amount of acceptable risk in order to manage available resources, required expenditures, and current priorities.
- 7.3 **Whole-Life Perspective:** The Library will strive to provide value to the community by achieving the lowest total cost of ownership over the lifetime of any major capital asset purchase. The Asset Management Plan will take into account the full financial impact of managing an asset from acquisition to disposal with an aim to minimizing the total lifecycle cost; considering interrelated influences, such as environmental, health and safety, regulatory compliance and operational efficiency drivers.
- 7.4 **Evidence-Based Decision-Making:** Asset decisions will be based on an optimized asset management approach centred on reliable asset data, risk management and whole lifecycle management, with consideration for industry standards and emerging trends. Asset investment priority and project planning are to be based on a robust, formal and consistent process when evaluating competing business factors to ensure that a defensible outcome is achieved.
- 7.5 **Forward Looking:** The Library shall take a long-term view while considering demographic trends in the broader region. The Asset Management Plan will strive for alignment with the Library's Strategic Plan and all Board endorsed master plans, and significant provincial or federal plans and initiatives affecting growth and service level demand.
- 7.6 **Budgeting and Planning:** The Library shall take into consideration any applicable budgets or fiscal plans, such as fiscal plans released under the [Fiscal Transparency and Accountability Act, 2004, S.O. 2004, c. 27](#) and budgets adopted under Part VII of the [Municipal Act, 2001, S.O. 2001, c. 25](#). The asset management plans and progress

made on the plans will be considered annually in the creation of the Library's capital budgets, operating budgets, and long-term financial plans.

- 7.7 Prioritizing:** The Library shall clearly identify infrastructure priorities which will drive investment decisions.
- 7.8 Consistent:** The Library shall ensure the continued provision of core public services.
- 7.9 Economic development:** The Library shall promote economic competitiveness, productivity, job creation, and training opportunities.
- 7.10 Health and safety:** The Library shall ensure that the health and safety of the staff, general public and workers involved in the construction and maintenance of infrastructure assets are protected. In addition, community health and safety will be considered in all asset related decisions.
- 7.11 Innovative:** The Library shall create opportunities to make use of innovative technologies, services, and practices, particularly where doing so would utilize technology, techniques, and practices developed in Ontario.
- 7.12 Transparent:** The Library is committed to providing opportunities for residents, staff and other interested parties to provide input into its asset management planning.
- 7.13 Environmentally conscious:** The Library shall minimize the impact of infrastructure on the environment by respecting and maintaining ecological and biological diversity, by augmenting resilience to the effects of climate change, and by endeavouring to make use of acceptable recycled aggregates.
- 7.14 Community focused:** The Library shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as local job creation and training opportunities, improvement of public spaces within the community, and promoting accessibility for persons with disabilities, and any specific benefits identified by the community. To that extent, the Library will consider social and community impacts when making long term decisions on asset investment priorities.

## 8. REQUIREMENTS

- 8.1** Asset Management Plans must meet the requirements of [Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure](#), and comply with the related [Provincial Guide on Asset Management Planning](#).
- 8.2** The Library Board must comply with legislation, regulatory and statutory requirements and consider these requirements as an integral part of the lifecycle strategy while undertaking asset design, procurement, construction, operations, maintenance and disposal.
- 8.3** The Library Board will coordinate planning for asset management where Library's infrastructure assets connect, or are interrelated with those of the City.

- 8.4** Asset capitalization will be based on the value and risk that the asset provides in relation to service delivery, rather than on a specific capitalization threshold developed for the purposes of financial reporting. Asset capitalization methodologies will be reviewed from time to time, both for assessing the level of capitalization and in concert with related asset policies.
- 8.5** The Asset Management Plan shall be reviewed and approved by the Library Board at a minimum every five years to ensure continuous improvement and adoption of appropriate practices regarding asset management.
  - 8.5.1** Staff shall report to the Board on an annual basis on:
    - 8.5.1.1** Progress made on the development of the Asset Management Plan, in accordance with the role of the Board as prescribed in Section 7.1
    - 8.5.1.2** State of the Local Infrastructure and asset sustainability
- 8.6** Subject to any prohibition under an Act or otherwise by law on the collection, use, or disclosure of information, management shall make decisions with respect to infrastructure based on information that is publicly available or made available to the public, and share information with implications for infrastructure planning and investment decisions with other levels of government and broader public sector entities.
- 8.7** Notwithstanding the requirements mentioned in this policy, management must adhere to the specific existing acts, standards, plans, principles and regulatory requirements.

## **9. ROLES AND RESPONSIBILITIES**

### **9.1. Library Board will:**

- 9.1.1.** Approve by resolution the Asset Management Plan and its updates every five years;
- 9.1.2.** Review progress on the implementation of an Asset Management framework on an annual basis;
- 9.1.3.** Support the implementation of the Asset Management Plan and ongoing efforts to improve the Plan and ensure it includes changes necessitated by the updates to other strategic documents;
- 9.1.4.** Endorse the Strategic Asset Management Policy and the Corporate Asset Management Plan.

### **9.2. CEO and Director, Business Management & Operations**

- 9.2.1.** Is a member of the Asset Management Steering Committee
- 9.2.2.** Develop the Corporate Asset Management Plan for Library Board consideration
- 9.2.3.** Lead and coordinate efforts to implement the Corporate Asset Management strategy, roadmap and supporting strategies
- 9.2.4.** Collaborate with the Asset Management Steering Committee in providing

strategic advice to the City's and Library's senior leadership team

- 9.2.5.** Maintain compliance with the Asset Management Policy and Ontario Regulation 588/17: Asset Management Planning for municipal infrastructure.

**9.3. Asset Management Steering Committee**

This is a City committee of service area directors which includes the Library's Director, Business Management & Operations, that will:

- 9.3.1.** Provide executive direction and advice and ensure compliance with the regulatory requirements;
- 9.3.2.** Sponsor the implementation of the City's and Library's Corporate Asset Management Strategy and roadmap and supporting strategies; and,
- 9.3.3.** Represent departments in providing overall guidance and approval of Asset Management Plans.

**10. MONITORING AND COMPLIANCE**

**10.1.** This Policy will be reviewed in accordance with all relevant library policies, the [Public Libraries Act, R.S.O. 1990, c. P44](#), and the City's Corporate Governing Policy.

**10.2.** Compliance will be monitored through the Board's annual review of asset management planning progress and will address:

- 10.2.1.** Library's progress in implementing its Asset Management Plan
- 10.2.2.** Factors impeding the Library's ability to implement its Asset Management Plan
- 10.2.3.** A strategy to address the factors in b) above including the adoption of appropriate practices

**10.3.** Consequence of Non-Compliance

Failure to adhere to this policy may result in:

- 10.3.1.** The risk that the Library is not investing in safe and reliable infrastructure at the most optimal times in the asset's life cycle. This risk potentially compromises the safety and service delivery provided by the Library's assets.
- 10.3.2.** The risk of sub-optimal planning for growth, maintenance and replacement of existing assets and the development of new assets. The risk potentially compromises the Library's ability to meet expected levels of service.
- 10.3.3.** Conflicting business unit investment priorities, poor coordination of delivery of service, corporate inefficiencies, and lack of expenditure optimization.
- 10.3.4.** Capital plans that are inconsistent with the needs identified in the asset management plans, thus increasing the infrastructure gap. This risk potentially compromises the alignment of infrastructure, financial, and land-use goals and objectives and the ability to achieve fiscal sustainability.

## 11. EXTERNAL RESOURCES

[Jobs and Prosperity Act, 2015, S.O. 2015, c. 15](#)

[City of Brampton's Planning Vision](#)

[Strategic Plan](#)

[Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure](#)

[Fiscal Transparency and Accountability Act, 2004, S.O. 2004, c. 27](#)

[Municipal Act, 2001, S.O. 2001, c. 25](#)

[Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure](#)

[Provincial Guide on Asset Management Planning](#)

[Public Libraries Act, R.S.O. 1990, c. P44](#)

This policy is available in alternative formats upon request.