



Corporation of the Township of Howick

Strategic Asset Management Policy

Policy Statement

The Corporation of the Township of Howick is committed to managing its assets to effectively deliver municipal services to the residents of Howick. It strives to do so while supporting sustainability and economic development and establishing prudent financial plans and decision-making processes to maintain and replace assets effectively and efficiently. The main objective of this policy is to provide a framework to manage assets consistently and strategically, to meet regulatory requirements and to provide guidance to Council and all staff responsible for asset management in the Township of Howick. This policy will explain the principles and approach for the management of assets.

Policy Vision/Goals

The policy will align asset management processes with the annual budget process, financial planning objectives, and overall Township goals and ideals and be instrumental in the creation of long-term plans for the operation and replacement of assets and the costs related to these activities.

Policy Purpose and Scope

Asset management applies to all tangible assets including roads, bridges, buildings, facilities, vehicles and equipment owned, operated and/or maintained by the Township of Howick. This policy is in place to establish consistent standards and guidelines for the management of these assets including planning, commissioning, maintenance and disposal, considering present and future needs of users, the levels of service expected, the lifecycle costs anticipated and life expectancy for these assets.

The following is a list of assets considered within the policy:

Service Provided to Howick Residents	Asset Group	Asset Type
Flood Protection	Drainage Infrastructure	Pipes, culverts, natural assets
Transportation	Transportation Infrastructure	Roads, bridges, culverts, streetlights, sidewalks and general equipment
Parks and Recreation	Recreational Infrastructure	Parks, playfields and playgrounds
Community/Civic Facilities	Buildings	Municipal office, Public Works shop, Fire hall, recreational and cultural and community buildings and halls
Emergency Response	Vehicles	Fire trucks, heavy equipment, snow ploughs
Support	IT Infrastructure	Hardware and software utilized by municipal staff

Policy Principles

The key guiding principles of the asset management policy in accordance with the Jobs and Prosperity Act, 2015 are as follows:

- **Forward Looking** – the Township of Howick shall take a long-term view while considering demographic and economic trends in the township.
- **Budgeting and Planning** – the Township of Howick shall take into account all applicable budgets and/or fiscal plans, such as fiscal plans released under the Fiscal Transparency and Accountability Act, 2004 and Part VII of the Municipal Act, 2001.
- **Prioritizing** – the Township of Howick shall clearly identify infrastructure priorities which will drive investment decisions.
- **Economic Development** – the Township of Howick shall promote economic competitiveness, productivity, job creation, and training opportunities.
- **Transparency** – the Township of Howick shall be evidence-based and transparent. Additionally, subject to any prohibitions under an Act or otherwise by law on the collection, use, or disclosure of information, the municipality shall:
 - make decisions with respect to infrastructure based on information that is publicly available or made available to the public;
 - share information with implications on infrastructure and investment decisions with the Government and broader public sector entities.
- **Consistency** – the Township of Howick shall ensure the continued provision of core public services within our jurisdiction.
- **Environmentally Conscious** – the Township of Howick shall minimize the impact of infrastructure on the environment by:
 - respecting and helping maintain ecological and biological diversity;
 - augmenting resilience to the effects of climate change; and,
 - endeavouring to make use of acceptable recycled aggregates.

- **Health and Safety** – the Township of Howick shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- **Community Focused** – the Township of Howick shall promote community benefits including supplementary social and economic benefits that are intended to improve the well-being of the community affected by an infrastructure project, such as:
 - local job creation and training opportunities;
 - improvement of public space within the community;
 - ensuring health and safety of public utilizing Township assets;
 - promoting accessibility for persons with disabilities.
- **Innovation** – the Township of Howick shall create opportunities to make use of innovative technologies, services and practises, particularly where doing so would utilize technology, techniques, and practices developed in Ontario.
- **Integration** – the Township of Howick shall, where relevant and appropriate, be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under the Act or otherwise in planning and making decisions surrounding the infrastructure that supports them.

The Township of Howick’s vision to maintain a safe community with sustainable growth requires alignment of the many initiatives underway in our municipality at any given time. This alignment is necessary to properly consider whether the level of service provided by the Township’s existing and planned assets is congruent and supports our vision.

Asset management planning therefore will not occur in isolation from other municipal goals, plans and policies. An integrated approach will be followed to successfully develop practical asset management plans that align with the overarching accountabilities and aspirations of our community. The elements of the Township of Howick asset management planning approach keep us mindful of the goals described in our Strategic Plan, respect our borrowing policy, and leverage our zoning and official plans and financial plans.

Specific management principles established for the Township of Howick include the following:

- **Service Delivery** – the Township of Howick shall establish defined levels of service to balance community expectations and regulatory requirements to maintain the confidence that assets are being managed effectively and efficiently. Levels of service objectives will be monitored and reviewed to ensure they meet and/or support the needs of the community, council expectations and strategic objectives.
- **Sustainability** – the Township of Howick decision-making process in relation to assets will consider both current and future needs; look at the challenges associated with changing community demographics and possible changes to expectations for service delivery; the probability of legislative changes; the effects of climate change; sociocultural changes; and environmental and economic changes.

- **Fiscal Responsibility** – the Township of Howick will develop and maintain appropriate plans for:
 - infrastructure renewal;
 - for the purchase and construction of new infrastructure;
 - for the decommissioning or disposal of redundant assets.

These plans will address investment considerations, budgetary constraints and considerations. They will analyze and review funding requirements to put in place mechanisms to ensure long-term financial sustainability.

- **Continual Improvements** – the Township of Howick will monitor and review the existing asset management processes for effectiveness and look for improvements wherever possible taking advantage of newly developed tools, techniques and solutions that best suit the needs of the Township. Asset management staff will be encouraged to seek education and training to better their understanding of asset management and policies and strategies reviewed every four to five years to ensure completeness.
- **Affordability** – the Township of Howick will put in place practices, interventions and operations with the aim at reducing lifecycle costs related to assets while ensuring level of service standards are maintained and balanced with associated risks and costs.
- **Capitalization Thresholds** – the Asset Management Policy applies to all assets whose role in service delivery requires methodical management by the Township of Howick. The service-focus intent of this policy clearly recognizes the differences between the inclusion of assets and the capitalization thresholds which are developed for financial reporting purposes. The capitalization thresholds developed for financial reporting will not dictate the assets covered in the asset management planning process.

Policy Governance

This policy requires the commitment of key stakeholders within the Township of Howick organizational structure. The following outlines the responsibilities of these stakeholders:

Council – as elected officials, representative of the residents of Howick, Council will be responsible for approving an asset management policy and plan and ensuring it is updated every five (5) years. Council will be required to:

- conduct annual reviews (on or before July 1st of every year) and must comment on the Township of Howick's progress in implementing asset management plans;
- recognize any factors impeding these efforts;
- establish a strategy to address these factors.

Council's review will also help to ensure funding and resources are in place to support the services the Township of Howick provides and that support efforts are geared towards long-term financial planning and continuous improvements to the asset management plan and policy.

Management – the Treasurer will ensure the Township maintains compliance with the asset management policy and Provincial asset management regulations, and assist department heads to oversee asset management planning activities that fall within their service area to ensure they are in line with the plans and policies in place for the Township of Howick.

Policy Guidelines and Practices

Financial Considerations

The Asset Management Plan will be considered annually in the creation of the Township of Howick's capital budget, operating budget and long-term financial plan.

Department Heads will reference the asset management plan to look up forecasted spending needs, verify progress made on the plan, prioritize spending needs and identify any gaps in the plan. This effort will help to clarify potential revenues and costs, evaluate and verify the need for the new asset, and establish funding strategies accordingly.

The budgets prepared by the department heads will then be reviewed with the Treasurer to recognize and adjust for any gaps between the financial strategy developed in the asset management plan and to ensure alignment between departments and a finalized all-encompassing budget report presented to Council accordingly.

Community Planning

The Asset Management Plan will be aligned with the Township of Howick's Official Plan and Provincial policies related to planning in that it will reflect how the community is projected to change and the related asset impacts resulting from this change. Department Heads responsible for managing services directly affected by these changes will be consulted during the planning stage, provide input related to future servicing considerations and provide comment about the viability of these types of developments as it pertains to the services they manage. Methods, assumptions, and data used in the selection of development or re-development initiatives will be available in support of asset management plans.

Climate Change Considerations

The Township of Howick will consider climate change implications as part of its asset management planning processes. The Township will identify the vulnerabilities that may be caused by climate change and how these will affect the assets, what maintenance is required in response to these vulnerabilities and the levels of service and lifecycle management adaptations required to manage the risk resulting from climate change. In doing so, the Township of Howick will be able to better anticipate the costs that could arise, the adaptations that may be necessary, and consider disaster planning and contingency funding.

Stakeholder Engagement

The goal of the Township of Howick is to efficiently and effectively provide the residents, businesses, and institutions (stakeholders) in the township the municipal services they require within the bounds of regulatory requirements, the built environment and the natural environment. To achieve this goal the Township of Howick must understand the needs of the community and coordinate planning efforts for asset management, including those assets that are interrelated with other assets owned by Huron County, neighbouring municipalities and/or jointly-owned municipal bodies, while providing opportunity to all stakeholders to provide input in asset management planning activities. Open discussions will be necessary to establish realistic levels of service, willingness to pay and stakeholder tolerance of risk.

Summary

This Strategic Asset Management Policy requires the commitment of all stakeholders within the Township of Howick including Council, staff, local board and committee members, and residents.

The Township of Howick wishes to maintain a safe community, promote sustainable growth, and establish levels of service to maintain our existing services and to help to promote the Township, sustain accountability, continue economic development and improve communications with all stakeholders.